



**SONAE SIERRA**

Maia, Portugal, May 9<sup>th</sup> 2007

**In the first quarter of 2007**

**Sonae Sierra reaches Net Profit of €19.1 million**

- EBITDA grows 3% to €36.3 million
- Direct Profit increases 12% to €22.1 million
- NAV per share reaches €45.56
- Owner or co-owner of 44 Shopping and Leisure Centres with more than 1.6 million m<sup>2</sup> of GLA

Sonae Sierra ended the first quarter of 2007 with Direct Profits of €22.1 million, which represents a growth of 12%, on the first quarter of 2006. EBITDA was €36.3 million in the same period, against €35.4 million in 2006, which represents an increase of 3%.

The growth of the Direct Profit in the first quarter of 2007 was due to the increase of the company's portfolio: opening of RioSul in March 2006, acquisition of CC Modelo de Albufeira and CC Continente de Portimão in January 2007 and acquisition of an additional share of Shopping Metr pole (Brazil).

Sonae Sierra's Net Profit reached €19.1 million for the first quarter of 2007, a reduction of 28% on the same period of last year. This decrease was mainly due to lower Indirect Profit. The accounts of the first quarter of 2006 included the value created on the opening of RioSul (Seixal, Portugal). The value created results from the difference between the Market Value and the total construction cost at the opening date. Of the Net Consolidated Profit, € 14 million are attributable to Sonae Sierra Shareholders.

The 31 March 2007 NAV was €1.481 billion, corresponding to a NAV per share of €45.56, a slight decrease compared with the value of 2006. As usual in the first quarter of each year, the Company did not have its assets evaluated by an independent valuator, and the Dividend approved on the 2006 results (€29.6 million) was higher than the NAV increase in the same period (€20 million).

**Five inaugurations for the 2<sup>nd</sup> Semester of 2007**

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

In Portugal, Sonae Sierra is developing 8<sup>a</sup> Avenida (S. Jo o da Madeira), due to open in the Autumn of 2007, and Lima Retail Park (Viana do Castelo) a project developed jointly with Miller Developments and that is being opened in stages. The procedures for the licensing of Centro Comercial e de Lazer de  vora ( vora) and Set bal Retail Park (Set bal) continue.

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In Spain, Sonae Sierra is developing Plaza Mayor Shopping (Málaga), through a partnership with Castle City (75/25), Las Pulianas (Granada) in partnership with Miller Developments (50/50) and El Rosal (Ponferrada), with the Mall Group (70/30), that will open in next Autumn 2007.

In Italy, Sonae Sierra has three ongoing projects: Freccia Rossa (Brescia), in partnership with AIG (40%) and Coimpredil (10%) due to open in the Autumn of 2007, Gli Orsi (Biella), and Le Terrazze (La Spezia), due to open in the Spring of 2008, in partnership with ING Real Estate (50/50).

In Germany, the projects underway are Alexa (Berlin) with the inauguration planned for the 3<sup>rd</sup> quarter of 2007 and Weiterstadt (Frankfurt), already under construction, both in partnership with Foncière Euris (50/50).

In Greece, through a joint venture (50/50) with the Greek group Acropole Charagionis, Sonae Sierra is developing the Galatsi Olympic Hall (Athens), one of the 2004 Olympic Games areas. In April 2007, Sonae Sierra acquired a site for the development of Larissa's largest shopping centre, in a 50/50 partnership with the Pan European Fund, managed by Rockspring.

Finally, in Brazil, Sonae Sierra Brasil acquired in January 2007 an additional share of 73% of Shopping Metr pole and carries on with the construction of Manaus Shopping (Manaus), due to open in the Autumn of 2008.

Also to be noted, in May 2007, Sonae Sierra acquired its first shopping centre in Romania, in Ramnicu Valcea (second city in the Romanian southwest), named River Plaza. This shopping centre, with 12.358 m2 of GLA, open to the public since November 17th 2006, represents the first investment of the Company in the Romanian market, following its long term expansion strategy.

*Sonae Sierra, [www.sonaesierra.com](http://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 44 Shopping Centres in Portugal, Spain, Italy, Greece, Romania and Brazil, with a total Gross Lettable Area (GLA) of more than 1,6 million m2. Currently, Sonae Sierra is developing 15 more projects in Portugal, Spain, Italy, Germany, Greece and Brazil, with a total GLA of more than 500.000 m2.*

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

## Sonae Sierra

<b>Consolidated Profit and Loss Account (€000)</b>	<b>3M07</b>	<b>3M06</b>	<b>% 07/06</b>
<b>Direct Income from Investments</b>	<b>63.287</b>	<b>63.575</b>	<b>0%</b>
Operating costs	25.937	26.455	-2%
Other costs	1.059	1.724	-39%
<b>Direct costs from investments</b>	<b>26.996</b>	<b>28.179</b>	<b>-4%</b>
<b>EBITDA</b>	<b>36.291</b>	<b>35.397</b>	<b>3%</b>
Depreciation	436	414	5%
Recurrent net financial costs	8.541	10.493	-19%
<b>Direct profit before taxes</b>	<b>27.314</b>	<b>24.490</b>	<b>12%</b>
<b>Corporate tax</b>	<b>5.244</b>	<b>4.871</b>	<b>8%</b>
<b>Direct profit</b>	<b>22.069</b>	<b>19.619</b>	<b>12%</b>
Gain realized on properties	0	1.188	-100%
Value created on investments	211	11.888	-98%
<b>Indirect income</b>	<b>212</b>	<b>13.076</b>	<b>-98%</b>
<b>Deferred tax</b>	<b>3.153</b>	<b>6.093</b>	<b>-48%</b>
<b>Indirect profit</b>	<b>-2.942</b>	<b>6.983</b>	<b>-142%</b>
<b>Net profit before minorities</b>	<b>19.128</b>	<b>26.602</b>	<b>-28%</b>
<b>Attributable to :</b>			
<b>Equity holders</b>	<b>13.957</b>	<b>21.953</b>	<b>-36%</b>
<b>Minority interests</b>	<b>5.171</b>	<b>4.649</b>	<b>11%</b>

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<b>Consolidated Balance Sheet (€000)</b>	<b>31-03-2007</b>	<b>31-12-2006</b>	<b>Var. (07 - 06)</b>
Investment properties	2.770.674	2.729.662	41.012
Properties under development and others	411.428	354.544	56.884
Goodwill	53.099	51.345	1.754
Deferred taxes	26.325	25.483	842
Other assets	120.702	108.742	11.960
Deposits	288.986	332.313	-43.326
<b>Total assets</b>	<b>3.671.215</b>	<b>3.602.089</b>	<b>69.126</b>
<b>Net worth</b>	<b>1.161.271</b>	<b>1.142.894</b>	<b>18.377</b>
<b>Minorities</b>	<b>411.254</b>	<b>405.513</b>	<b>5.741</b>
Bank loans	1.319.857	1.294.504	25.354
Shareholder loans from minorities	68.706	64.255	4.451
Deferred taxes	475.457	468.792	6.665
Other liabilities	234.670	226.131	8.538
<b>Total liabilities</b>	<b>2.098.690</b>	<b>2.053.682</b>	<b>45.008</b>
<b>Net worth, minorities and liabilities</b>	<b>3.671.215</b>	<b>3.602.089</b>	<b>69.126</b>