LOJAS RENNER S.A.
A Publicly Held Company
CNPJ/MF n° 92.754.738/0001-62
NIRE 43.300.004.848

MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON MAY 26 2011

1. **Date, Time and Place**: May 26 2011, at 11:15 a.m., by conference call.

2. **Attendance**: The full complement of members of the Board of Directors (BD) of Lojas Renner S.A..

3. **Presiding Officials:** Claudio Thomaz Lobo Sonder - Chairman; Michel Zavagna Gralha - Secretary.

4. **Agenda**: Examine, discuss and deliberate upon **(a)** exercising of the Stock Options Grants decided by the Remuneration Committee in a meeting held as of this date pursuant to the Stock Options Plan approved by the Extraordinary Shareholders' Meeting held on May 25 2005 and amended by the Extraordinary Shareholders' Meetings held on April 10 2007 and March 30 2009 ("Stock Option Plan") and to the Stock Options Grants Plan for Lojas Renner S/A's Executives ("Grants' Programs"); and **(b)** an increase in the Company's Capital Stock, within the limit of the authorized capital, as a function of the exercising of the Stock Options.

5. **Resolutions:** Following the examination of the matter contained in the Agenda, the Directors present resolved by unanimous vote to approve **(a)** the exercising of the Stock Options Grants in the amount of 188,250 (one hundred eighty-eight thousand, two hundred and fifty) shares, being **(i)** from the first grant 6,500 (six thousand five hundred) common shares at the price of R$ 8.50 (eight reais and fifty cents) per share, **(ii)** from the second grant 60,500 (sixty thousand and five hundred) common shares at the price of R$ 27.25 (twenty seven reais and twenty five cents) per share, **(iii)** from the third grant 63,250 (sixty-three thousand, two hundred and fifty) common shares at the price of R$ 29.01 (twenty-nine reais and one cent) per share, **(iv)** from the fourth grant 30,000 (thirty thousand) common shares at the price of R$ 34.25 (thirty-four reais and twenty-five cents) per share, and **(v)** from the fifth grant 28,000 (twenty-eight thousand) common shares at the price of R$ 15.15 (fifteen reais and fifteen cents) per share, in accordance with the indication of the beneficiaries filed at the Company, with a cash payment in Brazilian legal tender, being verified that the first grant, dated of July 2005, was already fully exercised, and **(b)** the increase in the Company's capital stock within the authorized capital limit, in the light of the exercising of the stock options by the participants in the First, Second, Third, Fourth and Fifth Stock Option Grant pursuant to the Grants' Programs of 2005, 2006, 2007, 2008 and 2009, with the consequent issue of 188,250 (one hundred eighty-eight thousand, two hundred and fifty) common shares of the Company. As a result of the resolution hereby adopted, and following the verification of the subscription bulletin signed by the participants, the increase of the

Company's capital stock was approved and ratified within the authorized capital limit, in the amount of R$ 4,990,457.50 (four million, nine hundred and ninety thousand, four hundred fifty-seven reais and fifty cents), increasing from R$ 408,734,277.50 (four hundred and eight million, seven hundred thirty-four thousand, two hundred seventy-seven reais and fifty cents) to R$ 413,724,735.00 (four hundred and thirteen million, seven hundred twenty-four thousand, seven hundred and thirty-five reais), divided into 122,537,315 (one hundred twenty-two million, five hundred thirty-seven thousand three hundred and fifteen) common shares, nominative, book entry shares with no par value. The shares are issued without preemptive rights pursuant to Paragraph 3, Article 171 of Law 6.404/76, and pursuant to Paragraph 3, Article 6 of the Company's Bylaws. The shares hereby issued shall be entitled to full dividends, in cash, including interest on shareholders' equity, on profits declared for the current fiscal year pursuant to Item 9 – Payment of the Exercise Price – of the Stock Option Plan approved by the Extraordinary Shareholders' Meeting held on May 25 2005 and amended by the Extraordinary Shareholders' Meetings of April 10 2007 and March 30 2009.

6. **Conclusion:** With no further matters on the agenda, the meeting was adjourned, these minutes having been drafted, read and approved, were signed by the Directors.

Porto Alegre, RS, May 26 2011.

Claudio Thomaz Lobo Sonder
Chairman of the Board of Directors

Egon Handel
Vice Chairman of the Board of Directors

José Galló

Pedro Pezzi Eberle

Miguel Gellert Krigsner

Deborah Patrícia Wright

José Carlos Hruby

Michel Zavagna Gralha
OAB/RS 55.377
Secretary