

SONAE

1ST QUARTER RESULTS 2016

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 yellow that create a dynamic, abstract design.

1 HIGHLIGHTS and CEO's message

- Sonae consolidated turnover increased by 6.0%, to €1,215 M
- Sonae MC delivered positive LfL sales growth and increased turnover by 4.6%
- Sonae SR increased turnover by 10.9% and posted a negative EBITDA of €2 M
- Sonae RP completed sale and leaseback transactions in the amount of €230 M
- Sonae Sierra sold 25% of its participation in Sierra Portugal Fund
- NOS increased turnover by 7.6%, to €370 M

“Sonae’s first quarter 2016 was marked by the growth in the activity levels of the largest business units (Retail - 6% and Telecommunications - 8%), along with a significant increase in sales productivity on a Like-for-like basis.

Even after taking into consideration the favourable effect of an early Easter and the leap year, the results are very positive in view of the slowdown in economic growth in the Iberian Peninsula and the highly aggressive competitive environment prevalent in these sectors.

Equally important was the conclusion of the sales operations of real estate assets in the amount of approximately 400 million euros, in line with the capital recycling strategy of Sonae Sierra and Sonae RP so as to strengthen the development efforts of the new projects.

Additionally, an increased international exposure is evident by the 18% growth in sales outside of Portugal and by the growing weight of capital employed in external markets, which now represents almost 20% of total.

Despite the strong increase in investment, consolidated debt fell by nearly 170 million euros in relation to the same quarter last year, a period in which our team grew by more than 1,800 people.”

Ângelo Paupério, Co-CEO

Following the merger between Optimus and Zon and the further creation of NOS, and ZOPT, which is reported using the equity method, Sonae decided to change the way results are reported to the market by separating each business in order to obtain more transparency between the segments: 1) Sonae MC, Sonae SR and Sonae RP; 2) Sonae IM, including Technology business and Partnerships (MDS, Maxmat, Tlantic and Publico); 3) Sonae Sierra; and, 4) NOS.

2 SONAE PERFORMANCE AND CAPITAL STRUCTURE

Sonae Consolidated results			
Million euros	1Q15	1Q16	y.o.y.
Turnover	1,146	1,215	6.0%
Sonae MC	793	830	4.6%
Sonae SR	299	331	10.9%
Sonae RP	32	24	-24.6%
Sonae IM ⁽¹⁾	60	57	-5.0%
E&A ⁽²⁾	-39	-27	30.7%
Underlying EBITDA	59	46	-22.1%
Sonae MC	33	32	-4.6%
Sonae SR	-4	-2	56.2%
Sonae RP	29	21	-26.0%
Sonae IM ⁽¹⁾	2	1	-54.1%
E&A ⁽²⁾	-1	-6	-
Underlying EBITDA margin	5.2%	3.8%	-1.4 p.p.
Equity method results ⁽³⁾	12	12	-2.2%
o.w. S. Sierra (direct results)	7	7	2.1%
o.w. NOS	5	5	-4.6%
Non-recurrent items	0	62	-
EBITDA	71	120	67.8%
EBITDA margin	6.2%	9.9%	3.6 p.p.
D&A ⁽⁴⁾	-45	-51	-12.1%
EBIT	26	69	163.3%
Net financial activity	-18	-14	19.7%
EBT	8	55	-
Taxes	-3	-12	-
Direct results ⁽⁵⁾	6	43	-
Indirect results	16	-15	-
Net income	21	29	35.3%
Non-controlling interests	-2	1	-
Net income group share	20	30	51.6%

(1) Includes Technology and Partnerships contribution;

(2) Eliminations & adjustments;

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

(4) Depreciations & amortisations including provisions & impairments;

(5) Direct results before non-controlling interests.

Sonae net invested capital			
Million euros	1Q15	1Q16	y.o.y.
Net invested capital	3,251	3,127	-3.8%
Technical investment	2,033	1,767	-13.1%
Financial investment	1,284	1,304	1.6%
Goodwill	609	620	1.7%
Working capital	-675	-563	16.5%
Sonae shareholders funds	1,774	1,818	2.5%
Sonae net debt ⁽¹⁾	1,477	1,309	-11.4%
Net debt / Invested capital	45.4%	41.9%	-3.6 p.p.

(1) Financial net debt + net shareholder loans.

Sonae consolidated turnover reached €1,215 M, representing a growth of 6.0% when compared to 1Q15, benefiting from the positive performance of MC and SR, which has more than compensated the lower turnover of RP and IM.

Sonae underlying EBITDA margin declined to 3.8% particularly driven by lower RP rents as a result of the sale and leaseback transactions over the course of 2015 and in 1Q16.

Sonae EBITDA reached €120 M, equivalent to an EBITDA margin of 9.9% and including the following contributions:

- (i) underlying EBITDA, amounting to €46 M;
- (ii) equity method results of €12 M, made up of Sierra's direct results, as well as NOS contribution; and,
- (iii) non-recurrent items of €62 M, benefiting mostly from the capital gains related to the sale and leaseback transactions completed since the beginning of the year.

Driven by the combination of a lower average net debt and especially by a lower cost of outstanding debt, Sonae **net financial activity** improved by €4 M, registering a negative €14 M in 1Q16.

Sonae continued to focus on increasing the average maturity of its debt and decreasing the average interest rate of outstanding debt, which reached 2.0% on March 31st 2016. It should be noted that Sonae financial results exclude Sonae Sierra and NOS businesses.

Sonae direct results amounted to €43 M, increasing materially on a yearly basis, driven by the higher EBITDA, and the less negative net financial activity.

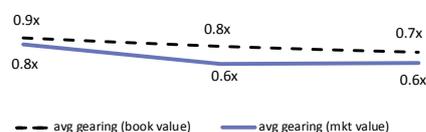
Sonae indirect results reached negative €15 M, mostly driven by NOS mark to market effect.

Sonae shareholders' funds stood at €1,818 M in 1Q16, €44 M above 1Q15.

Sonae net debt reached €1,309 M in 1Q16, decreasing €168 M when compared to 1Q15.

2 SONAE PERFORMANCE AND CAPITAL STRUCTURE

Gearing

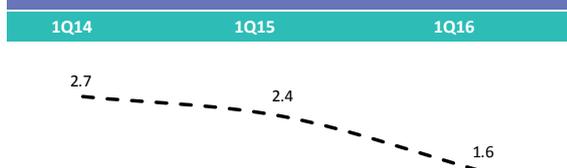


Net debt

Million euros	1Q15	1Q16	y.o.y.
Net financial debt	1,473	1,306	-11.3%
MC, SR and RP	890	648	-27.2%
IM	29	12	-56.8%
Holding & other	555	646	16.4%
Sonae net debt	1,477	1,309	-11.4%

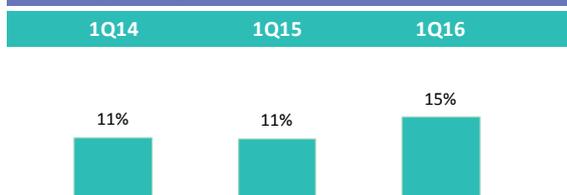
Capital Structure - MC, SR and RP

Net debt to EBITDA



Capital Structure

Loan-to-value (%) - Holding



Sonae Capex

Million euros	1Q15	1Q16	% of Turnover
Capex	48	58	4.8%
Sonae MC	23	35	4.2%
Sonae SR	17	13	3.9%
Sonae RP	7	9	36.7%
Sonae IM	2	2	3.7%

Average gearing at market value stood at 0.6x and **average gearing at book value** reached 0.7x. Sonae's gearing levels remained broadly stable in comparison to 1Q15, but continue showing clear levels of improvement compared to previous periods.

Sonae continues focused in presenting a robust capital structure, supported by low leverage and an improved maturity profile. No funding needs are expected for the next 18 months and importantly, this capital structure guarantees the necessary financial strength to explore future growth opportunities.

Net financial debt of MC, SR and RP stood at €648 M in 1Q16, less €242 M when compared to 1Q15, which benefited from the cash inflow resulting from the sale and leaseback transactions completed at RP throughout the last 12 months. The **net debt to EBITDA** at MC, SR and RP stood at 1.6x, decreasing materially versus 1Q15, driven by the lower net debt and the higher EBITDA.

Holding net debt reached €646 M, growing 16.4% y.o.y.. **Loan-to-value** ratio of the holding increased to 15%, impacted by higher holding net debt due to the anticipation of dividends payment related to 2015 results.

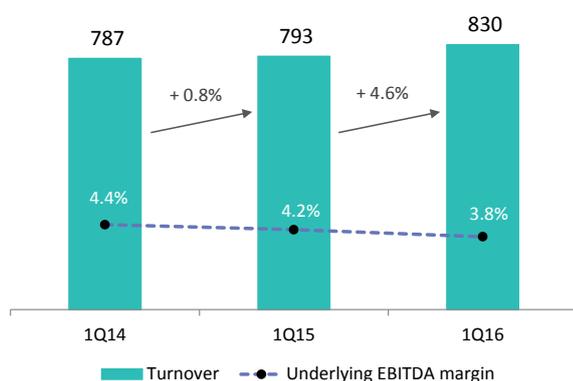
Sonae Capex reached €58 M, representing 4.8% of Sonae turnover and increasing 21.2% y.o.y.:

- **MC Capex** stood at €35 M, increasing 55.1% when compared to 1Q15;
- **SR Capex** reached €13 M in 1Q16, decreasing 25.7% y.o.y.;
- **RP Capex** totalled €9 M in 1Q16, a value that compares with €7 M in 1Q15;
- **IM Capex** reached €2 M in 1Q16, remaining broadly stable when compared to 1Q15.

3 SONAE MC RESULTS

Turnover and underlying EBITDA			
Million euros	1Q15	1Q16	y.o.y.
Turnover	793	830	4.6%
Lfl sales (%)	-1.2%	1.4%	-
Underlying EBITDA	33	32	-4.6%
Underlying EBITDA margin	4.2%	3.8%	-0.4 p.p.

Turnover and Underlying EBITDA evolution



MC turnover reached €830 M in 1Q16, posting an increase of 4.6% when compared to 1Q15, thus reinforcing Sonae's market share. This performance was backed by the opening of new stores, of which we would like to highlight 3 Continente Bom Dia and 6 Meu Super stores. Additionally, in March 2016, Sonae MC opened a new hypermarket with an area of 6,500 sqm under the "2020 hypermarket of the future" concept. Despite this recent opening, MC strategy regarding the expansion of the store network is through the opening of smaller stores, aimed at improving the company's convenience presence.

The top line performance in 1Q16 has also benefited from a positive calendar effect driven by an additional day in February.

MC Lfl performance totalled 1.4% in 1Q16, continuing the positive trend already witnessed during 4Q15, in which Lfl sales growth reached -0.2%. It should be highlighted that MC Lfl sales growth would still be positive even without the positive calendar effect.

MC underlying EBITDA stood at €32 M, corresponding to an **underlying EBITDA margin** of 3.8%, less 40bps when compared to 1Q15, mostly driven by promotional activity.

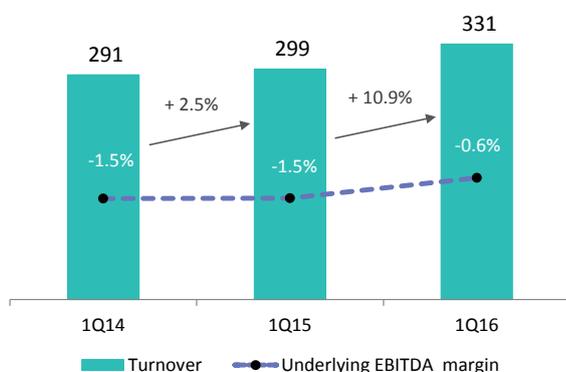
In order to face the very competitive food market, MC remained focused on reinforcing its value proposition. The quarter was largely focused on improving Continente's value proposition (especially in perishables), setting an ambitious programme for the convenience and proximity formats expansion, and piloting new and more effective promotional campaigns. "Nature is our brand" is the new communication campaign launched on February 2016 by Continente in relation to its perishables products. Based on the origin, authenticity, flavour and quality of the best fruits, vegetables, meat and fish, this initiative complements the brand's strategy of continuing to establish Continente as a specialist in perishables.

MC strengthened its international activity during 1Q16, with its brands entering new markets and expanding its presence in markets where they were already present. The wholesale activity grew its turnover materially, having expanded to 38 geographies. On the back of its innovation strategy, in January 2016, MC also announced the launching of Continente Negócios, an e-commerce platform completely dedicated to B2B customers.

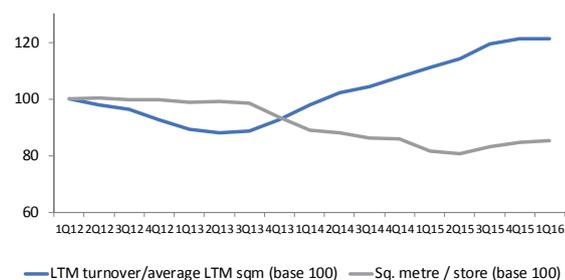
4 SONAE SR RESULTS

Performance per business			
	1Q15	1Q16	y.o.y
Turnover (million €)	299	331	10.9%
Worten	209	216	3.5%
Sports and Fashion	90	115	28.2%
EBITDA (million €)	-4	-2	56.1%
Worten	0	2	-
Sports and Fashion	-5	-4	8.3%
EBITDA margin (%)	-1.5%	-0.6%	0.9 p.p.
Worten	0.0%	1.0%	1.0 p.p.
Sports and Fashion	-5.1%	-3.6%	1.4 p.p.
LfL (%)	2.6%	1.1%	-
Worten	2.5%	1.6%	-
Sports and Fashion	3.1%	0.2%	-

Turnover and Underlying EBITDA evolution



Sonae SR International Last 12 months (LTM) turnover/square metre (sqm) evolution



Note: Includes online sales. Excludes Losan contribution.

SR turnover stood at €331 M in 1Q16, an increase of 10.9% when compared to 1Q15. This evolution was driven by an increase of 3.5% at Worten and by a strong growth of 28.2% in Sports and Fashion.

At **Worten**, the Iberian operation grew turnover by 3.5%, to €216 M. This turnover performance helped Worten strengthening its leadership in Portugal, while maintaining the positive evolution of sales per sqm in Spain.

In **Sports and Fashion**, turnover grew by 28.2%, to €115 M, for which the contribution of Losan, a wholesale specialist acquired in 4Q15, was significant. Sports and fashion was able to grow sales per sqm, reflecting its strategy of store network optimization, especially in Spain. However, the turnover performance in sports and fashion was below SR expectations, being impacted by the very cold and rainy month of March.

SR EBITDA reached negative €2 M in 1Q16, benefiting both from Worten and Sports and Fashion positive trends.

At **Worten**, the EBITDA in Iberia grew to €2 M, reflecting an improvement that occurred both in Portugal and Spain. Worten continued to implement the Omni-channel strategy, with a completely integrated system strongly converting online sales to offline sales and vice-versa, which has been showing very positive results and represented 21% of Worten sales during 1Q16. Following the measures implemented since 3Q15 in Spain, Worten conducted in Portugal a renewal of the brand image, with the right positioning to accelerate the Omni-channel strategy and capture synergies in Iberia.

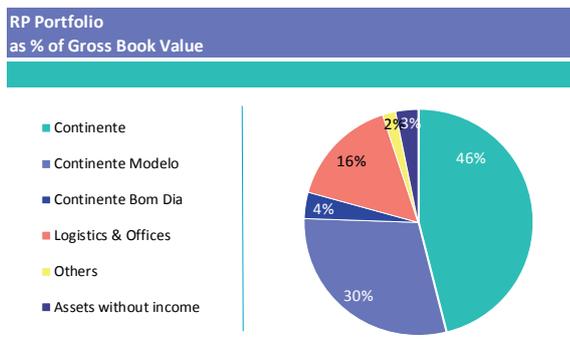
In **Sports and Fashion**, EBITDA improved to negative €4 M, nonetheless below SR expectations on the back of the turnover performance. Sport Zone continued to register a positive EBITDA (before central fees) in Spain.

Zippy continued to expand its worldwide presence, increasing y.o.y. the number of stores in the countries where it is already present, as well as expanding the wholesale activity to a larger group of countries.

Additionally, it is pertinent to note the growing relevance and autonomy of some brands such as Berg and Deeply, each of which now with online platforms.

5 SONAE RP RESULTS

Turnover and Underlying EBITDA			
Million euros	1Q15	1Q16	y.o.y.
Turnover	32	24	-24.6%
Underlying EBITDA	29	21	-26.0%
Underlying EBITDA margin	89.5%	87.8%	-1.7 p.p.



RP turnover decreased 24.6%, to €24 M, driven mostly by freehold reduction at MC, from 72% in 1Q15, to 51% at the end of 1Q16. The **underlying EBITDA** amounted to €21 M, corresponding to an **underlying EBITDA margin** of 87.8%.

Net book value of the capital invested in real estate assets amounted, at the end of 1Q16, to €878 M. **RP EBIT ROCE** stood at 20%. It should be noted that EBIT ROCE was positively impacted by the capital gains of the last 12 months.

RP completed in 1Q16 3 sale and leaseback transactions in the amount of €230 M, equivalent to a capital gain of approximately €64 M. This strategy enabled releasing capital from mature real estate assets while also maintaining adequate operational flexibility.

Following these transactions, MC's freehold reached 51%, moving closer to the stated target freehold level of 50%. MC real estate portfolio now includes 22 Continente stores, 62 Continente Modelo stores and 18 Continente Bom Dia stores. As for SR's freehold, it stood at 22% as of 1Q16.

6 SONAE IM RESULTS

Sonae IM has an active portfolio strategy, with the clear objective of building and managing a portfolio of tech-based companies linked to retail and telecommunications.

Technology portfolio

WeDo Technologies

Saphety

Bizdirect

S21Sec

Movvo

Brightpixel

Turnover and Underlying EBITDA performance

Turnover and underlying EBITDA

Million euros	1Q15	1Q16	y.o.y.
Turnover	28	27	-6.2%
Underlying EBITDA	2	1	-74.1%
Underlying EBITDA margin	7.4%	2.0%	-5.4 p.p.

Note: For consolidation purposes, Sonae IM also includes some partnerships - MDS, Maxmat, Tlantic and Público - which reached a turnover of €30.6 M and an underlying EBITDA of €0.6 M in 1Q16.

In the Technology arm, **IM turnover** reached €27 M, decreasing 6.2% when compared to 1Q15. **Underlying EBITDA** amounted to €1 M, which translates into an **underlying EBITDA margin** of 2.0%.

During the 1Q16, **Wedo Technologies** acquired four new telecom customers (1 in Europe, 1 in Asia Pacific, 1 in North America and 1 in Africa), continuing to enlarge its customer base around the world.

During the 1Q16, **S21Sec** continued to push its brand awareness and to show its relevance in cybersecurity space, having managed to increase revenues when compared to 1Q15, driven by a good performance in orders at the end of 2015.

This quarter has been marked by a significant improvement on orders and profitability at **Saphety**, coupled with a good commercial activity with some important new contracts. The company has now over 8,500 customers and 129,000 users in about 26 countries.

Bizdirect turnover decreased on a yearly basis. However, the performance of Bizdirect Competence Center in Viseu has been delivering positive results. It currently has 15 international customers from 10 countries and has tripled the turnover compared to the same period of 2015.

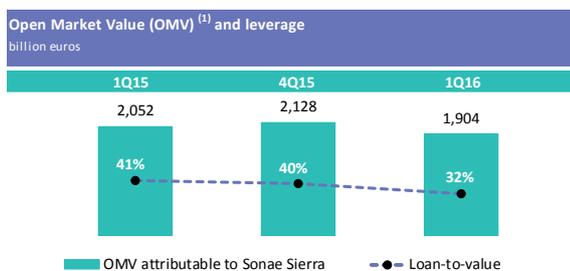
During 1Q16, **Movvo** increased its international footprint, by reinforcing its sales team in Europe and Asia, and closing a strategic partnership for the US market. As a result, Movvo has built good prospects coming from US and particularly Asia and closed 7 new customers in markets such as Panama, US or China.

It should also be noted that **Sonae IM** launched a partnership with **Brightpixel**, a recently created company builder studio. Brightpixel has two goals: to transform the way companies address innovation and how new ventures are put together. This company is positioned to work with the Sonae group, as well as other industry players, the growing startup ecosystem, R&D units and universities, and investors from around the world.

7 SONAE SIERRA RESULTS

Operational indicators			
	1Q15	1Q16	y.o.y.
Footfall (million visitors)	106	103	-2.8%
Europe & New Markets	81	78	-3.1%
Brazil	25	25	-1.6%
Occupancy rate (%)	95.8%	95.0%	-0.8 p.p.
Europe	95.7%	96.0%	0.3 p.p.
Brazil	96.0%	92.2%	-3.8 p.p.
Like-for-Like (Lfl) tenant sales			
Europe	4.0%	5.3%	1.3 p.p.
Brazil (local currency)	9.6%	-0.1%	-9.7 p.p.
Tenant sales (million euros)	1,021	963	-5.7%
Europe (million euros)	683	710	4.0%
Brazil (million euros)	338	253	-25.3%
Brazil (million reais)	1,088	1,087	-0.1%
Nº of shopping centres owned and managed (EOP)	67	68	1
Europe	55	57	2
Brazil	12	11	-1
Nº of shopping centres owned/co-owned (EOP)	46	44	-2
Europe	36	35	-1
Brazil	10	9	-1
GLA under Management ('000 sqm)	2,392	2,333	-2.5%
Europe & New Markets	1,874	1,828	-2.5%
Brazil	519	505	-2.6%

Financial indicators			
Million euros	1Q15	1Q16	y.o.y.
Turnover	55	51	-6.1%
EBIT	26	25	-2.2%
EBIT margin	47.5%	49.4%	2.0 p.p.
Direct results	14	15	2.4%
Indirect results	-2	2	-
Net results	13	17	31.3%
... attributable to Sonae	6	8	31.3%



⁽¹⁾Includes investment properties at open market value and development properties at cost.

Tenant sales in Europe increased 4.0%, to €710 M, corresponding to an increase in LfL tenant sales of 5.3%, reflecting the general market recovery and the quality of Sonae Sierra shopping centres as compelling retail destinations. The **tenant sales** in Brazil were flat in reais, decreasing 25.3% in euros, entirely due to the depreciation of the Brazilian Real.

Occupancy rates stood at 95.0%, slightly below the level registered in 1Q15 but increasing to 96.0% in Europe. The decrease in global Occupancy rates is completely driven by the operation in Brazil, a consequence of the current deceleration in private consumption, notwithstanding the positive performance of the more recent shopping centres.

Sierra's turnover reached €51 M, a decrease of 6.1% when compared to 1Q15, driven by the negative effect of disposals such as Colombo Tower (Portugal), Zubiarte (Spain), Loop 5 (Germany), Boavista Shopping (Brazil) and the 25% dilution in the Sierra Portugal Fund, as well as the adverse exchange rate effect of the Brazilian Real against the Euro. The **EBIT** stood at €25 M, less 2.2% y.o.y., corresponding to an **EBIT margin** of 49.4%.

Direct results amounted to €15 M, increasing 2.4% versus 1Q15 and **indirect results** reached €2 M. Since Sonae Sierra only values its assets in a semi-annual basis, indirect results in 1Q16 were not impacted by the real estate valuations, only representing the realised gains on disposals.

On 31st March 2016, the **Investment and Development Properties** attributable to Sierra reached €1,904 bn, €224 M below the 2015 year-end, driven by the effect of the disposals, which more than off-set the investment in the pipeline of projects under development.

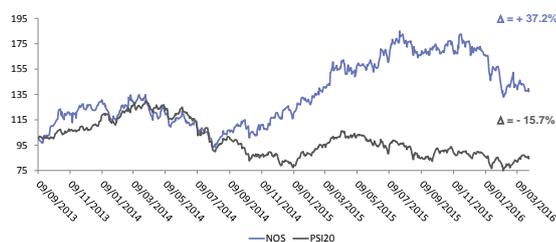
NAV (Net Asset Value) reached €1,196 bn at the end of 1Q16, €16 M above December 2015, reflecting the direct results of the period.

Loan-to-value reached 32% in 1Q16, compared to a value of 40% in 2015, reflecting the effect of the cash received from the recent assets disposals.

8 NOS RESULTS

Operational Indicators			
('000)	1Q15	1Q16	y.o.y.
Total RGUs (Net adds)	165	130	-21.0%
Convergent RGUs (Net adds)	341	135	-60.5%
Mobile (Net adds)	87	50	-42.7%
Pay TV (Net adds)	12	18	49.2%
Total RGUs	7,790	8,595	10.3%
Convergent RGUs	2,195	2,989	36.2%
Convergent customers	457	615	34.6%
ARPU/Unique subscriber with fixed access (euros)	41	44	5.5%

Financial Indicators			
Million euros	1Q15	1Q16	y.o.y.
Operating revenues	344	370	7.6%
EBITDA	128	138	7.8%
EBITDA margin	37.2%	37.2%	0.1 p.p
Net results	23	24	5.0%
Capex	94	95	0.8%
EBITDA - Capex	34	43	27.3%
Recurrent Capex	68	69	1.8%
EBITDA-Recurrent Capex	60	69	14.7%



NOS published its results on April 26th 2016, which are available at www.nos.pt.

The **operating revenues** increased 7.6% y.o.y to €370 M, in 1Q16, up from 6.4% in 4Q15 and 5.8% in 3Q15, consistently showing an acceleration of the y.o.y. increasing trend throughout the year.

EBITDA registered €138 M, improving 7.8% when compared to 1Q15.

CAPEX stood at €95 M in 1Q16, a residual 0.8% y.o.y. evolution on the back of higher telco growth related investment.

Total RGUs grew by 10.3%, to 8.595 M and **convergent RGUs** increased to 2.989 M, +36.2% y.o.y..

ARPU continued to grow, reaching 44 euros in 1Q16, increasing 5.5% when compared to 1Q15.

Following the merger between Optimus and Zon, and the subsequent creation of NOS, since September 9th 2013, the day when new shares issued were listed, to March 31st 2016, the company's market capitalisation has grown by 37.2%, corresponding to a share price increase from €4.27 to €5.86.

The PSI20, the main Portuguese index, decreased its market capitalisation 15.7% in the same period.

9 CORPORATE INFORMATION

Main corporate events in the 1Q16

On **January 12th 2016**, Sonae announced that MC launched Continente Negócios, an e-commerce platform completely dedicated to B2B customers. This platform will offer more than 3,000 different products both from MC own brands as well as other supplier brands, including paper, stationery, equipment and technology, furniture or hygiene and cleanliness products.

On **February 1st 2016**, Sonae announced that RP made a sale and leaseback transaction of 12 food retail assets located in Portugal, with an estimated net book value of €114 M. The transaction amounted to €164 M.

On **March 1st 2016**, Sonae announced that RP made a sale and leaseback transaction of 3 Worten stores in Spain. This transaction totaled €27 M and was related to assets with an estimated net book value of €17 M.

On **March 7th 2016**, Sierra announced the sale of 25% of its stake in the Sierra Portugal Fund to Madison International Realty. Following this transaction, Sierra retains a 22.5% stake in the Fund and will continue to manage both the Fund and the individual assets within it.

On **March 30th 2016**, Sonae announced that RP made a sale and leaseback transaction of 4 food retail assets located in Portugal. This transaction totaled €39 M and was related to assets with an estimated net book value of €25 M.

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 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 ZOPT net results) + non-recurrent items.
EBITDA margin	EBITDA / turnover.
(Direct) EBT	Direct results before non-controlling interests and taxes.
E&A (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 - CAPEX - change in working capital - 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 and co-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

Number of stores and sales area

	Nr. of stores						Sales area ('000 sqm)					
	31 Dec 2015	stores opened	M&A	banner changed	stores closed	31 Mar 2016	31 Dec 2015	stores opened (3)	M&A	banner changed	stores closed	31 Mar 2016
Sonae MC	746	25	0	0	-10	761	673	14	0	0	-1	685
Company operated ⁽¹⁾	509	8	0	0	-1	516	619	11	0	0	0	630
contigente	40	1	0	0	0	41	283	6	0	0	0	290
contigente modelo	123	0	0	0	0	123	246	0	0	0	0	246
contigente bom dia	52	3	0	0	0	55	58	4	0	0	0	62
well's	152	2	0	0	0	154	16	0	0	0	0	16
bom bocado / bagga	111	1	0	0	-1	111	6	0	0	0	0	6
note! / Makenotes	25	1	0	0	0	26	6	0	0	0	0	6
other ⁽²⁾	6	0	0	0	0	6	4	0	0	0	0	4
Franchising	237	17	0	0	-9	245	54	3	0	0	-1	56
contigente modelo	7	0	0	0	0	7	17	0	0	0	0	17
meu super	205	15	0	0	-9	211	35	3	0	0	-1	36
well's	15	2	0	0	0	17	1	0	0	0	0	2
bom bocado / bagga	5	0	0	0	0	5	0	0	0	0	0	0
note!	5	0	0	0	0	5	1	0	0	0	0	1
Sonae SR	596	6	0	0	-10	592	381	0	0	0	-4	378
Company operated ⁽¹⁾	516	5	0	0	-5	516	360	0	0	0	-3	357
Electronics	227	1	0	0	-3	225	189	0	0	0	-2	186
Portugal	177	1	0	0	-1	177	118	0	0	0	0	117
worten	138	1	0	0	0	139	116	0	0	0	0	116
worten mobile	39	0	0	0	-1	38	1	0	0	0	0	1
Spain	50	0	0	0	-2	48	72	0	0	0	-2	69
worten	50	0	0	0	-2	48	72	0	0	0	-2	69
Sports	108	3	0	0	0	111	95	1	0	0	0	96
Portugal	75	3	0	0	0	78	62	1	0	0	0	64
Sport Zone	75	3	0	0	0	78	62	1	0	0	0	64
Spain	33	0	0	0	0	33	33	0	0	0	0	33
Sport Zone	33	0	0	0	0	33	33	0	0	0	0	33
Fashion	181	1	0	0	-2	180	76	-1	0	0	-1	74
Portugal	147	1	0	0	-1	147	66	-1	0	0	0	64
mo	108	0	0	0	0	108	54	-1	0	0	0	53
Zippy ⁽⁴⁾	39	1	0	0	-1	39	12	0	0	0	0	12
Spain	34	0	0	0	-1	33	10	0	0	0	0	10
Zippy	24	0	0	0	-1	23	7	0	0	0	0	7
Losan	10	0	0	0	0	10	3	0	0	0	0	3
Franchising	80	1	0	0	-5	76	21	0	0	0	-1	21
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	9	0	0	0	0	9	4	0	0	0	0	4
Portugal	4	0	0	0	0	4	2	0	0	0	0	2
Sport Zone	4	0	0	0	0	4	2	0	0	0	0	2
Other countries ⁽⁵⁾	5	0	0	0	0	5	2	0	0	0	0	2
Fashion	67	1	0	0	-5	63	15	0	0	0	-1	15
Portugal (mo)	5	0	0	0	0	5	1	0	0	0	0	1
Other countries	62	1	0	0	-5	58	14	0	0	0	-1	13
Zippy ⁽⁶⁾	50	1	0	0	-5	46	10	0	0	0	-1	9
mo ⁽⁷⁾	12	0	0	0	0	12	4	0	0	0	0	4
Sonae IM	30	0	0	0	0	30	54	0	0	0	0	54
Maxmat	30	0	0	0	0	30	54	0	0	0	0	54

(1) Includes Joint-Ventures;

(2) Includes outlet;

(3) Includes changes in sales area due to refurbishments;

(4) Includes a pop up store opened in 2014 converted into a permanent store;

(5) Includes India, France and Spain;

(6) Includes Turkey, Saudi Arabia, Egypt, Kazakhstan, Azerbaijan, Dominican Republic, Venezuela, Morocco, Lebanon, Qatar, St. Maarten (2015), Jordan (2015), Armenia, Chile (2015), Georgia, Equator, Cyprus, Kurdistan, Libya, Tunisia, Philippines and Mozambique;

(7) Includes Spain, Bulgaria, Mozambique and Saudi Arabia.

Sonae Consolidated Profit and Loss Account

Sonae profit and loss account			
Million euros	1Q15	1Q16	y.o.y.
Turnover	1,146	1,215	6.0%
Underlying EBITDA	59	46	-22.1%
Underlying EBITDA margin	5.2%	3.8%	-1.4 p.p.
EBITDA	71	120	67.8%
EBITDA margin	6.2%	9.9%	3.6 p.p.
Depreciations & amortisations ⁽¹⁾	-45	-51	-12.1%
EBIT	26	69	163.3%
Net financial activity	-18	-14	19.7%
EBT	8	55	-
Taxes	-3	-12	-
Direct results	6	43	-
Indirect results ⁽³⁾	16	-15	-
Net income	21	29	35.3%
Minority interests	-2	1	-
Net income group share	20	30	51.6%

(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.

Sonae Consolidated Statement of Financial Position

Sonae statement of financial position			
Million euros	1Q15	1Q16	y.o.y.
TOTAL ASSETS	5,429	5,065	-6.7%
Non current assets	3,994	3,736	-6.5%
Tangible and intangible assets	2,032	1,766	-13.1%
Goodwill	609	620	1.7%
Investment properties	1	1	-6.0%
Other investments	1,221	1,252	2.5%
Deferred tax assets	103	66	-36.3%
Others	28	33	15.9%
Current assets	1,435	1,329	-7.4%
Stocks	582	617	5.9%
Trade debtors	82	102	24.4%
Liquidity	451	269	-40.3%
Others	320	341	6.6%
SHAREHOLDERS' FUNDS	1,774	1,818	2.5%
Equity holders	1,615	1,686	4.4%
Attributable to minority interests	159	132	-17.3%
LIABILITIES	3,655	3,247	-11.2%
Non-current liabilities	1,069	1,423	33.1%
Bank loans	263	576	119.1%
Other loans	624	706	13.1%
Deferred tax liabilities	100	66	-34.4%
Provisions	33	38	14.5%
Others	48	37	-23.0%
Current liabilities	2,586	1,824	-29.5%
Bank loans	217	249	14.7%
Other loans	832	56	-93.2%
Trade creditors	967	985	1.9%
Others	571	534	-6.5%
SHAREHOLDERS' FUNDS + LIABILITIES	5,429	5,065	-6.7%

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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 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
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SONAE is listed on the Euronext Stock Exchange.
Information may also be accessed on Reuters
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