SONAE/

1ST QUARTER RESULTS 2010/

1 MAIN HIGHLIGHTS

Sonae continued to make good progress with its strategy for profitable growth, reporting strong sales and solid margins while increasing international exposure.

- Consolidated turnover up by 7% to 1,358 million euros;
- Consolidated EBITDA up by 8%; recurrent EBITDA increased by 6%;
- Net profit (for equity holders) totalled 6 million euros; notwithstanding the impact of a negative 3 million euros of indirect results, representing the lowest negative non-cash charge since 1Q08.

- Sonae MC increased turnover by 7%, with strong underlying like-for-like sales increases across all formats of 3%, based on a further increase in market share;
- Sonae SR sales were up by a very significant 22%, with increased market shares in all main formats and with international operations growing 101% in turnover.

Message from the CEO, Paulo Azevedo

We are very pleased to continue to report significant increases in both turnover and earnings, at the same time that we relentlessly pursue our long term strategy goals of internationalisation and strengthening of our core businesses.

Besides the improvements in financial ratios that we have been achieving for some time, this quarter also shows a very significant decrease in debt in absolute terms compared to 1Q09.

Sadly, we were not able to convince the authorities to eliminate the discrimination of opening hours and had to close our Continente banner stores on Sunday afternoons as from 1 January, creating an unjustifiable and significant loss of jobs. Continente is now the only chain in the top 5 food chains in Portugal forced to close its stores on Sunday afternoons.

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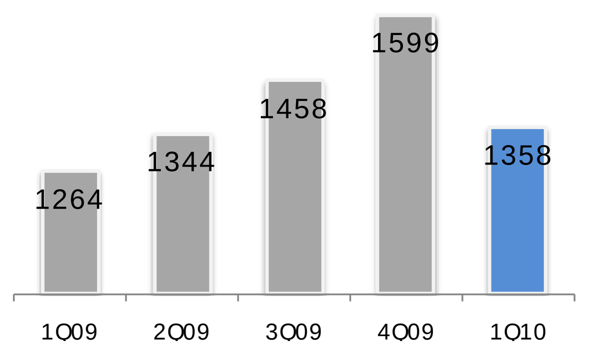
2 INCOME STATEMENT HIGHLIGHTS

Turnover
Million euros

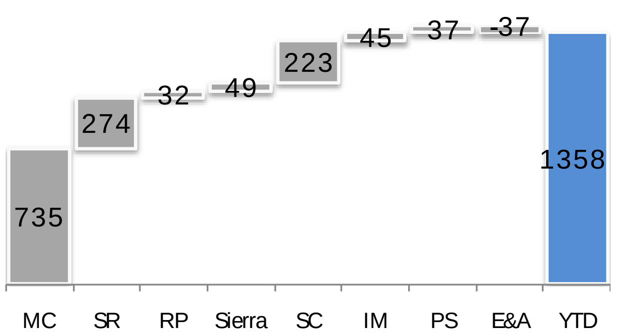
	1Q09	1Q10	y.o.y
Sonae	1,264	**1,358**	7.5%
Sonae MC	688	735	6.8%
Sonae SR	225	274	21.8%
Sonae RP	30	32	7.9%
Sonae Sierra (1)	45	49	7.1%
Sonaecom	241	223	-7.5%
Investment mngmt.	43	45	6.4%
Petrol stations	30	37	23.3%
Elimin.& adjust.	-38	-37	3.9%

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

Turnover quarterly trend



Turnover breakdown



Sonae MC – food based retail; **Sonae SR**– specialised retail; **Sonae RP** – retail property; **Sonae Sierra** – shopping centres; **Sonaecom** – telecommunications.

Turnover

- **Sonae** turnover increased by 7%, with combined 10% growth in turnover of Sonae MC and Sonae SR.
- **Sonae MC** turnover increased by 7%, mainly driven by a strong 3% like-for-like growth (1% in 1Q09), benefiting from: (i) the Easter season impacting the quarter (roughly one week of sales); and (ii) the maintenance of strong volume growth (+8%), offsetting the lower average price per unit (-4%), the latter reflecting prevailing market price deflation (-4%) and trading down. Further improvements in promotions and a range of marketing activities adapted to consumer demands have all contributed to this performance. By the end of the quarter, own brand products made up 26% of total FMCG sales.
- **Sonae SR** reported growth in turnover of 22% and significant 6% growth on a like.-for-like basis, with underlying performance reflecting a positive impact from Easter (roughly one week of sales). **Sonae SR Portugal** sales were up 12%, driven by: (i) a significant like-for-like sales increase of 6%, reflecting market share gains across all the main businesses; (ii) the good performance of the textile formats, in particular Zippy; and (iii) new space opened over the last 12 months, amounting to 38 thousand m^2 (+54 stores). **Sonae SR International** sales were up by 101%, reflecting: (i) like-for-like sales growth of more than 8%; (ii) the conversion work, of the consumer electronic stores portfolio acquired, for the Worten concept during 1Q09; and (iii) aggressive organic growth in the last 12 months, with the opening of 26 thousand m^2 (+23 stores).
- **Sonae Sierra** turnover increased by 7% reflecting: (i) the contribution from 2 centres opened in 2009 (loop5; Manauara); and (ii) the good performance of the Brazilian assets. These have offset the lower European Portfolio rents collected, on a like-for-like basis (-1%) and lower revenues from the development business and asset management services.
- **Sonaecom** turnover was down by 8%; the growth of mobile customer revenues, did not entirely offset the impact of reductions in Mobile Termination Rates and in Product Sales, the later impacted by the deceleration of the e-schools programme.

Recurrent EBITDA (1)
Million euros

	1Q09	1Q10	y.o.y
Sonae	118	125	6.3%
Sonae MC	22	22	4.4%
Sonae SR	0	0	-
Sonae RP	27	29	6.5%
Sonae Sierra (2)	22	24	7.9%
Sonaecom	45	48	5.6%
Investment mngmt.	-1	0	-
Elimin.& adjust.	4	2	-46.6%

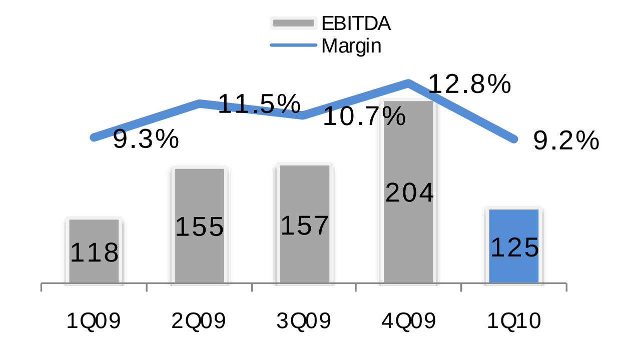
(1) EBITDA excluding extraordinary items; (2) Shopping centres are proportionally consolidated (50%).

Recurrent EBITDA (1)
as a % of turnover

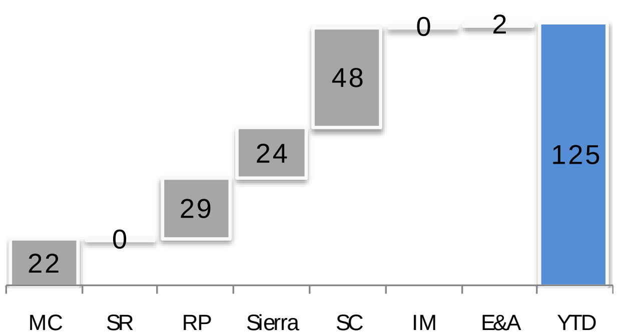
	1Q09	1Q10	y.o.y
Sonae	9.3%	9.2%	-0.1pp
Sonae MC	3.1%	3.1%	0pp
Sonae SR	-0.2%	0.1%	0.3pp
Sonae RP	89.9%	88.7%	-1.1pp
Sonae Sierra (2)	48.2%	48.5%	0.3pp
Sonaecom	18.8%	21.5%	2.7pp
Investment mngmt.	-3.0%	0.6%	3.6pp

(1) EBITDA excluding extraordinary items; (2) Shopping centres are proportionally consolidated (50%).

Recurrent EBITDA quarterly trend



Recurrent EBITDA breakdown



Recurrent EBITDA

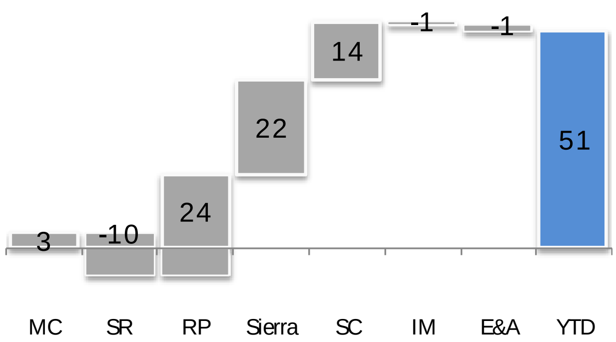
- **Sonae** recurrent EBITDA increased significantly by 6%, generating a solid margin of 9.2%.
- **Sonae MC** improved recurrent EBITDA by 4%, equal to a margin on sales of 3.1%, reflecting continued gains in market share and improvements in internal operating efficiency. This margin was significant given the background of strong competitive pressures and food price deflation in the quarter.
- **Sonae SR** recurrent EBITDA was slightly positive, equal to a margin on sales of 0.1%, reflecting the increasing importance of the Spanish operation to total turnover and the positive performance posted in both countries. **Sonae SR Portugal** continued to increase profitability, with EBITDA up by 12% and a margin of 1.9%, achieved through operational fine tuning of the most recent operations and more exposure to international outsourcing, in particular in the textile formats. **Sonae SR International** posted a negative EBITDA of 4 million euros, similar to that of 1Q09, with underlying margin improving by 9pp to negative 7.6% (1Q09 = -16.2%), in line with the goal of positive EBITDA in 2012.
- **Sonae RP** recurrent EBITDA increased 7%, explained by the greater asset portfolio resulting from the organic expansion of retail stores in Portugal, which offset the zero indexation of rents, consistent with the economic environment.
- **Sonae Sierra** recurrent EBITDA increased by 8%, benefiting from efficiency and cost control initiatives implemented.
- **Sonaecom** recurrent EBITDA improved by 6%, mainly driven by the mobile business. The efforts to optimize the cost structure more than off-set the negative impact of the end of asymmetries in Mobile Termination Rates.

Direct net income
Million euros

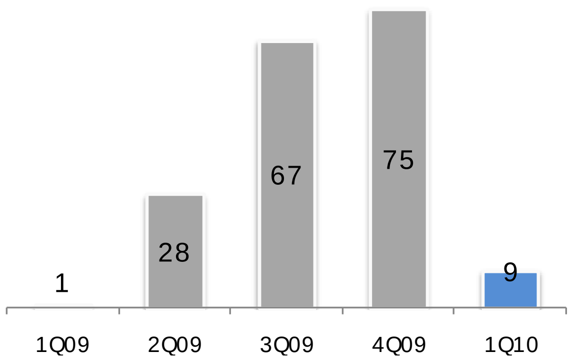
	1Q09	1Q10	y.o.y
Recurrent EBITDA	118	**125**	6.3%
EBITDA	119	**128**	8.1%
P&I losses [1]	-7	-4	-37.8%
D&A [2]	-71	-73	2.4%
EBIT	41	**51**	25.9%
Net financial results	-40	-26	-36.5%
Other income [3]	2	0	-
EBT	3	**25**	-
Taxes	1	-8	-
Direct net income	4	18	-
Equity holders	1	**9**	-
Minority interests	3	9	181.8%

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

EBIT breakdown



Net income – equity holder's quarterly trend



Direct net income – equity holders

- Sonae's EBITDA increased by 8% to 128 million euros, 3 million euros higher than recurrent EBITDA, as a result of the gain from the sale & leaseback of 2 Modelo supers to a Portuguese investment fund.

- **Sonae's** total direct net income increased by 14 to 18 million euros, with the share of equity holders totalling 9 million euros, 8 million euros up on 1Q09. This growth mainly reflects EBITDA performance and a significant fall in net financial expenses, despite higher depreciation and tax charges.

- Depreciation and amortization charges were up by 2%, driven by the increased asset base resulting from the high levels of Capex in recent years, namely the expansion of the retail store network.

- Net financial results improved by 36% compared to 1Q09, mainly as a result of net interest expenses, which fell by 15 million euros, due to a fall in the average cost of debt resulting from the general decrease in interest rates.

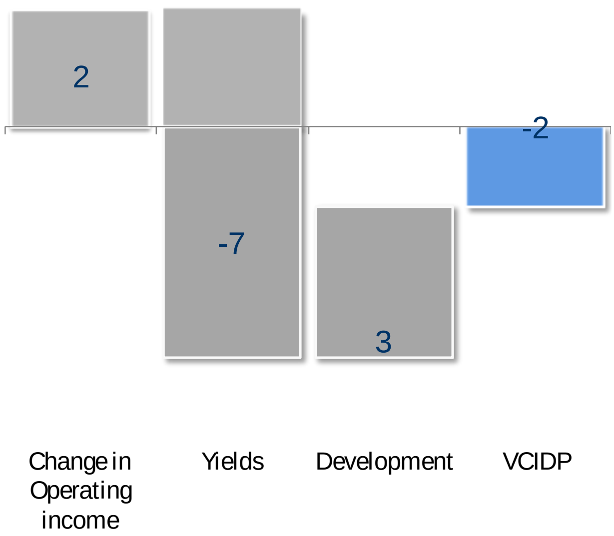
- Taxation for the period shows a cost of 8 million euros, compared to a profit of 1 million euros in 1Q09, mainly explained by the strong increase in EBT.

Shopping centres indirect net income [1]
Million euros

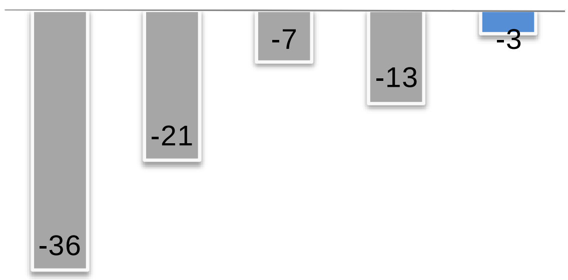
	1Q09	1Q10	y.o.y
VCIDP [2]	-44	-2	96.3%
Others	-3	0	91.1%
Taxes	10	-1	-
Indirect net income	-36	-3	90.7%
Equity holders	**-36**	**-3**	**90.7%**
Minority interests	0	0	-

(1) Management figures; (2) Value created on investment and development properties.

VCIDP breakdown



Indirect net income – quarterly trend



Shopping centres indirect income

- Equity holders' share of consolidated indirect income was negative 3 million euros, compared to negative 36 million euros in 1Q09, reflecting a stabilization of yields across all the countries in which Sonae Sierra is present, with the exception of Portugal.

- VCIDP in the shopping centres business was only 2 million euros negative, as a result of: (i) a 7 million euros decrease in the value of European shopping centres in the portfolio (0.5% devaluation of properties since 2009, in Europe), explained by the increase in capitalization yields in Portugal; in 1Q10, the average portfolio yield was 7.2%, compared to 7.0% in 2009; (ii) a 2 million euros increase from the estimated improved performance of shopping centres owned; and (iii) 3 million euros of value recognized on the development activity, of which 2.5 million euros of value recognized on the one property opened during the quarter (Leiria Shopping); and a 0.5 million euros increase in valuation, driven by upward adjustments on properties under development.

- During 1Q10, a deceleration of the trend of yield increases was clearly noticeable, with only those properties in Portugal suffering from the effects of yield expansion. This was reflected in the indirect results posted in the quarter, representing the lowest negative non-cash charge since 1Q08. The latest quarterly valuation of the assets implies that average yields increased in Portugal by 13bp, while yields in other countries remained relatively flat.

3 INVESTMENT

CAPEX
Million euros

	1Q09	1Q10	y.o.y
Sonae	129	98	-24.1%
as a % of turnover	10.2%	7.2%	-3pp
Sonae MC	34	19	-43.6%
Sonae SR	23	20	-12.9%
Sonae RP	20	11	-42.4%
Sonae Sierra (1)	18	21	16.9%
Sonaecom	23	24	2.7%
Investment mngmt.	8	0	-100.0%
Elimin.& adjust.	4	3	-29.5%
EBITDA minus CAPEX	-11	30	-

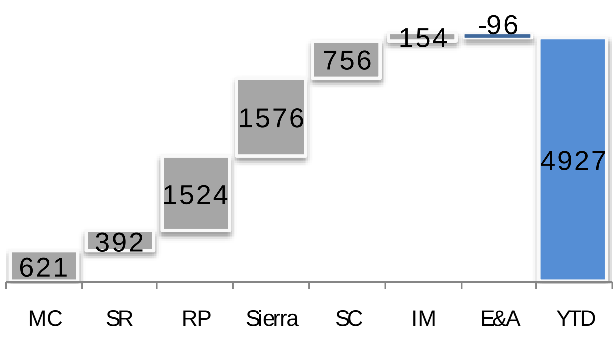
(1) Shopping centres are proportionally consolidated (50%).

Invested capital
Million euros

	1Q09	1Q10	y.o.y
Sonae	5,025	4,927	-1.9%
Investment properties(1)	1,843	1,773	-3.8%
Technical investment(2)	2,978	3,213	7.9%
Financial investment	121	48	-60.1%
Goodwill	697	747	7.2%
Working capital	-614	-855	-39.2%

(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 total** CAPEX in 1Q10 totalled 98 million euros (7% of turnover), mainly reflecting the Company's capital light approach to growth.
- **Sonae MC** CAPEX of 19 million euros, 44% below that in 1Q09, was mainly allocated towards store refurbishment and preparation work for future openings.
- **Sonae SR CAPEX** was 20 million euros (down 3 million euros compared to LY), of which 9 million euros was for the expansion effort by **Sonae SR International** and 5 million euros for the increase in coverage of Portugal by **Sonae SR Portugal**.
- **Sonae RP** CAPEX amounted to 11 million euros, allocated to the acquisition of plots of land destined for future openings. CAPEX was 42% below that in 1Q09, already reflecting the capital light strategy adopted (leasing instead of owning) for new retail sales area, particularly in relation to Modelo stores.
- **Sonae Sierra** CAPEX included: (i) the conclusion of Leiria, in Portugal (opened in March); (ii) progress on the development of projects in the pipeline already announced and scheduled for 2011, namely Le Terrazze, in Italy and Uberlândia, in Brazil; and (iii) progress on the expansion of Parque D.Pedro, in Brazil.
- **Sonaecom** CAPEX comprised mainly investment in improving the expansion and coverage of its network, and benefited from its strategy of pursuing a 'capital light' deployment in the Wireline segment, including shared network investment agreements.

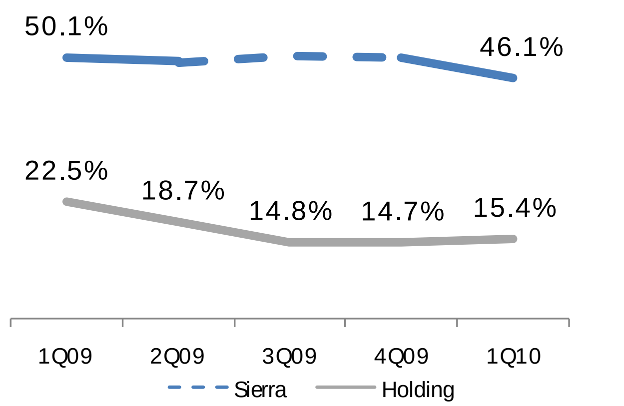
4 CAPITAL STRUCTURE

Capital structure
Million euros

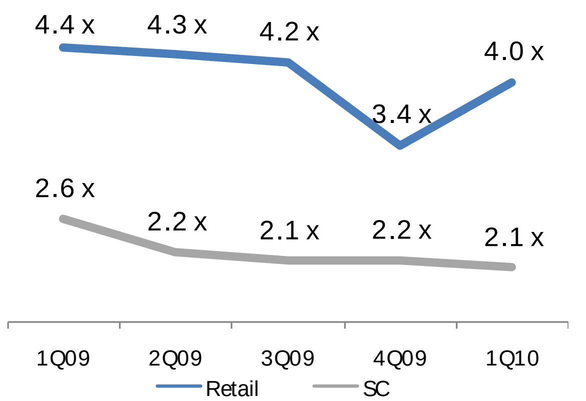
	1Q09	1Q10	y.o.y
Net debt inc. SH loans	3,582	**3,282**	-8.4%
Retail businesses	1,515	1,452	-4.1%
Sonae Sierra (1)	916	847	-7.5%
Sonaecom (2)	445	370	-16.9%
Investment mngmt.	113	98	-13.2%
Holding (3)	594	515	-13.2%

(1) Shopping centres are proportionally consolidated (50%); (2) excludes securitazation transaction; (3) 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 fell by 8%, in line with expectations and the objective of deleveraging over time in absolute and relative terms. Sonae's weighted average maturity stood at approximately 4.9 years, with no major debt repayments expected over the next 12 months.

- **Retail business'** net debt in the quarter mainly reflected the funding of the seasonal increase in working capital and international expansion, as well as the proceeds from the sale & leaseback of 2 Modelo supers, amounting to 12 million euros; compared to end 1Q09, Net Debt to EBITDA (last 12 months) improved to 4.0x, explained by a combination of lower net debt and a higher level of EBITDA in the prior 12 month period.

- **Sonae Sierra's** net debt was considerably lower than that at end 1Q09, with loan to value decreasing to 46%, despite the fall in value of European Shopping centres in the portfolio during the last 12 months.

- **Sonaecom**'s net debt, excluding the proceeds from the securitization transaction, stood at 370 million euros, 17% below that at the end 1Q09, primarily reflecting the positive FCF performance between the two periods; Net Debt to EBITDA (last 12 months) improved to 2.1x, as a result of both a decrease in net debt and the improved EBITDA performance over the last 12 months.

- **Holding's** net debt decreased by 79 million euros, which included the impact from inflows resulting from the cash settled equity swap. Holding loan to value stood at 15.4%, an improvement of 7.1pp compared to end 1Q09. The average maturity increased substantially to 4.1 years, after the early repayment of a loan maturing in 2011, followed by a bond issue, amounting to 250 million euros, completed in April 2010 and maturing in 2015.

5 CORPORATE INFORMATION

Quarterly corporate developments

- Sonae informed about the early repayment, on 10 May 2010, of the bonds Sonae SGPS 2006/2011, totalling 250 million euros and maturing in May 2011.

- Sonae informed about the completion of a bond issue, by private placement, amounting to 250 million euros; this operation allowed for the early repayment of Sonae Holding's bonds maturing in 2011, representing half of its medium and long term debt, and for a substantial increase in the average maturity of its debt to 4.1 years, with the next refinancing only due in 2013.

Outlook

- Sonae remains cautious about the overall economic situation, particularly in respect to unemployment and private consumption. However, the strong performance achieved in the 1Q10 gives us confidence in our ability to continue to successfully deliver growth and high levels of profitability.

6 ADDITIONAL INFORMATION

The consolidated financial information contained in this report is unaudited and based on financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union.

Organizational structure

Glossary

ARPU	Average revenue per user
CAPEX	Investments in tangible and intangible assets, investment properties and acquisitions
Direct income	Direct income excludes contributions to indirect income
EBITDA	Turnover + other revenues -impairment reversion - bad will- operating costs (based on direct net income) + gain/losses from sales of companies; includes capital gains in the sale of shareholdings since 2008
Recurrent EBITDA	EBITDA excluding non-recurrent items, namely gains in sales of investments and other movements that distort comparability.
EBITDA margin	EBITDA / Turnover
Eliminations & adjustments	Intra-groups + consolidation adjustments
Free Cash Flow (FCF)	EBITDA – operating capex-change in working capital-financial investments-financial results-income taxes
FMCG	Fast Moving Consumer Goods
Financial net debt	Total net debt excluding shareholders loans
Indirect income	Indirect Income includes Sierra's contributions net of taxes to the 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)
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 acquisition cost, with the exception of Sonae Sierra's 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 income	Share of results of associated undertakings + dividends
Other loans	Bonds, leasing and derivatives
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by an independent entity
RoIC (Return on invested capital)	EBIT(12 months) /Net invested capital
Recurrent EBITDA	EBITDA excluding extraordinary items
Shopping Centre Services business	Asset management services + property management services
Technical investment	Tangible assets + intangible assets + other fixed assets – depreciations and amortizations
Value created on investment and development properties (VCIDP)	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

Consolidated income statement [1]
Million euros

	1Q09	1Q10	y.o.y	4Q09	q.o.q
Direct income					
Turnover	**1,264**	**1,358**	**7.5%**	**1,599**	**-15.1%**
Recurrent EBITDA [2]	**118**	**125**	**6.3%**	**204**	**-38.9%**
Recurrent EBITDA margin	**9.3%**	**9.2%**	**-0.1pp**	**12.8%**	**-3.6pp**
EBITDA	**119**	**128**	**8.1%**	**205**	**-37.4%**
EBITDA margin	**9.4%**	**9.4%**	**0.1pp**	**12.8%**	**-3.4pp**
Provisions and impairment losses [3]	-7	-4	37.8%	-7	36.5%
Depreciations and amortizations	-71	-73	-2.4%	-73	-0.2%
EBIT	**41**	**51**	**25.9%**	**126**	**-59.3%**
Net financial results	-40	-26	36.5%	-25	-3.7%
Other income [4]	2	0	-	0	80.1%
EBT	**3**	**25**	**-**	**100**	**-74.7%**
Taxes	1	-8	-	-19	59.7%
Direct net income	4	18	-	82	-78.1%
Attributable to equity holders	**1**	**9**	**-**	**75**	**-87.8%**
Attributable to minority interests	3	9	181.8%	7	28.4%
Shoppings indirect income					
Indirect net income [5]	-54	-7	87.2%	-16	57.7%
Attributable to equity holders	**-36**	**-3**	**90.7%**	**-13**	**73.9%**
Attributable to minority interests	-18	-4	80.1%	-3	-2.9%
Total net income					
Total net income	-50	11	-	65	-83.2%
Attributable to equity holders	**-36**	**6**	**-**	**62**	**-90.7%**
Attributable to minority interests	-15	5	-	3	54.1%

(1) Quarterly numbers are unaudited; (2) EBITDA excluding extraordinary items; (3) Includes reversion of impairments and badwill; (4) share of results of associated undertakings + dividends; (5) Statutory numbers.

Consolidated balance sheet

Balance sheet
Million euros

	1Q09	1Q10	y.o.y	4Q09	q.o.q
TOTAL ASSETS	7,288	7,455	2.3%	7,552	1.3%
Non current assets	5,869	6,033	2.8%	6,108	1.3%
Tangible and intangible assets	2,969	3,210	8.1%	3,221	0.4%
Goodwill	697	747	7.2%	746	-0.1%
Investment properties in operation	1,625	1,644	1.2%	1,677	2.0%
Investment properties under development	175	90	-48.7%	120	33.3%
Other investments	163	87	-46.5%	93	6.3%
Deferred tax assets	224	233	3.8%	230	-1.2%
Others	15	21	43.1%	21	1.1%
Current assets	1,419	1,423	0.2%	1,443	1.5%
Stocks	609	622	2.0%	603	-3.0%
Trade debtors	203	189	-7.0%	208	10.3%
Liquidity	145	176	21.6%	230	30.8%
Others	462	436	-5.6%	402	-7.8%
SHAREHOLDERS' FUNDS	1,443	1,645	14.0%	1,701	3.4%
Equity holders	1,047	1,165	11.2%	1,223	5.0%
Minority interests	396	480	21.3%	478	-0.4%
LIABILITIES	5,845	5,810	-0.6%	5,850	0.7%
Non-current liabilities	3,847	3,485	-9.4%	3,561	2.2%
Bank loans	1,507	1,320	-12.4%	1,208	-8.5%
Other loans	1,806	1,564	-13.4%	1,736	10.9%
Deferred tax liabilities	325	329	1.4%	326	-0.9%
Provisions	48	46	-4.5%	51	9.4%
Others	161	225	39.6%	240	7.0%
Current liabilities	1,998	2,326	16.4%	2,289	-1.6%
Bank loans	378	192	-49.1%	233	21.1%
Other loans	14	328	-	81	-75.5%
Trade creditors	899	1,024	14.0%	1,220	19.2%
Others	707	781	10.4%	755	-3.3%
SHAREHOLDERS' FUNDS + LIABILITIES	7,288	7,455	2.3%	7,552	1.3%

Invested capital & return on invested capital (RoIC)

Invested capital Million euros	1Q09	1Q10	y.o.y	4Q09	q.o.q
Invested Capital	**5,025**	**4,927**	**-1.9%**	**4,781**	**3.0%**
Investment properties [1]	1,843	1,773	-3.8%	1,836	-3.4%
Technical investment [2]	2,978	3,213	7.9%	3,221	-0.3%
Financial investment	121	48	-60.1%	53	-9.9%
Goodwill	697	747	7.2%	746	0.1%
Working capital	-614	-855	-39.2%	-1,075	20.5%
Equity + Minorities	**1,443**	**1,645**	**14.0%**	**1,701**	**-3.3%**
Total Net debt [3]	**3,582**	**3,282**	**-8.4%**	**3,080**	**6.6%**

(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 Million euros	1Q09	1Q10	y.o.y	4Q09	q.o.q
Invested capital	**5,025**	**4,927**	**-1.9%**	**4,781**	**3.0%**
Sonae MC	673	621	-7.7%	484	28.2%
Sonae SR	352	392	11.5%	250	57.0%
Sonae RP	1,439	1,524	5.9%	1,523	0.1%
Sonae Sierra [1]	1,663	1,576	-5.2%	1,661	-5.1%
Sonaecom	802	756	-5.6%	752	0.6%
Investment mngmt.	147	154	4.5%	153	0.2%
Elimin.& adjust. [2]	-51	-96	-89.3%	-42	-
EBIT (last 12 months)	**329**	**360**	**9.4%**	**349**	**3.0%**
Sonae MC	133	123	-7.5%	124	-1.0%
Sonae SR	21	8	-63.4%	10	-20.8%
Sonae RP	80	86	7.8%	83	3.8%
Sonae Sierra [1]	85	83	-2.9%	81	1.8%
Sonaecom	12	32	164.9%	24	33.0%
Investment mngmt.	-1	27	-	25	10.0%
Elimin.& adjust. [2]	-1	2	-	2	-7.3%
RoIC	**6.5%**	**7.3%**	**0.8pp**	**7.3%**	**0pp**
Sonae MC	19.7%	19.8%	0.1pp	25.6%	-5.8pp
Sonae SR	6.1%	2.0%	-4.1pp	4.0%	-2pp
Sonae RP	5.6%	5.7%	0.1pp	5.5%	0.2pp
Sonae Sierra	5.1%	5.3%	0.1pp	4.9%	0.4pp
Sonaecom	1.5%	4.2%	2.7pp	3.2%	1pp
Investment mngmt.	-0.8%	17.5%	18.3pp	16.0%	1.5pp

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

Working capital breakdown

Working capital breakdown Million euros	1Q09	1Q10	y.o.y	4Q09	q.o.q
Working capital	**-614**	**-855**	**-39.2%**	**-1,075**	**20.5%**
Sonae MC	-311	-390	-25.5%	-530	26.3%
Sonae SR	92	82	-10.0%	-52	-
Sonae RP	-27	-32	-17.1%	-38	16.1%
Sonae Sierra (1)	-251	-260	-3.6%	-238	-9.1%
Sonaecom	-84	-136	-61.5%	-150	9.6%
Investment mngmt.	1	-19	-	-21	9.1%
Elimin.& adjust. (2)	-34	-100	-197.1%	-46	-116.3%

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

Retail formats & retail real estate main highlights (stand-alone figures)

Retail formats & Retail real estate operating review (1)	1Q09	1Q10	y.o.y	4Q09	q.o.q
Turnover growth					
Sonae MC	5.1%	6.8%	1.7pp	4.5%	2.3pp
Sonae SR	15.7%	21.8%	6.1pp	18.9%	2.9pp
LFL sales growth					
Sonae MC	0.8%	3.5%	2.7pp	0.8%	2.7pp
Sonae SR	-8.6%	5.6%	14.2pp	1.5%	4.1pp
Total employees (EOP)	**31,789**	**34,828**	**9.6%**	**35,171**	**-1.0%**
Sonae MC (2)	24,239	26,050	7.5%	26,044	0.0%
Sonae SR	7,519	8,747	16.3%	9,092	-3.8%
Sonae RP	31	31	0.0%	35	-11.4%

(1) Quarterly numbers are unaudited; (2) excludes temporary workers hired for the Christmas season.

Retail formats & Retail real estate financial review (1)
Million euros

	1Q09	1Q10	y.o.y	4Q09	q.o.q
Sonae MC					
Turnover	688	735	6.8%	868	-15.4%
Recurrent EBITDA	22	22	4.4%	79	-71.5%
EBITDA	22	22	4.4%	79	-71.5%
EBITDA margin	3.1%	3.1%	0pp	9.1%	-6pp
CAPEX	34	19	-43.6%	41	-53.1%
Sonae SR					
Turnover	225	274	21.8%	376	-27.0%
Portugal	200	224	11.8%	329	-32.1%
International	25	51	100.8%	46	9.3%
Recurrent EBITDA	0	0	-	37	-99.1%
EBITDA	0	0	-	37	-99.1%
Portugal	4	4	11.6%	42	-90.0%
International	-4	-4	5.8%	-4	13.9%
EBITDA margin	-0.2%	0.1%	0.3pp	9.9%	-9.8pp
Portugal	1.9%	1.9%	0pp	12.7%	-10.8pp
International	-16.2%	-7.6%	8.6pp	-9.6%	2pp
CAPEX	23	20	-12.9%	25	-21.9%
Portugal	16	10	-36.0%	18	-42.8%
International	7	10	38.6%	8	25.2%
Sonae RP					
Turnover	30	32	7.9%	32	0.2%
Recurrent EBITDA	27	29	6.5%	26	9.3%
EBITDA	27	32	18.5%	26	21.6%
EBITDA margin	89.9%	98.7%	8.8pp	81.3%	17.4pp
CAPEX	20	11	-42.4%	13	-10.6%
Net debt including shareholder loans	1,515	1,452	-4.1%	1,188	22.2%
Net debt	1,534	1,469	-4.2%	1,206	21.8%
Net debt/EBITDA (last 12 months)	4.4 x	4.0 x	-0.4x	3.4 x	0.7x
EBITDA/net interest expenses (last 12 months)	5.2 x	10.5 x	5.3x	8.4 x	2.1x
Net debt/invested capital	62.3%	57.9%	-4.4pp	53.4%	4.5pp

(1) Quarterly numbers are unaudited.

Stores and sales area

	Number of stores					Sales area('000 m^2)					
	31 Dec 2009	Stores opened	Banner changed	Stores closed	31 Mar 2010	31 Dec 2009	Stores opened	Banner changed	Stores closed	31 Mar 2010	Area owned (%)
Sonae MC	378	4	0	-2	380	528	0	0	0	528	85%
Continente	39	0	0	0	39	284	0	0	0	284	90%
Modelo (1)	125	0	0	0	125	218	0	0	0	218	83%
Área Saúde	115	2	0	0	117	11	0	0	0	11	73%
Bom Bocado	80	1	0	-2	79	4	0	0	0	4	78%
Book.It	14	1	0	0	15	5	0	0	0	5	56%
Others	5	0	0	0	5	5	0	0	0	5	8%
Sonae SR	454	6	0	-10	450	304	6	0	-3	307	38%
Portugal	416	4	0	-10	410	248	3	0	-3	248	44%
Worten	132	0	0	0	132	113	0	0	0	113	52%
Vobis	17	0	0	-8	9	8	0	0	-3	5	15%
Worten Mobile	48	1	0	-1	48	1	0	0	0	1	38%
SportZone	75	0	0	0	75	61	0	0	0	61	14%
Modalfa	99	1	0	0	100	51	1	0	0	53	73%
Zippy	34	1	0	0	35	12	0	0	0	13	6%
Loop	11	1	0	-1	11	2	0	0	0	2	0%
Spain	38	2	0	0	40	56	4	0	0	59	12%
Worten	14	1	0	0	15	34	2	0	0	36	20%
Sport Zone	14	1	0	0	15	17	2	0	0	19	0%
Zippy	10	0	0	0	10	4	0	0	0	4	0%
Invest. mngmt.	105	0	0	-1	104	67	0	0	-2	65	60%
MaxMat	35	0	0	-1	34	63	0	0	-2	61	62%
Geostar (2)	70	0	0	0	70	4	0	0	0	4	27%
Total	937	9	0	-13	934	899	7	0	-5	901	67%

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

Shopping centres main highlights (stand-alone figures)

Shopping centres operating review	1Q09	1Q10	y.o.y	4Q09	q.o.q
Assets under management (million euros) [1]	5,997	6,448	7.5%	6,340	1.7%
Real estate NAV (million euros)	1,331	1,208	-9.3%	1,228	-1.7%
Sierra Investments	736	697	-5.4%	731	-4.7%
Sierra Developments	312	154	-50.5%	191	-19.1%
Sierra Brazil	211	304	44.1%	289	5.2%
Others [2]	71	52	-27.2%	17	-
NAV per share (euros)	40.9	37.1	-9.3%	37.8	-1.7%
Openings & acquisitions (EOP)	0	1	-	1	0.0%
Shopping centres owned/co-owned (EOP)	50	53	6.0%	52	1.9%
GLA owned/co-owned (thousand m2) [3]	1,963	2,081	6.0%	2,059	1.1%
Occupancy rate of GLA owned (%)	95.0%	95.1%	0.1pp	94.5%	0.6pp
Projects under development (EOP) [4]	14	11	-21.4%	12	-8.3%
GLA under development (thousand m2)	642	528	-17.8%	550	-4.0%
Shopping centres managed (EOP)	62	69	11.3%	68	1.5%
GLA under management (thousand m2)	2,199	2,306	4.9%	2,284	1.0%
Total employees	1,174	1,131	-3.7%	1,147	-1.4%

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

Shopping Centres market yields	4Q09			1Q10			q.o.q		
	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min
Portugal	8.3%	6.5%	6.0%	8.5%	6.6%	6.1%	0.2pp	0.13pp	0.1pp
Spain	9.1%	7.1%	6.4%	9.0%	7.1%	6.4%	-0.05pp	-0.02pp	0pp
Italy	7.7%	6.6%	6.0%	7.8%	6.6%	6.1%	0.1pp	-0.01pp	0.05pp
Germany	6.3%	6.1%	6.0%	6.3%	6.1%	6.0%	0pp	0pp	0pp
Greece	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	0pp	0pp	0pp
Romania	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	0pp	0pp	0pp
Brazil	9.5%	8.5%	8.3%	9.5%	8.5%	8.3%	0pp	0pp	0pp

(1) Average yields weighted by the Open Market Value of Sierra's shopping centres

Shopping Centres financial review (1)
Million euros

	1Q09	1Q10	y.o.y
Direct results			
Turnover	53	57	6.9%
Investments	29	26	-10.5%
Developments	2	2	-22.5%
Brazil	8	14	60.5%
Services Business	12	13	6.8%
Asset management	5	4	-2.5%
Property management	7	8	12.4%
Others & eliminations	2	3	65.1%
Recurrent EBITDA	**24**	**30**	**24.8%**
EBITDA	**24**	**30**	**24.8%**
EBITDA margin	**44.6%**	**52.0%**	**7.4pp**
Services EBITDA margin	**24.5%**	**25.9%**	**1.5pp**
Investments	25	26	1.8%
Developments	-8	9	-
Brazil	3	4	40.6%
Services Business	3	3	13.1%
Asset management	2	1	-26.5%
Property management	1	2	65.6%
Others & eliminations	1	-13	-
Net financial results	-12	-12	3.6%
Direct results	**7**	**14**	**92.5%**
Indirect results			
Gains realized on investments	0	0	-
Assets at risk provision	0	0	-
VCIDP (2)	-87	-3	96.3%
Indirect results	**-67**	**-7**	**90.0%**
Total net results			
Total net results	**-60**	**7**	**-**
Attributable to equity holders	**-60**	**7**	**-**
Net debt including shareholder loans	1,831	1,694	-7.5%
Net debt	1,266	1,114	-12.1%
Loan to Value	50.1%	46.1%	-4pp
Net debt/EBITDA (last 12 months)	8.1 x	9.4 x	1.3x
EBITDA/net interest expenses (last 12 months)	0.5 x	0.6 x	0.1x
Net debt/invested capital	54.3%	53.0%	-1.2pp
CAPEX	104	41	-60.8%

(1) Quarterly numbers are unaudited; (2) Value created on investment and development properties.

Telecommunications main highlights (stand-alone figures)

Telecomunications operating review [1]	1Q09	1Q10	y.o.y	4Q09	q.o.q
Mobile					
Customers (EOP) ('000)	3,220	3,450	7.1%	3,433	0.5%
ARPU (euros) [2]	14.9	13.7	-8.1%	14.3	-3.9%
Wireline					
Total accesses (EOP) ('000)	554	464	-16.3%	484	-4.1%
Direct accesses (EOP) ('000)	442	386	-12.8%	403	-4.4%
Direct access as % customer revenues	77.6%	73.4%	-4.2pp	75.9%	-2.6pp
Online & Media					
Average paid circulation ('000) [3]	40	33	-16.9%	34	-2.7%
Market share of advertising (%)	11.9%	10.1%	-1.8pp	12.2%	-2.1pp
SSI					
IT service revenues / employee ('000 euros)	28.2	29.2	3.6%	32	-9.3%
Total employees	2,000	2,053	2.7%	2,013	2.0%

(1) Quarterly numbers are unaudited; (2) Average revenues per user; (3) Estimated value updated in the following quarter.

Telecommunications financial review (1)
Million euros

	1Q09	1Q10	y.o.y	4Q09	q.o.q
Turnover	241	223	-7.5%	233	-4.3%
Mobile	147	142	-3.0%	154	-7.3%
Wireline	64	61	-5.3%	59	3.7%
SSI	40	32	-18.8%	34	-5.5%
Others & eliminations	-10	-13	-28.9%	-14	6.4%
Other revenues	1	1	24.7%	4	-71.1%
Recurrent EBITDA	**45**	**48**	**5.6%**	**39**	**22.4%**
EBITDA	**45**	**48**	**5.6%**	**39**	**22.4%**
EBITDA margin (%)	**18.8%**	**21.5%**	**2.7pp**	**16.8%**	**4.7pp**
Mobile	44	46	6.0%	35	31.1%
Wireline	1	1	10.5%	2	-68.5%
SSI	2	2	-19.5%	3	-39.4%
Others & eliminations	-1	-1	22.6%	-1	29.7%
EBIT	**6**	**14**	**131.8%**	**6**	**123.9%**
Net financial results	-4	-2	49.8%	-2	-10.1%
Total net income	0	8	-	3	166.6%
Attributable to equity holders	**0**	**8**	**-**	**3**	**172.1%**
Excluding the securitization transaction:					
Net debt including shareholder loans	445	370	-16.9%	376	-1.7%
Net debt	445	370	-16.9%	378	-2.2%
Net debt/EBITDA (last 12 months)	2.6 x	2.1 x	-0.5x	2.2 x	-0.1x
EBITDA/net interest expenses (last 12 months)	10.3 x	16.0 x	5.7x	13.7 x	2.3x
Net debt/invested capital	55.5%	48.9%	-6.6pp	50.3%	-1.4pp
CAPEX	**22**	**24**	**8.8%**	**48**	**-50.3%**
Operating CAPEX (2)	21	24	12.0%	48	-50.2%
EBITDA minus Operating CAPEX	24	24	-0.1%	-9	-
Free Cash Flow	-46	1	-	4	-68.3%

(1) Quarterly numbers are unaudited; (2) Operating CAPEX excludes financial investments, provisions for dismantling of sites and other non operationa investments.

Investment management main highlights (stand-alone figures)

Investment management unit (1)
Million euros

	1Q09	1Q10	y.o.y	4Q09	q.o.q
Turnover	43	45	6.4%	45	-0.1%
Recurrent EBITDA	-1	0	-	-1	-
EBITDA	-1	0	-	-1	-
EBIT	-2	-1	62.2%	-3	70.0%
Net debt including shareholder loans	113	98	-13.2%	93	5.0%
Net debt	7	9	26.3%	4	117.4%
CAPEX	8	0	-100.0%	1	-100.0%
Total employees	1,047	1,006	-3.9%	1,041	-3.4%

(1) Quarterly numbers are unaudited.

Condensed consolidated financial statements

SONAE, SGPS, SA

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2010 AND 2009
AND AT 31 DECEMBER 2009

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

(Amounts expressed in euro)

ASSETS	Notes	31 March 2010	31 March 2009	31 December 2009
NON-CURRENT ASSETS:				
Tangible assets	9	2,772,063,449	2,534,316,664	2,781,177,575
Intangible assets	10	437,769,675	435,086,554	440,038,498
Investment properties	11	1,734,223,289	1,800,448,033	1,796,470,818
Goodwill	12	747,220,070	696,742,728	746,340,691
Investments in associated companies	6	72,690,754	149,111,022	74,649,393
Other investments	7 and 13	14,607,541	13,999,046	18,127,492
Deferred tax assets	16	233,046,626	224,465,667	230,214,508
Other non-current assets	14	20,946,075	14,636,355	21,176,312
Total Non-Current Assets		6,032,567,479	5,868,806,069	6,108,195,287
CURRENT ASSETS:				
Stocks		621,718,833	609,452,023	603,003,189
Trade account receivables and other current assets	15	621,834,068	656,322,827	610,516,925
Investments	13	59,957,606	62,830,277	57,679,031
Cash and cash equivalents	17	115,791,655	81,754,074	172,229,871
Total Current Assets		1,419,302,162	1,410,359,201	1,443,429,016
Assets available for sale		3,273,075	8,893,173	-
TOTAL ASSETS		7,455,142,716	7,288,058,444	7,551,624,303
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	18	2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(135,679,489)	(138,568,275)	(136,911,861)
Reserves and retained earnings		(705,230,618)	(778,632,551)	(733,683,436)
Profit/(Loss) for the period attributable to the equity holders of Sonae		5,741,985	(35,614,146)	93,760,817
Equity attributable to the equity holders of Sonae		1,164,831,878	1,047,185,028	1,223,165,520
Equity attributable to non-controlling interests	19	479,924,800	395,564,296	477,968,755
TOTAL EQUITY		1,644,756,678	1,442,749,324	1,701,134,275
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	20	2,884,578,501	3,312,884,627	2,943,987,134
Other non-current liabilities	22	224,511,981	160,875,545	240,267,403
Deferred tax liabilities	16	329,260,726	324,760,787	326,420,118
Provisions	25	46,256,958	48,446,553	50,607,367
Total Non-Current Liabilities		3,484,608,166	3,846,967,512	3,561,282,022
CURRENT LIABILITIES:				
Loans	20	520,699,996	392,438,552	313,554,408
Trade creditors and other non-current liabilities	24	1,801,742,471	1,603,732,832	1,973,035,847
Provisions	25	3,335,405	2,170,224	2,617,751
Total Current Liabilities		2,325,777,872	1,998,341,608	2,289,208,006
TOTAL LIABILITIES		5,810,386,038	5,845,309,120	5,850,490,028
TOTAL EQUITY AND LIABILITIES		7,455,142,716	7,288,058,444	7,551,624,303

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	Notes	31 March 2010	31 March 2009
Sales		1,078,513,309	992,115,553
Services rendered		279,777,433	271,665,751
Value created on investment properties	11	(3,812,472)	(62,696,751)
Investment income		(13,673)	1,022,411
Financial income		2,849,502	5,087,374
Other income		100,313,119	99,613,524
Cost of goods sold and materials consumed		(867,965,059)	(798,389,644)
Changes in stocks of finished goods and work in progress		105,361	-
External supplies and services		(266,414,679)	(266,684,806)
Staff costs		(170,988,189)	(160,576,266)
Depreciation and amortisation		(72,896,200)	(71,212,905)
Provisions and impairment losses		(6,196,539)	(7,313,490)
Financial expenses		(28,367,595)	(45,262,127)
Other expenses		(23,528,505)	(21,744,160)
Share of results of associated undertakings	6	(1,140,857)	(242,715)
Profit/(Loss) before taxation		20,234,956	(64,618,251)
Taxation	28	(9,240,785)	14,392,151
Profit/(Loss) after taxation	29	10,994,171	(50,226,100)
Attributable to:			
Equity holders of Sonae		5,741,985	(35,614,146)
Non-controlling interests		5,252,186	(14,611,954)
Profit/(Loss) per share			
Basic	30	0.003071	(0.019074)
Diluted	30	0.003040	(0.019074)

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	31 March 2010	31 March 2009
Net Profit / (Loss) for the period	10,994,171	(50,226,100)
Exchange differences arising on translation of foreign operations	9,061,537	8,071,811
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method	(1,208,404)	-
Changes on fair value of available-for-sale financial assets	(3,652,000)	996,000
Changes in hedging and fair value reserves	(9,324,818)	(18,224,119)
Income tax relating to components of other comprehensive income	1,716,557	1,635,207
Other comprehensive income for the period	(3,407,128)	(7,521,101)
Total comprehensive income for the period	7,587,043	(57,747,201)
Attributable to:		
Equity holders of Sonae	1,985,992	(40,933,264)
Non-controlling interests	5,601,051	(16,813,937)

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

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	Attributable to Equity Holders of Sonae											
			Reserves and Retained Earnings									
	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	Non-controlling Interests (Note 19)	Total Equity
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	-	-	-	7,714,867	996,000	(14,029,985)	-	(5,319,118)	(35,614,146)	(40,933,264)	(16,813,937)	(57,747,201)
Appropriation of profit of 2008:												
Transfer to legal reserves and retained earnings	-	-	1,523,607	-	-	-	78,512,062	80,035,669	(80,035,669)	-	-	-
Dividends distributed	-	-	-	-	-	-	(60,249,025)	(60,249,025)	-	(60,249,025)	-	(60,249,025)
Other reserves	-	-	-	-	-	-	(2,627,459)	(2,627,459)	-	(2,627,459)	829,132	(1,798,327)
								-		-		-
Balance as at 31 March 2009	2,000,000,000	(138,568,275)	163,229,581	3,463,546	(980,346)	(25,262,975)	(919,082,357)	(778,632,551)	(35,614,146)	1,047,185,028	395,564,296	1,442,749,324
Balance as at 1 January 2010	2,000,000,000	(136,911,861)	163,229,581	27,670,569	11,801,654	(21,082,667)	(915,302,573)	(733,683,436)	93,760,817	1,223,165,520	477,968,755	1,701,134,275
Total comprehensive income for the period	-	-	-	7,429,482	(3,652,000)	(6,325,071)	(1,208,404)	(3,755,993)	5,741,985	1,985,992	5,601,051	7,587,043
Appropriation of profit of 2009:												
Transfer to legal reserves and retained earnings	-	-	4,586,452	-	-	-	89,174,365	93,760,817	(93,760,817)	-	-	-
Dividends distributed	-	-	-	-	-	-	(63,000,000)	(63,000,000)	-	(63,000,000)	(619,667)	(63,619,667)
Sales of own shares	-	1,232,372	-	-	-	-	-	-	-	1,232,372	-	1,232,372
Share based payments	-	-	-	-	-	-	(595,319)	(595,319)	-	(595,319)	(889,718)	(1,485,037)
Percentage variation of affiliated undertakings	-	-	-	-	-	-	2,010,494	2,010,494	-	2,010,494	(2,103,935)	(93,441)
Other reserves	-	-	-	-	-	-	32,819	32,819	-	32,819	(31,686)	1,133
Balance as at 31 March 2010	2,000,000,000	(135,679,489)	167,816,033	35,100,051	8,149,654	(27,407,738)	(888,888,618)	(705,230,618)	5,741,985	1,164,831,878	479,924,800	1,644,756,678

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

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	Notes	31 March 2010	31 March 2009
OPERATING ACTIVITIES			
Net cash flow from operating activities (1)		(97,983,375)	(153,839,678)
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Investments		22,229,305	2,036,054
Tangible, intangible assets and propertie investments		23,874,738	6,967,884
Dividends		167	-
Others		6,581,772	11,725,828
		52,685,982	20,729,766
Cash Payments arising from:			
Investments		(5,308,524)	(14,692,537)
Tangible, intangible assets and propertie investments		(139,975,097)	(194,226,585)
Others		(264,710)	(3,048,396)
		(145,548,331)	(211,967,518)
Net cash used in investment activities (2)		(92,862,349)	(191,237,752)
FINANCING ACTIVITIES			
Cash receipts arising from:			
Loans obtained		1,448,896,600	2,120,718,470
Others		543,551	2,656,075
		1,449,440,151	2,123,374,545
Cash Payments arising from:			
Loans obtained		(1,291,453,426)	(1,818,789,675)
Interests and similar charges		(48,365,758)	(54,119,833)
Dividends		(618,883)	(158,395)
Others		(3,362,718)	(2,544,902)
		(1,343,800,785)	(1,875,612,805)
Net cash used in financing activities (3)		105,639,366	247,761,740
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(85,206,358)	(97,315,690)
Effect of foreign exchange rate		(655,670)	(304,786)
Cash and cash equivalents at the beginning of the period	17	148,466,252	142,965,988
Cash and cash equivalents at the end of the period	17	63,915,564	45,955,084

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

The Board of Directors

SONAE, SGPS, SA

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL

STATEMENTS FOR THE PERIOD ENDED

31 March 2010

(Amounts expressed in euro)

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

In case of discrepancies the Portuguese version prevails.)

1 INTRODUCTION

SONAE, SGPS, SA ("Sonae Holding"), 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"). Sonae`s operations and operating segments are described in Note 32.

2 PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2009, 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 IFRS 3 – Business combinations and IAS 27 – Consolidated and separate financial statements (revised 2008).

These changes brought some modifications in recording business combinations, in particular:
(a) calculating goodwill; (b) the measurement of non-controlling interests (formerly known as minority interests); (c) the recognition and subsequent measurement of contingent payments; (d) the treatment of direct costs related to the concentration; (e) the registration of purchase transactions of interests in already controlled entities and sales transactions of interests without, such resulting in the loss of control and (f) calculation of the result in the sale of participation with loss of control and need of remeasurement of the interests controlled kept int the disposed participation, not being however material its effect in the financial statements for the first quarter of 2010.

4 GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of share capital held by Sonae as at 31 March 2010 and 31 December 2009 are as follows:

			Percentage of capital held			
			31 March 2010		31 December 2009	
COMPANY		Head Office	Direct	Total	Direct	Total
Sonae - SGPS, S.A.		Maia	HOLDING	HOLDING	HOLDING	HOLDING
Retail						
Arat Inmuebles, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Azulino Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
BB Food Service, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Bertimóvel - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
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%
Bom Momento - Comércio Retalhista, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Canasta - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Carnes do Continente - Indústria e Distribuição Carnes, SA	a)	Santarém	100.00%	100.00%	100.00%	100.00%

Chão Verde - Sociedade de Gestão Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Citorres - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Contibomba - Comércio e Distribuição de Combustíveis, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Contimobe - Imobiliária de Castelo de Paiva, SA	a)	Castelo de Paiva	100.00%	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a)	Lisboa	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%
Fundo de Investimento Imobiliário Fechado Imosede	a)	Maia	54.55%	54.55%	54.55%	54.55%
Fundo de Investimento Imobiliário Imosonae 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%
Good and Cheap - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Hipotética - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonaerp – Retail Properties, 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%

Just Sport - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Marcas MC, zRT	a)	Budapeste (Hungary)	100.00%	100.00%	100.00%	100.00%
MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
MC - SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modalloop – Vestuário e Calçado, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo Continente Hipermercados,SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo Continente Seguros - Sociedade Mediação, SA	a)	Porto	100.00%	87.50%	100.00%	87.50%
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%
Pharmaconcept – Actividades em Saúde, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Predicomercial - Promoção Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Selifa - Empreendimentos Imobiliários de Fafe, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Soflorin, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Solaris Supermercados, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sonae Center Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonae Investimentos, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%

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%
Sonae Specialized Retail, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
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%
Têxtil do Marco, SA	a)	Marco de Canaveses	90.37%	90.37%	80.37%	80.37%
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%
Well W - Electrodomésticos e Equipamentos, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten - Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten España Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Zippy – Comércio e Distribuição, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Zippy - Comércio Y Distribución, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Telecommunications						
Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
Be Towering – Gestão de Torres de Telecomunicações, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
Cape Tecnologies Limited	a)	Dublin (Ireland)	100.00%	54.33%	100.00%	54.23%
Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	40.80%	75.10%	40.72%
Lugares Virtuais, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
M3G - Edições Digitais, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%

	Magma - Operação de Titularização de Créditos	c)	Portugal	100.00%	54.33%	100.00%	54.23%
	Mainroad Serviços em Tecnologias de Informação, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	Miauger - Org. Gestão Leilões Electrónicos, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	Praesidium Services Limited	a)	Berkshire (U.K.)	100.00%	54.33%	100.00%	54.23%
	Público - Comunicação Social, SA	a)	Porto	100.00%	54.33%	100.00%	54.23%
	Saphety Level - Trusted Services, SA	a)	Maia	86.99%	47.26%	86.99%	47.17%
	Sonaecom BV	a)	Amsterdam (The Netherlands)	100.00%	54.33%	100.00%	54.23%
	Sonae Telecom, SGPS, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	Sonaecom - Serviços de Comunicação, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
1)	Sonaecom - Sistemas de Información España, SL	a)	Madrid	100.00%	54.33%	-	-
	Sonaecom, SGPS, SA	a)	Maia	55.30%	54.33%	55.12%	54.23%
	Sonaetelecom, BV	a)	Amsterdam (The Netherlands)	100.00%	54.33%	100.00%	54.23%
	Tecnológica Telecomunicações, Ltda	a)	Rio de Janeiro (Brazil)	99.99%	54.27%	99.99%	54.17%
	Telemilénio Telecomunicações - Soc. Unipessoal, Lda	a)	Lisboa	100.00%	54.33%	100.00%	54.23%
	We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	54.33%	100.00%	54.23%
	We Do Brasil Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	54.28%	99.91%	54.28%
	We Do Poland Sp.Z.o.o.	a)	Posnan (Poland)	100.00%	54.33%	100.00%	54.23%
	We Do Tecnologies Americas, Inc.	a)	Miami (USA)	100.00%	54.33%	100.00%	54.23%
	We Do Technologies Australia PTY Limited	a)	Australia	100.00%	54.33%	100.00%	54.23%
	We Do Tecnologies BV	a)	Amsterdam (The Netherlands)	100.00%	54.33%	100.00%	54.23%
	We Do Technologies BV – Sucursal Malásia	a)	Kuala Lumpur (Malaysia)	100.00%	54.33%	100.00%	54.23%
	We Do Technologies Egypt Limited Liability Company	a)	Cairo (Egypt)	100.00%	54.33%	100.00%	54.23%

	We Do Technologies Mexico S. de RL	a)	Mexico City	100.00%	54.33%	100.00%	54.23%
1)	We Do Technologies Panamá SA	a)	Panama City	100.00%	54.33%	100.00%	54.23%
1)	We Do Technologies Singapore PTE. LDT	a)	Singapore	100.00%	54.33%	100.00%	54.23%
	We Do Technologies (UK) Limited	a)	Berkshire (U.K.)	100.00%	54.33%	100.00%	54.23%
	Investment Management						
	ADD Avaliações Engenharia de Avaliações e Perícias, Ltda	a)	Brazil	100.00%	50.00%	100.00%	50.00%
	ADDmakler Administração e Corretagem de Seguros, Ltda	a)	Brazil	99.98%	50.00%	99.98%	50.00%
	ADDmakler Administradora, Corretora de Seguros Partic. Ltda	a)	Brazil	100.00%	50.00%	100.00%	50.00%
	Fontana Corretora de Seguros Ltda	a)	Brazil	99.99%	50.01%	99.99%	50.01%
	Herco Consultoria de Risco e Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Larim Corretora de Resseguros Ltda	a)	Brazil	99.99%	50.01%	99.99%	50.01%
	Lazam/mds Correctora Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	MDS - Corretor de Seguros, SA	a)	Porto	100.00%	50.01%	100.00%	50.01%
	MDS, SGPS, SA	a)	Maia	50.01%	50.01%	50.01%	50.01%
	MDS Consultores, SA	a)	Maia	100.00%	50.01%	100.00%	50.01%
	Miral Administração e Corretagem de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Modelo - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
	RSI Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Terra Nossa Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	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%
	Sonae RE, SA	a)	Luxembourg	99.92%	99.92%	99.92%	99.92%

Sonaecenter Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
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;

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 Sonae as at 31 March 2010 and 31 December 2009 are as follows:

			Percentage of capital held			
			31 March 2010		31 Decemeber 2009	
	COMPANY	Head Office	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%
1)	Adlands BV	Amsterdam (The Netherlands)	50.00%	25.00%	-	-
	Aegean Park, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
	Airone - Shopping Centre, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
	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%
2)	Alexa Asset GmbH & Co	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%

Arrábidashopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Avenida M-40, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
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%
Clérigoshopping - 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 I.I . Parque Dom Pedro Shopping Center, SA	São Paulo (Brazil)	50.00%	3.99%	50.00%	3.99%
Fundo Investimento Imob. Shopping Parque D. Pedro Shopping, SA	São Paulo (Brazil)	100.00%	21.25%	100.00%	21.25%
Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
Gli Orsi 1 Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Guimarãeshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Harvey Dos Iberica, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
Le Terrazze – Shopping Centre 1, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Le Terrazze – Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Iberian Assets, SA	Madrid (Spain)	49.78%	12.48%	49.78%	12.48%
Inparsa - 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%
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%
Maiashopping - 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 (Azores)	50.00%	12.53%	50.00%	12.53%
Parque D. Pedro 1, BV Sarl	Luxembourg	100.00%	25.00%	100.00%	25.00%
Parque 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%	23.91%	100.00%	23.91%
Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
Pátio Penha Shopping, Ltda	São Paulo (Brazil)	99.99%	23.91%	99.99%	23.91%
Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%

Plaza Eboli - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Plaza Eboli, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Plaza Mayor Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ócio, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Parque de Ócio, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Shopping, SA	Madrid (Spain)	75.00%	18.79%	75.00%	18.79%
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	Viena (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%	25.05%	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 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%
3)	ARP Alverca Retail Park, SA	Maia	50.00%	25.00%	50.00%	25.00%
4)	Project Sierra Portugal II - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
5)	LCC Leiriashopping – 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 Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 3 - 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%
	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	Lisboa	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%	23.91%	100.00%	23.91%
Sierra European Retail Real Estate Assets Holdings, BV	Amesterdão (The Netherlands)	50.10%	25.05%	50.10%	25.05%
Sierra GP, Limited	Guernesey (U.K.)	100.00%	49.99%	100.00%	49.99%
Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
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	Lisboa	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	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Management Portugal - Gestão de Centros Comerciais, SA	Lisboa	100.00%	50.00%	100.00%	50.00%
Sierra Management Spain - Gestión de Centros Comerciales, 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, Ltda	São Paulo (Brazil)	95.20%	23.91%	95.20%	23.91%
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%
Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%
Unishopping Consultoria Imobiliária, Ltda	São Paulo (Brazil)	99.98%	23.91%	99.98%	23.91%
Valecenter, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
Via Catarina - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Vuelta Omega, S.L.	Madrid (Spain)	100.00%	12.53%	100.00%	12.53%
Weiterstadt 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%	27.16%	50.00%	27.11%

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

1) Companies incorporated in the period;

2) Company consolidated by the equity method since 15 February 2010, following the disposal of 91% of it´s share capital. Sonae Sierra kept the shopping center management; Ex - Project Sierra Portugal I - C.Comercial, SA;

3) Ex - Project Sierra Portugal I - Centro Comercial, SA;

4) Ex - Project Sierra Portugal II - Centro Comercial, SA;

5) Ex - Project Sierra Portugal VI - Centro Comercial, SA;

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:

	31 March 2010	31 December 2009
Non-current assets	4,419,664,668	4,508,730,523
Current assets	317,770,083	256,002,590
Non-current liabilities	1,639,597,407	1,652,852,079
Current liabilities	427,411,768	375,513,257

	31 March 2010	31 March 2009
Income	84,072,362	27,759,098
Expenses	78,900,095	70,834,244

6 INVESTMENTS IN ASSOCIATED COMPANIES

Associated companies, their head offices and the percentage of share capital held as at 31 March 2010 and 31 December 2009 are as follows:

			Percentage of capital held				Book value	
			31 March 2010		31 December 2009			
	COMPANY	Head Office	Direct	Total	Direct	Total	31 March 2010	31 December 2009
	Retail							
	Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	1,568,124	1,551,585
	Shopping Centres							
1)	8ª Avenida Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
2)	Alexa Asset GmbH & Co	Dusseldorf (Germany)	25.00%	2.25%	50.00%	25.00%	2,633,514	-
1)	Arrábidashopping - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
	Campo Limpo Lda	S. Paulo	20.00%	4.70%	20.00%	4.70%	1,835,832	1,712,614
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	39.90%	5.00%	39.90%	5.00%	3,473,337	3,376,307
1) 3)	PORTCC - Portimãoshopping - Centro Comercial, 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) 4)	ALBCC - Albufeirashopping - Centro Comercial, 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%	28,868,960	32,013,766
	Telecommunications							
	SIRS - Sociedade Independente de Radiodifusão Sonora. SA	Porto	45.00%	24.40%	45.00%	24.40%	21,447	-
	Investment Management							
	Cooper Gay (Holding) Limited	U.K.	32.12%	16.06%	32.12%	16.06%	34,289,540	35,995,121
	Total						72,690,754	74,649,393

1) Nil balances result from the application of the equity method over the consolidated financial statements of Sierra Portugal Real Estate, which holds these participations;
2) Company consolidated by the equity method sice 15 February 2010,following the disposal of 91% of it´s share capital. Sonae Sierra kept the shopping center management;
3) Ex - Oeste Retail Park - Gestão de G.Comer., SA;
4) Ex - Sol Retail Park - Gestão de G. Comerc., SA.

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 31 March 2010 and 31 December 2009, aggregate values of main financial indicators of associated companies can be analysed as follows:

	31 March 2010	31 December 2009
Total Assets	1,041,392,427	845,744,918
Total Liabilities	697,846,179	608,521,167
	31 March 2010	31 March 2009
Income	64,616,411	46,123,369
Expenses	62,420,230	58,925,017

During the periods ended 31 March 2010 and 2009, movements in Investments in associated companies, are made up as follows:

	31 March 2010			31 March 2009		
	Proportion on equity	Goodwill	Total investment	Proportion on equity	Goodwill	Total investment
Investments in associated companies						
Initial balance as at January,1	33,224,083	41,425,310	74,649,393	105,402,825	37,260,670	142,663,495
Capital increase in associated companies	-	-	-	6,955,606	-	6,955,606
Capital reduction in associated companies	(2,310,176)	-	(2,310,176)	(524,735)	-	(524,735)
Change of consolidation method (Note 8)	2,250,473	-	2,250,473	-	-	-
Equity method						
Effect in net income	(1,140,857)	-	(1,140,857)	(242,715)	-	(242,715)
Effect in equity capital and non-controlling interests	(769,996)	11,917	(758,079)	(373,246)	632,617	259,371
	31,253,527	41,437,227	72,690,754	111,217,735	37,893,287	149,111,022

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 31 March 2010 and 31 December 2009 are made up as follows:

		Percentage of capital held				Book value	
		31 March 2010		31 December 2009			
COMPANY	Head Office	Direct	Total	Direct	Total	31 March 2010	31 December 2009
Retail							
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
Shopping Centres							
Ercasa Cogeneracion SA	Grancasa (Spain)	10.00%	1,25%	10.00%	1,25%	23,949	23,949
Telecommunications							
Altitude, SGPS, SA	Lisbon	11.54%	6.27%	11.54%	6.26%	1,000,000	1,000,000
Lusa - Agên. de Notícias de Portugal, SA	Lisbon	1.38%	0.75%	1.38%	0.75%	197,344	197,344
Other investments						12,633,063	16,153,014
Total (Note 14)						14,607,541	18,127,492

As at 31 March 2010, the caption of "Other Investments" includes 10,126,000 euro (13,778,000 euro as at 31 December 2009) related to the fair value of Sonae Capital, SGPS, S.A. shares attributable to Sonae SGPS (Note 18).

8 CHANGES TO THE CONSOLIDATION PERIMETER

The major disposal of companies occurred in the closed period ended 31 March 2010 is made up as follows:

		Percentage of capital held at alienation date	
COMPANY	Head Office	Direct	Total
Shopping Centres			
Alexa Asset GmbH & Co	Dusseldorf (Germany)	50.00%	25.00%

The effects of the disposal may be analyzed as follows:

	Shopping Centres
Disposed net assets	
Investment properties	75,005,000
Other assets	274,221
Cash and cash equivalents	802,837
Loans	-
Deferred tax liabilities	-
Other liabilities	(51,076,594)
	25,005,464
Transfer to investments in associated companies (Note 6)	(2,250,473)
Profit / (Loss) in the disposal	3,669,677
Disposal price	26,424,668
Effective cash payment received	22,204,540
Cash and cash equivalents disposed	4,220,128
	26,424,668
Net cash-flow arising from disposal	
Effective cash payment received	22,204,540
Cash and cash equivalents disposed	(802,837)
	21,401,703

9 TANGIBLE ASSETS

During the three months period ended 31 March 2010 and 2009, 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
Gross costs:					
Opening balance as at 1 January 2010	1,986,853,135	1,909,707,144	356,672,971	192,384,479	4,445,617,729
Capital expenditure	3,814,119	1,177,171	5,133,755	56,385,658	66,510,703
Disposals	(11,261,965)	(5,237,071)	(3,054,511)	(1,776,822)	(21,330,369)
Exchange rate effect	25,466	71,209	133,811	666	231,152
Transfers	17,561,863	59,474,672	4,109,563	(85,671,127)	(4,525,029)
Closing balance as at 31 March 2010	1,996,992,618	1,965,193,125	362,995,589	161,322,854	4,486,504,186
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2010	356,057,319	1,030,564,372	277,818,463	-	1,664,440,154
Charge for the period	9,766,772	38,802,677	11,051,340	-	59,620,789
Disposals	(1,705,729)	(5,109,163)	(2,941,941)	-	(9,756,833)
Exchange rate effect	11,136	36,635	58,925	-	106,696
Transfers	27,767	(771,486)	773,650	-	29,931
Closing balance as at 31 March 2010	364,157,265	1,063,523,035	286,760,437	-	1,714,440,737
Carrying amount					
As at 31 March 2010	1,632,835,353	901,670,090	76,235,152	161,322,854	2,772,063,449

	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
Gross costs:					
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	7,273,802	3,180,584	3,014,162	81,031,037	94,499,585
Disposals	(208,580)	(3,605,424)	(1,008,306)	(5,529,133)	(10,351,443)
Exchange rate effect	15,923	57,716	46,831	-	120,470
Transfers	31,161,354	70,376,736	6,288,426	(112,093,673)	(4,267,157)
Closing balance as at 31 March 2009	1,780,732,986	1,684,288,572	329,634,183	247,356,268	4,042,012,009
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2009	320,534,099	889,938,447	243,594,972	-	1,454,067,518
Charge for the period	8,589,688	38,965,032	9,781,736	-	57,336,456
Disposals	(8,273)	(2,955,330)	(758,134)	-	(3,721,737)
Exchange rate effect	8,497	22,205	19,208	-	49,910
Transfers	-	(24,095)	(12,707)	-	(36,802)
Closing balance as at 31 March 2009	329,124,011	925,946,259	252,625,075	-	1,507,695,345
Carrying amount					
As at 31 March 2009	1,451,608,975	758,342,313	77,009,108	247,356,268	2,534,316,664

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

	31 March 2010	31 March 2009
Refurbishment and expansion of stores in the retail businesses located in Portugal	62,176,110	131,286,071
Refurbishment and expansion of stores in the retail businesses located in Spain	3,231,868	5,645,273
Projects of "Modelo" and "Continente" stores for which advance payments were made	11,120,731	37,797,426
Deployment of mobile network	25,317,954	36,737,908
Deployment of fixed network	50,299,692	25,873,028
Others	9,176,499	10,016,562
	161,322,854	247,356,268

10 INTANGIBLE ASSETS

During the three months period ended 31 March 2010 and 2009, movements in Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total Intangible Assets
Gross costs:				
Opening balance as at 1 January 2010	404,407,706	392,398,702	31,279,161	828,085,569
Capital expenditure	379,090	407,515	6,590,636	7,377,241
Disposals	(2,809)	(25,401)	(159,032)	(187,242)
Exchange rate effect	181	258,555	-	258,736
Transfers	80,941	10,309,659	(6,762,520)	3,628,080
Closing balance as at 31 March 2010	404,865,109	403,349,030	30,948,245	839,162,384
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2010	99,146,402	288,900,669	-	388,047,071
Charge for the period	5,324,755	7,950,656	-	13,275,411
Disposals	(2,809)	(6,841)	-	(9,650)
Exchange rate effect	(9)	90,589	-	90,580
Transfers	(5,577)	(5,126)	-	(10,703)
Closing balance as at 31 March 2010	104,462,762	296,929,947	-	401,392,709
Carrying amount				
As at 31 March 2010	300,402,347	106,419,083	30,948,245	437,769,675

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total Intangible Assets
Gross costs:				
Opening balance as at 1 January 2009	382,645,868	362,074,955	31,622,120	776,342,943
Capital expenditure	217,284	264,775	8,353,528	8,835,587
Disposals	(20,183)	(2,500)	(197,609)	(220,292)
Exchange rate effect	93	125,210	565	125,868
Transfers	308,622	4,589,831	(4,949,723)	(51,270)
Closing balance as at 31 March 2009	383,151,684	367,052,271	34,828,881	785,032,836
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2009	78,555,270	257,488,512	-	336,043,782
Charge for the period	4,943,454	8,935,497	-	13,878,951
Disposals	(20,183)	(292)	-	(20,475)
Exchange rate effect	-	39,674	-	39,674
Transfers	4,350	-	-	4,350
Closing balance as at 31 March 2009	83,482,891	266,463,391	-	349,946,282
Carrying amount				
As at 31 March 2009	299,668,793	100,588,880	34,828,881	435,086,554

As at 31 March 2010 and 2009, Sonae kept recorded under the heading "Patents and other similar rights" the amounts of 199,684,565 euro and 195,139,015 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 62,255,978 euro (amount of 65,256,266 euro in 2009) relating to the license; (ii) 20,802,005 euro (amount of 21,804,511 euro in 2009) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators in Portugal with UMTS licenses; (iii) 6,388,924 euro (amount of 6,696,824 euro in 2009) related to a contribution to the Information Society Fund, established in 2007, under an agreement made 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) 104,918,473 euro (amount of 95,805,882 euro in 2009) relating to the "Initiatives E" program, the latter relating to commitments assumed by Sonae 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 2009).

11 INVESTMENT PROPERTIES

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

As at 31 March 2010 and 31 December 2009, Investment properties are detailed as follows:

	31 March 2010	31 December 2009
Investment properties in operation	1,644,329,452	1,676,623,981
Investment properties in progress	89,893,837	119,846,837
	1,734,223,289	1,796,470,818

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

	31 March 2010			31 December 2009		
	10 years "discount rate"	Yields	Amount	10 years "discount rate"	Yields	Amount
Portugal	8,35% e 10,75%	6,10% e 8,50%	759,315,514	8,25% e 10,55%	6,00% e 8,30%	726,662,623
Spain	8,90% e 11,50%	6,40% e 9,00%	355,603,295	8,90% e 11,55%	6,40% e 9,05%	351,937,238
Italy	8,25% e 10,00%	6,05% e 7,80%	150,684,250	8,00% e 9,50%	6,00% e 7,70%	149,810,250
Germany	6.75%	6,00% e 6,25%	157,039,750	6,50% e 6,75%	6,00% e 6,25%	234,425,638
Brazil	12,75% e 14,00%	8,25% e 9,50%	189,603,143	12,75% e 14,00%	8,25% e 9,50%	180,277,982
Greece	10.25%	7.00%	17,160,500	10.75%	7.00%	18,529,750
Romania	10.75%	9.00%	14,923,000	10.75%	9.00%	14,980,500
			1,644,329,452			1,676,623,981

The fair value of each investment property was determined by a valuation performed at 31 March 2010 by an independent entity, based on valuation criteria generally accepted in the real estate business.

Value created on investment properties over the three months periods ended 31 March 2010 and 2009 can be detailed as follows:

	31 March 2010	31 March 2009
Properties which were under development and were concluded during the period	3,677,439	-
Changes in fair value of investment properties in operation	(8,018,154)	(62,696,751)
Changes in fair value of investment properties in progress	528,243	-
Adjustments to construction cost estimates of properties under development which were transferred to investment properties	-	-
	(3,812,472)	(62,696,751)

As at 31 March 2010 and 31 December 2009, Investment properties in progress can be detailed as follows:

	31 March 2010	31 December 2009
Investment Properties in progress at cost:		
Portugal:		
Alverca	3,068,326	3,066,099
Centro Bordalo	1,686,137	1,685,228
Parque de Famalicão	627,500	1,498,232
Torre Ocidente	929,122	519,897
Others	377,512	5
Germany:		
Alexa (Torre)	5,500,000	7,320,992
Garbsen	880,221	867,053
Brazil:		
Goiânia Shopping	4,091,835	3,770,303
Uberlândia Shopping	-	2,294,093
Boulevard Londrina Shopping	1,486,006	1,348,853
Others	416,492	22,867
Spain:		
Alfaz del Pi	-	9,575,000
Pulianas Shopping	103,105	103,105
Dos Mares - expansion	1,404,902	1,404,902
Others	37,868	37,868
Greece:		
Ioannina	13,535,389	13,531,277
Galatsi Shopping	6,031,495	5,771,370
Aegean Park	4,926,826	4,925,052
Pantheon Plaza	889,064	889,064
Italy:		
Le Terraze	2,611,788	3,261,195
Caldogno	4,938,938	4,937,831
Others	259,175	257,365
Romania:		
Craiova Shopping	18,240,961	17,615,979
Ploiesti Shopping	7,676,508	7,415,770
	79,719,170	92,119,400
Impairment losses	(3,941,045)	(6,537,230)
	75,778,125	85,582,170
Investment Properties in progress at fair value:		
Portugal:		
Leiria Shopping	-	24,597,667
Brazil:		
Uberlândia Shopping	3,240,462	-
Italy:		
Le Terraze	10,875,250	9,667,000
	14,115,712	34,264,667
	89,893,837	119,846,837

As at 31 March 2010, the following investment properties were mortgaged:

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

12 GOODWILL

During the three months period ended 31 March 2010 and 2009 movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	31 March 2010	31 March 2009
Gross value:		
Opening balance	759,786,674	709,012,583
New companies in the consolidation perimeter	-	-
Increases	290,958	-
Decreases	(1,632,786)	(524,634)
Transfers	2,221,207	-
Write-off	(720,710)	-
Closing balance	759,945,343	708,487,949
Accumulated impairment losses:		
Opening balance	13,445,983	11,745,221
Increases	-	-
Write-off	(720,710)	-
Closing balance	12,725,273	11,745,221
Carrying amount:	747,220,070	696,742,728

13 OTHER INVESTMENTS

As at 31 March 2010 and 2009, this caption is made up as follows:

	31 March 2010		31 March 2009	
	Non-current	Current	Non-current	Current
Investments in group companies, jointly controlled companies or associated companies excluded from consolidation				
Opening balance as at 1 January	925,769	-	3,012,637	-
Acquisitions in the period	-	-	483,467	-
Disposals in the period	-	-	(458,596)	-
Transfers	26,357	-	-	-
Closing balance as at 31 March	952,126	-	3,037,508	-
Accumulated impairment losses	-	-	-	-
	952,126	-	3,037,508	-
Other investments:				
Fair value (net of impairment losses) as at 1 January	17,201,723	57,313,909	9,965,538	60,956,604
Acquisitions in the period	105,149	912,609	-	790,791
Disposals in the period	(249)	-	-	-
Increase/(Decrease) in fair value	(3,652,000)	(1,940,303)	996,000	(3,190,609)
Transfers	792	2,513,556	-	3,353,304
Fair value (net of impairment losses) as at 31 March	13,655,415	58,799,771	10,961,538	61,910,090
Other Investments (Note 7)	14,607,541	58,799,771	13,999,046	61,910,090
Derivative financial instruments (Note 21)				
Fair value as at 1 January	-	365,122	-	2,600,159
Acquisitions in the period	-	1,067,939	-	136,621
Disposals in the period	-	(275,226)	-	(72,494)
Increase/(Decrease) in fair value	-	-	-	(1,744,099)
Fair value as at 31 March	-	1,157,835	-	920,187
	14,607,541	59,957,606	13,999,046	62,830,277

The financial investments in group companies, jointly controlled companies or associated companies excluded from consolidation are recorded at the acquisition cost net of impairment losses. It is Sonae understanding that no reliable fair value estimate could be made as there is no market data available for these investments. The heading of Investments available for sale includes 3,529,415 euro (2,661,538 euro as at 31 March 2009) 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 68,099 euro (13,157 euro as at 31 March 2009).

Under the caption other financial investments is recorded an amount of 45,119,484 euro (55,954,527 euro as at 31 March 2009) 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 Sonae Distribuição Brasil, S.A., and for which provisions were recorded (Note 25).

Although in accordance with the deadlines contractually established, the Escrow Account should have already been released by the buyer, that didn´t happen as there are some points of disagreement on how to use the Escrow Account, namely as to whether or not, to return the Escrow Account for ongoing fiscal procedures that have not yet been decided by Brazilian authorities (Note 26). It is the understanding of the Board of Directors, based in the legal opinions of Brazilian and Portuguese lawyers, that this amount shall be entirely received up to 31 December 2010, and that there are legal means that may be operated so as to compel the buyer to authorize the return of the Escrow account. If the negotiations currently under way between the two parties do not accomplish in results, it is the intention of the Board to make use of such legal means.

14 OTHER NON CURRENT ASSETS

As at 31 March 2010 and 31 December 2009, Other non- current assets are detailed as follows:

	31 March 2010			31 December 2009		
	Gross Value	Accumulated impairment losses (Note 24)	Carrying Amount	Gross Value	Accumulated impairment losses (Note 24)	Carrying Amount
Loans granted to related parties	803,689	-	803,689	1,312,071	-	1,312,071
Trade accounts receivable and other debtors						
Legal deposits	855,947	-	855,947	819,480	-	819,480
Cautions	3,332,659	-	3,332,659	2,949,266	-	2,949,266
Lisbon Town Council	3,888,477	-	3,888,477	3,888,477	-	3,888,477
Malaga Town Council	824,948	-	824,948	824,948	-	824,948
Rent deposits from tenants	3,797,168	-	3,797,168	4,036,717	-	4,036,717
Debtors by alienation of financial investments	3,134,776	-	3,134,776	-	-	-
Others	1,925,703	(141,987)	1,783,716	1,399,468	(141,988)	1,257,480
	17,759,678	(141,987)	17,617,691	13,918,356	(141,988)	13,776,368
Non-current derivatives	246	-	246	12,991	-	12,991
Reinsurer's' share of technical provisions	1,813,114	-	1,813,114	5,396,067	-	5,396,067
Other non-current assets	711,335	-	711,335	678,815	-	678,815
	21,088,062	(141,987)	20,946,075	21,318,300	(141,988)	21,176,312

15 TRADE DEBTORS AND OTHER CURRENT ASSETS

As at 31 March 2010 and 31 December 2009, Trade debtors and other current assets are detailed as follows:

	31 March 2010	31 December 2009
Trade accounts receivable	271,541,111	294,831,656
Taxes recoverable	68,219,853	55,070,469
Granted loans to related companies	8,173	8,339
Other debtors		
Trade creditors - debtor balances	57,534,431	58,251,461
Special regime for payment of tax and	13,999,945	13,999,945
VAT recoverable on real estate assets	8,561,962	20,698,211
Vouchers and gift cards	942,187	1,308,743
Accounts receivable from the disposal of fixed assets	3,190,234	5,210,484
Disposal of financial investments	1,085,352	-
Cash Settled Equity Swap	8,647,193	-
Advances for the acquisiton of a real estate project	7,967,500	7,967,500
Termination of the contract of acquisition of land in Pulianas	5,382,500	5,382,500
Revocation of contracts for acquisition of stores	11,655,548	11,131,667
Advances to suppliers	17,731,442	15,905,764
Advances to agents	1,089,215	1,004,492
Reinsurance operations	2,258,962	3,351,186
Other current assets	35,519,840	41,605,985
	172,376,077	180,607,454
Other current assets		
Invoices to be issued	59,842,966	57,394,646
"Initiatives E" program	81,778,705	75,145,779
Commercial Discounts	24,227,616	14,211,921
Commissions to be received	1,315,639	1,368,173
Prepayments - Rents	4,910,592	4,204,847
Prepayments of external supplies and services	21,273,961	18,096,233
Other current assets	15,937,622	13,565,819
	209,287,101	183,987,418
Accumulated impairment losses in receivables accounts (Note 24)	(99,598,247)	(103,988,411)
	621,834,068	610,516,925

16 DEFERRED TAX

Deferred tax assets and liabilities as at 31 March 2010 and 31 December 2009 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Difference between fair value and acquisition cost	3,560,965	3,700,884	256,461,234	258,974,803
Harmonisation adjustments	109,602	46,211	45,923,482	43,461,567
Provisions and impairment losses not accepted for tax purposes	15,027,032	15,627,931	-	-
Write off of tangible and intangible assets	55,691,341	58,633,429	-	-
Write off of deferred costs	32,396,983	36,005,911	1,480,155	1,362,430
Valuation of hedging derivatives	7,910,603	7,180,175	306,900	100,654
Temporary differences arising from the securitization of receivable operation	12,075,000	12,880,000	-	-
Amortisation of Goodwill for tax purposes	-	-	15,705,036	13,960,032
Non taxed exchange differences	-	-	353,360	928,553
Revaluation of tangible assets	-	-	2,095,244	2,131,967
Tax losses carried forward	104,517,814	94,364,809	-	-
Reinvested capital gains/(losses)	-	-	2,728,913	2,768,248
Others	1,757,286	1,775,158	4,206,402	2,731,864
	233,046,626	230,214,508	329,260,726	326,420,118

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 31 March 2010 and 31 December 2009, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	31 March 2010			31 December 2009		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2004	341,568	85,392	2010	171,630	42,907	2010
Generated in 2005	786,467	196,617	2011	1,454,441	363,610	2011
Generated in 2006	2,512,674	628,169	2012	1,953,506	488,376	2012
Generated in 2007	15,101,387	3,775,347	2013	15,775,143	3,943,786	2013
Generated in 2008	4,134,731	1,033,683	2014	4,136,674	1,034,169	2014
Generated in 2009	49,613,796	12,403,449	2015	50,067,344	12,516,838	2015
Generated in 2010	40,066,389	10,016,595	2016	-	-	
	112,557,012	28,139,252		73,558,738	18,389,686	
Without limited time use	8,036,499	2,251,751		18,581,710	5,096,472	
With a time limit different from the above mentioned	247,475,211	74,126,811		236,619,705	70,878,651	
	255,511,710	76,378,562		255,201,415	75,975,123	
	368,068,722	104,517,814		328,760,153	94,364,809	

As at 31 March 2010 and 31 December 2009, 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 31 March 2010 tax losses carried forward, have not originated deferred tax assets for prudential reasons. These may be summarised as follows:

	31 March 2010			31 December 2009		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2004	7,026,627	1,756,656	2010	7,026,627	1,756,656	2010
Generated in 2005	46,474,629	11,618,657	2011	46,474,629	11,618,658	2011
Generated in 2006	59,961,606	14,990,401	2012	60,520,774	15,130,192	2012
Generated in 2007	60,518,585	15,129,647	2013	60,518,585	15,129,647	2013
Generated in 2008	13,091,128	3,272,783	2014	13,091,128	3,272,783	2014
Generated in 2009	12,670,790	3,167,723	2015	12,670,496	3,167,650	2015
Generated in 2010	4,181,515	1,045,379	2016			
	203,924,880	50,981,246		200,302,239	50,075,586	
Without limited time use	44,305,760	12,442,061		38,617,859	10,737,954	
With a time limit different from the above mentioned	421,319,813	107,767,491		400,098,533	102,943,995	
	-	-		-	-	
	465,625,573	120,209,552		438,716,392	113,681,949	
	669,550,453	171,190,798		639,018,631	163,757,535	

17 CASH AND CASH EQUIVALENTS

As at 31 March 2010 and 31 December 2009, Cash and cash equivalents can be detailed as follows:

	31 March 2010	31 December 2009
Cash at hand	6,837,065	6,412,073
Bank deposits	86,136,911	140,227,780
Treasury applications	22,817,679	25,590,018
Cash and cash equivalents on the balance sheet	115,791,655	172,229,871
Bank overdrafts (Note 20)	(51,876,091)	(23,763,618)
Cash and cash equivalents on the statement of cash flows	63,915,564	148,466,253

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

18 SHARE CAPITAL

As at 31 March 2010, 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 Sonae maintains the risks and rewards arising on the instruments sold.

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

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

On 23 April 2009 and 10 March 2010 Sonae Investments BV requested a partial cancellation of the Cash settled Equity Swap for 1,134,965 and 1,185,144 shares Sonae Holding respectively, passing the derivative financial instrument to 130,479,891 shares Sonae Holding.

Consequently, and in relation with this operation the full liability amount can be detailed as follows at 31 March 2010: market value of Sonae SGPS, SA shares amounting to 106,341,111 euro and market value of Sonae Capital SGPS, SA shares amounting to 10,126,000 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.

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 31 March 2010, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and subsidiaries	52.98

19 NON-CONTROLLING INTERESTS

Movements in non-controlling interests during the periods ended 31 March 2010 and 2009 are as follows:

	31 March 2010	31 March 2009
Opening balance as at 1 January	477,968,755	411,549,101
Dividends	(619,667)	-
Exchange rate effect	1,632,055	356,944
Increased shareholding by acquisitions	(2,103,935)	-
Changes in hedge and fair value reserves	(1,283,190)	(2,558,927)
Others	(921,405)	829,132
Profit for the period attributable to minority interests	5,252,186	(14,611,954)
Closing balance	479,924,800	395,564,296

20 LOANS

As at 31 March 2010 and 31 December 2009, Loans are made up as follows:

		31 March 2010			31 December 2009		
			Outstanding amount			Outstanding amount	
		Amount limit	Current	Non Current	Amount limit	Current	Non Current
Bank loans							
	Sonae, SGPS, SA - commercial paper	350,000,000	9,950,000	-	350,000,000	24,950,000	-
	Sonae Investimentos, SGPS, S.A. - commercial paper	702,500,000	-	484,333,333	692,500,000	-	271,000,000
a)b)	Sonae Sierra affiliated companies	489,284,397	17,196,290	389,191,954	470,086,920	16,621,638	385,383,442
a)b)c)	Sonae Sierra affiliated companies	392,287,559	61,152,195	327,609,033	442,830,796	61,288,733	377,516,488
a)b)d)	Sonae Sierra affiliated companies	11,677,018	-	11,677,018	11,179,526	-	11,179,526
a)	Sonae Sierra affiliated companies	2,658,847	-	2,658,847	12,185,116	8,179,211	3,435,116
	Sonae Sierra SGPS, SA	83,919,000	-	-	83,919,000	18,585,252	-
	Sonaecom SGPS, SA commercial paper	320,000,000	21,461,458	109,500,000	320,000,000	55,000,000	150,000,000
	Sonaecom SGPS, SA	26,500,000	-	-	26,500,000	3,500,000	-
	Continente Hipermercados SA - commercial paper	30,000,000	-	-	30,000,000	-	-
	Others		31,381,264	343,056		21,887,012	15,374,356
			141,141,207	1,325,313,241		210,011,846	1,213,888,928
Bank overdrafts (Note 17)			51,876,091	-		23,763,618	-
Up-front fees beard with the issuance of borrowings			(660,313)	(5,234,323)		(808,536)	(5,564,118)
Bank loans			192,356,985	1,320,078,918		232,966,928	1,208,324,810
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 / 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		-	50,000,000
	Bonds Sonaecom / 2005		-	150,000,000		-	150,000,000
	Bonds Sonaecom / 2010		-	40,000,000		-	-
	Bonds Sonaecom / 2010		-	30,000,000		-	-
	Bonds Sonae Sierra 2008/2013		-	37,500,000		-	37,500,000
Up-front fees bearded with the issuance of borrowings			(185,402)	(8,147,572)		(76,340)	(8,365,778)
Bonds			314,739,598	1,491,352,428		64,848,660	1,671,134,222
Other loans			27,716	583,958		33,466	586,519
Derivative instruments (Note 21)			6,329,379	43,580,004		7,902,322	34,584,190
Other loans			6,357,095	44,163,962		7,935,788	35,170,709
Obligations under finance leases			7,246,318	28,983,193		7,803,032	29,357,393
			520,699,996	2,884,578,501		313,554,408	2,943,987,134

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

b) As guarantee of these loans were constituted mortgages about the property, estate of these societies;

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

d) These loans are guaranteed by bank guarantees.

The interest rate at 31 March 2010 of bonds and loans were in average 1.65% (1.72% 31 December 2009).

On 16 April 2010 and 10 May 2010, Sonae 2006/2011 bond loan of 250,000,000 euro was repaid (220,000,000 euro and 30,000,000 euro respectively), following a new bond issue, Sonae 2010/2015, of 250,000,000 euro, with a maturity of 5 years.

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:

	31 March 2010	31 December 2009
N+1 a)	515,216,332	306,536,962
N+2	126,262,048	369,170,365
N+3	675,166,168	561,016,180
N+4	445,489,225	549,823,566
N+5	715,743,261	492,562,407
After N+5	891,719,690	950,760,322
	3,369,596,724	3,229,869,802

As at 31 March 2010, the maturity level, corresponding to N+1, includes 250,000,000 euro of bonds that have been refinanced at 16 April 2010 through a bond issue of the same amount with a maturity of 5 years.

21 DERIVATIVES

Exchange rate derivatives

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

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

As at 31 March 2010, the fair value of exchange rate derivatives witch haven't been considered hedging instruments, calculated based on present market value of equivalent financial instruments of exchange rate, is of 1,479 euro included in liabilities (79,039 euro as of 31 December 2009) and 1,157,835 euro on the caption current investments (365,121 euro as at 31 December 2009).

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 31 March 2010, derivatives used by Sonae refer essentially to swaps and interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 947,809,724 euro (948,629,817 euro as at 31 December 2009). The fair value of these derivatives amounts to 49,907,657 euro (-42,394,481 euro as at 31 December 2009), and is disclosed as assets amounting to 247 euro (12,992 euro as at 31 December 2009) and as liabilities 49,907,657 euro (42,407,473 euro as at 31 de December de 2009).

These derived instruments were evaluated having in consideration the cash flows estimated resultant from them, admitting the exercise of the option of cancellation on the part of the counterparts from the moment in that the rates of interest forward be over the rate sets hired. It is intention of the Sonae stop these instruments to the to his maturity, by what does this form of evaluation translates to better estimate of the resulting future cash flows of these instruments.

These interest rate derivatives are valued at fair value, at the balance sheet date, based on valuations performed by Sonae using specific software and on external valuations when this software does not deal with specific instruments. The fair value of swaps was 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 31 March 2010 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	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Derivatives not qualified as hedging				
Exchange rate	1,157,835	365,121	1,479	79,039
Interest rate	-	-	-	-
Hedging derivatives				
Exchange rate	-	-	-	-
Interest rate	247	12,992	49,907,904	42,407,473
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	1,158,082	378,113	49,909,383	42,486,512

22 OTHER NON CURRENT LIABILITIES

As at 31 March 2010 and 31 December 2009, "Other non-current liabilities" is detailed as follows:

	31 March 2010	31 December 2009
Shareholders loans	47,567,999	47,276,787
Fixed assets suppliers	2,030,880	2,440,330
"E-Initiatives" Program	24,316,269	32,923,892
Other non-current liabilities	149,447,180	156,470,214
Accruals and deferrals	1,149,653	1,156,180
Other non-current liabilities	224,511,981	240,267,403

The heading of shareholders corresponds to values of financing shareholders in companies reported, fundamentally of Retail segments, shopping centers and investment management. These liabilities are not defined maturity and interest rate market variables.

The caption Other non-current trade accounts payable includes the amount of 121,829,031 euro (126,683,322 euro as at 31 December 2009) 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 2010 and in previous years, Sonae granted deferred performance bonuses to its directors and eligible employees. These are either based on shares to be acquired at nil cost, 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.

During the year ending 31 December 2009, Sonae changed the form of liquidation of their plans of actions Sonae holding, which were traditionally settled in cash, but settled in shares. The 31 March 2010, all action plans are counted Sonae Holding in the balance sheet under "other reservations" by contrast "staff costs".

The plans continue to be settled in cash shall remain recorded in the balance sheet, other liabilities counterpart of staff costs.

As at 31 March 2010 and 31 December 2009, 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 31 March 2010	Fair value 31 December 2009
Shares					
	2007	2010	464	0	4,554,430
	2008	2011	475	5,425,738	5,703,916
	2009	2012	500	7,280,721	7,568,676
	2010	2013	470	3,830,848	-
Total				16,537,307	17,827,022

As at 31 March 2010 and 31 December 2009 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	31 March 2010	31 December 2009
Staff costs	866,344	7,588,472
Recorded in previous years	7,337,026	3,678,193
	8,203,370	11,266,665
Recorded in other liabilities	4,289,056	7,050,164
Recorded value in Other reserves	3,914,314	4,216,501
	8,203,370	11,266,665

24 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 31 March 2010 and 31 December 2009, Trade creditors and other current liabilities were made up as follows:

	31 March 2010	31 December 2009
Trade creditors	1,023,948,561	1,220,401,450
Taxes payable	80,979,569	86,627,709
Other creditors		
Fixed asset suppliers	81,436,616	125,829,938
Related undertakings	68,456,588	5,527,840
Other debts	132,070,089	123,496,868
	281,963,293	254,854,646
Other current liabilities		
Property investments accruals	21,107,327	11,315,293
Fixed assets accrued costs	8,114,486	14,472,472
Holiday pay and bonuses	115,190,951	124,087,431
Interest payable	13,754,680	14,528,300
Invoices to be issued	45,189,699	42,253,540
Commissions	5,671,606	6,049,967
Marketing expenses	19,390,920	22,938,341
Information society (b)	59,908,050	55,426,396
Other external supplies and services	50,506,339	49,901,884
Accrued income - trade debtors (a)	30,303,854	31,257,499
Accrued income - rents	4,839,913	4,929,704
Others	40,873,223	33,991,215
	414,851,048	411,152,042
	1,801,742,471	1,973,035,847

25 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the three months period ended 31 March 2010 and 2009 were as follows:

Caption	Balance as at 31 December 2009	Increase	Decrease	Balance as at 31 March 2010
Accumulated impairment losses on investments (Note 13)	67,925	174	-	68,099
Accumulated impairment losses on other non current assets (Note 14)	141,988	-	-	141,988
Accumulated impairment losses on trade account receivables and other debtors (Note 15)	103,988,411	5,607,555	(9,997,719)	99,598,247
Accumulated impairment losses on inventories	31,644,772	1,949,710	(2,092,400)	31,502,082
Non current provisions	50,607,367	394,544	(4,744,953)	46,256,958
Current provisions	2,617,751	842,416	(124,762)	3,335,405
	189,068,214	8,794,399	(16,959,834)	180,902,779

Caption	Balance as at 31 December 2008	Increase	Decrease	Balance as at 31 March 2009
Accumulated impairment losses on investments (Note 13)	13,157	-	-	13,157
Accumulated impairment losses on other non current assets	291,571	-	-	291,571
Accumulated impairment losses on trade account receivables and other debtors	109,583,181	7,060,579	(1,914,112)	114,729,648
Accumulated impairment losses on inventories	29,783,714	2,492,488	(2,489,576)	29,786,626
Non current provisions	57,086,975	2,211,413	(10,851,835)	48,446,553
Current provisions	2,369,154	11,295	(210,225)	2,170,224
	199,127,752	11,775,775	(15,465,748)	195,437,779

As at 31 March 2010 and 2009 and 31 December 2009, Provisions can be analysed as follows:

	31 March 2010	31 December 2009
Technical provisions on reinsurance	4,944,257	9,118,524
Future liabilities	5,690,357	5,447,923
Dismantling of telecommunication sites	22,351,301	22,208,721
Judicial claims	8,592,518	9,133,101
Others	8,013,930	7,316,849
	49,592,363	53,225,118

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

26 CONTINGENT ASSETS AND LIABILITIES

As at 31 March 2010 and 31 December 2009, major contingent liabilities were guarantees given and can be detailed as follows:

	31 March 2010	31 December 2009
Guarantees given:		
on tax claims	270,827,060	266,974,945
on judicial claims	662,405	659,048
on municipal claims	8,870,982	8,998,481
others	43,397,439	42,776,282

The heading Others includes the following guarantees:

- 9,666,709 euro (9,250,883 euro as at 31 December 2009) to guarantee part of the debt of Sonae Sierra affiliates related with the purchase, sale and exchange of land;

- 687,243 euro (687,243 euro as at 31 December 2009) related to VAT reimbursement requests.

In 2009, one of the retail subsidiaries Modelo Continente Hipermercados, SA, has granted a guarantee in favor of tax administration associated with a process for VAT amounting to 30,260,721 euro on the year 2004, which was presented their impugnation.

Additionally, the shareholder of subsidiary referred to above, a guarantee amounting to 46,893,361 euro in order to ensure the payment of VAT, debt on who can become chargeable concerning additional tax settlement. Sonae will present the relevant appeal and believes, based on the opinion of their tax advisers, the sentence will be favorable to the company.

Guarantees given on tax claims include a guarantee granted by a company of the Retail business in Brazil, of approximately 30,260,370 euro (72,755,267 Brazilian real) on a tax claim, which is being judged by tax courts (72,755,267 brazilian real as at 31 December 2009).

As a consequence of the sale of a subsidiary company in Brazil, Sonae guaranteed the buyer all the losses incurred by that company arising on unfavourable decisions not open for appeal, concerning tax lawsuits on transactions that took place before the sale date (13 December 2005) and that exceed 40 million euro. As at 31 December 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 38 million euro, including processes paid under recovery program Brazilian State taxes ("REFIS") in the amount of 22 million euro (56 million brazilian real).

Furthermore, there are other tax lawsuits totalling 42 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 subsidiary.

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:

	Sales and services rendered		Purchases and services obtained	
Transactions	31 March 2010	31 March 2009	31 March 2010	31 March 2009
Parent Company	40,724	40,556	-	-
Jointly controlled companies	2,695,257	2,561,761	4,546,415	4,194,112
Associated companies	8,185,848	7,564,313	452,013	1,791,683
Other partners in Group companies	16,697,226	14,978,670	7,382,014	11,709,760
	27,619,055	25,145,300	12,380,442	17,695,555

	Interest income		Interest expenses	
Transactions	31 March 2010	31 March 2009	31 March 2010	31 March 2009
Parent Company	-	-	-	-
Jointly controlled companies	22,539	59,593	41,617	972
Associated companies	25	-	-	18,215
Other partners in Group companies	21,495	19,535	50,249	140,303
	44,059	79,128	91,866	159,490

	Accounts receivable		Accounts payable	
Balances	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Parent Company	49,121	42,212	20,778,975	-
Jointly controlled companies	2,279,126	2,633,332	4,314,746	5,803,997
Associated companies	4,110,982	2,044,450	1,296,352	1,655,097
Other partners in Group companies	14,780,994	18,353,791	32,625,735	14,523,536
	21,220,223	23,073,785	59,015,808	21,982,630

	Loans			
	Obtained		Granted	
Balances	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Parent Company	-	-	-	-
Jointly controlled companies	-	-	457,600	1,214,522
Associated companies	-	-	-	-
Other partners in Group companies	11,455,690	41,740,399	248,393	-
	11,455,690	41,740,399	705,993	1,214,522

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, as well as other affiliated companies of the parent company Efanor Investimentos, SGPS, SA.

28 INCOME TAX

As at 31 March 2010 and 2009, Income tax is detailed as follows:

	31 March 2010	31 March 2009
Current tax	9,711,539	6,761,059
Deferred tax	(470,754)	(21,153,210)
	9,240,785	(14,392,151)

29 RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 31 March 2010 and 2009, the reconciliation of consolidated net profit can be analysed as follows:

	31 March 2010	31 March 2009
Aggregate net profit	138,101,654	84,513,733
Use of the proportionate method	(34,362,436)	26,760,254
Harmonisation adjustments	14,757,638	(2,683,395)
Elimination of intragroup dividends	(123,549,227)	(152,314,479)
Elimination of intragroup capital gains and losses	290,462,958	(10,096,820)
Elimination of intragroup provisions	(275,659,323)	-
Consolidation adjustments to gains/(losses) on sales of investments	343,436	1,033,734
Others	899,471	2,560,873
Consolidated net profit for the period	10,994,171	(50,226,100)

30 EARNINGS PER SHARE

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

	31 March 2010	31 March 2009
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	5,741,985	(35,614,146)
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share	5,741,985	(35,614,146)
Number of shares		
Weighted average number of shares used to calculated basic earnings per share	1,869,520,109	1,867,200,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with share based payments	11,093,255	-
Shares related to performance bonus that can be bought at market price	7,941,682	-
Weighted average number of shares used to calculated diluted earnings per share	1,888,555,046	1,867,200,000
Earnings per share		
Basic	0.003071	(0.019074)
Diluted	0.003040	(0.019074)

31 DIVIDENDS

In the Shareholders Annual General Meeting held on 27 April 2010, the payment of a gross dividend of 0.0315 euro per share (0.03 euro per share in 2009) corresponding to a total of 63,000,000 euro (60,000,000 euro in 2009) 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 management.

As described with more detail in the Management Report the operating segments used by Sonae 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:

	31 March 2010	Inter-segment	31 March 2009	Inter-segment
Turnover				
Food based retail	771,766,292	(1,575,244)	717,375,844	(1,212,497)
Ex-Fuel	734,696,366	(1,575,244)	687,305,231	(1,212,497)
Fuel	37,069,926	-	30,070,613	-
Specialised retail	274,348,380	-	225,272,100	-
Retail real estate	32,149,902	(30,329,089)	29,794,040	(27,535,420)
Shopping centres	48,584,090	(3,249,756)	45,344,442	(3,440,169)
Telecommunications	222,750,132	(2,874,754)	240,891,498	(5,713,040)
Investment management	45,314,008	(89,714)	42,588,146	(1,258)
Eliminations and adjustments	(36,622,062)	(250,596)	(37,484,766)	(506,293)
Total direct consolidated	1,358,290,742	(38,369,153)	1,263,781,304	(38,408,677)
Operational cash-flow (EBITDA)				
Food based retail	22,459,725		21,512,664	
Specialised retail	324,607		(344,504)	
Retail real estate	31,722,632		26,771,951	
Shopping centres	23,568,419		21,848,510	
Telecommunications	47,915,168		45,386,048	
Investment management	270,279		(1,261,102)	
Eliminations and adjustments	1,914,349		4,635,294	
Total direct consolidated	128,175,179		118,548,861	
Operational profit/(loss) (EBIT)				
Food based retail	3,426,680		4,707,615	
Specialised retail	(9,908,404)		(7,857,442)	
Retail real estate	23,649,154		20,457,170	
Shopping centres	22,329,116		20,893,626	
Telecommunications	13,870,411		5,983,281	
Investment management	(910,459)		(2,406,028)	
Eliminations and adjustments	(1,384,417)		(1,208,446)	
Total direct consolidated	51,072,081		40,569,776	

	31 March 2010	31 March 2009
Investment (CAPEX)		
Food based retail	19,427,116	34,433,017
Specialised retail	19,733,788	22,669,233
Retail real estate	11,299,218	19,619,938
Shopping centres	21,214,489	18,144,847
Telecommunications	24,035,502	23,413,656
Investment management	-	7,514,238
Eliminations and adjustments (1)	2,510,893	3,561,890
Total consolidated	98,221,006	129,356,819

	31 March 2010	31.Dezembro.2009
Invested capital		
Food based retail	620,505,948	483,969,819
Specialised retail	391,934,580	249,684,220
Retail real estate	1,524,399,617	1,523,249,390
Shopping centres	1,576,110,676	1,660,873,322
Telecommunications	756,383,610	751,867,339
Investment management	153,517,659	153,264,874
Eliminations and adjustments (1)	(95,634,560)	(41,501,503)
Total consolidated	4,927,217,530	4,781,407,461
Total net debt (2)		
Retail businesses	1,452,377,143	1,188,231,638
Shopping centres	847,106,947	926,594,447
Telecommunications	369,605,457	375,961,568
Investment management	98,147,608	93,490,195
Holding (1)	515,223,694	495,839,007
Total consolidated	3,282,460,850	3,080,116,856

(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)	
	31 March 2010	31 March 2009	31 March 2010	31 March 2009	31 March 2010	31 March 2009
Inter-segment income	(38,369,153)	(38,408,678)	(912,353)	(1,075,198)	(527,859)	(981,234)
Adjustment on telecommunications provisions (1)	-	-	3,864,272	5,947,923	-	-
Others	1,747,091	923,912	(1,037,570)	(237,431)	(856,558)	(227,212)
Eliminations and adjustments	(36,622,062)	(37,484,766)	1,914,349	4,635,294	(1,384,417)	(1,208,446)

(1) The sub holding considers provisions as EBITDA.

(2) Amounts offset with turnover for management purposes.

	Investment		Invested capital	
	31 March 2010	31 March 2009	31 March 2010	31.Dezembro.2009
Inter-segment balances	-	3,056,157	(28,351,859)	91,790,907
Cash settled equity swap (3)	-	-	(116,301,111)	(132,711,536)
Dividends available	-	-	63,000,000	-
Invested capital in Brazil	-	-	(9,400,000)	-
Others	2,510,893	505,733	(4,581,590)	(580,874)
Eliminations and adjustments	2,510,893	3,561,890	(95,634,560)	(41,501,503)

(3) Financial Instrument reported in Note 18.

Glossary:

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

Direct income excludes contributions to indirect income;

Indirect Income includes the Shopping Centre operating 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 Development Funds 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 31 March 2010 the total amount was already incurred and validated by the above referred entities, so at this date there are no additional responsibilities related to these commitments. These charges were recorded in the financial statements at the moment the projects were carried out and the estimated costs became 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 "Initiativas 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 2008, Sonaecom considered that conditions to produce a reliable estimate of the total responsibilities associated with "Initiatives E" project were in place. Therefore, such responsibilities were recorded, at June 2008, as an added cost of the UMTS license, against an entry in the captions 'Other non-current liabilities' (Note 28) and 'Other current liabilities' (Note 32). At the end of March 2010 this responsibilities were all recorded in the financial statements.

34 PRESENTATION OF CONSOLIDATED INCOME STATEMENT

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

The values of 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 three month periods ended 31 March 2010 and 2009 can be summarised as follows:

	31 March 2010			31.March.2009		
	Consolidated	Indirect income	Direct income	Consolidated	Indirect income	Direct income
Operational income						
Sales	1,078,513,309	-	1,078,513,309	992,115,553	-	992,115,553
Services rendered	279,777,433	-	279,777,433	271,665,751	-	271,665,751
Value created on investment properties	(3,812,472)	(3,812,472)	-	(62,696,751)	(62,696,751)	-
Investment income	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Other	(13,673)	-	(13,673)	1,022,411	-	1,022,411
Other income						
Badwill	-	-	-	-	-	-
Reversion of impairment losses	1,149,640	-	1,149,640	547,310	-	547,310
Other	99,268,840	-	99,268,840	99,066,214	-	99,066,214
Total income	1,454,883,077	(3,812,472)	1,458,695,549	1,301,720,488	(62,696,751)	1,364,417,239
Total cost (a)	1,407,989,171	365,703	1,407,623,468	1,325,921,271	2,073,808	1,323,847,463
Depreciation and amortisation	72,896,200	-	72,896,200	71,212,905	-	71,212,905
Provisions and impairment losses	6,196,539	-	6,196,539	7,313,490	-	7,313,490
Profit before financial results and share of results of associated	46,893,906	(4,178,175)	51,072,081	(24,200,783)	(64,770,559)	40,569,776
Financial profit/(loss)	(25,518,093)	-	(25,518,093)	(40,174,753)	-	(40,174,753)
Share of results of associated undertakings	(1,140,857)	(1,059,778)	(81,079)	(242,715)	(2,412,432)	2,169,717
Profit before income tax	20,234,956	(5,237,953)	25,472,909	(64,618,251)	(67,182,991)	2,564,740
Income tax	(9,240,785)	(1,644,614)	(7,596,171)	14,392,151	13,327,980	1,064,171
Net profit for the period	10,994,171	(6,882,566)	17,876,738	(50,226,100)	(53,855,011)	3,628,911
- attributable to equity holders of Sonae	5,741,985	(3,352,105)	9,094,090	(35,614,146)	(36,126,451)	512,305
- attributable to minority interests	5,252,186	(3,530,462)	8,782,648	(14,611,954)	(17,728,560)	3,116,606
Operational cash-flow (EBITDA) (b)			128,175,179			118,548,861

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

(b) EBITDA is computed as Turnover + Other Income - Badwill - Impairment losses reversal – Operational expenses + Gains/(losses) in disposals.

35 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 19 May 2010.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

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 Trigoso Jordão

Condensed individual financial statements

SONAE, SGPS, SA

CONDENSED INDIVIDUAL BALANCE SHEETS AS AT 31 MARCH 2010 AND 2009 AND AS AT 31 DECEMBER 2009

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

(Amounts expressed in euro)

ASSETS	Notes	31.March.2010	31.March.2009	31.December.2009
NON-CURRENT ASSETS:				
Tangible assets		257,661	236,097	265,384
Intangible assets		5,058	1,125	5,776
Investments in affiliated companies	4	2,981,242,624	3,029,603,689	2,991,917,733
Other investments	5	72,012,380	95,049,880	77,489,880
Other non-current assets	6	569,258,997	628,089,775	543,934,785
Total Non-Current Assets		3,622,776,720	3,752,980,566	3,613,613,558
CURRENT ASSETS:				
Trade account receivables and other current assets	7	77,898,825	121,365,164	11,693,493
Cash and cash equivalents	8	70,787	691,118	2,769,998
Total Current Assets		77,969,612	122,056,282	14,463,491
TOTAL ASSETS		3,700,746,332	3,875,036,848	3,628,077,049
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	9	2,000,000,000	2,000,000,000	2,000,000,000
Reserves and retained earnings		1,010,436,344	1,046,196,740	996,333,036
Profit for the period	14	69,426,950	91,739,800	91,729,048
TOTAL EQUITY		3,079,863,294	3,137,936,540	3,088,062,084
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	10	265,095,967	509,670,118	510,456,528
Total Non-Current Liabilities		265,095,967	509,670,118	510,456,528
CURRENT LIABILITIES:				
Loans	10	286,872,304	154,600,000	24,950,000
Trade creditors and other current liabilities	11	68,914,767	72,830,190	4,608,437
Total Current Liabilities		355,787,071	227,430,190	29,558,437
TOTAL EQUITY AND LIABILITIES		3,700,746,332	3,875,036,848	3,628,077,049

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	Notes	31.March.2010	31.March.2009
Services rendered		-	471,111
Investment income	13	71,390,537	93,516,449
Financial income		3,881,996	8,272,951
Other income		458,773	5,356
External supplies and services		(830,166)	(516,953)
Staff costs		(545,105)	(1,077,890)
Depreciation and amortisation		(10,099)	(12,294)
Financial expenses		(4,422,070)	(8,849,438)
Other expenses		(496,916)	(69,492)
Profit/(Loss) before taxation		69,426,950	91,739,800
Taxation		-	-
Profit/(Loss) after taxation		69,426,950	91,739,800
Profit/(Loss) per share			
Basic	14	0.034713	0.045870
Diluted	14	0.034705	0.045870

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	31.March.2010	31.March.2009
Net Profit / (Loss) for the period	69,426,950	91,739,800
Changes on fair value of available-for-sale financial assets	(10,675,109)	(41,587,683)
Changes in hedging and fair value reserves	(4,042,786)	(7,331,065)
Other comprehensive income for the period	(14,717,895)	(48,918,748)
Total comprehensive income for the period	54,709,055	42,821,052

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

		Reserves and Retained Earnings						
	Share Capital	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 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	-	-	(41,587,683)	(7,331,065)	-	(48,918,748)	91,739,800	42,821,052
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)
Balance as at 31 March 2009	2,000,000,000	161,705,974	540,341,926	(7,023,995)	351,172,835	1,046,196,740	91,739,800	3,137,936,540
Balance as at 1 January 2010	2,000,000,000	163,229,582	488,904,537	(5,807,343)	350,006,260	996,333,036	91,729,048	3,088,062,084
Total comprehensive income for the period	-	-	(10,675,109)	(4,042,786)	-	(14,717,895)	69,426,950	54,709,055
Appropriation of profit of 2009:								
Transfer to legal reserves and retained earnings	-	4,586,452	-	-	24,142,596	28,729,048	(28,729,048)	-
Dividends distributed	-	-	-	-	-	-	(63,000,000)	(63,000,000)
Share based payments	-	-	-	-	92,155	92,155	-	92,155
Balance as at 31 March 2010	2,000,000,000	167,816,034	478,229,428	(9,850,129)	374,241,011	1,010,436,344	69,426,950	3,079,863,294

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 31 MARCH 2010 AND 2009

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

(Amounts expressed in euro)

	Notes	31.March.2010	31.March.2009
OPERATING ACTIVITIES			
Net cash flow from operating activities (1)		(52,489)	(1,596,352)
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Investments		5,477,500	5,000,000
Tangible and intangible assets		21,219	360
Interests and similar income		6,910,535	23,723,666
Loans granted		172,040,000	37,677,387
		184,449,254	66,401,413
Cash Payments arising from:			
Investments		-	(538,668)
Tangible and intangible assets		(70)	(126,293)
Loans granted		(196,367,267)	(75,299,000)
		(196,367,337)	(75,963,961)
Net cash used in investment activities (2)		(11,918,083)	(9,562,548)
FINANCING ACTIVITIES			
Cash receipts arising from:			
Loans obtained		96,471,284	244,650,000
		96,471,284	244,650,000
Cash Payments arising from:			
Loans obtained		(111,465,000)	(228,250,000)
Interests and similar charges		(2,795,945)	(4,959,155)
		(114,260,945)	(233,209,155)
Net cash used in financing activities (3)		(17,789,661)	11,440,845
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(29,760,233)	281,945
Cash and cash equivalents at the beginning of the period		2,769,998	409,173
Cash and cash equivalents at the end of the period	8	(26,990,235)	691,118

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

31 MARCH 2010

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

(Amounts expressed in euro)

1 INTRODUCTION

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

2 BASIS OF PREPARATION

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

3 PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2009.

4 INVESTMENTS IN AFFILIATED COMPANIES

As at 31 March 2010 and 31 December 2009 the company held investments in the following affiliated companies:

	31.March.2010			
Company	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Investimentos SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	603,853,500	490,113,339	113,740,161
Sonaecom, SGPS, SA	0.23%	1,340,161	921,724	418,437
MDS, SGPS, SA	45.71%	27,879,874	27,879,874	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others	-	4,527,028	4,527,028	-
Impairment		(88,500,000)	-	-
Total		2,981,242,624	2,591,513,196	478,229,428

	31.December.2009			
Company	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Investimentos SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	614,248,500	490,113,339	124,135,161
Sonaecom, SGPS, SA	0.23%	1,620,270	921,724	698,546
MDS, SGPS, SA	45.71%	27,879,874	27,879,874	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others	-	4,527,028	4,527,028	-
Impairment		(88,500,000)	-	-
Total		2,991,917,733	2,591,513,196	488,904,537

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

(b) Market value was determined based on an independent valuation 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

As at 31 March 2010 and 31 December 2009 other investments available for sale are as follows:

	31.March.2010	31.December.2009
Magma No. 1 Securitisation Notes	71,962,500	77,440,000
Others	49,880	49,880
Total	72,012,380	77,489,880

6 OTHER NON-CURRENT ASSETS

As at 31 March 2010 and 31 December 2009 other non-current assets are detailed as follows:

	31.March.2010	31.December.2009
Loans granted to group companies	569,258,997	543,934,785

7 TRADE ACCOUNT RECEIVABLES AND OTHER CURRENT ASSETS

As at 31 March 2010 and 31 December 2009 trade account receivables and other current assets are detailed as follows:

	31.March.2010	31.December.2009
Trade account receivables	66,391	1,767,521
Group companies	71,390,537	7,078,238
Taxes and contributions receivable	1,533,098	1,387,264
Accrued income and prepayments	3,743,105	648,644
Others	1,165,694	811,826
Total	77,898,825	11,693,493

8 CASH AND CASH EQUIVALENTS

As at 31 March 2010 and 31 December 2009 cash and cash equivalents are detailed as follows:

	31.March.2010	31.December.2009
Cash at hand	9,184	7,042
Bank deposits	61,603	2,762,956
Cash and cash equivalents on the balance sheet	70,787	2,769,998
Bank overdrafts	(27,061,022)	-
statement	(26,990,235)	2,769,998

9 SHARE CAPITAL

As at 31 March 2010 and 31 December 2009 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

10 LOANS

As at 31 March 2010 and 31 December 2009 this caption included the following loans:

	31.March.2010	31.December.2009
Nominal value of bonds	250,000,000	500,000,000
Up-front fees not yet charged to income statement	(1,405,362)	(1,761,923)
Bonds	248,594,638	498,238,077
Derivatives	16,501,329	12,218,451
Non-current loans	265,095,967	510,456,528
Nominal value of bonds	250,000,000	-
Up-front fees not yet charged to income statement	(145,002)	-
Bonds	249,854,998	-
Commercial paper (a)	9,950,000	24,950,000
Bank overdrafts	27,061,022	-
Other bank loans	6,284	-
Current loans	286,872,304	24,950,000

(a) Short term commercial paper programmer, 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.

Non-current loans

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 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.

Current loans

On 16 April 2010 and 10 May 2010, Sonae 2006/2011 bond loan of 250,000,000 euro was repaid (220,000,000 euro and 30,000,000 euro respectively), following a new bond issue, Sonae 2010/2015, of 250,000,000 euro, with a maturity of 5 years.

The above mentioned loans are unsecured and its estimated fair value is considered to be near its carrying amount, as they bear interests at variable market rates.

Interest rate as at 31 March 2010 of the bonds and bank loan was, on average, 1.67% (1.67% as at 31 March 2009).

Maturity of Borrowings

As at 31 March 2010 and 31 December 2009 the analysis of the maturity of loans are as follows:

	31.March.2010	31.December.2009
N+1	287,017,306	24,950,000
N+2	-	250,000,000
N+3	100,000,000	-
N+4	-	100,000,000
N+5	150,000,000	150,000,000
after N+5	-	-

As at 31 March 2010, the maturity level, corresponding to N+1, includes 250,000,000 euro of bonds that have been refinanced at 16 April 2010 through a bond issue of the same amount with a maturity of 5 years.

11 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 31 March 2010 and 31 December 2009, trade creditors and other current liabilities are detailed as follows:

	31.March.2010	31.December.2009
Trade creditors	1,008,432	985,568
Taxes and contributions payable	467,293	349,693
Accrued expenses	4,356,308	3,108,281
Others	63,082,734	164,895
Total	68,914,767	4,608,437

12 CONTINGENT LIABILITIES

As at 31 March 2010 and 31 December 2009, contingent liabilities are detailed as follows:

	31.March.2010	31.December.2009
Guarantees given:		
on tax claims	307,664	216,835
on judicial claims	145,256	74,490
Guarantees given in favour of subsidiaries	9,692,074	256,137

13 INVESTMENTS INCOME

As at 31 March 2010 and 2009, investment income can be detailed as follows:

	31.March.2010	31.March.2009
Dividends	71,390,537	93,516,449

The dividends mentioned above were distributed by the affiliates Sonae Investimentos, SGPS, SA (57,734,657 euro) and Sonae Sierra, SGPS, SA (13,655,880 euro).

14 Earnings per share

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

	31.March.2010	31.March.2009
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	69,426,950	91,739,800
Effect of dilutive potential shares		
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	69,426,950	91,739,800
Number of shares		
Weighted average number of shares used to calculated basic earnings	2,000,000,000	2,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanting shares related with deferred performance bonus	1,322,666	-
Number of shares that could be acquired at average market price	(806,052)	-
Weighted average number of shares used to calculated diluted earnings per share	2,000,516,614	2,000,000,000
Profit/(Loss) per share		
Basic	0.034713	0.045870
Diluted	0.034705	0.045870

15 Subsequent events

The 2009 profit appropriation has been approved in the General Meeting of Shareholders held on 27 April 2010. Dividends amounting to 63,000,000.00 euro have been attributed and are already considered in these financial statements.

16 Approval of financial

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 19 May 2010.

17 INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

In the three months period ended 31 March 2010 shareholders' loan contracts were entered into with the following companies:

Sonaecenter Serviços, SA

Sonae Investments, BV

Sontel, BV

In the three months period ended 31 March 2010 short-term loan contracts were entered into with the following companies:

Sonaecom, SGPS, SA

As at 31 March 2010 amounts owed by affiliated undertakings can be summarized as follows:

Loans granted

Companies	Closing Balance
MDS, SGPS, SA	30,676,021
Sonae Investments, BV	502,562,709
Sonaecenter, Serviços, SA	216,267
Sontel, BV	35,804,000
Total	569,258,997

As at 31 March 2010 there were no amounts owed to affiliated undertakings.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

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 Trigoso Jordão

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

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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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