SONAE

1ST QUARTER RESULTS 2012

1 HIGHLIGHTS

Consolidated turnover in line with the previous year

- Sonae MC *like-for-like* sales increase by 1%
- The 26% growth in sales outside of Portugal mitigates the impact of the difficult macroeconomic context over Sonae SR's turnover

Efficiency gains allowing for EBITDA growth

- Consolidated recurrent EBITDA grows by 6% against the 1Q11
- Sonae MC increases recurrent EBITDA by 15%
- Sonaecom and Sonae Sierra strengthen EBITDA margins by 4.1 and 0.9 p.p., respectively

Strengthening of capital structure

- Net result attributable to the Group positive by 2M€, below the same period last year mostly as a result of the non-recurrent gains registered in the 1Q11
- Completion of refinancing operations in the total amount of 500 M€, ensuring the refinancing requirements for 2012 and increasing the average debt maturity

"Despite the significant decrease in consumption in Portugal and Spain, our teams managed to obtain gains in productivity and efficiency which enabled us to maintain or even improve operating profitability in the overwhelming majority of our businesses: food retail, telecommunications, shopping centres and electronics retail.

It is worth highlighting the capacity of our food retail business to obtain a growth in LfL sales; of Sonaecom (Optimus and SSI) which again delivered an important growth in profitability; and of Worten, that managed to successfully face two double-digit market falls in consecutive years.

The fashion and sports businesses have specific supply models that proved to be inadequate to deal with the prevailing decreases and uncertainties in consumption. We have begun an in-depth revision of these models, which should have positive effects from the Fall/Winter season of this year.

On the whole, we were capable of increasing consolidated EBITDA margin, compared to the same quarter of 2011, essentially due to gains in efficiency and productivity, as well as some market share gains. At the same time, our international growth effort was significant, achieving a 26% growth rate of retail sales despite the significant contraction in consumption of some categories in Spain.

This year we initiated Sonae Sierra´s consolidation under the Equity Method, anticipating the expected recommendations for IFRS 11 and eliminating the difficulties felt in the past in relation to the consolidated reporting of such distinct activities as retail or telecommunications and real estate. It is worth highlighting that Sonae Sierra continues to be a very important activity for Sonae, be it in terms of asset value, be it in terms of relations between our different businesses."

Paulo Azevedo, CEO Sonae

2 OVERALL PERFORMANCE

Consolidated profit & loss account Million euros	1Q11PF(1)	1Q12	Var
Turnover	1.264	1.241	-2%
Turnover (ex-fuel)	**1.258**	**1.241**	**-1%**
Recurrent EBITDA	**108**	**114**	**6%**
Recurrent EBITDA margin	8,5%	9,2%	0,7 p.p
EBITDA	**120**	**114**	**-5%**
EBITDA margin	9,5%	9,2%	-0,3 p.p
EBIT	**32**	**24**	**-25%**
Net financial activity	-19	-21	-13%
Other items	1	6	-
EBT	**15**	**9**	**-36%**
Taxes	2	0	-
Net income	**16**	**9**	**-44%**
... Group share	12	2	-86%

(1) The 2011 results were restated to reflect (i) the change in the consolidation method applicable to Sonae Sierra and Geostar; and (ii) the change made by Sonaecom in the accounting criteria for costs related to customers' loyalty contracts. For further information please refer to the Methodological Notes in Section 10.

Net invested capital Million euros	1Q11PF	4Q11PF	1Q12
Net invested capital	**3.904**	**3.663**	**3.935**
Technical investment[1]	3.141	3.253	3.215
Financial investment	561	541	532
Goodwill	672	660	659
Working capital	-470	-791	-472
Total shareholders funds	**1.607**	**1.700**	**1.639**
Total net debt[2]	**2.298**	**1.963**	**2.296**
Net debt / Invested capital	59%	54%	58%

(1) Includes available for sale assets; (2) Financial net debt + net shareholder loans.

- During the 1Q12 there were no significant changes on the tendencies which had been observed during 2011 in the different countries where Sonae is present. The benefits of growth in Brazil and the relatively stable environment in other European countries continue to be compensated by the economic contraction of the Iberian markets. As expected, the additional austerity measures which came into force in 2012 have strongly conditioned the consumption attitude of families. It is estimated, for example, that private consumption has decreased in Portugal by 5.3% during 1Q12[1]. In this challenging context, Sonae´s **turnover** remained practically stable at 1.2 billion Euro[2], an evolution that was only possible thanks to **market share gains**, particularly evident in the food based business.

- Recurrent **EBITDA** reached 114 M€ in the 1Q12, 6% above the figure reached in the previous year, despite the impact of consumer retraction in the Iberian markets, felt especially at the level of non-food categories. This positive performance was determined by the growth in recurrent EBITDA of the food retail and telecommunications businesses, enabling the company to reach a consolidated EBITDA margin of 9.2%, 0.7 p.p. above 1Q11.

- In 1Q12, total net income amounted to 9 M€, 7 M€ below the figure registered in the same period last year, essentially due to the non-existence of capital gains associated with the sale of assets by Sonae RP (vs. 13 M€ registered in 1Q11). The net income attributable to the group was approximately 2 M€.

- In the first quarter of the year, Group **Capex** reached 44 M€, having been essentially allocated to remodelling and maintenance of retail assets in Portugal and, in the case of Sonaecom, to the development of its telecommunications network, including the first stages of the 4G network deployment.

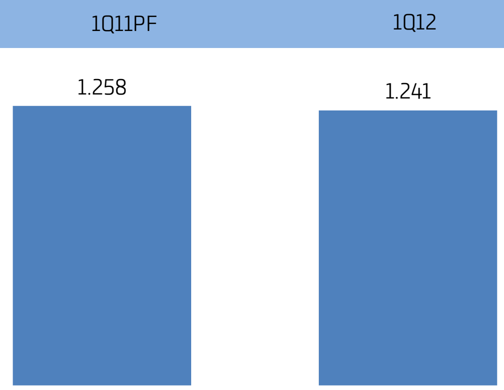
- On 31st March 2012, **total net debt** totalled 2,296 M€, in line with the same period 2011, despite the impact of the initial payment of the LTE spectrum acquisition (83 M€) made by Sonaecom. The company thus continues to strengthen its capital structure, with total debt decreasing sustainably and representing, at the end of 1Q12, 58% of invested capital (vs. 59% in the same period of 2011)

[1] Source: Banco de Portugal – Economic Indicators

[2] The universe under analysis excludes sales related to petrol filling stations (because the company transferred them to third parties to manage the remaining petrol filling stations during 2011), and the change in Sonae Sierra´s consolidation to the Equity Method (see Methodological Notes in Section 10 of this report)

3 TURNOVER

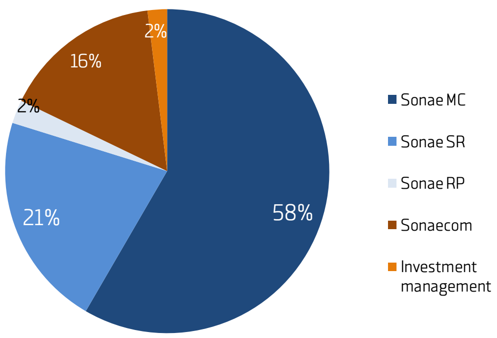
Turnover - Ex-fuel
Million euros



Turnover
Million euros

	1Q11PF	1Q12	Var
Turnover	1.264	1.241	-2%
Turnover (ex-fuel)	**1.258**	**1.241**	**-1%**
Sonae MC	736	743	1%
Sonae SR	276	273	-1%
Sonae RP	31	30	-3%
Sonaecom	216	202	-6%
Investment management	26	25	-3%
Eliminations & adjustments	-26	-32	-21%
Petrol stations	7	0	-100%

Turnover breakdown (1Q12)
% total turnover ex-fuel



In the first quarter 2012, Sonae registered a **consolidated turnover** of 1,241 M€[3], practically in line with the previous year. The main contributors for this evolution were the following:

- **Sonae MC** with 743 M€ (+1%). The growth registered incorporates an evolution of circa +1% in sales, on a "LfL" basis. This positive evolution, clearly above market performance, was made possible by the increase in volumes sold and by the relative stability of the average unit price, with the prevailing market inflation[4] practically compensated by the effect of the trading down carried out by consumers in Portugal. Sonae MC thus strengthened the gains in market share registered in the previous year (obtaining an estimated increase of +0.9 p.p. of share during the 1Q12)[5], with a strong contribution from its private label portfolio that reached a representativeness of almost 31% in the sales of the relevant categories.

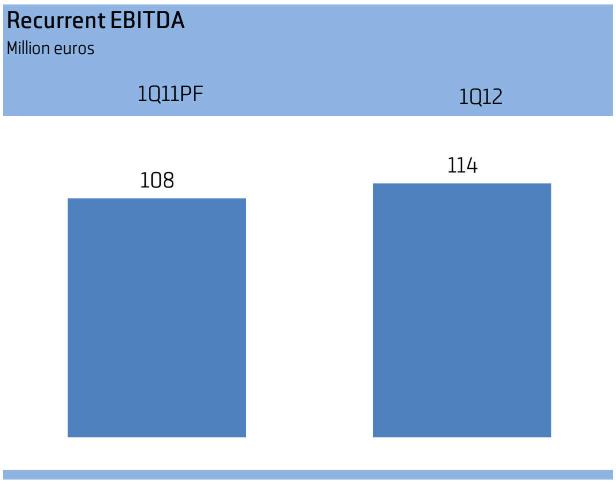
- **Sonae SR** with 273 M€ (-1% or -12.2% on a "LfL" basis), reflecting the negative evolution of sales witnessed in the Iberian markets during the last quarters and despite a 15% increase in the sales area. Sales from the various Sonae SR formats in Portugal decreased by circa 11%, which were only partially compensated by the 26% growth attained in the international markets. Sales outside of Portugal represented 33% of total sales in the 1Q12, 7 p.p. above the figure registered in the same period of 2011. In the consumer electronics segment, Worten continues to strengthen its position in the Iberian market, having launched during the 1Q12 its new *on-line* platform in the Spanish market.

- **Sonae RP** with 30 M€ (-3%), the slight decrease compared to the same period in 2011 is explained essentially by the impact of the asset disposals (via sale & leaseback operations) which took place during last year.

- **Sonaecom** with 202 M€ (-6%). The reduction results from lower product sales (down by 29.8%) and from lower service revenues, determined both by the decrease in customer revenues and by the level of regulated tariffs (mobile termination rates and roaming). It is worth noting the 1.2% increase in Optimus' post-paid customer base and the fact that data revenues represented more than 31% of total service revenues during the 1Q12.

[3] see note 2 on previous page
[4] Inflation estimated in the food retail sector in Portugal was 3,2% in 1Q12 (source: Eurostat)
[5] Source: A.C.Nielsen/Homescan: YTD evolution until 25 March

4 RECURRENT EBITDA



Recurrent EBITDA Million euros	1Q11PF	1Q12	Var
Sonae	**108**	**114**	**6%**
Sonae MC	29	33	15%
Sonae SR	-11	-12	-17%
Sonae RP	28	27	-4%
Sonaecom	55	60	9%
Investment management	1	1	7%
Eliminations & adjustments	6	6	6%

Recurrent EBITDA % of turnover	1Q11PF	1Q12	Var
Sonae	**8,5%**	**9,2%**	**0,7 p.p**
Sonae MC	3,9%	4,4%	0,5 p.p
Sonae SR	-3,9%	-4,6%	-0,7 p.p
Sonae RP	91,3%	90,6%	-0,7 p.p
Sonaecom	25,7%	29,8%	4,1 p.p
Investment management	3,8%	4,2%	0,4 p.p

- In consolidated terms, Group **Recurrent EBITDA** totalled 114 M€, 6% above 1Q11, representing a profitability margin of 9.2%, an increase of 0.7 p.p. In a difficult macroeconomic environment, this performance was supported by the productivity gains and operating efficiency improvements in the different business areas. In terms of performance per business, it is worth highlighting:

- **Sonae MC** with 33 M€ (+15% or +4 M€), representing a profitability of 4.4% of the respective turnover (+0.5 p.p. compared to the 1Q11), a very positive result in the current environment of consumer retraction. Sonae MC was able to sustain its competitiveness during this period via a combination of a relevant promotional effort, leveraged on its “Continente” loyalty card (which was involved in circa 90% of sales in the period), a rigorous cost control and new gains in productivity.

- **Sonae SR** contribution totalled -12 M€, which compares with a figure of -11 M€ registered in the same period last year. This slight deterioration essentially reflects an additional reduction in sales per square meter, as a result of the negative behaviour of retail revenues on the Iberian Peninsula, which continues to be particularly evident in the discretionary categories. This reduction in the level of sales density has more than compensated the significant cost savings and gains in efficiency obtained by the businesses. It is also worth highlighting the resilience and adaptability demonstrated by the consumer electronics business (Worten) during the course of this consumer retraction period.

- **Sonae RP** with 27 M€. This figure is slightly below that of the same period last year (-1 M€ or -4%), solely due to the reduction in the asset portfolio, resulting from the *sale & leaseback* transactions carried out in the first quarter of 2011 (involving 1 Continente and 1 Worten store).

- Still in the 1Q12, **Sonaecom**´s contribution surpassed 60 M€ (+9%), corresponding to a 29.8% sales margin (+4.1 p.p. against the same period in 2011) with all its business areas registering a positive growth in their respective profitability. It is particularly worth highlighting the record EBITDA margin obtained by Optimus’ mobile business (42.1% in the 1Q12).

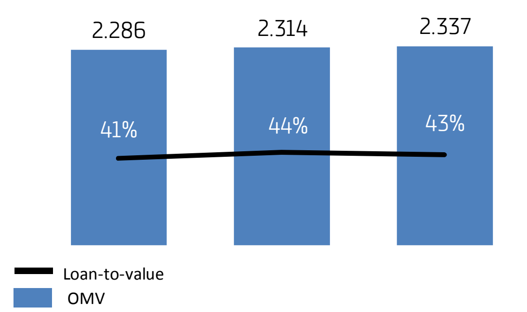
5 RESULTS OF ASSOCIATED COMPANIES

SONAE SIERRA

Sonae Sierra - Operational Data	1Q11	1Q12	Var
Footfall (million visitors)	177	176	0%
Europe	100	100	0%
Brazil	76	76	0%
Ocuppancy rate (%)	97%	96%	-0,8 p.p
Europe	97%	96%	-1,1 p.p
Brazil	97%	98%	0,5 p.p
Tenant sales (M€) - LfL	1.153	1.144	-0,8%
Europe	784	739	-5,7%
Brazil	369	404	9,6%
Nº of shopping centres owned/co-owned (EOP)	49	51	2
Europe	39	40	1
Brazil	10	11	1
GLA owned in operating centres ('000 m2)	1.928	2.015	5%
Europe	1.567	1.589	1%
Brazil	361	426	18%

Sonae Sierra - Financial indicators	1Q11	1Q12	Var
Turnover	51	52	2%
EBITDA	29	30	4%
EBITDA margin	57,1%	58,0%	0,9 p.p
Direct result	14	18	24%
Indirect result	-4	-5	-20%
Net results	10	13	25%
... atributable to Sonae	5	7	25%

Sonae Sierra
OMV and leverage



- In a context of a strong consumer retraction in southern European countries, with a natural impact on the retail real estate sector, Sonae Sierra once again demonstrated the quality of its assets, maintaining, at the end of 1Q12, an **overall occupancy rate** in its portfolio of 96%, a slight decrease of 0.7% when compared to the same period in 2011. In the overall portfolio managed by Sonae Sierra, tenant sales decreased only by 0.8%, on a comparable basis, particularly due to the economic conditions in Greece, Portugal and Spain. It is worth highlighting the continued excellent operating performance in Brazil, with a 11.4% growth in sales, in local currency terms.

- Essentially as a result of the developments described above, but also driven by a doubling of revenues from development services rendered to third parties, Sonae Sierra **turnover**[6] increased circa 2% to 52 M€ in the 1Q12.

- **EBITDA** grew by 3.5% (to 30 M€ in the 1Q12), as a reflection of the gains in efficiency delivered by the cost control efforts across all areas of the company, in addition to the growth of the services business line, which translates into a 58.0% EBITDA margin in the period, 0.9 p.p. above the comparable period.

- In the same period, Sonae Sierra reached a **net result** of 13 M€, of which the share attributable to Sonae was of 7 M€, which represents an increase of 25% compared to the 1Q11. This positive evolution was made possible by the 24% increase in direct result, mostly as a consequence of improvements in financial results and operational efficiency. The indirect result decreased by 20% in relation to the same period in 2011, but it should be noted that Sonae Sierra has begun, from this period onwards, and in line with market practices, to revalue its portfolio only on a semi-annual basis.

- Regarding the value of its assets, on 31 March 2012 the company´s **OMV** (Open Market Value) was 2.33 bn€, 23 M€ above the 2011 year end figure. It is worth highlighting the 2 openings that occurred during the 1Q12: "Le Terrazze" in Italy and "Uberlândia" in Brazil. In what concerns leverage, essentially due to the development of the projects under construction in Brazil and Germany, the "Loan-to-value" ratio increased from 41% in the same period last year to 43% at the end of March 2012. As a result of the above, Sonae Sierra's **Net Asset Value** was 1.19 bn€ at the end of 1Q12.

[6] Financial indicators as published by Sonae Sierra on 8 May 2012 (management accounts). Sonae holds a 50% stake in Sonae Sierra.

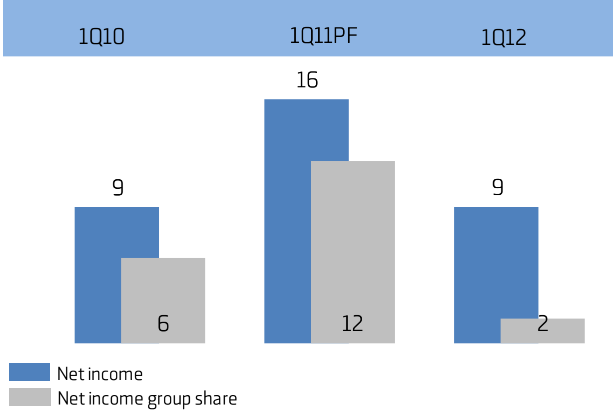
6 NET RESULTS

Consolidated results
Million euros

	1T11PF	1T12	Var
Recurrent EBITDA	**108**	**114**	**6%**
Recurrent EBITDA margin	8,5%	9,2%	0,7 p.p
EBITDA	**120**	**114**	**-5%**
EBITDA margin	9,5%	9,2%	-0,3 p.p
Provisions & impairments (1)	-5	-10	-75%
Depreciations & amortizations	-82	-81	2%
EBIT	**32**	**24**	**-25%**
Net financial activity	-19	-21	-13%
Other items	1	6	-
EBT	**15**	**9**	**-36%**
Taxes	2	0	-117%
Net results	**16**	**9**	**-44%**
... Group share	12	2	-86%

(1) Includes reversion of impairments and negative goodwill

Net income
Million euros



- In 1Q12, **consolidated EBITDA** reached 114 M€. This figure represents a decrease of 6 M€ or 5% in relation to the same period last year, with the positive evolution in the level of recurrent EBITDA (+6%) being more than off-set by the inexistence of capital gains registered by Sonae RP in this quarter (vs. 13 M€ registered in 1Q11), as no retail property sales were completed during the first quarter of 2012.

- In the same period, the expenses related to **depreciations and amortizations** stood at 81 M€, practically in line with the previous year, with the effect of the growth in the asset base being compensated by the impact of the accelerated depreciation of the Modelo brand carried out in 2011.

- **Net financial expenses** totalled 21 M€ in 1Q12, 13% above the figure registered in the same period last year, with the decrease in average debt being more than compensated by the increase in the effective global interest rates, mainly determined by the increase in *spreads* required by the banking system. The average cost of credit facilities at the end of March 2012 was circa 2.5%, which compares with 2.1% at the end of the 1Q11.

- The **Other items** line basically reflects the results of associated companies and dividends and grew from 1 M€ to 6M€ in this quarter. The most relevant associated company is Sonae Sierra, the performance of which was described in Section 5 of this report.

- Basically as a consequence of no capital gains being registered in this quarter, **total net result** was down, against the comparable period in 2011, by 7 M€, to 9 M€ in the 1Q12, of which the amount attributable to the Group was approximately 2 M€.

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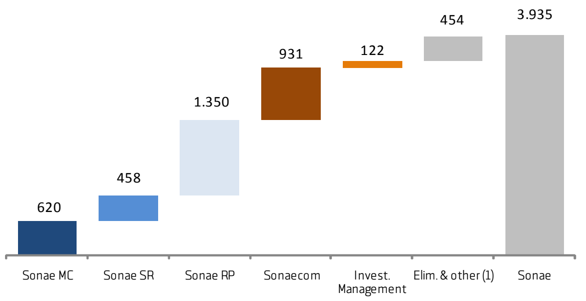
7 INVESTED CAPITAL

Capex Million euros	1Q11PF	1Q12	% of Turnover
Sonae	**65**	**44**	**4%**
Sonae MC	16	10	1%
Sonae SR	17	5	2%
Sonae RP	2	3	12%
Sonaecom	23	26	13%
Investment management	4	0	0%
Eliminations & adjustments	3	0	-
Recurrent EBITDA - CAPEX	**43**	**70**	**-**

Net invested capital Million euros	1Q11PF	4Q11PF	1Q12
Invested capital	**3.904**	**3.663**	**3.935**
Technical investment	3.141	3.253	3.215
Financial investment	561	541	532
Goodwill	672	660	659
Working capital	-470	-791	-472

Breakdown invested capital (1Q12)
Million euros



(1) includes the value of partnerships accounted as financial investments

During the course of the first quarter of 2012 Sonae carried out an **overall investment** of 44 M€, significantly below the figure registered during the same period in 2011. This reduction is mostly justified by the lower degree of international expansion carried out by Sonae SR during the current year, determined by the expected evolution of the Spanish market and by the consolidation of the strong investments made over the last 3 years.

The investment carried out in the quarter was essentially distributed amongst the following projects:

- Selective opening of new retail stores in Portugal, including 1 Continente Bom Dia and 1 new Worten store;
- Consolidation of Sonae SR's own store network in international markets. As at the end of March 2012, Sonae SR's formats had a total of 133 stores outside of Portugal, including 11 under franchising agreements;
- Programmed remodelling of a number of retail units so as to ensure they remain as a reference in their respective catchment areas;
- Strengthening of the coverage and capacity of the Optimus´ network, a distinctive strategic asset of Sonaecom. During the 1Q12, Sonaecom continued to implement solutions that enable savings in mobile *backhaul* costs, eliminating, in parallel, dependences upon third party infrastructure, and began implementing its 4G network.

The high **cash flow generation** of Sonae's businesses continued to increase, as can be noted by the increase of 27 M€ at the level (recurrent EBITDA – Capex) registered in the 1Q12.

As at 31 March 2012, Sonae´s overall **net invested capital** was 3,935 M€, of which circa 62% is invested in the retail businesses, corresponding to Sonae RP an overall asset portfolio of 1,350 M€. Despite the execution of the *sale & leaseback* programme of retail properties, the level of *freehold* at Sonae MC still reached 78%, clearly above the average for European food retailers. Sonaecom´s contribution to the previously referred invested capital reached 931 M€, 88 M€ above the same period last year, essentially as a result of the investments carried out in the 4G networks and license.

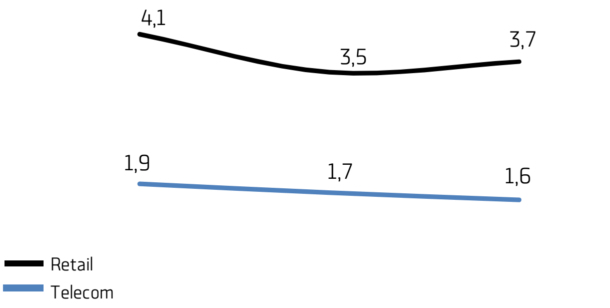
8 CAPITAL STRUCTURE

Net debt
Million euros

	1Q11PF	1Q12	Var
Net financial debt	**2.265**	**2.264**	**0**
Retail units	1.337	1.249	-88
Sonaecom	379	391	12
Investment management	18	22	3
Holding & other	530	603	72
Shareholder loans	**33**	**32**	**-1**

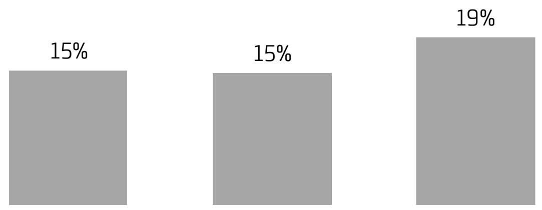
Capital structure
Net debt to recurrent EBITDA

1Q10PF 1Q11PF 1Q12



Capital Structure
Holding Loan-to-value (%)

1Q10 1Q11 1Q12



At the end of 1Q12, Sonae´s **financial net debt** amounted to 2,264 M€, practically in line with the same period 2011, despite the impact resulting from the initial payment (83 M€), made during 2012, relative to the acquisition of the LTE spectrum by Sonaecom. In cumulative terms, in the last three years, the total reduction in net financial debt is of 394 M€, which is particularly relevant when considering the strong investments in international growth carried out by the company during this period.

Sonae thus pursues its strategy of strengthening its capital structure and deleveraging. As at the end of March 2012, consolidated net debt represented 58% of the capital employed, compared to 59% at the end of the 1Q11. In terms of allocation per business, the following is worth highlighting:

- At the end of 1Q12, the **retail units** net debt totalled 1,249 M€, 88 M€ below the same period in 2011, exclusively as a result of the business´ strong capacity to generate *cash-flow* as no *sale & leaseback* of retail real estate assets were completed between the two periods. This reduction in net debt was more than compensated by the lower EBITDA generated by Sonae SR during the preceding 12 months, leading to a slight deterioration of the Net Debt to recurring EBITDA ratio from 3.5x to 3.7x at the end of March 2012.

- **Sonaecom**´s net debt increased only by 12 M€, compared to the same quarter in 2011, to 391 M€ at the end of 1Q12, despite the initial payment for the LTE spectrum acquisition (83 M€) carried out at the beginning of 2012 and the distribution of dividends which took place during the 2Q11 (the first since the launch of the company). Excluding the impact of the spectrum acquisition, Sonaecom's net debt would have decreased y.o.y. by 71 M€, clearly demonstrating its growing free cash-flow generation.

- The **holding** net debt increased circa 109 M€, to 640 M€ at the end of March 2012, driven by the dividend payment and the impact of the lower stock price over the notional amount of the outstanding Total Return Swap. Despite this increase, the "loan-to-value" ratio of the holding remains at conservative levels, having reached 19% at the end of the 1Q12.

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9 CORPORATE INFORMATION

Main corporate events 1Q12

09 January 2012
Announcement of a **partnership between EDP and Sonae MC/Continente**, granting a 10% discount on electricity expenses on the Continente loyalty card. The "Plano EDP Continente", with enrolments possible as of 9th January, constituted a new savings solution for the consumer, helping them to manage more efficiently two essential aspects of the family budget: electricity and food purchases.

15 March 2012
For the second consecutive year, Sonae was recognised as one of the "**most ethical companies in the world**" by the Ethisphere Institute. In 2011, Sonae had been the first Portuguese company to receive this award, and once again was distinguished amongst thousands of companies on a global level, because of its implementation of transparent business practices and initiatives that benefit the community, raising the stakes of ethic standards in all its *stakeholders*.

27 March 2012
Sonae MC opened a **new Continente Bom Dia store** in Ramalde, Porto, as part of its expansion strategy and strengthening the brand´s presence in Portugal. With a sales area of 1,500 m2, the new store also possesses a home delivery service, an "easy purchase" system and parking.

27 March 2012
In continuing its policy of **divesting non-strategic assets**, Sonae announced the sale of 16,600,000 shares representing 6.64% of the share capital of Sonae Capital SGPS, SA, corresponding to the entire participation in that company, via a transaction carried out over-the-counter at a price of 0.215 Euros per share, equivalent to the previous month average closing price of the stock on the Euronext Lisbon stock exchange.

Subsequent events

Between **29th March** and **20th April 2012**, Sonae acquired in the Euronext Lisbon stock exchange a total of 5,999,276 **own shares**, which represents approximately 0.3% of its share capital, with the objective of meeting the obligations foreseen in its Medium Term Incentive Plan, applicable to employees and senior executives of the group, as approved by the Shareholders General Assembly. Subsequently, on **27th April 2012**, Sonae informed about the transfer of 5,631,103 own shares, of which 3,943,231 at no cost, by transactions executed over the counter to Sonae's employees and senior executives. Following the transactions mentioned above, Sonae – SGPS, SA is the holder of 368,173 own shares, representing approximately 0.02 % of its share capital.

In the Annual General Assembly which took place on **30th April 2012**, the company's shareholders approved, amongst other items, the **distribution of a gross dividend** per share, relative to the 2011 financial year, in the gross amount of 0.0331 Euros (the same amount as that distributed in relation to the 2010 financial year and equivalent to a *dividend yield* of 7.2%over the 2011 year-end closing share price).

On **2nd May 2012**, Sonae informed the market about the completion of a number of **refinancing operations** in the total amount of 500 M€ which, together with the operations already closed in 2011, enabled the company to complete the 2012 medium and long term debt refinancing programme and already ensure part of the refinancing needs for 2013 and 2014.

Sonae provides additional operating and financial information in Excel format.
Click here to be taken to the information directly or visit our website (www.sonae.pt)

10 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 figures was not subject to audit procedures.

The norm IFRS 11 - Joint Arrangements alters the accounting method of joint-controlled investments, namely eliminating the possibility of proportional consolidation of entities that fall under the concept of joint-ventures, as is the case of Sonae Sierra and Geostar. Under these terms, Sonae has decided, as already possible under the current norms, anticipating the likely requirement for this change to be implemented for annual reporting periods beginning on 1 January 2013 and in order to facilitate a future comparison of its financial reporting, to start reporting Sonae Sierra and Geostar according the Equity Method (the only possible method according to this new norm) from 1 January 2012.

During the 1Q12, in line with best practice in the telecoms sector, Sonaecom changed its accounting criteria for costs related to customers' loyalty contracts. To date, these were recorded as an expense in the year they occurred. From 1 January 2012, the costs incurred for customers' loyalty contracts are capitalised and amortised over the period of their respective contracts. This is because it was now possible to apply a reliable cost allocation to the respective contracts, thus fulfilling the criteria for capitalisation required under IAS 38.

Accordingly, the 2011 results of Sonae were restated to reflect these accounting changes.

Glossary

CAPEX	Investments in tangible and intangible assets, investment properties and acquisitions; Gross CAPEX, not including cash inflows from the sale of assets
Direct income	Results excluding contributions to indirect income
EBITDA	Turnover + other revenues - impairment reversal - negative goodwill - operating costs (based on direct net income) - provisions for warranties extensions + gain/losses from sales of companies
EBITDA margin	EBITDA / Turnover
Eliminations & others	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
Indirect income	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 (including goodwill) and; (iv) provision for assets at risk; The data used for the analysis of indirect income was computed based on the proportional method for all companies owned by Sonae Sierra

Net Invested capital	Total net debt + total shareholder funds
Investment properties	Shopping centres in operation owned by Sonae Sierra
Liquidity	Cash & equivalents + current investments
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 Holding	Holding Net debt/ Investment Portfolio Gross Asset Value; gross asset value based on Market multiples, real estate NAV and market capitalization for listed companies
Loan to value Shopping Centres	Net debt / (investment properties + properties under development)
LTE	“Long Term Evolution” is a standard for wireless communication of high-speed data for mobile phones and data terminals developed by the Third Generation Partnership Project, an industry trade group. LTE provides significantly increased capacity and speed for wireless broadband, using new modulation techniques.
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 and other long term financial applications
Other income	Share of results of associated undertakings + dividends
Other loans	Bonds, leasing and derivatives
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by an independent entity
RoIC (Return on invested capital)	EBIT(12 months) /Net invested capital
ROE (Return on equity)	Total net income $_{n}$ (equity holders)/ Shareholders’ Funds $_{n-1}$ (equity holders)
Recurrent EBITDA	EBITDA excluding non-recurrent items, namely gains in sales of investments and other movements that distort comparability
Technical investment	Tangible assets + intangible assets + other fixed assets - depreciations and amortizations
Value created on investment and development properties (VCIDP)	Increase (decrease) in the valuation of shopping centres in operation and under development; shopping centres under development are only included if a high degree of certainty concerning their conclusion and opening exists.

Consolidated Income Statement

Consolidated profit and loss account Million euros	1Q11PF	1Q12	Var
Net results			
Turnover	**1.264**	**1.241**	**-1,9%**
Recurrent EBITDA (1)	**108**	**114**	**6,1%**
Recurrent EBITDA margin	**8,5%**	**9,2%**	**0,7 p.p**
EBITDA	**120**	**114**	**-**
EBITDA margin	**9,5%**	**9,2%**	**-0,3 p.p**
Provisions & impairments (2)	-5	-10	-74,8%
Depreciations & amortizations	-82	-81	2,3%
EBIT	**32**	**24**	**-25,1%**
Net financial activity	-19	-21	-12,7%
Other items (3)	1	6	-
EBT	**15**	**9**	**-36,2%**
Taxes	2	0	-
Net results	16	9	-44,2%
Group share	**12**	**2**	**-86,2%**
Minority interests	4	7	79,9%

(1) EBITDA excluding extraordinary items; (2) Includes reversion of impairments and negative goodwill; (3) Share of results of associated undertakings + dividends.

Consolidated Balance Sheet

Balance sheet Million euros	1Q11PF	1Q12	Var	4Q11PF	Var
TOTAL ASSETS	**6.000**	**5.971**	**-0,5%**	**6.317**	**-5,5%**
Non current assets	**4.668**	**4.704**	**0,8%**	**4.747**	**-0,9%**
Tangible and intangible assets	3.140	3.214	2,4%	3.252	-1,2%
Goodwill	672	659	-1,8%	660	-0,1%
Other investments	595	565	-5,0%	575	-1,7%
Deferred tax assets	222	228	2,7%	222	2,6%
Others	39	37	-6,6%	38	-3,3%
Current assets	**1.332**	**1.267**	**-4,9%**	**1.570**	**-19,3%**
Stocks	650	625	-3,7%	651	-3,9%
Trade debtors	130	133	2,7%	175	-23,8%
Liquidity	187	176	-6,0%	426	-58,7%
Others (1)	365	332	-9,0%	318	4,5%
SHAREHOLDERS' FUNDS	**1.607**	**1.639**	**2,0%**	**1.700**	**-3,6%**
Equity holders	1.283	1.294	0,9%	1.364	-5,1%
Attributable to minority interests	324	345	6,3%	337	2,4%
LIABILITIES	**4.393**	**4.332**	**-1,4%**	**4.616**	**-6,2%**
Non-current liabilities	**2.638**	**2.071**	**-21,5%**	**2.164**	**-4,3%**
Bank loans	639	458	-28,4%	401	14,0%
Other loans	1.641	1.254	-23,6%	1.389	-9,7%
Deferred tax liabilities	125	133	6,2%	134	-0,8%
Provisions	62	87	41,7%	91	-4,0%
Others	170	138	-18,9%	148	-6,4%
Current liabilities	**1.755**	**2.261**	**28,9%**	**2.453**	**-7,8%**
Bank loans	97	290	198,4%	227	28,0%
Other loans	107	472	-	373	26,6%
Trade creditors	923	957	3,7%	1.245	-23,1%
Others	627	542	-13,5%	609	-10,9%
SHAREHOLDERS' FUNDS + LIABILITIES	**6.000**	**5.971**	**-0,5%**	**6.317**	**-5,5%**

(1)Includes assets available for sale.

Comparison of the key indicators with former consolidation method of Sonae Sierra and Geostar

Comparison of the key consolidated indicators	With Sonae Sierra and Geostar as reported			With Sonae Sierra and Geostar proportional consolidation (previous method)		
SONAE Key Indicators	1Q11[1]	1Q12	var.	1Q11[1]	1Q12	var.
Turnover	1.264	1.241	-2%	1.316	1.291	-2%
Recurrent EBITDA	108	114	6%	131	138	6%
Recurrent EBITDA margin	8,5%	9,2%	0,7 p.p	9,9%	10,7%	0,8 p.p
EBITDA	120	114	-5%	143	138	-4%
EBITDA margin	9,5%	9,2%	-0,3 p.p	10,9%	10,7%	-0,2 p.p
EBIT	32	24	-25%	54	47	-13%
Net financial activity	-19	-21	-13%	-25	-27	-7%
Other items	1	6	-	-3	1	-
Total direct results	-	-	-	24	18	-27%
... minority interests	-	-	-	10	14	32%
... group share	-	-	-	14	4	-71%
Indirect results	-	-	-	-2	-2	-
Net results	16	9	-44%	24	15	-38%
... minority interests	4	7	80%	12	13	9%
... group share	12	2	-86%	12	2	-86%
Net invested capital	3.904	3.935	1%	4.895	4.947	1%
Total shareholders' funds	1.607	1.639	2%	1.891	1.921	2%
Total net debt	2.298	2.296	0%	3.004	3.026	1%
Net financial debt	2.265	2.264	0%	2.957	2.980	1%

(1) Includes the restatement of Sonaecom figures, as explained in the Methodological notes (Section 10)

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This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that should 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.

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