



MULTIPLAN ANNOUNCES THE PRE-LAUNCH OF A COMMERCIAL TOWER INTEGRATED TO BARRASHOPPINGSUL

The Operation

Multiplan Empreendimentos Imobiliários (Bovespa: **MULT3**) announces the pre-launch of **Cristal Tower BarraShoppingSul**, in Porto Alegre, Rio Grande do Sul.

The project consists in a commercial tower with approximately 22,000 sq.m. of construction area and 11,915 sq.m. of private area to be sold, attached to BarraShoppingSul, in order to meet the high demand for commercial offices in the city.

Multiplan's interest on the development will be 100% and the estimated nominal Potential Sales Value (PSV) is over **R\$ 70 million**. The project is already approved by the city of Porto Alegre.

The opening is scheduled for the first half of 2011 and the project's unleveraged nominal internal rate of return is expected to be over **25% p.a.**

Strategic Alignment

The construction of **Cristal Tower** is aligned with the company's strategy of developing multi-use projects, hence taking advantage from the synergy between shopping malls and commercial buildings.

Project Rationale

Porto Alegre obtained 70% of valorization on the price per sq.m.

- According to the IBGE (Brazilian Institute of Geography and Statistic), the total GDP of Porto Alegre is R\$ 27.98 billion, with a GDP per capita of R\$ 19,582. According to the IDH-M (Human Development Index), Porto Alegre is the number one metropolis of Brazil in terms of quality of life (among the cities with more than 1 million people), with a population literacy rate of 96%.
- In the last five years, Porto Alegre obtained 70% of valorization on the price per sq.m., according to Real Estate developers with projects in the region¹.
- The area of the BarraShoppingSul complex is located in the city's south area, which is the region that initiates the process of urbanization growth and where the geographic and economic movements are going.

The project expects to meet the demand for a commercial tower in the region

- The Cristal Tower consists of a commercial tower with approximately 11,915 sq.m. of private area to be sold, and 290 commercial offices.
- It is expected to take advantage from the attractiveness generated by BarraShoppingSul, the newest Multiplan's shopping center and the biggest in the South region of Brazil, which will open in October 2008.
- The project follows the consecrated multi-use model, of Centro Empresarial BarraShopping, which is integrated to BarraShopping in Rio de Janeiro attracts a daily average of 10,000 people and holds the head-quarters of Amil, Shell, Multiplan, Gestetner, as well as a branch of Faculdade Estácio de Sá, Forum, and several commercial offices, medical offices and small/medium business.
- In addition to BarraShoppingSul, two residential buildings and a hotel will be constructed on the following years, inside the complex which Cristal Tower will be located. Multiplan expects a high synergy among the buildings, following a global trend of developing multi-use projects.



Image 1: Preliminar Design daArtistic illustration of Cristal Tower's front



Image 2: Photomontage of the complex formed by the Cristal Tower and BarraShoppingSul.



Image 3: Artistic illustration of the bridge connecting the Cristal Tower to BarraShoppingSul.



Image 4: Artistic illustration of the interior if Architecture Office model.

High Return Expected

For the project's viability model, it was considered the following rationale:

- The project cost is based on the estimated construction cost of the defined areas of the following activities: offices, common areas, equipments, machinery, toilettes, parking lot and service outlets. These estimations were evaluated by the company's technical department.
- The Potential Sales Value (PSV) projected by the viability study was based on the offices market value, evaluated by the company's incorporation department and by the biggest real state company of the region (Lopes Dirani)
- Considering a flow split between expense and income, according to the sales and construction flow expectations, the project has an unleveraged nominal internal rate of return above **25%** p.a.

Figures are subject to review and are designed to give a preliminary view of the project only.

Project	% MTE	Type	Area	Nominal PSV
Cristal Tower	100%	Commercial	11,915 sq.m.	> R\$ 70 million