SONAE

INVESTOR PRESENTATION

March 2018

01
SONAE HOLDING

Profile

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	80's	90's
Capital Markets		• 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 a controlling position** in **Tafisa** (wood panels) (1993)
M&A /Disposals	• **Acquisition** of **Novopan** (1971)	• **Acquisition of Star** (travel agency) (1989)	• **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)
Openings		• **Opening of the 1^{st} Hypermarket** in Portugal: Continente (1985 - Matosinhos) • **Opening of Sheraton Palácio Hotel** (1986) (currently Porto Palácio Hotel) • **Opening of the 1^{st} two Shopping Centres** built and managed by Sonae (1989 - Portimão and Albufeira)	
Holding Operations	• **Foundation of Sonae** - Sociedade Nacional de Estratificados (18^{th} August 1959) • **Belmiro de Azevedo** is hired (1965)		• Set up of **Sonae Tourism** (1994) • **Partnership** between **Sonae Sierra** and **Grosvenor** (1997)





HISTORY

	00's	2007 to 2009	2010 to 2012
Capital Markets	• **Sonae Sierra delisting** (2001) • **Spin-off** of **Sonae Indústria** (2005) • **Sonaecom takeover bid for PT and PT Multimédia** (2006)	• **Spin-off of Sonae Capital** (2007)	
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)	• **Acquisition** of **Carrefour Portugal** (2007) • **Disposal** of (i) **Contacto**, by Sonae Capital (2008) and (ii) **49.9% of MDS capital** to Suzano Group (2009)	• **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)
Openings			• **Acceleration of international expansion** of several brands (2010), like Zippy, Worten, Sport Zone, Berg, Deeply
Holding Operations		• **Paulo Azevedo** becomes the **CEO of Sonae** (2007)	• **Launching** of the **new corporate identity** (2010) • **Launching** of "**Obrigações Continente**", a €200 M bond issue available through a public subscription offer to retail investors (2012)

SONAE

HISTORY

	2013 and 2014	2015 to 2017
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	• **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)
Openings		• **Sonae Sierra** opens **ParkLake** Shopping Centre in Bucharest (2016) • **Sonae MC** opens 1st **supermarket specialized in healthy food** (2016)
Holding Operations	• Launch of **a convertible bonds offer** due in 2019 with a principal amount of € 210.5 M (2014)	• **Paulo Azevedo becomes Chairman and Co-CEO** of Sonae. **Ângelo Paupério is elected as Co-CEO** (2015)

GROUP STRUCTURE

PORTFOLIO OF BUSINESSES WITH LEADING POSITIONS IN EACH SECTOR

SONAE MC	100%	FOOD RETAIL
WORTEN	100%	ELETRONICS RETAIL
SONAE S&F	100%	SPORTS & FASHION RETAIL
SONAE RP	100%	RETAIL PROPERTIES
SONAE IM	26% a 89.9%	INVESTMENT MANAGEMENT
SONAE FS	100%	FINANCIAL SERVICES
SONAE SIERRA	50%	RETAIL REAL ESTATE DEVELOPER, OWNER AND MANAGER
NOS	23.4%	TELCO

FULLY CONSOLIDATED (SONAE MC to SONAE FS)

EQUITY CONSOLIDATED (SONAE SIERRA, NOS)

GROUP STRUCTURE

PORTFOLIO OF BUSINESSES WITH LEADING POSITIONS IN EACH SECTOR

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

SONAE

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

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

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 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, Sonae MC opened 26 additional Well's para-pharmacy and optic stores, increasing to a total of more than 220 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 m^2

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. On top of this, Salsa has also expanded 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 311 stores (204 of which are in Spain and the remaining 107 in Portugal).

Meu Super reaches 295 stores at the end of YE17

- 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 (7 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) Dag Skattum – Long-standing career in the financial sector, namely in capital markets and M&A advisory with JP Morgan and TPG. Currently Vice-Chairman of JPMorgan Chase EMEA.

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

(4) 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.

(5) 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.

(6) 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.

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

(8) 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.

(9) 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

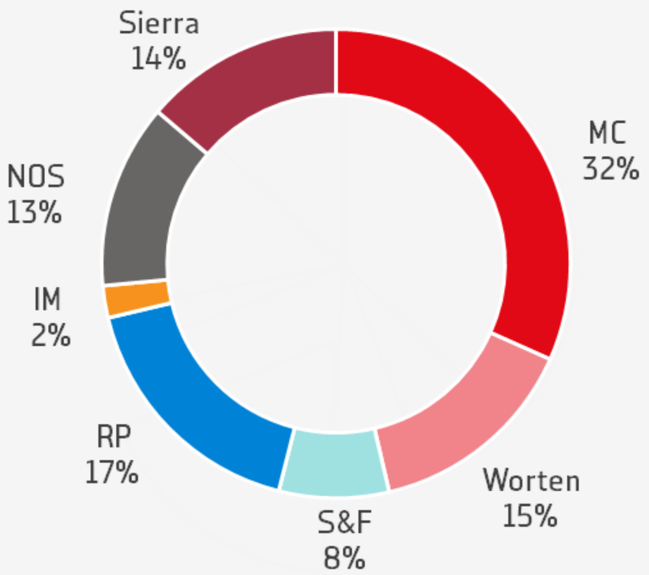
SONAE'S PORTFOLIO DIVIDED BY EV

A balanced portfolio of businesses spanning multiple sectors

€5,202 M EV

€3,988 M NAV
(as of FY17)

Sonae's EV split
(as of FY17)



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

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

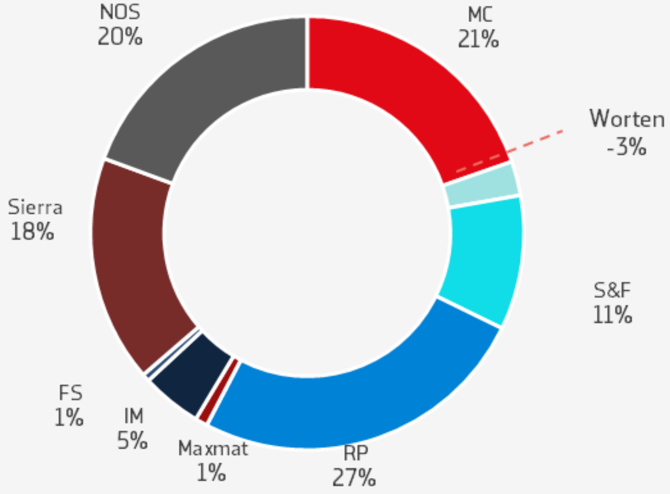
€3,248 M IC
(as of FY17)

Long-term target

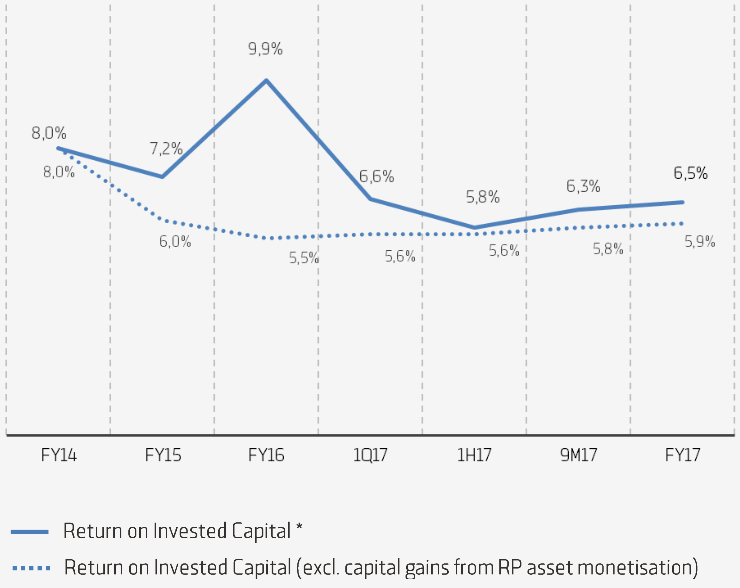
RoIC 11%

SONAE'S PORTFOLIO DIVIDED BY IC

Sonae's IC split
(as of FY17)



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)

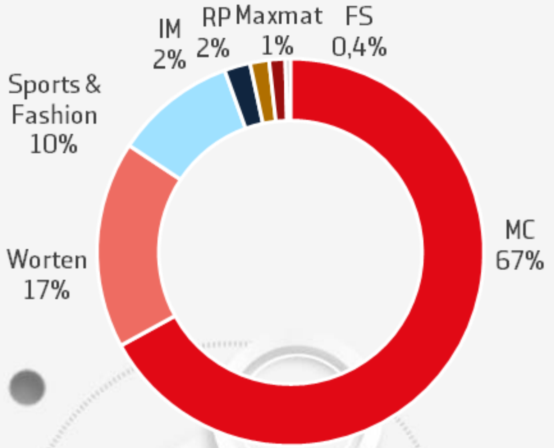
SONAE

03. CONSOLIDATED TURNOVER

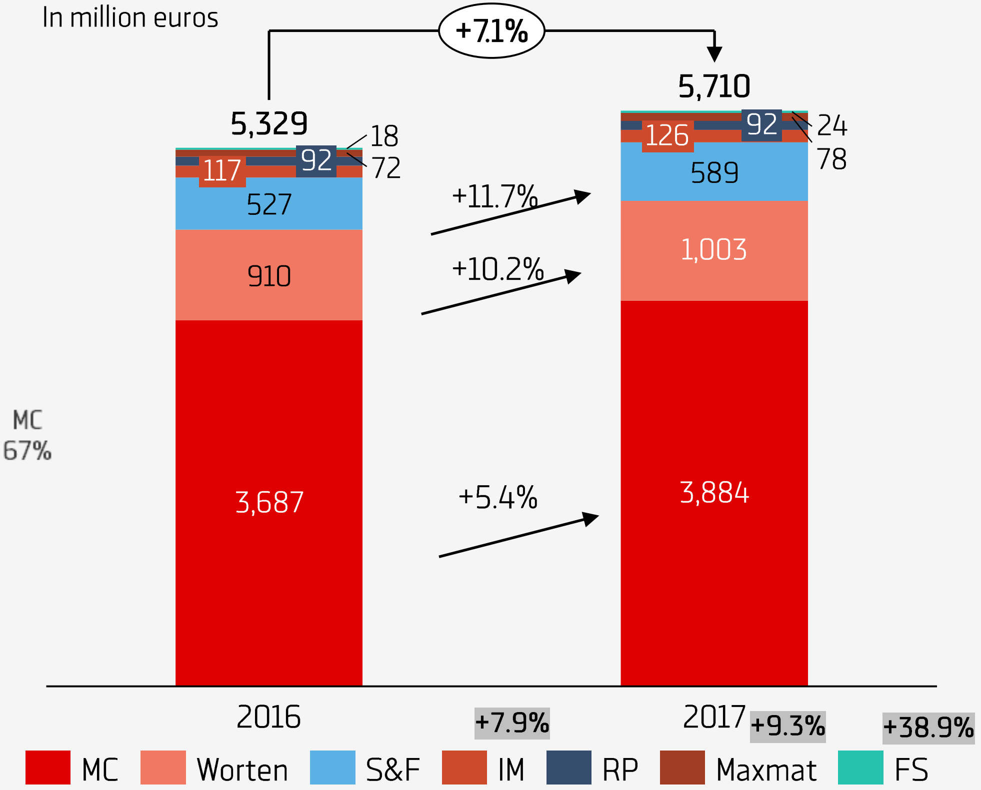
TURNOVER REACHED € 5,710 M IN FY17

Turnover breakdown (FY17)

% Total Turnover



In million euros



Sonae consolidated turnover increased by 7.1%

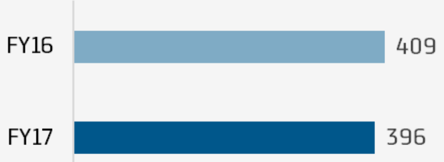
In FY17, benefiting from the positive performance of the all businesses

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

04. TOTAL EBITDA

EBITDA REACHED €396 M IN FY17

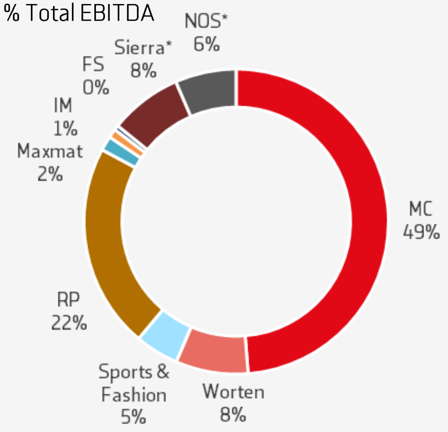
Total EBITDA (M€)

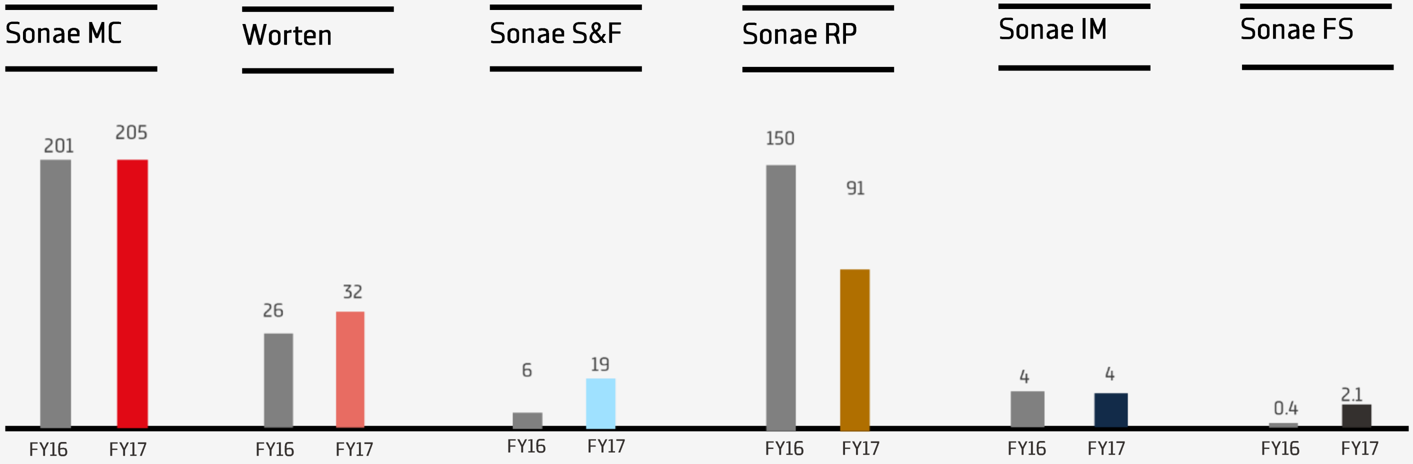


EBITDA decreased y.o.y driven by the positive impact, last year, of non-recurrent items, due to S&LB transactions, notwithstanding the higher underlying EBITDA and Equity method results in FY17

EBITDA breakdown (FY17)

% Total EBITDA





In million euros

*NOS and Sierra are consolidated by the equity method

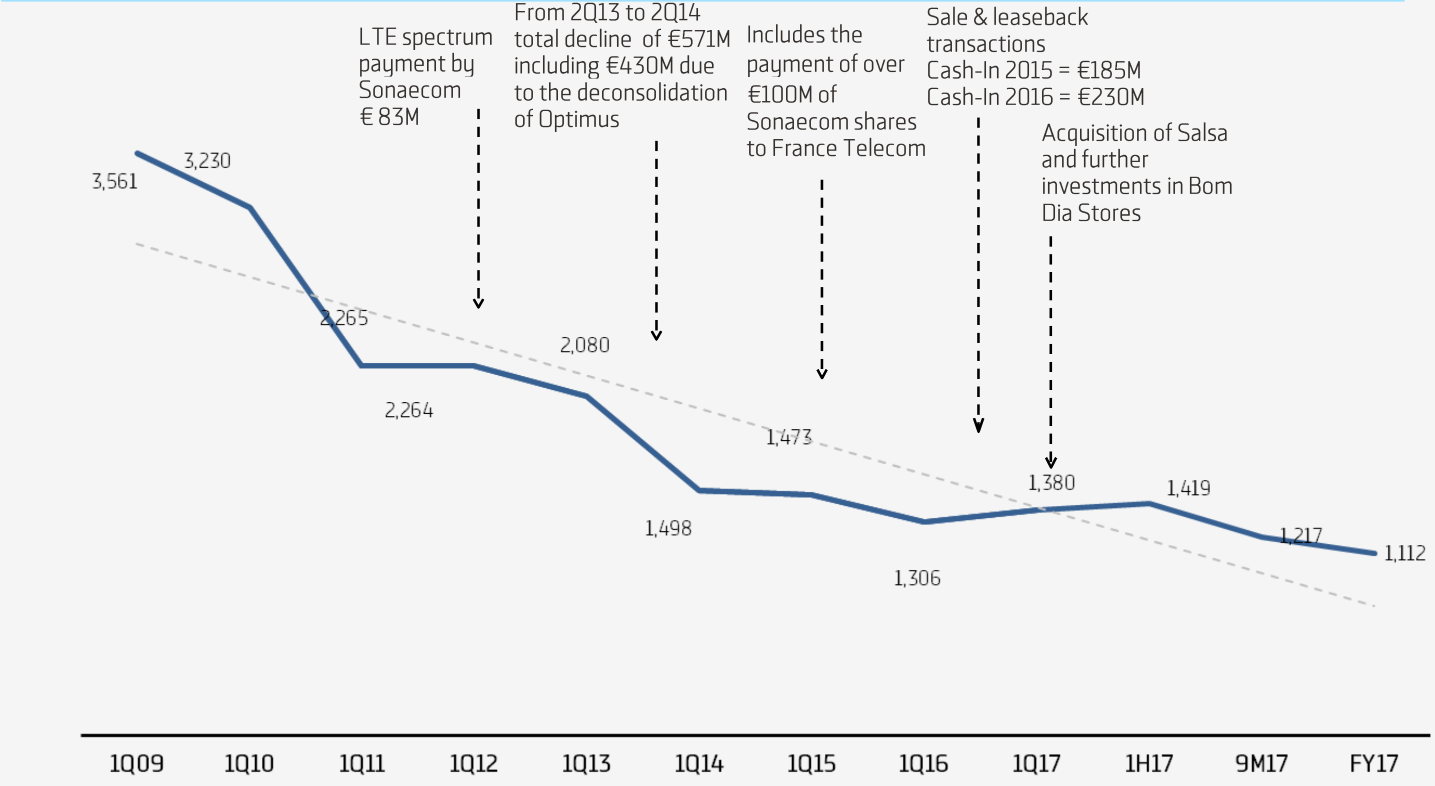
05. BALANCE SHEET

Refinancing needs for **next 18 months** already secured

Maturity profile is currently slighty above 4 years

Average **interest rate of outstanding debt continued to decrease and reached 1.3% in** 4Q17

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



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

SONAE

05. BALANCE SHEET

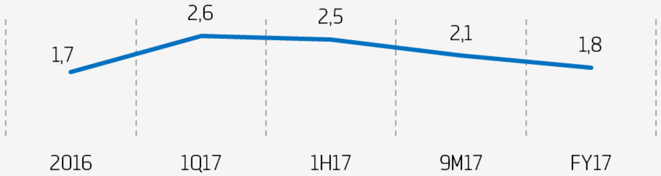
CAPITAL STRUCTURE

AN APPROPRIATE CAPITAL STRUCTURE

In each business
to support Activities and Investments

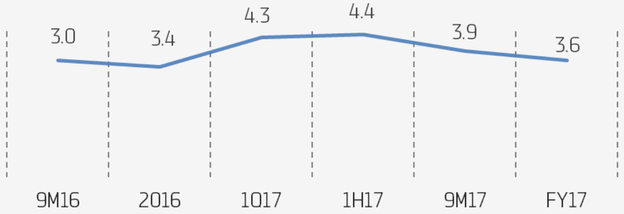
Retail Net Debt/ EBITDA

Long-term target: <3.0



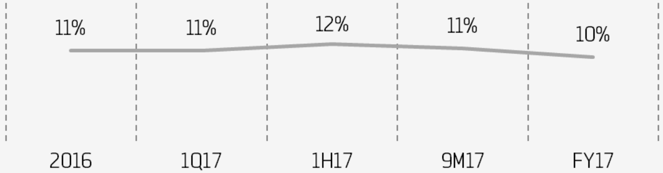
Retail Net Debt/ EBITDAR (1)

Long-term target: <3.5



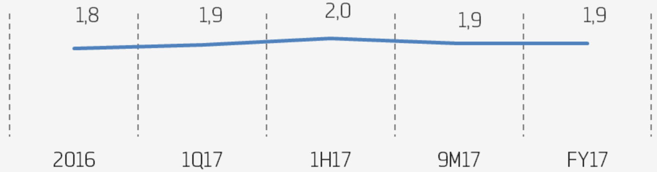
Holding Loan-to-Value (2)

Long-term target: <5%



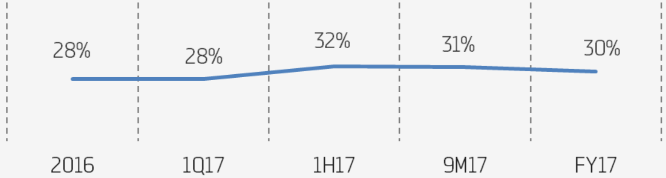
NOS Net Debt/EBITDA

Long-term target: 2.0



Sierra Loan-to-Value

Long-term target: 45%



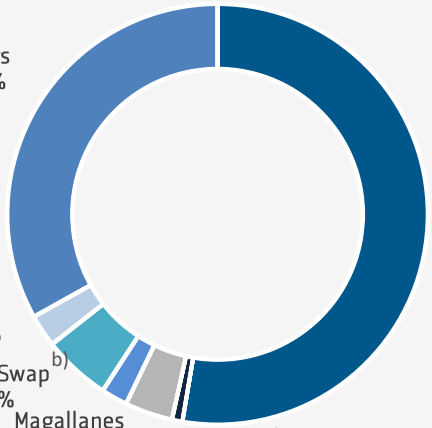
(1)[Moody's criterion]: (EoP net debt + 8x external rents LTM) / EBITDAR LTM
(2)Holding net debt as % of Sonae's gross asset value (Retail businesses @ market multiples, except for Worten and S&F SP (invested capital @ book value) + Sonae RP @ book value + Sonae IM equity value (@ book value; % share) + share of Sonae sierra NAV + share of Sonaecom market cap)

06. STABLE SHAREHOLDER STRUCTURE

Reference shareholder, **EFANOR**, a family holding company

EURONEXT

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

AVERAGE DAILY VOLUME

~3.8 million shares (FY17)

~4.2 million shares (ytd)

MARKET CAP

~2.1 billion euros (as of 22.03.2018)

07. SHAREHOLDER REMUNERATION

Steadily growing dividend payer to maintain an adequate shareholders remmuneration

STEADILY GROWING DIVIDEND

4.20 cents

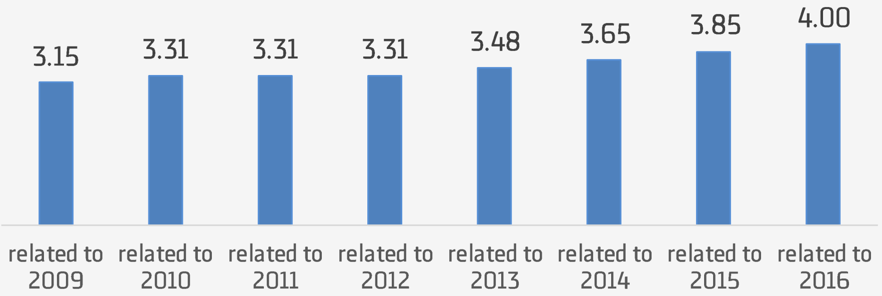
dividend per share to be proposed at the GSM

y.o.y. increase of 5%

Dividend yield 3.7%

64% payout ratio

Dividend per share evolution
(in € cents)



Dividend Yield	2.9%	4.2%	7.2%	4.8%	3.3%	3.6%	3.7%	4.6%
Payout ratio	33%	28%	43%	46%	57%	58%	60%	54%

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

€1.39 Analysts average price target*

24% discount when compared with share price as of 22.03.2018 (**€1.12**)

Share price performance

* Includes the last revised Price Target from Haitong, Caixabank BPI, Fidentiis 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

MC

41 Hypers
131 Supers
96 Bom Dia

295 Meu Super
222 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

- 131 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

- 96 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

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

Health and Wellness

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

Adjacent businesses

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

35 stores: Book shops, stationery and gifts

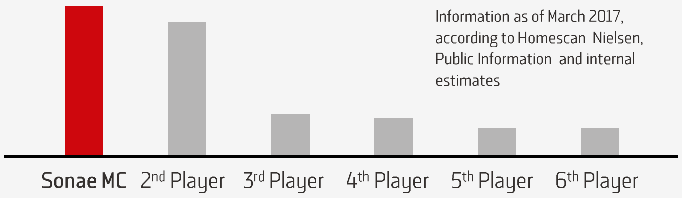
MC

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
(5.4% sales growth in FY17)



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 IoW (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

SONAE

89.9%*

SONAECOM

50%

ZOPT

52.15%

NOS

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

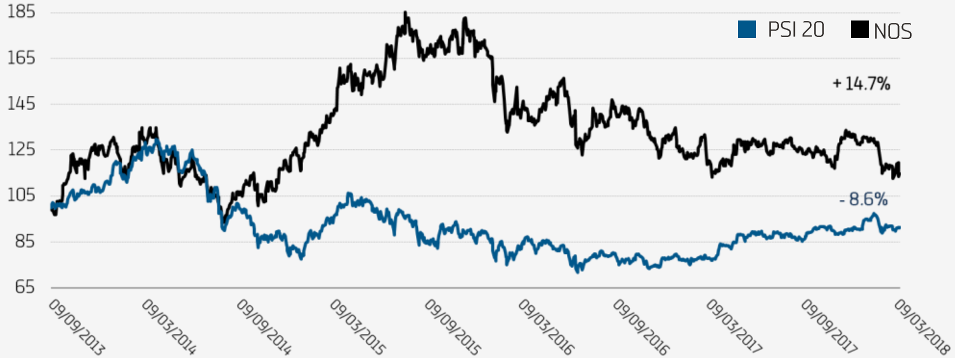
Operating revenues increased 3.1% to €1,562 M, in FY17, maintaining the positive top line performance

EBITDA registered €581 M, improving 4.3% and corresponding to an EBITDA margin of 37.2%.

Net results grew by 37.3%, to €124 M

Free Cash Flow reached €31 M in FY17, representing a material increase y.o.y.

ARPU continued to grow, reaching 44 euros in FY17, increasing 2.4%



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 March 15th 2018, **the company's market capitalisation has increased 14.7%,** corresponding to a **share price increase from €4.27 to €4.90**

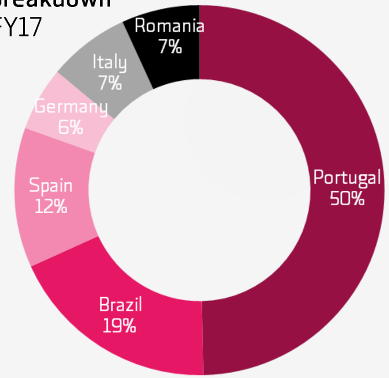
SONAE SIERRA

SIERRA

50% JV with Grosvenor
- Stakes in 47 Shopping Centres
- **NAV INREV €1,432 M** (+1% vs 2016)

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

OMV breakdown FY17



3.

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

IN FY17:
- **Occupancy rate** = 96.0%
- **Tenant sales** increased by 7.8% y.o.y. in Europe and increased by 12.6% y.o.y. in Brazil in local currency
- Positive LfL sales growth in Europe, 3.2%, and 6.8% in Brazil

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

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

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

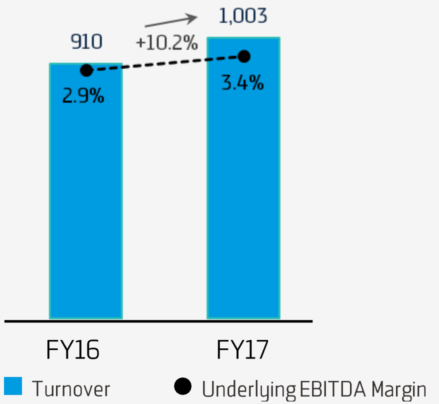
Competitive advantages of the Portuguese operation:

- 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

Turnover and EBITDA evolution (€M)



In FY17, Worten improved its EBITDA from €26 M to €34 M y.o.y., benefiting from better results in both Iberian geographies

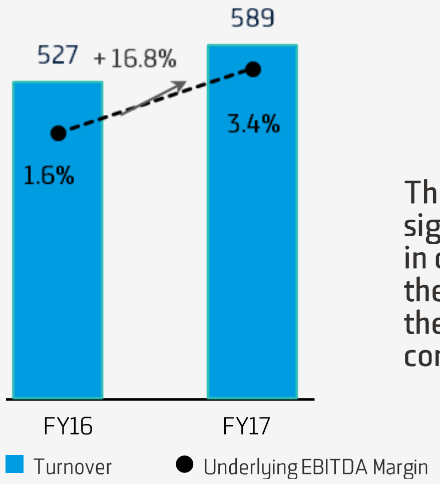
At YE17, Worten surpassed 1bi € sales for the first time, ending with €1,003 M (+10.2% y.o.y.)

SPORTS & FASHION

OWN STORES:
Sport Zone **138**
MO **108**
Zippy **58**
Losan **10**
Salsa **78**

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

Turnover and Underlying EBITDA evolution (€M)



The S&F underlying EBITDA improved significantly y.o.y. by almost €12 M in FY17 in comparison to 2016, to €20 M, driven by the positive contribution of all businesses in the original portfolio plus the effect of consolidation of Salsa.

Losan continues to be successfully integrated and Salsa* continues to grow

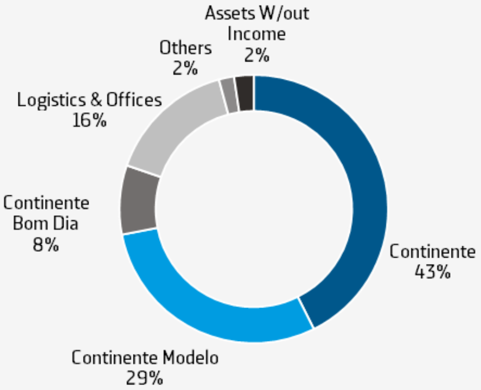
* Salsa is a 50% Joint Venture

SONAE RP

RP

NET ASSET VALUE (FY17)
903 million euros

GROSS BOOK VALUE (FY17)
1,266 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

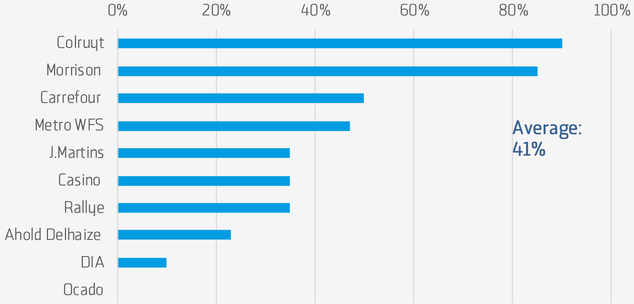
Total Cash-In = **€159 M**
Total net asset value = **€101 M**

2014	2015	2016	2017
4 SALE & LEASEBACK TRANSACTIONS	4 SALE & LEASEBACK TRANSACTIONS	4 SALE & LEASEBACK TRANSACTIONS	2 SALE & LEASEBACK TRANSACTIONS
Total Cash-In = **€14.5 M**	Total Cash-In = **€184.7 M**	Total Cash-In = **€251.0 M**	Total Cash-In = **€37 M**
Total net asset value = **€13.0 M**	Total net asset value = **€132.0 M**	Total net asset value = **€181.0 M**	Total net asset value = **€25.0 M**

SONAE MC

47% freehold
(FY17)

FOOD RETAIL
% of space owned freehold



SONAE IM

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)

WeDo technologies, S21sec, saphety, bizdirect, Inovretail, brpx Bright Pixel

Minority Stakes

Arctic Wolf, secucloud, StyleSage, Movvo, Probe.ly, Ometria, continuumsecurity

Armilar Venture Partners

FundI FundII FundIII

(which include)

outsystems, feedzai

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

FS

THE RECENTLY CREATED BUSINESS UNIT AIMED AT FOSTERING FINANCIAL SERVICES

8.
FINANCIAL SERVICES

Universo Card*

- Innovative open loop payment and loyalty card launched in Nov. 2015
- More than 600 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 programme

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 1,000 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

* 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

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

03

RECENT DEVELOPMENTS

SPORTS AND FASHION

COMBINATION OF:

- SPORT ZONE
- JD SPORTS
- JD SPRINTER

(in Iberia)

CREATION OF THE #2 IBERIAN SPORTS RETAIL GROUP - Iberian Sports Retail Group

OPERATION TOTALLY ALIGNED WITH SONAE'S STRATEGIC PILLARS

MoU signed on March 9th 2017

Contract signed on September 14th 2017 (subject to conditions precedent)

Completion on January 31st 2018

JD Group, Sonae and the family shareholder of JD Sprinter as shareholders

(with a participation of 50%, 30% and 20% aprox.)

Combined turnover over €500 M

(estimated for FY17)

More than 300 stores across Iberia

- Leading Iberian Sports player
- Stronger customer proposition
- Expected to generate further scale, momentum and resources to continue JD's, Sport Zone's and Sprinter's current growth momentum
- Expected to increasingly achieve economies of scale, reaching attractive profitability levels
- Benefiting from all shareholder's geographic and sector know-how

HEALTHY NUTRITION

Western Europe

A SEGMENT WITH A VERY HIGH GROWTH POTENTIAL

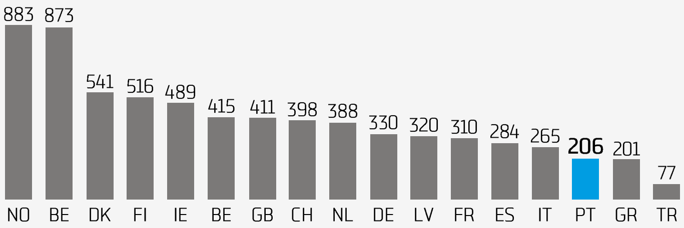
Germany and UK are the markets with higher healthy food consumption

Finland is the country with the highest healthy food consumption per capita

Some players have already achieved a relevant size, both in terms of sales as well as in the number of stores

A considerable part of this growth was achieved during the last 5 years

Healthy nutrition consumption
(€ Per Capita)

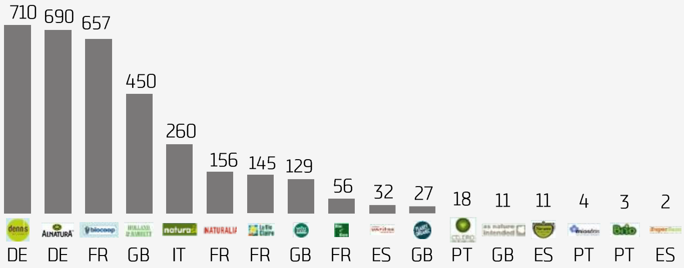


Total market consumption (in million euros)

NO	BE	DK	FI	IE	BE	GB	CH	NL	DE	LV	FR	ES	IT	PT	GR	TR
4.6	4.8	3.0	5.0	2.3	4.7	26.5	3.2	6.5	26.7	2.7	19.8	13.2	16.1	2.1	2.2	5.9

Source: Euromonitor (information as of 2015)

Specialised food retailers sales
(in million euros)



Number of stores (2015)

DE	DE	FR	GB	IT	FR	FR	GB	FR	ES	GB	PT	GB	ES	PT	PT	ES
180	100	382	740	195	130	245	9	93	28	7	35	6	22	1	5	12

- One-stop-shops with large size (>400 sqm)
- Consumer health small stores (<250 sqm)
- One-stop-shops with small size (<400 sqm)

HEALTH AND WELLNESS

DENTAL AND AESTHETIC MEDICINE CLINICS

A NEW STEP TAKEN IN THE SEGMENT OF HEALTH AND WELLNESS

1st Dr. Well's clinic in Combo Shopping Centre, in Lisbon (May 2017)

2nd Dr. Well's clinic in Gaia Shopping, in Great Porto area (Oct. 2017)

3rd Dr. Well's clinic in Av Roma, in Lisbon (Dec. 2017)

4th Dr. Well's clinic (only dental clinic) in Amadora , Lisbon (Jan. 2018)

5th Dr. Well's clinic in Matosinhos, Porto (Mar. 2018)

Clinics specialised in dental and aesthetic medicine, consolidating its investment in providing a democratised access to quality health care services in Portugal

Providing quality, improvement and preventive health care services, relying on specialised medical teams and treatments with benchmark equipment

INVESTOR PRESENTATION

March 2018

CONTACTS:

Patrícia Vieira Pinto
Head of Investor Relations

Tel.: + 351 22 010 4794

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

May 24th: Equita European Conference, Milan
Jun 12th – 13th: Fidentiis Roadshow, London
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

UPCOMING EVENTS

2018

April 10th: Roadshow Madrid
Apr 17th – 19th: Roadshow, US
May 22nd – 23rd: Roadshow, Madrid
Jun: (date tbc) Roadshow London
Sept 6th – 7th: BPI Iberian Conference, Cascais
Oct 2nd: SocGen Conference, Paris

SAFE HARBOUR