



Press Release – April 29th 2004

In the first quarter of 2004

Sonae Imobiliária's Direct Income grows 12,4%

- **Net Consolidated Profit of €12 million**
- **EBITDA reached €23 million, a 6,2% growth**
- **Shopping and Leisure Centre “Dos Mares” inaugurated**
- **Sintra Retail Park sold to the Continental Europe Retail Fund**

Sonae Imobiliária's Net Consolidated Profit after Minority Interests (non-audited) reached € 12,14 million. In the same period of last year, the Net Consolidated Profit reached €16 million. However, this didn't include the minority interests from the sale of 49,9% of the SIERRA Fund. The Net Consolidated Profit before Minority Interests grew 26% reaching €20 million.

In consolidated terms, Sonae Imobiliária ended the first quarter of 2004 with a Direct Income of €63.9 million, which represents a growth of 12,4% versus the same period of last year.

EBITDA reached € 23 million, which compared to the € 21.7 million of the first quarter of 2003, represents a growth of 6,2%, despite the sale of 50% of Vasco da Gama to ING Real Estate in March 2003 – with the consequent reduction in rents and services fees – EBITDA was positively influenced by the opening of Parque Atlântico, Coimbra Retail Park and Estação Viana, and also by the conclusion of the CascaiShopping expansion in 2003.

Indirect Profits from investments reached €13.5 million, corresponding to the sale of Sintra Retail Park, which generated a profit of about €1.98 million, and to the total value created by the Dos Mares Centre, of €1.5 million, at the date of its inauguration.

The company's solid financial situation is reflected by a leverage (net indebtedness in asset percentage minus available funds) of 24,3%.

MAIN EVENTS

During the period between 31/12/03 and today, the following events are worth highlighting:

- Shopping and Leisure Centre 'Dos Mares', held by Sonae Imobiliária (65%) and the Eroski Group (35%), opened its doors to the public on March 31st. With a total investment of €36,5 million and 24.257m² of GLA, it's the largest development of its kind in the Spanish region of La Manga, and it recreates the Mediterranean spirit. The centre was inaugurated with 59 of the 76 shops already let, more than 88% of its gross lettable area.
- In February, the Sintra Retail Park, in Portugal, held in equal shares with Miller Development, was sold for €29,7 million to the Continental Europe Retail Fund, a British fund managed by Pillar Property PLC.
- The Avenida M40 opened its doors to the public on April 20th, aiming at becoming one of the main shopping and leisure destinations for the more than two million inhabitants of the southern area of Madrid. Held by Sonae Imobiliária (60%) and the Eroski Group (40%), it represents a total investment of €105 million, with 48.360 m² of GLA, and more than 92% of its business surface is already let.
- CascaiShopping was distinguished by the International Council of Shopping Centres (ICSC) with the award for Best Shopping Centre Expansion and Renovation in 2003.
- Boavista Shopping, Sonae Imobiliária's new Shopping and Leisure Centre in Brazil, opened its doors to the public on April 27th in Santo Amaro, one of the largest neighbourhoods of São Paulo. Sonae Imobiliária owns 97,5% of the Centre, and the other 2,5% are owned by Brazilian company Enplanta Engenharia, our partner in Brazil. With 23.800 m² of GLA, it represents an investment of €19.9 million and is regarded as the true symbol of evolution in the region.

SHOPPING CENTRES FULFIL POSITIVE EXPECTATIONS

The global performance of Sonae Imobiliária's shopping and leisure centres as a whole was in line with expectations for the 1st quarter of 2004, despite the slow and slender recovery of the economy.

In Portugal, rent income in the first quarter grew 6,2% versus the same period of last year, and tenant sales grew 3,9% on an equivalent basis – therefore not including Parque Atlântico, Coimbra Retail Park and Estação Viana.

Sonae Imobiliária owns or co-owns 14 Shopping Centres and 1 Retail Park in Portugal, with a total Gross Lettable Area (GLA) of 644 thousand square meters.

In the Shopping Centre Development Business in Portugal, the construction of LoureShopping progresses in good rhythm and the construction of Covilhã and Seixal Shoppings should start in the next few months – all scheduled to be inaugurated in the Fall of 2005.

In Spain, the portfolio of shopping centres managed by Soane Imobiliária had a good performance. Total sales grew 12,2% in the first quarter versus the same period of last year, due to the 2,7 % increase in visits.

In Spain, Sonae Imobiliária now owns or co-owns, with the inauguration of Shopping and Leisure Centres Dos Mares in March and Av. M40 in April, 8 Shopping Centres, representing a total of about 384 thousand square meters of GLA.

In the Shopping Centre Development Business in Spain, the construction and letting of Luz del Tajo in Toledo, co-developed by the Eroski Group, and Zubiarte, in Bilbao, co-developed by ING, progress in good rhythm, and are scheduled to be inaugurated this Fall.

As for the other two ongoing projects in this country, the construction of Plaza Éboli, in Pinto, Madrid, a co-development with the Eroski Group, progresses in good rhythm, and is scheduled to be inaugurated in

the Spring of 2005. The construction of the Plaza Mayor Shopping, in Malaga, co-developed with Castle City, will start soon.

In Germany, the development and marketing of the 3DO, in Dortmund, and the AlexanderPlatz in Berlin continue. For the latter, construction begins in late 2004.

In Italy, we are working on the licensing of the Brescia Center so as to begin construction still in 2004.

In Greece, the construction of the Mediterranean Cosmos in Thessalonika, co-developed by Sonae Charagionis and the Lamda Development Group progresses in good rhythm, and is scheduled to be inaugurated in the Spring of 2005. Efforts continue to be made towards the acquisition of the necessary licenses to develop the Aegean Park in Athens, a co-development with the Charagionis Group.

In Brazil, Sonae Imobiliária now owns or co-owns, with the inauguration of Boavista Shopping in April, 7 Shopping Centres, representing a total of 246 thousand square meters of GLA.

In local currency, sales grew 13,3% in comparison to the same quarter of 2003.

In the Shopping Centre development business in Brazil, the construction of Shopping Penha, in the eastern area of São Paulo, continues and is scheduled to be inaugurated this Fall.

Annex: Consolidated Results, Consolidated Balance and Balance Demonstration per Business (non audited).

Sonae Imobiliária

Consolidated Profit and Loss Account (€000)	1Q04	1Q03	% 04/03
Direct Income from Investments	63.881	56.820	12,4%
Operating costs	37.040	31.947	16%
Other costs	3.809	3.184	20%
Direct costs from investments	40.849	35.131	16%
EBITDA	23.032	21.689	6,2%
Depreciation	1.106	445	149%
Recurrent net financial costs	7.439	7.670	-3%
Direct profit before taxes	14.487	13.574	7%
Corporate tax	2.614	5.684	-54%
Direct profit	11.873	7.890	50%
Realized on properties	1.975	8.173	-76%
Value created on investments	11.491	0	-
Indirect income	13.466	8.173	65%
Deferred tax	5.293	97	-
Indirect profit	8.174	8.077	1%
Net profit before minorities	20.047	15.966	26%
Minorities	7.911	-51	-
Net profit	12.136	16.018	-24%

Sonae Imobiliária

Consolidated Balance Sheet (€000)	31-03-2004	31-12-2003	Var. (04 - 03)
Investment properties	1.605.541	1.582.306	-23.236
Properties under development and others	251.668	231.088	-20.579
Goodwill	9.215	9.484	268
Deferred taxes	17.075	17.513	439
Other assets	110.886	134.044	23.158
Deposits	291.640	290.267	-1.373
Total assets	2.286.025	2.264.701	-21.324
Net worth	757.133	747.220	-9.912
Minorities	200.897	194.630	-6.267
Bank loans	776.882	764.778	-12.104
Shareholder loans from minorities	119.324	135.966	16.641
Deferred taxes	265.757	265.253	-504
Other liabilities	166.031	156.854	-9.177
Total liabilities	1.327.995	1.322.851	-5.144
Net worth, minorities and liabilities	2.286.025	2.264.701	-21.324

Sonae Imobiliária Assets

Profit & Loss Account (€000)	1Q04	1Q03	% 04/03
Fixed rental income	25.709	24.045	7%
Turnover rental income	935	1.081	-13%
Key-money	1.760	2.368	-26%
Other income	982	668	47%
Retail operating income	29.386	28.161	4%
Property management services	1.887	1.814	4%
Letting & promotion	345	343	1%
Capital expenditure	868	773	12%
Other costs	2.847	2.629	8%
Retail operating costs	5.947	5.559	7%
Retail operating margin	23.439	22.602	4%
Parking operating margin	861	877	-2%
Co-generation operating margin	205	204	0%
Shopping centre net operating margin	24.504	23.683	3%
Offices operating margin	82	77	8%
Overheads	1.229	1.043	18%
EBITDA	23.357	22.716	3%
Depreciation	720	776	-7%
Provisions	75	155	-51%
Recurrent net financial costs/(income)	4.980	8.168	-39%
Non-recurring costs/(income)	(39)	(325)	88%
Direct profit before taxes	17.621	13.944	26%
Corporate tax	4.273	5.330	-20%
Direct profit	13.348	8.614	55%
Gain on sale of properties	1.975	8.173	-76%
Value created on properties	0	0	-
Indirect income	1.975	8.173	-76%
Deferred tax	344	1.021	-66%
Indirect profit	1.631	7.152	-77%
Net profit before minorities	14.978	15.766	-5%
Minorities	5.605	0	-
Net profit	9.373	15.766	-41%

Sonae Imobiliária Development

Profit & Loss Account (€000)	1Q04	1Q03	% 04/03
Development services rendered	1.697	1.680	1%
Operating costs	4.728	4.168	13%
EBITDA	(3.031)	(2.488)	-22%
Depreciation and provisions	17	29	-40%
Net financial costs/(income)	99	(303)	133%
Non-recurring costs/(income)	1	0	-
Direct profit before taxes	(3.148)	(2.214)	-42%
Corporate tax	(397)	(406)	2%
Direct profit	(2.751)	(1.808)	-52%
Realized on investments	3.054	0	-
Value created on properties under development	2.331	1.715	36%
Indirect income	5.386	1.715	214%
Deferred tax	(35)	(29)	-23%
Indirect profit	5.421	1.744	211%
Net profit	2.670	(64)	-

Sonae Imobiliária Property Management

Profit & Loss Account (€000)	1Q04	1Q03	% 04/03
Property management fees	4.343	4.203	3%
Letting fees	1.103	644	71%
Other income	561	334	68%
Income from prop. management services	6.008	5.181	16%
Operating costs	4.083	3.632	12%
EBITDA	1.925	1.548	24%
Depreciation	301	362	-17%
Net financial costs/(income)	(173)	(181)	4%
Non-recurring costs/(income)	0	(3)	106%
Profit before taxes	1.796	1.370	31%
Corporate tax	486	554	-12%
Net profit before minorities	1.310	816	60%
Minorities	3	0	-
Net profit	1.307	816	60%

Sonae Imobiliária Brasil

Profit & Loss Account (€000)	1Q04	1Q03	% 04/03
Fixed rental income	2.000	1.635	22%
Turnover rental income	141	112	26%
Key-money	130	239	-45%
Other income	64	77	-17%
Retail operating income	2.336	2.063	13%
Property management services	67	57	18%
Letting & promotion services	17	405	-96%
Other costs	522	373	40%
Retail operating costs	607	835	-27%
Parking operating margin	(1)	2	-157%
Shopping centre net operating margin	1.728	1.230	40%
Income from project development services	134	125	7%
Income from property management services	298	271	10%
Income from services rendered	432	396	9%
Overheads	899	831	8%
EBITDA	1.262	795	59%
Depreciation	28	19	47%
Provisions	227	148	54%
Net financial costs/(income)	2.787	217	-
Non-recurring costs/(income)	0	(13)	100%
Direct profit before taxes	(1.780)	424	-
Corporate tax	(666)	25	-
Direct Profit	(1.115)	399	-379%
Value created on properties	(0)	0	-
Value created on properties under development	1.123	0	-
Indirect income	1.123	0	-
Deferred tax	(58)	(815)	93%
Indirect profit	1.181	815	45%
Net profit before minorities	67	1.214	-95%
Minorities	27	0	-
Net profit	40	1.214	-97%

Maia, April 29th 2004

The Board of Directors