



SONAE
FIRST NINE MONTHS OF 2008 RESULTS
JANUARY-SEPTEMBER

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Notes:

- (1) The financial information contained in this report is unaudited and based on financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union;
- (2) In order to facilitate comparison of YTD results against the previous year, the 3Q07 and 9M07 comparative figures have been restated (3Q07^R and 9M07^R) to adjust for the following operations: (i) exclusion of Sonae Capital's contribution to the Sonae consolidated accounts during the 9M07, given the conclusion of the Sonae Capital demerger and consequent exclusion from the Sonae consolidation perimeter, from October 2007; and (ii) consolidation of the Portuguese shopping centres comprising the Sierra Portugal Fund under the equity method;
- (3) Sonae sub-holding's financial figures, as reported in section 2 - Consolidated results, are reported on the basis of their contribution to the consolidated accounts;
- (4) Sonae sub-holding's financial figures, as reported in section 4 – Additional information, are reported on a stand-alone basis.

Highlights

For 9M08, Sonae successfully executed its growth strategy within its operating investments, despite the increased level of competition and the turbulent period in the financial markets.

Million euros

CONSOLIDATED HIGHLIGHTS	3Q07 ^(R)	3Q08	y.o.y	9M07 ^(R)	9M08	y.o.y
Turnover	1.162	1.397	20,2%	3.134	3.833	22,3%
EBITDA excl. VCIP ⁽¹⁾	148	167	13,4%	366	411	12,3%
EBITDA margin excl. VCIP ⁽¹⁾ (%)	12,7%	12,0%	-0,7pp	11,7%	10,7%	-1pp
CAPEX ⁽²⁾	230	203	-12,1%	584	604	3,5%
CAPEX as a % of Turnover	19,8%	14,5%	-5,3pp	18,6%	15,7%	-2,9pp

(1) Increase (decrease) in the valuation of the shopping centres proportionally consolidated; (2) Capex includes gross investments in tangible, intangible, investment properties and investments in acquisitions; (R) Restated to exclude Sonae Capital contribution in 9M07 and to consolidate the Portuguese shopping centres comprising the Sierra Portugal Fund under the equity method.

- Consolidated turnover grew strongly by 22.3% to 3,833 million euros in 9M08, compared to 3,134 million euros in 9M07^(R). All companies posted double digit growth in the period: (i) the Retail business increased its contribution to consolidated turnover by 25.1%, on the back of strong organic growth of its store portfolio and the successful integration of the retail operation acquired at the end of 2007; (ii) the Telecommunications business achieved a high level of growth in customer and service revenues, with an increase in contribution of 12%, supported by the investments in its brands, network, distributions channels and a number of important commercial initiatives; (iii) the Shopping Centre business increased its contribution to consolidated turnover by 18.6%, reflecting: new shopping centres opened and acquired during 2007, better performance of the portfolio under management, the higher number and dimension of the projects in its pipeline and the increase of the value of the portfolio under management.
- Direct EBITDA (excluding VCIP¹) increased by 12.3% to 411 million euros in 9M08, reflecting: (i) the solid Retail performance that increased its contribution to EBITDA by 14%, driven by turnover growth and the contribution from the hypermarkets acquired in 2007; and (ii) the Shopping Centre business contribution to EBITDA, that grew by 34.6%, driven by the above mentioned expansion of the portfolio and its good operational performance in the period. The Telecommunications business continued to invest on its organic growth strategy, contributing to consolidated EBITDA with 128 million euros.
- Sonae businesses continued to invest consistently to deliver future growth. Consolidated CAPEX increased by 3.5% to 604 million euros in 9M08, driven by: (i) the Telecommunications business contribution to the development of the Information Society in Portugal, through the government's "e-Initiatives" program; and the expansion of the mobile and wireline access networks; (ii) the Retail business ambitious expansion plan and the improvement of its logistic infrastructure; (iii) the Shopping Centre business development of new projects.

Million euros

CAPITAL STRUCTURE	3Q07	4Q07	1Q08	2Q08	3Q08
Net debt⁽¹⁾	2.466	2.621	3.013	3.138	3.107
Retail net debt/EBITDA (last 12 months)	2,0 x	1,8 x	4,2 x	4,4 x	3,9 x
Shopping centres Loan to Value ⁽²⁾	40,0%	40,7%	42,6%	41,9%	42,8%
Telecoms net debt/EBITDA (last 12 months)	2,0 x	1,9 x	2,1 x	2,3 x	2,4 x
Holding Loan to Gross Asset Value ⁽³⁾	-	12,2%	-	-	21,1%

(1) Net debt = gross debt - liquidity; (2) Net debt / Investment properties; (3) Holding Net debt/Holding Investment Portfolio Gross Asset Value; gross asset value based on Analyst's consensus;

- Supported by the good operational performance, the Group balance sheet remained solid: leverage ratios were kept at comfortable levels, with Retail improving its Net Debt to EBITDA (last 12 months) ratio from 4.4x at end 1H08 to 3.9x at end 9M08; Shopping Centres loan to value is now a conservative 42.8%; Telecommunications Net Debt to EBITDA (last 12 months) remaining stable at 2.4x; and the Holding company loan to gross asset value at 21.1% at end 9M08.

1 EBITDA excluding Value Created on Investment Properties, i.e. the increase/decrease in the market value of the shopping centres owned (proportionally consolidated), which is a non-cash impact, largely dependent on capitalization yields and, as such, with low correlation with the real operational performance.

Message from Paulo Azevedo, CEO of Sonae

I am pleased to be able to report substantial growth in Turnover and direct EBITDA. All our businesses are showing their relative strength in dealing with the challenging market environment.

Sonae Distribuição posted very strong growth in turnover (25%), built on our acquisitions, our strong organic growth and our marginally positive like-for-like sales. In terms of operational profitability, we are continuing to deliver on our commitment to the fast integration of ex-Carrefour stores and are confident on maintaining last years' recurrent EBITDA margin (excluding petrol stations, still waiting for a Competition Authority decision) despite the additional competitive pressures we are facing in some of our non-food formats.

Sonae Sierra delivered significant growth in turnover (+16%) and direct EBITDA (+20%), as well as a good pace of development activity, with openings (+2) and new projects (+5). In the near future, the pace of new development projects is likely to reduce being dependent on the recovery of the financial system.

Sonaecom grew its top line at a healthy rate. EBITDA for 9M08 is consistent with the Company's guidance given at the beginning of the year, which is a remarkable achievement given the deterioration of market conditions which, in our opinion, result essentially from a market structure that is unbalanced.

In my previous quarterly results message, I pointed out that, despite the reassuring results of our sales and operational profitability, our net results would significantly depend on the evolution of interest rates and yields underlying real estate valuations.

The conditions applicable to our debt and the careful execution of interest rate derivatives have allowed us to maintain average cost of debt for 3Q08 and, given the recent reductions in central banks rates, interest rate fluctuations are no longer a key concern.

Capitalization yields for Shopping Centres have continued to rise across Europe. We have brought forward independent valuations of a large part of our assets (previously only carried out every semester) and have registered a negative indirect result of 43 million euros, a non-cash impact mainly explained by the downturn cycle in the real estate market. The total negative impact YTD to our properties' NAV is now 2.5%. This relatively low devaluation was only possible given the operational improvements in our centres and their intrinsic average quality. We believe that capitalization yields are still going to increase for the next quarter of the year.

Debt has evolved in line with our expectations at all businesses and at the Holding level, maintaining levels that are clearly adequate for each activity. It is worthwhile mentioning the progress at our retailing division, which increased its average debt due to the significant acquisition at the end of last year and has now posted the first quarterly improvement in gearing ratios, as planned.

The Group's high levels of investment have essentially continued, although the increase in hurdle return rates has resulted in a decrease of absolute values in the 3Q08 versus the homologous period. Key strategic investment objectives such as increase in the pace of international development, strengthening of our market positions in retail, and the quality, reach and bandwidth of our telecom networks were maintained.

Our good operational performance and our resilience to the financial crisis were not reflected in Sonae's share price. We will double our efforts to communicate to the market the value of our assets and to invert the increasing gap to analysts' consensus.

Conscious of the current constraints in financial markets, we intend to continue to focus on the growth of our businesses, improvements in profitability, as well as searching for new growth avenues through innovation in products, markets and business models. We will, as always, base our decisions pursuant to criteria of long term value creation for our shareholders, our customers, our employees and our partners.

1. Investment portfolio as of 30 September 2008

Sonae's share price at 30 September 2008 and its evolution since YE 2007 contrast with the solid operational performance posted by all its businesses in the period.

Million euros		Analyst's consensus	Market multiples , real estate NAV and market capitalization for listed companies					
			latest valuations	9M08	6M08	Δ	2007	Δ
NET ASSET VALUE	% stake							
Gross Asset Value (GAV)		3.436	2.682	2.871	-6,6%	3.371	-20,5%	
Sonae Distribuição (1)	100%	1.962	1.367	1.438	-4,9%	1.713	-20,2%	
Sonae Sierra (2)	50%	908	924	951	-2,9%	948	-2,5%	
Insurance Brokerage (3)	17%	45	70	70	0,0%	70	0,0%	
Total unlisted holdings		2.915	2.361	2.459	-4,0%	2.731	-13,5%	
Sonaeacom (4)	53%	520	320	412	-22,2%	641	-50,0%	
Total listed holdings		520	320	412	-22,2%	641	-50,0%	
Net debt		584	584	513	13,9%	402	45,4%	
Net Asset Value		2.851	2.098	2.358	-11,0%	2.970	-29,4%	
shares outstanding ('000)		2.000.000	2.000.000	2.000.000	0,0%	2.000.000	0,0%	
NAV/share (€)		1,43	1,05	1,18	-11,0%	1,48	-29,4%	
closing price last trading day		0,53	0,53	0,77	-30,2%	1,78	-69,9%	
NAV premium/(discount) to closing price last trading day		167%	96%	54%	78,2%	-16%	-	

(1) based on food retail sector EV/EBITDA 08 & EV/Sales 08 multiple, the consensus 2008 Sales & EBITDA for Sonae Distribuição, and non-operating real estate gross book value; (2) includes European and Brazilian properties in operation and under development at NAV; Property and Asset Management businesses based on market multiples on EV/EBITDA; (3) Acquisition value to Sonae Capital at end November 2008; (4) valuation at market prices with the exception of analyst's consensus column.

Based on the latest available research notes on Sonae, analyst's consensus about the Group's net asset value at end 9M08 amounted to 2,915 million euros, representing 1.43 euros per share, implying a premium of 167% over Sonae share closing price of 0.53 euros at 30 September 2008. Consequently, from these notes, 78% have a 'buy' recommendation.

When taking into account market multiples, Group net asset value at end 9M08 amounted to approximately 2,098 million euros, representing 1.05 euros per share, implying a premium of 96% over Sonae share closing price of 0.53 euros at 30 September 2008. When compared to YE 2007 the market multiples based estimate of the Group's net asset value, reduced by 29.4%, driven mainly by a 20.2% reduction of the Retail valuation and a 50% reduction of Sonaeacom market capitalization.

From Sonae's current portfolio and taking into account analyst's consensus, Retail represented 57.1% of total GAV, Shopping Centres represented 26.4% and Telecommunications represented 15.1%. When based on market multiples, investments in Retail accounted for 50.9% of total GAV, Shopping Centres represented 34.6% and Telecommunications represented 11.9%.

2. Consolidated results

1.1. Consolidated income statement

Million euros						
CONSOLIDATED INCOME STATEMENT						
	3Q07 ^(R)	3Q08	y.o.y	9M07 ^(R)	9M08	y.o.y
Turnover	1.162	1.397	20,2%	3.134	3.833	22,3%
Retail	897	1.110	23,8%	2.387	2.985	25,1%
Shopping centres ⁽¹⁾	37	39	6,6%	104	124	18,6%
Telecommunications	226	244	8,0%	634	710	12,0%
Holding & others	3	4	16,0%	9	15	63,7%
Value created on investment properties ⁽²⁾	17	-21	-	120	-43	-
Other revenues	79	112	40,4%	234	321	37,0%
Operating costs	1.093	1.341	22,7%	3.000	3.742	24,7%
COGS	691	869	25,9%	1.861	2.359	26,8%
Personnel costs	121	144	19,9%	370	444	20,0%
General & administrative expenses	263	302	14,9%	718	874	21,7%
Other operating costs	19	25	33,2%	51	64	27,4%
EBITDA excl. value created on invest. prop.	148	167	13,4%	366	411	12,3%
EBITDA margin excl. value created on invest. prop (%)	12,7%	12,0%	-0,7pp	11,7%	10,7%	-1pp
Retail	81	95	17,7%	195	222	14,0%
Shopping centres ⁽¹⁾	17	18	3,2%	46	62	34,6%
Telecommunications	51	54	6,9%	130	128	-1,6%
Holding & others	-1	0	-	-4	0	-
EBITDA ⁽³⁾	165	146	-11,5%	486	368	-24,3%
EBITDA margin (%) ⁽⁴⁾	14,2%	10,5%	-3,7pp	15,5%	9,6%	-5,9pp
Provisions and impairment losses	3	5	91,0%	15	16	6,1%
Depreciation & amortization	56	69	21,9%	167	202	21,0%
EBIT	107	73	-32,3%	306	151	-50,8%
Net financial results	-36	-42	-17,1%	-86	-120	-39,6%
Financial income	11	10	-11,1%	36	30	-16,4%
Financial expenses	47	52	10,3%	122	150	23,0%
Share of results of associated undertakings	2	-1	-	3	0	-93,5%
Investment income ⁽⁵⁾	4	2	-51,9%	35	10	-71,0%
EBT	77	31	-59,4%	259	42	-83,9%
Taxes	5	3	-33,9%	47	3	-92,8%
Net income including minority interests	72	28	-61,0%	211	38	-82,0%
Net income ⁽⁶⁾	62	29	-53,3%	162	53	-67,3%
Attributable to minority interests	11	-1	-	49	-15	-

(1) Shopping centres are proportionally consolidated; (2) Increase (decrease) in the valuation of the shopping centres proportionally consolidated (50%); (3) EBITDA = Turnover + value created on investment properties + other revenues - impairment reversion - operating costs; (4) EBITDA margin = EBITDA / Turnover; (5) Capital gains (losses) with financial investments plus dividends received; (6) Net income attributable to Sonae shareholders; (R) Restated to exclude Sonae Capital contribution in 9M07 and to consolidate the Portuguese shopping centres comprising the Sierra Portugal Fund under the equity method.

Turnover

Consolidated turnover increased by 699 million euros in 9M08 compared to 9M07^(R), driven by strong growth across all the business units:

- (i) 25.1% higher contribution from Retail, reaching 2,985 million euros, mainly reflecting the positive like-for-like growth achieved in the 9M08 (+1%), the aggressive pace of organic growth over the last 12 months (+9%), with the opening of additional 70 thousand m², and the contribution to sales of the retail stores acquired (+10%). On a standalone basis, in 9M08 compared to 9M07^(R), food retail registered a solid 21.7% sales growth and non-food retail sales increased by 16.3%; in addition, turnover included the revenue generated by the eight petrol stations acquired. Excluding the impact of the acquired food stores and petrol stations, the retail contribution to consolidated turnover kept a double digit growth performance, notwithstanding the deteriorating macroeconomic conditions and resulting impacts on overall spending;
- (ii) 12% higher contribution from Telecommunications, reaching 710 million euros, on the back of higher service revenues at the Wireline and Mobile areas, driven by brand promotion, improvements of quality of service, the leading position in retail sales of mobile broadband services, the reinforcement of its distribution network and the success of the several innovative products and services launched in the market, namely TAG (offer aimed at the youth segment) and the introduction of the iPhone in Portugal, notwithstanding the aggressive price competition in the Portuguese telecoms market and the lower level of roaming-in tariffs and;
- (iii) 18.6% higher contribution from Shopping Centres, reaching 124 million euros, primarily due to a 20% increase in rental income, reflecting: (a) new shopping centres opened in 2007, namely Alexa, El Rosal and 8^a avenida, and the newly opened Freccia Rossa in 2008; (b) the acquisition of Munster and River Plaza in 2007; (c) an increase in ownership of several shopping centres in Brazil; and (d) better performance of the portfolio under management,

with like-for-like growth in rents of 4.7%; on a standalone basis, the Development business posted a 25% increase in turnover, mainly due to the higher number and dimension of the projects in pipeline. The organic increase of the portfolio under management and of its corresponding total value explained the 13.9% turnover growth of the Property and Asset Management businesses in the period.

EBITDA

Direct EBITDA (excluding VPIC) amounted to 411 million euros, 12.3% above 9M07^(R), generating a margin of 10.7% compared to a margin of 11.7% in 9M07^(R). This value reflects the following contributions:

- (i) The Retail business increased its contribution to EBITDA by 14% to 222 million euros, when compared to 9M07^(R), reflecting the Company's expansion plan over the last 12 months combined with the integration of the 12 hypermarkets acquired in 2007, which impacted positively sales and operational cash flow. On a standalone basis, Food retail EBITDA increased by 21.9% over 9M07^(R) to 167 million euros and non-food retail EBITDA was up 7.1% over 9M07^(R) to 42 million euros.;
- (ii) The Shopping Centre business contribution to EBITDA, excluding value created in investment properties grew by 16 million euros, up by 34.6% over 9M07^(R) to 62 million euros. On a standalone basis, Investments EBITDA was 140 million euros, up 23.9% compared to 9M07^(R), due to a combination of acquisitions of additional properties, organic growth of the portfolio and good operational performance of the assets owned. Asset Management and Property Management Service divisions reached an EBITDA of 13 million euros, 12.4% above 9M07^(R), explained by the scale benefits resulting from the enlarged number of properties under management. The Development division generated a negative EBITDA of 38 million euros mainly explained by the reduction of the estimates of value to be created on several projects under development until opening and consequent cancellation of margins previously accrued in projects;
- (iii) The Telecommunications business decreased slightly its contribution to consolidated EBITDA by 2.1 million euros when compared to 9M07^(R), as a result of the ongoing focus on growth, coupled with the decrease in roaming-in tariffs, the delays in the introduction of the new mobile termination rate program and the increased aggressiveness of the competitive environment. On a standalone basis, the Mobile business generated an EBITDA of 106 million euros, compared to 118 million euros in 9M07^(R), while the Wireline business reached an EBITDA of 8 million euros, up 94.7% versus 9M07^(R). Worth mentioning, the Telecoms' EBITDA contribution to consolidated performance on 3Q08, improved by 6.9% to 54 million euros when compared to 3Q07^(R).

Total EBITDA amounted to 368 million euros in 9M08, 24.3% below that in 9M07^(R). This reduction is mostly explained by the non-cash impact of lower value created on investment properties at the Shopping Centres business in 9M08 compared to 9M07 (-43 million euros versus +120 million euros). During 3Q08, Sonae Sierra updated the valuations of 19 of its shopping centres in operation, representing 54% of total OMV of assets under management at end 1H08. These assessed assets comprised the 8 Portuguese shopping centres included on the Sierra Portugal Fund, all the 8 properties in partnership with ING located in Portugal and Spain and the shopping centres Alexa, in Germany, Freccia Rossa, in Italy and Plaza Mayor, in Spain. When compared to end 2007, average yield in Portugal increased by 28bp, in Spain by 52bp, in Italy by 25bp and remained stable in Germany. The impact of such revision, balanced by the openings of the period, resulted in a 1.6% decrease in market value of the shopping centres owned (+2% versus YE 2007), due to the downturn cycle felt in the real estate market and the resulting yields increase in Europe of the shopping centres in the portfolio (-144 million euros valuation impact), compared to a yield compression trend still prevailing in 9M07. This upward tendency was partially offset by a 48bp average yield decrease in Brazil (+12 million euros impact on valuation), and an improved performance of the shopping centres owned (+15 million euros impact on valuation).

Net financial results

Net Financial results deteriorated by 39.6% to a negative 120 million euros in 9M08 compared to a negative 86 million euros in 9M07^(R), mainly reflecting: (i) a 23% increase in financial expenses, explained by the Group's higher average net debt in 9M08 and by the increase of the Euribor market rates (the 3 and 6 months Euribor increasing by 0.6pp compared to 9M07); and

(ii) a 16.4% decrease in financial income. The Group's higher average net debt in 9M08, when compared to 9M07^(R), is primarily explained by the financing requirements of the retail acquisition and progress in the development pipeline of the Shopping Centre unit, currently accounting with 6 more projects under development when compared to 9M07.

Investment income

Investment income totalled 10 million euros in 9M08 (versus 35 million euros in 9M07^(R)), mainly comprising gains related to the launch of Sierra Portugal Fund on 27 March 2008 and the corresponding placement of 58% of the fund to international institutional investors, namely a Finnish pension fund, a Finnish mutual pension insurance company, two real estate funds managed by Schroeder Investment Management and one client of Aberdeen Property Investors.

Net income Group share

Consolidated net income group share excluding VCIP decreased by 34% from 111 million euros in 9M07^(R) to 73 million euros in 9M08, mostly due to higher net financial charges incurred in the period and higher depreciation and amortization costs, the later driven by the enlarged asset base resulting from store network expansion at Retail and the extension of the mobile and wireline network at Telecommunications. Total consolidated net income group share reached 53 million euros.

1.2. Consolidated balance sheet

Million euros	9M07 ^(R)	9M08	y.o.y	2007 ^{(R)(5)}	Δ
CONSOLIDATED BALANCE SHEET					
Total Net Assets	6.253	7.541	20,6%	6.856	10,0%
Non Current Assets	4.450	5.718	28,5%	5.440	5,1%
Tangible and Intangible Assets	2.160	2.787	29,0%	2.580	8,0%
Goodwill	224	685	-	661	3,5%
Investment properties in operation ⁽¹⁾	1.559	1.695	8,7%	1.659	2,2%
Investment properties under development ⁽²⁾	234	221	-5,7%	192	15,0%
Other investment	121	127	5,4%	121	5,3%
Deferred Tax Assets	100	146	45,1%	140	4,0%
Others	51	58	14,1%	87	-33,8%
Current Assets	1.804	1.823	1,1%	1.416	28,8%
Stocks	440	521	18,3%	472	10,4%
Trade Debtors	198	231	16,4%	229	0,7%
Liquidity ⁽³⁾	611	652	6,7%	344	89,4%
Others	554	419	-24,3%	371	13,1%
Total equity	1.519	1.616	6,4%	1.568	3,0%
Group Share	1.085	1.171	7,9%	1.121	4,5%
Minority Interests	434	446	2,6%	448	-0,5%
Total Liabilities	4.734	5.925	25,1%	5.288	12,1%
Non Current Liabilities	3.205	3.535	10,3%	3.473	1,8%
Bank Loans	1.035	1.249	20,7%	965	29,4%
Other Loans ⁽⁴⁾	1.771	1.706	-3,7%	1.769	-3,6%
Deferred Tax Liabilities	295	317	7,4%	316	0,5%
Provisions	53	69	29,7%	111	-37,7%
Others	50	193	-	312	-38,1%
Current Liabilities	1.529	2.390	56,3%	1.814	31,8%
Bank Loans	95	697	-	127	-
Other Loans ⁽⁴⁾	81	107	31,6%	9	-
Trade Creditors	749	937	25,1%	990	-5,3%
Others	604	649	7,4%	688	-5,7%

(1) Value of shopping centres in operation owned by Sonae Sierra; (2) Properties under development owned by Sonae Sierra; (3) Liquidity includes cash & equivalents and current investments; (4) Other loans include bonds, leasing, derivatives and shareholder loans; (5) 2007 figures restated for the fair value allocation on the Carrefour acquisition; (R) Restated to exclude Sonae Capital contribution in 9M07 and to consolidate the Portuguese shopping centres comprising the Sierra Portugal Fund under the equity method.

CAPEX

CAPEX increased by 20 million euros to 604 million euros in 9M08, compared to 9M07^(R), representing 15.7% of turnover, as result of the ongoing investment for growth across the Group's businesses.

Million euros

CAPEX	3Q07 ^(R)	3Q08	y.o.y	9M07 ^(R)	9M08	y.o.y
Total CAPEX ⁽¹⁾	230	203	-12,1%	584	604	3,5%
Retail	62	101	62,1%	142	234	64,6%
Shopping Centres ⁽²⁾	102	43	-57,8%	296	124	-58,0%
Telecommunications	66	54	-18,1%	145	216	49,3%
Holding & others	0	4	-	0	29	-
CAPEX as a % of turnover	19,8%	14,5%	-5.3pp	18,6%	15,7%	-2.9pp
EBITDA excl. value created on invest. prop. minus CAPEX	-83	-35	57,6%	-217	-192	11,4%

(1) Capex includes gross investments in tangible, intangible, investment properties and investments in acquisitions; (2) shopping centres proportionally consolidated; (R) Restated to exclude Sonae Capital contribution in 9M07 and to consolidate the Portuguese shopping centres comprising the Sierra Portugal Fund under the equity method.

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Telecommunications CAPEX, accounted for 35.8% of the consolidated investment as at 9M08, and comprised mainly investments at the Mobile division, totalling 185 million euros (+97 million euros increase in 9M08 over 9M07), of which 89 million euros related to the recognition of the net present value of the Company's contribution to the "e-Initiatives" programme, a governmental initiative which offers laptops and discounts in broadband access to school teachers and students. The remaining CAPEX was geared to expand both the mobile and wireline access networks, for further improvement of the service quality, and to initiate the roll-out of the fibre deployment in the coverage areas of Porto and Lisbon.

Retail CAPEX, responsible for 38.8% of the consolidated investment as at 9M08, was directed towards the Company's strong expansion plan, with the opening of 61 new stores during the period with a total of 33 thousand m² (by end October new stores opened totalled 80, representing an increase of 49 thousand m²; a 7% increase of the Company's total sales area versus YE07), the preparation work for future openings, the refurbishment of older stores and the improvement of the logistic infrastructure.

The Shopping Centres business represented 20.6% of consolidated CAPEX, totally due to investments in development activities in Romania, Brazil, Germany, Italy, Greece and the Iberian Peninsula. Sierra's 9M07^(R) investment figure includes 91 million euros of acquisitions (Munster Arkaden, in Germany, River Plaza Mall, in Romania, Albufeira and Portimão in Portugal, and increase in ownership of shopping centres in Brazil).

CAPEX at the Holding reached 29 million euros when compared to 0.1 million euros at 9M07^(R), mainly comprising the acquisition of approximately 12.2 million Sonaecom shares in the period.

Investment properties

During 9M08, the Shopping centre business successfully launched the Sierra Portugal Fund, comprising 8 Portuguese shopping centres and 3 future projects to be contributed, having placed 58% of the fund to international institutional investors valued at fair value at 31 December 2007, amounting to 174 million euros, despite the evolution of the capitalization yields in the market. This transaction reduced Sonae's exposure to property, reflected on a 9.3% reduction of investment properties in the period.

Total investment properties under development increased by 14.2% when compared to end 2007, reflecting Sonae Sierra's 30 projects in pipeline, of which 15 are under development and represent an estimated investment of 1,888 million euros, scheduled to open until end 2011.

Capital structure

Million euros

CAPITAL STRUCTURE	9M07 ^(R)	9M08	y.o.y	2007 ^(R)	Δ
Gross debt ⁽¹⁾	2.983	3.759	26,0%	2.871	30,9%
Net debt ⁽²⁾	2.371	3.107	31,0%	2.526	23,0%
Retail	731	1.324	81,1%	1.072	23,4%
Shopping Centres ⁽³⁾	705	819	16,2%	745	10,0%
Telecommunications	313	380	21,3%	307	23,5%
Holding & others	622	584	-6,1%	402	45,4%
Retail net debt/EBITDA (last 12 months)	2,0 x	3,9 x	1,9x	1,8 x	2,1x
Shopping centres Loan to Value ⁽⁴⁾	40,0%	42,8%	2,8pp	40,7%	2,1pp
Telecoms net debt/EBITDA (last 12 months)	2,0 x	2,4 x	0,4x	1,9 x	0,5x
Holding Loan to Gross Asset Value ⁽⁵⁾	-	21,1%	-	12,2%	8,9pp

(1) Gross debt = non current borrowings + current borrowings; (2) Net debt = gross debt - liquidity; (3) Shopping Centres are proportionally consolidated; (4) Net debt / Investment properties; (5) Holding Net debt/Holding Investment Portfolio Gross Asset Value; (R) Restated to exclude Sonae Capital contribution in 9M07 and to consolidate the Portuguese shopping centres comprising the Sierra Portugal Fund in accordance to the equity method.

The Group businesses capital structure remained sound and total consolidated Net Debt decreased from its peak value at end 1H08 to 3,107 million euros at end 9M08. When compared to YE 2007, net debt increased 581 million euros, reflecting: (i) the programme of organic growth and store refurbishment, leading to a 252 million euros increase in the contribution to consolidated net debt from the Retail business, in 9M08; the Company's Net Debt to EBITDA (last 12 months) reached 3.9x, increasing from 1.8x at YE 2007, mainly driven by the Retail acquisition completed at YE2007, but already improving from the 4.4x leverage ratio at end 1H08; (ii) the acquisition of 12.2 million Sonaecom shares during the 9M08 period and the 160 million euros impact as a result of the payments of the obligations related to the cash settled equity swap contracted, covering approximately 6.6% of Sonae's share capital, explaining the 182 million euros higher contribution to net debt from the Holding; loan to value at the Holding company reached 21.1%; (iii) the growth led investment, including the development of the technical infrastructure of the Telecommunications business, resulting in a 73 million euros increase in the contribution to consolidated Net Debt; Net Debt to EBITDA (last 12 months) remained stable at 2.4x; and (iv) the successful placement of 58% of the Sierra Portugal Fund and consequent proceeds from the operation, which compensated the Shopping Centre business financial needs for the on-going development pipeline. Furthermore, this transaction reduced the Company's shareholding at the fund below the 50% threshold, explaining its consolidation in accordance with the equity method.

Holding net debt mainly comprised: (i) 95 million euros used under the 340 million euros committed short term credit facilities; of which 295 million euros cancellable with a previous notice 1 year and 45 million euros cancellable with a previous notice of 6 months; and (ii) 500 million euros long-term bonds, of which 250 million euros due in May 2011 and the remaining due in 2013 and 2014.

Overall, refinancing risk continued at a low level, with the weighted average maturity of Sonae Group debt standing at approximately 5.9 years (considering 100% of Sonae Sierra's debt) by end 9M08. Liquidity risk was also maintained at a low level, with the sum of cash and undrawn committed credit facilities standing at 1,095 million euros. Worth mentioning the Group's debt has no financial covenants, with the exception of Shopping Centres non-recourse project financing.

3. Quarterly corporate developments

- Sonae acquired, through a wholly owned subsidiary, additional 1.9 million Sonaecom shares, purchased at an average price of 1.85 euros per share. With this acquisition, the Company ended the 9M08 with a shareholding position of 53.6%.

4. Additional information

4.1. Retail main highlights

OPERATING REVIEW	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Sales growth (%)	7,4%	23,8%	16.4pp	9,0%	25,0%	16pp
Food	4,2%	21,8%	17.7pp	7,1%	21,7%	-11.4pp
Non-Food	16,2%	12,5%	-3.6pp	14,6%	16,3%	-4.9pp
LFL sales growth (%)	2%	0%	-2pp	4%	1%	3pp
Food	1%	1%	0pp	3%	1%	4pp
Non-Food	5%	-3%	-8pp	4%	0%	2pp
Number of stores (EOP)	535	688	28,6%	535	688	28,6%
Food	127	178	40,2%	127	178	40,2%
Non-Food	408	510	25,0%	408	510	25,0%
Sales area ('000 m2)	574	732	27,5%	574	732	27,5%
Food	358	463	29,4%	358	463	29,4%
Non-Food	216	268	24,2%	216	268	24,2%
% Sales area owned (%)	-	74,0%	-	-	74,0%	-
Food	-	86,7%	-	-	86,7%	-
Non-Food	-	52,8%	-	-	52,8%	-
Total employees	27.584	32.300	17,1%	27.584	32.300	17,1%

Million euros

FINANCIAL REVIEW	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Turnover	899	1.112	23,8%	2.394	2.992	25,0%
Food	624	761	21,8%	1.701	2.070	21,7%
Non-Food	273	307	12,5%	688	800	16,3%
Others & eliminations ⁽¹⁾	2	45	-	5	121	-
EBITDA	81	95	17,7%	195	222	14,1%
EBITDA margin (%) ⁽²⁾	9,0%	8,6%	-0,4pp	8,1%	7,4%	-0,7pp
Food	59	73	24,5%	137	167	21,9%
Non-Food	20	21	4,4%	39	42	7,1%
Others & eliminations ⁽¹⁾	2	1	-40,9%	18	13	-30,5%
EBIT	59	67	12,9%	130	136	4,9%
Net financial results	-8	-20	-141,2%	-26	-52	-99,0%
Net income ⁽³⁾	50	41	-18,4%	99	80	-19,0%
Gross debt	1.281	1.899	48,3%	1.281	1.899	48,3%
Net debt	573	1.334	132,8%	573	1.334	132,8%
Net debt/EBITDA (last 12 months)	2,0 x	3,9 x	1,9x	2,0 x	3,9 x	1,9x
EBITDA/interest expenses (last 12 months) ⁽⁴⁾	11,4 x	5,7 x	-5,7x	11,4 x	5,7 x	-5,7x
Gross Debt/(Gross Debt+Total equity) ⁽⁵⁾	62,1%	69,2%	7,1pp	42,3%	69,2%	26,9pp
CAPEX	67	108	61,0%	171	216	26,3%
EBITDA minus CAPEX	14	-13	-	24	6	-75,2%

(1) Includes petrol stations and real estate rents received from galleries; (2) EBITDA margin = EBITDA / Turnover; (3) Net income attributable to Sonae Distribuição shareholders; (4) Interest cover; (5) Net gearing.

4.2. Shopping Centres main highlights

OPERATING REVIEW	9M07	9M08	y.o.y	6M08	Δ	2007	Δ
Real estate open market value (million euros) ⁽¹⁾	5.840	6.283	7,6%	6.377	-1,5%	6.154	2,1%
Real estate NAV (million euros) ⁽²⁾	1.617	1.671	3,3%	1.729	-3,3%	1.713	-2,5%
Sierra Investments	1.004	1.062	5,7%	1.081	-1,8%	1.163	-8,7%
Sierra Developments	324	391	20,8%	336	16,5%	377	3,7%
Sierra Brazil	168	226	34,6%	238	-4,9%	201	12,7%
Others ⁽³⁾	122	-8	-	74	-	-27	71,2%
NAV per share (euros)	50	51	3,3%	53	-3,3%	53	-2,5%
Openings & acquisitions (EOP)	5	2	-60,0%	1	100%	8	-75,0%
Shopping centres owned/co-owned (EOP)	46	49	6,5%	48	2,1%	47	4,3%
GLA owned/co-owned ⁽⁴⁾	1.814	1.902	4,8%	1.884	1,0%	1.855	2,5%
Occupancy rate of GLA owned (%)	96,0%	96,0%	0pp	96,3%	-0,3pp	95,5%	0,5pp
Projects under development (EOP) ⁽⁵⁾	10	17	70,0%	15	13,3%	12	41,7%
Projects in planning stage (EOP) ⁽⁶⁾	13	13	0,0%	15	-13,3%	15	-13,3%
GLA under development (thousand m ²) ⁽⁴⁾	544	763	40,5%	685	11,5%	474	61,1%
Shopping centres managed (EOP)	59	62	5,1%	61	1,6%	63	-1,6%
GLA under management (thousand m ²) ⁽⁴⁾	2.111	2.084	-1,3%	2.065	0,9%	2.183	-4,6%
Total employees	1.020	1.127	10,5%	1.093	3,1%	1.057	6,6%

(1) Open market value = fair value of real estate in operation (100%), provided by an independent entity, equivalent to assets under management; (2) Net asset value = Open market value minus net debt minus minorities plus deferred tax liabilities; (3) Others = NAV of Corporate Centre + Property Management; (4) Projects in planning and construction; (5) Projects committed but not fully licensed.

Million euros

FINANCIAL REVIEW	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Turnover	71	75	4,6%	200	232	15,6%
Services Business	12	12	-3,1%	33	38	13,9%
Asset management	6	6	-1,2%	16	19	18,7%
Property management	6	6	-4,8%	17	19	9,5%
Developments	3	4	24,1%	9	11	25,0%
Investments	52	58	10,9%	149	179	20,0%
Others & eliminations	4	1	-72,8%	10	5	-53,2%
EBITDA excl. value created on invest. Prop.	41	44	7,5%	112	134	19,7%
EBITDA margin (%) ⁽¹⁾	57,2%	58,7%	1,6pp	55,7%	57,7%	2pp
Services EBITDA margin (%)	40,0%	-	-	5,8%	5,6%	-0,2pp
Services Business	5	4	-18,6%	12	13	12,4%
Asset management	3	3	-4,3%	7	9	25,4%
Property management	2	1	-39,3%	4	4	-8,8%
Developments ⁽²⁾	19	-10	-	29	-38	-
Investments	35	46	32,7%	113	140	23,9%
Others & eliminations	26	26	0,0%	2	41	-
EBIT	40	43	7,4%	110	132	19,7%
Net financial results	-16	-23	-43,5%	-31	-67	-112,9%
Gains realized on investments ⁽³⁾	0	4	-	0	17	-
Value created on investment properties ⁽⁴⁾	38	-50	-	220	-97	-
Net income ⁽⁵⁾	38	-12	-	139	6	-96,0%
Gross debt	1.645	1.869	13,6%	1.645	1.869	13,6%
Net debt	1.510	1.731	14,6%	1.510	1.731	14,6%
Loan to Value ⁽⁶⁾	40,0%	42,8%	2,8pp	40,0%	42,8%	2,8pp
Net debt/EBITDA (last 12 months)	10,5 x	10,5 x	-0,1x	10,5 x	10,5 x	-0,1x
EBITDA/interest expenses (last 12 months) ⁽⁷⁾	2,2 x	1,7 x	-0,5x	2,1 x	1,7 x	-0,4x
Gross Debt/(Gross Debt+Total equity) ⁽⁸⁾	48,9%	51,3%	2,4pp	48,9%	51,3%	2,4pp
CAPEX ⁽⁹⁾	187	73	-61,0%	313	206	-34,3%

(1) EBITDA margin = EBITDA / Turnover; (2) EBITDA Developments = EBITDA plus value created in projects; (3) Capital gains (losses) with shopping centres disposals; (4) Increase in the valuation of the shopping centres; (5) Net income attributable to Sonae Sierra shareholders; (6) Net debt / Investment properties; (7) EBITDA/interest expenses; (8) Net gearing; (9) CAPEX does not include investments in acquisitions.

4.3. Telecom main highlights

OPERATING REVIEW	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Mobile						
Customers (EOP) ('000)	2.761	3.058	10,8%	2.761	3.058	10,8%
ARPU (euros) ⁽¹⁾	19,2	17,4	-9,2%	18,3	17,1	-6,5%
Wireline						
Total accesses (EOP) ⁽²⁾	758.477	644.457	-15,0%	758.477	644.457	-15,0%
Direct accesses (EOP)	431.851	476.106	10,2%	431.851	476.106	10,2%
Average revenue per access - retail ⁽³⁾	22,3	21,6	-3,4%	23,1	21,5	-6,7%
Media						
Average paid circulation ⁽⁴⁾	42.142	41.428	-1,7%	42.485	42.256	-0,5%
Market share of advertising (%) ⁽⁵⁾	13,0%	10,8%	-2.1pp	13,8%	12,2%	-1.6pp
SSI						
IT service revenues / employee ('000 euros) ⁽⁶⁾	28,6	30,7	7,2%	83,8	88,0	5,1%
Total employees	1.875	1.973	5,2%	1.875	1.973	5,2%

(1) Average revenues per user; (2) Accesses according to "revenue generator unit" criteria; (3) excluding Mass Calling services' revenues; (4) Estimated value, updated in the following quarter; (5) 3Q08= August YTD; (6) Excluding employees dedicated to equipment sales.

FINANCIAL REVIEW	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Turnover	231	251	8,9%	644	727	12,8%
Mobile	161	166	2,5%	455	469	3,0%
Wireline	67	73	8,5%	178	220	24,0%
Media	7	7	2,6%	24	24	3,2%
SSI	21	31	51,2%	53	86	60,4%
Others & eliminations	-25	-25	0,1%	-65	-72	-10,0%
Other revenues	2	1	-35,0%	4	6	35,7%
EBITDA ⁽¹⁾	47	48	1,7%	121	117	-3,0%
EBITDA margin (%) ⁽²⁾	20,5%	19,2%	-1.3pp	18,7%	16,1%	-2.6pp
Mobile	45	44	-2,2%	118	106	-10,6%
Wireline	4	4	24,6%	4	8	94,7%
Media	-2	-1	19,7%	-3	-3	20,1%
SSI	2	2	7,1%	4	5	25,6%
Others & eliminations	-1	0	74,8%	-3	0	-
EBIT	13	8	-40,0%	19	-1	-
Net financial results	-9	-4	52,4%	-18	-12	29,9%
Net income ⁽³⁾	8	4	-46,1%	3	-8	-
Gross debt	327	386	18,1%	327	386	18,1%
Net debt	313	383	22,2%	313	383	22,2%
Net debt/EBITDA (last 12 months)	2,0 x	2,4 x	0.4x	2,0 x	2,4 x	0.4x
EBITDA/interest expenses (last 12 months) ⁽⁴⁾	5,4 x	8,5 x	3.1x	5,4 x	8,5 x	3.1x
Gross Debt/(Gross Debt+Total equity) ⁽⁵⁾	26,6%	29,6%	2.9pp	26,6%	29,6%	2.9pp
CAPEX	89	49	-44,8%	159	211	32,5%
Operating CAPEX ⁽⁶⁾	54	47	-13,8%	110	114	3,6%
EBITDA minus Operating CAPEX	-7	2	-	10	2	-75,6%
Free Cash Flow	-19	-13	30,3%	56	-71	-

(1) EBITDA includes provisions and impairment losses; (2) EBITDA margin = EBITDA / Turnover; (3) Net income after minority interests; (4) Interest cover; (5) Net gearing; (6) Operating CAPEX excludes financial investments, provisions for sites dismantling and other non operational investments.

4.4. Insurance brokerage main highlights

INSURANCE BROKERAGE BUSINESS ⁽¹⁾	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Operating income	3,0	6,0	99,7%	8,5	16,4	287,8%
Turnover	3,0	2,9	-2,7%	8,5	13,2	287,7%
Other revenues	0,0	3,1	-	0,0	3,1	0,1%
Operating costs	2,1	4,9	133,1%	6,8	12,0	243,9%
Staff	1,0	1,0	0,7%	2,9	3,4	103,2%
External Supply and Services	0,9	3,7	-	3,1	7,7	114,2%
Other Operating Costs	0,2	0,2	-4,9%	0,7	0,8	26,4%
EBITDA	0,9	1,1	23,0%	1,8	4,4	43,9%
EBIT	0,8	1,0	26,7%	1,5	4,1	35,3%
Net financial results	-0,1	-0,2	-54,4%	-0,3	-0,9	-9,9%
Share of results of associated undertakings	-0,3	-0,4	-52,6%	0,0	0,4	37,6%
Investment income ⁽²⁾	0,0	0	-	0,0	0	0
EBT	0,4	0,4	2,6%	1,2	3,6	63,0%

(1) Includes MDS, an insurance brokerage firm (100% owned), and Sonae RE, a reinsurance brokerage firm (100% owned); the shareholding in the reinsurance brokerage company Cooper Gay (14%) and in the insurance brokerage company Lazam (45%) is accounted for on an equity method; Sonae Re included from 4Q07; (2) Capital gains (losses) with financial investments plus dividends received.

4.5. Corporate centre net costs

Million euros

HOLDING NET COSTS	3Q07	3Q08	y.o.y	9M07	9M08	y.o.y
Operating income	0,4	1,3	-	1,5	2,7	84,9%
Turnover	0,4	1,3	-	1,1	2,6	139,7%
Other revenues	0,0	0,0	-19,5%	0,4	0,1	-81,9%
Operating costs	2,6	2,3	-10,4%	7,3	7,1	-2,7%
Staff	1,0	1,1	18,1%	4,2	3,7	-11,0%
External Supply and Services	1,4	1,1	-17,9%	2,6	3,2	24,1%
Other Operating Costs	0,2	0,0	-84,4%	0,5	0,2	-67,2%
EBITDA	-2,2	-1,0	52,8%	-5,9	-4,4	24,5%
Total employees	57,0	49,0	-14,0%	57,0	49,0	-14,0%

4.6. Net debt at the holding level

Million euros

HOLDING NET DEBT	9M07	9M08	y.o.y	2007	Δ
Loans obtained	830	584,0	-29,6%	412	-100,0%
Bank debt	633	600,8	-5,1%	514	-100,0%
Cash and equivalentes	-3	-16,8	-	-102	100,0%
Intercompany short term loans obtained	200	0,0	-	0	-
Retail	168	0,0	-	0	-
Shopping Centres	31	0,0	-	0	-
Telecoms	0	0,0	-	0	-
Services	0	0,0	-	0	-
Others	2	0,0	-100,0%	0	-100,0%
Loans granted	-238	-17,7	92,6%	-2	100,0%
Intercompany short term loans granted	0	0,0	-	0	-
Retail	0	0,0	-	0	-
Shopping Centres	0	0,0	-	0	-
Telecoms	0	0,0	-	0	-
Services	-238	0,0	100,0%	0	-
Others	0	-17,7	-	-2	100,0%
Total holding net debt	592	566,3	-4,3%	410	-100,0%

Consolidated financial statements



SONAE SGPS, SA

CONSOLIDATED BALANCE SHEET FOR THE PERIODS ENDED AT 30 SEPTEMBER 2008 AND 2007

AND FOR THE PERIOD ENDED AT 31 DECEMBER 2007

(Amounts expressed in euro)

ASSETS	Notes	30.September.2008	30.September.2007 Pro- forma	31.December.2007 Pro-forma	31.December.2007 (1)
NON-CURRENT ASSETS:					
Tangible and intangible assets	9	2,787,345,094	2,160,486,238	2,579,734,789	2,579,734,786
Investment properties	10	1,915,690,332	1,793,116,690	1,850,980,331	2,062,128,926
Goodwill	11	684,562,101	224,424,704	661,412,301	683,136,658
Associated investments	6	111,114,672	65,714,801	108,820,548	73,548,640
Other investments	7 and 12	16,139,778	54,976,096	12,055,156	12,055,157
Deferred tax assets	15	145,622,262	100,380,392	140,053,499	141,044,708
Other non-current assets	13	57,664,120	50,520,652	87,163,051	74,616,749
Total Non-Current Assets		5,718,138,359	4,449,619,573	5,440,219,675	5,626,265,624
CURRENT ASSETS:					
Stocks		520,584,503	439,978,525	471,531,429	471,531,429
Trade account receivables and other current assets	14	642,246,071	752,208,729	593,828,045	590,949,208
Investments	12	67,191,068	28,445,815	60,069,924	60,069,924
Cash and cash equivalents	16	585,274,869	583,041,147	284,403,557	286,401,453
Total Current Assets		1,815,296,511	1,803,674,216	1,409,832,955	1,408,952,014
Assets available for sale		7,685,617	-	6,006,580	6,006,580
TOTAL ASSETS		7,541,120,487	6,253,293,789	6,856,059,210	7,041,224,218
EQUITY AND LIABILITIES					
EQUITY:					
Share capital	17	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Own shares	17	(138,568,275)	(139,441,418)	(138,568,275)	(138,568,275)
Reserves and retained earnings		(743,965,559)	(938,055,985)	(1,016,062,697)	(975,977,787)
Profit/(Loss) for the year attributable to the equity holders of sonae		53,099,258	162,240,046	275,002,805	284,044,036
Equity attributable to the equity holders of Sonae		1,170,565,424	1,084,742,643	1,120,534,607	1,169,660,748
Equity attributable to minority interests	18	445,577,951	434,175,371	447,933,825	448,380,172
TOTAL EQUITY		1,616,143,375	1,518,918,014	1,568,468,432	1,618,040,920
LIABILITIES:					
NON-CURRENT LIABILITIES:					
Loans	19	2,955,192,156	2,806,495,745	2,734,683,655	2,829,116,990
Other non-current liabilities	21	193,330,488	49,943,888	312,460,606	313,023,126
Deferred tax liabilities	15	317,279,997	295,499,035	315,676,325	345,065,194
Provisions	24	68,920,297	53,152,188	110,584,226	110,584,226
Total Non-Current Liabilities		3,534,722,938	3,205,090,856	3,473,404,812	3,597,789,536
CURRENT LIABILITIES:					
Loans	19	804,079,637	176,182,590	136,126,427	138,317,111
Trade creditors and other non-current liabilities	23	1,582,750,163	1,345,820,535	1,675,393,582	1,684,410,694
Provisions	24	3,424,374	7,281,794	2,665,957	2,665,957
Total Current Liabilities		2,390,254,174	1,529,284,919	1,814,185,966	1,825,393,762
TOTAL LIABILITIES		5,924,977,112	4,734,375,775	5,287,590,778	5,423,183,298
TOTAL EQUITY AND LIABILITIES		7,541,120,487	6,253,293,789	6,856,059,210	7,041,224,218

The accompanying notes are part of these financial statements.

(1) The subsidiary Continente Hipermercados, S.A. (ex-Carrefour) was acquired in the end of 2007 and therefore no fair value allocation was made as at that date. During the first half of 2008 a preliminary fair value allocation was made and is now reflected in these financial statements (Note 8).

The Board of Directors



SONAE, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 AND 2007 PRO-FORMA

(Amounts expressed in euro)

	Notes	30. September.2008	30. September.2007 Pro-forma (Note 1)	30. September.2007
Operational income				
Sales		2,944,398,240	2,332,273,872	2,450,563,750
Services rendered	10	889,021,199	802,034,035	893,123,037
Value created on investment properties		(43,087,557)	120,013,383	122,597,032
Other operational income		320,686,745	234,158,358	334,034,225
Total operational income		<u>4,111,018,627</u>	<u>3,488,479,648</u>	<u>3,800,318,044</u>
Operational expenses				
Cost of goods sold and materials consumed		(2,359,206,508)	(1,860,719,379)	(1,932,385,284)
Changes in stocks of finished goods and work in progress		-	-	39,844,864
External supplies and services		(874,251,193)	(718,447,280)	(908,367,073)
Staff costs		(444,173,370)	(370,278,537)	(431,304,452)
Depreciation and amortisation		(201,873,243)	(166,799,806)	(173,554,323)
Provisions and impairment losses		(16,371,985)	(15,435,035)	(17,601,249)
Other operational expenses		(64,446,743)	(50,579,917)	(57,833,927)
Total operational expenses		<u>(3,960,323,042)</u>	<u>(3,182,259,954)</u>	<u>(3,481,201,444)</u>
Operational profit/(loss)		150,695,585	306,219,694	319,116,600
Financial Expenses		(149,689,412)	(121,709,217)	(126,780,667)
Financial Income		30,076,323	35,996,851	31,516,842
Net financial expenses		<u>(119,613,089)</u>	<u>(85,712,366)</u>	<u>(95,263,825)</u>
Share of results of associated undertakings		176,152	2,715,726	164,311
Investment income		10,259,154	35,347,009	41,793,820
Profit/(Loss) before taxation		<u>41,517,802</u>	<u>258,570,063</u>	<u>265,810,906</u>
Taxation	27	(3,371,134)	(47,131,836)	(48,596,948)
Profit/(Loss) after taxation	28	<u>38,146,668</u>	<u>211,438,227</u>	<u>217,213,958</u>
Attributable to:				
Equity holders of Sonae		53,099,258	162,240,046	170,617,096
Minority interests		<u>(14,952,590)</u>	<u>49,198,181</u>	<u>46,596,862</u>
Profit/(Loss) per share				
Basic	29	0.028438	0.086925	0.091413
Diluted	29	<u>0.028438</u>	<u>0.086925</u>	<u>0.091413</u>

The accompanying notes are part of these financial statements.

The Board of Directors



SONAE, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 AND 2007

(Amounts expressed in euro)

	3 rd Quarter ended 30 September 2008	3 rd Quarter ended 30 September 2007 Pro-forma	3 rd Quarter ended 30 September 2007
Operational income			
Sales	1,091,776,482	868,160,275	886,743,565
Services rendered	304,979,750	293,955,758	319,761,741
Value created on investment properties	(21,423,890)	17,239,486	19,823,969
Other operational income	111,619,467	79,490,062	122,360,539
Total operational income	<u>1,486,951,809</u>	<u>1,258,845,581</u>	<u>1,348,689,814</u>
Operational expenses			
Cost of goods sold and materials consumed	(869,165,186)	(690,526,368)	(702,496,550)
Changes in stocks of finished goods and work in progress	-	-	6,993,161
External supplies and services	(301,846,508)	(262,690,474)	(324,674,239)
Staff costs	(144,460,408)	(120,524,889)	(133,060,837)
Depreciation and amortisation	(68,806,266)	(56,429,166)	(58,503,468)
Provisions and impairment losses	(4,831,754)	(2,529,188)	(2,764,773)
Other operational expenses	(25,304,401)	(18,995,446)	(20,326,195)
Total operational expenses	<u>(1,414,414,523)</u>	<u>(1,151,695,531)</u>	<u>(1,234,832,901)</u>
Operational profit/(loss)	72,537,286	107,150,050	113,856,913
Financial expense	(52,155,457)	(47,289,698)	(48,612,339)
Financial income	10,137,876	11,408,186	9,057,974
Net financial expenses	<u>(42,017,581)</u>	<u>(35,881,512)</u>	<u>(39,554,365)</u>
Share of results of associated undertakings	(1,126,775)	1,816,947	337,817
Investment income	2,032,684	4,224,105	9,426,537
Profit/(Loss) before taxation	<u>31,425,614</u>	<u>77,309,590</u>	<u>84,066,902</u>
Taxation	<u>(3,192,415)</u>	<u>(4,828,965)</u>	<u>(8,062,815)</u>
Profit/(Loss) after taxation	<u>28,233,199</u>	<u>72,480,625</u>	<u>76,004,087</u>
Profit/(Loss) for the year	<u>28,233,199</u>	<u>72,480,625</u>	<u>76,004,087</u>
Attributable to:			
Equity holders of Sonae	28,881,215	61,873,788	68,611,043
Minority interests	<u>(648,016)</u>	<u>10,606,837</u>	<u>7,393,044</u>
Profit/(Loss) per share			
Basic	29 0.015468	0.033142	0.036750
Diluted	29 <u>0.015468</u>	<u>0.033142</u>	<u>0.036750</u>

The accompanying notes are part of these financial statements.

The Board of Directors



SONAE, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 AND 2007

(Amounts expressed in euro)

Notes	Attributable to Equity Holders of Sonae					Minority Interests	Total Equity
	Share Capital	Own Shares	Reserves and Retained Earnings	Net Profit/(Loss)	Total		
Balance as at 1 January 2007	2,000,000,000	(142,961,431)	(806,219,141)	241,822,233	1,292,641,661	402,058,314	1,694,699,975
Appropriation of profit of 2006:							
Transfer to legal reserves and retained earnings	-	-	241,822,233	(241,822,233)	-	-	-
Dividends distributed	-	-	(55,997,443)	-	(55,997,443)	(12,675,293)	(68,672,736)
Changes in reserves							
In conversion reserves	-	-	4,698,996	-	4,698,996	228,473	4,927,469
In hedge and fair value reserves	-	-	(8,306,040)	-	(8,306,040)	(1,802,062)	(10,108,102)
In other reserves	-	3,520,013	(219,053)	-	3,300,960	2,121,492	5,422,452
Consolidated Profit/(Loss) for the nine months ended 30 September 2007	-	-	-	170,617,096	170,617,096	46,596,862	217,213,958
Balance as at 30 September 2007	<u>2,000,000,000</u>	<u>(139,441,418)</u>	<u>(624,220,448)</u>	<u>170,617,096</u>	<u>1,406,955,230</u>	<u>436,527,786</u>	<u>1,843,483,016</u>
Balance as at 1 January 2008 (1)	2,000,000,000	(138,568,275)	(975,815,013)	284,044,036	1,169,660,748	448,320,704	1,617,981,452
Appropriation of profit of 2007:							
Transfer to legal reserves and retained earnings	-	-	284,044,036	(284,044,036)	-	-	-
Dividends distributed	-	-	(56,016,000)	-	(56,016,000)	(3,352,350)	(59,368,350)
Changes in reserves							
In conversion reserves	-	-	(8,825,398)	-	(8,825,398)	(244,049)	(9,069,447)
In hedge and fair value reserves	-	-	(9,828,940)	-	(9,828,940)	875,135	(8,953,805)
Adjustments of Sonae Capital right shares related to the spin-off	12 and 17	-	23,762,678	-	23,762,678	-	23,762,678
Aquisitions and sales of shares of affiliated undertakings	-	-	-	-	-	(21,396,930)	(21,396,930)
Capital increases	-	-	-	-	-	36,605,000	36,605,000
In other reserves	-	-	(1,286,922)	-	(1,286,922)	(276,969)	(1,563,891)
Consolidated Profit/(Loss) for the nine months ended 30 September 2008	-	-	-	53,099,258	53,099,258	(14,952,590)	38,146,668
Balance as at 30 September 2008	<u>2,000,000,000</u>	<u>(138,568,275)</u>	<u>(743,965,559)</u>	<u>53,099,258</u>	<u>1,170,565,424</u>	<u>445,577,951</u>	<u>1,616,143,375</u>

The accompanying notes are part of these financial statements.

- (1) The subsidiary Continente Hipermercados, S.A. (ex-Carrefour) was acquired in the end of 2007 and therefore no fair value allocation was made as at that date. During the first half of 2008 a preliminary fair value allocation was made and is now reflected in these financial statements (Note 8).

The Board of Directors



SONAE, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR
THE NINE MONTHS ENDED 30 SEPTEMBER 2008 AND 2007

(Amounts expressed in euro)

	Notes	30.September.2008	30.September.2007 Pro-forma (Note 1)	30.September.2007
OPERATING ACTIVITIES				
Net cash flow from operating activities (1)		180,474,664	232,337,375	238,974,389
INVESTMENT ACTIVITIES				
Cash receipts arising from:				
Investments		102,962,837	192,865,569	200,743,784
Tangible, intangible assets and propertie investments		35,470,031	38,003,218	34,534,053
Dividends		329,055	343,038	1,740,677
Others		21,509,966	111,214,431	47,992,383
		<u>160,271,889</u>	<u>342,426,256</u>	<u>285,010,897</u>
Cash Payments arising from:				
Investments		(46,068,195)	(138,057,436)	(173,156,678)
Tangible, intangible assets and propertie investments		(475,412,606)	(490,026,374)	(580,241,525)
Others		(38,992,339)	(236,092,974)	(20,824,804)
		<u>(560,473,140)</u>	<u>(864,176,784)</u>	<u>(774,223,007)</u>
Net cash used in investment activities (2)		<u>(400,201,251)</u>	<u>(521,750,528)</u>	<u>(489,212,110)</u>
FINANCING ACTIVITIES				
Cash receipts arising from:				
Loans obtained		6,248,858,235	6,111,435,974	6,313,553,701
Capital increases, additional paid in capital and share premiums		1,608,000	30,820	1,058,505
		<u>6,250,466,235</u>	<u>6,111,466,794</u>	<u>6,314,612,206</u>
Cash Payments arising from:				
Loans obtained		(5,373,662,489)	(5,711,239,084)	(5,930,638,457)
Interest and similar charges		(147,342,401)	(106,133,400)	(111,530,695)
Reimbursement of capital and paid in capital		-	(83,073)	(83,073)
Dividends		(62,292,027)	(68,876,916)	(68,876,916)
Others		(175,502,764)	(1,744,757)	(1,775,384)
		<u>(5,758,799,681)</u>	<u>(5,888,077,230)</u>	<u>(6,112,904,525)</u>
Net cash used in financing activities (3)		<u>491,666,554</u>	<u>223,389,564</u>	<u>201,707,681</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		<u>271,939,967</u>	<u>(66,023,589)</u>	<u>(48,530,040)</u>
Effect of foreign exchange rate		142,691	210,848	398,711
Cash and cash equivalents at the beginning of the period	16	<u>275,625,572</u>	<u>640,915,659</u>	<u>648,811,274</u>
Cash and cash equivalents at the end of the period	16	<u>547,422,848</u>	<u>574,681,222</u>	<u>599,882,523</u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008

(Amounts expressed in euro)

(Translation of consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)

1. INTRODUCTION

SONAE, SGPS, SA ("the Company" or "Sonae"), with head office at Lugar do Espido, Via Norte, Apartado 1011, 4471-909 Maia, Portugal, is the parent company of a group of companies, as detailed in Notes 4 to 7 ("Sonae Group"). The Group's operations and business segments are described in Note 31.

The consolidated financial statements for the nine months period ended as at 30 September 2008 are not directly comparable with the financial statements for the nine months period ended as at 30 September 2007 due to the spin-off of Sonae Capital business (with accounting effects from 1 October 2007) and due to the disposal of a shareholding position in Sierra Portugal Fund (SPF) on July 2008, reducing the percentage of capital held to 42% thus SPF started to be included by the use of the equity method. As a result of the SPF disposal, the consolidated income statements includes line-to-line the contribution of the first six months of the year and the net profit of the third quarter was recorded in the caption "Share of results of associated undertakings". The pro-forma consolidated balance sheet as at 31 December 2007 and 30 September 2007 include the above mentioned change.

The pro-forma consolidated income statement and the pro-forma consolidated statement of cash flows as at 30 September 2007 include the above mentioned changes as if they had occurred on the 1 January 2007 (spin-off of Sonae Capital) and on 30 June 2007 (disposal of the investment fund) so that those income and cash flow statement are directly comparable to 30 September 2008 statements.

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2007.

Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS" – previously named International Accounting Standards – "IAS"), issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), applicable to financial years beginning on 1 January 2008.

Interim financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting".

The accompanying consolidated financial statements have been prepared from the books and accounting records of the companies included in the consolidation (Notes 4 to 6) on a going concern basis and under the historical cost convention, except for investment properties and financial instruments which are stated at fair value.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS

During the period there were neither changes in accounting policies nor correction of prior period errors.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of share capital held by the Group as at 30 September 2008 and 31 December 2007 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 September 2008		31 December 2007	
		Direct	Total	Direct	Total
Sonae - SGPS, S.A.	Maia	HOLDING	HOLDING	HOLDING	HOLDING
Retail					
Bertimóvel - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%
Best Offer - Prest. Inf. pela Internet, SA	a)	Maia	100.00%	100.00%	100.00%
Bikini, Portal de Mulheres, SA	a)	Maia	100.00%	100.00%	100.00%
Canasta - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%
Carnes do Continente - Ind. Distr. Carnes, SA	a)	Santarém	100.00%	100.00%	100.00%
Chão Verde - Soc. de Gestão Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%
Citorres - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%
Contibomba - Comérc. Distr. Combustíveis, SA	a)	Matosinhos	100.00%	100.00%	100.00%
Contimobe - Imobil. Castelo Paiva, SA	a)	Castelo de Paiva	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a)	Lisboa	100.00%	100.00%	99.86%
Cumulativa - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%
Difusão - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%
1) Edições Book.it, SA	a)	Matosinhos	100.00%	100.00%	-
Efanor - Design e Serviços, SA	a)	Matosinhos	100.00%	100.00%	100.00%
Efanor - Indústria de Fios, SA	a)	Matosinhos	100.00%	100.00%	100.00%
Equador & Mendes Agência de Viagens e Turismo, Lda	a)	Lisboa	74.25%	74.25%	67.50%
Estevão Neves - Hipermercados Madeira, SA	a)	Madeira	100.00%	100.00%	100.00%
Fozimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%
Fozmassimo - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%
Fundo de Investimento Imobiliário Fechado Imosonae Dois	a)	Maia	100.00%	100.00%	100.00%
Global S - Hipermercado, Lda	a)	Matosinhos	100.00%	100.00%	100.00%
IGI - Investimento Imobiliário, SA	a)	Porto	100.00%	100.00%	100.00%
Igimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%

Iginha - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imocoonti - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoestrutura - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imomuro - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoresultado - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imosistema - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Infofield - Informática, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Inventory - Acessórios de Casa, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Marcas MC, zRT	a)	Budapest (Hungary)	100.00%	100.00%	100.00%	100.00%
MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modelo - Dist.de Mat. de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
Modelo Continente - Operações Retalho SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo Continente Hipermercados,SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo Continente Seguros - Sociedade Mediação, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Modelo Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modelo Hipermercados Trading, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Modelo.com - Vendas p/Correspond., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
NA - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
NA - Equipamentos para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Nova Equador Internacional,Ag.Viag.T, Lda	a)	Lisboa	74.25%	74.25%	67.50%	67.50%
Nova Equador P.C.O. e Eventos, SA	a)	Lisboa	74.25%	74.25%	67.50%	67.50%
Peixes do Continente - Indústria e Distribuição de Peixes, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Pharmacontinente - Saúde e Higiene, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Predicomercial - Promoção Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Selifa - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
5) SM Empreendimentos Imobiliários, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Soc.Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Softorin, BV	a)	Amsterdão (Holanda)	100.00%	100.00%	100.00%	100.00%
Solaris - Supermercados, SA	a)	Viana do Castelo	100.00%	100.00%	100.00%	100.00%
Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sonae Distribuição, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
7) Sonae Investimentos América Latina, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	99.99%	99.99%
Sonae Retalho Espana - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sontária - Empreend.Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonvecap, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sport Zone - Comércio Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sport Zone Espana - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Star - Viagens e Turismo, SA	a)	Lisboa	99.00%	99.00%	90.00%	90.00%
Tiatic Portugal - Sistemas de Informação, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Tiatic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
Todos os Dias - Com. Ret. Expl. C. Comer., SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Valor N, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten - Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten Espanã, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Telecommunications						
2) Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
3) Be Towering - Explor. Torres Telecom, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Cape Asia Pac Pty Limited	a)	Australia	100.00%	54.15%	100.00%	50.52%
Cape Poland Sp.Z.o.o.	a)	Posnan (Poland)	100.00%	54.15%	100.00%	50.52%
Cape Technologies (U.K.) Limited	a)	Cardiff (U.K.)	100.00%	54.15%	100.00%	50.52%
Cape Technologies Americas, Inc.	a)	Delaware (USA)	100.00%	54.15%	100.00%	50.52%
Cape Technologies Limited	a)	Dublin (Ireland)	100.00%	54.15%	100.00%	50.52%
Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	40.67%	75.10%	37.94%
1) Lugares Virtuais, SA	a)	Maia	100.00%	54.15%	-	-
M3G - Edições Digitais, SA	a)	Lisboa	100.00%	54.15%	100.00%	50.52%
Mainroad Serviços em Tecnologias de Informação, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Miauger - Org. Gestão Leilões El., SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Praesidium Servises Limited	a)	Berkshire (U.K.)	100.00%	54.15%	100.00%	50.52%
Praesidium Technologies Limited	a)	Berkshire (U.K.)	100.00%	54.15%	100.00%	50.52%
Público - Comunicação Social, SA	a)	Porto	100.00%	54.15%	100.00%	50.52%
Saphety Level - Trusted Services, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Sonae Telecom, SGPS, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Sonaeacom - Serviços de Comunicação, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Sonaeacom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	54.15%	100.00%	50.52%
Sonaeacom BV	a)	Amsterdam (The Netherlands)	100.00%	54.15%	100.00%	50.52%
Sonaeacom, SGPS, SA	a)	Maia	54.64%	54.15%	50.52%	50.52%
Sonaatelecom, BV	a)	Amsterdam (The Netherlands)	100.00%	54.15%	100.00%	50.52%
Tecnológica Telecomunicações Ltda	a)	Rio de Janeiro (Brazil)	99.99%	54.10%	99.99%	50.47%
Telemilénio - Telecomunicações Soc.Unipessoal, Lda	a)	Lisboa	100.00%	54.15%	100.00%	50.52%

We Do Brasil - Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	54.10%	99.91%	50.47%
We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	54.15%	100.00%	50.42%
6) We Do Technologies (UK) Limited	a)	Berkshire (U.K.)	100.00%	54.15%	100.00%	50.52%
1) We Do Technologies BV	a)	Amsterdam (The Netherlands)	100.00%	54.15%	-	-
Others						
Libra Serviços, Lda	a)	Funchal	100.00%	100.00%	100.00%	100.00%
MDS - Corretor de Seguros, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
4) MDS, SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonae Investments, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sonae RE, SA	a)	Luxembourg	100.00%	100.00%	100.00%	100.00%
1) Sonaecenter Serviços, SA	a)	Maia	100.00%	100.00%	-	-
Sonaegest-Soc.Gest.Fundoss Investimentos, SA	a)	Maia	80.00%	70.00%	80.00%	70.00%
Sontel, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%

- 1) Company incorporated in the period;
- 2) Ex - Optimus Artis - Conceção, Construção e Gestão de Redes de Comunicações, SA;
- 3) Ex - Optimus Towering - Explor. Torres Telecom, SA;
- 4) Ex - Resolução, SGPS, SA;
- 5) Company merged into Sonae Capital Brasil, Lda;
- 6) Ex - Praesidium Holdings Limited;
- 7) Company included on consolidation during this period.

- a) Majority of voting rights;
- b) Management control.

These group companies are consolidated using the full consolidation method.

5. JOINTLY CONTROLLED COMPANIES

Jointly controlled companies included in the consolidated financial statements, their head offices and the percentage of share capital held by the Group as at 30 September 2008 and 31 December 2007 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 September 2008		31 December 2007	
		Direct	Total	Direct	Total
Shopping Centres					
3DO Holding GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
3DO Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
3shoppings - Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
4) 8ª Avenida Centro Comercial, SA	Maia	100.00%	25.15%	100.00%	50.00%
Aegean Park Constructions Real Estate and Development, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Airone - Shopping Centre, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
ALEXA Administration GmbH	Berlin (Germany)	100.00%	25.00%	100.00%	25.00%
ALEXA Holding GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
ALEXA Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	25.00%	100.00%	25.00%
Algarveshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
5) Arrábidoshopping - Centro Comercial, SA	Maia	50.00%	12.53%	100.00%	37.53%
Avenida M-40, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Avenida M-40, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Cascaishopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Cascaishopping Holding I, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Centro Colombo - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
Centro Vasco da Gama - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Clérigosshopping - Gestão do C.Comerc., SA	Maia	100.00%	50.00%	100.00%	50.00%
Coimbrashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Colombo Towers Holding, BV	Haya (The Netherlands)	50.00%	25.00%	50.00%	25.00%
2) Craiova Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
Dortmund Tower GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Dos Mares - Shopping Centre, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Dos Mares - Shopping Centre, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
El Rosal Shopping, SA	Madrid (Spain)	70.00%	35.00%	70.00%	35.00%
Estação Viana - Centro Comercial, SA	Viana do Castelo	100.00%	25.05%	100.00%	25.05%
Freccia Rossa - Shopping Centre, Srl	Sondrio (Italy)	50.00%	25.00%	50.00%	25.00%
Fundo Investimento Imob. Shopping Parque D. Pedro Shopping, SA	São Paulo (Brazil)	100.00%	24.36%	100.00%	24.33%
5) Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	100.00%	37.53%
5) Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	37.53%
Gil Orsi - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Guimarãesshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Iberian Assets, SA	Madrid (Spain)	49.78%	12.48%	49.78%	12.48%
Inparsa - Gestão de Galeria Comerc., SA	Maia	100.00%	50.00%	100.00%	50.00%
Ioannina Development of Shopping Centres, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
KLC Holdings XII SA	Luxembourg	100.00%	50.00%	100.00%	50.00%
La Farga - Shopping Centre, SL	Madrid (Spain)	100.00%	12.48%	100.00%	12.48%

Larissa Development of Shopping Centres, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Le Terrazze - Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Lembo Services Ltd	Cyprus	100.00%	50.00%	100.00%	50.00%
Loop 5 - Shopping Centre Gmbh	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
4) Loureshopping - Centro Comercial, SA	Maia	50.00%	12.58%	50.00%	25.00%
Luz del Tajo - Centro Comercial, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Luz del Tajo, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Madeirashopping - Centro Comercial, SA	Funchal	50.00%	12.53%	50.00%	12.53%
Maiashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
MC Property Management, SA	Athens (Greece)	75.00%	18.75%	75.00%	18.75%
Munster Arkaden BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
NorteShop. Retail and Leisure Centre, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
Norteshopping - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
4) Oeste Retail Park - Gestão de G.Comer., SA	Maia	50.00%	12.58%	50.00%	25.00%
Pantheon Plaza BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
1) Pantheon Plaza 1, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
1) Pantheon Plaza 2, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
1) Pantheon Plaza 3, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Paracentro - Gestão de Gal.Comerc. SA	Maia	100.00%	50.00%	100.00%	50.00%
Park Avenue Develop. of Shop. Centers, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada	50.00%	12.53%	50.00%	12.53%
Parque D. Pedro 1, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
Parque D. Pedro 2, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
Parque de Famalicão - Empr. Imob., SA	Maia	100.00%	50.00%	100.00%	50.00%
Parque Principado, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
Pátio Boavista Shopping, Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
2) Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	23.74%	-	-
2) Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	23.74%	-	-
Pátio Penha Shopping, Ltda	São Paulo (Brazil)	99.99%	23.74%	99.99%	23.69%
Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Plaza Eboli - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Plaza Eboli, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Plaza Mayor Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ócio, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ocio, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Plaza Mayor Shopping, SA	Madrid (Spain)	75.00%	37.50%	75.00%	37.50%
2) Ploi Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
Pridelease Investments, Ltd	Cascais	100.00%	50.00%	100.00%	50.00%
Project 4, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project SC 1, BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Project SC 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra - 1 Shopping Centre, GmbH	Vienne (Austria)	100.00%	50.00%	100.00%	50.00%
Project Sierra 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 5, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 6, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 7 BV	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
2) Project Sierra 8 BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
2) Project Sierra 9 BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
2) Project Sierra 10 BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
Project Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany 2 (two), Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany 3 (three), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany 4 (four), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany Shopping Centre 1 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany Shopping Centre 2 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Holding Portugal V, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 1 - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 2 - Dev.of Shopping Centres, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 3 - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 5 - Development of Shopping Centrs Sarl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra One Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal I - C.Comercial, SA	Maia	50.00%	25.00%	50.00%	25.00%
Project Sierra Portugal II - C.Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal IV - C.Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal V - C.Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VI - C. Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VII - C. Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VIII - C.Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%

Project Sierra Spain 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 2 - C. Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 3 - C. Comercial, SA	Madrid (Spain)	50.00%	25.00%	50.00%	25.00%
Project Sierra Spain 3, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
2) Project Sierra Spain 6, BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
2) Project Sierra Spain 6 - C. Comercial, SA	Madrid (Spain)	100.00%	50.00%	-	-
2) Project Sierra Spain 7, BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
2) Project Sierra Spain 7 - C. Comercial, SA	Madrid (Spain)	100.00%	50.00%	-	-
Project Sierra Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Three Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Two Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
4) Rio Sul - Centro Comercial, SA	Lisboa	50.00%	12.58%	50.00%	25.00%
River Plaza BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
River Plaza Mall, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
S.C. Microcom Doi Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
SC Aegean, BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
SC Mediterraneum Cosmos, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	25.00%
4) Serra Shopping - Centro Comercial, S.A.	Covilhã	50.00%	12.58%	50.00%	25.00%
Shopping Centre Colombo Holding, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
Shopping Centre Parque Principado, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Sierra Asset Management - Gest. Activos, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100.00%	25.00%	100.00%	25.00%
Sierra Charagionis Develop. of Shop, Centers, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
Sierra Charagionis Propert.Management, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
Sierra Corporate Services - Ap.Gestão, SA	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Corporate Services Holland, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Develop.Iberia 1, Prom.Imob., SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Development Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
Sierra Developments - Serv. Prom.Imob., SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Developments Germany GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Germany Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Services Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Spain - Prom.C.Com., SL	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Sierra Developments, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Enplanta, Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Sierra European R.R.E. Assets Hold., BV	Amsterdam (The Netherlands)	50.10%	25.05%	50.10%	25.05%
Sierra GP, Limited	Guernsey (U.K.)	100.00%	49.99%	100.00%	49.99%
Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Sierra Investments (Holland) 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments (Holland) 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Italy Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Man.New Tech.Bus. - Serv.Comu.CC, SA	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Management Germany, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Sierra Management Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
Sierra Management II - Gestão de C.C., SA	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Management Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Sierra Management Portugal - Gest. CC, SA	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Management Romania, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sierra Management Spain - Gestión C.Com., SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Sierra Management, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
4) Sol Retail Park - Gestão de G. Comerc., SA	Maia	50.00%	12.58%	50.00%	25.00%
Sonae Sierra Brasil, SA	São Paulo (Brazil)	94.54%	23.74%	94.54%	23.69%
Sonae Sierra Brazil, BV Sarl	Luxembourg	50.00%	25.00%	50.00%	25.00%
Sonae Sierra, SGPS, SA	Maia	50.00%	50.00%	50.00%	50.00%
4) SPF - Sierra Portugal Real Estate, Sarl	Luxembourg	42.00%	25.15%	100.00%	50.00%
SPF - Sierra Portugal, Sarl	Luxembourg	100.00%	50.00%	100.00%	50.00%
SRP - Parque Comercial de Setúbal, SA	Maia	50.00%	25.00%	50.00%	25.00%
3) SRP Development, SA	Bucharest (Romania)	100.00%	50.00%	-	-
Torre Ocidente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%
Torre Oriente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%
Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	23.74%	100.00%	23.69%
Unishopping Consultoria Imob., Ltda	São Paulo (Brazil)	99.98%	23.74%	99.98%	23.69%
Valecenter Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
Via Catarina - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%

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Weiterstadt Shopping BV	Amsterdam (The Netherlands)	100.00%	25.00%	100.00%	25.00%
Zubiarte Inversiones Inmob, SA	Madrid (Spain)	49.83%	12.48%	49.83%	12.48%
Telecommunications					
Vipu ACE	Lisboa	50.00%	27.08%	50.00%	25.26%

- 1) Company merged into Larissa Development of Shopping Centres, SA.
- 2) Company incorporated in the period;
- 3) Company acquired in the period;
- 4) Disposal on 28 July 2008 of 8.3% of the shareholding on the investment fund Sierra Portugal Fund (SPF), reducing the shareholding position to 42%, and therefore started being included by the equity method;
- 5) Indirect disposal of 50% of the share capital of these companies due to the sale of the investment fund mentioned in 4) above. The remaining 50% are still included by the proportionate consolidation method.

These entities are consolidated using the proportionate consolidation method.

Aggregate amounts, excluding intragroup eliminations, corresponding to the percentage of capital held in these jointly controlled companies included in the financial statements for the period, using the proportional consolidation method, can be summarised as follows:

	30.September.2008	31.December.2007 Pro-forma	30.September.2007 Pro-forma	31.December.2007	30.September.2007
Non current assets	4,458,379,118	4,292,172,389	4,048,526,956	4,590,187,152	4,285,802,129
Current assets	490,838,643	511,541,306	503,170,487	515,149,354	516,648,190
Non current liabilities	1,735,234,710	1,853,540,870	1,855,347,961	1,996,914,291	1,960,507,462
Current liabilities	517,723,895	606,278,983	504,292,385	618,951,030	573,165,989
Income	172,706,915	435,039,881	303,284,592	444,471,226	307,763,706
Expenses	195,624,363	291,334,159	203,675,922	296,380,772	207,836,243

6. INVESTMENTS IN ASSOCIATED COMPANIES

Associated companies, their head offices and the percentage of share capital held as at 30 September 2008 and 31 December 2007 are as follows:

COMPANY	Head Office	Percentage of capital held				Carrying amount	
		30 September 2008		31 December 2007		30 September 2008	31 December 2007
		Direct	Total	Direct	Total		
Retail							
Mundo Vip - Operadores Turísticos, SA	Lisboa	33.33%	33.33%	33.33%	33.33%	2,808,192	2,924,947
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisboa	25.00%	25.00%	25.00%	25.00%	1,161,238	943,957
Fundo de Investimento Imobiliário Fechado Imosede	Maia	42.16%	42.16%	42.16%	42.16%	34,513,566	34,010,917
Shopping Centres							
Campo Limpo Lda	S. Paulo (Brazil)	20.00%	4.70%	20.00%	4.70%	1,269,334	1,248,144
Mediterranean Cosmos Shop. Centre Investments, SA	Athens (Greece)	39.90%	5.00%	39.90%	9.98%	3,266,848	10,749,437
SIC Indoor - Gest. Suportes Publicitários, SA	Oeiras	35.00%	17.50%	35.00%	17.50%	-	-
1) 2) 8ª Avenida Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	50.00%	-	-
1) 2) Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	10.50%	100.00%	37.53%	-	-
1) 2) Gaiashopping I - Centro Comercial, SA	Maia	50.00%	10.50%	100.00%	37.53%	-	-
1) 2) Gaiashopping II - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	37.53%	-	-
1) 2) Loureshopping - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	25.00%	-	-
1) 2) Oeste Retail Park - Gestão de G.Comerc., SA	Maia	50.00%	10.50%	50.00%	25.00%	-	-
1) 2) Rio Sul - Centro Comercial, SA	Lisboa	50.00%	10.50%	50.00%	25.00%	-	-
1) 2) Serra Shopping - Centro Comercial, S.A.	Covilhã	50.00%	10.50%	50.00%	25.00%	-	-
1) 2) Sol Retail Park - Gestão de G. Comerc., SA	Maia	50.00%	10.50%	50.00%	25.00%	-	-
1) SPF - Sierra Portugal Real Estate, Sarl	Luxembourg	42.00%	21.00%	100.00%	50.00%	44,127,208	-
Telecommunications							
Net Mall SGPS, SA	Maia	39.51%	21.39%	39.51%	19.96%	-	-
SIRS - Sociedade Independente de Radiodifusão Sonora, SA	Porto	45.00%	24.37%	45.00%	22.73%	183,943	168,690
Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	40.00%	21.66%	40.00%	20.21%	468,549	463,429
Others							
Cooper Gay (Holding) Limited	U.K.	13.68%	13.68%	13.68%	13.68%	20,629,209	20,061,065
Lazam Corretora, Lda	Brazil	45.00%	45.00%	45.00%	45.00%	2,686,585	2,978,054
Total						<u>111,114,672</u>	<u>73,548,640</u>

- 1) Disposal on 28 July 2008 of 8.3% of the shareholding on the investment fund Sierra Portugal Fund (SPF), reducing the shareholding position to 42%, and therefore started being included by the equity method;
- 2) Nil balances result from the application of the equity method over the consolidated financial statements of Sierra Portugal Real Estate.

Nil balances shown result from the reduction of the acquisition cost of amounts by the use of the equity method.

Associated companies are included using the equity method.

As at 30 September 2008, 2007 pro-forma and 31 December 2007, aggregate values of main financial indicators of associated companies can be analysed as follows:

	30.September.2008	31.December.2007	30.September.2007 Pro-forma
Total Assets	1,199,755,781	780,046,272	926,992,752
Total Liabilities	828,765,052	546,507,394	708,701,445
Income	208,561,116	290,802,785	243,280,413
Expenses	198,397,792	259,565,597	191,842,239

During the periods ended 30 September 2008 and 2007 pro-forma, movements in Investments in associated companies, are made up as follows:

	30 September 2008			30 September 2007 Pro - forma		
	Proportion on equity	Goodwill	Total of investment	Proportion on equity	Goodwill	Total of investment
Investments in associated companies						
Initial balance as at January, 1	51,468,671	22,079,969	73,548,640	27,586,080	4,029,078	31,615,158
Acquisitions during the period	-	-	-	21,013,996	-	21,013,996
Disposals during the period	(2,431,693)	-	(2,431,693)	-	-	-
Decrease of share capital of associates	(3,989,003)	-	(3,989,003)	-	-	-
Change in consolidation method	35,860,383	8,759,469	44,619,852	10,204,462	-	10,204,462
Goodwill arising on the period	-	-	-	(18,050,891)	18,050,891	-
Equity method						
Effect in net income	176,152	-	176,152	2,715,726	-	2,715,726
Effect in equity	323,194	-	323,194	(140,799)	-	(140,799)
Transfers	(1,132,470)	-	(1,132,470)	306,258	-	306,258
Investments in associated companies	80,275,234	30,839,438	111,114,672	30,208,957	22,079,969	65,714,801

7. **GROUP COMPANIES, JOINTLY CONTROLLED COMPANIES AND ASSOCIATED COMPANIES EXCLUDED FROM CONSOLIDATION AND OTHER NON CURRENT INVESTMENTS**

Group companies, jointly controlled companies and associated companies excluded from consolidation and other non current investments, their head offices, percentage of share capital held and book value as at 30 September 2008 and 31 December 2007 are made up as follows:

COMPANY	Head Office	Percentage of capital held				Book Value	
		30 September 2008		31 December 2007		30 September 2008	31 December 2007
		Direct	Total	Direct	Total		
Retail							
Dispar - Distrib. de Participações, SGPS, SA	Lisboa	7.14%	7.14%	7.14%	7.14%	4,988	4,988
Inscó - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Shopping Centres							
Ercasa Cogeneracion SA	Grancasa (Spain)	10.00%	1.25%	10.00%	1.25%	23,949	23,949
Telecommunications							
Altitude, SGPS, SA	Lisboa	11.54%	6.25%	11.54%	5.83%	1,000,000	1,000,000
Lusa - Agên. de Notícias de Portugal, SA	Lisboa	1.38%	0.75%	1.38%	0.70%	197,344	197,344
Minhodigital.com - Inv. na Área Tecnológ., SA	Porto	4.76%	2.58%	4.76%	2.40%	-	-
Other investments						14,165,300	10,080,679
Total (Note 12)						16,139,778	12,055,157

Nil balances shown above result from deduction of impairment losses from related investments (Note 12).

As at 31 December 2007, "Other investments" included 8,155,301 euro related with the advance payment for the acquisition of a owner of an investment property named Ploiesti and which acquisition was concluded during the first nine months of 2008. As at 30 September 2008, this caption also includes 12,284,000 euro related to the fair value of Sonae Capital, SGPS, S.A. shares attributable to Sonae SGPS and not recognized as explained in Note 17.

8. CHANGES TO THE CONSOLIDATION PERIMETER

The subsidiary Continente Hipermercados S.A. (ex-Carrefour Portugal) was acquired by the end of 2007, and therefore no fair value allocation to the acquired assets was made at that date. This allocation was provisionally made during the first nine months of 2008, reported to 31 December 2007, and is reflected in these financial statements. The process is expected to be entirely concluded by the end of the current year, in accordance with the International Financial Reporting Standards ("IFRS").

	Acquisition date			31 December 2007
	Book Value	Adjustments to Fair Value	Fair Value	Book Value
Acquired net assets				
Tangible and intangible assets (Note 9)	267,013,229	77,796,876	344,810,105	267,013,229
Stocks	34,475,424	(10,371,772)	24,103,652	34,475,424
Other assets	5,788,904		5,788,904	5,788,904
Cash and cash equivalents	1,347,294		1,347,294	1,347,294
Deferred tax liabilities	1,845,583	(5,406,243)	(3,560,660)	1,845,583
Loans	(83,038,919)		(83,038,919)	(83,038,919)
Other liabilities	(150,218,081)	(4,157,381)	(154,375,462)	(150,218,081)
	<u>77,213,434</u>	<u>57,861,480</u>	<u>135,074,914</u>	<u>77,213,434</u>
Goodwill (Note 11)		57,802,012	450,397,819	504,847,714
Minority interests		59,468	(163,861)	(104,393)
Purchase amount		<u>57,861,480</u>	<u>585,308,872</u>	<u>581,956,755</u>
Payments made			611,200,000	611,200,000
Amounts receivable as result of the price adjustment			(30,113,103)	(30,414,000)
Costs arising on acquisition			4,221,975	1,170,755
			<u>585,308,872</u>	<u>581,956,755</u>
Net cash outflow arising from acquisition				
Payments made			611,200,000	611,200,000
Costs arising on acquisition			4,221,975	1,170,755
Cash and cash equivalents purchased			(1,347,294)	(1,347,294)
Cash receipts resulting from the price adjustment			(30,113,103)	-
			<u>583,961,578</u>	<u>611,023,461</u>

In the consolidated statements of cash flows for the nine months period ended 30 September 2008, the caption "Cash receipts related to Investments" includes the price adjustment in the amount of 30,113,103 Euro.

Main disposals of companies over the twelve month period ended 30 September 2008 are as follows:

Disposals

COMPANY	Head Office	Percentage of capital held	
		At disposal date	
		Direct	Total
Shopping Centres			
8ª Avenida Centro Comercial, SA	Maia	100.00%	25.15%
Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	25.10%
Gaiashopping I - Centro Comercial, SA	Maia	50.00%	25.10%
Gaiashopping II - Centro Comercial, SA	Maia	100.00%	25.10%
Loureshopping - Centro Comercial, SA	Maia	100.00%	12.58%
Oeste Retail Park - Gestão de G.Comerc., SA	Maia	50.00%	12.58%
Rio Sul - Centro Comercial, SA	Lisboa	50.00%	12.58%
Serra Shopping - Centro Comercial, S.A.	Covilhã	50.00%	12.58%
Sol Retail Park - Gestão de G. Comerc., SA	Maia	50.00%	12.58%
SPF - Sierra Portugal Real Estate, Sarl	Luxembourg	100.00%	25.15%

During the nine months period ended 30 September were disposed 58% of the shareholding position on the investment fund Sierra Portugal Fund (SPF) reducing its shareholding to 42%. As a result, SPF started to be included by the equity method.

Disposals effects

The net assets of disposal affiliated companies at the disposal date and 31 December 2007 are as follows:

	Date of disposal	31.December.2007
Disposal net assets		
Investment properties	212,961,916	211,148,787
Other assets	6,428,572	1,141,917
Cash and cash equivalents	4,122,097	1,997,896
Loans	(95,971,259)	(95,596,238)
Deferred tax liabilities	(29,672,994)	(29,388,969)
Other liabilities	(8,194,159)	(26,947,448)
	<u>89,674,173</u>	<u>62,355,945</u>
Minority interests (Note 18)	(5,256,177)	(5,256,177)
Goodwill (Note 11)	11,866,534	11,866,534
Net assets recorded by the equity method	<u>(37,315,321)</u>	<u>-</u>
	<u>58,969,209</u>	<u>57,099,768</u>
Gain/(Loss) in disposal	8,171,491	
Disposal price	<u>67,140,700</u>	
Amounts received	67,140,700	
Amounts to be received	-	
	<u>67,140,700</u>	

Net cash inflow arising from disposals	
Cash consideration received	67,140,700
Cash and cash equivalents disposed of	(4,122,097)
	<u>63,018,603</u>

The impact of these disposals on the income statement is as follows:

	Date of disposal	31.December.2007
Turnover	6,453,943	12,844,715
Other operational income	(833,443)	26,399,582
Other operational expenses	(647,082)	(1,740,551)
Net financial expenses	(2,736,850)	(6,274,414)
Share of results of associates	-	-
Profit/(Loss) before taxation	2,236,568	31,229,332
Income tax	(766,716)	(8,249,311)
Net Profit/(Loss)	<u>1,469,852</u>	<u>22,980,021</u>

9. TANGIBLE AND INTANGIBLE ASSETS

During the nine months period ended 30 Setembro 2008 and 2007 pro-forma, movements in Tangible and Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Tangible assets				Total Tangible Assets
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	
Gross costs:					
Opening balance as at 1 January 2008	1,549,793,886	1,434,332,293	304,444,152	176,493,351	3,465,063,682
Adjustments to fair value (Note 8)	52,144,720	25,447,540	(5,402,044)	(925,928)	71,264,288
Opening balance as at 1 January 2008 adjusted	1,601,938,606	1,459,779,833	299,042,108	175,567,423	3,536,327,970
Capital expenditure	13,246,626	5,845,305	13,614,652	271,879,082	304,585,665
Disposals	(10,810,657)	(13,398,246)	(11,640,848)	(1,342,508)	(37,192,259)
Exchange rate effect	(20,808)	(80,614)	(69,574)	-	(170,996)
Transfers	38,834,597	103,041,466	12,123,531	(163,528,491)	(9,528,897)
Closing balance as at 30 Setembro 2008	1,643,188,364	1,555,187,744	313,069,869	282,575,506	3,794,021,483

Accumulated depreciation and impairment losses

Opening balance as at 1 January 2008	309,924,688	774,612,718	226,256,512	-	1,310,793,918
Adjustments to fair value (Note 8)	(17,571,285)	15,536,400	(4,497,703)	-	(6,532,588)
Opening balance as at 1 January 2008 adjusted	292,353,403	790,149,118	221,758,809	-	1,304,261,330
Charge for the period	25,320,653	107,220,839	28,188,874	-	160,730,366
Disposals	(409,459)	(9,003,091)	(11,153,100)	-	(20,565,650)
Exchange rate effect	(11,128)	(29,296)	(30,929)	-	(71,353)
Transfers	(2,028,762)	1,489,427	(25,379)	-	(564,714)
Closing balance as at 30 Setembro 2008	315,224,707	889,826,997	238,738,275	-	1,443,789,979

Carrying amount

As at 30 Setembro 2008	1,327,963,657	665,360,747	74,331,594	282,575,506	2,350,231,504
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	Tangible assets				Total Tangible Assets
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	
Gross costs:					
Opening balance as at 1 January 2007 pro-forma	1,245,290,430	1,227,901,679	265,679,558	70,467,119	2,809,338,786
Changes in consolidation perimeter	491,711	7,090,488	171,036	-	7,753,235
Capital expenditure	11,748,172	12,157,981	4,292,162	228,395,401	256,593,716
Disposals	(22,087,762)	(26,938,106)	(5,719,520)	(1,602,073)	(56,347,461)
Exchange rate effect	434,066	84,464	58,770	18,744	596,044
Transfers	28,700,370	107,285,632	9,547,926	(147,695,434)	(2,161,506)
Closing balance as at 30 Setembro 2007 pro-forma	1,264,576,987	1,327,582,138	274,029,932	149,583,757	3,015,772,814

Accumulated depreciation and impairment losses

Opening balance as at 1 January 2007 pro-forma	236,152,091	645,988,456	187,879,320	-	1,070,019,867
Changes in consolidation perimeter	478,833	930,227	94,119	-	1,503,179
Charge for the period	22,647,986	91,051,974	20,475,266	-	134,175,226
Disposals	(7,265,349)	(8,362,782)	(4,979,225)	-	(20,607,356)
Exchange rate effect	12,086	18,527	18,151	-	48,764
Transfers	(511,669)	(381,574)	(181,057)	-	(1,074,300)
Closing balance as at 30 Setembro 2007 pro-forma	251,513,978	729,244,828	203,306,574	-	1,184,065,380

Carrying amount

As at 30 Setembro 2007 pro-forma	1,013,063,009	598,337,310	70,723,358	149,583,757	1,831,707,434
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Major amounts included in the caption Tangible assets in progress, refer to the following projects:

	30 September 2008	30 September 2007 Pro-forma
Refurbishment and expansion of stores in the retail segment located in Portugal	181,689,076	90,112,513
Projects of "Modelo" and "Continente" stores for which advance payments were made	33,618,644	20,075,986
Deployment of mobile network	42,359,808	23,607,040
Deployment of fixed network	12,150,407	8,977,165
Others	12,757,571	6,811,053
	<u>282,575,506</u>	<u>149,583,757</u>

During the period, the Group disposed land and buildings held by a Brazilian subsidiary SM – Medicamentos, Ltda which were classified under the caption "Non current assets held for sale" as at 31 December 2007, generating a gain of, approximately, 9 million Euro recorded under the caption "Other operating income".

	Intangible assets			
	Patents and other similar rights		Intangible assets in progress	Total Intangible Assets
	similar rights	Others	in progress	Assets
Gross costs:				
Opening balance as at 1 January 2008	274,917,793	340,533,967	21,477,187	636,928,947
Capital expenditure	98,786,201	2,545,857	26,208,630	127,540,688
Disposals	(188,864)	(364,719)	(911,307)	(1,464,890)
Exchange rate effect	(121)	(164,141)	-	(164,262)
Transfers	4,252,874	9,237,878	(8,786,882)	4,703,870
Closing balance as at 30 September 2008	<u>377,767,883</u>	<u>351,788,842</u>	<u>37,987,628</u>	<u>767,544,353</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2008	54,460,087	234,800,716	-	289,260,803
Charge for the period	16,665,357	24,477,519	-	41,142,876
Disposals	(66,143)	(355,712)	-	(421,855)
Exchange rate effect	-	(53,685)	-	(53,685)
Transfers	502,729	(105)	-	502,624
Closing balance as at 30 September 2008	<u>71,562,030</u>	<u>258,868,733</u>	<u>-</u>	<u>330,430,763</u>
Carrying amount				
As at 30 September 2008	<u>306,205,853</u>	<u>92,920,109</u>	<u>37,987,628</u>	<u>437,113,590</u>

	Intangible assets			
	Patents and other similar rights		Intangible assets in progress	Total Intangible Assets
	similar rights	Others	in progress	Assets
Gross costs:				
Opening balance as at 1 January 2007 pro-forma	232,779,039	308,541,993	21,623,062	562,944,094
Changes in consolidation perimeter	279,295	2,453,613	-	2,732,908
Capital expenditure	21,179,502	472,535	21,738,400	43,390,437
Disposals	(10,736)	(362,674)	(501,096)	(874,506)
Exchange rate effect	120	11,815	-	11,935
Transfers	2,287,706	12,240,776	(18,260,221)	(3,731,739)
Closing balance as at 30 September 2007 pro-forma	<u>256,514,926</u>	<u>323,358,058</u>	<u>24,600,145</u>	<u>604,473,129</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2007 pro-forma	35,798,979	207,227,948	-	243,026,927
Changes in consolidation perimeter	179,808	-	-	179,808
Charge for the period	12,161,701	20,462,880	-	32,624,581
Disposals	(423)	(435,283)	-	(435,706)
Exchange rate effect	-	9,210	-	9,210
Transfers	243,842	45,663	-	289,505
Closing balance as at 30 September 2007 pro-forma	<u>48,383,907</u>	<u>227,310,418</u>	<u>-</u>	<u>275,694,325</u>
Carrying amount				
As at 30 September 2007 pro-forma	<u>208,131,019</u>	<u>96,047,640</u>	<u>24,600,145</u>	<u>328,778,804</u>

At 30 September 2008 and 2007, the Group has recorded under the heading "Patents and other similar rights" the amounts of 199,594,350 euro and 113,034,255 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 66,756,410 euro (amount of 74,257,131 euro in 2007) relating to the license; (ii) 22,305,764 euro (amount of 24,812,030 euro in 2007) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators in Portugal with UMTS licenses; (iii) 6,850,774 euro (amount of 7,620,523 euro in 2007) related to a contribution to the Information Society Fund, established in 2007, under an agreement entered into between the Ministry of Public Works, Transport and Communications ("Ministério das Obras Públicas, Transportes e Comunicações") and the three mobile telecommunication operators in Portugal; and (iv) 98,008,317 euro relating to the "Initiatives E" program, the latter relating to commitments assumed by the Group in the "Fund for Information Society" (Note 32).

Additionally, this heading also includes the fair value attributed to a group of brands with indefinite useful lives, among which the "Continente" brand, 75,000,000 euro (the same amount as at December 2007).

10. INVESTMENT PROPERTIES

Investment properties are recorded at fair value. These assets are owned by the shopping centres business and as such are consolidated using the proportional method.

As at 30 September 2008 and 31 December 2007, Investment properties are detailed as follows:

	30 September 2008	31 December 2007 Pro-forma	31 December 2007
Investment properties in operation	1,695,534,267	1,658,780,561	1,868,656,061
Investment properties in progress	220,156,065	192,199,770	193,472,865
	<u>1,915,690,332</u>	<u>1,850,980,331</u>	<u>2,062,128,926</u>

Investment properties in operation correspond to the fair value of the Group's share of shopping centres, which can be detailed as follows:

	30 September 2008		31 December 2007 Pro-forma		31 December 2007	
	Amount	Yield range	Amount	Yield range	Amount	Yield range
Portugal	814,384,536	5,05% and 7,30%	828,427,137	4,90% and 7,00%	1,038,302,637	4,90% and 7,00%
Spain	456,919,372	5,40% and 7,80%	454,290,823	5,00% and 6,90%	454,290,823	5,00% and 6,90%
Germany	172,272,750	5,50%	172,792,000	5,50%	172,792,000	5,50%
Brazil	104,465,859	8,00% and 9,25%	97,664,101	8,50% and 10,50%	97,664,101	8,50% and 10,50%
Italy	127,458,750	5,55% and 6,40%	84,255,000	5,50% and 6,15%	84,255,000	5,50% and 6,15%
Romania	20,033,000	7,00%	21,351,500	6,75%	21,351,500	6,75%
	<u>1,695,534,267</u>		<u>1,658,780,561</u>		<u>1,868,656,061</u>	

The fair value of each investment property was determined by a valuation performed by an independent entity, based on valuation criteria generally accepted in the real estate business. 19 shopping centres were valued as at 30 September 2008, and the remaining were valued as at 30 June 2008 .

Value created on investment properties over the nine months periods ended 30 September 2008 and 2007 pro-forma can be detailed as follows:

	30 September 2008	30 September 2007 Pro-forma
Properties which were under development and were concluded during the period	10,466,561	10,191,091
Changes in fair value of investment properties in operation	(53,554,118)	109,822,292
Adjustments to construction cost estimates of properties under development which were transferred to investment properties	-	-
	<u>(43,087,557)</u>	<u>120,013,383</u>

As at 30 September 2008 and 31 December 2007, Investment properties in progress can be detailed as follows:

	30 September 2008	31 December 2007
Portugal:		
Arrábida Shopping - expansion	-	2,375,011
Alverca	3,000,696	2,995,036
Caldas da Rainha Shopping	1,359,689	1,192,538
Cacém Shopping	1,061,892	1,036,919
Torres Oriente e Ocidente	2,041,194	192,426
Setúbal Retail Park	703,011	786,164
Parque de Famalicão	627,500	627,500
Leiria	2,222,679	264,231
Others	-	956,323
Germany:		
Loop 5	40,609,748	25,612,284
Alexa	-	7,320,992
Others	474,246	-
Brazil:		
Manauara Shopping	12,000,991	5,628,846
Pátio Goiânia	3,183,383	-
Pátio Uberlândia	1,484,749	1,530,607
Others	1,131,325	-
Spain:		
Plaza Mayor Shopping	-	17,733,934
Alfaz del Pi	9,717,962	-
Puerta Granada	5,272,191	5,746,847
Los Barrios	3,167,804	-
Dos Mares - expansion	1,404,902	1,404,902
Greece:		
Pantheon Plaza	20,356,840	13,855,607
Ioannina	11,686,885	10,395,799
Aegean Park	4,882,499	4,845,206
Galatsi Shopping	3,762,981	3,159,277
Italy:		
Freccia Rossa	-	32,263,488
Gli Orsi	37,451,838	23,397,730
Caldogno	4,529,646	4,138,655
Pavia	3,660,632	3,641,489
Le Terraze	1,779,464	1,891,179
Others	139,182	-
Romania:		
Craiova	24,652,009	20,479,875
Ploiesti	17,790,127	-
	<u>220,156,065</u>	<u>193,472,865</u>

As at 30 September 2008, the following investment properties were mortgaged:

Airone	Loop 5
Alexa	Luz del Tajo
Algarveshopping	Madeirashopping
Alverca	Maiashopping
Arradashopping	Max Center
Avenida M40	Munster Arkaden
Cascaishopping	Norteshopping
Centro Colombo	Parque Atlântico
Centro Vasco da Gama	Parque Principado
Coimbrashopping	Plaza Éboli
Dos Mares	Plaza Mayor
El Rosal	Plaza Mayor Shopping
Estação Viana	River Plaza Mall
Freccia Rossa	Torre Ocidente
Gaiashopping	Torre Oriente
Gli Orsi	Valecenter
Grancasa	Valle Real
Guimarãesshopping	Viacatarina
La Farga	Zubiarte

11. GOODWILL

During the nine months period ended 30 September 2008 and 2007 pro-forma and the twelve months period ended 31 December 2007, movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	30 September 2008	30 September 2007 Pro-forma	31 December 2007 Restated (Note 8)
Gross value:			
Opening balance	693,049,656	228,273,461	264,411,899
New companies in the consolidation perimeter	1,969,592	12,293,896	477,403,248
Increases	21,542,391	1,809,857	30,035,581
Decreases	(13,327,071)	(10,406,538)	(12,999,103)
Transfers	(8,759,469)	-	-
Demerger	-	-	(65,801,969)
Closing balance	694,475,099	231,970,676	693,049,656
Accumulated impairment losses:			
Opening balance	9,912,998	7,545,972	13,569,244
Increases	-	-	3,659,303
Decreases	-	-	(7,315,549)
Closing balance	9,912,998	7,545,972	9,912,998
Carrying amount:	684,562,101	224,424,704	683,136,658

During the period, an adjustment to the goodwill value in the amount of (57,802,012) Euro was recorded resulting from the fair value allocation made to the accounts of the subsidiary Continente Hipermercados, S.A. (ex-Carrefour Portugal) acquired at 31 December 2007.

The caption "Transfers" relates to the 42% goodwill of Sierra Portugal Fund (SPF) transferred to the caption "Investments in associated companies" measured in accordance with the equity method.

12. INVESTMENTS

As at 30 September 2008 and 2007 Pro-forma, this caption is made up as follows:

	30 September 2008		30 September 2007 Pro-forma	
	Non current	Current	Non current	Current
<u>Investments in group companies, jointly controlled companies or associated companies excluded from consolidation</u>				
Opening balance as at 1 January	9,376,193	-	3,130,999	-
Acquisitions in the period	-	-	17,910,000	-
Disposals in the period	-	-	-	-
Transfers	(8,180,986)	-	-	-
Closing balance as at 30 September	1,195,207	-	21,040,999	-
Accumulated impairment losses	-	-	-	-
	1,195,207	-	21,040,999	-
<u>Investments available for sale</u>				
Fair value (net of impairment losses) as at 1 January	2,678,964	56,093,108	145,795,375	33,211,904
Acquisitions in the period	18,750	5,438,540	-	3,964,163
Disposals in the period	(25,000)	(1,182,312)	(114,251,103)	(13,475,266)
Increase/(Decrease) in fair value	(10,860,390)	3,433,704	-	(1,458,715)
Transfers (Note 17)	23,132,247	(2,651,836)	2,390,825	2,222,376
Fair value (net of impairment losses) as at 30 September	14,944,571	61,131,204	33,935,097	24,464,462
<u>Other Investments (Note 7)</u>	16,139,778	61,131,204	54,976,096	24,464,462
<u>Derivative financial instruments (Note 20)</u>				
Fair value as at 1 January	-	3,976,816	-	49,458
Acquisitions in the period	-	478,989	-	27
Disposals in the period	-	(1,971)	-	(49,458)
Increase/(Decrease) in fair value	-	1,606,030	-	3,981,326
Fair value as at 30 September	-	6,059,864	-	3,981,353
	16,139,778	67,191,068	54,976,096	28,445,815

The financial investments in group companies, jointly controlled companies or associated companies excluded from consolidation are recorded at the acquisition cost net of impairment losses. It is Group understanding that no reliable fair value estimate could be made as there is no market data available for these investments. The heading of Investments available for sale includes 2,660,538 euro (33,935,097 euro in 30 September 2007 pro-forma) of investments recorded at the cost net of impairment losses for the same reasons.

The investments available for sale are net impairment losses (Note 24) amounting 26,314 euro (26,314 euro in 30 September 2007 pro-forma).

The caption Investments available for sale includes 56,102,723 euro (31,750,000 euro as non current and 24,332,703 euro as current on 30 September 2007) of deposits in an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities which may arise from the sale of the Brazilian subsidiaries in the Retail segment and for which provisions were recognized (Note 24).

13. OTHER NON CURRENT ASSETS

As at 30 September 2008 and 31 December 2007, Other non current assets are detailed as follows:

	30 September 2008			31 December 2007		
	Gross Value	Accumulated losses impairment (Note 24)	Carrying Amount	Gross Value	Accumulated losses impairment (Note 24)	Carrying Amount
Loans granted to related parties						
Mundo Vip - Operadores Turisticos, SA	1,000,000	-	1,000,000	1,000,000	-	1,000,000
Cooper Gay (Holding) Limited	17,685,511	-	17,685,511	1,943,295	-	1,943,295
Pantheon Plaza BV	4,500,000	-	4,500,000	-	-	-
Others	1,065,274	(170,125)	895,149	346,654	(170,125)	176,529
	<u>24,250,785</u>	<u>(170,125)</u>	<u>24,080,660</u>	<u>3,289,949</u>	<u>(170,125)</u>	<u>3,119,824</u>
Trade accounts receivable and other debtors						
Legal deposits	747,678	-	747,678	792,644	-	792,644
Lisbon Town Councils	3,888,477	-	3,888,477	3,888,477	-	3,888,477
Malaga Town Councils	512,108	-	512,108	512,108	-	512,108
Rent deposits from tenants	3,328,530	-	3,328,530	4,394,235	-	4,394,235
Others	2,453,274	(131,446)	2,321,828	582,691	(131,446)	451,245
	<u>10,930,067</u>	<u>(131,446)</u>	<u>10,798,621</u>	<u>10,170,155</u>	<u>(131,446)</u>	<u>10,038,709</u>
Non current derivatives (Note 20)	<u>7,812,945</u>	<u>-</u>	<u>7,812,945</u>	<u>7,346,945</u>	<u>-</u>	<u>7,346,945</u>
Total financial instruments	<u>42,993,797</u>	<u>(301,571)</u>	<u>42,692,226</u>	<u>20,807,049</u>	<u>(301,571)</u>	<u>20,505,478</u>
Reinsurers' share of technical provisions (Note 24)	<u>14,920,917</u>	<u>-</u>	<u>14,920,917</u>	<u>54,060,294</u>	<u>-</u>	<u>54,060,294</u>
Other non current assets	<u>50,977</u>	<u>-</u>	<u>50,977</u>	<u>50,977</u>	<u>-</u>	<u>50,977</u>
	<u>57,965,691</u>	<u>(301,571)</u>	<u>57,664,120</u>	<u>74,918,320</u>	<u>(301,571)</u>	<u>74,616,749</u>

14. TRADE DEBTORS AND OTHER CURRENT ASSETS

As at 30 September 2008 and 31 December 2007, Trade debtors and other current assets are detailed as follows:

	30 September 2008	31 December 2007
Trade accounts receivable	326,104,557	315,058,659
Taxes recoverable	95,053,426	86,514,614
Trade suppliers - debit balances	54,818,574	46,822,333
Special regime for payment of tax and social security debts	14,576,053	14,576,053
VAT recoverable on retail estate assets	7,566,392	4,776,482
Vouchers and gift cards	5,006,975	1,971,192
Other debtors	28,494,631	27,983,812
Accounts receivable from the disposal of investments	-	4,328,720
Accounts receivable from the disposal of tangible fixed assets	10,237,232	790,575
Amount receivable regarding price adjustments of acquired subsidiaries (Note 8)	-	30,414,000
Advances for real estate project acquisitions	7,500,000	-
Advances to suppliers	10,741,975	22,236,065
Accounts receivable related to reinsurance operations	13,660,182	9,072,963
Invoices to be issued	70,739,427	70,459,857
Commercial discounts	33,410,160	5,887,081
Commissions	1,863,786	6,260,720
Prepayments - Rents	6,471,749	3,833,921
Prepayments - external supplies and services	20,276,354	15,178,385
"Initiatives E" program	22,221,582	-
Other current assets	19,951,874	20,019,622
	<u>748,694,929</u>	<u>686,185,054</u>
Accumulated impairment losses (Note 24)	<u>(106,448,858)</u>	<u>(95,235,846)</u>
	<u>642,246,071</u>	<u>590,949,208</u>

15. DEFERRED TAX

Deferred tax assets and liabilities as at 30 September 2008 and 31 December 2007 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 September 2008	31 December 2007 Restated (Note 8)	30 September 2008	31 December 2007 Restated (Note 8)
Difference between fair value and acquisition cost	2,885,738	5,503,979	275,831,768	307,198,707
Harmonisation adjustments	82,749	81,897	25,930,203	24,978,921
Provisions and impairment losses not accepted for tax purposes	16,289,759	12,900,045	-	-
Write off of tangible and intangible assets	62,214,791	60,114,242	-	-
Write off of deferred costs	43,211,469	41,026,618	1,376,534	2,097,786
Valuation of hedging derivatives	135,568	296,245	2,702,607	2,614,826
Revaluation of tangible assets	-	-	2,475,899	2,523,410
Tax losses carried forward	21,263,065	20,969,753	-	-
Reinvested capital gains/(losses)	-	-	3,039,209	3,428,201
Others	(460,877)	151,929	5,923,777	2,223,343
	<u>145,622,262</u>	<u>141,044,708</u>	<u>317,279,997</u>	<u>345,065,194</u>

In accordance with the tax statements and tax estimates presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 30 September 2008 and 31 December 2007, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	30 September 2008			31 December 2007		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2002	3,027,667	756,916	2008	12,816,002	3,204,001	2008
Generated in 2003	6,149,905	1,537,476	2009	10,854,186	2,713,546	2009
Generated in 2004	4,793,890	1,198,473	2010	2,660,665	665,166	2010
Generated in 2005	8,745,915	2,186,480	2011	8,378,182	2,094,546	2011
Generated in 2006	10,332,774	2,583,193	2012	4,576,150	1,144,037	2012
Generated in 2007	1,303,551	325,888	2013	3,960,967	990,242	2013
Generated in 2008	1,684,366	421,092	2014	-	-	-
	<u>36,038,068</u>	<u>9,009,518</u>		<u>43,246,152</u>	<u>10,811,538</u>	
Without limited time use	6,505,023	1,749,043		6,783,431	1,922,301	
With a time limit different from the above mentioned	35,527,389	10,504,504		27,620,047	8,235,914	
	<u>42,032,412</u>	<u>12,253,547</u>		<u>34,403,478</u>	<u>10,158,215</u>	
	<u>78,070,480</u>	<u>21,263,065</u>		<u>77,649,630</u>	<u>20,969,753</u>	

As at 30 September 2008 and 31 December 2007, Deferred tax assets resulting from tax losses carried forward were re-assessed against each company's business plans, which are regularly updated, and available tax planning opportunities. Deferred tax assets have only been recognized to the extent that future taxable profits will arise which may be offset against available tax losses or against deductible temporary differences.

As at 30 September 2008 tax losses carried forward, amounting to 1,123,880,376 euro (1,013,542,711 euro at 31 December 2007), have not originated deferred tax assets for prudential reasons. These may be summarised as follows:

	30 September 2008			31 December 2007		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2002	385,779,035	96,444,760	2008	433,259,735	108,315,185	2008
Generated in 2003	40,433,424	10,108,357	2009	41,896,110	10,474,030	2009
Generated in 2004	21,732,091	5,433,023	2010	23,869,128	5,967,282	2010
Generated in 2005	49,728,151	12,432,038	2011	89,006,183	22,251,545	2011
Generated in 2006	60,356,933	15,089,234	2012	68,204,804	17,051,201	2012
Generated in 2007	104,398,162	26,099,541	2013	103,549,416	25,887,353	2013
Generated in 2008	16,493,768	4,123,442	2014	-	-	-
	<u>678,921,564</u>	<u>169,730,395</u>		<u>759,785,376</u>	<u>189,946,596</u>	
Without limited time use	29,099,205	8,440,784		34,124,969	10,101,615	
With a time limit different from the above mentioned	415,859,607	120,237,110		219,632,366	63,700,019	
	<u>1,123,880,376</u>	<u>298,408,289</u>		<u>1,013,542,711</u>	<u>263,748,230</u>	

16. CASH AND CASH EQUIVALENTS

As at 30 September 2008 and 31 December 2007, Cash and cash equivalents can be detailed as follows:

	30 September 2008	31 December 2007
Cash at hand	5,425,096	6,482,624
Bank deposits	533,103,360	190,688,029
Treasury applications	46,746,413	89,230,800
Cash and cash equivalents on the balance sheet	585,274,869	286,401,453
Bank overdrafts (Note 19)	(37,852,021)	(10,775,881)
Cash and cash equivalents on the statement of cash flows	<u>547,422,848</u>	<u>275,625,572</u>

Bank overdrafts are disclosed in the balance sheet under Current bank loans.

17. SHARE CAPITAL

As at 30 September 2008, the share capital, which is fully subscribed and paid for, is made up of 2,000,000,000 ordinary shares, which do not have the right to a fixed dividend, with a nominal value of 1 euro each.

On 15 November 2007, Sonae SGPS, SA sold, 132,856,072 Sonae SGPS, SA shares directly owned by the Company. The shares were sold in a market operation at the unit price of 2.06 euro per share and resulted on a cash inflow (net of brokerage commissions) of 273,398,877 euro.

On the same date, Sonae Investments, BV, wholly owned by Sonae SGPS, SA, entered into a derivative financial instrument - Cash Settled Equity Swap - over a total of 132,800,000 Sonae SGPS, SA shares, representative of 6.64% of its capital.

This transaction has a maximum maturity of three years and a strictly financial liquidation, without any duty or right for the Company or any of its associated companies in the purchase of these shares. This transaction allows Sonae to totally maintain the economic exposure to the sold shares.

In this context, although legally all the rights and obligations inherent to these shares have been transferred to the buyer, Sonae SGPS, SA did not derecognize its own shares, recording a liability in the caption Other non-current liabilities (Note 21). According to the interpretation made by the Group of IAS 39, applied by analogy to own equity instruments, the derecognition of own shares is not allowed as the group maintains the risks and rewards arising on the instruments sold.

Consequently, the Group maintains the deduction from Equity amounting to the acquisition cost of the 132,800,000 shares (138,568,275 euro), and has accounted for the consideration received for the above mentioned sale of own shares in the caption Other non-current liabilities (273,568,000 euro).

Due to the detach of Sonae Capital SGPS, SA demerger rights attributable to the 132,800,000 Sonae SGPS, SA shares subject of the above mentioned agreement, the Group recognized an asset measured at its' the fair value of those rights. This asset as not been derecognized as the Group also entered into a Cash Settled Equity Swap over the Sonae Capital SGPS, SA shares, and therefore a liability was recognized. Consequently, and in relation with this operation the full liability amount can be detailed as follows: market value of Sonae SGPS, SA shares amounting to 70,915,200 euro and market value of Sonae Capital SGPS, SA shares amounting to 12,284,000 euro.

These liabilities are adjusted at the end of each month by the effect of the change in Sonae, SGPS, S.A. or Sonae Capital, SGPS, S.A. share price, as applicable, being recognized an asset/liability in order to present the right/obligation related to the cash settlement of the operation that resets monthly (Notes 21 and 23).

Additionally, the costs related to the "floating amount" based on Euribor 1 month are recorded in the income statement.

The receivable amount arising on dividends distributed by the Company is credited to Equity in order to offset the charge of the distribution. The dividends attributable to the above mentioned share amount to 3,984,000 euro and were credited to Equity.

The number of shares taken into consideration to calculate earnings per share includes the shares referred to above as a deduction to the shares issued by the Company (Note 29).

As at 30 September 2008, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, S.A. and associated companies	52.94

18. MINORITY INTERESTS

Movements in minority interests during the periods ended 30 September 2008 and 2007 pro-forma and 31 December 2007 are as follows:

	30 September 2008	30 September 2007 Pro-forma	31 December 2007 Adjusted (Note 8)
Opening balance as at 1 January	448,380,172	411,547,735	402,058,314
Dividends	(3,373,594)	(12,675,292)	(21,887,082)
Exchange rate effect	(244,049)	598,641	373,748
Acquisition of subsidiaries	-	(7,879,912)	(9,618,297)
Disposal of subsidiaries	-	-	(2,171,988)
Demerger of Sonae Capital	-	-	9,310,396
Increase of capital and premium on subsidiaries	36,605,000	-	-
Increased shareholding by acquisitions	(17,243,991)	(5,798,072)	(8,454,103)
Decreased shareholding by disposals	(5,256,177)	-	-
Changes in hedge and fair value reserves	875,135	(1,802,062)	868,668
Others	788,045	986,152	5,230,472
Profit for the period attributable to minority interests	(14,952,590)	49,198,181	72,670,044
Closing balance	445,577,951	434,175,371	448,380,172

19. BORROWINGS

As at 30 September 2008 and 31 December 2007, Borrowings are made up as follows:

	30 September 2008			31 December 2007		
	Amount limit	Outstanding amount		Amount limit	Outstanding amount	
		Current	Non Current		Current	Non Current
Bank loans						
Sonae, SGPS, SA - commercial paper	350,000,000	94,400,000	-	350,000,000	-	-
Sonae Distribuição, SGPS, SA - commercial paper	563,000,000	44,000,000	227,000,000	163,000,000	-	-
a)b) Sonae Sierra subsidiaries	452,755,432	16,161,823	386,279,981	498,624,959	16,476,410	417,635,936
a)b)c) Sonae Sierra subsidiaries	454,046,959	8,954,678	406,708,385	452,885,624	5,971,751	401,044,158
Sonae com SGPS, SA - commercial paper	250,000,000	-	213,500,000	250,000,000	-	225,000,000
Continente Hipermercados SA - commercial paper	80,000,000	30,000,000	-	80,000,000	80,000,000	-
Modelo Continente Hipermercados, SA	450,000,000	450,000,000	-	-	-	-
Others		16,994,949	22,375,511		16,660,836	22,532,078
		660,511,449	1,255,863,877		119,108,997	1,066,212,172
Bank overdrafts (Note 16)		37,852,021	-		10,775,881	-
Up-front fees bearded with the issuance of borrowings		(874,022)	(6,545,782)		(677,170)	(6,521,094)
Bank loans		697,489,448	1,249,318,095		129,207,708	1,059,691,078
Bonds:						
Bonds Sonae / 05		-	100,000,000		-	100,000,000
Bonds Sonae 2006/2011		-	250,000,000		-	250,000,000
Bonds Sonae 2007/2014		-	150,000,000		-	150,000,000
Bonds Modelo Continente / 2003		-	82,000,000		-	82,000,000
Bonds Modelo Continente / 2004		100,000,000	-		-	100,000,000
Bonds Modelo Continente 2005/2010		-	64,925,000		-	64,925,000
Bonds Modelo Continente 2005/2012		-	150,000,000		-	150,000,000
Bonds Modelo Continente 2007/2012		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição 2007/2015		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição 2007/2016		-	310,000,000		-	310,000,000
Bonds Sonae com / 2005		-	150,000,000		-	150,000,000
Bonds Sonae Sierra 2008 / 2013		-	37,500,000		-	-
Up-front fees bearded with the issuance of borrowings		(94,434)	(10,817,582)		-	(12,074,291)
Bonds		99,905,566	1,683,607,418		-	1,744,850,709
Other loans		39,439	243,940		36,229	276,330
Derivative instruments (Note 20)		354,079	483,161		363,463	828,199
Other loans		393,518	727,101		399,692	1,104,529
Obligations under finance leases		6,291,105	21,539,542		8,709,711	23,470,674
		804,079,637	2,955,192,156		138,317,111	2,829,116,990

- a) These amounts are proportionate considering the percentage held by the group;
b) These loans are guaranteed by mortgages of investment properties held by these affiliated companies;
c) These loans are guaranteed by a pledge of shares held in those affiliated companies;

Interest rate of the bonds are equal to Euribor 6 months plus a spread between 0.25% and 1.15%.

Bank loans bear interests at market rates based on Euribor for each interest payment term, therefore the fair value of bank loans are estimated to be similar to their market value.

The derivative instruments are recorded at fair value (Note 20).

The repayment schedule of the nominal value of borrowings may be summarised as follows:

	30 September 2008	31 December 2007
N+1	354,694,014	138,630,818
N+2	118,166,491	123,716,946
N+3	357,610,292	226,053,892
N+4	469,494,432	357,710,073
N+5	651,488,688	528,494,772
After N+5	1,375,312,458	1,610,908,493
	3,326,766,375	2,985,514,994

The repayment schedule above does not include the amount of 450,000,000 euro, recorded as current bank loans, as the subsidiary maintains short term deposits on the same amount that can be used to repay this loan.

20. DERIVATIVES
Exchange rate derivatives

The Group uses exchange rate derivatives, essentially to hedge future cash flows.

The Group contracted several exchange rate forwards and options in order to manage its exchange rate exposure.

As at 30 September 2008, the fair value of exchange rate derivatives, calculated based on present market value of equivalent financial instruments, is of 8,230 euro included in Current liabilities (281,123 euro as of 31 December 2007) and 1,872,284 euro on the caption Current investments (2,151,335 euro as at 31 December 2007). From the total amount registered in Assets, 733,555 euro refers to exchange rate derivative transactions (Non Deliverable Forwards - "NDF") entered into during 2008 in order to hedge the exchange rate exposure as consequence of the share purchase agreement with the Sonae Sierra partner in Brazil (DDR), to reinvest the amount of 300,000,000 Brazilian Real until the end of 2009. The notional of the NDF amounts to 130,842,000 Brazilian Real.

The non-deliverable forward foreign exchange contracts (NDFs) are stated at their fair value at the balance sheet date, in accordance with a valuation made by the bank with which the NDF were contracted.

The computation of the fair value of these financial instruments was made taking into consideration the present value at balance sheet date of the forward settlement amount of the relevant NDF contract. The settlement amount considered in the valuation, is equal to the reference currency notional amount (foreign currency) multiplied by the difference between the contracted forward exchange rate and the forward exchange market rate to the settlement date as at the valuation date.

Losses in the period arising from changes in the fair value of instruments that do not qualify for hedging accounting treatment were recorded directly in the income statement in the caption Net financial expenses.

Interest rate derivatives

As at 30 September 2008, derivatives used by the Group refer essentially to swaps and interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 1,034,091,751 euro (1,302,514,561 euro as at 31 December 2007). The fair value of these derivatives amounts to 10,485,459 euro (8,344,227 euro as at 31 December 2007), and is disclosed as assets amounting to 11,314,468 euro (9,172,426 euro as at 31 December 2007) and as liabilities amounting to 829,010 euro (828,199 euro as at 31 de December de 2007). As at 30 September 2008, 1,345,797 euro of the amount disclosed as liabilities (82,340 euro as at 31 December 2007) relates to derivatives on loans which no longer qualify as hedging derivatives, although continuing to hedge interest risks.

These interest rate derivatives are valued at fair value, at the balance sheet date, based on valuations performed by the Group using specific software and on external valuations when this software does not deal with specific instruments. The fair value of swaps was calculated, as at the balance sheet date, based on the discounted cash flow of the difference between the fixed interest rate of the fixed leg and the indexed variable interest rate inherent to the variable leg. The calculation of the fair value of options was based on the "Black-Scholes" and similar models.

Interest rate and exchange rate derivatives

As at 30 September 2008 no contracts existed related to interest rate and exchange rate derivatives.

Fair value of derivatives

The fair value of derivatives is detailed as follows:

	Assets		Liabilities	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Derivatives not qualified as hedging				
Exchange rate	1,212,544	2,151,335	8,230	281,123
Interest rate	1,345,797	-	-	82,340
Hedging derivatives				
Exchange rate	-	-	-	-
Interest rate	11,314,468	9,172,426	829,010	828,199
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	<u>13,872,809</u>	<u>11,323,761</u>	<u>837,240</u>	<u>1,191,662</u>

21. OTHER NON CURRENT LIABILITIES

As at 30 September 2008 and 31 December 2007, Other non current liabilities were made up as follows:

	30 September 2008	31 December 2007
Shareholder loans	16,827,438	24,107,894
Fixed assets suppliers	10,290,068	11,597,003
"Initiatives E" program (Note 32)	69,091,702	-
Other non current liabilities	97,121,280	277,318,229
	<u>193,330,488</u>	<u>313,023,126</u>

The caption Other non-current liabilities includes the amount of 83,199,200 euro (263,059,508 euro as at 31 December 2007) related to the fair value of the derivative on Sonae SGPS, SA and Sonae Capital SGPS, SA shares referred to in Note 17.

22. SHARE-BASED PAYMENTS

In 2008 and in previous years, the Sonae Group granted deferred performance bonuses to its directors and eligible employees. These are either based on shares to be acquired at nil cost, three years after they were attributed to the employee, or based on share options with the exercise price equal to the share price at the grant date, to be exercised three years later. In both cases, the acquisition can be exercised during the period commencing on the third anniversary of the grant date and the end of that year. The company has the choice to settle in cash instead of shares. The option can only be exercised if the employee still works for the Group on the vesting date.

As at 30 September 2008 and 31 December 2007, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarised as follows:

	Grant year	Vesting year	Number of participants	Fair value	
				30 September 2008	31 December 2007
<u>Shares</u>					
	2005	2008	67	-	8,956,701
	2006	2009	453	3,383,002	7,472,751
	2007	2010	481	3,864,047	7,856,374
	2008	2011	494	5,095,579	-
<u>Total</u>				<u>12,342,628</u>	<u>24,285,826</u>

As at 30 September 2008 and 31 December 2007 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	30 September 2008	31 December 2007
Staff costs	(506,906)	12,906,145
Recorded in previous years	8,333,092	4,368,199
	<u>7,826,186</u>	<u>17,274,344</u>
Other liabilities	<u>7,826,186</u>	<u>17,274,344</u>

23. TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 September 2008 and 31 December 2007, Trade creditors and other current liabilities were made up as follows:

	30 September 2008	31 December 2007
Trade creditors	937,385,169	988,803,378
Shareholders	7,498,699	30,616,400
Fixed asset suppliers	82,284,697	97,446,196
Creditors related with reinsurance operations	6,295,470	84,767
Other accounts payable	47,819,696	60,836,263
Taxes and contributions payable	44,593,117	62,131,632
Effect of changes in the share price of Sonae SGPS and Sonae Capital (Note 17)	22,708,800	10,624,000
Vouchers	14,374,795	13,182,904
Property investments accruals	15,374,318	27,231,695
Fixed assets accrued costs	19,378,785	23,507,992
"Initiatives E" program (Note 32)	29,512,595	-
Holiday pay and bonuses	113,825,947	103,767,265
Interest payable	33,529,414	33,975,996
Invoices to be issued	58,689,175	67,830,234
Commissions	8,671,149	7,922,541
Marketing expenses	9,777,722	27,152,426
Other external supplies and services	47,754,561	49,632,490
Accrued income - trade debtors	11,615,554	9,802,707
Accrued income - rents	4,443,388	5,260,081
Prepaid minutes not yet used	17,538,812	17,237,818
Others	49,678,300	47,363,909
	<u>1,582,750,163</u>	<u>1,684,410,694</u>

24. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the nine months period ended 30 September 2008 and 2007 pro-forma were as follows:

	Balance as at 31 December 2007	Adjustments to fair value	Balance as at 31 December 2007 restated (Note 8)	Increase	Decrease	Balance as at 30 September 2008
Accumulated impairment losses on investments (Note 12)	26,314	-	26,314	-	-	26,314
Accumulated impairment losses on other non current assets (Note 13)	301,571	-	301,571	-	-	301,571
Accumulated impairment losses on trade account receivables and other debtors (Note 14)	95,235,846	-	95,235,846	14,736,614	(3,523,602)	106,448,858
Accumulated impairment losses on inventories	24,759,431	-	24,759,431	11,132,657	(5,468,503)	30,423,585
Non current provisions	107,984,226	2,600,000	110,584,226	7,147,629	(48,811,558)	68,920,297
Current provisions	2,295,457	370,500	2,665,957	856,109	(97,692)	3,424,374
	<u>230,602,845</u>	<u>2,970,500</u>	<u>233,573,345</u>	<u>33,873,009</u>	<u>(57,901,355)</u>	<u>209,544,999</u>
	Balance as at 31 December 2006	Increase	Decrease	Balance as at 30 September 2007 Pro-forma		
Accumulated impairment losses on investments (Note 12)	2,565,541	3,851,834	(6,391,061)	26,314		
Accumulated impairment losses on other non current assets	131,445	10,000	-	141,445		
Accumulated impairment losses on trade account receivables and other debtors	85,764,579	13,575,201	(6,746,737)	92,593,043		
Accumulated impairment losses on inventories	17,664,557	2,032,242	(487,010)	19,209,789		
Non current provisions	42,812,924	12,557,656	(2,218,392)	53,152,188		
Current provisions	1,156,389	7,100,000	(974,595)	7,281,794		
	<u>150,095,435</u>	<u>39,126,933</u>	<u>(16,817,795)</u>	<u>172,404,573</u>		

As at 30 September 2008 and 2007 pro-forma and 31 December 2007, Provisions can be analysed as follows:

	30 September 2008	30 September 2007 Pro-forma	31 December 2007
Technical provisions on reinsurance	20,710,145	-	61,137,164
Expenses to be incurred with the sale of the Brazilian subsidiaries	12,915,377	22,675,830	14,628,032
Dismantling of telecommunication sites	19,636,760	18,298,600	18,888,140
Judicial claims	16,037,237	11,216,405	13,505,779
Others	3,045,152	8,243,147	2,120,568
	<u>72,344,671</u>	<u>60,433,982</u>	<u>110,279,683</u>

Amounts included in "Technical provisions of reinsurance" relate to a group captive company that operates in the non-life reinsurance industry. The provision amount can be detailed as follows: 9,598,785 euro (5,650,956 euro as at 31 December 2007) related to provisions for non-acquired insurance premiums and 10,239,691 euro (55,486,208 euro as at 31 December 2007) related to provisions for claims outstanding. The amount to be recovered from reinsurance companies is recorded in the caption "Reinsurer's share of technical provisions" (Note 13).

Impairment losses are deducted from the book value of the corresponding asset.

25. CONTINGENT ASSETS AND LIABILITIES

As at 30 September 2008 and 31 December 2007, major contingent liabilities were guarantees given are as follows:

	30 September 2008	31 December 2007
Guarantees given:		
on tax claims	127,977,231	92,198,572
on judicial claims	1,953,678	1,907,032
on municipal claims	22,157,555	11,687,093
others	78,931,855	71,897,604

The heading Others includes the following guarantees:

- 21,644,504 euro (23,861,474 euro as at 31 December 2007) to guarantee part of the debt of Sonae Sierra affiliates related with the purchase, sale and exchange of land;
- 19,045,714 euro (35,800,646 euro as at 31 December 2007) related to VAT reimbursement requests.

During 2007, a retail segment company in Brazil granted a guarantee of 23,822,542 euro (65,570,840 brazilian real) on a tax claim, which is being judged by tax courts.

As a consequence of the sale of a subsidiary company in Brazil, the Group guaranteed the buyer all the losses incurred by that company arising on unfavourable decisions not open for appeal, concerning tax lawsuits on transactions that took place before the sale date (13 December 2005) and that exceed 40 million euro. As at 31 December 2007, the amount claimed by the Brazilian Tax Authorities concerning the tax lawsuits still in progress, which the company's lawyers assess as having a high probability of loss, amounted to nearly 24 million euro.

Furthermore, there are other tax lawsuits totalling 80 million Euro for which the Board of Directors, based on the lawyers' assessment, understand will not imply losses to the sold subsidiary above the referred 40 million Euro, using the exchange rate of 31 December 2007. During the first semester of 2008 there were no relevant changes in the above mentioned processes.

No provision has been registered to face risks arising from events related to guarantees given, as the Board of Directors considers that no liabilities will result for the Group.

26. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered			Purchases and services obtained		
	30 September 2008	30 September 2007 Pro-forma	30 September 2007	30 September 2008	30 September 2007 Pro-forma	30 September 2007
Parent company and group companies excluded from consolidation	36,553,133	36,125,402	40,521,463	18,489	52,852	52,852
Jointly controlled companies	11,703,225	11,182,717	26,178,119	12,355,711	11,827,653	12,771,454
Associated companies	9,439,380	594,911	1,341,541	10,541,878	3,379,440	17,196,802
Other partners in Group companies	8,263,476	7,671,935	34,764,673	35,896,025	30,741,524	10,531,077
	<u>65,959,214</u>	<u>55,574,965</u>	<u>102,805,796</u>	<u>58,812,103</u>	<u>46,001,469</u>	<u>40,552,185</u>

Transactions	Interest income			Interest expenses		
	30 September 2008	30 September 2007 Pro-forma	30 September 2007	30 September 2008	30 September 2007 Pro-forma	30 September 2007
Parent company and group companies excluded from consolidation	-	-	-	-	-	97,801
Jointly controlled companies	171,202	375,806	154,036	95,155	818,925	877,022
Associated companies	40,379	184,045	3,863	-	-	-
Other partners in Group companies	59,185	6,375,561	45,949	1,608,100	2,545,491	1,914,302
	<u>270,766</u>	<u>6,935,412</u>	<u>203,848</u>	<u>1,703,255</u>	<u>3,364,416</u>	<u>2,889,125</u>

Balances	Accounts receivable		Accounts payable	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Parent company and group companies excluded from consolidation	10,878,627	11,915,663	13,762	18,659
Jointly controlled companies	3,970,849	2,744,092	6,174,875	5,300,970
Associated companies	6,189,181	1,856,039	912,248	2,231,505
Other partners in Group companies	4,865,555	5,787,280	18,924,382	28,092,208
	<u>25,904,212</u>	<u>22,303,074</u>	<u>26,025,267</u>	<u>35,643,342</u>

Balances	Obtained		Granted	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Parent company and group companies excluded from consolidation	-	-	-	-
Jointly controlled companies	-	-	5,297,528	63,427
Associated companies	-	-	-	-
Other partners in Group companies	12,620,932	44,297,395	-	15,475
	<u>12,620,932</u>	<u>44,297,395</u>	<u>5,297,528</u>	<u>78,902</u>

The caption "Other partners in Group companies" includes Sonae Industria, SGPS, SA and Sonae Capital, SGPS, SA affiliated, associated and jointly controlled companies and also other shareholders of affiliated companies or jointly controlled companies of Sonae Group, as well as other affiliated companies of the parent company Efanor Investimentos, SGPS, SA.

27. INCOME TAX

As at 30 September 2008, 2007 and 2007 pro-forma, Income tax is detailed as follows:

	30 September 2008	30 September 2007 Pro-forma	30 September 2007
Current tax	14,683,131	16,727,800	21,190,252
Deferred tax	(11,311,997)	30,404,036	27,406,696
	<u>3,371,134</u>	<u>47,131,836</u>	<u>48,596,948</u>

28. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 September 2008, 2007 pro forma and 2007, the reconciliation of consolidated net profit can be analysed as follows:

	30 September 2008	30 September 2007 Pro-forma	30 September 2007
Aggregate net profit	357,885,797	1,234,666,268	1,185,315,062
Use of the proportionate method	(59,297,134)	(346,546,318)	(346,584,954)
Harmonisation adjustments	183,983,416	(58,283,289)	(63,729,051)
Elimination of intragroup dividends	(440,672,924)	(229,175,317)	(235,920,309)
Elimination of intragroup capital gains and losses	(7,950,621)	(378,226,755)	(381,310,767)
Elimination of intragroup provisions	10,798,720	3,422,506	(1,982,328)
Adjustments to intercompany fixed assets transactions	(7,428,016)	2,117,114	808,938
Consolidation adjustments to gains/(losses) on sales of investments	2,393,342	(11,502,112)	56,038,141
Others	(1,565,912)	(5,033,870)	4,579,226
Consolidated net profit for the period	<u>38,146,668</u>	<u>211,438,227</u>	<u>217,213,958</u>

29. EARNINGS PER SHARE

Earnings per share for the period were calculated taking into consideration the following amounts:

	30 September 2008		30 September 2007 Pro-forma		30 September 2007	
	3 rd Quarter	Total	3 rd Quarter	Total	3 rd Quarter	Total
Net profit						
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	28,881,215	53,099,258	61,873,788	162,240,046	68,611,043	170,617,096
Effect of dilutive potential shares	-	-	-	-	-	-
Interest related to convertible bonds (net of tax)	-	-	-	-	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>28,881,215</u>	<u>53,099,258</u>	<u>61,873,788</u>	<u>162,240,046</u>	<u>68,611,043</u>	<u>170,617,096</u>
Number of shares						
Weighted average number of shares used to calculate basic earnings per share	1,867,200,000	1,867,200,000	1,866,950,745	1,866,439,592	1,866,950,745	1,866,439,592
Effect of dilutive potential ordinary shares from convertible bonds	-	-	-	-	-	-
Weighted average number of shares used to calculate diluted earnings per share	<u>1,867,200,000</u>	<u>1,867,200,000</u>	<u>1,866,950,745</u>	<u>1,866,439,592</u>	<u>1,866,950,745</u>	<u>1,866,439,592</u>
Earnings per share (basic and diluted)	<u>0.015468</u>	<u>0.028438</u>	<u>0.033142</u>	<u>0.086925</u>	<u>0.036750</u>	<u>0.091413</u>

There are no convertible instruments on Sonae, SGPS shares, hence there is no dilutive effects.

30. DIVIDENDS

In the Shareholders Annual General Meeting held on 21 April 2008, the payment of a gross dividend of 0.03 euro per share (0.03 euro per share in 2007) corresponding to a total of 60,000,000 euro (55,997,442.84 euro in 2007) was approved. On 21 April 2008 the amount related with dividends attributable to the shares underlying the derivative mentioned in Note 17 amounted to 3,984,000 euro. This amount was recorded as a credit in equity.

31. SEGMENT INFORMATION

In 2008 and 2007, the following were identified as business segments:

- Retail
- Shopping Centres
- Telecommunications
- Holding and Others

The contribution of the business segments to the income statement for the nine months periods ended at 30 September 2008 and 2007 Pro-forma can be detailed as follows:

30 September 2008						
	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated
Operating income						
Sales	2,880,606,311	-	63,791,929	-	-	2,944,398,240
Services rendered	104,801,038	123,719,192	645,978,366	14,522,602	1	889,021,199
Value created on investment properties	-	(43,087,557)	-	-	-	(43,087,557)
Other operating income	283,587,052	15,299,558	17,274,790	3,714,423	810,922	320,686,745
	3,268,994,401	95,931,193	727,045,085	18,237,025	810,923	4,111,018,627
Inter-segment income	24,998,922	2,133,359	10,979,487	1,326,758	(39,438,526)	-
	3,293,993,323	98,064,552	738,024,572	19,563,783	(38,627,603)	4,111,018,627
Operating cash-flow (EBITDA)	221,832,944	18,734,447	127,724,660	65,373	(23,122)	368,334,302
Depreciation and amortisation	82,404,000	846,024	115,575,460	319,085	2,728,674	201,873,243
Provisions and impairment losses	2,937,614	871,091	12,508,447	54,924	(91)	16,371,985
Operating profit (EBIT)	136,763,252	17,098,610	(132,919)	(281,652)	(2,751,706)	150,695,585
Financial profit/(loss)	(51,593,814)	(32,151,769)	(12,374,879)	(23,497,741)	5,114	(119,613,089)
Share of results of associated undertakings	-	-	-	-	176,152	176,152
Investment income	150,169	9,220,132	-	110,038,852	(109,149,999)	10,259,154
Profit before income tax	85,319,607	(5,833,027)	(12,507,798)	86,259,459	(111,720,439)	41,517,802
Income tax	(5,603,994)	(2,255,811)	5,832,612	(1,382,153)	38,212	(3,371,134)
Net profit for the period	79,715,613	(8,088,838)	(6,675,186)	84,877,306	(111,682,227)	38,146,668
- attributable to equity holders of Sonae						54,099,258
- attributable to minority interests						(14,952,590)
30 September 2007 Pro-forma						
	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated Pro-forma
Operating income						
Sales	2,282,638,481	-	49,635,391	-	-	2,332,273,872
Services rendered	104,719,708	104,309,594	584,133,762	8,870,971	-	802,034,035
Value created on investment properties	-	120,013,383	-	-	-	120,013,383
Other operating income	210,452,267	12,084,586	13,356,767	617,635	(2,352,897)	234,158,358
	2,597,810,456	236,407,563	647,125,920	9,488,606	(2,352,897)	3,488,479,648
Inter-segment income	21,359,783	4,724,678	6,377,970	794,772	(33,257,203)	-
	2,619,170,239	241,132,241	653,503,890	10,283,378	(35,610,100)	3,488,479,648
Operating cash-flow (EBITDA)	196,963,158	168,759,512	127,586,450	(4,000,937)	(2,904,946)	486,403,237
Depreciation and amortisation	64,474,120	432,340	101,497,210	325,636	70,500	166,799,806
Provisions and impairment losses	531,049	7,524,633	7,379,417	-	(64)	15,435,035
Operating profit (EBIT)	132,542,328	161,548,839	19,130,482	(4,326,575)	(2,675,380)	306,219,694
Financial profit/(loss)	(25,662,678)	(15,238,300)	(23,366,815)	(21,890,340)	445,767	(85,712,366)
Share of results of associated undertakings	-	-	-	-	2,715,726	2,715,726
Investment income	(10,332,377)	25,027,993	8,172,315	94,209,482	(81,730,404)	35,347,009
Profit before income tax	96,547,273	171,338,532	3,935,982	67,992,567	(81,244,291)	258,570,063
Income tax	(4,149,685)	(46,021,979)	1,705,195	(6,997,349)	8,331,982	(47,131,836)
Net profit for the period	92,397,588	125,316,553	5,641,177	60,995,218	(72,912,309)	211,438,227
- attributable to equity holders of Sonae						162,240,046
- attributable to minority interests						49,198,181

The contribution of the major business segments to the consolidated balance sheets as at 30 September 2008 and 31 December 2007 Pro-forma can be detailed as follows:

	30 September 2008					
	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated
Fixed assets						
Intangible	159,404,873	3,204,238	280,917,520	121,031	(6,534,072)	437,113,590
Tangible	1,794,058,459	1,581,779	542,398,939	2,591,990	9,600,337	2,350,231,504
Investment properties	-	1,916,196,938	-	-	(506,606)	1,915,690,332
Goodwill	-	-	-	-	684,562,101	684,562,101
Investments	43,876,408	50,339,313	7,102,202	35,120,179	(9,183,652)	127,254,450
Deferred tax assets	24,142,298	13,041,321	108,465,057	20,653	(47,067)	145,622,262
Other assets	727,928,611	107,735,149	351,408,078	57,847,126	(16,738,653)	1,228,180,311
Cash, Cash Equivalents and Current Investments	564,620,017	66,281,235	3,589,193	16,775,927	1,199,565	652,465,937
Total assets	3,314,030,666	2,158,379,973	1,293,880,989	112,476,906	662,351,953	7,541,120,487
Non current liabilities						
Borrowings	1,232,711,748	847,392,162	380,384,547	497,464,781	(2,761,082)	2,955,192,156
Deferred tax liabilities	46,961,102	266,525,864	597,958	3,158,654	36,419	317,279,997
Other non current liabilities	27,066,810	25,641,098	103,361,689	107,118,154	(936,966)	262,250,785
Current liabilities						
Borrowings	655,578,675	38,487,996	6,692,004	103,330,946	(9,984)	804,079,637
Other current liabilities	1,031,980,431	124,938,222	396,219,085	52,034,480	(18,997,681)	1,586,174,537
Total liabilities	2,994,298,766	1,302,985,342	887,255,283	763,107,015	(22,669,294)	5,924,977,112
Total investment	234,009,223	124,289,699	216,234,285	29,212,133	-	603,745,340
Gross Debt	1,888,290,424	885,880,158	387,076,551	600,795,727	(2,771,068)	3,759,271,792
Net Debt	1,323,670,407	819,598,923	383,487,358	584,019,801	(3,970,634)	3,106,805,855
	31 December 2007 Pro-forma					
	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated
Fixed assets						
Intangible	154,559,265	3,553,684	192,416,571	118,561	(2,979,934)	347,668,147
Tangible	1,686,690,440	1,176,095	533,165,965	1,391,131	9,643,011	2,232,066,642
Investment properties	-	1,851,525,009	-	-	(544,678)	1,850,980,331
Goodwill	-	-	-	-	661,412,301	661,412,301
Investments	43,887,151	20,359,968	7,102,202	22,141,003	27,385,380	120,875,704
Deferred tax assets	27,725,259	11,221,491	101,118,096	37,213	(48,560)	140,053,499
Other assets	626,308,962	82,380,853	320,676,431	78,948,664	50,214,195	1,158,529,105
Cash, Cash Equivalents and Current Investments	125,062,227	32,996,687	83,851,612	101,744,777	818,178	344,473,481
Total assets	2,664,233,304	2,003,213,787	1,238,330,877	204,381,349	745,899,893	6,856,059,210
Non current liabilities						
Borrowings	1,106,503,697	741,829,177	391,596,174	497,000,804	(2,246,197)	2,734,683,655
Deferred tax liabilities	43,211,172	269,691,571	284,402	2,416,071	73,109	315,676,325
Other non current liabilities	31,581,199	29,927,254	30,393,470	328,573,323	2,569,586	423,044,832
Current liabilities						
Borrowings	90,935,924	36,242,778	2,550,499	6,411,526	(14,300)	136,126,427
Other current liabilities	1,117,111,379	140,501,006	396,728,752	35,201,242	(11,482,840)	1,678,059,539
Total liabilities	2,389,343,371	1,218,191,786	821,553,297	869,602,966	(11,100,642)	5,287,590,778
Total investment	800,086,030	411,103,512	235,657,425	124,438,780	-	1,571,285,747
Gross Debt	1,197,439,621	778,071,955	394,146,673	503,412,330	(2,260,496)	2,870,810,083
Net Debt	1,072,377,395	745,080,744	310,295,061	401,667,553	(3,084,152)	2,526,336,601

32. COMMITMENTS ASSOCIATED TO "INFORMATION SOCIETY"

Under the agreed terms resulting from the grant of the UMTS License, Sonaecom – Serviços de Comunicações (Optimus at the time) committed to contribute to the promotion and development of a 'Information Society' in Portugal. The total amount of the obligations assumed arose to 274 million euro, part of these commitments (up to 116 million euro), will be realised as agreed between Sonaecom - Serviços de Comunicações and MOPTC, through contributions to the "Initiatives E" project (modem offers, discounts on tariffs, cash contributions, among others, assigned to the widespread use of broadband internet for students and teachers). These contributions are made through an open fund, called 'Fund for the Information Society', established by the three mobile operators with businesses in Portugal. The success of this project, initiated in the end of 2007, was dependent on the beneficiaries' participation to the various initiatives (e-opportunities, e-school and e-teacher) and could have been subject to revision during a period of 12 months, i.e., until June 2008. As at 31 December 2007, it was not possible to estimate in a reliable way the success of this project, and therefore, at that date it was not possible to produce a secure and reliable estimate of the responsibilities to be recognized.

Taking in consideration the success of the project during the first nine months of 2008, Sonaecom considered that were in place conditions to produce a reliable estimate of the total responsibilities associated with "Initiatives E" project. The present value of these responsibilities is 87 million euro and the costs incurred in the period amount to 10 million euro. Therefore, such responsibilities were recorded as an increase in the caption "Patent and other similar rights" (Note 9), against an entry in the caption "Other non current liabilities" (Note 21) and "Other current liabilities" (Note 23).

33. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 13 November 2008.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

Individual financial statements



SONAE, SGPS, SA

COMPANY BALANCE SHEETS AS AT 30 SEPTEMBER 2008 AND 2007
AND AS AT 31 DECEMBER 2007

(Translation of individual financial statements originally issued in Portuguese. In case of discrepancies the Portuguese version prevails.)
(Amounts expressed in euro)

ASSETS	Notes	30.September.2008	30.September.2007	31.December.2007
NON CURRENT ASSETS:				
Tangible and intangible assets		747,647	110,462	94,573
Investments	4	3,288,107,411	2,885,174,812	2,567,941,218
Other non current assets	5	645,694,322	1,083,764,437	1,086,871,182
Total non current assets		<u>3,934,549,380</u>	<u>3,969,049,711</u>	<u>3,654,906,973</u>
CURRENT ASSETS:				
Trade account receivables and other current assets	6	45,879,676	241,505,057	97,569,972
Cash and cash equivalents	7	391,834	1,580,999	88,356,998
Total current assets		<u>46,271,510</u>	<u>243,086,056</u>	<u>185,926,970</u>
TOTAL ASSETS		<u>3,980,820,890</u>	<u>4,212,135,767</u>	<u>3,840,833,943</u>
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	8	2,000,000,000	2,000,000,000	2,000,000,000
Own shares		-	(138,150,363)	-
Reserves and retained earnings		1,252,375,557	1,515,950,521	1,316,594,330
Profit for the nine months periods		123,987,389	12,526,646	16,503,135
TOTAL EQUITY		<u>3,376,362,946</u>	<u>3,390,326,804</u>	<u>3,333,097,465</u>
LIABILITIES:				
NON CURRENT LIABILITIES:				
Loans	9	497,464,781	496,846,145	497,000,804
Total non current liabilities		<u>497,464,781</u>	<u>496,846,145</u>	<u>497,000,804</u>
CURRENT LIABILITIES:				
Loans	9	94,454,313	129,903,066	1,660,856
Trade creditors and other current liabilities	10	12,538,850	195,059,752	9,074,818
Total current liabilities		<u>106,993,163</u>	<u>324,962,818</u>	<u>10,735,674</u>
TOTAL EQUITY AND LIABILITIES		<u>3,980,820,890</u>	<u>4,212,135,767</u>	<u>3,840,833,943</u>

The accompanying notes are part of these financial statements.

The Board of Directors



SONAE, SGPS, SA

COMPANY INCOME STATEMENTS BY NATURE
FOR THE QUARTERS AND NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2008 AND 2007

(Translation of individual financial statements originally issued in Portuguese. In case of discrepancies the Portuguese version prevails.)

(Amounts expressed in euro)

	Notes	3 th Quarter 2008	30.September.2008	3 th Quarter 2007	30.September.2007
Operational income					
Services rendered		906,984	1,889,745	380,332	1,100,197
Other operational income		14,654	61,759	49,176	361,666
Total operational income		<u>921,638</u>	<u>1,951,504</u>	<u>429,508</u>	<u>1,461,863</u>
Operational expenses					
External supplies and services		(895,233)	(2,509,802)	(1,388,025)	(2,611,294)
Staff costs		(1,055,427)	(3,239,457)	(967,424)	(4,175,160)
Depreciation and amortisation		(10,170)	(30,511)	(24,105)	(67,556)
Other operational expenses		(21,809)	(168,822)	(232,909)	(549,303)
Total operational expenses		<u>(1,982,639)</u>	<u>(5,948,592)</u>	<u>(2,612,463)</u>	<u>(7,403,313)</u>
Operational profit/(loss)		<u>(1,061,001)</u>	<u>(3,997,088)</u>	<u>(2,182,955)</u>	<u>(5,941,450)</u>
Net financial expenses		10,154,698	33,018,142	9,754,223	21,160,935
Investment income/(loss)	12	(13,244)	94,966,335	-	(2,692,835)
Profit before taxation		<u>9,080,453</u>	<u>123,987,389</u>	<u>7,571,268</u>	<u>12,526,650</u>
Income tax		-	-	-	(4)
Profit for the nine months periods		<u><u>9,080,453</u></u>	<u><u>123,987,389</u></u>	<u><u>7,571,268</u></u>	<u><u>12,526,646</u></u>
Profit/(Loss) per share					
Basic	13	0.0045	0.0620	0.0041	0.0067
Diluted	13	<u>0.0045</u>	<u>0.0620</u>	<u>0.0041</u>	<u>0.0067</u>

The accompanying notes are part of these financial statements.

The Board of Directors



SONAE, S.G.P.S., S.A.

COMPANY STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2008 AND 2007

(Translation of individual financial statements originally issued in Portuguese. In case of discrepancies the Portuguese version prevails.)

(Amounts expressed in euro)

	Notes	Share Capital	Own Shares	Reserves and Retained Earnings	Net Profit/(Loss)	Total
Balance as at 1 January 2007		2,000,000,000	(138,044,363)	1,364,273,482	65,138,044	3,291,367,163
Appropriation of profit of 2006:						
Transfer to legal reserves		-	-	3,256,902	(3,256,902)	-
Dividends distributed		-	-	-	(55,997,443)	(55,997,443)
Transfer to / (from) retained earnings		-	-	-	-	-
Changes in hedge and fair value reserves	14	-	-	69,478,749	(5,883,699)	63,595,050
Transfer to profit / (loss) of the period		-	-	78,941,388	-	78,941,388
Profit for the nine months periods ended 30 September 2007		-	-	-	12,526,646	12,526,646
Others		-	(106,000)	-	-	(106,000)
Balance as at 30 September 2007		<u>2,000,000,000</u>	<u>(138,150,363)</u>	<u>1,515,950,521</u>	<u>12,526,646</u>	<u>3,390,326,804</u>
Balance as at 1 January 2008		2,000,000,000	-	1,316,594,330	16,503,135	3,333,097,465
Appropriation of profit of 2007:						
Transfer to legal reserves		-	-	825,157	(825,157)	-
Dividends distributed		-	-	(44,322,022)	(15,677,978)	(60,000,000)
Transfer to / (from) retained earnings		-	-	-	-	-
Changes in reserves	14	-	-	(20,721,908)	-	(20,721,908)
Transfer to profit / (loss) of the period		-	-	-	-	-
Profit for the nine months periods ended 30 September 2008		-	-	-	123,987,389	123,987,389
Others		-	-	-	-	-
Balance as at 30 September 2008		<u>2,000,000,000</u>	<u>-</u>	<u>1,252,375,557</u>	<u>123,987,389</u>	<u>3,376,362,946</u>

The accompanying notes are part of these financial statements.

The Board of Directors



SONAE, SGPS, SA

**COMPANY STATEMENTS OF CASH FLOW
FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2008 AND 2007**

(Translation of individual financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)
(Amounts expressed in euro)

<u>OPERATING ACTIVITIES</u>	<u>Notes</u>	<u>30.September.2008</u>	<u>30.September.2007</u>
Net cash flow from/(used in) operating activities (1)		<u>(4,805,812)</u>	<u>(5,944,547)</u>
 <u>INVESTMENT ACTIVITIES</u>			
Cash receipts arising from:			
Investments		154,042	247,777,285
Tangible and intangible assets		-	2,650
Interest and similar income		71,112,493	55,073,626
Dividends		94,979,579	76,848,426
Others		-	400,000
Loans granted		<u>933,714,860</u>	<u>2,399,801,146</u>
		<u>1,099,960,974</u>	<u>2,779,903,133</u>
Cash payments arising from:			
Investments		(741,273,249)	-
Tangible and intangible assets		(102,749)	(75,811)
Loans granted		<u>(456,476,000)</u>	<u>(2,831,431,825)</u>
		<u>(1,197,851,998)</u>	<u>(2,831,507,636)</u>
Net cash from/(used in) investment activities (2)		<u>(97,891,024)</u>	<u>(51,604,503)</u>
 <u>FINANCING ACTIVITIES</u>			
Cash receipts arising from:			
Loans obtained		<u>592,150,000</u>	<u>4,791,435,085</u>
		<u>592,150,000</u>	<u>4,791,435,085</u>
Cash payments arising from:			
Loans obtained		(497,750,000)	(4,792,802,500)
Interest and similar charges		(18,075,307)	(13,926,846)
Dividends		(59,986,478)	(55,983,782)
Purchase of own shares		-	(106,000)
		<u>(575,811,785)</u>	<u>(4,862,819,128)</u>
Net cash from/(used in) financing activities (3)		<u>16,338,215</u>	<u>(71,384,043)</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(86,358,621)	(128,933,093)
Cash and cash equivalents at the beginning of the period		<u>86,696,142</u>	<u>130,514,092</u>
Cash and cash equivalents at the end of the period	7	<u>337,521</u>	<u>1,580,999</u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, S.A.
NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2008

(Translation of individual financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails)

(Amounts expressed in euro)

1. INTRODUCTION

SONAE, SGPS, SA (“the Company” or “Sonae”), has its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4470-909 Maia, Portugal.

2. BASIS OF PREPARATION

Interim financial statements are presented quarterly, in accordance with IAS 34 – “Interim Financial Reporting”.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2007.

4. INVESTMENTS

As at 30 September 2008 and 2007 and 31 December 2007 the company held investments in the following affiliated and associated undertakings:

Company	30.September.2008			
	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	74.98%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	835,559,649	490,113,339	345,446,310
Sonaecom, SGPS, SA	0.01%	39,021	109,495	(70,474)
MDS, SGPS, SA	100.00%	20,000,000	20,000,000	-
Sontel BV (c)	42.86%	191,341,400	191,341,400	-
Sonae Investments BV (d)	100.00%	550,000,000	550,000,000	-
Others	-	366,680	366,680	-
Total		3,288,107,411	2,578,660,745	709,446,666

Company	30.September.2007			
	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	74.98%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	808,740,000	490,113,339	318,626,661
Sonaecom, SGPS, SA	0.01%	80,880	109,495	(28,615)
Sonae Capital, SGPS, SA	100.00%	382,638,253	382,638,253	-
Sontel BV (c)	100.00%	100,000	100,000	-
Sonae Investments BV (d)	100.00%	18,151	18,151	-
Others	-	2,796,867	2,796,867	-
Total		2,885,174,812	2,202,505,936	682,668,876

Company	31.December.2007			
	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA ^(a)	74.98%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA ^(b)	50.00%	856,602,000	490,113,339	366,488,661
Sonaecom, SGPS, SA	0.01%	78,041	109,495	(31,454)
MDS, SGPS, SA	100.00%	20,000,000	20,000,000	-
Sontel BV ^(c)	100.00%	100,000	100,000	-
Sonae Investments BV ^(d)	100.00%	18,151	18,151	-
Others	-	342,365	342,365	-
Total		2,567,941,218	1,837,413,181	730,528,037

(a) - Formely Modelo Continente, SGPS, SA. This investment is valued at the price paid in the public tender offer for de-listing occurred in 2006.

(b) - Market value was determined based on an independent valuation as the corresponding period of assets held by this jointly controlled company, after deduction of associated net debt and the share attributable to minority investments, and excluding promote fees and transaction costs.

(c) - Sontel BV owns 53.57% da Sonaecom, SGPS, SA as at 30 September 2008.

(d) - Sonae Investments BV owns 15.93% of Sonae Distribuição, SGPS, SA as at 30 September 2008.

5. OTHER NON CURRENT ASSETS

As at 30 September 2008 and 2007 and 31 December 2007 other non-current assets are detailed as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
Loans granted to group companies	645,690,139	1,083,757,999	1,086,866,999
Guarantee deposits	4,183	6,438	4,183
	<u>645,694,322</u>	<u>1,083,764,437</u>	<u>1,086,871,182</u>

6. TRADE ACCOUNT RECEIVABLES AND OTHER CURRENT ASSETS

As at 30 September 2008 and 2007 and 31 December 2007 trade account receivables and other current assets are detailed as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
Trade account receivables	1,236,972	933,309	1,392,495
Group companies	27,115,260	220,889,000	92,609,951
Taxes and contributions receivable	1,911,293	1,377,401	2,066,250
Accrued income and prepayments	12,966,597	17,014,414	521,229
Others	644,017	1,290,933	737,328
Cash flow hedge derivatives	2,005,537	-	242,719
	<u>45,879,676</u>	<u>241,505,057</u>	<u>97,569,972</u>

7. CASH AND CASH EQUIVALENTS

As at 30 September 2008 and 2007 and 31 December 2007 cash and cash equivalents are detailed as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
Cash at hand	1,013	2,500	2,500
Bank deposits	390,821	1,578,499	88,354,498
Cash and cash equivalents on the balance sheet	<u>391,834</u>	<u>1,580,999</u>	<u>88,356,998</u>
Bank overdrafts	54,313	-	1,660,856
Cash and cash equivalents on the cash flow statement	<u>337,521</u>	<u>1,580,999</u>	<u>86,696,142</u>

8. SHARE CAPITAL

As at 30 September 2008 and 2007 and 31 December 2007 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

9. LOANS

As at 30 September 2008 and 2007 and 31 December 2007 this caption included the following loans:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
Nominal value of bonds	500,000,000	500,000,000	500,000,000
Up-front fees not yet charged to income statement	<u>(2,535,219)</u>	<u>(3,153,855)</u>	<u>(2,999,196)</u>
Bonds	<u>497,464,781</u>	<u>496,846,145</u>	<u>497,000,804</u>
Non-current loans	<u>497,464,781</u>	<u>496,846,145</u>	<u>497,000,804</u>
Commercial paper (a)	94,400,000	55,000,000	-
Nominal value of Sonae/97 bonds	-	74,819,685	-
Up-front fees not yet charged to income statement	-	(3,426)	-
Bank overdrafts	54,313	-	1,660,856
Derivatives	-	86,807	-
Current loans	<u>94,454,313</u>	<u>129,903,066</u>	<u>1,660,856</u>

(a) Short term commercial paper programme, privately placed, launched on 23 August 2004, valid for a ten year period, which may be extended at the option of the company, with a maximum limit of 350,000,000 euro.

Bonds SONAE / 05 amounting to 100,000,000 euro, repayable after 8 years, in one instalment, on 30 March 2013. Interest rate equals Euribor 6 months plus 0.875%, with interest paid half-yearly.

Bonds Sonae 2006/2011 amounting to 250,000,000 euro, repayable after 5 years, in one instalment, on 10 May 2011. Interest rate equals Euribor 6 months plus 0.65%, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 6th and 8th coupons.

Bonds Sonae 2007/2014 amounting to 150,000,000 euro, repayable after 7 years, in one instalment, on 11 April 2014. Interest rate equals Euribor 6 months plus 0.6%, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 10th and 12th coupons.

Maturity of Borrowings

As at 30 September 2008 and 2007 and 31 December 2007 the analysis of the maturity of loans are as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
N+1	94,454,313	129,819,685	1,660,856
N+2	-	-	-
N+3	250,000,000	-	-
N+4	-	250,000,000	250,000,000
N+5	100,000,000	-	-
after N+5	150,000,000	250,000,000	250,000,000

10. TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 September 2008 and 2007 and 31 December 2007, trade creditors and other current liabilities are detailed as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>	<u>31.December.2007</u>
Trade creditors	580,362	1,089,432	476,418
Group companies	-	178,501,630	-
Taxes and contributions payable	363,393	296,622	1,588,469
Accrued expenses	10,952,208	14,038,020	6,828,069
Others	<u>642,887</u>	<u>1,134,047</u>	<u>181,862</u>
	<u>12,538,850</u>	<u>195,059,751</u>	<u>9,074,818</u>

11. CONTINGENT LIABILITIES

	<u>30.September.2008</u>	<u>31.December.2007</u>
Guarantees given:		
on tax claims	1,776,135	1,776,135
on judicial claims	425,965	355,199

12. INVESTMENT INCOME

As at 30 September 2008 and 2007, investment income can be detailed as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>
Dividends received	94,979,579	76,848,426
Gains/(Losses) on sale of investments	<u>(13,244)</u>	<u>(79,541,261)</u>
	<u>94,966,335</u>	<u>(2,692,835)</u>

13. EARNINGS PER SHARE

Earnings per share for the period were calculated taking into consideration the following amounts:

	<u>30.September.2008</u>	<u>30.September.2007</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	123,987,389	12,526,646
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
	<u>123,987,389</u>	<u>12,526,646</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings	2,000,000,000	1,866,439,592
Effect of dilutive potential ordinary shares from convertible bonds	-	-
	<u>2,000,000,000</u>	<u>1,866,439,592</u>
Profit/(Loss) per share (basic and diluted)	<u>0.0620</u>	<u>0.0067</u>

14. CHANGES IN RESERVES

The detail of changes in reserves in the nine months ended on 30 September 2008 and 2007 may be summarised as follows:

	<u>30.September.2008</u>	<u>30.September.2007</u>
Fair value reserve	(21,081,372)	63,606,660
Free reserves	-	5,883,699
Hedging reserve	359,464	(11,610)
	<u>(20,721,908)</u>	<u>69,478,749</u>

15. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 13 November 2008.

16. INFORMATION REQUIRED BY LAW
Decree-Law nr 318/94 art 5 nr 4

In the nine months period ended 30 September 2008 shareholders' loan contracts were entered into with the following companies:

MDS, SGPS, SA
 Sonae Investments, BV
 Sontel, BV

In the nine months period ended 30 September 2008 short-term loan contracts were entered into with the following companies:

MDS Corretor de Seguros, SA
 Sonae Distribuição, SGPS, SA
 Sonaecenter, Serviços, SA
 Sonaecom, SGPS, SA

As at 30 September 2008 amounts owed by affiliated undertakings can be summarized as follows:

Loans granted

Companies	Closing Balance
MDS, SGPS, SA	75,958,260
Sonae Investments, BV	562,844,139
Sontel, BV	32,846,000
Sonaecenter, Serviços, SA	1,157,000
Total	672,805,399

As at 30 September 2008 there were no amounts owed to affiliated undertakings.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that are not 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 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 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 in Sonae's institutional website
www.sonae.pt

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Sonae SGPS is listed on the Euronext Stock Exchange. Information may be accessed on Reuters under the symbol SONP.IN and on Bloomberg under the symbol SONPL.

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