SONAE SIERRA BRASIL

1Q12 Earnings Release

Investors Relations

Carlos Alberto Correa

Investors Relations Officer

Murilo Hyai

Investors Relations Manager

Eduardo Pinotti de Oliveira

Investor Relations Analyst

Website:

www.sonaesierrabrasil.com.br/ri

Email:
ribrasil@sonaesierra.com

Phone:
+55 (11) 3371-4188

1Q12 CONFERENCE CALLS

Portuguese

May 11th, 2012

09:00 am (New York time)

10:00 am (Brasilia Time)

Phone: (55 11) 2188-0155

Code: Sonae Sierra Brasil

English

May 11th, 2012

10:00 am (New York time)

11:00 am (Brasilia Time)

Phone: (1 412) 317-6776

Code: Sonae Sierra Brasil

SONAE SIERRA BRASIL ANNOUNCES ADJUSTED EBITDA OF R$41.9 MILLION IN 1Q12, A 10.4% INCREASE OVER 1Q11

São Paulo, May 10th, 2012 – Sonae Sierra Brasil S.A. (BM&FBovespa: SSBR3), a leading Brazilian shopping mall developer, owner and manager, announces today its results for the first quarter of 2012 (1Q12).

Highlights

- The Company's Net Revenue increased 13.9% to R$56.6 million in 1Q12 compared to R$49.7 million in 1Q11.
- Adjusted EBITDA totaled R$41.9 million in 1Q12, an increase of 10.4% over the same period of last year with adjusted EBITDA margin reaching 74.0% in 1Q12.
- Adjusted FFO totaled R$34.6 million in the 1Q12, in line with 1Q11. Adjusted FFO margin reached 61.0% in 1Q12.
- Same-store rent (SSR) reached, once again, a double-digit growth of 12.1% in 1Q12. Same-store sales (SSS) increased by 9.8% in the quarter.
- In January 2012, the Company obtained the controlling ownership interest in Shopping Plaza Sul.
- In March 2012, we concluded the first issue of debentures, totaling R$300 million.
- On March 27th, 2012, Sonae Sierra Brasil successfully opened its 11th shopping mall, Uberlândia Shopping, in Uberlândia, Minas Gerais State.

Financial Indicators (R$ million)	1Q12	1Q11	Var. %
Net Revenue	56.6	49.7	13.9%
EBITDA	41.4	38.0	9.1%
Adjusted EBITDA	41.9	38.0	10.4%
Adjusted EBITDA Margin	*74.0%*	*76.3%*	-238 bps
Funds From Operations (FFO)	34.1	34.4	-0.9%
Adjusted FFO	34.6	34.4	0.5%
Adjusted FFO Margin	*61.1%*	*69.2%*	-816 bps
Net Operating Income (NOI)	54.9	47.7	15.1%
NOI Margin	*95.1%*	*94.2%*	+87 bps

Operating Indicators	1Q12	1Q11	Var. %
Total GLA ('000 sqm)	402.5	349.1	15.3%
Owned GLA ('000 sqm)	254.0	202.6	25.3%
Number of shopping malls	11	10	10.0%
Sales (R$ million)	936.4	840.7	11.4%
Sales/sqm (monthly average)	939.9	847.7	10.9%
Occupancy rate	*98.5%*	*97.6%*	*+85 bps*
Cost of occupancy (% of sales)	*9.1%*	*9.9%*	*-74 bps*
SSS/sqm	939.6	856.0	9.8%
SSS/sqm - Satellite stores	1,379.3	1,249.0	10.4%
SSS/sqm - Anchor stores	815.2	747.4	9.1%
SSS/sqm - Leisure	193.5	178.4	8.4%
SSR/sqm	54.6	48.7	12.1%
SSR/sqm - Satellite stores	102.1	91.4	11.8%
SSR/sqm - Anchor stores	24.7	21.9	12.7%
SSR/sqm - Leisure	17.8	15.7	13.6%
Overdue Payments (25 days)	2.6%	2.3%	+33 bps

MANAGEMENT'S COMMENTS

In the first quarter of 2012, Sonae Sierra Brasil continued to achieve solid operating and financial results.

Total sales in our malls increased by 11.4% in 1Q12 over the first quarter of 2011 while same store sales (SSS) and same store rent (SSR) grew by 9.8% and 12.1%, respectively. Occupancy rate was 98.5% at the end of 1Q12.

Financial results were also strong in the quarter. Consolidated net revenues reached R$56.6 million, a 13.9% increase over 1Q11. Adjusted EBITDA increased by 10.4% to R$41.9 million while NOI grew 15.1% to R$54.9 million in 1Q12. Adjusted FFO totaled R$34.6 million in 1Q12.

Sonae Sierra Brasil also started 2012 with intense activity. In January, the Company obtained the controlling interest ownership in Plaza Sul Shopping, in São Paulo city, one of our best performing malls in terms of occupancy, sales per square meter and rent per square meter. In addition, the Company concluded the first issue of debentures, raising a total of R$ 300 million under some of the best rates and conditions ever seen in the sector. Lastly, in March we successfully opened Uberlândia Shopping, our eleventh mall, which added 45.3 thousand square meters of GLA to our portfolio and should be one of our main assets going forward.

We remain optimistic about the outlook and the prospects for growth in the Brazilian mall sector and we reaffirm our commitment to constantly enhance performance and create value to our shareholders.

The Management

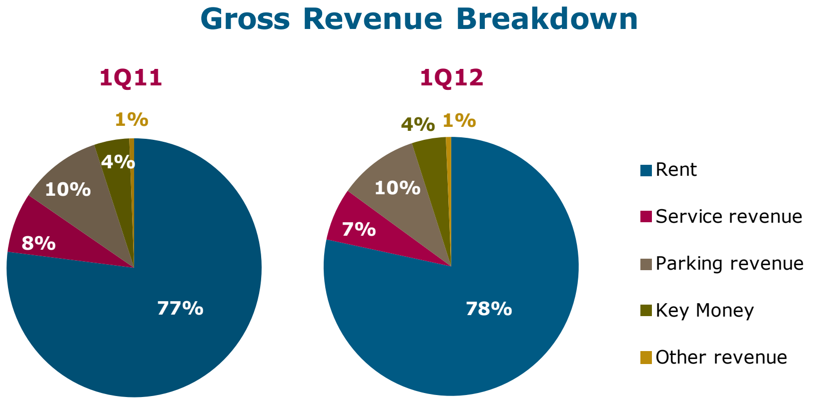
FINANCIAL HIGHLIGHTS

Consolidated Statutory Accounts

The consolidated financial and operating information outlined below is based on accounts prepared in accordance with accounting policies adopted in Brazil and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB, and correspond to the comparison of the results obtained in the 1Q12 with the same period of the previous year, also adjusted to the new accounting standards. Therefore, the consolidated financial information includes 100% of the results of Parque D. Pedro Shopping (even though the Company holds a 51% ownership interest in the mall).

Gross Revenue

Sonae Sierra Brasil's gross revenue totaled R$61.8 million in 1Q12, an increase of 13.1% over 1Q11. Rental revenue, which represented 78% of gross revenue, totaled R$48.2 million in 1Q12, a 16.5% increase over 1Q11 led by a combination of strong leasing spreads, inflation adjustments and low vacancy. We also continued to see significant increases in revenue from parking, which totaled R$6.2 million in 1Q12, a 10.5% growth over 1Q11, driven by higher parking charges and traffic. Key money also had a notable growth of 10.8% over 1Q11, driven by the increase in the number of leased stores, particularly in the expansions of Metrópole and Campo Limpo..



Gross Revenue (R$ '000)	1Q12	1Q11	Var. %
Rent	48,150	41,342	16.5%
Rent contract straight-lining	342	949	-64.0%
Service revenue	4,048	4,033	0.4%
Parking revenue	6,200	5,610	10.5%
Key Money	2,657	2,398	10.8%
Other revenue	410	325	26.1%
Total	**61,807**	**54,657**	**13.1%**

Costs and Expenses

Costs and Expenses totaled R$15.1 million in 1Q12, a 19.3% increase over 1Q11.

Costs and expenses were mainly impacted by: (i) higher costs with personnel, mainly attributed to additional employees hired to support the company's growth, salary increases above inflation and higher performance bonuses, and (ii) higher costs with external services, which increased 28.9% compared to 1Q11. This increase is explained by higher publishing and legal fees as well as costs associated with investor relations activities.

Occupancy expense increased by 23.2% mainly due to the costs with a 13.8 thousand sqm area under refurbishment for a new tenant in Parque D. Pedro Shopping.

Travel expenses totaled R$ 532 thousand, a 137.5% increase over 1Q11, mainly associated with the prospection of new projects and with the opening of Uberlândia Shopping.

Costs and Expenses (R$ '000)	1Q12	1Q11	Var. %
Depreciation and amortization	439	403	8.9%
Personnel	6,756	5,623	20.1%
External services	2,749	2,132	28.9%
Occupancy expense (vacant stores)	1,066	865	23.2%
Cost of contractual agreements with tenants	331	336	-1.5%
Provision (reversal) of the allowance for doubtful accounts	446	580	-23.1%
Rent	761	625	21.8%
Travel	532	224	137.5%
Other	1,969	1,824	7.9%
Total	**15,049**	**12,612**	**19.3%**
Classified as:			
Cost of rentals and services	9,598	8,556	12.2%
Operating expenses	5,451	4,056	34.4%
Total	**15,049**	**12,612**	**19.3%**

Changes in Fair Value of Investment Properties

Sonae Sierra Brasil adopts IFRS accounting standards, under which, an independent entity (Cushman & Wakefield) values our investment properties at fair market value. In 2012, the Company has decided to change the periodicity of the valuations. Instead of quarterly appraisals, Cushman & Wakefield will perform biannual valuations (in June and December). Management believes the change will allow the Company to save resources and time spent to prepare and analyze the valuations, without affecting the main indicators used by investors to analyze the Company's performance.

Net Financial Result

The consolidated net financial result in 1Q12 was a net profit of R$2.5 million, which compares to a loss of R$116 thousand in 1Q11. This variance is mainly explained by higher interest income on financial investments that amounted R$13.2 million in 1Q12 over R$5.9 million in 1Q11, given the Company's net cash position. On the other hand, there were also interest expenses related to the debentures, totaling R$4.1 million in 1Q12.

Net Financial Result (R$ thousand)	1Q12	1Q11	Var. %
Financial Income (Expenses):			
Interest on financial investments	13,246	5,911	124.1%
Interest on loans and financing	(5,650)	(4,286)	31.8%
Interest on debentures	(4,124)	-	N/A
Other	(952)	(1,741)	-45.3%
Total Financial Result - Net	**2,520**	**(116)**	**N/A**

Income and Social Contribution Taxes

The current income and social contribution taxes totaled R$9.8 million in 1Q12, an 186.0% growth compared to 1Q11. This variation is mainly explained by the income tax generated on the gains in the sale of the 5.1% ownership of Shopping Penha, totaling R$ 2.6 million in taxes in 1Q12 and also by the tax credits, mainly related tothe IPO costs recorded in 1Q11 in the amount of R$ 4.0 million.

Net Income

The Company's net income totaled R$32.3 million in 1Q12, a 62.5% decrease over 1Q11, mainly as a consequence of not recording any gain with the valuation of properties at fair market value, which nevertheless was recorded in 1Q11.

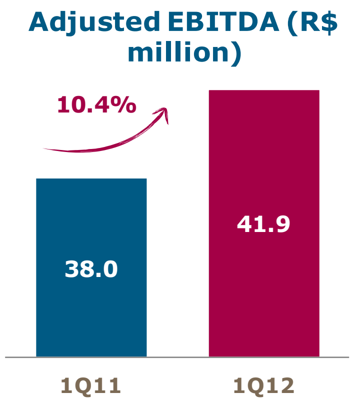
Net Operating Income (NOI)

Consolidated NOI totaled R$54.9 million in 1Q12, a 15.1% increase over 1Q11, reflecting, as mentioned above, the overall positive performance in revenues.

Net Operating Income - NOI (R$ million)	1Q12	1Q11	Var. %
Rent	48.9	42.6	14.8%
Key Money	2.7	2.4	10.8%
Parking	6.2	5.6	10.5%
Total Revenues	**57.8**	**50.6**	**14.1%**
(-) Malls' Operating Expenses	(2.8)	(2.9)	-3.1%
NOI	**54.9**	**47.7**	**15.1%**

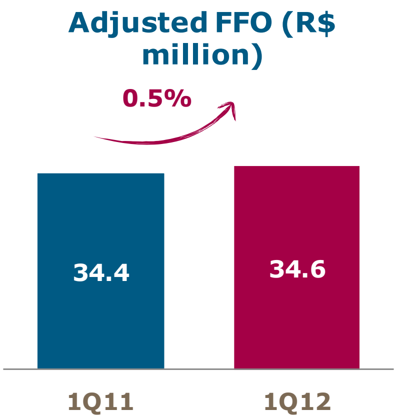
Adjusted EBITDA

Adjusted EBITDA totaled R$41.9 million in 1Q12, a 10.4% increase over 1Q11. Adjusted EBITDA margin reached 74.0% in 1Q12.



Adjusted Funds from Operations (FFO)

Adjusted FFO totaled R$34.6 million in 1Q12, in line with the same period last year. Adjusted FFO margin reached 61.0%. FFO in 1Q12 was negatively impacted by higher income and social contribution taxes, which totaled R$ 9.8 million, an 186.0% increase from 1Q11 as explained in the Income and Social Contribution Taxes section above.



The reconciliation of the operating income before financial results with the EBITDA, adjusted EBITDA, FFO, and Adjusted FFO is shown below.

Adjusted EBITDA and Adjusted FFO Reconciliation (R$ million)	1Q12	1Q11	Var. %
Net Revenue	**56.6**	**49.7**	**13.9%**
Operating income before financial result	**41.1**	**109.5**	**-62.5%**
Depreciation and amortization	0.4	0.4	-0.7%
Gain in fair value of investment properties	(0.0)	(72.0)	-100.0%
EBITDA	**41.5**	**38.0**	**9.4%**
Non-recurring expenses	0.4	-	-
Adjusted EBITDA	**41.9**	**38.0**	**10.4%**
Adjusted EBITDA Margin	**74.0%**	**76.3%**	**-238 bps**
EBITDA	**41.5**	**38.0**	**9.4%**
Net financial result	2.5	(0.1)	n/a
Current income and social contribution taxes	(9.8)	(3.4)	186.0%
FFO	**34.2**	**34.4**	**-0.6%**
Non-recurring expenses	0.4	-	-
Adjusted FFO	**34.6**	**34.4**	**0.5%**
Adjusted FFO Margin	**61.1%**	**69.2%**	**-816 bps**

Note: non-recurring expenses in 1Q12 refer to the loss in the sale of assets

Management Accounts

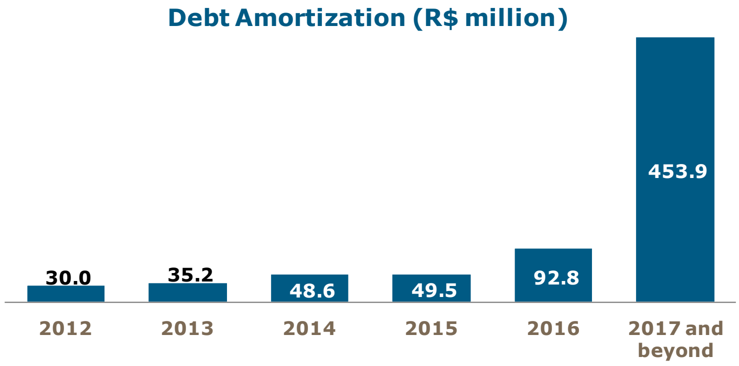
In accordance with accounting policies adopted in Brazil and IFRS, the Company consolidates 100% of Parque D. Pedro Shopping despite owning only 51% of this mall. However, considering the relevance of this mall to the Company's results, we prepared pro-forma management accounts with the proportional consolidation of Parque D. Pedro Shopping (for additional information, please refer to page 23). The key operating results under this methodology are presented below:

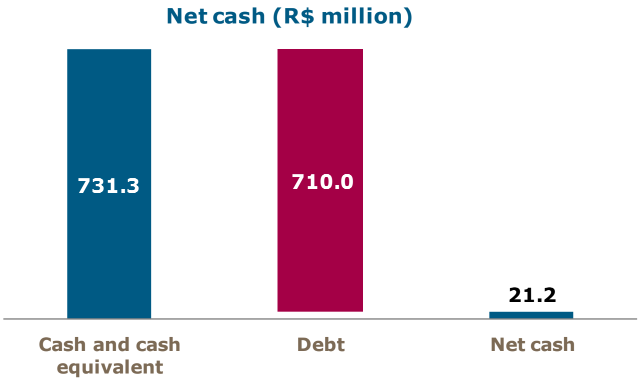
EBITDA and FFO Reconciliation ***(Considering 51% of PDP)*** **(R$ million)**	**1Q12**	**1Q11**	**Var. %**
Net Revenue	**45.1**	**38.9**	**15.9%**
Operating income before financial result	**31.1**	**86.1**	**-63.9%**
Depreciation and amortization	0.4	0.4	-0.7%
Gain in fair value of investment properties	(0.0)	(58.0)	-100.0%
EBITDA	**31.5**	**28.5**	**10.5%**
Non-recurring expenses	0.4	-	-
Adjusted EBITDA	**31.8**	**28.5**	**11.8%**
Adjusted EBTIDA Margin	**70.6%**	**73.2%**	**-262 bps**
EBITDA	**31.5**	**28.5**	**10.5%**
Net financial result	2.3	(0.3)	N/A
Current income and social contribution taxes	(9.8)	(3.4)	186.0%
FFO	**23.9**	**24.7**	**-3.2%**
Non-recurring expenses	0.4	-	-
Adjusted FFO	**24.3**	**24.7**	**-1.8%**
Adjusted FFO Margin	**53.9%**	**63.6%**	**-969 bps**

Note: non-recurring expenses in 1Q12 refer to the loss in the sale of assets

Cash, Cash Equivalents and Debt

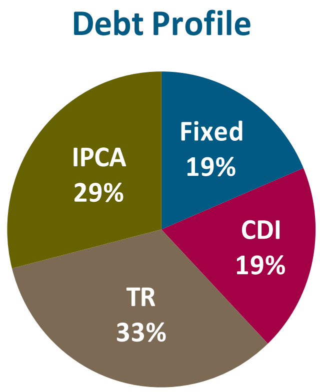
Cash and cash equivalents, which is comprised of cash, bank deposits and financial investments, increased by R$340.4 million, from R$390.9 million in 4Q11 to R$731.3 million in 1Q12, mainly as a result of the first issuance of debentures held by the Company. The cash available is invested in short-term securities, at an average of 102.6% of CDI, in investment grade rated banks. The Company's total debt, considering amounts already drawn down from lenders reached R$710.0 million in 1Q12, and the corresponding amortization schedule is as follows:





Considering our cash position, the long-term profile of our debt and our operating cash flow, we believe that we are well positioned in terms of capital required to fund our expected growth.

Approximately 33% of the Company's debt considering amounts already drawn down from lenders is linked to the TR index. A total of R$131.6 million, which corresponds to approximately 19% of the Company's total debt, is fixed at an 8.5% p.a. interest rate (10.0% p.a. with a 15% discount) on the loan from the Banco da Amazônia (BASA) for the construction of Manauara Shopping. The base rate debt profile, considering resources already drawn down from lenders at the end of 1Q12 was as follows:



Sonae Sierra Brasil's leverage strategy is to finance the greenfield projects and expansions with an average property-level debt of approximately 50% of the total project costs. Financing for Uberlândia Shopping, Boulevard Londrina Shopping and Passeio das Águas Shopping has already been contracted.

In addition, the Company also secured in March 2012 the first issue of debentures totaling R$ 300 million, which will provide funding to our continued growth strategy. After the bookbuilding process held on March 02nd, 2012, which defined the interest rate of the Debentures, the allocation of the tranches was as follows:

- First tranche: R$ 95.5 million, at an annual floating interest rate equivalent to CDI + 0.96%, with a 5-year final term; and
- Second tranche: R$ 204.5 million, at an annual floating interest rate equivalent to IPCA + 6.25%, with a 7-year final term.

Considering all the debt contracted by the Company, including amounts yet to be drawn down, total debt would be R$914 million with an average cost of 11.4% at the end of the quarter.

Contracted Debt Financing	Committed Amount (R$ MM)	Term (years)	Interest Rate	Balance as of 03/31/12 (R$ million)
Working Capital	20	5	CDI + 2.85%	16
Working Capital	27	6	CDI + 3.30%	24
Manauara Shopping	112	12	8.50%	132
Metrópole Shopping - Expansion I	53	8	TR + 10.30%	55
Uberlândia Shopping	81	15	TR + 11.30%	78
Boulevard Londrina Shopping	120	15	TR + 10.90%	53
Passeio das Águas Shopping	200	12	TR + 11.00%	49
Debentures - 1st series	95	5	CDI + 0.96%	97
Debentures - 2nd series	205	7	IPCA + 6.25%	207
Total	914			710
Weighted Average		10.2	11.40%	

Considering LTM TR at 1.16% p.a., CDI at 9.66% p.a. and IPCA at 5.24% as of March 31, 2012

SHOPPING CENTERS' SALES PERFORMANCE

Total tenant sales in the existing and operating malls in Sonae Sierra Brasil's portfolio (excluding Uberlândia Shopping) totaled R$936.4 million in 1Q12, a 11.4% increase over 1Q11. Considering the Company's ownership interest in each of the ten malls (including 20% of Campo Limpo Shopping and 51% of Parque D. Pedro Shopping), sales reached R$564.7 million in 1Q12, a 13.9% increase over 1Q11.

The best performing malls in 1Q12 in terms of sales growth were: Shopping Metrópole, Manauara Shopping and Shopping Campo Limpo, with sales increases of

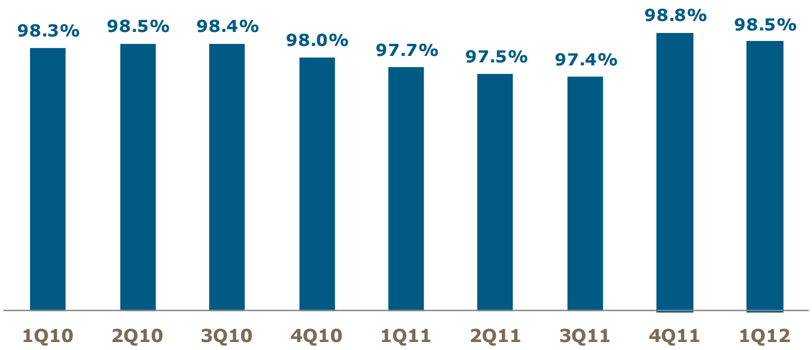
30.8%, 21.7% and 21.2%, respectively. The remarkable performance of Shopping Metrópole and Campo Limpo is mainly attributed to the recently opened expansion in these malls (Campo Limpo in September 2011 and Metrópole in November 2011), while the robust growth recorded by Manauara Shopping can be mainly attributed to the accelerated maturation of the mall.

Shopping Center Tenant Sales (R$ thousand)	1Q12	1Q11	Var. %
Shopping Penha	78,513	70,999	10.6%
Shopping Metrópole	72,754	55,641	30.8%
Tivoli Shopping	41,839	37,289	12.2%
Franca Shopping	36,107	33,291	8.5%
Pátio Brasil	76,588	76,727	-0.2%
Parque D. Pedro Shopping	291,466	273,180	6.7%
Boavista Shopping	56,853	51,680	10.0%
Shopping Plaza Sul	83,819	78,599	6.6%
Shopping Campo Limpo	59,087	48,760	21.2%
Manauara Shopping	139,411	114,547	21.7%
Total	**936,437**	**840,713**	**11.4%**

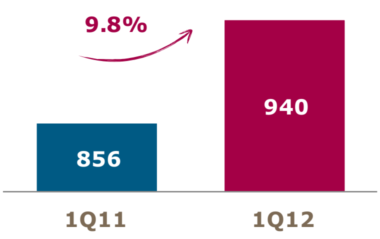
OPERATING HIGHLIGHTS

The operating indicators of Sonae Sierra Brasil in 1Q12 confirm the continued growth of the Company. The overall occupancy rate in our malls was 98.5% of GLA on March 31st, 2012 (excluding 13.8 thousand sqm in Parque D. Pedro Shopping under renovation for a new tenant). Same-store rent (SSR) reached, once again, double-digit growth with a strong 12.1% increase over 1Q11, driven by rising inflation adjustments and strong leasing spreads in lease contract renewals and new leases. Same-store sales (SSS) posted a 9.8% increase in 1Q12 compared to the same period last year.

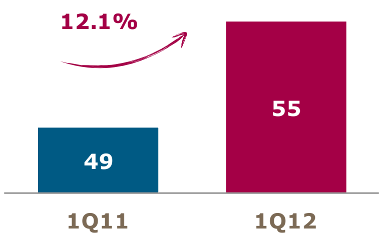
Occupancy (% GLA)



Same Store Sales (SSS)/sqm (in R$)



Same Store Rents (SSR)/sqm (in R$)



OUR PORTFOLIO

Our portfolio is comprised of eleven shopping malls in operation. Additionally, we are in the process of developing two new shopping malls in major cities in Brazil: (i) Londrina, the second largest city in the state of Paraná; and (ii) Goiânia, the state capital of the State of Goiás. These two cities have experienced strong demographic and economic growth. The selection of these cities for developing new shopping malls fits into our primary strategy of growth through the development of potentially market dominant shopping malls, in trade areas with income per capita and population density that meet our requirements. We estimate that the combined GLA from these two shopping malls is approximately 125.9 thousand sqm.

	Shopping Centers in Operation	City	Stores	GLA ('000 sqm)	Ownership	Owned GLA ('000 sqm)	Actual occupancy index by area (%)
1	Parque D. Pedro*	Campinas (SP)	402	121.0	51.0%	61.7	98.4%
2	Boavista Shopping	São Paulo (SP)	148	15.9	100.0%	15.9	94.7%
3	Shopping Penha	São Paulo (SP)	198	29.7	51.0%	15.1	98.2%
4	Franca Shopping	Franca (SP)	106	18.5	67.4%	12.5	99.5%
5	Tivoli Shopping	Santa Barbara d'Oeste (SP)	144	22.1	30.0%	6.6	99.3%
6	Shopping Metrópole	São Bernardo do Campo (SP)	181	28.6	100.0%	28.6	99.6%
7	Pátio Brasil	Brasília (DF)	235	29.0	10.4%	3.0	97.2%
8	Shopping Plaza Sul	São Paulo (SP)	221	23.2	60.0%	13.9	99.4%
9	Shopping Campo Limpo	São Paulo (SP)	148	22.3	20.0%	4.5	99.2%
10	Manauara Shopping	Manaus (AM)	231	46.8	100.0%	46.8	99.5%
11	Uberlândia Shopping	Uberlândia (MG)	201	45.3	100.0%	45.3	93.0%
	Total		**2,215**	**402.5**	**63.1%**	**254.0**	**98.5%*** **

* For the occupancy rate calculation was not considered a 13,757 sqm area under refurbishment for a new tenant.

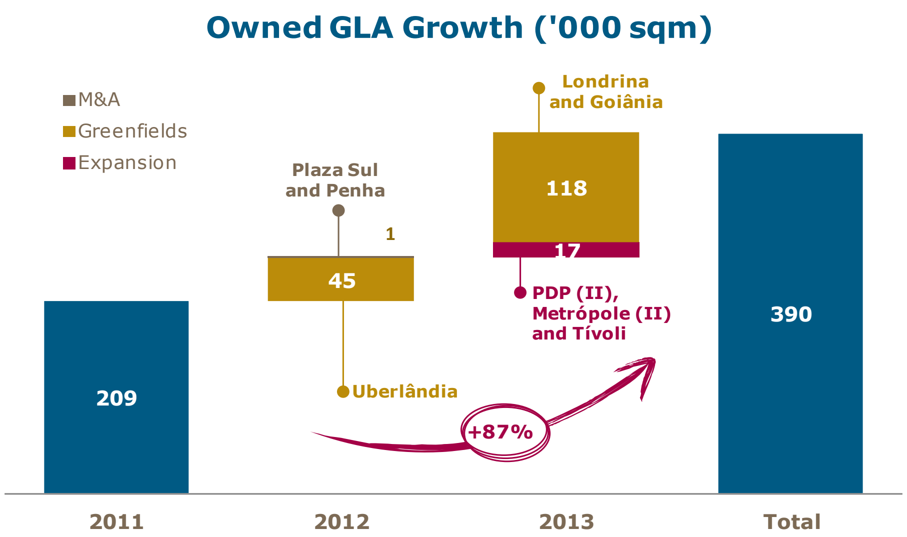
** Does not include Uberlândia Shopping.

	Projects under Development	City	GLA ('000 sqm)	Ownership	Projected Opening
12	Boulevard Londrina Shopping**	Londrina (PR)	47.8	84.5%	1Q13
13	Passeio das Águas Shopping	Goiânia (GO)	78.1	100.0%	2H13
	Total		**125.9**	**94.1%**	

** Ownership considering partner will fully exercise its rights in the project

ONGOING PROJECTS

Sonae Sierra Brasil currently has a pipeline comprised of two greenfield projects (Uberlândia Shopping was just opened in March 2012) and three expansions, which should increase our owned GLA by approximately 87% to 390 thousand sqm by 2013. It is worth noting that this substantial growth includes only those projects already in our pipeline and excludes future projects yet to be announced.



NEW PROJECTS (GREENFIELDS)

Uberlândia Shopping: Uberlândia Shopping was successfully opened on March 27th, 2012. Uberlândia Shopping has 201 stores, including 15 anchors, a modern 5-screen Cinemark movie theater with over 1,300 seats, and 2,400 parking spaces. The mall has an occupancy rate of 93% of its GLA, with a diversified mix of nationally known brands such as Arezzo, Brooksfield, Brooksfield Donna, Burger King, Centauro, Fast Shop, Havaianas, Lacoste, Le Lis Blanc, McDonald's, O Boticário, Ponto Frio, Vivara and Victor Hugo. In addition, the mall brings new retail options to the city such as Crocs, Track & Field, Noir Le Lis, Livraria Leitura and Kalunga. The two major anchors, Walmart and Leroy Merlin, have been operating since December 2011.

Total gross investment for the project was R$ 201.2 million.

Uberlândia Shopping Interior

Uberlândia Shopping	
City	Uberlândia
State	MG
Opening	Mar-12
GLA ('000 sqm)	45.3
SSB's ownership interest	100%
Committed GLA	93%
Gross Investment (R$ million)	201.2

Uberlândia Shopping

Boulevard Londrina Shopping: Construction of Boulevard Londrina started in September 2010, with expected opening in 1Q13. The mall's GLA was 70% committed to tenants as of March 31, 2012.

Boulevard Londrina Construction Site

Boulevard Londrina Shopping	
City	Londrina
State	PR
Expected Opening	1Q13
GLA ('000 sqm)	47.8
SSB's ownership interest*	84.5%
Committed GLA	70%
Gross Investment To-Date (R$ million)	122.9

* Ownership considering partner will fully exercise its rights in the project

Boulevard Londrina Project Illustration

In April 2012, we replaced the general contractor initially hired for the construction of this project. OAS, one of the largest and most reliable construction companies in Brazil was selected as the new project's general contractor and has already assumed the activities on the site.

Passeio das Águas Shopping: Construction of Passeio das Águas Shopping, located in Goiânia, the capital and most important city of the State of Goiás, started in September 2011 with expected opening at the second half of 2013. The mall's GLA was 43% committed to tenants as of March 31, 2012.

Passeio das Águas Project Illustration

Passeio das Águas Shopping	
City	Goiânia
State	GO
Expected Opening	2H13
GLA ('000 sqm)	78.1
SSB's ownership interest	100%
Committed GLA	43%
Gross Investment To-date (R$ million)	91.6

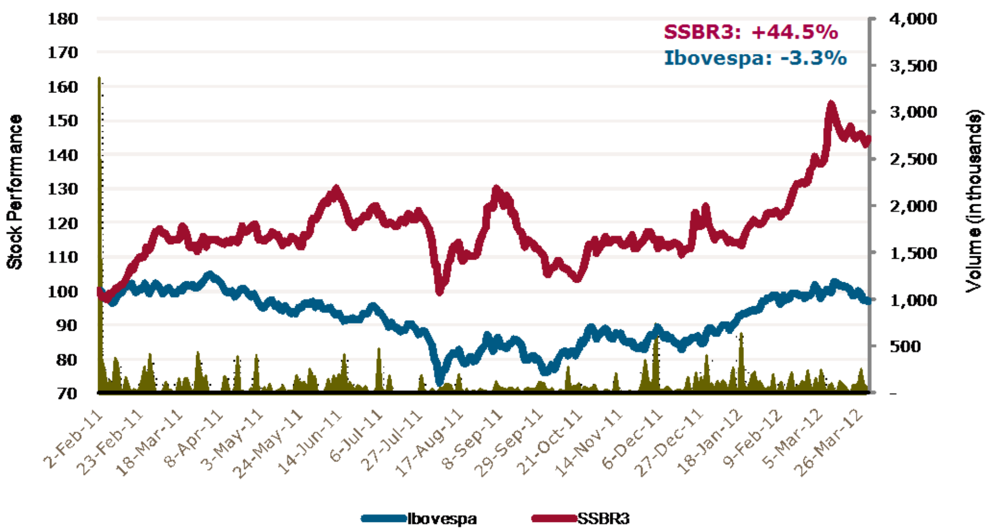
Passeio das Águas Construction Site

In addition to these projects already announced, Sonae Sierra Brasil is actively searching for new sites, which fulfill the requirements of the Company's strategy to develop dominant malls in underpenetrated markets with a robust middle class.

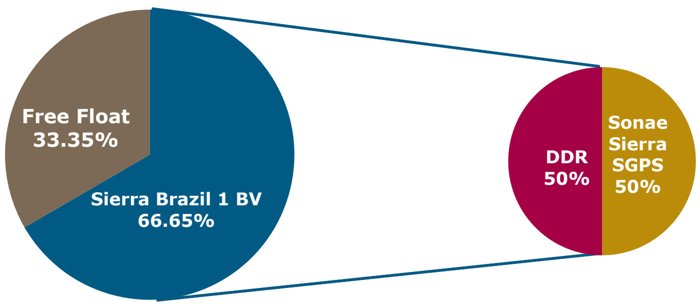
SHARE PERFORMANCE

Sonae Sierra Brasil's shares (BM&FBovespa: SSBR3) closed 1Q12 at R$28.90, a 20.4% increase from December 31, 2011. Over the same period, the Ibovespa Index increased by 13.7%. Since the IPO in February 2011, the share price increased by 44.5%, compared to a decrease of 3.3% of the Ibovespa Index in the same period.

Sonae Sierra Brasil (SSBR3) vs. IBOVESPA since IPO



Ownership Breakdown



GLOSSARY

GLA (Gross Leasable Area): Equivalent to the sum total of all the areas available for leasing in the shopping malls.

ABRASCE: Brazilian Shopping Mall Association.

BM&FBOVESPA: BM&FBovespa S.A. - Securities, Commodities and Futures Exchange.

CSLL: Social contribution tax on net income.

EBITDA: Operating income before financial result + depreciation and amortization - gain from fair value of investment properties

Adjusted EBITDA: EBITDA adjusted for the effects of non-recurring expenses effect

FFO (Funds from Operations): EBITDA +/- Net financial result – current income and social contribution taxes

Adjusted FFO: FFO adjusted for the effects of non-recurring expenses.

IFRS: International Financial Reporting Standards.

IGP-M: General Market Price Index, published by the FGV.

IPCA: Consumer Price Index, published by the IBGE.

Anchor Store or Large Anchors: Well-known stores with special marketing and structural features that serve to attract consumers, assuring continuous visitor flows and uniform traffic in all areas of the mall.

Satellite Stores or Satellites: Small stores without special marketing or structural features located around the anchor stores and aimed at general commerce.

NOI (Net Operating Income): Gross revenue from malls (excluding service revenue) + parking revenue – mall operating expenses – provisions for doubtful accounts.

Novo Mercado: A special listing segment of the BM&FBOVESPA with special corporate governance rules determined by the Novo Mercado Regulations.

SSR (same-store rent): Relation between invoiced rent for the same tenant in the current period compared to previous period.

SSS (same-store sales): Relation between sales for the same tenant in the current period compared to the previous period.

Occupancy Rate: Ratio between leased area and total GLA of each mall at the end of each period.

APPENDICES

Consolidated Balance Sheet (R$ thousand)	1Q12	4Q11	Var. %
ASSETS			
CURRENT			
Cash and cash equivalents	731,286	390,918	87.1%
Accounts receivable, net	21,231	24,690	-14.0%
Taxes recoverable	14,557	16,765	-13.2%
Advances to suppliers	36	-	N/A
Prepaid expenses	148	505	-70.7%
Other credits	3,106	4,971	-37.5%
Total current assets	770,364	437,849	75.9%
NON-CURRENT			
Long-term receivables:			
Restricted financial investments	2,650	2,171	22.1%
Accounts receivable, net	11,139	10,815	3.0%
Loans to condominiums	307	328	-6.4%
Deferred income and social contribution taxes	7,364	5,915	24.5%
Judicial deposits	9,894	3,729	165.3%
Other credits	833	833	0.0%
Total long-term assets	32,187	23,791	35.3%
Investments	26,571	26,157	1.6%
Investment properties	2,886,176	2,776,050	4.0%
Fixed Assets	4,552	5,972	-23.8%
Intangible Assets	2,153	1,582	36.1%
Total non-current assets	2,951,639	2,833,552	4.2%
TOTAL ASSETS	**3,722,003**	**3,271,401**	**13.8%**

Consolidated Balance Sheet (R$ thousand)	1Q12	4Q11	Var. %
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT			
Loans and financing	25,886	17,619	46.9%
Debentures	4,080	-	N/A
Domestic trade accounts payable	20,302	13,512	50.3%
Taxes payable	8,248	8,700	-5.2%
Personnel, payroll taxes, benefits, and rewards	8,980	8,396	7.0%
Key money	5,575	5,540	0.6%
Dividends payable	13,977	13,977	0.0%
Earnings payable	3,366	24,243	-86.1%
Payables for purchase of land	41,193	25,000	64.8%
Other payables	13,084	8,343	56.8%
Total current liabilities	144,691	125,330	15.4%
NON-CURRENT			
Loans and financing	380,082	333,272	14.0%
Debentures	293,417	-	N/A
Accounts payable - asset acquisition	44,139	-	N/A
Deferred revenue	22,561	20,486	10.1%
Deferred income and social contribution taxes	354,374	351,444	0.8%
Provision for civil, tax, labor and pension risks	10,663	10,285	3.7%
Provisions for variable compensation	293	189	55.0%
Total non-current liabilities	1,105,529	715,676	54.5%
SHAREHOLDERS' EQUITY			
Capital stock	997,866	997,866	0.0%
Capital reserve	80,115	80,115	0.0%
Retained earnings	22,046	-	N/A
Profit reserve	865,417	865,417	0.0%
Equity attributable to shareholders	**1,965,444**	**1,943,398**	**1.1%**
Advance for future capital increase	-	-	-
Equity attributable to owners of the parent company and advance for future capital increase	**1,965,444**	**1,943,398**	**1.1%**
Minority interests	506,339	486,997	4.0%
Total Shareholders' Equity	2,471,783	2,430,395	1.7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,722,003**	**3,271,401**	**13.8%**

Consolidated Income Statement (R$ thousand, except earnings per share)	1Q12	1Q11	Var. %
NET OPERATING REVENUE FROM RENT, SERVICES AND OTHER	56,626	49,713	13.9%
COST OF RENT AND SERVICES	(9,598)	(8,556)	12.2%
GROSS PROFIT	47,028	41,157	14.3%
OPERATING REVENUE (EXPENSES)			
General and administrative	(5,451)	(4,056)	34.4%
External Services	(2,174)	(1,599)	36.0%
Provisions for doubtful accounts	(446)	(580)	-23.1%
Other administrative expenses	(2,392)	(1,474)	62.3%
Depreciation and amortization	(439)	(403)	8.9%
Taxes	(858)	(255)	236.5%
Equity income	862	1,345	-35.9%
Change in fair value of investment properties	0	71,087	-100.0%
Other operating revenue (expenses), net	(439)	256	N/A
Total operating revenue (expenses), net	(5,886)	68,377	-108.6%
OPERATING INCOME BEFORE FINANCIAL RESULT	41,142	109,534	-62.4%
NET FINANCIAL RESULT	2,520	(116)	N/A
INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	43,662	109,418	-60.1%
INCOME AND SOCIAL CONTRIBUTION TAXES			
Current	(9,846)	(3,442)	186.1%
Deferred	(1,481)	(19,738)	-92.5%
Total	(11,327)	(23,180)	-51.1%
NET INCOME	32,335	86,238	-62.5%
INCOME ATTRIBUTABLE TO:			
Shareholders	22,046	62,559	-64.8%
Minority interests	10,289	23,679	-56.5%
EARNINGS PER SHARE	0.29	0.95	-69.6%

Cash Flow Statement (R$ thousand)	For the three months period ended on 3/31/2012	3/31/2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year	32,335	32,335
Adjustments to reconcile net income to net cash from (used in) operating activities:		
Depreciation and amortization	439	403
Residual cost of written-off fixed assets	325	-
Unbilled revenue from rentals	(331)	(923)
Provisions for doubtful accounts	446	580
Provisions (reversal of) for civil, tax, labor and pension risks	378	(200)
Acrrual for variable compensation	585	312
Deferred income and social contribution taxes	1,481	19,738
Financial charges on loans and financing	10,781	4,286
Interests, exchange rate changes on intercompany loans	-	2,488
Changes in fair value of investment property	-	(71,087)
Equity income	(862)	(1,345)
(Increase) decrease in operating assets:		
Accounts receivable	3,020	5,105
Loans to condominiums	21	(107)
Taxes recoverable	2,208	(1,732)
Advances to suppliers	(36)	183
Prepaid expenses	357	(26)
Judicial deposits	(6,165)	78
Other	1,865	814
Increase (decrease) in operating liabilities:		
Brazilian suppliers	(2,125)	(2,492)
Taxes payable	(452)	(1,469)
Salaries, wages and benefits	103	(784)
Technical structure	2,110	2,996
Other obligations	4,741	1,954
Cash provided by (used in) operating activities	51,224	45,010
Interest paid	(7,426)	(4,959)
Net cash from (used in) operating activities	43,798	40,051
CASH FLOW FROM INVESTMENT ACTIVITIES		
Restricted investments	(479)	(387)
Acquisition or construction of investment property	(44,929)	(52,448)
Acquisition of fixed assets	(149)	(410)
Increase in intangible assets	(667)	(137)
Receipt from sale of investment properties	11,514	-
Dividends received	448	250
Net cash used in investment activities	(34,262)	(53,132)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital increase	-	465,021
Debentures issuance	300,000	-
Debentures issuance costs	(6,627)	-
Loans and financing raised	55,578	8,900
Loans and financings paid - principal	(2,338)	-
Earnings distributed by real estate funds - minority shareholders	(4,566)	-
Dividends payed	(11,215)	(9,291)
Share issuance costs	-	(23,437)
Related parties	-	(76,057)
Net cash from financing activities	330,832	365,136
NET INCREASE (DECREASE) IN BALANCE OF CASH AND CASH EQUIVALENTS	340,368	352,055
CASH AND CASH EQUIVALENTS		
At end of year	731,286	413,621
At beginning of year	390,918	61,566
NET INCREASE (DECREASE) IN BALANCE OF CASH AND CASH EQUIVALENTS	340,368	352,055

Note: The operating and financial indicators have not been audited by our independent auditors.

Pro-forma Consolidated Income Statement (considering 51% PDP)	1Q12			1Q11	Var. %
(R$ thousand, except earnings per share)	SSB Consolidated (100% PDP)	49% PDP	SSB Consolidated (51% PDP)		
NET OPERATING REVENUE FROM RENT, SERVICES AND OTHER	56,627	11,528	45,098	38,908	15.9%
COST OF RENT AND SERVICES	(9,598)	(1,087)	(8,511)	(7,598)	12.0%
GROSS PROFIT	47,028	10,441	36,587	31,310	16.9%
OPERATING REVENUE (EXPENSES)					
General and administrative	(5,452)	(401)	(5,050)	(3,642)	38.7%
External Services	(2,174)	(20)	(2,154)	(1,589)	35.5%
Provisions for doubtful accounts	(446)	(14)	(432)	(480)	-10.0%
Other administrative expenses	(2,393)	(367)	(2,026)	(1,169)	73.2%
Depreciation and amortization	(439)	0	(439)	(403)	8.9%
Taxes	(858)	(20)	(838)	(245)	241.9%
Equity income	862	0	862	1,345	-35.9%
Change in fair value of investment properties	0	0	0	57,070	-100.0%
Other operating revenue (expenses), net	(439)	43	(482)	225	N/A
Total operating revenue (expenses), net	(5,886)	(379)	(5,507)	54,754	N/A
OPERATING INCOME BEFORE FINANCIAL RESULT	41,142	10,062	31,080	86,064	-63.9%
NET FINANCIAL RESULT	2,520	228	2,292	(324)	N/A
INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	43,662	10,290	33,372	85,740	-61.1%
INCOME AND SOCIAL CONTRIBUTION TAXES					
Current	(9,846)	0	(9,846)	(3,442)	186.0%
Deferred	(1,481)	0	(1,481)	(19,738)	-92.5%
Total	(11,326)	0	(11,326)	(23,180)	-51.1%
NET INCOME	32,335	10,290	22,046	62,560	-64.8%

Note: Not audited.