

SONAE INVESTIMENTOS, SGPS, SA

**Head Office: Rua João Mendonça, 529 –
4464-501 Senhora da Hora**

Share Capital 1,000,000,000 Euro

Porto Commercial Registry and Fiscal Number 501 532 927

REPORT AND ACCOUNTS

31 MARCH 2011

Management Report Sonae Investimentos – S.G.P.S., S.A.

In accordance with Portuguese Law and the company's articles of association, we hereby present the management report of Sonae Distribuição - S.G.P.S., S.A. for the first three months of 2011.

Activity evolution for the period

During the course of the three months of 2011, the consolidated turnover of Sonae Investimentos totalled 1,046 million Euro, which corresponds to a decrease of 2% compared to the same period in the previous year¹. Of the overall amount recorded in the period, circa 7 million Euro corresponds to petrol sales.

In the same period, the Company's operating cash-flow (EBITDA) reached 58 million Euro. This figure represents an increase of 4 million Euro in relation to the same period in 2010, or +7%, and reflects the strengthening of 0.5 percentage points in the operating profitability margin of the Company to 5.6%.

In terms of operating results (EBIT), the consolidated figure reached 12 million Euro in the period, which represents a decrease of 4 million Euro compared to the first three months of 2010.

During this period, Sonae Investimentos consolidated net result totalled -0.4 million Euro, 4 million Euro below the total realised in the same period of 2010.

At the end of March, Sonae Investimentos detained an overall portfolio of 1,014 stores, corresponding to a sales area of 974,000 m². At this time, the Company's store portfolio in Spain consisted of 88 units with 110,000 m² worth of sales area – corresponding to almost 11% of the overall referential.

During the first three months of 2011, the Company strengthened its presence in Portugal opening 3 units representing an additional 1,000 m² of sales area. In the Spanish market, the Company continued its strong pace of store openings, having inaugurated an additional 4,000 m² worth of sales area, divided amongst 4 new units.

The effort to modernise the existing store portfolio was not neglected, and in parallel the effort to expand the company's store portfolio both in Portugal and in Spain. On the whole, during the first three months of the year, the Company invested a total of circa 36 million Euro.

¹ The analysis incorporates the re-statement of Geostar's 2010 consolidated turnover, taking into account the analysis of the sector practice. See additional information.

Capital structure

On 31st March 2011, Sonae Investimentos consolidated net debt totalled 1,339 million Euro. This figure, which represents a 144 million Euro decrease from the same period on the previous year, is directly impacted by the capacity to generate cash-flow, in addition to the completion of several assets' sales.

Outlook

Sonae Investimentos strategic guidelines privilege growth and the strengthening of the value proposition based on a continued investment in efficiency and innovation. This positioning, consistently adopted by the Company, has allowed for the combination of strong growth rhythms with strong profitability benchmarks, and once again will be at the basis of the Company's performance during the course of the next months.

Additional information

In light of the IAS 18 clarification, the information pertaining to Geostar's turnover now solely includes the component of services rendered and commissions earned. This methodological change implied the re-expression of historical financial figures with regards to turnover and costs, but does not imply any impact on the amount of cash-flow registered or balance sheet component.

Consolidated Turnover

Million Euro	1Q10	2Q10	3Q10	4Q10	FY10
As reported in 2010	1,084	1,142	1,229	1,346	4,801
According to the current methodology	1,070	1,124	1,207	1,332	4,732

Matosinhos, 23th May 2011

The Board of Directors,

Glossary

Turnover (t)

sale of articles + services rendered.

Operating Cash-flow (EBITDA)

turnover + investment income + other income – negative goodwill – reversal of impairment losses – operational costs - provision for extensions of guarantees

Operating results (EBIT)

turnover + other income + negative goodwill – operational costs - provision for extensions of guarantees + gains / losses on sales of businesses – amortisations and impairment losses.

Net Investment

increase in gross fixed assets (tangible and intangible) + changes in perimeter (as a result of acquisitions and disposals) - disposals in gross fixed assets (tangible and intangible) + increases in consolidation differences. To calculate the investment in acquisitions (measured by changes occurred in consolidation perimeter) the net accumulated amortizations were considered

Net debt

current borrowings + noncurrent borrowings + financial leasing creditors – cash and cash equivalents – other current financial investments

Gearing

ratio between net financial debt and shareholders' funds

Net Capital Employed

gross real estate assets + other gross real estate assets (including goodwill) - amortisations and impairment losses + financial investments + working capital

**Condensed consolidated
financial statements**

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT
31 MARCH 2011 AND 2010 AND AT 31 DECEMBER 2010*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

ASSETS	Notes	31 March 2011	31 March 2010	31 December 2010
NON-CURRENT ASSETS:				
Tangible assets	8	2,095,864,897	2,199,781,633	2,132,257,452
Intangible assets	9	150,822,839	159,548,468	153,674,164
Goodwill	10	518,235,811	520,175,996	518,235,811
Investments in associates	6	51,539,678	2,440,610	53,887,757
Other investments	7	34,496,313	763,616	34,556,256
Deferred tax assets	14	116,192,973	97,771,518	98,959,834
Other non-current assets	12	37,039,675	4,785,800	37,391,624
Total Non-Current Assets		3,004,192,186	2,985,267,641	3,028,962,898
CURRENT ASSETS:				
Inventories		629,654,239	599,110,695	664,630,207
Trade accounts receivable and other current assets	13	248,548,735	225,422,088	228,606,868
Investments	11	4,867,554	59,936,126	15,642,909
Cash and cash equivalents	15	121,770,287	61,435,644	200,024,469
Total Current Assets		1,004,840,815	945,904,553	1,108,904,453
Assets available for sale		720,338	3,273,075	9,500,686
TOTAL ASSETS		4,009,753,339	3,934,445,269	4,147,368,037
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	16	1,000,000,000	1,000,000,000	1,000,000,000
Own shares		(320,000,000)	-	(320,000,000)
Reserves and retained earnings		17,931,809	(97,374,531)	(148,415,659)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		(51,877)	3,396,023	168,595,954
Equity attributable to the equity holders of the Parent Company		697,879,932	906,021,492	700,180,295
Equity attributable to non-controlling interests		76,331,617	74,438,677	75,434,780
TOTAL EQUITY		774,211,549	980,460,169	775,615,075
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	18	1,373,451,560	1,481,001,669	1,210,270,255
Other non-current liabilities	20	427,980,653	15,775,374	425,408,286
Deferred tax liabilities	14	111,486,238	101,140,903	108,202,465
Provisions	23	22,133,405	9,444,701	21,495,563
Total Non-Current Liabilities		1,935,051,856	1,607,362,647	1,765,376,569
CURRENT LIABILITIES:				
Loans	18	126,290,457	123,273,520	108,475,740
Trade creditors and other current liabilities	22	1,171,852,504	1,220,144,813	1,496,213,674
Provisions	23	2,346,973	3,204,120	1,686,979
Total Current Liabilities		1,300,489,934	1,346,622,453	1,606,376,393
TOTAL LIABILITIES		3,235,541,790	2,953,985,100	3,371,752,962
TOTAL EQUITY AND LIABILITIES		4,009,753,339	3,934,445,269	4,147,368,037

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS ENDED 31 MARCH 2011 AND 2010*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	31 March 2011	31 March 2010 (Note 1)
Sales		1,028,274,094	1,055,559,144
Services rendered		17,591,803	14,694,811
Investment income		-	4,951
Financial income		2,231,418	472,949
Other income		132,996,368	95,894,152
Cost of goods sold and materials consumed		(823,768,662)	(842,530,203)
Changes in stocks of finished goods and work in progress		97,173	105,361
External supplies and services		(132,772,530)	(119,018,862)
Staff costs		(142,936,035)	(132,473,344)
Depreciation and amortisation	8 and 9	(45,895,757)	(38,594,853)
Provisions and impairment losses		(2,408,632)	(1,013,445)
Financial expense		(19,963,930)	(11,301,172)
Other expenses		(19,155,507)	(16,932,010)
Share of results of associated undertakings	6	(465,660)	64,137
Profit/(Loss) before taxation		(6,175,857)	4,931,616
Taxation	26	5,785,940	(1,338,334)
Profit/(Loss) after taxation		(389,917)	3,593,282
Attributable to:			
Equity holders of the Parent Company		(51,877)	3,396,023
Non-controlling interests		(338,040)	197,259
Profit/(Loss) per share			
Basic	27	(0.000058)	0.003396
Diluted	27	(0.000058)	0.003396

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS
ENDED 31 MARCH 2011 AND 2010

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

(Amounts expressed in euro)

	31 March 2011	31 March 2010
Net Profit / (Loss) for the period	(389,917)	3,593,282
Exchange differences arising on translation of foreign operations	(1,161,904)	209,545
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method	(626,001)	-
Changes on fair value of available-for-sale financial assets	-	-
Changes in hedge and fair value reserves	(585,520)	367,708
Deferred tax related to changes in fair value reserves	172,224	(97,443)
Others	-	-
Other comprehensive income for the period	(2,201,201)	479,810
Total comprehensive income for the period	<u>(2,591,118)</u>	<u>4,073,092</u>
Attributable to:		
Equity holders of Parent Company	(2,211,394)	3,875,833
Non controlling interests	<u>(379,724)</u>	<u>197,259</u>

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

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 31 MARCH 2011 AND 2010

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

	Attributable to Equity Holders of Parent Company										Non-controlling interests	Total Equity
	Share Capital	Own Shares	Reserves and Retained Earnings					Total	Net Profit/(Loss)	Total		
Legal Reserve			Currency Translation Reserve	Hedging Reserve	Legal reserves in accordance with article 342º CSC	Other Reserves and Retained Earnings						
Balance as at 1 January 2010	1,000,000,000	-	114,000,000	82,609	(4,441,228)	-	(275,596,320)	(165,954,939)	138,171,089	972,216,150	74,344,125	1,046,560,275
Total comprehensive income for the period	-	-	-	209,545	270,265	-	-	479,810	3,396,023	3,875,833	197,259	4,073,092
Appropriation of profit of 2009:	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	3,087,918	-	-	-	135,083,171	138,171,089	(138,171,089)	-	-	-
Dividends distributed	-	-	-	-	-	-	(70,000,000)	(70,000,000)	-	(70,000,000)	-	(70,000,000)
Acquisitions of shares of affiliated undertakings	-	-	-	-	-	-	(67,248)	(67,248)	-	(67,248)	(102,359)	(169,607)
Other reserves	-	-	-	-	-	-	(3,243)	(3,243)	-	(3,243)	(348)	(3,591)
Balance as at 31 March 2010	1,000,000,000	-	117,087,918	292,154	(4,170,963)	-	(210,583,640)	(97,374,531)	3,396,023	906,021,492	74,438,677	980,460,169
Saldo em 1 de Janeiro de 2011	1,000,000,000	(320,000,000)	117,087,918	402,475	(2,107,724)	342,000,000	(605,798,328)	(148,415,659)	168,595,954	700,180,295	75,434,780	775,615,075
Total comprehensive income for the period	-	-	-	(1,161,904)	(371,612)	-	(626,001)	(2,159,517)	(51,877)	(2,211,394)	(379,724)	(2,591,118)
Appropriation of profit of 2010:	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	22,526,963	-	-	-	146,068,991	168,595,954	(168,595,954)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions of shares of affiliated undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Variation in percentage of subsidiaries	-	-	-	-	-	-	193,439	193,439	-	193,439	1,276,561	1,470,000
Others	-	-	-	-	-	-	(282,408)	(282,408)	-	(282,408)	-	(282,408)
Balance as at 31 March 2011	1,000,000,000	(320,000,000)	139,614,881	(759,429)	(2,479,336)	342,000,000	(460,444,307)	17,931,809	(51,877)	697,879,932	76,331,617	774,211,549

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR
THE PERIODS ENDED 31 MARCH 2011 AND 2010*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	31 March 2011	31 March 2010
OPERATING ACTIVITIES			
Net cash flow from operating activities (1)		<u>(244,126,026)</u>	<u>(180,585,651)</u>
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Investments		16,961,849	5,200
Tangible, intangible assets and investments properties		57,089,295	14,298,664
Interest and similar income		864,305	2,269,547
Loans granted		6,341,637	1,665,000
Dividends		-	167
		<u>81,287,040</u>	<u>18,238,578</u>
Cash Payments arising from:			
Investments		-	(1,600,848)
Tangible, intangible assets and investments properties		(63,014,614)	(91,108,094)
Loans granted		(3,661,000)	(1,665,000)
		<u>(66,688,421)</u>	<u>(94,373,942)</u>
Net cash used in investment activities (2)		<u>14,598,619</u>	<u>(76,135,364)</u>
FINANCING ACTIVITIES			
Cash receipts arising from:			
Loans obtained		999,520,000	1,556,410,000
Others		1,470,000	-
		<u>1,000,990,000</u>	<u>1,556,410,000</u>
Cash Payments arising from:			
Loans obtained		(835,280,159)	(1,338,151,038)
Interest and similar charges		(14,583,643)	(13,006,730)
Dividends		(68)	-
Others		(404,415)	(138,302)
		<u>(850,268,285)</u>	<u>(1,351,296,070)</u>
Net cash used in financing activities (3)		<u>150,721,715</u>	<u>205,113,930</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		<u>(78,805,692)</u>	<u>(51,607,085)</u>
Effect of foreign exchange rate		15,074	(51,886)
Cash and cash equivalents at the beginning of the period	15	<u>192,460,253</u>	<u>88,341,782</u>
Cash and cash equivalents at the end of the period	15	<u>113,639,487</u>	<u>36,786,583</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, S.A.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2011

(Amounts expressed in euro)

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

1 INTRODUCTION

SONAE INVESTIMENTOS, SGPS, S.A. ("the Company" or "Sonae Investimentos"), with head office in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Portugal, is the Parent-company of a group of companies, as detailed in Notes 4, 5 and 6 ("Sonae Investimentos Group"), which business activity is described in the 28th note.

Revenue recognition Geostar business

According to the recent amendment to IAS 18, revenues must include the gross inflows of economic benefits received and receivable by the entity of its own. Amounts collected on behalf of third parties are not economic benefits which flow to the entity and are therefore excluded from revenue. This methodological change resulted in the restatement of turnover and related costs for the same period of March 31, 2010.

2 PRINCIPAL ACCOUNTING POLICIES

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 2010.

2.1 Basis of preparation

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, subsidiaries and joint ventures, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for financial instruments which are stated at fair value.

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 2011 as disclosed in the financial statements presented for the period ended as at 31 December 2010 and which didn't have any significant impacts on the financial statements as at 31 March 2011.

4 GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The subsidiaries included in the consolidated financial statements, its head offices and percentage of capital held as at 31 March 2011 and 31 December 2010 are as follows:

COMPANY	Head Office	Percentage of capital held			
		31 March 2011		31 December 2010	
		Direct	Total	Direct	Total
Sonae Investimentos, SGPS, SA	Matosinhos	MÃE	MÃE	MÃE	MÃE
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%
2) Best Offer - Prestação de Informações por Internet, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
2) Bikini, Portal de Mulheres, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Bom Momento - Comércio Retalhista, 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%
Carnes do Continente - Industria 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%
1) Discovery Sports, SA	a) Matosinhos	100.00%	100.00%	-	-
Edições Book.it, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
3) Efanor - Design e Serviços, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Estevão Neves - Hipermercados da Madeira, SA	a) Madeira	100.00%	100.00%	100.00%	100.00%

	Farmácia Seleção, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Fashion Division, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
1)	Fashion Division Canárias, SL	a)	Tenerife (Spain)	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	54.55%	54.55%	54.55%	54.55%
	Fundo de Investimento Imobiliário Fechado Imosonae Dois	a)	Maia	100.00%	100.00%	100.00%	100.00%
2)	Global S - Hipermercado, Lda	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
2)	Good and Cheap - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
2)	Hipotética - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	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%
	Infofield - Informática, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
4)	Just Sport - Comércio de Artigos de Desporto, SA	a)	Matosinhos	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%
	MC - SGPS, SA	a)	Matosinhos	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 - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
	Modelo Continente Hipermercados, SA	a)	Matosinhos	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 Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%

	Modelo.com - Vendas p/Correspond., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
4)	NA - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
5)	NA - Equipamentos para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	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%
	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%
	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)	Amesterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
2)	Solaris Supermercados, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
	Sonaecenter Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sonaerp – Retail Properties, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
	Sonae Specialized Retail, 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%
	SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
	Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sonvecap, BV	a)	Amesterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
	Sport Zone - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sport Zone Canarias, SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
	Sport Zone Espanã - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Têxtil do Marco, SA	a)	Marco de Canaveses	92.76%	92.76%	92.76%	92.76%

Tlantic Portugal - Sistemas de Informação, SA	a)	Matosinhos	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%
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%
5) Well W - Electrodomésticos e Equipamentos, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
6) Worten Canarias, S.L.	a)	Tenerife (Spain)	51.00%	51.00%	100.00%	100.00%
Worten España Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
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%
1) ZYEvolution- Investig.e Desenvolvimento, SA	a)	Matosinhos	100.00%	100.00%	-	-

a) Control held by majority of voting rights;

b) Control held by management control;

1) Companies created in the period;

2) Companies merged into Modelo Continente Hipermercados, SA, at 1 January 2011;

3) Companies merged into Modalfa Comércio e Serviços, SA, at 1 January 2011;

4) Companies merged into Sport Zone- Comércio de Artigos de Desporto, SA, at 1 January 2011;

5) Companies merged into Worten – Equipamentos para o Lar, SA, at 1 January 2011;

6) Capital increase in the subsidiary made by non-controlling interests resulting in a loss interest over the subsidiary.

These entities are consolidated using the full consolidation method, considering that they are controlled by Sonae Investimentos SGPS, S.A..

5 JOINTLY CONTROLLED COMPANIES

The jointly controlled companies included in the consolidated financial statements, their head offices and the percentage of share capital held as at 31 March 2011 and 31 December 2010 are as follows:

COMPANY	Head Office	Percentage of capital held			
		31 March 2011		31 December 2010	
		Direct	Total	Direct	Total
Equador & Mendes - Agência de Viagens e Turismo, Lda	Lisbon	50.00%	37.50%	50.00%	37.50%
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%	37.50%	50.00%	37.50%
Puravida - 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%	37.50%	50.00%	37.50%
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%
Viajens y Turismo de Geotur España, S.L.	Madrid (Spain)	50.00%	50.00%	50.00%	50.00%

These entities were consolidated using the proportionate consolidation method.

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

	31 March 2011	31 December 2010
Non-current assets	39,058,405	39,834,261
Current assets	27,935,443	28,372,242
Non-current liabilities	7,418,069	8,165,019
Current liabilities	34,229,518	34,048,800
	31 March 2011	31 March 2010
Income	8,079,946	7,790,219
Expenses	8,726,370	8,183,793

6 INVESTMENTS IN ASSOCIATES

Associated companies, their head offices, the percentage of share capital held and their balance as at 31 March 2011 and 31 December 2010 are as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		31 March 2011		31 December 2010		31 March 2011	31 December 2010
		Direct	Total	Direct	Total		
MDS SGPS, SA	Maia	46.92%	46.92%	46.92%	46.92%	48,736,207	51,000,000
Mundo VIP	Maia	33.34%	33.34%	33.34%	33.34%	1,101,337	1,101,337
Sonaegest - Soc. Gestora de Fundos de Investimento, SA	Maia	40.00%	40.00%	40.00%	40.00%	438,922	539,748
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	1,263,212	1,246,672
Total						<u>51,539,678</u>	<u>53,887,757</u>

Associated companies were consolidated using the equity method.

The aggregated values of main financial indicators of associated companies can be summarized as follows:

	31 March 2011	31 December 2010
Total Assets	<u>171,623,552</u>	<u>172,289,345</u>
Total Liabilities	<u>128,552,994</u>	<u>121,455,627</u>
	31 March 2011	31 March 2010
Income	<u>33,482,494</u>	<u>15,334,947</u>
Expenses	<u>34,649,909</u>	<u>15,160,742</u>

During the periods ended 31 March 2011 and 2010, movements in investments in associated companies, are made up as follows:

	31 March 2011	31 March 2010
Investments in associated companies		
Balance as at 1 January	53,887,757	2,376,473
Equity method		
Effect in net income	(465,660)	64,137
Dividends	(150,198)	-
Effect in equity	<u>(1,732,221)</u>	<u>-</u>
	<u>51,539,678</u>	<u>2,440,610</u>

7 OTHER NON-CURRENT INVESTMENTS

Other non-current investments, their head offices, proportion of capital held and value of the balance sheet as at 31 March 2011 and 31 December 2010 are as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		31 March 2011		31 December 2010		31 March 2011	31 December 2010
		Direct	Total	Direct	Total		
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	7.14%	7.14%	7.14%	7.14%	9,976	9,976
Insco - Insular de Hipermerc., SA	Ponta	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Other investments						33,738,140	33,798,083
						<u>34,496,313</u>	<u>34,556,256</u>

During the periods ended as at 31 March 2011 and 2010, movements in other non-current investments, are made up as follows:

	31 March 2011	31 March 2010
Investments in other companies		
Opening balance as at 1 January	34,518,594	841,055
Disposals in the period	-	(253)
Transfers	57	-
Closing balance as at 31 March	34,518,651	840,802
Accumulated impairment losses (Note 22)	(22,338)	(77,186)
	<u>34,496,313</u>	<u>763,616</u>
Financial investments advance:		
Opening balance as at 1 January	60,000	-
Disposals in the period	(60,000)	-
Transfers	-	-
Closing balance as at 31 March	-	-
	<u>34,496,313</u>	<u>763,616</u>

Under the caption other non-current investments there is an amount of 33,732,695 euro (33,732,640 euro as at 31 December 2010) in the caption "Investments in current assets", related to deposited amounts on an Escrow Account which are invested in investment 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 (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 to whether or not, to retain the Escrow Account for ongoing 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 company is acting in accordance with the agreement and that this amount shall be entirely received, and that there are legal means that may be operated so as to compel the buyer to authorize the reimbursement of the Escrow account. There are negotiations currently under way between the two parties in order to release the above mentioned amount.

8 TANGIBLE ASSETS

During the nine months period ended 31 March 2011 and 2010, movements in Tangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Tangible assets				Total Tangible Assets
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	
Gross assets:					
Opening balance as at 1 January 2011	1,674,889,100	1,058,343,633	164,175,552	42,313,845	2,939,722,130
Acquisitions	130,364	227,469	47,174	31,036,732	31,441,739
Disposals	(31,266,824)	(825,464)	(847,968)	(678,975)	(33,619,231)
Exchange rate effect	-	(46,113)	(41,296)	-	(87,409)
Transfers	223,406	22,276,276	5,190,980	(28,154,896)	(464,234)
Closing balance as at 31 March 2011	1,643,976,046	1,079,975,801	168,524,442	44,516,706	2,936,992,995
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2011	233,202,633	455,451,288	118,810,757	-	807,464,678
Depreciation and impairment losses	8,521,373	27,246,044	4,616,295	-	40,383,712
Disposals	(5,203,587)	(372,607)	(822,576)	-	(6,398,770)
Exchange rate effect	-	(26,874)	(17,485)	-	(44,359)
Transfers	-	(127,541)	(149,622)	-	(277,163)
Closing balance as at 31 March 2011	236,520,419	482,170,310	122,437,369	-	841,128,098
Carrying amount As at 31 March 2011	1,407,455,627	597,805,491	46,087,073	44,516,706	2,095,864,897
Tangible assets					
	Tangible assets				Total Tangible Assets
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	
Gross assets:					
Opening balance as at 1 January 2010	1,724,171,227	948,112,681	168,570,677	92,462,860	2,933,317,445
Acquisitions	3,686,223	165,400	800,113	42,531,810	47,183,546
Disposals	(11,261,965)	(156,773)	(2,797,932)	(2,431,437)	(16,648,107)
Exchange rate effect	16,875	47,296	36,849	-	101,020
Transfers	13,220,388	39,120,973	2,866,260	(55,334,764)	(127,143)
Closing balance as at 31 March 2010	1,729,832,748	987,289,577	169,475,967	77,228,469	2,963,826,761
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2010	218,182,844	398,544,190	118,096,988	-	734,824,022
Depreciation and impairment losses	7,080,838	21,568,415	5,038,558	-	33,687,811
Disposals	(1,705,729)	(28,913)	(2,781,157)	-	(4,515,799)
Exchange rate effect	9,911	24,464	14,908	-	49,283
Transfers	-	(929)	740	-	(189)
Closing balance as at 31 March 2010	223,567,864	420,107,227	120,370,037	-	764,045,128
Carrying amount As at 31 March 2010	1,506,264,884	567,182,350	49,105,930	77,228,469	2,199,781,633

The value of disposals in "Tangible assets" includes EUR 25,748,719 relating with the sale and leaseback transaction of company stores Continente and Worten located at Vasco da Gama Shopping Centre. The operation was followed by the beginning of operating lease for an initial period of 20 years, automatically renewable at the option of the lessee, for two consecutive periods of 10 years each.

The most significant values included in the caption "Tangible assets in progress" refer to the following projects:

	31 March 2011	31 March 2010
Refurbishment and expansion of stores in the retail businesses located in Portugal	25,106,853	62,176,110
Refurbishment and expansion of stores in the retail businesses located in Spain	8,727,920	3,231,868
Projects of stores for which advance payments were made	10,389,232	11,120,731
Others	292,701	699,760
	<u>44,516,706</u>	<u>77,228,469</u>

9 INTANGIBLE ASSETS

During the nine months period ended 31 March 2011 and 2010, 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 2011	101,430,461	159,639,470	14,382,674	275,452,605
Acquisitions	83,646	34,856	3,199,830	3,318,332
Disposals	(45,428)	(44)	(329,543)	(375,015)
Exchange rate effect	-	(21,273)	-	(21,273)
Transfers	(256,232)	3,855,462	(4,061,571)	(462,341)
Closing balance as at 31 March 2011	<u>101,212,447</u>	<u>163,508,471</u>	<u>13,191,390</u>	<u>277,912,308</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2011	14,590,542	107,187,899	-	121,778,441
Depreciation and impairment losses	950,356	4,561,689	-	5,512,045
Disposals	(3,157)	(15)	-	(3,172)
Exchange rate effect	-	(7,394)	-	(7,394)
Transfers	(190,450)	-	-	(190,450)
Closing balance as at 31 March 2011	<u>15,347,291</u>	<u>111,742,179</u>	<u>-</u>	<u>127,089,470</u>
Carrying amount				
As at 31 March 2011	<u>85,865,156</u>	<u>51,766,292</u>	<u>13,191,390</u>	<u>150,822,838</u>
	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross assets				
Opening balance as at 1 January 2010	100,024,070	154,435,896	11,463,187	265,923,153
Acquisitions	326,004	19,669	2,171,116	2,516,789
Disposals	-	-	(450)	(450)
Exchange rate effect	-	8,290	-	8,290
Transfers	80,058	87,846	(558,574)	(390,670)
Closing balance as at 31 March 2010	<u>100,430,132</u>	<u>154,551,701</u>	<u>13,075,279</u>	<u>268,057,112</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2010	11,122,065	92,480,784	-	103,602,849
Depreciation and impairment losses	879,791	4,027,253	-	4,907,044
Disposals	-	-	-	-
Exchange rate effect	-	6,488	-	6,488
Transfers	(7,737)	-	-	(7,737)
Closing balance as at 31 March 2010	<u>11,994,119</u>	<u>96,514,525</u>	<u>-</u>	<u>108,508,644</u>
Carrying amount				
As at 31 March 2010	<u>88,436,013</u>	<u>58,037,176</u>	<u>13,075,279</u>	<u>159,548,468</u>

The value of "Intangible assets in progress" relates mainly to IT projects and software development.

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 2010).

10 GOODWILL

During the period ended on 31 March 2011 and 31 December 2010, movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	31 March 2011	31 December 2010
Gross value:		
Opening balance	519,610,038	528,076,621
Disposals of subsidiaries	-	(9,886,491)
Transfers	-	1,419,908
Closing balance	<u>519,610,038</u>	<u>519,610,038</u>
Accumulated impairment losses:		
Opening balance	1,374,227	8,191,583
Disposals of subsidiaries	-	(6,817,356)
Increases	-	-
Closing balance	<u>1,374,227</u>	<u>1,374,227</u>
Carrying amount:	<u>518,235,811</u>	<u>518,235,811</u>

11 OTHER INVESTMENTS

As at 31 March 2011 and 2010 movements in this caption can be detailed as follows:

	31 March 2011	31 March 2010
Other investments:		
Opening balance as at 1 January	15,185,750	57,294,670
Increases in the period	-	911,272
Decreases in the period	(10,888,233)	-
Increase/(Decrease) in fair value	-	572,349
Closing balance as at 31 March	<u>4,297,517</u>	<u>58,778,291</u>
Accumulated impairment losses	-	-
	<u>4,297,517</u>	<u>58,778,291</u>
Derivative financial instruments		
Fair value as at 1 January	457,159	365,121
Acquisitions in the period	248,741	1,067,939
Disposals in the period	(135,863)	(275,225)
Fair value as at 31 March	<u>570,037</u>	<u>1,157,835</u>
Other Investments	<u>4,867,554</u>	<u>59,936,126</u>

12 OTHER NON-CURRENT ASSETS

As at 31 March 2011 and 31 December 2010, other non-current assets are detailed as follows:

	31 March 2011	31 December 2010
Loans granted to related parties	17,555,234	17,555,234
Trade accounts receivable and other debtors		
Bails	4,811,267	4,680,630
Legal deposits (Note 20)	892,517	927,976
Account receivable from Carrefour (a)	11,101,934	11,543,000
Amount receivable for selling the Modelo Cont. Seguros	2,205,164	2,170,773
Others	-	14,539
	<u>36,566,116</u>	<u>36,892,152</u>
Other non-current assets	473,559	499,472
	<u>37,039,675</u>	<u>37,391,624</u>

a) As a result of agreements signed in 2005 by former subsidiary - Sonae Distribuição Brazil, SA (sold to Wal-Mart in 2005) with Carrefour Comércio e Indústria Ltda, Sonae assumed the 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 11 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 was presented to Sonae, or proof of necessity of carrying out such costs for the licensing process as established on the mentioned agreement.

It is the understanding of the Board of Directors and the Group attorneys that the amount paid will be recovered. The company will start the 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 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 the Board of Directors understanding that the legal proceedings will last up to 8 years.

13 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 31 March 2011 and 31 December 2010, "Trade accounts receivable and other current assets" are made up as follows:

	31 March 2011	31 December 2010
Trade accounts receivable	42,341,224	46,055,684
Taxes recoverable	41,584,644	38,933,630
Granted loans to related companies	198,174	41,268
Other debtors		
Trade suppliers - debtor balances	82,106,187	74,842,000
Credit sales sold to third parties	3,241,890	4,121,362
Special regime for settlement of tax and social security debts	12,382,502	12,382,502
VAT recoverable on real estate assets	5,715,620	5,676,892
Disposal of investments	-	8,860,291
Accounts receivable from the disposal of tangible fixed assets	744,464	2,646,339
Advances on suppliers	500,000	6,700,000
Other debtors	10,313,377	11,540,237
	<u>115,004,040</u>	<u>126,769,623</u>
Other current assets		-
Commercial Discounts	46,641,299	15,897,088
Interests to be received	2,126,231	1,764,353
Commissions to be received	1,626,427	1,679,770
Rents	6,412,016	5,843,859
Condominiums management fee's	1,749,592	1,784,906
Insurance premiums paid in advance	5,231,587	3,855,977
Claims	1,179,121	1,514,969
Software Licenses	689,060	1,354,762
Other current assets	8,848,075	8,255,392
	<u>74,503,408</u>	<u>41,951,076</u>
Accumulated impairment losses (Note 23)	<u>(25,082,755)</u>	<u>(25,144,413)</u>
	<u>248,548,735</u>	<u>228,606,868</u>

14 DEFERRED TAX

Deferred tax assets and liabilities as at 31 March 2011 and 31 December 2010 are as follows, taking into consideration its temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Difference between fair value and acquisition cost	2,636,088	2,636,088	29,676,500	29,793,323
Harmonisation adjustments	10,496	10,696	55,328,315	54,161,634
Provisions and impairment losses not accepted for tax purposes	7,191,181	5,794,376	-	-
Write-off of tangible and intangible assets	5,669,502	6,042,666	-	-
Valuation of hedging derivatives	941,181	815,455	8,402	54,899
Amortisation of Goodwill for tax purposes	-	-	22,685,045	20,940,048
Revaluation of tangible assets	-	-	1,825,226	1,856,488
Tax losses carried forward	99,679,642	83,007,413	-	-
Reinvested capital gains/(losses)	-	-	1,303,622	1,338,941
Others	64,883	653,140	659,128	57,132
	<u>116,192,973</u>	<u>98,959,834</u>	<u>111,486,238</u>	<u>108,202,465</u>

As at 31 March 2011, and 31 December 2010, and in accordance with tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	31 March 2011			31 December 2010		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2005	296,604	74,151	2011	296,604	74,151	2011
Generated in 2006	-	-	2012	-	-	2012
Generated in 2007	1,233,239	308,310	2013	801,519	200,380	2013
Generated in 2008	3,541,103	885,276	2014	3,541,099	885,276	2014
Generated in 2009	9,829,967	2,457,492	2015	9,829,967	2,457,492	2015
Generated in 2010	1,209,555	302,389	2014	1,209,545	302,387	2014
Generated in 2011	38,598,860	9,649,713	2015	-	-	
	<u>54,709,328</u>	<u>13,677,331</u>		<u>15,678,734</u>	<u>3,919,686</u>	
Without limited time use	-	-		-	-	
With a time limit different from the above mentioned	286,674,369	86,002,312		263,625,755	79,087,727	
	<u>341,383,697</u>	<u>99,679,643</u>		<u>279,304,489</u>	<u>83,007,413</u>	

As at 31 March 2011 and 31 December 2010, deferred tax assets resulting from tax losses were assessed and only recognized to the extent it was probable that sufficient taxable profits will be available in the future against which the deferred tax assets can be used, or when taxable temporary differences are recognized by the same entity and expected to reverse in the same period. This assessment was based on business plans of Sonae Investimentos companies, which are periodically reviewed and updated, and on identified and available tax planning opportunities.

As at 31 March 2011 tax losses carried forward, have not originated deferred tax assets for prudential reasons. These may be summarized as follows:

	31 March 2011			31 December 2010		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2005	18,959	4,740	2011	22,523	5,631	2011
Generated in 2006	337,684	84,420	2012	337,684	84,420	2012
Generated in 2007	337,461	84,366	2013	819,543	204,886	2013
Generated in 2008	1,532,594	383,149	2014	5,191,322	1,297,831	2014
Generated in 2009	1,124,333	281,082	2015	3,392,370	848,091	2015
Generated in 2010	5,468,556	1,367,139	2014	8,059,162	2,014,791	2014
Generated in 2011	2,279,908	569,977	2015	-	-	
	<u>11,099,495</u>	<u>2,774,873</u>		<u>17,822,604</u>	<u>4,455,650</u>	
Without limited time use	11,375,017	3,867,506		11,077,728	3,766,427	
With a time limit different from the above mentioned	8,863,961	2,217,487		13,830,335	3,457,584	
	<u>31,338,473</u>	<u>8,859,866</u>		<u>42,730,667</u>	<u>11,679,661</u>	

15 CASH AND CASH EQUIVALENTS

As at 31 March 2011 and 31 December 2010 cash and cash equivalents can be detailed as follows:

	31 March 2011	31 December 2010
Cash at hand	6,388,357	6,847,595
Bank deposits	115,369,716	193,164,261
Treasury applications	12,214	12,613
Cash and cash equivalents on the balance sheet	121,770,287	200,024,469
Bank overdrafts (Note 18)	(8,130,800)	(7,564,216)
Cash and cash equivalents on the statement of cash flows	113,639,487	192,460,253

Bank overdrafts, are recorded in the balance sheet under the caption Current bank loans.

16 SHARE CAPITAL

As at 31 March 2011, the share capital, which is fully subscribed and paid for, is made up by 1,000,000,000 ordinary shares which do not hold right to any fixed income, with a nominal value of 1 Euro each.

As at 31 March 2011, the subscribed share capital was held as follows:

Entity	%
Sonae, SGPS, S.A.	76.858%
Sonae Investments, BV	13.142%
Sonae Specialized Retail, SGPS, S.A.	10.00%

As at 31 March 2011, Efanor Investimentos S.G.P.S., S.A. and its subsidiaries held 52.98% of the share capital of Sonae, SGPS, S.A..

17 NON-CONTROLLING INTERESTS

Movements in non-controlling interests during the periods ended as at 31 March 2011 and 31 December 2010 are as follows:

	31 March 2011	31 December 2010
Opening balance as at 1 January	75,434,780	74,344,125
Acquisition/Incorporation of subsidiaries	-	980,000
Disposal of subsidiaries	-	(557,535)
Cover losses	-	995,750
Variations in ownership percentage	1,276,562	-
Others	(41,685)	(97,327)
Profit for the period attributable to non-controlling interests	(338,040)	(230,233)
Closing balance as at 31 March 2011	76,331,617	75,434,780

18 LOANS

As at 31 March 2011 and 31 December 2010, loans are made up as follows:

	31 March 2011			31 December 2010		
	Amount limit	Outstanding amount		Amount limit	Outstanding amount	
		Current	Non-Current		Current	Non-Current
Bank loans						
Sonae Investimentos, SGPS, SA - commercial paper	692,500,000	10,000,000	465,000,000	682,500,000	-	292,000,000
Others		3,333,333	10,000,000		3,333,334	11,666,666
		13,333,333	475,000,000		3,333,334	303,666,666
Bank overdrafts (Note 15)		8,130,800	-		7,564,216	-
Up-front fees beard with the issuance of loans		(7,667)	(59,103)		(7,667)	(67,409)
Bank loans		21,456,466	474,940,897		10,889,883	303,599,257
Bonds						
Bonds Modelo Continente / 2003		82,000,000	-		82,000,000	-
Bonds Modelo Continente / 2005/2012		-	150,000,000		-	150,000,000
Bonds Modelo Continente / 2007/2012		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição / 2007/2015		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição / 2007/2015		-	310,000,000		-	310,000,000
Bonds Sonae Distribuição / 2009/2014		16,000,000	34,000,000		8,000,000	42,000,000
Up-front fees beard with the issuance of loans		(319,049)	(2,436,685)		(445,382)	(2,662,489)
Bonds		97,680,951	891,563,315		89,554,618	899,337,511
Other loans						
Other loans		26,973	162,624		33,466	162,624
Derivative instruments (Note 19)		4,930,957	-		5,245,380	-
Other loans		4,957,930	162,624		5,278,846	162,624
Obligations under finance leases						
Obligations under finance leases		2,195,110	6,784,724		2,752,393	7,170,863
		126,290,457	1,373,451,560		108,475,740	1,210,270,255

The interest rate at 31 March 2011 of bonds and loans was approximately 2,01% (1,83% on 31 December 2010). It is estimated that the fair value of these loans does not differ significantly from its market value.

The derivative instruments are recorded at fair value (Note 19).

The repayment schedule of the nominal value of borrowings (including bank loans and obligations under finance leases) is summarized as follows:

	31 March 2011	31 December 2010
N+1	121,686,216	103,683,409
N+2	385,954,832	370,645,105
N+3	202,318,696	175,485,486
N+4	329,105,769	306,106,457
N+5	355,767,720	357,414,181
After N+5	102,800,331	3,348,925
	1,497,633,564	1,316,683,563

The maturities above were estimated in accordance with the contractual terms of loans and contracts, which do not include financial covenants.

19 DERIVATIVES

Exchange rate derivatives

In what concerns financial risk management policy, Sonae Investimentos uses exchange rate derivatives, essentially to hedge future cash flows.

As at 31 March 2011, the fair value of the exchange rate derivatives, calculated taking into consideration the present market value of equivalent financial instruments, is estimated as follows:

	31 March 2011	31 December 2010
Assets (Note 11)	570,037	457,159
Liabilities (Note 18)	(2,856,617)	(954,898)
	<u>(2,286,580)</u>	<u>(497,739)</u>

Gains or losses for the period arising from changes in the fair value of derivatives amounting to (76,618) Euro (870,213 Euro at 31 March 2010) were recorded under "Hedging reserve" of Comprehensive income, when considered eligible hedge instruments or in the income statement caption "Other expense" when considered otherwise.

Interest rate derivatives

As at 31 March 2011, the financial instruments of interest rate used by the Group, essentially refer to zero cost collars in the case of liabilities. In accordance with the accounting policies adopted, these derivatives satisfy the requirements to be designated as hedging instruments of interest rate risk.

Its fair value amounts to:

	31 March 2011	31 December 2010
Liabilities (Note 18)	(2,074,340)	(4,290,482)
	<u>(2,074,340)</u>	<u>(4,290,482)</u>

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

Fair value of derivatives

The fair value of the derivatives is detailed as follows:

	Assets		Liabilities	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Derivatives not qualified as hedging				
Exchange rate	-	-	-	76,618
Interest rate	-	-	-	-
Hedging derivatives				
Exchange rate	570,037	457,159	2,856,617	878,280
Interest rate	-	-	2,074,340	4,290,482
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	<u>570,037</u>	<u>457,159</u>	<u>4,930,957</u>	<u>5,245,380</u>

20 OTHER NON-CURRENT LIABILITIES

As at 31 March 2011 and 31 December 2010, the caption "Other non-current liabilities" was made up as follows:

	31 March 2011	31 December 2010
Shareholder loans	419,127,648	417,902,648
Tangible assets suppliers	1,225,000	1,237,500
Share based payments (Note 21)	1,231,980	3,216,439
Other non-current liabilities	2,335,251	2,372,407
Accruals and deferrals	4,060,774	679,292
Other non-current liabilities	<u>427,980,653</u>	<u>425,408,286</u>

This caption includes a subordinate bond loan repayable after 10 years issued by Sonae Investimentos fully subscribed. This loan was fully subscribed and paid for by Sonae SGPS, SA on 28 December 2010, amounting to 400 million euro corresponding to 8,000 bonds with a nominal value of 50,000 euro each.

The amount payable to participating companies refers to a shareholders' loan granted by a minority shareholder to a subsidiary that bears interest at usual market rate. The fair value of this loan is similar to its book value, with no defined maturity.

As at 31 March 2011, the caption "Other non-current liabilities" includes 935,251 euro (972.408 euro as at 31 December 2010) mainly refers to the estimated amounts to fulfil the legal and tax obligations of a Brazilian subsidiary which were considered appropriate to face up to future losses on lawsuits and for which legal deposits exist, which are recorded under the caption "Other non-current assets" (Note 12), with no defined maturity.

21 SHARE BASED PAYMENT PLANS

In 2011 and in previous years, Sonae Investimentos Group granted deferred performance bonuses to its directors and eligible employees. These are based on shares to be acquired at nil cost, three years after they were attributed to the employee. The purchase can be exercised during the period between the third anniversary of the grant date and the end of that year. The company has the choice to settle its responsibilities in cash instead of shares. The option can only be exercised if the employee still works for Sonae Group on the vesting date.

Liabilities arising from deferred performance bonuses as at 31 March 2011 and 31 December 2010 are made up as follows:

	Grant year	Vesting year	Number of participants	Fair value	
				31 March 2011	31 December 2010
Shares					
	2008	2011	49	-	1,688,691
	2009	2012	52	3,843,570	3,680,318
	2010	2013	51	2,510,197	2,288,719
	2011	2014	51	<u>2,232,767</u>	-
Total				<u>8,586,534</u>	<u>7,657,728</u>

As at 31 March 2011 and 31 December 2010 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	31 March 2011	31 December 2010
Staff costs	868,758	2,487,799
Recorded in previous years	<u>2,994,884</u>	<u>2,417,344</u>
	<u>3,863,642</u>	<u>4,905,143</u>
Other non-current liabilities (Note 20)	1,231,980	3,216,439
Other current liabilities (Note 22)	<u>2,631,662</u>	<u>1,688,704</u>
	<u>3,863,642</u>	<u>4,905,143</u>

The share based payment plan costs are recognized during the years between the grant and vesting date as staff costs.

22 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 31 March 2011 and 31 December 2010 the caption "Trade creditors and other current liabilities" can be detailed as follows:

	31 March 2011	31 December 2010
Trade creditors	816,671,514	1,121,852,468
Taxes payable	56,690,146	52,891,000
Other creditors		
Tangible asset suppliers	31,696,252	58,103,689
Related undertakings	34,716,873	53,427,354
Other debts	41,291,529	43,343,332
	<u>107,704,654</u>	<u>154,874,375</u>
Other current liabilities		
Staff costs	88,023,210	90,073,043
Interest payable	13,465,551	7,384,896
Marketing expenses	14,500,314	16,436,794
Other external supplies and services	49,315,566	33,794,793
Accrued income - rents	8,280,003	4,294,408
Real Estate Municipality tax	5,265,168	4,342,284
Share based payments (Note 20)	2,631,662	1,688,704
Others	9,304,715	8,580,909
	<u>190,786,190</u>	<u>166,595,831</u>
	<u>1,171,852,504</u>	<u>1,496,213,674</u>

The caption "Other debts" includes:

- 20,770,432 Euro (18,556,454 Euro as at 31 December 2010), of attributed discounts not yet used related with loyalty projects, referring to "Cartão Cliente" card;
- 6,858,251 Euro (8,277,581 Euro as at 31 December 2010) related to means of payments owned by clients as vouchers, gift cards and discount tickets; and
- 5,940,614 Euro (6,179,706 Euro as at 31 December 2010) related to payable amounts to Sonae Distribuição Brasil, SA buyer as a result of responsibilities assumed with that entity.

23 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in "Provisions and impairment losses", for the three months period ended as at 31 March 2011 and 2010, were as follows:

Caption	Balance as at 31 December 2010	Increase	Decrease	Balance as at 31 March 2011
Accumulated impairment losses on investments (Note 7)	22,338	-	-	22,338
Accumulated impairment losses on goodwill (Note 10)	1,374,227	-	-	1,374,227
Accumulated impairment losses on trade accounts receivable (Note 13)	6,262,160	323,322	(79,607)	6,505,875
Accumulated impairment losses on other debtors (Note 13)	18,882,253	67,280	(372,654)	18,576,880
Accumulated impairment losses on inventories	20,666,324	300,226	(2,164,970)	18,801,580
Non-current provisions	21,495,563	1,752,695	(1,114,853)	22,133,405
Current provisions	1,686,979	700,000	(40,006)	2,346,973
	<u>70,389,844</u>	<u>3,143,523</u>	<u>(3,772,090)</u>	<u>69,761,278</u>

Caption	Balance as at 31 December 2009	Increase	Decrease	Balance as at 31 March 2010
Accumulated impairment losses on investments	77,157	-	-	77,157
Accumulated impairment losses on trade accounts receivable	8,540,926	118,455	(3,434,212)	5,225,169
Accumulated impairment losses on other debtors	16,488,257	55,626	(549,464)	15,994,419
Accumulated impairment losses on inventories	18,954,690	1,349,709	(2,092,400)	18,211,999
Non-current provisions	9,263,092	242,434	(60,825)	9,444,701
Current provisions	2,488,883	840,000	(124,763)	3,204,120
	<u>55,813,005</u>	<u>2,606,224</u>	<u>(6,261,664)</u>	<u>52,157,565</u>

The caption "Non-current provisions" includes 10,442,116 Euro (10,856,969 Euro as at 31 December 2010) relating to contingencies assumed by the company, on the sale of the subsidiary Sonae Distribuição Brasil, S.A. in 2005. This provision is being used as costs are being incurred.

The caption non-current provisions and the movement in the period of this caption, also includes the estimated liabilities incurred by the Group on the sale of warranty extension programmes on products traded by the Specialized Retail business segment in the amount of 9,586,537 euro . These extensions are granted for a period of one to three years after the legally binding warranty.

24 CONTINGENT ASSETS AND LIABILITIES

As at 31 March 2011 and 31 December 2010, the major Contingent liabilities were guarantees given, which can be detailed as follows:

	31 March 2011	31 December 2010
Guarantees given:		
on tax claims	416,399,093	317,505,226
on municipal claims	6,963,150	7,011,523
Others	32,790,633	32,115,117

Tax claims includes 256,444,056 euro (207,114,928 euro as at 31 December 2010) related to appeals against additional corporate income tax and VAT assessments, as well as guarantees amounting to 155,857,658 euro related to a VAT proceeding (105,786,250 euro as at 31 December 2010).

Retail based subsidiaries of the Company, granted guarantees in favour of the Portuguese Tax Administration, associated with tax claims for VAT, amounting to 96,500,000 euro, for which the Company has presented, or has the intention of presenting an impugnation. Portuguese tax authorities claim that the Company should have invoiced VAT related to promotional discounts invoiced to suppliers as these discounts depend on the acquisitions made by the Group during the year, and claim that the company should not have deducted VAT from discount vouchers used by its clients.

A Retail segment company in Brazil granted a guarantee of approximately 32.1 million euro (74,078,784 Brazilian real), on a tax claim, which is being judged by tax court, and the difference refers to accruals.

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 31 December 2010, 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 (27.6 million euro) related to programmes for the Brazilian State of tax recovery amount to near 39.8 million euro.

Furthermore, there are other tax lawsuits totalling 54.7 million euro for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary.

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

25 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Parent company	224,279	288,780	-	-
Jointly controlled companies	167,103	54,383	761,694	594,609
Associated companies	7,590,007	7,555,357	561,156	239,471
Participated companies	14,002,441	13,904,314	3,834	-
Other related parties ⁽¹⁾	1,942,974	2,592,881	14,827,178	19,114,745
	<u>23,926,804</u>	<u>24,395,715</u>	<u>16,153,862</u>	<u>19,948,825</u>
Transactions	Interest income		Interest expenses	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Parent company	53,951	324	8,240,446	61,214
Jointly controlled companies	-	20,349	-	16
Associated companies	233,257	-	-	-
Participated companies	-	-	-	-
Other related parties ⁽¹⁾	-	4,719	118,396	55,780
	<u>287,208</u>	<u>25,392</u>	<u>8,358,842</u>	<u>117,010</u>

Balances	Accounts receivable		Accounts payable	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Parent company	685,383	978,438	8,959,587	630,241
Jointly controlled companies	849,413	742,572	633,110	675,795
Associated companies	6,496,279	2,584,590	664,036	74,828
Participated companies	11,565,762	13,413,873	27,716	54,571
Other related parties ⁽¹⁾	12,315,747	22,293,532	17,514,195	27,680,583
	<u>31,912,584</u>	<u>40,013,005</u>	<u>27,798,644</u>	<u>29,116,018</u>

Balances	Loans			
	Obtained		Granted	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Parent company	434,688,000	453,000,000	-	-
Jointly controlled companies	-	-	-	-
Associated companies	-	-	17,555,234	17,555,234
Participated companies	-	-	-	-
Other related parties ⁽¹⁾	17,610,061	17,902,648	-	-
	<u>452,298,061</u>	<u>470,902,648</u>	<u>17,555,234</u>	<u>17,555,234</u>

Other related parties are considered to be related party affiliates or companies under joint control of Efanor SGPS, SA that are not included in Sonae Investimentos, including companies belonging to the Sonae Group, Sonae Indústria and Sonae Capital.

The recorded amounts as Obtained Loans from participating companies refer to loans granted to subsidiaries by its shareholders, which bear interests at market rates.

26 INCOME TAX

Income tax for the three months period ended on 31 March 2011 and 2010 is detailed as follows:

	31 March 2011	31 March 2010
Current tax	7,986,986	4,343,561
Deferred tax	(13,772,926)	(3,005,227)
	<u>(5,785,940)</u>	<u>1,338,334</u>

27 EARNINGS PER SHARE

Earnings per share for the three months period ended on 31 March 2011 and 2010 were calculated taking into consideration the following amounts:

	31 March 2011	31 March 2010
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	(51,807)	3,396,023
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>(51,807)</u>	<u>3,396,023</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	900,000,000	1,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Weighted average number of shares used to calculate diluted earnings per share	<u>900,000,000</u>	<u>1,000,000,000</u>
Earnings per share (basic and diluted)	<u>(0.000058)</u>	<u>0.003396</u>

On 31 March 2011 and 2010 there is no dilutive effect on the number of shares outstanding.

28 SEGMENT INFORMATION

The contribution of the main segments for the three months period ended on 31 March 2011 and 2010 can be detailed as follows:

	Food based Retail	Specialised Retail	Investment Management	Retail Real Estate	Eliminations and adjustments	Total
31 March 2011						
Turnover	742,440,591	276,271,820	21,473,010	30,577,867	(24,897,390)	1,045,865,897
Ex-Fuel	735,759,867	276,271,820	21,473,010	30,577,867	(24,897,390)	1,039,185,174
Fuel	6,680,723	-	-	-	-	6,680,723
EBITDA	25,744,131	(11,576,864)	(454,757)	44,218,455	151,278	58,082,243
EBIT	1,070,004	(23,827,274)	(1,418,428)	36,476,941	(278,927)	12,022,315
Invested capital	593,214,163	457,908,130	146,028,207	1,372,963,738	(2,760,458)	2,567,353,779
Sales area [000 m ²]	544	367	63	-	-	974

	Food based Retail	Specialised Retail	Investment Management	Retail Real Estate	Eliminations and adjustments	Total
31 March 2010 [restated]						
Turnover	771,766,292	274,348,380	22,318,470	32,149,902	(30,329,089)	1,070,253,955
Ex-Fuel	734,696,366	274,348,380	22,318,470	32,149,902	(30,329,089)	1,033,184,029
Fuel	37,069,926	-	-	-	-	37,069,926
EBITDA	22,459,726	324,607	76,579	31,722,632	(736,944)	53,846,601
EBIT	3,426,681	(9,908,407)	(944,439)	23,649,154	(340,365)	15,882,624
Invested capital	563,275,590	386,748,293	78,720,157	1,524,399,617	(8,370,941)	2,544,772,717
Sales area [000 m ²]	528	307	65	-	-	901

Food based retail

Includes the contribution of Group's activity related with the insignias of food based retail (Continente, Bom Bocado, Wells and Book.it) and fuels (which is operated under the brand Continente).

Specialized Retail

Includes the contribution of Group activity related with the insignia of non-food retail (Worten, Worten Mobile, Worten Gamer, Vobis, Sport Zone, Loop, Modalfa and Zippy).

Investment Management

Includes the Group's activity associated with Maxmat and travel agencies.

Retail Real Estate

Includes real estate assets owned and managed by Sonae Investimentos, namely commercial galleries associated to units Continente.

Elimination and adjustments

Include consolidation adjustments and eliminations of intra-group balances and contribution from other companies not included in the previous segments. These values refer, mainly, to the elimination of rents invoiced by the Real Estate Segment to other Segments, presented in the turnover caption.

Operational Cash-flow (EBITDA)

Turnover + Investment income + Other income – Negative Goodwill – Reversal of impairment losses – Operational costs + Gains / losses on sales of businesses - Provision for extensions of guarantees.

EBIT

Turnover + Other income + Negative Goodwill – Operational costs - Provision for extensions of guarantees + Gains / losses on sales of businesses – Amortisations and impairment losses.

Capital employed

Gross real estate assets + other fixed assets (including Goodwill) - Amortisations and impairment losses + Financial investments + Working capital.

29 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 23 May 2011.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

Condensed individual financial statements

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011 AND 2010
AND AS AT 31 DECEMBER 2010

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

(Amounts expressed in euro)

ASSETS	Notes	31.March.2011	31.March.2010	31.December.2010
NON-CURRENT ASSETS:				
Tangible assets		148	2,287	1,477
Intangible assets		4,690	167,738	5,260
Investments	4	2,708,508,167	2,877,634,766	2,712,242,717
Deferred tax assets	5	9,680,176	6,648,706	738,707
Other non-current assets	6	1,295,242,978	1,019,584,716	1,258,356,053
Total Non-Current Assets		4,013,436,159	3,904,038,213	3,971,344,214
CURRENT ASSETS:				
Trade accounts receivable and other current assets	7	497,361,774	179,314,135	455,080,368
Cash and cash equivalents	8	65,535,153	64,197	127,421,554
Total Current Assets		562,896,927	179,378,332	582,501,922
TOTAL ASSETS		4,576,333,086	4,083,416,545	4,553,846,136
EQUITY AND LIABILITIES				
EQUITY:				
Share capital		1,000,000,000	1,000,000,000	1,000,000,000
Reserves and retained earnings		1,333,420,114	932,814,052	882,130,694
Profit for the period		19,446,734	7,201,342	450,539,262
TOTAL EQUITY		2,352,866,848	1,940,015,394	2,332,669,956
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	10	1,366,504,213	1,472,073,750	1,202,936,767
Deferred tax liabilities	5	1,220	1,362	1,403
Other non-current liabilities	11	400,160,587	-	400,456,179
Total Non-Current Liabilities		1,766,666,020	1,472,075,112	1,603,394,349
CURRENT LIABILITIES:				
Loans	10	111,006,616	88,766,563	92,880,285
Trade creditors and other current liabilities	12	345,793,602	582,559,476	524,901,546
Total Current Liabilities		456,800,218	671,326,039	617,781,831
TOTAL EQUITY AND LIABILITIES		4,576,333,086	4,083,416,545	4,553,846,136

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL INCOME STATEMENTS FOR THE PERIODS ENDED 31 MARCH 2011 AND 2010

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

(Amounts expressed in euro)

	Notes	31.March.2011	31.March.2010
Services rendered		471,187	389,618
Gains or losses on investments	15	25,053,099	9,550,246
Financial income	16	11,771,137	7,377,029
Other income		1,670	863,123
External supplies and services		(353,008)	(206,699)
Staff costs		(147,118)	(307,008)
Depreciation and amortisation		(698)	(1,051)
Financial expenses		(18,898,664)	(9,665,756)
Other expenses		<u>(309,652)</u>	<u>(1,476,580)</u>
Profit/(Loss) before taxation		17,587,953	6,522,922
Taxation		1,858,781	678,420
Profit/(Loss) after taxation	17	<u>19,446,734</u>	<u>7,201,342</u>
Earnings per share	17	<u>0.0216</u>	<u>0.0072</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED AT 31 MARCH 2011 AND 2010

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

(Amounts expressed in euro)

	31.March.2011	31.March.2010
Net Profit / (Loss) for the period	19,446,734	7,201,342
Changes in hedge and fair value reserves	<u>750,158</u>	<u>270,266</u>
Total comprehensive income for the period	<u>20,196,892</u>	<u>7,471,608</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF CHANGE IN EQUITY FOR THE PERIODS ENDED AT 31 MARCH 2011 AND 2010

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

(Amounts expressed in euro)

	Reserves and Retained Earnings					Net Profit/(Loss)	Total
	Share Capital	Legal Reserve	Hedging Reserve	And Retained Earnings	Reserves and Retained		
Balance as at 1 January 2010	1,000,000,000	114,000,000	(4,441,225)	831,226,646	940,785,421	61,758,365	2,002,543,786
Total comprehensive income for the period	-	-	270,266	-	270,266	7,201,342	7,471,608
Appropriation of profit of 2009:							
Transfer to legal reserves and retained earnings	-	3,087,918	-	58,670,447	61,758,365	(61,758,365)	-
Dividends distributed	-	-	-	(70,000,000)	(70,000,000)	-	(70,000,000)
Balance as at 31 March 2010	<u>1,000,000,000</u>	<u>117,087,918</u>	<u>(4,170,959)</u>	<u>819,897,093</u>	<u>932,814,052</u>	<u>7,201,342</u>	<u>1,940,015,394</u>
Balance as at 01 January 2011	1,000,000,000	117,087,918	(1,854,317)	766,897,093	882,130,694	450,539,262	2,332,669,956
Total comprehensive income for the period	-	-	750,158	-	750,158	19,446,734	20,196,892
Appropriation of profit of 2010:							
Transfer to legal reserves and retained earnings	-	22,526,963	-	428,012,299	450,539,262	(450,539,262)	-
Balance as at 31 March 2011	<u>1,000,000,000</u>	<u>139,614,881</u>	<u>(1,104,159)</u>	<u>1,194,909,392</u>	<u>1,333,420,114</u>	<u>19,446,734</u>	<u>2,352,866,848</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL CASH FLOW STATEMENTS FOR THE PERIODS ENDED
31 MARCH 2011 AND 2010

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

(Amounts expressed in euro)

	Notes	31.March.2011	31.March.2010
OPERATING ACTIVITIES			
Net cash flow from operating activities (1)		<u>1,238,914</u>	<u>19,506</u>
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Investments		71,371,321	30,405,000
Interests and similar income		27,536,186	45,392,611
Others		29,954	-
Loans granted		<u>308,187,452</u>	<u>529,563,844</u>
		<u>407,124,913</u>	<u>605,361,455</u>
Cash payments arising from:			
Investments		-	(528,000,000)
Others		(12,807)	-
Loans granted		<u>(503,240,889)</u>	<u>(463,571,040)</u>
		<u>(503,253,696)</u>	<u>(991,571,040)</u>
Net cash used in investment activities (2)		<u>(96,128,783)</u>	<u>(386,209,585)</u>
FINANCING ACTIVITIES			
Cash receipts arising from:			
Loans obtained		<u>1,629,709,762</u>	<u>1,996,061,645</u>
		<u>1,629,709,762</u>	<u>1,996,061,645</u>
Cash payments arising from:			
Loans obtained		(1,578,447,723)	(1,649,805,667)
Interests and similar charges		(18,258,503)	(12,043,839)
Dividends		(68)	-
		<u>(1,596,706,294)</u>	<u>(1,661,849,506)</u>
Net cash used in financing activities (3)		<u>33,003,468</u>	<u>334,212,139</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(61,886,401)	(51,977,940)
Cash and cash equivalents at the beginning of the period		<u>127,421,554</u>	<u>51,511,663</u>
Cash and cash equivalents at the end of the period	8	<u>65,535,153</u>	<u>(466,277)</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

NOTES TO THE CONDENSED INDIVIDUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED

31 MARCH 2011

(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 Investimentos, SGPS, SA, “the Company” or “Sonae Investimentos”, is a Portuguese corporation, whose head office is in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Matosinhos, Portugal.

Its main activity is the management of investments (Note 4).

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 the annual financial statements for the year ended 31 December 2010.

4 INVESTMENTS

As at 31 March 2011 and 31 December 2010, the detail of investments is as follows:

Company	31.March.2011		31.December.2010	
	% held	Final balance	% held	Final balance
Azulino - Imobiliária, SA	100.00%	498,025	100.00%	498,025
Bertimóvel - Sociedade Imobiliária, SA	100.00%	1,845,000	100.00%	1,845,000
Canasta - Empreendimentos Imobiliários, SA	100.00%	1,669,375	100.00%	1,669,375
Chão Verde - Sociedade de Gestão Imobiliária, SA	100.00%	2,244,591	100.00%	2,244,591
Citorres - Sociedade Imobiliária, SA	100.00%	477,848	100.00%	477,848
Contimobe - Imobiliária do Castelo de Paiva, SA	100.00%	231,318,722	100.00%	231,318,722
Cumulativa - Sociedade Imobiliária, SA	100.00%	2,315,191	100.00%	2,315,191
Fozimo - Sociedade Imobiliária, SA	100.00%	24,940	100.00%	24,940
Fozmassimo - Sociedade Imobiliária, SA	100.00%	6,264,902	100.00%	6,264,902
Fundo de Investimento Imobiliário Fechado Imosedo	54.55%	64,415,021	54.55%	64,415,021
Fundo de Investimento Imobiliário Imosonae Dois	100.00%	158,410,389	100.00%	158,410,389
Igimo - Sociedade Imobiliária, SA	100.00%	220,000	100.00%	220,000
Iginha - Sociedade Imobiliária, SA	100.00%	1,259,000	100.00%	1,259,000
Imoconti - Sociedade Imobiliária, SA	100.00%	380,000	100.00%	380,000
Imoestrutura - Sociedade Imobiliária, SA	100.00%	24,940	100.00%	24,940
Imomuro - Sociedade Imobiliária, SA	100.00%	799,940	100.00%	799,940
Imoresultado - Sociedade Imobiliária, SA	100.00%	109,736	100.00%	109,736
Imosistema - Sociedade Imobiliária, SA	100.00%	280,000	100.00%	280,000
MDS, SGPS, SA	46.92%	51,000,000	46.92%	51,000,000
MJLF - Empreendimentos Imobiliários, SA	100.00%	1,809,397	100.00%	1,809,397
Modelo - Distribuição de Materiais de Construção, SA	50.00%	9,790,614	50.00%	9,790,614
Modelo Hiper Imobiliária, SA	100.00%	10,655,164	100.00%	10,655,164
Modelo.Com - Vendas por Correspondência, SA	100.00%	12,637,016	100.00%	12,637,016
Mundo Vip - Operadores Turísticos, SA	33.34%	1,101,337	33.34%	1,101,337
Predicomercial - Promoção Imobiliária, SA	100.00%	6,372,293	100.00%	6,372,293
Raso, SGPS, SA	50.00%	24,500,000	50.00%	24,500,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	100.00%	1,513,379	100.00%	1,513,379
Sempre à Mão - Sociedade Imobiliária, SA	100.00%	1,530,558	100.00%	1,530,558
Sesagest - Projectos e Gestão Imobiliária, SA	100.00%	36,677,088	100.00%	36,677,088
Socijofra - Sociedade Imobiliária, SA	100.00%	550,000	100.00%	550,000
Sociloures - Sociedade Imobiliária, SA	100.00%	10,000,000	100.00%	10,000,000
Soflorin, BV	100.00%	257,309,037	100.00%	257,309,037
Sonae - Specialized Retail, SGPS, SA	100.00%	1,050,000,000	100.00%	1,050,000,000
Sonae Capital Brasil, SA	37.00%	19,600,307	37.00%	23,334,858
Sonae Center Serviços II, SA	100.00%	58,032,319	100.00%	58,032,319
Sonae MC - Modelo Continente, SGPS, SA	100.00%	600,000,000	100.00%	600,000,000
Sonaegest - Soc. Gest. de Fundos de Investimentos, SA	20.00%	159,615	20.00%	159,615
Sonaerp - Retail Properties, SA	100.00%	114,495,350	100.00%	114,495,350
Sondis Imobiliária, SA	100.00%	474,940	100.00%	474,940
Sonvecap, BV	100.00%	3,000,000	100.00%	3,000,000
Tlantic Portugal - Sistemas de Informação, SA	100.00%	743,316	100.00%	743,316
Valor N, SA	100.00%	2,087,315	100.00%	2,087,315
Total		<u>2,746,596,664</u>		<u>2,750,331,214</u>
Impairment		<u>(38,088,497)</u>		<u>(38,088,497)</u>
Total		<u>2,708,508,167</u>		<u>2,712,242,717</u>

5 DEFERRED TAX

Deferred tax assets and liabilities as of 31 March 2011 and 31 December 2010, taking into consideration the temporary differences that generated them, can be detailed as follows:

	Assets	
	31.March.2011	31.December.2010
Derivatives	398,098	668,565
Fiscal losses carried forward	9,217,195	-
Others	64,883	70,142
	<u>9,680,176</u>	<u>738,707</u>
	Liabilities	
	31.March.2011	31.December.2010
Differences between amortisations for accounting and tax purposes	1,220	1,403
	<u>1,220</u>	<u>1,403</u>

6 OTHER NON-CURRENT ASSETS

As at 31 March 2011 and 31 December 2010 other non-current assets are detailed as follows (Note 19):

	31.March.2011	31.December.2010
Loans granted	1,293,037,814	1,256,170,741
Other debtors	2,205,164	2,185,312
	<u>1,295,242,978</u>	<u>1,258,356,053</u>

These loans bear interests at usual market rates and do not have a defined maturity.

7 TRADE ACCOUNT RECEIVABLES AND OTHER CURRENT ASSETS

As at 31 March 2011 and 31 December 2010 trade account receivables and other current assets are detailed as follows:

	31.March.2011	31.December.2010
Trade accounts receivable	183,062	1,834,227
Group companies	476,742,678	372,887,473
Other debtors	5,276,692	75,902,853
Tax recoverable	690,370	661,990
Other current assets	14,468,972	3,793,825
	<u>497,361,774</u>	<u>455,080,368</u>

The caption group companies includes: (i) the amount of 404,664,000 euro (304,032,000 euro in 31 December 2010) related to short term loans to group companies (Note 19); (ii) the amount of 25,053,099 euro related to dividends receivable; (iii) the amount of 47,025,579 euro (42,406,410 euro in 31 December 2010) related to income tax calculated by the group companies taxed in accordance with the Special Regime for Taxing Group of Companies.

The caption other debtors includes approximately 5,113,681 euro (the same amount as at 31 December 2010), related to tax claims of tax assessments paid to tax authorities. No provision or impairment was recorded in order to face possible losses as it is understood by the Board of Directors that the outcome of these claims will be favourable to the Company.

The caption "Other current assets" includes mainly receivables relating to interest, from loans granted to group companies.

8 CASH AND CASH EQUIVALENTS

As at 31 March 2011 and 31 December 2010 cash and cash equivalents are detailed as follows:

	31.March.2011	31.December.2010
Cash	550	550
Bank deposits	65,534,603	127,421,004
Cash and cash equivalents on the balance sheet	65,535,153	127,421,554
Cash and cash equivalents on the cash flow s statement	65,535,153	127,421,554

9 SHARE CAPITAL

As at 31 March 2011 and 31 December 2010, the share capital, which is fully subscribed and paid for, is made up of 1,000,000,000 ordinary shares with a nominal value of 1 euro each.

As at 31 March 2011 and 31 December 2010, the share capital was held as follows:

	31.March.2011	31.December.2010
Sonae, SGPS, SA	76.86%	76.86%
Sonae Investments BV	13.14%	13.14%
Sonae - Specialized Retail, SGPS, SA	10.00%	10.00%

During the period, ended 31 December 2010 a subsidiary company (Sonae – Specialized Retail, SGPS, SA) acquired 100,000,000 shares of Sonae Investimentos. These shares are considered as treasury shares under the Commercial Companies Code, reason why the underlying rights to these shares are suspended.

10 LOANS

As at 31 March 2011 and 31 December 2010 loans are made up as follows:

	31.March.2011	31.December.2010
Nominal value of bond loans	894,000,000	902,000,000
Up-front fees not yet charged to income statement	(2,436,684)	(2,662,489)
Bond loans	891,563,316	899,337,511
Commercial paper	465,000,000	292,000,000
Other bank loans	10,000,000	11,666,665
Up-front fees not yet charged to income statement	(59,103)	(67,409)
Bank loans	474,940,897	303,599,256
Non-current loans	1,366,504,213	1,202,936,767
Nominal value of bond loans	98,000,000	90,000,000
Up-front fees not yet charged to income statement	(319,049)	(445,382)
Bond loans	97,680,951	89,554,618
Commercial paper	10,000,000	-
Other bank loans	3,333,332	3,333,334
Up-front fees not yet charged to income statement	(7,667)	(7,667)
Bank loans	13,325,665	3,325,667
Current loans	111,006,616	92,880,285

Non-current loans

Bonds Modelo Continente 2005/2012 amounting to 150,000,000 euro, repayable after 7 years, in one installment, on 2 August 2012. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 10th, 11th, 12th and 13th coupons.

Bonds Modelo Continente 2007/2012 amounting to 200,000,000 euro, repayable after 5 years, in one installment, on 30 April 2012. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

Bonds Sonae Distribuição 2007/2015 amounting to 200,000,000 euro, repayable after 8 years, in one installment, on 10 August 2015. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 10th, 12th and 14th coupons.

Bonds Sonae Distribuição September 2007/2015 amounting to 310,000,000 euro, repayable in two installments of 50% each, on 10 September 2013 and 10 September 2015. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 10th, 11th, 12th, 13th, 14th and 15th coupons.

Bonds Sonae Distribuição 2009/2014 amounting to 50,000,000 euro, repayable in 6 half yearly successive according to the redemption plan as follows: i) 8,000,000 euro, on the 5th, 6th, 7th, 8th and 9th interest payment date; ii) 10,000,000 euro, on the 10th interest payment date. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

The amount of 465,000,000 under the caption commercial paper corresponds to a commercial paper issuance program with placement guarantee which has the following maturities: 100,000,000 euro in 5.5 years and 365,000,000 euro in 3.4 years.

Current loans

Bonds Modelo Continente 2003 amounting to 82,000,000 euro, repayable after 8 years, in one installment, on 15 October 2011. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

Bonds Sonae Distribuição 2009 / 2014 - 16,000,000 euro - amount to be reimbursed on the 5th, 6th interest payment dates - on 18 September 2011 and 18 March 2012 - in accordance the contractual conditions.

Interest rate as at 31 March 2011 of the bonds and bank loan was, in average, 2.01% (1.83% as at 31 December 2010).

11 OTHER NON-CURRENT LIABILITIES

As at 31 March 2011 this caption includes a subordinate bond loan, repayable in 10 years issued by Sonae Investimentos at market conditions. This loan was fully subscribed and paid for 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. This loan was fully subscribed and paid by Sonae, SGPS, SA.

12 TRADE ACCOUNT PAYABLE AND OTHER CURRENT LIABILITIES

As at 31 March 2011 and 31 December 2010, this heading is made up as follows:

	31.March.2011	31.December.2010
Trade accounts payable	57,156	126,157
Group companies	309,713,485	488,472,236
Other accounts payable	262,560	49,548
Tax and contributions payable	18,252,559	18,082,675
Derivatives	2,074,341	4,367,099
Other current liabilities	15,433,501	13,803,831
	<u>345,793,602</u>	<u>524,901,546</u>

The caption group companies includes: (i) 291,204,707 euro (481,511,000 euro on 31 December 2010) related to short term loans of the group companies (Note 19); (ii) the amount 18,275,648 euro (6,728,106 euro on 31 December 2010) related to income tax calculated by the group companies taxed in accordance with the Special Regime for Taxing Group of Companies; (iii) the amount 233,130 euro (same amount as at 31 December 2010) related with the request for reimbursement claim of the 2003 special payment on account of income tax paid by the companies taxed according with the Special Regime for Taxing Groups of Companies.

The caption "Other current liabilities" includes mainly accrued interests not yet due relating to loans obtained.

13 CONTINGENT LIABILITIES

As at 31 March 2011 and 31 December 2010, contingent liabilities are detailed as follows:

		31.March.2011	31.December.2010
Guarantees rendered:			
related to tax claims awaiting outcome	(a)	217,414,544	166,834,471
related to local and municipal claims awaiting outcome		28,938	289,380
others		10,761,324	10,761,324
Guarantees given in favour of subsidiaries	(b)	47,605,902	47,369,533

a) Includes the amount of 215,429,158 euro (164,849,085 euro as at 31 December 2010) related to corporate income tax claims awaiting outcome and the amount of 1,985,386 euro (same amount as at 31 December 2010) relating to stamp duty claims.

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

No provision has been recognized for these tax additional assessments, to which some guarantees were made, as the Board of Directors expects their outcome to be favorable to the Company with no additional liability.

Following the disposal of a Brazilian subsidiary company, the group guaranteed to that subsidiary company buyer all the losses it will have as consequence of tax additional assessments as it is described in the Note of Contingent Assets and Liabilities in the Consolidated financial statements.

14 RELATED PARTIES

Balances and transactions with related entities are summarized as follows:

Balance:	31.March.2011	31.December.2010
Parent company	59,919	59,115
Subsidiaries	83,066,618	132,253,215
Jointly controlled companies	58,197	66,585
Associated companies	2,765,272	2,934,930
Other related parties	-	8,860,483
Accounts receivable	85,950,006	144,174,328
Parent company	8,890,441	428,731
Subsidiaries	20,039,600	12,935,340
Jointly controlled companies	600	600
Associated companies	-	34,951
Other related parties	72	872
Accounts payable	28,930,713	13,400,494
Subsidiaries	1,677,246,580	1,536,547,507
Jointly controlled companies	2,900,000	6,100,000
Associated companies	17,555,234	17,555,234
Loans granted	1,697,701,814	1,560,202,741
Parent company	434,688,000	453,000,000
Subsidiaries	256,516,707	428,511,000
Loans obtained	691,204,707	881,511,000

Transactions:	31.March.2011	31.March.2010
Subsidiaries	249,999	249,999
Associated companies	221,188	139,619
Services rendered	471,187	389,618
Parent company	12,500	-
Subsidiaries	-	2,500
Other related parties	374	917
Purchases and services obtained	12,874	3,417
Parent company	-	545
Subsidiaries	-	302,408
Other income	-	302,953
Parent company	890	324
Subsidiaries	11,216,240	7,295,459
Jointly controlled companies	58,198	40,699
Associated companies	233,257	27,538
Interest income	11,508,585	7,364,020
Parent company	8,240,446	61,214
Subsidiaries	1,509,346	1,181,066
Jointly controlled companies	-	33
Interest expenses	9,749,792	1,242,313
Subsidiaries	24,978,000	9,550,246
Associated companies	75,099	-
Dividend income	25,053,099	9,550,246
Subsidiaries	-	528,000,000
Investments acquisition	-	528,000,000

All Sonae, SGPS, SA and Efanor Investimentos SGPS, SA subsidiaries, associates and joint ventures are considered related parties including the ones of Sonae Indústria, SGPS, SA and of Sonae Capital, SGPS, SA.

In 2011 and 2010 did not occur any transactions including granted loans with the Company's Directors.

15 INVESTMENT INCOME

As at 31 March 2011 and 31 December 2010 investment income is as follows:

	31.March.2011	31.March.2010
Dividends	25,053,099	9,550,246

16 FINANCIAL INCOME / EXPENSES

As at 31 March 2011, this caption includes the amount of 11,664,565 euro (7,377,029 euro as at 31 March 2010) related to receivable interests and the amount of 17,526,158 euro (8,204,537 euro as at 31 March 2010) related to payable interests.

17 EARNINGS PER SHARE

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

	31.March.2011	31.March.2010
Net Profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	19,446,734	7,201,342
Net profit taken into consideration to calculate diluted earnings per share	19,446,734	7,201,342
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	900,000,000	1,000,000,000
Weighted average number of shares used to calculate diluted earnings per share	900,000,000	1,000,000,000
Earnings per share (basic and diluted)	0.0216	0.0072

18 APPROVAL OF FINANCIAL

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 23 May 2011.

19 INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

During the period ended 31 March 2011 shareholders' loan contracts were entered into with the following companies:

Soflorin, B.V.

During the period ended 31 March 2011 short-term loan contracts were entered into with the following companies:

Citorres - Sociedade Imobiliária, S.A.

Imoresultado – Sociedade Imobiliária, S.A.

Imosistema – Sociedade Imobiliária, S.A.

MJLF – Empreendimentos Imobiliários, S.A.

Peixes Continente – Indústria e Distribuição de Peixes, S.A.

Raso, SGPS, S.A.

Sesagest – Projectos e Gestão Imobiliária, S.A.

Sonae Center Serviços II, S.A.

As at 31 March 2011 amounts owed by affiliated undertakings can be summarized as follows:

Current (Note 7) and non-current (Note 6) granted loans

Company	31.March.2011
Azulino - Imobiliária, SA	4,102,388
Bertimóvel - Sociedade Imobiliária, SA	18,738,424
Canasta - Empreendimentos Imobiliários, SA	2,456,000
Chão Verde - Sociedade de Gestão Imobiliária, SA	64,000
Citorres - Sociedade Imobiliária, SA	3,463,000
Contimobe - Imobiliária do Castelo de Paiva, SA	51,469,599
Continente Hipermercados, SA	96,881,000
Cumulativa - Sociedade Imobiliária, SA	2,624,000
Edições Book.it, SA	4,139,000
Farmácia Selecção, SA	3,372,000
Fozimo – Sociedade Imobiliária, SA	1,746,252
Igimo – Sociedade Imobiliária, SA	656,000
Iginha – Sociedade Imobiliária, SA	12,163,886
Imoconti – Sociedade Imobiliária, SA	15,051,675
Imoestrutura - Sociedade Imobiliária, SA	319,078
Imomuro - Sociedade Imobiliária, SA	4,116,897
Imoresultado – Sociedade Imobiliária, SA	446,000
Imosistema - Sociedade Imobiliária, SA	4,104,592
MJLF - Empreendimentos Imobiliários, SA	3,347,000
Modelo - Distribuição de Materiais de Construção, SA	17,902,648
Mundo Vip - Operadores Turísticos, SA	1,000,000
MDS SGPS, SA	16,555,234
Pharmacontinente - Saúde e Higiene, SA	14,815,000
Predicomercial - Promoção Imobiliária, SA	9,006,340
Raso, SGPS, SA	2,900,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	3,471,926
Sempre à Mão - Sociedade Imobiliária, SA	50,416,444
Socijofra - Sociedade Imobiliária, SA	7,043,145
Sociloures - Sociedade Imobiliária, SA	25,616,726
Soflorin, BV	348,979,364
Sonae MC - Modelo Continente, SGPS, SA	758,823,000
Sonaerp - Retail Properties, SA	192,426,931
Sondis Imobiliária, SA	15,641,265
Tlantic Portugal - Sistemas de Informação, SA	27,000
Valor N, SA	3,816,000
	<u>1,697,701,814</u>

As at 31 March 2011 amounts owed to affiliated undertakings can be summarized as follows:

Current obtained loans (Note 12)

Company	31.March.2011
BB Food Service, SA	1,287,000
Bom Momento - Comercio Retalhista, SA	34,000
Carnes Continente - Indústria e Distribuição de Carnes, SA	6,840,000
Contibomba - Comércio e Distribuição de Combustíveis, SA	278,000
Chão Verde - Sociedade de Gestão Imobiliária, SA	2,921,000
Estevão Neves - Hipermercados da Madeira, SA	4,770,000
Fozmassimo - Sociedade Imobiliária, SA	459,000
Modelo Continente Hipermercados, SA	52,129,000
Modelo Hiper - Imobiliária, SA	2,470,000
Modelo.Com - Vendas por Correspondência, SA	8,131,000
Pharmaconcept - Actividades em Saúde, SA	109,000
Peixes Continente - Indústria e Distribuição de Peixes, SA	124,056
Sesagest - Projectos e Gestão Imobiliária, SA	43,735,651
Sonae Center Serviços II, SA	5,192,000
Sonae - Specialized Retail, SGPS, SA	126,845,000
Sonae, SGPS, SA	34,688,000
Todos os Dias - Comércio Ret. e Expl. de Centros Comerciais, SA	1,192,000
	<u>291,204,707</u>

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão