

Maia, April 28th 2006

End of 1st quarter 2006

Sonae Sierra shows Net Profit of €21.95 million

- EBITDA grows 28% to €37.05 million
- Direct Profit increases 58% to €21.28 million
- NAV per share reached €39.02
- Owner or co-owner of 39 Shopping and Leisure Centres with more than 1.6 million m² of GLA;

Sonae Sierra's Consolidated Net Profit (after Minority Holdings) was €21.95 million in the first quarter of 2006. This figure represents an increase of 1% compared to the same period of last year.

The growth of Sonae Sierra's activity in the first three months of 2006 was very positive, with the Direct Profit reaching €21.28 million in this period, up 58% compared with the same period of last year. EBITDA was €37.05 million, 28% more than the first quarter of last year. These increases are mainly due to the inaugurations and acquisitions of new shopping centres, and to the renewal of important contracts in the vast portfolio under management.

In the last quarter of 2005 alone, three new centres were inaugurated - LoureShopping and Serra Shopping, in Portugal, and Mediterranean Cosmos, in Greece - joined by the acquisitions of Valecenter and Airone, in Italy, as well as Plaza Sul, in Brazil. In the first quarter of this year (last March) RioSul Shopping, in Seixal, Portugal, was inaugurated.

New developments

Sonae Sierra continues to pursue its expansion strategy, developing a significant portfolio of projects in different stages of development, to which new business opportunities may be added, in markets where the Company is already present, or even in new markets.

Among the most significant ongoing developments we highlight, in Portugal, Setúbal Retail Park and São João da Madeira Shopping, and in Spain, Plaza Mayor Shopping (Malaga), in partnership with Castle City (75/25), El Rosal (Ponferrada), in partnership with the Mall Group (70/30).

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, we continue the efforts in partnership with the Charagionis Group, to develop Aegean Park (Athens).

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 39 Shopping Centres in Portugal, Spain, Italy, Greece and Brazil, with a total Gross Lettable Area (GLA) of more than 1,6 million m². Currently, Sonae Sierra is developing 13 more projects in Portugal, Spain, Italy, Germany, Greece and Brazil, with a total GLA of more than 490.000 m².

Attached: Sonae Sierra's Consolidated Profit and Loss Account, and Consolidated Balance Sheet

Sonae Sierra

Consolidated Profit and Loss Account (€ 000)	1st Quarter 2006	1st Quarter 2005	% 06/05
Direct Income from Investments	60.371	49.861	21%
Operating costs	21.594	19.485	11%
Other costs	1.724	1.349	28%
Direct costs from investments	23.318	20.834	12%
EBITDA	37.053	29.027	28%
Depreciation	414	531	-22%
Recurrent net financial costs	10.493	9.762	7%
Direct profit before taxes	26.146	18.734	40%
Corporate tax	4.871	5.311	-8%
Direct profit	21.275	13.423	58%
Realized on properties	1.188	554	114%
Value created on investments	10.232	9.399	9%
Indirect income	11.420	9.953	15%
Deferred tax	6.093	-4.155	247%
Indirect profit	5.327	14.109	-62%
Net profit before minorities	26.602	27.532	-3%
Attributable to :			
Equity holders	21.953	21.655	1%
Minority interests	4.649	5.877	-21%

Sonae Sierra

Consolidated Balance Sheet (€ 000)	31-03-2006	31-12-2005	Var. (06 - 05)
Investment properties	2.548.794	2.491.398	57.396
Properties under development and others	291.011	254.910	36.100
Goodwill	52.141	52.346	-205
Deferred taxes	22.137	22.749	-612
Other assets	125.669	126.767	-1.098
Deposits	213.230	256.841	-43.611
Total assets	3.252.981	3.205.011	47.969
Net worth	1.009.855	1.002.154	7.701
Minorities	304.150	298.896	5.255
Bank loans	1.228.304	1.196.942	31.362
Shareholder loans from minorities	89.631	77.254	12.377
Deferred taxes	409.752	402.727	7.025
Other liabilities	211.288	227.039	-15.751
Total liabilities	1.938.975	1.903.962	35.013
Net worth, minorities and liabilities	3.252.981	3.205.011	47.969