Operator:

Good afternoon. Welcome, everyone, to Multiplan's 3Q08 earnings conference call. Today with us we have Mr. José Isaac Peres, Chairman and CEO, Mr. Armando d'Almeida Neto, CFO and IRO, Mr. Marcello Barnes, Chief Investment Officer, and Mr. Hans Melchers, Planning and IR Manager.

Today's live webcast and presentation may be accessed through Multiplan website at www.multiplan.com.br/ir. We would like to inform you that this event is recorded and all participants will be in a listen-only mode during the Company's presentation. After Multiplan remarks, there will be a question and answer session. At that time further instructions will be given. Should any participant need assistance during this call, please press *0 to reach the operator.

Before proceeding, let me mention that forward-looking statements are based on the beliefs and assumptions of Multiplan management and on information currently available to the Company. They involve risks and uncertainties because they relate to future events and therefore depend on circumstances that may or may not occur. Investors should understand that conditions related to the macroeconomic scenario, industry, and other factors could also cause results to differ materially from those expressed in such forward-looking statements.

Now, I will turn the conference over to Mr. Armando in the name of Mr. Perez, Mr. Armando, you may begin your conference.

Armando d'Almeida Neto:

Good morning. On behalf of Mr. Perez, I am going to leave a message: "Dear shareholders, it is my pleasure to present Multiplan's results for the 3Q08. As we all expected, our Company continued to expand, and the improvement in our venturous performance as well as its success in its projects can be seen in our figures.

In the 3Q08 the net operating income grew 43.2% to R$67.9 million, and the adjusted income increased 16.7% when compared to the 3Q07. In September, we announced the construction of Jundiaí Shopping, Multiplan's new shopping center located in Jundiaí, São Paulo, with 34,550 m^2 of gross leasable area. The mall is expected to have a third year NOI of R$26.6 million and will integrate a mixed use project where two office towers are planned to be constructed.

Currently, the Company is responsible for the development of five greenfield projects, and strong efforts are continuously being made in order to expand our developments' pipeline. We have also announced the construction of a new expansion at Park Shopping Barigüi, in Curitiba, State of Paraná, adding 8,639 m^2 of gross leasable area to the shopping center through 83 new stores.

In total, the Company has seven expansions under development, which will add 51,598 m^2 of gross leasable areas to our portfolio. Developing new projects continue to be our priority, and Multiplan's main expertise. Producing feasibility studies, developing projects, and managing shopping centers is what we do best, and what generates the most substantial returns to our shareholders.

I would like to retransmit our team's pride and excitement with the official opening of Barra Shopping Sul on November 17th. After years of studying, planning, and developing, the mall is finally about to contribute to people's lives by creating jobs and offering an option of shopping and leisure through a massive entertainment center.

With 68,378 m^2 f GLA, the shopping center is born as the largest mall in the Southern region of Brazil, and the second largest in Multiplan's portfolio. Joining Barra Shopping Sul mixed use complex, is Crystal Towers, our new office tower, which was launched last August and has successfully entered into sale. In no more than three months, Crystal Towers has already 58% of its units sold.

In order to maintain our malls as prominent regional assets for shopping leisure, it is necessary to adapt them to the consumer needs and emerging design trends. This is what prompted Multiplan to invest R$10.7 million in renovations in the 3Q08, totaling R$41.7 million in the 9M08.

For instance, in our three largest malls, Barra Shopping, Belo Horizonte Shopping, and Morumbi Shopping, a lot has now been redesigned; floors, roofs, stairs, windows, lighting, and many other landscape aspects have been improved in order to attend the new market trends, resulting in a comfortable atmosphere and a better shopping center experience for all customers.

Multiplan has 83% of rental income attributed to the minimum rent revenue, and the occupancy rate of the operating malls is currently at 97.2%. The maintenance was only 3.7% on the 3Q08, and the malls' sales growth on the 9M08 was over 16%, totaling R$3.4 billion. The figure shows that, despite the crisis, our quality shopping centers continue to grow on sales, as they are inherent to people's routine.

It is also important to mention, during the current economic scenario that our Company's net debt is R$55.9 million, which corresponds to 2.7% of Multiplan's equity and 3.4% of the Company's market value.

Finally, I would like to express our Company's confidence during this quite unstable economic scenario. One of the reasons is due to Multiplan's lease contracts, which are indexed to IGPDI inflation rates, providing inflationary protection for our records. Furthermore, the leading success and the high demand for over 1,000 stores, which will be added to our Company's portfolio until 2009 clearly demonstrates that our path is to continue growing.

On October, when market conditions were already vulnerable, our malls had sales approximately 16% superior to October 2007, reaffirming the quality of our portfolio. Besides, our shopping centers are consolidated ventures that guarantee the flow of cash during a long period of time, therefore perpetuating our results.

Through more than 30 years, Multiplan has experienced some volatility times, and always managed to overcome difficulties by improving its own ventures and investing in bold projects. Our strategy, as well as our beliefs, has remained unchanged throughout the years to be the best in the shopping center industry and demonstrating the strongest possible results for our shareholders.

My best regards, José Isaac Perez."

Well, I will now pass to a quick update on our 3Q results. If you can open the presentation on page two, please.

This chart wraps up the operation highlights, or the main numbers that measure the performance of our shopping centers. Once again, sales in our malls in this quarter showed a double-digit growth of 16.9% when compared to the same period of 2007. According to the last released report by the national statistic institute, the retail sales in August increased 9.8% when compared to August last year, while Multiplan's sales have increased 19.2% in the same period. Excluding the two acquired shopping centers in the last year, our sales would have grown even at 13.7%, also above the national index and demonstrating the strength of our organic growth in Multiplan.

The weighted average inflation in this quarter, associated with the improvement in our malls, due to investments in renovations, operation performance (such as marketing campaigns), resulted to a same-store rent that surpassed same-store sales by 1.7%. We were able to adjust the contracts of this quarter passing the inflation to tenants and growing above it, as you can notice.

We had 10.2% of inflation adjustments passed to our rent revenue, while our same-store rent increased 11.6%, showing a 1.4% growth on top of inflation. These increases are in line with the tenants' operations, and this can be verified, for example, by our delinquency, which fell from 4.4% in the 3Q07 to 3.7% in the 3Q08, showing the healthy position of their operations, which were even better than the 3.9% of last quarter, not to mention the occupancy rate that remains very high.

If you could, please, move to slide three. As you can see in this first chart, rent continues to be the main driver for our revenue growth, being 61% of the total share of our gross revenue, and increasing 22.4% in the 3Q08 when compared to the 3Q07. As you may already notice in the second chart, the base rent it is still the one responsible to boost the total rent revenue, however we see merchandising increasing again this quarter, growing 41% when compared to the same period of last year. The merchandising in shopping centers, especially the ones well-located and presented as the top of mind of consumers, have become one of the favorite strategies for advertisers seeking to influence the consumer in the moment of buy.

The last thing I would like to highlight is the service and parking revenue, which together were responsible for almost 34% of our gross revenue. Still on merchandising, I would just like to add that we have been focusing in reducing the kiosks, or the merchandising, the specialty income operations that end up in sales in the malls, in the corners of the malls. And privileging the merchandising operations that highlight media grand experience, because of the return that it brings and to make the atmosphere in the shopping center a comfortable place for our clients.

Just as an example, in our operations in Rio de Janeiro, in Barra Shopping, in the last three years we reduced from 90 kiosks to less than 40 nowadays, mainly focusing on brand experience.

All malls have shown a double-digit growth in parking income, furthermore Park Shopping Barigüi and Shopping Anália Franco, which started to charge parking in the previous quarter, have contributed with R$4 million only in this quarter. Hence, our parking revenue registered an increase of 63.2% from the 3Q08 to the 3Q07.

Service revenue had the third largest growth of our revenue breakdown, increasing almost 44%. The leasing success of our developments and expansions and the tenant mix change of our shopping centers were the main responsible for higher additional transfer and management fees.

However, Multiplan had two revenue reductions. Real estate sales have fallen, when compared to the 3Q07, as Cristal Tower, the only real estate project now in place, has not started construction yet; due to the accounting system in Brazil we only started doing the revenue when we start the construction of Cristal Towers, our commercial towers in Porto Alegre, integrated with Barra Shopping Sul. And also as key money that should start to increase as soon as we start operations coming from our development pipeline.

Shopping center revenues have shown a great improvement, which can be seen clearly by the Company's strong growth in NOI, as you will see with more details in the next slide.

In slide four, the NOI had a meaningful increase of 43.2% when compared to the same quarter of last year, achieving a margin of 85.8%. If we break down our NOI calculation, we will understand the three factors that have mainly led to this growth. The first one was the organic growth of our rents that delivered 22.4% from the 3Q07 to the 3Q08, as I have explained the reasons in the previous slides.

The second one was the parking net result, which increased over 100%, 105.6% only in this quarter, when compared to the same period of last year. The reason for this growth is that parking revenue have been increasing in a faster pace than the expenses, due to parking revenues double-digit growth in all shopping centers and the beginning of charge for parking in two more malls. In addition to that, from nine parking operations already in progress, four of them count with new condominium bylaws, which distribute 100% of the parking revenues to its owners, not sharing it with the condominium itself.

Last but not least, mall expenses have been reducing since the beginning of this year, which in this quarter were 17.2% smaller than the 3Q07. The efficiency comes from, but not limited to, the reduction of marketing contribution, vacancy (not considering Shopping Santa Úrsula, our latest acquisition) and the lower contribution for tenants with cost-limited contracts, which were benefited by better sales.

Let us, please, move to slide five, to better understand the performance of our Company. Align our strategy in order to achieve better operation performance and, at the same time, offer services of high standards for our customer, have been one of the Company's main goals. For this reason, Multiplan have been investing in new developments and reinvesting in the shopping centers of our portfolio.

If we take a look at the fist chart, we will see the performance of our malls since 2000. If we compare the three main drivers of performance of our malls with the three indexes used to measure the Country's performance, we can understand how well Multiplan has been doing over the years. Through 29 years since Multiplan's launched its first shopping in the market, the Company has invested in 34 expansions over the years, in order to improve its malls and supply its consumers' demand.

Consumer trends always change, therefore Multiplan has also been investing in renovations of our malls in order to constantly adapt to them. During the 1980's the focus was in the product, in our case the shopping center itself; nowadays the focus is in the consumer, which made the mall landscape move from being close environments, with almost no signs, to landscape with glass ceilings with natural light, signs and staff ready to help customers to guide through the mall. It is part of our satisfaction to see the customers enjoying the changes done by our team.

It is of extreme importance to have the appropriate mix aligned with the target consumer expectations. Changing the mix, anticipating trends, bringing new operations to our malls are some of the examples that help us face adversities and continue to have a solid performance.

Matching the consumer expectations to our tenant mix is a key to satisfy both of them. Multiplan has a historical success on exceeding the expectation of our tenants, who manages to sell to their appropriate target and, in the other side, the consumer who finds everything he needs.

For this reason by looking at the occupancy rate over the years, you may notice that it has always been high and growing in the last years. The average occupancy rate in the 9M07 was 97.5%, a new record. Looking at the margin or the 3Q08, the occupancy rate was 97.2%; and, please, it does not mean a sign of slowdown. On the contrary, if we exclude our latest acquisition that is a turnaround case, Shopping Santa Úrsula, our occupancy rate would be 98.1%.

Everything has to be carefully planned, and every investment has to follow a strategy. I ask you to keep that in mind and just move to page six, please. If we consider the developments and expansions announced, by 2011 we will have increased our own GLA by 64%; it will be almost 1,100 new stores added to our portfolio, or 42% of own GLA also added.

But the investments needed for that are carefully planned, as you may see in the chart below, called use of proceeds. I think it is a well-known slide that we keep updating as the new developments come; and if we can just move to slide seven, so we talk about our pipeline and the investments we have.

So far this year we have invested R$272 million in new developments and expansions. Those investments were motivated by strong sales and demand from our tenants. In the store leased pie, we can see the leasing process status of all the projects announced so far. Let me remind you that in the 2Q08 we have mentioned that 82% of the stores were already leased and that number, if we consider the same basis, would now be 88%. Multiplan recently announced two new projects (Jundiaí Shopping and Park Shopping Barigüi); therefore the number of new stores that will open increased to, as I mentioned, almost 1,100 new stores, and the total leased is already 67%.

We just brought some information on the recently announced projects, Jundiaí Shopping and Park Shopping Barigüi, and also if we can move to page nine, just to update on Cristal Towers, just to show that Cristal Towers are our latest mixed-use project integrated to Barra Shopping Sul, has already sold 58% of its units so far, in the last three months since announced.

Moving to the next page, page ten, please, where we talk about the Company's results. Our EBITDA increased mainly due to the NOI, as also did the FFO and the net income. Furthermore, all of the four main financial indexes mentioned have shown a double-digit growth. We recognize that our G&A has reduced our EBITDA margin, because of the strong investments that we have dedicated to our new developments and expansions. Nevertheless, we know that next quarter we will open Barra Shopping Sul, Park Shopping Fashion Expansion, and Park Shopping Barigüi Gourmet Expansion, and part of the first phase of the Ribeirão Shopping Expansion, which will provide another R$33.5 million to our NOI, right in the first year.

Expected income, which holds all the key money from new developments and expansions, has increased from R$81.2 million in the 3Q07 to R$121.5 million in the 3Q08. This number has not been recognized as revenue yet, and will start to be accrued in the key money account as new projects start operating.

Moving to the next slide, to talk about the financial status. Over the last years, Multiplan has built its debt position due to land acquisitions, minority shareholders' acquisition, and we have not structured the finance with banks, but mainly with the sellers; leading that 85% of our gross debt is non-bank related debt. Our gross debt as of the end of September was totaling R$171 million and our net debt, R$56 million.

In the second chart from left to right, it is a way that we try to simplify and explain the cash needs that we have by showing just multiplying the FFO that we have for the 9M08, with a cash position, and comparing that to debt amortization that we had until 2010, and the investments planned until 2010. So, we are showing that we might need to leverage the Company by R$224 million, give or take, not considering here the cash that availability that we want to have regards, nor as for any increase in the FFO generated by the inauguration of the new projects.

If we just move to slide 12, we are proud to say that Barra Shopping Sul will be open for the public on November 18th, Tuesday next week. We are going to have a tropical party on November 17th, and we are very proud to open a shopping center with 100% leased since December last year and that 190 stores out of the 215 stores we expect will open with the shopping center next week. Until mid December, 95% of the total stores we expect to be working and ready for sales in this strong month of December.

So, I think this is also a sign of how retail sales in Brazil are at the moment, since to have the shopping fully leased is just the first stage, and the opening week has all those stores ready to go and to benefit on the still-strong retail figures that we have in the Country right now is very important.

I would like to make this a final comment, because mainly using some of the questions that we had in the previous call, in Portuguese, just to say that our development pipeline is mainly driven by market conditions. And so far, the picture is very positive. So, we have to take into consideration for the new development pipeline, the interest and the demand coming from retailers, as well as the finance available in the market; and that is what we will take into consideration to continue to move ahead with the speed and the strength we have been doing in our developments pipeline.

I will now turn back to the operator, and just be ready for questions. We have Mr. Perez, we have Hans Melchers, we have Marcello Barnes, from Porto Alegre to this call, and myself available for any questions that you have. Thank you very much.

Operator:

The questions and answers session is now over. I will turn the call over to Mr. Armando d'Almeida Neto for final considerations. Mr. Armando, you may give your final considerations now.

Armando d'Almeida Neto:

Well, I would like again to thank you all very much. We had so many questions in the Portuguese call, I am surprised to not have any in the English. But nevertheless, we are, through our Investor Relations department, available at anytime for any questions that you might have. And we will have the Portuguese call translated to English for any support that analysts might need.

On behalf of Mr. Perez, we want to thank you very much, and to reaffirm our confidence in the market, our confidence in our strategy that we will continue to move ahead, of course carefully, with this scenario that we have ahead of us, but reminding that Multiplan has more than 30 years in the market and we saw different crises in Brazil, and they were all opportunities for our growth. So, we will keep our path of organic growth and very attentive and focused also in opportunities that might come.

Thank you very much, and I wish you all a good day. Thank you.

Operator:

Thank you. This concludes today's Multiplan 3Q08 earnings conference call. You may disconnect your lines at this time, and have a great day.