

Maia - Portugal, November 3rd 2016

Sonae Sierra recorded a Total Net Profit of €93 million in the first nine months of 2016

- Direct net profit at €40.2 million
- EBIT at €70.5 million
- Global occupancy up to 96.4%
- Successful opening of ParkLake (Bucharest, Romania)
- Third party service provision growing

Sonae Sierra, the international property company dedicated to serving the needs of retail real estate investors, recorded a Net Profit of €92.6 million in the first nine months of 2016, compared to the €94.8 million in the same period of 2015. This 2% decrease is mainly due to lower value created in investment properties consequence of lower yield compression in Europe.

Besides maintaining a stable Net Profit, the company saw both tenant sales and occupancy rates rise globally. Tenant sales in Europe increased by 3.3% on a like-for-like basis, compared to the same period in 2015, with a 15.8% growth in Romania, 10.0% in Spain and 3.0% in Portugal. The Brazilian market continued stable, with a 0.4% (in Brazilian Real, LfL) increase in tenant sales.

The global occupancy rate of the portfolio rose to 96.4%, a 1.4% increase compared to the same period in 2015, due to the high quality of Sonae Sierra's Shopping Centres and to an efficient and sustainable management approach. Total rents increased 3.8% LfL in Europe, well above the average inflation rate, and decreased 2.2% in Brazil (in Brazilian Real, LfL).

Fernando Guedes de Oliveira, CEO of Sonae Sierra, *"the first nine months of 2016 show stable operational results and increase in global tenant sales, occupancy rates and rents. From the successful launch of ParkLake in Bucharest, Romania, to the signing of our ninth leasing contract in Morocco this quarter, we have continued to feed our appetite for global growth. The positive results of the active investment management strategy of our portfolio and the active development pipeline demonstrate our commitment to a sustainable management approach."*

In the first nine months of 2016, the Direct Net Profit reached €40.2 million, which compares with €42.3 million in the same period of last year. To note that the positive operating results were conditioned by the adverse effect of the disposals, leading to a reduction in the total portfolio. A stronger EBIT from services, mainly in Property Management and Development Services, were absorbed by the disposals of 2015 and 2016.

The Indirect Result was stable at €52.3 million, in line with the same the period of 2015, reflecting the value created by the opening of ParkLake, the yield compression in Europe, and the gains with recent disposals.

Third party service growth, developments continuing apace

In the first nine months of 2016, the Company pursued with the execution of its development pipeline and expanded its service provision to third parties.

A profitable capital recycling strategy in the first nine months of the year released funds to finance further expansion, while Sonae Sierra retained management contracts on the assets.

On September 1st, ParkLake successfully opened in Bucharest, bringing a raft of new brands and retail concepts to Romania's shoppers.

In terms of development, Shopping Centre Zenata (Morocco) - a €100 million investment comprising more than 250 shops with a GLA of 90,000 m² -, Jardín Plaza Cúcuta (Colombia) - a €47 million investment for 47.000 m² GLA - and the Málaga Designer Outlet (Spain) - a €115 million investment in 30,000 m² of GLA - all made progress towards their planned inauguration in 2018.

Also relevant and progressing is the planned expansion of NorteShopping, representing a €60 million investment for a 24% increase of the centre's current GLA.

Sonae Sierra strengthened its third parties service provision activity in the third quarter by adding new contracts signed with external clients, in the first six months of the year.

The company enhanced its leading position in Morocco with its ninth leasing contract, bringing its year-to-date contracts to 20 for Development Services, and four for Property Management.

Net Asset Value (NAV) and Financial Ratios

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

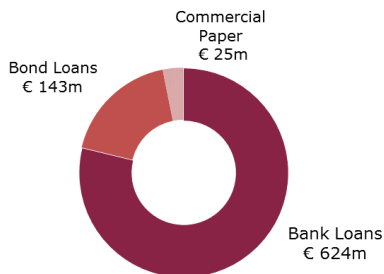
Based on this methodology, as of September 30th 2016, Sonae Sierra's NAV reached €1.286 billion. This represents a 9% increase compared to December 2015. In spite of the dividend distribution, this 9% NAV growth is mainly due to the Net Result of the year and the positive effect of the Brazilian Real appreciation.

Net Asset Value (NAV) amounts in € m	30 Sep 16	31 Dec 15
NAV as per the financial statements	1053,8	938,3
Revaluation to fair value of developments	3,4	3,0
Deferred tax for properties	225,4	238,1
Goodwill related to deferred tax	-8,9	-14,3
Gross-up of Assets	12,6	14,7
NAV	1.286,3	1.179,8
NAV per share (in €)	39,56	36,29

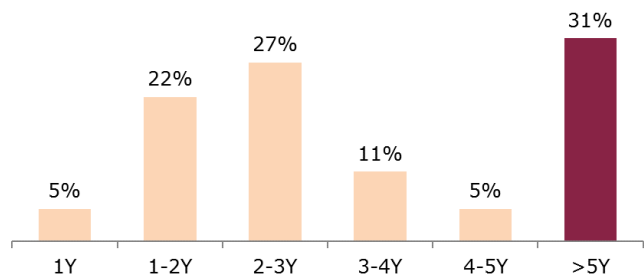
Sonae Sierra maintained its conservative long-term funding and hedging strategies. The Company's capital structure has an average debt maturity of 3.0 years, with 33% of the debt with fixed interest costs, showing the prudent hedging of interest rate risk and a balanced debt maturity profile.

The following chart illustrates Sonae Sierra's debt structure and maturity as of September 30, 2016:

Debt Structure



Debt Maturity - 100%



Sonae Sierra continues to demonstrate good access to low cost funding in bank financing. The average cost of debt for Sonae Sierra currently stands at 4%, in line with 2015. Excluding Brazil, the average cost of debt is 3%.

The Financial Ratios continue to show the cautious attitude and financial strength of the Company's balance.

Ratios	30 Sep 16	31 Dec 15
Loan-to-value	30.2%	39.5%
Interest cover	3.1	3.0
Development ratio	13.0%	15.6%

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

(unaudited accounts)

Consolidated Profit and Loss Account (€ million)	9M16	9M15	% 16/15
Direct income from investments	150,4	161,6	-7%
Direct costs from investments	79,8	85,2	-6%
EBIT	70,5	76,4	-8%
Net financial costs	19,9	24,4	-18%
Other non-recurrent income/cost	0,0	0,0	-
Direct profit before taxes	50,6	52,0	-3%
Current tax	10,4	9,7	7%
Direct net profit	40,2	42,3	-5%
Gains realized on sale of investments	12,1	2,8	-
Debt recovery	9,3	0,0	-
Value created on investments	48,0	67,7	-29%
Indirect income	69,4	70,5	-2%
Deferred tax	17,1	18,0	-5%
Indirect net profit	52,3	52,5	0%
Net profit	92,6	94,8	-2%

Consolidated Balance Sheet (€ million)	30 Sep 16	31 Dec 15	Var. (16 - 15)
Investment properties	1.896	2.008	-111
Properties under development and others	72	120	-49
Other assets	118	101	17
Cash & Equivalents	177	71	107
Total assets	2.263	2.300	-37
Net worth	1.054	938	115
Bank loans	767	905	-137
Deferred taxes	284	286	-2
Other liabilities	158	171	-13
Total liabilities	1.209	1.361	-152
Net worth and liabilities	2.263	2.300	-37

About Sonae Sierra

Sonae Sierra, www.sonaesierra.com, is the international property company dedicated to serving the needs of retail real estate investors. The Company operates through 13 corporate offices providing services to countries as diverse as Portugal, Germany, Algeria, Brazil, Colombia, Spain, Slovakia, Greece, Italy, Morocco, Romania, Russia, Tunisia and Turkey. Sonae Sierra owns 45 shopping centres with an Open Market Value of 6 billion euros, and manages/leases 81 shopping centres with a gross lettable area (GLA) of 2.3 million m² and about 9,000 tenants. Currently, Sonae Sierra has 12 projects under development, including 4 for third parties, and 6 new projects in pipeline.