

**SONAE SIERRA BRASIL S.A.**

NIRE 35.300.358.325

CNPJ/MF 05.878.397/0001-32

**MINUTES OF BOARD OF DIRECTOR'S MEETING HELD ON  
JANUARY 26, 2012**

**1. DATE, TIME AND PLACE:** held on January 26, 2012, at 10:00 a.m. in the Company's head office at *Avenida Dr. Cardoso de Melo, n° 1.184, 13° andar, sala 132*, in the City of São Paulo, State of São Paulo.

**2. CALL NOTICE AND ATTENDANCE:** the members of the Board of Directors were called as set forth in the Company's Bylaws, and all members were present at the meeting, personally or through video conference.

**3. PRESIDING BOARD:** Mr. José Manuel Baeta Tomás took the works as Chairman and appointed Mr. Carlos Alberto Correa as Secretary.

**4. AGENDA:** to examine and vote the approval of the public offer, for distribution with limited placement efforts, of thirty thousand (30,000) simple debentures, non convertible in shares, unsecured, in up to two series, under a firm guarantee distribution regime, of the first (1<sup>st</sup>) issue of the Company's issue ("Offer" or "Issue").

**5. RESOLUTIONS:** the members of the Board of Directors analyzed the matters in the agenda, and by unanimous vote and with no restriction or reservation whatsoever, pursuant to paragraph 1 of article 59 of Law 6404 of December 15, 1976, as amended ("Corporate Law"), have approved the first (1<sup>st</sup>) issue of simple debentures of the Company, non convertible into shares, unsecured, in up to two series, for distribution with limited placement efforts, ("Debentures"), which will be subject matter of public offer, under a firm guarantee distribution regime, pursuant to the Securities Commission ("CVM") Instruction No. 476 of January 16, 2009, as amended ("CVM Instruction 476"), which will follow the terms and conditions below:

**(a) Total Amount of the Issue:** the total amount of the issue will be three hundred million reais (R\$ 300,000,000.00) on the Date of Issue (defined below);

**(b) Number of Series:** the Issue will be carried out in up to two (2) series;

**(c) Number of Debentures:** the Issue will consist of thirty thousand (30,000) Debentures;

**(d) Unit Par Value:** the Debentures will have unit par value of ten thousand reais (R\$ 10,000.00) ("Unit Par Value");

**(e) Date of Issue:** February 15, 2012 ("Date of Issue");

**(f) Form, Type, Holding and Convertibility:** the Debentures issued will be nominative, book-entry, with no provisory certificates or certificates and, pursuant to law, the holding of the Debentures will be certified by deposit account statement issued by the bookkeeping institution. In addition, for the Debentures electronically held in custody at the Central Agency for Custody and Financial Settlement of Securities – Organized Markets ("CETIP"), CETIP will issue a statement in the name of the holder of the Debentures, and which will be proof of holding of such Debentures. The Debentures will not be convertible into issuing shares of the Company or any other company;

**(g) Type:** the Debentures will be unsecured, pursuant to article 58 of the Corporate Law, and will not grant any special or general privilege to their holders, neither will they specify assets to guarantee possible enforcement;

**(h) Term and Maturity Date:** save the possibilities of early maturity set below **(h.1.)** the first-series Debentures ("First-series Debentures") will have a five-year (5) maturity term counted as from the Date of Issue, thus, maturing on February 15, 2017 ("Maturity Date of the First-Series Debentures"); and **(h.2)** the second-series Debentures ("Second-series Debentures") will have a seven-year (7) maturity term counted as from the Date of Issue, thus, maturing on February 15, 2019 ("Maturity Date of the Second-Series Debentures" and, jointly with the "Maturity Date of the First-series Debentures", "Maturity Date");

**(i) Repayment of the Principal:** **(i.1.)** the Unit Par Value of the First-Series Debentures will be repaid in two (2) equal and successive installments, each corresponding to fifty per cent (50%) of the Unit Par Value of each First-Series Debenture in circulation, being that the first payment will take place on February

15, 2016, and the second payment on February 15, 2017; and **(i.2.)** the Unit Par Value of the Second-Series Debentures updated by Monetary Updating of the Second-Series Debentures (as defined below), will be repaid in two (2) equal and successive installments, each corresponding to fifty per cent (50%) of the Unit Par Value of each Second-Series Debenture in circulation, being that the first payment will take place on February 15, 2018, and the second payment on February 15, 2019;

**(j) Remuneration:** **(j.1)** the Unit Par Value of the First-Series Debentures will not be monetarily adjusted. On the debt balance of the Unit Par value of each First-Series Debenture, remunerative interest will be levied corresponding to one hundred per cent (100%) of the accumulated variation of the average daily rates of the one-day Interbank Deposits (DI), “over extra-group”, as yearly-based percentage, base of two hundred and fifty-two (252) business days, calculated and disclosed on daily basis by CETIP in the daily newsletter available on its website ([www.cetip.com.br](http://www.cetip.com.br)) (“DI Rate”), plus a spread or overrate calculated on exponential basis equivalent to a certain yearly percentage, base of two hundred and fifty-two (252) business days, to be defined in pursuance to the method for collection of investors’ intentions (“Bookbuilding Method”) and, in any case, limited to (i) in case the Offer obtains a rating superior or equal to AA+: one per cent and twenty five hundredth (1.25%) a year, and (ii) in case the Offer obtains a rating equal to AA-: one per cent and thirty hundredth (1.30%) a year, base of two hundred and fifty-two (252) business days (“Overrate” and, jointly with the DI Rate, “Remuneration of the First-Series Debentures”). The Remuneration of the First-Series Debentures will be exponentially calculated and accumulated on a *pro rata temporis* basis for the number of successive business days, levied on the debt balance of the Unit Par Value of the First-Series Debentures from the Date of Issue, or the date of payment of the Remuneration of the First-Series Debentures immediately before, as the case may be, until the actual date of payment, according to the formula described in the indenture of the Debentures (“Indenture”). The payment of the Remuneration of the First-Series Debentures will be carried out semi-annually as from the Date of Issue, on August 15 and on February 15 of each year, being the first payment due on August 15, 2012 and the last payment due on the Maturity Date of the First-Series Debentures; and **(j.2.)** the debt balance of the Par Value of the Second-Series Debentures will be updated, as from the Date of Issue, by the accumulated variation of the Expanded Consumer Price Index (IPCA) ascertained and disclosed by the Brazilian Geography and Statistics Institute Foundation (IBGE) (“IPCA” and “Monetary

Updating of the Second-Series Debentures”). The product of the Monetary Updating of the Second-Series Debentures will be automatically incorporated into the Unit Par Value or debt balance of the Unit Par Value of the Second-Series Debentures (“Updated Unit Par Value of the Second-Series Debentures”), as the case may be. On the debt balance of the Updated Unit Par Value of the Second-Series Debentures, pre-fixed remunerative interest will be levied corresponding to a yearly-based percentage, base of two hundred and fifty-two (252) business days, to be defined according to the Book building Method, limited to (i) in case the Offer obtains a rating superior or equal to AA, the maximum rate of seven per cent and ten hundredth (7.10%) a year, plus IPCA; and (ii) in case the Offer obtains a rating equal to AA-, maximum rate of seven per cent and twenty hundredth (7.20%) a year, plus IPCA. The remunerative interest described above will be levied on the Updated Unit Par Value of the Second-Series Debentures or their balance, as applicable, from the Date of Issue or the date of payment of the remunerative interest of the Second-Series Debentures immediately before, as the case may be, and paid in the end of each capitalization period of the Second-Series Debentures, calculated on compound capitalization in a *pro rata temporis* basis by business days (“Remunerative Interest of the Second-Series Debentures”) and, jointly with the Monetary Updating of the Second-Series Debentures, “Remuneration of the Second-Series Debentures”, and the Remuneration of the Second-Series Debentures jointly with the Remuneration of the First-Series Debentures, “Remuneration of the Debentures”). The payment of the Remuneration of the Second-Series Debentures will be carried out annually as from the Date of Issue, on February 15 of each year, being the first payment due on February 15, 2013 and the last payment due on the Maturity Date of the Second-Series Debentures. The calculation of the Remuneration of the Second-Series Debentures will comply with the formula described in the Indenture;

**(l) Allocation of Funds:** the net funds raised by the Company with the Issue will be allocated (i) to the acquisition of new plots of land; (ii) to the increase of the Company’s participation in shopping malls; (iii) to the acquisition of new shopping malls; (iv) to the development of new shopping malls; and (v) to constitute cash reserve for the Company;

**(m) Placement and Registration for Distribution and Negotiation:** the Debentures will be subject matter of public offer with limited placement efforts, pursuant to CVM Instruction 476, exclusively destined to qualified investors, pursuant to article 109 of CVM Instruction 409 of August 18, 2004, under a firm

guarantee Debentures' subscription regime, having as intermediary institutions Banco Itaú BBA S.A. ("Lead Coordinator"), Banco BTG Pactual S.A. ("BTG Pactual") and Banco Bradesco BBI S.A. ("Bradesco BBI" and, jointly with the Lead Coordinator and BTG Pactual, "Coordinators"), and will be registered for distribution in the primary market through Securities Distribution Method (SDT), and for negotiation in the secondary market through National Debentures System (SND), both managed and operated by CETIP;

**(n) Term and Form of Subscription:** the Debentures will be subscribed, at any time, as from the date of the distribution of the Offer, in accordance with article 8, paragraph 2 of CVM Instruction 476. The Debentures will be subscribed thorough SDT method.

**(o) Conditions and Price of Payment:** the payment of the Debentures will be made in domestic currency, as down payment, for the Unit Par Value, plus the Remuneration of the Debentures calculated on a *pro rata temporis* basis from the Date of Issue until the date of the actual subscription and payment ("Date of Payment"), with two decimal digits and no rounding and pursuant to the liquidation rules applicable to CETIP;

**(p) Optional Acquisition:** the Company may, at any time, carry out a tender offer of the Debentures in circulation, in compliance with article 55, paragraph 3 of the Corporate Law, provided that possible rules issued by CVM are observed, and such fact must, if so required by applicable law and regulations, be included in the management report and the financial statements of the Company. Such acquired Debentures may, at the Company's discretion, be cancelled, remain in the Company's treasury, or be put in the market again, being the restrictions set forth in CVM Instruction 476 observed. The Debentures acquired by the Company to be kept in the Company's treasury, if and when put in the market again, will be entitled to the same Remuneration applicable to the other Debentures in circulation;

**(q) Rollover:** there will be no scheduled rollover;

**(r) Total Early Redemption:** there will be no total early redemption;

**(s) Early Maturity:** the Debentures will have certain events which will trigger their early maturity, which will be defined in details in the Indenture, based on

the common practices adopted in similar transactions, including, but not limited to the following events: non-payment, on the respective maturity dates, of any monetary obligation related to the Debentures; transformation of the Company corporate type from joint-stock company to limited liability company; request for extrajudicial or judicial reorganization or bankruptcy; enforcement actions against the Company; cross default; restrictions for reduction in capital; restrictions for distribution of dividends; change in direct or indirect share control; non-compliance with the obligations; and relevant adverse change;

**(t) Default Charges:** on there being delay in the payment of any amount due to the holders of the Debentures related to any obligation resulting from the Indenture, on all and any delayed amounts, regardless of notice, there will be notification or court notice, and without prejudice to the Remuneration, calculated on a *pro rata temporis* basis from the date of the default event to the actual date of payment, (i) two-per cent (2%) default fine; and (ii) one-per cent (1%) interest on arrears a month, calculated on a *pro rata temporis* basis from the date of the default event to the actual date of payment (“Default Charges”);

**(u) Place of Payment:** the payments related to the Debentures and to any other amounts possibly due by the Company pursuant to the Indenture will be carried out by the Company through CETIP, or still, through agent bank to the holders of the Debentures which do not hold their Debentures electronically in custody at CETIP;

**(v) Granting Authority to the Company’s Executive Board:** the Company’s Executive Board is authorized to:

- (i) hire the Coordinators to carry out public placement of the Debentures with the investors;
- (ii) hire the service providers for the Issue, including, but not limited to the agent bank, the bookkeeping agent, the trustee, legal advisers, agency to classify risk, among others;
- (iii) approve of the Remuneration of the Debentures ascertained through Book building method, complying with the Remuneration limit set by the Board of Directors, pursuant to “j” above;

- (iv) negotiate and execute all the documents related to the Offer, including, but not limited to, the Indenture, the distribution agreement and its possible amendments; and
- (v) carry out all and any acts necessary to materialize the Issue and to implement the resolutions taken herein.

**6. CLOSING:** on there being nothing further to transact, the Board of Director's Meeting was closed and these minutes were drawn up, which after being read and found to be in order, was signed by all the members of the Board of Directors attending the meeting. I certify that this is a true copy of the minutes drawn up in proper book.

São Paulo, January 26, 2012

Presiding Board:

José Manuel Baeta Tomás  
Chairman

Carlos Alberto Correa  
Secretary