

Maia - Portugal, August 4th, 2016

Sonae Sierra recorded a Total Net Profit of €59.0 million in the 1st half of 2016

- Direct Result stable at €26.8 million
- EBIT at €47.1 million
- Global occupancy up to 96.1%
- ParkLake (Romania) opening confirmed for September 1st
- Venture launched with CBRE GIP to own and operate shopping centres in the Iberian peninsula

Sonae Sierra, the international property company dedicated to serving the needs of retail real estate investors, recorded a Net Profit of €59.0 million in the first half of 2016, with increased tenant sales in Europe and an uplift in the global occupancy rate reinforcing the continued recovery trend.

Tenant sales in the European portfolio grew by 3.9% on a like-for-like basis, compared to the same period of 2015, with an 11.1% growth in Spain and 4.5% in Italy. The Portuguese market maintained a positive performance, with a 3.2% like-for-like increase in tenant sales, compared to the first semester of 2015. Tenant sales in Brazil remained stable (0.0% in Brazilian Real LfL).

The global occupancy rate of the portfolio reached 96.1%, a 0.3% increase compared to the same period of 2015. This reflects the good management of the company's shopping centres, particularly in Europe, where occupancy was up to 97.1%.

According to **Fernando Guedes de Oliveira, Sonae Sierra's CEO**, "the first six months of 2016 have confirmed the recovery trend, particularly in Europe, where tenant sales rose 3.9% and occupancy rates reached 97.1%. We have continued to boost our third party service provision, launched a fund with CBRE GIP to maintain our business positions in Spain and Portugal, and confirmed the opening of ParkLake, in Romania, for September 1st."

In the first semester of this year, the Direct Result was stable at €26.8 million, the same as in the first half of 2015. This reflects the ongoing economic recovery and increased occupancy rates in Europe, in spite of the asset sales executed by the Company and the Brazilian Real devaluation during this period.

The Indirect Result was €32.2 million, €20 million below the previous year, as a result of a lower yield compression than the one experienced in the same period of last year.

ParkLake opening confirmed for September 1st

Sonae Sierra and Caelum Development have announced that ParkLake (Bucharest, in Romania) will open on September 1st, marking the debut of several new brands and retail concepts in Romania. More than 97% let as of end of June, the highly sustainable shopping centre represents a €180 million investment with over 200 shops on 70,000 m² of GLA.

Further third party contracts signed and a fund launched with CBRE GIP

In the first six months of the year, Sonae Sierra strengthened its third party service provision activity with ten new contracts with external clients signed in the second quarter alone, of which six are development service contracts and four leasing and property management.

A new venture was established with CBRE Global Investment Partners to own and operate regional dominant shopping centres in the Iberian peninsula, initially comprising three shopping centres in Spain and Portugal which were previously owned by the Sierra Fund. Sonae Sierra now holds a minority share in the fund and acts as local operating partner and asset and property manager.

Net Asset Value (NAV) and Financial Ratios

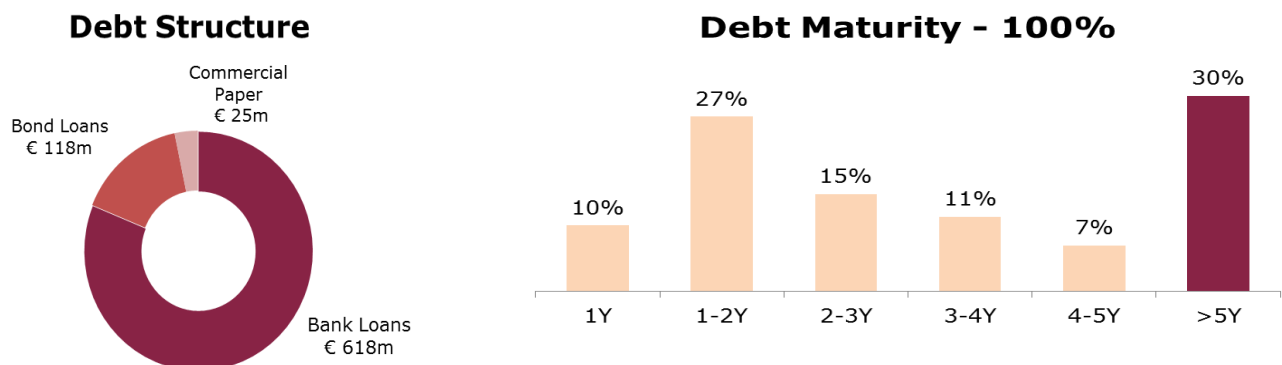
Sonae Sierra calculates its NAV according to the guidelines published in 2007 by the INREV (European Association for Investors in Non-Listed Real Estate Vehicles).

Based on this methodology, as of June 30, 2016, Sonae Sierra's NAV stood at €1.2 billion. This value represents a 5.4% increase compared to the value in December 2015.

Net Asset Value (NAV) amounts in € m	30 Jun 16	31 Dec 15
NAV as per the financial statements	1019.4	938.3
Revaluation to fair value of developments	3.6	3.0
Deferred tax for properties	219.1	238.1
Goodwill related to deferred tax	-8.9	-14.3
Gross-up of Assets	10.7	14.7
NAV	1,243.9	1,179.8
NAV per share (in €)	38.26	36.29

Sonae Sierra maintained its conservative long-term funding and hedging strategies. The Company's capital structure has an average debt maturity of 3.0 years, with 34.4% of the debt with fixed interest costs, showing the prudent hedging of interest rate risk and a balanced debt maturity profile.

The following chart illustrates Sonae Sierra's debt structure and maturity as of June 30, 2016:



The average cost of debt for Sonae Sierra is 0.2 p.p. above 2015 and currently stands at 4.3%. Excluding Brazil, the average cost of the debt is stable at 3.2%.

Sonae Sierra continues to demonstrate good access to debt funding and capital markets, having refinanced €260 million during this first semester with a diversified panel of national and international finance entities.

The Financial Ratios continue to show the cautious attitude and financial strength of the Company's balance.

Ratios	30 Jun 16	31 Dec 15
Loan-to-value	30.4%	39.5%
Interest cover	3.0	3.0
Development ratio	17.1%	15.6%

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

(unaudited accounts)

Consolidated Profit and Loss Account (€ million)	6M16	6M15	% 16/15
Direct income from investments	99.8	108.1	-8%
Direct costs from investments	52.6	58.0	-9%
EBIT	47.1	50.0	-6%
Net financial costs	13.6	16.8	-19%
Other non-recurrent income/cost	0.0	0.0	-
Direct profit before taxes	33.5	33.2	1%
Current tax	6.7	6.4	4%
Direct net profit	26.8	26.7	0%
Gains realized on sale of investments	11.7	0.0	-
Impairment	9.4	0.0	-
Value created on investments	22.4	68.2	-67%
Indirect income	43.6	68.3	-36%
Deferred tax	11.4	15.8	-28%
Indirect net profit	32.2	52.5	-
Net profit	59.0	79.2	-26%

Consolidated Balance Sheet (€ million)	30 Jun 16	31 Dec 15	Var. (16 - 15)
Investment properties	1,778	2,008	-230
Properties under development and others	141	120	21
Other assets	101	101	0
Cash & Equivalents	156	71	85
Total assets	2,176	2,300	-124
Net worth	1,019	938	81
Bank loans	736	905	-168
Deferred taxes	278	286	-8
Other liabilities	142	171	-29
Total liabilities	1,156	1,361	-205
Net worth and liabilities	2,176	2,300	-124

About Sonae Sierra

Sonae Sierra, www.sonaesierra.com, is the international property company dedicated to serving the needs of retail real estate investors. Sonae Sierra operates from corporate offices in 13 countries providing services to clients in geographies as diverse as Portugal, Algeria, Azerbaijan, Brazil, Colombia, Germany, Greece, Italy, Morocco, Romania, Russia, Slovakia, Spain, Tunisia and Turkey. Sonae Sierra owns 44 shopping centres with a market value of €6 billion euros, and manages and/or lets 79 Shopping Centres with a Gross Lettable Area of 2.3 million m² and about 9,000 tenants. In 2015, the Company welcomed more than 430 million visits to the shopping centres it manages. Currently, Sonae Sierra has 11 projects under development, including 4 for clients, and 7 new projects in pipeline.