

Maia, Portugal – August 4th 2010

Results of the first half of 2010

Sonae Sierra recorded a Total Net Profit increase of 101%

- **EBITDA grows 10% to €57.9 million**
- **NAV grows 1.8% to €1.25 billion**
- **Portfolio sales grow 6.6% in Europe and 19.2% in Brazil**
- **Indirect Results influenced by the changes in the Portuguese Corporate Tax Income**
- **Five awards in the first six months of the year**

Sonae Sierra, the international shopping centre specialist, presented a Total Net Profit of 648 thousand euros at the end of the first half of 2010, an increase of 101%, since the Company recorded a negative result of €94.2 million in the homologous period.

The favourable change in the Total Net Profit was caused by a Value Created on properties much higher than the same period of last year due to the smaller increase in yields in 2010 in Europe.

The Direct Income from Investments recorded a 6% increase compared to the first half of 2009, due to the increase of the portfolio with the inaugurations of LOOP5 in Germany and ManauaraShopping in Brazil in 2009, and LeiriaShopping, in Portugal, in 2010.

EBITDA recorded a 10% increase, and is now at €57.9 million, compared to the €52.6 million presented in the first half of 2009.

The Occupancy Rate of the portfolio remained high and stable, recording a value of 96.3% at the end of June 2010.

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Sonae Sierra's portfolio presented a positive performance, with sales growing 6.6% (+1.5% like-for-like) in Europe and 19.2% (+8.8% like-for-like) in Brazil, compared to the homologous period.

Value Metrics

The Company measures its performance, in a first instance, on the basis of changes in Net Asset Value (NAV) plus dividends distributed. The Company calculates its NAV on the basis of the guidelines published in 2007 by INREV (European Association for Investors in Non-listed Real Estate Vehicles), an association of which the Company is a member.

On the basis of this methodology, the NAV of Sonae Sierra, as of June 30 2010, was €1.25 billion, an increase of 1.8% compared to the value recorded at the end of 2009.

Net Asset Value (NAV) amounts in € 000	30 Jun 10	31 Dec 09 (PF)
NAV as per the financial statements	1.000.238	994.533
Revaluation to fair value of developments	17.137	14.519
Deferred tax for properties	243.091	233.066
Goodwill related to deferred tax	-35.310	-37.932
Gross-up of Assets	24.965	24.310
NAV	1.250.121	1.228.497
NAV per share (in €)	38,45	37,78

One shopping centre inaugurated and two others under construction

Sonae Sierra's growth and expansion strategy continues, although the Company has adjusted its development timings to the evolution of the financial and retail markets.

During the first quarter of the year, in Portugal, the company successfully completed the refurbishment of AlbufeiraShopping (Algarve), and inaugurated LeiriaShopping (Leiria) with 100% of the GLA (Gross Lettable Area) already let.



Representing an investment of €79 million, the shopping centre welcomed more than 120 thousand visits in the first four day alone, which is proof of the development's impact on the region, and provides great confidence in its future performance.

At the end of the first semester of 2010, the Company has two new shopping centres under construction and 8 projects in different stages of development in Portugal, Italy, Germany, Greece, Romania and Brazil.

In Italy, Sonae Sierra is currently developing Le Terrazze in La Spezia, which is scheduled to be inaugurated in the third quarter of 2011, represents an investment of more than €125 million, and has more than 50% of its GLA already let. In Brazil, the Company initiated the construction of Uberlândia Shopping (Uberlândia) scheduled to open in 2011, and representing a total investment of €62 million.

Entry in Colombia – the Company's 8th market

In June 2010, Sonae Sierra announced its entry in a new market, Colombia, with the creation of Sierra Central, a service providing company in the shopping centre sector, including management and development of shopping centres.

Sierra Central is owned 50/50 by Sonae Sierra and Central Control, a Colombian company which already provides management services for Jardín Plaza, one of the main shopping centres in Cali, the country's third largest city. The Central Control owners were also responsible for the development of this centre and Centro Chipichape, in the same city.

Five new awards in the first semester of 2010

Sonae Sierra received five awards – three national and two international – in the first six months of the year, which join the other 85 awards collected throughout the company 21 years of activity.

For the second year in a row, the company was distinguished at the European Risk Management Awards, an initiative of British magazine Strategic Risk that rewards the best and most innovative actions on the risk management area.



This award, in the Best Environmental Risk Control category, acknowledges Sonae Sierra's commitment to being the best sustainable shopping centre specialist. In another international acknowledgement, the International Council of Shopping Centres (ICSC) rewarded Sonae Sierra for the refurbishment project of Valecenter Shopping Centre (Italy) in the Refurbishment & Extension category, at this year's edition of the ICSC European Shopping Centre Awards.

Nationally, Sonae Sierra was considered the Best Developer of the Year, in the Real Estate category, at the *Construir* Awards 2010. The prizes of *Construir* Newspaper, one of the most prestigious publications of the sector, elected the best of 2009 in areas such as Architecture, Engineering, Construction and Real Estate.

Also at the same awards, the company was distinguished for the Best Office Building of 2009 with the Colombo Oriente Tower, developed by the consortium comprised of Caixa Geral de Depósitos Group, Iberdrola Imobiliária, ING Real Estate and Sonae Sierra.

Centro Colombo, Sonae Sierra's largest Shopping Centre in Portugal, was considered the Best Shopping Centre at the Hipersuper Awards 2010. The eight nominees included two other Sonae Sierra shopping centres – Centro Vasco da Gama and NorteShopping -, both shopping and leisure references in their catchment areas for their dynamism, variety and quality.

About Sonae Sierra

Sonae Sierra, www.sonaesierra.com, is an international shopping centre specialist, with a passion for bringing innovation and excitement to the shopping centre industry. The Company owns 51 Shopping Centres in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, with a total Gross Lettable Area (GLA) of 2 million m². The Company is also present in Colombia since June 2010. Currently, Sonae Sierra has 2 projects under construction and 8 new projects in different phases of completion in Portugal, Italy, Germany, Greece, Romania and Brazil. In 2009 our Shopping Centres had more than 436 million visits.

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

Sonae Sierra		(Unaudited Accounts)		
Consolidated Profit and Loss Account (€ 000)	6M10	6M09 PF *	6M09	% 10/09PF
Direct Income from Investments	109.666	103.910	150.549	6%
Direct costs from investments	51.765	51.106	64.671	1%
EBITDA	57.901	52.804	85.879	10%
Net financial costs	20.795	26.901	42.385	-23%
Other non-recurrent income/cost	-1.707	295	1.684	-679%
Direct profit before taxes	35.399	26.198	45.178	35%
Corporate tax	6.916	6.573	10.028	5%
Direct net profit	28.483	19.625	35.150	45%
Gains realized on sale of investments	-4.204	261	261	-1710%
Impairment & Development funds at risk provision	-2.868	-6.482	-6.440	56%
Value created on investments	535	-136.750	-213.125	100%
Indirect income	-6.537	-142.971	-219.304	95%
Deferred tax	21.298	-29.163	-45.410	173%
Indirect net profit	-27.835	-113.808	-173.894	76%
Net profit before minorities	648	-94.183	-138.744	101%
Attributable to :				
Equity holders	648	-94.183	-94.183	101%
Minority interests	0	0	-44.561	-100%

* 2009 PF - with all the companies consolidated by the proportional method.

Consolidated Balance Sheet (€ 000)	30-06-10	31-12-09 (PF)	Var. (10 - 09)
Investment properties	2.289.037	2.304.609	-15.572
Properties under development and others	217.924	263.801	-45.876
Other assets	180.563	194.266	-13.703
Cash & Equivalents	34.896	28.987	5.909
Total assets	2.722.420	2.791.662	-69.242
Net worth	1.000.238	994.533	5.705
Bank loans	1.198.882	1.295.221	-96.338
Deferred taxes	292.655	272.232	20.423
Other liabilities	230.644	229.676	968
Total liabilities	1.722.182	1.797.129	-74.947
Net worth, minorities and liabilities	2.722.420	2.791.662	-69.242

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Consolidated Profit and Loss Account and Balance Sheet by business

Sierra Investments

(Unaudited Accounts)

Profit & Loss Account (€ 000)	6M10	6M09 PF *	% 10/09
Retail Net Operating Margin	52.874	53.113	0%
Parking Net Operating Margin	808	625	29%
Co-generation Net Operating Margin	381	344	11%
Shopping Centre Net Operating Income	54.064	54.082	0%
Offices Net Operating Income	36	98	-63%
Asset Management Net Operating Income	1.245	2.960	-58%
Net Operating Income (NOI)	55.345	57.141	-3%
Recurrent net financial costs/(income)	21.255	23.565	-10%
Non-Recurring costs/(income)	2.996	1.739	72%
Corporate Taxes	5.170	6.127	-16%
Direct Profit	25.925	25.709	1%
Realized Property Profit	(4.213)	(240)	-1653%
Non-Realised Property Profit	(13.456)	(92.355)	85%
Deferred tax	15.723	(21.839)	172%
Indirect Profit	(33.392)	(70.756)	53%
Net Profit for the Period	(7.467)	(45.047)	83%

Consolidated Balance Sheet (€ 000)	30-06-10	31-12-09 (PF)	Var. (10 - 09)
Investment properties & others	1.928.321	1.995.363	-67.042
Other assets	161.699	157.318	4.381
Cash & Equivalents	88.014	61.629	26.384
Total assets	2.178.033	2.214.311	-36.277
Net worth	677.803	688.031	-10.228
Bank loans	1.075.457	1.139.137	-63.680
Deferred taxes	232.149	220.369	11.780
Other liabilities	192.624	166.774	25.850
Net Worth, minorities and liabilities	2.178.033	2.214.311	-36.277

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Sierra Developments

(Unaudited Accounts)

Profit & Loss Account (€ 000)	6M10	6M09 PF *	% 10/09
Project Development Services Rendered	2.586	3.165	-18%
Value created in projects	609	(29.646)	102%
Operating Income	3.195	(26.481)	112%
Operating costs	11.959	13.671	-13%
Net Operating Income (NOI)	(8.764)	(40.152)	78%
Depreciation and provisions	6	8	-25%
Net financial costs/(income)	981	3.104	-68%
Non-Recurring costs/(income)	0	0	-
Corporate taxes	(1.150)	(1.548)	26%
Net Profit for the Period	(8.601)	(41.717)	79%

Consolidated Balance Sheet (€ 000)	30-06-10	31-12-09 PF	Var. (10 - 09)
Properties under development	184.827	245.479	-60.653
Other assets	119.418	109.407	10.011
Cash & Equivalents	4.741	2.724	2.018
Total assets	308.986	357.610	-48.624
Net worth	-15.521	-5.526	-9.995
Bank loans	4.946	33.315	-28.369
Shareholder loans	204.086	202.960	1.125
Deferred taxes	3.093	4.464	-1.371
Other liabilities	112.382	122.396	-10.014
Net worth, minorities and liabilities	308.986	357.610	-48.624

Sierra Management

(Unaudited Accounts)

Profit & Loss Account (€ 000)	6M10	6M09 PF *	% 10/09
Total income from management services	17.454	16.894	3%
Operating costs	13.878	14.896	-7%
Net operating income (NOI)	3.577	1.999	79%
Net financial costs/(income)	(382)	(623)	39%
Non-recurring costs/(income)	409	102	301%
Corporate taxes	1.282	1.003	28%
Net Profit for the period	2.268	1.516	50%

Consolidated Balance Sheet (€ 000)	30-06-10	31-12-09 (PF)	Var. (10 - 09)
Other assets	34.286	34.343	-57
Cash & Equivalents	34.715	28.148	6.567
Total assets	69.001	62.491	6.510
Net worth	8.804	4.327	4.476
Minorities			0
Shareholder Loans	140	140	0
Other liabilities	60.198	58.164	2.034
Net Worth, minorities and liabilities	69.001	62.491	6.510

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Sonae Sierra Brazil

(Unaudited Accounts)

Profit & Loss Account (€ 000)	6M10	6M09 PF *	% 10/09
Retail Operating Margin	11.431	7.833	46%
Parking Net Operating Margin	1.449	287	405%
Shopping Centre Net Operating Margin	12.880	8.120	59%
Total Income from Services Rendered	3.051	2.421	26%
Overheads	4.227	3.270	29%
Net Operating Income (NOI)	11.705	7.272	61%
Net financial costs/(income)	(995)	854	-217%
Non-recurring costs/(income)	761	99	668%
Corporate taxes	1.633	1.003	63%
Direct Profit	10.306	5.316	94%
Realised Property Profit	0	0	-
Non-Realised Property Profit	7.994	(3.006)	366%
Deferred tax	3.758	(2.043)	284%
Indirect profit	4.236	(963)	540%
Net Profit for the Period	14.542	4.353	234%

Consolidated Balance Sheet (€ 000)	30-06-10	31-12-09 (PF)	Var. (10 - 09)
Properties	394.507	328.273	66.233
Other assets	15.657	14.112	1.545
Cash & Equivalents	13.675	18.295	-4.620
Total Assets	423.839	360.681	63.158
Net worth	320.704	270.456	50.248
Bank loans	35.265	32.768	2.497
Deferred taxes	57.269	47.089	10.180
Other liabilities	10.601	10.368	233
Net Worth, minorities and liabilities	423.839	360.681	63.158