

Maia - Portugal, May 10th 2016

Sonae Sierra records a 31% growth in Net Profit to €16.6 million in the first quarter of 2016

- European tenant sales and rents maintain positive performances
- Direct profit at €14.8 million
- EBIT at €25.4 million
- Third party professional services grow stronger
- ParkLake (Bucharest, Romania) more than 95% GLA let

Sonae Sierra recorded a Net Profit of €16.6 million in the first three months of the year, compared to the €12.6 million recorded in the same period of last year, a 31% growth.

The Company's net profit increased significantly in the first quarter driven by its operating portfolio performance, the strengthening of its service provision activity — with the signing of 4 new Development service contracts — and through the gains realised on the sale of Investments.

Sonae Sierra successfully pursued the execution of its capital recycling strategy. The Company diluted its position in Sierra Portugal Fund through the sale of a 25% stake to Madison International Realty. Furthermore, Sonae Sierra concluded the disposals of Boavista Shopping in S. Paulo, Brazil, and a 41% share in LOOP5 in Weiterstadt, Germany. Despite the decrease in the shareholding of those European Investments, the Company maintained the responsibility for the management of the shopping centres and the Fund while releasing capital to fund its expansion activities.

Tenant sales in the European portfolio recorded a 5.3% like-for-like increase in the first three months of 2016, compared to the same period of 2015, with a significant 26.8% growth in Romania and 13.3% in Spain. In Brazil, tenant sales decreased (0.1% in Brazilian Real LfL) in line with the trend of the last quarter of 2015.

The occupancy rate of the portfolio reached 95%, a slight decrease on the 95.8% registered in the same period of last year, reflecting the deteriorating outlook of the Brazilian economy. In Europe, occupancy was up to 96%, an improvement on the 95.7% recorded in the first three months of 2015.

According to **Sonae Sierra's CEO, Fernando Guedes de Oliveira**, *"The positive performance of our portfolio and a continuing focus on our third party services business has driven a significant increase in net profits. Shopping Centres under development are progressing well, including ParkLake, which reached over 95% occupancy six months ahead of its opening."*

In these first three months of the year, the direct profit was €14.8 million, around €0.3 million higher than in the same period of 2015. EBIT reached €25.4 million, 2% below the same period of last year due to the sales and the adverse impact of the average exchange rate of the Brazilian Real. Excluding these effects, the Company's EBIT improved by 13% compared to the previous year due to an overall improvement in the performance of its businesses, shopping centres, property management and development services.

In Brazil, despite a challenging macroeconomic environment, the actual operating portfolio remained on the positive side, as rents and car parking income increased.

Shopping Nova Arcada opens, further service contracts signed

The opening of Shopping Nova Arcada on March 17th 2016 enabled Sonae Sierra's Property Management business to increase its income by retaining a contract to manage its 68,500 m² retail space, comprising 109 shops.

In the first three months of the year, Sonae Sierra further strengthened its service provision activity with the signing of four new Development Services contracts, in Germany, Serbia & Montenegro, Slovakia and Turkey.

ParkLake more than 95% GLA let, developments continue apace

The Company currently has 6 projects under development: ParkLake (Romania), Nuremberg (Germany), Zenata (Morocco), Malaga Designer Outlet (Spain), NorteShopping Expansion (Portugal) and Cucuta (Colombia).

ParkLake, which was 70% completed by March 31st 2016, has already reached an occupancy rate of over 95% six months ahead of its opening.

A Sonae Sierra and Caelum Development Joint venture, the new Shopping Centre is taking shape in Bucharest and will comprise a 70,000 m² GLA with over 200 shops, representing an investment of €180 million.

ParkLake will be inaugurated in September 2016, and was recently awarded best Concept & Design Project of the Year at the 10th Annual SEE Real Estate Awards for 2015.

Net Asset Value (NAV) and Financial Ratios

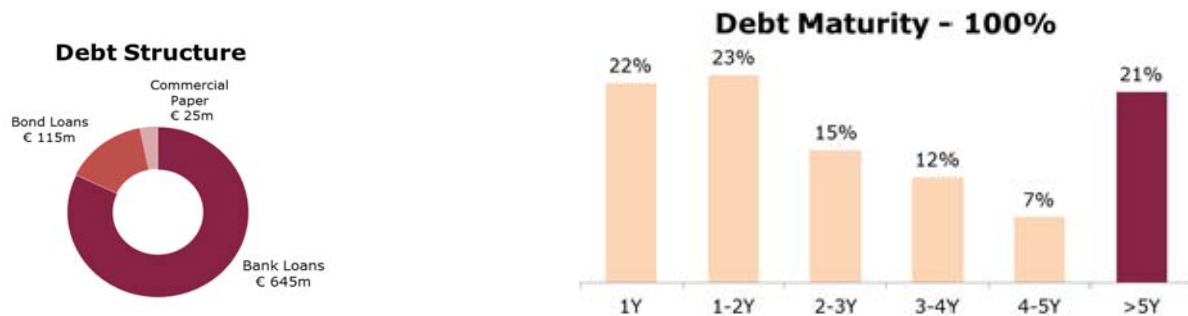
Sonae Sierra calculates its NAV according to the guidelines published in 2007 by the INREV (European Association for Investors in Non-Listed Real Estate Vehicles).

Based on this methodology, as of March 31st 2016, Sonae Sierra's NAV reached €1.2 billion. This value represents a 1.4% increase compared to the value in December 2015, mainly due to the net profit of the period.

Net Asset Value (NAV) amounts in € m	31 Mar 16	31 Dec 15
NAV as per the financial statements	966.3	938,3
Revaluation to fair value of developments	3.1	3,0
Deferred tax for properties	222.5	238,1
Goodwill related to deferred tax	-8.9	-14,3
Gross-up of Assets	13.2	14,7
NAV	1,196.2	1.179,8
NAV per share (in €)	36.79	36,29

Sonae Sierra maintained its usual conservative and balanced long-term funding and hedging strategies. The Company's Capital structure has an average debt maturity of 3.87 years, of which 39% has hedged interest rate.

The following chart illustrates Sonae Sierra's debt structure and maturity as of March 31st, 2016:



Sonae Sierra continues to benefit from good access to funding. The average cost of debt for Sonae Sierra is currently standing at 4.1%, in line with 2015. Excluding Brazil, the average cost of the debt in Europe is of 3.1%.

The Financial Ratios continue to show the cautious attitude and financial strength of the Company's balance sheet.

Ratios	31 Mar 16	31 Dec 15
Loan-to-value	31.8%	39.5%
Interest cover	3.2x	3.0x
Development ratio	17.1%	15.6%

Sonae Sierra's Profit and Loss Account and Consolidated Balance Sheet

Consolidated Profit and Loss Account (€million)	3M16	3M15	% 16/15
Direct income from investments	51.3	54.9	-6%
Direct costs from investments	26.0	28.9	-10%
EBIT	25.4	25.9	-2%
Net financial costs	7.0	8.2	-15%
Other non-recurrent income/cost	0.0	0.0	-
Direct profit before taxes	18.4	17.8	3%
Current tax	3.6	3.3	8%
Direct profit	14.8	14.5	2%
Gains realized on sale of investments	2.8	0.1	-
Impairment	0.3	0.0	-
Value created on investments	0.5	0.0	-
Indirect income	3.5	0.1	-
Deferred tax	1.8	1.9	-8%
Indirect profit	1.8	-1.8	-
Net profit	16.6	12.6	31%

Consolidated Balance Sheet (€million)	31 Mar 16	31 Dec 15	Var. (16-15)
Investment properties	1,776	2,008	-232
Properties under development and others	128	120	8
Other assets	94	101	-7
Cash & Equivalents	160	71	89
Total assets	2,158	2,300	-142
Net worth	966	938	28
Bank loans	761	905	-144
Deferred taxes	273	286	-13
Other liabilities	158	171	-13
Total liabilities	1,191	1,361	-170
Net worth and liabilities	2,158	2,300	-142

About Sonae Sierra

Sonae Sierra, www.sonaesierra.com, is the international shopping centre specialist, with a passion for creating innovative shopping experiences. Sonae Sierra operates from corporate offices in 13 countries providing services to clients in geographies as diverse as Portugal, Algeria, Azerbaijan, Brazil, Colombia, Germany, Greece, Italy, Morocco, Romania, Russia, Slovakia, Spain, Tunisia and Turkey. Sonae Sierra owns 44 shopping centres with a market value of €6 billion euros, and manages and/or lets 85 Shopping Centres with a Gross Lettable Area of 2.3 million m² and about 9,000 tenants. In 2015, the Company welcomed more than 430 million visits in the shopping centres it manages. Currently, Sonae Sierra has 11 projects under development, including 4 for clients, and 7 new projects in pipeline.