

Press Release – 9th January 2006

SerraShopping in Covilhã and RioSul Shopping in Seixal
Sonae Sierra sells 50% of two shopping centres to Rockspring

- **Rockspring client already co-owner of CascaiShopping**
- **Transaction further underlines Sonae Sierra’s policy of partnerships**

Sonae Sierra announced today that it has sold a 50% stake in the ownership of two of its shopping and leisure centres in Portugal to the PanEuropean Property Limited Partnership (‘PanEuropean’), a fund managed by Rockspring Property Investment Managers Limited (‘Rockspring’), London, for an undisclosed sum. The two centres involved are RioSul Shopping, a development currently under construction in Seixal (south of Lisbon) and scheduled to open on 22 March 2006, and SerraShopping in Covilhã (north-west Portugal) which recently opened 100% let.

The transaction reflects net equivalent yields of 6.25% for RioSul Shopping and 6.76% for SerraShopping. Sonae Sierra will continue to manage both shopping centres.

This agreement with Rockspring underlines one of Sonae Sierra’s main development strategies – to form partnerships with companies of international renown that add value to the business. The sale is of particular note given that one of the shopping centres involved, RioSul Shopping, is still under construction, which emphasizes the confidence the investor has in Sonae Sierra.

PanEuropean is the co-owner of CascaiShopping, another shopping centre developed and managed by Sonae Sierra.

Global real estate consultant Cushman & Wakefield Healey & Baker represented Sonae Sierra in this transaction.

According to Álvaro Portela, CEO of Sonae Sierra, “This reinforcement of ties with PanEuropean confirms the long-standing trust and cooperation which exists between the two partners, and also provides Sonae Sierra with a financial input that is important to the sustained development of new projects.”

Richard Plummer, Chairman of Rockspring, added: “After a highly successful experience at CascaiShopping, our clients are delighted to have the opportunity to invest alongside Sonae Sierra once again.”



The RioSul shopping and leisure centre results from the expansion of the Continente shopping centre in Seixal and involves a total investment of € 65.30 million. It will offer a gross lettable area (GLA) of around 40,000 m², distributed amongst 11 anchor stores including a Continente hypermarket, and a total of 127 shop units and 18 restaurants. The car park has capacity for 2,300 vehicles, 1,900 of which covered. RioSul is expected to attract 7.7 million visitors in the first year and to generate sales of € 77.5 million.

SerraShopping, which was designed around the expansion of the Modelo supermarket in Covilhã, opened on 23rd November 2005 fully let. The investment totalled € 30.86 million and the centre offers a total of 86 shop units with a gross lettable area (GLA) of 17,677 m². The forecast visitor number for the first year is 4.4 million and it is expected to generate sales of € 24.5 million during the same period.

Sonae Sierra, www.sonaesierra.com, is an international company specialised in shopping centres, with a passion for bringing innovation and emotion to the shopping and leisure centre industry. The company owns or co-owns 38 shopping centres in Portugal, Spain, Italy, Greece and Brazil, representing a gross lettable area (GLA) of more than 1,500,000 m². Sonae Sierra is currently developing 13 further projects in Portugal, Spain, Italy, Germany, Greece and Brazil, with a total GLA greater than 520,000 m².

www.sonaesierra.com

Rockspring Property Investment Managers Ltd, formerly known as PRICOA Property Investment Management, is an independent property fund manager formed on 1 July 2004 as a result of the management buyout from Prudential Financial in June. Headquartered in London SW1, Rockspring has a network of continental European offices in Berlin, Brussels, Madrid, Paris and Copenhagen. Rockspring is FSA regulated.

Rockspring retained all of its client mandates and key personnel following the MBO, and is fully independent and 100% owner-managed.

Rockspring has gross assets of €4.5 billion in funds under management and undrawn commitments. It represents a diverse client base including the Hanover Property Unit Trust, the PanEuropean Property Limited Partnership, TransEuropean III, the Industrial Trust, Retail Plus and single client mandates. The funds' property assets are currently located in the UK and 14 other European countries.

www.rockspringpim.com

PanEuropean Property Limited Partnership is a tax-transparent property investment fund open to institutional investors and which specialises in the acquisition of commercial property located in major cities and conurbations in continental Europe. The fund's lower risk 'core plus' income and growth investment style is characterised by an attractive running yield enhanced by active management and other value-adding techniques and timely sales. Currently, PanEuropean has assets located in eight European countries and major institutions from Denmark, Ireland, Ireland, Italy, Portugal, UK and USA are currently invested in the fund.



Cushman & Wakefield Healey & Baker operates the European, Middle Eastern and African division of Cushman & Wakefield, the world's largest privately held real estate services firm, part of the Rockefeller Group. Founded in 1917, Cushman & Wakefield has 189 offices in 57 countries around the globe, and more than 11,000 talented professionals. The firm delivers integrated solutions by actively advising, implementing and managing on behalf of landlords, tenants, and investors through every stage of the real estate process. These solutions include helping clients to buy, sell, finance, lease, and manage assets. We also provide valuation advice, strategic planning and research, portfolio analysis, and site selection and space location assistance, among many other advisory services.

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