



INVESTOR PRESENTATION

June 2018



01

SONAE HOLDING

At Sonae, each day is a new beginning
for new opportunities, new challenges
and new triumphs

OUR MISSION AND OUR WAY

OUR MISSION

To create **long-term economic and social value**, taking the benefits of progress and innovation to an ever-increasing number of people

OUR WAY

We are a multinational group with solid roots and a constant drive towards progress. Our culture, how we conduct ourselves in life and in business is what bonds us and makes us special, in any business or geographic area.

The values we share, which can be found in our origins and in our DNA, are a legacy for the future and the way **we create long-term economic value**.

We face each day as a fresh new beginning for new opportunities, new challenges and new triumphs

SONAE AND CAPITAL MARKETS

We are a company which is majority owned by one shareholder who has shaped our culture and beliefs and we are a publicly traded company with a large free float and a responsibility to over 20 thousand shareholders.

We believe that our founding motives to “contribute to economic development and to promote overall social well-being” have made us stand out as a responsible and ethical example and have led to outstanding returns.

We actively seek to communicate to capital markets our long-term view and commitment to all stakeholders aiming to encourage investors with the same beliefs and discouraging those who might seek short termism or who may be less inclined to consider the overall social responsibility of corporations

OUR VALUES

TRUST AND INTEGRITY

We are committed to creating economic value in the long term, built on sustainable relationships with all our stakeholders. We establish these relationships based on principles of honesty, uprightness and transparency

PEOPLE AT THE CENTRE OF OUR SUCCESS

Our people are a determining factor in our success. For that reason, we constantly work to improve our employer value proposition in order to attract and retain the most talented and ambitious professionals. We invest not only in developing their capabilities and skills, but also in ensuring thriving and positive work environments, and balanced lifestyles. We promote meritocracy relentlessly and embrace diversity at all levels

AMBITION

Ambition is born from continuously establishing goals which will stretch us to our limits, stimulating our energy and reinforcing our determination. Ambition drives us and keeps us dissatisfied with the status quo, forcing us to go beyond our past successes. We continuously set ambitious goals that stretch our current competences and demand a bold and entrepreneurial attitude from our managers

INNOVATION

Innovation is at the heart of our businesses. We always question both our mental models and industry orthodoxies in order to identify opportunities, and we maintain a challenger attitude by continuously improving our value propositions and experimenting new business models, while managing risks within reasonable limits. We know that only by innovating can we grow sustainably

CORPORATE RESPONSIBILITY

We are committed to developing our activities based on the principles of sustainable development, looking to contribute to society beyond the economic value generated by our business activities. In particular, we aim to improve the communities within which we operate by collaborating to tackle the most fundamental environmental and social challenges of our times

FRUGALITY AND EFFICIENCY

We aim to optimise the use of resources and maximise their return, seeking cost efficiency, and avoiding any waste or extravagance. As a priority, we focus on achieving operating efficiency, promoting healthy competition, and delivering high impact projects

COOPERATION AND INDEPENDENCE

We are ready to cooperate with central and local governments, in order to improve regulatory, legal and social frameworks, and to ensure the best solutions for the communities within which we operate, but we also take care to maintain our independence in relation to all such entities

HISTORY

50's to 70's

Capital Markets

M&A /Disposals

Openings

Holding Operations

- Acquisition of Novopan (1971)



- Foundation of Sonae - Sociedade Nacional de Estratificados (18th August 1959)
- Belmiro de Azevedo is hired (1965)

80's

- Launch of Sonae in the **Capital Markets** (1983)
- **7 IPOs** for: Particleboard, Food Retail, Tourism, Media, Robotics, Shopping Centres, electricity and cooling (1987)

- Acquisition of **Star** (travel agency) (1989)

- Opening of the **1st Hypermarket** in Portugal: Continente (1985 - Matosinhos)
- Opening of **Sheraton Palácio Hotel** (1986) (currently Porto Palácio Hotel)
- Opening of the **1st two Shopping Centres** built and managed by Sonae (1989 - Portimão and Albufeira)

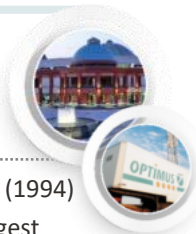


90's

- Acquisition of a controlling position in **Tafisa** (wood panels) (1993)

- Disposal of **Ibersol**, by Sonae Capital (1994)
- Opening of **Centro Colombo**, the largest shopping centre in Iberian Peninsula (1997)
- Launching of **Optimus** (1998 - telco operator)

- Set up of **Sonae Tourism** (1994)
- Partnership between **Sonae Sierra** and **Grosvenor** (1997)



HISTORY

00's

Capital Markets

- Sonae Sierra delisting (2001)
- Spin-off of Sonae Indústria (2005)
- Sonaecom takeover bid for PT and PT Multimédia (2006)

M&A /Disposals

- Partnership between MDS (insurance company) and Cooper Gay (insurance broker) (2004)
- Sale of: (i) Sonae's participation at Portucel (2004); (ii) Sonae Distribuição Brasil to the Wal-Mart Group (2005) and (iii) Enabler, by Sonaecom (2006)

Openings

Holding Operations



2007 to 2009

- Spin-off of Sonae Capital (2007)

- Acquisition of Carrefour Portugal (2007)
- Disposal of (i) Contacto, by Sonae Capital (2008) and (ii) 49.9% of MDS capital to Suzano Group (2009)

- Paulo Azevedo becomes the CEO of Sonae (2007)



2010 to 2012



- Sale of Sonaecom' stake in the share capital of Altitude (2010)
- Sonae RP completes sale and leaseback transactions: cash-in of €159 M (2010 and 2011)

- Acceleration of international expansion of several brands (2010), like Zippy, Worten, Sport Zone, Berg, Deeply
- Launching of the new corporate identity (2010)
- Launching of "Obrigação Continente", a €200 M bond issue available through a public subscription offer to retail investors (2012)

HISTORY

2013 and 2014



Capital Markets

- Sonaecom launches a tender offer for the acquisition of a maximum of 24.16% of its share capital. The level of acceptance reaches 62%, corresponding to aprox. 55 million Sonaecom shares (2014)

M&A /Disposals

- **Merger between Zon and Optimus** and creation of the **NOS** brand (2013)
- **Sonae RP** completes **sale and leaseback transactions**: Cash-in of **€14.5 M** (2014)
- **Sonae IM** pursues its strategy of active portfolio management: **sale of Mainroad** to NOS and **acquisition of 60% of S21Sec** capital and **Movvo** investment



Openings

Holding Operations

- Launch of a **convertible bonds offer** due in 2019 with a principal amount of € 210.5 M (2014)

2015 to 2017



- **Disposal of GeoStar**, by Sonae IM (2015)
- **Sonae RP sale and leaseback transactions**: cash-in of **€471 M** since 2015
- **Acquisitions**:
Sonae Sports & Fashion: (i) **Losan** (2015); (ii) 50% of **Salsa's** (2016);
Sonae IM: stake in ES Ventures (currently Armilar Venture Partners) (2016);
Sonae MC – Health & Wellness - 51% in **Go Well** (2016) and **Brio** (2017)

- **Agreement between Sport Zone, JD Sports and JD Sprinter** (2017)

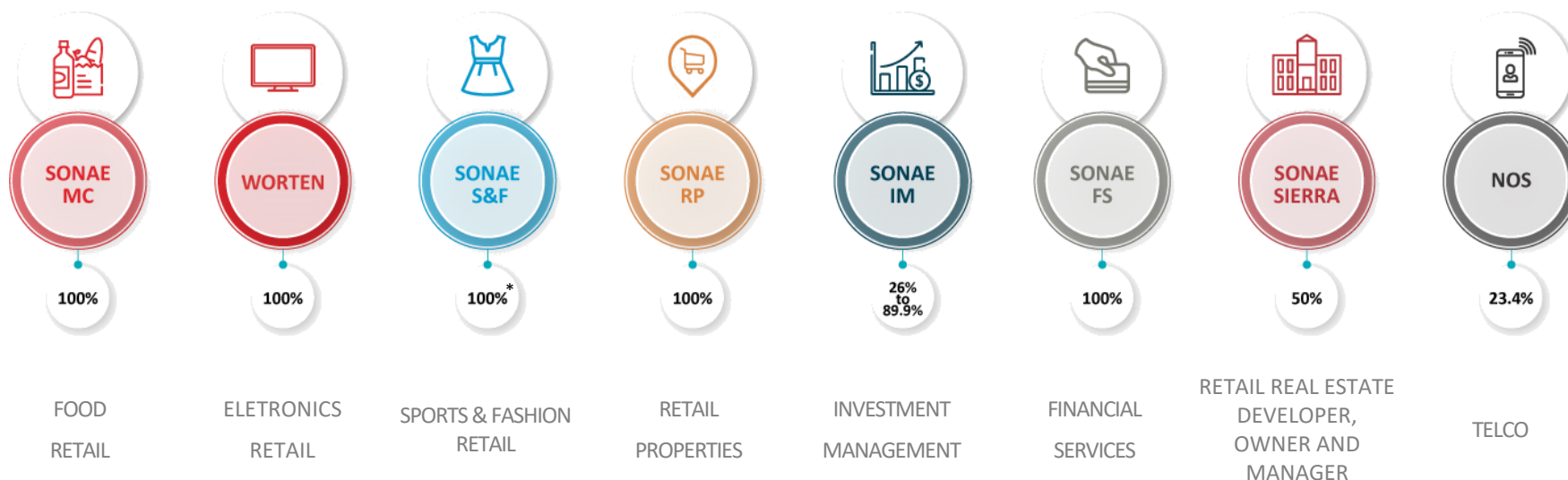
- **Sonae Sierra** opens **ParkLake** Shopping Centre in Bucharest (2016)
- **Sonae MC** opens **1st supermarket specialized in healthy food** (2016)

- **Paulo Azevedo** becomes **Chairman and Co-CEO** of Sonae.
Ángelo Paupério is elected as **Co-CEO** (2015)



GROUP STRUCTURE

PORTFOLIO OF BUSINESSES
WITH LEADING POSITIONS IN EACH SECTOR



FULLY CONSOLIDATED

* Sportzone, one of Sonae S&F's brands is part of the Iberian Sports Retail Group (Sonae holds a 30% stake)

EQUITY CONSOLIDATED

CORPORATE STRATEGY

VALUE CREATION through Sonae's 3 strategic pillars

Strengthen and leverage our key assets and competencies

Reinforcing our strongest competitive positions is a key condition for our long term sustainability. It is the stepping stone for our growth strategy and it is where most of our key competences and assets currently reside. Therefore, **keeping core teams dedicated and concentrated on winning in their respective main markets is crucial to underpin Sonae's ambition and fund our growth options.**

We will continue to explore **new business opportunities** that leverage our exceptional capabilities and asset base in Portugal as a way to nurture our portfolio of options for future growth. Besides their inherent business attractiveness, these new ventures should benefit from and reinforce our competences and/or strategic assets, have the potential to become large businesses in the medium term, and allow for a stronger and more balanced portfolio.

We will dedicate a part of our capital to these new ventures, according to their ability to **deliver growth and create value.** We also will look for early signs of success or failure, guaranteeing that scale-up, merger or divestment decisions are taken as soon as possible.

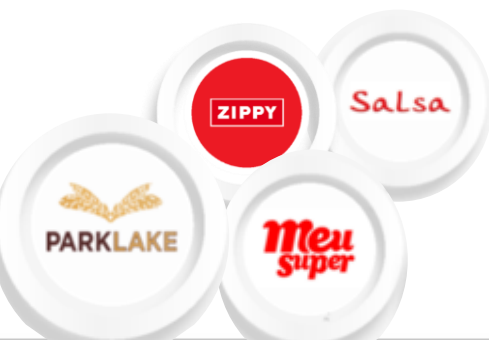
Drive international expansion

Internationalisation will remain our key growth driver for many years to come. This is our **top strategic priority** and we will deploy resources accordingly, as we have the opportunity to enlarge our international footprint and **transform Sonae into a large multinational corporation.** This is the only option which guarantees **our long term sustainability** and is consistent with **our level of ambition and growth.**

We have an **outstanding management team, expertise and reputation in our current businesses** and can use them to **create value** on a larger scale and in markets that are growing faster and have a higher potential. Therefore, new investment opportunities, both organic ventures and acquisitions, should include sizeable internationalisation potential. We will target opportunities in several geographies, but we will give **particular focus to markets with high growth prospects, stable economic conditions and good governance practices.**

Diversify business models and investment approach

We will ensure **high levels of flexibility in pursuing our growth ambitions, particularly in international markets.** We will continue to adopt **different business models**, according to our ability to accelerate specific opportunities and manage risk. In practice, we will keep growing our businesses with a **mix of organic expansion** (both capital heavy and capital light), **wholesale**, franchising and **service rendering.** We will also look to leverage our resources and capabilities by adopting the **most appropriate investment style or mix of styles for each business**, including wholly owned businesses and majority stakes, but also joint ventures and minority stakes. Majority stakes are the appropriate investment style where, on our own or with little contribution from third parties, we have the resources and competences to lead the business and guarantee the development of sustainable competitive advantages and creation of superior value. Minority stakes are the appropriate investment style where we do not have the resources or would benefit from the contribution of third parties to achieve superior value creation. In any case, **we are not a financial investor and will always aim to ensure some degree of influence over each business and an ability to add value based on our competences.**



SONAE'S STRATEGIC PILLARS

Strengthen and leverage our key assets and competencies



Investment in **Continente's convenience/proximity network expansion**, as long as it protects the competitive position, thus ensuring a **leading profitable position in the food retail market (in Portugal)**: during 2017, 19 Continente Bom dia stores were opened and +3 in 1Q18 reaching 98

Focus on **building competencies, developing current brands, integrating acquisitions, and reaching interesting profitability levels**

Sonae's **Cartão Universo**, a credit and loyalty card with a highly innovative value proposition, surpass 600k subscribers in 2017 and reached 637k at the end of 1Q18

Growing position in **Health & Wellness**, particularly in the **healthy food segment**. Sonae MC continues to increase the range of Continente's portfolio of healthy products and reinforced its presence in this market with the acquisition of Brio and AmorBio supermarkets and Go Natural restaurants.

The Health and Wellness segment is also the stepping stone for new projects, namely the Well's Health Plan and the Dr. Well's clinic. Two concepts that consolidate Sonae MC's investment in providing democratised access to quality healthcare services in Portugal.

On top of this, in 2017 and 1Q18, Sonae MC opened **30 additional Well's para-pharmacy and optic stores, increasing to a total of more than 226 stores (owned and franchised)**.



SONAE'S STRATEGIC PILLARS

Drive international expansion

Sonae Sierra and Central Control begun construction works on the **Jardín Plaza Cúcuta in Colombia** (opening plan for the end of 2018): total investment of € 52M and a gross leasable area of 43,000 m²

Wholesale and Franchising

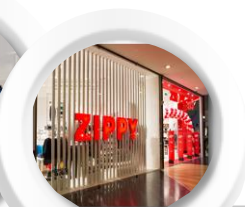
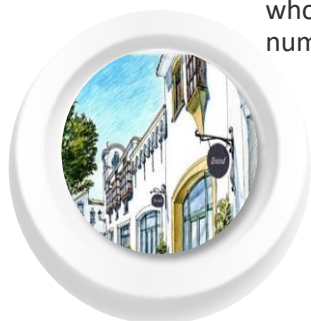
Sonae retail products and brands are present in many franchising and wholesale operations in a larger number of countries

In a partnership with McArthurGlen, Sonae Sierra started the construction of a Designer Outlet in Málaga, Andalusia, a 140 M€ development in the first designer outlet in southern Spain, offering 30,000 sqm GLA. First stage to be completed in 2018.

Already in 2018, a new project was announced in Parma, Italy, with construction works already started. JV with Impresa Pizzarotti - an investment of c€200 M to develop an urban regeneration project with a total 74,000 sqm of GLA.

Salsa's effort to diversify its internationalisation approach and increase its global presence is clearly proving to be a success: enlarged presence in countries such as France and Luxemburg, while Spain remained a point of focus, with new stores during 2017 and already in 1Q18. On top of this, Salsa has also expanding its wholesale and franchising businesses.

Sonae is present in **90 countries**



SONAE'S STRATEGIC PILLARS

Diversify business models and investment approach

Agreement between Sport Zone, JD Sports and JD Sprinter

Creation of the 2nd biggest Iberian Sports Retailer. This partnership aggregates the group's store formats JD, Size?, Sport Zone and Sprinter, has an estimated combined turnover of more than 500 M€ (estimated for 2017) and a store network of c300 stores (c200 of which are in Spain and 105 in Portugal).



Meu Super reaches 293 stores at the end of 1Q18

- Franchised convenience local food retail stores
- Sales area between 150 sqm and 500 sqm

Sonae IM investments in strategic positions, mainly in the cybersecurity space and innovative retail driven companies. In the cybersecurity sector, Sonae IM invested in Artic Wolf, Secucloud, Continuum Security and Probe.ly.



Wholesale of own brands and products in retail

- A growing number of countries
- Continuously improving internationalisation strategy and processes in both food and non-food retail

Sonae Sierra's capital recycal strategy

- Sale of 2 shopping centres in Portugal (Albufeira and Portimão shoppings)
- Partnership with Armonica to acquire Serra shopping
- Partnership with Ocidental to 2 shopping centres (Maia and Guimarães Shoppings)

BOARD OF DIRECTORS

A good balance between

Executive Directors (2 members) and Non-Executive Directors (6 members) all of which independent

A multidisciplinary BoD

(from left to right)



(1) Tsega Gebreyes – Expertise in finance and strategy across different sectors and geographic areas. Founding Director and Managing Partner of Satya Capital, a London-based, African-focused private equity firm.

(2) Paulo de Azevedo – Chairman and Co-CEO. He has held senior positions in Sonae Group since 1988.

(3) José Neves Adelino – Professor of Economics and Finance in leading universities in Europe over the last 40 years. He has held non-executive positions in several listed companies and is currently a Director at Fundação Calouste Gulbenkian.

(4) Lorraine Trainer - Career specialised in HR and talent management, particularly in the financial sector. She has spent the last few years mostly in corporate advisory roles with a strong focus on Board-level succession planning services and director development.

(5) Christine Cross – Long-standing career in retail, particularly in the food segment (14 years of senior positions held at Tesco PLC). Currently providing independent advisory and serving on several non-executive Board positions.

(6) Ângelo Paupério – Co-CEO. He has held senior positions in Sonae Group since 1989.

(7) Andrew Campbell – Renowned expert on Corporate-level Strategy. Currently Director of the Ashridge Strategic Management Centre. Previous positions held at the London Business School and McKinsey & Company.

(8) Marcelo Faria de Lima (not in the picture) – Strong expertise in the Brazilian market, particularly in the financial/investment management sector. Currently an entrepreneur with significant investments in fashion and other sectors, and holds several non-executive roles in leading Brazilian corporations.

GROUP SENIOR EXECUTIVES

Since 2015 Sonae has been adjusting its internal organisation, making its **business units more autonomous**, with clear **separated Executive Committees**, thus enabling **higher levels of specialization and focus**

Responsible for each division of the Group

(from left to right)



- (1) **Luís Reis** – Chief Corporate Centre Officer, Sonae Sports & Fashion and Sonae FS CEO.
- (2) **Miguel Mota Freitas** – Worten and Iberian Sports Retail Group CEO.
- (3) **Paulo Azevedo** – Sonae Chairman and Co-CEO.
- (4) **Fernando Guedes de Oliveira** – Sonae Sierra CEO.

- (5) **Cláudia Azevedo** – Sonae IM CEO.
- (6) **Miguel Almeida** – NOS CEO.
- (7) **Ângelo Paupério** – Sonae Co-CEO.
- (8) **Luís Moutinho** – Sonae MC CEO.



02

AN ATTRACTIVE INVESTMENT OPPORTUNITY

SONAE
AS A
HOLDING
COMPANY

-
1. Enterprise Value
 2. Invested Capital
 3. Consolidated Turnover
 4. Total EBITDA
 5. Balance Sheet
 6. A stable shareholder structure
 7. Shareholder Remuneration
 8. Share Price

01. ENTERPRISE VALUE

A balanced portfolio of businesses spanning multiple sectors

€5,177 M EV

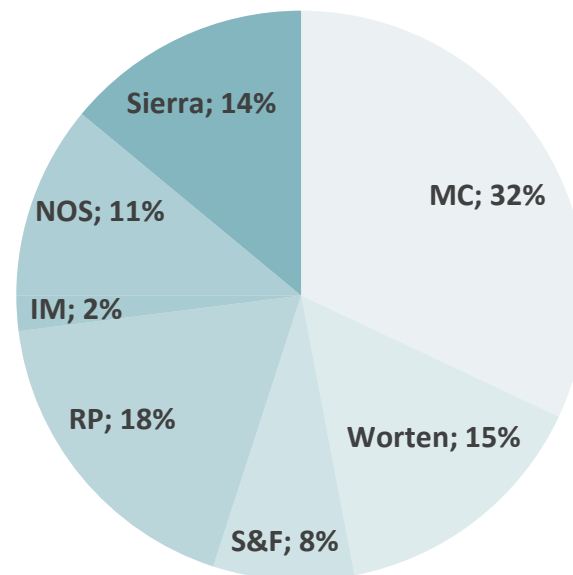
€3,977 M NAV

(as of 1Q18)

SONAE'S PORTFOLIO DIVIDED BY EV

Sonae's EV split

(as of 1Q18)



ASSUMPTIONS:

Sonae MC: valuation based on sector's EV/EBITDA & EV/Sales applied to last 12 months Sales & EBITDA reported

Worten: valuation based on sector's EV /Sales applied to last 12 months Sales reported

Sports & Fashion: valuation based on sector's EV /Sales applied to last 12 months Sales reported plus ISRG Financial Investment

Investment Management: valuation based on invested capital @ book value, minus debt

SSI & Media: valuation based on sector's EV/EBITDA & EV/Sales applied to last 12 months Sales & EBITDA reported

NOS: valuation as per market price on last trading day

Sonae Sierra: valuation as per disclosed quarterly NAV

02. INVESTED CAPITAL

€3,332 M IC

(as of 1Q18)

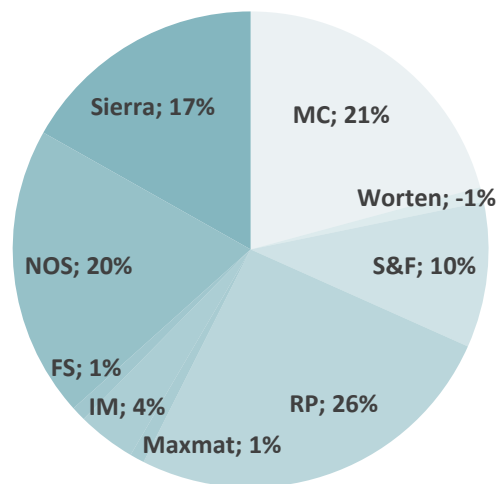
Long-term target

RoIC 11%

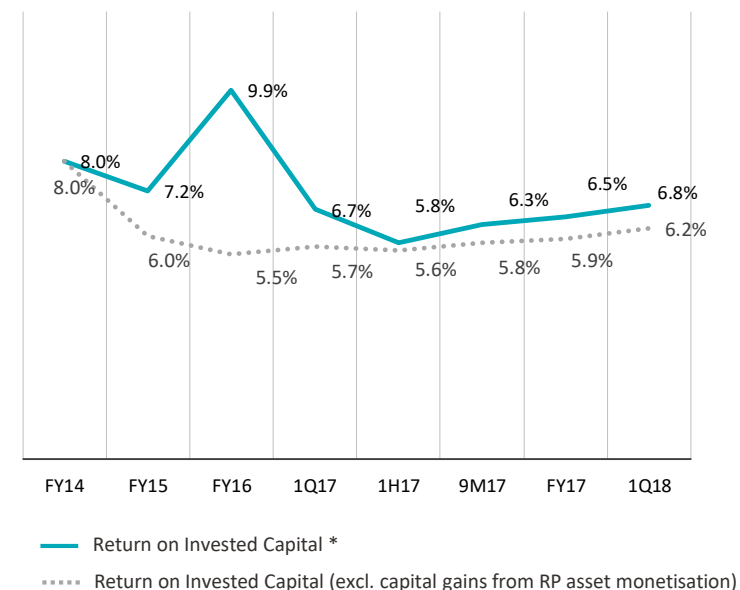
SONAE'S PORTFOLIO DIVIDED BY IC

Sonae's IC split

(as of 1Q18)



RoIC evolution



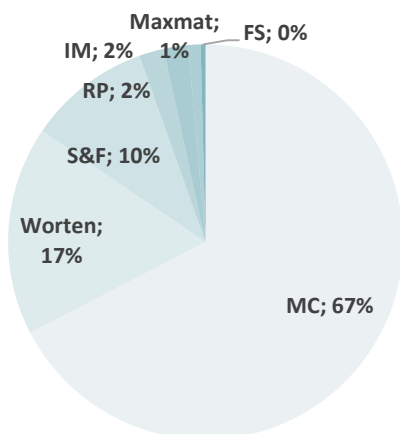
* Proportional annualized EBIT with Sonae Sierra capital gains from asset sales (at historical cost) / proportional average net invested capital (including Sonae Sierra invested capital at historical cost)

03. CONSOLIDATED TURNOVER

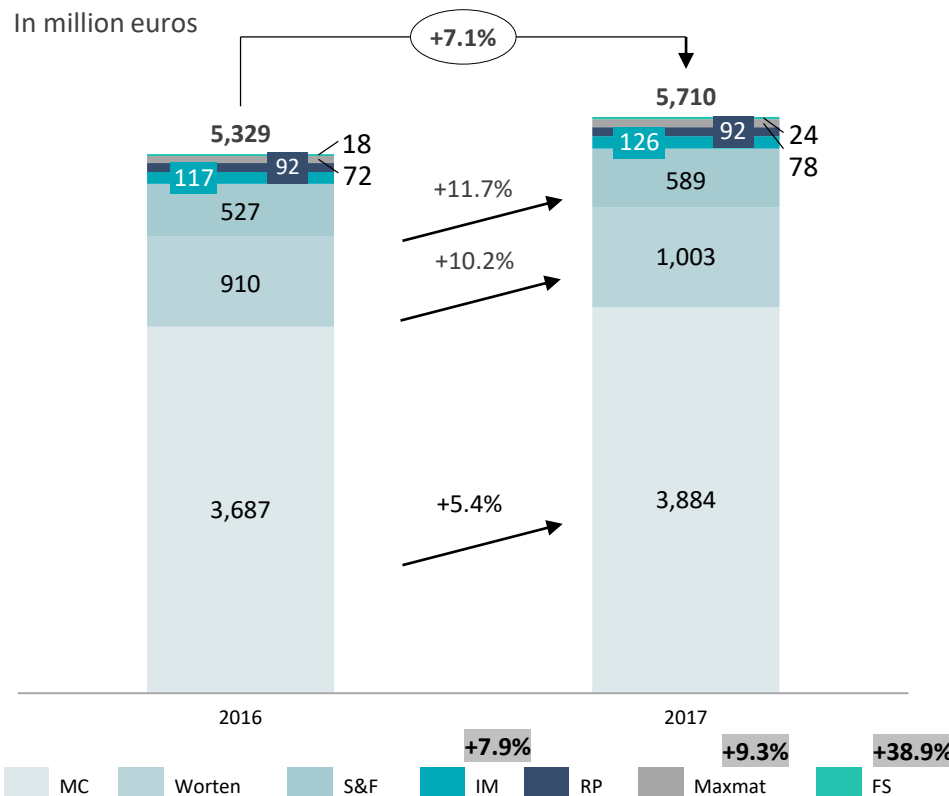
Turnover breakdown

(FY17)

% Total Turnover



TURNOVER REACHED € 5,710 M IN FY17



Sonae consolidated turnover increased by 7.1%

In FY17, benefiting from the positive performance of the all businesses

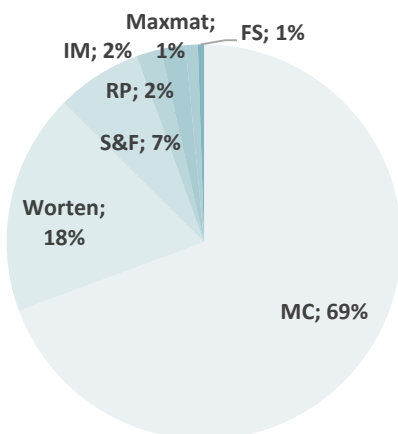
*NOS and Sierra are consolidated by the equity method and therefore not included in the consolidated turnover

03.a CONSOLIDATED TURNOVER

Turnover breakdown

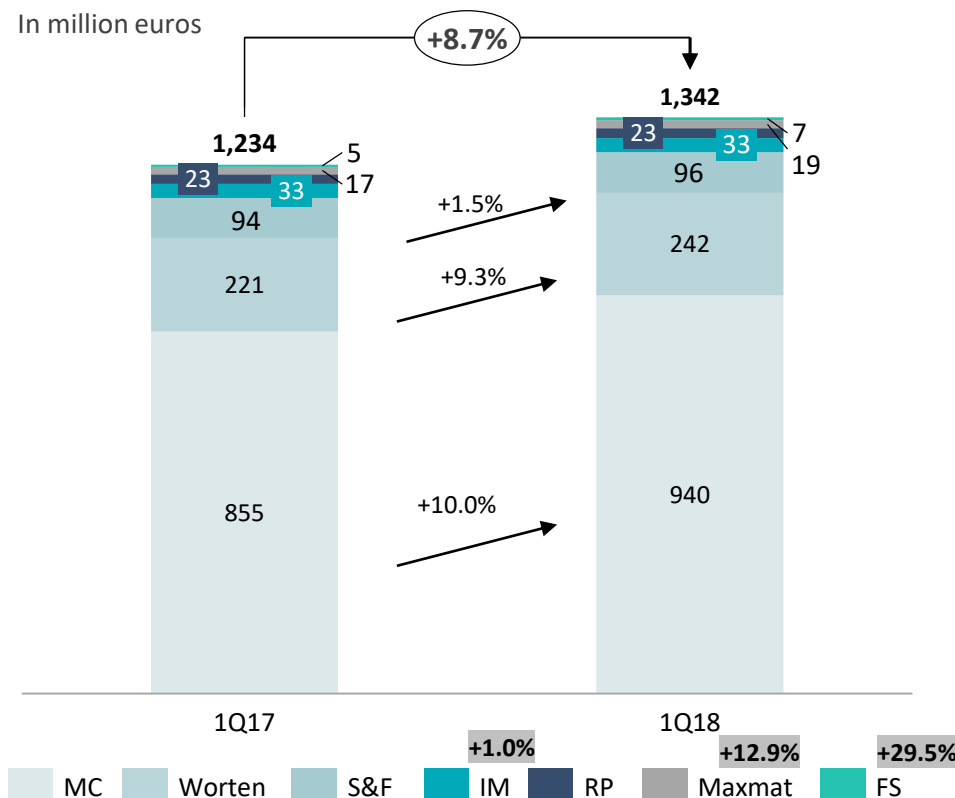
(1Q18)

% Total Turnover



TURNOVER REACHED € 1,342 M IN 1Q18

In million euros



Sonae consolidated turnover increased by 8.7%

Benefiting from the positive
performance of the all
businesses

*NOS and Sierra are consolidated by
the equity method and therefore not
included in the consolidated turnover

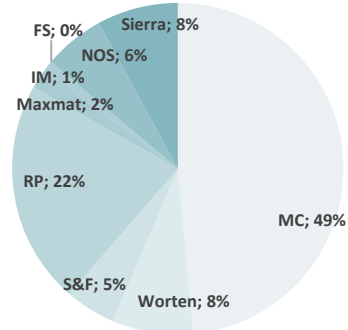
04. TOTAL EBITDA

Total EBITDA (M€)



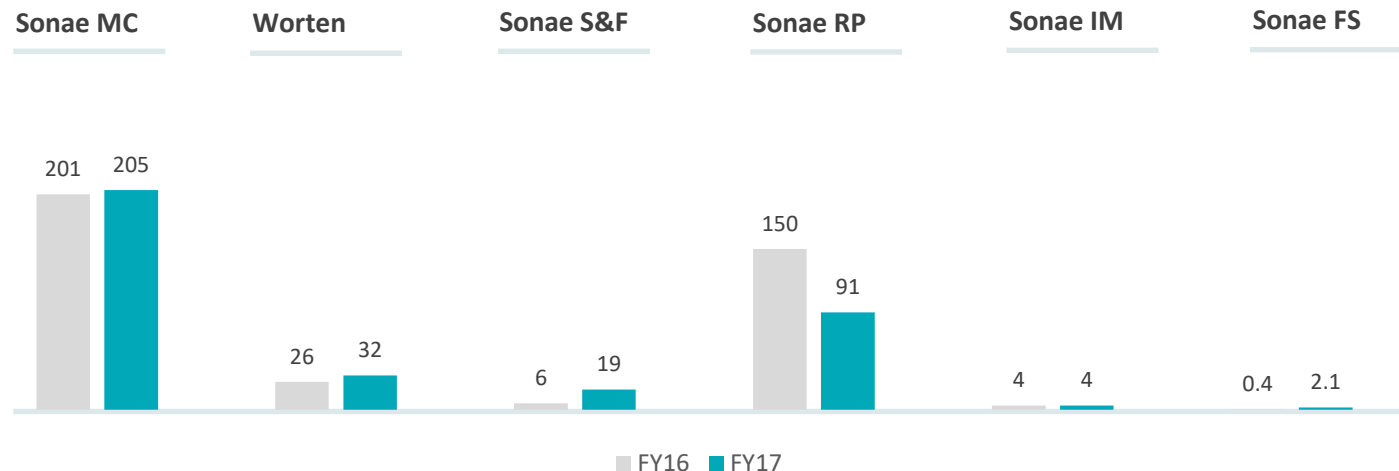
EBITDA breakdown (FY17)

% Total EBITDA



EBITDA REACHED €396 M IN FY17

EBITDA decreased y.o.y driven by the positive impact, last year, of non-recurrent items, due to S&LB transactions, notwithstanding the higher underlying EBITDA and Equity method results in FY17



in million euros

*NOS and Sierra are consolidated by the equity method

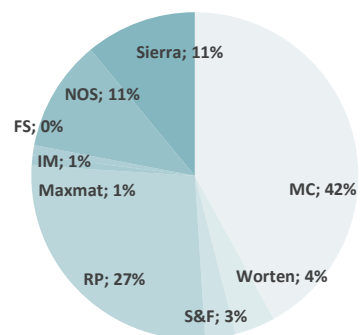
04.a TOTAL EBITDA

Total EBITDA (M€)



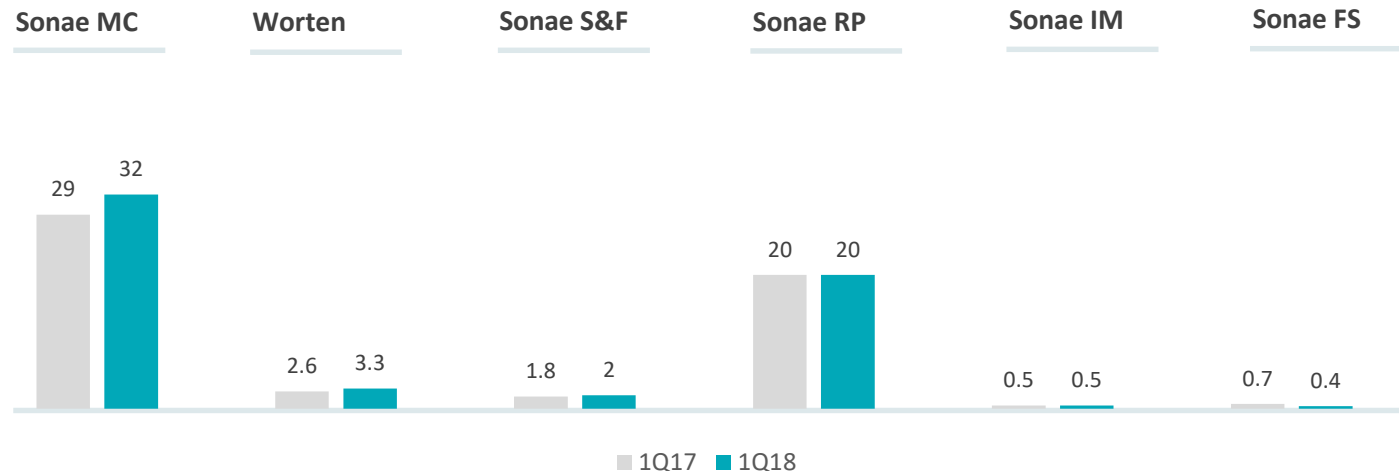
EBITDA breakdown (1Q18)

% Total EBITDA



EBITDA REACHED €70 M IN 1Q18

EBITDA increased y.o.y driven by the positive impact of the Equity method results



in million euros

*NOS and Sierra are consolidated by the equity method

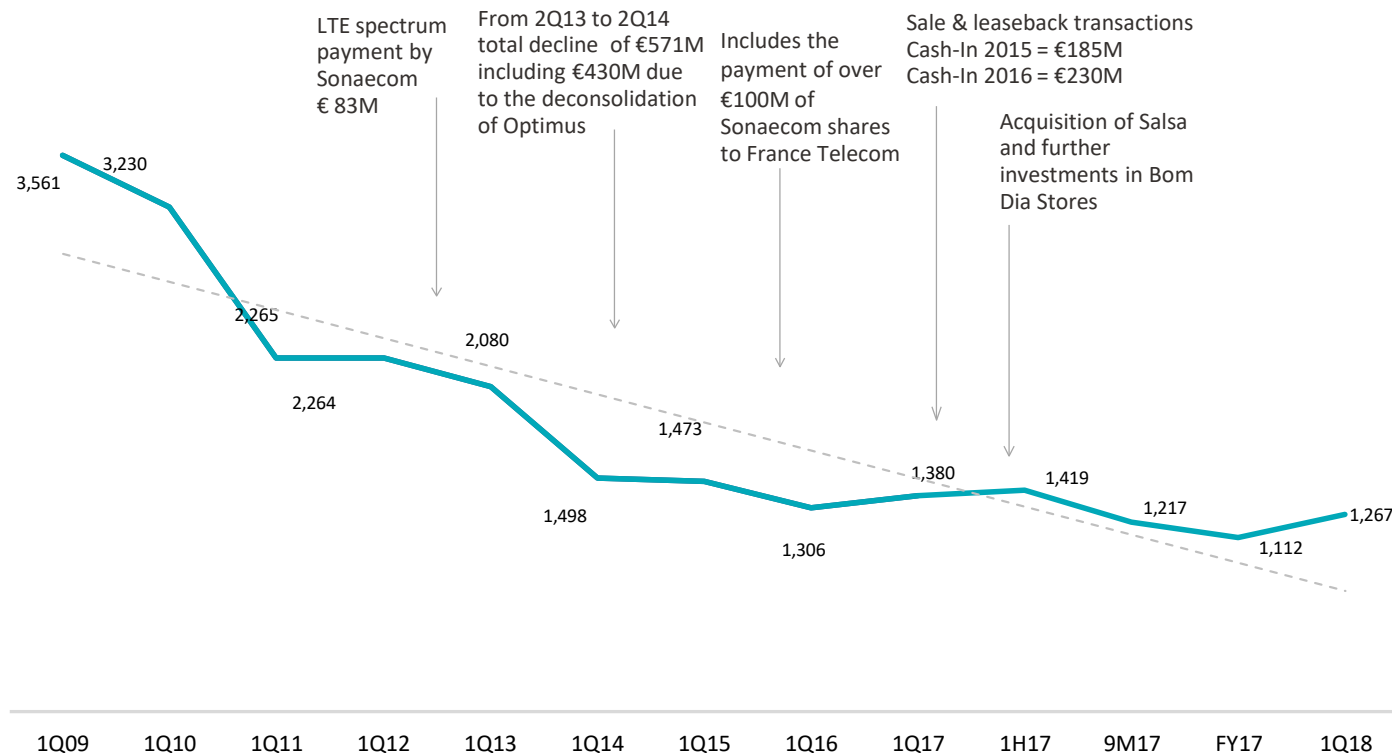
05. BALANCE SHEET

Refinancing needs
for next 18 months
already secured

Maturity profile
is currently slightly
above 4 years

Average interest rate
of outstanding debt
continued to
decrease
and reached 1.2% in
1Q18

SIGNIFICANT DELEVERAGING MADE POSSIBLE BY ORGANIC CASH FLOW GENERATION AND ASSET MONETISATION



Sonaecom net debt peaked in 1Q09 (€3,561 M)

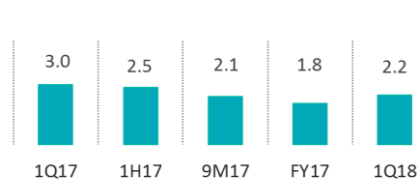
05. BALANCE SHEET

AN APPROPRIATE CAPITAL STRUCTURE

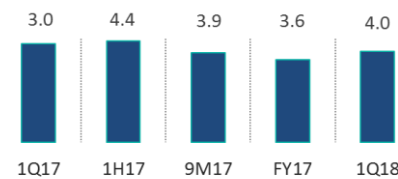
In each business
to support Activities and
Investments

CAPITAL STRUCTURE

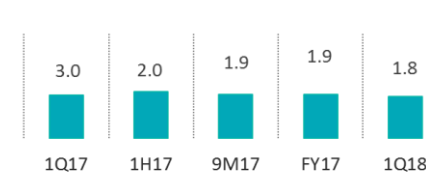
Retail Net Debt/EBITDA
Long-term target: <3.0



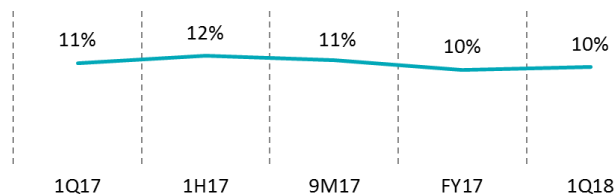
Retail Net Debt/ EBITDAR ⁽¹⁾
Long-term target: <3.5



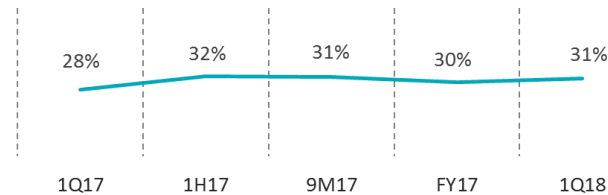
NOS Net Debt/EBITDA
Long-term target: 2.0



Holding Loan-to-Value ⁽²⁾
Long-term target: <5%



Sierra Loan-to-Value
Long-term target: 45%



(1)[Moody's criterion]: (EoP net debt + 8x external rents LTM) / EBITDAR LTM

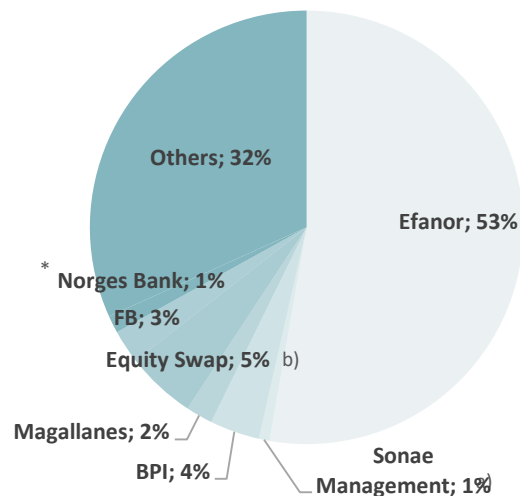
(2)Holding net debt as % of Sonae's gross asset value (Retail businesses @ market multiples, except for Worten and S&F SP (invested capital @ book value) + Sonae RP

06. STABLE SHAREHOLDER STRUCTURE

Reference
shareholder,
EFANOR, a family
holding company



SHAREHOLDING STRUCTURE



**FREE
FLOAT
of aprox. 42%**

a) shares held by top management plus shares attributed to Sonae's Directors (mid term performance bonus), to be delivered over the period 2018/2021, under the terms of Sonae's remuneration policy;

b) Equity Swap includes aprox. 104 million Sonae shares.

SHARE CAPITAL

2,000 million shares

AVERAGE DAILY VOLUME

~3.8 million shares (FY17)
~3.6 million shares (ytd)

MARKET CAP

~2.1 billion euros (as of 01.06.2018)

* According to Norges bank's website as of 31.12.2017

07. SHAREHOLDER REMUNERATION

Steadily growing dividend payer to maintain an adequate shareholders remuneration

Annual shareholder* returns of c.14% during last 5 years

STEADILY GROWING DIVIDEND

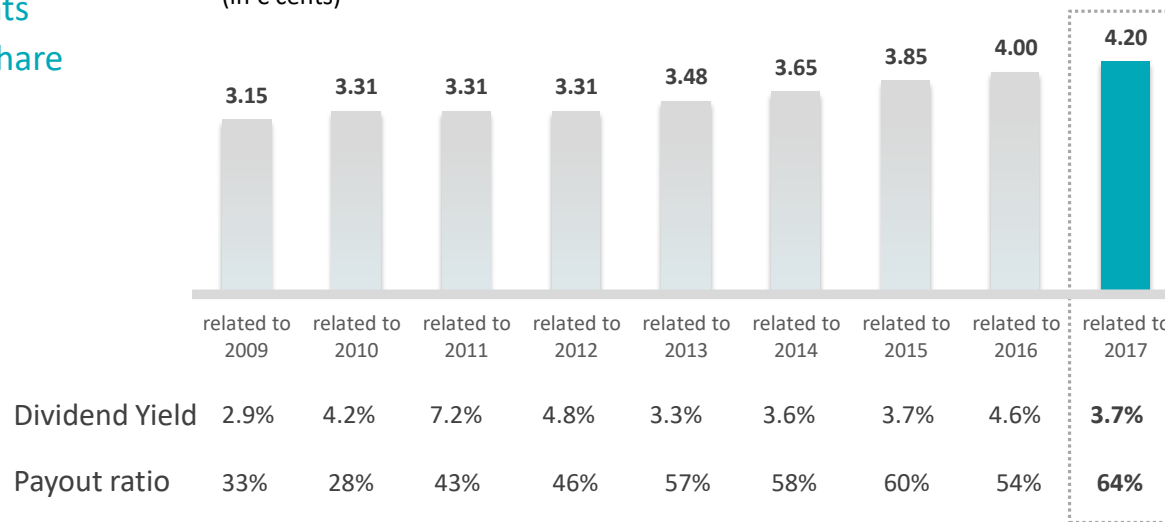
4.20 cents
dividend per share

+5% y.o.y.

Dividend yield 3.7%

64% payout ratio

Dividend per share evolution
(in € cents)



08. SHARE PRICE

Some discount vs.
Sum of the Parts
valuation

Share price was particularly affected by the global financial crisis, but also by macro and financial problems in Portugal

ANALYSTS VALUATION

€1.37 Analysts average price target*

29% discount
when compared with share price as of 01.06.2018 (**€1.06**)

Share price performance



* Includes the last revised Price Target from Haitong, Caixabank BPI, Fidentiis, Santander and JB Capital Markets

COMPETITIVE ADVANTAGES OF SUCH A DIVERSIFIED PORTFOLIO

-
1. **Leading market position in food retail market,** with benchmark profitability
 2. The **telco operator with highest turnover growth in the market,** and continuously improved profitability
 3. Shopping centres with proven international benchmark quality and **Sierra pursuing its recycling capital strategy**
 4. **Worten, leading Iberian omnichannel electronics player**
 5. Focus on **building competencies to reach interesting profitability levels** in Sports and Fashion businesses
 6. Real estate **asset monetization**
 7. **Investment Management**
 8. **Financial services**

Sonae MC

41 Hypers

132 Supers

98 Convenience

293 Meu Super

226 Well's

1. LEADING MARKET POSITION IN FOOD RETAIL MARKET, WITH BENCHMARK PROFITABILITY: FOOD FORMATS

Continente Hypers



- 41 stores (25 are anchored with leading shopping centres)
- Average 7.1 thous. sqm (total 290 thous. sqm)
- Price and diversity (~50 thous. SKUs)
- Profitable stationary and homeware areas
- Textiles < 15%

Continente Modelo



- 132 stores, typically located in medium sized population centres
- Average 2 thousand sqm (total 246 thous. sqm)
- # SKUs well above competitors
- Light bazaar representing less than 10% of sales (no textiles)

Continente Bom Dia



- 98 small, proximity / convenience food stores
- Average sales area of 1 thous. sqm (total 68 thous. sqm)
- Renewed concept based on quality and variety of fresh products, ideal for more frequent daily shopping
- Growth opportunity in large cities

Franchising format



- 293 franchised local food retail stores
- Convenience stores, located in residential areas: sales area between 150 sqm and 500 sqm

Health and Wellness



- 226 Parapharmacies, including beauty products, health and well-being care
- Eye glasses and additional services
- Healthy food Supermarkets
- 25 healthy food restaurants

Adjacent businesses



- 136 Coffee shops and small snack-bars
- Typically next to Sonae MC supers

43 stores:
Book shops,
stationery
and gifts

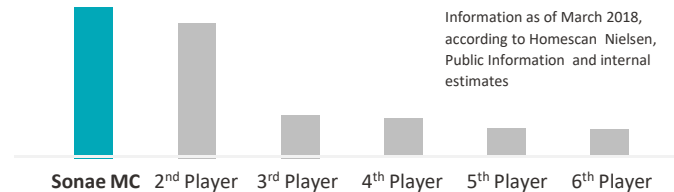
Sonae MC

Considered over the last 13 years as one of **the most trusted brands in Portugal** by consumers (survey “Trusted brands” carried out by Reader’s Digest)



1. LEADING MARKET POSITION IN FOOD RETAIL MARKET, WITH BENCHMARK PROFITABILITY: **COMPETITIVE ADVANTAGES**

Leadership in the Portuguese food retail market
(10% sales growth in 1Q18)



Continente Loyalty Card
(90% sales associated)



1 stop shopping (Hyper), combined with daily/proximity shopping offer (Bom dia) and convenience (e-commerce)

Stores efficiency with the implemented award winning Sonae continuous improvement system loW (Improving our Work)

Variety of products (# SKUs well above competitors)

Quality of private label (>25% FMCG sales)

E-commerce leadership in Portugal
Double digit growth with new services and platforms 1st dark store

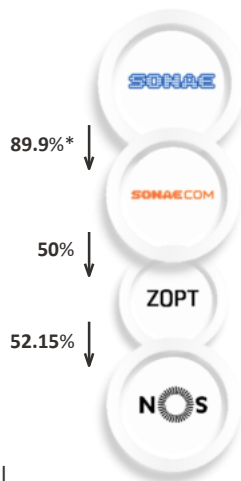
Unique expansion opportunity

Benchmark profitability

NOS

August 27th 2013:

ZON OPTIMUS
was created



On May 16th 2014,
NOS was launched,
a single brand for all
segments and for all
services, replacing ZON
OPTIMUS

* Voting rights

2. THE TELCO OPERATOR WITH HIGHEST TURNOVER GROWTH IN THE MARKET, AND CONTINUOUSLY IMPROVED PROFITABILITY

NOS strong operational trends are generating market share gains and improvements in the company's financial performance

Operating revenues increased 0.7% to €383 M, in 1Q18, maintaining the positive top line performance

EBITDA registered €147 M, improving 3% and corresponding to an EBITDA margin of 38.3%.

Net results grew by 3%, to €38 M

Free Cash Flow reached €34.9 M in 1Q18



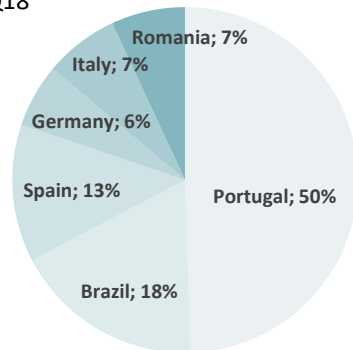
Following the merger between Optimus and Zon, and the subsequent creation of NOS, and since September 9th 2013, the day when new shares issued were listed, to May 18th 2018, **the company's market capitalisation has increased 8%**, corresponding to a share price increase from €4.27 to €4.62

SIERRA

- 50% JV with Grosvenor
- Stakes in 45 Shopping Centres
- **NAV INREV €1,441 M** (+0.6% vs 1Q18)

Sierra Brazil businesses operate autonomously and is focused on investing, developing and managing shopping centres in Brazil.

OMV breakdown 1Q18



3. SHOPPING CENTRES WITH PROVEN INTERNATIONAL BENCHMARK QUALITY AND SIERRA PURSUING ITS RECYCLING CAPITAL STRATEGY

IN 1Q18:

- **Occupancy rate** = 95.6%
- **Tenant sales** increased by 5.7% y.o.y. in Europe and increased by 4.8% y.o.y. in Brazil in local currency
- **Positive LfL sales growth in Europe, 4.2%, and 4.8% in Brazil**

Partially **recycle capital** from mature assets to other projects with **development potential**

- | | |
|---------------------------------------|--|
| 2012 Munster , Germany | 2015 Zubiarte , Spain |
| 2013 Parque Principado , Spain | 2016 Boavista , Brazil (total sale) |
| 2013 Valecenter , Italy | 2016 Loop 5 , Germany |
| 2013 Airone , Italy | 2016 AlgarveShopping , Portugal |
| 2014 Le Terraze , Italy | 2016 Estação de Viana Shopping , Portugal |
| 2014 La Farga , Spain | 2016 Luz del Tajo , Spain |
| 2015 Torre Colombo , Portugal | 2017 AlbufeiraShopping , Portugal (total sale) |
| (total sale) | 2017 CC Continente Portimão , Portugal (total sale) |
| | 2018 Serra Shopping , Portugal |

Sale of 25% of Sonae Sierra stake in Sierra Portugal Fund; Sierra retains a 22.5% stake in the Fund, continuing to manage both the Fund and the individual assets within it



ParkLake was opened in September 1st 2016 and is the first Sierra's development in Romania.

6 shopping centre developments in pipeline:

- Nuremberg (Germany)
- Zenata (Morocco)
- Málaga McArthurGlen Designer Outlet (Spain)
- Jardín Plaza Cucuta (Colombia)
- Norte Shopping and Colombo expansion (Portugal)

Already in 2018, a new project was announced in Parma, Italy, with construction works already started – JV with Impreza Pizzarotti represents an investment of €200M and 74k sqm of GLA

WORTEN

Aiming to build a leading Iberian omnichannel operation

Strongly believing that:

- There is value for Portugal in growing its Iberian presence (in Spain)
- Currently, the best solution for Spain is to further turnaround the operations

4. THE IBERIAN OMNICHANNEL ELECTRONICS PLAYER WITH TURNOVER OVER € 1 bn

Competitive advantages of the Portuguese operation:

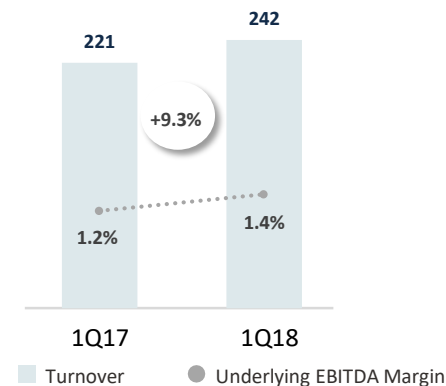
- Clear leader in the market Benchmark and profitable performance
- Omnichannel backbone with pick-up-in-store and store reservation options

The reality in Spain

- Lack of scale is preventing fixed cost dilution
- But most of store network is already productive (positive before central fees)
- New smaller stores have structurally better economics
- Canary Island stores are profitable

At YE17, Worten surpassed 1bi € sales for the first time, ending with €1,003 M (+10.2% y.o.y.). In FY17, Worten improved its EBITDA from €26 M to €34 M y.o.y., benefiting from better results in both Iberian geographies

Turnover and EBITDA evolution (€M)



Worten turnover reached €242 M in 1Q18, +9.3% y.o.y. supported by LfL sales growth of 8.8% and strong performance of the e-commerce. **Underlying EBITDA amounted to €3.3 M in 1Q18, +27.5% versus 1Q17, margin of 1.4%.**

Sonae S&F

SONAE FASHION

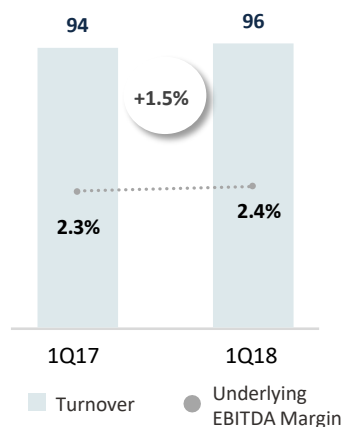
OWN STORES:

MO 111
Zippy 58
Salsa 80
Losan 9



5. FOCUS ON BUILDING COMPETENCIES TO REACH INTERESTING PROFITABILITY LEVELS IN SONAE S&F

1Q18 Turnover and Underlying EBITDA evolution (€M)



In 1Q18, Sonae Fashion turnover reached €96 M, increasing 1.5% y.o.y. and a LfL sales growth of 3.7%. A positive performance despite the unusual weather conditions that impacted the performance of the quarter.

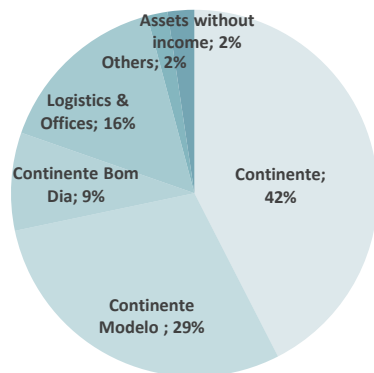
Regarding the FY17, S&F turnover corresponded to €365 M and underlying EBITDA of €16 M (excluding Sportzone), impacted by the positive contribution of all businesses in the original portfolio plus the effect of consolidation of Salsa.

* Salsa is a 50% Joint Venture

Sonae RP

NET ASSET VALUE
(1Q18) **908**
million euros

GROSS BOOK VALUE
(1Q18) **1,275**
million euros



Note: Information organised by anchor

6. CAPITAL GAIN ABOVE €150 M SALE & LEASEBACK TRANSACTIONS OVER THE LAST 6 YEARS

From **2010 to 2011** Sonae completed **8 sale & leaseback transactions**

Total Cash-In = **€159 M**
Total net asset value = **€101 M**

2014
4 SALE & LEASEBACK TRANSACTIONS
Total Cash-In = **€14.5 M**
Total net asset value = **€13.0 M**

2015
4 SALE & LEASEBACK TRANSACTIONS
Total Cash-In = **€184.7 M**
Total net asset value = **€132.0 M**

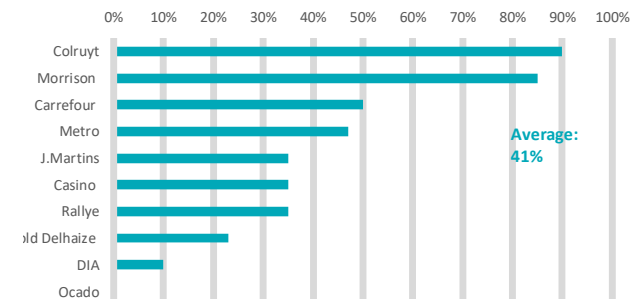
2016
4 SALE & LEASEBACK TRANSACTIONS
Total Cash-In = **€251.0 M**
Total net asset value = **€181.0 M**

2017
2 SALE & LEASEBACK TRANSACTIONS
Total Cash-In = **€37 M**
Total net asset value = **€25.0 M**

SONAE MC

47% freehold
(1Q18)

FOOD RETAIL % of space owned freehold



Sonae IM

Aims to build a robust portfolio of world class tech-based companies linked to retail, telco and cybersecurity leveraging on the strong expertise in the core businesses of Sonae.

7. THE TECH CORPORATE VENTURING ARM OF SONAE GROUP A PORTFOLIO COMPOSED BY OPERATING COMPANIES AND MINORITY STAKES

Operating Companies

Turnover €126 M
(as of FY17)



Minority Stakes



More than €70 M* cash invested with over €50 M cash-in from exits with excellent returns

- 4 Spinoffs
- 15 Acquisitions
- 4 Exits

Main goals

Financial returns as investments must be attractive on a standalone basis

Benefit Sonae businesses with leading technology players

Develop **critical competencies**

Identify key needs and **test innovative solutions**

Proximity with innovation driven ecosystem

* Since 2000

Sonae FS

THE RECENTLY
CREATED BUSINESS
UNITAIMED
AT FOSTERING
FINANCIAL SERVICES

* Managed in partnership with MasterCard and BNP Paribas Personal Finance, S.A., which recognises on its balance sheet the credit granted, as well as the responsibility for risk management

8. FINANCIAL SERVICES

Universo Card*



- Innovative open loop payment and loyalty card launched in Nov. 2015
- More than 637 thousand subscribers in a period of approximately 2 years
- Discounts platform for Portuguese families, including Sonae stores as well as the growing network of partners within the Continente loyalty program



ALL CARDS
MERGING INTO
ONE SINGLE CARD



VARIOUS PAYMENT
OPTIONS



CASHBACK
OF 1%



DISCOUNTS
OUTSIDE SONAE
UNIVERSE (GALP)



MDS Insurance Company

- Devoted to serving clients with insurance products and services that excel in efficacy, convenience and value
- Dominant presence in Portugal (largest broker) and in Brazil (top 5 brokers in the country)

Card Dá



A pre-paid card accepted in a network of more than 1,100 stores both in Portugal and Spain

Cross-selling over store credit



Cross-selling of credit insurance and personal loans to store credit customers

Continente Money Transfer



A service for money transfers across the globe at our stores, at the customer's convenience

KEY MESSAGES

SONAE

A long-living
family
controlled
company

- Sustainability
- Ethics
- Performance

1. A strong corporate culture with a clear mission and values in the DNA
2. A stable shareholder structure
3. Creating value through 3 transparent strategic pillars
4. Oriented by a multidisciplinary Board with independent directors
5. Group Senior Executives totally focused on their respective areas
6. Steadily growing shareholders remuneration
7. Strong Balance sheet supporting the businesses
8. Leading market positions in most of the formats



INVESTOR PRESENTATION

June 2018

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www.sonae.pt

Sonae is listed on the Euronext Stock Exchange. Information may also be accessed on Reuters under the symbol **SONP.IN** and on Bloomberg under the symbol **SONPL**

PREVIOUS EVENTS

2017

Jun 19th – 20th: Haitong Roadshow, Madrid
July 18th – 20th: Haitong Roadshow, NY
Sept 7th – 8th: BPI Iberian Conference, Cascais
Sept 27th -28th: Haitong Roadshow, Barcelona and Andorra
Oct 24th: JBCM Roadshow, Madrid
Nov 29th-30th: NY Roadshow

2018

Feb 7th: Madrid Roadshow
Feb 8th: Santander Conference, Madrid
March 26th -27th: Roadshow in London with BPI
April 10th: Roadshow Madrid with Haitong
Apr 18th – 19th: Roadshow NY (organized by Sonae)
May 22nd: Roadshow, Madrid (Caixabank BPI)

SAFE HARBOUR

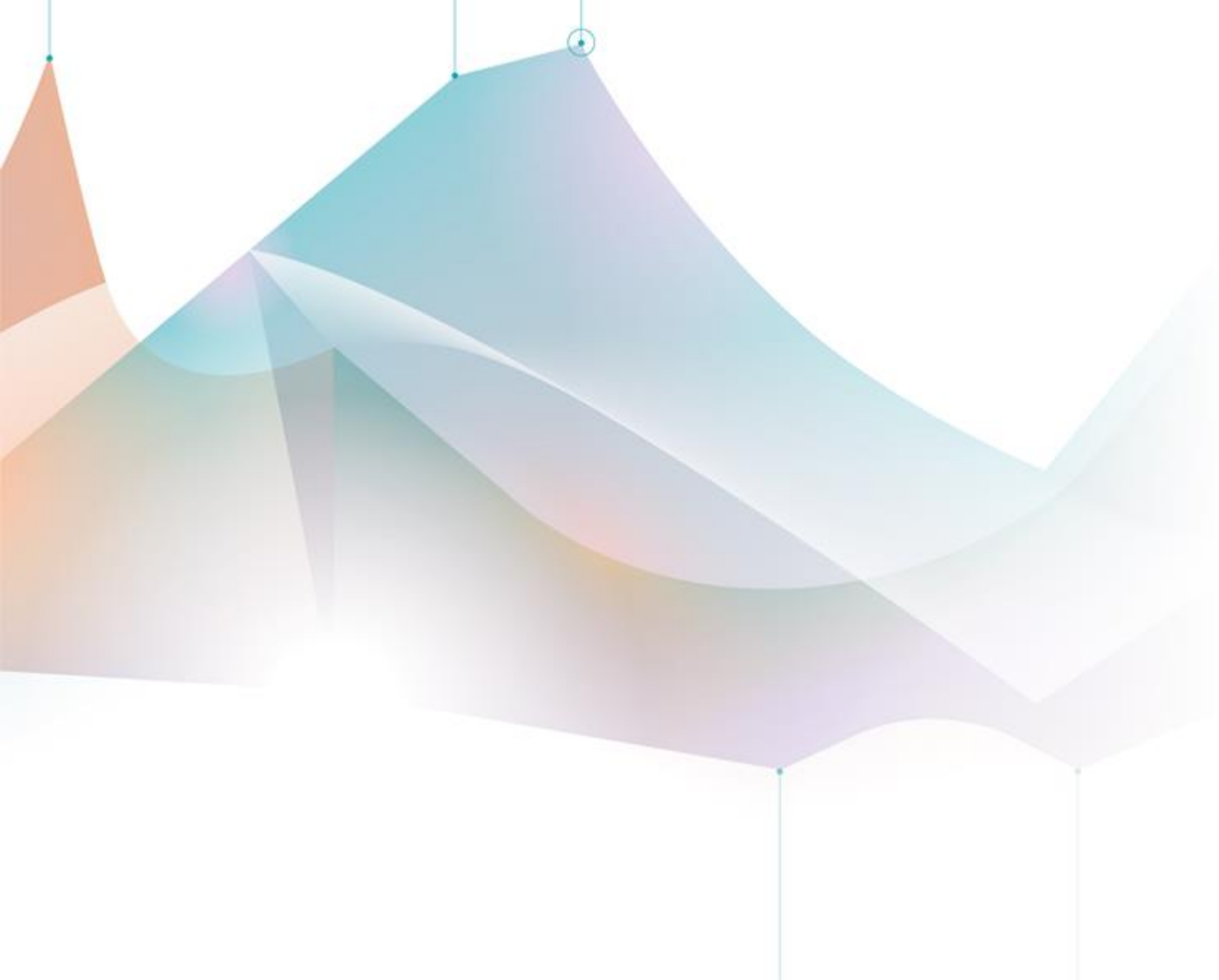
This document may contain forward-looking information and statements, based on management’s current expectations or beliefs. Forward-looking statements are statements that should not be regarded as historical facts

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as “believes”, “expects”, “anticipates”, “projects”, “intends”, “should”, “seeks”, “estimates”, “future” or similar expressions

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward- looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements

UPCOMING EVENTS

June 6th : Roadshow London (Santander)
June 13th – 14th: Roadshow NYC and Boston (organized by Sonae)
July 2nd – 4th date tbc: Nordics roadshow
Sept 6th – 7th: BPI Iberian Conference, Cascais
Sept. 25th – 27th date tbc: US roadshow
Oct 2nd: SocGen Conference, Paris
Oct. 23rd-24th date tbc: Madrid roadshow
Nov. 27th – 29th – date tbc: US roadshow
Dec. 11th - date tbc: ESN Conference London



Backup

Backup

GROUP STRUCTURE



Maxmat

note **ZU**

Dr.Well's **well's**

B-A-G-G-A **go natural**

CONTINENTE **Meat Super**

CONTINENTE **CONTINENTE**

worten **mobile**

worten

MO

LOSAN **ZIPPY**

Salsa **SPORT ZONE***

continuumsecurity

ARMILAR **ARCTIC WOLF** **secucloud**

S21 **brpx** **STYLE SAGE**

Inovretail **OMETRIA** **Probe.ly** **MoneyGram** **MDS Group**

bizdirect **saphety** **welbio** **universo** **Dca**

Purque D. Pedro

PARKLAKE **COLOMBO**

ALEXA **WARTESOPPIAT**

NOS

FOOD
RETAIL

ELETRONICS
RETAIL

SPORTS & FASHION
RETAIL

RETAIL
PROPERTIES

INVESTMENT
MANAGEMENT

FINANCIAL
SERVICES

RETAIL REAL ESTATE
DEVELOPER,
OWNER AND
MANAGER

TELCO

FULLY CONSOLIDATED

EQUITY CONSOLIDATED

* Sportzone, one of Sonae S&F's brands is part of the Iberian Sports Retail Group (Sonae holds a 30% stake)



SONAE

June 2018