

Maia - Portugal, August 3<sup>rd</sup> 2011

## **Sonae Sierra recorded a Net Profit of €13.2 million in the 1<sup>st</sup> half of 2011**

- Direct Profit grew 1%, despite asset sales and IPO in Brazil
- Global occupancy rate of the portfolio grew to 96.5%
- Tenant sales in the portfolio under management (like-for-like) grew 0.9%

Sonae Sierra, the international shopping centre specialist, presented a Net Profit of €13.2 million in the first half of 2011, which compares with € 648 thousand in the same period of 2010. The positive variation of the Net Profit was leveraged by a 1% increase of the Direct Net Profit, and a 44% improvement of the Indirect Net Profit, consequence of the resilience and increased operational efficiency of our assets, which minimized the effects of the negative behavior of the yields in Portugal and Greece.

During the 2<sup>nd</sup> quarter, we highlight as the main event the beginning of the construction of a new shopping centre in Solingen, Germany, which represents an investment of approximately €120 million. For the development of this new project, Sonae Sierra established a 50/50 joint-venture with MAB Development.

We have also reinforced and increased the service provision to third parties, with the signing of two service contracts for the leasing of Sun Plaza and Vitantis Mall shopping centres, in Romania. In Spain, Sonae Sierra strengthened its presence with the signing of a contract for leasing Carcaixent Retail Park. In Italy, the company took over the property management of shopping centre Le Isole, located in Piemonte.

The capital recycling strategy adopted by the Company resulted in a decrease in Investment Properties, compared to 2010, due to the sale of two centres in Spain (El Rosal and Plaza Eboli) and the IPO of Sonae Sierra Brasil. This strategy had already been implemented in 2010, with the sale of Alexa (Germany) and Mediterranean Cosmos (Greece).

These sales and the IPO led to a 6% decrease of Direct Income from Investments, from €107.9 million in the 1<sup>st</sup> semester of 2010, to €103.2 million. EBITDA suffered only a 4% decrease in the same period (€55.6 million, compared to €57.9 million in the same period of 2010), reflecting the efficiency gains from the cost containment efforts in all areas of the Company.

The global portfolio managed by Sonae Sierra presented a positive performance in the first semester of 2011, when compared to the same period of 2010, with tenant sales growing 0.9% on a comparable basis.

The Global Occupancy Rate of the portfolio was 96.5%, 0.3% more compared to the first semester of 2010, a good result in the context of the current economic situation.

## Value Metrics

The Company measures its performance, in a first instance, on the basis of changes in NAV (Net Asset Value) plus dividends distributed. Sonae Sierra calculates its NAV according to the guidelines published in 2007 by INREV (European Association for Investors in Non-Listed Real Estate Vehicles), an association of which the Company is a member.

On the basis of this methodology, the company's NAV, as of June 30 2011, was €1.22 billion, a 2.3% decrease when compared with 31 December 2010.

<b>Net Asset Value (NAV) amounts in € 000</b>	<b>30 Jun 11</b>	<b>31 Dec 10</b>
NAV as per the financial statements	976.895	1.000.431
Revaluation to fair value of developments	12.404	14.033
Deferred tax for properties	248.194	249.382
Goodwill related to deferred tax	-36.924	-37.347
Gross-up of Assets	21.779	24.426
<b>NAV</b>	<b>1.222.348</b>	<b>1.250.926</b>
<b>NAV per share (in €)</b>	<b>37,59</b>	<b>38,47</b>

## Portfolio under development

Currently, Sonae Sierra has 49 shopping centres in operation, 28 of which are located outside Portugal, namely in Spain (9), Italy (4), Greece (1), Germany (3), Romania (1) and Brazil (10).

The Company has four Shopping Centres under construction, representing a total investment of about €400 million: Solingen Shopping in Germany, Le Terrazze in Italy, and Uberlândia Shopping and Boulevard Londrina, both in Brazil. Seven other projects are in different stages of development in Portugal, Italy, Germany, Greece, Romania and Brazil.

Solingen Shopping, which began being built this Summer, will have a Gross Lettable Area (GLA) of 28,000 m<sup>2</sup> and is scheduled to open in late 2013/early 2014.

In Italy, Le Terrazze is under construction, with a total GLA of 38,500 m<sup>2</sup> and an investment of more than €125 million. It is scheduled to be inaugurated in the first quarter of 2012.

In Brazil Uberlândia Shopping, scheduled to be inaugurated in the first quarter 2012, will have a GLA of 43,600 m<sup>2</sup> and represents an investment of €62 million. Boulevard Londrina will have a GLA of 47,800 m<sup>2</sup>, which corresponds to an investment of €88 million, and is scheduled to open in 2012. There are also two expansions under way in Brazil: Shopping Metropole and Shopping Campo Limpo.

Sonae Sierra's international growth is also focused in the provision of development and management services to third parties, as a result of the company's unique knowledge of the shopping centre business. The company is already active in this area in Cyprus, Serbia, Morocco and Colombia, besides the markets where it owns assets.

## About Sonae Sierra

*Sonae Sierra, [www.sonaesierra.com](http://www.sonaesierra.com), is the international shopping centre specialist, with a passion for bringing innovation and excitement to the shopping centre industry. The Company owns 49 Shopping Centres in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil. Sonae Sierra is also providing services to third parties in Cyprus, Serbia, Morocco and Colombia. Currently, the Company has 4 projects under construction and 7 new projects in different phases of completion in Portugal, Italy, Germany, Greece, Romania and Brazil. Sonae Sierra manages a total gross lettable area (GLA) of about 2.2 million m<sup>2</sup> with more than 8,500 tenants. In 2010, the company welcomed more than 442 million visits in its shopping centres.*

## Sonae Sierra's Consolidated Profit and Loss Account and Balance Sheet

### Sonae Sierra

(unaudited accounts)

<b>Consolidated Profit and Loss Account (€ 000)</b>	<b>6M11</b>	<b>6M10</b>	<b>% 11/10</b>
Direct Income from Investments	103.242	109.666	-6%
Direct costs from investments	47.655	51.765	-8%
<b>EBITDA</b>	<b>55.586</b>	<b>57.901</b>	<b>-4%</b>
Net financial costs	18.824	20.795	-9%
Other non-recurrent income/cost	-835	-1.707	51%
<b>Direct profit before taxes</b>	<b>35.927</b>	<b>35.399</b>	<b>1%</b>
<b>Corporate tax</b>	<b>7.172</b>	<b>6.916</b>	<b>4%</b>
<b>Direct net profit</b>	<b>28.754</b>	<b>28.483</b>	<b>1%</b>
Gains realized on sale of investments	-4.304	-4.204	-
Impairment & Development funds at risk provision	-3.603	-2.868	-
Value created on investments	-815	535	-252%
<b>Indirect income</b>	<b>-8.722</b>	<b>-6.537</b>	<b>-33%</b>
Deferred tax	6.854	21.298	-68%
<b>Indirect net profit</b>	<b>-15.575</b>	<b>-27.835</b>	<b>44%</b>
<b>Net profit</b>	<b>13.179</b>	<b>648</b>	<b>-</b>

<b>Consolidated Balance Sheet (€ 000)</b>	<b>30-06-2011</b>	<b>31-12-2010</b>	<b>Var. (11 - 10)</b>
Investment properties	2.078.076	2.284.916	-206.840
Properties under development and others	220.449	223.484	-3.036
Other assets	124.819	139.709	-14.889
Cash & Equivalents	137.352	54.252	83.100
<b>Total assets</b>	<b>2.560.695</b>	<b>2.702.360</b>	<b>-141.665</b>
<b>Net worth</b>	<b>976.895</b>	<b>1.000.431</b>	<b>-23.536</b>
Bank loans	1.083.206	1.198.091	-114.885
Deferred taxes	294.381	304.627	-10.245
Other liabilities	206.213	199.212	7.001
<b>Total liabilities</b>	<b>1.583.800</b>	<b>1.701.929</b>	<b>-118.129</b>
<b>Net worth and liabilities</b>	<b>2.560.695</b>	<b>2.702.360</b>	<b>-141.665</b>