



SONAE SIERRA

27 October 2005

End of 3rd quarter 2005

Sonae Sierra shows net profit of €65.51 million

- NAV per share grows 12% to €36.47
- Direct profits rise 31% to €46.54 million
- EBITDA grows 18% to €89.28 million
- Owner or co-owner of 34 shopping and leisure centres with 1.4 million m2 of GLA

Sonae Sierra's accumulated Consolidated Net Profit (after minority holdings) was €65.51 million in the third quarter of 2005. This figure represents an increase of 45% compared to the €45.32 million in the same period last year.

At the end of the third quarter of 2005, Sonae Sierra had achieved a Direct Profit of €46.54 million, which was 31% up on the same period in 2004. EBITDA was €89.28 million, i.e. 18% more than in the third quarter of last year. These increases can be explained by a rise in the number of shopping centres managed and in the number of development projects from 2004 to 2005.

Sonae Sierra's performance in this period was marked particularly by the growth in its profitability in Spain, with the opening of Luz del Tajo, Zubiarte and Plaza Éboli, with the respective improvement in occupancy rates, and the renewal of many key contracts in Portugal.

The company acquired 25% of Parque Principado (Oviedo, Spain) and Valecenter (Venice, Italy) in June. Profitability on business in Brazil improved, thanks mainly to the increase in occupancy at Parque D. Pedro and contributions from Boavista Shopping and Penha Shopping. Penha Shopping was enlarged in the last quarter of 2004.

National and international expansion continues

Sonae Sierra has continued to pursue its expansion strategy and before the end of year it will be opening Serra Shopping in Covilhã in central Portugal. Yesterday, 26 October, the company opened LoureShopping in Loures. The key ceremony will soon be taking place at Rio Sul Shopping (Seixal), while the development of Setúbal Retail Park and São João da Madeira Shopping continues.

In Spain, projects currently in the development stage are Plaza Mayor Shopping (Malaga), in partnership with Castle City (75/25), and El Rosal (Ponferrada), in partnership with Grupo Mall (70/30).

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In Italy, Sonae Sierra has four ongoing projects at present: Biella (Biella) and Caselle (Turin), of which it is the sole owner, and Freccia Rossa (Brescia) and La Spezia (Spezia), in partnership with AIG/Coimpredil (40/50/10) and ING Real Estate Development (50/50), respectively.

In Germany, the undertakings currently being developed are 3Do (Dortmund) of which Sonae Sierra owns 100%, and Alexa (Berlin) in partnership with Foncière Euris (50/50).

In Greece, Mediterranean Cosmos opened on 19 October as part of the development of Aegean Park (Athens) in partnership with the Charagionis Group

Finally, in Brazil, Sierra Enplanta is building Shopping Campo Limpo (São Paulo) in partnership with Tivoli EP.

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 or co-owns 36 Shopping Centres in Portugal, Spain, Italy and Brazil, with a total Gross Lettable Area (GLA) of more than 1,5 million m². Currently, Sonae Sierra is developing 14 more projects in Portugal, Spain, Italy, Germany, Greece and Brazil, with a total GLA of more than 540.000 m²

Attached: Consolidated Profit and Loss Account, and Balance Sheet



Sonae Sierra

Consolidated Profit and Loss Account (€ 000)	3rd Quarter 2005	3rd Quarter 2004	% 05/04
Direct Income from Investments	153.060	128.775	19%
Operating costs	57.166	49.703	15%
Other costs	6.618	3.630	82%
Direct costs from investments	63.784	53.333	20%
EBITDA	89.277	75.442	18%
Depreciation	1.940	3.455	-44%
Recurrent net financial costs	28.595	24.744	16%
Direct profit before taxes	58.741	47.243	24%
Corporate tax	12.198	11.743	4%
Direct profit	46.542	35.501	31%
Realized on properties	16.650	2.655	-
Value created on investments	51.879	51.743	0%
Indirect income	68.528	54.398	26%
Deferred tax	13.090	13.987	-6%
Indirect profit	55.438	40.411	37%
Net profit before minorities	101.981	75.912	34%
Attributable to :			
Equity holders	65.510	45.318	45%
Minority interests	36.471	30.594	19%

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Consolidated Balance Sheet (€ 000)	30-09-2005	31-12-2004	Var. (05 - 04)
Investment properties	2.242.307	1.984.733	257.574
Properties under development and others	323.309	246.117	77.192
Goodwill	44.050	18.989	25.061
Deferred taxes	28.355	18.885	9.470
Other assets	135.705	125.206	10.499
Deposits	170.145	245.212	-75.067
Total assets	2.943.871	2.639.142	304.729
Net worth	923.187	821.818	101.369
Minorities	251.516	250.077	1.439
Bank loans	1.119.388	933.970	185.418
Shareholder loans from minorities	86.094	95.105	-9.011
Deferred taxes	357.093	315.807	41.286
Other liabilities	206.593	222.365	-15.772
Total liabilities	1.769.168	1.567.247	201.921
Net worth, minorities and liabilities	2.943.871	2.639.142	304.729