

BRMALLS Acquires a 100% Ownership Interest in Shopping Jardim Sul in São Paulo

Rio de Janeiro, November 22nd, 2011 - **BR MALLS PARTICIPAÇÕES S.A.**, a publicly held company headquartered at Avenida Borges de Medeiros n° 633, 1st floor in the city and state of Rio de Janeiro ("BRMALLS"), hereby announces it acquired a 100% ownership interest in Shopping Jardim Sul in São Paulo (SP), and will be responsible for managing and leasing the mall.

Transaction Overview

- **BRMALLS** acquired today a 100% ownership interest in Shopping Jardim Sul, of which 60% were by BR MALLS Participações SA and 40% by Rubi Real Estate Investment Fund, which we currently hold 100% of the shares.
- The price paid for the mall was R\$460 million, which was paid in cash today.
- We estimate that the asset will generate R\$37.9 million of NOI (including service revenues) to **BRMALLS** in 2012 and a stabilized NOI of R\$50.1 million.
- This investment represents a nominal entry cap rate (2012) of 8.2% and a stabilized real cap rate of 10.9%. The IRR of the acquisition was 11.5%, real and unleveraged.
- **BRMALLS** intends to distribute shares of the real estate investment fund to retail investors in the near future raising, through the service revenues resulting from this transaction, the IRR above 12.5%, real and unleveraged.
- In addition, **BRMALLS** acquired two plots of land next to the mall with a total area of 14.3 thousand m² for R\$ 30 million.

With the acquisition, **BRMALLS** increased the number of shopping malls in its portfolio to 44 and increases its owned GLA by 30,800 m², or 4.2%, reaching a total owned GLA 769.3 thousand m². The total GLA was increased by 30,800 m², or 2.3%, totaling 1,386.2 thousand m². Thus, we reach an average interest of 55.5% in our portfolio.

This will be our 10th shopping mall in the state of São Paulo and our 26th mall in the Southeast Region of the country. Additionally, on November 29 we will be opening Mooca Plaza Shopping, which is also located in São Paulo. Considering the opening and the acquisition of Shopping Jardim Sul, **BRMALLS** establishes itself as the largest operator of malls in the state reaching a total GLA and owned GLA in the state of São Paulo of 348.4 thousand m² and 205.8 thousand m² respectively, contributing towards efficiency gains and synergies.

This acquisition has a great strategic relevance for **BRMALLS**, being the 2nd time in five years we had the opportunity to acquire a controlling stake in a shopping mall in the city of São Paulo.

Shopping Jardim Sul

Opened in 1990, Shopping Jardim Sul is located in São Paulo, São Paulo state.

The mall is located in the Morumbi neighborhood, an area of strong residential and commercial growth. Since its opening, Shopping Jardim Sul has played an important role in being a strong catalyst for growth and appreciation of its main catchment area.

In addition to the 190 stores that make up its diverse mix, of which 5 are anchor stores, the mall has 1,350 parking spaces and a flow of 135,000 vehicles / month.

The main anchor stores located in the mall are C&A, Lojas Americanas, Pão de Açúcar, Renner and a UCI cinema with 11 rooms, one of which is 3D. The mall also has a unit of Fleury Medicina e Saúde, an established clinical analysis laboratory.

Since Shopping Villa-Lobos has a NOI/m² more than 60% higher than Shopping Jardim Sul, despite Shopping Jardim Sul being larger and located in a catchment area with a similar income profile to Shopping Villa-Lobos, we believe the acquisition represents a good opportunity to improve the results of the mall.



Shopping Jardim Sul:

Total GLA: 30,800 m²

Owned GLA: 30,800 m²

Ownership Interest: 100%

Number of stores: 190

Number of parking spaces: 1,350

NOI BRMALLS 1st year: R\$37.9 million

NOI BRMALLS stab.: R\$50.1 million

ABOUT BRMALLS

BRMALLS is the largest integrated mall company in Brazil, with a portfolio of 44 malls, comprising 1,386.2 thousand m² of GLA and 769.3 thousand m² of owned GLA. **BRMALLS** is the only shopping mall company in Brazil with nationwide presence and targeting all income segments.