

Maia, Portugal, March 8<sup>th</sup> 2012

## **Sonae Sierra recorded a Net Profit of €9.7 million in 2011, 12% above last year**

- Direct Net Profit grew 6% despite asset sales and successful IPO in Brazil
- Global occupancy rate grew to 96.8%
- Portfolio under management welcomed 428 million visits
- Five shopping centres under construction, representing a total investment of €522 million

Sonae Sierra recorded a Net Profit of € 9.7 million in 2011, a 12% increase versus € 8.7 million in the same period of 2010. The positive variation of the Net Profit was leveraged by a 6% increase of the Direct Profit, as a consequence of the resilience and improved operational efficiency of the portfolio of assets, which mitigated the negative effects of yield expansion, especially in Portugal.

Asset sales in Europe - Alexa (Germany) and Mediterranean Cosmos (Greece) in 2010 and Plaza Éboli and El Rosal, both in Spain, in 2011 - and the successful IPO in Brazil in the first quarter of 2011 led to an 8% decrease of annual Direct Income, from € 226.7 million in 2010 to € 209.2 million in 2011. As a consequence and in spite of the cost containment efforts in all areas of the Company, EBITDA suffered a 9% decrease in the same period (€ 112.8 million compared to €123.4 million in 2010).

The global portfolio managed by Sonae Sierra delivered a positive performance, taking into account the current performance of retail sales in some of the markets where the company operates, with tenant sales decreasing just 0.2% in 2011, versus 2010.

Despite the natural impact of the economic situation on rent and occupancy rates in the retail sector, the global occupancy rate of the portfolio was 96.8%, 0.5% above 2010. This figure reflects the quality of both assets and Company management.

## Value Metrics

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

On this basis, the company's NAV, as of December 31 2011, was € 1.173 billion, compared to €1.251 billion in 31 December 2010 due to the dividend attribution and to the decrease in translation reserves arising from the depreciation of the Real.

<b>Net Asset Value (NAV) amounts in € 000</b>	<b>31 Dec 11</b>	<b>31 Dec 10</b>
NAV as per the financial statements	941.090	1.000.431
Revaluation to fair value of developments	10.430	14.033
Deferred tax for properties	238.686	249.382
Goodwill related to deferred tax	-36.073	-37.347
Gross-up of Assets	18.765	24.426
<b>NAV</b>	<b>1.172.899</b>	<b>1.250.926</b>
<b>NAV per share (in €)</b>	<b>36,07</b>	<b>38,47</b>

## Strategy for 2011: internationalization, service provision and capital recycling

In 2011, the main axes of the defined strategy were rigorously implemented: internationalization, capital recycling and third party service provision.

The Company started providing services in new geographies, namely in Morocco, Algeria and Croatia and started construction of two new projects.

In Germany, we started works on site in Solingen, which will have a gross lettable area (GLA) of 28,000 m<sup>2</sup> and is scheduled to open in late 2013. In Brazil we started construction of Passeio das Águas Shopping, in the city of Goiânia, the Company's 13<sup>th</sup> development in the country. Scheduled to open in 2013, this new centre represents an investment of about € 167 million, which will make Passeio das Águas Shopping the largest and most modern shopping centre of the region. Also in 2011, Sonae Sierra inaugurated in Brazil the expansions of Shopping Campo Limpo and Shopping Metr pole.

The capital recycling strategy adopted by the Company with the purpose of ensuring its sustainable growth led to the sale, in 2011, of two centres in Spain (El Rosal and Plaza Éboli) and to the IPO of Sonae Sierra Brasil. This strategy had already been carried out in 2010 with the partial sale of Alexa (Germany) and the sale of Mediterranean Cosmos (Greece). Additionally, the Company re-financed the existing AlgarveShopping (Algarve, Portugal) loan through a new long term non-recourse mortgage-backed facility with an international Bank.

We have also reinforced and increased our third party service provision activity, with the signing of three new contracts to lease Sun Plaza, Magnolia Shopping and Vitantis Mall, in Romania. In Spain, Sonae Sierra strengthened its presence with the signing of a contract to lease Carcaixent Retail Park. In Italy, Sierra took over the management and letting of Le Isole, located in Piemonte, and the letting of Shopping Park in Milan. In Germany, we signed a contract with Bayerische Hausbau to manage Bikini Berlin, a large retail project in Berlin, scheduled to be inaugurated in 2013.

In the provision of development services area, the Company signed two new contracts, one in Morocco for the development of Marina Shopping in Casablanca and another in Croatia for the development of Vrbani Shopping in Zagreb.

## **Operating and under development Portfolios**

Currently, Sonae Sierra has 49 shopping centres in operation, 28 of which are located outside Portugal, namely in Spain (9), Italy (4), Greece (1), Germany (3), Romania (1) and Brazil (10).

The Company has five shopping centres under construction, representing a total investment of about € 522 million.

Besides the aforementioned Solingen Shopping and Passeio das Águas Shopping, the Company continues construction in Uberlândia Shopping and Boulevard Londrina, both in Brazil. The first is scheduled to be inaugurated on March 27th, will have a GLA of 43,600 m<sup>2</sup> for an investment of € 62 million. The second will have a GLA of 47,800 m<sup>2</sup>, which corresponds to an investment of € 88 million, and is scheduled to open in late 2012. In Italy, Le Terrazze is scheduled to be inaugurated on March 21 with a total GLA of 38,500 m<sup>2</sup> for an investment of more than € 125 million.

## SONAE SIERRA

(audited accounts)

<b>Consolidated Profit and Loss Account (€ 000)</b>	<b>2011</b>	<b>2010</b>	<b>% 11/10</b>
Direct Income from Investments	209.287	226.881	-8%
Direct costs from investments	96.487	103.465	-7%
<b>EBITDA</b>	<b>112.800</b>	<b>123.416</b>	<b>-9%</b>
Net financial costs	35.799	44.101	-19%
Other non-recurrent income/cost	-3.241	-6.583	51%
<b>Direct profit before taxes</b>	<b>73.760</b>	<b>72.732</b>	<b>1%</b>
<b>Corporate tax</b>	<b>12.663</b>	<b>15.193</b>	<b>-17%</b>
<b>Direct net profit</b>	<b>61.097</b>	<b>57.539</b>	<b>6%</b>
Gains realized on sale of investments	-8.226	-1.707	-382%
provision	-6.977	-29.425	76%
Value created on investments	-33.741	18.205	-285%
<b>Indirect income</b>	<b>-48.944</b>	<b>-12.927</b>	<b>-279%</b>
Deferred tax	2.405	35.918	-93%
<b>Indirect net profit</b>	<b>-51.349</b>	<b>-48.845</b>	<b>-5%</b>
<b>Net profit</b>	<b>9.748</b>	<b>8.694</b>	<b>12%</b>

<b>Consolidated Balance Sheet (€ 000)</b>	<b>31-12-2011</b>	<b>31-12-2010</b>	<b>Var. (11 - 10)</b>
Investment properties	2.058.594	2.284.916	-226.321
Properties under development and others	255.841	223.484	32.356
Other assets	135.300	139.709	-4.409
Cash & Equivalents	113.798	54.252	59.546
<b>Total assets</b>	<b>2.563.533</b>	<b>2.702.360</b>	<b>-138.828</b>
<b>Net worth</b>	<b>941.090</b>	<b>1.000.431</b>	<b>-59.341</b>
Bank loans	1.107.428	1.198.091	-90.662
Deferred taxes	286.956	304.627	-17.671
Other liabilities	228.058	199.212	28.847
<b>Total liabilities</b>	<b>1.622.443</b>	<b>1.701.929</b>	<b>-79.487</b>
<b>Net worth and liabilities</b>	<b>2.563.533</b>	<b>2.702.360</b>	<b>-138.828</b>

### About Sonae Sierra

**Sonae Sierra**, [www.sonaesierra.com](http://www.sonaesierra.com), is the international shopping centre specialist, with a passion for bringing innovation and excitement to the shopping centre industry. The company is present in Portugal, Spain, Italy, Germany, Greece, Romania, Morocco, Algeria, Colombia and Brazil, and owns 49 shopping centres. Sonae Sierra is also active in third party service provision in Croatia. Currently, the Company has 5 projects under construction and 6 new projects in different phases of completion, and is also developing two new projects for third parties. Sonae Sierra manages more than 70 shopping centres with a total gross lettable area (GLA) of about 2.2 million m<sup>2</sup> with more than 8,500 tenants. In 2011, the Company welcomed more than 428 million visits in its shopping centres.