

SONAE INVESTIMENTOS, SGPS, SA

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

Share Capital 1,000,000,000 Euro

Porto Commercial Registry and Fiscal Number 501 532 927

REPORT AND ACCOUNTS

30 June 2013

Management Report

Management Report

Sonae Investimentos – S.G.P.S., S.A.

In accordance with Portuguese Law and the company's articles of association, we hereby present the management report of Sonae Investimentos - S.G.P.S., S.A. for the first six months of 2013.

Activity evolution for the period

During the course of 2013's first semester, the consolidated turnover of Sonae Investimentos totalled 2,126 million Euro, which represents a slight increase (1%) over the past year.

In the same period, the Company's operating cash-flow (EBITDA) reached 145 million Euro, increasing 8% when compared to last year's first six months. This performance was driven by the businesses' improvement of operational profitability, achieved mainly through significant cost savings and efficiency gains, which have more than offset the effects of another semester of retraction in Iberian markets, namely in what regards discretionary categories. Thus, EBITDA margin increased to 5.8%, 0.5 pp above the same period last year.

In terms of operating results (EBIT), the consolidated figure amounted to 53 million Euro in the period, a 14 million Euro increase on last years' comparable.

Sonae Investimentos consolidated net result totalled 12.9 million Euro, which compares to negative 4.6 million Euro in 2012's first semester.

At the end of June, Sonae Investimentos detained an overall portfolio of 1,092 stores¹, corresponding to a sales area of 1,060 thousand m². During the period, the company continued the consolidation of Sonae SR's own store network in international markets. As at the end of June 2013, Sonae SR's formats had a total of 153 stores outside of Portugal, including 31 under franchising agreements.

In Portugal, the company materialized a selective opening of new retail stores, which (when comparing to December 2012) included the reopening of a Continente store, the opening of two Continente Bom Dia, and the increase of Meu Super network from 25 to 41 stores (under franchise agreements).

In parallel to the expansion effort, the company carried a Refurbishment Programme in a number of retail units so as to ensure they remain as a reference in their respective catchment areas. Total investment amounted to 48 million Euro during the first six months of the year.

¹ Excludes Geostar

Outlook

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

Methodological note

The consolidated financial information contained in this report was prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union. The financial information regarding quarterly and semi-annual figures was not subject to audit procedures.

The accounting standard IFRS 11 - Joint Arrangements changes the accounting method of joint-controlled investments, namely eliminating the possibility of proportional consolidation of entities that fall under the concept of joint-ventures, as is the case of Geostar. Under these terms, Sonae has decided, as it is already possible under the current standards, in anticipation of the requirement for this change to be implemented for annual reporting periods beginning on 1st January 2014 and in order to facilitate a future comparison of its financial reporting, to start reporting Geostar according to the Equity Method (the only possible method according to this new standard) from 1st January 2012.

Maia, 19 of August 2013

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Glossary

Turnover (t)

sale of articles + services rendered.

Operating Cash-flow (EBITDA)

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

Operating results (EBIT)

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

Net Investment

increase in gross fixed assets (tangible and intangible) + changes in perimeter (as a result of acquisitions and disposals) - disposals in gross fixed assets (tangible and intangible) + increases in goodwill.

Net debt

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

Gearing

ratio between net financial debt and shareholders' funds

Net Capital Employed

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

Appendix

Statement under the terms of Article 246, paragraph 1, c) of the Portuguese Securities Code

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

Maia, 19 of August 2013

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Appendix required by articles 9, nr. 1, a), and 14, nr. 7 of CMVM Regulation nr. 05/2008

	Date	Additions		Reductions		Balance as of
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2013
						Quantity
Ângelo Gabriel Ribeirinho dos Santos Paupério (*) (**)						
Sonae, SGPS, SA (3)						763,150 (a)
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	08.03.2013	178,588	0.000			
Continente Bonds - 7% -2015						700,000 (b)
Duarte Paulo Teixeira de Azevedo (*) (**) (***)(****)						
Efanor Investimentos, SGPS, SA (1)						1
Migracom, SGPS, SA (7)						1,969,996
Sonae, SGPS, SA (3)						3,293 (c)
Shares purchased under the terms of the Annual Performance Bonus Plan and Medium Term Incentive Plans	25.06.2013	28,479	0.000			
Sale	26.06.2013			28,479	0.699	
	Date	Quantity	Aver. Price €	Quantity	Aver. Price €	Balance as of 30.06.2013
						Quantity
(1) Efanor Investimentos, SGPS, SA						
Sonae, SGPS, SA (3)						200,100,000
Pareuro, BV (2)						2,000,000
(2) Pareuro, BV						
Sonae, SGPS, SA (3)						849,533,095
(3) Sonae, SGPS, SA						
Sonae Investimentos, BV (4)						2,894,000
Sonae Investimentos, SGPS, SA						768,555,810
(4) Sonae Investimentos BV						
Sonae Investimentos, SGPS, SA						131,419,190
Libra Serviços, Sociedade Unipessoal, Lda (5)						5,000
(5) Libra Serviços, Sociedade Unipessoal, Lda						
Sonae Investimentos, SGPS, SA						25,000
(6) Sonae - Specialized Retail, SGPS, SA						
Sonae Investimentos, SGPS, SA						100,000,000
(7) Migracom, SGPS, SA						
Sonae, SGPS, SA (3)						2,936,683
Purchase	26.06.2013	28,479	0.699			
Imparfin, SGPS, SA (8)						150,000
(8) Imparfin, SGPS, SA						
Sonae, SGPS, SA (3)						4,105,280

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

(**) Member of the Board of Directors of Sonae, SGPS, SA (directly and indirectly dominant company) (3)

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

(****) Member of the Board of Directors of Imparfin, SGPS, SA (8)

(a) of which 125,000 shares are held by spouse.

(b) of which 150,000 bonds are held by spouse and 400,000 are held by company in which this person discharging managerial responsibilities ("dirigente") is the

(c) of which 1,000 shares held by descendants under his charge.

Qualified holdings

As required by article 9, nr.1, c), of the Securities Market Commission (CMVM) Regulation nr. 05/2008, the qualified shareholdings as at 30th June 2013 are as follows:

Shareholder	Nr. of shares	% share capital	% of voting rights
Efanor Investimentos, SGPS, SA (i)			
By Sonae, SGPS, SA	768,555,810	76.8556%	85.3951%
By Sonae Investments, BV	131,419,190	13.1419%	14.6021%
By Libra Serviços, Sociedade Unipessoal, Lda	25,000	0.0025%	0.0028%
By Sonae - Specialized Retail, SGPS, SA (ii)	100,000,000	10.0000%	-
Total attributable to Efanor Investimentos, SGPS, SA	1,000,000,000	100.0000%	100.0000%

(i) Belmiro Mendes de Azevedo is, according to article 20, paragraph 1, subparagraph b), and article 21, paragraph 1, both of the Portuguese Securities Code, the ultimate beneficial owner, as it holds circa 99% of the share capital and voting rights in Efanor Investimentos SGPS, SA, and the latter wholly owns Pareuro BV.

(ii) Considered treasury shares in accordance with Commercial Companies Code as Sonae - Specialized Retail, SGPS, SA is fully owned by Sonae Investimentos, SGPS, SA.

**Condensed consolidated
financial statements**

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT
30 JUNE 2013 AND 2012 AND AT 31 DECEMBER 2012*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

ASSETS	Notes	30 June 2013	30 June 2012	31 December 2012
NON-CURRENT ASSETS:				
Tangible assets	7	1,981,769,379	2,045,499,852	2,025,784,857
Intangible assets	8	155,339,446	152,296,905	154,622,623
Goodwill	9	499,234,487	499,234,487	499,234,487
Investments in joint ventures and associates	5	53,435,695	55,557,792	60,819,852
Other investments	6	13,401,697	34,596,913	34,605,498
Deferred tax assets	13	131,452,948	130,321,347	123,115,350
Other non-current assets	11	24,032,069	36,445,000	34,429,814
Total Non-Current Assets		2,858,665,721	2,953,952,296	2,932,612,481
CURRENT ASSETS:				
Inventories		505,208,813	576,989,800	524,684,028
Trade accounts receivable and other current assets	12	223,815,465	220,915,709	211,027,557
Investments	10	343,620	3,276,791	892,728
Cash and cash equivalents	14	107,489,944	109,743,519	162,194,406
Total Current Assets		836,857,842	910,925,819	898,798,719
Assets available for sale		720,338	720,338	720,338
TOTAL ASSETS		3,696,243,901	3,865,598,453	3,832,131,538
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	15	1,000,000,000	1,000,000,000	1,000,000,000
Own shares		(320,000,000)	(320,000,000)	(320,000,000)
Reserves and retained earnings		27,392,313	60,777,629	62,940,864
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		12,515,648	(3,772,560)	9,310,582
Equity attributable to the equity holders of the Parent Company		719,907,961	737,005,069	752,251,446
Equity attributable to non-controlling interests	16	86,357,539	74,999,551	85,691,823
TOTAL EQUITY		806,265,500	812,004,620	837,943,269
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	17	865,042,998	1,060,560,311	761,229,147
Other non-current liabilities	19	434,974,717	428,970,663	429,509,652
Deferred tax liabilities	13	133,022,951	124,939,588	130,113,975
Provisions	22	23,838,598	33,220,188	46,471,233
Total Non-Current Liabilities		1,456,879,264	1,647,690,750	1,367,324,007
CURRENT LIABILITIES:				
Loans	17	213,324,350	185,066,034	230,447,424
Trade creditors and other current liabilities	21	1,214,346,457	1,218,608,719	1,394,188,508
Provisions	22	5,428,330	2,228,330	2,228,330
Total Current Liabilities		1,433,099,137	1,405,903,083	1,626,864,262
TOTAL LIABILITIES		2,889,978,401	3,053,593,833	2,994,188,269
TOTAL EQUITY AND LIABILITIES		3,696,243,901	3,865,598,453	3,832,131,538

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIODS
ENDED 30 JUNE 2013 AND 2012*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	2 nd Quarter 2013	2 nd Quarter 2012	30 June 2013	30 June 2012
Sales		1,068,902,600	1,072,457,618	2,106,902,976	2,096,144,090
Services rendered		10,215,572	8,880,021	19,263,780	16,446,346
Investment income		92,000	200,697	79,000	200,697
Financial income		1,117,146	1,468,257	2,740,075	2,917,928
Other income		119,285,552	127,556,722	210,495,161	219,400,819
Cost of goods sold and materials consumed		(835,668,802)	(844,834,434)	(1,638,875,240)	(1,643,138,988)
Changes in stocks of finished goods and work in progress		114,897	(273,131)	138,910	(211,595)
External supplies and services		(129,286,417)	(134,559,808)	(257,486,663)	(271,171,619)
Staff costs		(135,961,092)	(136,525,024)	(273,210,360)	(269,780,677)
Depreciation and amortisation	7 and 8	(41,139,806)	(44,489,802)	(87,685,708)	(89,098,907)
Provisions and impairment losses		(3,331,457)	(2,439,099)	(8,571,181)	(4,006,760)
Financial expenses		(18,465,834)	(21,262,024)	(38,551,116)	(41,258,690)
Other expenses		(9,628,941)	(7,448,618)	(18,268,269)	(16,226,341)
Share of results of joint ventures and associated undertakings	5	(144,642)	(641,550)	(2,181,943)	(2,661,595)
Profit/(Loss) before taxation		26,100,776	18,089,825	14,789,422	(2,445,292)
Taxation	25	(4,073,315)	(6,067,611)	(1,919,063)	(2,135,678)
Profit/(Loss) after taxation		22,027,461	12,022,214	12,870,359	(4,580,970)
Attributable to:					
Equity holders of the Parent Company		21,930,677	12,635,926	12,515,648	(3,772,560)
Non-controlling interests		96,784	(613,712)	354,711	(808,410)
Profit/(Loss) per share					
Basic	26	0.024367	0.014040	0.013906	(0.004192)
Diluted	26	0.024367	0.014040	0.013906	(0.004192)

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS
ENDED 30 JUNE 2013 AND 2012

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

(Amounts expressed in euro)

	2nd Quarter 2013	2nd Quarter 2012	30 June 2013	30 June 2012
Net Profit / (Loss) for the period	22,027,461	12,022,214	12,870,359	(4,580,970)
Exchange differences arising on translation of foreign operations	(44,593)	(32,288)	7,240	(49,653)
Participation in other comprehensive income (net of tax) related to joint ventures and associated companies included in consolidation by the equity method	(2,552,263)	(408,855)	(5,187,882)	(461,641)
Changes in hedge and fair value reserves	(1,449,291)	1,360,588	325,972	(1,768,208)
Deferred tax related to changes in fair value reserves	447,478	(354,409)	(63,295)	479,375
Other comprehensive income for the period	(3,598,669)	565,036	(4,917,965)	(1,800,127)
Total comprehensive income for the period	<u>18,428,792</u>	<u>12,587,250</u>	<u>7,952,394</u>	<u>(6,381,097)</u>
Attributable to:				
Equity holders of Parent Company	18,342,415	13,179,414	7,576,465	(5,553,062)
Non controlling interests	<u>86,377</u>	<u>(592,164)</u>	<u>375,929</u>	<u>(828,035)</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 30 JUNE 2013 AND 2012*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Attributable to Equity Holders of Parent Company											
	Reserves and Retained Earnings										Non-controlling interests (Note 16)	Total Equity
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Hedging Reserve	Legal reserves in accordance with article 342 ^º CSC	Other Reserves and Retained Earnings	Total	Net Profit/(Loss)	Total		
Balance as at 1 January 2012	1,000,000,000	(320,000,000)	139,614,881	336,811	1,595,204	320,000,000	(443,083,226)	18,463,670	63,798,214	762,261,884	75,700,031	837,961,915
Total comprehensive income for the period	-	-	-	(49,653)	(1,269,208)	-	(461,641)	(1,780,502)	(3,772,560)	(5,553,062)	(828,035)	(6,381,097)
Appropriation of profit of 2011:												
Transfer to legal reserves and retained earnings	-	-	742,928	-	-	-	63,055,286	63,798,214	(63,798,214)	-	-	-
Dividends distributed	-	-	-	-	-	-	(20,000,000)	(20,000,000)	-	(20,000,000)	(157,074)	(20,157,074)
Other reserves	-	-	-	-	-	-	296,247	296,247	-	296,247	284,629	580,876
Balance as at 30 June 2012	1,000,000,000	(320,000,000)	140,357,809	287,158	325,996	320,000,000	(400,193,334)	60,777,629	(3,772,560)	737,005,069	74,999,551	812,004,620
Balance as at 1 January 2013	1,000,000,000	(320,000,000)	140,357,809	336,811	1,595,204	320,000,000	(399,348,960)	62,940,864	9,310,582	752,251,446	85,691,823	837,943,269
Total comprehensive income for the period	-	-	-	7,240	241,459	-	(5,187,882)	(4,939,184)	12,515,648	7,576,465	375,929	7,952,394
Appropriation of profit of 2012:												
Transfer to legal reserves and retained earnings	-	-	284,660	-	-	-	9,025,922	9,310,582	(9,310,582)	-	-	-
Dividends distributed	-	-	-	-	-	-	(40,000,000)	(40,000,000)	-	(40,000,000)	-	(40,000,000)
Others	-	-	-	-	-	-	80,051	80,051	-	80,050	289,787	369,837
Balance as at 30 June 2013	1,000,000,000	(320,000,000)	140,642,469	344,051	1,836,663	320,000,000	(435,430,870)	27,392,313	12,515,648	719,907,961	86,357,539	806,265,500

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR
THE PERIODS ENDED 30 JUNE 2013 AND 2012*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	2nd Quarter 2013	2nd Quarter 2012	30 June 2013	30 June 2012
OPERATING ACTIVITIES					
Net cash flow from operating activities (1)		170,880,117	171,206,375	(64,420,420)	(20,225,926)
INVESTMENT ACTIVITIES					
Cash receipts arising from:					
Investments		98,092	808,985	1,434,846	1,288,829
Tangible and intangible assets		932,380	-	1,249,637	737,762
Interest and similar income		523,038	527,036	1,113,761	1,341,514
Loans granted		4,350,000	7,698,189	16,252,000	7,698,189
Dividends		106,332	200,697	106,332	200,697
		6,009,842	9,234,907	20,156,576	11,266,991
Cash payments arising from:					
Tangible and intangible assets		(22,171,141)	(16,209,875)	(74,582,768)	(57,883,797)
Loans granted		(4,846,722)	(7,470,189)	(5,396,722)	(8,770,189)
Others		(7)	(7)	(30)	(142)
		(27,017,870)	(23,680,071)	(79,979,520)	(66,654,128)
Net cash used in investment activities (2)		(21,008,028)	(14,445,164)	(59,822,944)	(55,387,137)
FINANCING ACTIVITIES					
Cash receipts arising from:					
Loans obtained		802,962,000	1,318,824,922	1,816,492,126	2,290,802,841
Capital increases, shareholder's loans and share premiums		-	580,875	-	580,875
		802,962,000	1,319,405,797	1,816,492,126	2,291,383,716
Cash Payments arising from:					
Loans obtained		(982,964,621)	(1,445,574,001)	(1,714,743,780)	(2,339,965,760)
Interest and similar charges		(9,896,435)	(8,034,088)	(18,159,882)	(25,175,195)
Dividends		(190,743)	(157,074)	(190,743)	(157,074)
Others		(223,191)	(241,338)	(773,565)	(1,228,548)
		(993,274,990)	(1,454,006,501)	(1,733,867,970)	(2,366,526,577)
Net cash used in financing activities (3)		(190,312,990)	(134,600,704)	82,624,156	(75,142,861)
Net increase/(decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(40,440,901)	22,160,507	(41,619,208)	(150,755,924)
Effect of foreign exchange rate		225,944	40,610	175,586	(15,583)
Cash and cash equivalents at the beginning of the period	14	147,854,493	76,226,989	148,982,442	249,087,227
Cash and cash equivalents at the end of the period	14	107,187,648	98,346,886	107,187,648	98,346,886

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, S.A.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2013

(Amounts expressed in euro)

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

1 INTRODUCTION

SONAE INVESTIMENTOS, SGPS, S.A. (“the Company” or “Sonae Investimentos”), with head office in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Portugal, is the Parent-company of a group of companies, as detailed in Notes 4, 5 and 6 (“Sonae Investimentos Group”), which business activity is described in the Note 27.

2 PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the preparation of the consolidated financial statements for the period ended as at 31 December 2012.

Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) or by the previous Standing Interpretations Committee (“SIC”), as adopted by the European Union as at the consolidated financial statements issuance date.

Interim financial statements are presented quarterly, in accordance with IAS 34- “Interim Financial Reporting”.

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the Company and subsidiaries, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for financial instruments which are stated at fair value.

New accounting standards and their impact on the consolidated financial statements:

Up to the financial statements approval date, the following Standards and Interpretations, some of which become effective in 2013, have been endorsed by the European Union:

With mandatory application from 1 January 2013: Effective Date (for financial years beginning on/after)

IFRS 13 - (Fair Value Measurement)	01-01-2013
IAS 12 - Amendments (Deferred tax: Recovery of Underlying Assets)	01-01-2013
IAS 19 – Amendments (Employee Benefits)	01-01-2013
IAS 1 – Amendments (Presentation of Items of Other Comprehensive Income)	01-07-2013
IFRS 7 – Amendments (Disclosures of Financial Instruments)	01-01-2013
IFIC 20 – Interpretation (Stripping Costs in the Production Phase of a Surface Mine)	01-01-2013
IFRS 1 – Amendments (Government Loans)	01-01-2013
Improvements of some IFRS (2009-2011)	01-01-2013
Transition Guide (Amendments to IFRS 10, IFRS11 and IFRS 12)	01-01-2013

There were no significant impacts in the financial statements resulting from the adoption of these standards.

The following standards, interpretations, amendments and revisions were endorsed by the European Union and have mandatory application is mandatory in future financial years:

With mandatory application from 1 January 2014 onwards: Effective Date (for financial years beginning on/after)

IFRS 10 - (Consolidated Financial Statements) (*)	01-01-2013
IFRS 11 - (Joint arrangements) (*)	01-01-2013
IFRS 12 - (Disclosures of Interests in Other Entities) (*)	01-01-2013
IAS 27 - (Separate Financial Statements) (*)	01-01-2013
IAS 28 - (Investments in Associates and Joint Ventures) (*)	01-01-2013
IAS 32 - Amendments (Offsetting Financial Assets and Financial Liabilities)	01-01-2014

(*) In accordance with the EU Regulation which approved the adoption of IFRS 10, 11 and 12 and the amendments to IAS 27 and IAS 28, an entity shall use these standards no later than periods beginning on or after 1 January 2014. The early adoption is however permitted;

The Group did not proceed to earlier adoption of any of these standards on the financial statements for the period ended 30 June 2013. No significant impacts are expected in the financial statements resulting from the adoption of these standards.

3 CHANGES IN ACCOUNTING POLICIES

During the period it was adopted a set of accounting standards, interpretations, amendments and revisions issued in previous periods and whose implementation became mandatory after 1st January 2013 as disclosed in Note 2 and which didn't have any significant impacts on the financial statements as at 30 June 2013.

4 GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The subsidiaries included in the consolidated financial statements, its head offices and percentage of capital held as at 30 June 2013 and 31 December 2012 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 June 2013		31 December 2012	
		Direct	Total	Direct	Total
Sonae Investimentos, SGPS, SA	Matosinhos	Holding	Holding	Holding	Holding
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%
Bom Momento - Restauração, 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%
1) Carnes do Continente - Industria e Distribuição Carnes, SA	a) Santarém	100.00%	100.00%	100.00%	100.00%
Chão Verde - Sociedade de Gestão Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Citorres - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Contibomba - Comércio e Distribuição de Combustíveis, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Contimobe - Imobiliária de Castelo de Paiva, SA	a) Castelo de Paiva	100.00%	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a) Lisbon	100.00%	100.00%	100.00%	100.00%
Cumulativa - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%

	Discovery Sports, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
1)	Edições Book.it, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
1)	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%
	Fashion Division, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Fashion Division Canárias, SL	a)	Tenerife (Spain)	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 Fechado Imosonae Dois	a)	Maia	99.60%	99.60%	99.89%	99.89%
	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%
	Infocfield - Informática, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Marcas MC, zRT	a)	Budapest (Hungary)	100.00%	100.00%	100.00%	100.00%
	MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modalloop – Vestuário e Calçado, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Modelo - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
	Modelo Continente Hipermercados, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Modelo Continente International Trade, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
	Modelo Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modelo.com - Vendas p/Correspond., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
1)	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%
SDSR – Sports Division SR, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
2) SDSR – Sports Division 2, SA	a)	Matosinhos	100.00%	100.00%	-	-
Selifa - Empreendimentos Imobiliários de Fafe, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Soflorin, BV	a)	Amesterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sonae MC – Modelo Continente, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonaecenter Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonaegest- Sociedade Gestora de Fundos de Investimento, SA	a)	Maia	60.00%	60.00%	60.00%	60.00%
Sonaerp – Retail Properties, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Sonae Specialized Retail, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonae Retalho Espanha - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonvecap, BV	a)	Amesterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sport Zone Canarias , SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
Sport Zone Espanha - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Sport Zone Sport Malz.Per.Satis lth.Ve Tic Ltd Sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
Têxtil do Marco, SA	a)	Marco de Canaveses	92.76%	92.76%	92.76%	92.76%
2) Tlantic, BV	a)	Amesterdam (The Netherlands)	100,00%	100,00%	-	-

	Tlantic Portugal - Sistemas de Informação, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
1)	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%
	Worten Canarias , SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
	Worten – Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Worten España Distribución, SL	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%
	Zippy Cocuk Malz.Dag.lth.Ve Tic Ltd.Sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
	ZYEvolution- Investig.e Desenvolvimento, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%

a) Control held by majority of voting rights;

b) Control held by management control.

1) Companies merged into Modelo Continente Hipermercados, SA, at 1 January 2013;

2) Companies created during the period.

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

5 INVESTMENTS IN JOINTLY CONTROLLED COMPANIES AND ASSOCIATED COMPANIES

Jointly controlled companies and associated companies, their head offices, the percentage of share capital held and their book value as at 30 June 2013 and 31 December 2012 are as follows:

Company	Head Office	Percentage of capital held				Book value	
		30 June 2013		31 December 2012		30 June 2013	31 December 2012
		Direct	Total	Direct	Total		
Raso SGPS, SA (consolidated)	Lisbon	50.00%	50.00%	50.00%	50.00%	10,168,543	10,716,070
Investments in joint ventures						10,168,543	10,716,070
MDS SGPS, SA (consolidated)	Maia	46.92%	46.92%	46.92%	46.92%	42,508,733	49,205,951
Mundo VIP	Lisbon	33.34%	33.34%	33.34%	33.34%	-	-
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	758,419	897,831
Investment in associated companies						43,267,152	50,103,782
Total						53,435,695	60,819,852

Jointly controlled companies and associated companies were consolidated using the equity method.

During the periods ended at 30 June 2013 and 2012, movements in investments, are made up as follows:

	30 June 2013			30 June 2012		
	Proportion on equity	Goodwill	Total investment	Proportion on equity	Goodwill	Total investment
Investments in associated companies						
Opening balance as at January,1	17,400,725	44,520,464	61,921,189	14,160,562	44,520,464	58,681,026
Equity method:						
Share of results in joint ventures and associated companies	(2,181,943)	-	(2,181,943)	(2,661,595)	-	(2,661,595)
Distributed dividends	(14,332)	-	(14,332)	-	-	-
Other effects on reserves	(5,187,882)	-	(5,187,882)	(461,639)	-	(461,639)
	10,016,568	44,520,464	54,537,032	11,037,328	44,520,464	55,557,792
Accumulated impairment losses (Note 22)	688,417	(1,789,754)	(1,101,337)	-	-	-
	10,704,985	42,730,710	53,435,695	11,037,328	44,520,464	55,557,792

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

	30 June 2013	31 December 2012
Total Assets	185,990,340	224,506,704
Total Liabilities	126,698,002	150,484,873

	30 June 2013	30 June 2012
Income	66,592,529	79,904,295
Expenses	70,807,451	86,058,980

6 OTHER NON-CURRENT INVESTMENTS

Other non-current investments, their head offices, proportion of capital held and their book value as at 30 June 2013 and 31 December 2012 are as follows:

Company	Head Office	Percentage of capital held				Book value	
		30 June 2013		31 December 2012		30 June 2013	31 December 2012
		Direct	Total	Direct	Total		
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	14.28%	14.28%	14.28%	14.28%	9,976	9,976
Inscó - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Other investments						12,643,524	33,847,325
						<u>13,401,697</u>	<u>34,605,498</u>

Under the caption other non-current investments there is an amount of 12,512,674 euro (33,716,476 euro as at 31 December 2012), related to deposited amounts on an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities assumed by Sonae Investimentos which may arise from the sale of Sonae Distribuição Brasil,S.A. and for which provisions were recorded (Note 22).

Although in accordance with the deadlines contractually established, the Escrow Account should have already been released by the buyer. That didn't happen as there are some points of disagreement on the use of the Escrow Account, namely as to whether or not, to retain the Escrow Account for ongoing fiscal procedures that have not yet been decided (Note 22). It is the understanding of the Board of Directors, based on legal opinions of Brazilian and Portuguese lawyers that the reason attends to Sonae Investimentos.

All investments are recorded at acquisition cost less impairment losses, given the fact that these are investments in unlisted shares and whose fair value was not estimated because is not reliable.

During the periods ended as at 30 June 2013 and 2012, movements in other non-current investments, are made up as follows:

	30 June 2013	30 June 2012
Investments in other companies		
Opening balance as at 1 January	34,605,498	34,613,973
Increase/(Decrease)	<u>(21,203,801)</u>	<u>(17,060)</u>
Closing balance as at 30 June	13,401,697	34,596,913
Accumulated impairment losses	-	-
	<u>13,401,697</u>	<u>34,596,913</u>

7 TANGIBLE ASSETS

During the six months period ended at 30 June 2013 and 2012, 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 assets:					
Opening balance as at 1 January 2013	1,653,111,333	1,194,405,982	164,829,261	31,807,125	3,044,153,701
Acquisitions	949,255	552,034	102,662	35,905,643	37,509,594
Disposals	(361,212)	(14,575,418)	(5,320,012)	(1,741,673)	(21,998,315)
Exchange rate effect	-	(74,716)	(79,396)	-	(154,112)
Transfers	2,265,110	29,517,422	3,575,080	(38,031,273)	(2,673,661)
Closing balance as at 30 June 2013	1,655,964,486	1,209,825,304	163,107,595	27,939,822	3,056,837,207
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2013	282,468,140	606,760,985	129,139,719	-	1,018,368,844
Depreciation and impairment losses of the period	13,370,251	57,713,530	6,935,876	-	78,019,657
Disposals	(67,895)	(13,976,448)	(5,269,068)	-	(19,313,411)
Exchange rate effect	-	(52,893)	(37,897)	-	(90,790)
Transfers	(427,872)	(650,856)	(837,744)	-	(1,916,472)
Closing balance as at 30 June 2013	295,342,624	649,794,318	129,930,886	-	1,075,067,828
Carrying amount as at 30 June 2013	1,360,621,862	560,030,986	33,176,709	27,939,822	1,981,769,379
Gross assets:					
Opening balance as at 1 January 2012	1,651,284,310	1,156,118,956	167,412,568	28,062,619	3,002,878,453
Acquisitions	1,706,314	1,660,913	226,830	27,800,783	31,394,840
Disposals	(35,155)	(8,099,498)	(2,919,549)	(525,243)	(11,579,445)
Exchange rate effect	-	(82,103)	(16,352)	-	(98,455)
Transfers	966,514	21,881,354	3,657,260	(27,415,962)	(910,834)
Closing balance as at 30 June 2012	1,653,921,983	1,171,479,622	168,360,757	27,922,197	3,021,684,559
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2012	256,086,860	527,857,301	124,835,975	-	908,780,136
Depreciation and impairment losses of the period	13,553,255	55,895,495	8,383,958	-	77,832,708
Disposals	(24,833)	(7,177,471)	(2,829,958)	-	(10,032,262)
Exchange rate effect	-	(48,534)	(21,552)	-	(70,086)
Transfers	-	(187,175)	(138,614)	-	(325,789)
Closing balance as at 30 June 2012	269,615,282	576,339,616	130,229,809	-	976,184,707
Carrying amount as at 30 June 2012	1,384,306,701	595,140,006	38,130,948	27,922,197	2,045,499,852

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

	30 June 2013	30 June 2012
Refurbishment and expansion of stores located in Portugal	18,836,583	17,438,300
Refurbishment and expansion of stores located in Spain	621,332	1,652,980
Projects of stores for which advance payments were made	8,304,617	8,734,617
Others	177,290	96,300
	<u>27,939,822</u>	<u>27,922,197</u>

8 INTANGIBLE ASSETS

During the six months period ended at 30 June 2013 and 2012, movements in Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Intangible assets			Total intangible assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross assets				
Opening balance as at 1 January 2013	102,405,406	183,726,252	21,301,926	307,433,584
Acquisitions	6,914	400	10,771,843	10,779,157
Disposals	(434)	(170,387)	(251,406)	(422,227)
Exchange rate effect	(27,506)	(41,499)	-	(69,005)
Transfers	157,547	5,311,541	(5,614,292)	(145,204)
Closing balance as at 30 June 2013	<u>102,541,927</u>	<u>188,826,307</u>	<u>26,208,071</u>	<u>317,576,305</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2013	22,254,148	130,556,813	-	152,810,961
Depreciation and impairment losses of the period	1,386,601	8,279,450	-	9,666,051
Disposals	(21,952)	(170,387)	-	(192,339)
Exchange rate effect	(9,775)	(20,800)	-	(30,575)
Transfers	(14,663)	(2,576)	-	(17,239)
Closing balance as at 30 June 2013	<u>23,594,359</u>	<u>138,642,500</u>	<u>-</u>	<u>162,236,859</u>
Carrying amount as at 30 June 2013	<u>78,947,568</u>	<u>50,183,807</u>	<u>26,208,071</u>	<u>155,339,446</u>

	Intangible assets			Total intangible assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross assets				
Opening balance as at 1 January 2012	101,358,773	172,809,327	15,500,704	289,668,804
Acquisitions	147,997	10,231	7,644,786	7,803,014
Disposals	(206,031)	(1,132,022)	(178,316)	(1,516,369)
Exchange rate effect	17,247	(7,236)	-	10,011
Transfers	518,658	7,227,582	(7,708,142)	38,098
Closing balance as at 30 June 2012	101,836,644	178,907,882	15,259,032	296,003,558
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2012	19,148,056	114,163,082	-	133,311,138
Depreciation of the period	1,717,319	9,548,880	-	11,266,199
Impairment losses	-	-	463,419	463,419
Disposals	(200,795)	(1,113,275)	-	(1,314,070)
Exchange rate effect	1,988	(11,541)	-	(9,553)
Transfers	33,615	(44,095)	-	(10,480)
Closing balance as at 30 June 2012	20,700,183	122,543,051	463,419	143,706,653
Carrying amount as at 30 June 2012	81,136,461	56,364,831	14,795,613	152,296,905

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

Additionally, this heading also includes the fair value attributed to a group of brands with indefinite useful lives, among which the "Continente" brand, 75,000,000 euro (the same amount as at 2012).

9 GOODWILL

During the period ended at 30 June 2013 and 31 December 2012, movements in "Goodwill", as well as in corresponding impairment losses, were made up as follows:

	30 June 2013	31 December 2012
Gross value:		
Opening balance	501,821,163	501,821,163
Increases	-	-
Closing balance	<u>501,821,163</u>	<u>501,821,163</u>
Accumulated impairment losses:		
Opening balance	2,586,676	2,586,676
Increases	-	-
Closing balance	<u>2,586,676</u>	<u>2,586,676</u>
Carrying amount	<u>499,234,487</u>	<u>499,234,487</u>

10 OTHER CURRENT INVESTMENTS

As at 30 June 2013 and 2012 movements in this caption can be detailed as follows:

	30 June 2013	30 June 2012
Other investments		
Opening balance as at 1 January	862,387	3,059,200
Increases in the period	30	-
Decreases in the period	<u>(856,438)</u>	<u>(1,289,316)</u>
Closing balance as at 30 June	5,979	1,769,884
Accumulated impairment losses	-	-
	<u>5,979</u>	<u>1,769,884</u>
Derivative financial instruments		
Fair value as at 1 January	30,341	2,797,069
Increase/(Decrease) in fair value	<u>307,301</u>	<u>(1,290,162)</u>
Fair value as at 30 June (Note 18)	<u>337,642</u>	<u>1,506,907</u>
Total of other current investments	<u>343,620</u>	<u>3,276,791</u>

11 OTHER NON-CURRENT ASSETS

As at 30 June 2013 and 31 December 2012, "Other non-current assets" are detailed as follows:

	30 June 2013	31 December 2012
Loans granted to associated companies	9,449,742	18,976,002
Accumulated impairment losses in loans granted to associated companies (Note 22)	<u>(1,000,000)</u>	<u>(1,000,000)</u>
	8,449,742	17,976,002
Trade accounts receivable and other debtors		
Cautions (a)	5,758,017	5,919,711
Legal deposits (b)	917,254	973,963
Recognition of the value to be received from Carrefour (c)	8,857,945	9,468,476
Amount receivable for the sale of Modelo Cont.Seguros	<u>2,383,827</u>	<u>2,344,124</u>
	17,917,043	18,706,274
Accumulated impairment losses in other debtors (Note 22)	<u>(2,383,827)</u>	<u>(2,344,124)</u>
	15,533,216	16,362,150
Other non-current assets	49,111	91,662
	<u>24,032,069</u>	<u>34,429,814</u>

"Loans granted to associated companies" mainly refer to MDS SGPS, SA 8,449,792 euro (17,971,001 euro as at 31 December 2012). These loans bear interests at usual market rates and do not have a defined maturity.

Most significant values included in "Trade accounts receivable and other debtors" refers to:

- Amounts related with guarantees of lease contracts in group stores located in Spain, which have not matured until this date;
- Amounts related to legal deposits made by a Brazilian subsidiary, for which are recorded the correspondent liabilities in the caption "Other non-current liabilities" (Note 19), with no defined maturity;
- As a result of agreements signed in 2005 by former subsidiary - Sonae Distribuição Brazil, SA (sold to Wal-Mart in 2005) with Carrefour Comércio e Indústria Ltda, Sonae Investimentos assumed the responsibility to

compensate Carrefour for the expenses that would arise from the 10 stores licensing process in the Brazilian state of São Paulo that were sold to that entity. During 2010, Carrefour triggered a bank warranty "on first demand" amounting to 25,340,145.80 Brazilian real (approximately 9.9 million euro) for alleged expenses incurred with the mentioned stores and that allegedly, arose from the need to remedy deficiencies cited by competent authorities for the licensing process. However no evidence of those expenses was presented to Sonae, or proof of necessity of carrying out such costs for the licensing process as established on the mentioned agreement.

It is the understanding of the Board of Directors and the Group attorneys that the amount paid will be recovered. The company has already started the legal proceedings against Carrefour Comércio e Indústria, Ltda. to recover the above mentioned amount. It's the Board of Directors and the Group attorneys understanding that the amount is recoverable, since Carrefour has never proved the existence of the costs that it claims and which validate the usage of the above mentioned warranty, or through the warranty expiration date (according with Brazilian law).

According to Group attorneys, the amount improperly received by Carrefour for which a reimbursement will be requested (25,340,145.80 Brazilian real), will earn interests at the SELIC rate, and it is expected that the legal process will last up to 7 years.

12 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2013 and 31 December 2012, "Trade accounts receivable and other current assets" are made up as follows:

	30 June 2013	31 December 2012
Trade accounts receivable	39,136,645	34,481,523
Taxes recoverable	51,750,814	63,826,930
Granted loans to related companies	7,323,298	8,423,538
Other debtors		
Trade suppliers - debtor balances	31,426,512	30,578,619
Credit sales to third parties	1,126,007	1,389,623
Special regime for settlement of tax and social security debts	12,047,569	12,047,569
VAT recoverable on real estate assets	1,144,730	1,143,779
Accounts receivable from the disposal of tangible fixed assets	695,647	915,522
Other debtors	24,656,284	11,882,482
	<u>71,096,749</u>	<u>57,957,594</u>
Other current assets		
Commercial discounts	47,404,789	30,490,883
Interests to be received	1,100,050	1,141,142
Commissions to be received	1,703,292	1,926,548
Prepayments - Rents	6,223,942	6,687,441
Condominiums management fee's	1,516,029	1,490,358
Insurance premiums paid in advance	3,385,733	5,076,606
Insurance indemnities	2,434,807	7,423,141
Software licenses	1,758,681	1,460,671
Other current assets	5,813,175	8,468,485
	<u>71,340,498</u>	<u>64,165,275</u>
Accumulated impairment losses (Note 22)	<u>(16,832,539)</u>	<u>(17,827,303)</u>
	<u>223,815,465</u>	<u>211,027,557</u>

13 DEFERRED TAX

Deferred tax assets and liabilities as at 30 June 2013 and 31 December 2012 are as follows, taking into consideration its temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Difference between fair value and acquisition cost	3,779,408	3,779,408	30,052,221	30,285,857
Amortisation and depreciation	125,678	117,928	72,786,460	71,619,715
Provisions and impairment losses not accepted for tax purposes	18,803,600	19,872,171	-	-
Write-off of tangible and intangible assets	2,526,775	3,340,298	-	-
Valuation of hedging derivatives	125,880	107,198	130,922	48,946
Amortisation of goodwill for tax purposes	-	-	24,430,057	23,732,055
Revaluation of tangible assets	-	-	1,646,624	1,727,983
Tax losses carried forward	103,757,647	93,593,647	-	-
Reinvested capital gains/(losses)	-	-	935,250	1,000,609
Others	2,333,960	2,304,700	3,041,417	1,698,810
	<u>131,452,948</u>	<u>123,115,350</u>	<u>133,022,951</u>	<u>130,113,975</u>

As at 30 June 2013 and 31 December 2012, and in accordance with tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	30 June 2013			31 December 2012		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2007	1,223,112	305,778	2013	1,223,112	305,778	2013
Generated in 2008	1,220,020	305,005	2014	1,219,236	304,808	2014
Generated in 2009	2,739	685	2015	3,523	881	2015
Generated in 2010	99,670	24,918	2014	99,670	24,918	2014
Generated in 2011	285,757	71,440	2015	286,255	71,564	2015
Generated in 2012	87,055	21,764	2017	87,055	21,764	2017
Generated in 2013	33,786,390	8,446,597	2018	-	-	
	<u>36,704,743</u>	<u>9,176,187</u>		<u>2,918,851</u>	<u>729,713</u>	
With a time limit different from the above mentioned	315,271,541	94,581,460		309,546,450	92,863,934	
	<u>351,976,284</u>	<u>103,757,647</u>		<u>312,465,301</u>	<u>93,593,647</u>	

As at 30 June 2013 and 31 December 2012, deferred tax assets resulting from tax losses were assessed and only recognized to the extent it was probable that sufficient taxable profits will be available in the future against which the deferred tax assets can be used, or when taxable temporary differences are recognized by the same entity and expected to reverse in the same period. This assessment was based on business plans of Sonae Investimentos companies, which are periodically reviewed and updated, and on identified and available tax planning opportunities.

As at 30 June 2013 tax losses carried forward, have not originated deferred tax assets for prudential reasons. These may be summarized as follows:

	30 June 2013			31 December 2012		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2007	60,805	15,202	2013	60,805	15,202	2013
Generated in 2008	2,637,299	659,325	2014	3,135,429	783,858	2014
Generated in 2009	5,084,871	1,271,217	2015	5,302,815	1,325,703	2015
Generated in 2010	5,386,907	1,346,727	2014	5,386,907	1,346,727	2014
Generated in 2011	4,292,265	1,073,066	2015	4,292,265	1,073,066	2015
Generated in 2012	3,495,558	873,889	2017	3,557,841	889,460	2017
Generated in 2013	1,115,747	278,937	2018	-	-	
	<u>22,073,452</u>	<u>5,518,363</u>		<u>21,736,062</u>	<u>5,434,016</u>	
Without limited time use	13,913,029	4,730,430		11,625,306	3,952,604	
With a time limit different from the above mentioned	29,419,947	8,825,984		21,316,027	6,394,808	
	<u>65,406,428</u>	<u>19,074,777</u>		<u>54,677,395</u>	<u>15,781,428</u>	

14 CASH AND CASH EQUIVALENTS

As at 30 June 2013 and 31 December 2012 “Cash and cash equivalents” can be detailed as follows:

	30 June 2013	31 December 2012
Cash at hand	7,059,813	6,964,521
Bank deposits	100,430,131	115,130,218
Treasury applications	-	40,099,667
Cash and cash equivalents on the balance sheet	<u>107,489,944</u>	<u>162,194,406</u>
Bank overdrafts (Note 17)	<u>(302,296)</u>	<u>(13,211,964)</u>
Cash and cash equivalents on the statement of cash flows	<u>107,187,648</u>	<u>148,982,442</u>

Bank overdrafts, are disclosed in the statement of financial position under Current bank loans.

15 SHARE CAPITAL

As at 30 June 2013, the share capital, which is fully subscribed and paid for, is made up by 1,000,000,000 ordinary shares which do not hold right to any fixed income, with a nominal value of 1 Euro each.

As at 30 June 2013, the subscribed share capital was held as follows:

Entity	%
Sonae, SGPS, S.A.	76.856%
Sonae Investments, BV	13.142%
Sonae Specialized Retail, SGPS, S.A.	10.000%
Libra Serviços, S.A.	0.002%

As at 30 June 2013, Efanor Investimentos S.G.P.S., S.A. and its subsidiaries held 52.48% of the share capital of Sonae, SGPS, S.A.

16 NON-CONTROLLING INTERESTS

Movements in “Non-controlling interests” during the periods ended as at 30 June 2013 and 31 December 2012 are as follows:

	30 June 2013	31 December 2012
Opening balance as at 1 January	85,691,823	75,700,031
Dividends	(190,744)	(157,074)
Income distribution	-	(6,015,675)
Increase of capital and premium on subsidiaries	-	1,166,629
Optional entries of capital	-	15,000,000
Others	501,746	22,482
Profit for the period attributable to non-controlling interests	354,714	(24,570)
Closing balance	86,357,539	85,691,823

17 LOANS

As at 30 June 2013 and 31 December 2012, "Loans" are made up as follows:

	30 June 2013		31 December 2012	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae Investimentos, SGPS, S.A. - commercial paper	12,500,000	224,500,000	28,500,000	147,500,000
Subsidiary of Sonae Investimentos	20,000,000	55,000,000	10,000,000	65,000,000
Others	3,666,743	4,666,973	3,500,038	6,500,345
	<u>36,166,743</u>	<u>284,166,973</u>	<u>42,000,038</u>	<u>219,000,345</u>
Bank overdrafts (Note 14)	302,296	-	13,211,964	-
Up-front fees beard with the issuance of borrowings	(64,638)	(399,662)	(36,153)	(541,996)
Bank loans	<u>36,404,401</u>	<u>283,767,311</u>	<u>55,175,849</u>	<u>218,458,349</u>
Bonds				
Bonds Sonae Distribuição / 2007 / 2015	-	200,000,000	-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015	155,000,000	155,000,000	155,000,000	155,000,000
Bonds Sonae Distribuição 2009 / 2014	18,000,000	-	16,000,000	10,000,000
Bonds Sonae Investimentos 2012 / 2017	-	170,000,000	-	170,000,000
Bonds Sonae Investimentos 2013 / 2018	-	50,000,000	-	-
Up-front fees beard with the issuance of borrowings	(39,950)	(2,152,099)	(99,218)	(2,261,608)
Bonds	<u>172,960,050</u>	<u>572,847,901</u>	<u>170,900,782</u>	<u>532,738,392</u>
Other loans	24,352	90,166	33,466	90,166
Derivative instruments (Note 18)	415,941	-	953,531	-
Other loans	<u>440,293</u>	<u>90,166</u>	<u>986,997</u>	<u>90,166</u>
Obligations under finance leases	3,519,606	8,337,620	3,383,796	9,942,240
	<u>213,324,350</u>	<u>865,042,998</u>	<u>230,447,424</u>	<u>761,229,147</u>

At 30 June 2013, Sonae Investimentos has agreed lines of credit and commercial paper amounting to 858 million euro, of which 230 million euro with firm commitments with maturity not exceeding one year and 548 million euro with firm commitments with maturity over 1 year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, the Group has 541 million euro credit facilities available to meet its liquidity requirements.

The average interest rate at 30 June 2013 of bonds and loans was 2.36% (2.50% on 31 December 2012).

The derivative instruments are recorded at fair value (Note 18).

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

	30 June 2013	31 December 2012
N+1	213,012,997	229,629,264
N+2	88,572,971	58,633,624
N+3	440,342,493	417,084,216
N+4	286,493,757	190,541,370
N+5	51,029,513	96,149,353
After N+5	<u>1,156,025</u>	<u>1,624,188</u>
	<u>1,080,607,756</u>	<u>993,662,015</u>

The maturities above were estimated in accordance with the contractual terms of loans and contracts.

18 DERIVATIVES

Exchange rate derivatives

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

As at 30 June 2013, the fair value of the exchange rate derivatives, calculated taking into consideration the present market value of equivalent financial instruments, is estimated as follows:

	30 June 2013	31 December 2012
Assets (Note 10)	337,642	30,341
Liabilities (Note 17)	(415,941)	(953,531)
	<u>(78,299)</u>	<u>(923,190)</u>

Gains or losses for the period arising from changes in the fair value of derivatives amounting to (78,299) euro ((923,190) euro at 31 December 2012) were recorded under the caption “Hedging Reserve” of Comprehensive Income, when considered hedging instruments and in income statement under the caption “Other expenses” when considered as fair value hedging.

Interest rate derivatives

As at 30 June 2013, the Group had no financial instrument derivative on the interest rate.

19 OTHER NON-CURRENT LIABILITIES

As at 30 June 2013 and 31 December 2012, the caption “Other non-current liabilities” was made up as follows:

	30 June 2013	31 December 2012
Shareholders loans	405,055,385	404,631,259
Tangible fixed assets suppliers	1,100,000	1,137,500
Other non-current liabilities	2,525,462	2,576,894
Share based payments (Note 20)	2,256,169	2,655,169
Deferred revenue on the sale of the extended warranties	20,980,282	14,550,263
Accruals and deferrals	3,057,419	3,958,567
Other non-current liabilities	<u>434,974,717</u>	<u>429,509,652</u>

The caption “Shareholders loans” includes:

-A subordinate bond loan, with a fixed interest rate, repayable after 10 years issued by Sonae Investimentos, SGPS, SA fully subscribed. This loan was fully subscribed and paid for by Sonae SGPS, SA on 28 December 2010, amounting to 400 million euro corresponding to 8,000 bonds with a nominal value of 50,000 euro each. The fair value of this loan on 30 June 2013 is 41,137 euro (42,606 euro as at 31 December 2012) per obligation having been determined based on discounted cash flows method;

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

As at 30 June 2013, the caption “Other non-current liabilities” includes 746,213 euro (797,645 euro as at 31 December 2012) mainly refers to the estimated amounts to fulfil the legal and tax obligations of a Brazilian subsidiary which were considered appropriate to face up to future losses on lawsuits and for which legal deposits exist, which are recorded under the caption “Other non-current assets” (Note 11), with no defined maturity.

20 SHARE BASED PAYMENT PLANS

In 2013 and in previous years, Sonae Investimentos Group granted deferred performance bonuses to its directors and eligible employees. These are based on shares to be acquired at nil cost or with discount, three years after they were attributed to the employee. The purchase can be exercised during the period between the third anniversary of the grant date and the end of that year. The company has the choice to settle its responsibilities in cash instead of shares. The option can only be exercised if the employee still works for Sonae Group on the vesting date.

Liabilities arising from deferred performance bonuses as at 30 June 2013 and 31 December 2012 are made up as follows:

	Grant year	Vesting year	Number of participants	Number of shares		Fair Value	
				30 June 2013	31 December 2012	30 June 2013	31 December 2012
Shares							
	2010	2013	4*	618,396	729,799	-	501,372
	2011	2014	52	2,837,150	3,131,398	2,302,146	2,151,270
	2012	2015	59	4,754,979	5,079,345	3,734,280	3,489,510
	2013	2016	61	2,637,060	-	1,923,819	-
Total				<u>10,847,585</u>	<u>8,940,542</u>	<u>7,960,245</u>	<u>6,142,152</u>

* In December 2012, some Group companies paid this plan in advanced;

As at 30 June 2013 and 31 December 2012 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	30 June 2013	31 December 2012
Staff costs	1,612,821	3,417,392
Recorded in previous years	2,631,952	(260,851)
	<u>4,244,773</u>	<u>3,156,541</u>
Other non-current liabilities (Note 19)	2,256,169	2,655,169
Other current liabilities (Note 21)	1,988,604	501,372
	<u>4,244,773</u>	<u>3,156,541</u>

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

21 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 June 2013 and 31 December 2012 the caption “Trade creditors and other current liabilities” can be detailed as follows:

	30 June 2013	31 December 2012
Trade creditors	883,906,537	1,090,451,413
Taxes payable	39,526,073	47,866,681
Other creditors		
Tangible asset suppliers	21,603,124	49,507,973
Related undertakings	40,000,000	377,748
Other debts	47,790,009	42,591,281
	<u>109,393,133</u>	<u>92,477,002</u>
Other current liabilities		
Holiday pay and bonuses	90,877,225	88,329,450
Interest payable	22,590,380	4,934,351
Marketing expenses	9,680,298	13,825,089
Other external supplies and services	41,710,469	40,786,512
Accrued income - rents	2,848,892	2,643,727
Real Estate Municipality tax	4,018,654	3,276,643
Share based payments (Note 20)	1,988,604	501,372
Others	7,806,191	9,096,268
	<u>181,520,714</u>	<u>163,393,412</u>
	<u>1,214,346,457</u>	<u>1,394,188,508</u>

The caption “Other debts” includes:

- 22,954,365 euro (22,632,350 euro as at 31 December 2012), of attributed discounts not yet redeemed related to loyalty card “Cartão Cliente”;
- 11,997,850 euro (8,844,988 euro as at 31 December 2012) related to means of payments owned by clients as vouchers, gift cards and discount tickets owned by clients; and
- 4,869,974 euro (5,208,150 euro as at 31 December 2012) related to amounts payable to Sonae Distribuição Brasil, SA buyer as a result of responsibilities assumed with that entity.

22 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in “Provisions and impairment losses”, for the six months period ended as at 30 June 2013 and 2012, were as follows:

Caption	Balance as at 1 January 2013	Increase	Decrease	Balance as at 30 June 2013
Accumulated impairment losses on investments (Note 5)	1,101,337	-	-	1,101,337
Accumulated impairment losses on intangible assets	1,496,933	-	-	1,496,933
Accumulated impairment losses on other non current assets (Note 11)	3,344,124	39,703	-	3,383,827
Accumulated impairment losses on trade accounts receivable and other debtors (Note 12)	17,827,303	3,222,943	(4,217,707)	16,832,539
Accumulated impairment losses on inventories	43,160,752	3,671,920	(7,728,767)	39,103,905
Non current provisions	46,471,233	38,560	(22,671,195)	23,838,598
Current provisions	2,228,330	3,900,000	(700,000)	5,428,330
	<u>115,630,012</u>	<u>10,873,126</u>	<u>(35,317,669)</u>	<u>91,185,469</u>

Caption	Balance as at 1 January 2012	Increase	Decrease	Balance as at 30 June 2012
Accumulated impairment losses on intangible assets	1,496,933	463,419	-	1,960,352
Accumulated impairment losses on other non current assets	1,450,000	-	-	1,450,000
Accumulated impairment losses on trade accounts receivable and other debtors	24,335,766	3,514,918	(7,622,480)	20,228,204
Accumulated impairment losses on inventories	33,972,326	7,273,726	(3,354,552)	37,891,500
Non current provisions	35,325,262	27,039	(2,132,113)	33,220,188
Current provisions	2,249,330	-	(21,000)	2,228,330
	<u>98,829,617</u>	<u>11,279,102</u>	<u>(13,130,145)</u>	<u>96,978,574</u>

The caption non-current provisions includes 3,923,610 euro (24,423,571 euro as at 31 December 2012) relating to non-current contingencies assumed by the company, when selling its subsidiary Sonae Distribuição Brasil, S.A. in 2005. This provision is being used as costs are incurred and its recorded taking into account the best estimate of costs to be incurred which results from a significant number of civil and labour lawsuits of reduced amount.

The caption non-current provisions and the movement in the period in this caption, also includes the estimated liabilities incurred by the Group on the sale of warranty extension programs on products traded by the Specialised Retail operating segment in the amount of 17,183,946 euro (19,316,820 euro as at 31 December 2012). These extensions are granted for a period of one to three years after the end of legal mandatory warranty provided by the producers.

23 CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2013 and 31 December 2012, the major “Contingent liabilities” were guarantees given, which can be detailed as follows:

	30 June 2013	31 December 2012
Guarantees given:		
on tax claims	455,232,018	300,501,734
on municipal claims	5,830,745	6,095,992
others	21,580,989	26,207,255
Securities provided to subsidiaries (a)	207,579,980	172,973,984

a) Guarantees given to Tax Authorities in favor of subsidiaries to defer tax claims.

The amount of guarantees related to tax claims include 329.6 million euro (296.7 million euro as at 31 December 2012) related to appeals against additional corporate income tax assessments, as well as guarantees amounting to 322.9 million euro related to VAT proceedings (166.4 million euro as at 31 December 2012).

Food and specialised based retail subsidiaries of the Company, granted guarantees in favour of the Portuguese Tax Administration, associated with tax claims for VAT, amounting to 350.4 million euro (193.9 million euro as at 31 December 2012) related to the period from 2004 to 2009, for which the Company has presented, or has the intention of presenting, a tax appeal. Portuguese tax authorities claim that the Company should have invoiced VAT related to promotional discounts invoiced to suppliers which depend on the purchases made by the Group during the year, as it considers that the discounts correspond to services rendered by the company. Tax authorities also claim that the company should not have deducted VAT from discount vouchers used by its non-corporate clients.

In concern to the Guarantees granted the most relevant tax claims refer to: i) 60 million euro as a result of a tax appeal presented by Sonae concerning an additional tax assessment by Tax authorities, relating to 31 December 2005, following the correction of taxable income for that period as Tax authorities did not accept the recognition of tax losses incurred after the liquidation of a subsidiary of Sonae Investimentos, since it considered that the cover of losses in that subsidiary should not be part of the cost of acquisition of that investment, which is not in accordance with previous assessments of Tax Authorities; and ii) the amount of 50 million euro, following a tax appeal presented by the Company concerning additional tax assessments made by Tax authorities, relating to 31 December 2002, which refer to the non-acceptance by Tax authorities of tax losses related to the sale and liquidation of a subsidiary of the Group.

The caption “Guarantees given on tax claims” also includes a granted guarantee on a tax claim of a subsidiary in Brazil of approximately 22.7 million euro (65.6 million Brazilian real), which is being judged by tax court, and the difference refers to accruals, (65.6 million Brazilian real as at 31 December 2012).

In addition to the Guarantees disclosed above 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 30 June 2013, the amount claimed by the Brazilian Tax Authorities concerning the tax lawsuits still in progress, which the company's lawyers assess as having a high

probability of loss plus the amounts already paid (26 million euro) related to programmes for the Brazilian State of tax recovery amount to near 39.3 million euro (39.3 million euro as at 31 December 2012). Furthermore, there are other tax lawsuits totalling 61.3 million euro (61.3 million euro as at 31 December 2012) for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary.

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

24 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Parent company	574,384	549,506	1,427,507	803,625
Jointly controlled companies	806,337	648,852	2,248,714	1,774,967
Associated companies	15,115,167	16,899,932	69,774	3,365,599
Other related parties ⁽¹⁾	29,024,389	27,218,617	29,605,904	29,874,151
	<u>45,520,277</u>	<u>45,316,907</u>	<u>33,351,899</u>	<u>35,818,342</u>

Transactions	Interest income		Interest expenses	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Parent company	-	-	15,705,256	16,251,445
Jointly controlled companies	205,728	165,724	-	-
Associated companies	272,292	571,212	-	-
Other related parties ⁽¹⁾	167	-	2,198,524	460,985
	<u>478,187</u>	<u>736,936</u>	<u>17,903,780</u>	<u>16,712,430</u>

Balances	Accounts receivable		Accounts payable	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Parent company	425,701	404,416	51,986,747	2,306,676
Jointly controlled companies	386,052	315,594	522,290	405,529
Associated companies	6,538,513	6,039,723	303,348	412,093
Other related parties ⁽¹⁾	16,853,644	18,464,066	20,610,100	22,117,155
	<u>24,203,910</u>	<u>25,223,799</u>	<u>73,422,485</u>	<u>25,241,453</u>

Balances	Loans			
	Obtained		Granted	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Parent company (Note 19)	347,400,000	347,400,000	-	-
Jointly controlled companies	-	-	7,099,636	7,939,822
Associated companies	-	-	8,665,429	19,451,742
Other related parties ⁽¹⁾	57,216,289	57,216,289	-	-
	<u>404,616,289</u>	<u>404,616,289</u>	<u>15,765,065</u>	<u>27,391,564</u>

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

The amounts recorded as loans granted from other relating parties represent borrowings from shareholders of subsidiary companies which bear interests at market rates.

Granted loans to associated companies, refer to values of loans granted to associate MDS, SGPS, SA 8,449,742 euro (18,451,742 euro as at 31 December 2012).

25 INCOME TAX

Income tax for the six months period ended on 30 June 2013 and 2012 is detailed as follows:

	30 June 2013	30 June 2012
Current tax	7,407,087	9,177,484
Deferred tax	(5,488,024)	(7,041,806)
	<u>1,919,063</u>	<u>2,135,678</u>

26 EARNINGS PER SHARE

Earnings per share for the six months period ended on 30 June 2013 and 2012 were calculated taking into consideration the following amounts:

	30 June 2013	30 June 2012
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	12,515,648	(3,772,560)
Net profit taken into consideration to calculate diluted earnings per share	<u>12,515,648</u>	<u>(3,772,560)</u>
Number of shares		
Weighted average number of shares used to calculated basic earnings per share	900,000,000	900,000,000
Weighted average number of shares used to calculated diluted earnings per share	<u>900,000,000</u>	<u>900,000,000</u>
Earnings per share (basic and diluted)	<u>0.013906</u>	<u>(0.004192)</u>

On 30 June 2013 and 2012 there is no dilutive effect on the number of shares outstanding.

27 SEGMENT INFORMATION

The contribution of the main segments for the six months period ended on 30 June 2013 and 2012 can be detailed as follows:

	Sonae MC	Sonae SR	Sonae RP	Eliminations and others	Total
30 June 2013					
Turnover	1,584,188,898	517,512,988	61,645,792	(37,180,922)	2,126,166,756
Amortisation, provisions and impairment losses	42,222,043	36,478,166	15,266,021	2,290,659	96,256,889
EBIT direct	65,167,504	(55,840,013)	40,137,714	3,225,200	52,690,406
Invested capital	439,378,910	321,091,200	1,332,478,365	109,069,496	2,202,017,972
Sales area [000 m ²]	560	407	-	61	1,028

	Sonae MC	Sonae SR	Sonae RP	Eliminations and others	Total
30 June 2012					
Turnover	1,535,289,977	559,654,794	59,509,799	(41,864,134)	2,112,590,436
Amortisation, provisions and impairment losses	43,774,377	32,354,903	15,162,678	1,813,709	93,105,667
EBIT direct	54,086,450	(60,976,423)	39,059,836	6,186,505	38,356,368
Invested capital	449,169,264	419,706,691	1,351,835,091	125,174,791	2,345,885,837
Sales area [000 m ²]	550	414	-	60	1,024

Sonae MC

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

Sonae SR

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

Sonae RP

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

Others

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

EBIT

Turnover + Other income – Operational costs + Gains / losses on sales of businesses – Amortisations, provisions and impairment losses.

Direct Ebit

EBT + financial result + others results

Invested Capital

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

28 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 19 August 2013.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Condensed individual financial statements

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2013 AND 2012 AND 31 DECEMBER 2012

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

(Amounts expressed in euro)

ASSETS	Notes	30.June.2013	30.June.2012	31.December.2012
NON-CURRENT ASSETS:				
Tangible assets		41	73	60
Intangible assets		567	2,440	1,225
Investments in affiliated companies	4	2,654,028,614	2,650,329,951	2,653,628,614
Deferred tax assets	5	8,464,150	6,797,434	28,070
Other non-current assets	6	1,108,807,115	1,436,870,447	1,092,008,435
Total non-current assets		<u>3,771,300,487</u>	<u>4,094,000,345</u>	<u>3,745,666,404</u>
CURRENT ASSETS:				
Trade accounts receivable and other current assets	7	335,292,343	231,763,396	214,627,839
Cash and cash equivalents	8	8,077,039	22,891,891	94,502,364
Total current assets		<u>343,369,382</u>	<u>254,655,287</u>	<u>309,130,203</u>
TOTAL ASSETS		<u>4,114,669,869</u>	<u>4,348,655,632</u>	<u>4,054,796,607</u>
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	9	1,000,000,000	1,000,000,000	1,000,000,000
Reserves and retained earnings		1,295,076,026	1,329,382,832	1,329,382,832
Profit for the period		12,782,379	13,534,782	5,693,194
TOTAL EQUITY		<u>2,307,858,405</u>	<u>2,342,917,614</u>	<u>2,335,076,026</u>
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	10	800,673,247	973,902,608	685,223,377
Deferred tax liabilities		-	784	237
Other non-current liabilities	11	400,000,000	400,000,000	400,000,000
Total non-current liabilities		<u>1,200,673,247</u>	<u>1,373,903,392</u>	<u>1,085,223,614</u>
CURRENT LIABILITIES:				
Loans	10	188,785,859	169,266,760	202,728,175
Trade accounts payable and other current liabilities	12	417,352,358	462,567,866	431,768,792
Total current liabilities		<u>606,138,217</u>	<u>631,834,626</u>	<u>634,496,967</u>
TOTAL EQUITY AND LIABILITIES		<u>4,114,669,869</u>	<u>4,348,655,632</u>	<u>4,054,796,607</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL INCOME STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013 AND 2012

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

(Amounts expressed in euro)

	Notes	2 nd Quarter 2013	2 nd Quarter 2012	30.June.2013	30.June.2012
Services rendered		449,333	462,422	899,333	926,152
Gains or losses on investments	15	190,743	-	20,111,854	24,646,376
Financial income	16	24,724,692	12,776,125	30,721,948	26,338,953
Other income		213,989	71,642	381,793	140,734
External supplies and services		(1,055,909)	(752,844)	(2,074,343)	(1,260,323)
Staff costs		(6,814)	1,611	(18,053)	(6,202)
Depreciation and amortisation		(62)	(615)	(669)	(1,229)
Provisions and impairment losses		(19,851)	-	(39,703)	-
Financial expense	16	(21,150,771)	(20,469,505)	(39,261,813)	(40,570,512)
Other expenses		(11,790)	(4,596)	(234,012)	(306,505)
Profit/(Loss) before taxation		<u>3,333,560</u>	<u>(7,915,760)</u>	<u>10,486,335</u>	<u>9,907,444</u>
Taxation		<u>(775,540)</u>	<u>1,926,876</u>	<u>2,296,044</u>	<u>3,627,338</u>
Profit/(Loss) after taxation		<u>2,558,020</u>	<u>(5,988,884)</u>	<u>12,782,379</u>	<u>13,534,782</u>
Profit/(Loss) per share	17	<u>0.0028</u>	<u>(0.0067)</u>	<u>0.0142</u>	<u>0.0150</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 JUNE 2013 AND 2012

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

(Amounts expressed in euro)

	<u>2nd Quarter 2013</u>	<u>2nd Quarter 2012</u>	<u>30.June.2013</u>	<u>30.June.2012</u>
Net Profit / (Loss) for the period	2,558,020	(5,988,884)	12,782,379	13,534,782
Total comprehensive income for the period	<u>2,558,020</u>	<u>(5,988,884)</u>	<u>12,782,379</u>	<u>13,534,782</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AS AT 30 JUNE 2013 AND 2012

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

(Amounts expressed in euro)

	Reserves and retained earnings				Net Profit/(Loss)	Total
	Share capital	Legal reserve	Other reserves and retained earnings	Total reserves and retained earnings		
Balance as at 1 January 2012	1,000,000,000	139,614,881	1,194,909,392	1,334,524,273	14,858,559	2,349,382,832
Total comprehensive income for the period	-	-	-	-	13,534,782	13,534,782
Appropriation of profit of 2011:						
Transfer to legal reserves and other reserves	-	742,928	-	742,928	(742,928)	-
Dividends distributed	-	-	(5,884,369)	(5,884,369)	(14,115,631)	(20,000,000)
Balance as at 30 June 2012	<u>1,000,000,000</u>	<u>140,357,809</u>	<u>1,189,025,023</u>	<u>1,329,382,832</u>	<u>13,534,782</u>	<u>2,342,917,614</u>
Balance as at 1 January 2013	1,000,000,000	140,357,809	1,189,025,023	1,329,382,832	5,693,194	2,335,076,026
Total comprehensive income for the period	-	-	-	-	12,782,379	12,782,379
Appropriation of profit of 2012:						
Transfer to legal reserves and other reserves	-	284,660	-	284,660	(284,660)	-
Dividends distributed	-	-	(34,591,466)	(34,591,466)	(5,408,534)	(40,000,000)
Balance as at 30 June 2013	<u>1,000,000,000</u>	<u>140,642,469</u>	<u>1,154,433,557</u>	<u>1,295,076,026</u>	<u>12,782,379</u>	<u>2,307,858,405</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2013 AND 2012

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

(Amounts expressed in euro)

	Notes	2 nd Quarter 2013	2 nd Quarter 2012	30.June.2013	30.June.2012
OPERATING ACTIVITIES					
Net cash flow from operating activities (1)		<u>(509,328)</u>	<u>(2,453,335)</u>	<u>(585,309)</u>	<u>(3,152,855)</u>
INVESTMENT ACTIVITIES					
Cash receipts arising from:					
Tangible assets		-	-	21	-
Interest and similar income		344,731	896,144	18,279,152	30,850,468
Dividends		20,111,854	21,896,376	20,111,854	24,646,376
Loans granted		313,378,532	293,707,268	616,646,516	509,022,760
		<u>333,835,117</u>	<u>316,499,788</u>	<u>655,037,543</u>	<u>564,519,604</u>
Cash payments arising from:					
Investments		(400,000)	(210,000)	(400,000)	(210,000)
Tangible assets		-	-	-	(492)
Loans granted		<u>(315,252,401)</u>	<u>(174,742,190)</u>	<u>(733,626,792)</u>	<u>(377,704,347)</u>
		<u>(315,652,401)</u>	<u>(174,952,190)</u>	<u>(734,026,792)</u>	<u>(377,914,839)</u>
Net cash used in investment activities (2)		<u>18,182,716</u>	<u>141,547,598</u>	<u>(78,989,249)</u>	<u>186,604,765</u>
FINANCING ACTIVITIES					
Cash receipts arising from:					
Loans obtained		<u>1,329,437,450</u>	<u>1,838,599,000</u>	<u>2,764,250,427</u>	<u>3,385,799,150</u>
		<u>1,329,437,450</u>	<u>1,838,599,000</u>	<u>2,764,250,427</u>	<u>3,385,799,150</u>
Cash payments arising from:					
Loans obtained		(1,392,403,353)	(1,951,636,001)	(2,756,987,429)	(3,659,025,372)
Interest and similar charges		<u>(8,215,407)</u>	<u>(5,438,821)</u>	<u>(14,112,181)</u>	<u>(19,502,385)</u>
		<u>(1,400,618,760)</u>	<u>(1,957,074,822)</u>	<u>(2,771,099,610)</u>	<u>(3,678,527,757)</u>
Net cash used in financing activities (3)		<u>(71,181,310)</u>	<u>(118,475,822)</u>	<u>(6,849,183)</u>	<u>(292,728,607)</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(53,507,922)	20,618,441	(86,423,741)	(109,276,697)
Cash and cash equivalents at the beginning of the period	8	<u>61,584,818</u>	<u>2,263,175</u>	<u>94,500,637</u>	<u>132,158,313</u>
Cash and cash equivalents at the end of the period	8	<u>8,076,896</u>	<u>22,881,616</u>	<u>8,076,896</u>	<u>22,881,616</u>

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

The Board of Directors

SONAE INVESTIMENTOS, SGPS, SA

NOTES TO THE CONDENSED INDIVIDUAL FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2013

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

(Amounts expressed in euro)

1 INTRODUCTION

SONAE INVESTIMENTOS, SGPS, SA, “the Company” or “Sonae Investimentos” it’s a Portuguese Corporation, with head-office in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Matosinhos, Portugal.

The Company’s main activity is the management of shareholdings (Note 4).

These individual financial statements were not subject to a limited revision carried out by the company’s statutory external auditor.

2 BASIS OF PREPARATION

Interim Financial Statements are presented quarterly, in accordance with IAS 34 – “Interim Financial Reporting”.

3 PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those described in the file of the annual financial statements for the year ended 31 December 2012.

4 INVESTMENTS

As at 30 June 2013 and 31 December 2012, the investments caption is made up as follows:

Company	30.June.2013		31.December.2012	
	% held	Final balance	% held	Final balance
Azulino - Imobiliária, SA	100.00%	498,025	100.00%	498,025
Bertimóvel - Sociedade Imobiliária, SA	100.00%	1,565,000	100.00%	1,565,000
Canasta - Empreendimentos Imobiliários, SA	100.00%	112,000	100.00%	112,000
Chão Verde - Sociedade de Gestão Imobiliária, SA	100.00%	1,300,000	100.00%	1,300,000
Citorres - Sociedade Imobiliária, SA	100.00%	477,848	100.00%	477,848
Contimobe - Imobiliária do Castelo de Paiva, SA	100.00%	201,500,000	100.00%	201,500,000
Cumulativa - Sociedade Imobiliária, SA	100.00%	1,445,000	100.00%	1,445,000
Fozimo - Sociedade Imobiliária, SA	100.00%	24,940	100.00%	24,940
Fozmassimo - Sociedade Imobiliária, SA	100.00%	5,300,000	100.00%	5,300,000
Fundo de Investimento Imobiliário Fechado Imosede	54.55%	64,415,021	54.55%	64,415,021
Fundo de Investimento Imobiliário Imosonae Dois	74.94%	108,755,437	74.94%	108,755,437
Igimo - Sociedade Imobiliária, SA	100.00%	220,000	100.00%	220,000
Iginha - Sociedade Imobiliária, SA	100.00%	1,359,000	100.00%	1,359,000
Imoconti - Sociedade Imobiliária, SA	100.00%	380,000	100.00%	380,000
Imoestrutura - Sociedade Imobiliária,SA	100.00%	24,940	100.00%	24,940
Imomuro - Sociedade Imobiliária, SA	100.00%	660,000	100.00%	660,000
Imoresultado - Sociedade Imobiliária, SA	100.00%	109,736	100.00%	109,736
Imosistema - Sociedade Imobiliária, SA	100.00%	280,000	100.00%	280,000
MDS, SGPS, SA	46.92%	51,000,000	46.92%	51,000,000
MJLF - Empreendimentos Imobiliários, SA	100.00%	190,000	100.00%	190,000
Modelo - Distribuição de Materiais de Construção, SA	50.00%	24,790,614	50.00%	24,790,614
Modelo Hiper Imobiliária, SA	100.00%	10,655,164	100.00%	10,655,164
Modelo.Com - Vendas por Correspondência, SA	100.00%	12,637,016	100.00%	12,637,016
Mundo Vip - Operadores Turísticos, SA	33.34%	-	33.34%	-
Predicomercial - Promoção Imobiliária, SA	100.00%	6,372,293	100.00%	6,372,293
Raso, SGPS, SA	50.00%	15,474,000	50.00%	15,474,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	100.00%	565,000	100.00%	565,000
Sempre à Mão - Sociedade Imobiliária, SA	100.00%	2,130,558	100.00%	2,130,558
Sesagest - Projectos e Gestão Imobiliária, SA	100.00%	36,677,088	100.00%	36,677,088
Socijofra - Sociedade Imobiliária, SA	100.00%	550,000	100.00%	550,000
Sociloures - Sociedade Imobiliária, SA	100.00%	10,000,000	100.00%	10,000,000
Soflorin, BV	100.00%	257,309,037	100.00%	257,309,037
Sonae - Specialized Retail, SGPS, SA	100.00%	1,050,000,000	100.00%	1,050,000,000
Sonae Capital Brasil, SA	37.00%	7,308,307	37.00%	7,308,307
Sonae Center Serviços II, SA	100.00%	58,032,319	100.00%	58,032,319
Sonae MC - Modelo Continente, SGPS, SA	41.96%	600,000,000	41.96%	600,000,000
Sonaegest - Soc. Gest. de Fundos de Investimentos, SA	40.00%	384,351	40.00%	384,351
Sonaerp - Retail Properties, SA	100.00%	114,495,350	100.00%	114,495,350
Sondis Imobiliária, SA	100.00%	474,940	100.00%	474,940
Sonvecap, BV	100.00%	3,000,000	100.00%	3,000,000
Tlantic Portugal - Sistemas de Informação, SA	100.00%	1,468,316	100.00%	1,068,316
Valor N, SA	100.00%	2,087,315	100.00%	2,087,315
Total		<u>2,654,028,614</u>		<u>2,653,628,614</u>

5 DEFERRED TAX ASSETS

Deferred tax assets as at 30 June 2013 and 31 December 2012 are as follows, split between the different types of temporary differences:

	Assets	
	30.June.2013	31.December.2012
Tax losses	8,446,598	-
Others	17,552	28,070
	<u>8,464,150</u>	<u>28,070</u>

6 OTHER NON-CURRENT ASSETS

As at 30 June 2013 and 31 December 2012 the non-current assets were as follows:

	30.June.2013	31.December.2012
Loans granted	<u>1,108,807,115</u>	<u>1,092,008,435</u>
	<u>1,108,807,115</u>	<u>1,092,008,435</u>

The loans granted have a long term maturity, bear interests at market rates indexed to Euribor and their fair value is similar to their carrying amount.

During 2012 impairment over the loan granted to the associated Mundo Vip – Operadores Turísticos, SA was recognized.

As at 30 June 2013 and 31 December 2012 the other loans granted are no past due or impaired.

7 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2013 and 31 December 2012 the current assets were as follows:

	30.June.2013	31.December.2012
Trade accounts receivable	398,888	1,688,043
Group companies:		
Short term loans	230,392,803	129,359,208
Interests charged but not received	527,323	18,415,191
Taxes - Special Regime for taxation of groups of companies	36,849,362	26,447,000
Special regime for payment of tax and social security debts (DL 248-A)	4,778,747	4,778,747
Taxes recoverable	30,404,523	30,428,987
Other current assets	31,940,697	3,510,663
	<u>335,292,343</u>	<u>214,627,839</u>

Loans granted to group companies return interest at variable market rates indexed to Euribor and have a maturity less than one year.

The amount disclosed as 'Special regime for payment of tax and social security debts' relates to taxes claimed from tax authorities, being an understanding of Sonae Investimentos that the result of such claims will favour the Company. Therefore, there was no impairment losses recognized.

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

8 CASH AND CASH EQUIVALENTS

As at 30 June 2013 and 31 December 2012, cash and cash equivalents can be detailed as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Cash in hand	550	550
Bank deposits	8,076,489	54,402,147
Other treasury applications	-	40,099,667
Cash and cash equivalents on the balance sheet	<u>8,077,039</u>	<u>94,502,364</u>
Bank overdrafts (Note 10)	<u>(143)</u>	<u>(1,727)</u>
Cash and cash equivalents on the cash flow statement	<u>8,076,896</u>	<u>94,500,637</u>

Bank overdrafts are disclosed in the statement of financial position under the caption short term bank loans.

9 SHARE CAPITAL

As at 30 June 2013 and 31 December 2012, the share capital, which is fully subscribed and paid for, is made up by 1,000,000,000 ordinary shares, with a nominal value of 1 euro each.

A subsidiary company (Sonae – Specialized Retail, SGPS, SA) owns 100,000,000 shares of Sonae Investimentos. These shares are considered as treasury shares under the Commercial Companies Code, reason why the underlying rights to these shares are suspended.

As at 30 June 2013 and 31 December 2012, the subscribed share capital was held as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Sonae, SGPS, SA	76.8556%	76.8556%
Sonae Investments BV	13.1419%	13.1419%
Sonae - Specialized Retail, SGPS, SA	10.0000%	10.0000%
Libra Serviços, Sociedade Unipessoal, Lda	0.0025%	0.0025%

10 BORROWINGS

As at 30 June 2013 and 31 December 2012, this caption included the following loans:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Bonds Sonae Distribuição 2007/2015	200,000,000	200,000,000
Bonds Sonae Distribuição Setembro 2007/2015	155,000,000	155,000,000
Bonds Sonae Distribuição 2009/2014	-	10,000,000
Bonds Sonae Investimentos 2012/2017	170,000,000	170,000,000
Bonds Sonae Investimentos 2013/2018	50,000,000	-
Up-front fees not yet charged to income statement	<u>(2,152,099)</u>	<u>(2,261,608)</u>
Bond loans	<u>572,847,901</u>	<u>532,738,392</u>
Commercial paper	224,500,000	147,500,000
Other bank loans	3,333,333	5,000,000
Up-front fees not yet charged to income statement	<u>(7,987)</u>	<u>(15,015)</u>
Bank loans	<u>227,825,346</u>	<u>152,484,985</u>
Non-current loans	<u>800,673,247</u>	<u>685,223,377</u>

	<u>30.June.2013</u>	<u>31.December.2012</u>
Bonds Sonae Distribuição 2009/2014	18,000,000	16,000,000
Bonds Sonae Distribuição Setembro 2007/2015	155,000,000	155,000,000
Up-front fees not yet charged to income statement	(39,950)	(99,218)
Bond loans	<u>172,960,050</u>	<u>170,900,782</u>
Commercial paper	12,500,000	28,500,000
Other bank loans	3,333,333	3,333,333
Up-front fees not yet charged to income statement	(7,667)	(7,667)
Bank overdrafts (note 8)	<u>143</u>	<u>1,727</u>
Bank loans	<u>15,825,809</u>	<u>31,827,393</u>
Current loans	<u>188,785,859</u>	<u>202,728,175</u>

As at 30 June 2013 Sonae Investimentos has agreed lines of credit and commercial paper programs amounting 830 million euro, out of which 202 million with firm commitments with maturity not exceeding one year and 548 million euro with firm commitments with maturity over one year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, the company had 513 million euro credit facilities available to meet its liquidity requirements.

The interest rate as at 30 June 2013 of the bonds and bank loans was, on average, 2.28% (2.40% as at 31 December 2012).

11 OTHER NON-CURRENTS LIABILITIES

As at 30 June 2013 and 31 December 2012 this caption includes a subordinate bond loan, repayable in 10 years issued by Sonae Investimentos at market conditions. This loan was fully subscribed and paid for Sonae SGPS, SA on 28 December 2010 amounting to 400,000,000 euro, relating 8,000 bonds with nominal value of 50,000 euro each.

At 30 June 2013 the fair value of this bond loan is 41,137 euro (42,606 euro on 31 December 2012) per bond, and was determined based on discounted cash flows method.

12 TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

As at 30 June 2013 and 31 December 2012, this heading is made up as follows:

	<u>30.June.2013</u>	<u>31.December.2012</u>
Trade accounts payable	8,513	37,634
Group companies:		
Short term loans	308,478,280	402,548,615
Taxes - Special Regime for taxation of Shareholders	33,058,462	18,872,865
Taxes and contributions payable	40,000,000	-
Taxes and contributions payable	4,101,528	2,831,463
Others current liabilities	<u>31,705,575</u>	<u>7,478,215</u>
	<u>417,352,358</u>	<u>431,768,792</u>

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

13 CONTINGENT LIABILITIES

As at 30 June 2013 and 31 December 2012 the contingent liabilities were detailed as follows:

		30.June.2013	31.December.2012
Guarantees rendered:			
related to tax claims awaiting outcome	(a)	302,929,381	268,323,385
related to local and municipal claims awaiting outcome		28,938	28,938
others		10,734,861	10,883,112
Guarantees given in favour of subsidiaries	(b)	62,641,328	62,641,328

a) Includes the amount of 297,750,424 euro (263,144,428 euro as at 31 December 2012) referring to corporate income tax claims awaiting outcome and the amount of 5,178,957 euro (5,178,957 euro as at 31 December 2012) relating to stamp duty claims.

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

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

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

14 RELATED PARTIES

Main balances and transactions with related parties are detailed as follows:

	30.June.2013	31.December.2012
Balance:		
Parent company	72,046	72,094
Subsidiaries	67,315,265	45,931,390
Jointly controlled companies	154,757	139,822
Associated companies	717,640	962,875
Other related parties	9,156	9,155
Accounts receivable	68,268,864	47,115,336
Parent company	51,518,194	1,439,583
Subsidiaries	40,554,380	19,805,085
Associated companies	6,959	-
Other related parties	8,004,408	46,827
Accounts payable	100,083,941	21,291,495
Subsidiaries	1,319,258,490	1,195,591,641
Jointly controlled companies	6,946,722	7,800,000
Associated companies	13,994,706	18,976,002
Loans granted	1,340,199,918	1,222,367,643
Parent company	347,400,000	347,400,000
Subsidiaries	308,478,280	402,548,615
Other related parties	52,600,000	52,600,000
Loans obtained	708,478,280	802,548,615

	30.June.2013	30.June.2012
Transactions:		
Subsidiaries	499,998	499,998
Associated companies	399,335	426,154
Services rendered	899,333	926,152
Parent company	1,068,238	550,578
Subsidiaries	18	-
Associated companies	20,875	20,681
Other related parties	124	435
Purchases and services obtained	1,089,255	571,694
Parent company	67,377	258
Subsidiaries	277,848	137,177
Associated companies	118	119
Other income	345,343	137,554
Subsidiaries	29,519,388	25,286,310
Jointly controlled companies	205,728	165,724
Associated companies	353,847	571,212
Interest income	30,078,963	26,023,246
Parent company	15,705,256	16,249,985
Subsidiaries	8,721,661	5,916,740
Interest expenses	24,426,917	22,166,725
Subsidiaries	20,111,854	24,646,376
Dividend income	20,111,854	24,646,376

All Sonae, SGPS, S.A. and Efanor Investimentos SGPS, SA subsidiaries, associates and joint ventures are considered related parties and are identified in Consolidated Financial Statements.

During 1st half 2013 and 2012 did not occurred any transactions including granted loans with the Company's Directors.

15 INVESTMENT INCOME

As at 30 June 2013 and 2012 investment income is as follows:

	30.June.2013	30.June.2012
Dividends received	20,111,854	24,646,376
	20,111,854	24,646,376

16 FINANCIAL INCOME / EXPENSES

As at 30 June 2013 and 2012, net financial expenses are as follows:

	30.June.2013	30.June.2012
Interest receivable		
related to bank deposits	336,355	315,706
related to loans granted	30,040,354	25,983,544
others	345,239	39,703
Financial income	30,721,948	26,338,953
Interest payable		
related to bank deposits and overdrafts	(3,426,412)	(4,428,383)
related to non convertible bonds	(8,136,766)	(11,101,036)
related to loans obtained	(24,426,977)	(22,166,725)
Others financial expenses		
up front fees on the issuance of debt	(3,060,558)	(2,771,563)
others	(211,100)	(102,805)
Financial expenses	(39,261,813)	(40,570,512)

17 EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2013 and 2012 were calculated taking into consideration the following amounts:

	30.June.2013	30.June.2012
Net Profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	12,782,379	13,534,782
Net profit taken into consideration to calculate diluted earnings per share	12,782,379	13,534,782
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	900,000,000	900,000,000
Weighted average number of shares used to calculate diluted earnings per share	900,000,000	900,000,000
Earnings per share (basic and diluted)	0.0142	0.0150

18 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 19 August 2013.

19 INFORMATION REQUIRED BY LAW

Decree-Law n^{er} 318/94 art. 5th n^{er} 4th

During the period ended as at 30 June 2013 shareholders' loan contracts were signed with the following companies:

Soflorin, BV

During the period ended as at 30 June 2013, treasury application agreements were signed with the following companies:

Imoresultado – Sociedade Imobiliária, SA

Pharmaconcept Actividades em Saúde, SA

Raso, SGPS, SA

Raso - Viagens e Turismo, SA

Sonae Center Serviços II, SA

Tlantic Portugal - Sistemas de Informação, SA

The amounts due to group companies as at 30 June 2013 related to the mentioned contracts were the following:

Company	30.June.2013
Contibomba - Comércio e Distribuição de Combustíveis, SA	667,344
Fashion Division, SA	10,376,344
Fozmassimo - Sociedade Imobiliária, SA	1,098,344
Modelo Continente Hipermercados, SA	236,894,015
Modelo Hiper Imobiliária, SA	2,499,344
Modelo.Com - Vendas por Correspondência, SA	6,393,344
Pharmaconcept - Actividades em Saúde, SA	34,460
Sesagest - Projectos e Gestão Imobiliária, SA	3,614,344
Sonae Center Serviços II, SA	3,138,344
Sonae MC - Modelo Continente, SGPS, SA	43,574,141
Tlantic Portugal - Sistemas de Informação, SA	188,256
	<u>308,478,280</u>

As at 30 June 2013 amounts owed by subsidiaries can be detailed as follows:

Company	30.June.2013
Azulino - Imobiliária, SA	3,818,830
BB Food Service, SA	492,656
Bom Momento - Comércio Retalhista, SA	482,656
Bertimóvel - Sociedade Imobiliária, SA	23,335,849
Canasta - Empreendimentos Imobiliários, SA	1,906,864
Chão Verde - Sociedade de Gestão Imobiliária, SA	5,046,656
Citorres - Sociedade Imobiliária, SA	2,836,706
Contimobe - Imobiliária do Castelo de Paiva, SA	38,937,225
Continente Hipermercados, SA	31,886,656
Cumulativa - Sociedade Imobiliária, SA	1,955,989
Farmácia Seleção, SA	1,757,771
Fozimo - Sociedade Imobiliária, SA	1,477,957
Igímo - Sociedade Imobiliária, SA	2,503,656
Igíinha - Sociedade Imobiliária, SA	18,492,456
Imoconti - Sociedade Imobiliária, SA	12,069,380
Imoestrutura - Sociedade Imobiliária, SA	141,706
Imomuro - Sociedade Imobiliária, SA	13,301,603
Imoresultado - Sociedade Imobiliária, SA	475,656
Imosistema - Sociedade Imobiliária, SA	3,907,298
MJLF - Empreendimentos Imobiliários, SA	2,844,842
Modelo - Distribuição de Materiais de Construção, SA	4,544,964
Mundo Vip - Operadores Turísticos, SA	1,000,000
MDS SGPS, SA	8,449,742
Pharmacontinente - Saúde e Higiene, SA	9,048,656
Predicomercial - Promoção Imobiliária, SA	5,957,966
Raso - Viagens e Turismo, SA	296,722
Raso, SGPS, SA	6,650,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	2,858,632
Sempre à Mão - Sociedade Imobiliária, SA	47,417,591
Socijofra - Sociedade Imobiliária, SA	5,900,125
Sociloures - Sociedade Imobiliária, SA	19,354,915
Soflorin, BV	192,249,415
Sonae MC - Modelo Continente, SGPS, SA	5,344,000
Sonae - Specialized Retail, SGPS, SA	660,648,063
Valor N, SA	3,232,188
	<u>1,340,199,918</u>

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério