

Maia, April 28th 2006

End of 1st quarter 2006

Sonae Sierra shows Net Profit of €21.95 million

- EBITDA grows 28% to €37.05 million
- Direct Profit increases 58% to €21.28 million
- NAV per share reached €39.02
- Owner or co-owner of 39 Shopping and Leisure Centres with more than 1.6 million m² of GLA;

Sonae Sierra's Consolidated Net Profit (after Minority Holdings) was €21.95 million in the first quarter of 2006. This figure represents an increase of 1% compared to the same period of last year.

The growth of Sonae Sierra's activity in the first three months of 2006 was very positive, with the Direct Profit reaching €21.28 million in this period, up 58% compared with the same period of last year. EBITDA was €37.05 million, 28% more than the first quarter of last year. These increases are mainly due to the inaugurations and acquisitions of new shopping centres, and to the renewal of important contracts in the vast portfolio under management.

In the last quarter of 2005 alone, three new centres were inaugurated - LoureShopping and Serra Shopping, in Portugal, and Mediterranean Cosmos, in Greece - joined by the acquisitions of Valecenter and Airone, in Italy, as well as Plaza Sul, in Brazil. In the first quarter of this year (last March) RioSul Shopping, in Seixal, Portugal, was inaugurated.

New developments

Sonae Sierra continues to pursue its expansion strategy, developing a significant portfolio of projects in different stages of development, to which new business opportunities may be added, in markets where the Company is already present, or even in new markets.

Among the most significant ongoing developments we highlight, in Portugal, Setúbal Retail Park and São João da Madeira Shopping, and in Spain, Plaza Mayor Shopping (Malaga), in partnership with Castle City (75/25), El Rosal (Ponferrada), in partnership with the Mall Group (70/30).

In Italy, Sonae Sierra has four ongoing projects at present: Biella (Biella) and Caselle (Turin), of which it is the sole owner, and Freccia Rossa (Brescia) and La Spezia (Spezia), in partnership with AIG/Coimpredil (40/50/10) and ING Real Estate Development (50/50), respectively.

In Germany, the undertakings currently being developed are 3Do (Dortmund) of which Sonae Sierra owns 100%, and Alexa (Berlin) in partnership with Foncière Euris (50/50).

In Greece, we continue the efforts in partnership with the Charagionis Group, to develop Aegean Park (Athens).

Finally, in Brazil, Sierra Enplanta is building Shopping Campo Limpo (São Paulo) in partnership with Tivoli EP.

Sonae Sierra, www.sonaesierra.com, is an international shopping centre specialist, with a passion for bringing innovation and excitement to the shopping and leisure centre industry. The Company owns or co-owns 39 Shopping Centres in Portugal, Spain, Italy, Greece and Brazil, with a total Gross Lettable Area (GLA) of more than 1,6 million m². Currently, Sonae Sierra is developing 13 more projects in Portugal, Spain, Italy, Germany, Greece and Brazil, with a total GLA of more than 490.000 m².

Attached: Sonae Sierra's Consolidated Profit and Loss Account, and Consolidated Balance Sheet

Sonae Sierra

| Consolidated Profit and Loss Account (€ 000) | 1st Quarter 2006 | 1st Quarter 2005 | % 06/05 |
|---|------------------------|------------------------|-------------|
| Direct Income from Investments | 60.371 | 49.861 | 21% |
| Operating costs | 21.594 | 19.485 | 11% |
| Other costs | 1.724 | 1.349 | 28% |
| Direct costs from investments | 23.318 | 20.834 | 12% |
| EBITDA | 37.053 | 29.027 | 28% |
| Depreciation | 414 | 531 | -22% |
| Recurrent net financial costs | 10.493 | 9.762 | 7% |
| Direct profit before taxes | 26.146 | 18.734 | 40% |
| Corporate tax | 4.871 | 5.311 | -8% |
| Direct profit | 21.275 | 13.423 | 58% |
| Realized on properties | 1.188 | 554 | 114% |
| Value created on investments | 10.232 | 9.399 | 9% |
| Indirect income | 11.420 | 9.953 | 15% |
| Deferred tax | 6.093 | -4.155 | 247% |
| Indirect profit | 5.327 | 14.109 | -62% |
| Net profit before minorities | 26.602 | 27.532 | -3% |
| Attributable to : | | | |
| Equity holders | 21.953 | 21.655 | 1% |
| Minority interests | 4.649 | 5.877 | -21% |

Sonae Sierra

| Consolidated Balance Sheet (€ 000) | 31-03-2006 | 31-12-2005 | Var. (06 - 05) |
|--|------------------|------------------|-------------------|
| Investment properties | 2.548.794 | 2.491.398 | 57.396 |
| Properties under development and others | 291.011 | 254.910 | 36.100 |
| Goodwill | 52.141 | 52.346 | -205 |
| Deferred taxes | 22.137 | 22.749 | -612 |
| Other assets | 125.669 | 126.767 | -1.098 |
| Deposits | 213.230 | 256.841 | -43.611 |
| Total assets | 3.252.981 | 3.205.011 | 47.969 |
| Net worth | 1.009.855 | 1.002.154 | 7.701 |
| Minorities | 304.150 | 298.896 | 5.255 |
| Bank loans | 1.228.304 | 1.196.942 | 31.362 |
| Shareholder loans from minorities | 89.631 | 77.254 | 12.377 |
| Deferred taxes | 409.752 | 402.727 | 7.025 |
| Other liabilities | 211.288 | 227.039 | -15.751 |
| Total liabilities | 1.938.975 | 1.903.962 | 35.013 |
| Net worth, minorities and liabilities | 3.252.981 | 3.205.011 | 47.969 |