

# Earnings Release

## 1Q13

---

# BRMALLS

### Investor Relations:

Leandro Lopes  
CFO and IRO

Derek Tang  
Manager

Eduardo Siqueira  
Coordinator

Juliana Lamberts  
Trainee

[ri@brmall.com.br](mailto:ri@brmall.com.br)  
Tel: +55 21 3138-9900  
Fax: +55 21 3138-9901

### 1Q13 Conference Call:

English

May 8th, 2013  
10:00 a.m. (US ET)  
Tel: +55 11 3301-3000

Replay

Tel: +55 (11) 3127-4999  
Passcode: 46589429

## BRMALLS REPORTS ITS RESULTS FOR THE FIRST QUARTER OF 2013.

Rio de Janeiro, May 7th, 2013 – BRMALLS Participações S.A. (BM&FBovespa: BRML3), the largest integrated shopping mall company in Brazil, announces today its results for the first quarter of 2013 (1Q13). BRMALLS has a portfolio of 51 malls, comprising 1,631.1 thousand m<sup>2</sup> of gross leasable area (GLA) and 945.4 thousand m<sup>2</sup> of owned GLA. BRMALLS currently has 5 greenfield projects and 6 expansion projects in development that together will increase its total GLA to 1,918.0 thousand m<sup>2</sup> and its owned GLA to 1,110.3 thousand m<sup>2</sup> by 2015, an increase of 17.6% and 17.4%, respectively, compared to the current portfolio. BRMALLS is the only shopping mall company in Brazil with a nationwide presence that caters to consumers from all income segments. The Company provides management and leasing services for 44 malls.

1Q13 Highlights and Subsequent Events:

- In the first quarter of 2013 **net revenue** was **R\$290.0 million**, increasing by 19.1% from the same quarter of 2012.
- **NOI** was **R\$264.8 million** in 1Q13, increasing 21.6% from 1Q12. **NOI margin** in the period was **90.3%**.
- In 1Q13, **adjusted EBITDA** grew by 9.3%, compared to the same quarter of 2012, reaching R\$222.3 million. Excluding the nonrecurring gains from selling Shopping Pantanal in 1Q12, adjusted EBITDA grew in the quarter 17.7%. **Adjusted EBITDA margin** in the quarter was 76.6%.
- **Adjusted FFO** grew by **1.9%** from 1Q12 to reach **R\$91.9 million** in the quarter. Excluding the nonrecurring gains related to the sale of Shopping Pantanal in 1Q12, Adjusted FFO in the quarter grew by **14.1%**. **AFFO margin** reached **31.7%** in 1Q13.
- Total **sales** in the shopping malls of BRMALLS totaled to **R\$4.6 billion** in the first quarter of 2013, increasing by **14.0%** from the same period of 2012.
- We continue to register strong performance in **same store rent**, which grew by **11.1%** in 1Q13 and has presented a consistent improvement over the last 4 quarters. **Same store sales** grew by **7.5%** from the strong comparison base of 1Q12.
- In 1Q13, we registered a strong **leasing spread for contract renewals** of 21.1% and a **leasing spread for new contracts** of 19.3%.
- Occupancy at our malls remained high during 1Q13, with an average **occupancy rate of 97.9%**, compared to 97.4% in 1Q12. Excluding the malls acquired and opened in the last 12 months, the occupancy rate was 98.1%. In 1Q13, of the 51 malls in which the Company holds interests, 24 had more than 99% of their GLA leased.
- In January 2013, BRMALLS began to **manage** and **lease Natal Shopping**, which has 17.4 thousand m<sup>2</sup> of GLA and is the dominant mall in the city of Natal. The mall was renovated in 2009 and has an expansion project, which should open by 3Q13 and will add 9.7 thousand m<sup>2</sup> to the mall's total GLA. With Natal Shopping, the number of **managed malls** by BRMALLS increased to **42**. Natal Shopping is the 4<sup>th</sup> mall to be managed by the company in the country's Northeast region.
- The Company lowered the interest rate of the Real Estate Certificates (CRIs) for the acquisition of Shopping Tijuca from TR +10.7%p.a by 0.8p.p, to TR +9.9%p.a. This renegotiation has a positive NPV, net of costs of R\$25.0 million. With this renegotiation the Company will add another R\$623.2 million to the amount of debt renegotiated, for a total of more than R\$1.4 billion in liability management since 2012.
- On April, 2013, 40,000 registered, book-entry, non-convertible debentures of BRMALLS were issued in the total amount of R\$400.0 million. The debentures have a term of 3 years as from the issue date and a rate of CDI + 0.62%, in line with our liability management policy.
- In May 2013, we opened Plaza Niteroi expansion. The expansion added 10.5 thousand m<sup>2</sup> of total and owned GLA to our portfolio. We expect the project to generate R\$26.0 million in stabilized NOI for BRMALLS, and an IRR, real and unleveraged, of 18.6%.

## Financial Highlights (R\$ 000) - Adjusted Financial Information

	1Q13	1Q12	%
Net Revenues	290,039	243,565	19.1%
S, G & A Expenses	42,829	35,539	20.5%
S, G & A Expenses (% of Gross Revenues)	13.6%	13.6%	0.0%
NOI	264,791	217,765	21.6%
margin%	90.3%	90.5%	-0.2%
Gross Profit	261,391	221,286	18.1%
margin %	90.1%	90.9%	-0.8%
EBITDA	220,082	201,991	9.0%
Adjusted EBITDA	222,310	203,368	9.3%
margin%	76.6%	83.5%	-6.9%
Net Income	59,385	113,521	-47.7%
Adjusted Net Income	89,351	89,773	-0.5%
margin %	30.8%	36.9%	-6.1%
FFO	61,973	116,061	-46.6%
Adjusted FFO	91,939	90,225	1.9%
margin %	31.7%	37.0%	-5.3%

## Operating Highlights

	1Q13	1Q12	%
Total GLA (m²)	1,620,627	1,423,188	13.9%
Owned GLA (m²)	934,912	804,736	16.2%
Same Store Sales per m²	1,079	1,004	7.5%
Total Sales (R\$ million)	4,638	4,068	14.0%
Sales per m²	1,167	1,002	16.5%
Sales per m² (stores up to 1,000 m²)	1,405	1,432	-1.9%
Same Store Sales per ft² (US\$) (stores up to 1,000 m²)	822	994	-17.3%
Same Store Rents per m²	105	95	11.1%
Rent per m² (monthly average)	85	89	-3.6%
NOI per m² (monthly average)	100	100	-0.2%
<b>Occupancy Cost (% of sales)</b>	<b>11.3%</b>	<b>11.2%</b>	<b>0.1%</b>
(+) Rent (% of sales)	6.8%	6.6%	0.2%
(+) Condominium and Marketing expenses (% of sales)	4.5%	4.6%	-0.1%
Occupancy (monthly average)	97.9%	97.4%	0.5%
Net Late Payments	1.8%	2.1%	-0.3%
Late Payments - 30 days (monthly average)	4.3%	4.6%	-0.3%
Tenant Turnover	5.5%	5.6%	-0.1%
Leasing Spread (renewals)	21.1%	24.9%	-3.8%
Leasing Spread (new contracts)	19.3%	20.3%	-1.0%

## Market Indicators

	1Q13	1Q12	%
Number of Shares (-) treasury stock	457,054,762	452,909,582	0.9%
Average Share Price (R\$)	26.11	21.08	23.9%
Share Price - end of period (R\$)	24.66	23.16	6.5%
Market Value - end of period (R\$ million)	11,269	10,775	4.6%
Average Daily Traded Volume (R\$ million)	82.7	46.3	78.7%
Average Number of Trades	9,183	6,638	38.3%
Exchange Rate (US\$) - end of period	2.02	1.83	10.7%
Net Debt (R\$ million)	3,702.3	2,752.8	34.5%
NOI per share	0.58	0.48	20.7%
Net Income per share	0.13	0.25	-48.2%
Investment Property (R\$ million)	16,187,581	12,456,634	30.0%

**Management Comments:**

BRMALLS reported great performance in the first quarter of 2013, despite the country's weak economic growth. Our results reinforce the resilience of our business and of our portfolio. As observed in 2008/2009, even with the economy growing close to zero for several quarters, we are constantly reporting great operational and financial indicators.

Our same store sales (SSS) grew 7.5% and same store rent (SSR) grew 11.1%, compared to the same period of 2012. Our SSR shows a constant evolution for the last 4 quarters. Other indicators also were highlights in the quarter, such as late payments and net late payments, both decreasing by 0.3%p.p compared to 1Q12. The occupancy rate increased in 0.5p.p, reaching 97.9% in 1Q13. The proportion of marketing and condominium expenses over sales reduced 0.1p.p, reaching 4.5%, compared to the first quarter of 2012. This reduction provided more space for rent increase, of 0.2p.p, reaching 6.8%, compared to 1Q12. This result is an outcome of our efforts in optimizing condominium costs of our malls.

NOI grew by 21.6%, reaching R\$264.8 million, and a margin of 90.3%. Same mall NOI grew 12.4%, compared to 1Q12. Adjusted EBITDA totaled R\$222.3 million, 9.3% above 1Q12, and a 76.6% margin. Excluding the nonrecurring effect of the sale of Shopping Pantanal, in 1Q12, adjusted EBITDA grew 17.7%.

In this quarter, NOI by acquired malls since 2006 reported a real growth of 26.2% above what was planned for 1Q13. In addition, we began to manage and lease Natal Shopping, increasing the number of assets managed by the company to 42, which contributes to economies of scale.

We have 5 greenfield projects in progress which should add 206.9 thousand m<sup>2</sup> of total GLA and 6 expansions, expected to add 80.0 thousand m<sup>2</sup> of total GLA. As a subsequent event, we opened the expansion of Plaza Niterói on May 3<sup>rd</sup>, with 10.5 thousand m<sup>2</sup> of total and owned GLA. It is expected to generate R\$26.0 million of stabilized NOI and an IRR, real and unleveraged, of 18.6%. Plaza Niterói is one of the main NOI generators in the company, besides having one of the biggest sales/m<sup>2</sup> in the country. This expansion reinforces even more the mall mix and its dominance.

The Company lowered the interest rate of the Real Estate Certificates (CRIs) for the acquisition of Shopping Tijuca from TR +10.7%p.a by 0.8p.p, to TR +9.9%p.a. This renegotiation has a positive NPV, net of costs of R\$25.0 million. With this renegotiation the Company will add another R\$623.2 million to the amount of debt renegotiated, for a total of more than R\$1.4 billion in liability management since 2012. We ended the quarter with an average cost of debt of IGP-M +5.6p.p, a reduction of 0.2p.p compared to 1Q12.

As a subsequent event, in April, we concluded important marketing campaigns, benefiting from our portfolio's national presence, with Angry Birds. Our intention is to provide customers with a real world experience of the brand. and increase footfall of children and adults, as well as increasing customer loyalty. The campaign will reach 33 malls with three park models for one year, being exclusive in the cities in which we have shopping malls and it is the first time in the world that such campaign is done.

We remain optimistic with our performance for the rest of 2013, despite the adverse macroeconomic environment. We will open one mall of 35.6 thousand m<sup>2</sup> of total GLA in 2013, in addition to two expansions, Shopping Rio Anil and Natal Shopping. We continue to pursue opportunities for creating value in our existing malls, as well as focusing in improving internal processes and systems, seeking an increase in productivity.

Except where stated otherwise, the following financial and operating information is presented on a consolidated basis and in Brazilian Real (R\$) and the comparisons are with the first quarter of 2012. The financial information is presented in accordance with the practices adopted in Brazil based on the pronouncements issued by the Accounting Pronouncements Committee (CPC) and the standards approved by the Securities and Exchange Commission of Brazil (CVM) and the International Financial Reporting Standards (IFRS), except the effects from the adoption of the pronouncements CPC 19 (R2) and CPC 36 (R3) – IFRS 10 and 11.

Therefore, the adjusted financial information presented herein reflects the proportional consolidation of the jointly controlled companies, as presented prior to the adoption of said standards, since it is considered by the management of the Company as the best way to analyze its operations.

The adjusted financial information was not audited and/or reviewed by the independent auditors and the reconciliations with the reviewed financial information in accordance with the applicable accounting practices are available at the end of this document.

## MANAGEMENT COMMENTS ON THE 1Q13 RESULTS

### Gross Revenue:

Gross revenue amounted to R\$314.4 million in 1Q13, increasing R\$52.2 million or 19.9% from the same quarter a year ago. The gross revenue growth in the period is basically explained by the following factors:

#### Base Rent

In the quarter, base rent revenue increased by 15.1% from the same quarter a year ago to reach R\$178.8 million. The increase in this line is explained by the high leasing spread in recent quarters and the addition of GLA in the last 12 months, during which period 3 shopping malls were opened and 3 new shopping malls were acquired. These malls generated base rent revenue of R\$15.4 million, or 8.6% of the total in the period. In 1Q13, same-store rent grew by 11.1%. The rent straightlining effect in the quarter was R\$8.6 million, compared to R\$14.1 million in 1Q12.

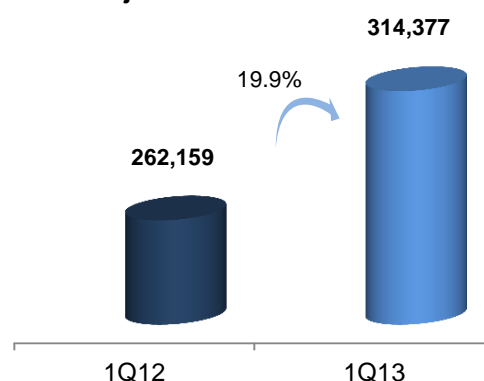
#### Overage Rent

Overage rent revenue amounted to R\$16.4 million in the quarter, increasing by 18.2% on the year-ago quarter. This increase is explained by the growth in tenants' total sales and especially the opening and acquisition of projects in the last 12 months. In 1Q13, 51.8% of overage rent revenue was due to auditing efforts.

#### Key Money

Key Money amounted to R\$13.7 million, increasing by 45.3% or R\$4.2 million from 1Q12. Over the last 12 months, the Company began leasing services for another six assets, increasing to 44 the number of malls for which BRMALLS provides leasing services. The straightlining impact on key money was R\$9.7 million in 1Q13.

### Gross Revenues Growth (R\$ thousand) - Adjusted Financial Information



#### Service Revenue

In 1Q13, revenue from services provided amounted to R\$21.0 million, in line with the year-ago period. The quarter benefitted from the provision of services involving the leasing of malls and the development of three projects opened in the last 12 months. Excluding the revenue from services involving these three malls, revenue from services grew by 10.8%. We currently provide management services to 42 malls, leasing services to 44 malls and the Shared Services Center (CSC) provides services to 35 malls.

### Gross Revenues Breakdown (R\$ thousand) - Adjusted Financial Information

	1Q13	1Q12	%
Base Rent	178,805	155,318	15.1%
Overage Rent	16,411	13,882	18.2%
Mall & Mídia	30,010	22,611	32.7%
Parking	51,521	37,779	36.4%
Services	21,006	21,593	-2.7%
Key Money	13,732	9,452	45.3%
Transfer Fee	1,564	701	123.0%
Others	1,328	823	61.4%
<b>Gross Revenue</b>	<b>314,377</b>	<b>262,159</b>	<b>19.9%</b>

## Parking Revenue

We continued to register strong growth in the Parking revenue line, which this quarter increased by 36.4% from the year-ago period to reach R\$51.5 million. Growth in parking revenue on a same-property basis was 25.7%.

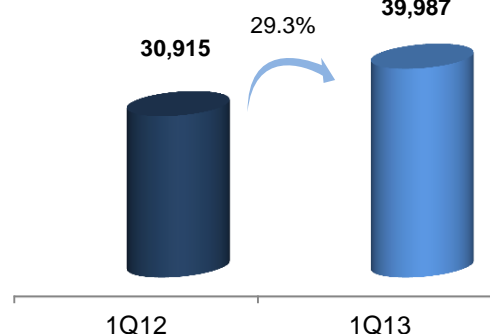
Growth in this line mainly reflected the optimization of parking rates, higher vehicle flows and the higher number of parking operations resulting from the acquisition and opening of 6 new malls. Malls acquired or inaugurated in the last 12 months accounted for 8.2% of parking revenue in 1Q13.

Parking NOI amounted to R\$40.0 million in 1Q13, increasing by 29.3% or R\$9.0 million.

## Transfer Fees

The revenue line that posted the strongest growth in 1Q13 was Transfer Fees, which amounted to R\$1.6 million in 1Q13, or 123.0% more than in the year-ago quarter. The growth in this revenue line reflects the increased efforts by the Company to improve the mix at existing shopping malls, seeking to offer consumers the best experience.

## Parking NOI Evolution (R\$ thousand) - Adjusted Financial Information



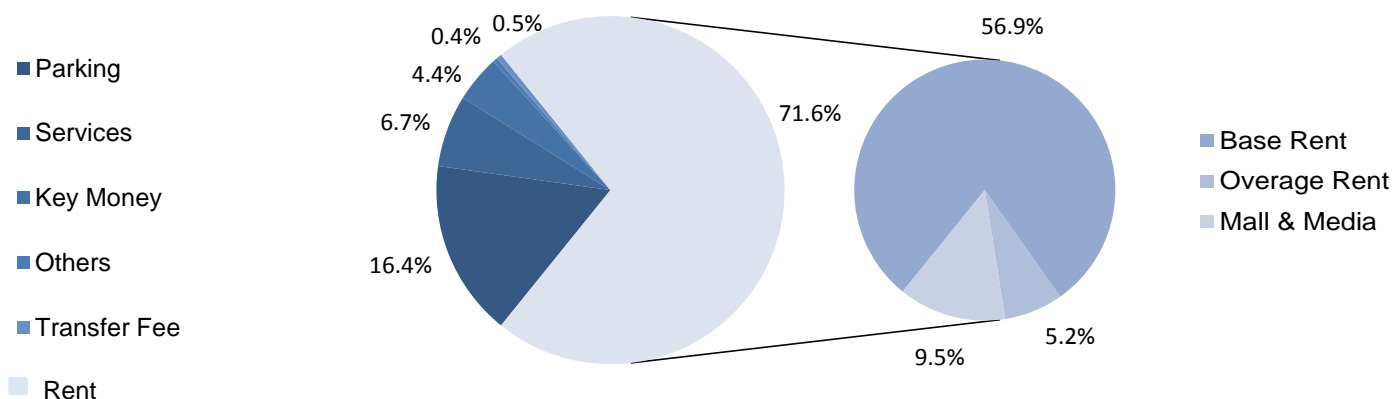
## Mall & Media

We continued to register strong growth in the Mall & Media revenue line, which increased by R\$7.4 million or 32.7% from the year-ago quarter to reach R\$30.0 million.

Mall & Media revenue has posted strong growth of more than 30% over the last 10 quarters to further expand its share of total rent revenue. In 1Q13, it registered one of the strongest growth rates of any revenue line, benefitting from the scale gains in our portfolio of 51 shopping malls.

In 1Q13, Mall & Media revenue accounted for 9.5% of gross revenue, with this share increasing 0.9 p.p. from 8.6% in the year-ago period.

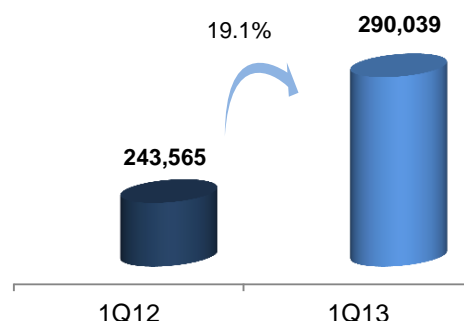
## Gross Revenues Breakdown 1Q13 - Adjusted Financial Information



### Net Revenues:

In 1Q13, net revenue amounted to R\$290.0 million, increasing by 19.1%, when compared to the same quarter of 2012.

### Net Revenues Growth (R\$ thousand) - Adjusted Financial Information



### Costs:

In 1Q13, rent and service costs amounted to R\$28.6 million, increasing 28.6% when compared to 1Q12. The main cost variations were due to:

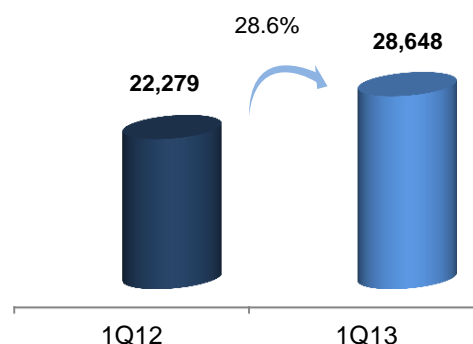
#### Personnel Costs

Personnel costs increased by 15.2% to R\$7.5 million. The increase was mainly due to auditing efforts, which accounted for 51.8% or R\$8.1 million of overage rent revenue.

#### Common Costs

Common costs increased by 26.5% to R\$3.6 million in the quarter mainly due to implantation of new malls into the portfolio.

### Cost Growth (R\$ thousand) - Adjusted Financial Information



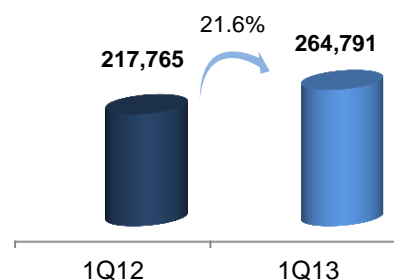
### NOI:

NOI amounted to R\$264.8 million in the first quarter of 2013, increasing by R\$47.0 million or 21.6% from the same quarter last year. NOI margin in the period was 90.3%.

### NOI Reconciliation (R\$ thousand) - Adjusted Financial Information

	1Q13	1Q12	%
Gross Revenue	314,378	262,159	19.9%
(-) Services	(21,006)	(21,593)	-2.7%
(-) Costs	(28,648)	(22,279)	28.6%
(+) Araguaia Debenture	2,228	1,377	61.8%
(-) Presumed Credit PIS/COFINS	(2,161)	(1,899)	13.8%
<b>NOI</b>	<b>264,791</b>	<b>217,765</b>	<b>21.6%</b>
Margin %	90.3%	90.5%	-0.2%

### NOI Growth (R\$ thousand) - Adjusted Financial Information



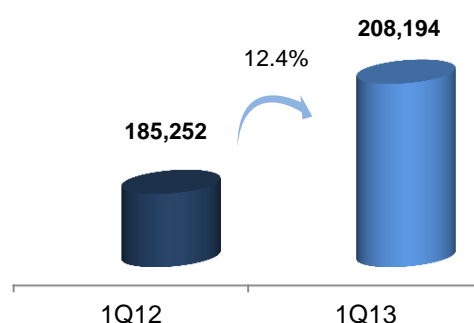
NOI\* and Total Tenants' Sales by Mall (R\$ million) - Adjusted Financial Information

	NOI 1Q13	Sales 1Q13
1 Shopping Tijuca	21,818	171,914
2 Plaza Niterói	21,202	178,171
3 NorteShopping	18,811	307,318
4 Shopping Tamboré	13,795	123,519
5 Catuai Shopping Londrina	11,548	134,175
6 Center Shopping Uberlândia	11,307	129,231
7 Shopping Recife	10,442	296,105
8 Mooca Plaza Shopping	8,831	94,533
9 Shopping Villa Lobos	8,799	134,918
10 Shopping Metrô Sta Cruz	8,782	85,815
11 Campinas Shopping	7,488	69,000
12 Estação BH	7,266	71,080
13 Shopping Estação	7,245	81,151
14 Shopping Paralela	6,763	90,949
15 Shopping Campo Grande	6,718	93,010
<b>Others</b>	<b>93,975</b>	<b>2,576,712</b>
<b>Total</b>	<b>264,791</b>	<b>4,637,603</b>

\* NOI considers straight-lining effects

Same-property NOI in the quarter grew by 12.4% from the same quarter last year. The 42 malls managed by the Company, in which we hold an average ownership interest of 64.2%, accounted for 96.3% of total NOI in the quarter. The managed malls reported a same mall growth of 14.0%.

Same Mall NOI Growth (R\$ thousand) - Adjusted Financial Information



## Sales, General and Administrative Expenses:

In 1Q13, SG&A expenses amounted to R\$42.8 million, increasing by R\$7.3 million or 20.5% from the same quarter from 2012.

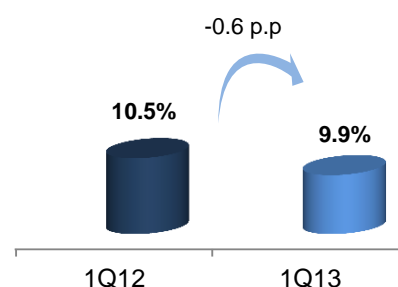
### Sales Expenses

Sales expenses amounted to R\$10.9 million in the quarter, increasing by R\$7.1 million from 1Q12. Sales expenses were impacted mainly by the leasing of Plaza Niterói and the pick-up in the mall and media line. We currently provide leasing services to 44 existing malls, as well as to 5 projects under development, compared to 38, and 7 in 1Q12, respectively.

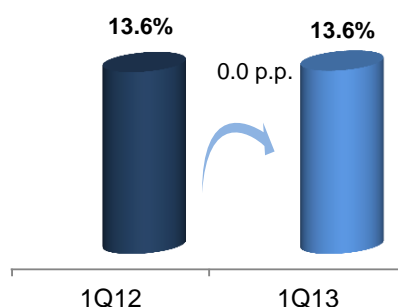
### General and Administrative Expenses

General and administrative expenses increased by R\$0.2 million or 0.8% in 1Q13 compared to the year-ago quarter. We captured efficiency gains, with the net revenue increasing by 19.1%, while general and administrative expenses remained in line with the first quarter of 2012.

Evolution of Personnel Expenses Compared to Gross Revenue - Adjusted Financial Information



Evolution of SG&A to Gross Revenue - Adjusted Financial Information



### Depreciation and Amortization:

In view of the adoption of the pronouncements of the Accounting Pronouncements Committee (CPC), in accordance with CVM Resolution 603, we no longer depreciate our investment properties, which are now booked at fair value twice a year, in June and December. We also no longer amortize the goodwill generated by acquisitions.

### Other Operational Revenues

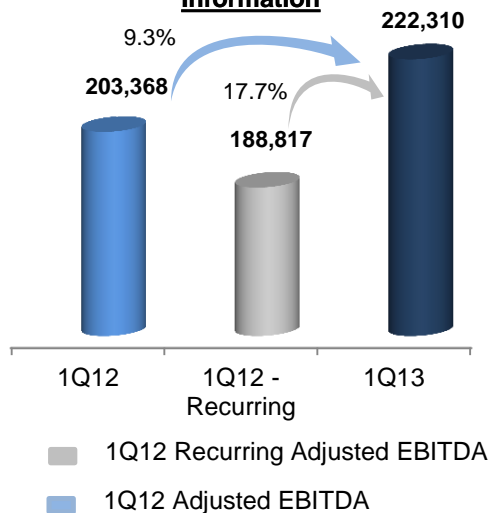
In the first quarter of 2013, other operating revenues amounted to R\$1.5 million, decreasing 90.6% from the same quarter last year. In 1Q12, other operating income amounted to R\$16.2 million, mainly due to the proceeds from the divestment of the interest in Pantanal Shopping.

### EBITDA:

In 1Q13, adjusted EBITDA was R\$220.1 million, increasing 9.0% from R\$202.0 million in 1Q12. Adjusted EBITDA was R\$222.3 million, increasing 9.3% from 1Q12. In 1Q12, we registered a gain from the divestment of the mall Shopping Pantanal. Excluding this nonrecurring gain, adjusted EBITDA grew by 17.7% from the prior year period. Adjusted EBITDA margin stood at 76.6% in 1Q13.

Adjusted EBITDA Growth (R\$ thousand) - Adjusted Financial Information			
	1Q13	1Q12	%
<b>Net Revenue</b>	<b>290,039</b>	<b>243,565</b>	<b>19.1%</b>
(-) Costs and Expenses	(74,064)	(60,358)	22.7%
(+) Depreciation and Amortization	2,588	2,540	1.9%
(+) Other Operating Revenues	1,520	16,244	-90.6%
<b>EBITDA</b>	<b>220,082</b>	<b>201,991</b>	<b>9.0%</b>
(+) Aruaguaia Debenture	2,228	1,377	61.8%
<b>Adjusted EBITDA</b>	<b>222,310</b>	<b>203,368</b>	<b>9.3%</b>
(-) Non Recurring (Shopping Pantanal)	-	(14,551)	-
<b>Recurring Adjusted EBITDA</b>	<b>222,310</b>	<b>188,817</b>	<b>17.7%</b>
<i>Margin %</i>	<i>76.6%</i>	<i>83.5%</i>	<i>-6.8%</i>
<i>Recurring Margin %</i>	<i>76.6%</i>	<i>77.5%</i>	<i>-0.9%</i>

### Adjusted Recurring EBITDA Growth (R\$ thousand) - Adjusted Financial Information



## Financial Result:

In the first quarter of 2013, the Company recorded a net financial expense of R\$126.9 million, compared to the net financial expense of R\$68.3 million in 1Q12.

Financial revenues in the quarter was R\$301.6 million, while financial expenses amounted to R\$428.5 million. The main impacts on financial expenses were interest on loans and financings and the noncash effects from the swaps (mak-to-market).

Excluding the noncash effects from the adjustment of swaps (mark-to-market) and the exchange variation, the net financial expense in 1Q13 was R\$96.8 million, an increase of 13.6% from 1Q12. The main factors impacting the financial results in the period follow:

### Interest Revenue and Expenses and Monetary Variation

Financial investments generated income of R\$10.5 million in 1Q13, down 25.8% from the same quarter last year, due to the reduction in the average cash position and the decline in interest rates. Interest expenses amounted to R\$118.7 million in the quarter, increasing 22.6% from 1Q12, mainly due to the increase in gross debt for R\$3,372.0 million to R\$4,250.7 million, an increase of 24.7%. BRMALLS continues to seek to refinance its debt and its recent liability management actions aim to reduce interest expenses in the future.

### Financial Result (R\$ thousand) - Adjusted Financial Information

Revenues	1Q13	1Q12	%
Financial Investments	10,546	14,222	-25.8%
FX Variation	41,591	83,181	-50.0%
Swap Curve	224,592	71,367	214.7%
Swap mark to market	22,226	37,403	-40.6%
Others	2,674	1,863	43.6%
Total	301,629	208,037	45.0%
Expenses	1Q13	1Q12	%
Interest	(118,741)	(96,813)	22.6%
FX Variation	(26,068)	(52,991)	-50.8%
Swap Curve	(211,802)	(71,706)	195.4%
Swap mark to market	(67,863)	(50,604)	34.1%
Others	(4,035)	(4,184)	-3.6%
Total	(428,509)	(276,298)	55.1%
<b>Financial Result</b>	<b>(126,880)</b>	<b>(68,261)</b>	<b>85.9%</b>
<b>Cash Financial Result</b>	<b>(96,765)</b>	<b>(85,251)</b>	<b>13.5%</b>

### Swap Mark to Market

Income from swap (market-to-market) amounted to R\$22.2 million, decreasing 40.6%, while expenses with swaps (market-to-market) were R\$67.9 million, decreasing 34.1%. The net result of this line was a financial expense of R\$45.7 million. The main impact on this line was due to the negative effect on the market-to-market of the swaps hedging US Dollars.

## Net Income:

In the first quarter of 2013, adjusted net income was R\$89.4 million. Based on this result, earnings per share in the period was R\$0.20.

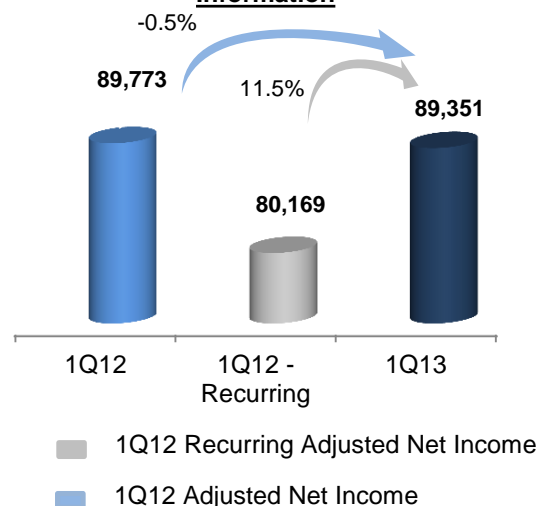
Excluding the nonrecurring gain, which occurred in 1Q12, of Shopping Pantanal's divestment, the increase was 11.5% or R\$9.2 million, compared to 1Q12.

### Adjusted Net Income Reconciliation (R\$ thousand)

	1Q13	1Q12	%
Net Income	59,385	113,521	-47.7%
FX Variation	(15,523)	(30,190)	-48.6%
Swap mark to market	45,638	13,201	245.7%
Non-cash taxes adjustment	(148)	(6,758)	-97.8%
<b>Adjusted Net Income</b>	<b>89,351</b>	<b>89,773</b>	<b>-0.5%</b>
(-) Non Recurring (Shopping Pantanal*)		(9,604)	-
<b>Recurring Adjusted Net Income</b>	<b>89,351</b>	<b>80,169</b>	<b>11.5%</b>

\* net of taxes

### Adjusted Net Income Growth (R\$ thousand) - Adjusted Financial Information



## Adjusted FFO:

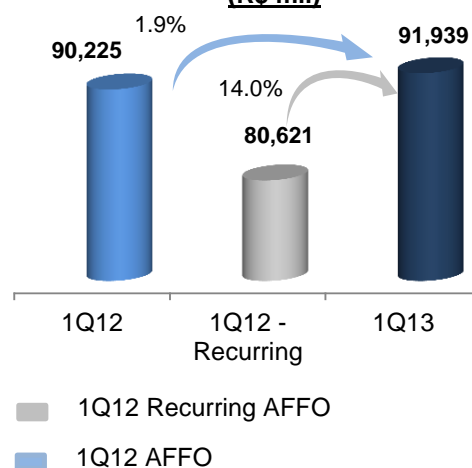
We ended the first quarter of 2013 with an FFO of R\$62.0 million. Adjusted FFO, which excludes noncash effects such as exchange variation, gains/losses from fair value adjustment of swaps, was R\$91.9 million in 1Q13, in line with the prior year period. Excluding the nonrecurring income from the divestment of Shopping Pantanal in 1Q12, AFFO grew by R\$11.4 million, or 14.0%, from 1Q12. Adjusted FFO margin in 1Q13 was 31.7%.

### FFO Reconciliation (R\$ thousand) - Adjusted Financial Information

	1Q13	1Q12	%
Net Income	59,385	113,521	-47.7%
(+) Depreciation and Amortization	2,588	2,540	1.9%
<b>FFO</b>	<b>61,973</b>	<b>116,061</b>	<b>-46.6%</b>
(+) FX Variation on Perpetual Bond	(15,523)	(30,190)	-48.6%
(+) Swap mark to market	45,638	13,201	245.7%
(+) Non-cash Taxes Adjustment	(148)	(6,758)	-97.8%
(+) Non recurring financial expenses	-	(2,089)	-
<b>Adjusted FFO</b>	<b>91,939</b>	<b>90,225</b>	<b>1.9%</b>
(-) Non Recurring (Shopping Pantanal*)	-	(9,604)	-
<b>Recurring Adjusted FFO</b>	<b>91,939</b>	<b>80,621</b>	<b>14.0%</b>
Margin %	31.7%	37.0%	-5.3%
Recurring Margin %	31.7%	33.1%	-1.4%

\* net of taxes

### Evolução do FFO Ajustado Recorrente (R\$ mil)



## CAPEX:

BRMALLS invested R\$86.9 million over the course of the first quarter of 2013, which was allocated as follows:

### Greenfield Projects

A total of R\$34.6 million was invested in projects in the development pipeline, mainly in Shopping Contagem, which is expected to be opened in 4Q13.

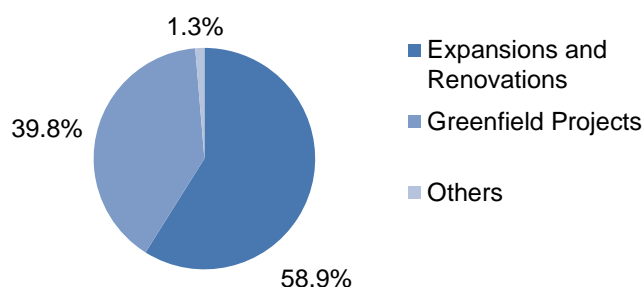
### Expansions and Renovations

A total of R\$ 51.2 million was invested in expansion and renovation projects over the course of 1Q13, with the majority related to the expansion projects at the malls Plaza Niterói Shopping Natal and Shopping Rio Anil, which are expected to open in 2013.

### Others

A total of R\$1.1 million was invested in internal systems and processes, among other items.

### CAPEX Breakdown



## Cash and Debt (Financial Adjusted Informations):

Gross debt ended the first quarter with a balance of R\$4,205.7 million and an average cost of IGP-M + 5.6% p.a., reducing 1.3p.p compared to 1Q12. Gross debt decreased by R\$298.2 million from the balance at the end of 2012, mainly due to the payment of the principal amount of the perpetual bond.

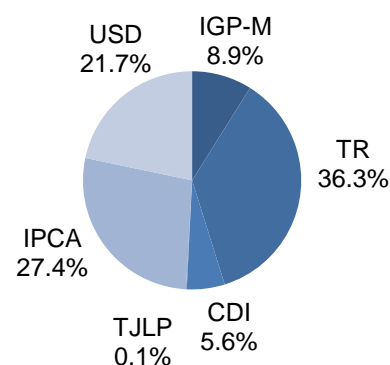
We ended 1Q13 with a net debt of R\$3,702.3 million. The debt continues to present a long duration, with 90.3% of gross debt classified as long term and an average duration of 11.9 years.

Last quarter, the Company announced that it would continue to focus its efforts on liability management and taking advantage of the lower interest rate environment in Brazil. As such, the Company announced that in 1Q13 it was able to reduce the rate of the Real Estate Certificates (CRIs) for the acquisition of Shopping Tijuca from TR +10.7%p.a by 0.8p.p, to TR +9.9%p.a. This renegotiation has a positive NPV, net of costs of R\$25.0 million. With this renegotiation the Company adds another R\$623.2 million to the amount of debt renegotiated, for a total of more than R\$1.4 billion in liability management since 2012.

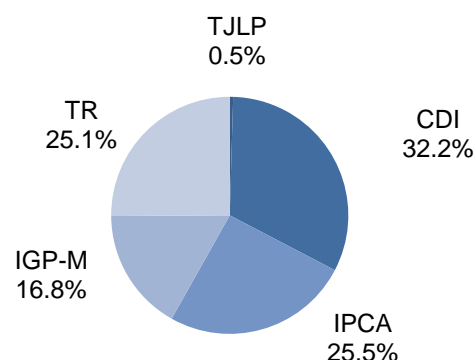
BRMALLS ended the first quarter with a cash balance of R\$503.4 million, R\$287.9 million down, or 36.4%, from the end of 4Q12. The cash balance was impacted mainly by the settlement of our first perpetual bond issue.

On April, 2013, 40,000 registered, book-entry, non-convertible debentures of BRMALLS were issued in the total amount of R\$400.0 million. The debentures have a term of 3 years as from the issue date and a rate of CDI + 0.62%, in line with our liability management policy

Debt Indices (% of the total)



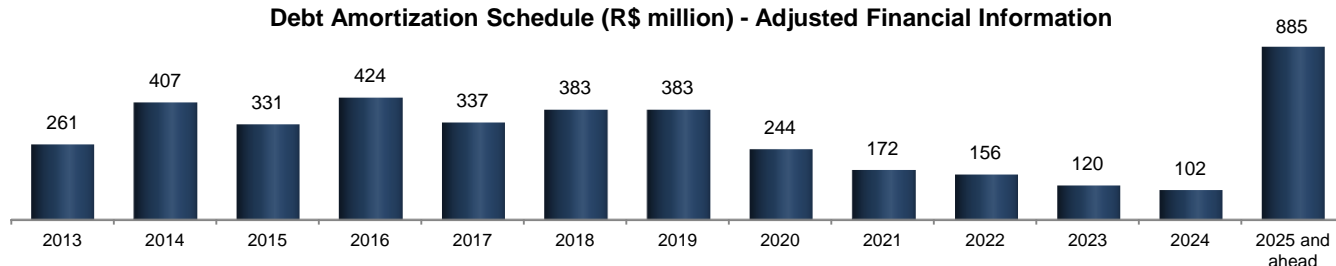
Exposure over the next 3 years by Index (Debt and Swaps)



Main Indicators (R\$ thousand)

	1Q13	4T12
Cash Position	503,395	791,261
Average Remuneration	101.9%	101.7%
Gross Debt (R\$ thousand)	4,205,657	4,503,873
Duration (years)	11.9	12.3
Average Time (years)	IGPM + 5,6%	IGPM + 5,8%
Net Debt	3,702,262	3,712,612
Net Debt / annualized EBITDA	4.16	3.48
Net Debt (ex-perpetuals) / an. EBITDA	3.21	2.38
EBITDA / Net Financial Expenses	1.89	2.09
Gross Debt / EBITDA	4.73	4.22
FFO / Gross Debt	0.40	0.39

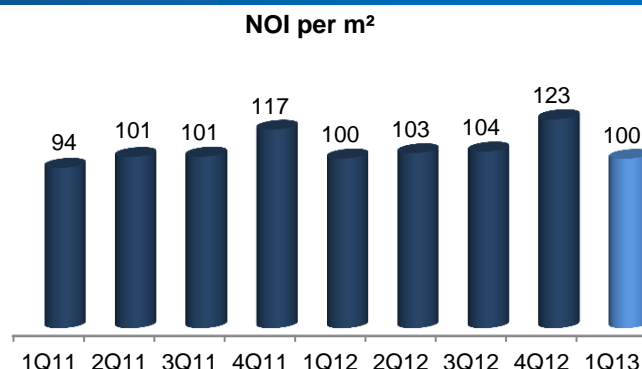
Debt Amortization Schedule (R\$ million) - Adjusted Financial Information



## Operational Indicators:

### NOI per m<sup>2</sup>

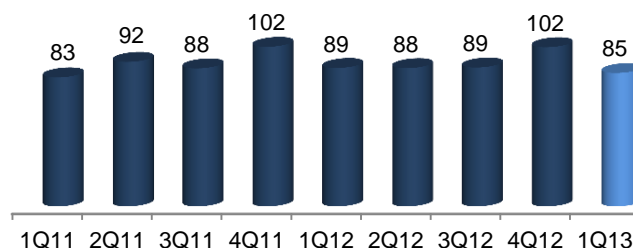
The average NOI per m<sup>2</sup> of our shopping malls was R\$100.0 in 1Q13. Excluding the malls acquired or opened in the last 12 months, NOI per m<sup>2</sup> increased by 10.6% to a monthly average of R\$107.3. Considering the 10 malls that made the most important contributions to NOI, average NOI per m<sup>2</sup> increased by 11.6% to R\$142.2.



\*Average NOI per m<sup>2</sup> considers straight-lining effects.

### Rent per m<sup>2</sup>

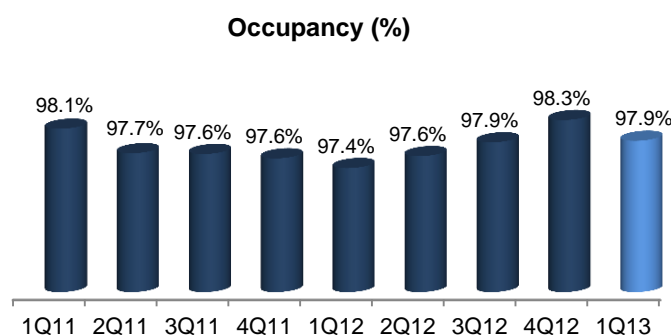
Considering the straightlining effects, rent per m<sup>2</sup> in the quarter amounted to R\$85.0 in 1Q13. Excluding the malls acquired or opened in the last 12 months, rent per m<sup>2</sup> increased by 6.4%, totaling R\$91.5. Considering the 10 malls that are the most important rent contributors, rent per m<sup>2</sup> increased by 5.9% to a monthly average of R\$118.4.



\*Average rent per m<sup>2</sup> considers straight-lining effects.

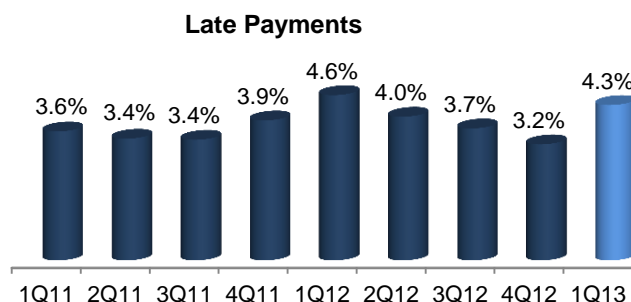
### Occupancy Rate

The occupancy rates of our assets remained high, averaging 97.9% of total GLA in the quarter, an increase of 0.5p.p compared to 1Q12. Excluding the malls acquired and opened in the last 12 months, the occupancy rate was 98.1%. In 1Q13, of the 51 malls in which we hold interests, 24 had more than 99% of their GLA leased.

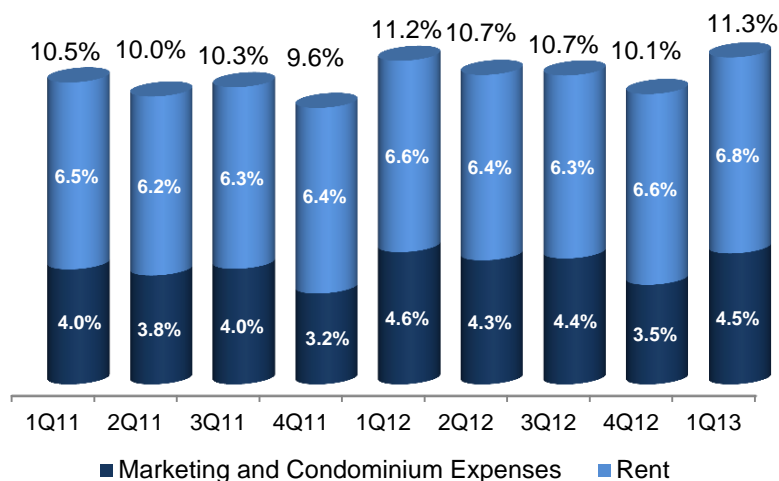


### Late Payments

In the first quarter of 2013, the late payment rate stood at 4.3%, down 0.3p.p. from 1Q12. The net late payment rate also decreased compared to 1Q12 to end the quarter at 1.8%.



Occupancy Cost Breakdown (% of Sales)



## Occupancy Costs

In the first quarter of 2013, occupancy costs as a percentage of tenants' sales stood at 11.3%, increasing by 0.1 p.p. from the percentage in 1Q12. Company efforts to optimize occupancy cost contributed towards a decrease of 0.1p.p. on the common and marketing costs as a percentage of sales compared to 1Q12, while rent as a percentage of sales increased by 0.2p.p.

## Indicators Evolution

	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13
SSS (%)	8.7%	10.0%	8.3%	8.8%	9.1%	7.0%	6.2%	7.6%	7.5%
SSR (%)	9.7%	14.2%	14.3%	15.2%	11.3%	8.1%	9.0%	10.2%	11.1%
Sales/m <sup>2</sup>	955	1,036	1,013	1,324	1,002	1,071	1,064	1,425	1,167
Sales/m <sup>2</sup> (stores < 1,000 m <sup>2</sup> )	1,347	1,427	1,457	1,925	1,432	1,616	1,543	1,865	1,405
Rent/m <sup>2</sup>	83	92	88	102	89	88	89	102	85
NOI/m <sup>2</sup>	94	101	101	117	100	103	104	123	100
Occupancy Cost (% Sales)	10.5%	10.0%	10.3%	9.7%	11.2%	10.7%	10.7%	10.1%	11.3%
Late Payments (30 days)	3.6%	3.4%	3.4%	3.9%	4.6%	4.0%	3.7%	3.2%	4.3%
Net Late Payments	1.3%	1.2%	0.8%	0.8%	2.1%	1.2%	0.9%	0.9%	1.8%
Occupancy (%)	98.1%	97.7%	97.6%	97.6%	97.4%	97.6%	97.9%	98.3%	97.9%

## Amount in U.S. dollar/ft<sup>2</sup>

Stores measuring less than 1,000 m<sup>2</sup> recorded annualized sales in the quarter of US\$822/ft<sup>2</sup>, down 17.3% from 1Q12. The main factor was the depreciation in the Brazilian real against the U.S. dollar of 10.7%. For comparison purposes, we have included various operating indicators for the Company using the standards adopted by U.S. companies (US\$/ft<sup>2</sup>).

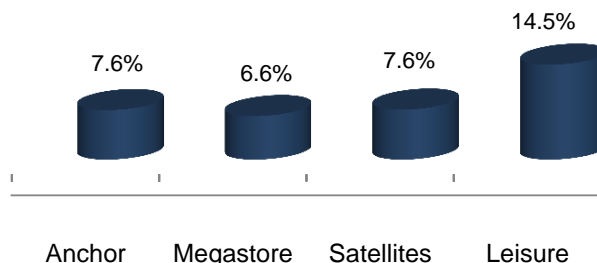
## Annualized figures in USD/ft<sup>2</sup>

	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13
Same Store Sales/ft <sup>2</sup> (stores < 1,000 m <sup>2</sup> )	920	1,055	1,050	1,261	994	970	964	1,061	822
Rent/ft <sup>2</sup>	58	68	67	72	62	53	56	64	50
NOI/ft <sup>2</sup>	67	74	72	82	69	62	65	70	58

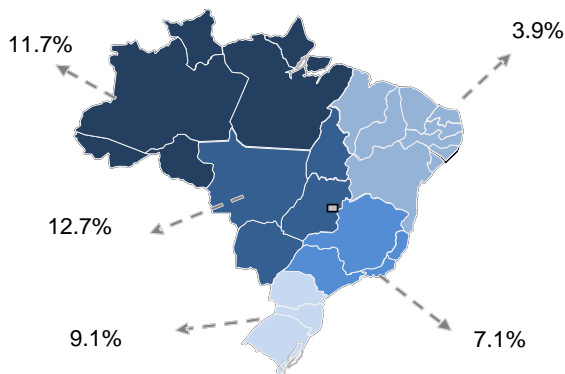
### Sales Performance:

In 1Q13, BRMALLS portfolio registered total sales of R\$4.6 billion, which represents an increase of 14.0% from R\$4.1 billion in 1Q12. On a same-store basis, sales grew by 7.5% compared to the high base of 9.1% from 1Q12. The highlights were the leisure segment, which grew by 14.5%, and satellite and anchor stores, which grew by 7.6%.

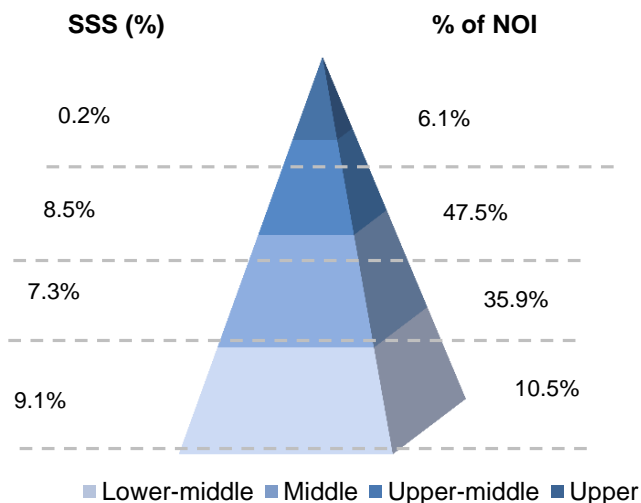
#### Same Store Sales per Segment (1Q3 versus 1Q2)



By region, the highlights in same-store sales were the Midwest and North, which registered same-store sales growth of 12.7% and 11.7% compared to the year-ago quarter. The malls Campo Grande and Capim Dourado posted excellent SSS growth of 16.5% and 19.3%, respectively. The Southeast region which accounts for the largest NOI share of our portfolio, registered SSS growth of 7.1%.



In terms of income class, malls targeting the lower-middle class and upper-middle class posted the best results, with SSS growth of 9.1% and 8.5%, respectively. SSS growth in these segments was led by the malls Mooca Plaza Shopping and Shopping Estação, which registered SSS growth rates of 22.7% and 13.8%, respectively.



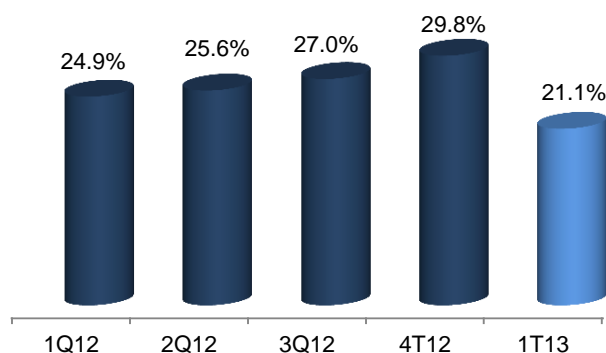
### Leasing Activities:

In 1Q13, the leasing spread for contract renewals was 21.1%. This effect continued due to the high occupancy rate, the low occupancy cost and the consistent growth in SSS registered over the last years. Meanwhile, the leasing spread for new contracts stood at 19.3% in 1Q13.

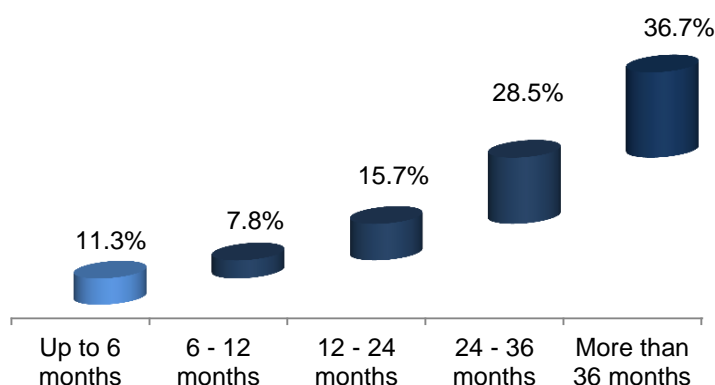
A total of 191 stores were leased in 1Q13. In the expansion projects, a total GLA of 2.4 thousand m<sup>2</sup> was leased, an increase of 24.0%, compared to 1Q12.

Over the next six months, 11.3% of the total GLA is expected to be renewed.

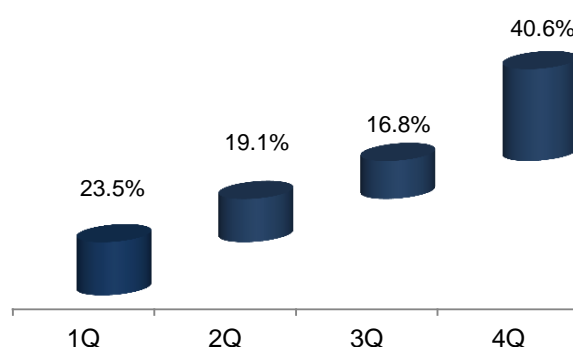
**Renewals Leasing Spread (%)**



**Contract Maturity Schedule (% of GLA)**

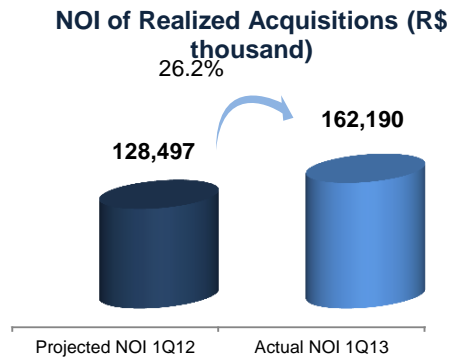


**Contract Renewals (% of GLA)**



### Acquisitions:

Actual NOI in the quarter from malls acquired since the incorporation of BRMALLS continued to outperform the feasibility studies formulated at the time of their acquisition. Actual NOI in the quarter was R\$162.2 million for the malls acquired by BRMALLS, which is 26.2% higher than the R\$128.5 million projected for 1Q13.



### Management of Natal Shopping

In 1Q13, we announced that we began providing management and leasing services for Natal Shopping. The city of Natal has a population of 800,000 and is Brazil's 20<sup>th</sup> largest city, based on IBGE data. Its GDP, which surpasses R\$10.0 billion, accounts for 40.0% of the GDP of the state of Rio Grande do Norte.

The mall is located in an area that concentrates the city's most prestigious neighborhoods and is receiving substantial new investments in real estate and commercial projects. The mall benefits from being located in a region with high tourist flows and near the Federal University of Rio Grande do Norte.

Natal Shopping has 17.4 thousand m<sup>2</sup> of GLA and is the leading mall in the city of Natal. The mall went through a renovation in 2009 and launched an expansion project that should be opened by 3Q13. BRMALLS is assuming the mall's management and leasing activities and will also be responsible for developing and leasing the expansion project, which will add 9.7 thousand m<sup>2</sup> in GLA to the mall.

Natal Shopping is the 4<sup>th</sup> mall to be managed by the company in the country's Northeast region. With Natal Shopping, the number of shopping malls managed by BRMALLS increased to 42.



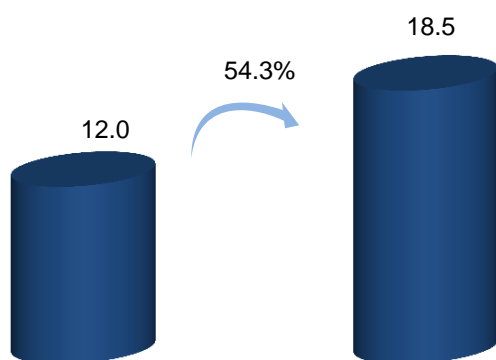
## Case Study: Shopping Paralela

Acquired by BRMALLS in April 2011, Shopping Paralela is located in Alphaville, one of the areas of the city of Salvador, Bahia with the highest potential for real estate activities. The mall opened in April 2009.

In mid-2011, a turnaround process begun at the mall through layout changes and repositioning the tenant mix.

The improvement in operational and financial indicators from 2011 to date demonstrates how much we were able to capture from the mall through our management. Sales/m<sup>2</sup> grew by 12.4% in one year, the mall's SSR grew by 17.9% in 2012. In May to December of 2012, compared to the same period of 2011, the mall's NOI grew by 54.3%. The mall also surpassed our estimates for its 1st year NOI after acquisition of R\$22.2 million by 18.9%. In 1Q13, the SSS of Shopping Paralela reached 17.0%, surpassing the high base in 1Q12 of 17.7%. The mall has shown SSS growth above 14% in the last 6 quarters. In terms of SSR we reported 14.4%.

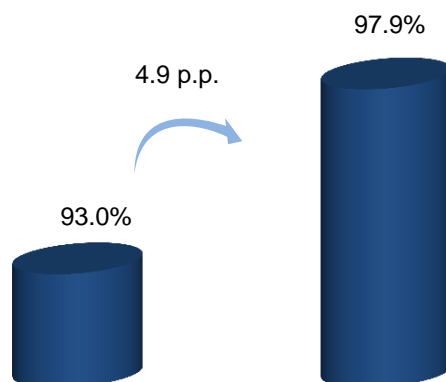
NOI Shopping Paralela (R\$ '000)



May - Dec 2011

May - Dec 2012

Occupancy Rate



May 2011

1Q13

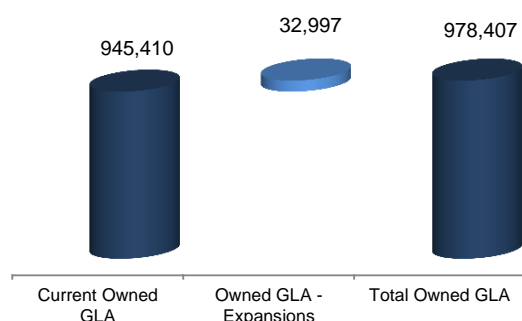


### Expansion Projects:

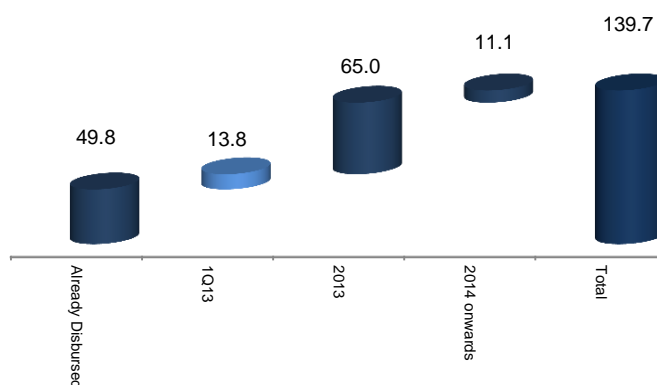
After the opening of the expansion in Plaza Niterói in May 2013, our expansion pipeline consists of 6 projects that will add 80.0 thousand m<sup>2</sup> in total GLA and 33.0 thousand m<sup>2</sup> in owned GLA, expanding our current mall portfolio by 4.9% and 3.5%, respectively. We estimate that these expansions add a stabilized NOI<sup>1</sup> of R\$22.4 million to BRMALLS.

The expansion projects announced require an investment of R\$139.7 million considering the share held by BRMALLS, of which 45.5% had already been disbursed as of end-1Q13, with R\$76.1 million still to be invested. In 2013, in addition to the expansion of Plaza Niterói, which was opened on May 3<sup>rd</sup>, our expansion pipeline includes Natal Shopping and Rio Anil. We will continue to analyze opportunities for creating value at our existing assets.

**Owned GLA with Expansions (m<sup>2</sup>)**



**Expansions Gross CAPEX Schedule (R\$ million)<sup>3</sup>**



### Expansions Summary

Expansions	Total GLA	% Ownership	Owned GLA	% Construction Completion	Stabilized NOI <sup>1</sup> (R\$ million)	Key Money <sup>2</sup> - BRMALLS (R\$ million)	IRR (real and unlev.)	Opening Date	Leasing Status
Natal Shopping	9,388	50.0%	4,694	70.0%	6.9	3.1	15.5%	3T13	94.4%
Rio Anil	11,468	50.0%	5,734	59.8%	6.5	4.6	21.8%	4T13	69.3%
Shopping Piracicaba	16,153	36.9%	5,961	42.0%	6.5	4.0	16.7%	2T14	96.9%
São Luís Shopping	20,802	15.0%	3,120	43.0%	2.5	1.4	18.9%	2T14	74.0%
Top Shopping	14,908	50.0%	7,454	*	*	*	*	*	*
Independência Shopping	7,231	83.4%	6,034	*	*	*	*	*	*
<b>Total</b>	<b>79,951</b>	<b>41.3%</b>	<b>32,997</b>		<b>22.4</b>	<b>13.1</b>			

<sup>1</sup>BRMALLS stabilized NOI includes services revenues of the following malls: Shopping Piracicaba, Natal Shopping, Rio Anil e São Luís Shopping.

<sup>2</sup>BRMALLS key money of the following malls: Shopping Piracicaba, Natal Shopping, Rio Anil e São Luís Shopping.

<sup>3</sup>Capex includes: Shopping Piracicaba, Natal Shopping, Rio Anil e São Luís Shopping.

\*To be defined.

## Plaza Niterói Expansion

We acquired the Shopping Plaza Niterói in 2007 for R\$550.7 million. In the same year, the mall generated an NOI of R\$40.6 million. In 2012, NOI generated by the asset amounted to R\$88.2 million, an increase of 117.1%. The main factors in this turnaround include optimizing the mix and parking operations, reducing vacancy and constant leasing spreads.

Plaza Niterói expansion was opened on May 3<sup>rd</sup>, 2013, and added 10.5 thousand m<sup>2</sup> in total and owned GLA, an increase of 31.3% on the malls GLA. The expansion includes a gourmet area with a panoramic view of Guanabara Bay in order to enhance the consumer experience.

The expansion added 302 new parking spaces and 77 new stores. The main stores are Sephora, Le Lis Blanc, Brooksfield, H. Stern, The Fifties, Riachuelo, Gula Gula, and Calvin Klein, among others.

We expect the mall to generate stabilized NOI of R\$26.0 million and a real and unleveraged IRR of 18.6%. The expansion was opened with more than 98.3% of its GLA already leased.

Plaza Niterói is already one of the biggest NOI contributors for the company and has the highest sales/m<sup>2</sup> in our portfolio, with approximately R\$2.0 thousand/m<sup>2</sup> per month in 2012, and we expect the expansion to further strengthen the mall's contribution to our portfolio.



### Shopping Plaza Niterói Expansion:

Total GLA: 10,498 m<sup>2</sup>  
Owned GLA: 10,498 m<sup>2</sup>  
Number of Stores in Expansion: 77  
BRMALLS Stabilized NOI: R\$26.0 million  
IRR (real and unleveraged): 18.6%

### Shopping Plaza Niterói after expansion:

Total GLA: 44,049 m<sup>2</sup>  
Owned GLA: 44,049 m<sup>2</sup>  
Total Number of Stores: 300

## Shopping Plaza Niterói History:

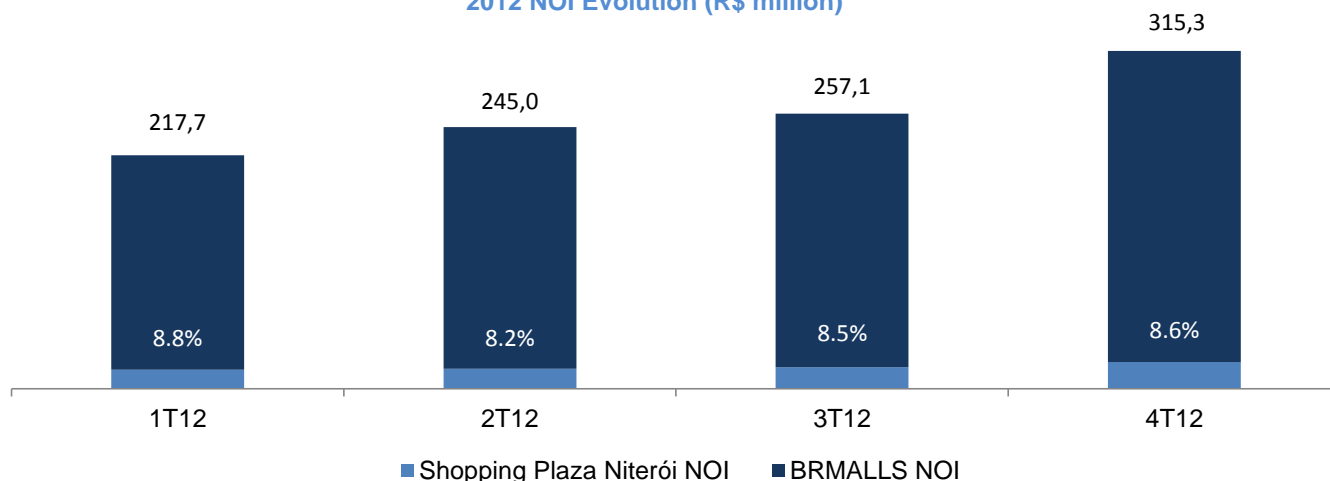
In the first quarter of 2013 Plaza Niterói was the 2<sup>nd</sup> largest NOI contributor in our portfolio.

The graph below demonstrates how much the mall contributed to the company's NOI in 2012. In 2012, from BRMALLS' R\$1,035.2 million in NOI, 8.5% was generated by Shopping Plaza Niterói.

## Highlights of Shopping Plaza Niterói:

- Occupancy rates above 99%;
- SSR above 11% in 1Q13;
- Net late payments below 1.5%;

2012 NOI Evolution (R\$ million)



## Natal Shopping Expansion

The Natal Shopping expansion will add a total GLA of 9.4 thousand m<sup>2</sup> and owned GLA of 4.7 thousand m<sup>2</sup>. Construction is currently 70.0% completed. In 1Q13, 94.4% of GLA was already eased.

The expansion is expected to generate owned stabilized NOI of R\$6.9 million, which represents a real and unleveraged IRR of 15.5%. The expansion will add 875 new parking spaces and a movie theatre to the mall. The expected opening is in 3Q13.



## Rio Anil Expansion

Shopping Rio Anil expansion will add 11.5 thousand m<sup>2</sup> in total GLA and 5.7 thousand m<sup>2</sup> in owned GLA to our current portfolio. Construction is currently 59.8% completed. In 1Q13, 69.3% of GLA was leased.

We estimate that the project will generate approximately R\$6.5 million in stabilized NOI for BRMALLS for a real and unleveraged IRR of 21.8%. The expected opening is in 4Q13.

The expansion will add to the mall 102 new stores, of which 2 are anchor stores and 4 are megastores such as Renner, Polishop, Le Biscuit and Ri Happy. The food court will gain 2 new restaurants and 7 new fast-food operations. The expansion will also increase the number of parking spaces by 550.



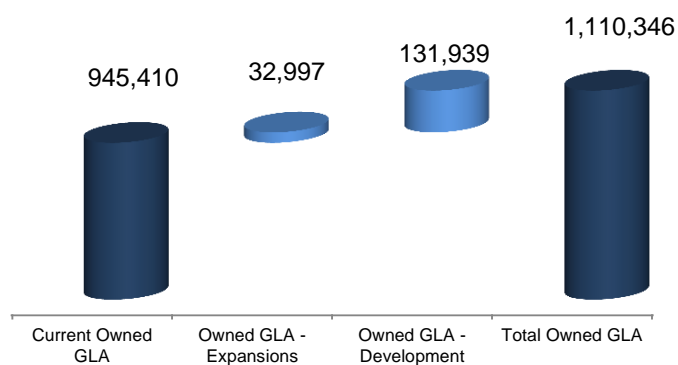
## Development:

At the end of the first quarter of 2013 our greenfield pipeline totaled 5 assets: Contagem, Catuaí Shopping Cascavél, Shopping Vila Velha, Guarujá Plaza Shopping and Cuiabá Plaza Shopping.

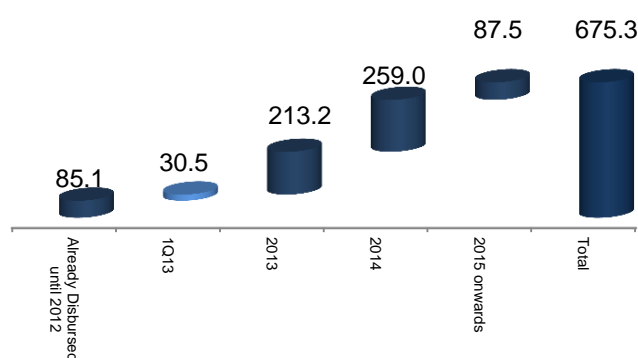
The opening of these 5 greenfield projects will add 206.9 thousand m<sup>2</sup> in total GLA and 131.9 thousand m<sup>2</sup> in owned GLA, expanding our portfolio by 12.7% and 14.0%, respectively.

Considering the expansion and greenfield projects in progress, we estimate an increase of 17.6% or 286.9 thousand m<sup>2</sup> in total GLA. The investment<sup>3</sup> to be made by the company in the greenfield projects amounts to R\$675.3 million, of which 17.1% was already disbursed by the end of 1Q13, with R\$559.7 million remaining to be disbursed over the coming years. The average interest held by BRMALLS in the projects is 63.8% and, once opened, we expect them to generate owned stabilized NOI<sup>1</sup> of R\$119.0 million for BRMALLS.

**Owned GLA to be added by Developments and Expansions**



**Greenfield Gross Capex Schedule (R\$ million)\*\***



## Greenfield Summary

Greenfield Summary	Total GLA	% Ownership	Owned GLA	% Construction Evolution	Stabilized NOI <sup>1</sup> (R\$ million)	Key Money <sup>2</sup> - BRMALLS (R\$ million)	IRR (real and unlev.)	Opening Date	Leasing Status
Shopping Contagem	35,585	70.0%	24,909	39.1%	30.0	17.6	16.8%	4T13	80.0%
Catuaí Shopping Cascavel	29,837	69.0%	20,572	21.2%	18.9	12.0	15.3%	2T14	73.1%
Shopping Vila Velha	66,519	50.0%	33,259	45.0%	28.9	13.3	19.9%	2T14	74.2%
Cuiabá Plaza Shopping	44,516	75.0%	33,387	5.0%	41.2	20.1	16.1%	2015	0.0%
Guarujá Plaza Shopping	30,478	65.0%	19,810	*	*	*	*	*	*
<b>Total</b>	<b>206,935</b>	<b>63.8%</b>	<b>131,939</b>		<b>119.0</b>	<b>63.0</b>			

<sup>1</sup>BRMALLS stabilized NOI includes services revenues of the following malls: Catuaí Shopping Cascavel, Contagem, Shopping Vila Velha e Cuiabá.

<sup>2</sup>BRMALLS key money of the following malls: Catuaí Shopping Cascavel, Contagem, Shopping Vila Velha e Cuiabá.

<sup>3</sup>Capex includes: Catuaí Shopping Cascavel, Contagem e Cuiabá. CAPEX for shopping Vila Velha is included in liability on shopping center's acquisition.

\*To be defined.

### Shopping Contagem

With its grand opening expected for 4Q13, construction of Shopping Contagem is on schedule. We continue to observe high leasing activity at the mall, with 80.0% of its GLA already committed, with stores including Playland, Ri Happy, Lojas Americanas, Renner, Marisa and Riachuelo. The mall will have 250 stores and 2,300 parking spaces.

We estimate that once opened, the mall will add to our portfolio 35.6 thousand m<sup>2</sup> in total GLA and 24.9 thousand m<sup>2</sup> in owned GLA. We expect the mall to generate stabilized NOI of R\$30.0 million and a real and unleveraged IRR of 16.8%.

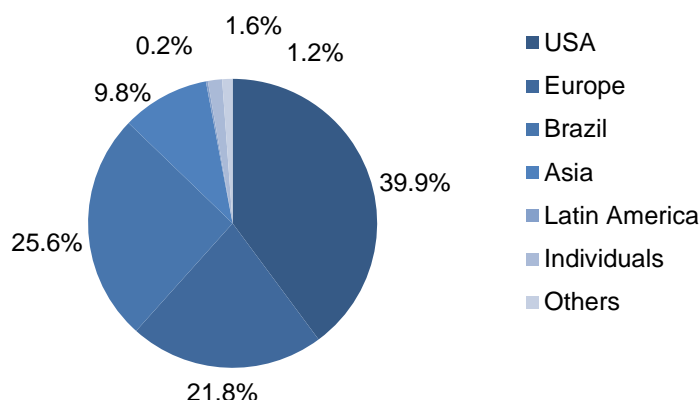
Contagem is considered Brazil's 25<sup>th</sup> wealthiest city and is located in the Belo Horizonte metropolitan area just 15 minutes away from the state capital. It has a population of 600 thousand inhabitants, making it the 2<sup>nd</sup> most populous city in the state of Minas Gerais. It is recognized as one of Brazil's most important industrial centers and for its strategic location close to 3 major highways: BR-381, BR-262 and BR-040. The mall aims to meet demand for leisure, culture and entertainment that is served primarily by the state capital Belo Horizonte.



## Mercado de Capitais:

BRMALLS' common stock is traded on the Novo Mercado listing segment of the Brazilian Stock Exchange (BM&FBovespa) under the ticker BRML3. The Company also has a Level 1 ADR program that allows its shares to trade on the secondary or over-the-counter market in the United States, under the ticker BRMLL, which makes the stock available to a greater number of U.S. and international investors. BRMALLS stock is a component of the following stock indexes: Bovespa index (IBOVESPA), Brazil Index (IBrX), Brazil Index 50 (IBrX 50), Carbon Efficient Index (ICO2), among other indices, some of which are listed on the table below:

**Regional Shareholder Distribution (03/31/2013)**



**Indices:**

	Weight
BM&F Ibovespa IBOV	1.22%
BM&F Bovespa IBrX-50	1.14%
BM&F Bovespa ICO2	2.30%
BM&F Bovespa IBrX	1.14%
BM&F Bovespa IGC	1.76%
BM&F Bovespa ITAG	1.63%
BM&F Bovespa MLC	1.21%
BM&F Bovespa IMOB	20.00%
iShares MSCI Brazil	1.06%

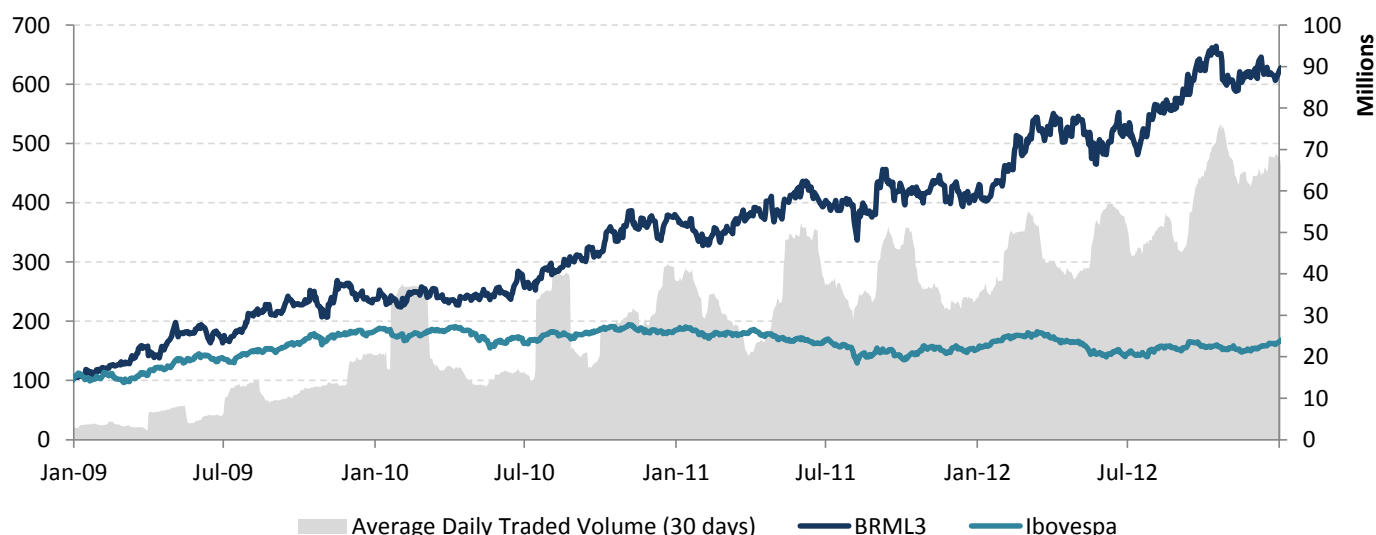
Source: Bloomberg (03/31/2012)

## Investor Profile

In 1Q13, BRMALLS continued to present a highly diversified investor base in terms of region. Average daily trading volume was R\$82.7 million in the period, increasing 78.6% from R\$47.5 million in 1Q12. The average number of trades was 9,183 in 1Q13, compared to 7,504, an increase in 38.3% from the 1Q12.

## Stock Performance

BRMALLS stock ended the first quarter of 2013 quoted at R\$24.66, increasing 6.5% on the price quoted at the close of 1Q12 of R\$23.16, while the benchmark Bovespa Index decreased in 12.6% in the period.



## Our Portfolio:

In the first quarter of 2013, BRMALLS held interests in 51 shopping malls, which combined have a total GLA of 1,620.6 m<sup>2</sup> and owned GLA of 934.9 m<sup>2</sup>. It holds an average ownership interest in these malls of 57.7%. The malls in which the Company holds interests of at least 50% represent 75.8% of total NOI, with the average interest in these 30 malls standing at 76.8%. Below is a summary of the assets that we owned at the end of 1Q13:

Mall	State	Total GLA	%	Owned GLA	Services
Maceió Shopping	AL	34,742	54.2%	18,841	
Amazonas Shopping	AM	34,214	34.1%	11,667	Manag./ Leasing/CSC
Shopping Paralela	BA	39,802	95.0%	37,812	Manag./ Leasing/CSC
Goiânia Shopping	GO	22,252	48.4%	10,770	Manag./ Leasing/CSC
Araguaia Shopping	GO	21,758	50.0%	10,879	Manag./ Leasing
São Luís Shopping	MA	34,123	15.0%	5,118	
Rio Anil	MA	26,292	50.0%	13,146	Manag./ Leasing
Center Shopping Uberlândia	MG	52,686	51.0%	26,870	Manag./ Leasing/CSC
Shopping Del Rey	MG	37,032	65.0%	24,071	Manag./ Leasing/CSC
Minas Shopping	MG	35,894	2.1%	764	
Estação BH	MG	33,982	60.0%	20,389	Manag./ Leasing/CSC
Itaú Power	MG	32,744	33.0%	10,805	Shared Manag./ Leasing
Independência Shopping	MG	23,941	83.4%	19,967	Manag./ Leasing/CSC
Big Shopping	MG	17,241	13.0%	2,241	
Shopping Sete Lagoas	MG	16,411	70.0%	11,488	Manag./ Leasing/CSC
Shopping Campo Grande	MS	39,213	70.9%	27,808	Manag./ Leasing/CSC
Shopping Pátio Belém	PA	20,594	13.3%	2,739	
Shopping Recife	PE	68,627	31.1%	21,312	Shared Manag./ Leasing
Catuai Shopping Londrina	PR	63,089	65.1%	41,071	Manag./ Leasing/CSC
Shopping Estação	PR	54,716	100.0%	54,716	Manag./ Leasing/CSC
Londrina Norte Shopping	PR	32,992	70.0%	23,094	Manag./ Leasing/CSC
Catuai Shopping Maringá	PR	32,329	70.0%	22,631	Manag./ Leasing/CSC
Shopping Curitiba	PR	22,920	49.0%	11,231	Manag./ Leasing/CSC
Shopping Crystal Plaza	PR	11,934	70.0%	8,354	Manag./ Leasing/CSC
Norteshopping	RJ	77,908	74.5%	58,041	Manag./ Leasing/CSC
West Shopping	RJ	39,558	30.0%	11,867	Manag./ Leasing/CSC
Shopping Tijuca	RJ	35,565	100.0%	35,565	Manag./ Leasing/CSC
Plaza Niterói	RJ	33,550	100.0%	33,550	Manag./ Leasing/CSC
Via Brasil Shopping	RJ	30,680	49.0%	15,033	Manag./ Leasing/CSC
Plaza Macaé	RJ	22,694	45.0%	10,212	Manag./ Leasing
Ilha Plaza Shopping	RJ	21,619	100.0%	21,619	Manag./ Leasing/CSC
Top Shopping	RJ	18,168	35.0%	6,359	Leasing
Fashion Mall	RJ	14,955	100.0%	14,955	Manag./ Leasing/CSC
Center Shopping	RJ	13,765	30.0%	4,130	Manag./ Leasing/CSC
Rio Plaza Shopping	RJ	7,137	100.0%	7,137	Manag./ Leasing/CSC
Natal Shopping	RN	17,448	50.0%	8,724	Manag./ Leasing
Shopping Iguatemi Caxias do Sul	RS	30,324	45.5%	13,797	Manag./ Leasing/CSC
Shopping Mueller Joinville	SC	27,310	10.4%	2,840	
Shopping Tamboré	SP	49,835	100.0%	49,835	Manag./ Leasing/CSC
Shopping ABC	SP	46,285	1.3%	602	Manag./ Leasing/CSC
São Bernardo Plaza Shopping	SP	42,880	60.0%	25,728	Manag./ Leasing/CSC
Mooca Plaza Shopping	SP	41,964	60.0%	25,178	Manag./ Leasing/CSC
Shopping Metrô Tatuapé	SP	32,853	3.2%	1,037	
Jardim Sul	SP	30,800	60.0%	18,480	Manag./ Leasing/CSC
Granja Vianna	SP	29,971	77.8%	23,312	Manag./ Leasing/CSC
Campinas Shopping	SP	29,698	100.0%	29,698	Manag./ Leasing/CSC
Shopping Piracicaba	SP	27,248	36.9%	10,055	Manag./ Leasing/CSC
Shopping Villa-Lobos	SP	26,806	58.4%	15,660	Manag./ Leasing/CSC
Shopping Metrô Santa Cruz	SP	19,165	100.0%	19,165	Manag./ Leasing/CSC
Osasco Plaza Shopping	SP	13,844	39.6%	5,482	Leasing
Capim Dourado	TO	29,067	100.0%	29,067	Manag./ Leasing
<b>Total</b>		<b>1,620,627</b>	<b>57.7%</b>	<b>934,912</b>	

The Company holds a 100% interest in 10 malls in its portfolio. It currently provides services to 44 of its 51 malls. Of the malls in its portfolio, the Company provides leasing services to 44 and management services to 42, while 35 are served by the Shared Services Center (CSC). The Company's malls have over 9.0 thousand stores and receive millions of visitors each year. BRMALLS is the only shopping mall company in Brazil with malls that are located in all five regions of the country and that target all income classes.

**Glossary:**

---

**Adjusted EBITDA:** EBITDA + Shopping Araguaia profit-sharing debenture revenues – other operating revenues from investment property

**Adjusted FFO (Funds From Operations):** Adjusted net income (excluding exchange rate variations and Law 11,638 effects) + depreciation + amortization + straight-lining effects – other operating revenues and deferred taxes from investment property

**Average GLA (Rent/m<sup>2</sup> and NOI/m<sup>2</sup>):** Does not include 27,921 m<sup>2</sup> of GLA from the Convention Center located in Shopping Estação. In the average GLA used for rent/m<sup>2</sup>, we do not consider owned GLA for Araguaia Shopping, since its revenues are recognized via debenture payments.

**Acquired Portfolio:** Other malls acquired in 2007 and on.

**Cash on cash:** Stabilized NOI (fourth year after inauguration) over net capex (total Investment – key money revenues).

**EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization):** refers to gross income - SG&A + depreciation + amortization.

**Gross Leasable Area or GLA:** Sum of all areas in a shopping mall that are available for lease, except for kiosks.

**Late Payment:** Measured on the last day of each month, includes total revenues in that month over total revenues effectively collected in the same month. It does not include inactive stores.

**Law 11,638:** Law 11,638 was enacted with the purpose of including publicly-held Brazilian companies in the international accounting convergence process. The 4Q08 financial and operating figures will be impacted by certain accounting effects due to the changes arising from Law 11,638/07.

**Leasing Spread:** Comparison between the average rent for the new contract and the rent charged in the previous contract for the same space.

**Leasing Status:** GLA that has been approved and/or signed divided by the projects total GLA.

**Net Operating Income or NOI:** Gross revenue (less service revenue) - costs + depreciation + amortization.

**Occupancy Cost as a Percentage of Sales:** Rent revenues (minimum rent + % overage) + common charges (excluding specific tenant costs) + merchandising fund contributions. (This item should be analyzed from the tenant's point of view.)

**Occupancy Rate:** Total leased and occupied GLA as a percentage of total leasable GLA.

**Original Portfolio:** Original malls acquired from ECISA (Norte Shopping, Shopping Recife, Villa-Lobos, Del Rey, Campo Grande and Iguatemi Caxias).

**Owned GLA:** GLA multiplied by our ownership stake.

**Same-Property NOI:** NOI from the exact same properties in which we currently own a stake, proportional to our ownership stake in the property for both periods.

**Same store sale (SSS):** Sales figures for the same stores that were operating in the same space in both periods.

**Same store rent (SSR):** Rent figures for the same stores that were operating at the same space in both periods.

Shopping Malls by Income Group (Brazil Criterion): The Brazil Criterion is related to the purchasing power of individuals and families and is defined by IBOPE. According to this criterion, our malls are divided into four categories:

- Upper: Villa Lobos, Crystal e Fashion Mall;
- Upper-middle: Goiânia, Iguatemi Caxias, Plaza Niterói, Center Shopping Uberlândia, Granja Vianna, Catuaí Londrina, Catuaí Maringá, Mooca, Jardim Sul, Tijuca, Paralela , São Bernardo e Casa e Gourmet;
- Middle: Amazonas, Independência; Campo Grande, Sete Lagoas, Minas, Itaú Power, Estação BH, Plaza Macaé, Londrina Norte, Capim Dourado, Curitiba, Norte Shopping, ABC, Metrô Santa Cruz, Piracicaba, Tamboré, Center Shopping, Ilha Plaza, Del Rey, Belém, Mueller, São Luís, Recife, Natal, e Iguatemi Maceió;
- Lower-middle: Metrô Tatuapé, BIG, Minas, Campinas Shopping, TopShopping, Osasco, Araguaia, Estação, Via Brasil e West.

Tenant Turnover: sum of new contract GLA negotiated in the last 12 months – the GLA variation for unoccupied stores in the last 12 months / average GLA in the last 12 months.

## Income Statement:

### Income Statement (R\$ thousand)

	Accounting Information			IFRS 10/11 Adjustments		Adjusted Financial Information		
	1Q13	1Q12	%	1Q13	1Q12	1Q13	1Q12	%
<b>Gross Revenue</b>	<b>301,225</b>	<b>250,904</b>	<b>20.1%</b>	<b>13,153</b>	<b>11,256</b>	<b>314,378</b>	<b>262,159</b>	<b>19.9%</b>
Rents	208,123	170,713	21.9%	8,533	6,964	216,657	177,677	21.9%
Rent straight-lining	8,312	13,819	-39.9%	258	315	8,569	14,134	-39.4%
Key Money	3,687	14,321	-74.3%	344	200	4,031	14,521	-72.2%
Key Money straight-lining	9,464	(5,257)	-	237	187	9,701	(5,069)	-
Parking	47,751	34,347	39.0%	3,770	3,432	51,521	37,779	36.4%
Transfer Fee	1,506	645	133.6%	58	57	1,564	701	123.0%
Services Provided	21,272	21,787	-2.4%	(266)	(194)	21,006	21,593	-2.7%
Others	1,110	529	109.8%	218	294	1,328	823	61.4%
<b>(-)Taxes and Contributions</b>	<b>(23,588)</b>	<b>(17,988)</b>	<b>31.1%</b>	<b>(751)</b>	<b>(607)</b>	<b>(24,339)</b>	<b>(18,595)</b>	<b>30.9%</b>
<b>Net Revenue</b>	<b>277,637</b>	<b>232,916</b>	<b>19.2%</b>	<b>12,401</b>	<b>10,649</b>	<b>290,039</b>	<b>243,565</b>	<b>19.1%</b>
<b>Costs</b>	<b>(26,450)</b>	<b>(20,078)</b>	<b>31.7%</b>	<b>(2,198)</b>	<b>(2,200)</b>	<b>(28,648)</b>	<b>(22,279)</b>	<b>28.6%</b>
Payroll	(6,903)	(7,550)	-8.6%	(615)	1,024	(7,518)	(6,526)	15.2%
Services Provided	(3,321)	(858)	287.0%	(305)	(2,009)	(3,626)	(2,867)	26.5%
Common Costs	(9,138)	(6,898)	32.5%	(372)	(181)	(9,510)	(7,079)	34.3%
Merchandising Costs	(2,968)	(2,347)	26.4%	(146)	(71)	(3,113)	(2,418)	28.7%
Other Costs	(4,121)	(2,425)	69.9%	(761)	(963)	(4,881)	(3,388)	44.1%
<b>Gross Profit</b>	<b>251,187</b>	<b>212,838</b>	<b>18.0%</b>	<b>10,203</b>	<b>8,448</b>	<b>261,391</b>	<b>221,286</b>	<b>18.1%</b>
<b>Sales, General and Administrative Expenses</b>	<b>(42,323)</b>	<b>(35,519)</b>	<b>19.2%</b>	<b>(506)</b>	<b>(20)</b>	<b>(42,829)</b>	<b>(35,539)</b>	<b>20.5%</b>
Sales Expenses	(10,400)	(3,804)	173.4%	(450)	5	(10,850)	(3,800)	185.6%
Personnel Expenses	(31,189)	(27,654)	12.8%	-	203	(31,189)	(27,451)	13.6%
Services Hired	(858)	(1,232)	-30.4%	(10)	(217)	(868)	(1,450)	-40.1%
Other Expenses	124	(2,828)	-	(45)	(10)	79	(2,839)	-
<b>Depreciation</b>	<b>(122)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(120)</b>	<b>(122)</b>	<b>(120)</b>	<b>2.0%</b>
<b>Amortization</b>	<b>(2,465)</b>	<b>(2,540)</b>	<b>-3.0%</b>	<b>-</b>	<b>120</b>	<b>(2,465)</b>	<b>(2,420)</b>	<b>1.8%</b>
<b>Financial Income</b>	<b>(127,006)</b>	<b>(68,415)</b>	<b>85.6%</b>	<b>126</b>	<b>154</b>	<b>(126,880)</b>	<b>(68,261)</b>	<b>85.9%</b>
Financial Revenues	301,429	207,884	45.0%	200	153	301,629	208,037	45.0%
Financial Expenses	(428,435)	(276,299)	55.1%	(74)	1	(428,509)	(276,298)	55.1%
<b>Revenue based on Equity Revenue</b>	<b>8,205</b>	<b>9,201</b>	<b>-10.8%</b>	<b>(8,205)</b>	<b>(9,201)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Operational Revenues</b>	<b>1,478</b>	<b>14,283</b>	<b>-89.6%</b>	<b>41</b>	<b>1,961</b>	<b>1,520</b>	<b>16,244</b>	<b>-90.6%</b>
<b>Operating Income</b>	<b>88,955</b>	<b>129,848</b>	<b>-31.5%</b>	<b>1,659</b>	<b>1,342</b>	<b>90,614</b>	<b>131,189</b>	<b>-30.9%</b>
<b>Income before Income Taxes and Minority Interest</b>	<b>88,955</b>	<b>129,848</b>	<b>-31.5%</b>	<b>1,659</b>	<b>1,342</b>	<b>90,614</b>	<b>131,190</b>	<b>-30.9%</b>
Income Tax and Social Contribution Provision	(24,374)	(29,484)	-17.3%	(1,456)	(1,172)	(25,831)	(30,655)	-15.7%
Deferred Taxes	6,681	21,586	-69.1%	(146)	(170)	6,534	21,416	-69.5%
Minority Interest	(11,876)	(8,429)	40.9%	(56)	-	(11,933)	(8,429)	41.6%
<b>Net Income</b>	<b>59,385</b>	<b>113,521</b>	<b>-47.7%</b>	<b>-</b>	<b>-</b>	<b>59,385</b>	<b>113,521</b>	<b>-47.7%</b>

### Balance Sheet:

Balance Sheet (R\$ thousand)

Assets	Accounting Information			IFRS 10/11 Adjustments		Adjusted Financial Information		
	1Q13	4Q12	%	1Q13	4Q12	1Q13	4Q12	%
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	24,827	349,144	-92.9%	599	1,260	25,426	350,404	-92.7%
Accounts receivable	265,655	300,586	-11.6%	9,949	9,918	275,604	310,504	-11.2%
Securities	473,121	435,347	8.7%	4,848	5,510	477,969	440,857	8.4%
Swap Variation Receivable	20,644	4,930	318.7%	-	-	20,644	4,930	318.7%
Recoverable taxes	76,253	71,083	7.3%	448	451	76,701	71,534	7.2%
Advances	30,427	29,257	4.0%	1,496	1,391	31,923	30,648	4.2%
Other Receivable Accounts	58,418	54,818	6.6%	1,708	1,862	60,126	56,680	6.1%
Advanced Expenses	4,634	2,151	115.5%	369	191	5,003	2,342	113.6%
<b>Total</b>	<b>953,979</b>	<b>1,247,316</b>	<b>-23.5%</b>	<b>19,417</b>	<b>20,584</b>	<b>973,396</b>	<b>1,267,900</b>	<b>-23.2%</b>
<b>Non current Assets</b>								
Clients	165,936	167,153	-0.7%	1,610	2,500	167,546	169,653	-1.2%
Deferred Tax Assets	-	-	-	-	-	-	-	-
Deposits and Bonds	41,843	40,103	4.3%	381	180	42,224	40,283	4.8%
Securities	-	-	-	-	-	-	-	-
Deferred Income Tax and Social Contribution	87,133	105,121	-17.1%	432	403	87,565	105,524	-17.0%
Swap Variation Receivable	150,721	198,757	-24.2%	-	-	150,721	198,757	-24.2%
Advances for Future Capital Increases	50,160	34,800	44.1%	(43,557)	(34,800)	6,603	-	-
Other Investments	468	462	1.4%	(2)	5	467	467	0.0%
Others	63	63	0.2%	(1)	(1)	62	62	0.0%
<b>Total</b>	<b>496,324</b>	<b>546,459</b>	<b>-9.2%</b>	<b>(41,137)</b>	<b>(31,713)</b>	<b>455,188</b>	<b>514,745</b>	<b>-11.6%</b>
<b>Fixed Assets</b>								
Investment Property	15,477,501	15,398,255	0.5%	710,080	702,410	16,187,581	16,100,665	0.5%
Property, Plant and Equipment	10,558	10,681	-1.1%	6	-	10,564	10,681	-1.1%
Leasing	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-
Intangible	10,772	10,986	-2.0%	5	3	10,777	10,989	-1.9%
Construction Financing	-	-	-	-	-	-	-	-
<b>Total</b>	<b>15,979,379</b>	<b>15,901,395</b>	<b>0.5%</b>	<b>229,543</b>	<b>220,940</b>	<b>16,208,922</b>	<b>16,122,335</b>	<b>0.5%</b>
<b>Total Assets</b>	<b>17,429,682</b>	<b>17,695,170</b>	<b>-1.5%</b>	<b>207,823</b>	<b>209,811</b>	<b>17,637,506</b>	<b>17,904,981</b>	<b>-1.5%</b>

## Balance Sheet:

### Balance Sheet (R\$ thousand)

Liabilities	Accounting Information			IFRS 10/11 Adjustments		Adjusted Financial Information		
	1Q13	4Q12	%	1Q13	4Q12	1Q13	4Q12	%
<b>Liabilities</b>								
<b>Current Liabilities</b>								
Loans and Financings	452,107	764,344	-40.9%	2,722	2,202	454,829	766,546	-40.7%
Suppliers	62,832	66,413	-5.4%	814	1,153	63,646	67,566	-5.8%
Taxes and Contributions	58,299	55,153	5.7%	1,868	2,172	60,167	57,326	5.0%
Payroll and related charges	43,397	76,504	-43.3%	162	177	43,559	76,681	-43.2%
Dividend Payment	215,501	215,501	0.0%	-	-	215,501	215,501	0.0%
Taxes and Contributions - Installments	2,624	2,427	8.1%	91	59	2,715	2,486	9.2%
Client Advances	27,081	25,835	4.8%	461	474	27,542	26,309	4.7%
Liability on shopping center's acquisition	180,998	180,061	0.5%	(317)	-	180,682	180,061	0.3%
Swap variation payable	20,348	6,302	222.9%	-	-	20,348	6,302	222.9%
Other Account Payables	4,904	2,826	73.6%	891	960	5,796	3,786	53.1%
Deferred Revenues	29,536	28,761	2.7%	5,857	5,571	35,393	34,332	3.1%
<b>Total</b>	<b>1,097,627</b>	<b>1,424,127</b>	<b>-22.9%</b>	<b>12,551</b>	<b>12,769</b>	<b>1,110,178</b>	<b>1,436,896</b>	<b>-22.7%</b>
<b>Non current Liabilities</b>								
Loans and Financings	3,731,705	3,717,294	0.4%	19,123	20,034	3,750,828	3,737,328	0.4%
Suppliers	4,493	4,387	2.4%	-	-	4,493	4,387	2.4%
Provision for Fiscal Risks and other Contingent Liabilities	101,260	104,925	-3.5%	1	1	101,261	104,927	-3.5%
Taxes and Contributions - Installments	79,036	79,811	-1.0%	690	747	79,727	80,559	-1.0%
Liability on shopping center's acquisition	346,243	341,351	1.4%	598	-	346,841	341,351	1.6%
Swap variation payable	139,405	161,538	-13.7%	-	-	139,405	161,538	-13.7%
Deferred Taxes	2,891,891	2,914,390	-0.8%	185,527	185,387	3,077,418	3,099,777	-0.7%
Deferred Revenues	6,713	5,810	15.5%	(6,713)	(5,810)	-	-	-
Deferred Revenues	116,830	122,794	-4.9%	(3,951)	(3,444)	112,879	119,350	-5.4%
Other Account Payables	3,877	3,786	2.4%	(2)	126	3,875	3,912	-1.0%
<b>Total</b>	<b>7,421,453</b>	<b>7,456,087</b>	<b>-0.5%</b>	<b>195,273</b>	<b>197,042</b>	<b>7,616,726</b>	<b>7,653,129</b>	<b>-0.5%</b>
<b>Shareholder's Equity</b>								
<b>Minority Interest</b>	<b>638,027</b>	<b>626,151</b>	<b>1.9%</b>	<b>-</b>	<b>-</b>	<b>638,027</b>	<b>626,151</b>	<b>1.9%</b>
Capital Stock	3,473,054	3,459,212	0.4%	-	-	3,473,054	3,459,212	0.4%
Capital Reserves	70,109	59,567	17.7%	-	-	70,109	59,567	17.7%
Income Reserve	4,720,766	4,720,766	0.0%	-	-	4,720,766	4,720,766	0.0%
Shares in Treasury	(12)	(12)	0.0%	-	-	(12)	(12)	-1.2%
Retained Earnings(Loss)	59,385	-	-	-	-	59,385	-	-
Equity Offering Expenses	(50,727)	(50,727)	0.0%	-	-	(50,727)	(50,727)	0.0%
<b>Total Shareholder's Equity</b>	<b>8,910,601</b>	<b>8,814,957</b>	<b>1.1%</b>	<b>-</b>	<b>-</b>	<b>8,910,601</b>	<b>8,814,957</b>	<b>1.1%</b>
<b>Total Liabilities</b>	<b>17,429,682</b>	<b>17,695,170</b>	<b>-1.5%</b>	<b>207,824</b>	<b>209,811</b>	<b>17,637,506</b>	<b>17,904,981</b>	<b>-1.5%</b>

## Cash Flow:

Cash Flow (R\$ thousand)		
	1Q13	1Q13 - IFRS 10 & 11
<b>Earnings of the period</b>	<b>59,385</b>	<b>59,385</b>
<b>Adjustments to reconcile net income and cash flow from operating activities</b>	<b>144,532</b>	<b>135,419</b>
Depreciation and Amortization	2,588	2,588
Interest, monetary variations on borrowings	104,568	103,550
Investment earnings	(10,546)	(10,408)
Adjustment revenue straight-lining and present value adjustment	(18,271)	(17,776)
Adjustment Granted Option Plans	10,542	10,542
Adjustment fair value and derivatives result	45,638	45,637
Income Tax and Social Contribution	(6,534)	(6,681)
Fair value adjustment on investment properties	-	-
Equity Revenue	-	(8,207)
Deferred Tax Assets - CVM 349	-	-
Minorities	11,933	11,876
Others	4,614	4,298
<b>Variation on current capital</b>	<b>(24,691)</b>	<b>(23,223)</b>
Accounts Receivable	40,962	40,163
Taxes Recoverable	(5,167)	(5,170)
Advances	(1,275)	(1,170)
Prepaid Expenses	(2,660)	(2,483)
Deposits and Guarantees	(1,941)	(1,740)
Financial instruments	(21,403)	(21,402)
Trade payables	(3,813)	(3,475)
Taxes and Contributions	19,287	17,988
Salaries and Social Charges	(33,122)	(33,107)
Advances from Clients	1,233	1,247
Deferred revenue	4,291	4,275
Provision for contingencies	(3,666)	(3,665)
Others	(2,501)	(1,433)
Income Tax and Social Contribution	(14,916)	(13,251)
<b>Net Cash generated (used) in operational activities</b>	<b>179,226</b>	<b>171,581</b>
<b>Net Cash generated (used) in investing activities</b>	<b>(109,721)</b>	<b>(108,364)</b>
Acquisition of Marketable Securities	(26,566)	(27,366)
Intangible assets	(2,350)	(2,257)
Investment Property Acquisition and Development	(80,805)	(73,416)
Advancement for future capital raise	-	(8,757)
Sale of investments	-	-
Increase in capital in subsidiaries	-	-
Interest on capital received	-	-
Operations with related entities	-	(5,700)
Dividends received	-	9,132
Additions to deferred assets	-	-
<b>Net Cash generated (used) in financing activities</b>	<b>(394,483)</b>	<b>(387,534)</b>
Loans received	54,069	54,069
Loans paid	(442,486)	(441,077)
Treasury stock	-	-
Capital Raise	40,158	13,842
Dividends paid	-	-
Costs with equity offering	-	-
Minority Interest	(31,856)	-
<b>Exchange variation on cash and cash equivalents</b>	<b>(14,368)</b>	<b>(14,368)</b>
<b>Net Cash generated (used) in the period</b>	<b>(324,978)</b>	<b>(324,317)</b>
<b>Cash and equivalents in the beginning of the period</b>	<b>350,404</b>	<b>349,144</b>
<b>Cash and equivalents in the end of the period</b>	<b>25,426</b>	<b>24,827</b>

## Debt Profile:

Debt Profile (R\$ thousand) - Adjusted Financial Information						
	Index	Rate (%)	Due		12/31/2012	3/31/2013
<b>Short-term Debt</b>						
Unibanco - CCB (i)	IGPM	9.70%	p.a. 2/14/2019		10,648	10,405
Itaú - CCB (ii)	IGPM	9.75%	p.a. 2/15/2019		13,777	15,241
Debentures - Series 1 (iv)	CDI	0.50%	p.a. 7/15/2014		4,988	3,537
Debentures - Series 2 (iv)	IPCA	7.90%	p.a. 7/15/2016		103,530	112,740
Banco Santander (vi)	TR	11.00%	p.a. 10/1/2019		6,926	6,715
Banco Santander (viii)	TR	10.00%	p.a. 12/21/2019		3,079	3,153
Banco Santander (xvi)	TR	10.65%	p.a. 4/20/2023		5,845	7,831
Itaú (vii)	TR	11.16%	p.a. 10/19/2021		12,692	13,009
Itaú (vii)	TR	11.00%	p.a. 2/16/2023		14,291	14,582
Itaú (xii)	TR	11.30%	p.a. 6/28/2017		8,554	12,530
Banco do Brasil - Finame (ix)	TJLP	3.85%	p.a. 11/15/2014		4,277	3,908
Banco Bradesco - Finame (ix)	TJLP	3.35%	p.a. 3/15/2013		3	0
Banco Bradesco (x)	TR	9.80%	p.a. 6/28/2022		5,404	6,848
Banco Bradesco (xi)	TR	9.90%	p.a. 2/28/2025		37,223	51,478
Banco BTG Pactual (xviii)*	IGPM	8.50%	p.a. 4/20/2023		2,202	2,722
Banco do Brasil (xvii)	TR	10.20%	p.a. 4/5/2022		545	546
Debentures 2nd emission - Series 1 (xv)	CDI	0.94%	p.a. 2/15/2017		4,792	1,419
Debentures 2nd emission - Series 2 (xv)	IPCA	6.40%	p.a. 2/15/2019		13,825	1,835
Itaú - CCB (xix)	TR	9.80%	p.a. 10/15/2013		152,121	155,889
Itaú - CCB (xx)	TR	9.80%	p.a. 6/15/2020		3,315	5,144
Itaú - CCB (xxi)	TR	9.80%	p.a. 6/15/2020		10,276	11,188
Perpetual bonds (v)	US\$ Dólar	9.75%	p.a.		334,571	0
Perpetual bonds (v)	US\$ Dólar	8.50%	p.a.		13,472	13,287
Citibank (xiv)	6 mês Libor	1.78%	p.a. 08/12/2014		190	821
<b>Total Short-term Debt</b>					<b>766,546</b>	<b>454,829</b>
<b>Long-term Debt</b>						
Unibanco - CCB (i)	IGPM	9.70%	p.a. 2/14/2019		48,485	47,106
Itaú - CCB (ii)	IGPM	9.75%	p.a. 2/15/2019		68,260	64,171
Itaú - CRI (vii)	TR	11.16%	p.a. 10/19/2021		103,611	102,740
Itaú - CRI (vii)	TR	11.00%	p.a. 2/16/2023		116,620	115,165
Itaú - CRI (xii)	TR	11.30%	p.a. 6/28/2017		51,518	49,160
Banco Bradesco (xi)	TR	9.90%	p.a. 2/28/2025		568,516	566,258
Banco Bradesco (x)	TR	9.80%	p.a. 6/28/2022		68,190	67,222
Debentures - Series 1 (iv)	DI	0.50%	p.a. 7/15/2014		4,344	4,076
Debentures - Series 2 (iv)	IPCA	7.90%	p.a. 7/15/2016		272,154	277,939
Banco Santander (vi)	TR	11.00%	p.a. 10/1/2019		78,584	77,035
Banco Santander (viii)	TR	10.00%	p.a. 12/21/2019		25,637	24,830
Banco Santander (xvi)	TR	10.65%	p.a. 4/20/2023		117,576	115,586
Banco do Brasil - Finame (ix)	TJLP	3.35%	p.a. 11/15/2014		1,868	1,071
Banco do Brasil (xvii)	TR	10.20%	p.a. 4/5/2022		128,107	128,213
Banco BTG Pactual (xviii)*	IGP	8.50%	p.a. 4/20/2023		20,038	19,127
Debentures 2nd emission - Series 1 (xv)	CDI	0.94%	p.a. 2/15/2017		161,580	159,790
Debentures 2nd emission - Series 2 (xv)	IPCA	6.40%	p.a. 2/15/2019		250,768	256,098
Itaú - CCB (xx)	TR	9.80%	p.a. 6/15/2020		55,314	53,250
Itaú - CCB (xxi)	TR	9.80%	p.a. 6/15/2020		170,235	168,536
Perpetual bonds (v)	US\$ Dollar	8.50%	p.a. -		822,495	836,903
Citibank (xiv)	6 months Libor	1.78%	p.a. 08/12/2014		114,546	112,881
Itaú - CRI - Curto (xxii)	IPCA	3.96%	p.a. 11/20/2024		269,167	277,429
Itaú - CRI - Longo (xxii)	IPCA	4.27%	p.a. 11/18/2027		219,716	226,242
<b>Total Debt</b>					<b>3,737,329</b>	<b>3,750,828</b>
					<b>4,503,875</b>	<b>4,205,657</b>

\*The table above adjusted financial information of the subsidiaries considers the debt, SPE Macaé of R\$ 21.85 million, not presented in the consolidated financial statements in accordance with accounting practices adopted in Brazil, due to the adoption of CPC 19 (R2) - IFRS 11, as mentioned in the introductory paragraph.

## Accounting Information:

### NOI Reconciliation (R\$ thousand)

	Accounting Information			Adjusted Financial Information		
	1Q13	1Q12	%	1Q13	1Q12	%
<b>Gross Revenue</b>	<b>301,225</b>	<b>250,904</b>	<b>20.1%</b>	<b>314,378</b>	<b>262,159</b>	<b>19.9%</b>
(-) Services	(21,272)	(21,787)	-2.4%	(21,006)	(21,593)	-2.7%
(-) Costs	(26,450)	(20,079)	31.7%	(28,648)	(22,279)	28.6%
(+) Araguaia Debenture	2,228	1,377	61.8%	2,228	1,377	61.8%
(-) Presumed Credit PIS/COFINS	(2,161)	(1,899)	13.8%	(2,161)	(1,899)	13.8%
<b>NOI</b>	<b>253,570</b>	<b>208,515</b>	<b>21.6%</b>	<b>264,791</b>	<b>217,765</b>	<b>21.6%</b>
<b>Margin %</b>	<b>90.6%</b>	<b>91.0%</b>	<b>-0.5%</b>	<b>90.3%</b>	<b>90.5%</b>	<b>-0.3%</b>

### Adjusted EBITDA Growth (R\$ thousand)

	Accounting Information			Adjusted Financial Information		
	1Q13	1Q12	%	1Q13	1Q12	%
<b>Net Revenue</b>	<b>277,637</b>	<b>232,916</b>	<b>19.2%</b>	<b>290,039</b>	<b>243,565</b>	<b>19.1%</b>
(-) Costs and Expenses	(71,360)	(57,885)	23.3%	(74,064)	(60,358)	22.7%
(+) Depreciation and Amortization	2,588	2,286	13.2%	2,588	2,540	1.9%
(+) Other Operating Revenues	1,478	14,283	-89.6%	1,520	16,244	-90.6%
<b>EBITDA</b>	<b>210,343</b>	<b>191,601</b>	<b>9.8%</b>	<b>220,083</b>	<b>201,991</b>	<b>9.0%</b>
(+) Aruaguaia Debenture	2,228	1,377	61.8%	2,228	1,377	61.8%
<b>Adjusted EBITDA</b>	<b>212,571</b>	<b>192,978</b>	<b>10.2%</b>	<b>222,311</b>	<b>203,368</b>	<b>9.3%</b>
<b>Margin %</b>	<b>76.6%</b>	<b>82.9%</b>	<b>-7.6%</b>	<b>76.6%</b>	<b>83.5%</b>	<b>-8.2%</b>

### FFO Reconciliation (R\$ thousand)

	Accounting Information			Adjusted Financial Information		
	1Q13	1Q12	%	1Q13	1Q12	%
Net Income	59,385	113,520	-47.7%	59,385	113,521	-47.7%
(+) Depreciation and Amortization	2,588	2,286	13.2%	2,588	2,540	1.9%
<b>FFO</b>	<b>61,973</b>	<b>115,806</b>	<b>-46.5%</b>	<b>61,974</b>	<b>116,061</b>	<b>-46.6%</b>
(+) FX Variation on Perpetual Bond	(15,523)	(30,190)	-48.6%	(15,523)	(30,190)	-48.6%
(-) Swap mark to market	45,638	13,201	245.7%	45,638	13,201	245.7%
(+) Non-cash Taxes Adjustment	(295)	(18,016)	-98.4%	(148)	(6,758)	-97.8%
(+) Non recurring financial expenses	-	-	-	-	(2,089)	-100.0%
(+) Equity Income	(8,205)	(9,201)	-10.8%	-	-	-
<b>Adjusted FFO</b>	<b>83,587</b>	<b>71,601</b>	<b>16.7%</b>	<b>91,940</b>	<b>90,224</b>	<b>1.9%</b>
<b>Margin %</b>	<b>30.1%</b>	<b>30.7%</b>	<b>-2.1%</b>	<b>31.7%</b>	<b>37.0%</b>	<b>-14.4%</b>