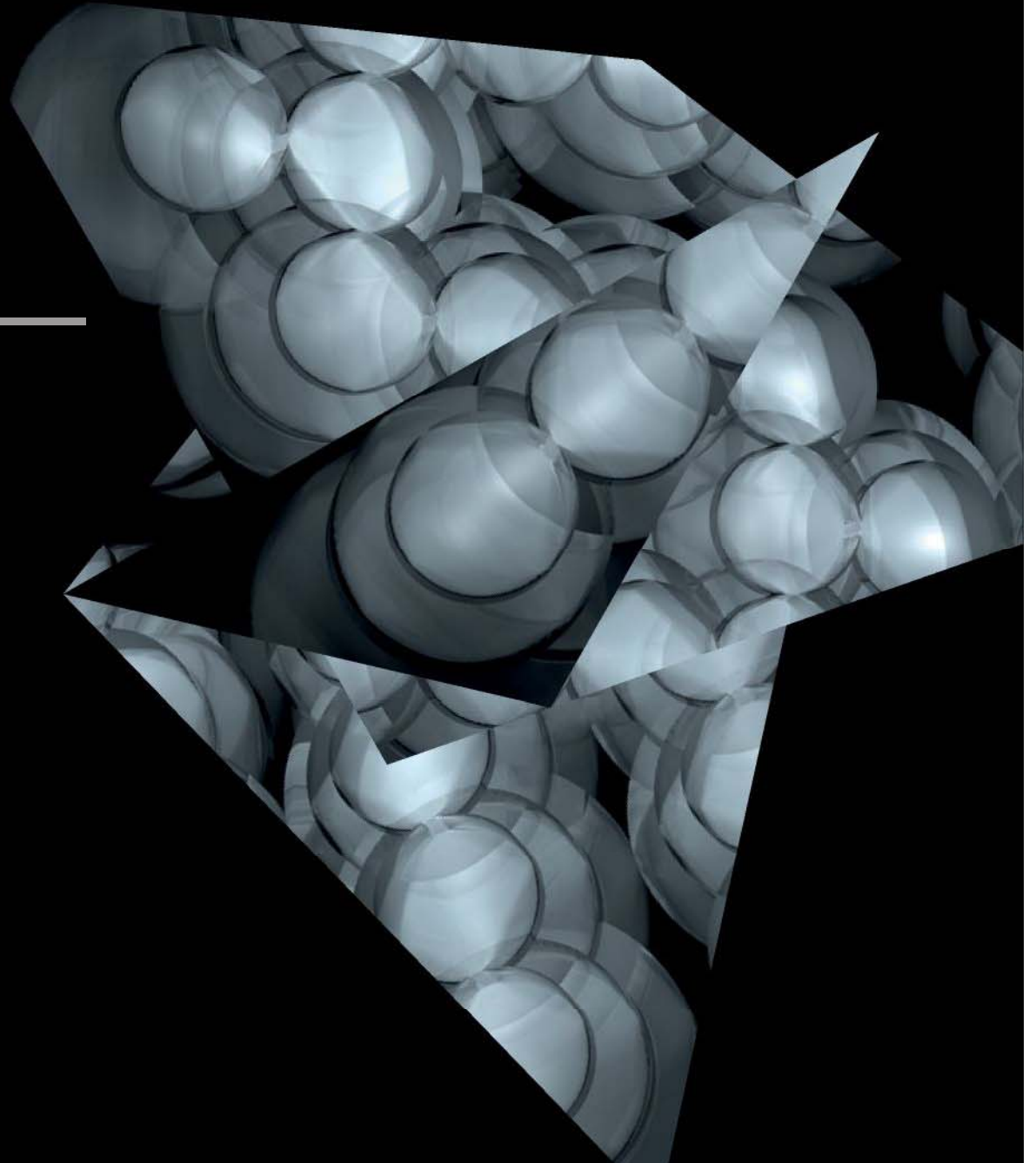


INSIDE
SONAE
14 OCT
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Luis Reis | Chief Corporate Center Officer

1 AGENDA



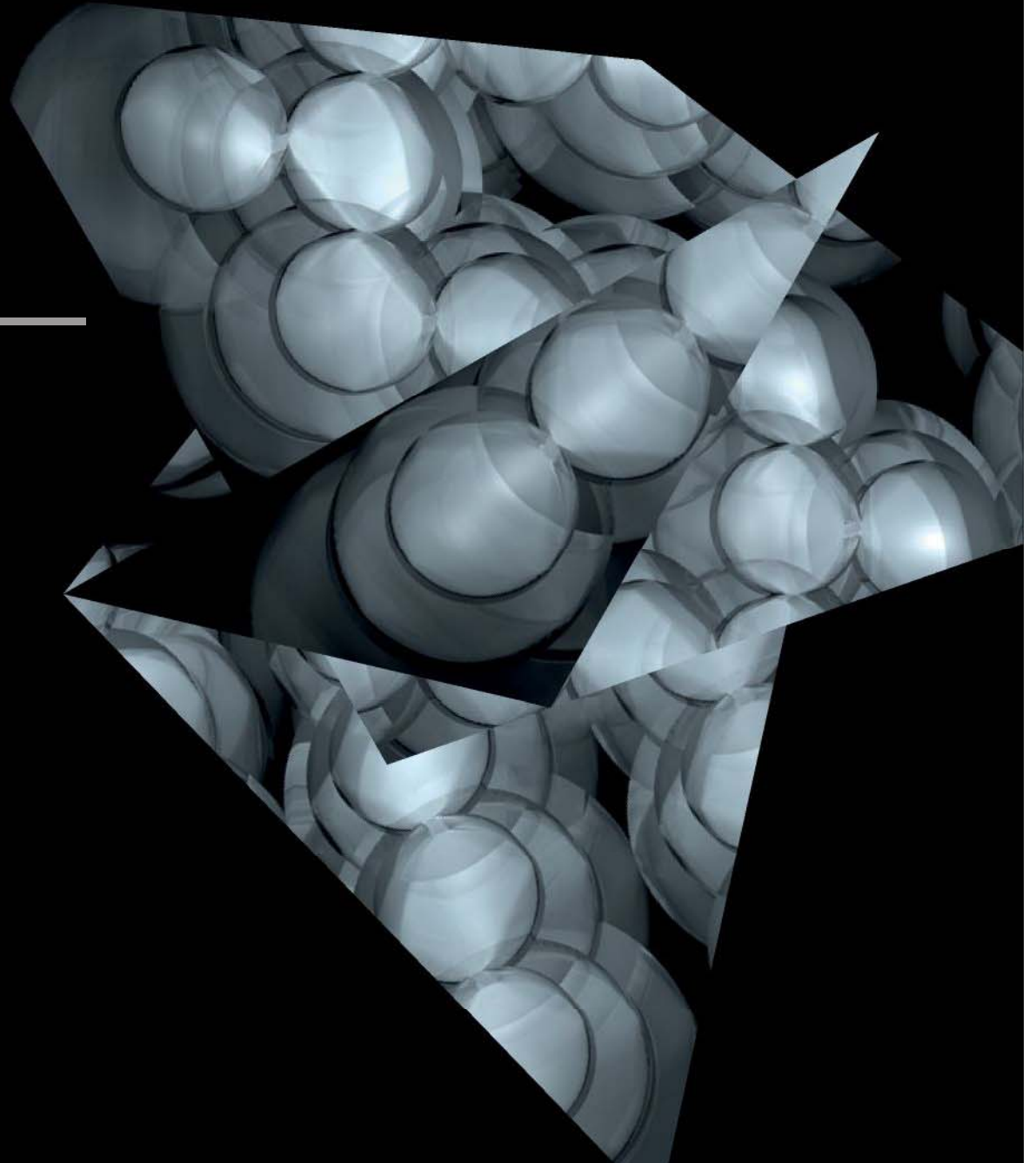
INSIDE SONAE WILL...

Allow you to interact with Sonae's Top Managers
and get a better knowledge about our retail formats

- / **09h15** / Overview presentation
- / **10h00** / Guided visit to Gaia Shopping
Continente (Hyper)
Worten (Consumer Electronics)
Guided visit to Modelo
Modelo (Super)
Modalfa (Fashion)
- / **13h30** / Presentation CEO Sonae MC - key performance & strategic highlights
- / **14h00** / Lunch
- / **15h15** / Presentation CEO Sonae SR - key performance & strategic highlights
- / **15h45** / Guided visit to Norte Shopping
Zippy (Fashion)
Modelo (Super)
SportZone (Sports)
- / **17h30** / Presentation CEO Sonae & CEO Sonaecom
- / **18h30** / End of Event

2

SONAE AT A GLANCE



WE ARE A RETAIL COMPANY

- Market leader in food and specialized retail formats
- With Board control of a Shopping Centre and a Telecommunications business

SONAE

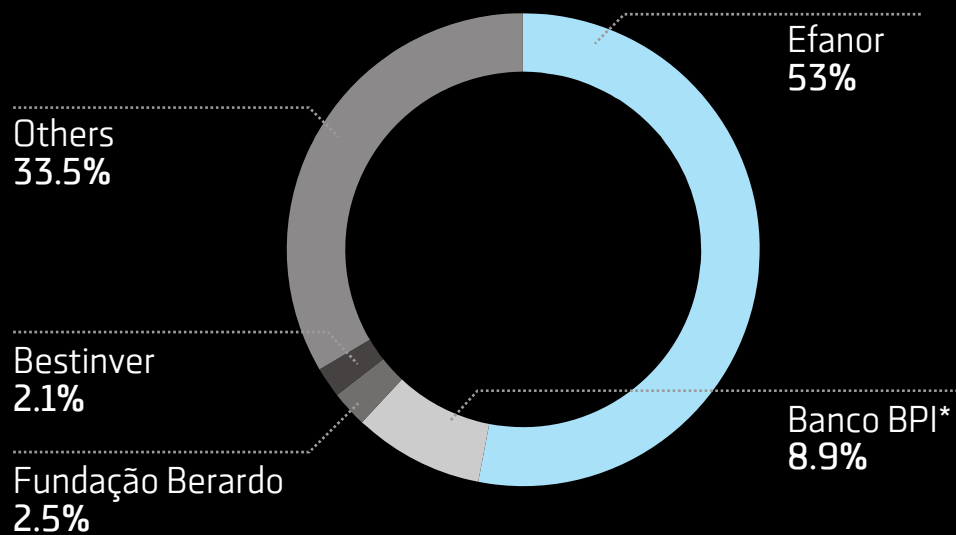
RETAIL

| | | | | | |
|--------------------------------|--|--------------------------------------|--|-----------------------------|---|
| 100% | 100% | 100% | 50% | 53% | 100% |
| SONAE MC Food Retail | SONAE SR Specialized Retail | SONAE RP Retail Properties | SONAE SIERRA Shopping Centres | SONAECOM Telco | Investment Manag. |
| Hypers and Supers | Non-Food Retail formats: sports, fashion and electronics | Retail real estate assets | Shopping centre developer, owner and manager | Integrated telecom provider | Business with M&A activity: Insurance, Travel and DIY |
| CORE BUSINESSES | RELATED BUSINESSES | CORE PARTNERSHIPS | ACTIVE INVESTMENT | | |

WITH A STABLE SHAREHOLDER STRUCTURE

Reference shareholder, Efanor, a family holding company

MEDIUM/LONG TERM ORIENTED

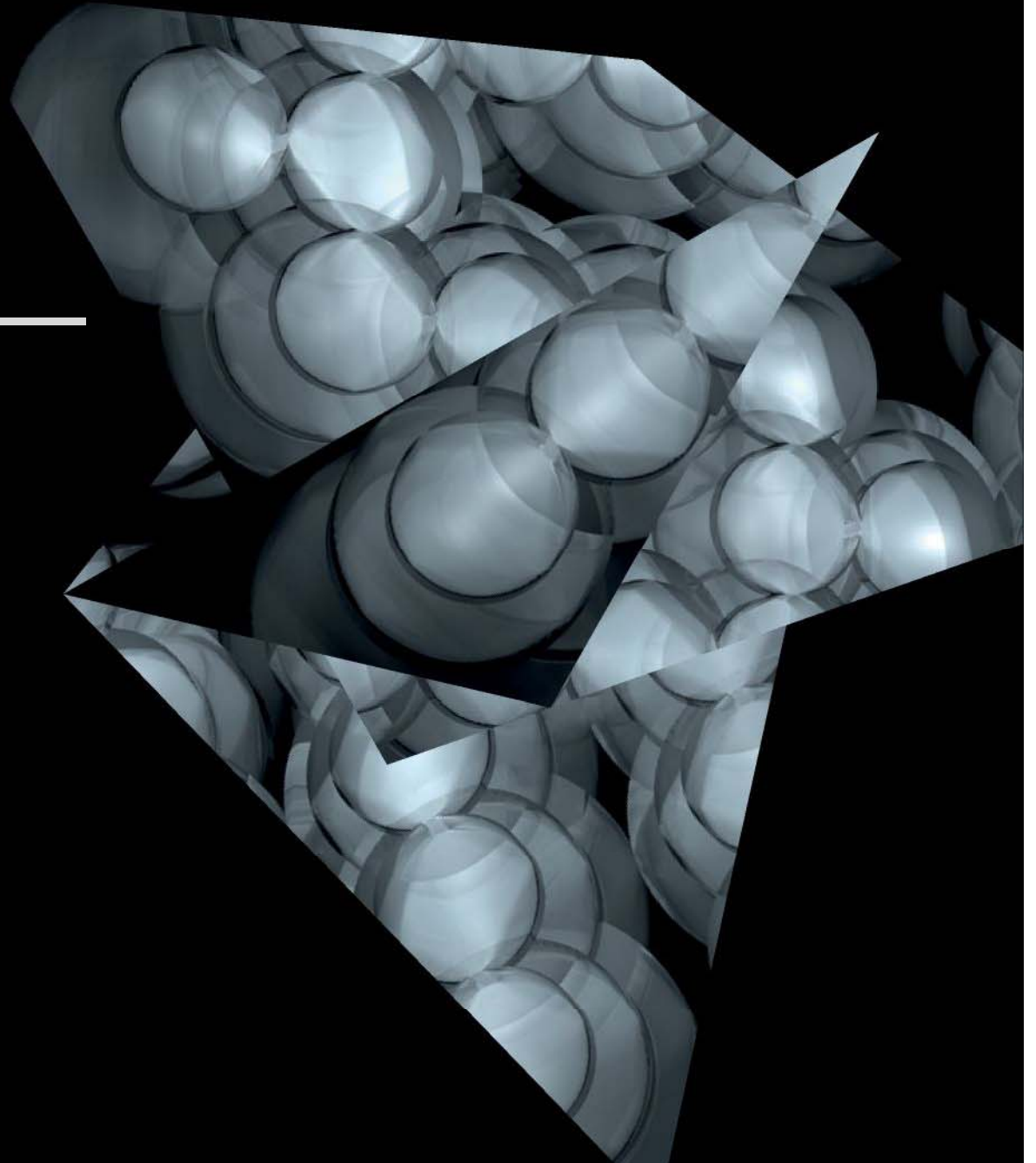


**Free float
of circa 47%**

*including BPI equity swap

3

STRATEGIC DIRECTIONS



WHERE WE ARE GOING AND WHY?

International Expansion

The main strategic priority
Dilution of country risk
New growth avenues

Diversifying Investment Style

Adopt the most appropriate
investment style
Wholly owned businesses
Majority stakes
Partnerships
Minority stakes
Property: rent instead
of owning

Leverage the exceptional asset base in Portugal

Innovate
Generate new businesses
Strengthen our competitive
position

WHAT ARE OUR STRATEGIC AMBITIONS

ROE > 15%

TURNOVER
CAGR > 10%

25% OF TURNOVER
AND 35% OF ASSETS
ABROAD

~ 1/3 OF CE
IN MINORITY STAKES
OR PARTNERSHIPS
WITHOUT FULL CONTROL

WHAT ARE OUR STRATEGIC AMBITIONS

CAPITAL LIGHT STRATEGIES

To implement capital light growth strategies and look for opportunities to release capital employed

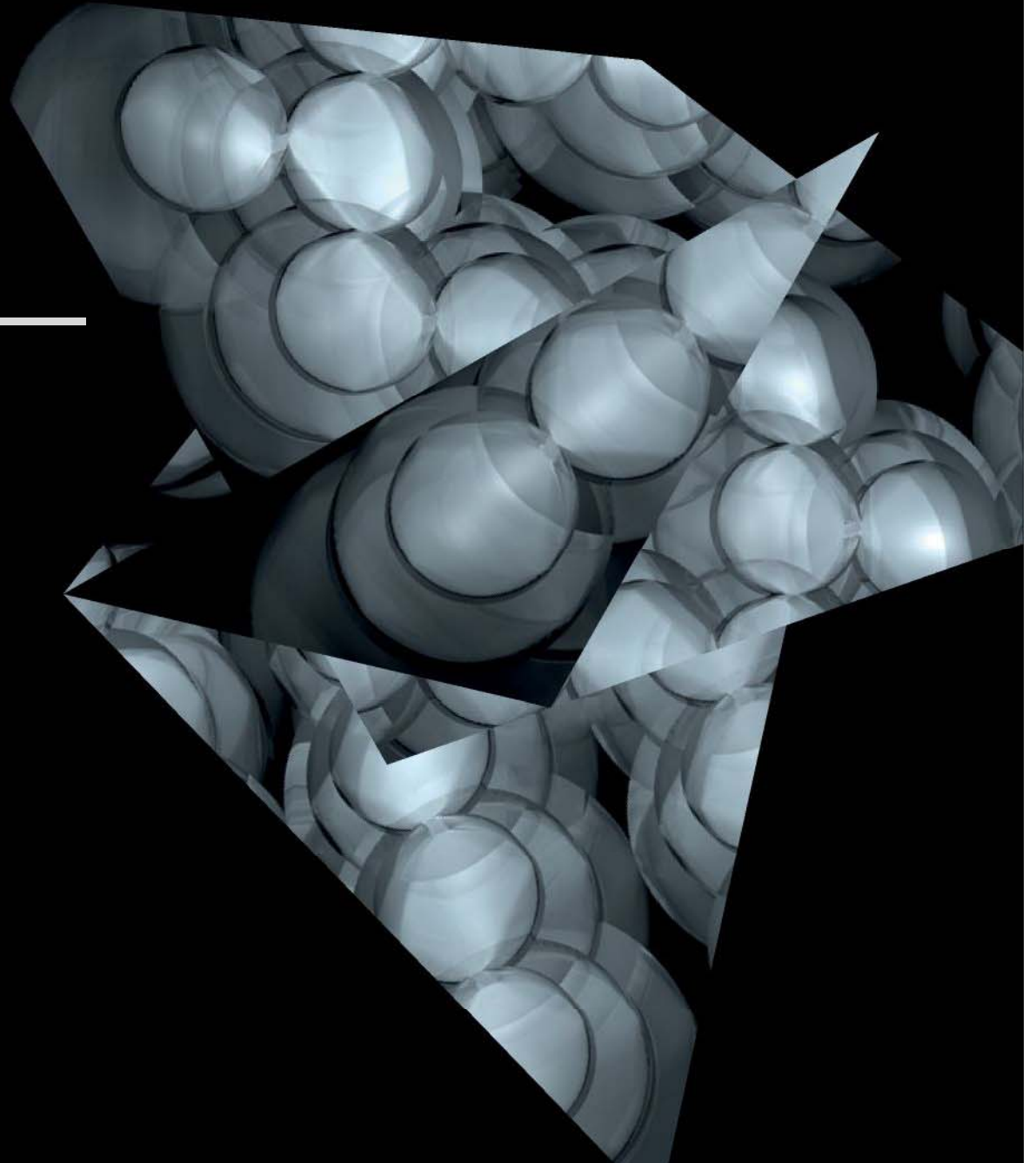
WHAT ARE OUR
STRATEGIC AMBITIONS

REACH INVESTMENT GRADE PROFILE

To insure access to debt
in competitive conditions
and/or alternative
financing solutions

4

HIGHLIGHTS OF THE DAY



REGARDING SONAE MC, YOU SHOULD RETAIN:

Strong value proposition of each format

- Brand recognition
- Prime locations
- Value retailing proposal
- Price & diversity positioning
- Loyalty card
- Own brand
- Space optimization leveraging on excellence of logistics

Distinctiveness of hyper format compared to peers

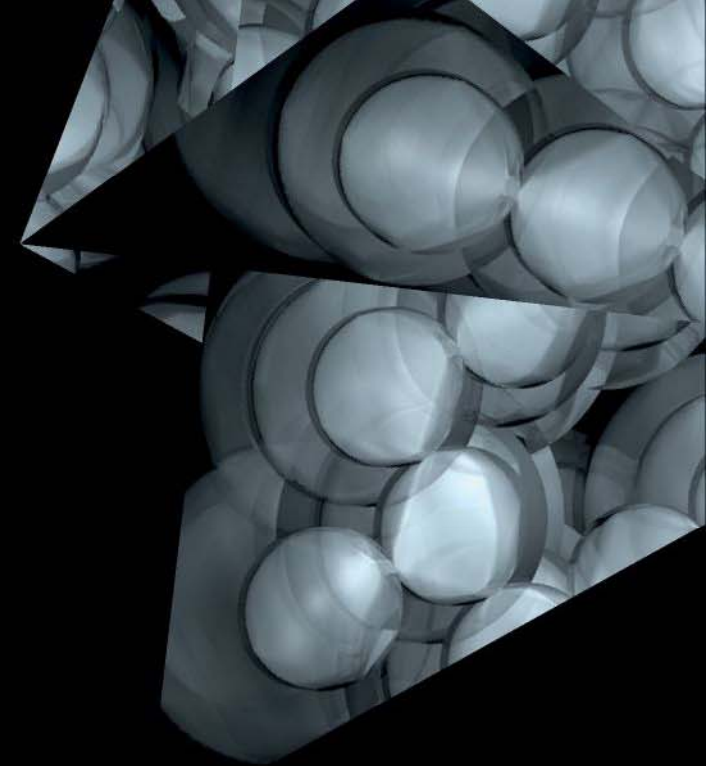
- High penetration of private label offering
- Low weight of non-food
- City centric

The winning concept of our supermarket format

- Food sales area below 2,000 m²
- Cornered by: consumer electronics + fashion
- "Privately owned" shopping centre for medium sized cities

The continuous leverage of our asset base

- Exploring new business opportunities in retail (eg: book.it; Well's; Continente ice)



REGARDING SONAE SR, YOU SHOULD RETAIN:

Leadership of the Worten concept

- Market leader in white goods and consumer electronics (135 stores)
- Debut entry in Spain in 2008 (19 stores)
- Positioning of low price, quality of service and product range
- Combining super and mega stores of around 500 m² and 1,500 m²

Distinctiveness of the SportZone format

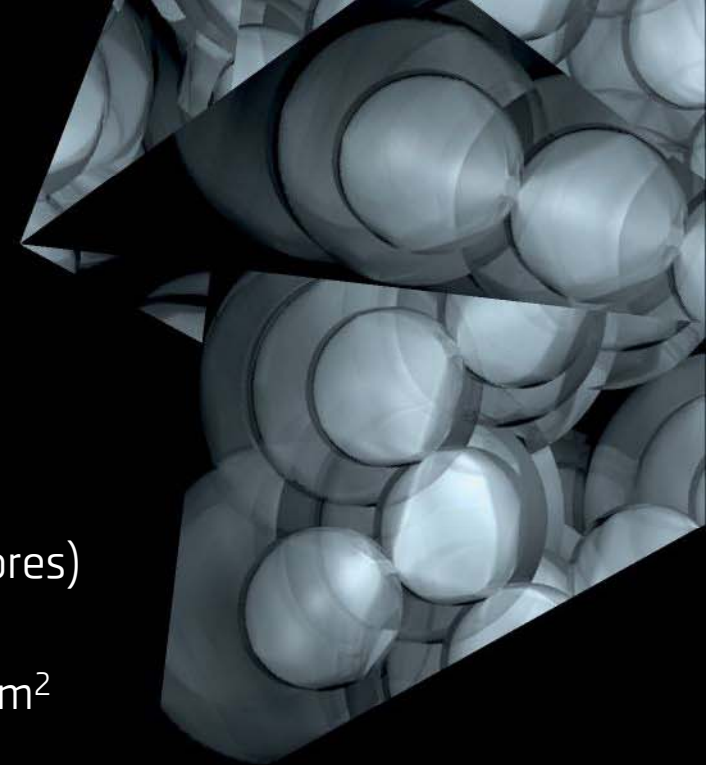
- Market leader in white sports goods (75 stores)
- Entry in Spain in 2008 (22 stores)
- Offering known brands with own brand options
- Average sales area of 1,000 m²

Uniqueness of the Zippy format

- Still young format in Portugal (36 stores)
- Entry in Spain in 2009 (20 stores)
- Offering a range of clothing and accessories for children
- 90% of offer being controlled label
- Average sales area of 350 m²

Strong position of Modalfa in the Portuguese fashion market

- With attractive lines of clothing, shoes and accessories
- Average sales area of 500 m²



REGARDING THE RETAIL PROPERTIES OWNED, YOU SHOULD RETAIN

IT IS AN IMPORTANT SOURCE OF CAPITAL

RATIONALE

- Manage Assets more proactively
- Build Retail Real estate competencies
- Partial release of invested capital

INVESTED CAPITAL (end 1H10)
1.5 Billion Euros (Net book value)

2 SALES & LEASEBACK TRANSACTIONS COMPLETED

Azambuja logistics platform

Yield - 7.62% | Value - 33.2 million € | Capital gain - 7 million €

2 Modelos stores

Yield - 7.32% | Value - 12.2 million € | Capital gain - 3 million €

Currently underway

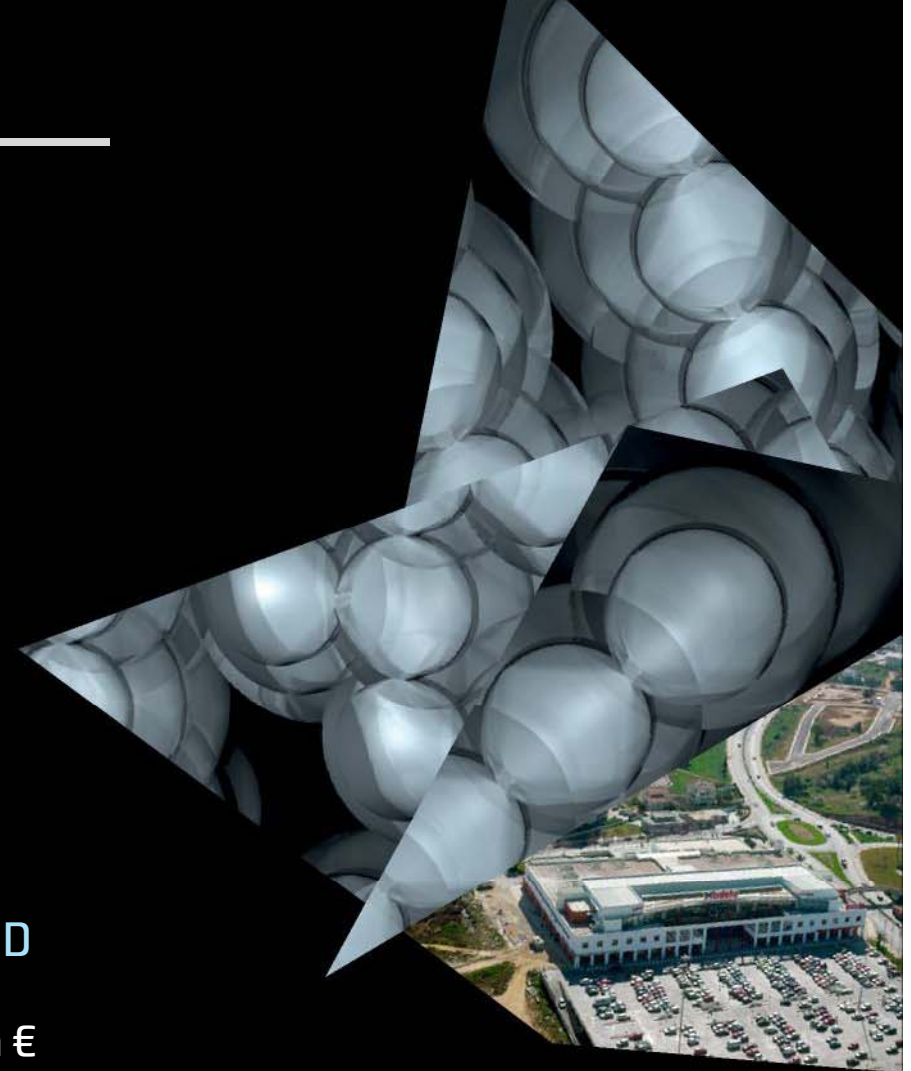
Sales & Leaseback of 20 Modelo stores

HIPERMARKETS - CONTINENTE

34 stores owned | 85% total sales area

SUPERMARKETS - MODELO

100 stores owned | 82% total sales area



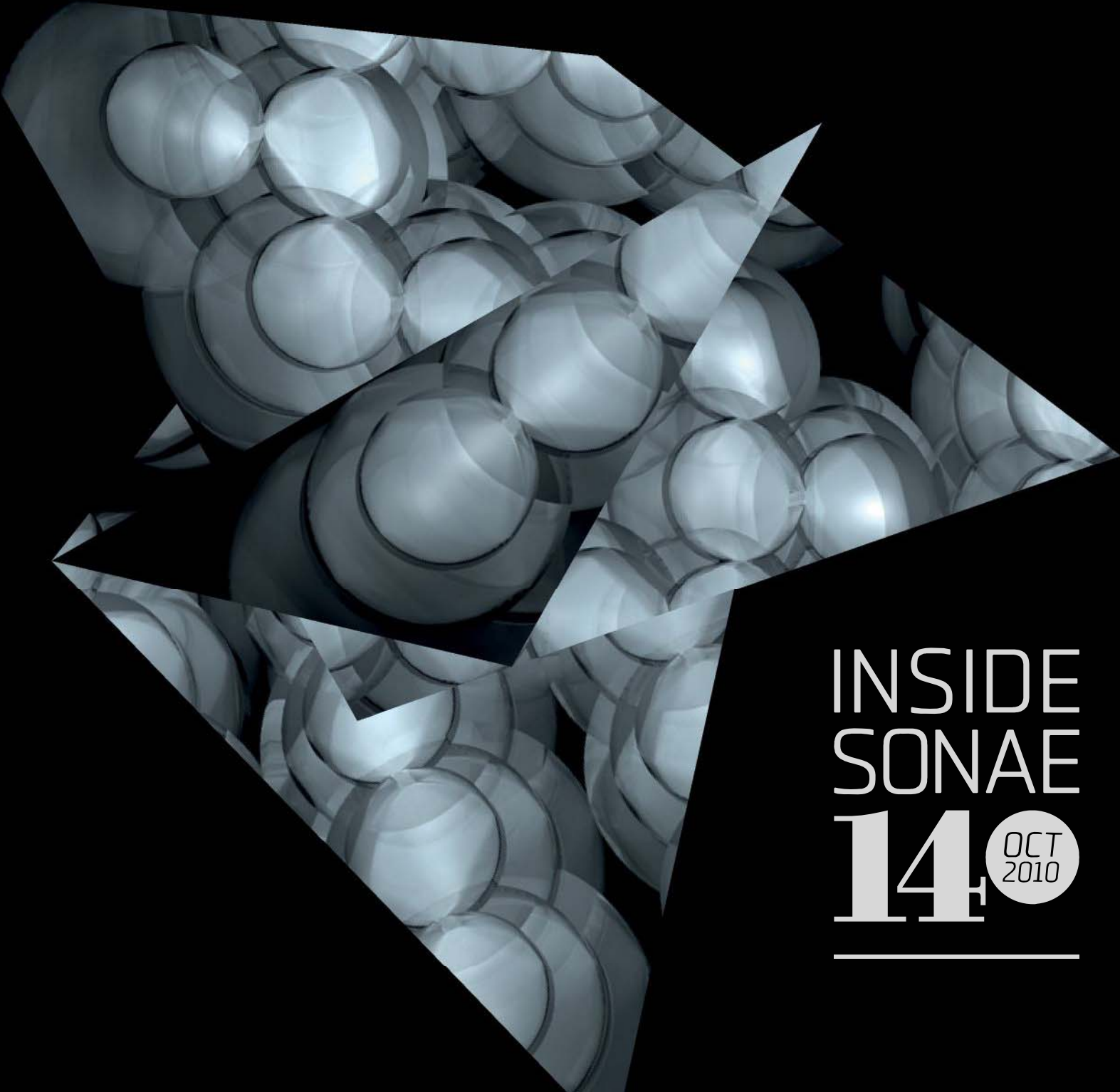
OVERALL, AT THE END
OF THE EVENT,
YOU SHOULD

Know our retail portfolio

Identify the strengths of our offer

**Recognize our leader positioning
in Portugal**

**Understand our strategic ambitions
for the retail operations**



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SONAE MC

VISION

leadership of the Portuguese
food based retail market

... in
market
share

1.8x2nd player
3x3rd player

+ 1.5 p.p.
of market share

... in
business
best
practices

international
profitability
benchmark

Ebitdar > 9,5%

... in
terms
of client
orientation

Continente
elected “the
most trusted
brand”

8th consecutive
year

... in
corporate
responsibility
terms

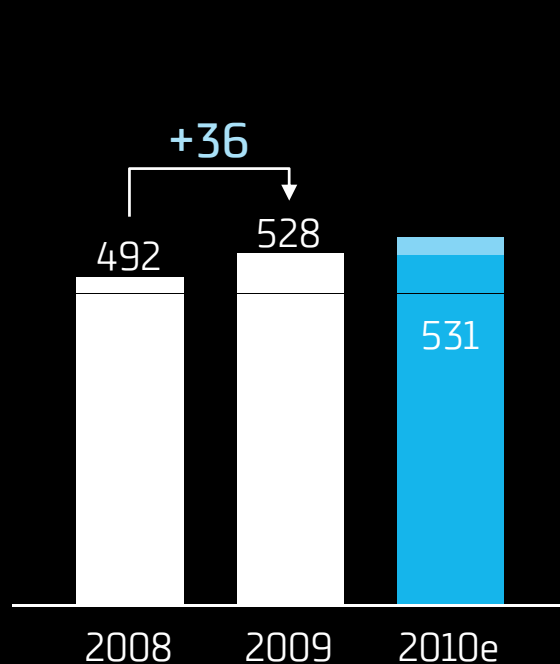
reference
in community
involvement
programs

actively
participates with
>1,000 institutions

BUSINESS OVERVIEW

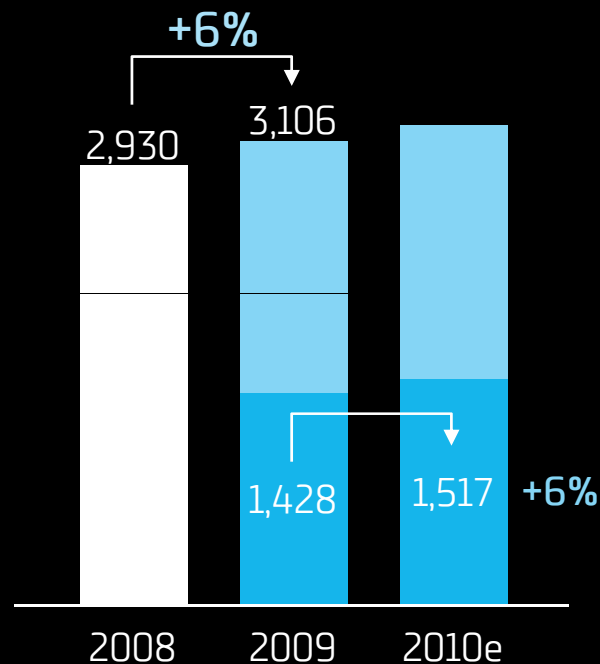
Store portfolio

Sales area ('000 m²)



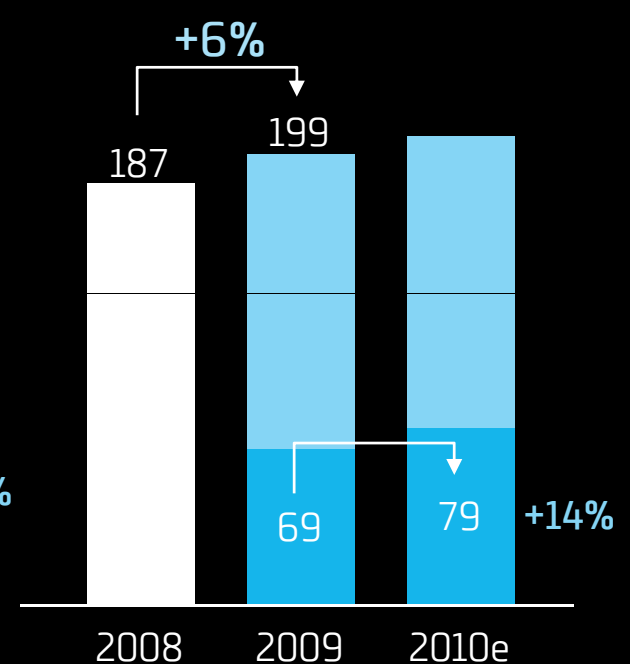
Turnover

M€



EBITDA

M€



■ 1H figures ■ 2H figures

KEY ACTION DRIVERS

CONSOLIDATE LEADERSHIP
POSITION IN PORTUGAL

REINFORCE STATE OF THE ART
BUSINESS PROCESSES

DEVELOPMENT OF INTERNATIONAL
GROWTH AVENUES



KEY ACTION DRIVERS

CONSOLIDATE LEADERSHIP POSITION IN PORTUGAL

Coverage of the Portuguese market and consolidate market leadership

Selective
Continente
and Modelo
expansion plan
with assured value
creation

Smaller Modelo
expansion
program
for middle tier
Portuguese cities

Reinforcement
of convenience
format for major
urban areas

KEY ACTION DRIVERS

CONSOLIDATE LEADERSHIP POSITION IN PORTUGAL

Explore adjacent business opportunities leveraging on extensive experience and know-how

Roll-out
of tested concepts

- Bom Bocado
- Well's
- Book.it

Development
of new growth avenues

KEY ACTION DRIVERS

CONSOLIDATE LEADERSHIP POSITION IN PORTUGAL

Leveraging on the value and success of the loyalty program

| | 2008 | 2009 | 2010e |
|-------------------------------------|-------------|-------------|--------------|
| Number of clients with loyalty card | 2.8 million | 2.9 million | >3.0 million |
| % of sales associated with card | 83% | 84.5% | >86% |

NEW TECHNIQUE OF USING CLIENT INFORMATION:
'CUSTOMER CENTRICITY RETAIL'

KEY ACTION DRIVERS

REINFORCE STATE OF THE ART BUSINESS PROCESSES

Key issue:

International sourcing

- International procurement, quality control, administrative and logistic management
- Since 1994
- Recurrent contacts in 50 countries
- Dedicated offices in China and Brazil
- ~80.000 sku's and ~2.000 suppliers
- 700 M€ of global imports for Sonae group
- Sonae MC with 14% of international sourcing

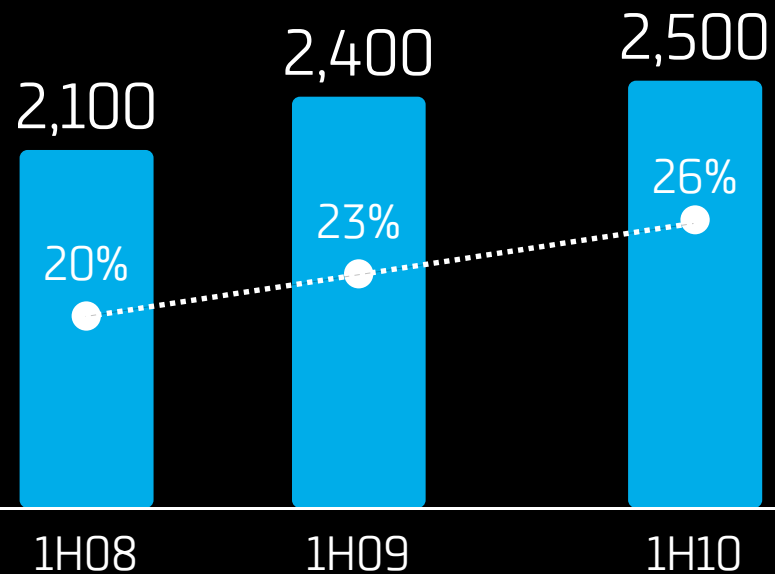
KEY ACTION DRIVERS

REINFORCE STATE OF THE ART BUSINESS PROCESSES

Key issue:

Private labels

#Own References and % FMCG Sales



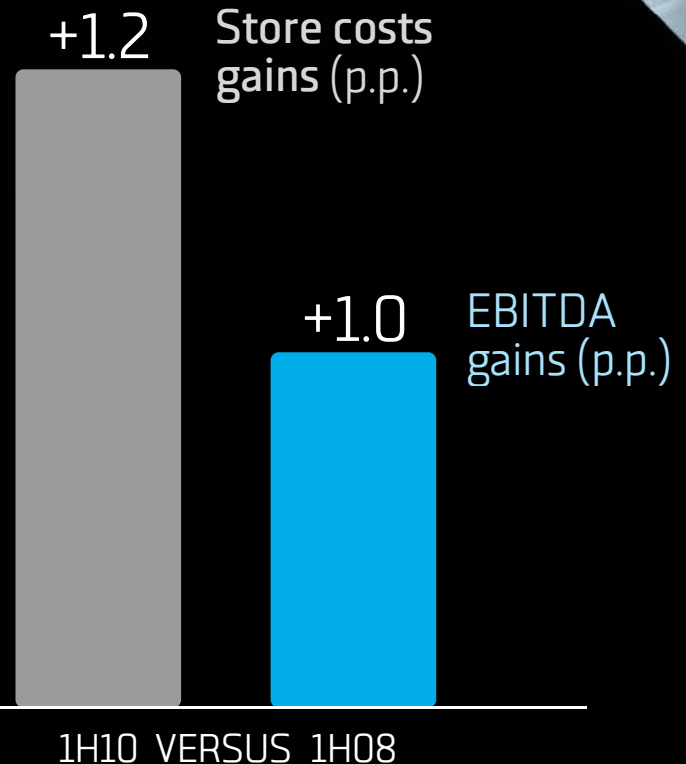
KEY ACTION DRIVERS

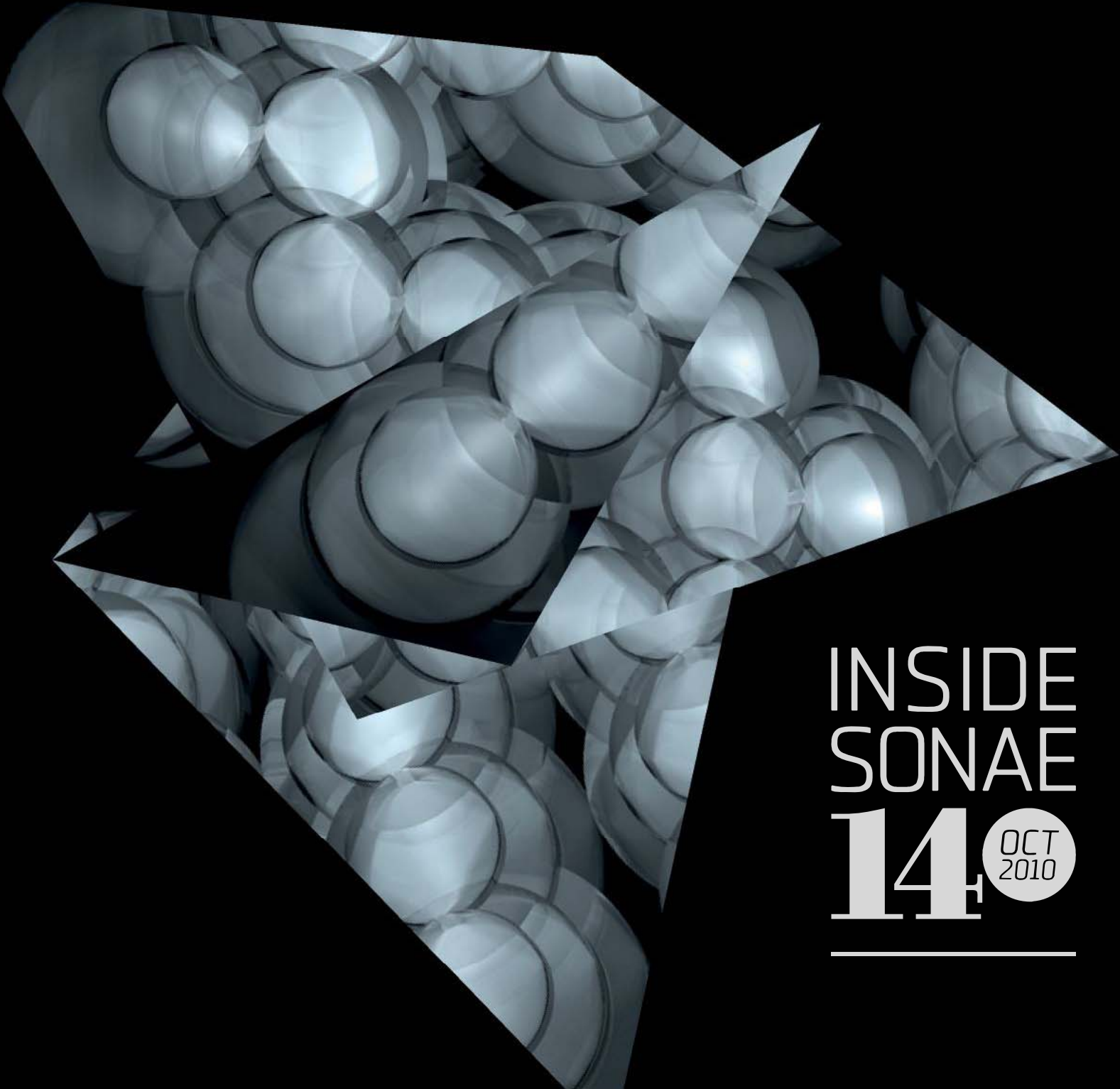
REINFORCE STATE OF THE ART BUSINESS PROCESSES

Key issue:

Resource optimization

- Operational efficiency
- Cost control
- Stock optimization

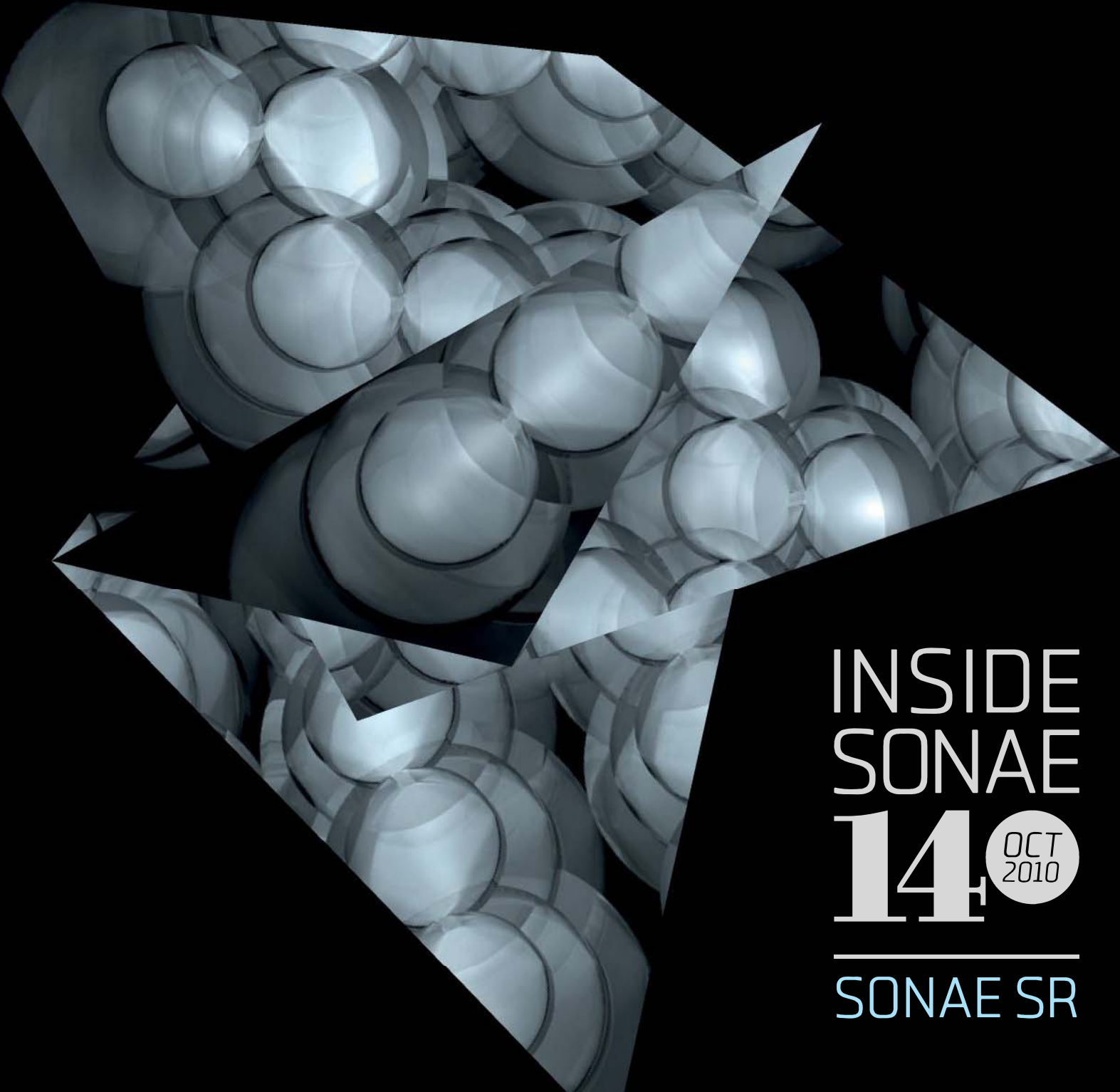




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SONAE SR

SONAE SR STRATEGIC DEVELOPMENT PROGRAM

PORTUGAL

Consolidate leadership position
with improving profitability

INTERNATIONAL

Reinforcement of the spanish market presence
Strong push towards internationalisation

SONAE SR KEY ACTION DRIVERS in Portugal

CONSOLIDATE LEADERSHIP

Coverage of the **portuguese market** with the current formats' portfolio and **consolidate market leadership**

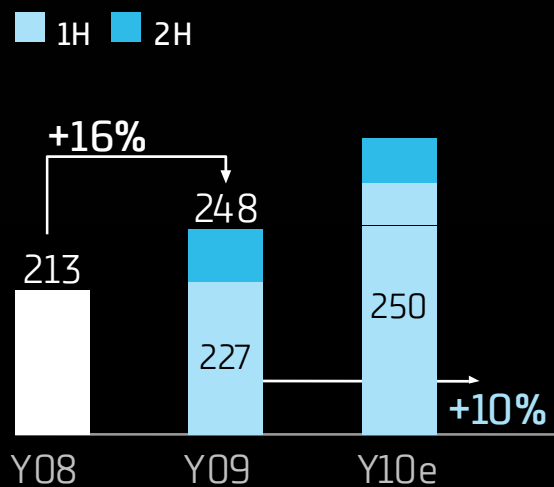
Continue to use **Portugal as a test plant** for new formats, leveraging on a strong management team and know-how in Retail

Manage the business in Portugal as a **sustainable cash flow generator**

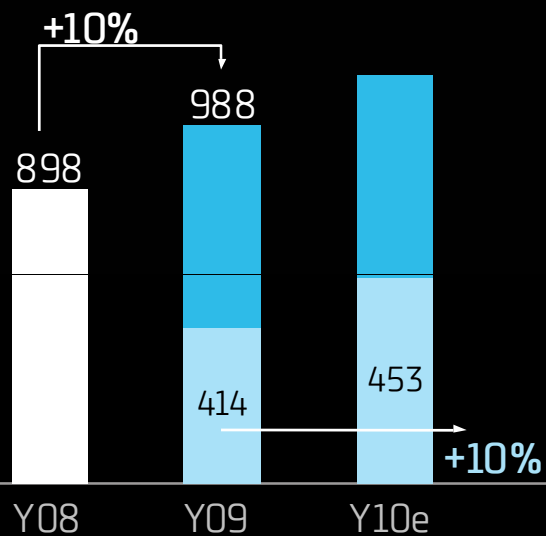


SONAE SR 2010 DEVELOPMENTS in Portugal

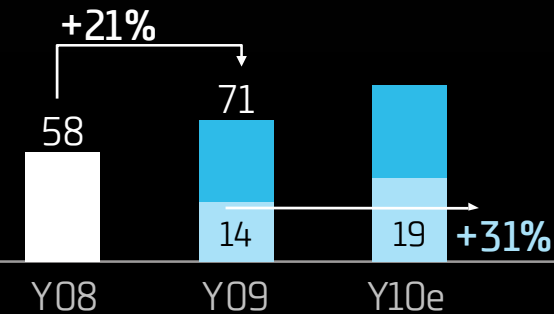
STORE NETWORK ('000 M²)



TURNOVER (M€)



EBITDA (M€)



SONAE SR
KEY ACTION DRIVERS
abroad

WHY GROW INTERNATIONALLY?

The Portuguese market is small and, for the time being, within a difficult economic framework

Importance of scale

Quality and distinctiveness of the concepts

SONAE SR

KEY ACTION DRIVERS

in Spain

REINFORCEMENT OF THE MARKET PRESENCE

Of Worten, building a strong and distinctive position in the iberian market

19 stores
47,000 m²
~150 M€ turnover

Of SportZone, leading the reinforcement of the internationalisation process

22 stores
29,000 m²
~30 M€ turnover

Of Zippy, exploring the distinctiveness of the concept in both geographies

20 stores
7,000 m²
~10 M€ turnover

SONAE SR KEY ACTION DRIVERS in Spain

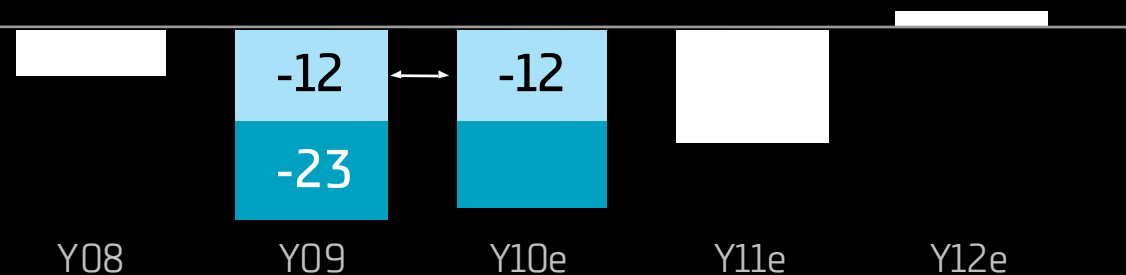
Break-even:

EBITDA 2012
EBIT 2013

IMPACT OF SPANISH BUSINESS

EBITDA (M€)

■ 1H figures



SONAE SR KEY ACTION DRIVERS

STRONG PUSH TOWARDS NEW MARKETS

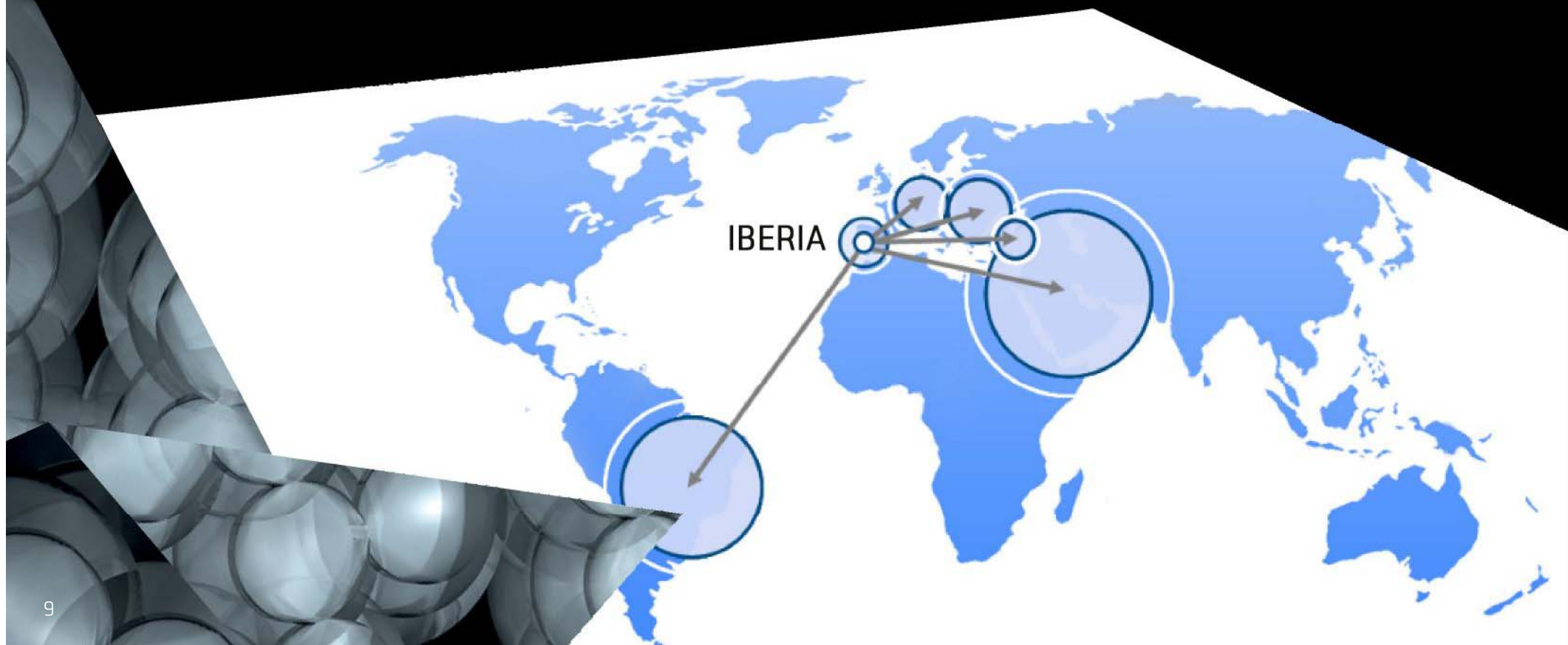
Build skills and experience in order to develop the international identity of the formats' portfolio

Enter into new countries

Configure an international development model based on franchising and joint venture as means to accelerate growth

SONAE SR KEY ACTION DRIVERS

STRONG PUSH TOWARDS NEW MARKETS



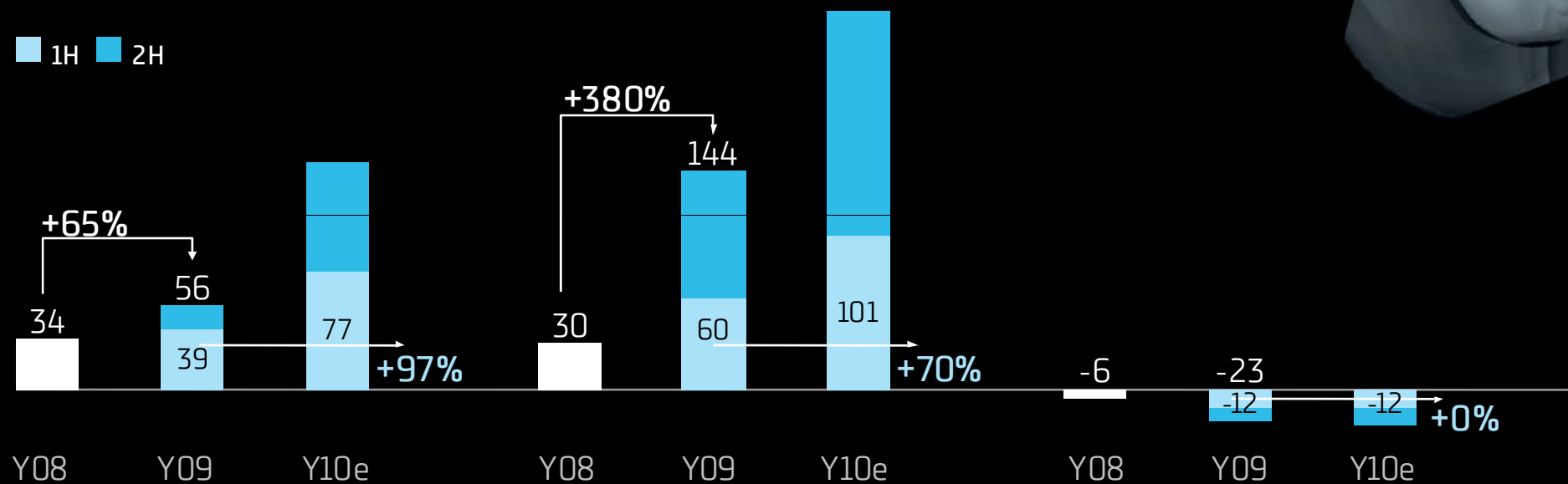
SONAE SR 2010 DEVELOPMENTS in the international front

STORE NETWORK ('000 M²)

TURNOVER (M€)

EBITDA (M€)

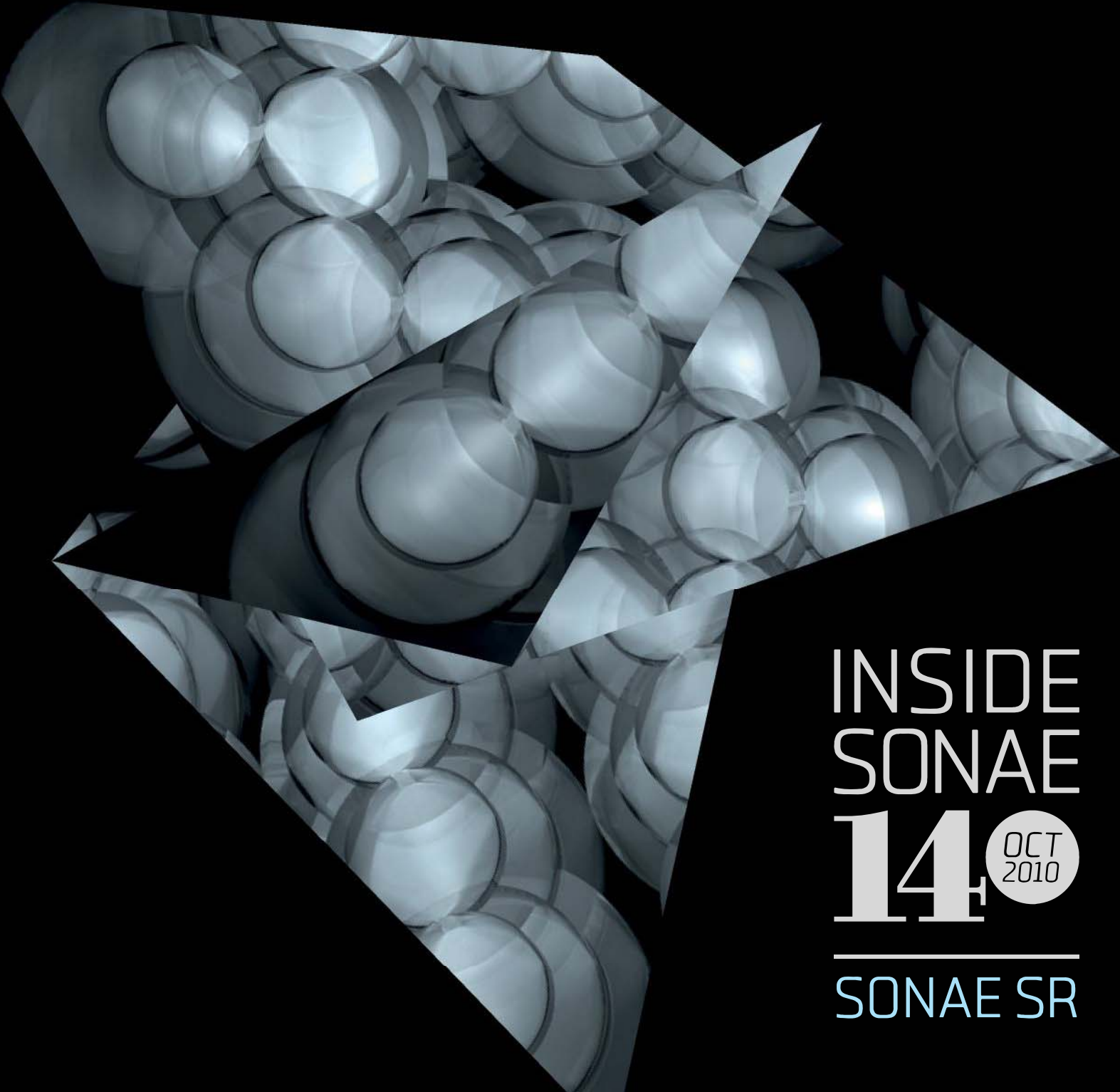
■ 1H ■ 2H





IMPORTANT ACHIEVEMENTS
IN ORDER TO FULLY
IMPLEMENT SONAE SR MISSION

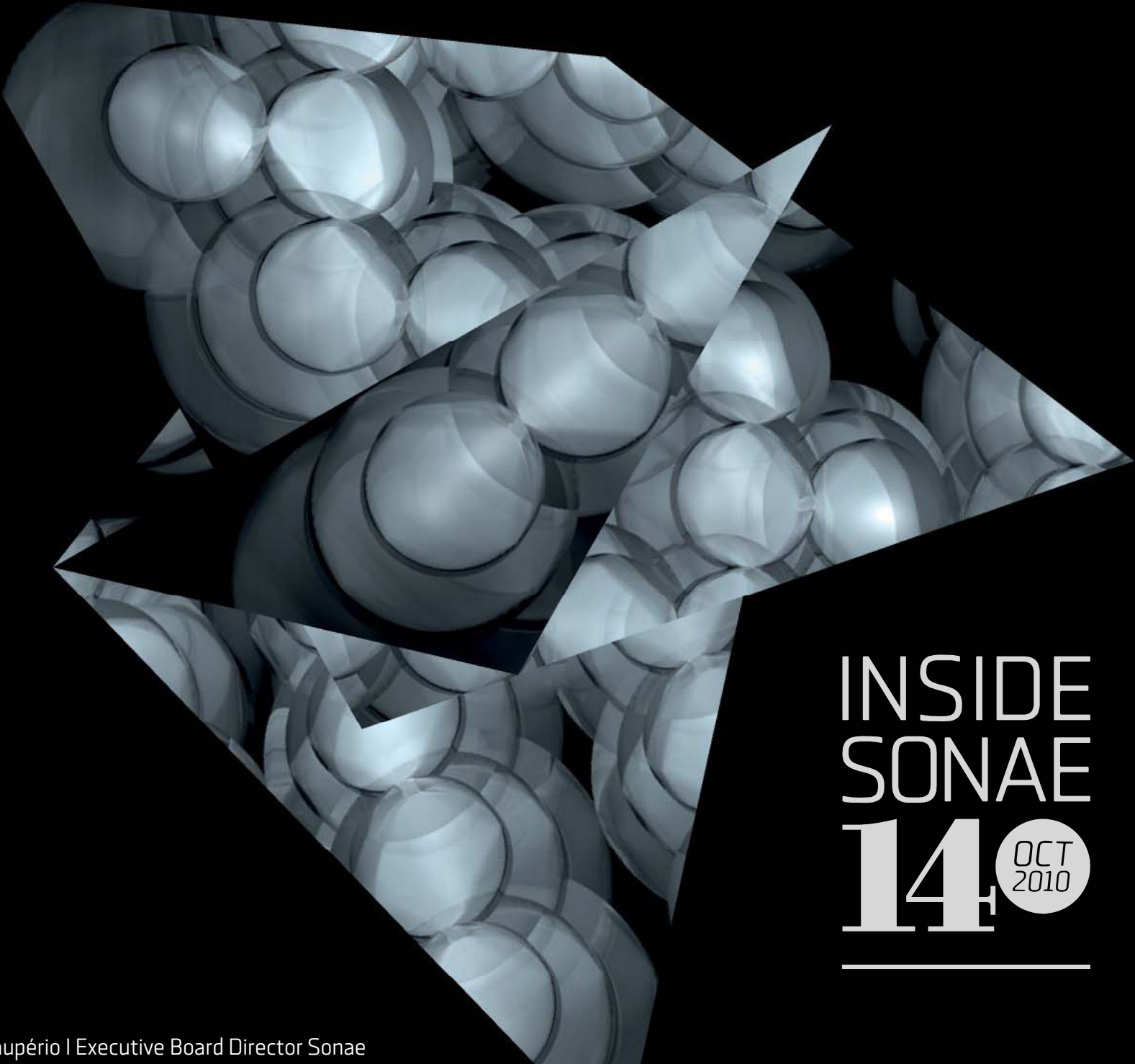
Develop World Class
International specialized Retail
formats, in a unique
and innovative way, surprising
consumers with an excellent
price/quality ratio



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SONAE SR

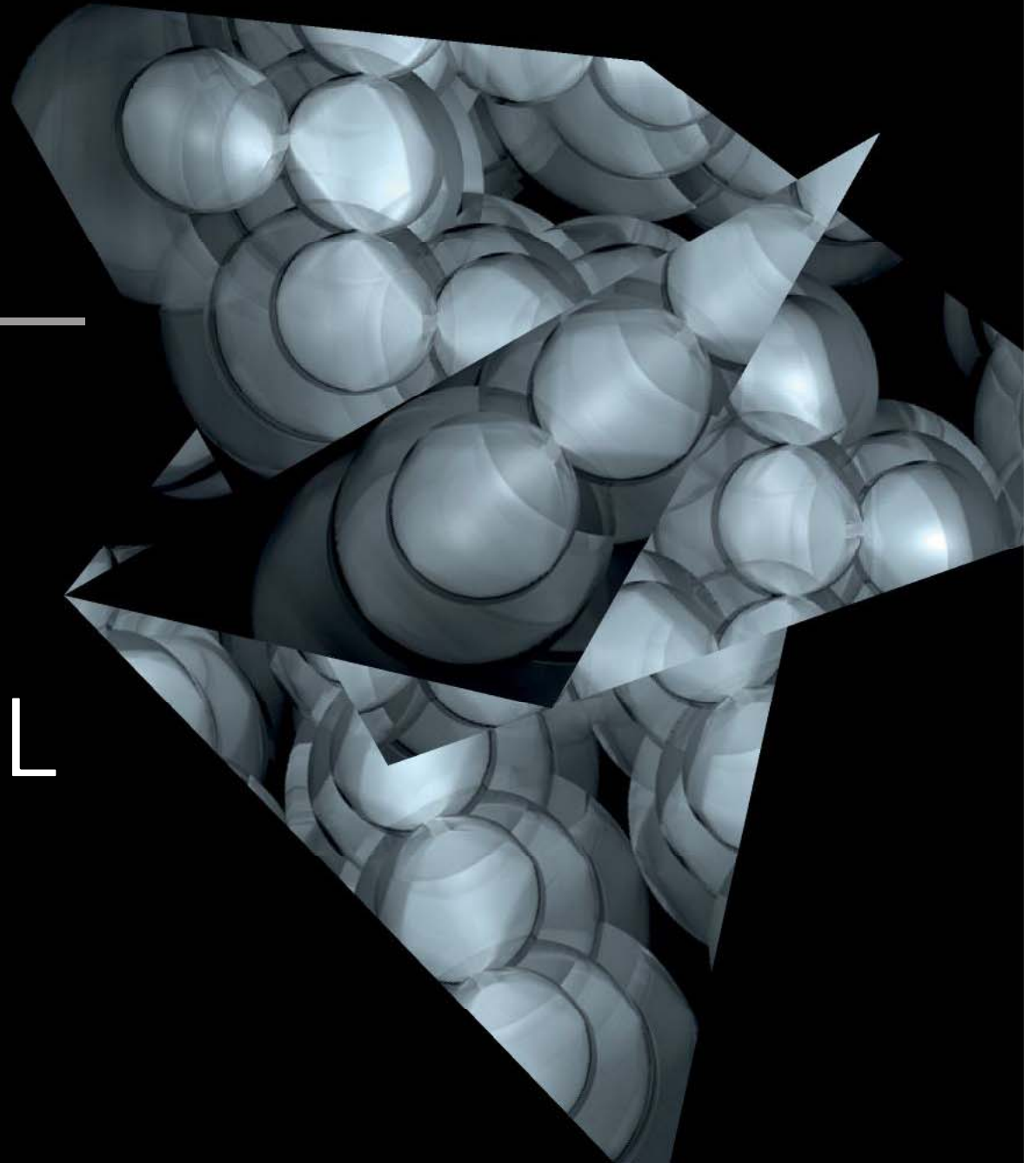


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Ângelo Paupério | Executive Board Director Sonae

1

WE CONTINUED
TO DELIVER
OUR VALUE
CREATION MODEL



IN 1H10

Sonae achieved
very positive evolutions
on the majority
of its businesses



IN 1H10

TURNOVER

+6%

EBITDA

+10%

NET DIRECT PROFITS

+89%

Sonae continued to ...

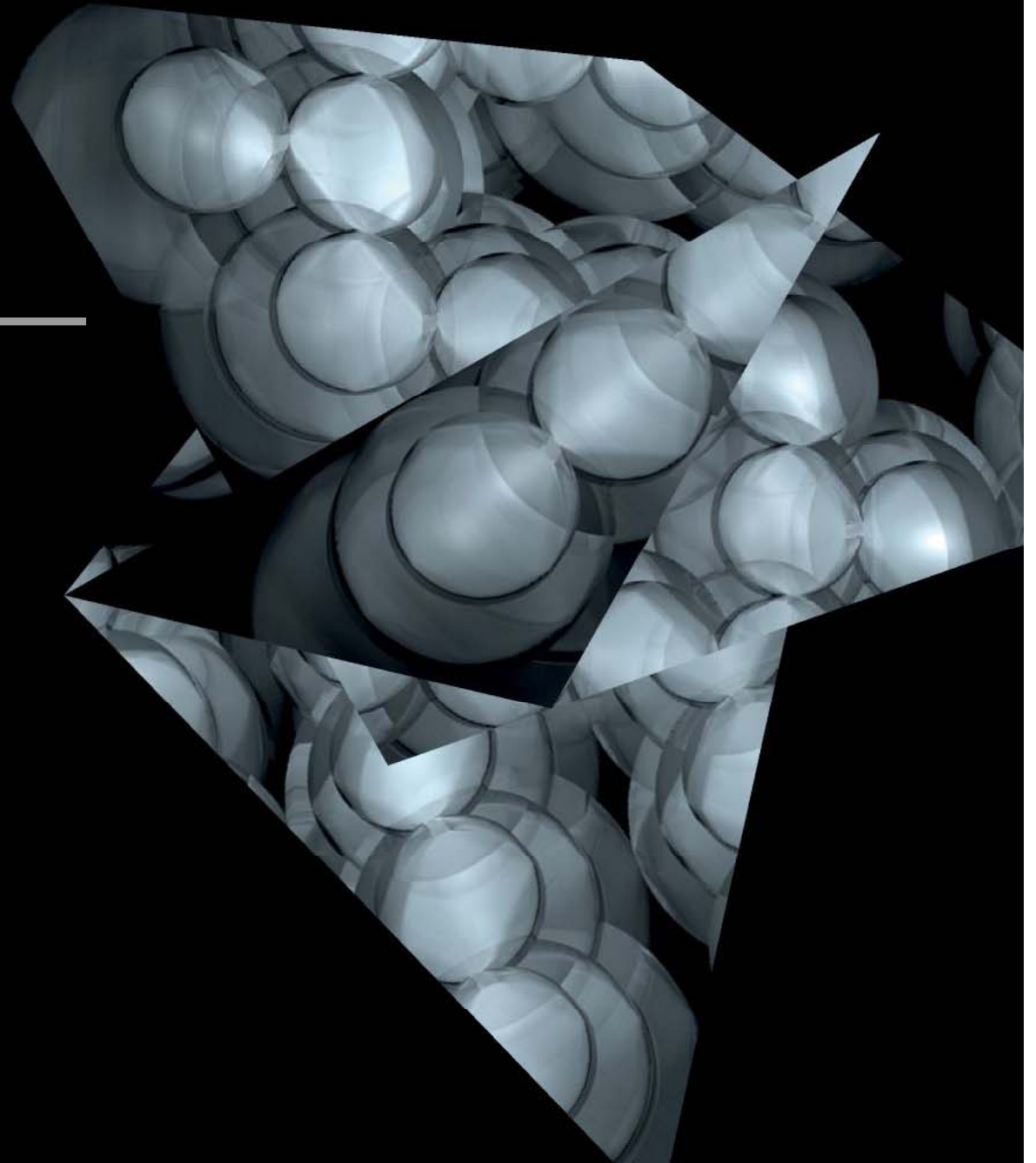
.....
deliver profitable
growth, while pursuing
its internationalization
strategy

.....
reinforce it's capital
structure

.....
increase equity
holders profitability

2

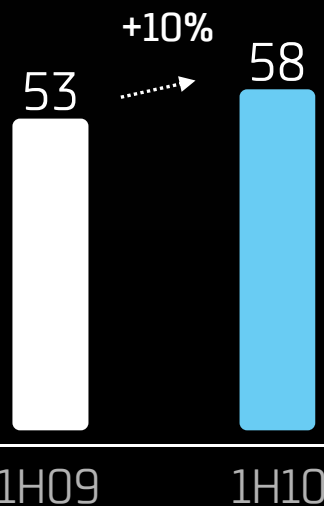
WITH GOOD PERFORMANCE OF THE CORE PARTNERSHIPS



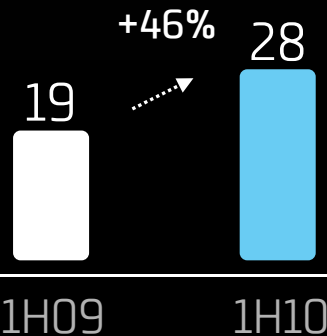
SONAE SIERRA

EBITDA UP BY 10% AND DIRECT PROFITS INCREASED BY 46%

EBITDA (M€)



DIRECT PROFITS (M€)



- Occupancy rate = **96%** (+2pp)
- Total of rents collected (fixed and variable) **up 3%** on a LfL basis
- Expansion restricted in Europe but partially offset by greater development activity in Brazil

EBITDA PERFORMANCE REFLECTING ONGOING COST CUTTING MEASURES AND OPERATIONAL IMPROVEMENTS

INDIRECT PROFITS ALREADY SHOWING SIGNS OF STABILIZATION/INFLEXION OF THE NEGATIVE TREND

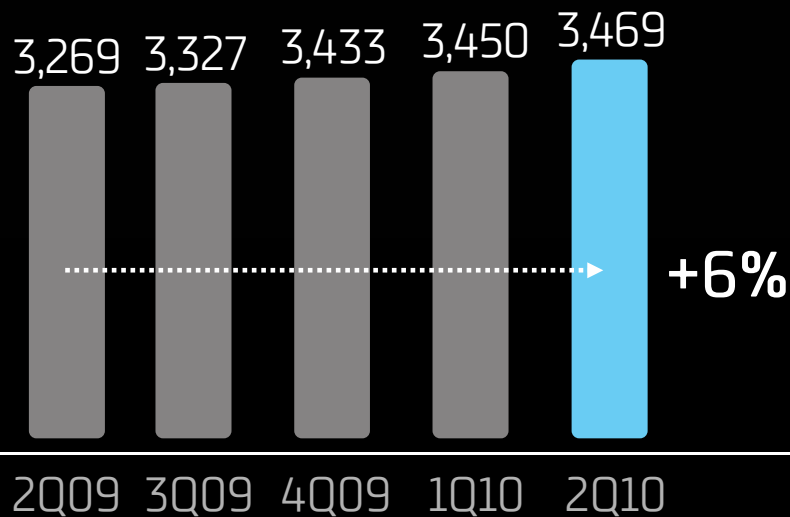
Management figures

SONAECOM

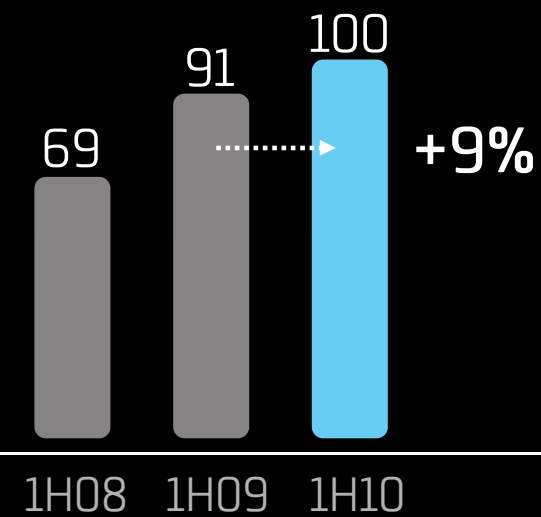
EBITDA GROWS 9% AND CASH FLOW IS POSITIVE

RESULTS CONTINUE TO SHOW
A FAVOURABLE EVOLUTION

MOBILE SEGMENT CUSTOMERS (M)



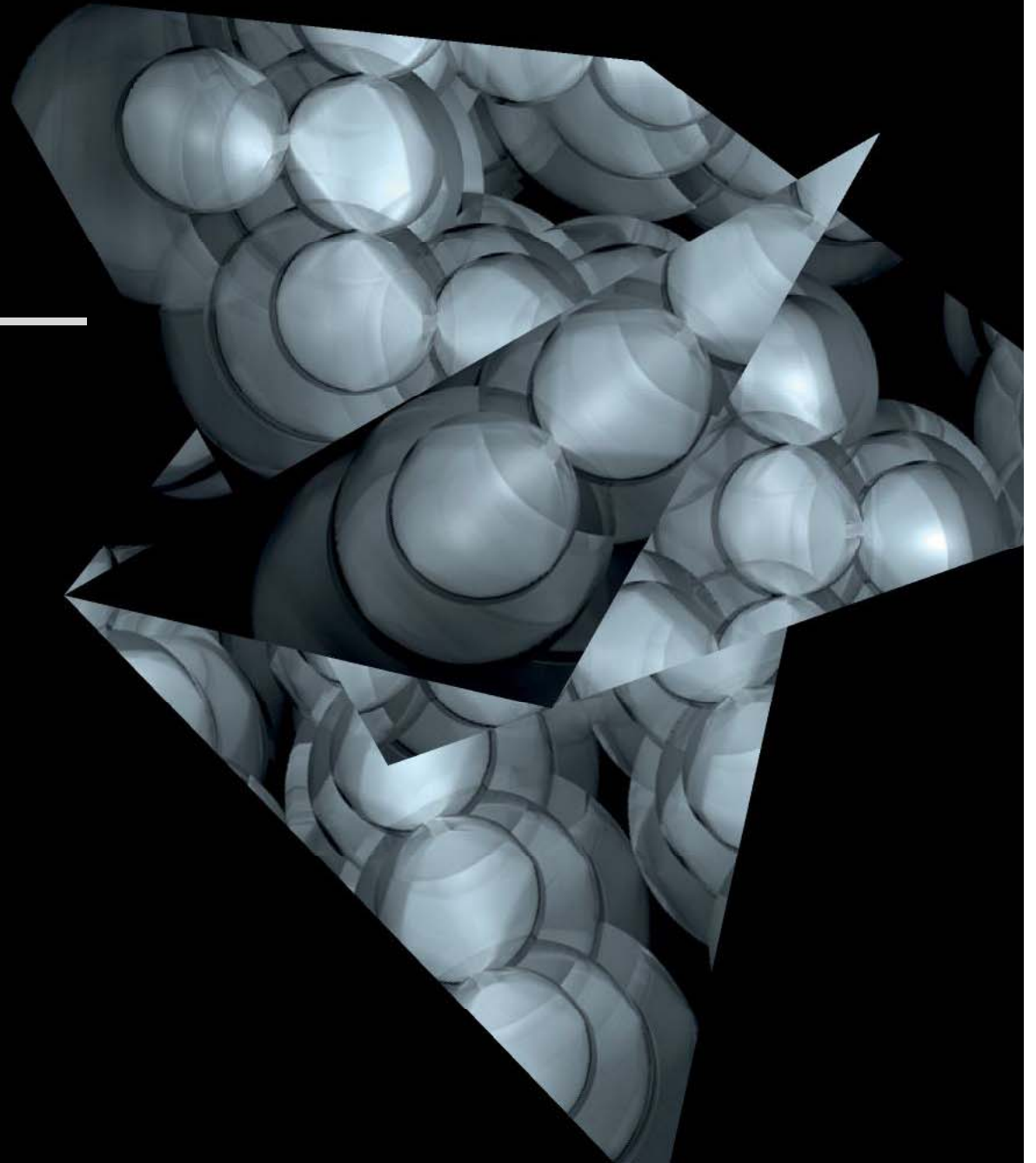
EBITDA (M€)



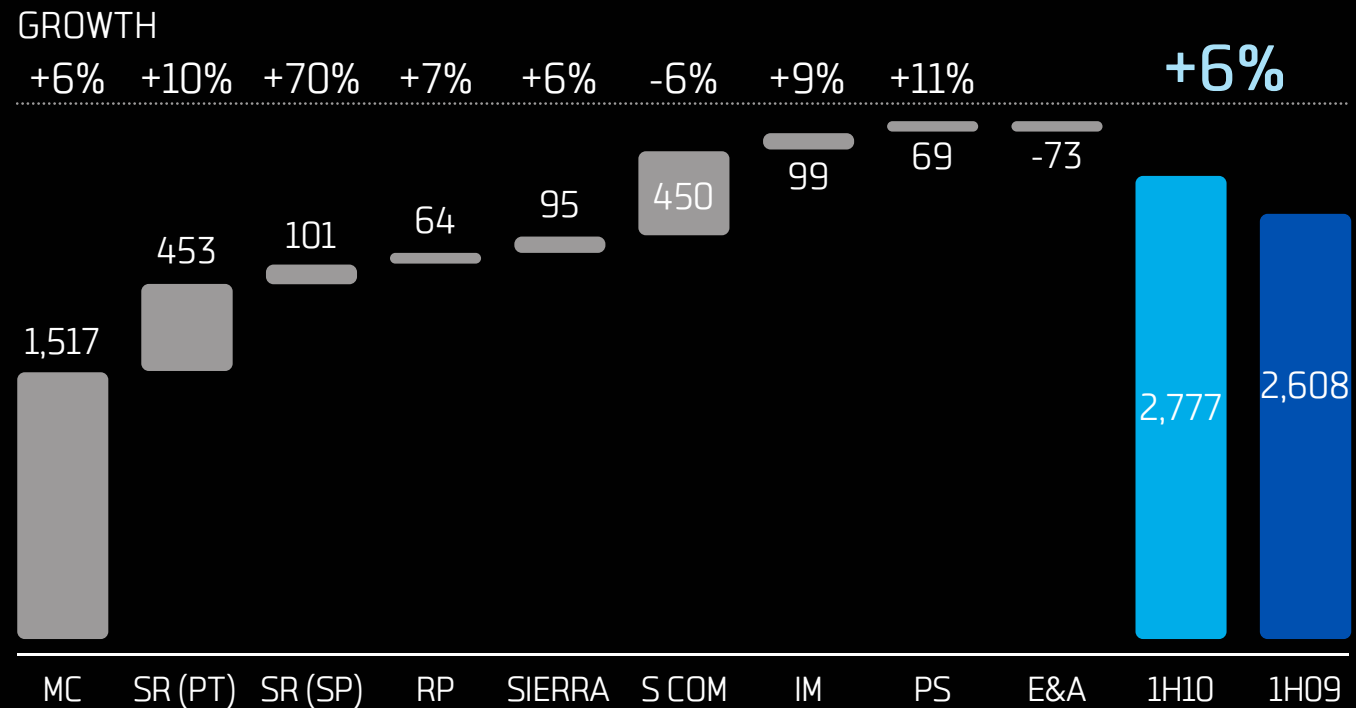
- Growth in mobile customers and customer revenues
- 30% share of fibre market despite inexistence of regulation
- Cost control policies
- Strict investment management

3

AND OVERALL
STRONG
CONSOLIDATED
PERFORMANCE
AS OF 1H10



TURNOVER GREW BY 6% WITH RETAIL UNITS MAKING A SIGNIFICANT CONTRIBUTION TO THIS PERFORMANCE

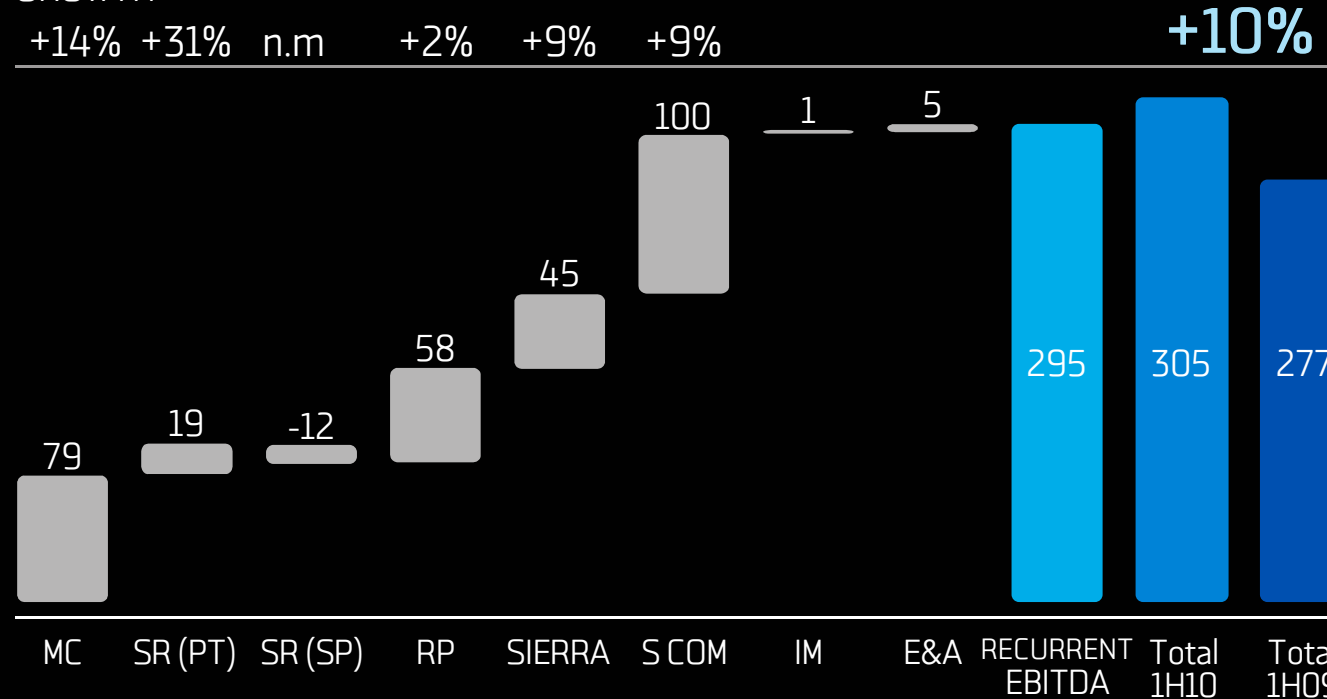


Sonae MC and Sonae SR growing 9%

International business approaching 20% of Sonae SR turnover

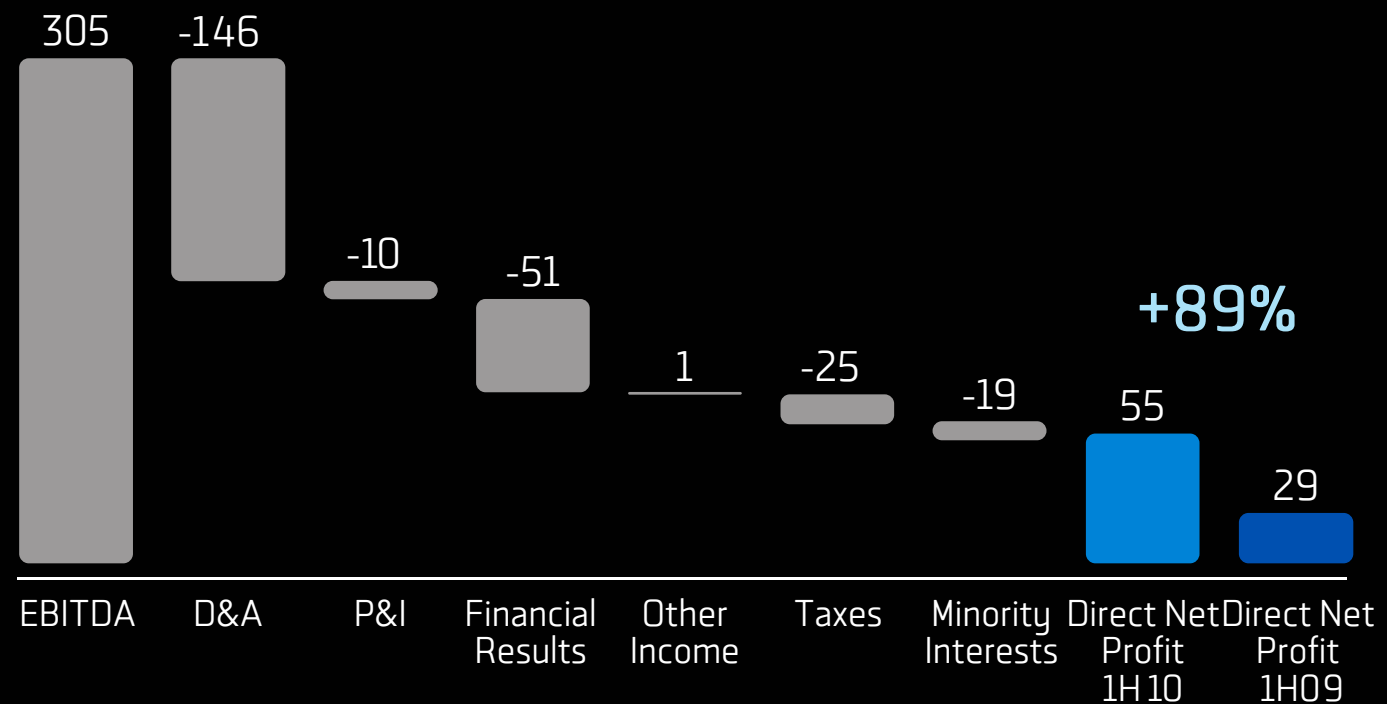
**EBITDA INCREASED BY 10%
GENERATING A MARGIN OF 11%
RETAIL UNIT MARGINS WERE SUSTAINED
BY GAINS IN MARKET SHARE AND IN EFFICIENCY**

GROWTH



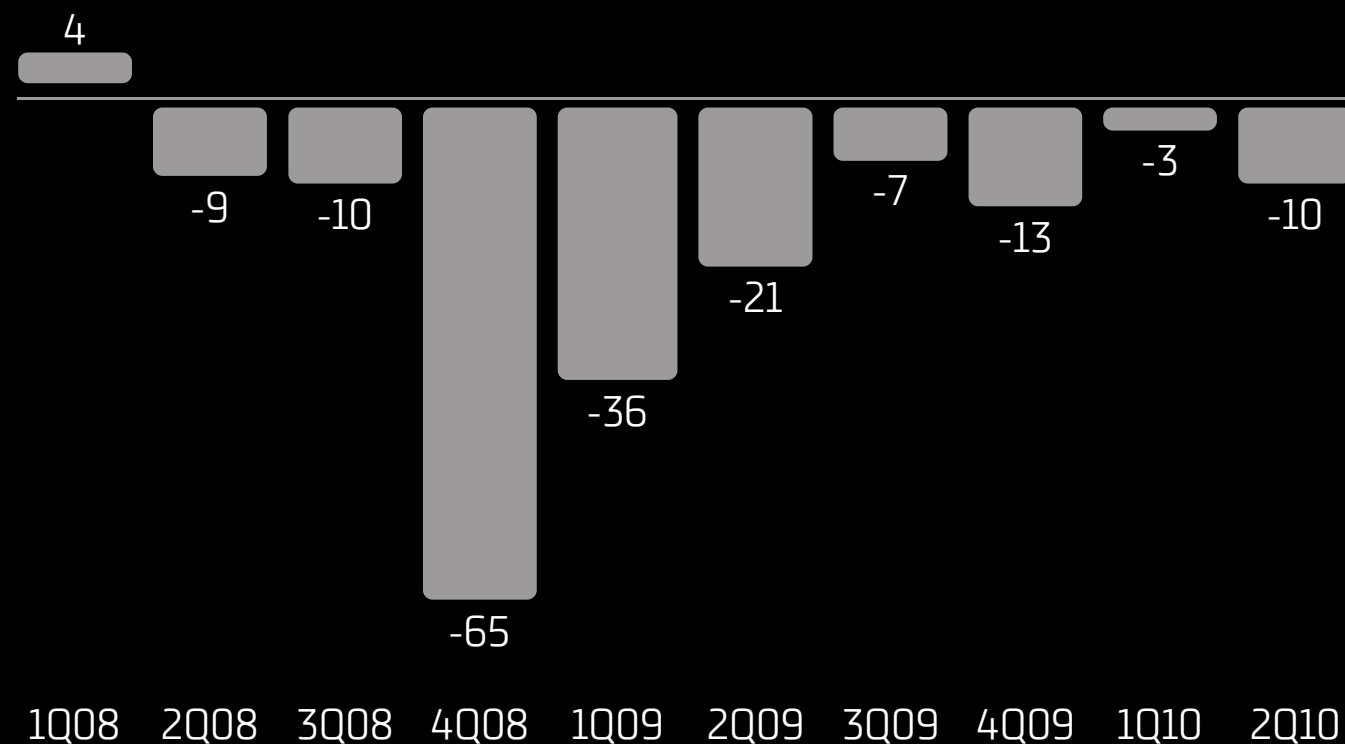
EBITDA includes capital gains of 10m€ from Sonae RP with the sale & lease back of retail real estate assets (Modelos of Póvoa de Varzim and Rio Tinto; Azambuja logistics platform)

DIRECT NET PROFITS INCREASED BY 89% REFLECTING STRONG EBITDA PERFORMANCE AND A SIGNIFICANT FALL IN NET FINANCIAL EXPENSES



- Considerable better net financial activity due to the reduction in average debt in 1H10 and the lower level of the interest rates
- Higher taxes in retail formats and Sonaecom

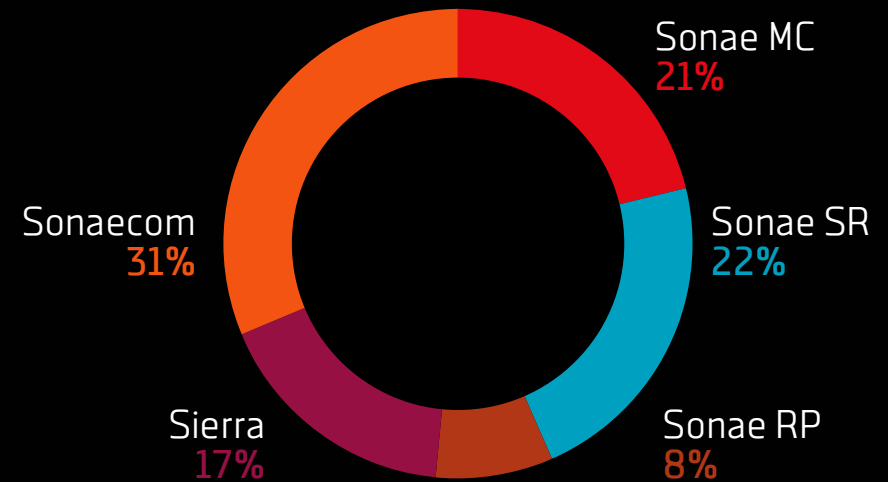
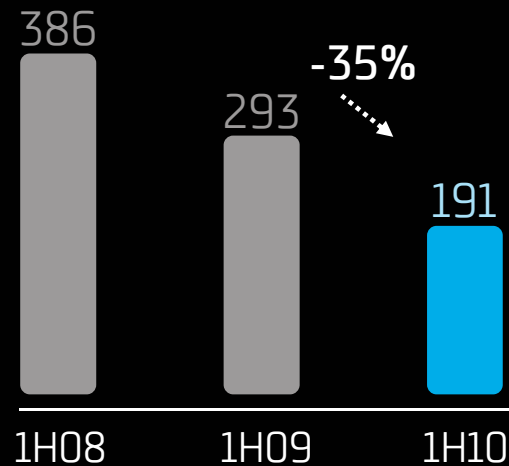
INDIRECT PROFIT REFLECTS A SIGNIFICANT SLOWING DOWN OF YIELDS



- Relatively stable yields across all the countries where Sierra is present, with the exception of Portugal
- The negative value was driven by an adjustment on deferred tax liabilities arising from the recent increase in corporate income tax in Portugal

INVESTMENT TOTALED 191M€ REFLECTING THE ADOPTION OF A CAPITAL LIGHT STRATEGY

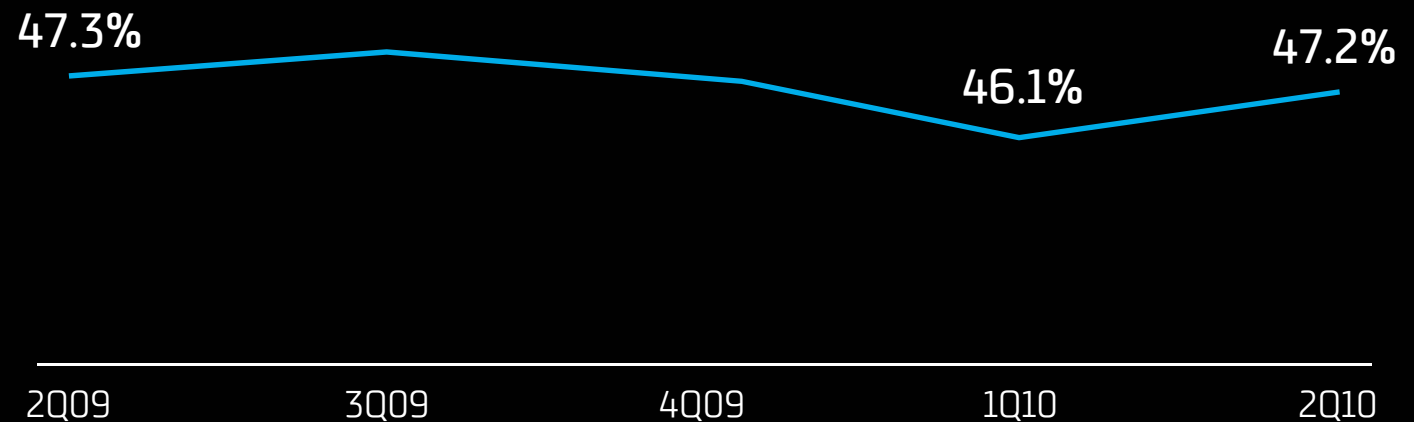
INVESTMENT
Million Euros



- Continuous store network development and modernization in Portugal
- Strong push to increase presence in the Spanish market
- Ongoing investment in the expansion and coverage of the mobile network
- Development of 2 shopping centres scheduled to open in 2011

AN APPROPRIATE CAPITAL STRUCTURE IN EACH BUSINESS TO SUPPORT FUTURE GROWTH PLANS

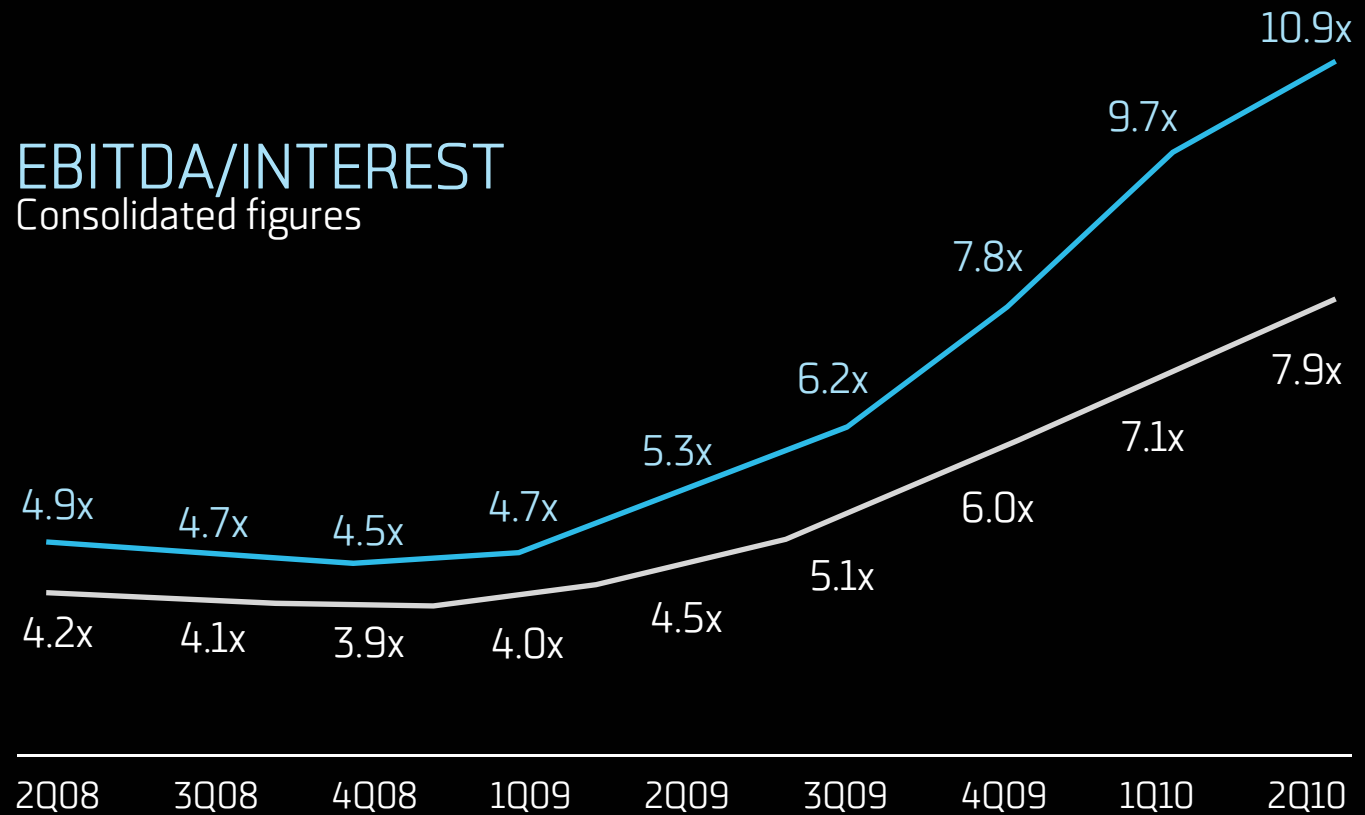
Shopping centres
and Holding
Loan to Value



■ Sierra

MAJOR IMPROVEMENT IN DEBT RATIOS

EBITDA/INTEREST Consolidated figures

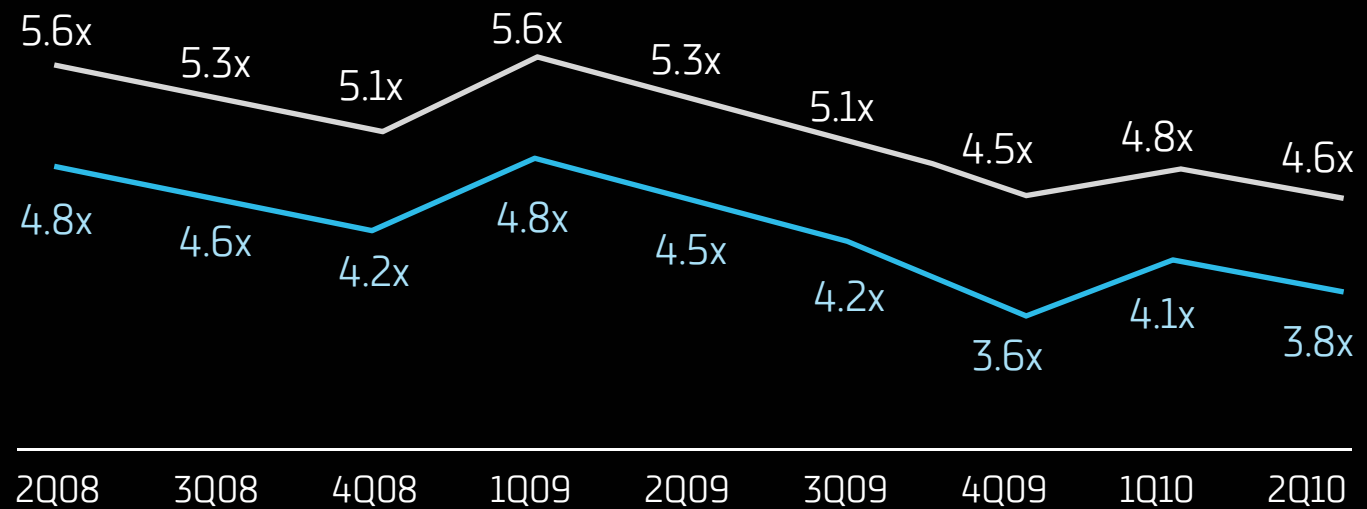


■ Without Sonae Sierra ■ With Sonae Sierra

MAJOR IMPROVEMENT IN DEBT RATIOS

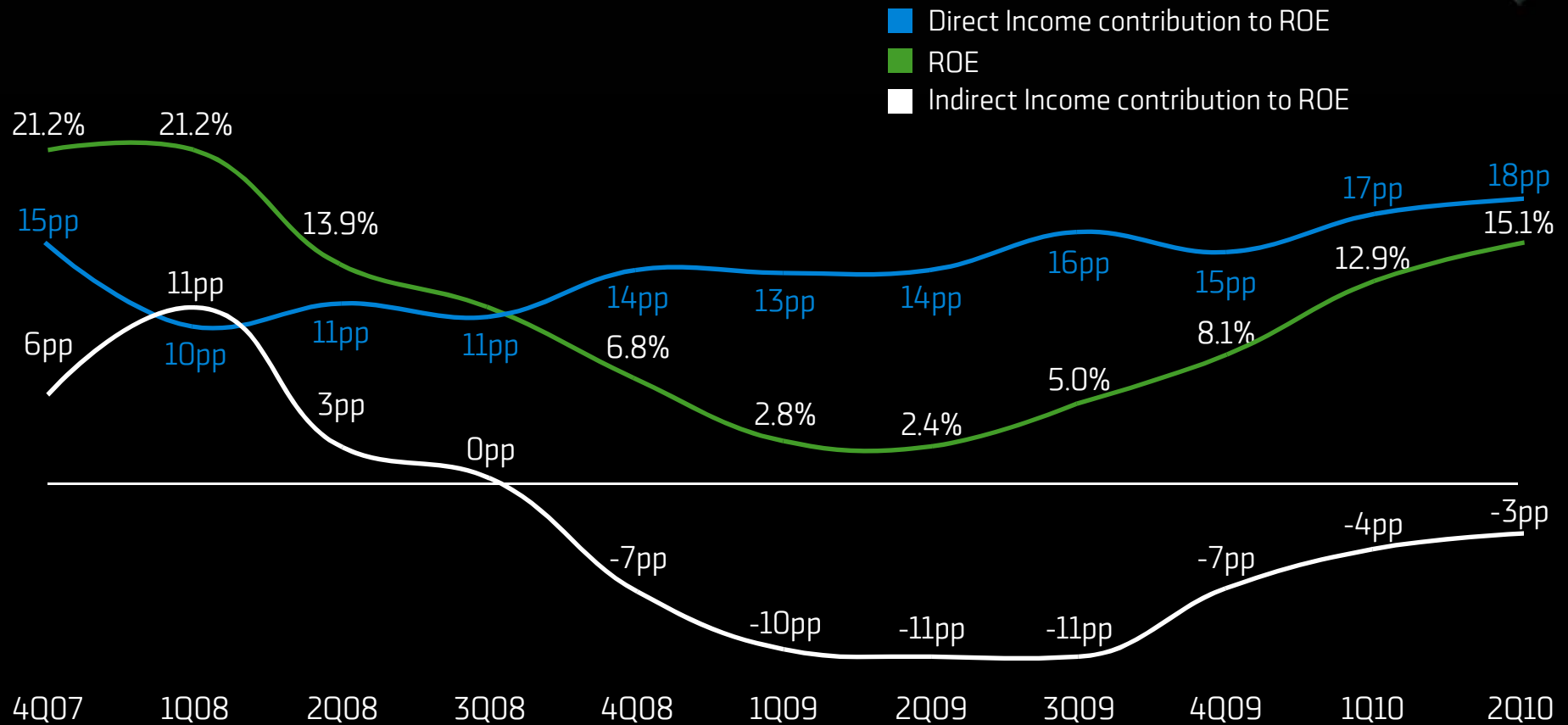
NET DEBT/EBITDA

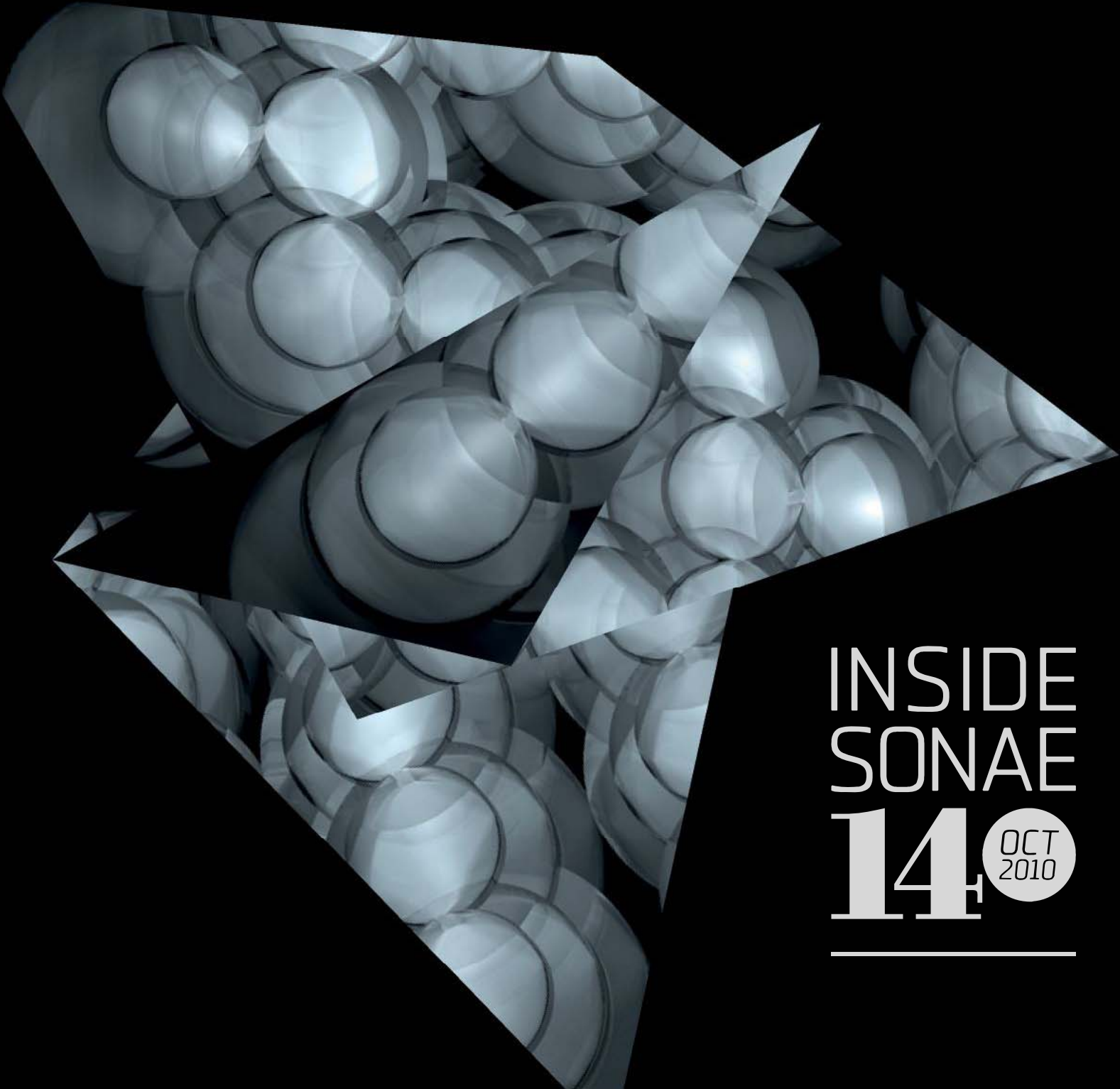
Consolidated figures



■ Without Sonae Sierra ■ With Sonae Sierra

WE CONTINUED TO IMPROVE OUR RETURN ON EQUITY

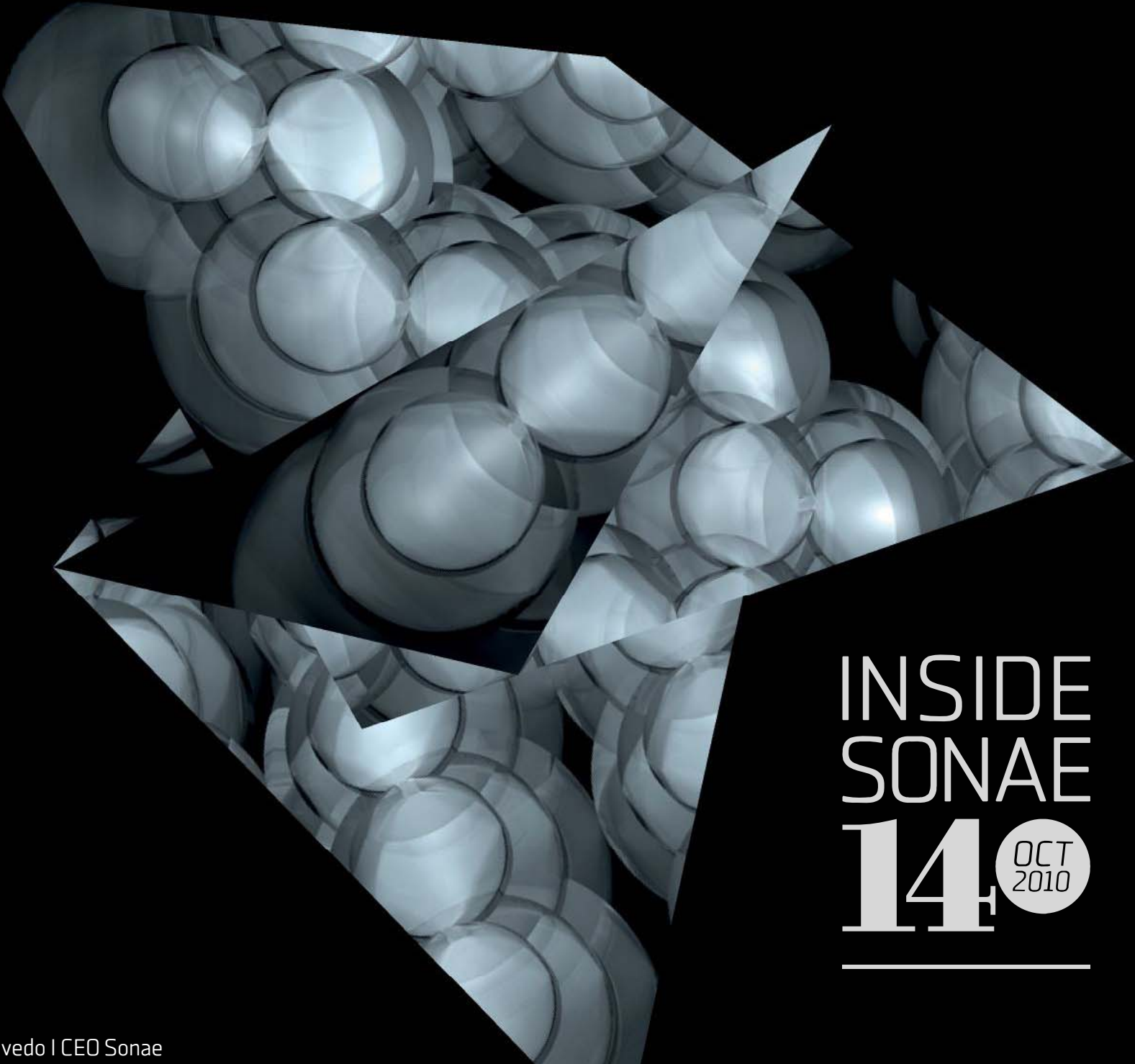




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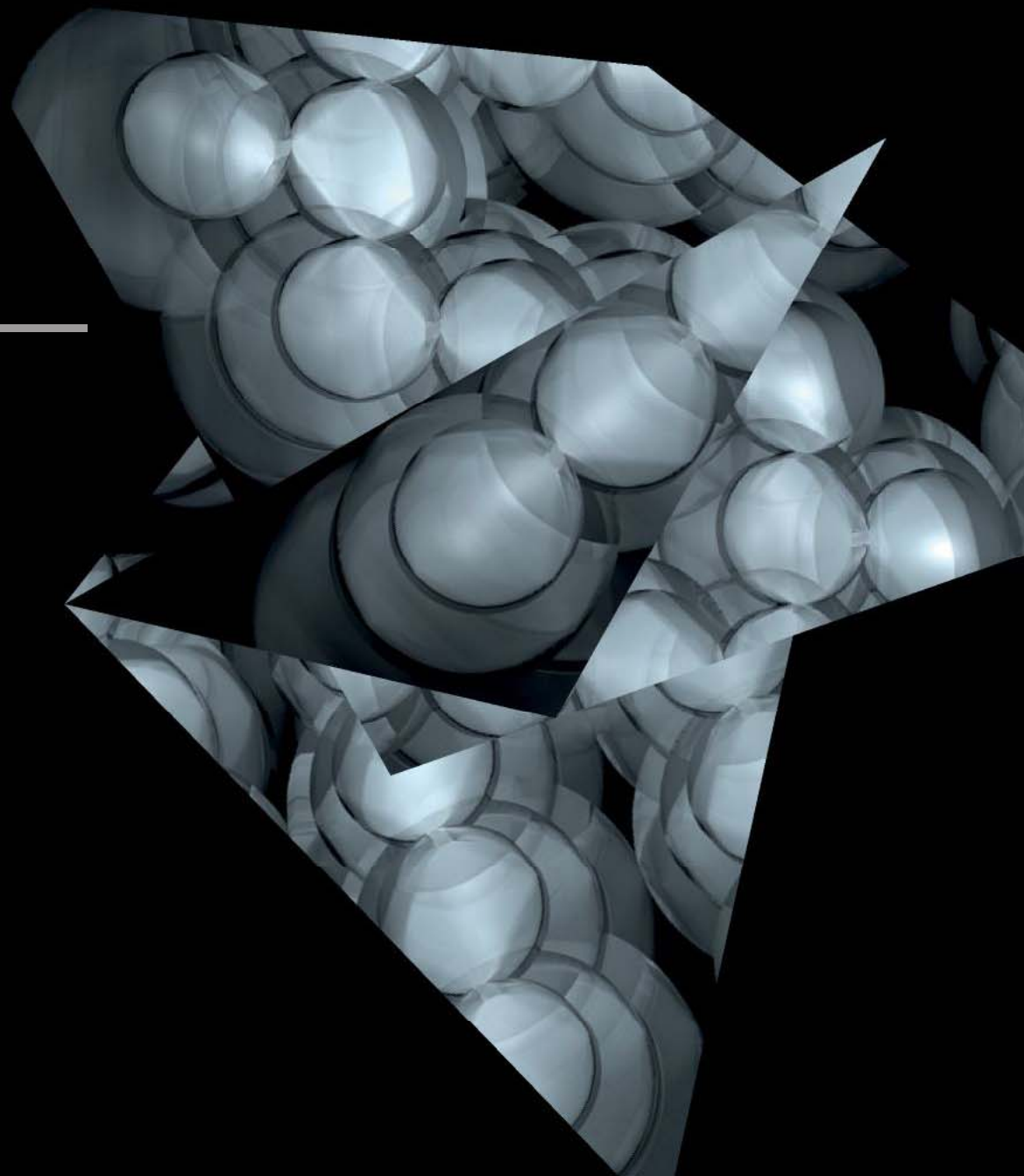




INSIDE
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Paulo Azevedo | CEO Sonae

1 OUR STRATEGIC DIRECTIONS



CORPORATE STRATEGIC GUIDELINES FOR FUTURE GROWTH

Main goal is to transform Sonae into a large multinational retail corporation

GO INTERNATIONAL

- Main growth avenue
- Use concepts believed to be distinctive
- Leverage our competencies

DIVERSIFY INVESTMENT STYLE

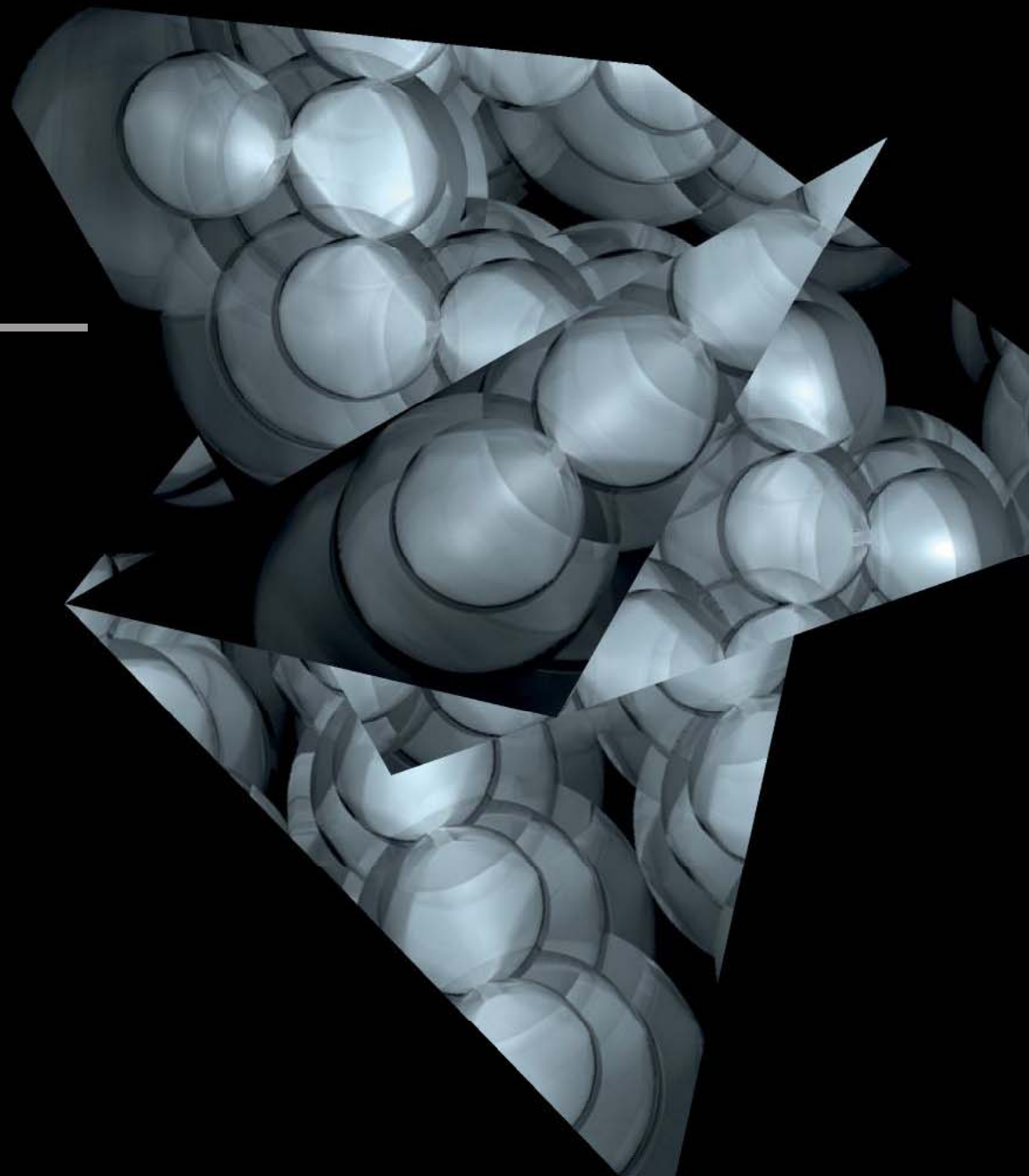
- Partner to complement competencies and costs
- Adopt new expansion models: joint-ventures franchising and technical partnerships
- Capital light approach to property: rental instead of ownership

LEVERAGE EXCEPTIONAL ASSET BASE IN PORTUGAL

- Continue to explore new business opportunities in retail
- New ventures should have potential to become a large business in the medium term and with a path to internationalization

2

OUTLOOK



OUTLOOK FOR RETAIL

The strength of our retail value proposition, clearly demonstrated on our past performance, allows us to be confident on future growth

We are “Value Retailers”, with a low and competitive price offer

Price positioning explains continuous gains in market share despite a tough consumer market

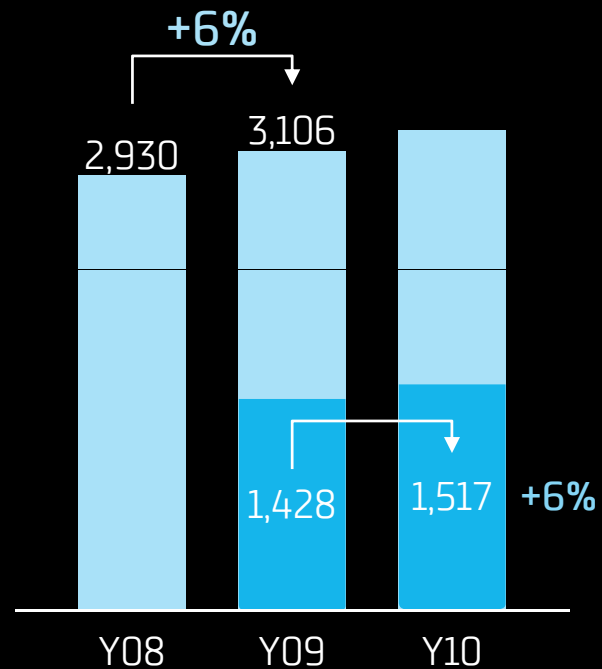
We have proven our ability to manage successfully in challenging environments

OUTLOOK FOR RETAIL

... with consolidation of market share
and high levels of profitability at Sonae MC

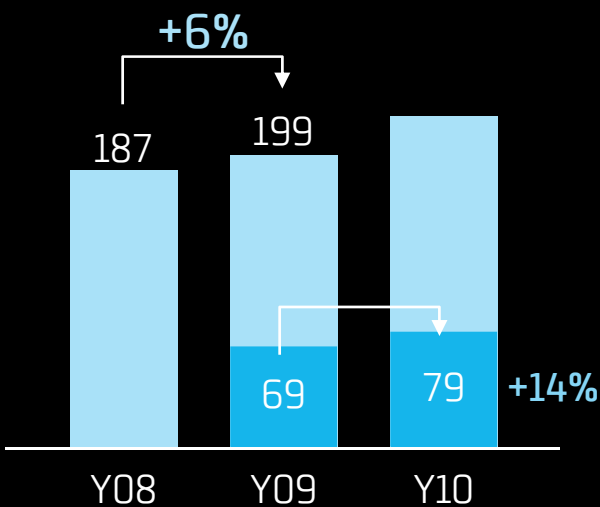
Turnover

M€



EBITDA

M€



Sonae MC being one of the few players gaining market share in 2009 (~1.3pp¹) and 1H10 (~1.5pp¹)

■ 1H

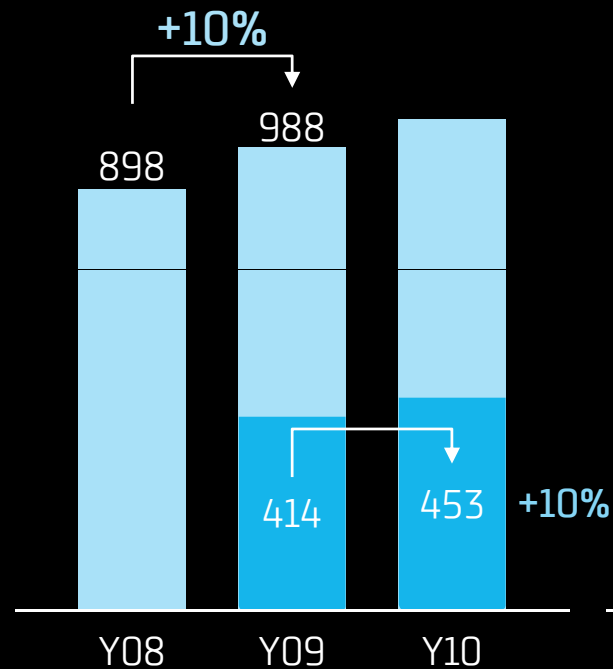
1 Source: Nielsen & TNS consumer panels

OUTLOOK FOR RETAIL

... and with growth and profitability,
in Portugal, at Sonae SR

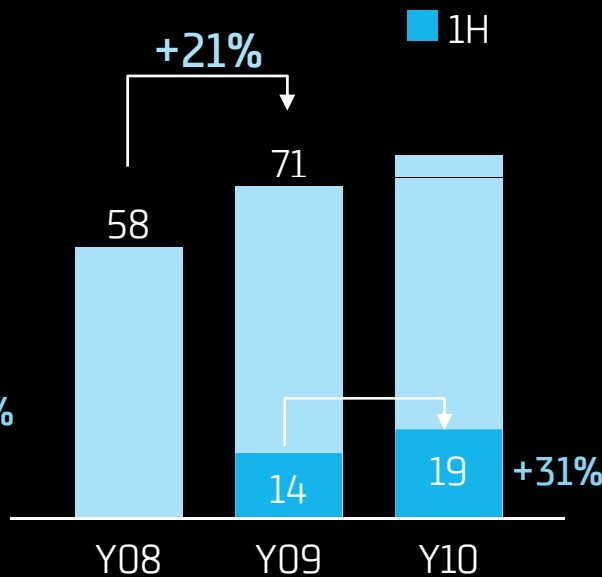
Turnover

M€



EBITDA

M€



...enabled by
a reinforcement
of position of the
leader formats (+2pp
Worten; +1pp
SportZone)⁽¹⁾
and continuous growth
in market share of the
younger formats

1 August YTD; according to GFK and to
internal researches)

OUTLOOK FOR RETAIL

Sonae will emerge from this recession as a stronger company and with a strengthened long term growth potential

Market leader formats

Continente, Modelo, Worten, SportZone, Zippy and Well's in Portugal

Maintain gains of market share and profitability

- Value oriented offering
- Food sector as non-cyclical
- Weakness of high cost/low efficiency retailers, reinforced with the economic crisis
- Continuous improvements in operational efficiency

Lower market share formats

Worten, SportZone, Zippy in Spain and Loop, Bom Bocado, book.it in Portugal

Consistently gain market share

- Value oriented offering
- Resilience on the back of the distinctiveness of the concepts
- Leverage on Sonae's competences and strong asset base

OUTLOOK FOR RETAIL

Progress on Internationalization in line with planned

Strong expansion in Spain with Worten, SportZone and Zippy

- Expecting to end the year with additional 60 thousand m² of new sales area (~2x the area in YE 2009)
- On track to achieve EBITDA break even, on Spanish operations, by 2012

Angolan market under analysis

Expansion of Sonae SR business frontiers, with opening more than 100 stores, until 2014, in 10 countries

- Worten - Joint Venture Contract for the Canary islands
- SportZone - Joint Venture Contract for the Canary islands
- Zippy - Franchising contracts for Canary Islands and Middle East

Attentive to international expansion opportunities

OUTLOOK FOR RETAIL

Sonae RP to free up
invested capital

Execute an asset
monetization plan
to release circa
50% of invested
capital freehold
ownership of food
retail sales area

Focus on Asset
Management

Seek Property
Development
opportunities

OUTLOOK FOR CORE PARTNERSHIPS

SONAE SIERRA

Grow in promising markets:

- Speed up expansion in Brazil
- Reinforce emergent markets presence and services to third parties

Continue to make operational improvements in spite of the fall in consumption in certain sectors in Europe

Prepare the company for European recovery in selected countries (freeing up capital and starting up with the best projects)

SONAE COM

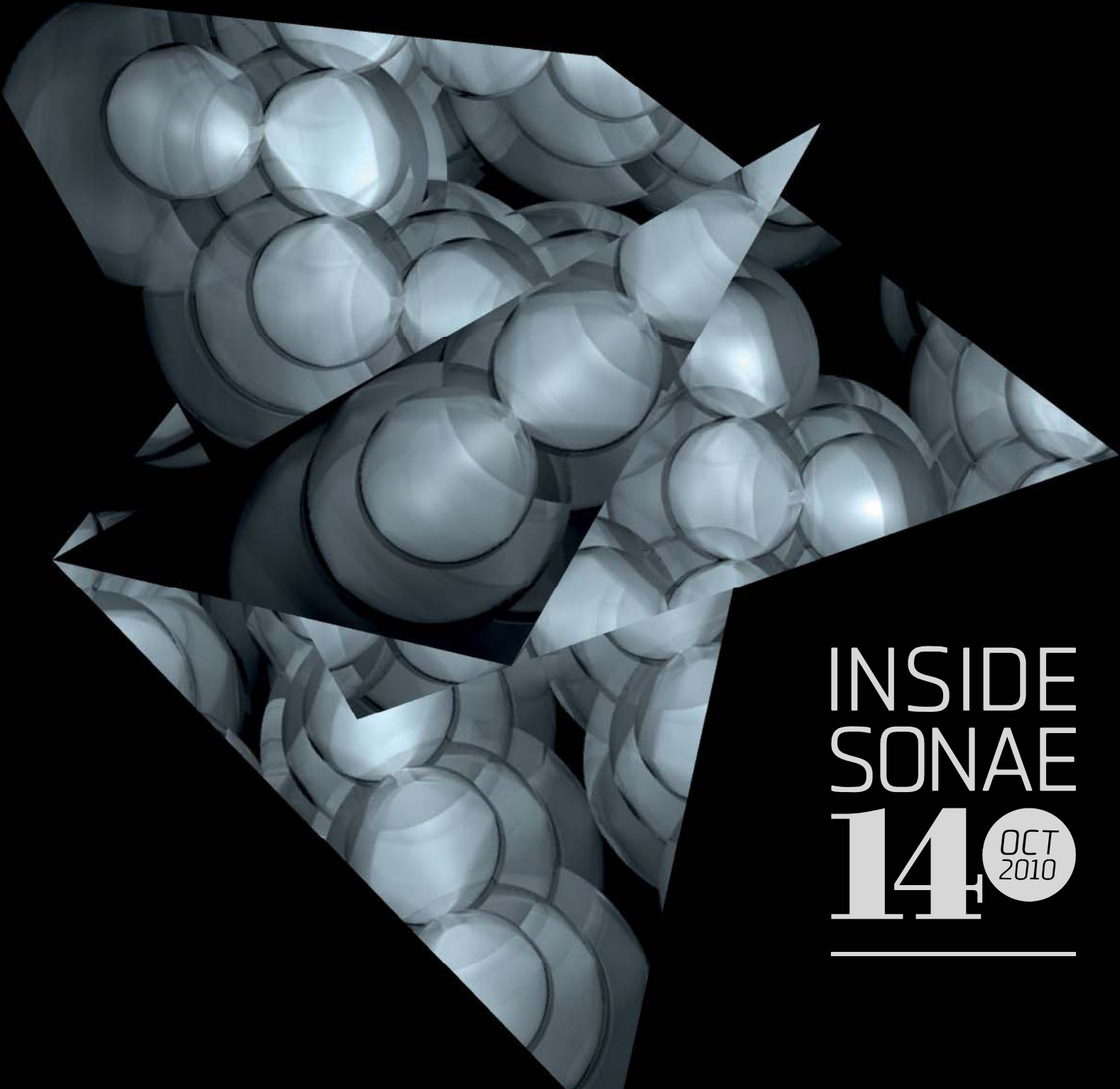
Manage cash flow and optimize operational efficiency

Ensure continuous market share gain in the mobile segment

Reinforce SSI's International presence and grow client base through new services and sectors

SONAE AN ATTRACTIVE INVESTMENT OPPORTUNITY

- Confirmed growth in Turnover and Profitability in the face of adverse macroeconomic conditions
- Value proposal offer adapted to market demands
- A clear and ambitious strategy that will enable for future growth and value creation
- Strong culture and values
- High quality management teams



INSIDE
SONAE

14th OCT
2010

