

SONAE

1ST HALF RESULTS 2015

The SONAE logo is located in the bottom left corner. It consists of the word "SONAE" in a stylized, blocky font where each letter is composed of a grid of small blue and white dots. The logo is positioned over a large, light green circular graphic that features a white outline of a smaller circle in the center. The background of the entire page is white, with large, overlapping circular shapes in shades of blue, green, and grey that create a dynamic, abstract design.

1 HIGHLIGHTS and CEO's message

- MC strengthened its promotional activity impacting profitability whilst maintaining a benchmark EBITDA margin of 5.3% in 1H15
- SR improved sales per sqm by 4.4%, with a positive contribution in particular from Sport Zone and Worten Spanish operations
- RP concluded sale and leaseback transactions amounting to €185 M
- Sonae Sierra improved direct results by 22% and more than doubled indirect results
- NOS improved the positive operating momentum increasing revenues by 2.6% and EBITDA by 1.1% y.o.y.

“In the 1st half of 2015, important steps were taken in the pursuit of Sonae’s strategy, at the same time as very positive results were achieved globally, although reflecting different realities in respect to the performance of our businesses.

In the food sector, which is experiencing an extraordinarily intensive competitive phase, Sonae MC has been fine-tuning its value proposition, with immediate impacts on profitability, which nonetheless, still remains at levels clearly above the levels of the market.

Sonae SR continued to increase its sales per square metre and showed a significant improvement in the Spanish market both in Worten and in Sport Zone, in contrast to the performance of the fashion division, which has not reached the goals expected for the Spring/Summer collection.

Sonae RP concluded asset sale transactions amounting to €185 M with relevant capital gains, and approaching the target set for the level of assets owned in which our brands operate.

Sonae Sierra’s good performance should also be highlighted, both at the level of direct and indirect results, the latter benefiting from a reduction in yields, already visible in Portugal.

In parallel, NOS has also presented operating indicators and financial results that surprise by the speed at which they have reached the best expectations resulting from the merger.

Lastly, it should be noted that the continuous strengthening of Sonae’s balance sheet, driven by the combination of the debt reduction, the increase of its maturity and the reduction of its cost, allows us to face new investment opportunities and fuel our growth ambitions.”

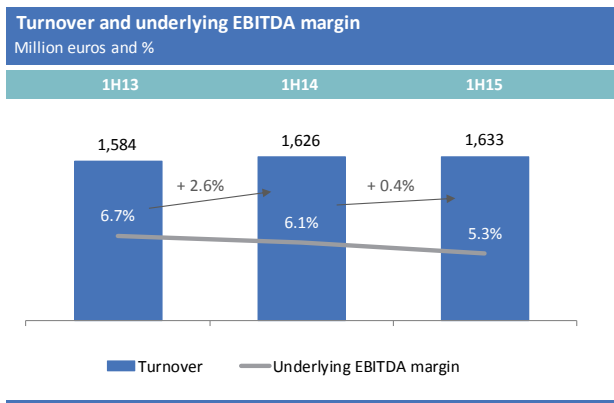
Ángelo Paupério, Co-CEO of Sonae

Following the merger between Zon and Optimus and its report using the equity method, we decided to change the way we report our results to the market by separating each business, in order to obtain more transparency between the segments: 1) Sonae Retail: Sonae MC, Sonae SR and Sonae RP; 2) Sonae IM, including Software and Systems Information and Público businesses from Sonaecom; 3) Sonae Sierra; and, 4) NOS.

2 SONAE RETAIL RESULTS

Sonae MC

Turnover and underlying EBITDA						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover	1,626	1,633	0.4%	839	839	0.1%
Lfl sales %	-1.3%	-1.8%	-0.5 p.p.	-0.3%	-2.4%	-2.1 p.p.
Underlying EBITDA	100	86	-13.5%	65	53	-18.0%
Underlying EBITDA margin	6.1%	5.3%	-0.8 p.p.	7.7%	6.3%	-1.4 p.p.



Sonae MC turnover stood at €1,633 M, growing 0.4% when compared to 1H14. The turnover performance benefited from sales area expansion, as Sonae MC ended the semester with 2 more food retail own stores.

Most importantly, the franchising format is rapidly expanding, with all businesses, namely Meu Super, Well's, Bom Bocado and note! contributing positively. The number of Meu Super stores reached 162 and represented a sqm increase of 9.9% in the semester. Through the Meu Super stores, Sonae MC is increasing its convenience store presence using a capital light approach model.

Sonae MC underlying EBITDA totalled €86 M in 1H15, corresponding to an **underlying EBITDA margin** of 5.3%. The Portuguese food retail sector continued to be marked by very high levels of promotional activity, a pattern that has been occurring across all players.

Aimed at maintaining its market leadership, **Sonae MC** continued to focus on offering the best value proposal of the market: presenting the lowest prices with high quality standards, running promotions, offering benefits through the loyalty card that can also be used outside Continente with other partners, like Galp, where agreements are in place, and seeking innovative and convenient solutions for its customers.

The promotional activity supported by the Continente loyalty card continues to be a distinctive competitive advantage, with sales using the card representing in 1H15 more than 90% of total sales.

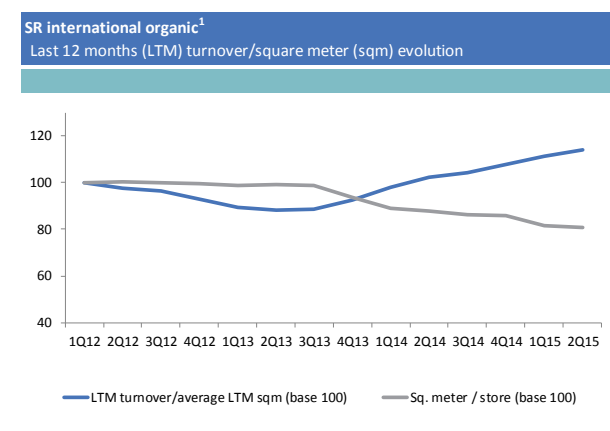
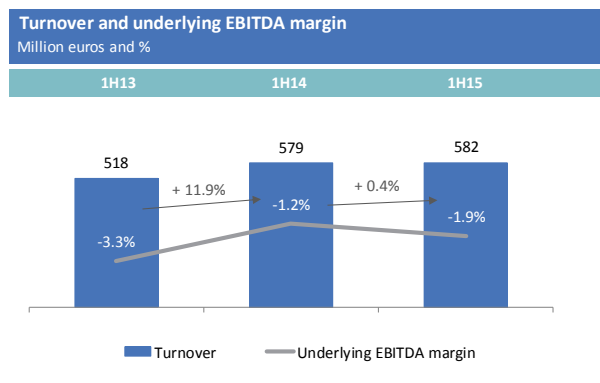
Some of the most important milestones of the 1H15 are as follows:

- In April 2015, Continente launched a campaign to celebrate 30 years since the establishment of the first hypermarket store in Matosinhos;
- online sales, despite having a modest position in consolidated figures, continued their increasing trend, growing 11% between 1H14 and 1H15;
- the partnership between the Continente and Galp has been improved so that both companies now share the same loyalty card;
- Continente was voted, in April 2015, for the 13th consecutive year as a Brand of Trust by Reader's Digest, further proving the brand's commitment towards gaining its clients' trust.

2 SONAE RETAIL RESULTS (cont.)

Sonae SR

Sonae SR per geographic area						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover million €	579	582	0.4%	288	283	-1.7%
Portugal	409	403	-1.5%	208	200	-4.0%
International	170	179	5.1%	79	83	4.4%
LfL sales %	8.5%	-0.2%	-8.7 p.p.	10.8%	-3.0%	-13.8 p.p.
Portugal	9.3%	-1.3%	-10.6 p.p.	12.6%	-4.5%	-17.1 p.p.
International	5.6%	3.0%	-2.6 p.p.	3.8%	2.5%	-1.3 p.p.
EBITDA million €	-7	-11	-61.2%	-2	-7	-169.9%
Portugal	10	5	-56.3%	7	2	-72.0%
International	-17	-16	10.1%	-9	-8	8.5%
EBITDA margin %	-1.2%	-1.9%	-0.7 p.p.	-0.8%	-2.3%	-1.5 p.p.
Portugal	2.6%	1.1%	-1.4 p.p.	3.3%	0.9%	-2.3 p.p.
International	-10.2%	-8.7%	1.5 p.p.	-11.6%	-10.1%	1.4 p.p.



¹ Includes online sales.

Sonae SR turnover reached €582 M in 1H15, an increase of 0.4% when compared to 1H14 and corresponding to a negative 0.2% growth on a LfL basis. The turnover was negatively impacted by a decrease of 1.5% in the Portuguese business, which was more than off-set by the 5.1% increase in the International unit. In Portugal, the weak season in the fashion division, mostly due to the spring-summer collections, had a significant impact on turnover.

Sonae SR own stores total area was reduced by almost 12 thousand sqm since the 2014 year-end, including 10 thousand sqm in the Spanish market. Importantly, despite the area reduction, Sonae SR was able to maintain turnover level, thus improving sales per sqm.

Sonae SR continued the roll-out of new store concepts, investing in product development and implementing the omni-channel experience. The new store concepts have confirmed their success, contributing to better customer service and high levels of satisfaction.

In 1H15, **underlying EBITDA** totalled negative €11 M, which translates into an **underlying EBITDA margin** of -1.9%. As regards the profitability of the businesses, the Portuguese business reached €5 M and the International unit negative €16 M. It should be noted that operating costs were negatively affected by adverse exchange-rate effects related to raw-materials purchased in dollars.

Some of the most significant milestones in 1H15 are as follows:

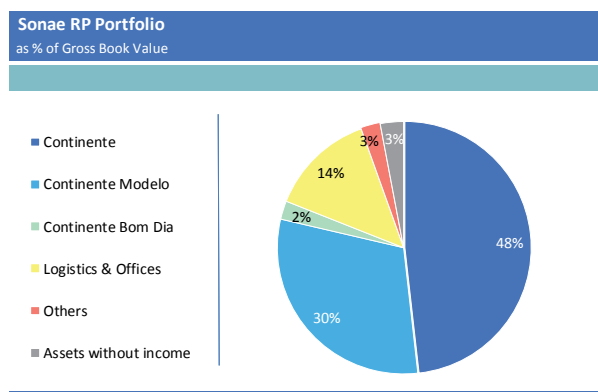
- continuous growth in consolidated online sales, supported by e-commerce platforms in all businesses;
- consolidated LfL sales growth of 1% at **Sport Zone**;
- y.o.y. market share growth of 40 basis points (bps) at **Worten** in Portugal;
- although still at a very early stage, **Worten** Spain has continued to show positive signs of recovery. In addition to all measures that have been implemented, Worten has recently started a rebranding operation, more appropriate to the company's positioning in this market;
- the growth of "capital light" formats, with the establishment, in June 2015, of 2 MO stores in Saudi Arabia. This extends the presence of MO brand to four countries, besides Portugal, and marks the entry of the brand into the Middle East region, where Sonae SR is already present with Zippy.

2 SONAE RETAIL RESULTS(cont.)

Sonae RP

Turnover and underlying EBITDA						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover	63	64	2.0%	31	32	1.2%
Underlying EBITDA	57	58	2.4%	28	29	2.0%
Underlying EBITDA mg.	90.1%	90.4%	0.3 p.p.	90.5%	91.2%	0.7 p.p.

In 1H15, **Sonae RP turnover** grew 2.0%, to €64 M. The **underlying EBITDA** amounted to €58 M, corresponding to an **underlying EBITDA margin** of 90.4%, growing 30 bps when compared to 1H14. The **EBIT ROCE** stood at 12%.



At the end of June 2015, the **net book value of the capital invested** in retail real estate assets totalled €1.045 bn.

Sonae continued the strategy of monetising its real estate assets, while also maintaining adequate operational flexibility. The company completed in 1H15 four sale and leaseback transactions, with a total amount of €185 M, with an estimated capital gain of €40 M. Notwithstanding the completion of these transactions, Sonae RP continues to be focused on monetising additional assets.

Sonae MC ended 1H15 with a freehold of 63%. Despite still being above the industry average, Sonae MC freehold is now much closer to the target set - in line with the industry average. As regards Sonae SR, the freehold stood at 29% in 1H15.

Sonae Retail Capex

Capex per business				
Million euros				
	1H14	1H15	y.o.y.	% of turnover 1H15
Sonae Retail	73	109	48.6%	4.8%
Sonae MC	40	50	24.8%	3.0%
Sonae SR	26	30	13.3%	5.1%
Sonae RP	7	30	-	46.2%
Underlying EBITDA - Capex	76	24	-68.3%	-

During the 1H15, **Sonae retail units** invested €109 M, as follows:

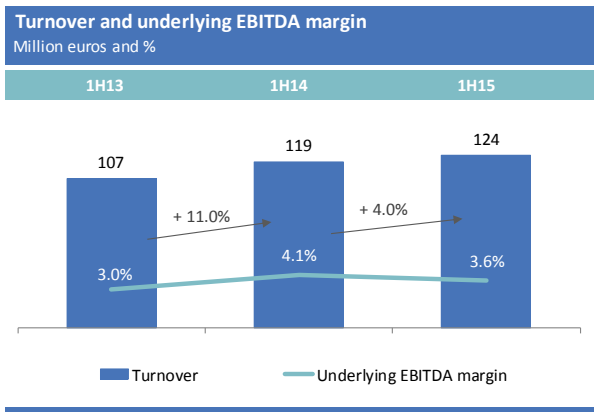
- €50 M by **Sonae MC**, €10 M above 1H14;
- €30 M by **Sonae SR**, a €3 M increase when compared to 1H14; and,
- €30 M by **Sonae RP**, €22 M above 1H14.

3 SONAE IM RESULTS

Sonae IM portfolio	
Software and Systems Information unit from Sonaecom	
WeDo Technologies	Bizdirect
Saphety	S21Sec
Retail technology	
Tlantic	Movvo
Partnerships	
MDS	GeoStar
Maxmat ¹	Público

¹⁾ Sonae holds 50% of Maxmat and adopts the full consolidation method to report its results.

Turnover and underlying EBITDA						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover	119	124	4.0%	64	64	0.0%
Underlying EBITDA	5	5	-7.1%	3	3	-9.7%
Underlying EBITDA mg.	4.1%	3.6%	-0.4 p.p.	4.3%	3.9%	-0.4 p.p.



During 1H15, **Sonae IM turnover** stood at €124 M, increasing 4.0% when compared to the same period of 2014. The turnover performance benefited from the positive contribution of the SSI division, which grew its turnover by 18.0%² in 1H15. **Sonae IM underlying EBITDA** amounted to €5 M, which translates into an **underlying EBITDA margin** of 3.6%.

Some of the most important SSI milestones in 1H15 are as follows:

- **WeDo Technologies** acquired 5 new international telco customers and 3 new customers in Portugal in the energy and healthcare sectors, reflecting once more the company's growth in the enterprise business assurance market;
- **Bizdirect** increased turnover by 14% in 1H15. The company has benefited from the recent improvement in the IT hardware and software market, coupled with its positive performance in the new solutions area;
- **Saphety** commercial activity evolved positively during this semester, with the acquisition of 193 new customers, and recorded significant improvements both in turnover and profitability;
- **S21Sec** is undergoing a turnaround process and has some relevant achievements in 1H15. The company has recently signed a memorandum of understanding with Europol - it is the first Spanish company to do so - which includes exchanging expertise and cooperation in combating online fraud.

In the retail technology division:

- **Tlantic** increased turnover by 22% y.o.y., which resulted in a clear EBITDA improvement;
- **Movvo** continued to invest in client acquisition. The indoor tracking technology successfully increased the number of retail and shopping centre clients.

Regarding the performance of Sonae IM partnerships in 1H15, we would like to highlight the following:

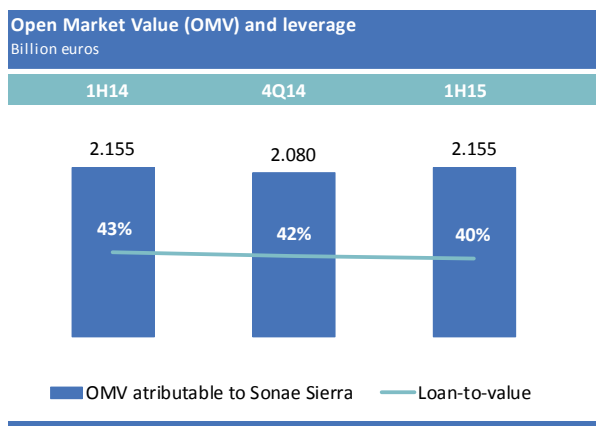
- **MDS** increased turnover and profitability when compared to 1H14, mostly driven by the activity in Brazil (despite the unfavourable currency impact);
- **Maxmat** registered a LfL sales growth of 4%, notwithstanding the unfavourable competitive environment;
- **GeoStar** turnover increased y.o.y., fuelled by the leisure segment. It should be noted that in May 2015, Sonae acquired the 50% stake from RAR in GeoStar, thus becoming the sole shareholder in the company.

² Excluding 1H14 Mainroad contribution.

4 SONAE SIERRA RESULTS

Operational indicators			
	1H14	1H15	y.o.y.
Footfall million visitors	200	211	5.3%
Europe & New Markets	147	159	7.8%
Brazil	53	52	-1.6%
Occupancy rate %	94.7%	95.8%	1.2 p.p.
Europe	95.4%	95.9%	0.5 p.p.
Brazil	92.4%	95.5%	3.1 p.p.
Like-for-Like tenant sales			
Europe	3.5%	2.8%	-0.7 p.p.
Brazil (local currency)	7.8%	7.3%	-0.5 p.p.
Tenant sales million euros	2,044	2,081	1.8%
Europe (million euros)	1,382	1,404	1.6%
Brazil (million euros)	661	676	2.3%
Brazil (million reais)	2,081	2,235	7.4%
Nº of shopping centres owned/co-owned EoP	47	46	-1
Europe	37	36	-1
Brazil	10	10	0
GLA under management '000 sqm	2,208	2,422	9.7%
Europe & New Markets	1,689	1,900	12.5%
Brazil	519	522	0.6%

Financial indicators						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover	109	108	-0.5%	55	53	-3.6%
EBITDA	51	51	-1.0%	26	24	-4.6%
EBITDA margin	47.1%	46.9%	-0.2 p.p.	46.2%	45.8%	-0.5 p.p.
Direct results	22	27	22.3%	10	12	20.4%
Indirect results	26	52	103.0%	26	54	111.4%
Net results	48	79	66.0%	36	67	85.4%
... attributable to Sonae	24	40	66.0%	18	33	85.4%



During 1H15, Sonae Sierra was able to consolidate the trends observed during 1Q15. **Tenant sales** increased €37 M, 1.8% y.o.y, totalling €2,081 M, supported by a positive performance both in Europe and Brazil. In Europe, **tenant sales** increased 1.6% when compared to 1H14, reaching €1,404 M and corresponding to a **LfL tenant sales** increase of 2.8%, driven by the improved macroeconomic conditions. In Brazil, **total tenant sales** improved 7.4% in local currency y.o.y..

Confirming once more the quality of Sonae Sierra's assets, the **occupancy rates** continued to improve, reaching 95.8% in 1H15, growing approximately 120 bps y.o.y.. This was a result of the positive occupancy rate evolution both in Europe and in Brazil. In Europe, the **occupancy rate** totalled 95.9%, thanks to Sonae Sierra's performance in terms of property management and also due to the improved macroeconomic conditions. Regarding Brazil, the **occupancy rate** improved from 92.4% in 1H14, to 95.5% in 1H15, mainly supported by the shopping malls opened in 2013, notwithstanding the worsened macroeconomic situation.

Despite the improved occupancy rate indicators, **turnover** stood at €108 M, representing a slight decrease of 0.5% when compared to 1H14, impacted by the sale of assets in 2014 and the adverse exchange rate effect concerning the Brazilian Real and the Euro. The **EBITDA** stood at €51 M, less 1.0% when compared to 1H14, and corresponding to an **EBITDA margin** of 46.9%.

Direct results amounted to €27 M, €5 M above 1H14 and **indirect results** stood at €52 M, doubling in comparison to 1H14, benefiting from the assets valuation which occurred in 1H15 (as Sonae Sierra values its assets on a semi-annual basis).

Finally, **net results** totalled €79 M, growing 66.0% versus the same period of 2014.

On 30th June 2015, the **OMV (Open Market Value)** attributable to **Sonae Sierra** was €2.155 bn, €75 M above the 2014 year-end, supported by the positive valuations of Sonae Sierra's assets. The **NAV (Net Asset Value)** reached €1.2 bn at the end of 1H15, €47 M above December 2014, due to the net results of the period, notwithstanding the adverse exchange rate in the Brazilian assets and the dividend distribution effects.

The **loan-to-value** continued its decreasing trend, remaining at the conservative level of 40% in 1H15.

5 NOS RESULTS

Financial Indicators						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Operating revenues	682	700	2.6%	345	356	3.2%
EBITDA	264	266	1.1%	134	139	3.6%
EBITDA margin	38.6%	38.1%	-0.6 p.p.	38.7%	38.9%	0.2 p.p.
Net results	44	47	8.3%	18	24	30.7%
Capex	145	197	35.4%	89	102	15.5%
EBITDA - Capex	118	70	-41.0%	45	36	-19.8%
Recurrent Capex	125	141	12.8%	72	72	0.7%
EBITDA-Recurrent Capex	139	126	-9.4%	62	66	7.0%

NOS published its 1H15 results on July 28th 2015, which are available at www.nos.pt.

NOS operating revenues stood at €700 M in 1H15, growing 2.6% y.o.y., supported by its strong operating performance.

EBITDA reached €266 M, increasing 1.1% when compared to 1H14 and representing a 38.1% **EBITDA margin**.

Recurrent CAPEX amounted to €141 M in 1H15, an increase of 12.8% y.o.y.. As a consequence of EBITDA and CAPEX evolution, **EBITDA-Recurrent CAPEX** decreased 9.4%.

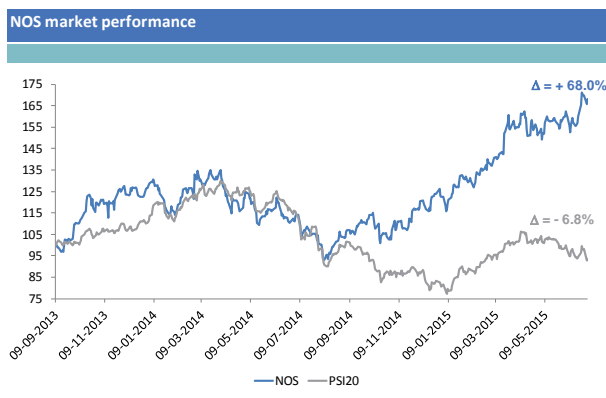
Net financial debt to EBITDA stood at 2.1x at the end of June 2015 and the average maturity of the company's net financial debt reached 3.8 years.

Operational Indicators						
'000						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Total RGUs net adds	83	400	-	80	248	-
Convergent RGUs net adds	795	590	-25.8%	452	249	-45.0%
Mobile net adds	154	218	41.8%	109	131	20.4%
Pay TV net adds	-44	26	-	-19	14	-
Convergent RGUS	1,008	2,443	142.5%	1,008	2,443	142.5%
Convergent customers	202	510	152.8%	202	510	152.8%
ARPU/Unique subscriber with fixed access euros	37	42	12.2%	38	42	12.2%

NOS continued to show a very strong KPI performance throughout 1H15.

Convergent customers stood at 510 thousand, more than doubling in comparison to 1H14 and representing 2.4 million RGUs.

ARPU grew 12.2% y.o.y., to 42 euros, driven by the success of convergent residential offers.



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 June 30th 2015, the company's market capitalisation has grown 68%, corresponding to a share price increase from €4.27 to €7.17.

The PSI20, the main Portuguese index, decreased its market capitalisation 6.8% in the same period.

6 OVERALL PERFORMANCE

Consolidated results						
Million euros						
	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Sonae MC	1,626	1,633	0.4%	839	839	0.1%
Sonae SR	579	582	0.4%	288	283	-1.7%
Sonae RP	63	64	2.0%	31	32	1.2%
Sonae IM	119	124	4.0%	64	64	0.0%
E&A ⁽¹⁾	-81	-74	8.4%	-42	-35	15.7%
Turnover	2,306	2,329	1.0%	1,180	1,183	0.3%
Sonae MC	100	86	-13.5%	65	53	-18.0%
Sonae SR	-7	-11	-61.2%	-2	-7	-169.9%
Sonae RP	57	58	2.4%	28	29	2.0%
Sonae IM	5	5	-7.1%	3	3	-9.7%
E&A ⁽¹⁾	-1	-6	-	0	-5	-
Underlying EBITDA	154	132	-14.2%	94	73	-22.3%
Underlying EBITDA margin	6.7%	5.7%	-1.0 p.p.	7.9%	6.1%	-1.8 p.p.
Equity method results ⁽²⁾	20	24	21.4%	9	12	27.7%
o.w. S. Sierra (direct results)	11	13	22.2%	5	6	19.9%
o.w. NOS	9	11	21.0%	4	6	45.0%
Non-recurrent items	-2	35	-	-2	35	-
EBITDA	172	191	11.1%	101	119	18.2%
EBITDA margin	7.4%	8.2%	0.7 p.p.	8.5%	10.1%	1.5 p.p.
D&A ⁽³⁾	-87	-88	-1.3%	-44	-43	2.4%
EBIT	85	103	21.3%	57	76	34.2%
Net financial activity	-38	-36	5.2%	-18	-18	-0.4%
EBT	47	67	42.4%	39	58	50.1%
Taxes	-1	-11	-	-2	-8	-
Direct results ⁽⁴⁾	45	56	23.5%	37	50	35.4%
Indirect results	6	43	-	4	27	-
Net income	52	99	91.3%	41	78	87.0%
Non-controlling interests	1	-2	-	1	-1	-
Net income group share	52	97	84.8%	42	77	82.1%

(1) Eliminations & adjustments;

(2) Equity method results: includes direct income related to investments consolidated by the equity method (mainly Sonae Sierra and NOS);

(3) Depreciations & amortizations including provisions & impairments;

(4) Direct results before non-controlling interests.

In 1H15, **consolidated turnover** reached €2,329 M, representing a growth of 1.0% when compared to 1H14 and benefiting from the positive performance of all Sonae's businesses.

The **underlying EBITDA** totalled €132 M, corresponding to an **underlying EBITDA margin** of 5.7%.

The **EBITDA** stood at €191 M, which includes the contributions of:

- (i) underlying EBITDA, amounting to €132 M;
- (ii) equity method results of €24 M, comprising of Sonae Sierra direct results, as well as NOS contribution; and,
- (iii) non-recurrent items of €35 M, driven mostly by the sale and leaseback operations completed in the period.

Driven by the combination of a lower net debt and a lower cost of debt, **net financial activity** improved by 5.2% y.o.y., totalling negative €36 M in 1H15. It should be noted that financial results are only related to retail and investment management divisions.

Direct results amounted to €56 M, growing 23.5% y.o.y., benefiting from the higher EBITDA and the lower net financial activity, notwithstanding the higher D&A and taxes.

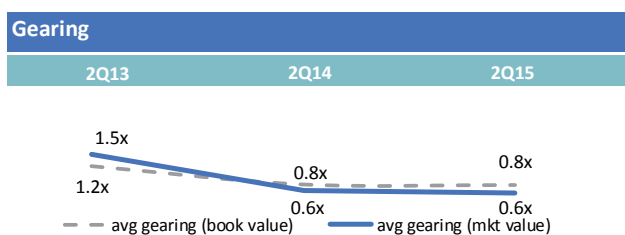
Indirect results reached €43 M, increasing materially y.o.y.. This was mostly driven by NOS mark to market effect, as well as by non-cash movements related to the revaluation of Sonae Sierra assets, carried out on a semi-annual basis.

As a result of direct and indirect results, **net income attributable to the group** reached €97 M, a value that compares with €52 M in 1H14.

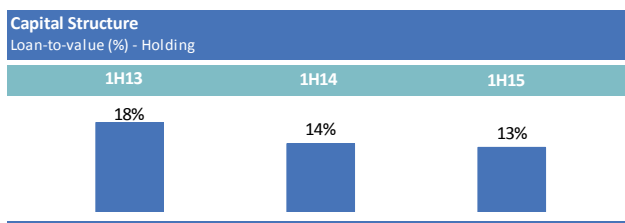
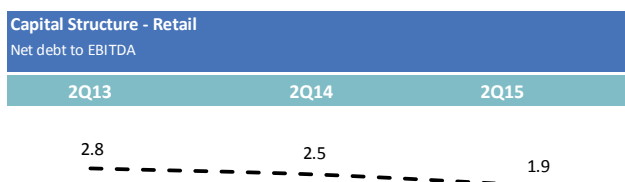
7 CAPITAL STRUCTURE

Net invested capital			
Million euros			
	1H14	1H15	y.o.y.
Net invested capital	3,218	3,249	1.0%
Technical investment	2,012	1,903	-5.4%
Financial investment	1,245	1,330	6.8%
Goodwill	612	609	-0.5%
Working capital	-652	-593	9.0%
Total shareholders funds	1,730	1,836	6.1%
Total net debt⁽¹⁾	1,487	1,413	-5.0%
Net debt / Invested capital	46.2%	43.5%	-2.7 p.p.

(1) Financial net debt + net shareholder loans.



Net debt			
Million euros			
	1H14	1H15	y.o.y.
Financial net debt	1,470	1,403	-4.6%
Retail units	945	757	-19.9%
Sonae IM	42	45	6.4%
Holding & other	483	601	24.5%
Total net debt	1,487	1,413	-5.0%



In 1H15, **total shareholders' funds** stood at €1,836 M, €106 M above the same period of 2014.

Sonae continued to present a robust balance sheet, reaching an average book value gearing of 0.8x in 1H15. Average gearing at market value stood at 0.6x, maintaining the level registered in 1H14.

Total net debt reached €1,413 M in 1H15, decreasing €75 M when compared to the same period of 2014.

Sonae continues to be highly focused on increasing the average maturity of its debt, at the same time as it optimises the cost of funding. In June 2015, Sonae completed a €100 M bond issue with a maturity of 7 years. The average interest rate of the outstanding credit facilities continued the decreasing trend and reached 2.8% at 1H15 and, more importantly, the company has already covered all financing needs for the credit facilities maturing in 2015 and 2016.

In 1H15, **retail financial net debt** reduced €188 M to €757 M, benefiting from the cash in resulting from the sale and leaseback transactions completed during the semester. Retail total net debt to EBITDA reached 1.9 at the end of 1H15, clearly demonstrating Sonae's robust capital structure.

As regards the **holding net debt**, it stood at €601 M, being impacted by the payment of Sonaecom shares to FT, in August 2014. The **loan-to-value** ratio of the holding decreased from 14% in 1H14, to 13% in 1H15, thus registering a conservative level.

8 CORPORATE INFORMATION

Main corporate events in 2Q15

In the Annual General Assembly which took place on **April 30th 2015**, the company's shareholders approved, amongst other items, the distribution of a gross dividend per share, relative to the 2014 financial year, in the amount of 0.0365 euros, 5% above the dividend distributed in the previous year. This dividend corresponds to a dividend yield of 3.6%, based on the closing price as at December 31st 2014, and to a payout ratio of 58% of the consolidated direct income attributable to equity holders of Sonae.

On **May 25th 2015**, Bestinver Gestión, SA SGIIC informed Sonae about the change of its qualified shareholding at Sonae's capital to 2.44%, in place since May 18th.

On **June 9th 2015**, Sonae completed a bond issue of €100 M, with a maturity of 7 years. This operation allowed Sonae to increase the average maturity of its debt and strengthen its capital structure.

On **June 25th 2015**, Sonae informed the market about the conclusion, on that same day, of the sale and leaseback transaction of the property where Sonae MC operates its Continente hypermarket located in Colombo shopping centre. This transaction totaled €53.6 M and is related to an asset with a net book value of €40.4 M. In addition, on **June 29th 2015**, Sonae announced the sale and leaseback transaction of 12 food retail assets located in Portugal. This transaction totaled €105.9 M and is related to assets with an estimated net book value of €74.8 M. These two transactions, together with the transactions already completed in April 2015, amounted to €184.7 M, corresponding to assets with an estimated net book value of €132.0 M.

9 ADDITIONAL INFORMATION

Methodological notes

The consolidated financial information contained in this report was prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The financial information regarding quarterly and semi-annual figures was not subject to audit procedures.

Glossary

CAPEX	Investments in tangible and intangible assets and investments in acquisitions.
Direct results	Results excluding contributions to indirect results.
(Direct) EBIT	Direct EBT - financial results.
EBITDA	Underlying EBITDA + equity method results (Sonae Sierra direct results and NOS) + non-recurrent items.
EBITDA margin	EBITDA / turnover.
(Direct) EBT	Direct results before non-controlling interests and taxes.
Eliminations & adjustments	Intra-groups + consolidation adjustments + contributions from other companies not included in the identified segments.
EoP	End of period.
Free Cash Flow (FCF)	EBITDA - operating CAPEX - change in working capital - financial investments - financial results - income taxes.
Financial net debt	Total net debt excluding shareholders loans.
FMCG	Fast-Moving Consumer Goods.
Gearing (book value)	The average of the last four quarters considering, for each quarter, total net debt (EoP) / total shareholders' funds (EoP).
Gearing (market value)	The average of the last four quarters considering, for each quarter, total net debt (EoP) / equity value considering the closing price of Sonae shares on the last day of each quarter.
GLA	Gross Lettable Area: equivalent to the total area available to be rented in the shopping centres.
Indirect results	Includes Sonae Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and (iv) provision for assets at risk. Additionally and concerning Sonae's portfolio, it incorporates: (i) impairments in retail real estate properties; (ii) reductions in goodwill; (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in the process of being discontinued/repositioned); (iv) results from mark to market methodology of other current investments that will be sold or exchanged in the near future; and (v) other non-relevant issues.

Investment properties	Shopping centres in operation owned by Sonae Sierra.
Liquidity	Cash & equivalents + current investments, excluding the 2.14% participation at NOS.
Like for Like sales (Lfl)	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods.
Loan to value (LTV) - Holding	Holding net debt / investment portfolio gross asset value; gross asset value based on market multiples, real estate NAV and market capitalisation for listed companies.
Loan to value (LTV) - Shopping Centres	Net debt / (investment properties + properties under development).
LTM	Last twelve months.
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities.
Net debt	Bonds + bank loans + other loans + financial leases + shareholder loans - cash, bank deposits, current investments, excluding the 2.14% participation at NOS, and other long-term financial applications.
Net invested capital	Total net debt + total shareholders' funds.
Other income	Dividends.
Other loans	Bonds, leasing and derivatives.
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by independent international entities.
Return on Invested Capital (RoIC)	EBIT (LTM) / net invested capital.
Return on equity (ROE)	Total net income n (equity holders) / shareholders' funds n-1 (equity holders).
RGU	Revenue generating unit.
Technical investment	Tangible assets + intangible assets + other fixed assets - depreciations and amortisations.
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method (Sonae MC, Sonae SR, Sonae RP and Sonae IM).

Number of stores and sales area

	N. of stores						Sales area ('000 sqm)					
	31 Dec 2014	stores opened	M&A	banner changed	stores closed	30 June 2015	31 Dec 2014	stores opened and refurbished	M&A	banner changed	stores closed	30 June 2015
Sonae MC	640	44	0	0	-11	673	639	10	0	0	-2	646
Company operated ⁽¹⁾	478	8	0	0	-4	482	595	5	0	0	0	600
continente	40	0	0	0	0	40	284	0	0	0	0	284
continente modelo	121	0	0	0	0	121	241	0	0	0	0	241
continente bom dia	41	2	0	0	0	43	42	3	0	0	0	45
well's	147	2	0	0	-3	146	13	2	0	0	0	15
bom bocado	102	2	0	0	0	104	6	0	0	0	0	6
note	20	2	0	0	0	22	6	0	0	0	0	6
other ⁽²⁾	7	0	0	0	-1	6	4	0	0	0	0	4
Franchising	162	36	0	0	-7	191	43	5	0	0	-2	46
continente modelo	7	0	0	0	0	7	17	0	0	0	0	17
meu super	140	29	0	0	-7	162	25	4	0	0	-2	27
well's	9	4	0	0	0	13	1	0	0	0	0	1
bom bocado	4	1	0	0	0	5	0	0	0	0	0	0
note	2	2	0	0	0	4	0	0	0	0	0	0
Sonae SR	595	19	0	0	-24	590	398	3	0	0	-15	385
Company operated ⁽¹⁾	522	7	0	0	-10	519	377	0	0	0	-12	365
Electronics	228	2	0	0	-5	225	199	-1	0	0	-8	190
Portugal	181	1	0	0	-1	181	123	-1	0	0	0	122
worten	139	0	0	0	0	139	121	-1	0	0	0	120
worten mobile	42	1	0	0	-1	42	1	0	0	0	0	1
Spain	47	1	0	0	-4	44	76	0	0	0	-8	68
worten	47	1	0	0	-4	44	76	0	0	0	-8	68
Sports	111	2	0	0	-2	111	101	1	0	0	-3	99
Portugal	77	0	0	0	0	77	64	0	0	0	0	64
sport zone	77	0	0	0	0	77	64	0	0	0	0	64
Spain	34	2	0	0	-2	34	36	1	0	0	-3	34
sport zone	34	2	0	0	-2	34	36	1	0	0	-3	34
Fashion	183	3	0	0	-3	183	78	0	0	0	-1	77
Portugal	146	0	0	0	0	146	67	-1	0	0	0	66
mo	108	0	0	0	0	108	55	-1	0	0	0	54
zippy	38	0	0	0	0	38	13	0	0	0	0	12
Spain	35	3	0	0	-3	35	10	1	0	0	-1	10
zippy	35	3	0	0	-3	35	10	1	0	0	-1	10
Turkey	2	0	0	0	0	2	1	0	0	0	0	1
zippy	2	0	0	0	0	2	1	0	0	0	0	1
Franchising	73	12	0	0	-14	71	20	3	0	0	-3	20
Electronics	4	0	0	0	0	4	2	0	0	0	0	2
Portugal	4	0	0	0	0	4	2	0	0	0	0	2
worten	4	0	0	0	0	4	2	0	0	0	0	2
Sports	4	2	0	0	0	6	2	1	0	0	0	3
Portugal	3	1	0	0	0	4	2	0	0	0	0	2
sport zone	3	1	0	0	0	4	2	0	0	0	0	2
Other countries ⁽³⁾	1	1	0	0	0	2	0	0	0	0	0	1
sport zone	1	1	0	0	0	2	0	0	0	0	0	1
Fashion	65	10	0	0	-14	61	17	2	0	0	-3	15
Portugal (mo)	5	0	0	0	0	5	1	0	0	0	0	1
Other countries	60	10	0	0	-14	56	15	2	0	0	-3	14
zippy ⁽⁴⁾	47	7	0	0	-9	45	10	1	0	0	-2	9
mo ⁽⁵⁾	13	3	0	0	-5	11	5	1	0	0	-1	4

(1) Includes Joint-Ventures;

(2) Includes outlet;

(3) Includes Spain and India;

(4) Includes Turkey, Saudi Arabia, Egypt, Kazakhstan, Azerbaijan, Dominican Republic, Malta, United States, Venezuela, Morocco, Lebanon, Qatar, St. Maarten, Jordan, Armenia, Chile, Georgia, Ecuador and Kurdistan;

(5) Includes Spain, Malta, Bulgaria, Mozambique and Saudi Arabia.

Consolidated Profit and Loss Account

Consolidated profit and loss account						
Million euros	1H14	1H15	y.o.y.	2Q14	2Q15	y.o.y.
Turnover	2,306	2,329	1.0%	1,180	1,183	0.3%
Underlying EBITDA	154	132	-14.2%	94	73	-22.3%
Underlying EBITDA margin	6.7%	5.7%	-1.0 p.p.	7.9%	6.1%	-1.8 p.p.
EBITDA	172	191	11.1%	101	119	18.2%
EBITDA margin	7.4%	8.2%	0.7 p.p.	8.5%	10.1%	1.5 p.p.
Depreciations & amortizations ⁽¹⁾	-87	-88	-1.3%	-44	-43	2.4%
EBIT	85	103	21.3%	57	76	34.2%
Net financial activity	-38	-36	5.2%	-18	-18	-0.4%
Other items ⁽²⁾	0	0	-	0	0	-
EBT	47	67	42.4%	39	58	50.1%
Taxes	-1	-11	-	-2	-8	-
Direct results	45	56	23.5%	37	50	35.4%
Indirect results ⁽³⁾	6	43	-	4	27	-
Net income	52	99	91.3%	41	78	87.0%
Non-controlling interests	1	-2	-	1	-1	-
Net income group share	52	97	84.8%	42	77	82.1%

(1) Includes provisions, impairments, reversion of impairments; (2) dividends; (3) Includes: (i) Sonae's Sierra indirect income contribution; (ii) NOS mark to market effect; (iii) other asset provisions for possible future liabilities in non-core and/or discontinued operations and (iv) non-cash impairments for operational assets.

Consolidated Statement of Financial Position

Consolidated statement of financial position			
Million euros	1H14 ⁽¹⁾	1H15	y.o.y.
TOTAL ASSETS	5,374	5,215	-2.9%
Non current assets	3,995	3,893	-2.6%
Tangible and intangible assets	2,011	1,897	-5.7%
Goodwill	612	609	-0.5%
Other investments	1,207	1,263	4.6%
Deferred tax assets	143	96	-33.2%
Others	21	27	29.0%
Current assets	1,378	1,322	-4.1%
Stocks	536	564	5.3%
Trade debtors	84	79	-6.0%
Liquidity	409	346	-15.4%
Others	349	333	-4.7%
SHAREHOLDERS' FUNDS	1,730	1,836	6.1%
Group share	1,567	1,696	8.2%
Attributable to minority interests	163	140	-14.1%
LIABILITIES	3,643	3,379	-7.3%
Non-current liabilities	1,651	1,206	-26.9%
Bank loans	386	335	-13.1%
Other loans	1,035	698	-32.5%
Deferred tax liabilities	134	91	-32.3%
Provisions	38	32	-14.9%
Others	58	50	-15.2%
Current liabilities	1,993	2,173	9.0%
Bank loans	219	118	-46.0%
Other loans	254	609	139.5%
Trade creditors	914	922	0.9%
Others	606	524	-13.5%
SHAREHOLDERS' FUNDS + LIABILITIES	5,374	5,215	-2.9%

(1) Under the Special Regime of Debt Adjustments to the Fiscal Authorities and Social Security (Decree Law No. 248-A/2002 and Decree Law No. 151-A/2013), Sonae voluntarily made payments to the State relating to additional tax assessments of previous years, for which, at the time of such payments, Sonae had already brought the corresponding judicial appeals, lying processes running under the relevant courts. These payments were recognized in assets, according to "IAS 12 - Income Taxes".

However, during the verification process of the 2012 accounts, CMVM disagreed with the interpretation of Sonae and requested the retrospective correction of the financial statements, arguing that the payments made in respect of other taxes than income tax should be considered as contingent assets. While not agreeing with the position of CMVM, Sonae made the restatement of financial statements. The impact of this change is nil in the income statement and immaterial in the statement of financial position.

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.

Report available at Sonae's institutional website
www.sonae.pt

Media and Investor Contacts

Patrícia Vieira Pinto
Head of Investor Relations
pavpinto@sonae.pt
Tel.: + 351 22 010 4794

Catarina Oliveira Fernandes
Head of Communication, Brand and Corporate Responsibility
catarina.fernandes@sonae.pt
Tel: + 351 22 010 4775

Rita Barrocas
External Communication
rbarrocas@sonae.pt
Tel: + 351 22 010 4745

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 **SON PL**

Sonae
Lugar do Espido Via Norte
4471-909 Maia
Portugal
Tel.: +351 22 948 7522
Fax: +351 22 940 4634