

28th April 2000

First quarter results

Sona Imobiliária: Consolidated Net Profit increased by 37.3%

Financial Results:

- Consolidated Net Profit reached PTE 1.062 billion (€5.3 million), an increase of 37.3%.
- Net Profit before taxes increased by 26% to PTE 1.5 billion (€7.3 million)
- Operating income was PTE 1.9 billion (€9.6 million), an increase of 28.2%
- Total income PTE 9.4 billion (€46.8 million), an increase of 13.9%
- Market capitalisation PTE 94.9 billion (€473.3 million)

INTRODUCTION

Sona Imobiliária's unaudited Net Consolidated Profits (after Minority Interests) grew 37.2%, from PTE 774 million (€3.9 million), in the first quarter of 1999, to PTE 1.062 billion (€5.3 million) in the first quarter of 2000. During this period, its share price decreased by 3.6% relative to December 30th, 1999, while the BVL-30 index increased by 10.1%, taking the market capitalisation of the Company at quarter-end to PTE 94.9 billion (€473.3 million).

In December 31st, 1999, Sona Imobiliária had all its real estate assets valued independently on an open-market basis. The Company's properties were valued at PTE 316.9 billion (€1.58 billion) in total, of which PTE 178.2 billion (€888.7 million) are attributable to the Company. On that date, the NAV of these properties attributable to Sona Imobiliária was PTE 128.9 billion (€643 million).

CONSOLIDATION ACCOUNTING METHOD

Aware of its responsibilities of being a leading shopping centres specialist, Sona Imobiliária decided to adopt a more transparent approach to its consolidation accounting methods for the benefit of its Shareholders, Financial Institutions and Analysts and decided, from 2000 onwards, to consolidate:

All its companies where it holds more than 50%, through the full consolidation

method;

All its companies where it holds 50%, through the proportional consolidation method.

In order to allow for a like-for-like comparison, the Company has prepared unaudited Proformas Profit & Loss Account and Balance Sheet as of 31/03/1999 under the above mentioned criteria.

SHOPPING CENTRES

DEVELOPMENT AND INVESTMENT

The global performance of our Shopping Centre portfolio was in line with expectations, even though Easter this year was celebrated later than usual (in April and not in March).

Following the opening of Centro Vasco da Gama, in Lisboa, Portugal, Sonae Imobiliária is currently the owner and/or co-owner of 9 shopping centres and 3 shopping galleries in Portugal with a GLA of 458,100m².

During the first quarter of 2000, the total rental income from this portfolio increased by 25.5% relative to the same period in 1999. On a like-for-like basis this increase was 12.1%.

Centro Vasco da Gama in Lisboa, Portugal, was inaugurated in April of last year and its performance exceeded all expectations. In the first quarter of this year the Centre received 4.7 million visitors and sales (excluding the Continente Hypermarket) reached PTE 6.7 billion (€33.4 million).

This year, Centro Vasco da Gama was awarded two prizes for excellence and quality, the MIPIM Award and the ICSC Europe (Berlin), continuing the high performance achieved in previous years by Via Catarina, Centro Colombo and Norte Shopping.

The expansion and renovation of Cascais shopping, Cascais, Lisboa, Portugal, continues. The second and third phases of expansion were approved by the Town Council and will provide an increase in the GLA of 8,870m², adding 61 new shops, 2,000m² of cinema space and 1,240 car park spaces, representing an investment of about PTE 9.3 billion (€46.4 million). These second phase has a construction licence and work will commence soon.

The two Shopping Centre developments in Portugal (Madeira Shopping, in the Island of Madeira, with 25,000m² of GLA, and Algarve Shopping, at Guia, Algarve, with 40,000m² of GLA) are under construction and in line with expectations. Both projects are scheduled to open in the first half of 2001.

Madeira Shopping, developed on a 50% basis with a local partner, will have a cinema complex and a Modelos supermarket as anchors. The total investment will be of PTE 7 billion.

Algarve Shopping will have a Continente Hypermarket and a cinema complex as anchors. Total investment will be PTE 10.1 billion (€50,6 million), excluding the hypermarket.

Sintra Retail Park, in Sintra, Lisboa, Portugal, with 16.500m² of GLA, a 50/50 development between Sonae Imobiliária and Miller Developments, is also under construction. Scheduled to open by the end of 2000, the project is in line with budget and lettings have progressed within expectations.

In Malaga, Spain, Plaza Mayor, a shopping and leisure centre held 75% by Sonae Imobiliária and 25% by Castle City, will be licensed during the second quarter of this year and construction will immediately begin. Its opening is scheduled for the first half of 2001.

Through CCC – Consultoria de Centros Comerciales, SA, with headquarters in Madrid, Spain, a shopping centre service company 60% held by Sonae Imobiliária, the Company has continued its efforts to expand its shopping centre activities in the Spanish market.

In Greece, Sonae Charagionis, SA a company held in equal parts between Sonae Imobiliária and the Charagionis Group, with headquarters in Athens, Greece, keeps progressing on the licensing of the Aegean Shopping, a project of 60.000m² of GLA in the Greater Athens area.

In the German market, the Company has been studying several development projects, through Sonae West Shopping, AG (with headquarters in Dusseldorf, Germany), a shopping centre service company 80.1% held by Sonae Imobiliária and 19.9% by Westdeutsche Immobilien Bank.

In Brazil, the five shopping centres co-owned by Sonae Enplanta (50% held by Sonae Imobiliária) and managed by Unishopping (100% held by Sonae Enplanta) have performed according to expectations.

Parque Dom Pedro, in Campinas, Brazil, a shopping centre development held 80% by Sonae Imobiliária and 20% by Sonae Enplanta, which will have 90.000m² of GLA in its first phase, already has its building licence and construction is scheduled to begin during the first half of this year.

Through Sonae Enplanta, the Company has been analysing several investment opportunities in the Brazilian market.

Sonae Imobiliária has also continued its efforts to expand in other European markets, namely in Italy and France.

MANAGEMENT

The consolidated business of Sonae Imobiliária's shopping centre management, marketing and leasing activities has continued to grow as the Company's assets under management have increased. After the opening of Centro Vasco da Gama, in Lisboa, Portugal, the acquisition of CCC, in Madrid, Spain, and Sonae Enplanta in São Paulo, Brazil, Sonae Imobiliária is managing 3162 leasing contracts in 893,000m² of GLA.

The performance of the 9 major operating shopping centres that the Company owns was very satisfactory during this first quarter of 2000, with visitors and sales growing by 15.8% and 31.5% respectively, relative to the first quarter of 1999. On a like-for-like basis, visitors decreased by 1.8% and sales grew by 13.9%.

CARPARKS

During the first quarter of 2000, SPEL – the car parking specialist held 50% by Sonae Imobiliária and 50% by SABA (Spain) - generated a turnover of PTE 191 million (thousand), an increase of 25.4% in relation to the first quarter of 1999. €936

At the end of this first quarter SPEL was managing 12.394 car parking places in 8 parking facilities and metered zones.

The growth of SPEL shall continue through new municipal concessions in Porto and Matosinhos, Portugal

RESIDENTIAL

Praedium, the specialist subsidiary focused on residential development, continued the construction of Condomínio Douro Foz, in Porto, Portugal, and of Torre São Gabriel, in Lisboa, Portugal. The first is scheduled to be concluded by December 2000 and all but 3 of its 61 apartments were sold. The later, will be concluded by April 2001 and all its apartments were pre-sold.

As stated in previous reports, Praedium has started construction, in late February, of Edifício Seda, the first residential block at Quinta das Sedas, in Matosinhos, Porto, Portugal. Out of its total 78 apartments, 48 were already pre-sold.

FINANCIAL POSITION AND RESULTS

FINANCIAL PERFORMANCE

1999 1st Quarter Consolidated Profit & Loss Account

31st March (Unaudited)

	Million PTE	Million €	Million PTE	Million €	Var. %
Total operating income	8.233	41,1	9.378	46,8	13,9%
Operating results	1.505	7,5	1.930	9,6	28,2%
Net Financial results	-361	-1,8	-422	-2,1	16,9%
Current results	1.144	5,7	1.508	7,5	31,8%
Associated companies	0	0	3	0,0	
Extraordinary results	16	0,1	-49	-0,2	-406,3%
Profit before tax	1.160	5,8	1.462	7,3	26,0%
Minority interests	-22	-0,1	-15	-0,1	-31,8%
Income tax	-409	-2,0	-415	-2,1	1,6%
Net profit	774	3,9	1.062	5,3	37,3%

1999 1st Quarter Consolidated Balance Sheet

	1999		2000	
	Million PTE	Million €	Million PTE	Million €
Net Fixed Assets	88.885	443,4	107.245	534,9
Net Current Assets	33.491	167,0	32.767	163,4
Total Net Assets	122.375	640,4	140.012	698,4
Shareholders' Funds	45.824	228,6	52.236	260,6
Minority Interests	142	0,7	257	1,3
Total Net Worth	45.966	229,3	52.493	261,8
Long Term Liabilities	43.874	218,8	64.537	321,9
Short Term Liabilities	32.535	162,3	22.982	114,6
Total Liabilities	76.409	381,1	87.519	436,5

NOTE: 1999 figures are unaudited proformas prepared by the Company under the same consolidation criteria used in 2000.

In consolidated terms Sonae Imobiliária finished the first quarter of 2000 with total revenue of PTE 9,4 billion (€46,8 million), representing a growth of 13,9% relative to the same period of the previous year. This growth was due to the increase in rents in all Sonae Imobiliária's shopping centres but principally to the addition of Centro Vasco da Gama. The 1999 first quarter income included key-money collected from Centro Vasco da Gama, income that does not occur in 2000.

The operating profit was PTE 1,9 billion (€9,6 million), up 28,2% relative to the first quarter of 1999.

The decrease in financial results is a consequence of increased liabilities to fund the investment programme of the Company.

Sonae Imobiliária's current results showed a significant 31,8% growth, relative to the first quarter of 1999, reaching PTE 1,5 billion (€7,5 million).

Profits before taxes grew by 26% to reach PTE 1.5 billion (€7,3 million) and net consolidated profits (after Minority interests) grew 37,3%, from PTE 774 million (€3.9 million), in the first quarter of 1999, to PTE 1.062 million (€5,3 million) in the same period of 2000.

