

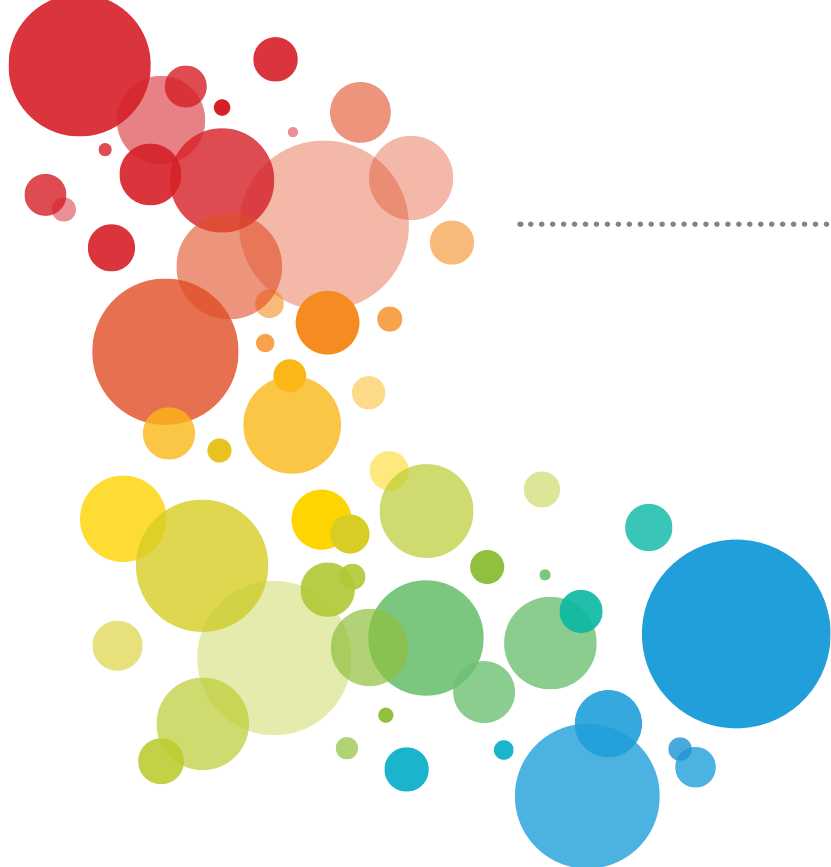


ANNUAL
REPORT **2012**

HIGHLIGHTS

Main indicators

| | 2012 | 2011 | 2010 |
|--|--------|--------|--------|
| Operational indicators | | | |
| Members (millions) | 10.9 | 9.4 | 8.0 |
| Partnerships | 369 | 190 | 156 |
| Points issued (millions) | 85,174 | 76,159 | 53,236 |
| TAM Linhas Aéreas | 17,424 | 20,229 | 18,656 |
| Banks, retail, industry and services | 67,750 | 55,930 | 34,580 |
| Points redeemed (millions) | 65,860 | 49,764 | 16,783 |
| Airline tickets | 62,317 | 48,713 | 16,711 |
| Other products/services | 3,543 | 1,051 | 72 |
| Average annual breakage rate (%) | 21.0 | 24.1 | 22.6 |
| Number of employees | 150 | 109 | 81 |
| Financial indicators (BRL millions) | | | |
| Earnings from the sale of points | 1,871 | 1,525 | 1,119 |
| Net income | 224 | 274 | 118 |
| Distribution of Added Value – DAV (%) | | | |
| Personnel | 6.56 | 5.19 | 6.40 |
| Taxes and contributions | 50.83 | 45.53 | 41.34 |
| Remuneration of third party capital | 0.81 | 1.44 | 1.13 |
| Remuneration of shareholders' equity | 41.79 | 47.85 | 51.13 |



ANNUAL REPORT **2012**

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MESSAGE FROM THE ADMINISTRATION

We have successfully managed to implement our strategy of diversification. Our focus for 2013 is the member



In 2012, we came a long way in consolidating the three essential cornerstones in the Multiplus business: brand, personnel and technology. We are increasingly able to get people to understand what this points network model is and to recognize our brand as a pioneer in this model.

We have enhanced our personnel management practices which, after all, are the fundamental means for us to achieve the results we want. And we have made significant investments in technology and in making our infrastructure robust and secure, which is essential at a virtual and connected company.

Based on these cornerstones, we are able to generate more and more value for our partners and members, expanding our network and our business. The results show that we are on the right path. We had annual growth of 16% in number of members, reaching the 10.9 million mark, with the number of partners up by 94%, totaling 369 by the year's end.

Revenue for 2012 reached BRL1.871 million and the company had net earnings of BRL224 million. We continued to maximize return for our shareholders, driven by the positive cash flow of operations. We distributed dividends and interest on shareholder capital of BRL222 million for the year, representing a payout of 99%.

“We are able to generate more and more value for our partners and members, expanding our network and our business”

Eduardo Gouveia
President



We have successfully managed to implement our strategy of diversification in accrual and redemption of points. By offering a broad portfolio of rewards that can be claimed, we have raised members' perception of value. At the same time, diversifying the network of partners has facilitated inclusion of points accumulated as part of people's day to day. Non-airline redemptions reached 1.3 billion points, up by 141% for the year. As expected, the gradual drop in the breakage rate indicates greater member engagement in the network.

The perspectives for context in the coming years are quite rosy. The four main drivers of growth – consumption, penetration of credit card use, social mobility, and the airline industry – should continue to positively influence Multiplus. Furthermore, stimulation of the loyalty market should expand our opportunities for growth. From this aspect, major stimulus will come from Prismah, a joint venture we

created in partnership with Canada-based Aimia, whose operations will start in 2013, offering idealization, development, management and consulting services for loyalty programs.

Our focus for 2013 is the member, with initiatives to understand buying behavior and directed communications, while at the same time planning to further strengthen the network's penetration and relationship with partners, making our impact on your business more tangible. Capturing the growth on the horizon depends solely on our ability to improve the member experience, generate value for partners and ensure the business's sustainability.

COMPANY PROFILE

Multiplus is a pioneer in the coalition network model in Brazil, allowing its corporate drivers to show in everything it does



oyalty programs are adopted by companies which award customers for repeat purchases of goods and services. Airline and credit card company programs, which are already part of the day to day of many people, are examples of this.

However, there has been a change taking place in this scenario internationally, with the development of coalition networks. This model allows consumers to accrue and redeem points with different companies, creating benefits for all parties involved.

Advantages of coalition networks

For partners:

- Lower customer acquisition and retention cost
- Ability to access consumer bases from other segments
- Opening of a new publicity channel for the brand

- Ability to execute joint promotional activities

For consumers:

- Faster accumulation of points
- More options for redemption
- Improved point control and management

Multiplus has been a pioneer in implementing this model in Brazil. Created in 2009 as a business unit of Grupo TAM S.A., it currently relies on a network of around 370 partners and 11 million members. Consumers can redeem points earned with over 120 thousand services and products from different segments.

The company is listed on the BM&FBovespa Novo Mercado (under MPLU3) and controlled by TAM, which holds a 72.87% share in the company. Multiplus's relationship with its controlling company and main partner is governed by operational and shared services contracts, summaries of which can be accessed at www.multiplusfidelidade.com.br/ri.

Corporate drivers

Positioning – Multiplus is a loyalty program company that uses the best partner network to provide recognition and rewards for the consumer choices its members make.

Vision – Together we can do much more.

Mission – Connecting companies and people through a relationship network where everybody wins.

Values – Simplicity, agility, reliability, fun and innovation.

Multiplus

is a network comprised of 11 million members and 370 business partners

In 2012, Multiplus worked to structure Prismah, a joint venture established the previous year with Aimia – Groupe Aeroplan Inc., a global leader in the loyalty market headquartered in Canada. With start-up of operations set for 2013, Prismah provides services in idealization, development, management and consulting on analytical services for third-party loyalty programs. With their complementary activities, Multiplus and Prismah have a potential synergy that will contribute to the growth of the businesses.



COMPANY PROFILE

VALUE GENERATION

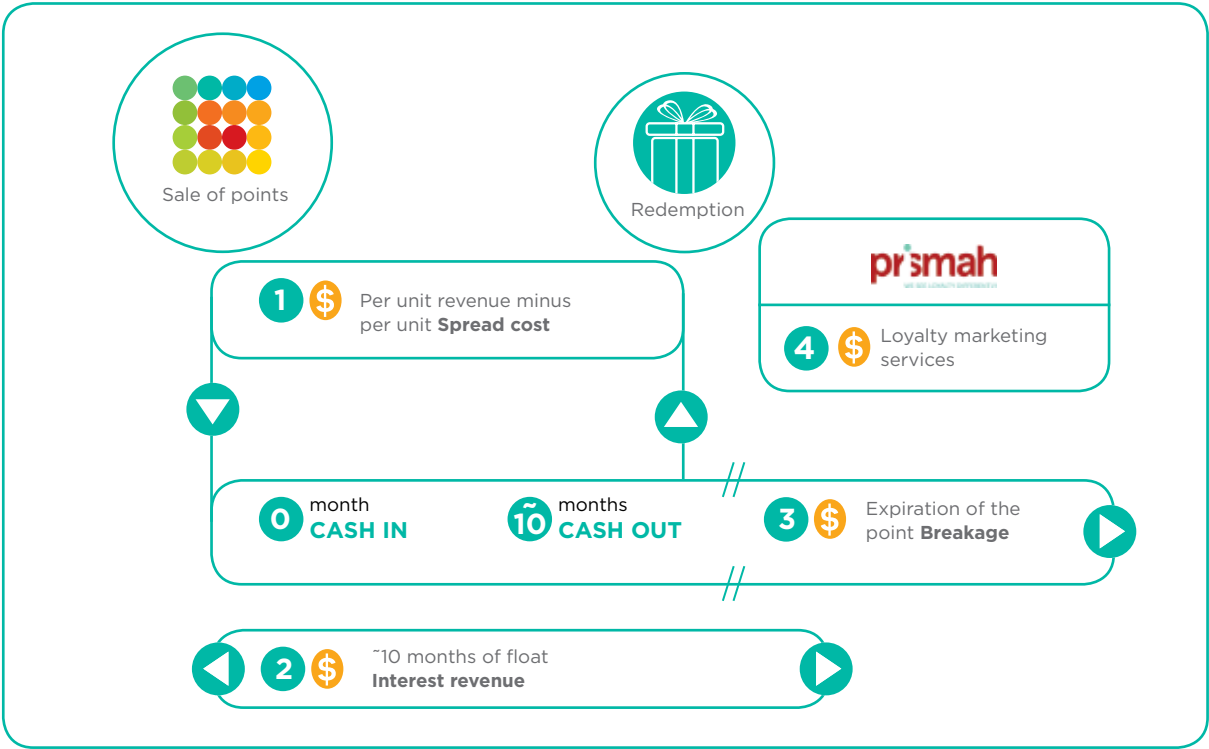


Based on information technology, brand value and knowledge, the Multiplus business model encompasses four sources of earnings, according to the image shown below.

- 1. Spread:** difference between the sale price of points and the cost to redeem them
- 2. Income from float revenue:** yields from financial investments made using positive cash flow

3. Breakage: points issued that are not redeemed and, accordingly, do not generate costs

4. Loyalty marketing services: Prismah activities developing, implementing and managing individual loyalty programs



PARTNERS



Multiplus partners are distributed among three modalities – accrual, redemption and coalition –, depending on the benefits that the partnership can provide to business.

Modality

Main partners

Accrual: the partner buys Multiplus points to award its consumers and defines how to offer the benefit.

Itaú, HSBC, Santander and Banco do Brasil Banks; Atlantica, Bourbon and Transamérica hotel chains; and Editora Abril publishing

Redemption: Multiplus purchases awards from partners (products and services) to offer them as a redemption option to network members.

Make a Wish and Doutores da Alegria organizations; Tickets for Fun, Ingresso.com, Sem Parar and Pandora Experiências

Coalition: both accrual and redemption of points for awards occur.

TAM Linhas Aéreas, TAM Viagens, Livraria Cultura, Ipiranga, Droga Raia, PontoFrio.com, Groupon, Sky, Oi, rede Accor, Editora Globo and Panvel, among others

The partnership modality – accrual, redemption or coalition – is defined according to the benefits that each alternative can provide to Multiplus and the partner



03

CORPORATE GOVERNANCE

Listed on BM&FBovespa's Novo Mercado, Multiplus adopts best practices in corporate governance

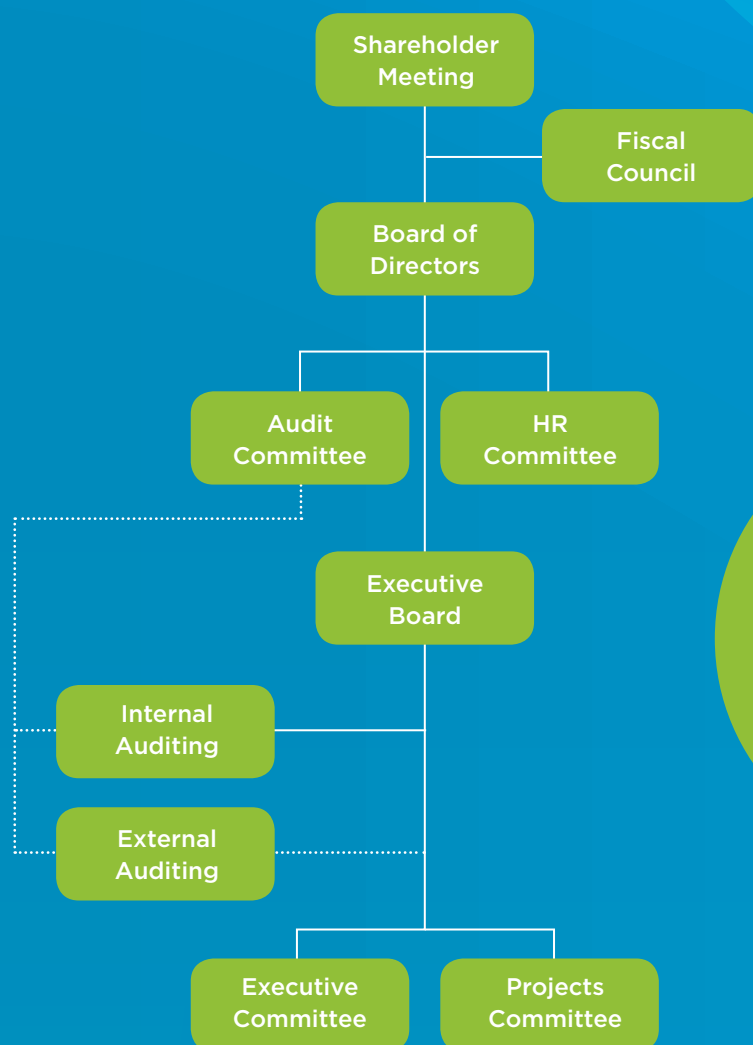


Multiplus uses the principles of transparency, equality, accountability and corporate responsibility in its administration according to the governance model proposed by the Brazilian Institute of Corporate Governance (IBGC). The company is part of the Novo Mercado, BM&FBovespa's highest level of governance.

Noteworthy among the good governance practices adopted are 100% tag-along, a Board of Directors chaired by an independent member, maintenance of 25% of capital in free float and suspension of voting by shareholders or administrators in the event of conflict of interests. Payment of upper management is based on market references and on the establishment of individual targets connected to the company's strategy.

Find out about the differences in Multiplus governance at http://ri.multiplusfidelidade.com.br/conteudo_pt.asp?idioma=0&conta=28&tipo=41693.

CORPORATE GOVERNANCE STRUCTURE



Corporate responsibility, equality and transparent accountability permeate governance actions at Multiplus

Operational and commercial risks are mitigated through distinct initiatives created by Multiplus for better risk management



CORPORATE GOVERNANCE

Shareholders' Meeting

The Shareholders' Meeting takes place ordinarily once per year in order to make resolutions on Board of Directors proposals regarding mergers, capital increases, choosing a specialized company to draft the share assessment report and matters regarding the company's social object and its permanence in the Novo Mercado. Multiplus also held two extraordinary meetings in 2012: in July (to decide on granting share purchase options) and in September (regarding changes to the Articles of Incorporation, appointment of two members to the Board of Directors, and approval of Board member payments).

Fiscal Council

The Fiscal Council was instituted in 2012 by a minority shareholder. Its main duties during the year were to oversee administration activities as well as to examine and provide opinions on accounting statements and proposals put to the shareholders' meetings. This is a non-permanent body, with a validity of one year.

Members of the Fiscal Council

- Edvaldo Massao Murakami
- Antonio Fernando Siqueira Rodrigues
- Antonio Sergio Bartilotti
- Nilton Maia Sampaio
- Eduardo Grande Bittencourt


Board of Directors

The Board of Directors is responsible for providing the business with general strategic guidelines. Among its duties are: appointing and removing company officers, establishing their positions and duties, overseeing them and distributing the global remuneration established by the Shareholders' Meeting to them; providing an opinion on the administration report and the Executive Board's accounts; appointing and removing independent auditors; approving the annual business budget plans; and the development plans for the company and its controlled companies.

This body is comprised of five members, one of whom is independent (chairman) and four of whom represent the company's controlling bloc and shareholders. All are appointed to a reelectable two-year term.

Members of the Board Of Directors

| | |
|------------------------------|----------------------|
| Antônio Luiz Rios da Silva | Independent chairman |
| José Edson Carreiro | Board member |
| Enrique Cueto Plaza | Board member |
| Maurício Rolim Amaro | Board member |
| Roberto Alvo Milosawlewitsch | Board member |



Members of the Board of Directors serve on specific committees, which advise on decisions regarding topics related to auditing, finances and human resources

Audit and Finance Committee The Audit and Finance Committee is, among other things, responsible for assessing the company's accounting statements, discussing and recommending approval of the annual budget proposed by the Executive Board, monitoring the budget and fulfillment of targets defined, requesting that the Board of Directors approve investments that are outside of the Executive Board's authority and ensure that the role of internal auditing is correctly performed. It is comprised of three members, all of whom have a one-year term.

Audit and Finance Committee Members

Antonio Luiz Rios da Silva

Roberto Alvo Milosawlewitsch

José Edson Carreiro

Human Resources Committee Established in March 2012, this committee has various duties related to talent and payment policies and practices at Multiplus, such as: assessing payment practices and policy for the employees and members of the Board of Directors; assessing talent development and retention programs; developing succession plans for employees and officers; and overseeing organizational climate surveys. It includes two members, both of whom serve a one-year term.

Human Resources Committee Members

Maurício Rolim Amaro

Enrique Cueto Plaza

Audits

Multiplus monitors the efficacy of its internal controls through Internal Corporate Auditing, aimed at always perfecting its processes. Moreover, Multiplus has the support of an external audit done by PricewaterhouseCoopers, which is responsible for auditing the company's accounting statements.



CORPORATE GOVERNANCE

Executive Board

The Executive Board is responsible for the general running and representation of the business. According to the Articles of Incorporation, it is comprised of at least two and at most five members who may or may not be shareholders, who reside in Brazil, who can be appointed and removed at any time by the Board of Directors, and who serve a re-electable three-year term.

Executive Board Members

| Name | Position | Statutory |
|---------------------------|--------------------------------|-----------|
| Eduardo Camposana Gouveia | Chief Executive Officer | Yes |
| Sandoval Martins Pereira | Chief Finance and IR Officer | Yes |
| Alexandre Moshe Parczew | Chief Commercial Officer | No |
| Ricardo Birtel | Chief Operating and IT Officer | No |

To find out more about board members, including their experience, access the Reference Form available at www.cvm.gov.br or at the company's website at www.multiplusfidelidade.com.br/ri.

RISK MANAGEMENT



Because of its activities, Multiplus is exposed to some financial, operational and commercial risks. To mitigate them, the company employs a series of risk management policies, systems and actions.

Financial risks

The Financial Risk Management Policy determines coverage limits and a list of allowable financial instruments, in addition to establishing rules related to eligibility and concentration by counterparty.

Exchange rate risk: resulting from point sale contracts pegged to the US dollar, which account for around 85% of Multiplus revenues. In 2012, protection against this risk was done through exchange rate hedging instruments.

Credit risk: comes from cash and cash equivalents, financial instruments, bank deposits and credit exposure to clients, including active accounts receivable. It is managed based on the Financial Investments Policy, which determines maximum concentrations by counterparty and credit risk rating.


Liquidity risk: the Multiplus operation has positive cash generation, minimizing its liquidity risk. The company invests its surplus cash in exclusive investment funds and bank securities, pursuant to the Financial Investment Policy, with allocation limits by investment type and terms.

Operational risks

Technology risk: to minimize exposure to risks caused by obsolete technology, Multiplus adopts the latest technologies in its IT infrastructure and systems, in addition to investing in renewal and updating of IT, hardware, software, processes and personnel.

Fraud risk: to reduce the risk of fraud, the company adopts a robust policy of employee and partner responsibilities and access rights, applying segregation of responsibilities, audit trails and cross-checking of information in its business processes and systems.

Process risk: Multiplus adopts rigorous control of change management, with technological integration environments and certification of systems and production, which are separated and replicated among each other. It also relies on strict testing and acceptance processes for systems and documentation.



To find out more about
risk management at Multiplus,
go to the corporate
governance section at
www.multiplusfidelidade.com.br/ri

Commercial risks

Breakage rate: appropriate management of the rate of expired and non-redeemed points is crucial to the business. If the rate is very high, it hurts the network's attractiveness, if it is very low, it cuts into the business's profitability. Multiplus has an area that monitors and maintains the breakage rate at an interval that is considered to be ideal for the sustainability of the business.

Competition: the loyalty programs and networks market in Brazil is still in development, which is why new players could represent a threat while at the same time having a positive effect on the market and raising the interest of members. The main instrument for protection is the use of exclusivity clauses with strategic partners.

BUSINESS STRATEGY

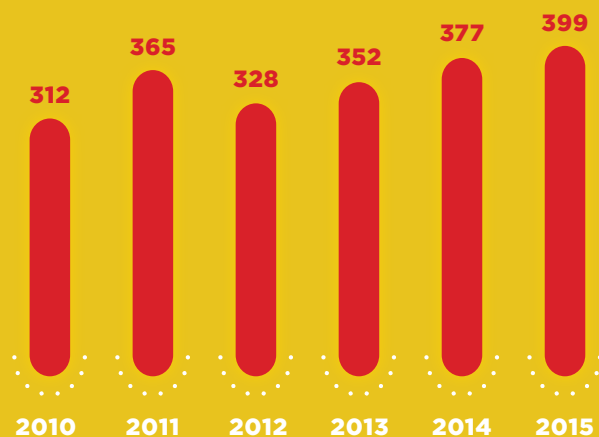
Growth at Multiplus is driven by social mobility, by greater use of credit cards and by growth in air transport



rowth at Multiplus is tied substantially to household consumption, since members accrue points by consuming partner companies' products and services and redeem their points by also consuming products and services. Consumption in 2012 saw significant stimulus and should grow in the coming years at rates of over 7%. (Source: Euromonitor)

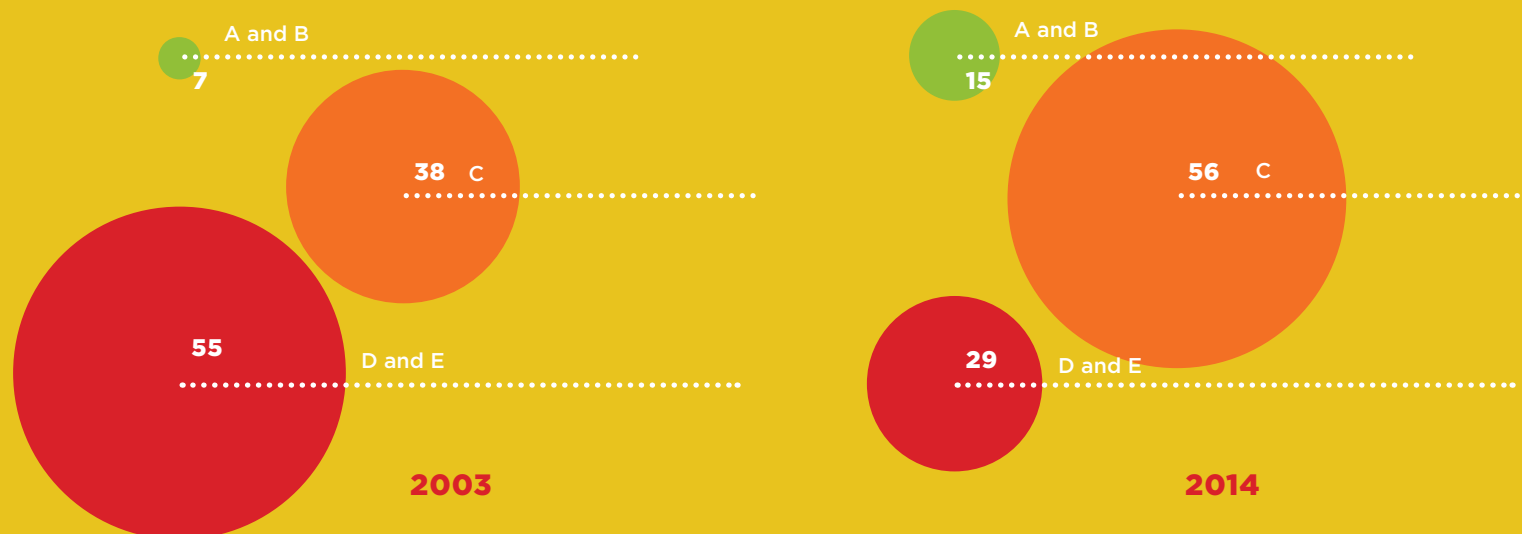
The target public for this consumption is the upper class (A and B classes), which has been growing in recent years, as shown in the graph below. Most redemptions currently take place by purchasing airfare. However, with the network's continued expansion, Multiplus should increase its offer of awards and begin to also attract a portion of the C class.

Growth in household consumption
Retail Sales in Brazil
 (US\$ billions)



Fonte: Euromonitor

Social classes in Brazil
 (Percentage of population)



Average income of the D and E classes - BRL510.50/month; C class - BRL1,162.00; and A and B classes - BRL6,328.50/month

Source: Social Policy Center at FGV-Rio

Maximizing value
 for partners and
 guaranteeing
 sustainable business
 are important
 cornerstones to the
 company's strategy

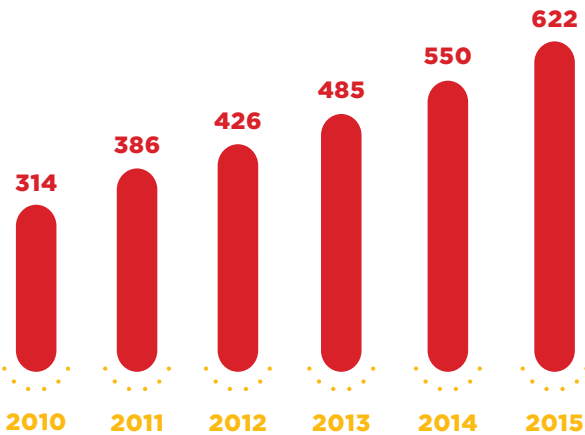


BUSINESS STRATEGY

Banks accounted for approximately 80% of the revenue from the sale of Multiplus points in 2012. Points accrued in credit card loyalty programs can be converted into Multiplus points and redeemed for products and services. Greater access to banking services, social mobility, the high rate of occupation and higher incomes have contributed to growth in the use of credit cards, which should be around 46% between 2012 and 2015. (Source: Abecs and LCA Consultores).

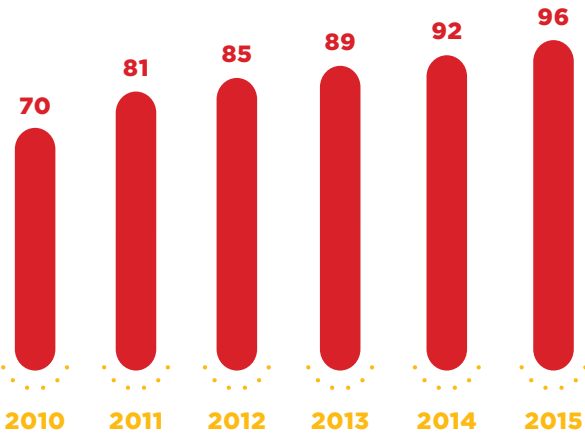
Airfare purchases account for 94.6% of points redeemed. In this sector, there are two forces acting in tandem. On the one hand, Latin America is the fastest growing region in number of passengers per flight. On the other, the average trips per capita in Brazil is just 0.5, while in countries such as the United States and England, it is over 2.5. Because of this, there is also a positive expectation that there will be an upswing in this industry, which is highly attractive to members.

Increase in the use of credit cards/ Card expenditures in Brazil (BRL billions)



Source: Abecs and LCA Consultores

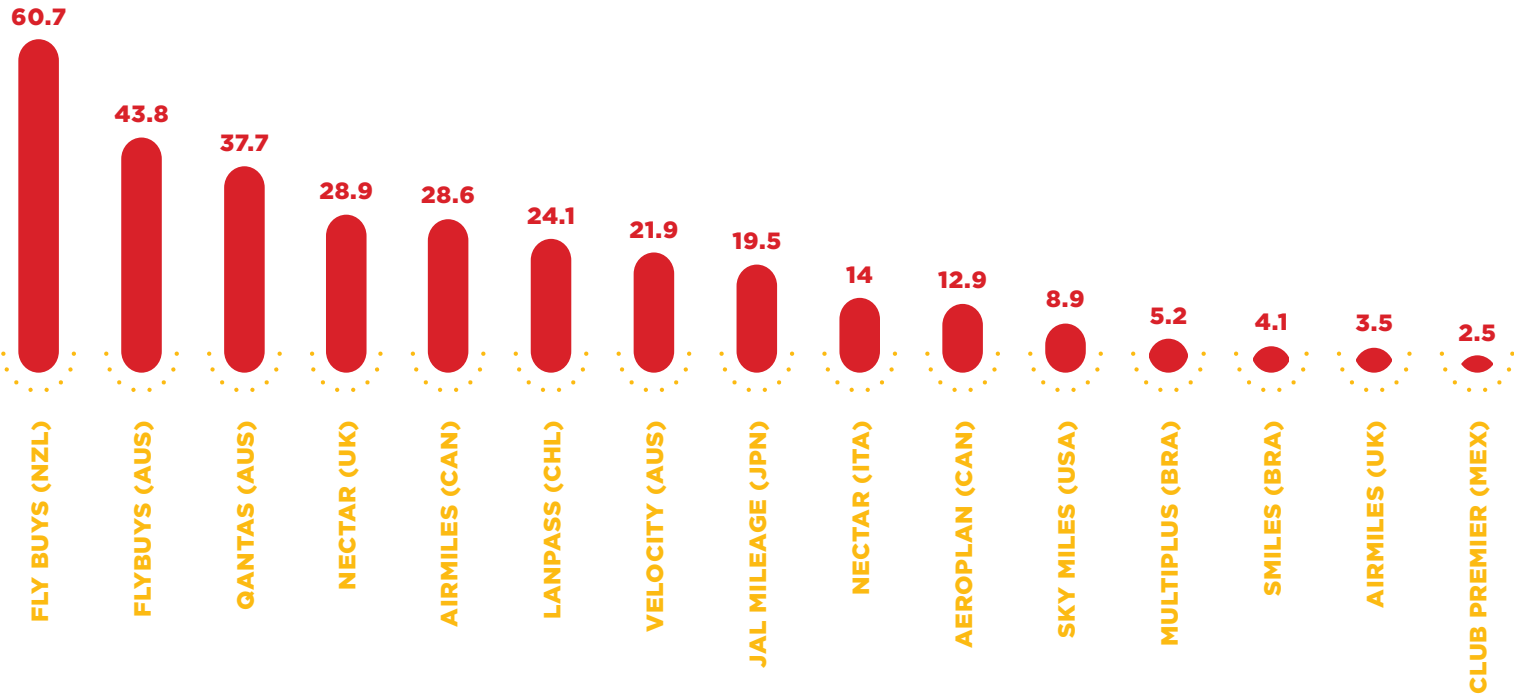
Growth in air transport/Passengers boarding domestic flights (thousands)



Source: Brazil's National Civil Aviation Agency (ANAC) and Bain&Company

When comparing the segment in which Multiplus operates with the segment where similar companies operate in other countries, there is a noticeable opportunity to increase penetration in Brazil with the maturing of the loyalty market. To capture this growth, Multiplus relies on an extensive and growing network of partners and members, in addition to the edge it has as a pioneer in the coalition model.

Penetration of loyalty programs (%)



Source: loyalty program websites and each country's bureau of statistical data (updated in Dec/12)



BUSINESS STRATEGY

STRATEGIC OBJECTIVES

Multiplus operates in a market that has two sides, as an intermediary in relations between business partners and network members. Within this model of operation, the company has defined its strategy so as to maximize the value generated for partners, continually improving the member experience and ensuring the sustainability of the business.

Based on these three cornerstones – Value for Partners, Member Experience and Sustainability of Business – Multiplus has defined its long-term strategic planning. Throughout 2012, leaders from every business area have met at workshops to debate the best opportunities for the company's development in the coming years. These cornerstones were then expanded into seven strategic goals, which in turn make up the projects and initiatives that will be executed by the company to fulfill the strategy.

Noteworthy among the initiatives prioritized in strategic planning for Multiplus are: diversification of the product portfolio, strengthening of relations with members and partners, enhancement of methodologies for measuring the impact provided to partners for loyalty and investing in training of internal teams and improvement in operation management systems.

INTANGIBLE ASSETS

Personnel

Multiplus understands the pioneering role of its employees in achieving business goals, which is why it makes significant investments in personnel management. Efforts at this level are guided by the company's values and strategic goals.

All of the work done over the past years to define an organizational culture, the company's competencies and training of young professionals has guaranteed solid foundations for growth in 2012 of various initiatives geared towards increasing engagement and performance. Worth mentioning among them are the performance assessment process, organization of meetings with executives, commemoration of important achievements, and clear and frequent internal communication.

Promotion of quality of life also deserves to be highlighted for the year, with the launch of the Balance Program. This program is already a focus for priority action in 2013 and includes initiatives such as: flu vaccines, providing fruit in the office, implementation of flex time, performance of preventive exams for glycemia and high blood pressure, mapping of stress levels, posture education, and agreements with gyms in the region.

Practices that are already well established at the company – including continued training of employees and meritocracy-based pay that is competitive for the market – were maintained. This consistency and continual evolution in personnel management is reflected in the results of climate surveys and readings that are done periodically.



74%

overall favorability
in the 2012 climate
survey, up 7 percentage
points from the
previous year

In 2012, overall favorability in the climate survey was at 74%, up 7 percentage points from the previous year. And an important perception was found: over 80% of employees are optimistic about the future at Multiplus and consider it an excellent place to work.

Brand

Creating brand recognition has been one of the main goals at Multiplus in these three years of operations. Initially, institutional communications were focused on clear and direct explanation of how this brand new coalition network model worked.

With the definition of a new logo in 2011, there was a series of resulting actions in marketing management that were employed throughout 2012 – which will continue to evolve in the coming years – to transform this brand recognition into a preference and desire to buy. One important initiative in this area, in 2012, was the establishment of a new language, made clear by a campaign launched in October.

The company went from a discourse of “accrue points in various places and joining them to more quickly trade them in for what you want” – which was fundamental to initially understanding the business model – to the theme of “exchange your points for times you wouldn’t exchange for anything.” This campaign was featured in the top communications channels, both online and offline, and showed experiences that participants could have with their Multiplus points in an emotional and fun way.

Multiplus executed an initiative within the campaign that deserves mention: a drawing to win 20 million points. When joining or converting points, members were given coupons to compete for 20 drawings to win 1 million points. This promotion also valued some partners – Accor, Droga Raia, Ipiranga, Oi, Pontofrio.com, TAM Fidelidade and Sky – which allowed members to increase their chances 10 fold. The initiative’s microsite even offered suggestions on what to do with the 1 million points, creating even more interest among members.

For 2013, initiatives should keep this same theme and increasingly explore online media, always focusing on the Multiplus target audience.

Knowledge

Understanding the behavior of members and the positive impact of Multiplus on its partners’ business – two objectives relevant to the company’s strategy – necessarily touch on generating knowledge based on information developed with quality and agility.



BUSINESS STRATEGY

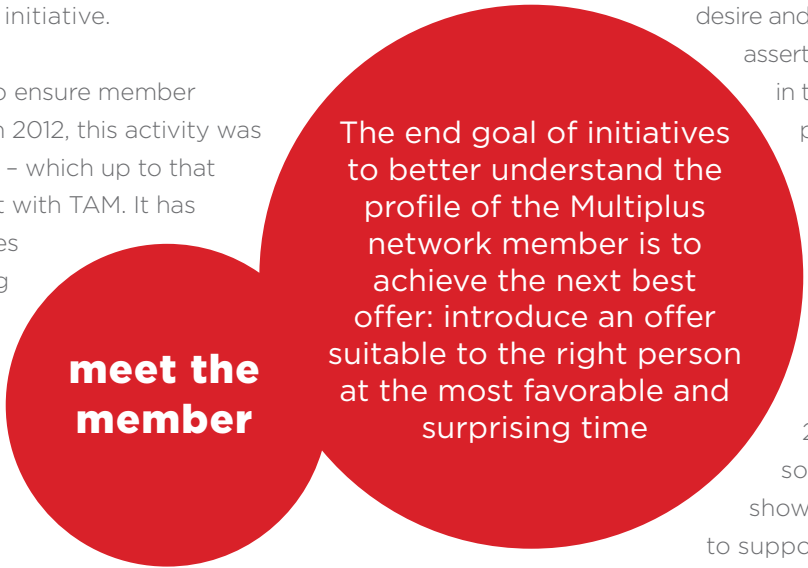
In this field, Multiplus gathered some achievements in 2012, with various high-value projects. To gain better knowledge of members, it has begun a database qualification process. Up to now, the first phase of cleaning and updating the database has been finalized. In specific situations, segmented actions were also able to be developed based on the buying behavior of some groups of members through directed offers. The proposal for the coming years is to implement systems that automate the majority of this work, allowing for expansion of the initiative.

An important front of action to ensure member satisfaction is the call center. In 2012, this activity was fully incorporated by Multiplus – which up to that point had shared management with TAM. It has been enhanced through a series of initiatives, such as improving call receiver qualifications, implementing the automatic service satisfaction survey, creation of specialized service for those members who regularly use the network, periodic oversight of Multiplus managers – bringing the company’s culture and values to all call center workers, employee involvement listening to calls taken by the call center, and close contact with the other areas to rapidly provide information (from technical problems to marketing campaigns).

Furthermore, Multiplus also implemented service via social networks – initially on Facebook and Twitter, which ensures agility in answering questions and strengthens the brand’s relationship with its members.

The improved level of knowledge on members is ultimately aimed at achieving what is known as next best offer: presenting each member with the offer most suitable to that member’s profile, which simultaneously meets a consumption desire and surprises the member with its assertiveness, creating engagement in the network. There are even plans to develop new products that serve this diversity of segments among members.

From the perspective of creating value for partners through knowledge, many advancements were made in 2012. Multiplus implemented so-called dashboards, which show online reports and graphs to support and streamline decision-making. Today, online redemptions, accrual and redemption loads of top partners, cancellations, registrations by partner of origin and transactions suspected of fraud are all monitored. All information can be visualized on TV screens at headquarters or on employee computers.



This project is, however, just beginning. Among the next steps are increasing the aspects monitored and developing specific dashboards for smartphones, geared towards support of commercial teams in the field. The availability of information facilitates relations with partners and allows performance reports to be created that explicitly show the impact generated by Multiplus on the network's business.

Information technology

Robust and reliable Information Technology (IT) systems contribute to the sustained growth of the Multiplus business, from aspects such as security of operations, agility in data processing and construction of reports, and improvement in relationship channels for members and partners. Therefore, investments in IT are fundamental to sustaining the three cornerstones of strategic planning at Multiplus.

The year of 2012 was notable for being a year of consolidation and strengthening of IT infrastructure and with these initiatives, the company is ready for the growth forecast for the coming years. One high-profile project during this time was implementation of a second authentication factor (2FA). This consists of a process where, after a member enters his or her password to redeem points, the member receives a confirmation code via text message or a phone call that also has to be entered to complete the transaction.

This project is highly relevant to combat fraud, since it significantly hinders criminal activity: merely sending fraudulent emails to gather passwords is not effective, since it would be necessary to also fraud the phone line registered to the participant on the Multiplus website to carry out the operation.

Another project that has begun and is still in progress is reformulation of the Multiplus website. In 2012, the webpage was given a new look that is in line with the company's new brand and language. For next year, improvements in navigability and in members-only areas are planned, facilitating management of points.

Along these same lines of constant evolution, information technology has played a fundamental role in the construction of operational and business panels (dashboards), which have enhanced company controls and ensured better predictive assessment for revenue and redemption volumes. This line of construction and treatment of fundamental management information is essential to supporting business strategies and the tactical actions involved (Business Intelligence actions). For 2013, start-up on a program to expand penetration to accrue and redeem points is planned, aimed at allowing members to soon use Multiplus points in a scenario with greater mobility (POS machines, cell phones).

ECONOMIC AND FINANCIAL PERFORMANCE

Results for the year point to an accurate strategy and constant growth of Multiplus

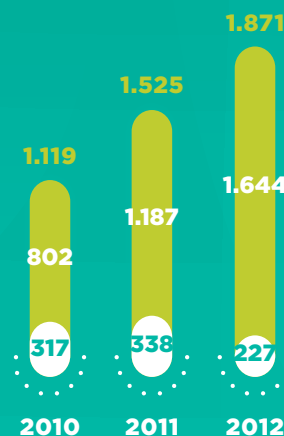
Faced with a situation of global uncertainty, in 2012, the Brazilian government promoted a series of initiatives to stimulate consumption, lowering taxes and facilitating access to credit.

This situation favored performance at Multiplus, based significantly on the domestic market (see more in the Business strategy chapter).

EARNINGS FROM THE SALE OF POINTS

Earnings from the sale of points were at BRL1.871 million, up by 22.7% compared to the year before. This increase was concentrated on the sale of points to banks, retail, industry and services, which together accounted for 87.9% of the total.

Revenue from the sale of points (BRL millions)



Banks, retail, industry and services
Tam Linhas Aéreas (TLA)

earnings from the sale of points were in 2012, up by 22.7% compared to the year before

BRL1,871 million

NET REVENUE

Higher net revenue from one year to the next was mostly due to revenue from redemption of points, which was 38.8% higher. A 32.8% drop in breakage revenue was the result of a gradual and already expected dip in the average breakage rate.

Composition of net revenue (BRL thousands)

| | 2012 | 2011 | 2010 |
|-------------------------------|------------------|------------------|----------------|
| From redemption of points | 1,425,055 | 1,026,456 | 469,843 |
| Hedge for revenue from points | (14,433) | 9,740 | N/A |
| Breakage | 214,254 | 318,743 | 122,645 |
| Other revenue | 3,236 | 18,506 | 12,960 |
| Gross revenue | 1,628,143 | 1,373,447 | 517,875 |
| Taxes and other deductions | (152,129) | (126,634) | (48,032) |
| Net revenue | 1,476,014 | 1,246,812 | 469,843 |

ECONOMIC AND FINANCIAL PERFORMANCE

OPERATIONAL EXPENSES

Operational costs and expenses totaled BRL1,238.4 million, 32.2% higher than the previous year. This increase was mostly the result of the following factors:

- **Cost of redeeming points**, which rose by 29.7%, reaching BRL1,092.4 million, due mostly to a 32.3% increase in points redeemed by members. This increase was partially offset by a slight 2.0% drop in the average per unit cost.

- **Costs of third-party services**, which reached BRL48.8 million in 2012, up by 55.9% for the year, resulting mostly from greater expenditures on technology related to improving the company's website and to development of systems to launch new partners.

- **Expenditures on sales and marketing**, with growth of 42.1%, totaling BRL22.6 million for the year, due chiefly to greater publicity of the company, with new language used in these communications.

| Operational expenses (BRL thousands, except where indicated) | 2012 | % over net revenue | 2011 | % over net revenue | Variation 2012/2011 |
|--|------------------|--------------------|----------------|--------------------|---------------------|
| Cost of redemption of points | (1,092.4) | (74.0) | (842.1) | (67.5) | 29.7 |
| Personnel* | (39.8) | (2.7) | (32.7) | (2.6) | 21.7 |
| Depreciation and amortization | (5.8) | (0.4) | (5.0) | (0.4) | 16.0 |
| Third-party services | (48.8) | (3.3) | (31.3) | (2.5) | 55.9 |
| Sales and marketing | (22.6) | (1.5) | (15.9) | (1.3) | 42.1 |
| Others | (28.9) | (2.0) | (9.5) | (0.8) | 204.2 |
| Total operational expenses | (1,238.4) | (83.9) | (936.6) | (75.1) | 32.2 |

*Includes Administrative fees.

OTHER EXPENSES ▲

Financial revenues/expenses

Financial revenues/expenses totaled BRL87 million in 2012, which was 14.3% lower than in 2011, due mostly to a drop in the interest rate. Multiplus maintains most of its cash in financial investments attached to the Interbank Deposit (DI) rate.

NET EARNINGS ▲

Multiplus's net earnings for 2012 reached BRL224 million, compared to BRL274 million in 2011. This lower figure is chiefly the result of the reversal in the breakage revenue provision.



**BRL224
million**

in net earnings
in 2012 and a
payout rate of 99%

ECONOMIC AND FINANCIAL PERFORMANCE

DAV ANALYSIS



Among changes to the DAV from 2011 to 2012, the inversion between retained earnings and dividends distributed is worth noting. This occurred because of a change in how dividends are distributed; up to 2011, they had only been distributed the following year. With the payment of intermediate dividends starting in November 2012, part of the remuneration of shareholder equity from the following year was anticipated for the fiscal year, in relation to the company's performance in the period from January to September 2012.

Distribution of Added Value - DAV (BRL thousands)

| | 2012 | 2011 | 2010 |
|--|----------------|----------------|----------------|
| Total added value to distribute | 536,689 | 573,155 | 231,544 |
| Personnel | | | |
| Direct remuneration | 31,758 | 27,630 | 13,832 |
| Benefits | 2,019 | 1,171 | 539 |
| Government Severance Indemnity Fund for Employees - FGTS | 1,441 | 943 | 457 |
| Taxes and contributions | | | |
| Federal taxes | 272,482 | 260,542 | 95,521 |
| Municipal taxes | 319 | 387 | 195 |
| Remuneration of third party capital | | | |
| Interest | 2,663 | 6,889 | 43 |
| Rent | 1,702 | 1,347 | 498 |
| Others | - | - | 2,071 |
| Remuneration of shareholders' equity | | | |
| Dividends | 146,810 | 46,577 | 15,094 |
| Interest on shareholder equity | 8,526 | 22,092 | 15,162 |
| Fiscal year earnings retained | 68,969 | 205,577 | 88,132 |

CAPITAL MARKET



The relationship with the capital market is mediated by the Investor Relations area, which periodically discloses the business model, strategy and main results for Multiplus. To do this, channels such as phone conferences, public meetings with analysts, the IR website (with reports, notices, relevant facts and minutes), roadshows and conferences in Brazil and abroad, the annual report and direct contact with the team by phone and e-mail are used. In 2012, 973 contacts were made with investors and 8 roadshows and 11 conferences were promoted.

Share performance

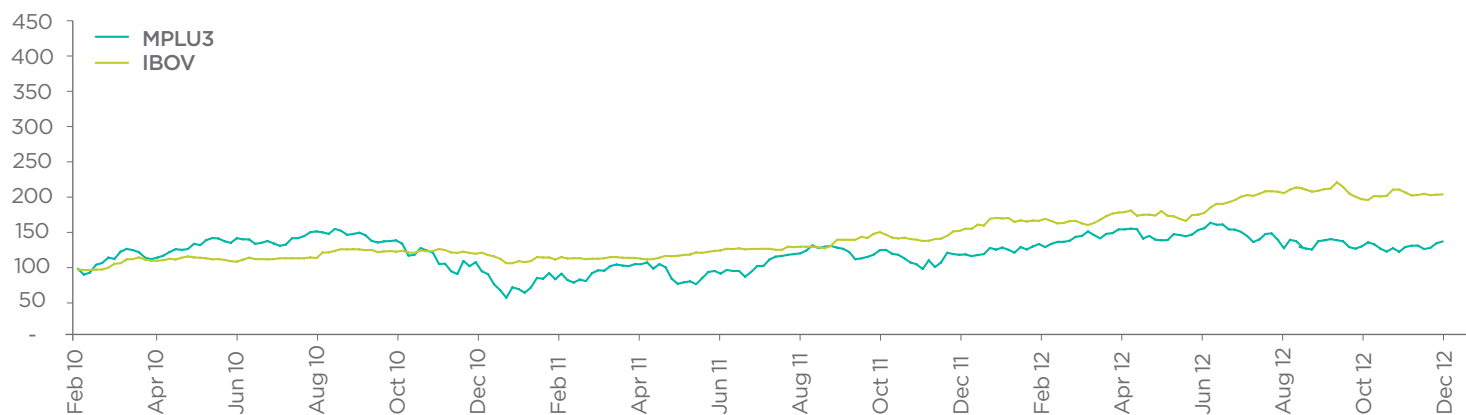
Multiplus is controlled by TAM S.A., which at the end of 2012 held 72.87% of its capital; the remaining shares are in free float. The company's shares are traded on the BM&FBovespa Novo Mercado (MLPU3) and are also included in the Brazil Index (IBrX-100).

Multiplus shares ended the period at BRL47.72, up 5.4% for the year, while the Ibovespa was 7.4% higher for the year, having gained 265.3% since the initial public offering. Average daily share volume was approximately BRL16.7 million, compared to BRL9.5 million in 2011.

Shareholder remuneration

Positive cash generation resulting from the nature of the Multiplus business – only accounting for revenue from the sale of points at the time they are redeemed – made a historic payout of around 99% possible, maximizing return for shareholders. For the year, BRL222 million were disbursed as dividends and interest on shareholder equity, accounting for per share remuneration of BRL1.37.

MPLU3 VS IBOV (BASE 100)



CORPORATE INFORMATION

MULTIPLUS S.A.

pontosmultiplus.com.br

ADDRESS OF HEADQUARTERS

Rua Ministro Jesuino Cardoso, 454 - 2nd floor - Vila Olímpia

Postal Code 04544-051 - São Paulo - SP

INFORMATION FOR SHAREHOLDERS AND INVESTORS

Investor Relations: Ronald Domingues and Ivan Bonfanti

Contact: Phone: +55 (11) 5105-1847 and email: invest@multiplusfidelidade.com.br

Stock Exchange where shares are traded:

BM&FBovespa S.A. - Securities, Commodities and Futures Exchange

Stock symbol: MPLU3

Custodian financial institution: Itaú Corretora de Valores S.A.

Independent Auditors:

PricewaterhouseCoopers Independent Auditors

Newspapers disclosing information: *Diário Oficial do Estado de São Paulo*
and *Valor Econômico*

CREDITS

EDITING OF CONTENT AND GENERAL COORDINATION

Investor Relations Department, PMO and Strategic Planning
Marketing Department

CONTENT AND GRAPHIC DESIGN CONSULTING

TheMediaGroup

ACKNOWLEDGEMENTS

We would like to extend a special thanks to everyone that collaborated on drafting this report.



Rua Ministro Jesuíno Cardoso, 454
2nd floor • Vila Olímpia • São Paulo
SP • Brazil • ZIP 04544-051
pontosmultiplus.com.br