

INVESTOR ROADSHOW PRESENTATION



London | September 2008

1. Sonae Company profile
2. Competitive strengths
3. Strategy
4. Highlights of 1H08 results
5. Appendix



**SONAE
COMPANY
PROFILE**

1. **BUSINESS MIX**
2. **CONSOLIDATED
TURNOVER & EBITDA**
3. **HOLDING ROLE**

Sonae controls and actively manages a portfolio of businesses, each run in independent manner by a fully dedicated team

- **Sonae Distribuição:** leading retail player in Portugal with several food and non-food brands;
- **Sonae Sierra:** 50% owned joint venture with UK's Grosvenor, developing and managing shopping centres under a unique and highly successful business plan model over Europe and Brazil;
- **Sonaecom:** integrated telecommunications provider (Mobile, Wireline, Broadband and TV services)

Turnover 1H08

EBITDA 1H08

Total employees

Net Debt

Sonae SGPS*

100%

Sonae Distribuição



126.7M€

50%

Sonae Sierra



156.8M€

89.7M€

789

1,776.9M€

53.3%

Sonaecom



475.6M€

68.7M€

1,921

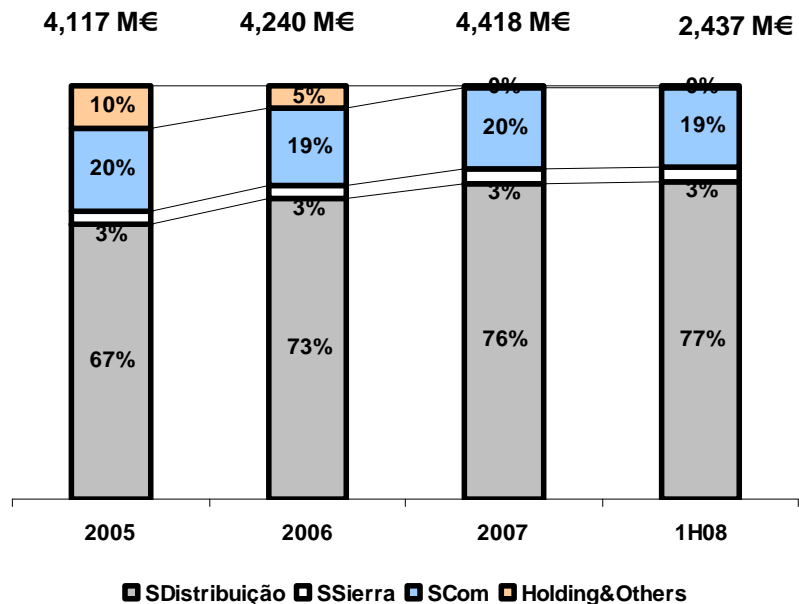
367.4M€

*Sonae SGPS also owns the insurance brokerage company MDS (100% owned) and Lazam (45% owned) and reinsurance brokerage companies Sonae Re (100% owned) and Cooper Gay (14% owned)

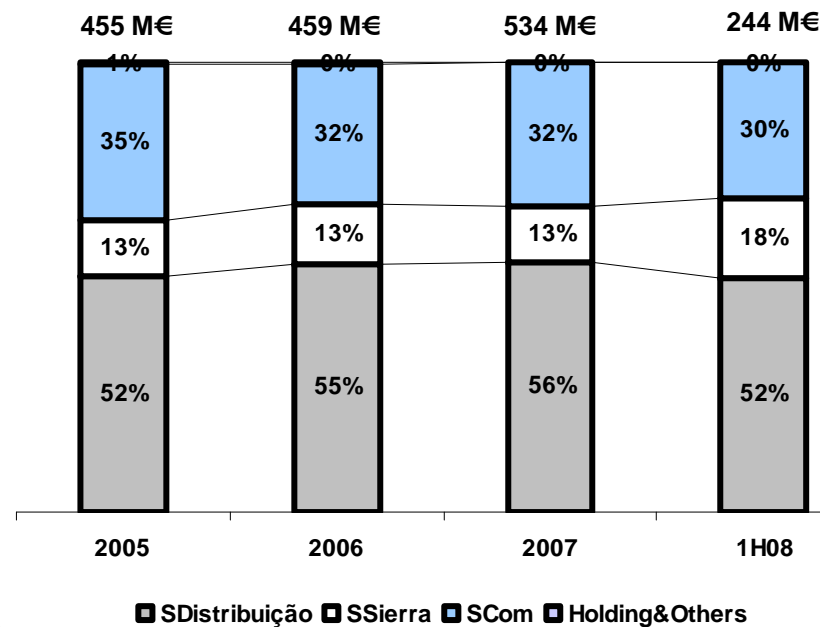


Consolidated Turnover CAGR > 2% and Consolidated EBITDA CAGR > 7% in 2005-2007

Turnover breakdown

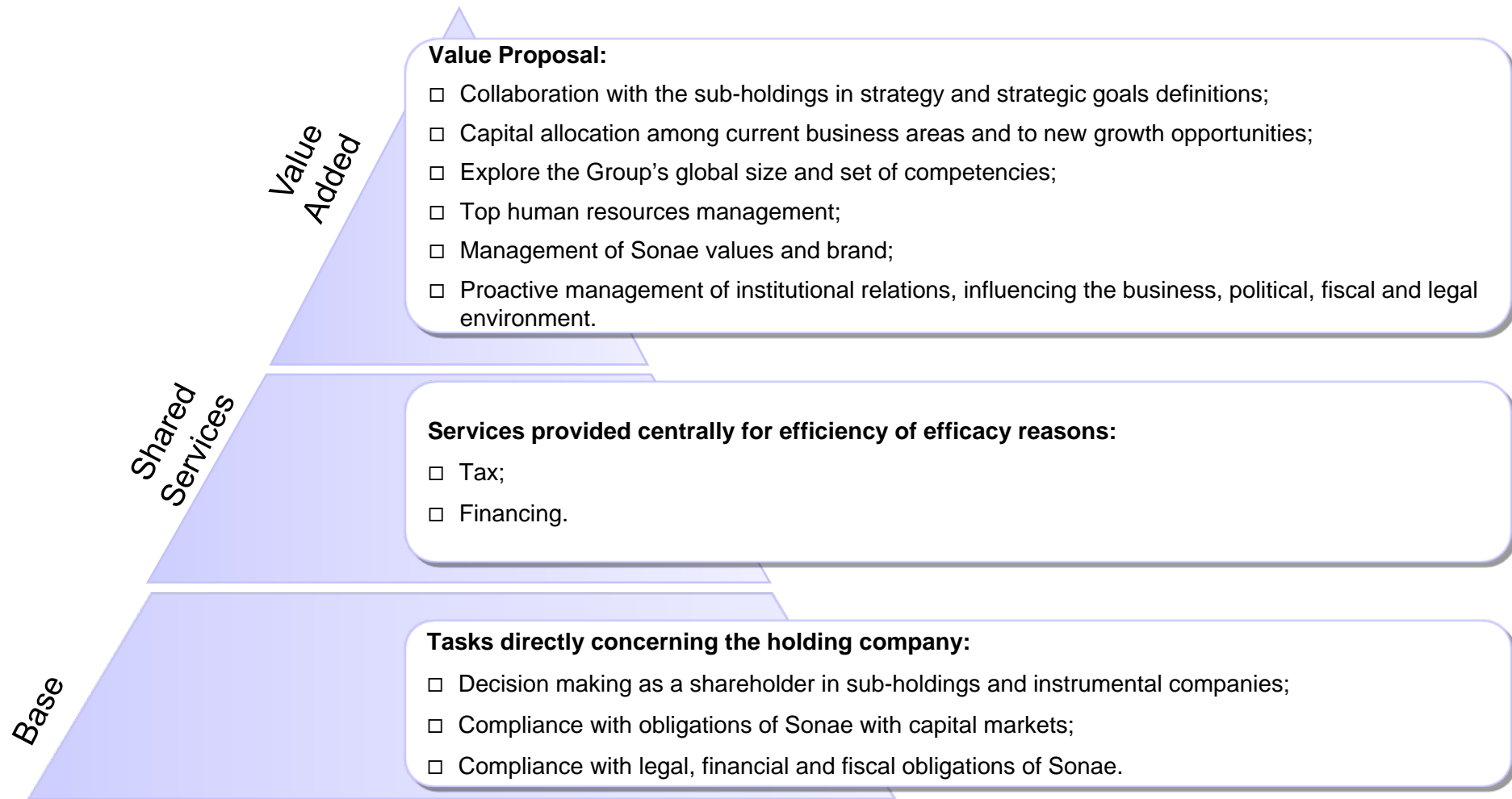


EBITDA breakdown



EBITDA excludes value created on investment properties

Running nest costs of corporate centre represent less than 1.8 per thousand of consolidated Turnover (2007: 8.2 million euros)





Competitive strengths

1. **STRATEGIC ASSETS**
2. **COMPETENCIES**
3. **HOLDING AS VALUE ENHANCER**

Large customer base in Portugal

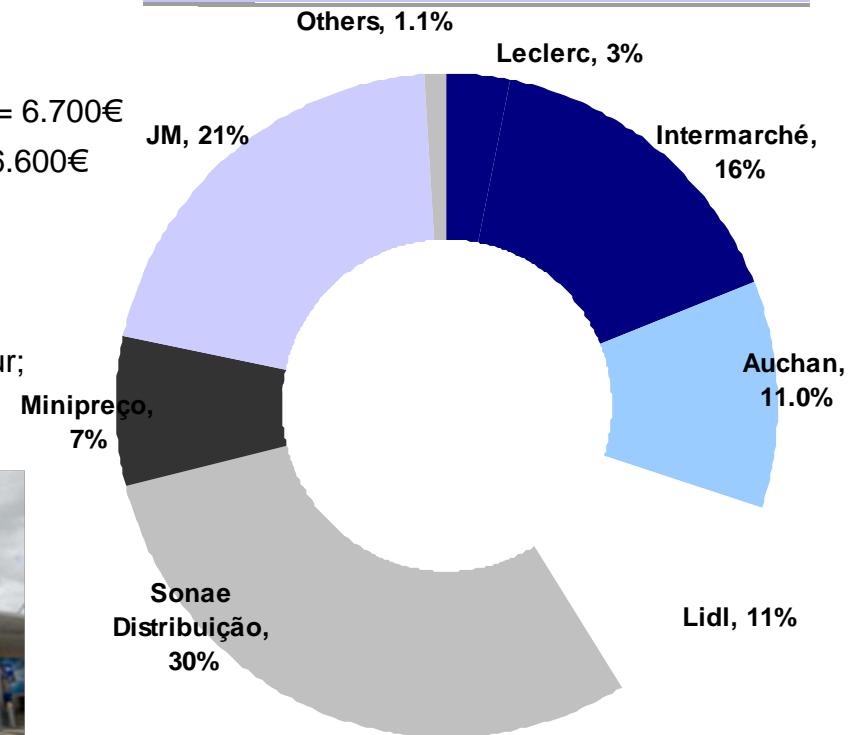


Leadership position in the Portuguese food retail sector

- 2 food formats: Continente and Modelo;
- Continente: 33 stores; average sales area = 7,800 m²; sales per m² = 6.700€
- Modelo: 115 stores; average sales area = 2,000 m²; sales per m² = 6.600€
- Unique positioning of price and assortment;
- Assortment of 70,000 SKU's (Continente); 40,000 SKU's (Modelo);
- Importance and awareness of the "Continente" and "Modelo" brand;
- Loyalty card, a source of valuable information on consumer behaviour;
2.2 million cards used for 80% of customer purchases.



Modern Retail market share



Source: Sonae Distribuição estimates

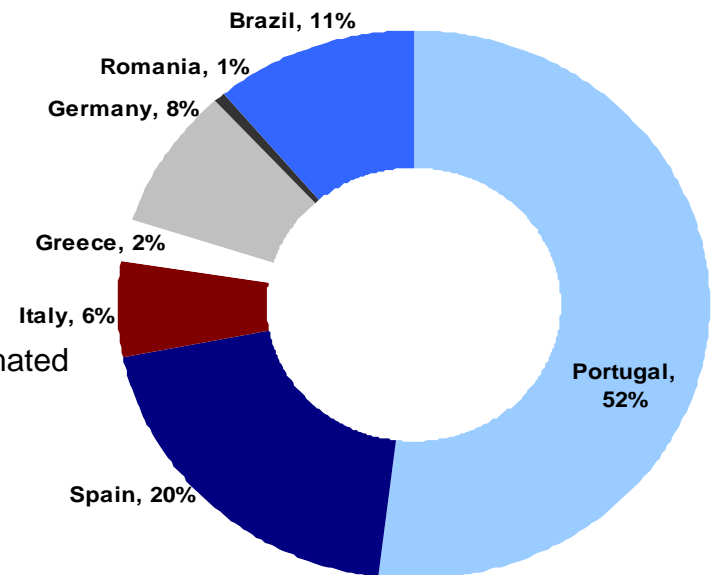
Large customer base in Portugal

➔ Leadership position in the Portuguese shopping centre market

- 20 Shopping centres in Portugal;
- 498.081 m2 of Gross Lettable area distributed by 2,760 shops;
- 3,700 thousand rental contracts;
- Occupancy rate of GLA of 97% by end 1H08;
- 92 million visitors at the end of 1H08;
- 957.5 million euros tenant' sales at end of 1H08;
- 52% of Sierra's OMV (fair value of real estate in operation) at YE1H08 at Portugal
- 52% of Sierra's OMV (fair value of real estate in operation) at end 1H08;
- 5 Shopping centres in development and to be opened until 2011, with estimated investment of 310 million euros.



1H08 OMV by country



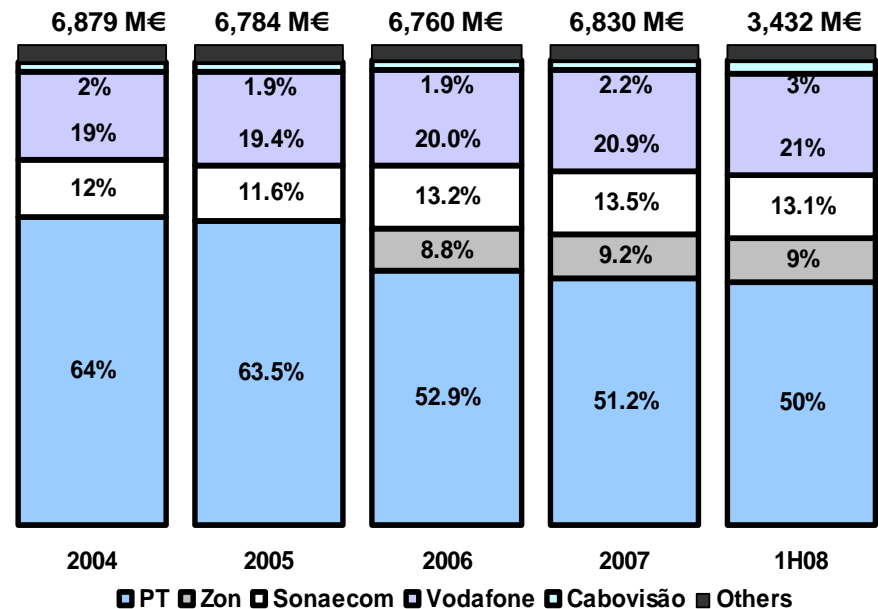
Large customer base in Portugal

3rd telecom player in the Portuguese telecoms market

- 3rd telecom player in the Portuguese telecoms market;
- #3 mobile Operator with 20% market share; ~3 million customers;
- Fixed Broadband market share of 15.4%; 247.2 thousand ADSL accesses
- Voice market share (residential + business) of 21.4%; 466 thousand voice accesses
- Category leader for retail sales of the wireless broadband service Kanguru;
- Brand awareness and strength of “Optimus” and “Clix” brands.



Revenues market share evolution %



Real estate ownership and prime locations


543 thousand m2 of retail sales area owned

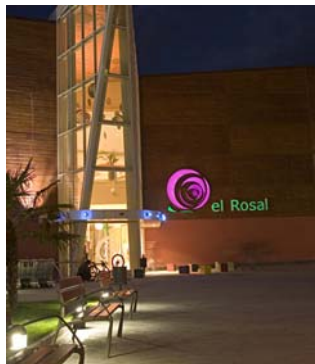
- Prime locations of stores: unique and difficult to replicate;
- First mover advantage: Sonae Distribuição was the first retail operator to open hypermarkets in Portugal, having secured important locations;
- Several Hypermarkets Continente located at the city centres and within a shopping centre (considered an anchor store);
- Real estate book value ~1.5 Billion euros.

	Nr of stores	Sales area ('m2)	% owned
FOOD FORMATS	176	463,000	87%
Continente [hypermarkets]	33	257,000	87%
Modelo [mini-hypermarket + supermarkets]	115	202,000	87%
Others [cafeterias + outlet]	28	4,000	49%
NON FOOD FORMATS	500	261,000	54%
TOTAL	676	724,000	75%

Real estate ownership and prime locations

48 shopping centres owned/co-owned

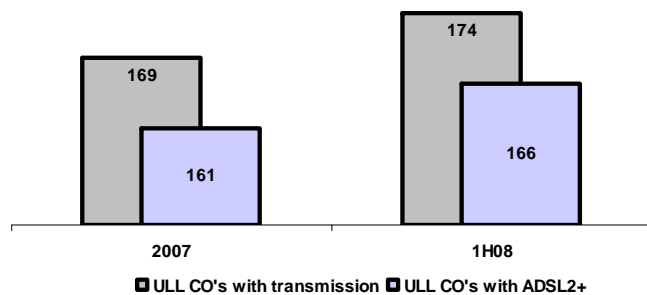
- Shopping centres with premium locations: city centres and dominant centres;
- International presence in 7 countries: Brazil; Portugal; Spain; Germany; Romania; Greece; Italy;
- Gross Lettable Area (GLA) owned/co-owned: 1,884 thousand m²;
- Occupancy rate of GLA owned/co-owned of 96.3% by end 1H08;
- YE1H08 Open Market Value: 6,388 million€;
- YE1H08 Net Asset Value: 1,729 million€; 53.3€/share



Single integrated IP convergent network


Ownership of a fixed backbone and mobile network

- Mobile network capillarity and capacity: GSM network; HSDPA/HSUPA enabled network, covering ~75% of the Portuguese population;
- Fixed backbone and Fibre Metropolitan Area network (MAN's) in main city centres;
- First mover advantage in the fibre optics deployment.

SINGLE INTEGRATED IP CONVERGENT NETWORK IMS ENABLED
IP BACKBONE FOR VIDEO, VOICE AND DATA
ADSL2+ ULL

FTTH

- Fibre Investment Plan:
-240 million Euro in 3 years;
-1 million homes passed

MOBILE


NGN/IMS makes possible a common control layer for Fixed and Mobile network and multimedia services and paves the way towards a new generation of convergent fixed-mobiles services

Aggressive development of differentiating new concepts and product innovation

➔ Extension of business portfolio into non-food retail formats

- Taking advantage of existing synergies with its food retail arm and the Sonae Group;
- 11 non-food retail brands launched;
- Market leader in Portugal with Sportzone (Sportswear) and Worten (home appliances and electronics);
- Second player in Portugal with Modalfa (apparel) and Maxmat (DIY));



	Nr of stores	Sales area ('m2)
Sportzone [sports goods]	60	46
Modalfa [apparel]	82	39
Worten [consumer electronics]	114	88
Vobis [computers]	20	9
MaxMat&Maxgarden [DIY]	33	59
Zippy [children apparel]	24	9
Star [travel agency]	61	4
Área Saúde [Parapharmacy]	74	6
Worten Mobile [mobile equipm]	29	1
Book.it [books, stationary]	2	0.4
Loop [casual footwear]	1	0.2
TOTAL	500	261,000

Aggressive development of differentiating new concepts and product innovation

Disruptive and innovative offers at the telco business

- Launch of “TAG”, a mobile offer aimed at the youth market (~16% total market): segment with willingness to churn; heavy users of telecoms; large revenue potential; strong contributors to brand building;
- Introduces, for the first time, unlimited communications among user groups at attractive flat fees;
- Wireless broadband offer, Kanguru, won the Global Telecoms Business innovation award in September 2008, designed to honour innovative projects involving telecoms operators and service providers around the world;
- Almost 50% of all Kanguru customers are not Optimus voice customers;
- Successful launch of a fixed-mobile substitution product, Home, with material growth since launch in 1Q05; growth slowing due to competitive pressures on fixed voice.



Aggressive development of differentiating new concepts and product innovation **Modern and innovative solutions applied in the conception of shopping centres**

- Sonae Sierra has had a significant role in the modernisation of the shopping centre concept, having introduced several innovative concepts in the shopping centres industry:
 - “Shop usage contracts” in shopping centres: gives access to tenants financial information, namely to effort rates (rents weight on total sales), and to the store auditing (from the quality of service to accounting); allows a more proactive and flexible management of the tenant mix, promoting the rotation of the lowest performers or the ones with high effort rates;
 - Themed Shopping centres: all centres are developed according to a specific theme related with the local community;
 - “Green” Shopping centres: first shopping centre company with environmental management system certified by ISO 14001;
 - Full integration of leisure (food-courts, cinemas, funcenters) with retail and services (banks; insurance companies) in Europe.
- The company has earned an international reputation for the development of innovative products.

passionate about innovation

Integrated approach to the shopping centre businesses

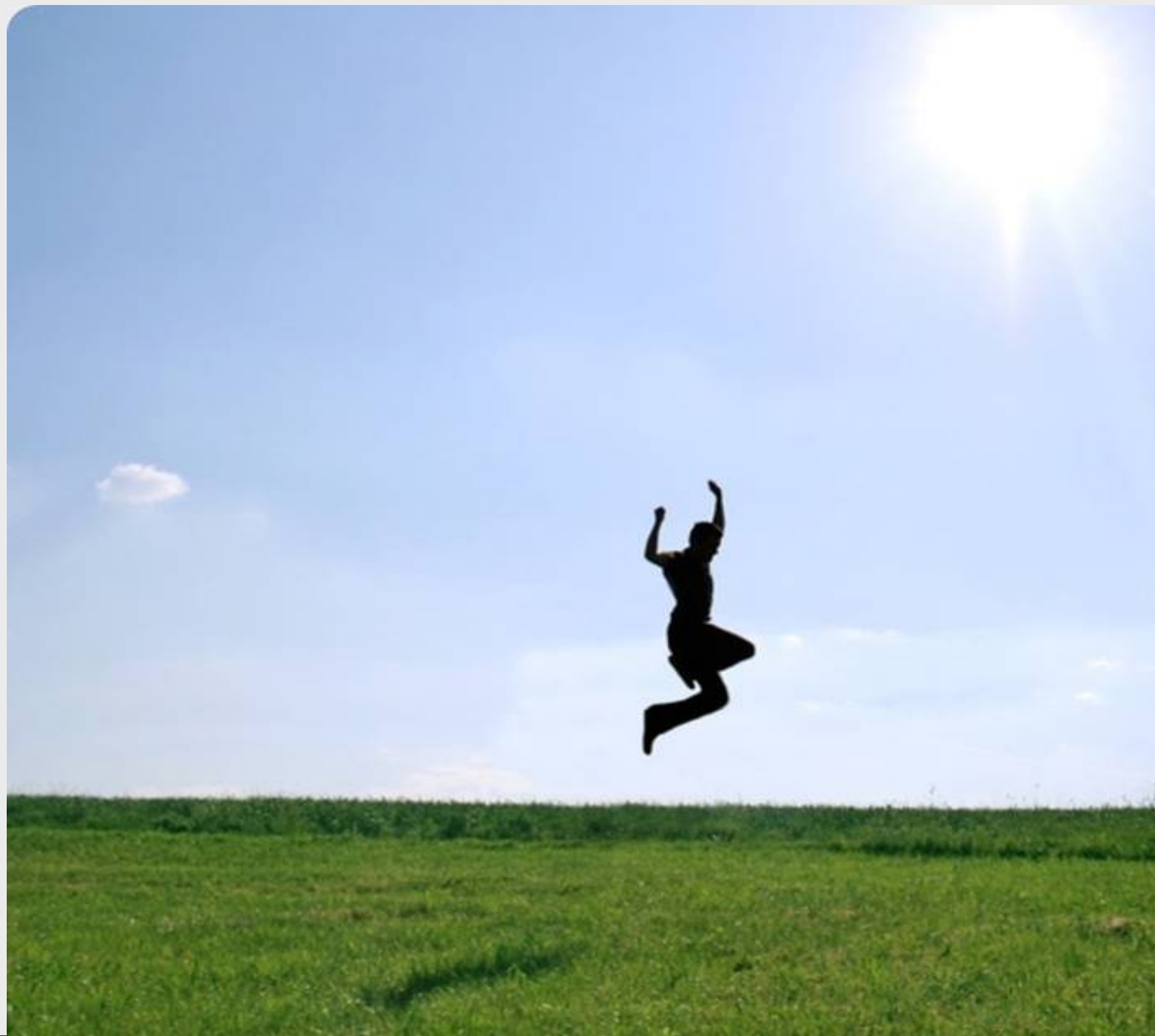


Policy of ownership, development and management activities at the shopping centre business

- Ensures a long term view of investment and value creation;
- Development capability as a competitive advantage: generates a “virtuous cycle of knowledge”;
- Problems encountered on the Management side feed back to the development area and are taken into account on future projects;
- Sierra international reputation: several awards as the best European shopping centre developer.

STRATEGY

1. **KEY STRATEGIC GOALS**
2. **DELIVERING THE GOALS**



Focus on growth and profitability at all business units

1**Strong pace of organic growth**

- Consolidate retail leadership in the Portuguese market;
- Accelerate growth and increase market share at the telecom business;
- Accelerate shopping centres pipeline of development;
- Accelerate the extension of coverage and capacity of both wireline and mobile networks.

2**International expansion**

- Internationalization process with non-food retail formats;
- Further expand international footprint and reduce exposure to Portugal at the shopping centres;
- Explore M&A opportunities.

3**Profitability**

- Commitment to reach sustainable growth and value creation;
- Focus on executing on-going initiatives to deliver efficiency gains.

Sonae is confident of its strategy to face current challenges and on fulfilling its commitments, despite the current economic environment and the clear slowdown of consumer demand

1**Strong pace of organic growth**

- Group Turnover increased by 24% in 1H08 vs 1H07, of which more than 10% achieved organically;
- Integration of Carrefour Portugal stores;
- Increase on the scale of the shopping centre development activities: 15 new projects under development with an estimated investment of 1.9 billion euros;
- Estimated open of 3 additional shopping centres until YE2008.
- Fibre to the Home investment plan: 240 million euro investment plan in 3 years; 1 million homes passed; coverage of more than 25% population.

Sonae is confident of its strategy to face current challenges and on fulfilling its commitments, despite the current economic environment and the clear slowdown of consumer demand

2

International expansion

- Retail opened 2 Sportzone stores in Spain; objective of opening of 20-25 until 2010;
- Retail acquired Boulanger's Spanish stores specialized in consumer electronics;
- Estimated presence increase in Spain, with the opening of additional Sportzone and Worten stores;
- Looking for expansion opportunities at the Retail allowing for entry into other geographical areas: ambition to be presence with 4 formats in 4 countries until 2010;
- Sierra concluded additional closing of the Portuguese Fund, decreasing its shareholding position to 42%;
- Reduce exposure to Portugal at the Shopping centres business: 95% of the pipeline will be outside Portugal; weight of Portuguese OMV reduced, from 52% to 39% by 2011.

3

Profitability

- Guideline disclosed for 2008 at the Retail business, although more difficult to achieve continues to be valid: maintain recurrent EBITDA margin at 8.5% level;
- Focus on the operational optimization of the shopping centres, with a 4.5% like-for-like increase in fixed rents and cost contention;
- Productivity gains from the integration of retail company acquired will start impacting positively margin.

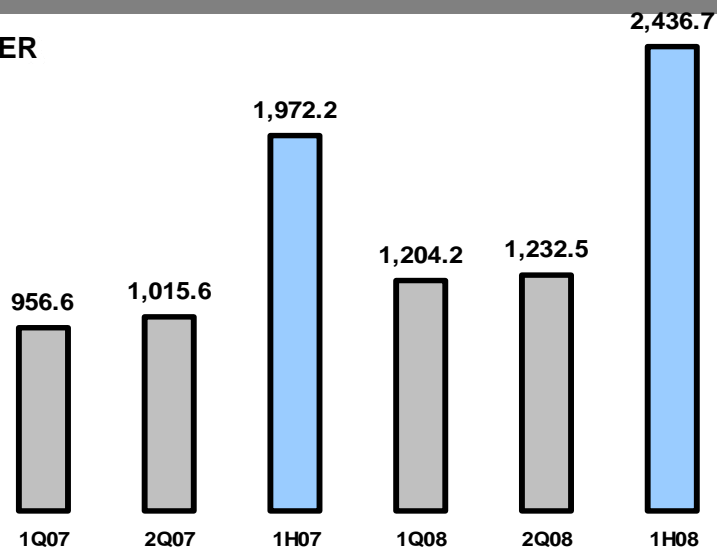
HIGHLIGHTS OF 1H08 RESULTS

- 1.
SONAE GROUP**
- 2.
RETAIL**
- 3.
SHOPPING
CENTRES**
- 4.
TELECOMS**

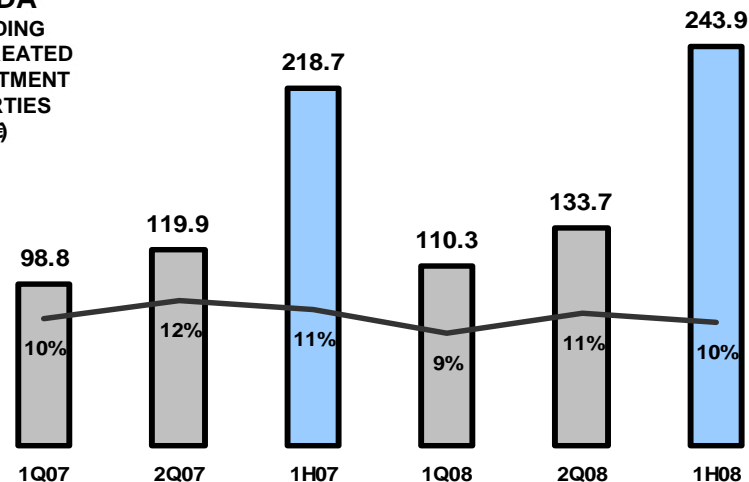


Focus on growth and profitability, delivering superior shareholder value

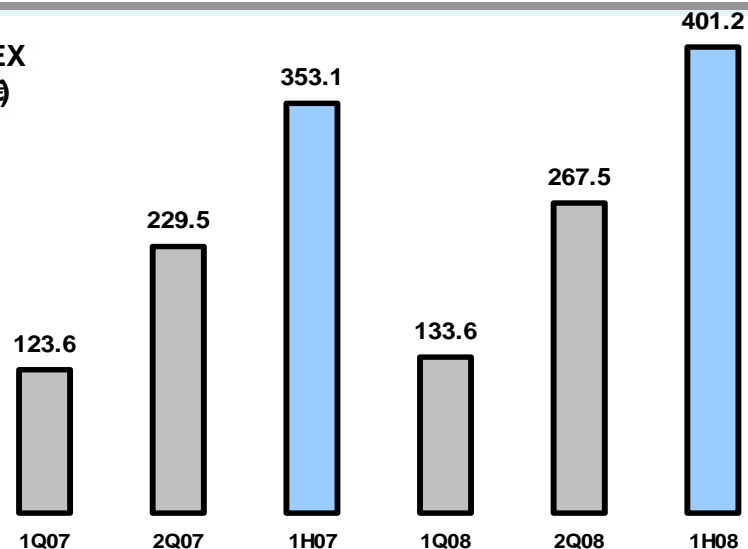
TURNOVER
(M.€)



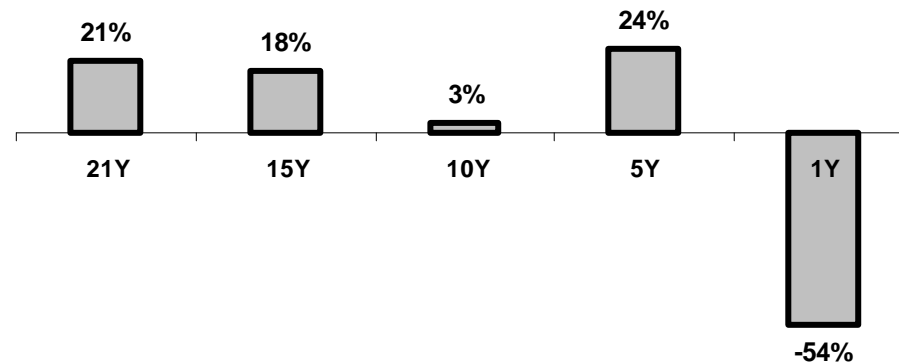
EBITDA
EXCLUDING
VALUE CREATED
ON INVESTMENT
PROPERTIES
(M.€)



CAPEX
(M.€)

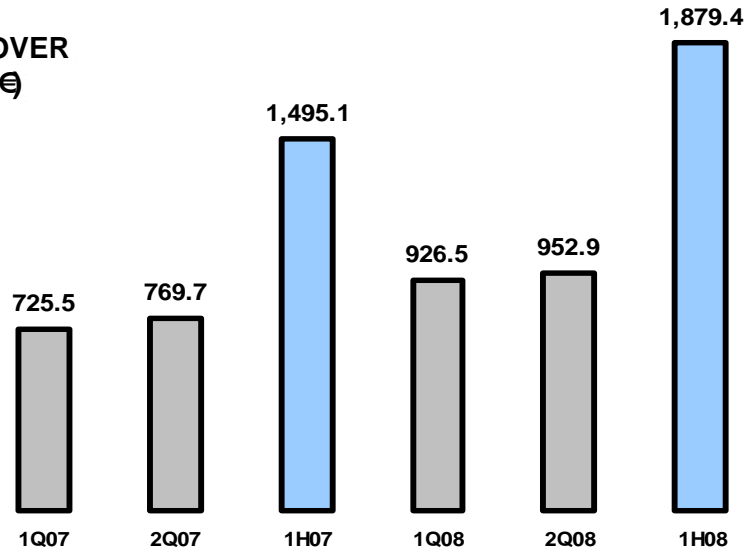


CAGR
SHAREHOLDER
RETURN

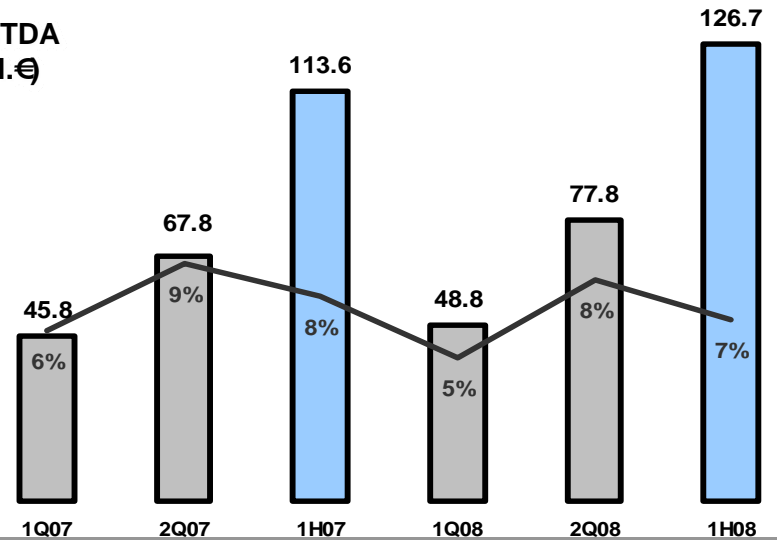


Solid turnover and like-for-like sales growth, despite the tough economic environment and the competitive pressures in the Portuguese retail market

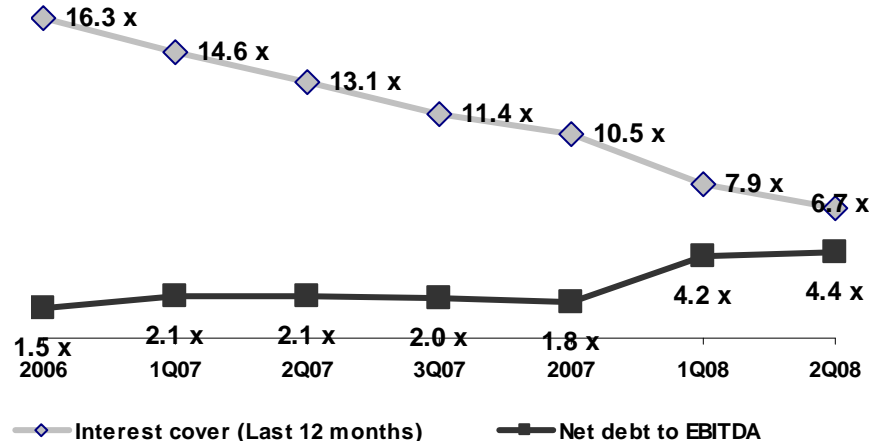
TURNOVER
(M.€)



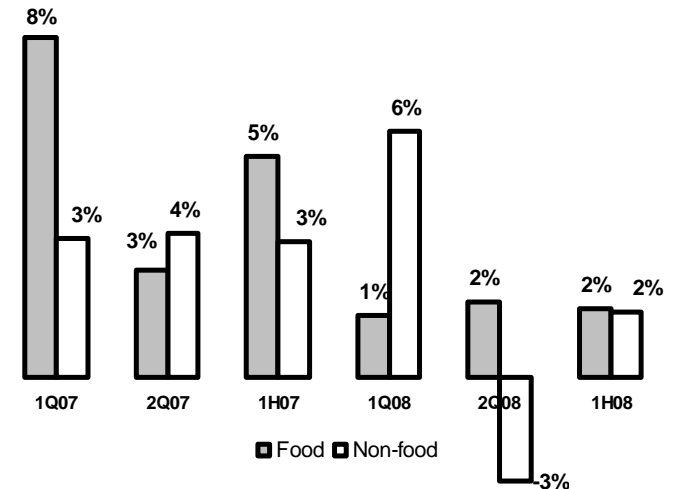
EBITDA
(M.€)



Capital structure



Like-for-like Sales growth



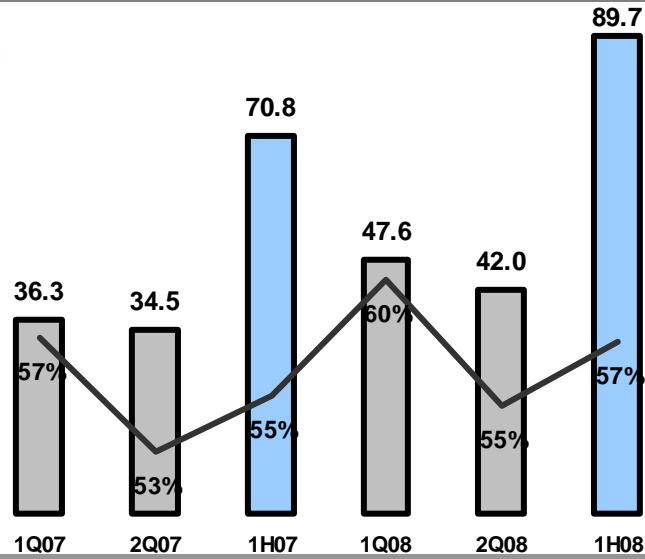
Highlights of 1H08 results

Shopping centres

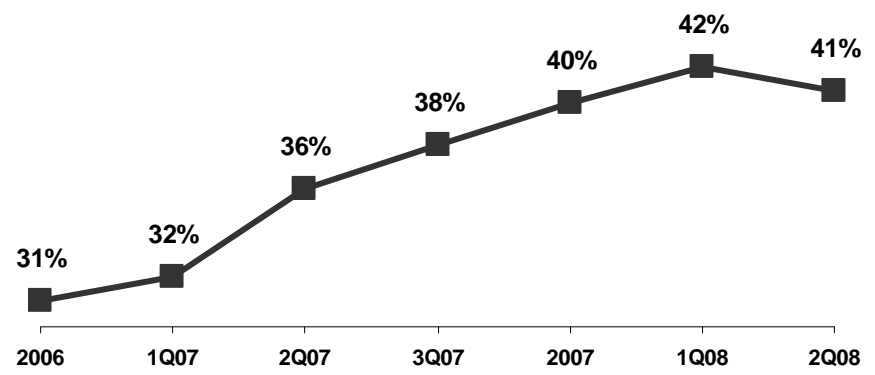


Sonae Sierra was able to optimize the performance of its shopping centres, mitigating the negative economic environment prevailing in the real estate market

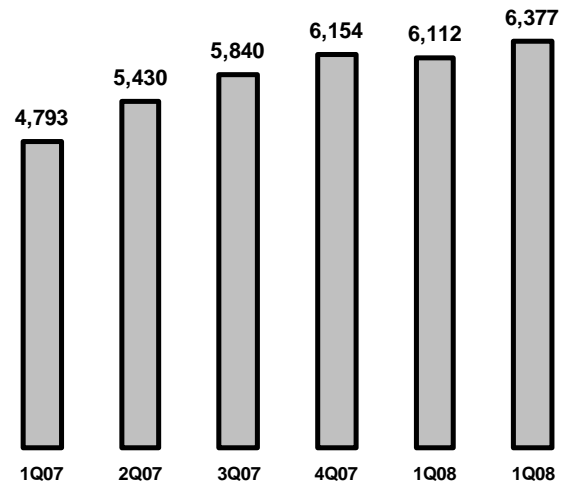
EBITDA
(M.€)



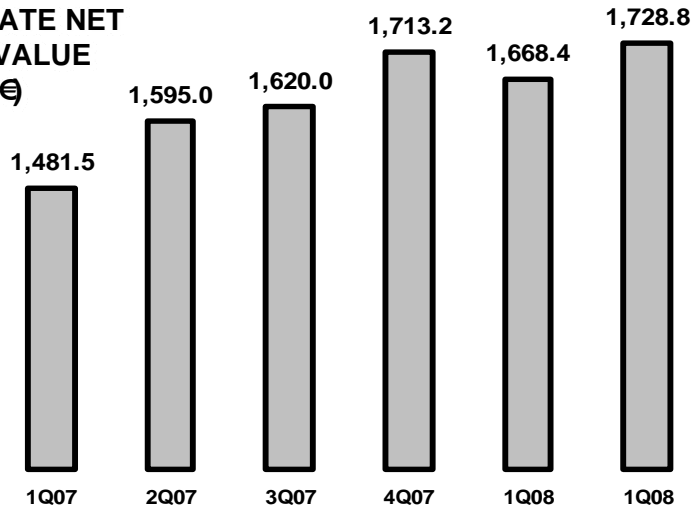
Loan to Value



REAL ESTATE OPEN MARKET VALUE
(M.€)

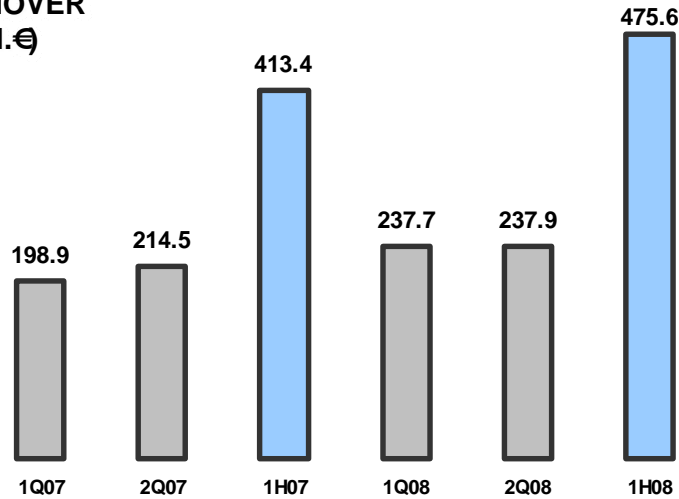


REAL ESTATE NET ASSET VALUE
(M.€)

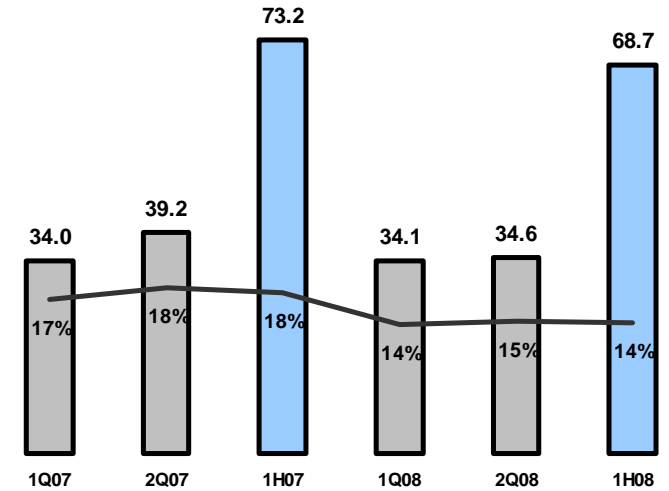


High level of growth in customers and customer revenues, despite the increase level of competition, on the back of important commercial initiatives

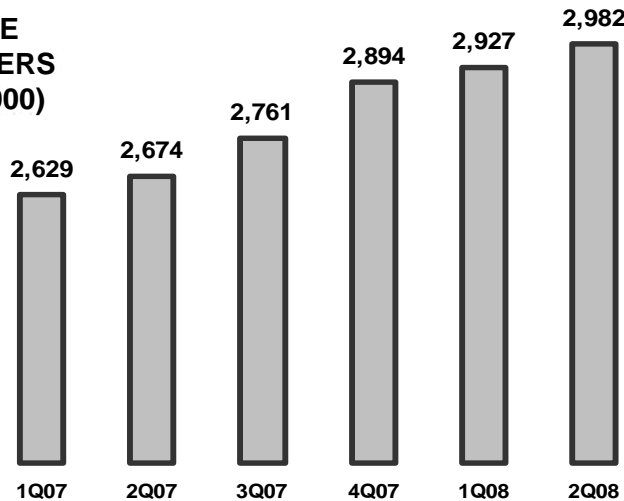
**TURNOVER
(M.€)**



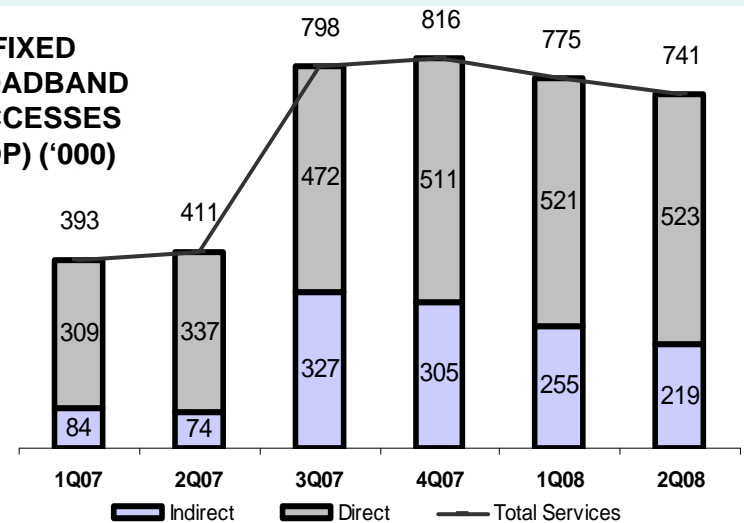
**EBITDA
(M.€)**



**MOBILE
CUSTOMERS
(EOP) ('000)**



**FIXED
BROADBAND
ACCESSES
(EOP) ('000)**



APPENDIX

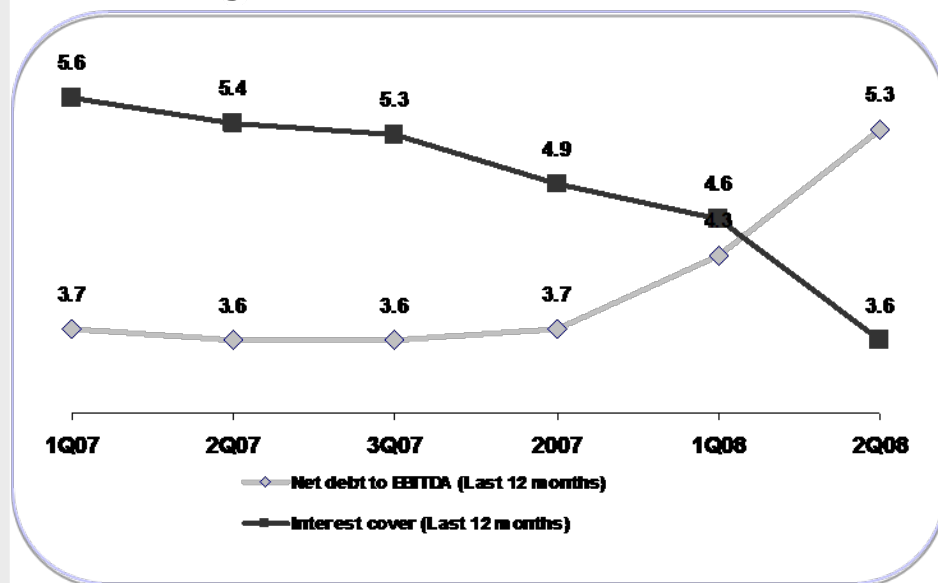
- 1. ANALYSTS' CONSENSUS**
- 2. SONAE FINANCIAL RATIOS**
- 3. DEBT MATURITY PROFILE**
- 4. LOAN TO VALUE**

Average price target of 1.35€/share, 141%% above closing price of 0.56€/share on 18 September 2008

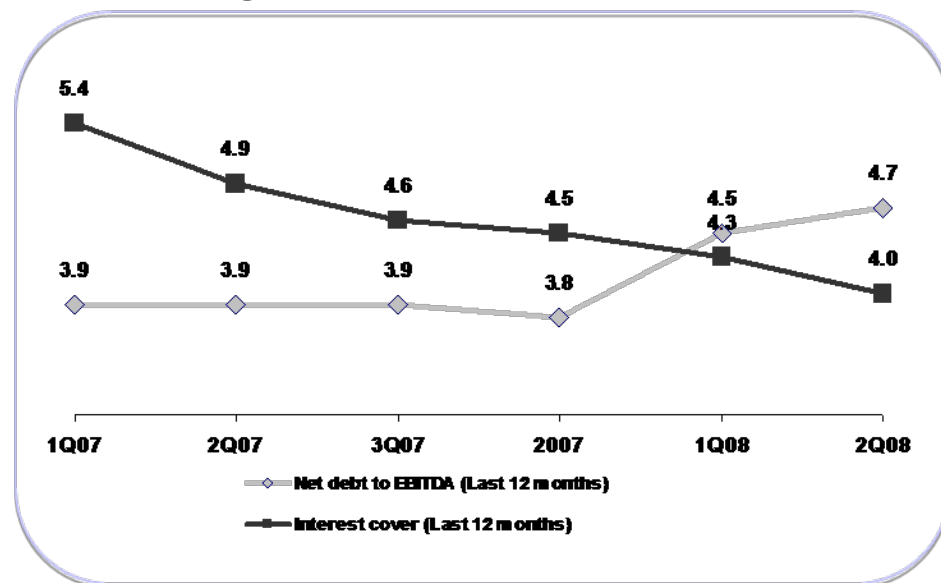
Million	BPI	BES	BANIF	UBS	JPM	Fidentiis	Santand	Avg
Insurance Brokerage	20	-	-	70	-	-	-	-
Retail	2,020	2,391	2,541	2,030	1,200	2,552	2,734	2,210
Shopping Centres	839	973	1,037	1,084	807	859	983	940
Telecommunications	664	477	574	760	387	571	415	550
Holding Net debt	495	520	450	562	624	512	591	536
Overheads	-	-	56	30	39	-	70	49
Total NAV	3,543	3,322	3,646	3,382	1,681	3,470	3,470	3,216
Holding Discount	354	332	180	676	-	360	-	381
%	10%	10%	5%	20%	-	10%	-	12%
Price Target €	1.40	1.50	1.73	1.35	0.84	1.56	1.88	1.47
Recommendation	Buy	Buy	Buy	Buy	Neutral	Buy	Buy	
Last published	Sep-08	Jun-08	May-08	Jul-08	Aug-08	Jun-08	Mar-08	

Net debt stood at 3,138 million euros by end 1H08;
Leverage increased but balance sheet is still strong and sound

Including Sonae Sierra



Excluding Sonae Sierra



Caveats when analysing Sonae's leverage ratios:

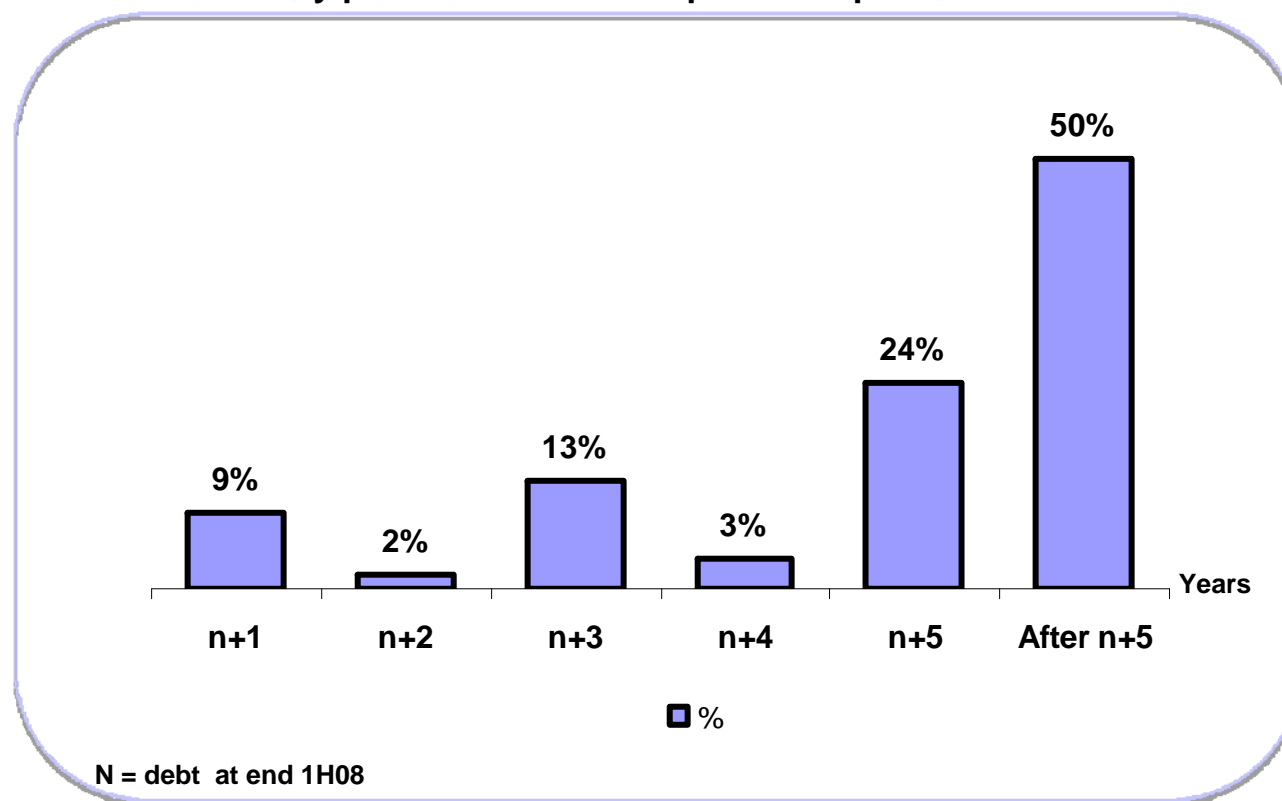
=> EBITDA includes 2 quarter's contribution from the retail operation acquired (the worst quarters; in 2007, the 2H07 represented 62% of total EBITDA of Sonae Distribuição; 35% contribution from 4Q07 – Christmas season), while Net Debt over the period reflects the full payment of the acquisition price of 664 million euros (paid on 31 December 2007).

=> The majority of the gross debt attributable to the Shopping Centres business (937 million euros; 28.2% of total gross debt) is fully and exclusively guaranteed by the assets of each project;

Hence, ratios of Net Debt to EBITDA and interest cover are not applicable to real estate companies (should be excluded from the analysis)

At end of 1H08, the weighted average maturity of Sonae Group debt stood at approximately 5.3 years;
no significant amortizations of bank loans until second half 2010

Debt maturity profile: % debt to be paid after period N



=> Low liquidity risk: sum of cash and undrawn committed credit facilities = 1,200 million euros

Based on Sonae's financial investments, valued at market consensus, the Holding loan to value at end 1H08 reaches 13.9%

Holding net debt/Value of financial investments @ market consensus

