Press Release

SONAE SIERRA

Maia - Portugal, November 6th 2014

Sonae Sierra records Net Profit of €59.8 million in the first nine months of 2014

- Tenant sales maintain growth trend
- EBITDA at €78.2 million
- Entry into the Russian market rendering professional services through a joint-venture

Sonae Sierra, the international shopping centre specialist, recorded a Net Profit of €59.8 million in the first nine months of 2014, compared to the €5.1 million recorded in the same period of last year.

In addition to this significant net profit increase, the first nine months of 2014 were also marked by the further improvement of the operational performance, as well as the strengthening of Sonae Sierra's international presence with the entry, in the 3rd quarter, into a new country - Russia.

Tenant sales in the European portfolio recorded a 4.2% like-for-like increase in the first nine months of 2014 compared to the same period of 2013, with emphasis on the growth of 6.8% in Portugal and 3.9% in Italy. In Brazil, we continue to register a positive performance, with a 7.5% (BRL) like-for-like increase in tenant sales, compared to the same period of 2013.

The global occupancy rate of the portfolio reached 95.1%, in line with the 95% registered in the same period of last year. This improvement results from the quality of the assets and the efficiency of the company's management in a still unstable macro-economic context in real estate in Europe.

According to **Sonae Sierra's CEO, Fernando Guedes de Oliveira**, "the first nine months of the year were marked by Sonae Sierra's continued international expansion and improvement of operational performance. The third quarter also confirmed the recovery trend in tenant sales, both in Europe and Brazil, as well as the positive performance of our shopping centres' occupancy rates."

In the first nine months of 2014, the Direct Profit reached €36.0 million, which represents a 16% decrease relative to the same period of last year. The Direct Profit remain influenced by the assets disposal in Europe by the end of 2013, the adverse variation in the average exchange rate of Brazilian Real, and the strengthening of corporate structure to support the company's growth in new geographies.

The same factors are responsible for the decrease of EBITDA in the period, which reached €78.2 million in the period under analysis, corresponding to an EBITDA margin of 47.8%. However, on a like-for-like portfolio and excluding FX negative impact, Direct Profit only decreased by 2,8%.

The Indirect Profit, which reached €23.8 million, compared to a loss of €37.6 million in the same period of 2013, more than compensated the negative impact of the Direct Profit. The positive variation in Indirect Profit was mostly a consequence of the yield compression in Europe, the improvement in operational performance of the European and Brazilian assets and the positive impact of the disposal of a land plot adjacent to Alexa Shopping in Germany, the disposal of Le Terrazze in Italy and the investment in AlbufeiraShopping and Centro Comercial Continente de Portimão in Portugal.

International Growth

In the first nine months of 2014, the Company continued its international expansion. After the entry in China and the first investment in Morocco, both during the first semester, Sonae Sierra signed, in the third quarter, an agreement for the creation in Russia of a 50/50 joint-venture with OST Development for the provision of Property Management and Leasing services to the development pipeline of this important client.

Currently, OST Development is involved in the development of three projects in central Russia: Mozaica shopping and leisure centre and Yasenevo mixed use project, both in Moscow, and a shopping and leisure complex in Tula. Mozaica, scheduled to open by the end of 2014, will be a reference for retail and leisure in the Russian capital with more than 210 shops in 67.800 m^2 of GLA, and will serve a population of 2.3 million inhabitants in a 30 minute driving distance.

Also in the third quarter, we signed a sale contract with Carrefour whereby they will own and operate a 12,000m^2 hypermarket in the new ParkLake shopping centre in Bucharest, Romania. Representing a €180 million investment and scheduled to open in 2016, ParkLake will have a Gross Lettable Area (GLA) of 70,000 m^2 with 200 shops and 2,600 indoor parking spaces. Its construction began in January and the leasing has brought in other important retail brands which already represent about 65% of the Centre's GLA.

Net Asset Value (NAV) and Financial Ratios

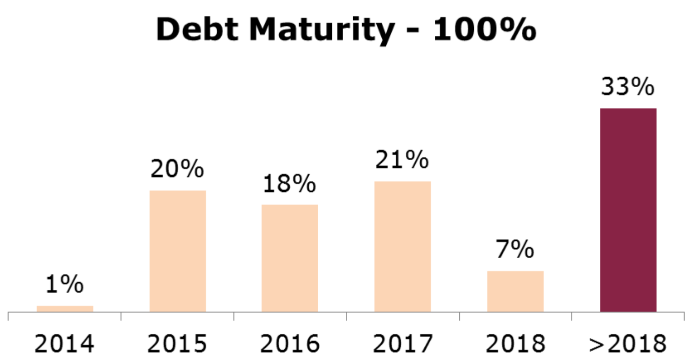
Sonae Sierra computes its NAV according to the guidelines published in 2007 by the INREV (European Association for Investors in Non-Listed Real Estate Vehicles).

Based on this methodology, as of 30 September 2014, Sonae Sierra's NAV reached €1.096 billion. This value represents a 9.5% increase compared to the value in December 2013. This increase was a consequence, fundamentally, of the Net Profit of the period and the favourable rate variation of the Brazilian Real (exchange rate comparison between 31 December 2013 and 30 September 2014).

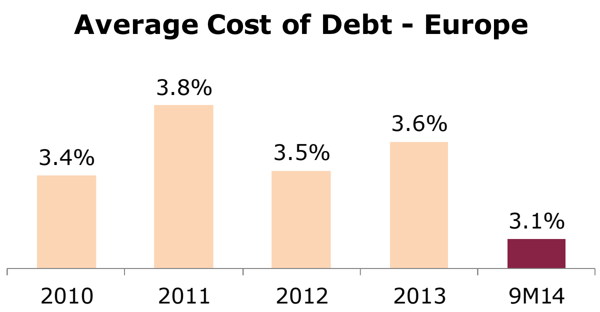
Net Asset Value (NAV) amounts in € 000	**30 Sep 14**	**31 Dec 13**
NAV as per the financial statements	875.327	794.410
Revaluation to fair value of developments	5.389	5.350
Deferred tax for properties	215.640	203.758
Goodwill related to deferred tax	-14.282	-16.459
Gross-up of Assets	13.507	13.176
NAV	**1.095.581**	**1.000.236**
NAV per share (in €)	**33,70**	**30,76**

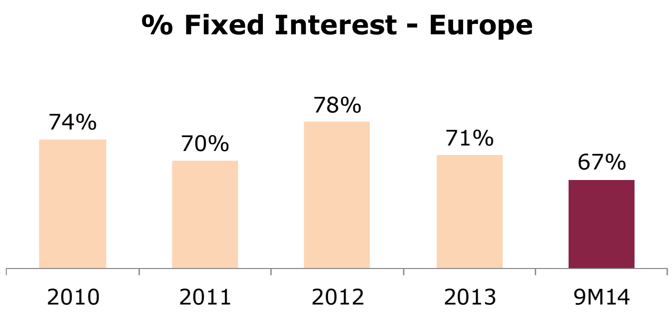
Sonae Sierra maintained its conservative and balanced long-term funding and hedging strategies. The Capital structure is supported by an average debt maturity of 4.5 years, of which 67% has fixed interest rates.

The following chart illustrates Sonae Sierra's debt maturity profile as of 30 September 2014.



Sonae Sierra continues to benefit from good access to funding in both debt and capital markets. The average cost of debt for Sonae Sierra is 2 p.p. below that of 2013 and currently stands at 4.0%. Excluding Brazil, the average cost of debt is 3.1%, which remains comparable to its European peers.





The Company's increasingly sound Financial Ratios continue to demonstrate to the market, its financial strength and prudent attitude.

Ratios	30 Sep 14	31 Dec 13
Loan-to-value	41,7%	43,9%
Interest cover	2,19	2,54
Development ratio	8,7%	9,4%

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

(unaudited accounts)

Consolidated Profit and Loss Account (€ 000)	9M14	9M13	% 14/13
Direct income	163.550	165.652	-1%
Direct costs	85.331	81.954	4%
EBITDA	**78.218**	**83.698**	**-7%**
Net financial costs	31.568	27.805	14%
Other non-recurrent income/cost	-1.414	-1.636	14%
Direct profit before taxes	**45.236**	**54.257**	**-17%**
Corporate tax	9.227	11.543	-20%
Direct profit	**36.010**	**42.714**	**-16%**
Gains realized on sale of investments	6.411	686	-
Reversals	6.151	0	-
Value created on investments	33.381	-38.442	187%
Indirect income	**45.944**	**-37.756**	**-**
Deferred tax	22.154	-144	-
Indirect profit	**23.789**	**-37.612**	**163%**
Net profit	**59.799**	**5.102**	**-**

Consolidated Balance Sheet (€ 000)	30-09-2014	31-12-2013	Var. (14 - 13)
Investment properties	1.971.591	1.952.413	19.178
Properties under development and others	127.256	130.771	-3.516
Other assets	107.667	117.153	-9.486
Cash & equivalents	107.882	124.609	-16.727
Total assets	**2.314.396**	**2.324.947**	**-10.551**
Net worth	**875.327**	**794.410**	**80.917**
Bank loans	975.384	1.031.267	-55.884
Deferred taxes	271.419	252.887	18.532
Other liabilities	192.265	246.382	-54.116
Total liabilities	**1.439.068**	**1.530.536**	**-91.468**
Net worth and liabilities	**2.314.396**	**2.324.947**	**-10.551**

About SONAE SIERRA

Sonae Sierra, www.sonaesierra.com, is the international Shopping Centre specialist, with a passion for creating innovative shopping experiences. The Company owns 47 shopping centres with a market value of more than €5.9 billion euros, and is present in 4 continents and 14 countries: Portugal, Algeria, Azerbaijan, Brazil, China, Colombia, Germany, Greece, Italy, Morocco, Romania, Russia, Spain and Turkey. Sonae Sierra manages and/or lets 82 Shopping Centres with a total Gross Lettable Area of 2.3 million m^2 and about 8,300 tenants. In 2013, the Company welcomed more than 406 million visits in the Shopping Centres it manages. Currently, Sonae Sierra has 6 projects under development, including 3 for clients, and 4 new projects in pipeline.