



MULTIPLAN ANTICIPATES EXPANSION, WHICH WILL INCREASE BH SHOPPING IN 35% IN 14 MONTHS

MULTIPLAN EMPREENDIMENTOS IMOBILIÁRIOS S.A (“MULTIPLAN”). (Bovespa: MULT3), the largest shopping mall company in Brazil in terms of revenues, aligned to its strategy to maximize its shareholders’ return, announces it has anticipated the expansion of BH Shopping, in Belo Horizonte, in more than a year. The opening, which was initially planned for November 2010, was anticipated for 2009. With this expansion, Belo Horizonte’s largest shopping mall in terms of revenues will have its GLA increased in 35%, strengthening its leadership in the Minas Gerais market, totaling 47,950 sq. m. of GLA.

BHShopping

Opened in 1979, it was and still is the first and largest shopping mall ever built in the state of Minas Gerais, indicated as favorite among Minas Gerais’ population, according to a survey carried out in 2005 by IPDM (Market Research & Development Institute). Mostly frequently visited (85%) by Class A and B publics, it presently counts with 291 stores, including the following anchor stores: C&A, Lojas Americanas, Lojas Riachuelo, Renner, Zara and Carrefour. Its constructed area is 142,339 sq. m., its Gross Commercial Area (GCA) is 53,274 sq. m. and its Gross Leaseable Area (GLA) is 35,450 sq. m., which generates nearly 4,900 jobs. It is currently undergoing revitalization, highlights to its food courts, with the creation of a Gourmet Area (Nova Lima Level), the enlargement of the Food Court (Ouro Preto Level) and of the movie theatre area, with 1,000 new seats in order to offer additional comfort to the public.



Air view of BHShopping



Shopping mall façade

Expansion V – Consolidation of the Upper-Income Market

Expansion V will be opened in September 2009, and it will count on nearly 12,500 sq. m. GLA, with nearly 100 stores, 2 of which being anchors. The expansion will increase the GLA (Gross Leaseable Area) of the shopping mall in nearly 35%, aiming at strengthening even more the position of BHShopping as the Top of Mind shopping mall in the city of Belo Horizonte.

The anticipation of the expansion was decided in view of the high demand by tenants for new spaces, with the stressed development of the main area of influence of BH Shopping (Belo Horizonte’s Southern Region), which has been raising real estate investments in the construction of various upscale condominiums.

The project includes a new floor with a nearly 20,000 sq. m. area for stores and mall, with 1,000 new parking lot spaces, distributed in a 35,000 sq. m. area. The expansion will increase the flow of people



and vehicles, prioritizing our customers' satisfaction. The parking lot has 2 independent express ramp systems, in addition to offering a new access through BR highway, which will improve the traffic at the cloverleaf intersection.

High Returns expected.

In order to determine the project viability, the following rationality was taken into account:

The GLA was designed based on the existing shopping mall floor plan and CEPAC already approved by Multiplan with the Municipal Government of Belo Horizonte. Multiplan's estimated interest in the project will be the same it currently has in the shopping mall, which is 80%.

The investment is based on an estimated cost based on the areas defined for the following activities: satellite and anchor stores, food stores, mall, restrooms and services. Road works, equipment to be installed and the repurchase of already existing stores were also taken into account.

In addition, the investment takes into account the construction of 1,000 spaces which will increase our customers' satisfaction. Cost estimates were assessed by the company's development department, in a partnership entered into with a company specialized in the conception and construction of shopping malls.

The Net Operating Income in the viability was estimated based on the existing margin at the BH Shopping, without economies of scale, and a differentiated sq. m. lease among satellites, anchors, restaurants, fast-food, services and entertainment, considered according to their area. The Net Operating Income presented does not take into account the inflation effect, growing only by means of the company's contract model and revenues from new operations as merchandising. The lease term and the contract values were assessed in details with agents specialized in shopping mall store leasing, estimated case by case.

In 2006, BH Shopping's Net Operating Income/sq. m. was R\$1,060.65/sq. m., and the net operating income/sq. m. for the first year of this expansion is estimated in R\$634.81.

Making use of a 10-year flow, with an actual annual growth rate of 2% after the fifth year and a perpetuity of similar growth at the end of this period, the project presented an unleveraged nominal rate of return of nearly 22% pa.

Project Details

Project	GLA 100% (sq. m.)	% Multiplan	GLA Multiplan (sq. m.)	Capex 100%	Net Operating Income 1st year - 100%	Net Operating Income 3rd year - 100%	IRR
Expansion V	12,500 sq. m.	80.0%	10,000 sq. m.	R\$71.6 million	R\$7.9 million	R\$9.5 million	22%