

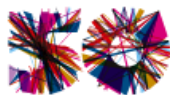


SONAE  
1st  
HALF  
RESULTS  
2009



SONAE  
50 YEARS AHEAD.

# SONAE MANAGEMENT REPORT



**SONAE**  
50 YEARS AHEAD.



# 1 MAIN HIGHLIGHTS

## Delivering growth in turnover and profitability; showing resilience in the face of challenging market conditions.

- Turnover increased by 7%, driven by growth in both food and specialised retail businesses;
- EBITDA up by 12%; on a recurrent basis, EBITDA increased by 16% to 272 million euros driven by both our food retail and telecoms businesses;
- Improved operating margin up by 0.4pp; on a recurrent basis, increased by 0.7pp to 10.4% of turnover;
- Direct net profit (group share) higher than 2008 and reaching 29 million euros ;
- Indirect results adversely affected by continuing increases in capitalization yields for shopping centres albeit at a decreasing rate.

### Message from the CEO, Paulo Azevedo

During 1H09, Sonae achieved strong turnover growth (+7%) with improved EBITDA (+12%). I am particularly happy to be able to report these numbers, given the challenging consumer market and the unavoidable effects of our significant commitment to grow our international retailing activities.

Our food based retail division has reinforced its leadership position, with turnover up by 8% and EBITDA growing by 25%. Improvements in internal operating efficiency, sales area expansion and, particularly, a 3% like-for-like sales growth driven by both our hyper and super formats, made these results possible, and are a clear demonstration of the strength of our retail value proposition. Noteworthy was the resilience of our specialised retail division, which saw a marked improvement during 2Q09 and ended the semester with like-for-like sales down by only 3% (-9% in 1Q09), driven by the good performance of our textile formats and the seasonal effect of a late Easter. Further progress was made with our international expansion strategy, having strengthened our presence in the Spanish market, where we now have three formats; Worten, SportZone and Zippy, the latter having recently opened two stores, one in Madrid and one in Murcia. The initial signs of performance of our Spanish operations are positive giving us confidence in the significant growth potential of this strategy.

Our telecommunications business has also performed well during 1H09 with continued top line growth and with a significant improvement in EBITDA, benefiting from a reduction in operating costs, driven by the cost initiatives launched in 2008, lower marketing & sales costs and lower and asymmetric Mobile Termination Rates. The business is also showing the benefits of the significant investments made last year particularly in network, brands and customer service.

As expected, our indirect results were once again affected by the continuing increases in capitalization yields across Europe, applied when valuing our shopping centres. This increase led to a reduction in the valuation of our shopping centres and to a corresponding negative 87 million euros non-cash charge, net of tax, to results. The negative charge also included the net impact of higher estimated cash flows for our Portuguese and German portfolio and lower estimated cash flows for most of the remaining portfolio. The Portuguese portfolio saw occupancy rates kept at high levels (97%) and managed to increase total rents collected (variable + fixed) by 1% on a like-for-like basis. Worthy of note were the cost control initiatives implemented during the semester contributing to the improvement in direct results.

A number of corporate events during the semester are worthy of note (including subsequent events to the semester), aligned with our declared strategic objectives of 'internationalization', 'leveraging our exceptional asset base in Portugal' and 'diversification of our investment style', namely: the launch of our 'Continente Mobile' offer, a joint partnership between our food retail and telecommunication businesses; the opening of a new specialised retail format, the MegaModalfa store in Lisbon; and the significant growth in Brazil. During this semester, we inaugurated Manauara Shopping, the largest and most modern centre in the state of Amazonas, and acquired two insurance brokers through Lazam-MDS followed by the roll-up of our partners' interest into the insurance brokerage holding company (effectively increasing our exposure to Brazil), while closing a strategic agreement with the Feffer family to further develop the Latin American market. In addition, we completed the refinancing of our medium and long term debt facilities maturing during 2009 at the retail business, with 165 million euros in new credit facilities with an average maturity of approximately 4 years. This has enhanced the financial strength of our retail business to pursue our agreed growth strategy.

We remain cautious about the overall economy and the uncertain evolution of the markets where we operate, particularly in respect of the competitive pressures in the retail and telecoms arenas. Despite this caution, the resilience of the cash-flows generated at almost all our businesses allows us to be confident in our ability to maintain our shareholder remuneration policy.

## 2 INCOME STATEMENT HIGHLIGHTS

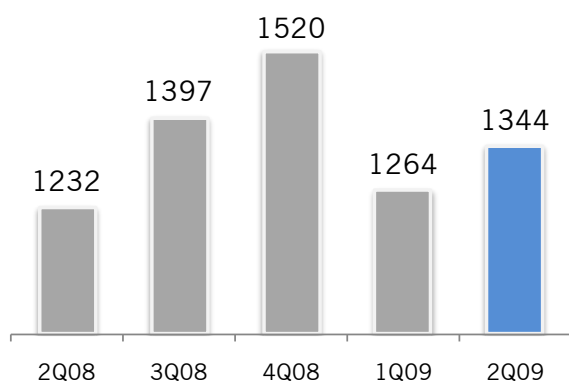
### Turnover

Million euros

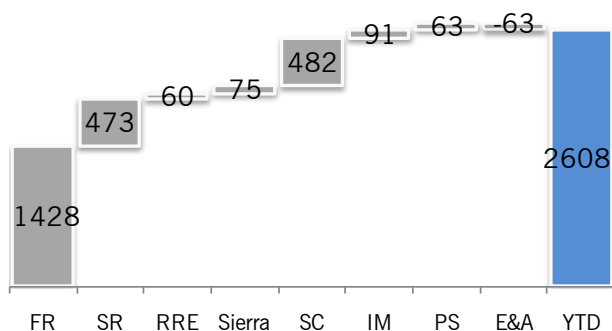
	1H08	1H09	y.o.y
<b>Sonae</b>	<b>2,437</b>	<b>2,608</b>	<b>7.0%</b>
Food based retail	1,328	1,428	7.6%
Specialised retail	379	473	24.7%
Retail real estate	54	60	11.8%
Shopping centres <sup>(1)</sup>	79	75	-4.2%
Telecommunications	476	482	1.3%
Investment mngmt.	106	91	-14.4%
Petrol stations	73	63	-14.4%
Elimin.& adjust.	-57	-63	-

(1) Shopping centres are proportionally consolidated (50%).

### Turnover quarterly trend



### Turnover breakdown



### Turnover

- **Sonae** turnover increased by 7% mainly driven by growth in both food and specialised retail businesses.
- **Food based retail** turnover was up by 8%, reflecting: (i) strong like-for-like growth across all formats (+3% yoy in the semester and +5% yoy in 2Q09), with higher volumes offsetting the lower average 'ticket' per consumer, the latter reflecting deflation and the prevailing trading down by customers; (ii) organic growth over the last 12 months, with additional 37 thousand m2 opened (80 new stores); (iii) the strong performance of both the private label offer, surpassing 23% of FMCG sales, and the perishables category; and (iv) success of the commercial initiatives implemented through the customer loyalty card.
- **Specialised retail** reported a 25% increase in turnover, impacted by the strong expansion of the last 12 months, with the inclusion of additional 81 thousand m2 organically and through M&A. Like-for-like sales were down 3% (strong 2% growth in 2Q09), with growth in the textile and sports formats mitigating the performance of the consumer electronics formats the latter reflecting a lower consumption of discretionary categories. Noteworthy, the sustainable reinforcement of leadership in the Portuguese consumer electronics market. The international business in Spain with Worten, SportZone and Zippy is running according to plan and during 1H09 contributed with more than 10% of sales.
- **Shopping centres** turnover fell by 4% mainly reflecting the lower ownership of the Sierra Portugal Fund at 42% which was fully consolidated in 1H08. On a comparable basis regarding the Sierra Portugal Fund, turnover was 1% higher, reflecting the maintenance of a high occupancy rate (94%), a marginally positive like-for-like growth of fixed rents and the contribution of the 4 centres opened in 2008 and 1 in 2009. These have offset the lower revenues posted by the development activity and the property and asset management services.
- **Telecommunications** turnover was up 1%, with sustained growth in mobile customer revenues, benefiting from the significant investments made last year particularly in network, brands and in customer service.

## EBITDA

Million euros

	1H08	1H09	y.o.y
<b>Sonae</b>	<b>244</b>	<b>272</b>	<b>11.5%</b>
Food based retail	56	69	24.8%
Specialised retail	12	2	-83.4%
Retail real estate	57	57	0.2%
Shopping centres <sup>(1)</sup>	45	43	-4.5%
Telecommunications	69	91	33.2%
Investment mngmt.	6	0	-94.7%
Elimin.& adjust.	1	10	-

(1) Shopping centres are proportionally consolidated (50%).

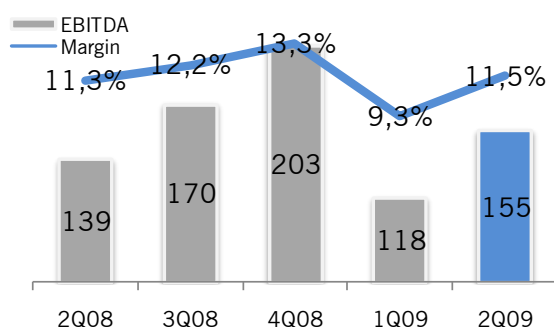
## EBITDA

as a % of turnover

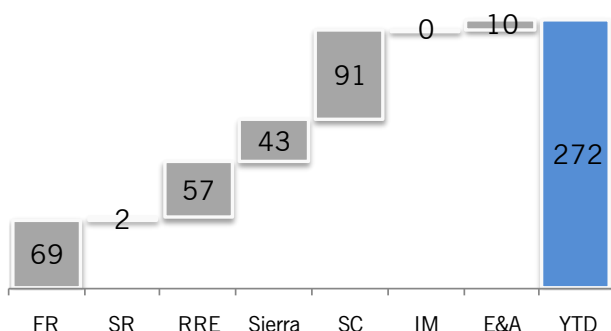
	1H08	1H09	y.o.y
<b>Sonae</b>	<b>10.0%</b>	<b>10.4%</b>	<b>0.4pp</b>
Food based retail	4.2%	4.8%	0.7pp
Specialised retail	3.2%	0.4%	-2.7pp
Shopping centres <sup>(1)</sup>	57.3%	57.0%	-0.2pp
Telecommunications	14.4%	19.0%	4.6pp
Investment mngmt.	5.3%	0.3%	-5pp

(1) Shopping centres are proportionally consolidated (50%).

## EBITDA quarterly trend



## EBITDA breakdown



## EBITDA

- **Sonae** EBITDA increased materially by 12% to 272 million euros, generating a margin of 10%, a 0.4pp improvement versus 1H08. On a recurrent basis and excluding capital gains in 1H08, EBITDA increased by 16%.

- **Food based retail** delivered growth while improving margins: EBITDA increased by 25%, representing a margin over sales of 5% compared to 4% in 1H08 (+ 0.7pp). EBITDA growth benefited, not only from the improved turnover performance and internal operating efficiency programmes, but also from the fact that in 1H08 significant one-off integration costs of the ex-Carrefour stores acquired were incurred.

- **Specialised retail** EBITDA reflected the strong investment in organic growth both in Portugal and in Spain. The Portuguese operation posted an increase in EBITDA and margin, driven by scale benefits mainly at the textile formats and benefits from investments in process efficiencies. The international operation, currently accounting for 39 thousand m2 in Spain, is represented by three formats, Worten, SportZone and Zippy, the latter having recently opened two stores. Internationalization costs in the period comprised mainly the conversion of the recently acquired consumer electronics stores portfolio to the Worten concept and branding, and the promotional activities implemented together with the costs associated with the launch of the Zippy format.

- **Retail real estate** generated EBITDA of 57 million euros. Excluding last year's non-recurrent gain of 9 million euros related to the sale of a Brazilian site in Florianópolis (Brazil), this represents a 19% increase in EBITDA, reflecting the enlarged asset portfolio resulting from the organic expansion of the retail operations in Portugal.

- **Shopping centres** EBITDA fell by 5%, mainly due to the lower ownership of the Sierra Portugal Fund at 42%. On a comparable basis regarding the Sierra Portugal Fund, EBITDA increased by 2%, benefiting from the efficiency and cost control initiatives implemented.

- **Telecommunications** EBITDA improved significantly by 33%, driven mainly by the mobile businesses and SSI, with reductions in interconnection costs and lower marketing & sales costs off-setting a decrease in roaming-in revenues.

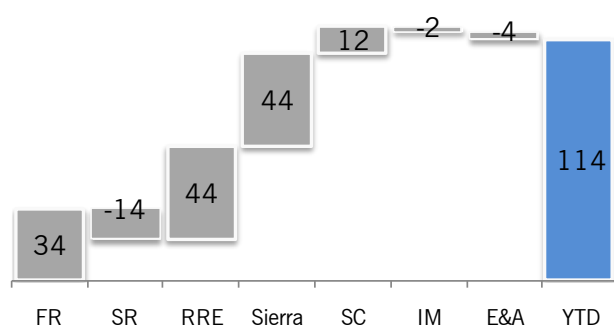
## Direct net income

Million euros

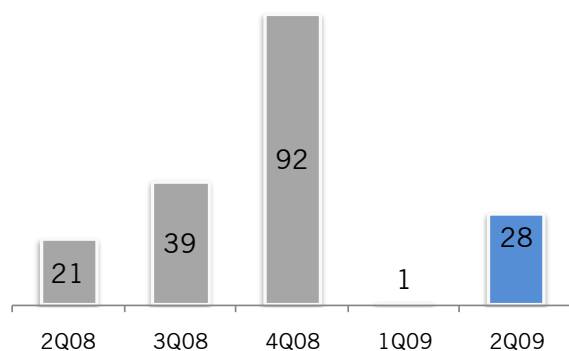
	1H08	1H09	y.o.y
<b>EBITDA</b>	<b>244</b>	<b>272</b>	<b>11.5%</b>
P&I losses <sup>(1)</sup>	-9	-13	-46.9%
D&A <sup>(2)</sup>	-133	-145	-9.1%
<b>EBIT</b>	<b>102</b>	<b>114</b>	<b>11.4%</b>
Net financial results	-78	-72	6.9%
Share in results <sup>(3)</sup>	1	1	7.5%
Investment income	1	4	-
<b>EBT</b>	<b>27</b>	<b>47</b>	<b>75.9%</b>
Taxes	1	-11	-
<b>Net income</b>	<b>28</b>	<b>37</b>	<b>32.1%</b>
<b>Group share</b>	<b>28</b>	<b>29</b>	<b>1.7%</b>
Minority interests	-1	8	-

(1) Provisions and impairment losses including reversion of impairments and goodwill; (2) Depreciation & Amortizations; (3) Share of results of associated undertakings.

## EBIT breakdown



## Net income – group share quarterly trend



## Direct net income – group share

- **Sonae's** total direct net income increased by 32%, with group share reaching a positive 29 million euros compared to 28 million euros in 1H08. On a comparable basis, excluding the previously mentioned non recurrent gain impacting 1H08 results, net income group share was 10 million euros higher than that posted in 1H08. This performance mainly reflects a much improved EBITDA performance in the period.
- Depreciation and amortization charges were up by 9%, driven by the increased asset base resulting from the expansion of the retail store network and extension of the mobile and fibre network in Telecommunications.
- Despite the higher average net debt in 1H09, net financial results were 7% better than in 1H08, mainly reflecting lower net interest expenses, down 13 million euros, as a result of a decrease in the average cost of debt driven by lower Euribor rates.
- Minority interest was positive 8 million euros compared to negative 1 million euros in 1H08, reflecting the improved net income performance at the telecommunications business, from a negative 12 million euros in 1H08, to a positive 1 million euros, and a 2% increase of direct net income at the shopping centres business.
- The tax line showed a charge of 11 million euros, compared to a benefit of 1 million euros in 1H08, mainly explained by the strong increase of EBT and lower deferred tax assets benefit recognised in 1H09, mainly in our telecommunications business.



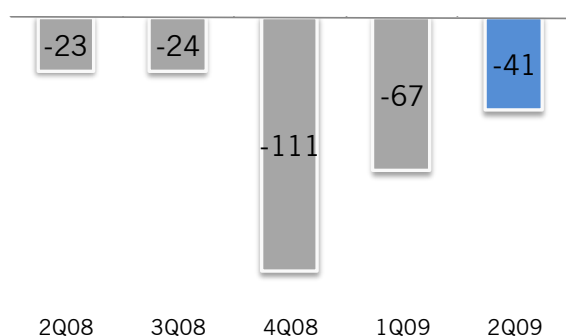
## Shopping centres indirect net income

Million euros

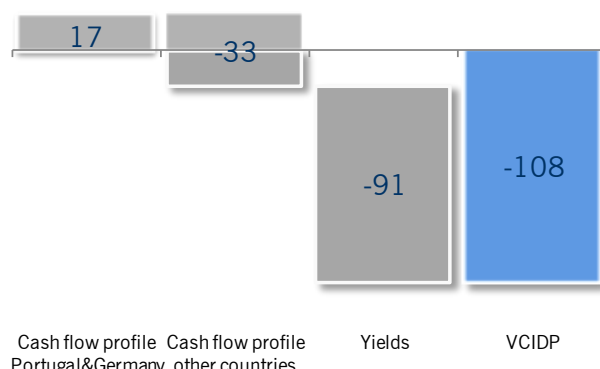
	1H08	1H09	y.o.y
VCIDP <sup>(1)</sup>	-24	-108	-
Investment income	7	0	-
Taxes	-1	21	-
Indirect net income	-18	-87	-
<b>Group share</b>	<b>-4</b>	<b>-57</b>	<b>-</b>
Minority interests	-14	-30	-119,6%

(1) Value created on investment and development properties; development properties recognised since 4Q08.

## VCIDP quarterly trend



## VCIDP breakdown



## Shopping centres indirect income

- Consolidated indirect income group share was negative 57 million euros compared to negative 4 million euros in 1H08. This was the result of a much larger negative non-cash charge related to value created on investment and development properties (VCIDP).
- VCIDP in the shopping centres business was negative 108 million euros, reflecting: (i) 91 million euros decrease in the value of the European shopping centres in the portfolio (a non-cash impact), explained by the general increase in European capitalization yields; in 1H09, average yields increased in Portugal by 39bp, in Spain by 51bp, in Italy by 28bp, in Germany by 8bpn, in Romania by 75bp and in Greece kept flat; (ii) 17 million euros positive impact resulting from the improved estimated performance of shopping centres owned in Portugal and Germany; and (iii) 33 million euros negative impact on valuation, driven by downward adjustments of estimated future cash flow generation of shopping centres in the other countries.
- Investment income was zero in 1H09 compared to 7 million euros in 1H08, the latter including gains related to the launch of Sierra Portugal Fund in March 2008 and the corresponding sale of a 58% shareholding to reference investors. This income was primarily explained by the write-off of deferred tax liabilities related to unrealised gains in investment properties, accounted for in the balance sheet under the IFRS rules.
- The tax line showed a gain of 21 million euros, reflecting the reversal of deferred tax liabilities related to the decrease in value of properties at the end of the period.

# 3 INVESTMENT

## CAPEX

Million euros

	1H08	1H09	y.o.y
<b>Sonae</b>	<b>386</b>	<b>293</b>	<b>-24.1%</b>
as a % of turnover	15.8%	11.2%	-4.6pp
Food based retail	53	64	21.0%
Specialised retail	30	56	85.9%
Retail real estate	34	62	81.1%
Shopping centres <sup>(1)</sup>	81	47	-42.5%
Telecommunications	162	55	-66.0%
Investment mngmt.	3	8	181.2%
Elimin.& adjust.	22	0	-
EBITDA minus CAPEX	-141	-20	85.6%

(1) Shopping centres are proportionally consolidated (50%).

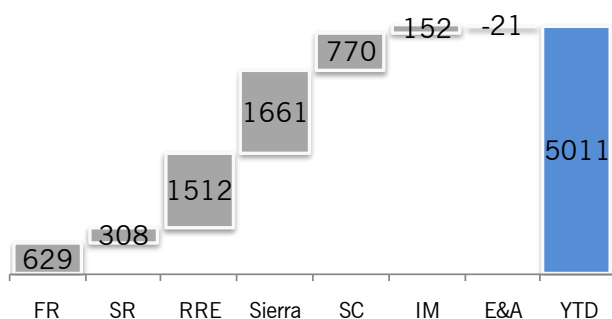
## Invested capital

Million euros

	1H08	1H09	y.o.y
<b>Sonae</b>	<b>4,814</b>	<b>5,011</b>	<b>4.1%</b>
Investment properties <sup>(1)</sup>	2,153	1,846	-14.2%
Technical investment <sup>(2)</sup>	2,720	3,160	16.2%
Financial investment	87	63	-27.9%
Goodwill	690	699	1.2%
Working capital	-835	-755	9.6%

(1) Includes shopping centres accounted for as financial investments in the balance sheet; (2) includes available for sale assets.

## Invested capital breakdown



## CAPEX

- **Sonae's** investment in 1H09 reached 293 million euros (11% turnover), mainly reflecting the retail businesses' expansion plans, including internationalization.

- **Food based retail** CAPEX, 64 million Euros (11 million euros above 1H08), was directed towards: (i) the initial investment (excluding the real estate component) in new stores opened (7 thousand m2); (ii) the refurbishment of several stores (intervention in 70 thousand m2); (iii) the preparation work for future expansions, namely the new Modelo stores in Leça do Balio, Mem-Martins, Sesimbra and Ovar opened in July; and (iv) the upgrading of the logistic warehouse units.

- **Specialised retail** CAPEX was 56 million Euros (up 26 million euros when compared to LY), comprising: (i) the initial investment (excluding the real estate component) in 24 new stores opened in Portugal (17 thousand m2), including the new MegaModalfa concept, with its first store opened in Lisbon (ii) the continuous refurbishment and renewal investments at the store portfolio (intervention in 30 thousand m2); and (iii) investment expenses with the reinforcement of presence in Spain with the launching of an additional format, Zippy, with 2 new stores, the opening of 6 thousand m2 of Sportzone and Worten stores, and the conversion of the acquired consumer electronic stores to the Worten concept.

- **Retail real estate** CAPEX amounted to 62 million euros, reflecting the acquisition of additional retail area, and investment expenses in account for future openings.

- **Shopping centres** CAPEX reflected the conclusion of Manauara, in Brazil (opened in April), progress in the development of the disclosed projects in the pipeline, namely Loop5 (scheduled for 2009) and Leiria (scheduled for 2010), and the expansion of Guimarães Shopping (scheduled for 2009).

- **Telecommunications'** CAPEX comprised mainly investment in the mobile network, although at a slower pace than in 1H08.



# 4 CAPITAL STRUCTURE

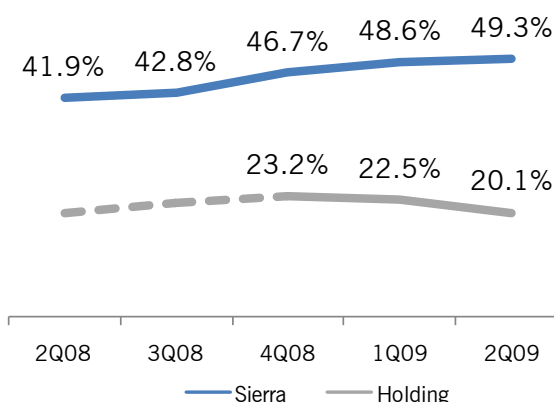
## Capital structure

Million euros

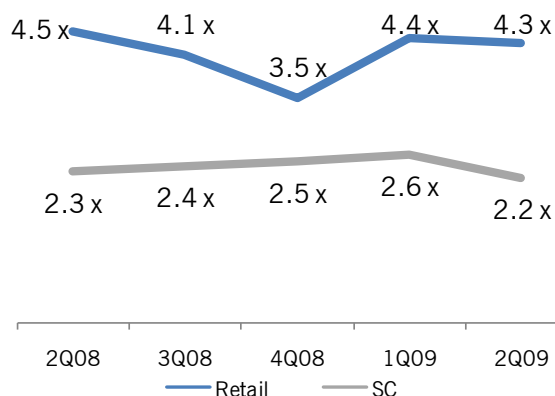
	1H08	1H09	y.o.y
<b>Net debt inc. SH loans</b>	<b>3,144</b>	<b>3,479</b>	<b>10.7%</b>
Retail businesses	1,348	1,495	10.9%
Shopping centres <sup>(1)</sup>	902	948	5.2%
Telecommunications	367	411	11.8%
Investment mngmt.	67	116	72.8%
Holding <sup>(2)</sup>	460	510	10.7%

(1) Shopping centres are proportionally consolidated (50%); (2) includes Sonae's individual accounts.

## Sonae Sierra and Holding Loan to value



## Retail and Telecom Net Debt/EBITDA (last 12 months)



Note: Leverage Ratios based on financial debt (excluding shareholder loans)

## Capital structure

- **Sonae's** net debt increased by 335 million euros to 3,479 million euros, due to the investment for growth effort of the last 12 months (793 million euros), 23% higher than the EBITDA generated in the same period. This investment was mostly visible at the retail businesses that saw their net debt increase. Overall, debt facilities have long average maturities, with Sonae's weighted average maturity standing at approximately 5.3 years (considering 100% of Sonae Sierra's debt), and no major debt repayments in the short term.
- **Retail formats & retail real estate** net debt increased by 147 million euros, mainly reflecting the investments' requirements in organic growth, including internationalization; Net Debt to EBITDA (last 12 months) was slightly lower when compared to end 1H08 at 4.3x, with the increased net debt being partially off-set by the higher EBITDA level in the preceding 12 month period.
- **Shopping centres** net debt was 5% higher than that at end 1H08, with a loan to value ratio reaching 49%. When compared to end 1H08, loan to value increased mainly due to the decrease in value of the European Shopping centres in the portfolio, resulting from the increase in capitalization yields over the last quarters.
- **Telecommunications'** net debt, excluding the proceeds from the securitization transaction, stood at 411 million euros, 12% above end 1H08, primarily reflecting the investment effort of the last 12 months; Net Debt to EBITDA (last 12 months) reached a conservative level of 2.2x, determined by the improved EBITDA performance over the last 12 months.
- **Holding** net debt increased by 50 million euros to 510 million euros, including the impact from the payments under the cash settled equity swap.
- **Sonae's** liquidity risk was maintained at a low level, with the sum of cash and unused credit facilities standing at 868 million euros.

# 5 INVESTMENT PORTFOLIO

## Analyst consensus - latest valuations <sup>(1)</sup>

euros

Broker	Date	Rating	Price
UBS	Feb 09	Buy	0.80
Goldman Sachs	Jun 09	Buy	0.94
JPMorgan	May 09	Buy	0.95
Fidentiis	Jun 09	Buy	0.85
BPI	Jun 09	Buy	1.10
BES	Apr 09	Buy	0.90
BANIF	Dec 08	Buy	1.25
Lisbon Brokers	Mar 09	Buy	1.00
Santander	Ag 09	Buy	1.00
Caixa BI	Dec 08	Buy	1.00
Equita	Jul 09	Neutral	0.83

<b>Target share price</b>	<b>0.97</b>
Closing price last trading day	0.67
Premium/(discount) at target <sup>(2)</sup>	43.2%

## Market valuation <sup>(1)</sup>

Million euros

	<b>1H09</b>
Retail businesses' equity value	1,841
Retail businesses enterprise value	3,235
Food retail enterprise value	1,425
Specialised retail enterprise value	297
Retail real estate invested capital (book value)	1,512
Retail businesses net debt (including shareholder loans)	1,394
Shopping centres equity value	701
Investment management equity value	73
Telecommunications equity value	342
<b>Sonae Gross Asset Value (GAV)</b>	<b>2,957</b>
Holding net debt (including shareholder loans)	510
<b>Sonae Net Asset Value (NAV)</b>	<b>2,447</b>
shares outstanding (million)	2,000
<b>Sonae NAV/share (€)</b>	<b>1.22</b>
Closing price last trading day (€)	0.67
Premium/(discount) at NAV <sup>(2)</sup>	81.6%

(1) unaudited; (2) Comparison to closing price on 30 June 2009.

## Analyst consensus

- The consensus value of Sonae's target price, based on the latest valuations released, was 0.97 euros per share, implying a premium of 43% over Sonae's closing share price of 0.67 euros as at end 1H09.
- 91% of available research analyst's reports have a 'buy' recommendation, the majority of which attributing a high premium over Sonae's stock market valuation.

## Market valuation

- Sonae's net asset value represented 1.22 euros per share, implying a premium of 82% over the Sonae's closing share price of 0.67 euros.
- From Sonae's current portfolio, retail represented 62% of total GAV, shopping centres 24% telecommunications 12% and the investment management 2%.



# 6 CORPORATE INFORMATION

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## Half-year corporate developments

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- Sonae acquired through a wholly owned subsidiary an additional 324 thousand Sonaecom shares, purchased at an average price of 1.05 euros per share. With this acquisition, the Company ended 1H09 with a shareholding position of approximately 53.16%.
- Christopher Lawrie, formerly CFO at Sonaecom, has taken up a new role as CEO of the recently created Retail Real Estate business unit.

## Subsequent corporate developments

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- Sonae retail division completed the refinancing of its medium and long term debt facilities maturing during 2009, by contracting new medium and long term credit facilities totalling 165 million euros, with an average maturity of approximately 4 years. This refinancing further enhanced Sonae's financial capacity to implement its growth strategy, by allowing the Company to increase the average maturity of its debt and diversify sources of financing.
- Sonae's recently created investment management unit signed a strategic partnership agreement for its insurance brokerage area, representing an important strategic move for the development of its presence in the Latin American market. Under this operation, it was agreed the roll-up of the Feffer family's 55% shareholding in Lazam-mds in exchange for 49.99% of the enlarged share capital of MDS plus an up-front cash payment of 47 million euros to Sonae. A capital gain amounting to approximately 27 million euros was recognized, reflecting an underlying Enterprise Value of Sonae's insurance brokerage area of 139 million euros.

## Outlook

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- The uncertainty regarding future market developments remains high and, in this respect, Sonae's short term tactical decisions will be adapted as appropriate to the changing circumstances. However, Sonae's expectations for the next semester include the following:
  - The Company will continue to focus on growing its food and specialised retail businesses, by expanding its sales area by approximately 100 thousand m2 in 2009 (food retail: 40 thousand m2; specialized retail 60 thousand m2, balanced between Portugal and Spain), and reaching more than 900 thousand m2 by the end of 2009. However, given the current constraints in financial markets, we will adopt a capital light approach, with the expansion being based on operating the leasing of properties rather than their ownership.
  - The shopping centre business will open, according to plan, the new asset Loop5 in Germany, which currently has approximately 95% of its GLA commercialized to both local and international retailers. The pace of launch of the project pipeline will, as already disclosed, be slowed down, adapting to the current constraints in financial markets (only projects with financing finalised are started) and increasing minimal required return on equity for each project.
  - The telecommunications business should be able to achieve its targets for the year, despite the increased level of competition. However, the Free Cash Flow performance may continue to be negatively affected by the amounts to be received from the Government Information Society Fund, linked to the "e-Initiatives" programme.
- Conscious of the current market environment together with the performance achieved during the last quarters, Sonae is confident in its capacity to continue to successfully deliver profitable growth while building a strong market position and earning the trust of its shareholders.



# 7 CORPORATE GOVERNANCE

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A detailed annual Corporate Governance Report is included in Sonae's Full Year 2008 Management Report and Accounts available on its website ([www.sonae.pt](http://www.sonae.pt)). Sonae's website also has a specific section dedicated to corporate governance.

Highlighted below are the main developments that occurred during 1H09 in relation to corporate governance issues.

## **Amendment to the Articles of Association**

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- At Sonae's Annual general Meeting held on 20 April 2009, shareholders approved, among other changes, the following amendments to the articles of association:
  - Shareholders' General Meetings may be attended by shareholders who provide proof of share ownership to the company, at least three business days prior to each session, by way of a certificate issued by a financial intermediary confirming their ownership and blocking of their shares;
  - Voting by electronic means and all the necessary procedures for those votes to be considered valid;
  - The clarification of article 384-a of the Portuguese Company Law that shareholders who send their voting papers by registered post or by electronic means, are abstaining from voting on any proposals that are not specifically included in their voting papers, when the respective proposals had been presented before the date on which their votes were cast.

## **Board of Directors**

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- Ratification at the Sonae's Annual general Meeting of the co-option of Bernd Hubert Joachim Bothe to the Board of Directors, which occurred on 17 March 2009, as a replacement for Luiz Felipe Palmeira Lampreia, as announced to the market at that time.

## **Code of conduct**

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On the 17 March 2009, Sonae's code of conduct was approved by the Board of Directors, available on the Company's website ([www.sonae.pt](http://www.sonae.pt)), in the specific section dedicated to corporate governance.

# 8 ADDITIONAL INFORMATION

## Portfolio organization



Note: after 20 July 2009, MDS is 50.01% owned

## Glossary

<b>ARPU</b>	Average revenue per user
<b>CAPEX</b>	Investments in tangible and intangible assets, investment properties and acquisitions
<b>Direct income</b>	Direct income excludes contributions to indirect income
<b>EBITDA</b>	Turnover + other revenues -impairment reversion - badwill- operating costs (based on direct net income)
<b>EBITDA margin</b>	EBITDA / Turnover
<b>Eliminations &amp; adjustments</b>	Intra-groups + Holding company figures for 2008
<b>Free Cash Flow</b>	EBITDA – operating capex-change in working capital-financial investments-financial results-income taxes
<b>FMCG</b>	Fast Moving Consumer Goods are products that are sold quickly at relatively low cost
<b>Gross Asset Value</b>	<p><b>Food based retail &amp; specialised retail</b> valuation based on sector EV/EBITDA 09 &amp; EV/Sales 09 multiple and last 12 months Sales &amp; EBITDA reported</p> <p><b>Retail real estate</b> valuation based on net invested capital (book value)</p> <p><b>Shopping centres</b> valuation includes: European and Brazilian properties in operation and under development at NAV; and Property and Asset Management businesses based on EV/EBITDA market multiples</p>

	<p><b>Investment management</b> valuation based on enterprise value assessed for the insurance brokerage area during the M&amp;A process and the percentage owned of the Maxmat and Star,Geotur businesses' book value of shareholders' funds.</p> <p><b>Telecommunications</b> valuation at market prices on last trading day</p>
Investment income	Capital gains (losses) from the sale of financial investments
Indirect income	Indirect Income includes the shopping centre segment contributions net of taxes to consolidated income statement, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and; (iv) provision for assets at Risk
Investment properties	Shopping centres in operation owned by Sonae Sierra
Liquidity	Cash & equivalents + current investments
Like for Like sales	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods
Loan to value Holding	Holding Net debt/ Investment Portfolio Gross Asset Value; gross asset value based on Market multiples, real estate NAV and market capitalization for listed companies
Loan to value shopping centres	Net debt / (investment properties + properties under Development ) at book value
Net invested capital	Gross real estate assets + other tangible and intangible assets - amortizations and impairment losses + financial investments + working capital (including other assets & liabilities such as deferred taxes); all figures at book value with the exception of shopping centres' building block
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities
Net debt	Bonds + bank loans + other loans + finance leases – cash, bank deposits and current investments
Net income group share	Net income attributable to Sonae shareholders
Other loans	Bonds, leasing and derivatives
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by an independent entity



<b>RoIC (Return on invested capital)</b>	EBIT(12 months) /Net invested capital
<b>Shopping Centre Services business</b>	Asset management services + property management services
<b>Technical investment</b>	Tangible assets + intangible assets + other fixed assets – depreciations and amortizations
<b>Value created on investment and development properties (VCIDP)</b>	Increase (decrease) in the valuation of shopping centres in operation and under development; shopping centres under development are only included if a high degree of certainty concerning their conclusion and opening exists.

## Consolidated income statement

<b>Consolidated income statement</b>			
Million euros			
	1H08	1H09	y.o.y
<b>Direct income</b>			
<b>Turnover</b>	<b>2,437</b>	<b>2,608</b>	<b>7.0%</b>
<b>EBITDA</b>	<b>244</b>	<b>272</b>	<b>11.5%</b>
<b>EBITDA margin</b>	<b>10.0%</b>	<b>10.4%</b>	<b>0.4pp</b>
Provisions and impairment losses <sup>(2)</sup>	-9	-13	-46.9%
Depreciations and amortizations	-133	-145	-9.1%
<b>EBIT</b>	<b>102</b>	<b>114</b>	<b>11.4%</b>
Financial results	-78	-72	6.9%
Share in results of associated undertakings	1	1	7.5%
Investment income	1	4	-
<b>EBT</b>	<b>27</b>	<b>47</b>	<b>75.9%</b>
Taxes	1	-11	-
<b>Direct net income</b>	<b>28</b>	<b>37</b>	<b>32.1%</b>
<b>Group share</b>	<b>28</b>	<b>29</b>	<b>1.7%</b>
Attributable to minority interests	-1	8	-
<b>Shoppings indirect income</b>			
VCIDP <sup>(3)</sup>	-24	-108	-
Investment income	7	0	-100.0%
Taxes	-1	21	-
<b>Indirect net income</b>	<b>-18</b>	<b>-87</b>	<b>-</b>
<b>Attributable to equity holders</b>	<b>-4</b>	<b>-57</b>	<b>-</b>
Attributable to minority interests	-14	-30	-119.6%
<b>Total net income</b>			
<b>Total net income</b>	<b>10</b>	<b>-50</b>	<b>-</b>
<b>group share</b>	<b>24</b>	<b>-28</b>	<b>-</b>
Attributable to minority interests	-14	-22	-55.1%

(1) Includes reversion of impairments and badwill; (3) Value created on investment and development properties.

## Consolidated balance sheet

### Balance sheet

Million euros

	2008	1H09	y.o.y
<b>TOTAL ASSETS</b>	<b>7,306</b>	<b>7,453</b>	<b>2.0%</b>
<b>Non current assets</b>	<b>5,871</b>	<b>6,003</b>	<b>2.2%</b>
Tangible and intangible assets	2,948	3,154	7.0%
Goodwill	697	699	0.2%
Investment properties in operation	1,683	1,636	-2.8%
Investment properties under development	159	169	5.9%
Other investments	156	104	-33.1%
Deferred tax assets	207	216	4.4%
Others	21	26	21.6%
<b>Current assets</b>	<b>1,435</b>	<b>1,450</b>	<b>1.0%</b>
Stocks	560	587	4.7%
Trade debtors	215	200	-6.8%
Liquidity	248	168	-32.4%
Others	411	495	20.2%
<b>SHAREHOLDERS' FUNDS</b>	<b>1,563</b>	<b>1,532</b>	<b>-1.9%</b>
Group share	1,151	1,081	-6.1%
Minority interests	412	451	9.7%
<b>LIABILITIES</b>	<b>5,744</b>	<b>5,920</b>	<b>3.1%</b>
<b>Non-current liabilities</b>	<b>3,560</b>	<b>3,780</b>	<b>6.2%</b>
Bank loans	1,281	1,418	10.6%
Other loans	1,735	1,802	3.8%
Deferred tax liabilities	331	319	-3.5%
Provisions	57	64	11.9%
Others	155	177	13.9%
<b>Current liabilities</b>	<b>2,184</b>	<b>2,140</b>	<b>-2.0%</b>
Bank loans	259	390	50.7%
Other loans	111	14	-87.5%
Trade creditors	1,050	1,043	-0.7%
Others	763	694	-9.1%
<b>SHAREHOLDERS' FUNDS + LIABILITIES</b>	<b>7,306</b>	<b>7,453</b>	<b>2.0%</b>

## Invested capital & return on invested capital (RoIC)

### Invested capital

Million euros

	1H08	1H09	y.o.y	2008	y.o.y
<b>Invested Capital</b>	<b>4,814</b>	<b>5,011</b>	<b>4.1%</b>	<b>4,721</b>	<b>6.1%</b>
Investment properties <sup>(1)</sup>	2,153	1,846	-14.2%	1,888	-2.2%
Technical investment <sup>(2)</sup>	2,720	3,160	16.2%	2,958	6.8%
Financial investment	87	63	-27.9%	110	-43.0%
Goodwill	690	699	1.2%	697	0.2%
Working capital	-835	-755	9.6%	-932	18.9%
<b>Equity + Minorities</b>	<b>1,670</b>	<b>1,532</b>	<b>-8.2%</b>	<b>1,563</b>	<b>-1.9%</b>
<b>Total Net debt <sup>(3)</sup></b>	<b>3,144</b>	<b>3,479</b>	<b>10.7%</b>	<b>3,159</b>	<b>10.1%</b>

(1) Includes shopping centres accounted for as financial investments in the balance sheet; (2) includes available for sale assets; (3) Financial net debt + net shareholder loans.

### Return on invested capital

	1H08	1H09	y.o.y	2008	y.o.y
<b>Invested capital</b>	<b>4,814</b>	<b>5,011</b>	<b>4.1%</b>	<b>4,721</b>	<b>6.1%</b>
Food based retail	604	629	4.3%	546	15.2%
Specialised retail	218	308	41.3%	176	75.5%
Retail real estate	1,333	1,512	13.5%	1,411	7.2%
Shopping centres <sup>(1)</sup>	1,897	1,661	-12.4%	1,684	-1.4%
Telecommunications	807	770	-4.6%	747	3.1%
Investment mngmt.	116	152	31.1%	139	9.6%
Elimin.& adjust. <sup>(2)</sup>	-160	-21	-	19	-
<b>EBIT (last 12 months)</b>	<b>301</b>	<b>340</b>	<b>12.8%</b>	<b>328</b>	<b>3.5%</b>
Food based retail	98	134	36.2%	124	8.6%
Specialised retail	30	12	-57.8%	28	-54.7%
Retail real estate	75	86	14.2%	88	-1.8%
Shopping centres <sup>(1)</sup>	87	88	1.7%	89	-0.6%
Telecommunications	7	24	-	3	-
Investment mngmt.	11	-4	-	1	-
Elimin.& adjust. <sup>(2)</sup>	-7	-1	-	-3	-
<b>RoIC</b>	<b>6.3%</b>	<b>6.8%</b>	<b>0.5pp</b>	<b>6.9%</b>	<b>-0.2pp</b>
Food based retail	16.3%	21.3%	5pp	22.6%	-1.3pp
Specialised retail	13.5%	4.0%	-9.5pp	15.7%	-11.6pp
Retail real estate	5.7%	5.7%	0pp	6.2%	-0.5pp
Shopping centres	4.6%	5.3%	0.7pp	5.3%	0pp
Telecommunications	0.8%	3.2%	2.3pp	0.4%	2.8pp
Investment mngmt.	9.5%	-2.7%	-12.2pp	1.0%	-3.8pp

(1) Shopping centres are proportionally consolidated (50%); (2) includes Sonae Holding.

## Retail formats & retail real estate operating review

Retail formats & Retail real estate operating review			
	1H08	1H09	y.o.y
<b>Turnover growth</b>			
Food based retail	22.4%	7.6%	-14.8pp
Specialised retail	20.2%	24.7%	4.6pp
<b>LFL sales growth</b>			
Food based retail	1.6%	2.8%	1.2pp
Specialised retail	2.4%	-3.2%	-5.6pp
<b>Total employees</b>	<b>31,290</b>	<b>33,436</b>	<b>6.9%</b>
Food based retail	24,691	25,390	2.8%
Specialised retail	6,567	8,015	22.0%
Retail real estate	32	31	-3.1%

## Retail formats business portfolio

	Number of stores					Sales area('000 m <sup>2</sup> )					
	31 Dec 2008	Stores opened	Banner changed	Stores closed	30 Jun 2009	31 Dec 2008	Stores opened	Banner changed	Stores closed	30 Jun 2009	Area owned (%)
<b>Food based retail</b>	<b>290</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>322</b>	<b>492</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>500</b>	<b>87%</b>
Continente	37	1	1	0	39	273	2	5	0	280	88%
Modelo <sup>(1)</sup>	117	0	-1	0	116	206	0	-4	0	202	87%
Área Saúde	88	5	0	0	93	7	1	0	0	9	78%
Bom Bocado	43	21	0	0	64	3	1	0	0	4	82%
Book.It	4	5	0	0	9	1	2	0	0	3	64%
Outlet	1	0	0	0	1	2	0	0	0	2	0%
<b>Specialized retail</b>	<b>389</b>	<b>31</b>	<b>0</b>	<b>-4</b>	<b>416</b>	<b>247</b>	<b>23</b>	<b>0</b>	<b>-2</b>	<b>265</b>	<b>42%</b>
<b>Portugal</b>	<b>373</b>	<b>24</b>	<b>0</b>	<b>-4</b>	<b>393</b>	<b>213</b>	<b>17</b>	<b>0</b>	<b>-2</b>	<b>226</b>	<b>44%</b>
Worten	125	5	0	-2	128	99	8	0	-1	106	54%
Vobis	20	0	0	-1	19	9	0	0	0	8	9%
Worten Mobile	41	4	0	0	45	1	0	0	0	1	37%
SportZone	66	5	0	-1	70	51	5	0	-1	55	10%
Modalfa	87	2	0	0	89	41	2	0	0	43	87%
Zippy	29	4	0	0	33	11	1	0	0	12	6%
Loop	5	4	0	0	9	1	1	0	0	1	0%
<b>Spain</b>	<b>16</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>34</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>24%</b>
Worten	10	1	0	0	11	25	2	0	0	26	27%
Sport Zone	6	4	0	0	10	9	3	0	0	12	0%
Zippy	0	2	0	0	2	0	1	0	0	1	0%
<b>Invest. mngmt.</b>	<b>114</b>	<b>2</b>	<b>0</b>	<b>-6</b>	<b>110</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>-3</b>	<b>67</b>	<b>61%</b>
MaxMat	37	1	0	-2	36	65	0	0	-3	63	64%
Travel <sup>(2)</sup>	77	1	0	-4	74	4	0	0	0	4	22%
<b>Total</b>	<b>793</b>	<b>65</b>	<b>0</b>	<b>-10</b>	<b>848</b>	<b>809</b>	<b>29</b>	<b>1</b>	<b>-5</b>	<b>832</b>	<b>70%</b>

(1) includes Modelo Bonjour; (2) Includes combined Star and Geotur stores, resulting from the joint-venture between Sonae and RAR.

## Retail formats & retail real estate financial review

Retail formats & Retail real estate financial review			
Million euros			
	1H08	1H09	y.o.y
<b>Food retail</b>			
Turnover	1,328	1,428	7.6%
EBITDA	56	69	24.8%
EBITDA margin	4.2%	4.8%	0.7pp
CAPEX	53	64	21.0%
<b>Specialised retail</b>			
Turnover	379	473	24.7%
EBITDA	12	2	-83.4%
EBITDA margin	3.2%	0.4%	-2.7pp
CAPEX	30	56	85.9%
<b>Retail real estate</b>			
Turnover	54	60	11.8%
EBITDA	57	57	0.2%
EBITDA margin	105.8%	94.8%	-11pp
CAPEX	34	62	81.1%
Net debt including shareholder loans	1,348	1,495	10.9%
Net debt	1,362	1,524	11.9%
Net debt/EBITDA (last 12 months)	4.5 x	4.3 x	-0.2x
EBITDA/net interest expenses (last 12 months)	6.4 x	5.6 x	-0.8x
Net debt/invested capital	63.2%	62.2%	-1pp

## Shopping centres main highlights

Shopping centres operating review					
	1H08	1H09	y.o.y	2008	y.o.y
<b>Assets under management</b> (million euros) <sup>(1)</sup>	<b>6,377</b>	<b>6,117</b>	<b>-4.1%</b>	<b>6,173</b>	<b>-0.9%</b>
<b>Real estate NAV</b> (million euros)	<b>1,729</b>	<b>1,248</b>	<b>-27.8%</b>	<b>1,416</b>	<b>-11.9%</b>
Sierra Investments	1,081	678	-37.3%	960	-29.4%
Sierra Developments	336	275	-18.0%	220	25.2%
Sierra Brazil	238	240	0.7%	193	24.4%
Others <sup>(2)</sup>	74	55	-26.1%	43	27.4%
<b>NAV per share</b> (euros)	<b>53.2</b>	<b>38.4</b>	<b>-27.8%</b>	<b>43.6</b>	<b>-11.9%</b>
Openings & acquisitions (EOP)	1	1	0.0%	4	-75.0%
Shopping centres owned/co-owned (EOP)	48	51	6.3%	50	2.0%
GLA owned/co-owned (thousand m2) <sup>(3)</sup>	1,884	2,010	6.7%	1,963	2.4%
Occupancy rate of GLA owned (%)	96.3%	93.9%	-2.4pp	94.3%	-0.4pp
Projects under development (EOP) <sup>(4)</sup>	15	13	-13.3%	14	-7.1%
GLA under development (thousand m2)	685	596	-13.0%	701	-14.9%
Shopping centres managed (EOP)	61	69	13.1%	60	15.0%
GLA under management (thousand m2)	2,065	2,280	10.4%	2,163	5.4%
<b>Total employees</b>	<b>1,093</b>	<b>1,161</b>	<b>6.2%</b>	<b>1,141</b>	<b>1.8%</b>

(1) Open market value; (2) NAV of Corporate Centre + Property Management; (3) Gross lettable area in operating centres; excludes the Brazilian operation; (4) Projects in planning phase and under construction.

## Shopping Centres financial review

Million euros

	1H08	1H09	y.o.y
<b>Direct results</b>			
<b>Turnover</b>	157	151	-4.0%
Investments	112	110	-1.2%
Developments	6	3	-57.5%
Brazil	9	10	10.4%
Services Business	26	22	-14.0%
Asset management	13	10	-21.1%
Property management	13	12	-7.1%
Others & eliminations	4	5	39.3%
<b>EBITDA</b>	<b>90</b>	<b>86</b>	<b>-4.2%</b>
<b>EBITDA margin</b>	<b>57.2%</b>	<b>57.0%</b>	<b>-0.1pp</b>
<b>Services EBITDA margin</b>	<b>35.2%</b>	<b>24.9%</b>	<b>-10.4pp</b>
Investments	87	86	-0.9%
Developments	-28	-40	-45.9%
Brazil	7	8	7.1%
Services Business	9	6	-39.3%
Asset management	6	4	-41.1%
Property management	3	2	-35.1%
Others & eliminations	21	34	61.9%
Net financial results	-44	-42	4.0%
<b>Direct results</b>	<b>35</b>	<b>35</b>	<b>0.8%</b>
<b>indirect results</b>			
Gains realized on investments	14	0	-98.1%
VCIDP <sup>(1)</sup>	-42	-213	-
<b>Indirect results</b>	<b>-34</b>	<b>-174</b>	<b>-</b>
<b>Total net results</b>			
Total net results	<b>1</b>	<b>-139</b>	<b>-</b>
<b>group share</b>	<b>17</b>	<b>-94</b>	<b>-</b>
Net debt including shareholder loans	1,803	1,896	5.2%
Net debt	1,777	1,887	6.2%
Loan to Value	41.9%	49.3%	7.4pp
Net debt/EBITDA (last 12 months)	10.7 x	11.6 x	84.6pp
EBITDA/net interest expenses (last 12 months)	2.9 x	2.1 x	-78.3pp
Net debt/invested capital	46.9%	54.9%	7.9pp
CAPEX	133	69	-48.1%

(1) Value created on investment and development properties.



## Shopping Centres market yields

	2008			1H09			y.o.y		
	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min
Portugal	7.5%	5.8%	5.4%	7.9%	6.2%	5.7%	0.35pp	0.39pp	0.3pp
Spain	9.4%	6.5%	5.7%	10.8%	7.1%	6.3%	1.45pp	0.51pp	0.55pp
Italy	7.7%	6.4%	5.8%	7.7%	6.6%	6.0%	0pp	0.28pp	0.2pp
Germany	6.0%	5.9%	5.8%	6.0%	6.0%	6.0%	0pp	0.08pp	0.25pp
Greece	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	0pp	0pp	0pp
Romania	8.0%	8.0%	8.0%	8.8%	8.8%	8.8%	0.75pp	0.75pp	0.75pp
Brazil	9.8%	8.6%	8.3%	9.8%	8.6%	8.3%	0pp	0pp	0pp

## Telecommunications main highlights

### Telecommunications operating review

	1H08	1H09	y.o.y
<b>Mobile</b>			
Customers (EOP) ('000)	2,982	3,269	9.6%
ARPU (euros) <sup>(1)</sup>	16.9	14.9	-11.7%
<b>Wireline</b>			
Total accesses (EOP) ('000)	701	528	-24.6%
Direct accesses (EOP) ('000)	483	433	-10.3%
Direct access as % customer revenues	68.5%	77.5%	9pp
<b>Online &amp; Media</b>			
Average paid circulation ('000) <sup>(2)</sup>	43	39	-8.2%
Market share of advertising (%)	12.9%	11.8%	-1.2pp
<b>SSI</b>			
IT service revenues / employee ('000 euros)	57.9	62.7	8.3%
<b>Total employees</b>	1,921	2,002	4.2%

(1) Average revenues per user; (2) Estimated value updated in the following quarter.

## Telecommunications financial review

Million euros

	1H08	1H09	y.o.y
<b>Turnover</b>	476	482	1.3%
Mobile	303	299	-1.4%
Wireline	148	124	-15.8%
Media	17	15	-11.9%
SSI	54	82	50.8%
Others & eliminations	-47	-39	17.0%
Other revenues	4	2	-46.4%
<b>EBITDA</b>	<b>69</b>	<b>91</b>	<b>33.2%</b>
<b>EBITDA margin (%)</b>	<b>14.4%</b>	<b>19.0%</b>	<b>4.6pp</b>
Mobile	62	89	43.1%
Wireline	4	2	-58.3%
Media	-2	-2	-9.6%
SSI	4	4	6.3%
Others & eliminations	0	-1	-
<b>EBIT</b>	<b>-9</b>	<b>12</b>	<b>-</b>
Net financial results	-8	-7	7.2%
Total net income	-12	2	-
<b>group share</b>	<b>-12</b>	<b>1</b>	<b>-</b>
<b>Excluding the securitization transaction:</b>			
Net debt including shareholder loans	367	410	11.6%
Net debt	367	410	11.6%
Net debt/EBITDA (last 12 months)	2.3 x	2.2 x	-0.1x
EBITDA/net interest expenses (last 12 months)	14.5 x	11.3 x	-3.3x
Net debt/invested capital	45.5%	53.3%	7.8pp
<b>CAPEX</b>	<b>162</b>	<b>53</b>	<b>-67.1%</b>
Operating CAPEX <sup>(1)</sup>	68	52	-22.8%
EBITDA minus Operating CAPEX	1	39	-
Free Cash Flow	-58	-18	69.5%

(1) Operating CAPEX excludes financial investments, provisions for dismantling of sites and other non operational investments.

## Investment management main highlights

### Investment management unit

Million euros

	1H08	1H09	y.o.y
Turnover	106	91	-14.4%
<b>EBITDA</b>	<b>6</b>	<b>0</b>	<b>-94.7%</b>
EBIT	3	-2	-
Net debt including shareholder loans	67	116	72.8%
Net debt	-6	-2	62.5%
CAPEX	3	8	181.2%
<b>Total employees</b>	<b>1,122</b>	<b>1,036</b>	<b>-7.7%</b>



Maia, 24 August 2009

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Belmiro Mendes de Azevedo  
President of the Board of Directors

---

Duarte Paulo Teixeira de Azevedo  
President of the Executive Committee

---

Álvaro Cuervo Garcia  
Member of the Board of Directors

---

Álvaro Carmona e Costa Portela  
Member of the Executive Committee

---

Michel Marie Bon  
Member of the Board of Directors

---

Ângelo Gabriel Ribeirinho dos Santos Paupério  
Member of the Executive Committee

---

José Neves Adelino  
Member of the Board of Directors

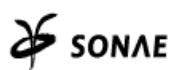
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Nuno Manuel Moniz Trigos Jordão  
Member of the Executive Committee

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Bernd Bothe  
Member of the Board of Directors

# SONAE APPENDIX



**SONAE**  
50 YEARS AHEAD.



## Statement under the terms of the Article 246, paragraph 1, c) of the Securities code

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

Maia, 24 August 2009

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Belmiro Mendes de Azevedo  
President of the Board of Directors

---

Duarte Paulo Teixeira de Azevedo  
President of the Executive Committee

---

Álvaro Cuervo García  
Member of the Board of Directors

---

Álvaro Carmona e Costa Portela  
Member of the Executive Committee

---

Michel Marie Bon  
Member of the Board of Directors

---

Ângelo Gabriel Ribeirinho dos Santos Paupério  
Member of the Executive Committee

---

José Neves Adelino  
Member of the Board of Directors

---

Nuno Manuel Moniz Trigos Jordão  
Member of the Executive Committee

---

Bernd Bothe  
Member of the Board of Directors

## Information of the Board of Directors complying with Article 9, paragraph 1, b) of the CMVM regulation number 04/2004

Disclosure of shares and other securities held by members of the Board of Directors and of transactions during the year involving shares and other securities.

	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2009 Quantity
<b>Belmiro Mendes de Azevedo (*) (**)</b>						
Efanor Investimentos, SGPS, SA (1)						49,999,996
Sonae, SGPS, SA						75,537
<b>Álvaro Carmona e Costa Portela (*)</b>						
Sonae, SGPS, SA						125,934
Sonae, SGPS, SA						5,000
<b>Ángelo Gabriel Ribeiro dos Santos Paupério (*)</b>						
Sonae, SGPS, SA						250,000
Sonae, SGPS, SA						225,000
<b>Duarte Paulo Teixeira de Azevedo (*) (**) (*****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Migracom, SGPS, SA (3)						1,969,996
Sonae, SGPS, SA						3,293 (a)
<b>Michel Marie Bom (*)</b>						
Sonae, SGPS, SA						112,363
Purchase	20.01.2009	12,000	0.497			
<b>Maria Margarida Carvalhais Teixeira de Azevedo (*) (****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA						14,901
<b>Maria Cláudia Teixeira de Azevedo (*) (*****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Linhacom, SGPS, SA (5)						99,996
Sonae, SGPS, SA						0
Shares attributed under a Share Based Compensation Plan	10.03.2009	1,861	0.00			
Sale	31.03.2009			1,861	1.21	
<b>Nuno Teixeira de Azevedo (*) (*****)</b>						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA						10,500 (a)
<b>David Graham Shenton Bain (***)</b>						
Sonae, SGPS, SA						20,000
Sonae, SGPS, SA						15,000

	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2009 Quantity
<b>(1) Efanor Investimentos, SGPS, SA</b>						
Sonae, SGPS, SA						659,650,000
Pareuro, BV (2)						2,000,000
Sonae, SGPS, SA						1,000
<b>(2) Pareuro, BV</b>						
Sonae, SGPS, SA						400,000,000
<b>(3) Migracom, SGPS, SA</b>						
Sonae, SGPS, SA						1,485,000
Sonae, SGPS, SA						387,342
Imparfin, SGPS, SA (4)						150,000
<b>(4) Imparfin, SGPS, SA</b>						
Sonae, SGPS, SA						4,105,280
<b>(5) Linhacom, SGPS, SA</b>						
Sonae, SGPS, SA						351,296
Sonae, SGPS, SA						38,044
Purchase	17.03.2009	1,861	1.21			
Imparfin, SGPS, SA (4)						150,000

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

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

(\*\*\*) Person discharging managerial responsibilities at Efanor Investimentos SGPS, SA (directly and indirectly dominant company) (1)

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

(\*\*\*\*\*) Member of the Board of Directors of Imparfin, SGPS, SA (4)

(a) Shares held by underage descendants under his/her charge

Note: The Independent Non-executive member of the Board of Directors, José Manuel Neves Adelino, is a member of the Statutory Audit Board of Banco BPI, SA, which holds 178.039.855 shares representing of 8,092 % of Company's share capital.



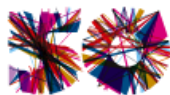
## Qualified holdings

Shares held and voting rights of companies owning more than 2% of the share capital of the company.

Shareholder	Nr. of shares	% Share Capital	% of Voting Rights
<b>Efanor Investimentos, SGPS, SA</b>			
Directly	659,650,000	32.983%	32.983%
By Pareuro, BV (controlled by Efanor)	400,000,000	20.000%	20.000%
By Maria Margarida Carvalhais Teixeira de Azevedo (Director of Efanor)	14,901	0.001%	0.001%
By Duarte Paulo Teixeira de Azevedo (Director of Efanor and held by descendent)	3,293	0.000%	0.000%
By Nuno Miguel Teixeira de Azevedo (Director of Efanor and held by descendent)	10,500	0.001%	0.001%
By Migracom, SGPS, SA (company controlled by Efanor's Director Duarte Paulo Teixeira de Azevedo)	1,485,000	0.074%	0.074%
By Linhacom, SGPS, SA (company controlled by Efanor's Director Maria Cláudia Teixeira de Azevedo)	351,296	0.018%	0.018%
<b>Total attributable to Efanor Investimentos, SGPS, SA</b>	<b>1,061,514,990</b>	<b>53.076%</b>	<b>53.076%</b>
<b>Banco BPI, SA</b>	<b>132,851,868</b>	<b>6.643%</b>	<b>6.643%</b>
Banco Português de Investimento, SA	365,199	0.018%	0.018%
Fundos de Pensões do Banco BPI	40,071,372	2.004%	2.004%
BPI Vida - Companhia de Seguros de Vida, SA	4,751,416	0.238%	0.238%
<b>Total attributable to Banco BPI, SA</b>	<b>178,039,855</b>	<b>8.902%</b>	<b>8.902%</b>
<b>Fundação Berardo, Instituição Particular de Solidariedade Social</b>	<b>49,849,514</b>	<b>2.492%</b>	<b>2.492%</b>
<b>Total attributable to Fundação Berardo, Instituição Particular de Solidariedade Social</b>	<b>49,849,514</b>	<b>2.492%</b>	<b>2.492%</b>
<b>Bestinver Gestión, SA SGIIC</b>			
Bestinver Bolsa, FI	19,766,469	0.988%	0.988%
Bestifond, FI	10,554,420	0.528%	0.528%
Bestinver Mixto, FI	3,604,182	0.180%	0.180%
Soixa Sicav	1,897,420	0.095%	0.095%
Bestinver Bestvalue Sicav	1,788,931	0.089%	0.089%
Bestinver Global, FP	1,655,273	0.083%	0.083%
Bestinver Ahorro, FP	1,485,213	0.074%	0.074%
Texrenta Inversiones Sicav	545,346	0.027%	0.027%
Loupri Inversiones	145,153	0.007%	0.007%
Divalsa de Inversiones Sicav, SA	93,191	0.005%	0.005%
Acciones, Cup. Y Obl. Segovianas	71,203	0.004%	0.004%
Bestinver Empleo, Fp	60,404	0.003%	0.003%
Linker Inversiones, Sicav, SA	52,994	0.003%	0.003%
Jorick Investment	25,192	0.001%	0.001%
<b>Total attributable to Bestinver Gestión, SA SGIIC</b>	<b>41,745,391</b>	<b>2.087%</b>	<b>2.087%</b>



# SONAE CONSOLIDATED FINANCIAL STATEMENTS



**SONAE**  
50 YEARS AHEAD.

SONAE. SGPS. SA

CONDENSED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2009 AND 2008

AND AT 31 DECEMBER 2008

(Amounts expressed in euro)

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

In case of discrepancy the Portuguese version prevails).

ASSETS	Notes	30 June 2009	30 June 2008	31 December 2008
<b>NON-CURRENT ASSETS:</b>				
Tangible assets	9	2,724,115,990	2,272,900,703	2,507,943,036
Intangible assets	10	429,682,801	431,082,828	440,299,161
Investment properties	11	1,804,467,800	2,125,884,311	1,842,002,573
Goodwill	12	698,693,241	690,117,724	697,267,362
Associated investments	6	88,848,801	70,484,102	142,663,495
Other investments	7 and 13	15,294,970	24,809,603	12,978,175
Deferred tax assets	16	216,000,705	146,821,212	206,954,689
Other non-current assets	14	25,880,124	60,486,666	21,283,515
Total Non-Current Assets		<u>6,002,984,432</u>	<u>5,822,587,149</u>	<u>5,871,392,006</u>
<b>CURRENT ASSETS:</b>				
Stocks		586,831,423	494,563,085	560,433,179
Trade account receivables and other current assets	15	689,244,081	649,816,729	616,554,385
Investments	13	52,859,402	67,741,707	63,556,763
Cash and cash equivalents	17	114,842,574	116,758,675	184,360,904
Total Current Assets		<u>1,443,777,480</u>	<u>1,328,880,196</u>	<u>1,424,905,231</u>
Assets available for sale		5,782,499	15,680,523	9,893,174
<b>TOTAL ASSETS</b>		<u><b>7,452,544,411</b></u>	<u><b>7,167,147,868</b></u>	<u><b>7,306,190,411</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital	18	2,000,000,000	2,000,000,000	2,000,000,000
Own shares	18	(136,911,861)	(138,568,275)	(138,568,275)
Reserves and retained earnings		(753,831,838)	(718,055,013)	(790,472,618)
Profit/(Loss) for the period attributable to the equity holders of Sonae		(28,120,304)	24,218,043	80,035,669
Equity attributable to the equity holders of Sonae		<u>1,081,135,997</u>	<u>1,167,594,755</u>	<u>1,150,994,776</u>
Equity attributable to minority interests	19	451,331,453	502,392,074	411,549,101
<b>TOTAL EQUITY</b>		<u><b>1,532,467,450</b></u>	<u><b>1,669,986,829</b></u>	<u><b>1,562,543,877</b></u>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	20	3,219,523,065	3,027,137,591	3,016,453,113
Other non-current liabilities	22	177,093,165	236,782,367	155,464,158
Deferred tax liabilities	16	319,328,440	354,583,609	330,908,680
Provisions	25	63,903,893	74,368,920	57,086,975
Total Non-Current Liabilities		<u>3,779,848,563</u>	<u>3,692,872,487</u>	<u>3,559,912,926</u>
<b>CURRENT LIABILITIES:</b>				
Loans	20	404,098,402	295,713,227	370,071,172
Trade creditors and other current liabilities	24	1,734,374,043	1,506,014,841	1,811,293,282
Provisions	25	1,755,953	2,560,484	2,369,154
Total Current Liabilities		<u>2,140,228,398</u>	<u>1,804,288,552</u>	<u>2,183,733,608</u>
<b>TOTAL LIABILITIES</b>		<u><b>5,920,076,961</b></u>	<u><b>5,497,161,039</b></u>	<u><b>5,743,646,534</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>7,452,544,411</b></u>	<u><b>7,167,147,868</b></u>	<u><b>7,306,190,411</b></u>

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

(Amounts expressed in euro)

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

In case of discrepancy the Portuguese version prevails).

	Notes	2 <sup>nd</sup> Quarter 2009 (Unaudited)	2 <sup>nd</sup> Quarter 2008 (Unaudited)	30 June 2009	30 June 2008
Operational income					
Sales		1,071,778,054	936,335,922	2,063,893,607	1,852,621,758
Services rendered		272,677,254	296,117,963	544,343,005	584,041,449
Value created on investment properties	11	(37,661,319)	(21,663,667)	(100,358,070)	(21,663,667)
Other operational income		117,951,841	108,731,331	217,565,365	209,067,278
Total operational income		1,424,745,830	1,319,521,549	2,725,443,907	2,624,066,818
Operational expenses					
Cost of goods sold and materials consumed		(851,070,067)	(739,474,335)	(1,649,459,711)	(1,490,041,322)
External supplies and services		(267,828,093)	(300,072,798)	(534,512,899)	(572,404,685)
Staff costs		(161,476,994)	(149,531,853)	(322,053,260)	(299,712,962)
Depreciation and amortisation	9 and 10	(73,939,141)	(69,411,255)	(145,152,046)	(133,066,982)
Provisions and impairment losses	25	(8,839,308)	(7,286,044)	(16,152,798)	(11,540,231)
Other operational expenses		(26,243,871)	(18,295,938)	(47,988,031)	(39,142,337)
Total operational expenses		(1,389,397,474)	(1,284,072,223)	(2,715,318,745)	(2,545,908,519)
Operational profit/(loss)		35,348,356	35,449,326	10,125,162	78,158,299
Finanacial expense		(35,060,585)	(47,658,017)	(80,322,712)	(97,533,955)
Financial income		3,000,038	9,307,332	8,087,412	19,938,447
Net financial expenses		(32,060,547)	(38,350,685)	(72,235,300)	(77,595,508)
Share of results of associated undertakings	6	(2,712,520)	(312,662)	(2,955,235)	1,302,927
Investment income		3,436,654	2,271,095	4,459,065	8,226,470
Profit/(Loss) before taxation		4,011,943	(942,926)	(60,606,308)	10,092,188
Taxation	28	(4,089,177)	273,807	10,302,974	(178,719)
Profit/(Loss) after taxation	29	(77,234)	(669,119)	(50,303,334)	9,913,469
Attributable to:					
Equity holders of Sonae		7,493,842	12,077,476	(28,120,304)	24,218,043
Minority interests		(7,571,076)	(12,746,595)	(22,183,030)	(14,304,574)
Profit/(Loss) per share					
Basic	30	0.004012	0.006468	(0.015057)	0.012970
Diluted	30	0.004012	0.006468	(0.015057)	0.012970

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

The Board of Directors

SONAE. SGPS. SA

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

(Amounts expressed in euro)

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

	Notes	2 <sup>nd</sup> Quarter 2009 (Unaudited)	2 <sup>nd</sup> Quarter 2008 (Unaudited)	30 June 2009	30 June 2008
Net Profit / (Loss) for the period	29	(77,234)	(669,119)	(50,303,334)	9,913,469
Exchange differences arising on translation of foreign operations		11,471,647	8,302,265	19,543,458	2,003,381
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method		1,544,487	468,666	1,544,487	468,666
Changes on fair value of available-for-sale financial assets		2,822,000	-	3,818,000	-
Changes in hedge and fair value reserves		5,102,981	15,797,685	(13,121,138)	10,421,611
Income tax relating to components of other comprehensive income		(612,909)	(496,787)	1,022,298	(357,624)
Other comprehensive income for the period		20,328,206	24,071,829	12,807,105	12,536,034
Total comprehensive income for the period		20,250,972	23,402,710	(37,496,229)	22,449,503
Attributable to:					
Equity holders of Sonae		41,042,278	31,544,373	(14,502,940)	32,497,960
Minority interests		(20,791,306)	(8,141,663)	(22,993,289)	(10,048,457)

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

The Board of Directors

SONAE SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

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

Notes	Attributable to Equity Holders of Sonae										Minority Interests (Note 19)	Total Equity
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Hedging Reserve	Investments Fair Value Reserve	Other Reserves and Retained Earnings	Total	Net Profit/(Loss)	Total		
Balance as at 1 January 2008	2,000,000,000	(138,568,275)	160,880,817	25,481,974	-	4,449,821	(1,166,627,627)	(975,815,015)	284,044,038	1,169,660,748	448,365,507	1,618,026,255
Total comprehensive income for the period	-	-	-	2,280,951	-	5,998,966	-	8,279,917	24,218,043	32,497,960	(10,048,457)	22,449,503
Appropriation of profit of 2007:												
Transfer to legal reserves and retained earnings	-	-	825,157	-	-	-	283,218,881	284,044,038	(284,044,038)	-	-	-
Dividends distributed	-	-	-	-	-	-	(56,016,000)	(56,016,000)	-	(56,016,000)	(3,352,350)	(59,368,350)
Adjustments of Sonae Capital right shares related to the spin-off	-	-	-	-	-	-	23,762,601	23,762,601	-	23,762,601	-	23,762,601
Acquisitions and sales of shares of affiliated undertakings	-	-	-	-	-	-	-	-	-	-	27,086,463	27,086,463
Capital increases	-	-	-	-	-	-	-	-	-	-	37,425,000	37,425,000
In other reserves	-	-	-	-	-	-	(2,310,554)	(2,310,554)	-	(2,310,554)	2,915,911	605,357
Balance as at 30 June 2008	<u>2,000,000,000</u>	<u>(138,568,275)</u>	<u>161,705,974</u>	<u>27,762,925</u>	<u>-</u>	<u>10,448,787</u>	<u>(917,972,699)</u>	<u>(718,055,013)</u>	<u>24,218,043</u>	<u>1,167,594,755</u>	<u>502,392,074</u>	<u>1,669,986,829</u>
Balance as at 1 January 2009	2,000,000,000	(138,568,275)	161,705,974	(4,251,321)	(1,976,346)	(11,232,990)	(934,717,935)	(790,472,618)	80,035,669	1,150,994,776	411,549,101	1,562,543,877
Total comprehensive income for the period	-	-	-	20,260,513	3,818,000	(10,461,149)	-	13,617,364	(28,120,304)	(14,502,940)	(22,993,289)	(37,496,229)
Appropriation of profit of 2008:												
Transfer to legal reserves and retained earnings	-	-	1,523,608	-	-	-	78,512,061	80,035,669	(80,035,669)	-	-	-
Dividends distributed	-	-	-	-	-	-	(56,050,051)	(56,050,051)	-	(56,050,051)	-	(56,050,051)
Disposal of own shares/ attribution to employees	-	1,656,414	-	-	-	-	-	-	-	1,656,414	4,169	1,660,583
Changes in the consolidation perimeter	-	-	-	-	-	-	-	-	-	-	62,019,315	62,019,315
In other reserves	-	-	-	-	-	-	(962,202)	(962,202)	-	(962,202)	752,157	(210,045)
Balance as at 30 June 2009	<u>2,000,000,000</u>	<u>(136,911,861)</u>	<u>163,229,582</u>	<u>16,009,192</u>	<u>1,841,654</u>	<u>(21,694,139)</u>	<u>(913,218,127)</u>	<u>(753,831,838)</u>	<u>(28,120,304)</u>	<u>1,081,135,997</u>	<u>451,331,453</u>	<u>1,532,467,450</u>

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

The Board of Directors



SONAE SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR

THE PERIODS ENDED 30 JUNE 2009 AND 2008

(Amounts expressed in euro)

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

In case of discrepancy the Portuguese version prevails).

	Notes	2nd Quarter 2009 (Unaudited)	2nd Quarter 2008 (Unaudited)	30 June 2009	30 June 2008
<b><u>OPERATING ACTIVITIES</u></b>					
Net cash flow from operating activities (1)		290,653,736	45,710,574	136,814,058	(13,426,647)
<b><u>INVESTMENT ACTIVITIES</u></b>					
Cash receipts arising from:					
Investments		118,495	79,609,645	2,154,549	83,916,996
Tangible, intangible assets and property investments		1,677,355	6,788,017	8,645,239	7,805,722
Dividends		209,003	150,169	209,003	150,169
Others		15,568,333	6,416,713	27,294,161	15,764,920
		17,573,186	92,964,544	38,302,952	107,637,807
Cash Payments arising from:					
Investments		(8,217,921)	(18,280,344)	(22,910,458)	(37,820,185)
Tangible, intangible assets and property investments		(110,423,919)	(123,750,990)	(304,650,504)	(295,712,214)
Others		(10,681,262)	(9,199,649)	(13,729,658)	(23,636,892)
		(129,323,102)	(151,230,983)	(341,290,620)	(357,169,291)
Net cash used in investment activities (2)		(111,749,916)	(58,266,439)	(302,987,668)	(249,531,484)
<b><u>FINANCING ACTIVITIES</u></b>					
Cash receipts arising from:					
Loans obtained		4,041,178,556	2,014,826,314	6,161,897,026	3,111,077,337
Capital increases, additional paid in capital and share premiums		-	1,608,000	-	1,608,000
Others		43,443,980	-	46,100,055	-
		4,084,622,536	2,016,434,314	6,207,997,081	3,112,685,337
Cash Payments arising from:					
Loans obtained		(4,096,770,537)	(1,858,935,012)	(5,915,560,212)	(2,758,665,568)
Interest and similar charges		(45,189,174)	(47,239,638)	(99,309,007)	(95,997,678)
Dividends		(60,011,933)	(62,278,286)	(60,170,328)	(62,278,286)
Others		(2,384,250)	(23,948,169)	(5,087,547)	(112,162,224)
		(4,204,514,289)	(1,992,401,105)	(6,080,127,094)	(3,029,103,756)
Net cash used in financing activities (3)		(119,891,753)	24,033,209	127,869,987	83,581,581
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		59,012,067	11,477,344	(38,303,623)	(179,376,550)
Effect of foreign exchange rate		(147,902)	(374,918)	(452,688)	(15,286)
Cash and cash equivalents at the beginning of the period	17	45,955,084	84,412,046	142,965,988	275,625,572
Cash and cash equivalents at the end of the period	17	105,115,053	96,264,308	105,115,053	96,264,308

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

The Board of Directors



# SONAE, SGPS, SA

Notes to the condensed consolidated financial  
statements for the six months period ended  
30 June 2009

*(Amounts expressed in euro)*

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

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

## 1 INTRODUCTION

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SONAE, SGPS, SA ("the Company" or "Sonae"), with head office at Lugar do Espido, Via Norte, Apartado 1011, 4471-909 Maia, Portugal, is the parent company of a group of companies, as detailed in Notes 4 to 7 ("Sonae Group"). The Group's operations and business segments are described in Note 32.

## 2 PRINCIPAL ACCOUNTING POLICIES

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The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2008, with the exception of those described in note 3.

### 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 companies included in the consolidation (Notes 4 to 6) on a going concern basis and under the historical cost convention, except for investment properties and financial instruments which are stated at fair value.

### 3 CHANGES IN ACCOUNTING POLICIES

During the period it has been adopted for the first time the revised version of IAS 1 (effective for the periods that began on 1 January 2009) in accordance there were some changes made to the disclosures but there were neither impacts on results nor on financial position.

Additionally it has been adopted IFRS 8 – Operating Segments, which implied changes in the segments reported by the Group (Note 32), but had no impacts on results or on financial position.

The remaining changes occurred at IFRS, which became effective during this period, and that were disclosed on 2008 financial statements had no material impact on the Sonae financial statements.

### 4 GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of share capital held by the Group as at 30 June 2009 and 31 December 2008 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 June 2009		31 December 2008	
		Direct	Total	Direct	Total
<b>Sonae - SGPS, S.A.</b>	Maia	HOLDING	HOLDING	HOLDING	HOLDING
<b>Retail</b>					
Arat Inmuebles, SA	a) Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Azulino Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
1) BB Food Service, SA	a) Maia	100.00%	100.00%	-	-
Bertimóvel - Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Best Offer - Prestação de Informações por Internet, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Bikini, Portal de Mulheres, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
1) Bom Momento - Comércio Retalhista, SA	a) Maia	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 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%
	Difusão - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Edições Book.it, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	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 Selecção, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Fozimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Fozmassimo - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
5)	Fundo de Investimento Imobiliário Fechado Imosede	a)	Maia	54.55%	54.55%	49.00%	49.00%
	Fundo de Investimento Imobiliário Imosonaes Dois	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Global S - Hipermercado, Lda	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
1)	Good and Cheap - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	-	-
1)	Hipotética - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	-	-
	IGI - Investimento Imobiliário, SA	a)	Porto	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%
	Inventory - Acessórios de Casa, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
1)	Just Sport - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	-	-
	Marcas MC, zRT	a)	Budapest (Hungary)	100.00%	100.00%	100.00%	100.00%



	MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
1)	Modalloop – Vestuário e Calçado, SA	a)	Matosinhos	100.00%	100.00%	-	-
	Modelo Continente - Operações de Retalho SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Modelo Continente Hipermercados, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Modelo Continente Seguros - Sociedade Mediação, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
	Modelo Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modelo Hipermercados Trading, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Modelo.com - Vendas p/Correspond., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	NA - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	NA - Equipamentos para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Peixes do Continente - Indústria e Distribuição de Peixes, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Pharmacontinente - Saúde e Higiene, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Predicomercial - Promoção Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Selifa - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
	Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
	Sociloures - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Soflorin, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
	Solaris Supermercados, SA	a)	Viana do Castelo	100.00%	100.00%	100.00%	100.00%
	Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
	Sonae Distribuição, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
	Sonae Retalho España - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%



	Sontária - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sonvecap, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
	Sport Zone - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sport Zone Espanã - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Tlantic Portugal - Sistemas de Informação, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
	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%
1)	Well W - Electrodomésticos e Equipamentos, SA	a)	Matosinhos	100.00%	100.00%	-	-
	Worten - Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Worten España Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
6)	Zippy – Comércio e Distribuição, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
7)	Zippy - Comércio Y Distribución, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
<b>Telecommunications</b>							
	Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Be Towering - Explor. Torres de Telecomunicações, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
3)	We Do Technologies Australia PTY Limited	a)	Australia	100.00%	54.13%	100.00%	53.95%
4)	We Do Poland Sp.Z.o.o.	a)	Posnan (Poland)	100.00%	54.13%	100.00%	53.95%
	Cape Technologies (U.K) Limited	a)	Cardiff (U.K.)	100.00%	54.13%	100.00%	53.95%
	Cape Technologies Americas, Inc.	a)	Miami (USA)	100.00%	54.13%	100.00%	53.95%
	Cape Technologies Limited	a)	Dublin (Ireland)	100.00%	54.13%	100.00%	53.95%
	Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	40.66%	75.10%	40.52%
1)	Lugares Virtuais, SA	a)	Maia	100.00%	54.13%	-	-
	M3G - Edições Digitais, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Magma - Operação de Titularização de Créditos	c)	Portugal	100.00%	54.13%	100.00%	53.95%
	Mainroad Serviços em Tecnologias de Informação, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%



	Miauger - Org. Gestão Leilões Electronicos, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Praesidium Services Limited	a)	Berkshire (U.K.)	100.00%	54.13%	100.00%	53.95%
	Praesidium Technologies Limited	a)	Berkshire (U.K.)	100.00%	54.13%	100.00%	53.95%
	Público - Comunicação Social, SA	a)	Porto	100.00%	54.13%	100.00%	53.95%
	Saphety Level - Trusted Services, SA	a)	Maia	86.99%	47.09%	86.99%	46.93%
	Sonae Telecom, SGPS, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Sonaecom - Serviços de Comunicação, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	Sonaecom BV	a)	Amsterdam (The Netherlands)	100.00%	54.13%	100.00%	53.95%
	Sonaecom, SGPS, SA	a)	Maia	54.07%	54.13%	53.95%	53.95%
	Sonaetelecom, BV	a)	Amsterdam (The Netherlands)	100.00%	54.13%	100.00%	53.95%
	Tecnológica Telecomunicações Ltda	a)	Rio de Janeiro (Brazil)	99.99%	54.08%	99.99%	53.89%
2)	Telemilénio - Telecomunicações Soc.Unipessoal, Lda	a)	Lisbon	100.00%	54.13%	100.00%	53.95%
	We Do Brasil - Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	54.08%	99.91%	53.90%
	We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	54.13%	100.00%	53.95%
	We Do Technologies (UK) Limited	a)	Berkshire (U.K.)	100.00%	54.13%	100.00%	53.95%
	We Do Technologies BV	a)	Amsterdam (The Netherlands)	100.00%	54.13%	100.00%	53.95%
	We Do Technologies Egypt Limited	a)	Cairo (Egypt)	100.00%	54.13%	100.00%	53.95%
	We Do Technologies Mexico SRL	a)	Mexico City	100.00%	54.13%	100.00%	53.95%
<b>Management investments</b>							
	MDS - Corretor de Seguros, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
	MDS, SGPS, SA	a)	Maia	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%
	Sonae RE, SA	a)	Luxembourg	99.92%	99.92%	100.00%	100.00%

## Others

Libra Serviços, Lda	a)	Funchal	100.00%	100.00%	100.00%	100.00%
Sonae Investments, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sonaecenter Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonaegest-Soc.Gest.Fundos Investimentos, SA	a)	Maia	80.00%	70.00%	80.00%	70.00%
Sontel, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%

- 1) Companies incorporated in the period;
  - 2) Company merged into Sonaecom - Sistemas de Informação, SGPS, SA;
  - 3) Ex - Cape Asia Pac Pty Limited;
  - 4) Ex - Cape Poland Sp.Z.o.o.;
  - 5) Subsidiary included in the consolidation by the equity method in previous periods, is now being included in the consolidation through the full consolidation method, since there was a change in the % held with the capital increase operation as of 29 May 2009, which was fully subscribed by the Group.
  - 6) Ex - Efanor - Indústria de Fios, SA;
  - 7) Ex - Sonaecor - Comércio Y Distribución, SA.
- a) Majority of voting rights;
- b) Management control;
- c) Control determined in accordance with SIC 12 - Special purpose entities.

These group companies are consolidated using the full consolidation method.

## 5 JOINTLY CONTROLLED COMPANIES


Jointly controlled companies included in the consolidated financial statements, their head offices and the percentage of share capital held by the Group as at 30 June 2009 and 31 December 2008 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 June 2009		31 December 2008	
		Direct	Total	Direct	Total
Shopping Centres					
3DO Holding GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
3DO Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%





3shoppings - Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Aegean Park, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Airone - Shopping Centre, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
ALEXA Administration GmbH	Berlin (Germany)	100.00%	25.00%	100.00%	25.00%
ALEXA Holding GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
ALEXA Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	25.00%	100.00%	25.00%
Algarveshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Avenida M-40, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Avenida M-40, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Cascaishopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Cascaishopping Holding I, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Centro Colombo - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
Centro Vasco da Gama - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Clérigosshopping - Gestão do Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Coimbrashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Colombo Towers Holding, BV	The Hague (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Craiova Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Dortmund Tower GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Dos Mares - Shopping Centre, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Dos Mares - Shopping Centre, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
El Rosal Shopping, SA	Madrid (Spain)	70.00%	35.00%	70.00%	35.00%
Estação Viana - Centro Comercial, SA	Viana do Castelo	100.00%	25.05%	100.00%	25.05%
Freccia Rossa - Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Fundo Investimento Imob. Shopping Parque D. Pedro Shopping, SA	São Paulo (Brazil)	100.00%	24.39%	100.00%	24.36%
Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
3) Gli Orsi - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Gli Orsi 1 Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Guimarãesshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
2) Harvey Dos Iberica, SL	Madrid (Spain)	50.00%	12.53%	-	-
Iberian Assets, SA	Madrid (Spain)	49.78%	12.48%	49.78%	12.48%
Inparsi - Gestão de Galeria Comerc., SA	Maia	100.00%	50.00%	100.00%	50.00%
Ioannina Development of Shopping Centres, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%



KLC Holdings XII, SA	Luxembourg	100.00%	50.00%	100.00%	50.00%
La Farga - Shopping Centre, SL	Madrid (Spain)	100.00%	12.48%	100.00%	12.48%
Larissa Development of Shopping Centres, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Le Terrazze - Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Lembo Services Ltd	Cyprus	100.00%	50.00%	100.00%	50.00%
Loop 5 - Shopping Centre GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
Luz del Tajo - Centro Comercial, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Luz del Tajo, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Madeirashopping - Centro Comercial, SA	Funchal (Madeira)	50.00%	12.53%	50.00%	12.53%
Maia shopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
MC Property Management, SA	Athens (Greece)	75.00%	18.75%	75.00%	18.75%
Münster Arkaden, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Norte Shopping Retail and Leisure Centre, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
Norteshopping - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
Pantheon Plaza BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Paracentro - Gestão de Galerias Comerciais, SA	Maia	100.00%	50.00%	100.00%	50.00%
Park Avenue Developement of Shopping Centers, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada (Açores)	50.00%	12.53%	50.00%	12.53%
Parque D. Pedro 1, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
Parque D. Pedro 2, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
Parque de Famalicão - Empreendimentos Imobiliários, SA	Maia	100.00%	50.00%	100.00%	50.00%
Parque Principado, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
Pátio Boavista Shopping, Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Pátio Penha Shopping, Ltda	São Paulo (Brazil)	99.99%	23.80%	99.99%	23.76%
Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%



Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Plaza Eboli - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Plaza Eboli, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Plaza Mayor Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ócio, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ócio, SA	Madrid (Spain)	100,00%	25,05%	100,00%	25,05%
Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Plaza Mayor Shopping, SA	Madrid (Spain)	75.00%	37.50%	75.00%	37.50%
Ploi Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Pridelease Investments, Ltd	Cascais	100.00%	50.00%	100.00%	50.00%
Project 4, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project SC 1, BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Project SC 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 1 - Shopping Centre, GmbH	Vienne (Austria)	100.00%	50.00%	100.00%	50.00%
Project Sierra 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 5, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 6, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 7 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 8 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 9 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra 10 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Four SA	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%



Project Sierra Germany 2 (two), Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany 3 (three), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany 4 (four), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany Shopping Centre 1 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Germany Shopping Centre 2 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Holding Portugal V, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 1 - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 2 - Development of Shopping Centres, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 3 - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra Italy 5 - Development of Shopping Centres Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Project Sierra One Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal I - C.Comercial, SA	Maia	50.00%	25.00%	50.00%	25.00%
Project Sierra Portugal II - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal IV - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal V - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VI - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VII - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Portugal VIII - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 2 - Centro Comerical, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 3 - Centro Comercial, SA	Madrid (Spain)	50.00%	25.00%	50.00%	25.00%
Project Sierra Spain 3, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 6 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 6, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 7 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Project Sierra Spain 7, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%

3) Project Sierra Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Three Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Project Sierra Two Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
River Plaza BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
River Plaza Mall, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
S.C. Microcom Doi Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
SC Aegean, BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
SC Mediterranean Cosmos, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
Shopping Centre Colombo Holding, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
Shopping Centre Parque Principado, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Sierra Asset Management - Gestão de Activos, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100.00%	25.00%	100.00%	25.00%
Sierra Charagionis Development of Shopping Centers, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
Sierra Charagionis Property Management, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
Sierra Corporate Services - Apoio à Gestão, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Corporate Services Holland, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Development of Shopping Centres Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
Sierra Developments - Serviços de Promoção Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Developments Germany GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Germany Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Iberia 1, Promoção Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Developments Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%



Sierra Developments Romania SRL	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Spain - Promociones de Centros Comerciales, SL	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Sierra Developments, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Enplanta, Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Sierra European Retail Real Estate Assets Holdings, BV	Amsterdam (The Netherlands)	50.10%	25.05%	50.10%	25.05%
Sierra GP, Limited	Guernsey (U.K.)	100.00%	49.99%	100.00%	49.99%
Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
Sierra Investments (Holland) 1, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments (Holland) 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Investments SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Italy Holding, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Sierra Management Germany, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Sierra Management II - Gestão de Centros Comerciais, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Management Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Sierra Management New Tech.Bus. - Serv.Comu.CC, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Management Portugal - Gestão de Centros Comerciais, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Management Spain - Gestión de Centros Comerciais, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Sierra Management, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Property Management Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
Sierra Property Management, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sonae Sierra Brasil, SA	São Paulo (Brazil)	95.20%	23.80%	94.54%	23.76%
Sonae Sierra Brazil, BV Sarl	Luxembourg	50.00%	25.00%	50.00%	25.00%
Sonae Sierra, SGPS, SA	Maia	50.00%	50.00%	50.00%	50.00%
SPF - Sierra Portugal	Luxembourg	100.00%	50.00%	100.00%	50.00%
SRP - Parque Comercial de Setúbal, SA	Maia	50.00%	25.00%	50.00%	25.00%
Torre Ocidente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%
Torre Oriente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%



	Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	23.80%	100.00%	23.76%
	Unishopping Consultoria Imobiliária, Ltda	São Paulo (Brazil)	99.98%	23.80%	99.98%	23.76%
	Valecenter, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
	Via Catarina - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Vuelta Omega, S.L.	Madrid (Spain)	100.00%	12.53%	-	-
	Weierstadt Shopping BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Zubiarte Inversiones Inmobiliarias, SA	Madrid (Spain)	49.83%	12.48%	49.83%	12.48%

#### Telecommunications

	Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	50.00%	27.07%	50.00%	26.97%
	Vipu ACE	Lisbon	50.00%	27.07%	50.00%	26.97%

#### Management investments

	Equador & Mendes - Agência de Viagens e Turismo, Lda	Lisbon	50.00%	37.13%	50.00%	50.00%
	Geotur - Viagens e Turismo, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
	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%	37.13%	50.00%	50.00%
	Puravida - Viagens e Turismo, Lda	Lisbon	50.00%	50.00%	-	-
	Nova Equador P.C.O. e Eventos, Sociedade Unipessoal, Lda	Lisbon	50.00%	37.13%	50.00%	50.00%
	Raso SGPS, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
	Star - Viagens e Turismo, SA	Lisbon	50.00%	49.50%	50.00%	50.00%
	Viagens y Turismo de Geotur España, S.L.	Madrid (Spain)	50.00%	50.00%	50.00%	50.00%

- 1) Companies incorporated in the period;
- 2) Company acquired in the period;
- 3) Companies merged in the period.

These entities are consolidated using the proportionate consolidation method.

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

	30 June 2009	31 December 2008
Non current assets	4,597,301,189	4,540,862,267
Current assets	420,338,391	512,569,665
Non current liabilities	1,692,809,185	1,749,706,883
Current liabilities	548,482,339	561,933,408
	30 June 2009	30 June 2008
Income	81,752,592	131,993,217
Expenses	149,995,241	139,488,844

## 6 INVESTMENTS IN ASSOCIATED COMPANIES

Associated companies, their head offices and the percentage of share capital held as at 30 June 2009 and 31 December 2008 are as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		30 June 2009		31 December 2008		30 June 2009	31 December 2008
		Direct	Total	Direct	Total		
<b>Retail</b>							
2) Fundo de Investimento Imobiliário Fechado Imosede	Maia	54.55%	54.55%	49.00%	49.00%	-	62,813,335
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	1,283,967	1,142,245
<b>Shopping Centres</b>							
1) 8ª Avenida Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
1) Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
Campo Limpo Lda	S. Paulo (Brazil)	20.00%	4.70%	20.00%	4.70%	1,412,541	1,136,276
1) Gaiashopping I - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
1) Gaiashopping II - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
1) Loureshopping - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
Mediterranean Cosmos Shop. Centre Investments, SA	Athens (Greece)	39.90%	5.00%	39.90%	5.00%	3,137,589	3,557,098
1) Oeste Retail Park - Gestão de G. Comer., SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
1) Rio Sul - Centro Comercial, SA	Lisbon	50.00%	10.50%	50.00%	10.50%	-	-
1) Serra Shopping - Centro Comercial, SA	Covilhã	50.00%	10.50%	50.00%	10.50%	-	-
1) SIC Indoor - Gest. Suportes Publicitários, SA	Oeiras	35.00%	17.50%	35.00%	17.50%	-	-
1) Sol Retail Park - Gestão de G. Comer., SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
SPF - Sierra Portugal Real Estate, Sarl	Luxembourg	42.00%	21.00%	42.00%	21.00%	34,796,916	38,597,922
<b>Telecommunications</b>							
SIRS - Sociedade Independente de Radiodifusão Sonora, SA	Porto	45.00%	24.36%	45.00%	24.37%	12,341	-
<b>Insurance</b>							
Cooper Gay (Holding) Limited	U.K.	32.12%	32.12%	32.12%	32.12%	39,122,774	33,863,022
Lazam Corretora, Ltda	Brazil	45.00%	45.00%	45.00%	45.00%	9,082,673	1,553,597
<b>Total</b>						<b>88,848,801</b>	<b>142,663,495</b>

1) Nil balances result from the application of the equity method over the consolidated financial statements of Sierra Portugal Real Estate.

2) Subsidiary included in the consolidation by the full consolidation method, since there was a chance in % held with the capital increase operation as at 29 May 2009 fully subscribed by the Group (Note 8).

Nil

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

Associated companies are included using the equity method.



As at 30 June 2009 and 31 December 2008, aggregate values of main financial indicators of associated companies can be analysed as follows:

	30 June 2009	31 December 2008
Total Assets	1,229,071,777	1,144,530,713
Total Liabilities	969,101,572	758,543,421
Income	99,468,066	312,438,219
Expenses	105,583,256	287,264,367

During the periods ended 30 June 2009 and 2008, movements in Investments in associated companies, are made up as follows:

	30 June 2009			30 June 2008		
	Proportion on equity	Goodwill	Total of investment	Proportion on equity	Goodwill	Total of investment
<b>Investments in associated companies</b>						
Initial balance as at January, 1	105,402,825	37,260,670	142,663,495	51,468,671	22,079,969	73,548,640
Increase of share capital of associates	6,955,606	-	6,955,606	-	-	-
Decrease of share capital of associates	(523,792)	-	(523,792)	(3,989,003)	-	(3,989,003)
Change of consolidation method (Note 8)	(61,039,549)	(344,878)	(61,384,427)	-	-	-
Equity method	-	-	-	-	-	-
Effect in net income	(2,955,235)	-	(2,955,235)	1,302,927	-	1,302,927
Effect in equity	884,644	3,208,510	4,093,154	(424,355)	-	(424,355)
Transfers	-	-	-	45,893	-	45,893
	<u>48,724,499</u>	<u>40,124,302</u>	<u>88,848,801</u>	<u>48,404,133</u>	<u>22,079,969</u>	<u>70,484,102</u>

The effect in equity is mainly the effect of currency exchange on Companies with functional currency other than euro.

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

Group companies, jointly controlled companies and associated companies excluded from consolidation and other non-current investments, their head offices, percentage of share capital held and book value as at 30 June 2009 and 31 December 2008 are made up as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		30 June 2009		31 December 2008		30 June 2009	31 December 2008
		Direct	Total	Direct	Total		
<b>Retail</b>							
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	7.14%	7.14%	7.14%	7.14%	4,988	4,988
Insco - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
<b>Shopping Centres</b>							
Ercasa Cogeneracion SA	Grancasa (Spain)	10.00%	1,25%	10.00%	1,25%	23,949	23,949
<b>Telecommunications</b>							
Altitude, SGPS, SA	Lisbon	11.54%	6.25%	11.54%	6.23%	1,000,000	1,000,000
Lusa - Agên. de Notícias de Portugal, SA	Lisbon	1.38%	0.75%	1.38%	0.88%	197,344	197,344
<b>Investments Management</b>							
1) Puraída - Viagens e Turismo, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%	-	1,584,193
Other investments						13,320,492	9,419,504
<b>Total (Note 13)</b>						<u>15,294,970</u>	<u>12,978,175</u>

1) Company include by the proportionate in the period.

As at 30 June 2009, the caption of "Other Investments" includes 11,122,000 euro (7,304,000 euro as at 31 December 2008) related to the fair value of Sonae Capital, SGPS, S.A. shares attributable to Sonae SGPS and not recognized as explained in Note 18.

## 8 CHANGES TO THE CONSOLIDATION PERIMETER

Main acquisitions of Companies over the six month period ended 30 June 2009 are as follows:

COMPANY	Head Office	Percentage of capital held	
		At acquisition date	
		Direct	Total
<b>Retail</b>			
Fundo de Investimentos Imobiliário Fechado Imosedo	Maia	54.55%	54.55%
<b>Shopping Centres</b>			
Harvey Dos Iberica, SL	Madrid	50.00%	12.53%
<b>Management investments</b>			
Puravida - Viagens e Turismo, SA	Lisbon	50.00%	50.00%

Acquisitions mentioned above, had the following impact on the consolidated financial statements for the period ended 30 June 2009:

	At acquisition date				30 June 2009
	Retail Retail Real Estate	Management Investments	Shopping Centres	Total	Total
Acquired net assets					
Tangible and intangible assets (Note 9 and 10)	145,466,691	6,987	-	145,473,678	148,344,824
Inventories	-	-	-	-	-
Deferred tax assets	-	-	-	-	-
Other assets	10,880,766	32,040	7,932,869	18,845,675	10,914,696
Cash and cash equivalents	7,960,473	305,073	501,512	8,767,058	8,523,396
Loans	-	-	-	-	-
Deferred tax liabilities	(3,110,940)	-	-	(3,110,940)	(3,110,940)
Other liabilities	(21,625,820)	(58,835)	(7,127,887)	(28,812,542)	(21,947,193)
	139,571,170	285,265	1,306,494	141,162,929	142,724,783
Goodwill	254,827	1,813,053	121,398	2,189,278	
Transfers from associated companies (Note 6)	(61,384,427)	-	-	(61,384,427)	
Minority Interests	(63,441,507)	-	1,422,192	(62,019,315)	
Acquisition price	15,000,063	2,098,318	2,850,084	19,948,465	
Payments made accounted as investments	15,000,063	429,932	2,850,084	18,280,079	
Costs related to the acquisitions	-	84,193	-	84,193	
Advances	-	1,584,193	-	1,584,193	
	15,000,063	2,098,318	2,850,084	19,948,465	
Net cash outflow arising from acquisition					
Cash consideration paid	15,000,063	514,125	2,850,084	18,364,272	
Cash and cash equivalents acquired	(7,960,473)	(305,073)	(501,512)	(8,767,058)	
	7,039,590	209,052	2,348,572	9,597,214	

Additionally the impacts of the above acquisitions on the income statement can be described as follows:

	30 June 2009		
	Retail Retail Real Estate	Shopping Centres	Total
Operational income	970,870	-	970,870
Operational costs	(294,607)	(7,174)	(301,781)
Financial net income	4,101	(51,565)	(47,464)
Earnings before taxes	680,364	(58,739)	621,625
Taxes	(357,706)	-	(357,706)
Net income	322,658	(58,739)	263,919

Had the above acquisitions been reported to 1 January 2009, operational income would have increased by 3,800,000 euro.

## 9 TANGIBLE ASSETS

During the six months period ended 30 June 2009 and 2008, movements in Tangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
<b>Gross costs:</b>					
Opening balance as at 1 January 2009	1,742,490,487	1,614,278,960	321,293,070	283,948,037	3,962,010,554
Capital expenditure	8,850,623	4,975,670	7,341,831	183,569,413	204,737,537
Acquisitions of subsidiaries (Note 8)	94,326,259	-	-	51,140,432	145,466,691
Disposals	(337,404)	(10,058,833)	(2,438,520)	(9,567,669)	(22,402,426)
Exchange rate effect	53,092	205,541	167,963	(54)	426,542
Transfers	29,420,491	141,459,535	12,091,815	(188,496,243)	(5,524,402)
<b>Closing balance as at 30 June 2009</b>	<b>1,874,803,548</b>	<b>1,750,860,873</b>	<b>338,456,159</b>	<b>320,593,916</b>	<b>4,284,714,496</b>
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2009	320,534,099	889,938,447	243,594,972	-	1,454,067,518
Charge for the period	17,442,396	79,959,813	19,492,254	-	116,894,463
Disposals	(13,943)	(8,153,601)	(1,956,891)	-	(10,124,435)
Exchange rate effect	29,071	79,901	72,797	-	181,769
Transfers	(21,765)	(329,544)	(69,500)	-	(420,809)
<b>Closing balance as at 30 June 2009</b>	<b>337,969,858</b>	<b>961,495,016</b>	<b>261,133,632</b>	<b>-</b>	<b>1,560,598,506</b>
<b>Carrying amount</b>					
As at 30 June 2009	1,536,833,690	789,365,857	77,322,527	320,593,916	2,724,115,990
	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
<b>Gross costs:</b>					
Opening balance as at 1 January 2008	1,601,938,606	1,459,779,833	299,042,108	175,567,423	3,536,327,970
Capital expenditure	4,335,508	4,680,265	8,673,550	150,896,911	168,586,234
Disposals	(248,876)	(8,223,547)	(10,467,403)	(812,086)	(19,751,912)
Exchange rate effect	12,437	46,933	24,392	-	83,762
Transfers	9,628,942	69,969,175	6,887,418	(107,560,499)	(21,074,964)
<b>Closing balance as at 30 June 2008</b>	<b>1,615,666,617</b>	<b>1,526,252,659</b>	<b>304,160,065</b>	<b>218,091,749</b>	<b>3,664,171,090</b>
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2008	292,353,403	790,149,118	221,758,809	-	1,304,261,330
Charge for the period	16,870,125	70,795,615	18,349,862	-	106,015,602
Disposals	(21,373)	(6,908,763)	(10,189,612)	-	(17,119,748)
Exchange rate effect	6,408	14,964	3,725	-	25,097
Transfers	(2,383,063)	734,131	(262,962)	-	(1,911,894)
<b>Closing balance as at 30 June 2008</b>	<b>306,825,500</b>	<b>854,785,065</b>	<b>229,659,822</b>	<b>-</b>	<b>1,391,270,387</b>
<b>Carrying amount</b>					
As at 30 June 2008	1,308,841,117	671,467,594	74,500,243	218,091,749	2,272,900,703

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

	30 June 2009	30 June 2008
Refurbishment and expansion of stores in the retail businesses located in Portugal	147,162,637	127,736,001
Projects of "Modelo" and "Continente" stores for which advance payments were made	34,347,426	35,127,836
Construction in Progress in Maia (Business Park)	58,910,612	-
Deployment of mobile network	35,712,592	36,867,165
Deployment of fixed network	35,770,692	7,816,717
Others	8,689,957	10,544,030
	<u>320,593,916</u>	<u>218,091,749</u>

During the six months period ended 30 June 2009 and 2008, 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	
<b>Gross costs:</b>				
Opening balance as at 1 January 2009	382,645,868	362,074,955	31,622,120	776,342,943
Capital expenditure	317,942	869,841	16,079,036	17,266,819
Acquisitions of subsidiaries (Note 8)	31,051	998	-	32,049
Disposals	(142,639)	(38,518)	(203,641)	(384,798)
Exchange rate effect	309	417,981	4,443	422,733
Transfers	962,462	7,720,060	(8,260,463)	422,059
<b>Closing balance as at 30 June 2009</b>	<b>383,814,993</b>	<b>371,045,317</b>	<b>39,241,495</b>	<b>794,101,805</b>
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2009	78,555,270	257,488,512	-	336,043,782
Charge for the period	9,904,958	18,354,155	-	28,259,113
Acquisitions of subsidiaries (Note 8)	25,062	-	-	25,062
Disposals	(70,627)	(5,388)	-	(76,015)
Exchange rate effect	-	156,426	-	156,426
Transfers	3,424	7,212	-	10,636
<b>Closing balance as at 30 June 2009</b>	<b>88,418,087</b>	<b>276,000,917</b>	<b>-</b>	<b>364,419,004</b>
<b>Carrying amount As at 30 June 2009</b>	<b>295,396,906</b>	<b>95,044,400</b>	<b>39,241,495</b>	<b>429,682,801</b>
	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
<b>Gross costs:</b>				
Opening balance as at 1 January 2008	274,917,793	340,533,967	21,477,187	636,928,947
Capital expenditure	96,263,221	1,212,384	13,826,367	111,301,972
Disposals	(485)	(359,713)	(589,530)	(949,728)
Exchange rate effect	72	95,250	-	95,322
Transfers	288,300	7,381,942	(7,982,669)	(312,427)
<b>Closing balance as at 30 June 2008</b>	<b>371,468,901</b>	<b>348,863,830</b>	<b>26,731,355</b>	<b>747,064,086</b>
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2008	54,460,087	234,800,716	-	289,260,803
Charge for the period	11,902,585	15,148,795	-	27,051,380
Disposals	(461)	(352,944)	-	(353,405)
Exchange rate effect	-	22,997	-	22,997
Transfers	(410)	(107)	-	(517)
<b>Closing balance as at 30 June 2008</b>	<b>66,361,801</b>	<b>249,619,457</b>	<b>-</b>	<b>315,981,258</b>
<b>Carrying amount As at 30 June 2008</b>	<b>305,107,100</b>	<b>99,244,373</b>	<b>26,731,355</b>	<b>431,082,828</b>

At 30 June 2009 and 2008, the Group has recorded under the heading "Patents and other similar rights" the amounts of 192,896,038 euro and 199,575,948 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 64,506,194 euro (amount of 67,506,482 euro in 2008) relating to the license; (ii) 21,553,884 euro (amount of 22,556,391 euro in 2008) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators in Portugal with UMTS licenses; (iii) 6,619,849 euro (amount of 6,927,749 euro in 2008) related to a contribution to the Information Society Fund, established in 2007, under an agreement entered into between the Ministry of Public Works, Transport and Communications ("Ministério das Obras Públicas, Transportes e Comunicações") and the three mobile

telecommunication operators in Portugal; and (iv) 94,704,665 euro (amount of 96,817,534 euro in 2008) relating to the "Initiatives E" program, the latter relating to commitments assumed by the Group in the "Fund for Information Society" (Note 33).

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 2008).

## 11 INVESTMENT PROPERTIES

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

As at 30 June 2009 and 31 December 2008, Investment properties are detailed as follows:

	30 June 2009	31 December 2008
Investment properties in operation	1,636,425,076	1,683,441,521
Investment properties in progress	168,042,724	158,561,052
	<u>1,804,467,800</u>	<u>1,842,002,573</u>

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

	30 June 2009			31 December 2008		
	10 years "discount rate"	Yields	Amount	10 years "discount rate"	Yields	Amount
Portugal	7.95% and 10.10%	5.70% and 7.85%	761,805,373	7.30% and 9.75%	5.40% and 7.50%	790,389,750
Spain	8.75% and 13.30%	6.25% and 10.80%	369,270,381	8.70% and 12.35%	5.70% and 9.35%	413,726,365
Italy	8.00% and 9.00%	6.00% and 7.70%	163,502,500	8.00% and 8.70%	5.80% and 7.70%	183,216,750
Germany	6.50%	6.00%	165,041,827	6.50%	5.75% and 6.00%	163,875,827
Brazil	12.75% and 14.25%	8.25% and 9.75%	140,135,995	13.45% and 14.95%	8.25% and 9.75%	91,665,330
Greece	10.25%	7.00%	20,867,000	10.75%	7.00%	21,796,500
Romania	10.50%	8.75%	15,802,000	9.75%	8.00%	18,770,999
			<u>1,636,425,076</u>			<u>1,683,441,521</u>

The fair value of each investment property was determined by a valuation performed at 30 June 2009 by an independent entity, based on valuation criteria generally accepted in the real estate business.

Value created on investment properties over the six months periods ended 30 June 2009 and 2008 can be detailed as follows:

	30 June 2009	30 June 2008
Properties which were under development and were concluded during the period	2,534,012	9,659,185
Changes in fair value of investment properties in operation	(102,892,082)	(31,322,852)
Adjustments to construction cost estimates of properties under development which were transferred to investment properties	-	-
	<u>(100,358,070)</u>	<u>(21,663,667)</u>



As at 30 June 2009 and 31 December 2008, Investment properties in progress can be detailed as follows:

	30 June 2009	31 December 2008
<b>Investment Properties at cost:</b>		
Portugal:		
Alverca	3,056,167	3,005,342
GuimarãesShopping - expansion	3,779,041	104,310
Centro Bordalo	1,677,909	1,430,192
Cacém Shopping	-	1,084,960
Parque de Famalicão	627,500	627,500
Setubal Retail Park	433,954	733,266
Others	191,983	-
Germany:		
Garbsen	760,131	229,810
Others	-	120,648
Brazil:		
Goiânia Shopping	3,210,736	2,332,966
Uberlândia Shopping	2,018,776	1,416,375
Boulevard Londrina Shopping	1,817,520	-
Boulevard Londrina Shopping	1,078,170	112,582
Pátio Boavista	-	646,176
Others	95,257	-
Spain:		
Alfaz del Pi	9,575,000	9,724,204
Pulianas Shopping	5,485,605	6,393,375
Los Barrios	3,150,000	3,201,064
Dos Mares - expansion	1,404,902	1,404,902
Others	10,626	-
Greece:		
Ioannina	13,476,869	12,425,240
Galatsi Shopping	5,376,122	4,077,148
Aegean Park	4,918,302	4,881,606
Pantheon Plaza	888,664	882,672
Italy:		
Le Terraze	5,410,565	3,817,792
Caldogno	4,911,995	4,662,500
Pavia	1,499,939	3,755,236
Others	7,066	6,457
Romania:		
Craiova Shopping	13,613,401	12,345,625
Ploiesti Shopping	7,012,838	6,726,158
	<u>95,489,038</u>	<u>86,148,106</u>
<b>Investment Properties at fair value:</b>		
Portugal:		
Leiria Shopping	11,262,207	5,705,415
Torres Oriente and Ocidente	-	3,310,285
Brazil:		
Manauara Shopping	-	17,942,521
Germany:		
Loop 5	61,291,479	45,454,725
	<u>72,553,686</u>	<u>72,412,946</u>
	<u>168,042,724</u>	<u>158,561,052</u>



As at 30 June 2009, the following investment properties were mortgaged:

Airone	Loop 5
Alexa	Luz del Tajo
Algarveshopping	Madeirashopping
Alverca	Maiashopping
Arrabidashopping	Max Center
Avenida M4o	Manauara
Cascaishopping	Munster Arkaden
Centro Colombo	Norteshopping
Centro Vasco da Gama	Parque Atlântico
Coimbrashopping	Parque Principado
Dos Mares	Plaza Éboli
El Rosal	Plaza Mayor
Estação Viana	Plaza Mayor Shopping
Freccia Rossa	River Plaza Mall
Gaiashopping	Torre Ocidente
Gli Orsi	Torre Oriente
Grancasa	Valecenter
Guimarãesshopping	Valle Real
La Farga	Viacatarina
Leiria	Zubiarte

## 12 GOODWILL

During the six months period ended 30 June 2009 and 2008 movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	30 June 2009	30 June 2008
<b>Gross value:</b>		
Opening balance	709,012,583	693,049,656
New companies in the consolidation perimeter	1,934,451	1,800,257
Increases	125,646	18,114,550
Decreases	(979,241)	(12,933,741)
Transfers	345,023	-
Write-off	-	-
Closing balance	710,438,462	700,030,722
<b>Accumulated impairment losses:</b>		
Opening balance	11,745,221	9,912,998
Increases	-	-
Write-off	-	-
Closing balance	11,745,221	9,912,998
<b>Carrying amount:</b>	698,693,241	690,117,724

## 13 INVESTMENTS

As at 30 June 2009 and 2008, this caption is made up as follows:

	30 June 2009		30 June 2008	
	Non current	Current	Non current	Current
<b><u>Investments in group companies, jointly controlled companies or associated companies excluded from consolidation</u></b>				
Opening balance as at 1 January	3,012,637	-	9,376,193	-
Acquisitions in the period	-	-	-	-
Disposals in the period	-	-	-	-
Transfers	(1,501,205)	-	(8,155,301)	-
Closing balance as at 30 June	1,511,432	-	1,220,892	-
Accumulated impairment losses	-	-	-	-
	1,511,432	-	1,220,892	-
<b><u>Other investments:</u></b>				
Fair value (net of impairment losses) as at 1 January	9,965,538	60,956,604	2,678,964	56,093,108
Acquisitions in the period	-	1,806,302	18,750	5,219,106
Disposals in the period	-	(10,780,843)	(25,000)	(1,182,312)
Increase/(Decrease) in fair value	3,818,000	877,211	(2,846,681)	(595,921)
Transfers	-	-	23,762,678	2,014,342
Fair value (net of impairment losses) as at 30 June	13,783,538	52,859,274	23,588,711	61,548,323
<b><u>Other Investments (Note 7)</u></b>	15,294,970	52,859,274	24,809,603	61,548,323
<b><u>Derivative financial instruments (Note 21)</u></b>				
Fair value as at 1 January	-	2,600,159	-	3,976,816
Acquisitions in the period	-	128	-	-
Disposals in the period	-	(72,484)	-	(1,971)
Increase/(Decrease) in fair value	-	(2,527,676)	-	2,218,539
Fair value as at 30 June	-	127	-	6,193,384
	15,294,970	52,859,402	24,809,603	67,741,707



The financial investments in group companies, jointly controlled companies or associated companies excluded from consolidation are recorded at the acquisition cost net of impairment losses. It is Group understanding that no reliable fair value estimate could be made as there is no market data available for these investments. The heading of Investments available for sale includes 2,661,538 euro (2,672,682 euro as at 30 June 2008) of investments recorded at the cost net of impairment losses for the same reasons.

The investments available for sale are net impairment losses (Note 25) amounting 13,157 euro (26,314 euro as at 30 June 2008).

Under the caption other financial investments is recorded an amount of 45,139,650 euro (56,094,121 euro as at 30 June 2008) related to deposited amounts on an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities assumed by Sonae which may arise from the sale of the operation of retail in Brazil, and for which provisions were recorded (Note 25).

In accordance with the guarantee schedule, the amount deposited in the Escrow account should have already been fully paid to the Company, however there are some differences of opinion that are being negotiated between parties implying the delay of its release. The management, based on Portuguese and Brazilian lawyer's legal opinions, believes that no impairment loss should be recognized and that the amount deposited in the Escrow account will be fully paid in the short term.

## 14 OTHER NON CURRENT ASSETS

As at 30 June 2009 and 31 December 2008, Other non- current assets are detailed as follows:

	30 June 2009			31 December 2008		
	Gross Value	Accumulated impairment losses (Note 25)	Carrying Amount	Gross Value	Accumulated impairment losses (Note 25)	Carrying Amount
<b>Loans granted to related parties</b>	364,724	(160,125)	204,599	294,089	(160,125)	133,964
<b>Trade accounts receivable and other debtors</b>						
Legal deposits	749,201	-	749,201	634,470	-	634,470
Cautions	1,814,277	-	1,814,277	1,638,456	-	1,638,456
Lisbon Town Council	3,888,477	-	3,888,477	3,888,477	-	3,888,477
Malaga Town Council	512,108	-	512,108	512,108	-	512,108
Rent deposits from tenants	4,835,290	-	4,835,290	3,740,456	-	3,740,456
Others	966,832	(131,446)	835,386	1,977,893	(131,446)	1,846,447
	12,766,185	(131,446)	12,634,739	12,391,860	(131,446)	12,260,414
<b>Non current derivatives</b>	24,802	-	24,802	75,002	-	75,002
<b>Total financial instruments</b>	13,155,711	(291,571)	12,864,140	12,760,951	(291,571)	12,469,380
	12,965,007	-	12,965,007	8,763,158	-	8,763,158
<b>Other non current assets</b>	50,977	-	50,977	50,977	-	50,977
	26,171,695	(291,571)	25,880,124	21,575,086	(291,571)	21,283,515

## 15 TRADE DEBTORS AND OTHER CURRENT ASSETS

As at 30 June 2009 and 31 December 2008, Trade debtors and other current assets are detailed as follows:

	30 June 2009	31 December 2008
Trade accounts receivable	294,047,180	311,749,084
Taxes recoverable	86,898,269	89,597,166
Trade suppliers - debit balances	54,401,416	65,799,273
Special regime for payment of tax and social security debts	14,576,052	14,576,052
VAT recoverable on real estate assets	11,892,299	7,461,293
Vouchers and gift cards	1,001,950	2,347,902
Other debtors	31,883,750	31,757,273
Accounts receivable from the disposal of tangible fixed assets	10,248,773	9,484,451
Cash Settled Equity Swap (Note 18)	-	3,452,800
Advances on real estate project acquisitions	7,967,500	7,500,000
Advances on suppliers	27,417,441	12,458,873
Accounts receivable related to reinsurance operations	17,879,596	4,051,296
Invoices to be issued	59,243,458	64,755,144
Commercial discounts	70,683,742	19,482,183
Commissions	1,046,105	1,269,874
Prepayments - Rents	4,538,058	4,206,320
Prepayments - external supplies and services	22,241,751	16,404,435
	67,633,693	39,317,881
Other current assets	14,425,014	20,466,268
	798,026,047	726,137,568
Accumulated impairment losses (Note 25)	(108,781,966)	(109,583,183)
	689,244,081	616,554,385

## 16 DEFERRED TAX

Deferred tax assets and liabilities as at 30 June 2009 and 31 December 2008 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Difference between fair value and acquisition cost	3,089,491	4,565,926	258,816,791	273,169,996
Harmonisation adjustments	40,790	33,376	38,927,594	34,974,182
Provisions and impairment losses not accepted for tax purposes	16,993,241	15,593,155	-	-
Write off of tangible and intangible assets	62,814,659	64,320,965	-	-
Write off of deferred costs	39,179,890	43,052,099	1,366,125	1,500,154
Valuation of hedging derivatives	7,638,248	5,484,534	34	496,557
Temporary differences arising from the securitization of receivable operation	14,490,000	16,100,000	-	-
Amortisation of Goodwill for tax purposes	-	-	10,470,024	6,980,016
Non taxed exchange differences	-	-	1,313,601	5,326,355
Revaluation of tangible assets	-	-	2,204,305	2,281,496
Tax losses carried forward	69,263,405	54,525,172	-	-
Reinvested capital gains/(losses)	-	-	3,443,146	2,939,833
Others	2,490,981	3,279,462	2,786,820	3,240,091
	216,000,705	206,954,689	319,328,440	330,908,680



In accordance with the tax statements and tax estimates presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 30 June 2009 and 31 December 2008, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	30 June 2009			31 December 2008		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2003	310,145	77,536	2009	1,077,065	269,266	2009
Generated in 2004	1,641,450	410,362	2010	2,658,095	664,524	2010
Generated in 2005	1,179,601	294,901	2011	1,508,454	377,114	2011
Generated in 2006	1,138,251	284,562	2012	1,138,251	284,562	2012
Generated in 2007	24,052,034	6,013,009	2013	23,759,138	5,939,785	2013
Generated in 2008	4,758,777	1,189,694	2014	4,651,622	1,162,908	2014
Generated in 2009	18,781,979	4,695,494	2015			
	<u>51,862,237</u>	<u>12,965,558</u>		<u>34,792,625</u>	<u>8,698,159</u>	
Without limited time use	7,203,519	2,099,032		10,346,392	3,126,514	
With a time limit different from the above mentioned	181,557,194	54,198,815		142,929,494	42,700,499	
	<u>188,760,713</u>	<u>56,297,847</u>		<u>153,275,886</u>	<u>45,827,013</u>	
	<u>240,622,950</u>	<u>69,263,405</u>		<u>188,068,511</u>	<u>54,525,172</u>	

As at 30 June 2009 and 31 December 2008, Deferred tax assets resulting from tax losses carried forward were re-assessed against each company's business plans, which are regularly updated, and available tax planning opportunities. Deferred tax assets have only been recognized to the extent that future taxable profits will arise which may be offset against available tax losses or against deductible temporary differences.

As at 30 June 2009 tax losses carried forward, have not originated deferred tax assets for prudential reasons. These may be summarised as follows:

	30 June 2009			31 December 2008		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2003	5,617,471	1,404,369	2009	7,840,316	1,960,080	2009
Generated in 2004	2,585,314	646,328	2010	7,284,015	1,821,004	2010
Generated in 2005	27,586,436	6,896,609	2011	31,838,954	7,959,738	2011
Generated in 2006	61,633,254	15,408,313	2012	69,678,529	17,419,632	2012
Generated in 2007	64,742,019	16,185,505	2013	79,771,355	19,942,840	2013
Generated in 2008	12,473,646	3,118,412	2014	17,458,087	4,364,521	2014
Generated in 2009	6,761,541	1,690,310	2015			
	<u>181,399,681</u>	<u>45,349,846</u>		<u>213,871,256</u>	<u>53,467,815</u>	
Without limited time use	43,798,678	12,151,286		31,496,303	8,383,429	
With a time limit different from the above mentioned	504,854,828	131,681,294		516,325,971	149,725,560	
	<u>730,053,187</u>	<u>189,182,426</u>		<u>761,693,530</u>	<u>211,576,804</u>	

## 17 CASH AND CASH EQUIVALENTS

As at 30 June 2009 and 31 December 2008, Cash and cash equivalents can be detailed as follows:

	30 June 2009	31 December 2008
Cash at hand	5,998,606	6,243,465
Bank deposits	102,383,290	140,335,695
Treasury applications	6,460,678	37,781,744
Cash and cash equivalents on the balance sheet	114,842,574	184,360,904
Bank overdrafts (Note 20)	(9,727,521)	(41,394,916)
Cash and cash equivalents on the statement of cash flows	105,115,053	142,965,988

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

## 18 SHARE CAPITAL

As at 30 June 2009, the share capital, which is fully subscribed and paid for, is made up of 2,000,000,000 ordinary shares, which do not have the right to a fixed dividend, with a nominal value of 1 euro each.

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

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

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

In this context, although legally all the rights and obligations inherent to these shares have been transferred to the buyer, Sonae Holding did not derecognize their own shares, recording a liability in the caption Other non-current liabilities (Note 22). According to the interpretation made by Sonae of the IAS 39, applied by analogy to own equity instruments, the derecognition of own shares is not allowed as the group maintains the risks and rewards arising on the instruments sold.

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

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

On 23 April 2009 Sonae Investments BV requested a partial cancellation of the Cash settled Equity Swap for 1,134,965 Sonae Holding shares. Consequently, the derivative financial instrument is now over a total 131,665,035 Sonae Holding shares.

Consequently, and in relation with this operation the full liability amount can be detailed as follows at 30 June 2009: market value of Sonae SGPS, SA shares amounting to 88,742,234 euro and market value of Sonae Capital SGPS, SA shares amounting to 11,122,000 euro, after the conversion of rights occurred on 28 January 2008.



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

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

The receivable amount arising on dividends distributed by the Company is credited to Equity in order to offset the charge of the distribution.

During the first semester the group bought shares of Sonae Holding order to fulfill the Deferred Performance Plan and in accordance with the resolution taken under item 8 of the Shareholders' General Meeting held on the 20 of April of the present year which approved the attribution of shares of this company to executive members of its management body and to employees of this company and of affiliated companies, under the terms of the respective compensation policy.

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

At 30 June 2009, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and subsidiaries	52.98

## 19 MINORITY INTERESTS

Movements in minority interests during the periods ended 30 June 2009 and 2008 are as follows:

	30 June 2009	30 June 2008
Opening balance as at 1 January	502,392,074	448,380,172
Dividends	(4,169)	(3,352,350)
Exchange rate effect	827,432	191,096
Acquisition of subsidiaries (Note 8)	62,019,315	-
Disposal of subsidiaries	-	-
Increase of capital and premium on subsidiaries	-	37,425,000
Increased shareholding by acquisitions	-	(12,666,733)
Decreased shareholding by disposals	-	39,778,232
Changes in hedge and fair value reserves	(1,637,691)	4,065,021
Others	(90,082,478)	2,876,210
Profit for the period attributable to minority interests	(22,183,030)	(14,304,574)
Closing balance	451,331,453	502,392,074

## 20 LOANS

As at 30 June 2009 and 31 December 2008, Loans are made up as follows:

	30 June 2009			31 December 2008		
	Amount limit	Outstanding amount		Amount limit	Outstanding amount	
		Current	Non Current		Current	Non Current
Bank loans						
Sonae, SGPS, SA - commercial paper	350,000,000	108,750,000	-	350,000,000	138,200,000	-
Sonae Distribuição, SGPS, S.A. - commercial paper	688,000,000	173,000,000	353,000,000	563,000,000	20,000,000	230,000,000
a)b) Sonae Sierra affiliated companies	463,733,571	37,251,983	379,520,152	471,190,318	26,844,447	382,135,505
a)b)c) Sonae Sierra affiliated companies	436,497,393	37,727,756	397,029,744	430,867,643	7,153,557	415,653,220
a) Sonae Sierra affiliated companies	9,188,544	1,759,657	4,088,544	41,097,065	13,670,597	22,516,460
Sonae SGPS, SA commercial paper	320,000,000	-	263,000,000	320,000,000	-	231,000,000
Sonae SGPS, SA	15,000,000	8,435,000	-	15,000,000	4,873,000	-
Continente Hipermercados SA - commercial paper	30,000,000	-	-	80,000,000	-	-
Others		14,393,732	27,071,526		7,572,291	6,977,246
		381,318,128	1,423,709,966		218,313,892	1,288,282,431
Bank overdrafts (Note 17)		9,727,521	-		41,394,916	-
Up-front fees beard with the issuance of loans		(893,269)	(6,063,237)		(802,841)	(7,019,907)
Bank loans		390,152,380	1,417,646,729		258,905,967	1,281,262,524
Bonds						
Bonds Sonae / 05		-	100,000,000		-	100,000,000
Bonds Sonae 2006/2011		-	250,000,000		-	250,000,000
Bonds Sonae 2007/2014		-	150,000,000		-	150,000,000
Bonds Modelo Continente / 2003		-	82,000,000		-	82,000,000
Bonds Modelo Continente / 2004		-	-	100,000,000	-	-
Bonds Modelo Continente / 2005 / 2010		-	64,925,000		-	64,925,000
Bonds Modelo Continente / 2005 / 2012		-	150,000,000		-	150,000,000
Bonds Modelo Continente / 2007 / 2012		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015		-	310,000,000		-	310,000,000
Bonds Sonae Distribuição / 2009 / 2014		-	50,000,000		-	-
Bonds Sonae SGPS / 2005		-	150,000,000		-	150,000,000
Bonds Sonae Sierra 2008/2013		-	37,500,000		-	37,500,000
Up-front fees beard with the issuance of loans		(49,225)	(9,725,385)		(69,433)	(10,210,681)
Bonds		(49,225)	1,734,699,615		99,930,567	1,684,214,319
Other loans		24,874	618,669		35,485	628,196
Derivative instruments (Note 21)		8,895,098	34,125,895		5,369,980	21,646,496
Other loans		8,919,972	34,744,564		5,405,465	22,274,692
Obligations under finance leases		5,075,275	32,432,157		5,829,172	28,701,579
		404,098,402	3,219,523,065		370,071,172	3,016,453,113

a) These amounts are proportionate considering the percentage held by the group;

b) These loans are guaranteed by mortgages of investment properties held by these affiliated companies;

c) These loans are guaranteed by a pledge of shares held in those affiliated companies.

As at 30 June the average interest rate of the bonds was on around 2.49%.

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

The derivative instruments are recorded at fair value (Note 21).

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

	30 June 2009	31 December 2008
N+1	396,145,799	365,573,466
N+2	476,931,780	218,420,062
N+3	334,672,857	359,930,980
N+4	609,976,546	537,232,284
N+5	463,388,754	506,240,050
After N+5	1,316,215,855	1,390,213,829
	<u>3,597,331,591</u>	<u>3,377,610,671</u>

## 21 DERIVATIVES

### Exchange rate derivatives

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

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

As at 30 June 2009, the fair value of exchange rate derivatives which haven't been considered hedging instruments, calculated based on present market value of equivalent financial instruments of exchange rate, is of 749,572 euro included in liabilities (475,848 euro as of 31 December 2008) and 128 euro on the caption current investments (72,494 euro as at 31 December 2008).

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

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

### Interest rate derivatives

As at 30 June 2009, derivatives used by the Group refer essentially to swaps and interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 973,946,113 euro (1,510,850,147 euro as at 31 December 2008). The fair value of these derivatives amounts to (42,246,618) euro ((19,091,434) euro as at 31 December 2008), and is disclosed as assets amounting to 24,802 euro (2,602,678 euro as at 31 December 2008) and as liabilities 42,271,421 euro (21,694,112 euro as at 31 December 2008).

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

### Interest rate and exchange rate derivatives

As at 30 June 2009 no contracts existed related to interest rate and exchange rate derivatives.

### Fair value of derivatives

The fair value of derivatives is detailed as follows:

	Assets		Liabilities	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Derivatives not qualified as hedging				
Exchange rate	128	72,494	749,572	475,849
Interest rate	-	-	-	4,846,515
Hedging derivatives				
Exchange rate	-	-	-	-
Interest rate	24,802	2,602,678	42,271,421	21,694,112
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	<u>24,930</u>	<u>2,675,172</u>	<u>43,020,993</u>	<u>27,016,476</u>

## 22 OTHER NON CURRENT LIABILITIES

As at 30 June 2009 and 31 December 2008, "Other non-current liabilities" is detailed as follows:

	30 June 2009	31 December 2008
Shareholder loans	16,265,054	17,409,765
Fixed assets suppliers	2,448,486	3,041,799
	47,021,405	56,772,000
Other non current trade accounts payable	111,358,220	78,240,594
	<u>177,093,165</u>	<u>155,464,158</u>

The caption Other non-current trade accounts payable includes the amount of 98,220,975 euro (65,453,108 euro as at 31 December 2008) related to the fair value of the derivative on Sonae Holding and Sonae Capital SGPS, SA shares referred to in Note 18.

## 23 SHARE-BASED PAYMENTS

In 2009 and in previous years, the Sonae Group granted deferred performance bonuses to its directors and eligible employees. These are either based on shares to be acquired at nil cost, three years after they were attributed to the employee, or based on share options with the exercise price equal to the share price at the grant date, to be exercised three years later. In both cases, the acquisition can be exercised during the period commencing on the third anniversary of the grant date and the end of that year. The company has the choice to settle in cash instead of shares. The option can only be exercised if the employee still works for the Group on the vesting date.

As at 30 June 2009 and 31 December 2008, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarised as follows:

	Grant year	Vesting year	Number of participants	Fair value	
				30 June 2009	31 December 2008
<b><u>Shares</u></b>					
	2006	2009	441	-	2,981,061
	2007	2010	465	3,957,687	3,102,734
	2008	2011	485	4,662,033	3,357,478
	2009	2012	462	5,083,634	-
<b><u>Total</u></b>				<u>13,703,354</u>	<u>9,441,273</u>

As at 30 June 2009 and 31 December 2008 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	30 June 2009	31 December 2008
Staff costs	3,321,305	(1,112,886)
Recorded in previous years	1,667,983	8,226,971
	<u>4,989,288</u>	<u>7,114,085</u>
Other liabilities	<u>4,989,288</u>	<u>7,114,085</u>



## 24 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 June 2009 and 31 December 2008, Trade creditors and other current liabilities were made up as follows:

	30 June 2009	31 December 2008
Trade creditors	1,042,503,704	1,050,238,562
Shareholders	8,949,040	7,255,731
Fixed asset suppliers	136,057,576	155,062,698
Creditors related with reinsurance operations	16,566,414	4,039,091
Other accounts payable	53,565,030	55,212,451
Taxes and contributions payable	57,086,060	71,507,795
Vouchers	20,022,858	12,329,900
Property investments accruals	10,698,546	17,195,145
Fixed assets accrued costs	19,793,771	52,666,464
Holiday pay and bonuses	116,845,213	116,989,003
Interest payable	17,160,730	4,500,000
Invoices to be issued	40,823,861	52,237,364
Commissions	6,348,978	7,352,747
Marketing expenses	11,884,073	14,265,989
Information society	32,169,029	25,702,090
Other external supplies and services	52,479,553	49,814,557
Accrued income - trade debtors	47,714,582	40,552,618
Accrued income - rents	5,103,639	4,931,720
Others	38,601,386	69,439,357
	<u>1,734,374,043</u>	<u>1,811,293,282</u>

## 25 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the six months period ended 30 June 2009 and 2008 were as follows:

Caption	Balance as at 31 December 2008	Increase	Decrease	Balance as at 30 June 2009
Accumulated impairment losses on investments (Note 13)	13,157	-	-	13,157
Accumulated impairment losses on other non current assets (Note 14)	291,571	-	-	291,571
Accumulated impairment losses on trade account receivables and other debtors (Note 15)	109,583,183	15,605,127	(16,406,344)	108,781,966
Accumulated impairment losses on inventories	29,783,714	5,247,446	(6,138,462)	28,892,698
Non current provisions	57,086,975	10,110,324	(3,293,406)	63,903,893
Current provisions	<u>2,369,154</u>	<u>32,374</u>	<u>(645,575)</u>	<u>1,755,953</u>
	<u>199,127,754</u>	<u>30,995,271</u>	<u>(26,483,787)</u>	<u>203,639,238</u>

Caption	Balance as at 31 December 2007	Increase	Decrease	Balance as at 30 June 2008
Accumulated impairment losses on investments (Note 13)	26,314	-	-	26,314
Accumulated impairment losses on other non current assets	301,571	-	-	301,571
Accumulated impairment losses on trade account receivables and other debtors	95,235,848	8,859,235	(4,660,309)	99,434,774
Accumulated impairment losses on inventories	24,759,431	9,585,449	(8,072,188)	26,272,692
Non current provisions	110,584,226	9,739,308	(45,954,614)	74,368,920
Current provisions	<u>2,665,957</u>	<u>-</u>	<u>(105,473)</u>	<u>2,560,484</u>
	<u>233,573,347</u>	<u>28,183,992</u>	<u>(58,792,584)</u>	<u>202,964,755</u>



As at 30 June 2009 and 2008 and 31 December 2008, Provisions can be analysed as follows:

	30 June 2009	31 December 2008
Technical provisions on reinsurance	14,829,287	12,008,857
Expenses to be incurred with the sale of the Brazilian subsidiaries	6,900,914	6,016,688
Dismantling of telecommunication sites	21,501,561	20,591,640
Judicial claims	14,967,825	17,942,992
Others	7,460,259	2,895,952
	<u>65,659,846</u>	<u>59,456,129</u>

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

## 26 CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2009 and 31 December 2008, major contingent liabilities were guarantees given and can be detailed as follows:

	30 June 2009	31 December 2008
Guarantees given:		
on tax claims	232,049,899	129,494,243
on judicial claims	944,046	2,021,086
on municipal claims	17,070,558	23,255,089
others	65,989,648	69,834,195

The heading Others includes the following guarantees:

- 10,097,004 euro (15,904,712 euro as at 31 December 2008) to guarantee part of the debt of Sonae Sierra affiliates related with the purchase, sale and exchange of land;

- 9,958,991 euro (10,576,961 euro as at 31 December 2008) related to VAT reimbursement requests.

Guarantees given on tax claims include a guarantee granted from the Retail businesses company in Brazil of approximately 26,448,145 euro (72,649,760 Brazilian real) on a tax claim, which is being judged by tax courts (21,856,170 euro equivalent to 70,892,539 Brazilian real as at 31 December 2008).

As a consequence of the sale of a subsidiary company in Brazil, the Group guaranteed the buyer all the losses incurred by that company arising on unfavourable decisions not open for appeal, concerning tax lawsuits on transactions that took place before the sale date (13 December 2005) and that exceed 40 million euro. As at 30 June 2009, 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, amount to near 2,5 million euro.

Furthermore, there are other tax lawsuits totalling 71 million euro for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the sold subsidiary above the referred 40 million euro.

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

## 27 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

<b>Transactions</b>	Sales and services rendered		Purchases and services obtained	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
Parent company and group companies excluded	24,658,422	23,480,456	1,177,357	14,873
Jointly controlled companies	5,116,765	7,254,131	8,351,831	8,069,090
Associated companies	2,495,244	923,320	933,925	5,264,651
Other partners in Group companies	5,619,771	5,376,507	19,816,704	22,306,703
	<u>37,890,202</u>	<u>37,034,414</u>	<u>30,279,817</u>	<u>35,655,317</u>

<b>Transactions</b>	Interest income		Interest expenses	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
Parent company and group companies excluded	-	-	-	-
Jointly controlled companies	94,597	12,325	2,162	-
Associated companies	-	24,282	-	-
Other partners in Group companies	39,009	39,505	347,939	1,418,745
	<u>133,606</u>	<u>76,112</u>	<u>350,101</u>	<u>1,418,745</u>

<b>Balances</b>	Accounts receivable		Accounts payable	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Parent company and group companies excluded	10,307,187	10,870,567	283,368	182,140
Jointly controlled companies	3,258,398	2,287,227	6,303,152	15,458,421
Associated companies	3,290,238	7,105,542	1,298,968	2,459,698
Other partners in Group companies	7,621,920	4,480,756	21,899,529	19,787,855
	<u>24,477,743</u>	<u>24,744,092</u>	<u>29,785,017</u>	<u>37,888,114</u>

<b>Balances</b>	Loans Obtained		Loans Granted	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Parent company and group companies excluded	-	-	-	-
Jointly controlled companies	30,999	125,997	3,125,578	4,259,844
Associated companies	-	-	-	-
Other partners in Group companies	13,271,856	13,230,852	-	-
	<u>13,302,855</u>	<u>13,356,849</u>	<u>3,125,578</u>	<u>4,259,844</u>

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

## 28 INCOME TAX

As at 30 June 2009 and 2008, Income tax is detailed as follows:

	30 June 2009	30 June 2008
Current tax	13,687,955	8,806,829
Deferred tax	(23,990,929)	(8,628,110)
	<u>(10,302,974)</u>	<u>178,719</u>

## 29 RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 June 2009 and 2008, the reconciliation of consolidated net profit can be analysed as follows:

	30 June 2009	30 June 2008
Aggregate net profit	78,788,526	421,144,785
Use of the proportionate method	47,122,961	(80,872,901)
Harmonisation adjustments	(16,964,311)	99,774,524
Elimination of intragroup dividends	(162,655,071)	(437,785,340)
Elimination of intragroup capital gains and losses	(15,566,441)	1,217,095
Elimination of intragroup provisions	7,500,000	4,573,720
Consolidation adjustments to gains/(losses) on sales of investments	2,095,456	1,649,695
Others	9,375,546	211,891
Consolidated net profit for the period	<u>(50,303,334)</u>	<u>9,913,469</u>

## 30 EARNINGS PER SHARE

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

	30 June 2009	30 June 2008
<b>Net profit</b>		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	(28,120,304)	24,218,043
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per	<u>(28,120,304)</u>	<u>24,218,043</u>
<b>Number of shares</b>		
Weighted average number of shares used to calculate basic earnings per share	1,867,636,525	1,867,200,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Weighted average number of shares used to calculate diluted earnings per share	<u>1,867,636,525</u>	<u>1,867,200,000</u>
<b>Earnings per share (basic and diluted)</b>	<u>(0.015057)</u>	<u>0.012970</u>

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

## 31 DIVIDENDS

In the Shareholders Annual General Meeting held on 20 April 2009, the payment of a gross dividend of 0.03 euro per share (0.03 euro per share in 2008) corresponding to a total of 60,000,000 euro (60,000,000 euro in 2008) was approved.

## 32 SEGMENT INFORMATION

Sonae adopted for the first time IFRS 8 - Operating Segments, which requires segment information to be disclosed based on internally information used by all Sonae Group management.

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

- Food based retail
- Specialised retail
- Retail real estate
- Shopping Centres
- Telecommunications
- Investment Management

The amounts reported below, are calculated, when applicable, excluding contributions to indirect income as explained in Note 34.

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

	30 June 2009	Inter-segment income	30 June 2008	Inter-segment income
<b>Turnover</b>				
Food based retail	1,490,745,621	(2,277,308)	1,400,674,286	(4,396,771)
Ex-Fuel	1,428,157,957	(2,277,308)	1,327,520,641	(4,396,771)
Fuel	62,587,664	-	73,153,645	-
Specialised retail	473,094,205	-	379,259,649	-
Retail real estate	59,914,108	(58,361,773)	53,610,189	(50,056,578)
Shopping centres	75,274,500	(6,421,485)	78,560,607	(6,222,393)
Telecommunications	481,580,123	(11,179,030)	475,578,500	(9,632,196)
Investment management	90,896,616	(421)	106,208,753	(88,594)
Eliminations and adjustments <sup>(1)</sup>	(63,268,561)	(2,137,869)	(57,228,777)	(943,042)
Total direct consolidated	<u>2,608,236,612</u>	<u>(80,377,886)</u>	<u>2,436,663,207</u>	<u>(71,339,574)</u>
<b>Operational cash-flow (EBITDA)</b>				
Food based retail	69,263,055		55,515,052	
Specialised retail	1,996,767		12,020,450	
Retail real estate	56,826,390		56,735,631	
Shopping centres	42,939,500		44,982,573	
Telecommunications	91,492,181		68,686,843	
Investment management	298,981		5,638,976	
Eliminations and adjustments <sup>(1)</sup>	9,565,021		796,235	
Total direct consolidated	<u>272,381,894</u>		<u>244,375,758</u>	
<b>Operational profit/(loss) (EBIT)</b>				
Food based retail	33,721,128		23,130,547	
Specialised retail	(14,318,655)		716,993	
Retail real estate	43,997,278		45,617,017	
Shopping centres	43,781,000		44,324,641	
Telecommunications	12,436,848		(9,131,930)	
Investment management	(2,069,596)		3,493,594	
Eliminations and adjustments <sup>(1)</sup>	(3,805,866)		(6,025,757)	
Total direct consolidated	<u>113,742,137</u>		<u>102,125,104</u>	



	30 June 2009	30 June 2008
<b>Investment (CAPEX)</b>		
Food based retail	64,118,171	52,995,632
Specialised retail	55,957,794	30,105,361
Retail real estate	62,243,819	34,375,400
Shopping centres	46,791,772	81,340,737
Telecommunications	55,174,193	162,103,334
Investment management	8,220,915	2,923,210
Eliminations and adjustments <sup>(1)</sup>	147,158	21,666,804
<b>Total consolidated</b>	<b>292,653,823</b>	<b>385,510,478</b>

	30 June 2009	30 June 2008	31 December 2008
<b>Invested capital</b>			
Food based retail	629,453,141	603,513,158	546,161,687
Specialised retail	308,111,757	218,107,214	175,597,561
Retail real estate	1,512,209,340	1,332,773,513	1,411,291,922
Shopping centres	1,660,973,346	1,896,812,570	1,684,193,742
Telecommunications	769,815,103	807,168,342	746,745,744
Investment management	151,850,515	115,862,417	138,574,040
Eliminations and adjustments <sup>(1)</sup>	(20,980,614)	(160,272,397)	18,847,399
<b>Total consolidated</b>	<b>5,011,432,586</b>	<b>4,813,964,817</b>	<b>4,721,412,093</b>

<b>Total net debt <sup>(2)</sup></b>			
Retail businesses	1,494,773,190	1,347,864,176	1,186,354,238
Shopping centres	948,136,544	901,534,161	888,885,820
Telecommunications	410,749,789	367,397,578	399,731,657
Investment management	115,565,169	66,882,554	103,563,977
Holding <sup>(1)</sup>	509,740,442	460,299,545	580,332,523
<b>Total consolidated</b>	<b>3,478,965,135</b>	<b>3,143,978,014</b>	<b>3,158,868,215</b>

(1) Includes Sonae Individual accounts.

(2) Includes shareholders loans.

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

	Turnover		Operational cash-flow (EBITDA)		Operational profit/(loss) (EBIT)	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008	30 June 2009	30 June 2008
Inter-segment income	(80,377,886)	(71,339,574)	2,136,728	(844,873)	2,381,638	(2,693,850)
Adjustment on telecommunications provisions <sup>(1)</sup>	-	-	11,042,296	6,312,796	-	-
Entrance fees (key money) <sup>(2)</sup>	757,893	14,550	-	-	-	-
Offset of the recovery of common expenses <sup>(2)</sup>	21,998,220	18,510,640	-	-	-	-
Turnover of participated companies considered for management purposes by different consolidation methods than from statutory purposes	(4,091,761)	(960,494)	(2,807,027)	(598,185)	(2,804,831)	(596,344)
Others	(1,555,027)	(3,453,899)	(806,976)	(4,073,503)	(3,382,673)	(2,735,563)
<b>Eliminations and adjustments</b>	<b>(63,268,561)</b>	<b>(57,228,777)</b>	<b>9,565,021</b>	<b>796,235</b>	<b>(3,805,866)</b>	<b>(6,025,757)</b>

(1) The sub holding considers provisions as EBITDA.



(2) Amounts offset with turnover for management purposes.

	Investment		Invested capital		
	30 June 2009	30 June 2008	30 June 2009	30 June 2008	31 December 2008
Inter-segment balances	(353,196)	(3,298,381)	81,629,386	7,134,603	83,165,082
Acquisition of Sonaecom shares	-	24,372,195	-	-	-
Cash settled equity swap <sup>(3)</sup>	-	-	(105,331,117)	(164,340,000)	(63,876,800)
Others	500,354	592,990	2,721,117	(3,067,000)	(440,883)
Eliminations and adjustments	147,158	21,666,804	(20,980,614)	(160,272,397)	18,847,399

(3) Financial Instrument reported in Note 18.

#### Glossary:

Invested capital = Gross real estate assets + other fixed assets (including Goodwill) - amortizations and impairment losses + financial investments + working capital; all figures at book value with the exception of Shopping Centres building block;

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

EBITDA = Turnover + other revenues - impairment reversion – badwill - operating costs, excluding indirect income contributions;

Eliminations and adjustments = Includes the Holding company figures and consolidation adjustments;

CAPEX = Investments in tangible and intangible assets, investment properties and acquisitions of financial investments;

Direct income excludes contributions to indirect income;

Indirect Income includes the Shopping Centre segment contributions net of taxes to consolidated income statement, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and; (iv) provision for assets at risk.

### 33 COMMITMENTS WITH "INFORMATION SOCIETY"

Upon being given the UMTS Licence, Optimus (now Sonaecom – Serviços de Comunicações) assumed commitments in the area of promotion of the Information Society, totalling 274 million euro, to be complied with up to the end of the licence period (2015).

In accordance with the Agreement established on 5 June 2007 with the Ministry of Public Works, Transport and Communications ("MOPTC"), part of these commitments, up to 159 million euro will be realised through own projects which qualify as contributions to the Information Society and incurred under the normal activities of Sonaecom – Serviços de Comunicações, S.A. (investment in the network and technology not resulting from the need to comply with the obligations assumed when the UMTS Licence was granted, and activities relating to research, development and promotion of services, contents and applications) which must be recognised by the MOPTC and by entities created especially for that purpose. At the date of approval of these financial statements, Euro 130 million (Euro 64 million in 2007) were already incurred in previous years and were validated by the above referred entities. The remaining amount is currently under evaluation or not yet realized. These charges will be recorded in the financial statements at the moment the projects are carried out and the estimated costs are known.



The remaining commitments, up to the amount of around 116 million euro, will be realised as agreed between Sonaecom- Serviços de Comunicações and MOPTC, through contributions to the "Iniciativas E" project (offer of modems, discounts on tariffs, cash contributions, among others, relating to the widespread use of broadband internet by students and teachers), the contributions being made through an Open fund called Information Society Fund (Fundo para a Sociedade de Informação), to be created by the three mobile operators operating in Portugal. The success of this project, initiated in the end of 2007, depended on the beneficiaries' participation to the various initiatives (e-opportunities, e-school and e-teacher) and could have been subject to revision during the a period of 12 months, i.e., until June 2008. Due to these facts, it was not possible, at 31 December 2007, to estimate in a reliable way the success of this project, and therefore, at that date it was not possible to produce a secure and reliable estimate of the responsibilities to be recognised.

Taking into consideration the success of the project during the first semester of 2008, Sonaecom considered that conditions to produce a reliable estimate of the total responsibilities associated with "Iniciativas E" project were in place. Therefore, such responsibilities were recorded, at 30 June 2008, as an added cost of the UMTS license, against an entry in the captions 'Other non-current liabilities' and 'Other current liabilities'.

Taking into account major facts occurred up to the third quarter of 2008, namely that: current operators weren't allowed to take part in the 4th license tendering process of an additional license to be attributed without cost; current national and international practice of extension, without costs, of GSM licenses and the renewal of UMTS licenses; the Group's Board of Directors decided to revise the useful life of the UMTS license, extending the amortisation period until 2030, given the high probability of its renewal and the high probability of such renewal being granted without significant costs. Therefore, in accordance with IAS 8, the impacts of the estimated useful life revision were recorded prospectively.

## 34 PRESENTATION OF CONSOLIDATED INCOME STATEMENT

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In the Management Report, and for the purposes of calculating financial indicators as EBITDA, EBIT and as well for segments income presentation purposes, the income statement is divided between Direct Income and Indirect Income, according to common practice in the Shopping Centre business.

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

The values for 2008 were also reexpressed in order to allow the comparison with 2009, being the EBITDA and EBIT calculated only in the Direct Income, excluding the indirect contributions.





The reconciliation between consolidated income and direct/indirect income for the years ended 30 June 2009 and 2008 can be summarised as follows:

	30 June 2009			30 June 2008		
	Consolidated	Indirect income	Direct income	Consolidated	Indirect income	Direct income
Operational income						
Sales	2,063,893,607	-	2,063,893,607	1,852,621,758	-	1,852,621,758
Services rendered	544,343,005	-	544,343,005	584,041,449	-	584,041,449
Value created on investment properties	(100,358,070)	(100,358,070)	-	(21,663,667)	(21,663,667)	-
Other operational income						
Badwill	90,051	-	90,051	-	-	-
Reversion of impairment losses	1,348,311	-	1,348,311	482,078	-	482,078
Other	216,127,003	-	216,127,003	208,585,200	-	208,585,200
Total operational income	2,725,443,907	(100,358,070)	2,825,801,977	2,624,066,818	(21,663,667)	2,645,730,485
Total operational cost (a)	2,715,318,745	3,258,905	2,712,059,840	2,545,908,519	2,303,138	2,543,605,381
Depreciation and amortisation	145,152,046	-	145,152,046	133,066,977	-	133,066,977
Provisions and impairment losses	16,152,798	1,226,725	14,926,073	11,540,231	1,874,476	9,665,755
Operational profit/(loss)	10,125,162	(103,616,975)	113,742,137	78,158,299	(23,966,805)	102,125,104
Financial profit/(loss)	(72,235,300)	-	(72,235,300)	(77,595,508)	-	(77,595,508)
Share of results of associated undertakings	(2,955,235)	(4,206,303)	1,251,068	1,302,927	-	1,302,927
Investment income	4,459,065	-	4,459,065	8,226,470	7,082,178	1,144,292
Profit before income tax	(60,606,308)	(107,823,278)	47,216,970	10,092,188	(16,884,627)	26,976,815
Income tax	10,302,974	20,855,693	(10,552,719)	(178,719)	(1,106,535)	927,816
Net profit for the period	(50,303,334)	(86,967,585)	36,664,251	9,913,469	(17,991,162)	27,904,631
- attributable to equity holders of Sonae	(28,120,304)	(57,059,326)	28,939,022	24,218,043	(4,373,477)	28,591,520
- attributable to minority interests	(22,183,030)	(29,908,259)	7,725,229	(14,304,574)	(13,617,685)	(686,889)
Cash-flow operational (EBITDA) (b)			272,381,894			244,375,758

(a) The amount recorded in Direct income relates mainly to the reduction of investment properties value, accruals for "Assets at Risk" and recognized impairment losses;

(b) EBITDA is computed as Operational income + Depreciation and amortisation + Provisions and impairment losses - Negative goodwill - Reversal of impairment losses, excluding contributions from indirect profit.

## 35 SUBSEQUENT EVENTS

On 20 July 2009 Sonae announces that an agreement was signed for the roll-up of the Feffer family's shareholding in Lazam-mds in exchange for shares owned by Sonae in MDS and for new shares in the enlarged share capital of MDS.

Under this agreement, a roll-up of the total Feffer family shareholding in Lazam-mds is proposed, representing 55% of the share capital of Lazam-mds, in exchange for 49.99% of the enlarged share capital of MDS plus an additional up-front cash payment of 47 million euro. A capital gain amounting to approximately 27 million euro will be recognized on Sonae consolidated accounts.

On 21 July 2009 the retail division has completed the refinancing of its medium and long term debt facilities maturing during 2009, including the 100,000,000 euro bond issue "Modelo Continente 2004" repaid in March 2009, by contracting new medium and long term credit facilities amounting to 165,000,000 euro, with an average maturity of approximately 4 years.



### 36 APPROVAL OF THE FINANCIAL STATEMENTS

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The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 24 August 2009.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Bernd Hubert Joachim Bothe

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigos Jordão

# SONAE INDIVIDUAL FINANCIAL STATEMENTS



**SONAE**  
50 YEARS AHEAD.

SONAE, SGPS, SA

CONDENSED INDIVIDUAL BALANCE SHEETS AS AT 30 JUNE 2009 AND 2008  
AND AS AT 31 DECEMBER 2008

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

(Amounts expressed in euro)

ASSETS	Notes	30.June.2009	30.June.2008	31.December.2008
<b>NON-CURRENT ASSETS:</b>				
Tangible assets		301,765	92,020	181,497
Intangible assets		7,212	399	1,242
Investments in affiliated companies	4	2,987,748,391	2,575,689,251	3,070,652,704
Other investments	5	89,644,880	49,880	100,049,880
Other non-current assets	6	585,809,709	1,289,829,182	598,542,161
Total Non-Current Assets		<u>3,663,511,957</u>	<u>3,865,660,732</u>	<u>3,769,427,484</u>
<b>CURRENT ASSETS:</b>				
Trade account receivables and other current assets	7	55,339,105	64,205,887	36,096,299
Cash and cash equivalents	8	<u>3,149,011</u>	<u>355,110</u>	<u>418,450</u>
Total Current Assets		<u>58,488,116</u>	<u>64,560,997</u>	<u>36,514,749</u>
<b>TOTAL ASSETS</b>		<u><u>3,722,000,073</u></u>	<u><u>3,930,221,729</u></u>	<u><u>3,805,942,233</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital	9	2,000,000,000	2,000,000,000	2,000,000,000
Reserves and retained earnings		1,005,713,929	1,281,310,440	1,124,643,333
Profit for the period		<u>93,063,796</u>	<u>114,906,936</u>	<u>30,472,155</u>
TOTAL EQUITY		<u>3,098,777,725</u>	<u>3,396,217,376</u>	<u>3,155,115,488</u>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	10	<u>509,592,034</u>	<u>497,310,122</u>	<u>502,465,956</u>
Total Non-Current Liabilities		<u>509,592,034</u>	<u>497,310,122</u>	<u>502,465,956</u>
<b>CURRENT LIABILITIES:</b>				
Loans	10	108,750,000	29,000,832	138,209,277
Trade creditors and other non-current liabilities	11	<u>4,880,314</u>	<u>7,693,399</u>	<u>10,151,512</u>
Total Current Liabilities		<u>113,630,314</u>	<u>36,694,231</u>	<u>148,360,789</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>3,722,000,073</u></u>	<u><u>3,930,221,729</u></u>	<u><u>3,805,942,233</u></u>

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL INCOME STATEMENTS FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

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

(Amounts expressed in euro)

	Notes	2 <sup>nd</sup> Quarter 2009 (Unaudited)	2 <sup>nd</sup> Quarter 2008 (Unaudited)	30.June.2009	30.June.2008
Operational income					
Services rendered		1,686,706	448,799	2,157,817	982,761
Other operational income		5,266	38,085	10,622	47,105
Total operational income		<u>1,691,972</u>	<u>486,884</u>	<u>2,168,439</u>	<u>1,029,866</u>
Operational expenses					
External supplies and services		(859,149)	(814,453)	(1,376,102)	(1,614,569)
Staff costs		(1,177,094)	(1,060,811)	(2,254,984)	(2,184,030)
Depreciation and amortisation		(16,255)	(10,171)	(28,549)	(20,341)
Other operational expenses		(61,030)	(7,036)	(130,522)	(147,013)
Total operational expenses		<u>(2,113,528)</u>	<u>(1,892,471)</u>	<u>(3,790,157)</u>	<u>(3,965,953)</u>
Operational profit/(loss)		<u>(421,556)</u>	<u>(1,405,587)</u>	<u>(1,621,718)</u>	<u>(2,936,087)</u>
Financial Income		7,869,799	18,875,436	16,142,750	37,298,623
Financial Expenses		<u>(6,132,895)</u>	<u>(7,308,102)</u>	<u>(14,982,333)</u>	<u>(14,435,179)</u>
Net financial profit		1,736,904	11,567,334	1,160,417	22,863,444
Investment loss/income	13	-	-	93,516,449	94,979,579
Profit/(Loss) before taxation		1,315,348	10,161,747	93,055,148	114,906,936
Income tax		8,648	-	8,648	-
Profit/(Loss) for the period		<u>1,323,996</u>	<u>10,161,747</u>	<u>93,063,796</u>	<u>114,906,936</u>
Profit/(Loss) per share					
Basic	14	0.0007	0.0051	0.0465	0.0575
Diluted	14	<u>0.0007</u>	<u>0.0051</u>	<u>0.0465</u>	<u>0.0575</u>

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE PERIODS ENDED AT 30 JUNE 2009 AND 2008

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

(Amounts expressed in euro)

	Notes	2nd Quarter 2009 (Unaudited)	2nd Quarter 2008 (Unaudited)	30.June.2009	30.June.2008
Net Profit / (Loss) for the period		<u>1,323,996</u>	<u>10,161,747</u>	<u>93,063,796</u>	<u>114,906,936</u>
Changes on fair value of available-for-sale financial assets		<u>(41,855,299)</u>	<u>32,287,491</u>	<u>(83,442,982)</u>	<u>7,747,913</u>
Changes in hedging and fair value reserves		<u>1,372,488</u>	<u>416,757</u>	<u>(5,958,577)</u>	<u>465,062</u>
Other comprehensive income for the period		<u>(40,482,811)</u>	<u>32,704,248</u>	<u>(89,401,559)</u>	<u>8,212,975</u>
Total comprehensive income for the period		<u><u>(39,158,815)</u></u>	<u><u>42,865,995</u></u>	<u><u>3,662,237</u></u>	<u><u>123,119,911</u></u>

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

The Board of Directors

SONAE SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AT 30 JUNE 2009 AND 2008

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

(Amounts expressed in euro)

Notes	Share Capital	Own Shares	Legal Reserve	Fair value Reserve	Hedging Reserve	Other Reserves and Retained Earnings	Total Reserves and Retained Earnings	Net Profit/(Loss)	Total
Balance as at 1 January 2008	2,000,000,000		160,880,817	730,528,037	162,774	425,022,702	1,316,594,330	16,503,135	3,333,097,465
Total comprehensive income for the period	-		-	7,747,913	465,062	-	8,212,975	114,906,936	123,119,911
Appropriation of profit of 2007:									
Transfer to legal reserves and retained earnings	-		825,157	-	-	-	825,157	(825,157)	-
Dividends distributed	-		-	-	-	(44,322,022)	(44,322,022)	(15,677,978)	(60,000,000)
Balance as at 30 June 2008	<u>2,000,000,000</u>	<u>-</u>	<u>161,705,974</u>	<u>738,275,950</u>	<u>627,836</u>	<u>380,700,680</u>	<u>1,281,310,440</u>	<u>114,906,936</u>	<u>3,396,217,376</u>
Balance as at 1 January 2009	2,000,000,000	-	161,705,974	581,929,609	307,070	380,700,680	1,124,643,333	30,472,155	3,155,115,488
Total comprehensive income for the period	-	-	-	(83,442,982)	(5,958,577)	-	(89,401,559)	93,063,796	3,662,237
Appropriation of profit of 2008:									
Transfer to legal reserves and retained earnings	-	-	1,523,608	-	-	-	1,523,608	(1,523,608)	-
Dividends distributed	-	-	-	-	-	(31,051,453)	(31,051,453)	(28,948,547)	(60,000,000)
Purchase of own shares	-	696,429	-	-	-	-	-	-	-
Disposal / attribution of own shares to employees	-	(696,429)	-	-	-	-	-	-	-
Balance as at 30 June 2009	<u>2,000,000,000</u>	<u>-</u>	<u>163,229,582</u>	<u>498,486,627</u>	<u>(5,651,507)</u>	<u>349,649,227</u>	<u>1,005,713,929</u>	<u>93,063,796</u>	<u>3,098,777,725</u>

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL CASH FLOW STATEMENTS FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

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

(Amounts expressed in euro)

	Notes	2nd Quarter 2009 (Unaudited)	2nd Quarter 2008 (Unaudited)	30.June.2009	30.June.2008
<u>OPERATING ACTIVITIES</u>					
Net cash flow from operating activities (1)		1,245,391	(1,703,535)	(350,961)	(3,460,045)
<u>INVESTMENT ACTIVITIES</u>					
Cash receipts arising from:					
Investments		5,405,000	141,603	10,405,000	141,603
Tangible and intangible assets		9,763	-	10,123	-
Interest and similar income		2,998,289	377,578	26,721,955	30,199,254
Dividends	13	70,106,369	94,979,579	70,106,369	94,979,579
Loans granted		117,307,882	133,639,000	154,985,269	183,676,000
		195,827,303	229,137,760	262,228,716	308,996,436
Cash Payments arising from:					
Investments		-	-	(538,668)	(50,000)
Tangible and intangible assets		(51,714)	1,223	(178,007)	(4,776)
Loans granted		(75,512,000)	(153,078,000)	(150,811,000)	(346,753,000)
		(75,563,714)	(153,076,777)	(151,527,675)	(346,807,776)
Net cash used in investment activities (2)		120,263,589	76,060,983	110,701,041	(37,811,340)
<u>FINANCING ACTIVITIES</u>					
Cash receipts arising from:					
Loans obtained		466,150,000	57,700,000	710,800,000	132,200,000
Sale of own shares	9	637,113	-	637,113	-
		466,787,113	57,700,000	711,437,113	132,200,000
Cash Payments arising from:					
Loans obtained		(512,000,000)	(58,809,375)	(740,250,000)	(103,200,000)
Interest and similar charges		(13,155,280)	(13,855,169)	(18,114,435)	(14,083,169)
Dividends	9	(59,986,491)	(59,986,478)	(59,986,491)	(59,986,478)
Purchase of own shares	9	(696,429)	-	(696,429)	-
		(585,838,200)	(132,651,022)	(819,047,355)	(177,269,647)
Net cash used in financing activities (3)		(119,051,087)	(74,951,022)	(107,610,242)	(45,069,647)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		2,457,893	(593,574)	2,739,838	(86,341,032)
Cash and cash equivalents at the beginning of the period		691,118	948,684	409,173	86,696,142
Cash and cash equivalents at the end of the period		3,149,011	355,110	3,149,011	355,110

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

The Board of Directors





# SONAE, SGPS, SA

Notes to the condensed individual  
financial statements for the period ended

30 June 2009

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

*(Amounts expressed in euro)*

## 1 INTRODUCTION

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its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4470-909  
Maia, Portugal.

## 2 BASIS OF PREPARATION

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Interim financial statements are presented quarterly, in accordance with IAS 34

## 3 PRINCIPAL ACCOUNTING POLICIES

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The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2008, with exception for the first time application of IAS 1 (Revised), which has been effective since 1 January 2009. In accordance there were some changes made to the disclosures but there were neither impacts on results nor on financial position.

## 4 INVESTMENTS IN AFFILIATED COMPANIES

As at 30 June 2009 and 31 December 2008 the company held investments in the following affiliated companies:

Company	30.June.2009			
	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	623,977,355	490,113,339	133,864,016
Sonaecom, SGPS, SA	0.23%	1,473,506	921,724	551,782
MDS, SGPS, SA	89.00%	17,800,000	17,800,000	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others		855,469	855,469	-
Impairment		(88,500,000)	-	-
Total		<u>2,987,748,391</u>	<u>2,577,761,763</u>	<u>498,486,628</u>

Company	31.December.2008			
	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	708,051,000	490,113,339	217,937,661
Sonaecom, SGPS, SA	0.23%	842,842	921,724	(78,882)
MDS, SGPS, SA	89.00%	17,800,000	17,800,000	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others		316,801	316,801	-
Impairment		(88,500,000)	-	-
Total		<u>3,070,652,704</u>	<u>2,577,223,095</u>	<u>581,929,609</u>

(a) This investment is valued at the price paid in the public tender offer for de-listing occurred in 2006.

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

## 5 OTHER INVESTMENTS AVAILABLE FOR SALE

As at 30 June 2009 and 31 December 2008 other investments available for sale are as follows:

	30.June.2009	31.December.2008
Magma No. 1 Securitisation Notes	89,595,000	100,000,000
Others	49,880	49,880
Total	<u>89,644,880</u>	<u>100,049,880</u>

## 6 OTHER NON CURRENT ASSETS

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As at 30 June 2009 and 31 December 2008 other non-current assets are detailed as follows:

	30.June.2009	31.December.2008
Loans granted to group companies	585,809,709	598,537,978
Guarantee deposits	-	4,183
Total	<u>585,809,709</u>	<u>598,542,161</u>

## 7 TRADE ACCOUNT RECEIVABLES AND OTHER CURRENT ASSETS

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As at 30 June 2009 and 31 December 2008 trade account receivables and other current assets are detailed as follows:

	30.June.2009	31.December.2008
Trade account receivables	1,562,157	1,626,676
Group companies	50,124,548	30,153,044
Taxes and contributions receivable	875,245	2,263,726
Accrued income and prepayments	1,909,560	237,082
Others	867,595	1,238,837
Derivatives	-	576,934
Total	<u>55,339,105</u>	<u>36,096,299</u>

## 8 CASH AND CASH EQUIVALENTS

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As at 30 June 2009 and 31 December 2008 cash and cash equivalents are detailed as follows:

	30.June.2009	31.December.2008
Cash at hand	7,200	4,300
Bank deposits	3,141,811	414,150
Cash and cash equivalents on the balance sheet	<u>3,149,011</u>	<u>418,450</u>
Bank overdrafts	-	9,277
Cash and cash equivalents on the cash flow statement	<u>3,149,011</u>	<u>409,173</u>

## 9 SHARE CAPITAL

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As at 30 June 2009 and 31 December 2008 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

During the first semester the company bought 1,134,965 own shares for 696,429 euro. This acquisition was made in order to fulfill the Deferred Performance Plan and in accordance with the resolution taken under item 8 of the Shareholders' Meeting of the 20 of April of the present year which approved the attribution of shares of this company to executive members of its management body and to employees of this company and of affiliated companies, under the terms of the respective compensation policy. The affiliated companies will bear the respective costs.

dividends, 0.03 euro per share, which were paid on the 20 May 2009, summing up 60,000,000 euro.

## 10 LOANS

As at 30 June 2009 and 31 December 2008 this caption included the following loans:

	30.June.2009	31.December.2008
Nominal value of bonds	500,000,000	500,000,000
Up-front fees not yet charged to income statement	(2,071,241)	(2,380,559)
Bonds	497,928,759	497,619,441
Derivatives	11,663,275	4,846,515
Non-current loans	509,592,034	502,465,956
Commercial paper (a)	108,750,000	138,200,000
Bank overdrafts	-	9,277
Current loans	108,750,000	138,209,277

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

Bonds SONAE / 05 amounting to 100,000,000 euro, repayable after 8 years, in one installment, on 31 March 2013. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

Bonds Sonae 2006/2011 amounting to 250,000,000 euro, repayable after 5 years, in one installment, on 10 May 2011. 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 6th and 8th coupons.

Bonds Sonae 2007/2014 amounting to 150,000,000 euro, repayable after 7 years, in one installment, on 11 April 2014. 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 and 12th coupons.

During the first half of 2009 the average interest rate of the bonds was on around 2.27%.

### Maturity of Borrowings

As at 30 June 2009 and 31 December 2008 the analysis of the maturity of loans are as follows:

	30.June.2009	31.December.2008
N+1	108,750,000	138,209,277
N+2	250,000,000	-
N+3	-	250,000,000
N+4	100,000,000	-
N+5	150,000,000	100,000,000
after N+5	-	150,000,000



## 11 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

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As at 30 June 2009 and 31 December 2008, trade creditors and other current liabilities are detailed as follows:

	30.June.2009	31.December.2008
Trade creditors	673,992	1,116,009
Taxes and contributions payable	396,065	603,578
Accrued expenses	3,609,088	8,260,495
Others	201,169	171,430
Total	<u>4,880,314</u>	<u>10,151,512</u>

## 12 CONTINGENT LIABILITIES

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As at 30 June 2009 and 31 December 2008, contingent liabilities are detailed as follows:

	30.June.2009	31.December.2008
Guarantees given:		
on tax claims	470,547	1,776,135
on judicial claims	425,965	425,965

## 13 INVESTMENTS INCOME

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As at 30 June 2009 and 2008, investment income can be detailed as follows:

	30.June.2009	30.June.2008
Dividends	93,516,449	94,979,579

The dividends mentioned above were distributed by the affiliates Sonae Distribuição, SGPS, SA (70,106,369 euro) and Sonae Sierra, SGPS, SA (23,410,080 euro), the last have not yet been paid.

## 14 EARNINGS PER SHARE

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

	30.June.2009	30.June.2008
<b>Net profit</b>		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	93,063,796	114,906,936
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	93,063,796	114,906,936
<b>Number of shares</b>		
Weighted average number of shares used to calculate basic earnings	2,000,000,000	2,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Weighted average number of shares used to calculate diluted earnings per share	2,000,000,000	2,000,000,000
<b>Profit/(Loss) per share (basic and diluted)</b>	0.0465	0.0575

## 15 APPROVAL OF FINANCIAL

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The accompanying financial statements were approved by the Board of Directors and authorized for issue on 24 August 2009.

## 16 INFORMATION REQUIRED BY LAW

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### Decree-Law nr 318/94 art 5 nr 4

In the six months period ended 30 June companies:

Sonae Investments, BV

Sontel, BV

In the six months period ended 30 June 2009 short-term loan contracts were entered into with the following companies:

Sonaecenter, Serviços, SA

Sonae Distribuição, SGPS, SA

Sonaecom, SGPS, SA



As at 30 June 2009 amounts owed by affiliated undertakings can be summarized as follows:

Loans granted

Companies	Closing Balance
MDS, SGPS, SA	85,626,000
Sonae Investments, BV	481,706,709
Sontel, BV	34,693,000
Sonaecenter, Serviços, SA	585,000
Total	602,610,709

As at 30 June 2009 there were no amounts owed to affiliated undertakings.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Bernd Hubert Joachim Bothe

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigo Jordão

# SONAE AUDITOR'S LIMITED REVIEW REPORT



**SONAE**  
50 YEARS AHEAD.



**LIMITED REVIEW REPORT PREPARED BY THE AUDITOR REGISTERED WITH  
CMVM ON HALF-YEAR FINANCIAL INFORMATION**

(Translation of a report originally issued in Portuguese.  
In case of discrepancies the Portuguese version prevails)

**Introduction**

1. In accordance with the Securities Market Code, we hereby present our Limited Review Report on the financial information of Sonae, SGPS, S.A. (“Company”) for the half-year ended 30 June 2009 included in: the Report of the Board of Directors, the Consolidated and Individual Balance Sheets (that reflect a total assets of 7,452,544,411 Euro and 3,722,000,073 Euro, respectively, and a Consolidated and Individual equity of 1,532,467,450 Euro and 3,098,777,725 Euro respectively, including a negative consolidated net profit attributable to the Company’s equity holders of 28,120.304 Euro and a individual net profit of 93,063,796 Euro), the Consolidated and Individual Statements of Profit and loss, Comprehensive Income, Changes in equity and Cash flows for the half-year then ended and the related notes.
2. The amounts in the consolidated and individual financial statements, as well as the additional financial information, are in accordance with the accounting records of the companies included on consolidation.

**Responsibilities**

3. The Company’s Board of Directors is responsible for: (i) the preparation of Consolidated and Individual financial information that present a true and fair view of the financial position of the Company and of the companies included in the consolidation and the consolidated and individual results of their operations, comprehensive income , changes in equity and cash flows; (ii) the preparation of historical financial statements in accordance with International Financial Reporting Standards as adopted by the European Union for the purposes of interim financial reporting (IAS 34) and that is complete, true, timely, clear, objective and licit, as required by the Securities Market Code; (iii) the adoption of adequate accounting policies and criteria; (iv) the maintenance of an appropriate internal control system; and (v) informing any significant facts that have influenced its operations and the operations of the companies included on consolidation, its financial position, comprehensive income or results.
4. Our responsibility is to review the financial information contained in the above mentioned documents, namely verifying that, in all material respects, the information is complete, true, timely, clear, objective and licit, as required by the Securities Market Code, and to issue a moderate assurance, professional and independent report on that financial information based on our work.

## **Scope**

5. The objective of our work was to obtain moderate assurance as to whether the above mentioned financial information is free of material misstatement. Our work was performed in accordance with the Auditing Standards issued by the Portuguese Institute of Statutory Auditors, was planned in accordance with that objective, and consisted essentially of enquiries and analytical procedures with the objective of reviewing: (i) the reliability of the assertions included in the financial information; (ii) the adequacy of the accounting principles used, taking into consideration the circumstances and the consistency of their application; (iii) the applicability, or not, of the going concern concept; (iv) the presentation of the financial information; and (v) whether, in all material respects, the consolidated and individual financial information is complete, true, timely, clear, objective and licit as required by the Securities Market Code.
6. Our work also included verifying that the consolidated and individual financial information included in the Report of the Board of Directors is consistent with the other above mentioned financial information.
7. We believe that our work provides a reasonable basis for issuing the present limited review report on the half-year financial information.

## **Opinion**

8. Based on our work, which was performed with the objective of obtaining moderate assurance, nothing came to our attention that leads us to believe that the consolidated and individual financial information for the half-year ended 30 June 2009 referred to in paragraph 1 above of Sonae, S.G.P.S., S.A. is not exempt from material misstatement that affects its conformity with International Financial Reporting Standards as adopted by the European Union for the purposes of interim financial reporting (IAS 34) and that, in terms of the definitions included in the Auditing Standards referred to in paragraph 5 above, it is not complete, true, timely, clear, objective and licit.

Porto, 24 August 2009

Deloitte & Associados, SROC S.A.  
Represented by Luís Augusto Gonçalves Magalhães



## SAFE HARBOUR

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

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

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

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

### Media and Investor Contacts

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

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