

Expansion

The expansion should add approximately 11 thousand square meters to the current 18.6 thousand square meters of total GLA, comprised of 64 unit stores and 4 anchor stores. The gross investment for the expansion, including the land plot acquisition is estimated at R\$88.7 million. In addition, the refurbishment of the existing mall is estimated at R\$8.0 million.

Construction works are expected to begin by the end of 2013 and opening of the expansion estimated to 4Q14.

The expansion is pending municipality approval.

Sincerely,

Carlos Alberto Correa
CFO and IR Officer

About Sonae Sierra Brasil

Sonae Sierra Brasil is a leading owner, manager and developer of shopping malls in Brazil. Sonae Sierra Brasil owns and manages 9 enclosed malls in high-quality markets aggregating 275 thousand square meters of owned gross leasable area, manages two third party enclosed malls and has one additional shopping mall currently in development. Sonae Sierra Brasil is publicly traded on the BM&FBovespa under the symbol SSBR3 and is headquartered in São Paulo.

