# Message from the Chairman of the Board

Dear Sirs,

On behalf of Lojas Renner's Board of Directors, I want to welcome you to our Company.

First of all, I would like to state our commitment to help Lojas Renner now and in the future. I have full faith in the ability of the Board and its committees to guide, assist and oversee management's efforts to grow the business and enhance its profitability, thereby creating wealth for its shareholders. We are all very excited to be part of this pioneering effort in corporate governance in Brazil, to make a publicly-owned, professionally managed company function effectively and successfully. Not a common practice in our market, as you well know.

Given the Company's new ownership structure, we wish to build a close relationship with our shareholders, both in Brazil and abroad. We met in Porto Alegre this past Thursday, in our first full Board meeting, and agreed to strengthen our investor relations function. We will keep you informed as we proceed in that direction. We also decided to consult with our major shareholders on a number of issues. We will continue to do so, from time to time, on issues of strategic importance.

The first of these has to do with the current composition of our Board. As you may know, the current Board was appointed on May 25th by JC Penney, the former controlling shareholder, for a one year term. The Board is currently made up six Directors: four independent members, Mr. José Galló, the CEO of Lojas Renner, and Mr. Thomas Clerkin, a representative of JCPenney.

Mr. Clerkin, the JC Penney representative on the Board, has already informed us of his intention to resign at the completion of the sale of the JC Penney shares. This process should be completed by the General Shareholders Meeting that will take place on August 19th. Once Mr. Clerkin has resigned, our by-laws indicate that the Board could be reduced to five members until next year's Shareholders Meeting. Alternatively, the Directors are entitled to elect a replacement to complete Mr. Clerkin's term of office. We would very much welcome any comments you may care to make on how best to address this issue.

We also discussed how to proceed with questions of corporate supervising mechanisms. We are considering creating an Audit Committee of the Board. But Brazilian law also allows for an independent Fiscal Council (Conselho Fiscal), to be appointed directly by the shareholders. We would welcome your comments on how you feel this issue should be dealt with.

By the same token, we discussed the structure of the proposed stock option plan for management, which was outlined in general terms in the Offering Memorandum, and presented to you on the road show. It still has to be formally approved by the Board, however, and there are a number of issues on which we will seek your input.

In more general terms, we would be interested to have your suggestions, and understand any concerns you may have regarding the corporate governance of Lojas Renner. Your input will be much appreciated and will allow us to fashion a governance model that is responsive to your concerns.

I have listed below my contact information, as well as that of the other Board members. This message is being posted on our site, and we would ask anyone who wishes to receive our messages in the future to register your electronic address in the site, so that we may communicate with all going forward.

I look forward to a productive ongoing interaction with you with regards to Renner. Please do not hesitate to call me, or any of our Board members, should you wish to discuss these, or any other issues pertaining to the Company.

Best Regards,

Francisco Gros

Chairman of the Board

Address: Av. Eng. Luiz Carlos Berrini, 1681 - 9º andar - São Paulo/SP

Email: fgros@lojasrenner.com.br

Telephone: (55 11) 5501.1156 - Cellular Phone: (11) 81078108

Egon Handel

Vice-Chairman of the Board

Address: Rua dos Andradas, 1534 cojn. 81- Porto Alegre/RS

Email: egon.handel@hb.audit.com.br

Telephone: (55 51) 3224.9900

Glória Kalil

Member of the Board

Address: Av. Brigadeiro Faria Lima, 2012 conj. 72 - São Paulo/SP Email:gokalil@terra.com.br

Telephone: (55 11) 3817.8816

José Galló

Member of the Board

Address: Av. Assis Brasil, 944 - 2 andar - Porto Alegre/RS

Email: gallo@lojasrenner.com.br

Telephone: (55 51) 3341.2299

José Luiz Osorio

Member of the Board

Address: Rua General Garzon, 22 sala 408 - Rio de Janeiro/RJ

E-mail:jlosorio@jbpartners.com.br

Telephone: (55 21) 2512.5574

Thomas A. Clerkin

Member of the Board

Address: 6501, Legacy Drive - Plano, TX, USA

Email: tclerkin@jcpenney.com

Telephone: (1 972) 4312010