

SONAE  
1ST HALF  
RESULTS  
2013



IMPROVING LIFE

# 1 HIGHLIGHTS

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## **Improved top line performance results in market share gains**

- Sonae MC up by 3% yoy, on the back of a solid Like-for-Like growth
- Sonae SR minimises the impact of declining markets in Iberia with market share gains particularly in Worten Portugal and Sport Zone Spain, whilst growing at a good pace outside Iberia.
- Sonaecom delivered a strong set of results supported by the management efficiency and the significant growth achieved at SSI

## **Consolidated recurrent EBITDA margin increased by 0.4pp, reaching 11.1% in the 1H13**

- Sonae MC increased EBITDA margin to 6.7%, driven by sustainable efficiency gains
- Sonae SR improved operational profitability by implementing structural turnaround measures
- A further optimized cost structure, allowed Sonaecom to increase EBITDA by 3%

## **Net Income group share increased to 40M€**

- Stronger operational EBITDA enables a net profit improvement

## **Strong cash flow generation, further strengthened our capital structure, with consolidated net debt down by 166 M€ vs. 1H12**

## 2 CEO MESSAGE

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“During the first half of 2013, we were able to achieve a consistent top line performance with continuously efficiency improvements, resulting in a higher operating profitability and a strong cash flow generation, further strengthening our capital structure, despite the reduction in consumption levels in Iberia.

At **Sonae MC**, turnover grew 3% (1.5% LfL), resulting in market share gains. This was only possible by continually improving our value proposition to customers in price, discounts, breadth and quality of our product range. The efficiency gains required to achieve this, whilst maintaining our operational profitability, have continued at an extremely good pace with huge commitment from all our teams.

**Sonae SR** continued to suffer with the lower levels of non-food consumption in Iberia and the consequential negative effects in the turnover performance. Nevertheless, recurrent EBITDA margin improved year on year, being positively impacted by the turnaround measures implemented. I am confident that we will see further positive results arising from the new business models adopted and the network optimisation particularly in the fashion and the sport businesses in both the Portuguese and the Spanish markets. Our presence outside Iberia with Zippy continued to grow with very positive customer reactions in almost all new countries.

At **Sonae com**, despite the challenging macroeconomic climate and the constraints imposed by the merger process in course, it was possible to achieve another strong set of results. Following the preliminary non opposition of the Competition Authority to the merger process between Optimus and Zon, we expect this merger to be completed very soon.

During this semester, **Sonae Sierra** inaugurated the Boulevard Londrina shopping center in Brazil and signed a significant number of additional service contracts in 7 different countries expanding its international presence and growing services turnover.

**Consolidated net income** increased to 40 million Euros, on the back of the stronger operational EBITDA reported during this period. Nevertheless, **indirect results** were negatively impacted by the lower **valuation of Sonae Sierra** shopping centers, as expected in an environment of continuing increases in yields in Iberia, which were not compensated by the positive effect from Brazil. **Net debt** declined 166M€ compared to June 2012, as a result of sustainable cash flow generation.

During this semester, we invested a lot of time and effort in the renewal of store concepts and e-commerce platforms successfully launching a number of them.”

Paulo Azevedo, CEO Sonae

# 3 OVERALL PERFORMANCE

## Consolidated profit & loss account

Million euros

	1H12	1H13	Var
Turnover	2.531	2.540	0%
Recurrent EBITDA	269	281	4%
Recurrent EBITDA margin	10,6%	11,1%	0,4 p.p
EBITDA	266	280	5%
EBITDA margin	10,5%	11,0%	0,5 p.p
EBIT	87	106	23%
Net financial activity	-45	-45	-1%
Other items	1	0	-
Shopping centers direct results	16	15	-7%
EBT	59	76	29%
Taxes	-8	-10	-29%
Direct results before non-controlling interests	51	65	29%
Non-controlling interests	-17	-9	49%
Direct income group share	34	57	68%
Indirect results group share <sup>(1)</sup>	-14	-17	-19%
Net income group share	20	40	104%

(1) Includes Sonae's Sierra indirect income contribution and other asset provisions for possible future liabilities and impairments related with non core financial investments and/or discontinued businesses.

## Net invested capital

Million euros

	1H12	1H13
Net invested capital	3.846	3.563
Technical investment <sup>(1)</sup>	3.186	3.100
Financial investment	507	464
Goodwill	666	657
Working capital	-512	-658
Total shareholders funds	1.632	1.515
Total net debt <sup>(2)</sup>	2.214	2.048
Net debt / Invested capital	58%	57%

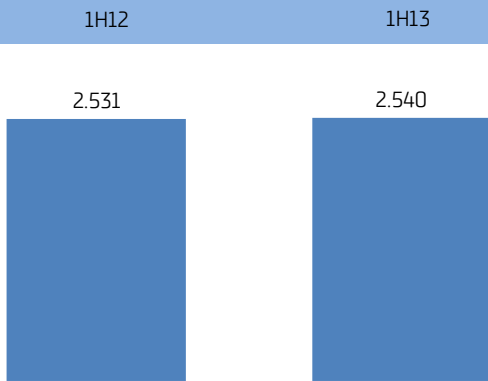
(1) Includes available for sale assets; (2) Financial net debt + net shareholder loans.

- During 1H13, private consumption levels in Portugal and Spain continued to be negatively affected by the austerity measures that have been implemented in both countries over the last 2 years. Nevertheless, in the case of Portugal, it is estimated that the consumption rate of decline is now at a slower pace, when compared to 1H12, but still decreasing by 3.9%<sup>1</sup> during 1H13 (-6.0% in 1H12). In this adverse context, consolidated **turnover** grew slightly to 2,540 M€, supported mainly by further market share gains in the food retail business and at Worten in Portugal.
- **Recurring EBITDA margin** improved to 11.1% in the 1H13, 0.4 p.p. above the same period of the previous year, mainly through efficiency improvements in the retail and telecommunications businesses. This positive EBITDA performance was achieved, despite the continuously decline in consumption levels, which, continued impacting particularly the non-food retail formats.
- In the 1H13, **direct results** amounted to 65 M€, 14 M€ above the figure registered in the same period of the previous year, with the strong EBIT improvement (+19 M€ vs. the 1H12), more than compensating the lower contribution from Sonae Sierra's direct results (-1M€ yoy), and the higher taxes (+2M€ yoy).
- As a consequence of these evolutions, **net income group share** increased to 40 M€ in this period.
- In the 1H13, **total shareholders' funds** is 117M€ below the same period of last year, which includes the minority interests reduction related with the impact of the agreement with France Telecom.
- On 30<sup>th</sup> June 2013, **total net debt** reached 2,048 M€, 166 M€ below the same date in 2012, driven by a sustainable cash flow generation over the last 12 months. The company thus continued to strengthen its capital structure, with total net debt reaching at the end of 1H13, 57% of invested capital. Invested capital was reduced by less non-controlling interests due to the agreement with France Telecom.

<sup>1</sup> Source: Bank of Portugal Monthly Economic Indicators: July 2013 - Private consumption coincident Indicator

# 4 TURNOVER

**Turnover**  
Million euros

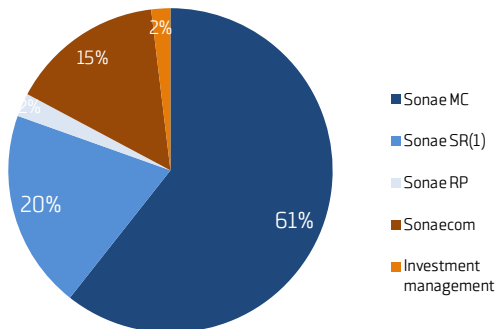


**Turnover**  
Million euros

	1H12	1H13	Var
<b>Turnover</b>	<b>2,531</b>	<b>2,540</b>	<b>0%</b>
Sonae MC	1,535	1,584	3%
Sonae SR <sup>(1)</sup>	560	518	-8%
Sonae RP	60	62	4%
Sonaecom	407	399	-2%
Investment management	49	50	1%
Eliminations & adjustments	-80	-73	9%

(1) Sonae SR turnover in 2012 was restated, in order to include internal revenues (mostly related to Sonae SR's Fashion division) of the wholesale to Sonae MC.

**Turnover breakdown (1H13)**  
% total turnover



During 1H13, Sonae registered a **consolidated turnover** of 2,540 M€, slightly above the previous year. The most significant contributions for this evolution were the following:

- Sonae MC** 1H13 turnover totalled 1,584 M€, 3%, above 1H12. The growth registered incorporates an evolution of circa +1.5% in sales on a “like-for-like” basis, an evolution above market performance. If we exclude the Easter calendar effect, the “like-for-like” performance of 1Q13 and 2Q13 is similar. Thus, turnover growth in the 1H13 was more driven by higher volumes sold, as the market inflation<sup>2</sup> was partially compensated by the promotional activity and by the effects of the trading down carried out by consumers. During this period, Sonae MC is estimated to have continued strengthening its leading market share in the Portuguese food retail sector<sup>3</sup>. Continente’s private label portfolio continued to be well accepted by the customers and its representativeness was more than 31% in the sales of FMCG categories during the 1H13.
- Sonae SR** with 518 M€ turnover (-8% or -10% on a “Lfl” basis), reflecting particularly the impact of the macroeconomic evolution in the non-food Iberian market over the last quarters. Nevertheless, international sales reached 148 M €, representing 29% of total SR sales, which was further strengthened during the 2Q13, via new franchising agreements for Zippy brand in Turkey and Saudi Arabia. In this format, sales in franchised stores represented almost 20% of total store sales, compared to 13% during the 1H12. It is worth to highlight the agreement signed to export Berg brand to Israel and Egypt. In Portugal, Sonae SR’s sales decreased by 6%, mainly due to the strong result achieved in the electronic segment in the comparable period of last year, driven mainly by the sale of many products related to the start of the digital television in Portugal in 2Q12. Nevertheless, Worten continued to strengthen its leadership in the Portuguese market, with an estimated market share gain of 1.5pp<sup>4</sup>.
- Sonaecom** turnover totalled 399 M€, 2% below 1H12. This reduction resulted from lower service revenues (-2% yoy), which were not compensated by higher product sales (+1% yoy). The decrease in service revenues is determined both by the lower level of regulated tariffs (mobile termination rates and roaming in) and by lower customer revenues. If we exclude the effect of the regulated tariffs, amounting to 7.3M€ in the 1H13, turnover is almost flat between the 2 periods.

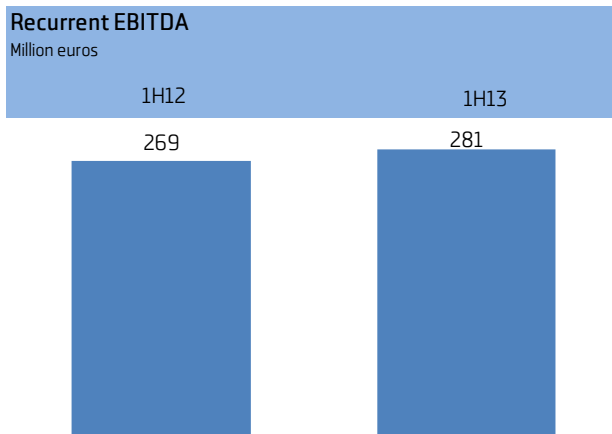
<sup>2</sup> Source: INE: average Inflation in the food retail sector in Portugal of 3.2% in the 1H13

<sup>3</sup> For example, A.C.Nielsen’s Homescan survey YTD until 16<sup>th</sup> June: +0.5pp market share for Sonae MC

<sup>4</sup> Source: GfK, YTD evolution until the end of June 2013



# 5 RECURRENT EBITDA



**Recurrent EBITDA**  
Million euros

	1H12	1H13	Var
<b>Sonae</b>	<b>269</b>	<b>281</b>	<b>4%</b>
Sonae MC	95	106	12%
Sonae SR	-19	-17	12%
Sonae RP	54	55	2%
Sonaecom	125	128	3%
Investment management	2	2	0%
Eliminations & adjustments	13	7	-48%

**Recurrent EBITDA**  
% of turnover

	1H12	1H13	Var
<b>Sonae</b>	<b>10,6%</b>	<b>11,1%</b>	<b>0,4 p.p</b>
Sonae MC	6,2%	6,7%	0,5 p.p
Sonae SR	-3,5%	-3,3%	0,2 p.p
Sonae RP	91,1%	89,9%	-1,2 p.p
Sonaecom	30,6%	32,0%	1,4 p.p
Investment management	4,3%	4,2%	0,0 p.p

In consolidated terms, **Group Recurrent EBITDA** totalled 281 M€, 4% above 1H12, representing a profitability margin of 11.1%, an increase of 0.4 pp. Despite the difficult market environment, this performance was possible through productivity gains and operating efficiency improvements in the different business areas. In terms of performance per business, it is worth highlighting:

- **Sonae MC** with 106 M€ (+12% or +11 M€), representing a profitability of 6.7% of the respective turnover (+0.5pp compared to the 1H12), which is a very positive result in the current environment of consumer retraction. This growth was only possible with a rigorous cost control and further productivity gains, sustained by the successfully implementation of internal efficiency programs over the course of the last few years, which were obtained with a more disciplined way of work, clearly evidenced in our stores. Sonae MC was also able to reinforce its competitiveness during this period, leveraged on its "Continente" loyalty card (used for more than 90% sales in the period).
- **Sonae SR** contribution totalled -17 M€, an improvement of 2M€ against the same period of the previous year. In the 2Q13, compared to the 1Q13 EBITDA recovered by 5M€. These improvements reflect particularly the implementation of new business models sustained by a stronger focus on the turnaround of this business. It is worth to highlight the successful implementation of the new store concept at Sport Zone as well as in fashion, namely with the rebranding from Modalfa to MO, to orient us closer to our customers. Moreover, the significant cost savings measures implemented enabled us to obtain efficiency gains in all formats. All this was made possible despite the negative behaviour of non food retail market in the Iberian Peninsula and the consequent effect in the turnover.
- **Sonae RP** with 55 M€, 1M€ above the value reached in the previous year, which translates into a margin of 89.9% over sales. The retail real estate assets in the portfolio comprise 33 Continente stores and 96 Continente Modelo stores. Sonae currently maintains a freehold level of approximately 77% of its food retail selling area and 27% of its non-food retail space.
- **Sonaecom's** contribution totalled 128 M€ in 1H13 (+3% or +3 M€), corresponding to a sales margin of 32% (up by 1.4pp against 1H12). Once again, both its telecoms and IT/IS business units registered positive growth regarding its EBITDA generation. It is particularly worth highlighting the growth of the already benchmark EBITDA margin obtained by the Optimus' mobile business (reaching 48.4%, 4.6pp higher than in the 1H12), a performance made possible by the implementation of a more optimised cost structure, which represented more than 13M€ savings, on a consolidated basis.

# 6 SONAE SIERRA RESULTS

## RESULTS OF ASSOCIATED COMPANIES

### Sonae Sierra - Operational data

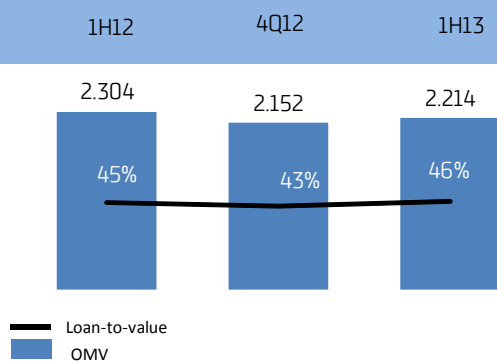
	1H12	1H13	Var
<b>Footfall (million visitors)</b>	204	191	-
Europe	152	144	-
Brazil	52	47	-
<b>Occupancy rate (%)</b>	96,0%	93,6%	-2,4 p.p
Europe	95,7%	93,4%	-2,3 p.p
Brazil	97,4%	94,7%	-2,7 p.p
<b>Tenant sales (million euros)</b>	2.372	2.099	-11,5%
Europe (million euros)	1.522	1.439	-5,5%
Brazil (million euros)	849	660	-22,3%
Brazil (million reais)	1.932	1.757	-9,1%
<b>Nº of shopping centres owned/co-owned (EOP)</b>	51	48	-3
Europe	40	39	-1
Brazil	11	9	-2
<b>GLA owned in operating centres ('000 m2)</b>	2.014	1.944	-3%
Europe	1.589	1.555	-2%
Brazil	426	389	-9%

### Sonae Sierra - Financial indicators

	1H12	1H13	Var
<b>Turnover</b>	112	111	-1%
<b>EBITDA</b>	58	56	-2%
EBITDA margin	51,3%	50,9%	-0,4 p.p
Direct result	32	29	-7%
Indirect result	-29	-34	-19%
<b>Net results</b>	3	-5	-
... attributable to Sonae	1	-2	-

### Sonae Sierra

Open Market Value (OMV) and leverage



• Sonae Sierra further evidences the quality of its assets by reaching in 1H13 in Europe an **occupancy rate** at 93.4%, despite the continuously difficult macroeconomic environment felt particularly in southern European countries. In Brazil, this rate was affected by the Boulevard Londrina shopping, which by its inauguration in May was not yet completely occupied, but we are convinced of its commercial success with the store openings scheduled until the end of the year. Excluding perimeter effects, the temporary closure of Socorama's cinemas in Portugal and the requalification of Colombo's Fun Center, global occupancy rate would be kept at the same level, when compared to the same period of the previous year. In the overall portfolio under management, **tenant sales** decreased by 11.5% particularly driven by the sale of Münster Arkaden (in Germany) and the stakes in Pátio Brasil, Penha Shopping and Tivoli Shopping (in Brazil). **LfL tenant sales** declined by 3.5% in Europe due to the difficult market environment, which was partially compensated by the 4.2% growth attained in Brazil, in local currency terms.

• **Turnover**<sup>5</sup> declined by 1%, to 111 M€ when compared with the 1H12, mainly due to the mentioned perimeter changes, which was only partially compensated by the openings in 2012 and 2013 – Le Terrazze, in Italy and Uberlândia and Boulevard Londrina in Brazil. It is worth highlighting the 2 further service contracts signed this quarter to reinforce the presence in Italy and in Algeria, which reflects the success of the efforts that have been made to sell services internationally.

• **EBITDA** reduced 2% to 56 M€ in 1H13, when compared to 1H12, basically reflecting the already mentioned sale of shopping centres completed during 2012. EBITDA margin was 50.9% in the period, 0.4 p.p. below the 1H12.

• **Net loss** was 5 M€, of which the share attributable to Sonae was 2 M€ negative, which represents a decrease when compared to the 1H12. This effect is particularly due to the 5M€ higher negative indirect result in relation to the same period in 2012, mainly as result of yields expansion in Portugal (+13 bps), Spain (+21 bps) and Italy (+7bps), only partially compensated by the compression of yields in Brazil. It should be noted that Sonae Sierra has begun, from 1Q12 onwards, and in line with market practices, to revalue its portfolio only on a semi-annual basis.

• Regarding the value of its assets, on 30<sup>th</sup> June 2013 the company's **OMV** (Open Market Value) was 2,214 bn€, 62 M€ above 2012 year-end, basically as a result of the conclusion of the Boulevard Londrina in Brazil, the development of the projects under construction (Passeio das Águas Shopping in Brazil and Hofgarten Solingen in Germany) and the acquisition of an additional stake in Cascais Shopping, which more than offset the exchange rate effect in Brazilian assets. Despite the increase on average yields, the "Loan-to-value" ratio remains at a conservative level of 46% at the end of June 2013. Sonae Sierra's **Net Asset Value** was 1,040 M€ at the end of 1H13.

<sup>5</sup> Financial indicators as published by Sonae Sierra on the 8<sup>th</sup> August 2013 (management accounts). Sonae holds a 50% stake in Sonae Sierra.

# 7 NET RESULTS

## Consolidated results

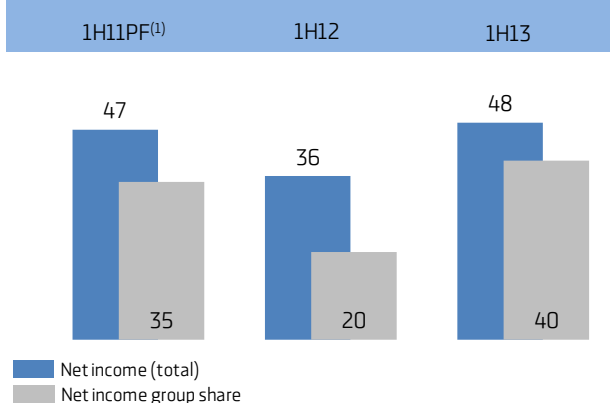
Million euros

	1H12	1H13	Var
<b>Recurrent EBITDA</b>	269	281	4%
Recurrent EBITDA margin	10,6%	11,1%	0,4 p.p
<b>EBITDA</b>	266	280	5%
EBITDA margin	10,5%	11,0%	0,5 p.p
Depreciations & amortizations <sup>(1)</sup>	-180	-173	4%
<b>EBIT</b>	87	106	23%
Net financial activity	-45	-45	-1%
Other items	1	0	-
Shopping centers direct results	16	15	-7%
<b>EBT</b>	59	76	29%
Taxes	-8	-10	-29%
<b>Direct results before non-controlling interests</b>	51	65	29%
Non-controlling interests	-17	-9	49%
<b>Direct income group share</b>	34	57	68%
<b>Indirect results group share</b>	-14	-17	-19%
<b>Net income group share</b>	20	40	104%

(1) Includes provisions & impairments.

## Net income

Million euros



(1) The 2011 results were restated to reflect (i) the change in the consolidation method applicable to Sonae Sierra and Geostar, currently registered according to the Equity Method; and (ii) the change made by Sonaeacom in the accounting criteria for costs related to customers' loyalty contracts. For further information please refer to the Methodological Notes in Section 11.

- In 1H13, **consolidated EBITDA** reached 280 M€, 14 M€ above the same period of the previous year. This result is totally explained by the improved operational performance of the retail (food and non food) and telecommunication businesses.
- In the same period, the expenses related to **depreciations, amortizations and provisions** stood at 173M€, 7M€ below the figures registered in 1H12.
- Net financial expenses** totalled 45 M€ in 1H13, slightly below the figure registered in the 1H12, supported by a much lower level of net debt. The average interest rate of outstanding credit facilities at the end of 1H13 slightly increased to approximately 3%.
- Earnings before taxes** reached 76 M€, 29% above the 1H12, with the improved recurrent EBITDA generation more than offsetting the lower direct contribution from Sonae Sierra.
- Non-controlling interests** are 6M€ below the figure registered in the same period of the previous year, and include the impact resulting from the agreement with France Telecom<sup>6</sup>.
- Net income attributable to the Group** reached 40 M€, significantly above the 1H12, mostly as a consequence of the improved EBT generation and the lower non-controlling interests due to the impact resulting from the agreement with France Telecom and despite the higher taxation.

<sup>6</sup> Sonae and France Telecom ("FT-Orange") executed an agreement for the acquisition of the 20% stake in Sonaeacom's share capital presently held by a subsidiary of FT-Orange. Under this agreement Sonae has the right to require FT-Orange to sell and FT-Orange has the right to require Sonae to acquire the stake in Sonaeacom for 98.9 M, which may be increased up to 113.5 M€ in case Sonaeacom or Optimus participate in any consolidation process within a 24-month period.



# 8 INVESTED CAPITAL

## Capex

Million euros

	1H12	1H13	% of Turnover
<b>Sonae</b>	<b>111</b>	<b>114</b>	<b>4%</b>
Sonae MC	20	32	2%
Sonae SR	12	10	2%
Sonae RP	7	15	24%
Sonacom	69	52	13%
Investment management	1	1	2%
Eliminations & adjustments	3	3	-
<b>Recurrent EBITDA - CAPEX</b>	<b>158</b>	<b>167</b>	<b>-</b>

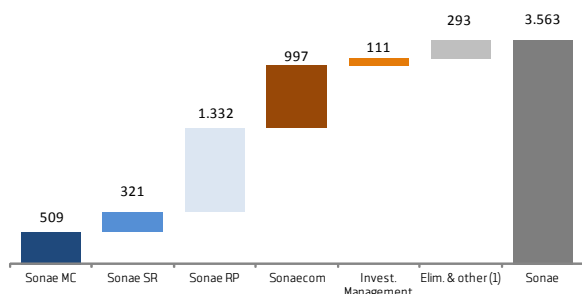
## Net invested capital

Million euros

	1H12	1H13
<b>Invested capital</b>	<b>3.846</b>	<b>3.563</b>
Technical investment	3.186	3.100
Financial investment	507	464
Goodwill	666	657
Working capital	-512	-658

## Breakdown invested capital (1H13)

Million euros



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

During 1H13, consolidated **Capex** for the group amounted to 114M€, 3M€ above the 1H12. This increase is mostly justified by the selective opening and remodelling of Sonae MC stores, and the investments made in the new online platform, which was launched during the 2Q13, and despite the lower degree of international expansion of directly operated stores carried out by Sonae SR during this period. The lower investments made by Sonacom in the 1H13, were due to the ambitious 4G deployment plan carried out in last year,

The investment carried out in 1H13 was essentially distributed among the following projects:

- Selective opening of **new retail stores**, including 2 Continente Bom Dia (Cabeceiras de Basto and Alverca), 1 Continente in Portimão (which replaces the one that suffered a fire in the Algarve) and 1 new Worten store in Spain (Madrid);
- **Further consolidation of Sonae SR's store network** in the international markets. At the end of 1H13, Sonae SR's formats had a total of 153 stores outside of Portugal, including 31 under franchising agreements;
- **Programmed remodelling of a number of retail units** so as to ensure they remain as a reference in their respective catchment areas, including the successful remodelling of the Continente stores in Cascais and Évora, under a completely new and innovative layout;
- Following the investment effort made by **Sonacom** over the last year with the aim of strengthening the coverage and capacity of the Optimus' mobile network, its Capex is now closer to more regular levels. Following the strong 4G deployment in 2012, Optimus LTE network now covers more than 80% of the Portuguese population and presents the widest 150Mbps coverage among the Portuguese mobile players.

The strong **cash-flow generation** of Sonae's business continues to be evidenced by the 167 M€ level of (recurrent EBITDA - Capex) registered in 1H13, 9M€ above the previous year.

On 30<sup>th</sup> June 2013, Sonae's overall **net invested capital** was 3,563 M€, of which circa 61% is invested in the retail businesses, corresponding to Sonae RP an overall asset portfolio with a book value of 1,332 M€, mostly comprised of stores operated by Sonae MC and Sonae SR. It is important to note that the level of freehold of food retail stores stands currently at 77%, a value still well above the average of our European peers. Sonacom's contribution to the previously mentioned invested capital was 997 M€, 60 M€ above the same period last year, essentially as a result of the investments carried out in the development of its 4G network.

# 9 CAPITAL STRUCTURE

## Net debt

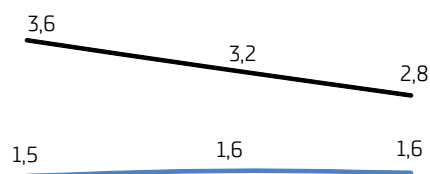
Million euros

	1H12	1H13	Var
<b>Net financial debt</b>	<b>2.182</b>	<b>2.041</b>	<b>-141</b>
Retail units	1.099	963	-136
Sonaecom	395	395	1
Investment management	24	19	-5
Holding & other	664	664	0
Shareholder loans	32	7	-26
<b>Total net debt</b>	<b>2.214</b>	<b>2.048</b>	<b>-166</b>

## Capital structure

Net debt to recurrent EBITDA

1H11PF      1H12      1H13

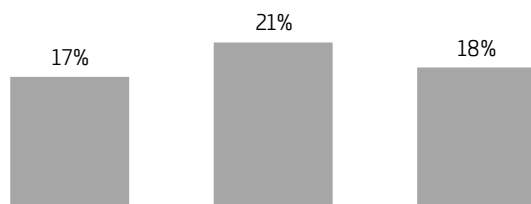


— Retail  
— Telecom

## Capital Structure

Loan-to-value (%) - Holding

1H11      1H12      1H13



As at the end of 1H13, Sonae's **net debt** amounted to 2,048 M€, decreasing 166 M€ or 7.5%, over the course of the last 12 months, despite the impact resulting from the maintenance of Sonae and Sonaecom's dividend policy. This evolution is even more significant when considered over the last 3 years (a cumulative reduction of circa 307 M€), which is particularly remarkable when considering the investments in the international expansion of the retail formats carried out during this period, the strong investments made by Sonaecom in the 4G spectrum acquisition (83 M€ in 2012) and network deployment, and the total dividends distributed by Sonae (199M€) and Sonaecom (88M€) between 2011 and 2013.

In relation to the debt maturity profile, it should be noted that the transactions completed during 2012 and 2013 enabled Sonae to complete the refinancing program of its loans maturing in 2013, as well as to partially ensure the refinancing of debt maturities in 2014, even without relying on the expected businesses cash generation.

In terms of allocation per business, the following is worth highlighting:

- The **retail units** net debt totalled 963 M€, 136 M€ below 1H12, as a result of the business' strong capacity to generate cash-flow and of the material improvements in stock levels (down by 70 M€ vs. the end of the 1H12). The reduction in net debt and the stronger recurrent EBITDA generation, allowed for a significant improvement of the Net Debt to recurrent EBITDA ratio from 3.2x at the end of the 1H12 to 2.8x at the end of 1H13;
- **Sonaecom's** net debt was kept at the same level, despite the 44 M€ dividends distributed in the 2Q13, thus exclusively due to the strong EBITDA generated. Consequently, the Net Debt to EBITDA ratio remained at 1.6x at the end of 1H13;
- The **holding net debt** was kept at the same level at end of June 2013. The "loan-to-value" ratio of the holding remains at conservative levels and registered a strong improvement from 21% at 1H12 to 18% in June 2013.

# 10 CORPORATE INFORMATION

## 2Q13 main corporate events

On **February 15<sup>th</sup>** Sonae and France Telecom ("FT-Orange") executed an agreement for the acquisition of the 20% stake in Sonaecom's share capital presently held by a subsidiary of FT-Orange. Under this agreement Sonae has the right to require FT-Orange to sell and FT-Orange has the right to require Sonae to acquire the stake in Sonaecom for 98.9 M, which may be increased up to 113.5 M€ in case Sonaecom or Optimus participate in any consolidation process within a 24-month period.

On **March 7<sup>th</sup>**, the **Extraordinary Shareholder Meetings** of Optimus SGPS and Zon **approved the merger project** by incorporation between the 2 companies, under the terms that had been approved by the respective Boards on January 21<sup>st</sup>. **On July 30<sup>th</sup>**, the Competition Authority informed about the non-opposition to the merger between Zon and Optimus, **subject to a 12 business day's consultation period**. The implementation of the merger is now conditional only upon the prior fulfilment of the following conditions: (i); final authorization of the competition authority (ii) the fulfilment of the remaining administrative and corporate formalities applicable or necessary to the completion of the merger.

On **May 3<sup>rd</sup>**, **Sonae Sierra**, through its participated Sonae Sierra Brasil, successfully inaugurated the "Boulevard Londrina Shopping" in Brasil. The new shopping centre is located in the city of Londrina (state of Paraná) has 47,800 m<sup>2</sup> of GLA (Gross Lettable Area), in an investment of about 122M€ (R\$ 320 million).

## Subsequent information

In **February 2013**, Sonae MC entered into a lease agreement which granted the possibility to operate up to 9 stores located in Madeira Island and owned by the company Jorge Sá, S.A.. **On May 2<sup>nd</sup>** the Competition Authority approved this transaction. **On August 1<sup>st</sup>**, more than 350 employees were transferred to Sonae MC, by mutual agreement, and received all their credits. The amount paid was naturally considered in the total amount of the transaction. The stores are being refurbished and the teams are under an intensive training. The stores will open until the end of the year 2013 under the brand Continente Modelo.

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



# 11 ADDITIONAL INFORMATION

## Methodological notes

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

The accounting standard IFRS 11 - Joint Arrangements changes the accounting method of joint-controlled investments, namely eliminating the possibility of proportional consolidation of entities that fall under the concept of joint-ventures, as is the case of Sonae Sierra and Geostar. Under these terms, Sonae has decided, as it is already possible under the current standards, in anticipation of the requirement for this change to be implemented for annual reporting periods beginning on 1<sup>st</sup> January 2014 and in order to facilitate a future comparison of its financial reporting, to start reporting Sonae Sierra and Geostar according to the Equity Method (the only possible method according to this new standard) from 1<sup>st</sup> January 2012.

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

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

## Glossary

<b>CAPEX</b>	Investments in tangible and intangible assets and investments in acquisitions; Gross CAPEX, not including cash inflows from the sale of assets
<b>Direct income</b>	Results excluding contributions to indirect income
<b>EBIT</b>	EBT + financial results + shopping centres' direct results + other items
<b>EBITDA</b>	Turnover + other revenues - impairment reversal - negative goodwill - operating costs (based on direct net income) - provisions for warranty extensions + gain/losses from sales of companies + non-recurrent stock impairments
<b>EBITDA margin</b>	EBITDA / Turnover
<b>EBT</b>	Direct results before non-controlling interests and taxes
<b>Eliminations &amp; adjustments</b>	Intra-groups + consolidation adjustments + contributions from other companies not included in the identified segments
<b>EOP</b>	End of period
<b>Free Cash Flow (FCF)</b>	EBITDA - operating CAPEX - change in working capital - financial investments - financial results - income taxes
<b>Financial net debt</b>	Total net debt excluding shareholders loans
<b>FMCG</b>	Fast-moving Consumer Goods
<b>GLAs</b>	Gross Lettable Area: equivalent to the total area available to be rented in the shopping centres

**Glossary (cont.)**

<b>Indirect income</b>	Includes Sonae Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and; (iv) provision for assets at risk; and other asset provisions for possible future liabilities and impairments related with non-core financial investments and/or discontinued businesses
<b>Net Invested capital</b>	Total net debt + total shareholder funds
<b>Investment properties</b>	Shopping centres in operation owned by Sonae Sierra
<b>Liquidity</b>	Cash & equivalents + current investments
<b>Like for Like sales ("Lfl")</b>	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods
<b>"Loan to value" (LTV) Holding</b>	Holding Net debt/ Investment Portfolio Gross Asset Value; gross asset value based on Market multiples, real estate NAV and market capitalization for listed companies
<b>"Loan to value" Shopping Centres</b>	Net debt / (investment properties + properties under development)
<b>LTE</b>	"Long Term Evolution" is a standard for wireless communication of high-speed data for mobile phones and data terminals developed by the Third Generation Partnership Project, an industry trade group. LTE provides significantly increased capacity and speed for wireless broadband, using new modulation techniques.
<b>Net asset value (NAV)</b>	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities
<b>Net debt</b>	Bonds + bank loans + other loans + financial leases + shareholder loans - cash, bank deposits, current investments and other long term financial applications
<b>Other income</b>	Share of results of associated undertakings + dividends
<b>Other loans</b>	Bonds, leasing and derivatives
<b>Open market value (OMV)</b>	Fair value of properties in operation and under development (100%), provided by an independent entity
<b>RoIC (Return on invested capital)</b>	EBIT(12 months) /Net invested capital
<b>ROE (Return on equity)</b>	Total net income <sub>n</sub> (equity holders)/ Shareholders' Funds <sub>n-1</sub> (equity holders)
<b>Recurrent EBITDA</b>	EBITDA excluding non-recurrent items, namely gains in sales of investments and other movements that distort comparability
<b>Technical investment</b>	Tangible assets + intangible assets + other fixed assets - depreciations and amortisations



## Consolidated Profit and Loss Account

Consolidated profit and loss account						
Million euros						
	1H12	1H13	Var	2Q12	2Q13	Var
<b>Direct results</b>						
Turnover	2.531	2.540	0,3%	1.290	1.291	0,0%
Recurrent EBITDA <sup>(1)</sup>	269	281	4,3%	155	156	0,5%
Recurrent EBITDA margin	10,6%	11,1%	0,4 p.p	12,0%	12,1%	0,1 p.p
EBITDA	266	280	5,0%	152	154	1,6%
EBITDA margin	10,5%	11,0%	0,5 p.p	11,8%	12,0%	0,2 p.p
Depreciations & amortizations <sup>(2)</sup>	-180	-173	3,6%	-90	-82	8,1%
EBIT	87	106	22,8%	62	72	15,7%
Net financial Activity	-45	-45	-1,5%	-23	-24	-2,0%
Other items <sup>(3)</sup>	1	0	-	1	0	-93,9%
Shopping centres direct results	16	15	-6,6%	7	7	6,3%
EBT	59	76	29,1%	47	56	19,3%
Taxes	-8	-10	-29,3%	-8	-8	-4,8%
Direct results before non-controlling interests	51	65	29,0%	39	48	22,2%
Minority interests	17	9	-49,5%	9	1	-89,5%
Direct results group share	34	57	68,0%	30	47	57,4%
Indirect results group share <sup>(4)</sup>	-14	-17	-	-12	-16	-
Net income group share	20	40	104,2%	18	31	73,7%

(1) EBITDA excluding extraordinary items; (2) Includes provisions, impairments, reversion of impairments and negative goodwill; (3) Share of results of associated undertakings + dividends; (4) Includes i) Sonae's Sierra indirect income contribution and other asset provisions for possible future liabilities, and ii) impairments related with non core financial investments and/or discontinued businesses.

## Consolidated Statement of Financial Position

Consolidated statement of financial position					
Million euros					
	1H12	1H13	Var	4Q12	Var
<b>TOTAL ASSETS</b>	<b>5.925</b>	<b>5.673</b>	<b>-4,2%</b>	<b>6.035</b>	<b>-6,0%</b>
<b>Non current assets</b>	<b>4.656</b>	<b>4.500</b>	<b>-3,4%</b>	<b>4.615</b>	<b>-2,5%</b>
Tangible and intangible assets	3.185	3.099	-2,7%	3.166	-2,1%
Goodwill	666	657	-1,4%	658	-0,2%
Other investments	540	478	-11,6%	516	-7,5%
Deferred tax assets	227	227	0,2%	225	1,1%
Others	38	39	0,4%	50	-22,0%
<b>Current assets</b>	<b>1.269</b>	<b>1.173</b>	<b>-7,5%</b>	<b>1.421</b>	<b>-17,4%</b>
Stocks	584	525	-10,2%	538	-2,5%
Trade debtors	145	183	25,9%	171	6,9%
Liquidity	206	138	-33,2%	378	-63,5%
Others <sup>(1)</sup>	333	328	-1,5%	334	-1,7%
<b>SHAREHOLDERS' FUNDS</b>	<b>1.632</b>	<b>1.515</b>	<b>-7,1%</b>	<b>1.669</b>	<b>-9,2%</b>
Equity holders	1.295	1.303	0,7%	1.319	-1,2%
Attributable to minority interests	337	212	-37,1%	350	-39,4%
<b>LIABILITIES</b>	<b>4.293</b>	<b>4.158</b>	<b>-3,2%</b>	<b>4.367</b>	<b>-4,8%</b>
<b>Non-current liabilities</b>	<b>2.025</b>	<b>2.083</b>	<b>2,9%</b>	<b>2.026</b>	<b>2,8%</b>
Bank loans	393	455	15,7%	364	24,9%
Other loans	1.272	1.225	-3,6%	1.323	-7,4%
Deferred tax liabilities	134	139	3,9%	137	1,7%
Provisions	97	87	-10,2%	114	-24,2%
Others	129	177	36,9%	88	101,5%
<b>Current liabilities</b>	<b>2.269</b>	<b>2.075</b>	<b>-8,5%</b>	<b>2.341</b>	<b>-11,4%</b>
Bank loans	484	178	-63,3%	66	171,2%
Other loans	273	335	22,7%	461	-27,3%
Trade creditors	1.028	1.012	-1,6%	1.222	-17,2%
Others	483	550	13,8%	593	-7,2%
<b>SHAREHOLDERS' FUNDS + LIABILITIES</b>	<b>5.925</b>	<b>5.673</b>	<b>-4,2%</b>	<b>6.035</b>	<b>-6,0%</b>

(1) Includes assets available for sale.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

## Appendix

Statement under the terms of Article 246, paragraph 1, c) of the Portuguese Securities Code

The signatories individually declare that, to their knowledge, the Management Report, the Consolidated and Individual Financial Statements and other accounting documents required by law or regulation were prepared meeting the standards of the applicable International Financial Reporting Standards, giving a truthful (fairly) and appropriate image, in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of the issuer and that the Management Report faithfully describes the progress of the business and position of the issuer and of the companies included in the consolidation perimeter and contains a description of the major risks and uncertainties that they face.

Maia, 20 of August 2013

The Board of Directors,

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério



## Appendix required by articles 9 nr. 1, a) and 14, nr. 7 of CMVM Regulation nr. 05/2008

	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2013
						Quantity
<b>Belmiro Mendes de Azevedo (*) (**)</b>						
Efanor Investimentos, SGPS, SA (1)						49,999,996
Sonaecom, SGPS, SA (9)						75,537
<b>Álvaro Carmona e Costa Portela (*)</b>						
Sonae, SGPS, SA (3)						125,934
Sonaecom, SGPS, SA (9)						5,000
<b>Ângelo Gabriel Ribeirinho dos Santos Paupério (*)</b>						
Sonae, SGPS, SA (3)						763,150 (a)
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	08.03.2013	178,588	0.000			
Sonaecom, SGPS, SA (9)						552,837
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	04.03.2013	112,767	0.000			
Continente Bonds - 7% -2015						700,000 (b)
<b>Duarte Paulo Teixeira de Azevedo (*) (**) (****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Migracom, SGPS, SA (4)						1,969,996
Sonae, SGPS, SA (3)						3,293 (c)
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	25.06.2013	28,479	0.000			
Sale	26.06.2013			28,479	0.699	
<b>Michel Marie Bon (*)</b>						
Sonae, SGPS, SA (3)						293,000
<b>Maria Margarida Carvalhais Teixeira de Azevedo (*) (**) (***)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA (3)						14,901
<b>Maria Cláudia Teixeira de Azevedo (*) (**) (****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA (3)						41,127
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	08.03.2013	41,127	0.000			
Linhacom, SGPS, SA (6)						99,996
Sonaecom, SGPS, SA (9)						40,566 (d)
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	04.03.2013	40,396	0.000			
<b>Nuno Teixeira de Azevedo (*) (**) (****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA (3)						10,500 (e)
	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2013
						Quantity
<b>(1) Efanor Investimentos, SGPS, SA</b>						
Sonae, SGPS, SA (3)						200,100,000
Pareuro, BV (2)						2,000,000
Sonaecom, SGPS, SA (9)						1,000
<b>(2) Pareuro, BV</b>						
Sonae, SGPS, SA (3)						849,533,095
<b>(3) Sonae, SGPS, SA</b>						
Sonae Investments, BV (7)						2,894,000
Sontel, BV (8)						32,745
Sonaecom, SGPS, SA (9)						3,430,000

	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2013
						Quantity
(4) Migracom, SGPS, SA						
Sonae, SGPS, SA (3)						2,936,683
Purchase	26.06.2013	28,479	0.699			
Sonaecom, SGPS, SA (9)						387,342
Imparfin, SGPS, SA (5)						150,000
(5) Imparfin, SGPS, SA						
Sonae, SGPS, SA (3)						4,105,280
(6) Linhacom, SGPS, SA						
Sonae, SGPS, SA (3)						439,314
Sonaecom, SGPS, SA (9)						120,300
Imparfin, SGPS, SA (5)						150,000
(7) Sonae Investments BV						
Sontel BV (8)						43,655
(8) Sontel BV						
Sonaecom, SGPS, SA (9)						194,063,119
(9) Sonaecom SGPS, SA						
Sonaecom, SGPS, SA (treasury shares)						5,571,014
Shares delivered under the terms of the Annual						
Performance Bonus Plan and Medium Term Incentive Plans	04.03.2013			247,423	0.000	
Purchase	20.03.2013	140,000	1.653			
Purchase	21.03.2013	180,000	1.648			
Purchase	22.03.2013	160,000	1.666			
Purchase	25.03.2013	145,000	1.679			
Purchase	26.03.2013	64,000	1.655			
Purchase	27.03.2013	85,000	1.637			
Purchase	28.03.2013	35,000	1.622			
Purchase	02.04.2013	170,000	1.689			
Purchase	03.04.2013	160,000	1.659			
Purchase	04.04.2013	170,000	1.687			
Purchase	05.04.2013	103,000	1.668			
Purchase	08.04.2013	88,000	1.665			
Shares delivered under the terms of the Annual						
Performance Bonus Plan and Medium Term Incentive Plans	10.05.2013			1,192	0.182	
Shares delivered under the terms of the Annual						
Performance Bonus Plan and Medium Term Incentive Plans	10.05.2013			1,409	0.000	

(\*) Member of the Board of Directors of Sonae, SGPS, SA

(\*\*) Member of the Board of Directors of Efanor Investimentos SGPS, SA (directly and indirectly dominant company) (1)

(\*\*\*) People closely connected with the President of the Board of Directors of Sonae Holding, Belmiro de Azevedo

(\*\*\*\*) Member of the Board of Directors of Imparfin, SGPS, SA (5)

(a) of which 125,000 shares held by spouse

(b) of which 150,000 bonds held by spouse and 400,000 are held by company in which this person discharging managerial responsibilities ("dirigente") is the sole director

(c) of which 1,000 shares held by descendants under his charge

(d) 170 shares held by spouse

(e) Shares held by descendants under his/her charge

Note: The Independent non-executive member of the Board of Directors, José Manuel Neves Adelino, is a member of the Statutory Audit Board of Banco BPI, SA, which holds 178,039,855 shares representing of 8.902 % of Company's share capital.

## Qualified holdings

As required by article 9, nr.1, c), of the Securities Market Commission (CMVM) Regulation nr. 05/2008, the qualified shareholdings as at 30<sup>th</sup> June 2013 are as follows:

Shareholder	Nr. of shares	% share capital	% of voting rights
Efanor Investimentos, SGPS, SA (i)			
Directly	200,100,000	10.0050%	10.0050%
By Pareuro, BV (controlled by Efanor)	849,533,095	42.4767%	42.4767%
By Maria Margarida CarvalhaisTeixeira de Azevedo (Director of Efanor)	14,901	0.0007%	0.0007%
By Duarte Paulo Teixeira de Azevedo (Director of Efanor )	3,293	0.0002%	0.0002%
By Maria Cláudia Teixeira de Azevedo (Director of Efanor )	41,127	0.0021%	0.0021%
By Nuno Miguel Teixeira de Azevedo (Director of Efanor and held by descendent)	10,500	0.0005%	0.0005%
By Migracom, SGPS, SA (company controlled by Efanor's Director Duarte Paulo Teixeira de Azevedo)	2,936,683	0.1468%	0.1468%
By Linhacom, SGPS, SA (company controlled by Efanor's Director Maria Cláudia Teixeira de Azevedo)	439,314	0.0220%	0.0220%
<b>Total attributable to Efanor Investimentos, SGPS, SA</b>	<b>1,053,078,913</b>	<b>52.6539%</b>	<b>52.6539%</b>
Banco BPI, SA	132,851,868	6.6426%	6.6426%
Banco Português de Investimento, SA	365,199	0.0183%	0.0183%
Fundos de Pensões do Banco BPI	40,071,372	2.0036%	2.0036%
BPI Vida - Companhia de Seguros de Vida, SA	4,751,416	0.2376%	0.2376%
<b>Total attributable to Banco BPI, SA</b>	<b>178,039,855</b>	<b>8.9020%</b>	<b>8.9020%</b>
Fundação Berardo, Instituição Particular de Solidariedade Social	49,849,514	2.4925%	2.4925%
<b>Total attributable to Fundação Berardo, Instituição Particular de Solidariedade Social</b>	<b>49,849,514</b>	<b>2.4925%</b>	<b>2.4925%</b>
Bestinver Gestión, S.A. SGIIC			
Bestinver Bolsa, F.I.M.	39,863,487	1.9932%	1.9932%
Bestifond, F.I.M.	37,893,221	1.8947%	1.8947%
Bestinver Hedge Value Fund Fil	23,242,186	1.1621%	1.1621%
Bestinver Global, FP	10,969,921	0.5485%	0.5485%
Bestvalue, FI	10,951,648	0.5476%	0.5476%
Soixa Sicav, SA	7,307,022	0.3654%	0.3654%
Bestinver Ahorro, Fondo de Pensiones	6,099,342	0.3050%	0.3050%
Bestinver Mixto, F.I.M.	6,040,310	0.3020%	0.3020%
Bestinver Sicav - Bestifund	3,939,262	0.1970%	0.1970%
Bestinver Sicav - Iberian	2,995,062	0.1498%	0.1498%
Bestinver Renta, F.I.M.	2,423,787	0.1212%	0.1212%
Bestinver Prevision, FP	755,763	0.0378%	0.0378%
Divalsa de Inversiones Simcav	290,408	0.0145%	0.0145%
Bestinver Empleo, FP	285,654	0.0143%	0.0143%
Linker Inversiones, Sicmav	190,583	0.0095%	0.0095%
Bestinver Futuro EPSV	90,870	0.0045%	0.0045%
Bestinver Empleo III, FONDE de Pensiones	87,135	0.0044%	0.0044%
Bestinver Empleo II, F	77,958	0.0039%	0.0039%
<b>Total attributable to Bestinver Gestión, S.A. SGIIC</b>	<b>153,503,619</b>	<b>7.6752%</b>	<b>7.6752%</b>
Norges Bank	40,100,985	2.0050%	2.0050%
<b>Total attributable to Norges Bank</b>	<b>40,100,985</b>	<b>2.0050%</b>	<b>2.0050%</b>

(i) Belmiro Mendes de Azevedo is, according to article 20 paragraph 1, subparagraph b), and article 21, paragraph 1, both of the Portuguese Securities Code, the ultimate beneficial owner, as it holds circa 99% of the share capital and voting rights in Efanor Investimentos, SGPS, SA and the latter wholly owns Pareuro BV.

# Condensed consolidated financial statements

## Condensed Consolidated Statement of Financial Position at 30 June 2013 and 2012 and at 31 December 2012

(Amounts expressed in euro)

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

ASSETS	Notes	30 June 2013	30 June 2012	31 December 2012
<b>NON-CURRENT ASSETS:</b>				
Tangible assets	7	2,549,256,182	2,616,297,386	2,603,109,778
Intangible assets	8	550,033,849	568,642,697	562,455,222
Investment properties		382,035	-	386,001
Goodwill	9	656,695,739	665,907,460	658,228,050
Investments in joint ventures and associates	5	446,395,368	503,228,525	456,446,288
Other investments	6 and 10	31,340,760	37,041,988	59,877,723
Deferred tax assets	13	227,121,566	226,642,263	224,718,491
Other non-current assets	11	38,615,031	38,458,131	49,531,315
<b>Total Non-Current Assets</b>		<b>4,499,840,530</b>	<b>4,656,218,450</b>	<b>4,614,752,868</b>
<b>CURRENT ASSETS:</b>				
Inventories		524,980,507	584,446,837	538,486,177
Trade accounts receivable and other current assets	12	510,034,121	477,458,578	503,848,990
Investments	10	377,911	3,281,740	911,922
Cash and cash equivalents	14	137,255,592	202,880,340	376,635,163
<b>Total Current Assets</b>		<b>1,172,648,131</b>	<b>1,268,067,495</b>	<b>1,419,882,252</b>
Assets available for sale		720,338	720,338	720,338
<b>TOTAL ASSETS</b>		<b>5,673,208,999</b>	<b>5,925,006,283</b>	<b>6,035,355,458</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital	15	2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(127,450,450)	(132,052,137)	(128,149,614)
Reserves and retained earnings		(609,262,878)	(592,876,908)	(585,764,845)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		39,845,039	19,511,580	32,572,259
Equity attributable to the equity holders of the Parent Company		1,303,131,711	1,294,582,535	1,318,657,800
Equity attributable to non-controlling interests	16	212,009,385	337,066,561	349,901,121
<b>TOTAL EQUITY</b>		<b>1,515,141,096</b>	<b>1,631,649,096</b>	<b>1,668,558,921</b>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	17	1,680,076,181	1,664,537,530	1,686,759,910
Other non-current liabilities	19	177,262,968	129,446,576	87,958,431
Deferred tax liabilities	13	139,284,400	134,084,972	136,943,600
Provisions	22	86,800,914	96,684,583	114,470,445
<b>Total Non-Current Liabilities</b>		<b>2,083,424,463</b>	<b>2,024,753,661</b>	<b>2,026,132,386</b>
<b>CURRENT LIABILITIES:</b>				
Loans	17	512,565,031	757,115,303	526,076,690
Trade creditors and other current liabilities	21	1,556,525,497	1,509,242,456	1,812,160,652
Provisions	22	5,552,912	2,245,767	2,426,809
<b>Total Current Liabilities</b>		<b>2,074,643,440</b>	<b>2,268,603,526</b>	<b>2,340,664,151</b>
<b>TOTAL LIABILITIES</b>		<b>4,158,067,903</b>	<b>4,293,357,187</b>	<b>4,366,796,537</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,673,208,999</b>	<b>5,925,006,283</b>	<b>6,035,355,458</b>

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors



## Condensed Consolidated Income Statements for the periods ended 30 June 2013 and 2012

*(Amounts expressed in euro)**(Translation of condensed consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)*

	Notes	2 <sup>nd</sup> Quarter 2013	2 <sup>nd</sup> Quarter 2012	30 June 2013	30 June 2012
Sales		1,084,284,988	1,084,676,632	2,134,794,547	2,122,696,245
Services rendered		206,321,543	205,594,975	404,788,627	408,175,325
Investment income		92,000	212,814	79,000	1,805,952
Financial income		1,459,227	2,939,880	7,534,188	6,087,955
Other income		122,427,497	130,460,199	216,349,608	224,599,625
Cost of goods sold and materials consumed		(847,960,317)	(858,112,491)	(1,663,207,858)	(1,672,541,373)
Changes in stocks of finished goods and work in progress		114,897	(273,131)	138,910	(211,595)
External supplies and services		(232,216,647)	(233,309,020)	(454,560,452)	(467,146,591)
Staff costs		(161,731,014)	(165,265,539)	(327,277,161)	(328,084,977)
Depreciation and amortisation	7 and 8	(80,528,860)	(81,160,397)	(163,158,541)	(161,727,615)
Provisions and impairment losses		(4,617,486)	(8,243,877)	(14,023,397)	(15,481,393)
Financial expense		(25,175,340)	(26,183,015)	(52,763,697)	(50,655,566)
Other expenses		(13,986,785)	(12,045,778)	(27,447,120)	(25,230,261)
Share of results of joint ventures and associated undertaking:	5	(8,500,825)	(4,410,639)	(2,619,889)	1,996,845
Profit/(Loss) before taxation		39,982,878	34,880,613	58,626,765	44,282,576
Taxation	25	(8,043,017)	(7,676,982)	(10,279,104)	(7,950,529)
Profit/(Loss) after taxation		31,939,861	27,203,631	48,347,661	36,332,047
Attributable to:					
Equity holders of the Parent Company		30,952,885	17,820,848	39,845,039	19,511,580
Non-controlling interests	16	986,976	9,382,783	8,502,622	16,820,467
Profit/(Loss) per share					
Basic	26	0.016522	0.009515	0.021269	0.010418
Diluted	26	0.016440	0.009495	0.021164	0.010394

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

## Condensed Consolidated Statements of Comprehensive Income for the periods ended 30 June 2013 and 2012

*(Amounts expressed in euro)**(Translation of condensed consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)*

	2 <sup>nd</sup> Quarter 2013	2 <sup>nd</sup> Quarter 2012	30 June 2013	30 June 2012
Net Profit / (Loss) for the period	31,939,861	27,203,631	48,347,661	36,332,047
Exchange differences arising on translation of foreign operations	(3,728,134)	(1,330,924)	(2,083,412)	(1,712,516)
Participation in other comprehensive income (net of tax) related to joint ventures and associated companies included in consolidation by the equity method	4,433,062	(21,413,825)	(7,272,829)	(22,517,543)
Changes on fair value of available-for-sale financial assets	(2,203,795)	-	(8,573,927)	(2,505,654)
Changes in hedge and fair value reserves	(402,022)	1,913,882	1,596,229	(1,218,858)
Deferred tax related to changes in fair values reserves	443,726	(239,584)	(67,047)	529,891
Others	(22,835)	-	33,293	-
Other comprehensive income for the period	(1,479,996)	(21,070,451)	(16,367,693)	(27,424,681)
Total comprehensive income for the period	<u>30,459,865</u>	<u>6,133,180</u>	<u>31,979,968</u>	<u>8,907,366</u>
Attributable to:				
Equity holders of parent company	31,816,652	(2,600,429)	28,169,473	(7,045,806)
Non controlling interests	<u>(1,356,787)</u>	<u>8,733,609</u>	<u>3,810,495</u>	<u>15,953,172</u>

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

## Condensed Consolidated Statements of Changes in Equity for the periods ended 30 June 2013 and 2012

(Amounts expressed in euro)

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

	Attributable to Equity Holders of Parent Company										Non controlling Interests (Note 16)	Total Equity
	Reserves and Retained Earnings							Total	Net Profit/(Loss)	Total		
Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Investments Fair Value Reserve	Hedging Reserve	Other Reserves and Retained Earnings						
Balance as at 1 January 2012	2,000,000,000	(131,895,330)	187,137,648	6,935,942	2,505,654	(3,434,957)	(801,605,170)	(608,460,883)	103,944,076	1,363,587,863	336,803,275	1,700,391,138
Total comprehensive income for the period	-	-	-	(888,471)	(2,505,654)	(669,343)	(22,493,918)	(26,557,386)	19,511,580	(7,045,806)	15,953,172	8,907,366
Appropriation of profit of 2011:												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	103,944,076	103,944,076	(103,944,076)	-	-	-
Dividends distributed	-	-	-	-	-	-	(61,989,385)	(61,989,385)	-	(61,989,385)	(11,502,458)	(73,491,843)
Disposal of own shares/ attribution to employees	-	(156,807)	-	-	-	-	(2,253,720)	(2,253,720)	-	(2,410,527)	(1,104,183)	(3,514,711)
Partial disposal or acquisitions of affiliated companies	-	-	-	-	-	-	2,602,738	2,602,738	-	2,602,738	(2,602,738)	-
Others	-	-	-	-	-	-	(162,348)	(162,348)	-	(162,348)	(480,507)	(642,855)
Balance as at 30 June 2012	2,000,000,000	(132,052,137)	187,137,648	6,047,471	-	(4,104,300)	(781,957,727)	(592,876,908)	19,511,580	1,294,582,535	337,066,561	1,631,649,096
Balance as at 1 January 2013	2,000,000,000	(128,149,614)	187,137,648	4,836,944	1,920,608	(2,694,394)	(776,965,651)	(585,764,845)	32,572,259	1,318,657,800	349,901,121	1,668,558,921
Total comprehensive income for the period	-	-	-	(1,040,789)	(4,287,821)	1,507,964	(7,854,920)	(11,675,566)	39,845,039	28,169,473	3,810,495	31,979,968
Appropriation of profit of 2012:												
Transfer to legal reserves and retained earnings	-	-	1,148,216	-	-	-	31,424,043	32,572,259	(32,572,259)	-	-	-
Dividends distributed	-	-	-	-	-	-	(62,143,058)	(62,143,058)	-	(62,143,058)	(10,845,508)	(72,988,566)
Acquisition and disposal of own shares/ attribution to employees	-	699,164	-	-	-	-	224,042	224,042	-	923,206	(510,991)	412,215
Partial disposal or acquisitions of affiliated companies	-	-	-	-	-	-	14,629,536	14,629,536	-	14,629,536	(130,345,732)	(115,716,196)
Others	-	-	-	-	-	-	2,894,754	2,894,754	-	2,894,754	-	2,894,754
Balance as at 30 June 2013	2,000,000,000	(127,450,450)	188,285,864	3,796,155	(2,367,213)	(1,186,430)	(797,791,254)	(609,262,878)	39,845,039	1,303,131,711	212,009,385	1,515,141,096

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

## Condensed Consolidated Statements of Cash Flows for the periods ended 30 June 2013 and 2012

(Amounts expressed in euro)

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

	Notes	2 <sup>nd</sup> Quarter 2013	2 <sup>nd</sup> Quarter 2012	30 June 2013	30 June 2012
<b>OPERATING ACTIVITIES</b>					
Net cash flow from operating activities (1)		218,680,872	234,015,726	37,972,324	91,611,546
<b>INVESTMENT ACTIVITIES</b>					
Cash receipts arising from:					
Investments		98,093	809,408	1,173,572	4,858,252
Tangible and intangible assets		1,585,062	4,502,861	2,899,972	5,903,505
Others		18,676,133	19,817,978	48,745,833	23,670,962
		20,359,288	25,130,247	52,819,377	34,432,719
Cash payments arising from:					
Investments		(2,125,178)	(8,465,818)	(15,670,149)	(12,307,526)
Tangible and intangible assets		(55,902,273)	(48,026,820)	(143,772,277)	(205,774,814)
Others		(6,897,251)	(16,407,767)	(10,707,629)	(17,707,767)
		(64,924,702)	(72,900,405)	(170,150,055)	(235,790,107)
Net cash used in investment activities (2)		(44,565,414)	(47,770,158)	(117,330,678)	(201,357,388)
<b>FINANCING ACTIVITIES</b>					
Cash receipts arising from:					
Loans obtained		732,863,734	1,791,604,649	1,620,762,860	3,171,803,494
Capital increases, shareholder's loans and share premiums		-	580,875	-	580,875
Sale of own shares		-	2,189,569	-	2,189,569
		732,863,734	1,794,375,093	1,620,762,860	3,174,573,938
Cash payments arising from:					
Loans obtained		(900,396,585)	(1,854,725,496)	(1,638,009,801)	(3,166,611,255)
Interest and similar charges		(19,384,082)	(21,443,724)	(45,877,357)	(48,283,812)
Dividends		(85,875,904)	(79,196,187)	(85,905,784)	(79,320,687)
Purchase of own shares		-	(2,612,424)	-	(2,612,424)
Others		(765,642)	(1,027,427)	(2,759,900)	(2,570,758)
		(1,006,422,213)	(1,959,005,258)	(1,772,552,842)	(3,299,398,936)
Net cash used in financing activities (3)		(273,558,480)	(164,630,165)	(151,789,982)	(124,824,998)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(99,443,022)	21,615,403	(231,148,336)	(234,570,840)
Effect of foreign exchange rate		1,119,346	415,542	828,275	189,797
Cash and cash equivalents at the beginning of the period	14	231,953,666	159,496,618	363,367,909	415,457,116
Cash and cash equivalents at the end of the period	14	131,391,298	180,696,479	131,391,298	180,696,479

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

# SONAE, SGPS, SA

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 30 JUNE 2013

*(Amounts expressed in euro)*

*(Translation of condensed consolidated financial statements originally issued in Portuguese.)*

*In case of discrepancies the Portuguese version prevails.)*

## 1 INTRODUCTION

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SONAE, SGPS, SA ("Sonae Holding"), has its head office at Lugar do Espido, Via Norte, Apartado 1011, 4471-909 Maia, Portugal, and is the parent company of a group of companies, as detailed in Notes 4 to 6 ("Sonae"). Sonae's operations and operating segments are described in Note 28.

## 2 PRINCIPAL ACCOUNTING POLICIES

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The accounting policies adopted are consistent with those used in the preparation of the consolidated financial statements for the period ended as at 31 December 2012.

### 2.1. Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, 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"), as adopted by the European Union as at the consolidated financial statements issuance date.

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

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the Company and subsidiaries, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for some financial instruments which are stated at fair value.

## New accounting standards and their impact on the consolidated financial statements:

Up to the financial statements approval date, the following Standards and Interpretations, some of which become effective in 2013, have been endorsed by the European Union:

With mandatory application in 2013:	Effective Date (for financial years beginning on/after)
IFRS 13 - (Fair Value Measurement)	01-01-2013
IAS 12 - Amendments (Deferred tax: Recovery of Underlying Assets)	01-01-2013
IAS 19 - Amendments (Employee Benefits)	01-01-2013
IAS 1 - Amendments (Presentation of Items of Other Comprehensive Income)	01-07-2013
IFRS 7 - Amendments (Disclosures of Financial Instruments)	01-01-2013
IFRIC 20 - Interpretation (Stripping Costs in the Production Phase of a Surface Mine)	01-01-2013
IFRS 1 - Amendments (Hyperinflation)	01-01-2013
Improvements of some IFRS (2009-2011)	01-01-2013
Transition Guide ( Amendments to IFRS 10, IFRS11 and IFRS 12)	01-01-2013

There were no significant impacts in the financial statements resulting from the adoption of these standards.

The following standards, interpretations, amendments and revisions were endorsed by the European Union and have mandatory application is mandatory in future financial years:

With mandatory application from 1 January 2014 onwards:	Effective Date (for financial years beginning on/after)
IFRS 10 - (Consolidated Financial Statements) (*)	01-01-2013
IFRS 11 - (Joint arrangements) (*)	01-01-2013
IFRS 12 - (Disclosures of Interests in Other Entities) (*)	01-01-2013
IAS 27 - (Separate Financial Statements) (*)	01-01-2013
IAS 28 - (Investments in Associates and Joint Ventures) (*)	01-01-2013
IAS 32 - Amendments (Offsetting Financial Liabilities)	01-01-2014

(\*) In accordance with the EU Regulation which approved the adoption of IFRS 10, 11 and 12 and the amendments to IAS 27 and IAS 28, an entity shall use these standards no later than periods beginning on or after 1 January 2014. The early adoption is however permitted;

The Group did not proceed to earlier adoption of any of these standards on the financial statements for the period ended 30 June 2013. No significant impacts are expected in the financial statements resulting from the adoption of these standards.

### 3 CHANGES IN ACCOUNTING POLICIES

During the period it was adopted a set of accounting standards, interpretations, amendments and revisions issued in previous periods and whose implementation became mandatory after 1st January 2013 as disclosed in Note 2 and which didn't have any significant impacts on the financial statements as at 30 June 2013.

### 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 Sonae as at 30 June 2013 and 31 December 2012 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 June 2013		31 December 2012	
		Direct	Total	Direct	Total
Sonae - SGPS, S.A.	Maia	HOLDING	HOLDING	HOLDING	HOLDING
<b>Retail</b>					
Arat Inmuebles, SA	a) Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Azulino Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
BB Food Service, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Bertimóvel - Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Bom Momento - Restauração, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Canasta - Empreendimentos Imobiliários, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
1) Carnes do Continente - Indústria e Distribuição Carnes, SA	a) Santarém	100.00%	100.00%	100.00%	100.00%
Chão Verde - Sociedade de Gestão Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Citorres - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Contibomba - Comércio e Distribuição de Combustíveis, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Contimobe - Imobiliária de Castelo de Paiva, SA	a) Castelo de Paiva	100.00%	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a) Lisbon	100.00%	100.00%	100.00%	100.00%
Cumulativa - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Discovery Sports, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
1) Edições Book.it, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
1) Estevão Neves - Hipermercados da Madeira, SA	a) Madeira	100.00%	100.00%	100.00%	100.00%
Farmácia Selecção, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Fashion Division, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Fashion Division Canárias, SL	a) Tenerife (Spain)	100.00%	100.00%	100.00%	100.00%
Fozimo - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Fozmassimo - Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%



Fundo de Investimento Imobiliário Fechado Imosede	a)	Maia	74.15%	74.15%	67.64%	67.64%
Fundo de Investimento Imobiliário Imosonae Dois	a)	Maia	99.60%	99.60%	99.89%	99.89%
Igimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Iginha - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoconti - 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%
Infocfield - Informática, 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%
Modalloop - Vestuário e Calçado, 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 Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modelo Continente International Trade, 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%
1) 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%
Pharmaconcept - Actividades em Saúde, 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%
SDSR - Sports Division SR, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
2) SDSR - Sports Division 2, SA	a)	Matosinhos	100.00%	100.00%	-	-
Selifa - Empreendimentos Imobiliários de Fafe, 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%
SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Soflorin, BV	a)	Amsterdam (The Netherlands)	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 Center Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonae Investimentos, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonae MC - Modelo Continente SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonae Retalho Espanha - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%

	Sonaegest-Soc.Gest.Fundos Investimentos, SA	a)	Maia	100.00%	90.00%	100.00%	90.00%
	Sonaerp - Retail Properties, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
	Sport Zone Canárias, SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
	Sonae Specialized Retail, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sondis Imobiliária, 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 España - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Sport Zone spor malz.per.satis ith.ve tic.ltd.sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
	Têxtil do Marco, SA	a)	Marco de Canaveses	92.76%	92.76%	92.76%	92.76%
2)	Tlantic, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	-	-
	Tlantic Portugal - Sistemas de Informação, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
1)	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 España Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Worten Canárias, SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
	Zippy - Comércio e Distribuição, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Zippy - Comércio Y Distribución, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Zippy cocuk malz.dag.ith.ve tic.ltd.sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
	ZYEvolution-Invest.Desenv., SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Telecommunications						
	Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Be Towering - Gestão de Torres de Telecomunicações, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Cape Technologies Limited	a)	Dublin (Ireland)	100.00%	75.07%	100.00%	54.57%
3)	Connectiv Solutions Inc	a)	Delaware (USA)	100.00%	75.07%	100.00%	54.57%
	Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	56.37%	75.10%	40.98%
	Lugares Virtuais, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Magma - Operação de Titularização de Créditos	c)	Portugal	100.00%	75.07%	100.00%	54.57%
	Mainroad - Serviços em Tecnologias de Informação, S.A.	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Miauger - Org. Gestão Leilões Electrónicos, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Optimus - Comunicações, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Optimus, SGPS, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	PCJ-Público, Comunicação e Jornalismo, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%

	Praesidium Services Limited	a)	Berkshire (U.K.)	100.00%	75.07%	100.00%	54.57%
	Público - Comunicação Social, SA	a)	Porto	100.00%	75.07%	100.00%	54.57%
2)	Saphety – Transacciones Electronicas SAS	a)	Bogota(Colombia)	86.99%	65.30%	-	-
4)	Saphety Brasil Transações Eletrônicas Lda	a)	São Paulo(Brazil)	86.99%	65.30%	-	-
	Saphety Level - Trusted Services, SA	a)	Maia	86.99%	65.30%	86.99%	47.47%
	Sonae Telecom, SGPS, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Sonaecom – Serviços Partilhados, SGPS, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Sonaecom - Sistemas de Información España, SL	a)	Madrid	100.00%	75.07%	100.00%	54.57%
	Sonaecom BV	a)	Amsterdam (The Netherlands)	100.00%	75.07%	100.00%	54.57%
	Sonaecom, SGPS, SA	a)	Maia	75.44%	75.07%	55.10%	54.57%
	Sonaetelecom, BV	a)	Amsterdam (The Netherlands)	100.00%	75.07%	100.00%	54.57%
	Sontária – Empreendimentos Imobiliários, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	Tecnológica Telecomunicações, Ltda	a)	Rio de Janeiro (Brazil)	99.99%	74.99%	99.99%	54.41%
	We Do Brasil Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	74.99%	99.91%	54.52%
	We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	75.07%	100.00%	54.57%
	We Do Poland Sp.Z.o.o.	a)	Posnan (Poland)	100.00%	75.07%	100.00%	54.57%
	We Do Technologies (UK) Limited	a)	Berkshire (U.K.)	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Australia PTY Limited	a)	Sidnei (Australia)	100.00%	75.07%	100.00%	54.57%
5)	We Do Technologies Chile, SpA	a)	Santiago (Chile)	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Egypt Limited Liability Company	a)	Cairo (Egypt)	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Mexico S. de RL	a)	Mexico City	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Panamá SA	a)	Panama City	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Singapore PTE. LDT	a)	Singapore	100.00%	75.07%	100.00%	54.57%
	We Do Technologies Americas, Inc.	a)	Delaware (USA)	100.00%	75.07%	100.00%	54.57%
	We Do Technologies BV	a)	Amsterdam (The Netherlands)	100.00%	75.07%	100.00%	54.57%
<b>Investment Management</b>							
	ADD Avaliações Engenharia de Avaliações e Perícias, Ltda	a)	Brazil	100.00%	50.00%	100.00%	50.00%
	Hercó Consultoria de Risco e Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Hercó Consultoria de Risco, SA	a)	Maia	100.00%	50.01%	100.00%	50.01%
	HighDome PCC Limited	a)	Malta	100.00%	50.01%	100.00%	50.01%
	Larim Corretora de Resseguros Ltda	a)	Brazil	99.99%	50.01%	99.99%	50.01%
	Lazam/mds Correctora Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	MDS - Corretor de Seguros, SA	a)	Porto	100.00%	50.01%	100.00%	50.01%
	MDS Affinity-Sociedade de Mediação Lda	a)	Porto	100.00%	50.01%	100.00%	50.01%

MDS África, SGPS, SA	a)	Porto	100.00%	50.01%	100.00%	50.01%
MDS Auto - Mediação de Seguros, SA	a)	Porto	50.01%	25.01%	50.01%	25.01%
Mds Knowledge Centre, Unipessoal, Lda	a)	Lisbon	100.00%	50.01%	100.00%	50.01%
MDS Malta Holding Limited	a)	Malta	100.00%	50.01%	100.00%	50.01%
MDS, SGPS, SA	a)	Maia	50.01%	50.01%	50.01%	50.01%
6) Miral Administração e Corretagem de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
Modelo - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
6) Quorum Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
RSI Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
<b>Others</b>						
Libra Serviços, Lda	a)	Funchal	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	99.92%	99.92%	99.92%	99.92%
Sonaecenter Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sontel, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%

- a) Control held by majority of voting rights;
- b) Control held by Management control;
- c) Control determined in accordance with SIC 12 - Special purpose entities.
- 1) Company merged into Modelo Continente Hipermercados, SA;
- 2) Company created during the period;
- 3) Company merged into We Do Technologies Americas, Inc.;
- 4) Company acquired during the period;
- 5) Company liquidated during the period;
- 6) Companies merged into Lazam/mds Corretora Ltda.

These companies were included in the consolidation by the full consolidation method.

## 5 INVESTMENTS IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

Investments in jointly controlled entities and associated companies, their head offices and the percentage of share capital held as at 30 June 2013 and 31 December 2012 are as follows:

### 5.1 Jointly controlled entities

Company	Head Office	Percentage of capital held			
		30 June 2013		31 December 2012	
		Direct	Total	Direct	Total
<b>Shopping Centres</b>					
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%
8ª avenida Centro Comercial, SA	Maia	100.00%	23.75%	100.00%	23.75%
Adlands BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Aegean Park, 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%
ALBCC – Albufeirashopping – Centro Comercial, SA	Maia	50.00%	11.88%	50.00%	11.88%
ALEXA Administration GmbH	Berlin (Germany)	100.00%	25.00%	100.00%	25.00%
Alexa Asset GmbH & Co	Dusseldorf (Germany)	9.00%	4.50%	9.00%	4.50%
ALEXA Holding GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
ALEXA Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Algarveshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
ARP Alverca Retail Park, SA	Maia	50.00%	25.00%	50.00%	25.00%
Arrábidashopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Avenida M-40, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Beralands BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Campo Limpo Lda	S. Paulo (Brazil)	20.00%	3.33%	20.00%	3.33%
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%
CCCB Caldas da Rainha - Centro Comercial,SA	Maia	100.00%	50.00%	100.00%	50.00%
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%
Coimbrashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Colombo Towers Holding, BV	The Hague (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Craiova Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	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%
	Estação Viana - Centro Comercial, SA	Viana do Castelo	100.00%	25.05%	100.00%	25.05%
	Freccia Rossa - Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
	Fundo de Investimento Imobiliário Parque Dom Pedro Shopping Center (FundII)	São Paulo (Brazil)	50.00%	10.34%	50.00%	10.34%
	Fundo de Investimento Imobiliário Shopping Parque Dom Pedro Shopping	São Paulo (Brazil)	87.61%	15.78%	87.61%	15.78%
	Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
	Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
	Gli Orsi Shopping Centre 1, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
	Guimarãeshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
	Harvey Dos Iberica, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
	Iberian Assets, SA	Madrid (Spain)	49.78%	12.47%	49.78%	12.47%
	Inparsi - 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%
	La Farga - Shopping Centre, SL	Madrid (Spain)	100.00%	12.48%	100.00%	12.48%
1)	Land Retail, BV	Amsterdam (The Netherlands)	100.00%	50.00%	-	-
	Larissa Development of Shopping Centres, SA	Athens(Greece)	100.00%	25.00%	100.00%	25.00%
	LCC - Leiriashopping - Centro Comercial, SA	Maia	100.00%	23.75%	100.00%	23.75%
	Le Terrazze - Shopping Centre 1, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
	Loop 5 - Shopping Centre GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
	Loureshopping - Centro Comercial, SA	Maia	50.00%	11.88%	50.00%	11.88%
	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 (Madeira)	50.00%	12.53%	50.00%	12.53%
	Maiashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
	Münster Arkaden, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
	Norte Shopping 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%
	Pantheon Plaza BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
	Paracentro - Gestão de Galerias Comerciais, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Park Avenue Development of Shopping Centers, SA	Athens(Greece)	100.00%	25.00%	100.00%	25.00%
	Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada (Azores)	50.00%	12.53%	50.00%	12.53%
	Parque D. Pedro 1, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
	Parque de Famalicão - Empreendimentos Imobiliários, 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%	16.66%	100.00%	16.66%

	Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Pátio Penha Shopping, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	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 Ócio, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
	Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
	Plaza Mayor Shopping, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
	PORTCC - Portimãoshopping - Centro Comercial, SA	Maia	50.00%	11.88%	50.00%	11.88%
2)	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 10 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 11, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 12, BV	Amsterdam (The Netherlands)	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 6, BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
	Project Sierra 8 BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
	Project Sierra Four SA	Bucharest (Romania)	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%
2)	Project Sierra Italy 2 - Development of Shopping Centres, Srl	Milan (Italy)	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 - Centro 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, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 7 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Two Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
	Rio Sul - Centro Comercial, SA	Lisbon	50.00%	11.88%	50.00%	11.88%
	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%
3)	Parklake Shopping, Srl	Bucharest (Romania)	50.00%	25.00%	50.00%	25.00%
	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 Mediterranean Cosmos, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
	Serra Shopping – Centro Comercial, SA	Covilhã	50.00%	11.88%	50.00%	11.88%
	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 Air Retail BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100.00%	25.00%	100.00%	25.00%
	Sierra Central, S.A.S.	Santiago de Cali(Colombia)	50.00%	25.00%	50.00%	25.00%
	Sierra Cevital Shopping Center, Spa	Argelia	49.00%	24.50%	49.00%	24.50%
	Sierra Corporate Services Holland, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Sierra Development of Shopping Centres Greece, SA	Athens(Greece)	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, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Sierra Enplanta, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	Sierra European Retail Real Estate Assets Holdings, BV	Amsterdam (The Netherlands)	50.10%	25.05%	50.10%	25.05%
	Sierra Germany GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
	Sierra GP, Limited	Guernesey (U.K.)	100.00%	50.00%	100.00%	50.00%
	Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
	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 Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
	Sierra Management, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Sierra Portugal, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
	Sierra Property Management Greece, SA	Athens(Greece)	100.00%	50.00%	100.00%	50.00%
	Sierra Romania Shopping Centers Services, SRL	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
	Sierra Solingen Holding GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
	Sierra Spain – Shopping Centers Services, SL	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Sierra Spain 2 Services, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Solingen Shopping Center GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
	Sonae Sierra Brasil, SA	São Paulo (Brazil)	66.65%	16.66%	66.65%	16.66%

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%
SPF - Sierra Portugal	Luxembourg	100.00%	50.00%	100.00%	50.00%
SPF - Sierra Portugal Real Estate, Sarl	Luxembourg	47.50%	23.75%	47.50%	23.75%
Torre Ocidente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%
Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
Unishopping Consultoria Imobiliária, Ltda	São Paulo (Brazil)	99.98%	16.66%	99.98%	16.66%
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%
Vuelta Omega, S.L.	Madrid (Spain)	100.00%	12.53%	100.00%	12.53%
Weierstadt Shopping BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Zubiarte Inversiones Inmobiliarias, SA	Madrid (Spain)	49.83%	12.48%	49.83%	12.48%

#### Telecommunications

Infosystems – Sociedade de Sistemas de Informação, S.A.	Luanda (Angola)	50.00%	27.33%	50.00%	27.28%
SIRS – Sociedade Independente de Radiodifusão Sonora, SA	Porto	45.00%	24.59%	45.00%	24.56%
SSI Angola, S.A.	Luanda (Angola)	100.00%	27.33%	100.00%	27.28%
Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	50.00%	27.33%	50.00%	27.28%
ZOPT, SGPS, SA	Porto	50.00%	27.33%	50.00%	50.00%

#### Investment Management

Equador & Mendes - Agência de Viagens e Turismo, Lda	Lisbon	50.00%	37.50%	50.00%	37.50%
4) Marcas do Mundo - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Movimentos Viagens - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Nova Equador Internacional, Agência de Viagens e Turismo, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Nova Equador P.C.O. e Eventos, Sociedade Unipessoal, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Raso SGPS, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
Raso - Viagens e Turismo, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
Viagens y Turismo de Geotur España, S.L.	Madrid (Spain)	50.00%	50.00%	50.00%	50.00%

- 1) Company created during the period;
- 2) Company liquidated during the period;
- 3) Ex- S.C. Caelum Development Srl;
- 4) Company merged into Raso – Viagens e Turismo, SA.

## 5.2 Associated companies

Company	Head Office	Percentage of capital held			
		30 June 2013		31 December 2012	
		Direct	Total	Direct	Total
<b>Retail</b>					
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%
Mundo Vip - Operadores Turísticos, SA	Lisbon	33.34%	33.34%	33.34%	33.34%

Jointly controlled companies and associated companies were included in the consolidated financial statements by the equity method.

The value of investments in jointly controlled entities and associated companies can be analysed as follows:

COMPANY	30 June 2013	31 December 2012
<b>Shopping Centres</b>		
Sonae Sierra SGPS, SA (consolidated)	438,501,072	448,355,598
<b>Telecommunications</b>		
Unipress - Centro Gráfico, Lda	749,246	453,620
Infosystems - Sociedade de Sistemas de Informação, S.A.	195,924	1,003
SIRS - Sociedade Independente de Radiodifusão Sonora, SA	-	-
SSI Angola, S.A.	-	-
ZOPT, SGPS, S.A.	25,000	25,000
<b>Investment Management</b>		
Raso SGPS, SA (consolidated)	6,165,707	6,713,236
<b>Investments in joint ventures</b>	<b>445,636,949</b>	<b>455,548,457</b>
<b>Retail</b>		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	758,419	897,831
Mundo Vip - Operadores Turísticos, SA	-	-
<b>Investment in associated</b>	<b>758,419</b>	<b>897,831</b>
<b>Total</b>	<b>446,395,368</b>	<b>456,446,288</b>

The aggregated values of main financial indicators of jointly controlled entities and associated companies are as follows:

	Assets		Liabilities	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Retail	11,301,200	12,966,266	10,852,528	11,959,946
Shopping Centres	3,612,028,304	3,608,333,536	2,288,619,221	2,235,848,486
Telecommunications	5,563,405	6,162,864	4,648,892	5,089,640
Investment Management	70,029,123	65,247,647	41,276,823	35,392,945
<b>Total</b>	<b>3,698,922,032</b>	<b>3,692,710,313</b>	<b>2,345,397,464</b>	<b>2,288,291,017</b>
	Income		Expenses	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Retail	21,895,255	33,269,166	22,445,779	34,614,580
Shopping Centres	125,769,944	91,487,120	138,086,133	97,523,018
Telecommunications	2,117,010	2,082,925	1,987,982	1,836,746
Investment Management	21,036,584	169,764,798	22,138,986	167,988,408
<b>Total</b>	<b>170,818,793</b>	<b>296,604,009</b>	<b>184,658,880</b>	<b>301,962,752</b>

During the periods ended as at 30 June 2013 and 2012 movements in Investments in jointly controlled entities and associated companies are made up as follows:

	30 June 2013			30 June 2012		
	Proportion on equity	Goodwill	Total investment	Proportion on equity	Goodwill	Total investment
Investments						
Balance as at 1 January	379,191,284	77,255,004	456,446,288	358,778,934	175,355,155	534,134,089
Equity method						
Share of result in jointly controlled entities and associated companies	(2,619,889)	-	(2,619,889)	1,996,845	-	1,996,845
Distributed dividends	(158,202)	-	(158,202)	(10,567,050)	-	(10,567,050)
Effect in equity capital and non-controlling interests	(7,272,829)	-	(7,272,829)	(24,353,444)	2,018,085	(22,335,359)
	<u>369,140,364</u>	<u>77,255,004</u>	<u>446,395,368</u>	<u>325,855,285</u>	<u>177,373,240</u>	<u>503,228,525</u>

The effect on equity is mainly the result of currency translation figures of companies with a functional currencies different from euro.

## 6 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 June 2013 and 31 December 2012 are as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		30 June 2013		31 December 2012		30 June 2013	31 December 2012
		Direct	Total	Direct	Total		
Retail							
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	14.28%	14.28%	14.28%	14.28%	9,976	9,976
Inscó - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Telecommunications							
Lusa - Agên. de Notícias de Portugal, SA	Lisbon	1.38%	0.75%	1.38%	0.75%	197,344	197,344
Investment Management							
Cooper Gay Swett & Crawford Ltd	London	9.72%	4.86%	9.72%	4.86%	14,280,904	22,854,831
Other investments						16,104,339	36,067,375
Total (Note 10)						<u>31,340,760</u>	<u>59,877,723</u>

As at 30 June 2013 the caption "Other investments" includes 12,512,674 euro (33,716,476 euro at 31 December 2012) related to deposited amounts on an Escrow Account which are invested in investments funds with superior rating and guarantee contractual liabilities assumed by Sonae Investimentos which may arise from the sale of Sonae Distribuição Brasil, S.A. and for which provisions were recorded in the applicable situations (Note 22).

Although in accordance with the deadlines contractually established, the Escrow Account should have already been released by the buyer, that didn't happen as there are some points of disagreement on the use of the Escrow Account, namely as whether or not, to retain the Escrow Account for on-going fiscal procedures that have not yet been decided. It is the understanding of the Board of Directors, based on legal opinions of Brazilian and Portuguese lawyers that the reason attends to Sonae Investimentos.

Financial investment in Cooper Gay Sweet & Crawford, Ltd was remeasured to fair value as at 30 June 2013. The valuation of this investment is based on the assumptions considered for valuation purposes of the transaction occurred in 2012, based on EBITDA multiples supported by market multiples for listed companies operating in the insurance brokerage sector and using the relevant financial data of the company as at 30 June 2013.

During the period this investment has decreased in the amount of 8,573,927 euro (Note 10) which was recorded in equity under the caption "Fair value reserve".

## 7 TANGIBLE ASSETS

During the six months period ended at 30 June 2013 and 2012, movements in tangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible Assets in progress	Total Tangible Assets
<b>Gross assets:</b>					
Opening balance as at 1 January 2013	1,944,250,596	2,269,285,934	392,604,946	52,690,950	4,658,832,426
Investment	970,971	2,726,451	8,598,777	56,146,618	68,442,817
Disposals	(565,186)	(17,119,744)	(5,685,478)	(1,741,672)	(25,112,080)
Exchange rate effect	(25,543)	(109,616)	(290,191)	(5,978)	(431,328)
Transfers	6,451,869	55,540,472	2,765,841	(66,708,744)	(1,950,562)
Closing balance as at 30 June 2013	1,951,082,707	2,310,323,497	397,993,895	40,381,174	4,699,781,273
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2013	448,370,593	1,274,180,207	333,171,848	-	2,055,722,648
Depreciation and impairment losses of the period	17,174,866	87,356,209	16,649,097	-	121,180,172
Disposals	(176,999)	(15,921,341)	(5,561,963)	-	(21,660,303)
Exchange rate effect	(10,206)	(68,891)	(182,212)	-	(261,309)
Transfers	(168,960)	(3,350,621)	(936,536)	-	(4,456,117)
Closing balance as at 30 June 2013	465,189,294	1,342,195,563	343,140,234	-	2,150,525,091
Carrying amount as at 30 June 2013	1,485,893,413	968,127,934	54,853,661	40,381,174	2,549,256,182
<b>Gross assets:</b>					
Opening balance as at 1 January 2012	1,943,600,538	2,189,684,537	383,352,333	64,547,668	4,581,185,076
Investment	1,862,325	4,035,630	7,809,866	67,241,921	80,949,742
Acquisitions of subsidiaries	-	-	1,250,155	-	1,250,155
Disposals	(124,546)	(51,376,636)	(3,391,230)	(525,243)	(55,417,655)
Exchange rate effect	(4,230)	(102,791)	(195,623)	(14,606)	(317,250)
Transfers	4,182,907	59,926,390	5,516,578	(78,794,604)	(9,168,729)
Closing balance as at 30 June 2012	1,949,516,994	2,202,167,130	394,342,079	52,455,136	4,598,481,339
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2012	414,752,961	1,178,263,851	315,761,368	-	1,908,778,180
Depreciation and impairment losses of the period	17,326,488	81,276,007	17,991,261	-	116,593,756
Acquisitions of subsidiaries	-	-	635,594	-	635,594
Disposals	(100,449)	(39,925,462)	(3,134,599)	-	(43,160,510)
Exchange rate effect	(5,979)	(63,214)	(135,431)	-	(204,624)
Transfers	(2,536)	(317,386)	(138,521)	-	(458,443)
Closing balance as at 30 June 2012	431,970,485	1,219,233,796	330,979,672	-	1,982,183,953
Carrying amount as at 30 June 2012	1,517,546,509	982,933,334	63,362,407	52,455,136	2,616,297,386

The increases that occurred during the periods ended at 30 June 2013 and 2012 included, approximately, 19.6 million euro (38.3 million euro in 30 June 2012) relating to assets associated with the UMTS operation (Universal Mobile Telecommunications Service), HSDPA (Kangaroo Express), GSM (Global Standard for Mobile Communications), GPRS (General Packet Radio Service), FTTH (Fibre-to-the-Home) and LTE (Long Term Evolution), some of which are associated with on-going projects, so it remains registered in "Tangible assets in progress".

At 30 June 2012, disposals include the sale of a set of assets related with 2G, 3G and Micro-Wave network. These disposals did not generate significant capital gains.

Major amounts included in the caption "Tangible assets in progress", refer to the following projects:

	30 June 2013	30 June 2012
Refurbishment and expansion of stores in the retail businesses located in Portugal	18,836,583	17,438,300
Refurbishment and expansion of stores in the retail businesses located in Spain	621,332	1,652,980
Projects of "Continente" stores for which advance payments were made	8,304,617	8,734,617
Deployment of fixed and mobile network	8,649,784	19,680,373
Others	3,968,858	4,948,866
	<u>40,381,174</u>	<u>52,455,136</u>

## 8 INTANGIBLE ASSETS

During the six month period ended at 30 June 2013 and 2012, movements in intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross assets:				
Opening balance as at 1 January 2013	574,470,896	548,119,686	44,117,440	1,166,708,022
Investment	11,369,477	549,169	20,284,984	32,203,630
Disposals	(434)	(173,256)	(251,407)	(425,097)
Exchange rate effect	(42,110)	(2,214,142)	(4)	(2,256,256)
Transfers	243,216	9,221,939	(11,679,157)	(2,214,002)
Closing balance as at 30 June 2013	<u>586,041,045</u>	<u>555,503,396</u>	<u>52,471,856</u>	<u>1,194,016,297</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2013	205,977,682	398,275,118	-	604,252,800
Depreciation and impairment losses of the period	21,915,900	20,058,503	-	41,974,403
Disposals	(434)	(171,029)	-	(171,463)
Exchange rate effect	(10,622)	(862,949)	-	(873,571)
Transfers	(36,181)	(1,163,540)	-	(1,199,721)
Closing balance as at 30 June 2013	<u>227,846,345</u>	<u>416,136,103</u>	<u>-</u>	<u>643,982,448</u>
Carrying amount as at 30 June 2013	<u>358,194,700</u>	<u>139,367,293</u>	<u>52,471,856</u>	<u>550,033,849</u>

	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross assets:				
Opening balance as at 1 January 2012	461,394,359	512,244,173	134,955,822	1,108,594,354
Investment	13,453,140	652,436	15,715,714	29,821,290
Disposals	(12,354,264)	(1,132,022)	(367,119)	(13,853,405)
Exchange rate effect	17,670	(2,362,041)	151	(2,344,220)
Transfers	78,749,634	24,209,579	(96,326,166)	6,633,047
Closing balance as at 30 June 2012	<u>541,260,539</u>	<u>533,612,125</u>	<u>53,978,402</u>	<u>1,128,851,066</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2012	171,505,301	357,307,264	-	528,812,565
Depreciation and impairment losses of the period	22,888,118	22,245,741	-	45,133,859
Disposals	-	-	463,419	463,419
Disposals	(12,349,028)	(1,113,276)	-	(13,462,304)
Exchange rate effect	2,534	(715,215)	-	(712,681)
Transfers	33,615	(60,104)	-	(26,489)
Closing balance as at 30 June 2012	<u>182,080,540</u>	<u>377,664,410</u>	<u>463,419</u>	<u>560,208,369</u>
Carrying amount as at 30 June 2012	<u>359,179,999</u>	<u>155,947,715</u>	<u>53,514,983</u>	<u>568,642,697</u>

Under the agreed terms resulting from the grant of the UMTS License, Optimus – Comunicações, S.A., committed to contribute to the promotion and development of an 'Information Society' in Portugal. The total amount of the obligations assumed arose to 274 million euro which will have to be realised until the end of 2015.

In accordance with the Agreement established on 5 June 2007 with the Ministry of Public Works, Transportation and Communications (MOPTC), part of these commitments, up to 159 million euro, would be realised through own projects eligible as contributions to the 'Information Society' which will be incurred under the normal course of Optimus – Comunicações, S.A.'s business (investments in network and technology, if not directly related with the accomplishment of other obligations inherent to the attribution of the UMTS License, and activities of research, development and promotion of services, contents and applications). These own projects must be recognised by the MOPTC and by entities created specifically for this purpose. At 30 June 2013, the total amount was already incurred and validated by the above referred entities, so, at this date, there are no additional responsibilities related to these commitments. These charges were recorded in the attached financial statements at the moment the projects were carried out and the estimated costs became known.

The remaining commitments, up to 116 million euro, has been realised, as agreed between Optimus – Comunicações S.A. and MOPTC, through contributions to the "Iniciativas 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 the "Fund for the Information Society", now known as the "Fundação para as Comunicações Móveis" (Foundation for Mobile Communications), established by the three mobile operators with businesses in Portugal. All responsibility is recognised as an additional cost of UMTS license, against an entry in the captions "Other non-current liabilities" and "Other current liabilities". Thus, at 30 June 2013, all the responsibilities with such commitments are fully recorded in the attached consolidated financial statements.

Intangible assets as at 30 June 2013, include an amount of approximately 110 million euro, corresponding to the current value of future payments related with the acquisition of rights of use for frequency (spectrum) bands of 800 MHz, 1800 MHz and 2600 MHz, which will be used to develop 4th generation services (LTE - Long Term Evolution). The payable amount totals 113 million euro. In January 2012 an amount of 83 million euro and in January 2013 an amount of 6 million euro were already paid. The remaining amount can be paid in four annual instalments of 6 million euro, having the company, at each annual payment, the option to anticipate the payment of the amount in debt. During the year ended 31 December 2012, considering the availability of LTE (Long Term Evolution) technology (although subject to restrictions in some areas of the country) and the subsequent launching the commercial operation, a fraction of the present value of future payments related to the acquisition of rights of use for 4th generation frequencies services was transferred from work in progress (92.9 million euro) and the amortization was started, for an estimated period until 2041.

At 30 June 2013 and 2012, the Group kept recorded under the heading 'Intangible assets – brands and contents' the amounts of 166,347,297 euro and 175,527,543 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 52,505,042 euro (2012: 55,505,330 euro) related to the license; (ii) 17,573,859 euro (2012: 18,546,366 euro) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators with activity in Portugal; (iii) 5,338,249 euro (2012: 5,696,149 euro) related to a contribution to the 'Fundação para as Comunicações Móveis', established in 2007, under an agreement entered with 'MOPCT' and the three mobile telecommunication operators in Portugal; and (iv) 86,424,087 euro (2012: 91,037,292 euro) related with the programme 'Initiatives E', these last two associated to the commitments assumed by the Group in relation to the 'Information Society'.

The caption 'Brands and patents and other rights' includes also an amount of about 9.6 million euro (2012: 16.0 million euro) that corresponds to the costs incurred for customers' loyalty contracts, from the subsidiary Optimus.

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 2012).



## 9 GOODWILL

During the six months period ended at 30 June 2013 and 2012 movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	30 June 2013	30 June 2012
Gross value		
Opening balance	664,502,705	664,766,628
Acquisitions of subsidiaries	-	8,494,057
Increases	348,808	-
Transfers	-	(123,736)
Exchange rate effect	(1,881,119)	(2,276,354)
Closing balance	<u>662,970,394</u>	<u>670,860,595</u>
Accumulated impairment losses		
Opening balance	6,274,655	4,953,135
Increases	-	-
Closing balance	<u>6,274,655</u>	<u>4,953,135</u>
Carrying amount	<u>656,695,739</u>	<u>665,907,460</u>

## 10 OTHER INVESTMENTS

During the six months period ended 30 June 2013 and 2012 movements in other investments were made up as follows:

	30 June 2013		30 June 2012	
	Non-current	Current	Non-current	Current
Investments in group companies, jointly controlled companies or associated companies excluded from consolidation				
Opening balance	164,090	-	164,090	-
Transfers	-	-	-	-
Closing balance as at 30 June	<u>164,090</u>	<u>-</u>	<u>164,090</u>	<u>-</u>
Accumulated impairment losses	-	-	-	-
	<u>164,090</u>	<u>-</u>	<u>164,090</u>	<u>-</u>
Other investments:				
Fair value (net of impairment losses) as at 1 January	59,713,633	881,581	40,776,747	3,064,149
Acquisitions in the period	1,651,791	23,093	600,000	115,254
Disposals in the period	(21,614,827)	(864,405)	(4,499,897)	(1,404,570)
Increase/(Decrease) in fair value (Note 6)	(8,573,927)	-	1,048	-
Fair value (net of impairment losses) as at 30 June	<u>31,176,670</u>	<u>40,269</u>	<u>36,877,898</u>	<u>1,774,833</u>
Other Investments (Note 6)	<u>31,340,760</u>	<u>40,269</u>	<u>37,041,988</u>	<u>1,774,833</u>
Derivative financial instruments (Note 18)				
Fair value as at 1 January	-	30,341	-	2,797,069
Increase/(Decrease) in fair value	-	307,301	-	(1,290,162)
Fair value as at 30 June	<u>-</u>	<u>337,642</u>	<u>-</u>	<u>1,506,907</u>
	<u>31,340,760</u>	<u>377,911</u>	<u>37,041,988</u>	<u>3,281,740</u>

The amount of decrease in fair value in the caption "Other non-current investments" is related to the measurement at fair value of the investment in Cooper Gay Sweet & Crawford (Note 6).

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 Sonae understanding that no reliable fair value estimate could be made as there is no market data available for these investments. The heading of "Other non-current investments" includes 3,142,027 euro (3,157,105 euro as at 30 June 2012) of investments recorded at the cost net of impairment losses for the same reasons.

The investments available for sale are net of impairment losses (Note 22) amounting to 86,212 euro (92,350 euro as at 30 June 2012).

Under the caption other non-current financial investments it is recorded an amount of 12,512,674 euro related to deposited amounts on an Escrow Account (Note 6 and 22).

## 11 OTHER NON - CURRENT ASSETS

As at 30 June 2013 and 31 December 2012, other non-current assets are detailed as follows:

	30 June 2013			31 December 2012		
	Gross Value	Accumulated impairment losses (Note 22)	Carrying Amount	Gross Value	Accumulated impairment losses (Note 22)	Carrying Amount
Loans granted to related parties	1,663,014	(1,000,000)	663,014	10,001,942	(1,000,000)	9,001,942
Trade accounts receivable and other debtors						
Legal deposits	917,254	-	917,254	973,963	-	973,963
Recognition of an amount receivable from Carrefour	8,857,945	-	8,857,945	9,468,476	-	9,468,476
Cautions	5,758,017	-	5,758,017	5,919,711	-	5,919,711
Others	465,656	-	465,656	1,948,869	-	1,948,869
	15,998,872	-	15,998,872	18,311,019	-	18,311,019
Reinsurer's share of technical provisions	21,628,444	-	21,628,444	22,126,693	-	22,126,693
Other non-current assets	324,701	-	324,701	91,661	-	91,661
	39,615,031	(1,000,000)	38,615,031	50,531,315	(1,000,000)	49,531,315

As a result of the agreements signed in 2005 by the former subsidiary - Sonae Distribuição Brazil, SA (sold to Wal-Mart in 2005) with Carrefour Comércio e Indústria Ltda, Sonae assumed responsibility to compensate Carrefour for the expenses that would arise from the 10 stores licensing process, in the Brazilian state of São Paulo, that were sold to that entity. During 2010, Carrefour triggered a bank warranty "on first demand" amounting to 25,340,145.80 Brazilian real (approximately 9,9 million euro) for alleged expenses incurred with the mentioned stores and that, allegedly, arose from the need to remedy deficiencies cited by competent authorities for the licensing process. However no evidence of those expenses were presented to Sonae, or proof of the necessity of carrying out such costs for the licensing process as established on the mentioned agreements.

It is the understanding of the Board of Directors and the Group attorneys that the amount paid will be recovered. The company already established legal proceedings against Carrefour Comércio e Indústria, Ltda. to recover the above mentioned amount. It's the Board of Directors and the Group attorneys understanding that the above mentioned amount is recoverable, since Carrefour has never proved the existence of the costs that it claims and which validate the usage of the above mentioned warranty, or through the warranty expiration date (according with Brazilian law).

According to Group attorneys, the amount improperly received by Carrefour for which a reimbursement will be requested (25,340,145.80 Brazilian real), will earn interests at the SELIC rate, and it is expected that the legal process will last up to 7 years.

## 12 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2013 and 31 December 2012, trade account receivable and other current assets are detailed as follows:

	30 June 2013	31 December 2012
Trade accounts receivable	259,378,676	256,547,648
Taxes recoverable	62,704,869	74,942,868
Granted loans to related companies	7,107,611	7,947,797
Other debtors		
Trade creditors - debtor balances	31,441,516	30,250,465
Disposal of financial investments	-	20,535,907
Special regime for payment of tax and social security debts	12,047,569	12,047,569
TRS related to own shares (Note 15)	-	12,693,574
"Iniciativas E" program	10,666,232	10,918,467
Dividends to be received of jointly controlled companies	10,567,050	10,567,050
Reinsurance operations	13,080,220	6,638,468
Vouchers and gift cards	1,500,237	2,231,940
Advances to agents	1,926,757	1,479,606
Advances to suppliers	5,420,709	1,406,353
VAT recoverable on real estate assets	1,144,730	1,143,779
Accounts receivable from the disposal of fixed assets	695,048	914,767
Exchange of equipment	-	805,280
Other current assets	29,617,225	14,072,095
	<u>118,107,293</u>	<u>125,705,320</u>
Other current assets		
Invoices to be issued	58,606,895	54,632,025
Commercial discounts	47,701,569	30,687,590
Prepayments of external supplies and services	26,189,504	24,864,876
Prepayments - Rents	6,490,921	6,459,176
Commissions to be received	1,703,292	1,926,548
Insurance indemnities	2,434,807	7,423,141
Other current assets	10,958,499	13,917,189
	<u>154,085,486</u>	<u>139,910,545</u>
Accumulated impairment losses in receivables accounts (Note 22)	<u>(91,349,814)</u>	<u>(101,205,188)</u>
	<u>510,034,121</u>	<u>503,848,990</u>

## 13 DEFERRED TAX

Deferred tax assets and liabilities as at 30 June 2013 and 31 December 2012 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Difference between fair value and acquisition cost	3,914,608	3,914,608	37,515,160	38,686,766
Amortisation and depreciation	6,516,075	6,690,907	69,555,805	68,360,997
Provisions and impairment losses not accepted for tax purposes	47,794,441	50,059,893	-	89,711
Write off of tangible and intangible assets	31,197,146	34,731,470	-	-
Write off of deferred costs	9,888,523	13,516,992	909,700	1,159,359
Valuation of hedging derivatives	125,880	107,198	130,922	48,946
Temporary differences arising from the securitization of receivable operation	1,610,000	3,220,000	-	-
Amortisation of goodwill for tax purposes	-	-	24,430,057	23,732,055
Deferred costs related with loyalty contracts	-	-	355,849	995,025
Revaluation of tangible assets	-	-	1,656,443	1,737,802
Tax losses carried forward	111,413,350	100,082,810	-	-
Reinvested capital gains/(losses)	-	-	935,250	1,000,609
Tax benefits	11,590,443	9,709,216	-	-
Others	3,071,100	2,685,397	3,795,214	1,132,330
	<u>227,121,566</u>	<u>224,718,491</u>	<u>139,284,400</u>	<u>136,943,600</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 June 2013 and 31 December 2012, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	30 June 2013			31 December 2012		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2007	1,223,112	305,778	2013	1,223,112	305,778	2013
Generated in 2008	1,338,977	334,743	2014	1,399,902	349,975	2014
Generated in 2009	22,657,922	5,664,480	2015	22,658,706	5,664,676	2015
Generated in 2010	99,670	24,918	2014	99,670	24,918	2014
Generated in 2011	1,214,040	303,511	2015	1,214,539	303,635	2015
Generated in 2012	87,055	21,764	2017	87,055	21,764	2017
Generated in 2013	36,817,082	9,204,271	2018	-	-	
	<u>63,437,858</u>	<u>15,859,465</u>		<u>26,682,984</u>	<u>6,670,746</u>	
Without limited time use	1,076,048	134,506		1,076,048	134,506	
With a time limit different from the above mentioned	317,813,357	95,419,379		310,915,439	93,277,558	
	<u>318,889,405</u>	<u>95,553,885</u>		<u>311,991,487</u>	<u>93,412,064</u>	
	<u>382,327,263</u>	<u>111,413,350</u>		<u>338,674,471</u>	<u>100,082,810</u>	

As at 30 June 2013 and 31 December 2012, deferred tax assets resulting from tax losses carried forward were assessed against each company's business plans, which are regularly updated, and available tax planning opportunities. Deferred tax assets have only been recorded 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 June 2013 there was tax losses carried forward, for which no deferred tax assets were recognized due to uncertainties of their future use. These may be summarised as follows:

	30 June 2013			31 December 2012		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2007	51,883,264	12,970,817	2013	55,856,584	13,964,147	2013
Generated in 2008	9,343,956	2,335,989	2014	9,842,086	2,460,522	2014
Generated in 2009	11,342,069	2,835,516	2015	18,025,218	4,506,304	2015
Generated in 2010	14,258,073	3,564,518	2014	15,161,998	3,790,499	2014
Generated in 2011	7,520,471	1,880,118	2015	7,520,471	1,880,118	2015
Generated in 2012	11,599,478	2,899,870	2017	11,693,227	2,923,307	2017
Generated in 2013	4,664,752	1,166,187	2018	-	-	
	<u>110,612,063</u>	<u>27,653,015</u>		<u>118,099,584</u>	<u>29,524,897</u>	
Without limited time use	29,129,975	7,594,809		36,048,907	9,941,860	
With a time limit different from the above mentioned	142,353,693	35,294,159		168,461,162	43,067,009	
	<u>171,483,668</u>	<u>42,888,968</u>		<u>204,510,069</u>	<u>53,008,869</u>	
	<u>282,095,731</u>	<u>70,541,983</u>		<u>322,609,653</u>	<u>82,533,766</u>	

## 14 CASH AND CASH EQUIVALENTS

As at 30 June 2013 and 31 December 2012, Cash and cash equivalents can be detailed as follows:

	30 June 2013	31 December 2012
Cash at hand	7,269,959	7,117,200
Bank deposits	121,885,203	290,568,494
Treasury applications	8,100,430	78,949,469
Cash and cash equivalents on the statement of financial position	137,255,592	376,635,163
Bank overdrafts (Note 17)	(5,864,294)	(13,267,254)
Cash and cash equivalents on the statement of cash flows	131,391,298	363,367,909

Bank overdrafts are disclosed in the statement of financial position under Current loans.

## 15 SHARE CAPITAL

As at 30 June 2013, 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 Holding sold, 132,856,072 Sonae Holding 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 Holding entered into a derivative financial instrument - Cash Settled Equity Swap - over a total of 132,800,000 Sonae Holding shares, representative of 6.64% of its share 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 Investments BV 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 Holding did not derecognize their own shares, recording a liability in the caption "Other current liabilities" (Note 21). According to the interpretation made by Sonae of the IAS 39, applied by analogy to own equity instruments, the derecognition of own shares is not allowed as Sonae maintains the risks and rewards arising on the instruments sold.

Consequently, Sonae 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, as at 4 January 2008, demerger rights attributable to the 132,800,000 Sonae SGPS, SA shares subject to the above mentioned agreement, Sonae recognized an asset measured at its' fair value. This asset has not been derecognized as Sonae also entered into a Cash Settled Equity Swap over the Sonae Capital SGPS, SA shares, and therefore a liability was recognized.

In the period from 2009 to 2013 Sonae Investments BV requested a partial cancellation of the Cash Settled Equity Swap for 10,233,789 Sonae Holding shares. Thereafter, the derivative financial instrument focused on 122,566,211 Sonae Holding shares.

On 19 October 2010 Sonae Investments BV has agreed with a financial institution to extend the maturity of the Cash Settled Equity Swap over the 130,479,891 Sonae Holding's shares. The renovation is done for a maximum of 3 additional years, until November 2013 and maintains the settlement mechanism of the transaction that remains strictly cash settled. The Cash Settled Equity Swap, over shares of Sonae Capital, was not subject to extension of maturity, and Sonae acquired 16,600,000 shares in the market representing 6.6% of the capital of Sonae Capital, in result of fair value. During the year ended 31 December 2012 Sonae Capital shares were disposed.

Considering the operations mentioned above, as at 30 June 2013 the amount of the liability recorded amounts to 89,595,900 euro (84,664,905 euro as at 31 December 2012) reflecting the market value of Sonae Holding shares (Note 21).

These liabilities are adjusted at the end of each month by the effect in Sonae Holding share price, being recognized an asset/liability in order to present the right/obligation related to the cash settlement of the operation that resets monthly.

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

The value to get established on the basis of dividends distributed by Sonae is credited in equity to offset the charge of the distribution.

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 26).

At 30 June 2013, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and subsidiaries	52.48

## 16 NON-CONTROLLING INTERESTS

Movements in Non-controlling interests during the periods ended at 30 June 2013 and 2012 are as follows:

	30 June 2013	30 June 2012
Opening balance as at 1 January	349,901,121	336,803,275
Dividends	(10,845,508)	(11,502,458)
Exchange rate effect	(1,017,998)	(824,045)
Increased shareholding by acquisitions	(130,826,182)	(2,602,738)
Changes in hedge and fair value reserves	21,148	(19,625)
Increase in the fair value of investments available for sale	(4,286,106)	-
Others	560,288	(1,608,315)
Profit for the period attributable to non controlling interests	8,502,622	16,820,467
Closing balance	212,009,385	337,066,561

Under the caption "Increased shareholding by acquisitions" its included the impact of the agreement made with a subsidiary of France Telecom ("FT-Orange") related with the acquisition of 20% of Sonaecom, SGPS, S.A. share capital by Sonae SGPS, S.A. (Note 19)".

## 17 LOANS

As at 30 June 2013 and 31 December 2012, Loans are made up as follows:

	30 June 2013		31 December 2012	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
<b>Bank loans</b>				
Sonae, SGPS, SA	1,509,627	75,000,000	1,961,683	75,000,000
Sonae Investimentos, SGPS, SA - commercial paper	12,500,000	224,500,000	28,500,000	147,500,000
Sonae Investimentos affiliated	20,000,000	55,000,000	10,000,000	65,000,000
Sonaeacom SGPS, SA - commercial paper	125,000,000	60,000,000	-	30,000,000
MDS, SGPS, SA - commercial paper	-	14,000,000	1,250,000	17,400,000
Lazam, SA	-	17,647,530	-	18,863,880
Others	12,983,544	9,730,783	10,614,896	12,016,722
	<u>171,993,171</u>	<u>455,878,313</u>	<u>52,326,579</u>	<u>365,780,602</u>
Bank overdrafts (Note 14)	5,864,294	-	13,267,254	-
Up-front fees beard with the issuance of borrowings	(64,638)	(1,195,742)	(36,152)	(1,642,943)
<b>Bank loans</b>	<u>177,792,827</u>	<u>454,682,571</u>	<u>65,557,681</u>	<u>364,137,659</u>
<b>Bonds</b>				
Bonds Sonae / 05	-	-	100,000,000	-
Bonds Sonae 2007/2014	150,000,000	-	-	150,000,000
Bonds Sonae 2007/2015	-	250,000,000	-	250,000,000
Bonds Continente -7% -2015	-	200,000,000	-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015	-	200,000,000	-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015	155,000,000	155,000,000	155,000,000	155,000,000
Bonds Sonae Distribuição / 2009 / 2014	18,000,000	-	16,000,000	10,000,000
Bonds Sonae Investimentos / 2012 / 2017	-	170,000,000	-	170,000,000
Bonds Sonae Investimentos / 2013 / 2018	-	50,000,000	-	-
Bonds Sonaeacom / 2005/2013	-	-	150,000,000	-
Bonds Sonaeacom / 2010/2013	-	-	30,000,000	-
Bonds Sonaeacom / 2010/2015	-	40,000,000	-	40,000,000
Bonds Sonaeacom / 2011/2015	-	100,000,000	-	100,000,000
Bonds Sonaeacom / 2012/2015	-	20,000,000	-	20,000,000
Bonds Sonaeacom / 2013/2016	-	20,000,000	-	-
Up-front fees beard with the issuance of borrowings	(141,754)	(5,632,926)	(179,312)	(7,055,546)
<b>Bonds</b>	<u>322,858,246</u>	<u>1,199,367,074</u>	<u>450,820,688</u>	<u>1,287,944,454</u>
<b>Other loans</b>				
Other loans	24,351	90,166	33,466	90,166
Derivative instruments (Note 18)	5,108,080	-	2,627,817	6,993,896
<b>Other loans</b>	<u>5,132,431</u>	<u>90,166</u>	<u>2,661,283</u>	<u>7,084,062</u>
<b>Obligations under finance leases</b>				
Obligations under finance leases	6,781,527	25,936,370	7,037,038	27,593,734
	<u>512,565,031</u>	<u>1,680,076,181</u>	<u>526,076,690</u>	<u>1,686,759,910</u>

At 30 June 2013, Sonae has agreed lines of credit and commercial paper amounting to 1,462 million euro, out of which 554 million with firm commitments with maturity not exceeding one year and 624 million euro with firm commitments with maturity over 1 year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, Group had 732 million credit facilities available to meet its liquidity requirements.

The average interest rate as at 30 June 2013 of bonds and loans was 3.03% (2.83% at 31 December 2012).

The derivative instruments are recorded at fair value (Note 18).



The repayment schedule of the nominal value of loans can be summarised as follows:

	30 June 2013	31 December 2012
N+1 <sup>a)</sup>	507,663,343	523,664,337
N+2	606,532,252	218,237,298
N+3	713,656,864	1,147,031,249
N+4	293,191,907	202,327,938
N+5	56,009,947	101,814,617
After N+5	17,513,879	19,053,400
	<u>2,194,568,192</u>	<u>2,212,128,839</u>

a) Includes the amounts drawn under commercial paper programs.

The maturities above were estimated in accordance with the contractual terms of the loans, and taking into account Sonae's best estimated regarding their reimbursement date.

## 18 DERIVATIVES

### Exchange rate derivatives

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

Sonae entered into several exchange rate forwards and options in order to manage its exchange rate exposure.

As at 30 June 2013, there are no exchange rate derivatives which haven't been considered hedging instruments. The fair value of exchange rate derivatives hedging instruments, calculated based on present market value of equivalent financial instruments of exchange rate, is 415,941 euro as liabilities and assets as 337,642 euro (953,531 euro as liabilities and 30,341 euro as assets as at 31 December 2012).

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

Gains and 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 captions "Financial income" or "Financial expense".

Gains and losses for the year associated with the change in market value of derivative instruments is recorded under the caption "Hedging reserve" when considered cash flow hedging and when considered as fair value hedging are recorded under the caption "Other Operating Costs".

### Interest rate derivatives

As at 30 June 2013, derivatives used by Sonae refer essentially to swaps and interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 150,000,000 euro (250,000,000 euro as at 31 December 2012). The net fair value of these derivatives amounts to -4,692,139 euro (-8,668,182 euro as at 31 December 2012), and was recorded as liabilities.

The derivatives were valued considering the estimated future cash-flows, assuming that the cancellation options by the counterparties would be exercised when the forward interest rates are higher than the established fixed interest rate. Sonae intends to keep these derivatives until their maturity date, therefore, this valuation is considered to be the most appropriate to estimate the future cash flow of these instruments.

These interest rate derivatives are valued at fair value, at the statement of financial position date, based on valuations performed by Sonae using specific software and on external valuations when this software does not deal with specific instruments. The fair value of swaps was computed, as at the statement of financial position 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. The estimation of future cash flows is made on the

basis of quotations forward market curve are implicit in, and the respective discount to the present, is accomplished using the higher interest rate curve is representative of the market, based on information from credible sources provided by Bloomberg, amongst others. Comparative quotes from financial institutions for specific instruments or similar, are used as a benchmark for evaluation. This analysis assumes that all other variables remain constant.

#### Interest rate and exchange rate derivatives

As at 30 June 2013 no contracts existed related to interest rate and exchange rate derivatives at the same time.

#### Fair value of derivatives

The fair value of derivatives is detailed as follows:

	Assets		Liabilities	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Hedging derivatives				
Exchange rate (Note 10 and 17)	337,642	30,341	415,941	953,531
Interest rate (Note 17)	-	-	4,692,139	8,668,182
	<u>337,642</u>	<u>30,341</u>	<u>5,108,080</u>	<u>9,621,713</u>

## 19 OTHER NON - CURRENT LIABILITIES

As at 30 June 2013 and 31 December 2012, "Other non-current liabilities" is detailed as follows:

	30 June 2013	31 December 2012
Shareholders loans	13,499,475	22,678,988
Fixed assets suppliers	1,100,000	1,676,708
Spectrum for 4 <sup>th</sup> Generation	16,992,600	21,602,124
"E-Initiatives" Program (Note 8)	14,618,875	13,944,247
Deferral revenue on the sale of the extended warranties	20,980,282	14,550,263
Other non-current liabilities	106,086,240	8,351,019
Accruals and deferrals	<u>3,985,496</u>	<u>5,155,082</u>
Other non-current liabilities	<u>177,262,968</u>	<u>87,958,431</u>

The caption "Shareholders loans" relates to loans in affiliated undertakings in the Retail and Investment Management operating segments. These liabilities do not have a defined vesting date and bear interests at variable market rates.

The caption "Spectrum for 4<sup>th</sup> Generation" refers to the current value of the amount to be paid in future years resulting from the allocation, to the subsidiary Optimus, of the frequency of services necessary for the development of 4<sup>th</sup> generation (Note 8).

The caption "Other non-current liabilities" includes, approximately, 99 million euro related to the agreement made during the period with a subsidiary of France Telecom ("FT-Orange") to acquire shares representing 20% of Sonaecom, SGPS, SA share capital. Sonae recorded this transaction as an acquisition of the subsidiary shares with deferred payment, since the shares rights are attributed to Sonae since the agreement date. The amount recorded corresponds to the acquisition price established considering the occurrence of a consolidation process in telecommunications sector in Portugal (which we believe will occur shortly), discounted to the acquisition date."

## 20 SHARE-BASED PAYMENTS

In 2013 and in previous years, Sonae granted deferred performance bonuses to its directors and eligible employees. These are either based on shares to be acquired at nil cost or with discount, 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.

As at 30 June 2013, all Sonae Holding shares plans responsibilities are accounted in the statement of financial position, under "Other reserves" and in the profit and loss statement under the caption "Staff costs". They are recognized at the shares fair value

on the grant date, concerning the 2013, 2012 and 2011. Share-based payments costs are recognized on a straight line basis between the grant and the settlement date.

The share-based payment plans settled in cash, continue to be recorded in the statement of financial position, in the caption other liabilities and in staff costs in the income statement.

As at 30 June 2013 and 31 December 2012, the number of attributed shares related to the assumed responsibilities arising from share-based payments, which have not yet vested, can be detailed as follows:

Shares	Grant year	Vesting year	Number of participants		Number of shares			
					30 June 2013		31 December 2012	
					Sonae SGPS	Sonaecom	Sonae SGPS	Sonaecom
	2010	2013	-	-	-	-	1,557,748	250,987
	2011	2014	60	358	3,592,727	3,105,940	4,112,348	2,944,458
	2012	2015	67	355	6,330,054	3,242,715	6,959,217	3,057,697
	2013	2016	70	346	3,550,292	2,500,929	-	-
Total					13,473,073	8,849,584	12,629,313	6,253,142

As at 30 June 2013 and 31 December 2012, the fair value of total liabilities on the date of allocation arising from share-based payments, which have not yet vested, may be summarised as follows:

Grant year	Vesting year	Fair Value			
		30 June 2013		31 December 2012	
		Sonae SGPS	Sonaecom	Sonae SGPS	Sonaecom
2010	2013	-	-	980,992	340,736
2011	2014	2,095,757	3,620,245	1,648,023	2,543,766
2012	2015	2,215,519	2,047,612	1,195,246	1,132,112
2013	2016	414,201	379,660	-	-
Total		4,725,477	6,047,517	3,824,261	4,016,614

As at 30 June 2013 and 31 December 2012 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 have not yet vested:

	30 June 2013	31 December 2012
Staff costs	2,933,409	(440,586)
Recorded in previous years	6,771,876	8,513,785
	9,705,285	8,073,199
Recorded in other liabilities	4,341,158	534,457
Recorded value in other reserves	5,364,127	7,538,742
	9,705,285	8,073,199

## 21 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 Jun 2013 and 31 December 2012, "Trade creditors and other current liabilities" were made up as follows:

	30 June 2013	31 December 2012
Trade creditors	1,012,076,827	1,221,772,727
Taxes payable	55,946,082	59,742,218
Other creditors		
Fixed asset suppliers	37,474,939	82,777,613
Related undertakings	76,104	452,456
Other debts	157,426,205	144,551,555
	<u>194,977,248</u>	<u>227,781,624</u>
Other current liabilities		
Tangible assets accrued costs	7,982,225	10,940,733
Holiday pay and bonuses	112,764,397	115,799,220
Interests payable	14,800,680	16,796,482
Invoices to be issued	25,617,588	30,053,910
Commissions	2,915,128	2,858,892
Marketing expenses	13,061,624	17,812,013
Information society	246,713	640,159
Other external supplies and services	51,944,571	49,041,584
Advance receipts from trade receivables	21,543,349	24,547,723
Accrued income - rents	608,326	637,896
Others	42,040,739	33,735,471
	<u>293,525,340</u>	<u>302,864,083</u>
	<u>1,556,525,497</u>	<u>1,812,160,652</u>

The caption "Other debts" includes 89,595,900 euro (84,664,905 euros as at 31 December 2012) relating to the fair value of the shares covered by Sonae Holding financial derivative referred to in Note 15.

## 22 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the three months period ended at 30 June 2013 and 2012 were as follows:

Caption	Balance as at 1 January 2013	Increase	Decrease	Balance as at 30 June 2013
Accumulated impairment losses on investments	1,187,115	-	(919)	1,186,196
Accumulated impairment losses on other non-current assets (Note 11)	1,000,000	-	-	1,000,000
Accumulated impairment losses on trade account receivables and other debtors (Note 12)	101,205,188	16,574,014	(26,429,388)	91,349,814
Accumulated impairment losses on inventories	47,538,542	4,564,370	(10,654,182)	41,448,730
Non current provisions	114,470,445	1,930,057	(29,599,588)	86,800,914
Current provisions	2,426,809	3,892,169	(766,066)	5,552,912
	<u>266,828,099</u>	<u>26,960,610</u>	<u>(67,450,143)</u>	<u>226,338,566</u>

Caption	Balance as at 1 January 2012	Increase	Decrease	Balance as at 30 June 2012
Accumulated impairment losses on investments (Note 10)	94,406	-	(2,056)	92,350
Accumulated impairment losses on trade account receivables and other debtors	103,217,668	15,111,800	(26,854,817)	91,474,651
Accumulated impairment losses on inventories	46,773,559	7,938,114	(4,720,916)	49,990,757
Non current provisions	91,036,377	11,642,592	(5,994,386)	96,684,583
Current provisions	2,266,767	-	(21,000)	2,245,767
	<u>243,388,777</u>	<u>34,692,506</u>	<u>(37,593,175)</u>	<u>240,488,108</u>

As at 30 June 2013 and 31 December 2012, provisions can be analysed as follows:

	30 June 2013	31 December 2012
Technical provisions on reinsurance	23,309,139	24,410,745
Future liabilities relating to subsidiaries of retail in Brazil sold	3,923,809	24,423,571
Dismantling of telecommunication sites	14,319,433	13,983,949
Clients guarantees	17,183,946	19,316,820
Judicial claims	7,109,345	6,933,018
Others	26,508,154	27,829,151
	<u>92,353,826</u>	<u>116,897,254</u>

The provision related to future liabilities relating to subsidiaries of the Brazil retail operation disposed in 2005, is being used as those liabilities are being materialized and its recorded taking into account the best estimate of costs to be incurred which results from a significant number of civil and labour lawsuits of reduced amount.

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

## 23 CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2013 and 31 December 2012, major contingent liabilities were guarantees given and can be detailed as follows:

	30 June 2013	31 December 2012
Guarantees given:		
on tax claims	481,284,311	289,550,598
on judicial claims	258,084	289,988
on municipal claims	5,871,583	6,140,484
other guarantees	57,499,276	67,919,086
Guarantees provided to subsidiaries (a)	278,909,608	256,179,353

a) Guarantees given to Tax Authorities to subsidiaries to defer tax claims.

Retail segment subsidiaries of the Company, granted guarantees or securities in favour of the Portuguese Tax Administration, associated with tax claims for additional VAT payment amounting to 350.4 million euro (193.9 million euro as at 31 December 2012) related to the period from 2004 to 2008, for which the Company has presented, or has the intention of presenting, a tax appeal. Portuguese tax authorities claim that the Company should have invoiced VAT related to promotional discounts invoiced to suppliers which depend on the purchases made by the Group during the year, as it considers that the discounts correspond to services rendered by the company. Tax authorities also claim that the company should not have deducted VAT from discount vouchers used by its non-corporate clients.

The above mentioned Guarantees granted in favour of Subsidiaries, were granted by Sonae SGPS in favour of subsidiaries of Sonae Investimentos Holding. The most relevant tax claims refer to: i) 60 million euro as a result of a tax appeal presented by Sonae concerning an additional tax assessment by Tax authorities, relating to 31 December 2005, following the correction of taxable

income for that period as Tax authorities did not accept the recognition of tax losses incurred after the liquidation of a subsidiary of Sonae Investimentos, since it considered that the cover of losses in that subsidiary should not be part of its acquisition cost, which is not in accordance with previous assessments of Tax Authorities; and ii) the amount of 50 million euro, following a tax appeal presented by the Company concerning additional tax assessments made by Tax authorities, relating to 31 December 2002, which refer to the non-acceptance by Tax authorities of tax losses arising on the sale and liquidation of a subsidiary of the Group.

The caption "Guarantees given on tax claims" include:

-Guarantees granted amounting to 36 million euro in favor of Tax authorities regarding Sonae Holding 2007 income tax. Concerning these guarantees, the most significant amount relates to an increase in equity arising on the disposal of own shares to a third party in 2007. The Company has presented an appeal against this additional tax claim, being the Board of Directors understanding, based on its advisors assessment, that such appeal will be favourable.

-A granted guarantee on a tax claim of a Retail operating segment company in Brazil of approximately 22.7 million euro (65.6 million Brazilian real), which is being judged by tax court, and it refers to tax rent (65.6 million Brazilian real at 31 December 2012).

In addition to the previously disclosed guarantees, as a consequence of the sale of a subsidiary company in Brazil, Sonae 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 30 June 2013, 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, plus the amounts already paid (26 million euro) related to programmes for the Brazilian State of tax recovery, amount to near 39.3 million euro (39.3 million euro at 31 December 2012). Furthermore, there are other tax lawsuits totalling 61.3 million euro (61.3 million euro as at 31 December 2012) for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary.

For the year ended 31 December 2010, a subsidiary from the Telecommunications Business segment was notified of the Report of Tax Inspection, where it considers that it is inappropriate the increase, when calculating the taxable profit for the year 2008, of the amount of 100 million euro, with respect to initial price of future credits transferred to securitization. The settlement note was received on April 2011. The subsidiary was subsequently notified of the improper deduction of the amount of 20 million euro in the calculation of taxable income for the years 2009 and 2010. The subsidiary challenged the decisions regarding 2008 and 2009 fiscal years and will challenge, in time, the decision regarding 2010 fiscal year. It is confidence of the Board of Directors of Sonae that there are strong arguments to obtain a favourable decision. For this reason, the subsidiary kept the recording of deferred tax assets associated with this operation.

As at 30 June 2013, accounts receivable from customers and accounts payable to suppliers include 37,139,253 euro and 29,913,608 euro, respectively, as well as the captions "Other current assets" and "Provisions and accumulated impairment losses" include 411,649 euro and 3,817,553 euro, respectively, resulting from a dispute, between the subsidiary Optimus- Comunicações, S.A., and essentially, the operator TMN - Telecomunicações Movéis Nacionais, S.A., in relation to the interconnection tariffs not objectively defined, recorded in the year ended 31 December 2001. The group has considered the most penalizing tariffs in their consolidated financial statements. In the lower court, the decision was favourable to the subsidiary Optimus. The "Tribunal da Relação" (Court of Appeal), on appeal, rejected the intentions of TMN. However, TMN again appealed to the "Supremo Tribunal de Justiça" (Supreme Court), for final and permanent decision, who upheld the decision of "Tribunal da Relação" (Court of Appeal), this concluding that the interconnection prices for 2001 were not defined. The settlement of outstanding amounts will depend on the price that will be established. Considering the recent evolution of the process, the value recorded in the caption "Provisions and accumulated impairment losses" was revalue in the period ended 30 June 2013 and reduced by about 3 million euro.

Following a deliberation of Board of Directors of ANACOM, at April 2012, it was applied to the Sonaecom's subsidiary Optimus, a fine of approximately 6.5 million euro, due to an alleged failure in the application of the resolutions taken by the regulators on 26 October 2005, concerning termination rates for fixed calls. The Boards of Directors of Optimus and Sonaecom understand that Optimus has always complied with that resolution. Given this, Optimus contested in court the application of that fine and is expecting that the appeal will be upheld.

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

## 24 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Parent Company	77,850	74,927	302,696	150,132
Jointly controlled companies	5,751,618	5,195,495	18,189,526	17,574,654
Associated companies	14,075,909	15,861,256	629,110	702,409
Other related parties	30,408,044	29,494,376	8,791,534	9,462,186
	<u>50,313,421</u>	<u>50,626,054</u>	<u>27,912,866</u>	<u>27,889,381</u>

Transactions	Interest income		Interest expenses	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Parent Company	-	-	-	440,601
Jointly controlled companies	205,728	165,724	-	-
Associated companies	16,902	184,328	-	-
Other related parties	16,953	-	291,773	969,042
	<u>239,583</u>	<u>350,052</u>	<u>291,773</u>	<u>1,409,643</u>

Balances	Accounts receivable		Accounts payable	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Parent Company	15,959	18,901	430,860	912,998
Jointly controlled companies	15,814,281	15,620,816	4,577,651	5,269,818
Associated companies	6,159,426	5,374,847	197,045	378,425
Other related parties	13,273,715	15,436,493	6,358,198	13,221,879
	<u>35,263,381</u>	<u>36,451,057</u>	<u>11,563,754</u>	<u>19,783,120</u>

Balances	Loans			
	Obtained		Granted	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Jointly controlled companies	-	-	7,099,636	7,939,822
Associated companies	-	-	-	8,317,566
Other related parties	12,606,907	22,209,147	-	-
	<u>12,606,907</u>	<u>22,209,147</u>	<u>7,099,636</u>	<u>16,257,388</u>

The caption other related parties includes, Sonae Indústria, 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, as well as other affiliated companies of the parent company Efanor Investimentos, SGPS, SA.

## 25 INCOME TAX

As at 30 June 2013 and 2012, income tax is detailed as follows:

	30 June 2013	30 June 2012
Current tax	9,961,801	11,327,615
Deferred tax	317,303	(3,377,086)
	<u>10,279,104</u>	<u>7,950,529</u>



## 26 EARNINGS PER SHARE

Earnings per share for the period ended 30 June 2013 and 2012 were calculated taking into consideration the following amounts:

	30 June 2013	30 June 2012
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	39,845,039	19,511,580
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share	39,845,039	19,511,580
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	1,873,392,761	1,872,791,076
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with share based payments	13,473,073	13,634,838
Shares related to performance bonus that can be bought at market price	(4,169,551)	(9,288,598)
Weighted average number of shares used to calculate diluted earnings per share	1,882,696,283	1,877,137,316
Earnings per share		
Basic	0.021269	0.010418
Diluted	0.021164	0.010394

## 27 DIVIDENDS

In the Shareholders Annual General Meeting held on 30 April 2013, the payment of a gross dividend of 0.0331 euro per share (0.0331 euro per share in 2012) corresponding to a total of 66,200,000 euro (66,200,000 euro in 2012) was approved.

## 28 SEGMENT INFORMATION

As described with more detail in the Management Report the operating segments used by Sonae management are as follows:

- Sonae MC
- Sonae SR
- Sonae RP
- Sonaecom
- Investment Management

Sonae's reportable segment information regarding the income statement in accordance with IFRS 8 can be analysed as follows:

	30 June 2013	Inter-segment income	30 June 2012	Inter-segment income
<b>Turnover</b>				
Sonae MC	1,584,188,898	(1,863,381)	1,535,289,977	(1,344,056)
Sonae SR	517,512,988	(12,769,413)	559,654,796	(15,355,592)
Sonae RP	61,645,792	(52,590,831)	59,509,799	(54,689,293)
Sonae com	399,384,661	(8,883,243)	406,911,786	(10,448,759)
Investment management	49,898,167	(255,742)	49,484,735	90,949
Eliminations and adjustments	(73,047,332)	(80,000)	(79,979,522)	(80,000)
<b>Total consolidated</b>	<b>2,539,583,174</b>	<b>(76,442,610)</b>	<b>2,530,871,571</b>	<b>(81,826,751)</b>
<b>Depreciation, provisions and impairment losses</b>				
Sonae MC	42,222,043		43,774,377	
Sonae SR	36,478,166		32,354,903	
Sonae RP	15,266,021		15,162,678	
Sonae com	76,160,187		81,652,090	
Investment management	4,410,135		4,157,509	
Others	2,645,386		107,451	
<b>Total consolidated</b>	<b>177,181,938</b>		<b>177,209,008</b>	
<b>Operational profit/(loss) (EBIT)</b>				
Sonae MC	65,167,504		54,086,450	
Sonae SR	(55,840,013)		(60,976,423)	
Sonae RP	40,137,714		39,059,836	
Sonae com	54,362,577		50,534,466	
Investment management	(2,285,266)		(2,082,776)	
Eliminations and adjustments	4,841,647		6,018,975	
<b>Total direct consolidated</b>	<b>106,384,163</b>		<b>86,640,528</b>	
<b>Investment (CAPEX)</b>				
	30 June 2013		30 June 2012	
Sonae MC	32,371,196		19,684,487	
Sonae SR	10,038,144		12,257,828	
Sonae RP	15,038,445		6,762,288	
Sonae com	52,260,000		68,900,000	
Investment management	1,047,465		576,209	
Eliminations and adjustments <sup>(1)</sup>	2,943,176		2,679,650	
<b>Total consolidated</b>	<b>113,698,426</b>		<b>110,860,462</b>	
<b>Invested capital</b>				
	30 June 2013		31 December 2012	
Sonae MC	508,550,239		395,111,744	
Sonae SR	321,091,200		258,068,203	
Sonae RP	1,332,478,365		1,334,747,641	
Sonae com	996,922,621		955,991,451	
Investment management	111,402,059		152,294,468	
Eliminations and adjustments <sup>(1)</sup>	292,503,127		388,792,687	
<b>Total consolidated</b>	<b>3,562,947,611</b>		<b>3,485,006,194</b>	
<b>Total net debt <sup>(2)</sup></b>				
Retail businesses	951,098,349		784,342,592	
Sonae com	395,400,000		360,560,000	
Investment management	44,807,227		70,926,455	
Holding <sup>(1)</sup>	656,500,923		600,618,233	
<b>Total consolidated</b>	<b>2,047,806,499</b>		<b>1,816,447,280</b>	

(1) Includes Sonae Individual accounts;

(2) Includes shareholders loans.

The caption "Eliminations and Adjustments" can be analysed as follows:

	Turnover		Operational profit/(loss) (EBIT)	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Inter-segment income	(76,442,610)	(81,826,751)	5,477,810	11,082,432
Others	3,395,278	1,847,229	(636,163)	(5,063,457)
Eliminations and adjustments	(73,047,332)	(79,979,522)	4,841,647	6,018,975

	Investment		Invested capital	
	30 June 2013	30 June 2012	30 June 2013	31 December 2012
Inter-segment balances	2,943,176	2,058,940	21,898,092	18,299,053
Investments	-	-	446,395,368	455,548,457
Cash settled equity swap <sup>(3)</sup>	-	-	(89,595,900)	(84,664,905)
Others	-	620,710	(86,194,433)	(389,918)
Eliminations and adjustments	2,943,176	2,679,650	292,503,127	388,792,687

(3) Financial Instrument reported in Note 15.

Glossary:

Invested capital = Gross real estate assets + other fixed assets (including Goodwill) - amortisations and impairment losses + financial investments + working capital (includes non-current assets and non-current liabilities excluding total net debt);

Total Net debt = Bonds + bank loans + other loans + shareholders loans + finance leases + derivatives - cash, bank deposits and current investments-other long term applications;

EBIT Direct = EBT + financial result + direct result of shopping centres + others results;

Eliminations and adjustments = Inter-segment + consolidation adjustments + contribution of companies not included in the segments;

CAPEX = Investments in tangible and intangible assets, investment properties and acquisitions of subsidiaries; less amounts generated over assets disposals;

Direct income = results excluding contributions to indirect income;

Indirect Income includes Sonae Sierra contributions, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and (iv) provision for Assets at Risk; and other provisions to future liabilities and impairments on assets related with non "core" business and discontinued operations.

## 29 PRESENTATION OF CONSOLIDATED INCOME STATEMENT

In the Management Report, and for the purposes of calculating financial indicators as EBIT, EBITDA, recurrent EBITDA the consolidated income statement is divided between Direct Income and Indirect Income, according to common practice in the Shopping Centre operating segment, as explained in the next paragraph. The indirect income includes the future responsibilities from discontinued operations and impairment in non-core assets.

The Indirect Income includes the contribution of the Shopping Centre operating segment to the consolidated income statement, net of taxes, that result from: (i) valuation of investment properties; (ii) gains (losses) with the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill), (iv) and provisions for "Development Funds at Risk".

The value of EBITDA is only calculated in the direct income, excluding the indirect contributions.

The reconciliation between consolidated income and direct-indirect income for the periods ended 30 June 2013 and 2012 can be summarised as follows:

	30 June 2013			30 June 2012		
	Consolidated accounts	Indirect income	Direct income	Consolidated accounts	Indirect income	Direct income
Turnover	2,539,583,174	-	2,539,583,174	2,530,871,570	-	2,530,871,570
Investment income						
Dividends	92,000	92,000	-	212,250	212,250	-
Others	(13,000)	-	(13,000)	1,593,702	-	1,593,702
Other income						
Reversion of impairment losses	3,917,432	-	3,917,432	2,023,428	-	2,023,428
Others	212,432,177	-	212,432,177	222,576,197	-	222,576,197
Total income	2,756,011,783	92,000	2,755,919,783	2,757,277,147	212,250	2,757,064,897
Total expenses	(2,472,353,681)	-	(2,472,353,681)	(2,488,728,554)	-	(2,488,728,554)
Depreciation and amortisation	(163,158,541)	-	(163,158,541)	(161,727,615)	-	(161,727,615)
Non-recurring impairment losses over inventories	-	-	-	(4,486,243)	-	(4,486,243)
Unusual provisions and impairment losses						
Provisions for warranty extensions	-	-	-	(27,039)	-	(27,039)
Others	(14,023,397)	-	(14,023,397)	(15,454,354)	-	(15,454,354)
Profit before financial results and share of results in joint ventures and associated companies	106,476,164	92,000	106,384,164	86,853,342	212,250	86,641,092
Financial profit/(loss)	(45,229,509)	-	(45,229,509)	(44,567,611)	-	(44,567,611)
Share of results in joint ventures and associated undertakings						
Sonaer Sierra	(2,308,619)	(17,040,000)	14,731,381	1,427,898	(7,787,500)	9,215,398
Others	(311,270)	(92,000)	(219,270)	568,947	(212,250)	781,197
Profit before income tax	58,626,766	(17,040,000)	75,666,766	44,282,576	(7,787,500)	52,070,076
Income tax	(10,279,104)	-	(10,279,104)	(7,950,529)	-	(7,950,529)
Net profit for the period	48,347,662	(17,040,000)	65,387,662	36,332,047	(7,787,500)	44,119,547
Attributable to equity holders of Sonaer	39,845,039	(17,040,000)	56,885,039	19,511,580	(7,787,500)	27,299,080
Attributable to non-control interests	8,502,622	-	8,502,622	16,820,467	-	16,820,467
EBITDA (a)			279,648,670			266,285,876

- (a) EBITDA is computed as Turnover + Other Income - Negative goodwill - Impairment losses reversal - Operational expenses - Provisions for warranty extensions + Gains/(losses) in disposals. - non-recurring impairment losses over inventories - unusual impairment and provisions.

## 30 SUBSEQUENT EVENTS

In the context of the concentration operation that comprises the merger between Optimus, SGPS, S.A. and ZON Serviços de Telecomunicações e Multimédia, SGPS, S.A., it was announced on 2 July 2013 that the notifying parties have agreed to undertake a set of commitments aimed at eliminating all the concerns identified and conveyed by the Competition Authority in its analysis of the mentioned concentration operation. By decision of the Competition Authority, these commitments were submitted to comment by the counterparties.

On 12 July 2013, upon request by the CMVM, Sonaecom disclosed to the market the remedies agreed between the notifying parties, Optimus, SGPS, S.A. and ZON Serviços de Telecomunicações e Multimédia, SGPS, S.A., and the Competition Authority. These commitments, subject to comment by the counterparties, will only be final when placed into a decision by the Competition Authority.

- to ensure that Optimus extends the duration period of the network sharing agreement between Optimus and Vodafone Portugal;
- to ensure that Optimus will amend the referred network sharing agreement between Optimus and Vodafone Portugal with the purpose of the limitation of liability not being applicable in the event of unjustified contractual termination or in the event of contractual termination justified for reasons attributable to Optimus;
- ensure that, over a certain period of time, Optimus will not charge its triple play customers on the Optimus network the payment of the amounts due by virtue of loyalty clauses into force in the event of a request for termination of services;

- d) to ensure that, over a certain period of time, Optimus will be open to negotiations with a third party that requests an agreement for wholesale access to its fibre network;
- e) to ensure that, over a certain period of time, Optimus will present and negotiate with Vodafone Portugal a call option agreement for the purchase of Sonaecom's fibre network.

On 18 July 2013, following a meeting of the Council of Ministers, it was announced that Optimus was awarded as Universal Service provider for the northern and central regions of Portugal. ZON was designated the Universal Service provider for the regions of the south of Portugal and islands. After the formal adjudication and contract signing, valid for 5 years, Optimus will have 180 days to launch its commercial offers.

It should be noted that the formal award depends on the completion of the revocation process of Portugal Telecom's concession contract.

## 31 APPROVAL OF THE FINANCIAL STATEMENTS

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The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 20 August 2013.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

# Condensed individual financial statements

**Condensed Individual Statements of Financial Position as at 30 June 2013 and 2012 and as at 31 December 2012**

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

(Amounts expressed in euro)

ASSETS	Notes	30.June.2013	30.June.2012	31.December.2012
<b>NON-CURRENT ASSETS:</b>				
Tangible assets		161,160	202,599	178,042
Intangible assets		9,767	49,172	28,770
Investments in affiliated companies	4	3,613,160,269	3,539,352,243	3,503,796,314
Other investments	5	39,883,897	28,027,426	38,628,607
Other non-current assets	6	357,086,551	393,745,945	352,823,000
Total non-current assets		4,010,301,644	3,961,377,385	3,895,454,733
<b>CURRENT ASSETS:</b>				
Trade account receivables and other current assets	7	64,563,573	46,564,726	15,082,613
Cash and cash equivalents	8	9,279,015	200,597	158,667,623
Total current assets		73,842,588	46,765,323	173,750,236
<b>TOTAL ASSETS</b>		<b>4,084,144,232</b>	<b>4,008,142,708</b>	<b>4,069,204,969</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital	9	2,000,000,000	2,000,000,000	2,000,000,000
Treasury shares		-	(156,807)	-
Reserves and retained earnings		1,213,784,609	1,277,046,195	1,243,135,332
Profit for the period		30,764,609	26,298,337	22,964,317
<b>TOTAL EQUITY</b>		<b>3,244,549,218</b>	<b>3,303,187,725</b>	<b>3,266,099,649</b>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	10	520,385,290	409,257,305	676,065,260
Other non-current liabilities	4	103,092,005	-	3,992,080
Total non-current liabilities		623,477,295	409,257,305	680,057,340
<b>CURRENT LIABILITIES:</b>				
Loans	10	156,099,962	245,343,879	103,555,875
Trade creditors and other current liabilities	11	60,017,757	50,353,799	19,492,105
Total current liabilities		216,117,719	295,697,678	123,047,980
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,084,144,232</b>	<b>4,008,142,708</b>	<b>4,069,204,969</b>

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors



## Condensed Individual Income Statements for the periods ended 30 June 2013 and 2012

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

(Amounts expressed in euro)

	Notes	2 <sup>nd</sup> Quarter 2013	2 <sup>nd</sup> Quarter 2012	30.June.2013	30.June.2012
Services rendered		119,180	118,171	238,360	236,341
Gains or losses on investments	14	506,972	45,500	34,665,008	26,857,661
Financial income		7,511,340	7,837,835	18,579,215	15,695,427
Other income		723,052	576,558	1,546,179	1,514,327
External supplies and services		(857,958)	(641,552)	(1,725,175)	(1,255,373)
Staff costs		(600,229)	(678,442)	(1,134,943)	(1,269,542)
Depreciation and amortisation		(15,816)	(25,949)	(38,971)	(52,819)
Financial expense		(10,505,545)	(7,258,543)	(20,954,517)	(14,175,814)
Other expenses		(78,352)	(557,822)	(405,248)	(1,246,207)
Profit/(Loss) before taxation		(3,197,356)	(584,244)	30,769,908	26,304,001
Taxation		(5,299)	(2,464)	(5,299)	(5,664)
Profit/(Loss) after taxation		(3,202,655)	(586,708)	30,764,609	26,298,337
Profit/(Loss) per share					
Basic	15	(0.001602)	(0.000289)	0.015382	0.013154
Diluted	15	(0.001601)	(0.000284)	0.015372	0.013150

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

**Condensed Individual Statements of Comprehensive Income for the periods ended at 30 June 2013 and 2012**

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

(Amounts expressed in euro)

	2nd Quarter 2013	2nd Quarter 2012	30.June.2013	30.June.2012
Net Profit / (Loss) for the period	(3,202,655)	(586,708)	30,764,609	26,298,337
Changes on fair value of available-for-sale financial assets	(16,941,677)	(31,398,192)	12,437,623	(24,932,192)
Changes in hedge and fair value reserves	1,043,517	624,953	1,266,505	599,866
Other comprehensive income for the period	<u>(15,898,160)</u>	<u>(30,773,239)</u>	<u>13,704,128</u>	<u>(24,332,326)</u>
Total comprehensive income for the period	<u>(19,100,815)</u>	<u>(31,359,947)</u>	<u>44,468,737</u>	<u>1,966,011</u>

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

**Condensed Individual Statements of Changes in Equity for the periods ended at 30 June 2013 and 2012**

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

(Amounts expressed in euro)

	Share capital	Treasury shares	Reserves and retained earnings				Total reserves and retained earnings	Net profit/(loss)	Total
			Legal reserve	Fair value reserve	Hedging reserve	Other reserves and retained earnings			
Balance as at 1 January 2012	2,000,000,000	-	187,137,648	573,554,460	(5,030,164)	675,525,081	1,431,187,025	(63,517,229)	3,367,669,796
Total comprehensive income for the period	-	-	-	(24,932,192)	599,866	-	(24,332,326)	26,298,337	1,966,011
Appropriation of profit of 2011:									
Transfer to legal reserves and retained earnings	-	-	-	-	-	(63,517,229)	(63,517,229)	63,517,229	-
Dividends distributed	-	-	-	-	-	(66,187,813)	(66,187,813)	-	(66,187,813)
Purchase of treasury shares	-	(2,612,424)	-	-	-	-	-	-	(2,612,424)
Sale of treasury shares	-	2,189,569	-	-	-	-	-	-	2,189,569
Share based payments	-	266,048	-	-	-	(103,462)	(103,462)	-	162,586
Balance as at 30 June 2012	2,000,000,000	(156,807)	187,137,648	548,622,268	(4,430,298)	545,716,577	1,277,046,195	26,298,337	3,303,187,725
Balance as at 1 January 2013	2,000,000,000	-	187,137,648	512,403,476	(2,383,292)	545,977,500	1,243,135,332	22,964,317	3,266,099,649
Total comprehensive income for the period	-	-	-	12,437,623	1,266,505	-	13,704,128	30,764,609	44,468,737
Appropriation of profit of 2012:									
Transfer to legal reserves and retained earnings	-	-	1,148,216	-	-	21,816,101	22,964,317	(22,964,317)	-
Dividends distributed	-	-	-	-	-	(66,200,000)	(66,200,000)	-	(66,200,000)
Share based payments	-	-	-	-	-	180,832	180,832	-	180,832
Balance as at 30 June 2013	2,000,000,000	-	188,285,864	524,841,099	(1,116,787)	501,774,433	1,213,784,609	30,764,609	3,244,549,218

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

**Condensed Individual Cash Flow Statements for the periods ended 30 June 2013 and 2012**

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

(Amounts expressed in euro)

	Notes	2 <sup>nd</sup> Quarter 2013	2 <sup>nd</sup> Quarter 2012	30.June.2013	30.June.2012
<b>OPERATING ACTIVITIES</b>					
Net cash flow from operating activities (1)		(1,648,587)	1,557,666	(1,662,032)	(2,449,572)
<b>INVESTMENT ACTIVITIES</b>					
Cash receipts arising from:					
Investments		4,660,000	4,662,500	9,320,000	13,274,000
Interest and similar income		148,389	482,146	584,390	1,003,491
Dividends		506,972	11,991,647	506,972	11,991,647
Loans granted		178,962,000	108,565,000	472,436,000	109,153,120
		184,277,361	125,701,293	482,847,362	135,422,258
Cash Payments arising from:					
Investments		-	(3,263,451)	(10,000,541)	(3,263,451)
Tangible and intangible assets		(3,084)	(5,951)	(3,084)	(8,793)
Loans granted		(178,962,000)	(108,568,120)	(476,699,551)	(109,037,120)
		(178,965,084)	(111,837,522)	(486,703,176)	(112,309,364)
Net cash used in investment activities (2)		5,312,277	13,863,771	(3,855,814)	23,112,894
<b>FINANCING ACTIVITIES</b>					
Cash receipts arising from:					
Loans obtained		126,670,000	629,005,000	298,709,000	1,055,447,880
Sale of own shares		74,514	2,189,569	255,144	2,189,569
		126,744,514	631,194,569	298,964,144	1,057,637,449
Cash Payments arising from:					
Loans obtained		(106,259,966)	(568,621,880)	(357,518,422)	(996,458,491)
Interest and similar charges		(6,588,895)	(9,509,619)	(19,117,880)	(13,029,151)
Dividends		(66,198,604)	(66,186,556)	(66,198,604)	(66,186,556)
Purchase of treasury shares		-	(2,612,424)	-	(2,612,424)
		(179,047,465)	(646,930,479)	(442,834,906)	(1,078,286,622)
Net cash used in financing activities (3)		(52,302,951)	(15,735,910)	(143,870,762)	(20,649,173)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(48,639,261)	(314,473)	(149,388,608)	14,149
Cash and cash equivalents at the beginning of the period		57,918,276	404,211	158,667,623	75,589
Cash and cash equivalents at the end of the period	8	9,279,015	89,738	9,279,015	89,738

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

# SONAE, SGPS, SA

## NOTES TO THE CONDENSED INDIVIDUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

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

(Amounts expressed in euro)

### 1 INTRODUCTION

SONAE, SGPS, SA ("Sonae Holding"), has its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4470-909 Maia, Portugal.

These individual financial statements were not subject to a limited revision carried out by the company's statutory external auditor.

### 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 described in the file of annual financial statements for the year ended 31 December 2012.

### 4 INVESTMENTS IN AFFILIATED COMPANIES

As at 30 June 2013 and 31 December 2012 the company held investments in the following affiliated companies:

Company	% Held	30.June.2013			Fair value through profit and loss
		Carrying amount	Acquisition cost	Fair value reserve	
Sonae Investimentos SGPS, SA (a)	76.86%	1,893,219,480	1,416,090,660	477,128,820	-
Sonae Sierra SGPS, SA (b)	50.00%	520,040,000	490,113,339	29,926,661	-
Sonaecom, SGPS, SA	20.94%	119,389,785	101,203,253	17,274,692	911,840
Sontel BV	42.86%	405,641,099	405,641,099	-	-
Sonae Investments BV	100.00%	835,700,000	835,700,000	-	-
Others	-	4,669,905	4,669,905	-	-
Impairment	-	(165,500,000)	-	-	-
Total		3,613,160,269	3,253,418,256	524,330,173	911,840

Company	% Held	31.December.2012				Fair value through profit and loss
		Carrying amount	Acquisition cost	Fair value reserve		
Sonae Investimentos SGPS, SA (a)	76.86%	1,893,219,480	1,416,090,660	477,128,820	-	
Sonae Sierra SGPS, SA (b)	50.00%	524,986,000	490,113,339	34,872,661	-	
Sonaecom, SGPS, SA	0.94%	5,079,830	3,913,451	465,819	700,560	
Sontel BV	42.86%	405,641,099	405,641,099	-	-	
Sonae Investments BV	100.00%	835,700,000	835,700,000	-	-	
Others	-	4,669,905	4,669,905	-	-	
Impairment	-	(165,500,000)	-	-	-	
<b>Total</b>		<b>3,503,796,314</b>	<b>3,156,128,454</b>	<b>512,467,300</b>	<b>700,560</b>	

(a) The value of this investment is the price paid in the public tender offer for the de-listing occurred in 2006. Since that date no change in the value of the investment was recorded.

(b) Market value was determined based on an independent valuation for the period of assets held by this affiliated company, after deduction of associated net debt and of the share attributable to non-controlling interests.

During 2012, Sonae entered into a contract with Sonaecom, SGPS, SA, in which it agrees to handover Sonaecom shares to employees of that subsidiary during 2016. This obligation stands to 2,780,000 shares with an acquisition cost amounting to 3,263,451 euro. A liability amounting to 3,291,520 euro was recorded under the caption "other non-current liabilities". In the first half 2013 the change in the fair value of the investment acquired and in the referred liability, amounting to 211,280 euro, was recognized in the income statement.

During the 1st half 2013, Sonae entered into an agreement with a subsidiary of France Telecom ("FT-Orange") to acquire shares representing 20% of Sonaecom, SGPS, SA share capital. Sonae recorded this transaction as an acquisition of the subsidiary shares with deferred payment, since the shares rights are attributed to Sonae since the agreement date. The amount recorded corresponds to the acquisition price established considering the occurrence of a consolidation process in telecommunications sector in Portugal (which we believe will occur shortly), discounted to the acquisition date.

## 5 OTHER INVESTMENTS

As at 30 June 2013 and 31 December 2012 other investments are as follows:

	30.June.2013		31.December.2012	
	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost
Magma No. 1 Securitisation Notes	9,320,000	9,320,000	18,640,000	18,640,000
Sonae Capital, SGPS, SA	30,511,471	30,000,544	19,936,181	20,000,003
Others	52,426	52,426	52,426	52,426
<b>Total</b>	<b>39,883,897</b>	<b>39,372,970</b>	<b>38,628,607</b>	<b>38,692,429</b>

During the first quarter 2013 the Company acquired 12,392 units of Fundo de Investimento Imobiliário Fechado Imosede.

## 6 OTHER NON-CURRENT ASSETS

As at 30 June 2013 and 31 December 2012 other non-current assets are detailed as follows:

	30.June.2013	31.December.2012
Loans granted to group companies	357,086,551	352,823,000

This caption includes the amount of 347,400,000 euro of a subordinate bond loan, repayable in 10 years issued by Sonae Investimentos, SGPS, SA at market conditions. This loan was fully subscribed and paid by Sonae SGPS, SA on 28 December 2010 amounting to 400,000,000 euro, relating 8,000 bonds with nominal value of 50,000 euro each, bearing fixed interest rate with full reimbursement in the end of the period.

The fair value of the bonds related to this loan as at 30 June 2013, is 41,137 euro (42,606 euro as at 31 December 2012) per bond, according with a valuation made by the use of discounted cash flow models. There is no evidence of impairment of this loan.

## 7 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2013 and 31 December 2012 trade accounts receivable and other current assets are detailed as follows:

	30.June.2013	31.December.2012
Trade accounts receivable	79	467,461
Group companies	44,909,088	10,707,180
Taxes and contributions receivable	1,471,553	1,270,260
Accrued income and prepayments	17,637,826	2,057,079
Others	545,027	580,633
Total	<u>64,563,573</u>	<u>15,082,613</u>

The caption "Accrued income and prepayments" mainly includes receivables relating to interests from loans granted to group companies (Note 6).

## 8 CASH AND CASH EQUIVALENTS

As at 30 June 2013 and 31 December 2012 cash and cash equivalents are detailed as follows:

	30.June.2013	31.December.2012
Cash at hand	89	89
Bank deposits	9,278,926	158,667,534
Cash and cash equivalents on the balance sheet	<u>9,279,015</u>	<u>158,667,623</u>
Cash and cash equivalents on the cash flow statement	<u>9,279,015</u>	<u>158,667,623</u>

## 9 SHARE CAPITAL

As at 30 June 2013 and 31 December 2012 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

## 10 LOANS

As at 30 June 2013 and 31 December 2012, loans are made up as follows:

	30.June.2013	31.December.2012
Bonds Sonae 2007/2014	-	150,000,000
Bonds Sonae 2010/2015	250,000,000	250,000,000
Bonds Continente - 7% - 2015	200,000,000	200,000,000
Up-front fees not yet charged to income statement	(3,836,960)	(4,952,886)
Bonds	<u>446,163,040</u>	<u>595,047,114</u>
Nominal value of bank loans	75,000,000	75,000,000
Up-front fees not yet charged to income statement	(777,750)	(975,750)
Bank loans	<u>74,222,250</u>	<u>74,024,250</u>
Derivatives	-	6,993,896
Non-current loans	<u>520,385,290</u>	<u>676,065,260</u>
Bonds Sonae 2007/2014	150,000,000	-
Bonds Sonae 05	-	100,000,000
Up-front fees not yet charged to income statement	(101,804)	(80,094)
Bonds	<u>149,898,196</u>	<u>99,919,906</u>
Derivatives	4,692,139	1,674,286
Other bank loans	<u>1,509,627</u>	<u>1,961,683</u>
Current loans	<u>156,099,962</u>	<u>103,555,875</u>

As at 30 June 2013 Sonae, SGPS has agreed lines of credit and commercial paper programs amounting to 385 million euro, out of which 146.5 million euro with firm commitments with maturity not exceeding one year and 35 million euro with firm commitments with maturity over one year.



## 1ST HALF RESULTS 2013

Under the above mentioned lines of credit and commercial paper programs with firm commitments, Sonae, SGPS had 182 million euro credit facilities available to meet its liquidity requirements.

The interest rate as at 30 June 2013 of the bonds and bank loans was, in average, 3.57% (3.37% as at 31 December 2012).

### Maturity of Borrowings

As at 30 June 2013 and 31 December 2012 the analysis of maturity of loans excluding the derived instruments having in consideration its nominal value is as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
N+1	151,509,627	101,961,683
N+2	325,000,000	150,000,000
N+3	200,000,000	525,000,000

## 11 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 June 2013 and 31 December 2012, trade creditors and other current liabilities are detailed as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Trade creditors	388,464	443,191
Group companies	49,088,000	7,441,400
Taxes and contributions payable	55,631	214,619
Accrued expenses	10,265,500	11,153,335
Others	220,162	239,560
Total	<u>60,017,757</u>	<u>19,492,105</u>

## 12 CONTINGENT LIABILITIES

As at 30 June 2013 and 31 December 2012, contingent liabilities are detailed as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Guarantees given:		
on tax claims	71,421,912	48,093,333
on judicial claims	70,766	70,766
Guarantees given in favour of subsidiaries	a) 265,175,496	230,569,501

(a) Guarantees given to Tax Authorities in favour of subsidiaries to suspend claims from tax authorities.

## 13 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Balance		
Group companies	52,166,041	2,576,963
Jointly controlled companies	10,675,535	10,779,542
Other partners in group companies	50,297	98,000
Accounts receivable	<u>62,891,873</u>	<u>13,454,505</u>
Parent company	430,860	912,998
Group companies	5,211,434	3,738,595
Jointly controlled companies	31,857	39,654
Other partners in group companies	11,538	4,533
Accounts payable	<u>5,685,689</u>	<u>4,695,780</u>
Group companies	<u>357,086,551</u>	<u>352,823,000</u>
Loans granted	<u>357,086,551</u>	<u>352,823,000</u>
Group companies	<u>49,088,000</u>	<u>7,441,400</u>
Loans obtained	<u>49,088,000</u>	<u>7,441,400</u>

Transactions	30.June.2013	30.June.2012
Group companies	1,613,976	1,548,514
Jointly controlled companies	108,360	106,341
Other partners in group companies	50,406	50,000
Services rendered and other income	1,772,742	1,704,855
Parent company	302,696	150,132
Group companies	636,810	554,534
Jointly controlled companies	38,300	36,871
Other partners in group companies	8,621	18,188
Purchases and services obtained	986,427	759,725
Group companies	15,899,789	14,851,222
Interest income	15,899,789	14,851,222
Parent company	-	440,601
Group companies	647,451	850,330
Interest expenses	647,451	1,290,931
Group companies	34,665,008	17,203,611
Jointly controlled companies	-	10,567,050
Dividend income (Note 14)	34,665,008	27,770,661
Other partners in group companies	-	3,569,000
Disposal of investments	-	3,569,000
Other partners in group companies	10,000,541	-
Acquisition of investments	10,000,541	-
Group companies	-	1,806,655
Jointly controlled companies	-	382,914
Sale of treasury shares	-	2,189,569

All Sonae, SGPS, S.A. subsidiaries, associates and joint ventures are considered related parties and are identified in Consolidated Financial Statements. All Efanor Investimentos, SGPS, SA (parent company), subsidiaries, including the ones of Sonae Indústria, SGPS, SA and of Sonae Capital, SGPS, SA (other partners in group companies) are also considered related parties.

## 14 INVESTMENTS INCOME

As at 30 June 2013 and 2012, investment income can be detailed as follows:

	30.June.2013	30.June.2012
Dividends	34,665,008	27,770,661
Gains / (losses) on sale investments	-	(913,000)
	34,665,008	26,857,661

During the first half 2013 the dividends were distributed by the affiliate Sonae Investimentos, SGPS, SA (34,158,036 euro), Sonaigest, SA (95,372 euro) and Sonaecom, SGPS, SA (411,600 euro).

## 15 EARNINGS PER SHARE

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

	<u>30.June.2013</u>	<u>30.June.2012</u>
<b>Net profit</b>		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	30,764,609	26,298,337
Effect of dilutive potential shares	-	-
Interests related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	<u>30,764,609</u>	<u>26,298,337</u>
<b>Number of shares</b>		
Weighted average number of shares used to calculate basic earnings	2,000,000,000	1,999,202,089
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with deferred performance bonus	2,250,549	1,673,374
Number of shares that could be acquired at average market price	<u>(892,052)</u>	<u>(1,038,979)</u>
Weighted average number of shares used to calculate diluted earnings per share	<u>2,001,358,497</u>	<u>1,999,836,484</u>
<b>Profit/(Loss) per share</b>		
Basic	0.015382	0.013154
Diluted	<u>0.015372</u>	<u>0.013150</u>

## 16 APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 20 August 2013.

## 17 INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

During the period ended as at 30 June 2013 shareholders' loan contracts were entered into with the following companies:

Sonae Investments, BV

During the period ended 30 June 2013 short-term loan contracts were entered into with the following companies:

Sonaecenter Serviços, SA

As at 30 June 2013 amounts owed by affiliated undertakings can be summarized as follows:

	<u>Closing Balance</u>
Sontel, BV	20,000
Sonae Investments, BV	9,666,551
Total	<u>9,686,551</u>

As at 30 June 2013 amounts owed from affiliated undertakings can be summarized as follows:

	<u>Closing Balance</u>
Sonaecenter Serviços, SA	252,000
Sontel, BV	48,836,000
Total	<u>49,088,000</u>

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

## SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that should not be regarded as historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

Report available at Sonae's institutional website  
[www.sonae.pt](http://www.sonae.pt)

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

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