LOJAS RENNER S.A.
A Publicly Listed Company
Corporate Taxpayers' ID CNPJ/MF 92.754.738/0001-62
Corporate Registration ID NIRE 43300004848

NOTICE TO SHAREHOLDERS
DECLARATION AND PAYMENT OF INTEREST ON EQUITY

We inform to our Shareholders that the Board of Directors of Lojas Renner S.A. ("Company"), at a meeting held on December 16 2010, approved the distribution and the payment of interest on equity by the Company, for the fiscal year 2010 in the total amount of R$ 70,233,856.94 (seventy million, two hundred and thirty three thousand, eight hundred and fifhty six reais and ninety four cents), corresponding to R$ 0.5740 per share. Payment shall be effected in up to 10 days after the 2011 General Meeting and is subject to Income Tax Withholding (IRRF) pursuant to the prevailing legislation.

The aforesaid amount corresponding to the payment of interest on equity shall be included in the calculation of the mandatory dividend for the fiscal year 2010, pursuant to the Company's Bylaws. All the Company's shareholders holding shares as of December 16 2010, the date of the approval of the payment by the Board of Directors, shall be entitled to interest on equity in accordance with the prevailing legislation. As from December 17 2010 (inclusive), the Company's shares shall be traded ex-interest on equity. The Company requests shareholders, companies and/or entities who are exempt from Income Tax Withholding to send the appropriate documentation to confirm this status to the Company's registered offices at 401 Joaquim Porto Villanova Avenue, 7th floor, Jardim Carvalho, Porto Alegre/RS, Zip Code: 91410-400, in attention to the IR Officer, Adalberto Pereira dos Santos, by 12 p.m. on December 21 2010.

The procedures and the initial date of payment of interest on equity will be disclosed by the Company Officers immediately after the General Meeting that will take place in 2011.

For further information on registration, shareholders should contact the IR Team at 401 Joaquim Porto Villanova Avenue, 7th floor, Jardim Carvalho, Porto Alegre/RS, Zip Code: 91410-400 – Telephone: +55 51 2121 7045 / 7183 / 7044.

Porto Alegre, December 16 2010.

Adalberto Pereira dos Santos
Investor Relations Officer