



SONAE SIERRA

Maia, Portugal, May 13th 2008

A 20% growth when compared to the same period of 2007

Sonae Sierra recorded a Net Profit of €22.9 million in the first quarter

- Net Operating Margin grew 31% to € 47.6 million
- Net Profit attributable to the shareholders grew 34%
- NAV per share reached € 51.31
- Sierra Portugal Fund was launched

Following its growth and expansion strategy, Sonae Sierra continued to develop, in the first quarter of 2008, a total of 14 shopping and leisure centres, and also has 15 new projects in different stages of completion in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, with a total GLA of 1 million m².

Of the most significant moments of this first quarter, we highlight the launch of the Sierra Portugal Fund (SPF) - with a € 300 million equity - which now owns eight shopping centres under operation in Portugal, with a total market value of € 425 million, and the commitment to include three projects planned for Portugal that represent a total estimated value of € 235 million at inauguration. With this operation, Sonae Sierra reinforced its objective of increasing its asset management business, through the creation of long-term partnerships, that offer to investors a return through dividends and the capital appreciation resulting from the investment in high quality shopping and leisure centres in Portugal.

In Brazil the Company launched its 11th shopping and leisure centre. Located in the city of Londrina, state of Paraná, this development of Sonae Sierra Brasil represents an investment of € 53 million, and is scheduled to be inaugurated in March 2010.

In Romania Sonae Sierra established a 50:50 joint venture with Caelum Development for the development of Parklake Plaza, one of the biggest regional shopping centres in Bucharest, which is scheduled to open in April 2011. With 110.000 m² of GLA the project represents an investment of €591 million.

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Financial position and Results

Sonae Sierra achieved a Net Operating Margin of € 47.6 million in the first quarter of the year, which represents a 31% growth compared to the first three months of 2007. This growth is mainly due to the increase in the portfolio in operation (openings and acquisitions of 2007) and to the better performance of the already existing portfolio.

Sonae Sierra ended the first quarter with a Direct Profit of € 16.9 million, which corresponds to a decrease of 23% compared to the same period of 2007. This was mainly caused by the growth in Financial Costs (+67%) and the negative impact of the Brazilian Real devaluation in the 1st quarter of 2008.

The Company achieved an Indirect Profit of € 6 million, mainly as the result of the 40% sale of the Sierra Portugal Fund, clearly better than the negative Indirect Profit recorded in the first quarter of 2007.

In consolidated terms the Net Profit was € 22.9 million (+ 20% compared to the 1st quarter of 2007), of which € 18.7 million attributable to the Equity Holders (+34%).

Value metrics

Sonae Sierra's Net Asset Value (NAV) per share was, on March 31st 2008, €51.31 (€52.69 on 07/12/31). This 2.6% decrease was essentially due to the distribution of the 2007 dividends, booked in March 2008.

(€ 000)

	NAV
Investments	1.070.032
Developments	385.809
Brazil	193.111
Cash & Others	19.485
Total	1.668.438

The Net Operating Income generated by each service activity (Developments, Asset Management and Property Management) in the first quarter of 2008 was as follows:

(€ 000)

	NOI	
	3M08	3M07
Developments	12.831	4.872
Asset Management	3.451	2.367
Property Management	2.166	1.278
Total	18.447	8.516



Sonae Sierra's Consolidated Profit and Consolidated Balance Sheet

Consolidated Profit and Loss Account (€ 000)	3M08	03M07	% 08/07
Direct Income from Investments	79.773	63.287	26,0%
Operating costs	30.831	25.937	19%
Other costs	1.313	1.059	24%
Direct costs from investments	32.144	26.996	19%
Net Operating Margin	47.629	36.291	31,2%
Depreciation	464	436	6%
Net financial costs	26.528	8.541	211%
Direct profit before taxes	20.637	27.314	-24%
Corporate tax	3.747	5.244	-29%
Direct profit	16.890	22.070	-23%
Gains realized on investments	10.869	0	-
Value created on investments	-1.207	212	-
Indirect income	9.662	212	-
Deferred tax	3.690	3.153	17%
Indirect profit	5.972	-2.942	303%
Net profit before minorities	22.862	19.128	20%
Attributable to :			
Equity holders	18.653	13.957	34%
Minority interests	4.208	5.171	-19%

Consolidated Balance Sheet (€ 000)	31-03-2008	31-12-2007	Var. (08 - 07)
Investment properties	3.839.304	3.850.362	-11.058
Properties under development and others	483.266	428.618	54.648
Goodwill	0	82.963	-82.963
Deferred taxes	22.573	22.194	379
Other assets	258.139	61.796	196.344
Deposits	40.962	48.848	-7.886
Total assets	4.644.245	4.494.782	149.463
Net worth	1.292.850	1.339.137	-46.286
Minorities	527.419	448.970	78.450
Bank loans	1.831.661	1.750.513	81.148
Shareholder loans from minorities	88.562	88.636	-74
Deferred taxes	597.419	598.956	-1.537
Other liabilities	306.332	268.570	37.762
Total liabilities	2.823.975	2.706.675	117.300
Net worth, minorities and liabilities	4.644.245	4.494.782	149.463

Sonae Sierra, 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 48 Shopping Centres in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, with a total Gross Lettable Area (GLA) of more than 1,9 million m². Sonae Sierra has 13 projects under development and 15 new projects in different phases of completion in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil with a total GLA of 1 million m². In 2007, its centres welcomed more than 410 million visits.