SONAE

FULL YEAR 2013 RESULTS

SONAE

IMPROVING LIFE

1 HIGHLIGHTS

Sonae reached outstanding results through the maintenance of a very good performance in food retail, a solid recovery in non-food retail, while enhancing its core partnerships and reinforcing its financial strength

Sonae MC continued proving its strength by

- reinforcing its market leadership with a sales growth of 4.1%
- achieving a benchmark EBITDA margin of 7.6%

Sonae SR posted results of a very successful recovery by:

- generating a 4Q13 turnover growth of 11.9%
- reaching positive underlying EBITDA

Sonae Sierra continues to have success with its strategy of recycling capital

Sonaecom achieved its strategic objective with the completion of the merger between Optimus and Zon

Sonae generated enough cash flow to further reduce its financial debt, thus further strengthening its capital structure

2 CEO MESSAGE

"Overall in 2013, the macroeconomic situation in the Iberian Peninsula, was extremely challenging. Private consumption did, however, improve significantly, during the year, achieving positive figures in the last quarter both in Portugal and Spain. These improving figures are consistent with confidence ratings, improvement in employment and improvement in family net debt.

In this environment, **Sonae MC** proved the strength and sustainability of its business by achieving a 4% turnover growth and the consequent strengthening of its leadership position, which demonstrates the confidence of our customers in the quality and variety of products and services that we offer at the best price. Even in a highly competitive environment, with sharply increasing promotional activity during the year, we managed to maintain the level of EBITDA, thanks to the continuous improvement of our processes, which enhanced productivity and efficiency gains. In the case of **Sonae SR**, the results of the turnaround measures implemented were clearly evident, both before the improvement in consumer spending and thereafter. Changes in store concepts implemented at Worten, Sport Zone and MO have shown results that proved to be successful. Moreover, Zippy continues to show signs of success in its internationalization through franchising agreements. We would like to highlight the investments that we have been making in E-commerce both in food and non food area. We launched new sites in Sports and in Electronics in Spain and reinforced our leadership in food and electronics in Portugal.

For **Sonaecom**, this year we accomplished the merger between Optimus and Zon, an operation that has been pursued for a long time. This merger has created a player with increased competitive strengths and ambition that, despite being in the first phases of integration, is already successfully introducing convergent products. We are confident that ZON OPTIMUS is on track to meet all challenges proposed, and the telecommunications sector will continue to be a key market segment for us. Following this merger, the Board of Directors of Sonaecom decided to launch a voluntary tender offer for the acquisition of Sonaecom shares, by exchanging the shares directly hold at ZON OPTIMUS, which not being necessary to the pursuit of Sonaecom's business purposes, thus allowing minority shareholders to have a direct exposure to ZON OPTIMUS. Following this tender offer Sonae holds, since February 20th, a direct participation of 89% in Sonaecom and Sonaecom holds a direct participation of 2% in ZON OPTIMUS' capital.

Sonae Sierra followed its strategy of recycling capital by selling mature assets and investing in attractive markets. During 2013, we inaugurated the shopping malls Boulevard Londrina and Passeio das Águas in Brazil and Solingen in Germany and we sold Parque Principado in Spain, as well as Valecenter and Airone in Italy. Already in November, we started the development of the ParkLake in Romania. In parallel, we signed 59 service contracts in 13 countries, which demonstrates the efforts that have been oriented to this area, where we want to grow. The indirect contribution of Sonae Sierra to the consolidated results of Sonae has been affected by the yields increase, which seems now to be reaching a point of stability or even reversal. In the operational part of the business, the resilience of the results proves the quality of the assets.

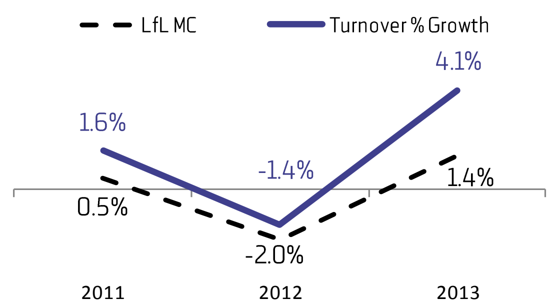
This year, we further strengthened our capital structure, sustained by a strong EBITDA generation, but also through the merger of Optimus and Zon, reaching a considerable net debt reduction amounting to 597 million euros. Direct net income increased compared to 2012 as a result of a higher EBIT and financial results generation. Given these results, we will propose to shareholders the increase of the dividend payment to 3.48 cents per share."

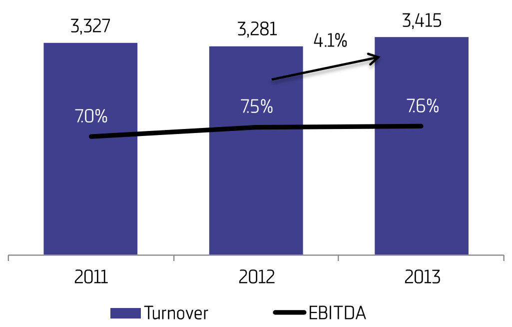
Paulo Azevedo, CEO Sonae

Following the merger between Zon and Optimus and its report using the equity method, we decided to change the way we report our results to the market by separating each business, in order to obtain more transparency between the segments: 1) Sonae Retail (Sonae MC, SR and RP); 2) Investment Management, including Software and Systems Information and Online & Media businesses from Sonaecom; 3) Sonae Sierra and 4) ZON OPTIMUS. 2012 P&L figures were restated and are designated as “2012PF” and “4Q12PF”, respectively.

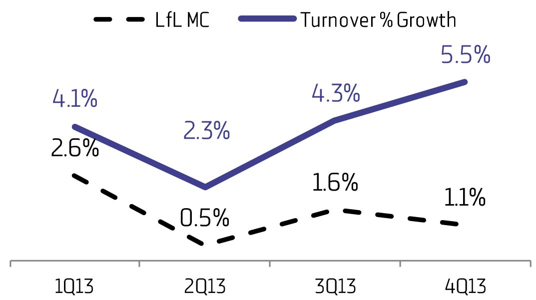
3 SONAE RETAIL RESULTS

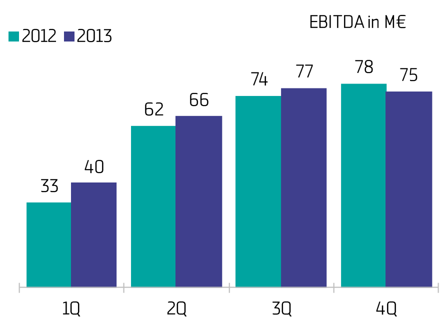
Sonae MC: Turnover and EBITDA
yearly trend





Sonae MC: Turnover and EBITDA
quarterly trend





- In 2013 **Sonae MC turnover** totalled 3,415 M€, 4.1% above 2012. This increase reflects, not only the selective expansion of its sales area (including 17 new Continente stores), but also the 1.4% growth in sales on a "like-for-like"[1] basis. This growth is even more remarkable if we take into account the macroeconomic environment and the adjustment process which Portugal is still exposed to, with GDP falling by 1.4%[2]. In 4Q13, Sonae MC sales on a "like-for-like" basis increased by 1.1%, which combined with the opening of 7 Continente stores, led to a turnover increase of 5.5% compared to 4Q12.
  Thus, during this period, Sonae MC is estimated to have continued strengthening its leading market share in the Portuguese food retail sector[3] on the back of:

  1) Continuous improvement of the quality of products, with Continente being voted in 2013 for the 11th consecutive year, as a brand of confidence[4]. In 2014, we have already received the same recognition for the 12th consecutive year

  2) The strategy of having a high variety of products available to consumers, which enables us to react quickly to changes in customer habits (in both phases of trading down and trading up). This was achieved by having the highest variety of private label references as well as other supplier brands The portfolio of Continente own brands was kept in 2013 at approximately 31% of the turnover of FMCG categories

  3) 8% yoy growth in online sales, supported by the new e-commerce platform

  4) Selective opening of stores as detailed in the following pages of this document

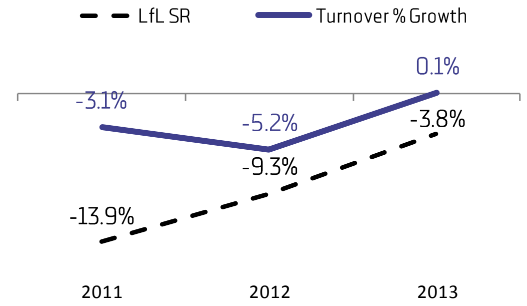
- In 2013 **Sonae MC** reached an **EBITDA margin** of 7.6%, despite the highly competitive environment that led us to a strong promotional effort, particularly in the last quarter of the year, causing an internal deflation of 0.8% and a negative effect on the EBITDA. This promotional activity continued to be supported by the Continente loyalty card (which was the basis of more than 90% of sales in the period). This profitability is only possible with a strict cost control and additional productivity gains, sustained by the success of continuous improvement programmes implemented with the unique dedication of our teams.

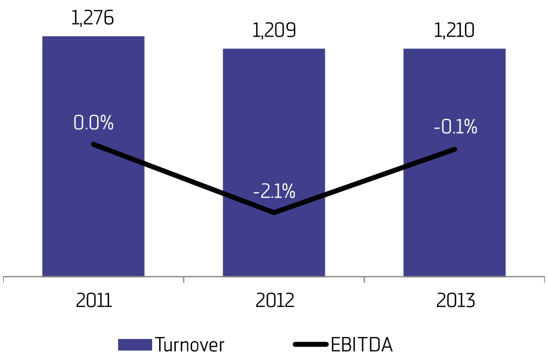
---

[1] Like for like sales = 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 considered
[2] National Institute of Statistics - *Estimativa Rápida*, February 2014
[3] For example, A.C.Nielsen's Homescan survey YTD up until 29th December: +0.4pp market share for Sonae MC
[4] Selecções Reader's Digest

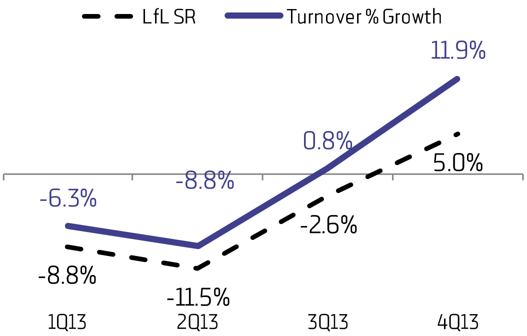
3 SONAE RETAIL RESULTS (cont.)

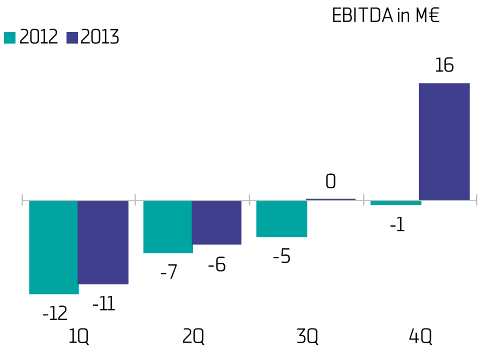
Sonae SR: Turnover and EBITDA
yearly trend





Sonae SR: Turnover and EBITDA
quarterly trend





- **Sonae SR** reached 1,210M€ turnover. Despite the reduction of 13 thousand m^2 and the impact of the negative macroeconomic evolution on the levels of consumption, particularly for the more discretionary products, sales performance ended up slightly above last year. Private consumption levels in Portugal and Spain continued to be negatively impacted by economic adjustment processes. Nevertheless, in the case of Portugal, it is estimated that the decline of consumption pace was slower, when compared to 2012[5]. In 4Q13, Sonae SR turnover in Portugal grew by 9% yoy (and 5% LfL), which was the result of some combined factors: 1) better signs from the GDP evolution in the 2nd half of the year; 2) the refund of holiday allowance to civil workers; 3) measures taken to reposition Sonae SR 4 main brands and 4) the strengthening of Worten[6] and Sport Zone leadership position together with a double digit growth from MO turnover.
  Internationally, turnover increased 5% on a LfL basis.
  The positive performance of the international market was driven by 1) wholesale and franchising businesses evolution and, 2) the fine tuning in businesses models and value proposals of all brands, with a special focus in the Spanish market (4Q13 was the 3rd quarter in a row of positive LfL growth for Sport Zone in Spain). These results can be perceived as the reversal of the negative market trend for the most discretionary categories.

Sonae SR per country	4Q12	4Q13	y.o.y	2012 (1)	2013	y.o.y
Turnover (million €)	343	383	11.9%	1,209	1,210	0.1%
Portugal	256	279	8.9%	874	877	0.3%
International (2)	86	104	20.8%	335	333	-0.5%
EBITDA (million €)	-1	16	-	-25	-1	94%
Portugal	14	26	90.1%	27	39	40.6%
International (2)	-14	-10	28.5%	-52	-40	23.7%
EBITDA margin	0%	4%	4.3 p.p	-2%	0%	1.9 p.p
Portugal	5%	9%	3.9 p.p	3%	4%	1.3 p.p
International (2)	-17%	-10%	6.7 p.p	-16%	-12%	3.6 p.p

(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.
(2) Includes sales to franchisees

- **Sonae SR** reached a positive **underlying EBITDA** in 2013 which is remarkable particularly if we consider the prevailing crisis in the Iberian Peninsula. In the 4Q13, compared to the 4Q12 EBITDA recovered by 17M€, and reached 16M€. This was the result of the stronger sales evolution combined with the turnaround measures implemented, particularly the new Worten and Sport Zone concepts in Spain, the rebranding of MO with a completely new collection, as well as the product improvement of Zippy. It is also worth highlighting the successful implementation of the Omni-channel strategy at Worten, where we are integrating online and store businesses. This include the possibility of having a kiosk in the store to access the online range or to use the (reserve and) pick up service in the store.

[5] Source Bank of Portugal: *Boletim Económico* - winter 2013
[6] Source: GfK, YTD evolution until the end of November 2013 - estimated market share gain of 1pp

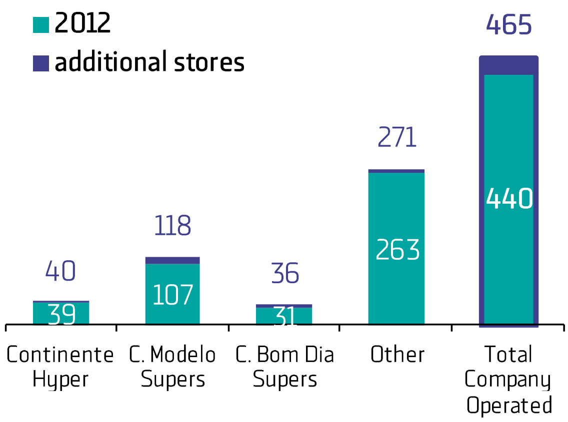
3 SONAE RETAIL RESULTS (cont.)

Capex			
Million euros	2012	2013	% of Turnover
Sonae Retail	127	164	4%
Sonae MC	78	103	3%
Sonae SR	34	32	3%
Sonae RP	16	29	23%
Underlying EBITDA - capex	206	209	-

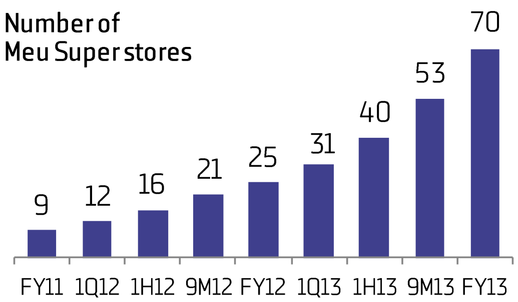
The investment for Retail business carried out in 2013 was essentially distributed among the following projects:

1) Opening of **Sonae MC** stores, including 1 Continente store in Portimão, which replaces the one that suffered from a fire in the Algarve; 11 Continente Modelo stores including 8 on Madeira Island; and 5 Continente Bom Dia stores.

Company operated MC Stores



At the end of 2013, Sonae MC operated 465 stores (583,000 m^2) plus 83 stores (30,000 m^2) under franchising agreements, including 70 "Meu Super" stores. This type of franchising store has been growing very rapidly since 2011, when we started with 9 stores. By the end of 2013 we had 70 stores and for 2014 we are expecting to have 100 stores.



2) Selective opening of **Sonae SR stores**
3) Further consolidation of Sonae SR's store network in the international markets

SR STORES		Stores 2012	Stores 2013	m^2/Store 2012	m^2/Store 2013
Portugal	Electronics	182	179	698	706
	Sports	82	76	799	838
	MO	107	108	520	509
	Zippy	40	38	343	328
Spain	Electronics	42	44	2204	1912
	Sports	37	34	1225	1174
	Zippy	45	40	324	308
Turkey	Zippy	2	2	340	340
Portugal		411	401	637	642
International		126	120	1216	1142
Company Operated		537	521	773	757
Franchising		31	58	311	294
Total SR Stores		568	579	748	711

At the end of 2013, Sonae SR operated 521 (395,000 m^2) stores, including 120 outside Portugal. It should be noted that the average number of m^2 in Worten in Spain has been reduced as a result of the implementation of the new concept, with smaller stores supported by the Omni-channel strategy.

SR FRANCHISING STORES		Stores 2012	Stores 2013	M^2/Store 2012	M^2/Store 2013
Portugal	Electronics	4	4	433	433
	Sports	2	2	623	623
	MO	5	5	299	299
Spain	MO		9		402
	Zippy	1		157	
Malta	MO		3		254
	Zippy	3	3	203	203
Saudi Arabia	Zippy	7	10	355	312
Turkey		4	4	133	96
Egypt		1	1	370	370
Kazakhstan		1	1	308	308
Azerbaijan		1	1	331	331
Dominican		1	2	173	218
Venezuela		1	3	213	172
USA			4		231
Lebanon			2		151
Morocco			1		205
Qatar			1		232
St. Maarten			1		92
Jordan			1		363
Portugal		11	11	407	407
International		20	47	259	268
Total Franchising		31	58	311	294

At the end of 2013, Sonae SR operated 58 stores under franchising agreements, including 47 outside of Portugal. It is worth highlighting the new countries reached this year with Zippy in USA, Lebanon, Morocco, Qatar, St. Maarten and Jordan, as well as the opening of MO in Spain and Malta, further strengthening the international expansion.

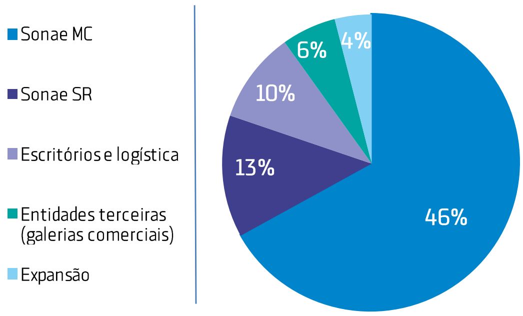
3 SONAE RETAIL RESULTS (cont.)

Sonae RP						
Million euros	2012	2013	y.o.y.	4Q12	4Q13	y.o.y.
Turnover	120	124	3%	30	31	3%
Underlying EBITDA	**107**	**115**	**7%**	**26**	**31**	**22%**
Underlying EBITDA margin	89.4%	92.4%	3.1 p.p	83.9%	99.0%	15.1 p.p

During 2013 there were no sale and leaseback transactions.

- **Sonae RP** reached an EBITDA of 115 M€, 7M€ above the value reached in the previous year, which translates into a margin of 92% over 124M€ sales and an EBIT ROCE of 7%.
- The net book value of the capital invested in retail real estate assets amounted at the end of 2013 to 1.25 billion € and the portfolio comprises 33 Continente stores, 80 Continente Modelo stores and 18 Continente Bom Dia stores. Sonae currently maintains a freehold level of approximately 74% of its food retail selling area and 28% of its non-food retail space.

Sonae RP Portfolio



4 INVESTMENT MANAGEMENT

Investment Management						
Million euros	2012PF	2013	y.o.y.	4Q12PF	4Q13	y.o.y.
Turnover	209	223	6%	53	59	11%
Underlying EBITDA	**0**	**15**	**-**	**1**	**7**	**-**
Underlying EBITDA margin	0.2%	6.6%	6.4 p.p	1.1%	12.0%	10.9 p.p

- From 3Q13 onwards, following the merger between Zon and Optimus, it was decided to report Software and Systems Information as well as Online & Media businesses from Sonaecom, under **Investment Management.** Thus, this unit combines not only the businesses from MDS, Maxmat, Geostar[7], as well as Wedo Technologies, Saphety, Mainroad, Bizdirect and Público. This business unit also has the responsibility of supporting management on M&A activities as well as E-ventures, a new initiative launched this year.

- **Investment Management turnover**, reached 223 M€, 6% above 2012, also benefitting from the increase of 6% of the SSI business, supported by the stronger service revenues.

  Investment Management **underlying EBITDA** totalled 15 M€ in 2013 (+15 M€), corresponding to an underlying EBITDA margin of 6.6% (6.4pp above 2012). This improvement is mainly driven by the increased weight of service revenues in total turnover of the Software and Systems Information business.

- **MDS** is the leader in the Portuguese insurance brokerage market and a top-3 player in Brazilian market. The company offers a fully integrated service and provides customized and state of the art solutions to its customers. As a member of Brokerslink, MDS integrates one of the largest groups of independent insurance brokerage firms in the world. In 2013, both the Portuguese and the Brazilian operations reinforced its operational performance and despite the unfavourable BRL-EUR exchange rate, MDS accomplished to improve its turnover and EBITDA.

- **WeDo Technologies**, the worldwide market leader in providing revenue assurance and fraud management solutions to telecom operators, continued to expand its international footprint ending 2013 with over 200 customers across 90 countries in five continents. By the end of the year, international revenues accounted for 77.4% of its turnover, up 16.3% compared to 2012.

- **Maxmat** detains a leading position in the Portuguese DIY market and holds a portfolio of 30 stores with a distinctive discount positioning. In 2013, the company presented a like-for-like growth of 4% and substantially improved its operational profitability.

[7] Geostar its reported using the equity method

5 SONAE SIERRA RESULTS

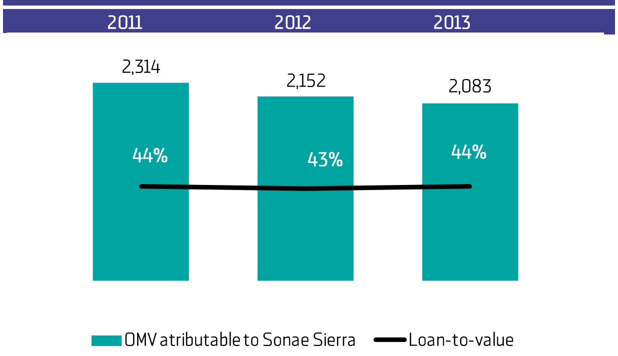
Sonae Sierra - Operational data

	2012	2013	y.o.y.
Footfall (million visitors)	426	406	-
Europe	318	303	-
Brazil	107	102	-
Ocuppancy rate (%)	96.0%	94.4%	-1.5 p.p
Europe	95.8%	95.2%	-0.6 p.p
Brazil	97.0%	92.1%	-4.9 p.p
Tenant sales (million euros)	5,114	4,623	-9.6%
Europe (million euros)	3,365	3,217	-4.4%
Brazil (million euros)	1,749	1,406	-19.6%
Brazil (million reais)	4,367	4,009	-8.2%
Nº of shopping centres owned/co-owned (EOP)	47	47	0
Europe	39	37	-2
Brazil	8	10	2
GLA owned in operating centres ('000 m2)	1,893	1,896	0%
Europe	1,553	1,430	-8%
Brazil	341	467	37%

Sonae Sierra - Financial

	2012	2013	y.o.y.	4Q12	4Q13	y.o.y.
Turnover	227	228	0%	59	62	5%
EBITDA	116	113	-2%	30	30	0%
EBITDA margin	51.2%	49.7%	-1.4 p.p	50.4%	47.7%	-2.7 p.p
Direct result	63	58	-8%	16	15	-9%
Indirect result	-108	-54	50%	-79	-16	79%
Net results	-46	4	-	-63	-1	98%
... atributable to Sonae	-23	2	-	-31	-1	98%
OMV	2,152	2,083	-3%			
NAV	1,050	1,000	-5%			

Sonae Sierra
Open Market Value (OMV) and leverage



- The benchmark quality of Sonae Sierra assets was once again demonstrated by achieving an average **occupancy rate** of 95.2% in Europe, despite the depressed macroeconomic environment during the first half of the year, especially in the Iberian Peninsula. In Brazil, this rate was affected by the opening of 2 shopping malls (Boulevard Londrina on May, 5th 2013 and Passeio das Águas on October, 30th 2013), which at the date of their inaugurations were not fully occupied. In the overall portfolio under management, **tenant sales** in 2013, when compared to the previous year, decreased particularly driven by the sale of Munster Arkaden in Germany in November, 19th 2012, and the stakes in 3 non-strategic shopping malls in Brazil (Penha, Tivoli and Patio Shopping centres in November, 5th 2012). **LfL tenant sales** in Europe declined by 1.5% which was partially compensated by the 5.1% growth reached in Brazil (in local currency).

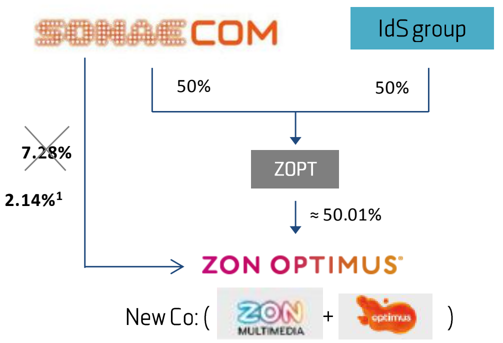
- In 2013 **Turnover** was kept at the same level, when compared to the previous year, because the higher consumer confidence from May onwards and a month-on-month turnover growth across the majority of the portfolio since October, more than compensated for the depressed macroeconomic environment at the beginning of the year.

- Sonae Sierra recorded **net results** of 3.6M€ in 2013, which compares with the negative result of 45.9M€ in 2012. This strong set of results was particularly influenced by a better market environment in the second half of the year, combined with a stabilisation of yields, particularly in Portugal and Spain. The lower **direct result** was impacted by the sale of assets already mentioned. On a like-for-like basis, the direct net profit and EBITDA remained stable. Indirect result in 2013 amounted to negative 54M€ (50% better than 2012) as a consequence of a less unfavourable evolution of the yields, when compared to 2012.

- Regarding the value of its assets, on 31st December 2013 the **OMV (Open Market Value)** attributable to Sonae Sierra was 2,083 bn€, 68 M€ below 2012 year-end, basically as a result of the sale of Parque Principado Shopping centre in Spain, Valecenter and Airone Shopping centres in Italy and the adverse exchange rate effect in the Brazilian assets. These effects more than offset the conclusion of the Boulevard Londrina and Passeio das Águas Shopping centres in Brazil, as well as Solingen in Germany and the acquisition of an additional stake in Cascaishopping. **NAV (Net Asset Value)** was negatively impacted for the same reasons as OMV, reaching at the end of 2013 1,000 bn€, 50 M€ below December 2012.
Despite the increase on average yields, the "Loan-to-value" ratio remains at a conservative level of 44% at the end of December 2013.

6 ZON OPTIMUS RESULTS

At ZON OPTIMUS we have a co-controlling influence through ZOPT.



Merger by incorporation of Optimus into Zon

1) Following the voluntary tender offer launched by Sonaecom, which results were released on February 20th 2014

Zon optimus Indicators - Pro-forma Results Million euros						
	2012PF	2013PF	y.o.y.	4Q12PF	4Q13PF	y.o.y.
Operating revenues	1,474	1,427	-3%	370	356	-4%
EBITDA	541	537	-1%	128	118	-8%
EBITDA margin	36.7%	37.6%	0.9 p.p	34.6%	33.2%	-1.4 p.p
Net results	114	63	-45%	22	-13	-
Recurrent CAPEX	297	261	-12%	81	77	-4%
EBITDA-Recurrent CAPEX	244	275	13%	47	41	-13%

- There was a very high customer enthusiasm for convergent offer with ZON4i reaching 300 thousand RGUs just 3 months after launch;
- These results confirm that customers have been waiting for the merger to happen to be able to benefit from this strong fixed and mobile value proposition combining the best TV interface in the market, IRIS, the highest broadband speeds with the best network coverage and unlimited all-net mobile services.

- The merger by incorporation of OPTIMUS into ZON that led to the creation of ZON OPTIMUS was completed on August 27th 2013. As from this quarter, ZON OPTIMUS' statutory financial statements at December 31st 2013 reflect the financial consolidation of 12 months of ZON and 4 months of OPTIMUS. To facilitate comparison between current and prior period results for the new ZON OPTIMUS, pro-forma accounts were prepared to reflect consolidation of Optimus for 12 months and the restatement of statutory accounts to reflect changes to accounting policies (as explained in detail in ZON OPTIMUS' report to the market).

The 4Q13 was the first full quarter of operations after the ZON OPTIMUS merger was completed at the end of August and led by the new management team as from October 1st.

- The quarter was market by significant internal reorganisations to reflect a new integrated company, driven by a convergent strategy and built around 2 main segments: Consumer and Business.

- Net Income was negatively impacted by 26.8 M€ non-recurrent expenses in 4Q13, which incorporates a combination of
  1) Costs resulting from the merger of approximately 9 M€ that reflect primarily the cash out and provisions for curtailment costs, and
  2) one-off non-cash accounting adjustments such as the impairment of some technical and IT equipment and platforms that have become obsolete through the integration process

- ZON OPTIMUS operating revenues reached 1,427 M€ in 2013, decreasing 3.2% when compared to 2012.

- EBITDA stood at 537 M€, decreasing 0.9% when compared to 2012.

- Recurrent CAPEX decreased from 297M€ to 261M€, less 12%. As a consequence of EBITDA and Recurrent CAPEX evolution, EBITDA-Recurrent CAPEX grew 13% y.o.y., to 275M€.

- Net Financial Debt to EBITDA stood at 1.8x at the end of 2013.

- ZON OPTIMUS is now financed until 1Q15 and the average maturity of its Net Financial Debt is now 2 years.

- ZON OPTIMUS published its 2013 results on **February 27th, 2014,** which are available at www.zonoptimus.pt.

7 OVERALL PERFORMANCE

Consolidated results Million euros	2012PF	2013	Var	4Q12PF	4Q13	y.o.y.
Sonae MC	3,281	3,415	4%	876	924	5%
Sonae SR	1,209	1,210	0%	343	383	12%
Sonae RP	120	124	3%	30	31	3%
Investment manag.	209	223	6%	53	59	11%
E&A [1]	-150	-151	-1%	-37	-43	-16%
Turnover	4,670	4,821	3%	1,265	1,354	7%
Sonae MC	250	258	3%	81	75	-7%
Sonae SR	-25	0	-	-1	17	-
Sonae RP	107	115	7%	26	31	22%
Investment manag.	0	15	-	1	7	-
E&A [1]	-2	-10	-	-9	-11	-25%
Underlying EBITDA	330	378	14%	98	120	22%
Underlying EBITDA margin	7.1%	7.8%	0.8 p.p	7.8%	8.8%	1.1 p.p
Equity method results [2]	31	28	-9%	6	4	-35%
Disc.operations' results [3]	101	71	-29%	20	0	-
Non-recurrent items	7	-2	-	12	-2	-
EBITDA	469	475	1%	137	122	-11%
EBITDA margin	10.0%	9.8%	-0.2 p.p	10.8%	9.0%	-1.8 p.p
D&A [4]	-209	-188	10%	-56	-42	25%
EBIT	260	286	10%	81	80	-1%
Net financial activity	-94	-82	13%	-24	-17	28%
EBT	166	205	23%	57	63	11%
Taxes	-22	-30	-32%	-20	-18	9%
Direct Results [5]	144	175	22%	37	45	21%
Indirect results [6]	-72	289	-	-58	0	-
Net income	72	464	-	-21	45	-
Non-controll. interests	-39	-145	-	-12	-8	29%
Net income group share	33	319	-	-32	36	-

(1) Eliminations & adjustments
(2) Equity method results: includes direct income related to investments consolidated by the equity method (mainly Sonae Sierra and Zon Optimus)
(3) impact of discontinued operations of Optimus
(4) Depreciations & amortizations including provisions & impairments
(5) Direct results before non-controlling interests
(6) Includes: (i) Sonae's Sierra indirect income contribution; (ii) the non-cash capital gain with zon-optimus merger; (iii) other asset provisions for possible future liabilities in non-core operations and (iv) non-cash impairments for operational assets.

- **Net income attributable to the Group** reached 319 M€, significantly above 2012, mostly as a consequence of the Indirect Results registered, which were strongly impacted by the non-cash gain of the merger between Zon and Optimus.

- In 2013, **consolidated turnover** grew 3% to 4,821 M€, and **underlying EBITDA** reached 378 M€, 47 M€ above the same period of the previous year. This result is completely explained by the improved operational performance of the retail, particularly non-food, and Software and Systems Information businesses. It is worth noting the positive underlying EBITDA reached at Sonae SR.

- In 2013 **EBITDA** amounted to 475 M € and is comprised of the contributions (i) of the above mentioned underlying EBITDA of 378 M€; (ii) equity method results of 28 M€ (Sonae Sierra direct results, ZON OPTIMUS and Geostar); (iii) the impact of discontinued operations of Optimus amounting to 71 M€; and (iv) non-recurrent items.

- **Net financial results** totalled negative 82 M€ in 2013, 13% below the figure registered in 2012, supported by a much lower level of net debt. The average interest rate of outstanding credit facilities at the end of 2013 was slightly above 3%. These financial results are only related to Retail and Investment Management businesses.

- In 2013 **Taxes** amounted to 30M€, 7M€ above the same period of the previous year.

- In 2013, **Direct Results** reached 175 M€, 31 M€ above the figure registered in the same period of the previous year, with the strong underlying EBITDA improvement (+47M€ vs. 2012), lower depreciations & amortizations (-21 M€ vs. 2012) and financial costs (-12 M€ vs. 2012) more than compensating for the lower results from discontinued operations (-30 M€ vs. 2012) and higher taxes (+7M€ vs. 2012).

- In 2013 **Indirect Results** amounted to 289 M€ as it includes 443 M€ gain related to the ZON OPTIMUS merger and Sonae Sierra indirect income contribution. This item also includes other non-cash movements, namely those impairments related to revaluations of retail properties registered in 3Q13, as well as identification of new concepts in the SR formats that required strong investments and accelerated depreciations.

- **Non-controlling interests** were 145M€, including 111 M€ related to the non-cash capital gain considered in the ZON OPTIMUS merger process.

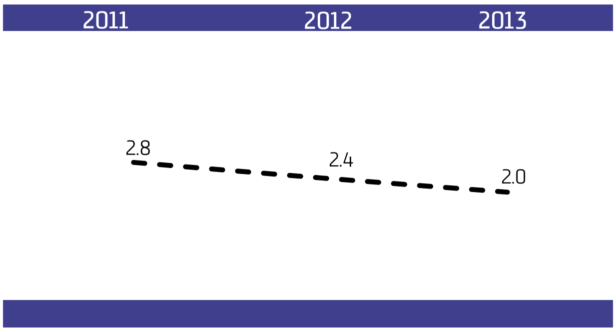
8 CAPITAL STRUCTURE

Net invested capital Million euros	2012	2013	y.o.y.
Net invested capital	3,485	3,127	-358
Investment properties	0	1	1
Technical investment[1]	3,166	2,030	-1,136
Financial investment	483	1,364	881
Goodwill	658	610	-48
Working capital	-822	-878	-55
Total shareholders funds	1,669	1,908	240
Total net debt[2]	1,816	1,219	-597
Net debt / Invested capital	52%	39%	-13.1 p.p

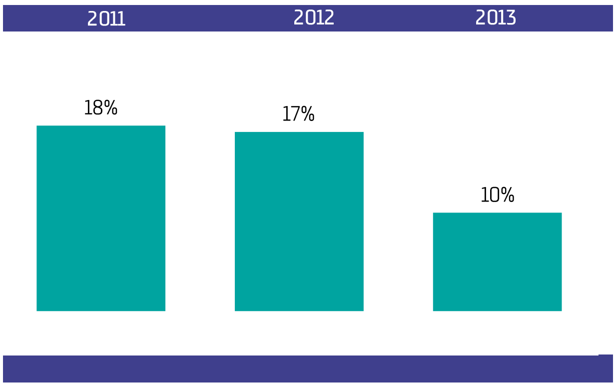
(1) Includes available for sale assets; (2) Financial net debt + net shareholder loans.

In 2013, **total shareholders' funds** were 240 M€ above the same period of last year.

Capital structure - Retail
Net debt to EBITDA



Capital Structure
Loan-to-value (%) - Holding



Net debt Million euros	2012	2013	y.o.y.
Net financial debt	1,802	1,214	-587
Retail units	796	763	-34
Sonaecom Group[1]	361	-	-361
Investment management[1]	27	30	3
Holding & other	618	421	-196
Total net debt	1,816	1,219	-597

(1) 2012 Balance Sheet figures were not restated

- Until December, 31st 2013, **total net debt** was reduced to 1,219 M€, 597 M€ below the same date in 2012, driven by the deconsolidation of Optimus, but also due to sustainable cash flow generation over the last 12 months. The company thus continued to strengthen its capital structure, with total net debt reaching 39% of invested capital at the end of 2013.
- It is worth highlighting that net debt reduction was achieved despite the impact resulting from the total **dividends distributed** by Sonae (199 M€) between 2011 and 2013.
- The 2013 **Net debt** of **Sonaecom**, totalling negative 162 M€, was allocated in the amount of 13 M€ to Investment management unit and the remainder value to the Holding.
- In 2013, **retail net debt** was reduced to 763 M€, 34 M€ below 2012, driven by sustainable cash flow generation over the last 12 months. The company thus continued to strengthen its capital structure, with total net debt to EBITDA reaching 2.0x at the end of 2013.
- The **holding net debt** was reduced to 421 M€ at the end of December 2013. The "loan-to-value" ratio of the holding remains at conservative levels and registered a strong improvement from 17% in December 2012 to 10% in December 2013.
- In relation to the **debt maturity profile**, it is important to note that a series of transactions were concluded, which enabled Sonae to increase the average maturity of debt whilst optimizing its cost of funding, strengthening its capital structure and diversifying its financing sources.

9 CORPORATE INFORMATION

Main corporate events in 4Q13

On **October 7th**, Sierra Fund (a pan-European retail fund in which Sonae Sierra has a stake of 50.1%) and CBRE Iberian Value Added Fund sold Parque Principado Shopping Centre (Paredes Lugones, Asturias) to a company owned by INTU Properties PLC and Canada Pension Plan (CPP), for 141.5 M€.

On **October 23rd**, Sonae Sierra and MAB Development inaugurated Hofgarten Solingen Shopping Centre, located in the German city of Solingen. On the following day, October 24th, the centre opened its doors to 270,000 potential customers from Solingen and its surroundings. The new shopping centre will offer a wide selection of retail, service and gastronomy venues from 86 popular brands. The shops are spread over 29,000 m^2 of GLA on three levels.

On **October 29th**, Sonaecom announced the decision taken by its Board of Directors to make a partial and voluntary tender offer for the acquisition of a maximum of 88,479,803 shares, representing 24.16% of its own share capital. Sonaecom's shareholders were given the option to sell, in equal standing conditions, their Sonaecom shares for consideration of the directly held 37,489,324 ZON OPTIMUS shares, which are not necessary to the pursuit of Sonaecom's business purposes, thereby giving Sonaecom shareholders direct exposure to ZON OPTIMUS. Sonaecom offered an overall price equivalent to 2.45 euros per Sonaecom share, to be composed of ZON OPTIMUS shares and, where applicable, a remaining cash amount. To determine the Sonaecom/ZON OPTIMUS share trade ratio, a ZON OPTIMUS price of 5.08 euros was considered.

On **October 30th,** Sonae Sierra, through its subsidiary, Sonae Sierra Brasil, opened Passeio das Águas Shopping, the largest centre in the Central-Western region of Brazil, strengthening its presence in Brazil. The new centre is located in the city of Goiânia (Goiás state), has 78,000 m^2 of Gross Lettable Area (GLA), with an investment of about 150M€ (466M R$).

On **December 20th**, Sierra Fund, a pan-European retail fund in which Sonae Sierra has a stake of 50.1%, sold Valecenter Shopping Centre (Marcon, Venice) and Airone Shopping Centre (Monselice, Padua) to Blackstone Group, one of the largest real estate private equity firms worldwide, for 144.5 M€, a value in line with the latest independent valuation of the properties.

Subsequent information

On **February 5th 2014**, following CMVM approvals, Sonaecom announced the launch of the tender offer for the acquisition of a maximum of 88,479,227 shares, representing 24.16% of its share capital. The period of the offer, during which sales orders were received, ran for two weeks, beginning on February 6th and ending on February 19th 2014.

On **February 20th 2014**, the results of the offer were released. The level of acceptance reached 62%, corresponding to 54,906,831 Sonaecom shares and Euronext announced Sonaecom exclusion from the PSI-20, from February 24th 2014 onwards. Following the offer, Sonae's participation in Sonaecom increased from 74.32% to 89.02% and Sonaecom's direct participation in ZON OPTIMUS was reduced from 7.28% to 2.14%.

On **March 10th 2014,** Sonae announced that it has completed, directly and through its subsidiaries, a number of financing transactions with maturities between 5 and 7 years for the total amount of 240 M€, with several financial institutions. These operations enabled Sonae to anticipate under favorable conditions a significant part of the refinancing programme of its medium and long-term credit facilities maturing up to the end of 2015.

10 OUTLOOK AND DIVIDEND PROPOSAL

Outlook for 2014

We are cautiously optimistic regarding the macroeconomic situation in the Iberian Peninsula in 2014, for the development of our retail and shopping mall businesses. We remain, however, prudent as some of the recent macroeconomic risks have not yet been completely eliminated in Iberia. In other countries where we operate, namely, Germany, Brazil and Italy, we expect stable market conditions.

The increasingly competitive **food market** in Portugal, together with our resolute will to strengthen our leadership position would likely produce lower EBITDA margins, although we are confident that they will be kept at benchmark levels due to our cost efficiency competitive advantage.

In the case of **Sonae SR** businesses, we expect to further consolidate the turnaround, with positive effects following the ones already registered in 4Q13. We will grow into new geographies mainly through franchising agreements and continue to develop our business models with an Omni-channel strategy.

In what concerns our core partnerships, **Sonae Sierra** will probably benefit from a better market environment and stronger consumer confidence, which is expected to have a positive impact in the yields evolution as well as in the operational results. In the **telecommunications** area, we are confident that in 2014 we will progressively whiteness the positive impact of the merger process between Zon and Optimus.

As a group, we will continue to be focused on the sustainability of our core businesses, by keeping our market leadership positions in Portugal, consolidating turnaround results in Spain and enhancing our growing international avenues, which will further improve our capacity to generate cash flow, thus strengthening our balance sheet, despite the investments to be carried out and the dividends to be distributed.

Proposed distribution of dividends

In view of the net results for the financial year 2013, the Board of Directors will propose at the Shareholders' Annual General Meeting the payment of a gross dividend of 0.0348 euros per share, around 5% above the dividend distributed in the previous year. This dividend corresponds to a dividend yield of 3.3%, based on the closing price as at December 31st 2013, and to a payout ratio of 46% of the consolidated direct income attributable to equity holders of Sonae.

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)

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 1st 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 1st January 2012.

Accordingly, the 2012 results of Sonae were restated to reflect these accounting changes and to provide a better understanding of the portfolio evolution.

Glossary

CAPEX	Investments in tangible and intangible assets and investments in acquisitions; Gross CAPEX, not including cash inflows from the sale of assets
Direct income	Results excluding contributions to indirect income
EBIT	EBT + financial results + shopping centres' direct results + other items
EBITDA	underlying EBITDA; + equity method results (Sonae Sierra direct results, Zon Optimus and Geostar) + the impact of discontinued operations of Optimus + non-recurrent items
EBITDA margin	EBITDA / Turnover
EBT	Direct results before non-controlling interests and taxes
Eliminations & adjustments	Intra-groups + consolidation adjustments + contributions from other companies not included in the identified segments
EOP	End of period
Free Cash Flow (FCF)	EBITDA - operating CAPEX - change in working capital -financial investments - financial results - income taxes
Financial net debt	Total net debt excluding shareholders loans
FMCG	Fast-moving Consumer Goods
GLAs	Gross Lettable Area: equivalent to the total area available to be rented in the shopping centres
Indirect income	Includes Sonae Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and; (iv) provision for assets at risk. Additionally and at Sonae portfolio, it incorporates: (i) impairments in retail real estate properties, (ii) reductions in goodwill, (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in a process of being discontinued/repositioned); (iv) results from "mark to market" methodology of other current investments that will be sold or exchanged in a near future; and (v) other non-relevant issues

Glossary (cont.)

Investment properties	Shopping centres in operation owned by Sonae Sierra
Liquidity	Cash & equivalents + current investments, excluding the 7.28% participation at ZON OPTIMUS
Like for Like sales (“LfL”)	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods
“Loan to value” (LTV) Holding	Holding Net debt/ Investment Portfolio Gross Asset Value; gross asset value based on Market multiples, real estate NAV and market capitalization for listed companies
“Loan to value” Shopping Centres	Net debt / (investment properties + properties under development)
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities
Net debt	Bonds + bank loans + other loans + financial leases + shareholder loans - cash, bank deposits, current investments, excluding the 7.28% participation at ZON OPTIMUS, and other long term financial applications
Net Invested capital	Total net debt + total shareholder funds
Other income	Share of results of associated undertakings + dividends
Other loans	Bonds, leasing and derivatives
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by an independent entity
RoIC (Return on invested capital)	EBIT(12 months) /Net invested capital
ROE (Return on equity)	Total net income $_n$ (equity holders)/ Shareholders’ Funds $_{n-1}$ (equity holders)
Technical investment	Tangible assets + intangible assets + other fixed assets - depreciations and amortizations
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method (Sonae MC, SR and RP and Investment Management)

Consolidated Profit and Loss Account

Consolidated profit and loss account Million euros						
	2012PF	2013	Var	4Q12PF	4Q13	Var
Turnover	4,670	4,821	3.2%	1,265	1,354	7.1%
Underlying EBITDA	330	378	14.3%	98	120	22.2%
Underlying EBITDA margin	7.1%	7.8%	0.8 p.p	7.8%	8.8%	1.1 p.p
EBITDA	469	475	1.2%	137	122	-10.7%
EBITDA margin	10.0%	9.8%	-0.2 p.p	10.8%	9.0%	-1.8 p.p
Depreciations & amortizations (1)	-209	-188	9.8%	-56	-42	25.1%
EBIT	260	286	10.0%	81	80	-0.8%
Net financial Activity	-94	-82	13.1%	-24	-17	28.3%
Other items (2)	0	0	-55.4%	0	0	-
EBT	166	205	23.1%	57	63	10.8%
Taxes	-22	-30	-32.2%	-20	-18	8.7%
Direct results	144	175	21.7%	37	45	21.3%
Indirect results (3)	-72	289	-	-58	0	-
Net income	72	464	-	-21	45	-
Minority interests	-39	-145	-	-12	-8	29.2%
Net income group share	33	319	-	-32	36	-

(1) Includes provisions, impairments, reversion of impairments and negative goodwill; (2) Share of results of associated undertakings + dividends; (3) Includes: (i) Sonae's Sierra indirect income contribution; (ii) the capital gain with zon-optimus merger; (iii) other asset provisions for possible future liabilities in non-core and/or discontinued operations and (iv) non-cash impairments for operational assets.

Consolidated Statement of Financial Position

Consolidated statement of financial position Million euros			
	2012	2013	y.o.y.
TOTAL ASSETS	6,035	5,477	-9.3%
Non current assets	4,615	3,973	-13.9%
Tangible and intangible assets	3,166	2,030	-35.9%
Goodwill	658	610	-7.3%
Other investments	516	1,177	127.9%
Deferred tax assets	225	123	-45.2%
Others	50	32	-35.5%
Current assets	1,421	1,503	5.8%
Stocks	538	589	9.4%
Trade debtors	171	78	-54.2%
Liquidity	378	366	-3.0%
Others	334	470	40.9%
SHAREHOLDERS' FUNDS	1,669	1,908	14.4%
Equity holders	1,319	1,564	18.6%
Attributable to minority interests	350	344	-1.6%
LIABILITIES	4,367	3,568	-18.3%
Non-current liabilities	2,026	1,586	-21.7%
Bank loans	364	241	-33.8%
Other loans	1,323	1,121	-15.2%
Deferred tax liabilities	137	121	-11.6%
Provisions	114	51	-55.7%
Others	88	51	-41.7%
Current liabilities	2,341	1,983	-15.3%
Bank loans	66	66	0.4%
Other loans	461	168	-63.5%
Trade creditors	1,222	1,162	-4.9%
Others	593	587	-1.1%
SHAREHOLDERS' FUNDS + LIABILITIES	6,035	5,477	-9.3%

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

Media and Investor Contacts

Patrícia Vieira Pinto
Head of Investor Relations
pavpinto@sonae.pt
Tel.: + 351 22 010 4794

Catarina Oliveira Fernandes
Head of Communication, Brand and Corporate Responsibility
catarina.fernandes@sonae.pt
Tel: + 351 22 010 4775

Rita Barrocas
External Communication
rfbarrocas@sonae.pt
Tel: + 351 22 010 4745

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**

Sonae
Lugar do Espido Via Norte
4471-909 Maia
Portugal
Tel.: +351 229487522
Fax: +351 229404634