Press Release

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Flash Stores success leads to the creation of new typology

Sonae Sierra launches Coop Stores

- Coop Store is based on the sharing of the same shop by various operators
- In 2013, 60 Flash Stores opened in Portugal
- The concept has already been implemented in Spain and will be expanded this year to Germany and Romania

Sonae Sierra, the international shopping centre specialist, has just launched Coop Store, a new typology created from the Flash Store concept with the purpose of fostering entrepreneurship and the emergence of new brands and concepts in the Company's shopping centres.
The new typology consists of more than one operator sharing the same shop, in a flexible regime of total cooperation. The operators share the shop's area among themselves, as well as the operating costs.

The shop has an original layout comprised of different environments that function as mini-shops in one single space, but that complement each other or have an aggregative capacity.

Currently in its launch stage in Sonae Sierra's shopping centres, the first Coop Store opened in LoureShopping (Portugal) and is dedicated to selling haberdashery items and author pieces with a strong handmade component.

This project was born in the scope of Sonae Sierra's Corporate Responsibility Policy and its main objective is to help local businesses prosper and, consequently, develop a sustainable business.

"M*arket's current situation and dynamic led to the creation of the Flash Store concept, and these new retail tools have turned out to be a success, since they enable new entrepreneurs to test the acceptance of their brands in our shopping centres, in more flexible conditions. The typology now created is the perfect shop for small, local operators to launch themselves in the market in a sustainable way and share costs, while promoting in a common area products that complement each other*", states Carlos Jesus, Sonae Sierra's Head of Mall Activation and Innovation.

Flash Store: a new retail format with different typologies

Created in June 2012 by Sonae Sierra, it's an innovative retail concept based on the use of a shop for a maximum period of six months, so that the operator can test the market's receptiveness to his product.

This concept has already attracted about 90 operators in Portugal, and helped introduce new brands and concepts in Sonae Sierra's shopping Centres.

The product has 4 typologies:

- The **Lab Store** is appropriate for the launch of new brands looking to consolidate concepts, test its market acceptance and/or its positioning. It's a model that tests the product/brand in a real environment and it's designed for brands that plan to open a shop but are still uncertain of their performance;
- The **Pop-Up Store** was created for entrepreneurs looking to test specific market niches, and is the ideal solution for brands that sell seasonal products, exclusive collections or plan on using this product as a channel to sell off stock;
- The **Lounge Store** is destined for products or brands that demand interactivity and a close relationship with the consumer, where the sale component is often secondary or non-existing, operating strictly as a "window" to promote brands and another channel to build up awareness;
- The **Coop Store** is the ideal shop for operators that wish to share the same space with other operators in an environment of total business vision alignment. This cooperative shop model is intended to provide an initial support to small local businesses with a strong handmade component, and thus make available to a certain region' entrepreneurs the promotion of their products in temporary shops in the Company's Shopping Centres.

Of the 40 brands that have tested the Lab Store typology, ten have already been converted to tenants under long term contracts, and three more are expected to convert soon, which represents a success rate of approximately 33%.

These temporary spaces can also represent the brands' first internationalization experiences, since the concept has already been taken by Sonae Sierra to Spain and will soon reach Germany and Romania. This business model enables the testing of the brand before taking a bigger step, and the underpinning of decisions linked to a wider expansion strategy, nationally or internationally, which was the strategy of brands such as Equivalenza, Columbia, Panomania, Spark Fashion, Flow, Aromas Brand Store and Dope Lx, among others.

About Sonae Sierra

Sonae Sierra, www.sonaesierra.com, is the international Shopping Centre specialist, with a passion for creating innovative shopping experiences. The Company owns 49 shopping centres and is present in 12 countries: Portugal, Spain, Italy, Germany, Greece, Romania, Croatia, Turkey, Morocco, Algeria, Colombia and Brazil. Sonae Sierra manages and/or lets 85 Shopping Centres with a market value of more than €5.8 billion euros, and a total Gross Lettable Area of 2.4 million m2 with about 8,500 tenants. In 2012, the Company welcomed more than 426 million visits in the Shopping Centres it manages. Currently, Sonae Sierra has 5 projects under development, including 4 for clients, and 5 new projects in pipeline.