SONAE SGPS
FIRST QUARTER RESULTS 2008
JANUARY - MARCH

Table of contents

Notes:

(1) The consolidated financial information contained in this report is unaudited and based on financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union;

(2) In order to facilitate comparison of quarterly results against the previous year, the 1Q07 comparative figures have been restated ($1Q07^R$) to exclude the following: (i) Sonae Capital's contribution to the Sonae SGPS consolidated accounts during the 1Q07, given the conclusion of the Sonae Capital demerger and consequent exclusion from the Sonae SGPS consolidation perimeter; from October 2007; and (ii) Plysorol's contribution to the Sonae SGPS consolidated accounts during 1Q07, given its phased sale and exclusion from the Sonae SGPS consolidation perimeter from June 2007;

(3) Sonae SGPS's sub-holding's financial figures, as reported in section 2 - Consolidated results, are reported on the basis of their contribution to the consolidated accounts;

(4) Sonae SGPS's sub-holding's financial figures, as reported in section 3 – Business analysis, are reported on a stand-alone basis.

Message from Paulo Azevedo, CEO of Sonae SGPS

Our commitment to increase organic growth rate and the acquisitions carried out in 2007 has enabled us to achieve a year-on-year turnover increase of 26%. All our units contributed to this acceleration of growth, of which more than 9% was achieved through organic growth. EBITDA increased by 9% and, excluding non-recurrent transactions, that include value created on investment properties and real estate capital gains at Sonae Distribuição, EBITDA would have grown by a strong 12%, despite the additional costs resulting from the integration of companies acquired in 2007, strong competitive pressures on both the Retail and Telecommunications markets and the scenario of continuous cost increases in our raw materials.

In the Retail business, we continued to strengthen our leadership in the Portuguese retail market, with turnover up by 28% and EBITDA, excluding non-recurrent real estate transactions, increasing by 17.8%. It is worth mentioning that, despite the launch of the loyalty card in January 2007 and the significant impact on sales in that quarter, we were able to deliver further for growth on a like-for-like basis from our existing food retail stores (+1%). The integration of the retail operation acquired is taking place according to plan, with no sales losses in this initial period and with the successful replacement of the IT systems and rebranding in just 48 hours. Efforts have been made to solve all inventory problems and performance and synergy projects have been implemented. Non–food sales grew by 24%, with an underlying 6% like-for-like growth. After the end of 1Q08 and in accordance to plan, Sonae Distribuição successfully opened its first SportZone store in Spain, in Madrid, with very encouraging indicators regarding the format acceptance. Over and above the focus on the integration process, Sonae Distribuição continued the investment in the opening of new stores, in line with the targets disclosed of adding more than 60,000 new m2 before the end of 2008 and reaching 1,000,000 m2 of sales area in 2010.

In the Shopping Centre business, the quarter saw strong financial results, with EBITDA increasing by 31%, reflecting the extended portfolio of assets under management and the improving performance of the Services division. Net Profit increased by 34% compared to 1Q07. Importantly, operating priorities were focused on the launch of the Sierra Portugal Fund, with Sonae Sierra selling in this first closing a position of 40% of the fund. The sale of Sierra Portugal Fund, valued at fair value as at 31 December 2007, gives us confidence in the quality of Sonae Sierra's portfolio of assets and its relative immunity from the recent real estate market turmoil resulting from the subprime crisis.

In the Telecommunications business, we continued to achieve positive operational results at both our Mobile and Wireline divisions, with significant growth in mobile active customers, up by 8%, and a significant increase in our wireline direct accesses, up by 27% on a like-for-like basis, the latter posting growth of nearly 68% to 521 thousand accesses when including the acquisitions completed in 2007. Total mobile active customers reached 2.3 million and total wireline accesses amounted to 775 thousand. Our financial results were also positive and in line with expectations, with customer revenues growing by 11% on a like-for-like basis and EBITDA matching last year's results in absolute terms. This was an encouraging performance given the very tough competitive market environment, with all the players launching very aggressive offers and promotions. During the quarter, in order to enhance its competitive position, Sonaecom announced the implementation of a fibre deployment, a 3 year investment plan totalling 240 million euros, which is expected to cover 25% of the Portuguese population.

With the performance we have posted in this quarter and despite the clear slowdown of consumer confidence in Portugal and Spain, I feel confident we will deliver on our commitment to profitable growth and meet our bold objective of maintaining retailing margins for the full year.

1. Key figures

During 1Q08, Sonae SGPS focused on delivering organic growth at all its businesses: the Retail business continued posting positive like-for-like growth of revenues, the Shopping Centre business continued to develop its project pipeline and the Telecommunications business was able to accelerate growth and strengthen market share.

Million euros

CONSOLIDATED HIGHLIGHTS	1Q07	1Q07 (R)	1Q08	y.o.y	4Q07	q.o.q
Turnover	1.042,7	956,6	1.204,2	25,9%	1.284,0	-6,2%
Value created on investment properties (1)	2,9	2,9	0,0	-100,0%	29,8	-100,0%
Operating expenses	1.044,5	936,4	1.193,9	27,5%	1.218,2	-2,0%
EBITDA	107,6	101,7	110,3	8,5%	197,7	-44,2%
EBITDA margin (%) (2)	10,3%	10,6%	9,2%	-1,5pp	15,4%	-6,2pp
EBIT	43,9	40,5	42,7	5,5%	137,4	-68,9%
Net income - group share (3)	14,7	10,8	12,1	12,3%	113,4	-89,3%
CAPEX (4)	139,5	123,6	133,6	8,1%	865,8	-84,6%
CAPEX as a % of Turnover	13,4%	12,9%	11,1%	-1,8pp	67,4%	-56,3pp
EBITDA minus CAPEX	-31,9	-21,9	-23,4	-6,7%	-668,1	96,5%
Net debt	2.232,6	2.106,6	3.013,2	35,0%	2.621,0	15,0%
Net debt/EBITDA (last 12 months)	3,7 x	-	4,3 x	-	3,7 x	0,5x
EBITDA/interest expenses (5)	3,1 x	2,9 x	2,6 x	-0,5x	4,8 x	2,2x
Total employees	28.415	-	33.904	19,3%	34.628	-2,1%
Corporate center	54	-	47	-13,0%	46	2,2%

(1) Increase in the valuation of the shopping centres proportionally consolidated (50%); (2) EBITDA margin = EBITDA / Turnover; (3) Net income attributable to Sonae shareholders; (4) Capex includes gross investments in tangible, intangible, investment properties and investments in acquisitions;(5) Interest cover; (R) Restated to exclude Sonae Capital and Plysorol contribution in 1Q07.

- Consolidated turnover grew significantly by 25.9% to 1,204.2 million euros in 1Q08, compared to 956.6 million euros in 1Q07(R). The Retail business delivered most of the growth in turnover, with an increase in contribution of 201 million euros in 1Q08, mainly explained by its strong expansion plan and the integration of the retail operation acquired, completed by the end of 2007, and notwithstanding positive effect of the launch of the loyalty card in January 2007.

- EBITDA increased by 8.5% to 110.3 million euros in 1Q08, driven primarily by a 26.9% higher contribution to EBITDA from the Shopping Centres business, explained by the increase in the number of shopping centres in operation.

- Net income group share for the quarter amounted to 12.1 million euros, an improvement of 12.3% over 1Q07(R), mostly due to the improved operational performance.

- CAPEX increased by 10 million euros in 1Q08 to 133.6 million euros, compared to 1Q07(R), mainly as a result of the acceleration of investment in the network at the Telecommunications business, and by the opening of 10 new stores by the Retail business, which increased its sales area by 5,000 m2 in 1Q08

- Consolidated Net Debt amounted to 3,013.2 million euros, an increase of 392.2 million euros over year end 2007, mainly due to an increase in the contribution to consolidated net debt at the Retail business, reflecting the Capex programme and the seasonal increase in working capital in the quarter, following the Christmas period.

2. Consolidated results

2.1. Consolidated income statement

Million euros

CONSOLIDATED INCOME STATEMENT	1Q07	1Q07 (R)	1Q08	y.o.y	4Q07	q.o.q
Turnover	**1.042,7**	**956,6**	**1.204,2**	**25,9%**	**1.284,0**	**-6,2%**
Retail	722,6	723,1	924,3	27,8%	988,6	-6,5%
Shopping centres (1)	33,8	34,1	42,3	24,2%	41,6	1,7%
Telecommunications	196,3	196,7	233,1	18,5%	243,5	-4,3%
Services	86,2	0,0	0,00	-	-0,1	100,0%
Holding & others	3,9	2,8	4,5	62,7%	10,4	-56,5%
Value created on investment properties (2)	**2,9**	**2,9**	**0,0**	**-100,0%**	**29,8**	**-100,0%**
Other revenues	107,0	78,8	100,3	27,3%	103,0	-2,6%
Operating costs	**1.044,5**	**936,4**	**1.193,9**	**27,5%**	**1.218,2**	**-2,0%**
COGS	610,8	580,1	750,6	29,4%	761,9	-1,5%
Personnel costs	148,6	125,2	150,2	20,0%	138,5	8,4%
General & administrative expenses	275,3	213,7	272,3	27,4%	291,9	-6,7%
Other operating costs	9,8	17,4	20,8	19,7%	25,9	-19,6%
EBITDA excl. value created on investment properties	104,8	98,8	110,3	11,6%	167,9	-34,3%
EBITDA	**107,6**	**101,7**	**110,3**	**8,5%**	**197,7**	**-44,2%**
EBITDA margin (%) (3)	10,3%	10,6%	9,2%	-1,5pp	20,0%	-10,8pp
Retail	45,7	45,7	48,8	6,9%	105,3	-53,6%
Shopping centres (1)	17,6	17,6	22,3	26,9%	51,1	-56,3%
Telecommunications	39,4	39,4	35,4	-10,1%	42,7	-17,2%
Services	6,4	0,0	0,0	-	0,0	-
Holding & others	-1,4	-1,0	3,7	-	-1,4	-
Provisions and impairment losses	3,9	3,6	4,3	19,2%	-0,1	-
Depreciation & amortization	60,3	57,9	63,7	10,0%	61,4	3,7%
EBIT	**43,9**	**40,5**	**42,7**	**5,5%**	**137,4**	**-68,9%**
Net financial results	**-27,7**	**-25,0**	**-39,2**	**-57,0%**	**-28,9**	**-35,7%**
Financial income	12,6	13,4	10,6	-20,8%	17,3	-38,4%
Financial expenses	40,3	38,4	49,9	29,8%	46,2	8,0%
Share of results of associated undertakings	0,3	0,0	1,6	-	2,5	-36,4%
Investment income (4)	6,8	2,0	6,0	193,8%	6,7	-10,9%
EBT	**23,3**	**17,5**	**11,0**	**-36,9%**	**117,7**	**-90,6%**
Taxes	7,2	6,1	0,5	-92,6%	-21,8	-
Net income	16,0	11,4	10,6	-7,0%	139,5	-92,4%
Net income - group share (5)	**14,7**	**10,8**	**12,1**	**12,3%**	**113,4**	**-89,3%**
Attributable to minority interests	1,4	0,6	-1,6	-	26,1	-

(1) Shopping centres are proportionally consolidated (50%); (2) Increase in the valuation of the shopping centres proportionally consolidated (50%); (3) EBITDA margin = EBITDA / Turnover; (4) Capital gains (losses) with financial investments plus dividends received; (5) Net income attributable to Sonae shareholders; (R) Restated to exclude Sonae Capital and Plysorol contribution in 1Q07.

Turnover

Consolidated turnover increased by 25.9% in 1Q08 compared to 1Q07(R), amounting to 1,204.2 million euros, driven by turnover growth across all the business units:

(i) 27.8% higher contribution from Retail, totalling 201 million euros, mainly reflecting the aggressive pace of organic growth, with the opening of an additional 168 thousand m2 in the last 12 months, the impact of the retail stores acquired, and the good like-for-like performance achieved, with the quarter benefiting from Easter and an additional calendar day, notwithstanding the significant positive impact on sales of the loyalty card launch during the 1Q07;

(ii) 18.5% increase from Telecommunications, totalling 36.4 million euros, mainly driven by strong customer revenue growth both in the Wireline (84.9%) and Mobile areas (8.4%), and despite the decrease of roaming-in tariffs and the current tougher competitive environment;

(iii) 24.2% higher contribution from Shopping Centres, totalling 8.2 million euros, primarily due to a 28% increase in rental income, reflecting new shopping centres opened and acquired, the increase in ownership of several shopping centres in Brazil and Portugal and the improved like-for-like performance of shopping centres, with like-for-like rental growth of 3% for the whole portfolio; services business posted a 25.6% increase in turnover, derived from increased portfolio of assets and higher letting services income (+56%) related with shopping centres to be opened during the 2Q08, namely Freccia Rossa, in Italy.

EBITDA

Total EBITDA amounted to 110.3 million euros in 1Q08, 8.5% above that in 1Q07(R), mainly driven by the strong operational results from the Shopping Centre business reflecting the increased portfolio of assets owned and rental performance. Excluding non-recurrent capital gains y.o.y, EBITDA would have amounted to 101.3 million euros, 11.8% above that in 1Q07(R).

The breakdown of EBITDA performance in 1Q08 by business was as follows:

(i) The Shopping Centre business increased its contribution to EBITDA by 4.7 million euros to 22.3 million euros compared to 1Q07(R), as a result of the extension of the portfolio of assets in operation, and also the higher activity of the Development division, with 4 more projects under development comprising an additional 280.7 thousand m2; despite not having benefited from value created on investment properties compared to a 2.9 million euros of positive impact in 1Q07(R);
(ii) The Retail business increased its contribution to EBITDA by 6.9% to 48.8 million euros in 1Q08, reflecting the strong expansion plan combined with a focus on productivity enhancing programmes, and the integration of the newly acquired stores, which is taking place according to plan. On a recurrent basis and excluding the real estate capital gains impacting y.o.y figures, the Retail contribution to EBITDA would have grown by 6.1 million euros, up by 18.1% over 1Q07(R);
(iii) The Telecommunications business contribution to the consolidated EBITDA decreased slightly when compared to 1Q07(R), a positive performance given the current competitive market environment, with increased commercial aggressiveness by all players, and given the costs of integration of the companies acquired during 2007. This performance was achieved on the back of strong operational results at the Wireline division.

The EBITDA margin reached 9.2% in 1Q08, 1.4pp less than in 1Q07(R), primarily explained by: (i) the impact on margin of the 8 petrol stations, acquired as part of the purchase of the retail operation in 2007, still pending the Portuguese Competition Authority's non-opposition to them being operated by Galp Energia; (ii) the non-recurrent capital gains impacting EBITDA y.o.y; (iii) the costs of integration of the stores acquired by the Retail business; and (iv) the increased commercial and marketing activities in the Telecommunications business that reflect the push for organic growth of this business unit. Excluding the contribution from petrol stations and non-recurrent capital gains, EBITDA margin would have decreased by 1.2pp, from 9.5% in 1Q07(R) to 8.3% in 1Q08.

Net financial results
Net Financial results deteriorated by 57.0% to a negative 39.2 million euros in 1Q08 compared to a negative 25 million euros in 1Q07(R), mainly reflecting: (i) a 29.8% increase in financial expenses, explained by the Group's higher average net debt in 1Q08; (ii) an increase in the average cost of debt, with the 3 and 6 month daily average Euribor rates increasing by 0.7pp and 0.5pp, respectively compared to 1Q07; and (iii) a 21% decrease in interest income, from 13.4 million euros to 10.6 million euros. The Group's higher average net debt in 1Q08, when compared to 1Q07(R), is primarily explained by the financing requirements of the retail acquisition and development plans from the Shopping Centre unit.

Investment income
Investment income totalled 6 million euros in 1Q08, 4 million euros higher than 1Q07(R), including gains related to the launch of Sierra Portugal Fund on 27 March 2008, Sonae Sierra's second investment fund comprising 8 Portuguese shopping centres and 3 projects under development, and the corresponding sale at market value of a 40% shareholding to reference investors. This income is primarily explained by the write-off of deferred tax liabilities related to unrealised gains on investment properties, accounted for in the balance sheet under the IAS rules.

Net income Group share
Consolidated net income group share in 1Q08 increased by 12.3% to 12.1 million euros, compared to 10.8 in 1Q07(R), mostly due to sales growth and improved operational profit. This performance was achieved notwithstanding the 57% higher net financial charges incurred in the quarter and the 10% higher depreciation & amortization charges, the later driven by the increased asset base resulting from store network expansion at Retail and the extension of the mobile and wireline network at Telecommunications.

Taxes for 1Q08 showed a charge of 0.5 million, compared to 6.1 million euros in 1Q07(R), and comprised a current tax charge of 5.4 million euros and movements in deferred taxes that generated a benefit of 4.9 million euros. The latter was driven by the recognition of additional deferred tax assets at Sonae Distribuição and Sonaecom amounting to 6.1 million euros, which more than offset the deferred tax liabilities booked at Sonae Sierra.

2.2. Consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	1Q07	1Q07 (R)	1Q08	y.o.y	4Q07	q.o.q
Total Net Assets	**6.236,3**	**5.561,4**	**7.023,0**	**26,3%**	**7.026,2**	**0,0%**
Non Current Assets	4.526,6	4.054,2	5.676,6	40,0%	5.600,8	1,4%
Tangible and Intangible Assets	2.381,7	2.052,4	2.529,1	23,2%	2.501,9	1,1%
Goodwill	261,4	215,6	733,8	-	740,9	-1,0%
Investment properties (1)	1.567,6	1.569,3	2.083,4	32,8%	2.062,1	1,0%
Other investment	166,8	70,4	109,5	55,5%	85,6	27,9%
Deferred Tax Assets	103,3	98,1	143,6	46,4%	135,6	5,9%
Others	45,7	48,4	77,1	59,4%	74,6	3,3%
Current Assets	1.709,8	1.507,1	1.346,4	-10,7%	1.425,3	-5,5%
Stocks	529,2	393,4	506,5	28,8%	481,9	5,1%
Trade Debtors	250,8	172,2	219,2	27,3%	229,1	-4,3%
Liquidity (2)	535,5	518,7	181,3	-65,1%	346,5	-47,7%
Others	394,4	422,8	439,4	3,9%	367,9	19,4%
Total equity	**1.672,7**	**1.334,4**	**1.600,3**	**19,9%**	**1.618,0**	**-1,1%**
Group Share	1.268,9	929,8	1.140,3	22,6%	1.169,7	-2,5%
Minority Interests	403,8	404,6	460,1	13,7%	448,3	2,6%
Total Liabilities	**4.563,6**	**4.226,9**	**5.422,7**	**28,3%**	**5.408,2**	**0,3%**
Non Current Liabilities	2.589,0	2.436,5	3.564,3	46,3%	3.584,3	-0,6%
Bank Loans	1.040,1	951,8	1.227,6	29,0%	1.059,7	15,8%
Other Loans (3)	1.112,6	1.099,6	1.670,4	51,9%	1.769,4	-5,6%
Deferred Tax Liabilities	275,0	269,6	335,1	24,3%	334,2	0,3%
Provisions	59,0	43,3	107,6	148,3%	108,0	-0,3%
Others	102,4	72,1	223,5	-	313,0	-28,6%
Current Liabilities	1.974,6	1.790,4	1.858,4	3,8%	1.823,8	1,9%
Bank Loans	507,2	492,5	188,5	-61,7%	129,2	45,9%
Other Loans (3)	108,2	81,3	108,0	32,8%	9,1	-
Trade Creditors	739,5	657,4	892,6	35,8%	988,8	-9,7%
Others	619,7	559,2	669,4	19,7%	696,7	-3,9%

(1) Invesment properties = value of shopping centres owned by Sonae Sierra; (2) Liquidity includes cash & equivalents and current investments; (3) Other loans include bonds, leasing, derivatives and shareholder loans; (R) Restated to exclude Sonae Capital and Plysorol contribution in 1Q07.

Gross tangible and intangible assets totalled 4,181.2 million euros at the end of 1Q08, compared to 4,102 million euros at end 2007 and cumulative depreciation and amortization totalled 1,651.7 million euros, compared to 1,600 million euros at end 2007. Liquidity decreased by 165.2 million euros to 181.3 million euros in 1Q08, compared to end 2007, including the acquisition of approximately 7 million Sonaecom shares during the quarter, the use of cash applications to repay commercial paper at Sonaecom, and the mark-to-market of the Cash Settled Equity Swap, signed in November 2007, covering a total of 132.8 million Sonae SGPS shares. Total investment properties reached a similar value to that at the end of 2007, comprising a 21.3 million euros investment on projects under development, and reflecting no new shopping centres, opened or acquired in the quarter, as well as no revaluations of owned real estate, the latter because the independent entity, Cushman & Wakefield, only prepares updates of mark-to-market values on a half yearly basis. Trade creditors reached 892.6 million euros, a reduction of 96.2 million euros compared to end 2007, mainly driven by the Retail business, as a result of payments to suppliers after the strong Christmas season.

Total equity decreased by 17.7 million euros in 1Q08 to 1,600.3 million euros, when compared to year end 2007, mainly reflecting 60 million of dividends paid relating to the year ending 31 December 2007, notwithstanding the 10.6 million euros of results achieved in the quarter.

Capex

Capex increased by 8.1% to 133.6 million euros in 1Q08, compared to 1Q07(R), equal to 11.1% of turnover.

Million euros

CAPEX	1Q07	1Q07(R)	1Q08	y.o.y	4Q07	q.o.q
Total CAPEX (1)	**139,5**	**123,6**	**133,6**	**8,1%**	**865,8**	**-84,6%**
Retail	36,9	43,0	54,1	25,9%	658,0	-91,8%
Shopping Centres (2)	41,1	41,1	28,8	-29,8%	114,9	-74,9%
Telecommunications	38,6	38,6	35,4	-8,3%	90,8	-61,1%
Services	22,9	0,0	0,0	-	1,9	-
Holding & others	0,0	0,9	15,3	-	0,2	-
CAPEX as a % of turnover	13,4%	12,9%	11,1%	-1,8pp	67,4%	-56,3pp
EBITDA minus CAPEX	-31,9	-21,9	-23,4	-6,7%	-668,1	96,5%

(1) Capex includes gross investments in tangible, intangible, investment properties and investments in acquisitions; (2) shopping centres are proportionally consolidated (50%); (R) Restated to exclude Sonae Capital and Plysorol contribution in 1Q07.

Retail Capex, responsible for 40.5% of the consolidated investment as at 1Q08, was directed towards the company's strong expansion plan, with the opening of 10 new stores during 1Q08 with a total of 5,000 m2, the preparation work for future openings, the refurbishment of the current store network and the upgrading of the logistic warehouse units. Shopping Centres contribution to consolidated Capex amounted to 28.8 million euros, 29.8% below the 1Q07(R) contribution, reflecting progress in the development pipeline of 14 projects under development, with an estimated investment of 1,900 million euros and scheduled to open by the end of 2011. The contribution to consolidated Capex from the Telecommunications business amounted to 35.4 million euros, a decrease of 8.3% compared to 1Q07(R), reflecting investments at the Mobile division geared to accelerate the extension of coverage and capacity of its 2G/3G network to improve quality of service and consolidate the leading position in the mobile broadband market. Capex at the holding reached 15 million euros when compared to 1 million euros at 1Q07(R), mainly comprising the acquisition of approximately 7 million Sonaecom shares in the quarter.

Capital structure

Million euros

CAPITAL STRUCTURE	1Q07	1Q07(R)	1Q08	y.o.y	4Q07	q.o.q
Gross debt (1)	2.768,0	2.625,2	3.194,5	21,7%	2.967,4	7,7%
Net debt (2)	**2.232,6**	**2.106,6**	**3.013,2**	**43,0%**	**2.621,0**	**15,0%**
Retail	541,1	541,1	1.265,7	133,9%	1.072,4	18,0%
Shopping Centres (3)	542,9	542,9	887,3	63,4%	839,5	5,7%
Telecommunications	276,1	276,1	340,3	23,2%	307,4	10,7%
Services	124,4	0,0	0,0	-	0,0	-
Holding & others	748,0	746,4	520,0	-30,3%	401,7	29,5%
Net debt/EBITDA (last 12 months)	3,7 x	-	4,3 x	-	3,7 x	0,5x
EBITDA/interest expenses (4)	3,1 x	2,9 x	2,6 x	-0,4x	4,8 x	-2,2x
Debt/(Debt+Total equity) (5)	62,3%	66,3%	66,6%	0,3pp	64,7%	1,9pp

(1) Gross debt = non current borrowings + current borrowings; (2) Net debt = gross debt - liquidity; (3) shopping centres are proportionally consolidated (50%); (4) Interest cover; (5) Net Gearing; (R) Restated to exclude Sonae Capital and Plysorol contribution in 1Q07.

Consolidated net debt at the end of 1Q08 stood at 3,013.2 million euros, an increase of 392.2 million euros over year end 2007, reflecting: (i) a 193.3 million euros increase in the contribution to consolidated net debt from the Retail business, in 1Q08, explained by a new debt contracted to the funding of the seasonal increase in working capital in the quarter, the strong programme of organic growth and store refurbishment; (ii) a 47.8 million euros increase in the contribution to consolidated net debt from the Shopping Centre business, related with financing needs for the on-going development pipeline; and (iii) a 32.9 million euros increase in the contribution from the Telecommunications business, mainly reflecting its FCF evolution in the quarter. Total gross debt as at end 1Q08 attributable to the Shopping Centres business is fully and exclusively guaranteed by the assets of each project.

At the end of 1Q08, net debt to EBITDA (last 12 months) reached 4.3x, a deterioration of 0.5x when compared to 3.7x at end 2007, mainly reflecting the Capex and working capital requirements in the quarter, and despite the higher EBITDA (last 12 months) at the end of 1Q08. Interest cover deteriorated to 2.6x, from 2.9x at end of 1Q07(R), due to the higher interest cost in the quarter, as a result of increased market interest index rates and higher average net debt levels y.o.y. It should be noted that EBITDA (last 12 months) only includes one quarter's contribution from the retail operation we acquired, while Net Debt over the period reflects the full payment of the acquisition price of 664 million euros, which was paid on 31 December 2007. The ratio of consolidated debt to total equity was 66.6%, 1.9pp above year end 2007.

3. Business analysis – main highlights

3.1. Retail

During 1Q08, Sonae Distribuição focused its activity on the integration of the acquired retail stores, in order to rapidly achieve expected benefits related to fixed costs dilution and commercial and marketing synergies, and on further expanding its sales network, by continuing to invest in strengthening its leadership position in the Portuguese market.

OPERATING REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Sales growth (%)	12,3%	27,7%	15,4pp	11,0%	-16,8pp
Food	12,2%	23,1%	10,9pp	-	-pp
Non-Food	13,6%	24,0%	10,4pp	-	-pp
LFL sales growth (%)	6,9%	2,7%	-4,2pp	-	-pp
Food	8,3%	1,5%	-6,8pp	-	-pp
Non-Food	3,4%	6,0%	2,6pp	-	-pp
Number of stores (EOP)	490	655	33,7%	646	1,4%
Food	124	173	39,5%	173	0,0%
Non-Food	366	482	31,7%	473	1,9%
Sales area ('000 m2)	546	714	30,8%	709	0,7%
Food	349	460	31,8%	460	0,0%
Non-Food	197	254	28,9%	249	2,0%
% Sales area owned (%)	-	74,8%	-	74,0%	0,8pp
Food	-	86,8%	-	86,0%	0,8pp
Non-Food	-	53,3%	-	52,0%	1,3pp
Total employees (1)	25.672	30.973,0	20,6%	31.714	-2,3%

(1) Includes integration of Carrefour employees as at 31 December 2007.

Sales

Food retail registered a solid 23.1% sales growth in 1Q08, compared to 1Q07, with an underlying 1% like-for-like growth, despite greater competitive pressure and a more challenging macroeconomic environment, and notwithstanding the significant sales benefit obtained in 1Q07 from effects of the launch of the loyalty card. This performance in sales was mainly explained by: (i) the accelerated expansion plan in progress, with the opening of 21 new food retail stores in the last 12 months; (ii) the integration of the 12 retail stores acquired, although no major refurbishment investments have yet been concluded; and (iii) the impact of an early Easter and an additional calendar day.

Non-food retail sales increased by 24% in 1Q08 over 1Q07, with an underlying 6% like-for-like growth. This increase was primarily the result of: (i) expansion of the store network, with the opening of 108 new non-food retail stores, equal to approximately 47 thousand m2 of additional sales area, in the last 12 months; (ii) integration of the heavy bazaar from the stores acquired; and (iii) increased consumer awareness and improved operational performance of the non-food formats.

Stores network

Sonae Distribuição ended 1Q08 with 655 stores and twelve brands[1], amounting to a total of 714 thousand m2 of sales area, 31% above the 546 thousand m2 sales area at end 1Q07. Total sales area owned reached 535 thousand m2 at end 1Q08, representing approximately 75% of the stores network sales area and responsible for approximately 80% of the 1Q08 annualized sales[2]. When compared to the previous quarter, the company continued with its strong pace of organic growth in non-food based retail, with the opening of 10 new stores, amounting to a total of 5 thousand m2 sales area. To the non-food store portfolio, Sonae Distribuição added the opening of 1 Worten, 1 Sportzone, 2 Maxmat&Maxgarden, 1 Zippy, 4 Área Saúde and 1 Worten Mobile, thereby strengthening its presence in the Portuguese market.

[1] Modelo Bonjour is classified as Modelo since January 2008.
[2] Already assumes annualized sales of the retail stores acquired.

Million euros

FINANCIAL REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Turnover	**725,5**	**926,5**	**27,7%**	**990,7**	**-6,5%**
Food	524,9	646,1	23,1%	-	-
Non-Food	198,8	246,6	24,0%	-	-
Others & eliminations (1)	1,8	33,9	-	-	-
EBITDA	**45,8**	**48,8**	**6,6%**	**104,5**	**-53,3%**
EBITDA margin (%) (2)	6,3%	5,3%	-1pp	10,6%	-50,3%
Food	26,1	30,0	14,9%	-	-
Non-Food	7,0	7,5	7,1%	-	-
Others & eliminations (1)	12,7	11,3	-10,7%	-	-
EBIT	24,9	21,9	-12,2%	80,8	-72,9%
Net financial results	7,9	14,6	85,0%	-8,8	-
Net income - group share (3)	**14,7**	**9,2**	**-37,0%**	**68,9**	**-86,6%**
Gross debt	755,9	1.404,0	85,7%	1.207,4	16,3%
Net debt	551,1	1.275,7	131,5%	1.082,4	17,9%
Net debt/EBITDA (last 12 months)	2,1 x	4,2 x	2,1x	1,8 x	-2,4x
EBITDA/interest expenses (4)	8,2 x	3,2 x	-5x	-	-x
Debt/(Debt+Total equity) (5)	52,1%	64,5%	12,4pp	56,0%	8,5pp
CAPEX (6)	16,0	56,1	-	839,9	-93,3%
EBITDA minus CAPEX	29,8	-7,3	-	-735,4	99,0%
Free Cash Flow	-	-	-	-	-

(1) Includes petrol stations and real estate rents received from galleries; (2) EBITDA margin = EBITDA / Turnover; (3) Net income attributable to Sonae Distribuição shareholders; (4) Interest cover; (5) Net gearing; Includes debt impact from the Carrefour acquisition completed in 31 December 2007; (6) Includes acquisition of Carrefour.

Turnover

Turnover increased by a significant 27.7% to 926.5 million euros, compared to 725.5 million euros in 1Q07, mainly due to the expanded store network in the quarter, driven by the ongoing investment in organic growth, the inclusion of the 12 retail stores acquired in 2007 and the impact of an early Easter and an additional calendar day in February 2008. This positive performance was achieved notwithstanding the impact of the loyalty card launched in January 2007, which boosted sales registered in 1Q07, a more challenging economic outlook and a market with increased competiveness.

In 1Q08, Turnover included the revenue generated by the 8 Petrol Stations acquired as part of the purchase of a retail company in 2007. On February 2008, we announced their operational transfer to GALP, which is still pending Competition authority approval.

EBITDA

EBITDA in 1Q08 reached 48.8 million euros, up by 6.6% when compared to 46 million euros in 1Q07, reflecting the company's ongoing focus on containing costs and achieving productivity gains in operations. Food retail EBITDA has increased 14.9% over 1Q07 and Non-food retail reached an EBITDA of 7.5 million euros, up 7.1% over 1Q07. 2 extraordinary impacts affected both 1Q08 and 1Q07 results: (i) a 9 million euros capital gain in 1Q08, related to the sale of a Brazilian site in Florianópolis; and (ii) a 12 million euros capital gain in 1Q07, generated by the sale of the real estate assets of the Albufeira and Portimão Shopping galleries in February 2007. Excluding the impact of these non-recurrent capital gains, EBITDA would have risen by an impressive 17.8%, from 33.8 million euros in 1Q07, to 39.8 million euros in 1Q08.

EBITDA generated a margin of 5.3%, 1.1pp down on the 6.3% margin in 1Q07, mainly due to: (i) the impact on margin of the Petrol Stations acquired as part of the purchase of a retail company in 2007; and (ii) the non-recurrent capital gains impacting EBITDA trends. Food retail EBITDA margin reached 4.64% in 1Q08, compared to 4.97% in 1Q07, and non-food retail margin amounted to 3.04%, compared to 3.52% in 1Q07, with performance primarily explained by: (i) the expected costs of the integration of the retail operation; and (ii) an extended new store network, opened during the last 2 years, with a performance still below that expected on a on-going basis.

3.2. Shopping centres

Sonae Sierra increased profitability in 1Q08, achieving a good set of results underpinned by the significant portfolio of assets under management, reflecting its international foothold expansion strategy. Also worthy of note is the activity of the Developments unit, with an increased pipeline of projects under development.

OPERATING REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Real estate open market value (million euros) (1)	4.792,7	6.112,0	27,5%	6.153,5	-0,7%
Real estate NAV (million euros) (2)	1.481,5	1.668,4	12,6%	1.713,2	-2,6%
Investments	841,3	1.072,2	27,4%	1.114,4	-3,8%
Brazil	139,8	193,1	38,2%	201,3	-4,1%
Others (3)	500,3	403,2	-19,4%	398,0	1,3%
NAV per share (euros)	45,6	51,3	12,6%	52,7	-2,6%
Openings & acquisitions (EOP)	0,0	0,0	-	8,0	-100%
Shopping centres owned/co-owned (EOP)	40,0	47,0	17,5%	47,0	0,0%
GLA owned/co-owned in operating centres (thousand m2) (4)	1.653,9	1.855,4	12,2%	1.855,4	0,0%
Occupancy rate of GLA owned (%)	95,6%	95,5%	-0,1pp	95,5%	0pp
Projects under development (EOP) (5)	10,0	14,0	40,0%	12,0	16,7%
Projects in planning stage (EOP) (6)	7,0	15,0	114,3%	15,0	0,0%
GLA under development (thousand m2) (4)	338,6	619,3	82,9%	473,8	30,7%
Shopping centres managed (EOP)	59,0	63,0	6,8%	63,0	0,0%
GLA under management (thousand m2) (4)	2.001,3	2.183,1	9,1%	2.183,1	0,0%
Total employees	734	823	12,1%	789	4,3%

(1) Open market value = fair value of real estate in operation (100%), provided by an independent entity; equivalent to assets under management; (2) Net asset value = Open market value minus net debt minus minorities plus deferred tax liabilities; (3) Others = Projects under development + Cash; (4) Gross Lettable area; (5) Projects in planning and construction; (6) Projects committed but not fully licensed.

New projects, openings, acquisitions and disposals

As at the end of 1Q08, Sonae Sierra owned or co-owned 47 shopping centres, an increase of 17.5% compared to end 1Q07, with more than 1.85 million GLA, as compared to 1.66 million GLA in 1Q07. The number of shopping centres under management increased by 6.8% to 63, at the end of 1Q08, reflecting the significant increase in activity in this area during the last 12 months. In 1Q08, the company did not open or acquire any shopping centres.

The company ended the quarter with 29 new projects in the pipeline, of which 14 under development and scheduled to open by 2011, and the remaining still uncommitted. Total projects under development amounted to an estimated investment of 1,900 million euros and a total Gross Lettable Area of 619.3 thousand m2, with the following breakdown: 27.1% Romania, 17.7% Italy, 12.8% Brazil, 10.3% Spain, 9.8% Greece, 9% Germany and 3.3% Portugal. In 1Q08, Sonae Sierra stepped up efforts in the development of the 4 Shopping Centres estimated to be opened during 2008, of which 1 is in Spain, 2 in Italy and 1 in Greece. After the quarter end, Sonae Sierra successfully opened one of these projects in Italy: Freccia Rossa.

Importantly, Sonae Sierra launched the Sierra Portugal Fund, a fund comprising a portfolio of Portuguese shopping centres, for which Sonae Sierra accumulates the role of investor, asset and property manager. The fund was seeded with eight shopping centres and also benefits from a pipeline of three projects currently being developed in Portugal, with a total equity of 300 million euros. In this initial closing, Sonae Sierra kept a shareholding position of 60%, with the remaining 40% being acquired by three reference investors, namely a Finnish pension fund, a Finnish mutual pension insurance company and 2 real estate funds both managed by Schroeder Investment Management. Further closings are planned for 2008, through which Sonae Sierra intends to reduce its holding.

Investment Property portfolio value

The fair value of the real estate in operation is provided by an independent entity, Cushman & Wakefield, only twice a year – at the half year and year end. At end 1Q08, the open market value of 100% of Sonae Sierra's real estate properties decreased by 42 million to 6,112 million euros when compared to the latest valuation of 6,154 million euros as at end 2007, exclusively due to adverse foreign exchange effect from the depreciation of the Brazilian currency in the quarter. When compared to 1Q07, Sonae Sierra's open market value increased by 28% in 1Q08, of which the percentage controlled by Sonae Sierra represented 3.8 million euros compared to 2.8 million euros in 1Q07. On a like-for-like basis, open market value increased by 10%, from 2.8 million euros in 1Q07 to 3.1 million euros in 1Q08.

The NAV at end of 1Q08 of the properties attributable to Sonae Sierra improved by 13% to 1,668 million euros, corresponding to a value per share of 51.2 euros, compared to a value per share of 45.6 euros in 1Q07. This was mainly due to the compression of yields in the real estate market. When compared to end 2007, NAV deteriorated by 45 million euros, mainly reflecting the higher dividends paid of 49.7 million euros, 20 million euros more than the amount distributed in 1Q08, and the depreciation of the Brazilian currency, impacting negatively the NAV by 11 million euros.

Million euros

FINANCIAL REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Turnover	**63,3**	**79,7**	**26,0%**	**82,1**	**-2,9%**
Services Business	13,1	16,4	25,3%	19,1	-13,8%
Asset management	5,0	6,1	21,7%	7,4	-17,9%
Developments	2,5	3,7	44,7%	4,5	-18,8%
Property management	5,6	6,6	19,7%	7,1	-6,4%
Investments	47,4	61,0	28,6%	60,3	1,2%
Others & eliminations	2,7	2,3	-16,3%	2,7	-15,9%
EBITDA excluding value created on investment properties	**36,3**	**47,6**	**31,2%**	**44,6**	**6,8%**
EBITDA margin (%) (1)	57,3%	59,7%	2,4pp	54,3%	5,4pp
Services EBITDA margin (%)	13,5%	17,8%	4,3pp	65,8%	-48pp
Services Business	8,5	14,2	66,6%	54,0	-73,7%
Asset management	2,4	3,5	45,8%	3,6	-3,8%
Developments (2)	4,9	8,6	76,0%	48,0	-82,1%
Property management	1,3	2,2	69,4%	2,5	-11,9%
Investments	35,8	45,8	27,7%	44,2	3,6%
Others & eliminations	-8,1	-12,3	-52,9%	-53,6	77,0%
EBIT	35,9	47,2	31,5%	44,0	7,1%
Net financial results	-8,5	-26,5	-	-16,7	-59,0%
Gains realized on investments (3)	0,0	10,9	-	12,5	-13,2%
Value created on investment properties (4)	0,2	-1,2	-	73,1	-
Net income - group share (5)	**14,0**	**18,7**	**33,6%**	**76,1**	**-75,5%**
Gross debt	1.319,9	1.831,7	38,8%	1.750,5	4,6%
Net debt	1.030,9	1.790,7	73,7%	1.701,7	5,2%
Loan to value (6)	30,5%	38,9%	8,4pp	38,3%	0,6pp
Net debt/EBITDA (last 12 months)	7,1 x	9,4 x	-2,3x	10,9 x	-1,5x
EBITDA/interest expenses (7)	2,3 x	1,5 x	0,8x	1,8 x	-0,3x
Debt/(Debt+Total equity) (8)	46,0%	50,2%	4,2pp	49,5%	0,7pp
CAPEX	47,3	54,4	15,1%	-	-

(1) EBITDA margin = EBITDA / Turnover; (2) EBITDA Developments = EBITDA plus value created in projects; (3) Capital gains (losses) with shopping centres disposals; (4) Increase in the valuation of the shopping centres; (5) Net income attributable to Sonae Sierra shareholders; (6) Loan to value = Net debt / (Total assets - liquidity); (7) EBITDA/interest expenses; (8) Net gearing.

Turnover

Turnover increased by 26% to 79.7 million euros, compared to 63.3 million euros in 1Q07. Services business income amounted to 16.5 million euros, up 25.6% when compared to 13.1 million euros in 1Q07, with main contributions coming from: (i) 21.7% increase in Asset Management income, mainly driven by the increased value of assets under management; (ii) 19.7% increase in Property Management income, explained by the growth of properties under management and a higher letting services income; and (iii) 46.4% higher operating income at Developments, with the increase of the number and dimension of the projects in the pipeline, leading to higher project development fees and increased value created in projects. Sierra Investments turnover increased by 28.6% to 61 million euros, explained by a 28% increase in rental income to 56 million euros, mainly achieved through a combination of acquisitions, increases in ownership share of several shopping centres in Portugal and organic growth of the existing portfolio; on a like-for-like basis, rental income increased 3% compared to 1Q07.

EBITDA

Sonae Sierra's EBITDA, excluding value created on investment properties reached 47.6 million euros in 1Q08, an increase of 31.2% over 1Q07. EBITDA of the various Services was 14.2 million euros, up 5.7 million euros compared to 1Q07, reflecting: (i) a 45.8% increase from Asset Management, generating an EBITDA of 3.5 million euros, a higher growth rate than that of turnover, reflecting the scale benefits from Sonae Sierra's portfolio expansion and productivity gains; (ii) a 76% growth from Developments, compared to 1Q07, with EBITDA totalling 8.6 million euros explained by the increased number of projects under development; and (iii) an EBITDA of 2.2 million euros at the Property Management division, 69.5% above 1Q07, with the more dynamic letting activity and the larger portfolio under management offsetting the increase in headcount necessary in this area to cope with the significant present and future increases in management services. The Investments EBITDA was 45.8 million euros, up 10 million euros compared to 1Q07, driven mainly by the acquisition of new shopping centres and the organic growth of the portfolio of assets owned.

Gains realized on investments
The income from gains realized on investment properties was 10.9 million, related with the 40% sale of the Sierra Portugal Fund, net of set-up costs, reflecting the write back of deferred tax liabilities related to unrealised gains on investment properties, that had been accounted for in the balance sheet under the IAS rules.

3.3. Telecommunications

During 1Q08, Sonaecom continued to deliver growth in customers and customer revenues, on the back of the increased marketing and commercial activity in the quarter, with an EBITDA result matching last year's result in absolute terms.

OPERATING REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Mobile					
Customers (EOP) ('000)	2.629,2	2.926,9	11,3%	2.893,5	1,2%
ARPU (euros) (1)	17,7	17,0	-4,2%	18,1	-6,2%
Wireline					
Total accesses (EOP) (2)	393.483	775.163	97,0%	815.623	-5,0%
Direct accesses (EOP)	309.461	520.649	68,2%	510.673	2,0%
Average revenue per access - retail (3)	23,4	21,1	-2,3pp	20,8	0,3pp
Media					
Average paid circulation (4)	41.031	43.530	6,1%	39.606	9,9%
Market share of advertising (%) (5)	14,2%	12,3%	-1,9pp	14,1%	-1,8pp
SSI					
IT service revenues / employee ('000 euros) (6)	27,3	28,2	3,5%	27,3	3,5%
Total employees	1.847	1.943	5,2%	1.961	-0,9%

(1) Average revenues per user; (2) Accesses according to "revenue generator unit" criteria; (3) excluding Mass Calling services' revenues; (4) Estimated value, updated in the following quarter; (5) 1Q08= February YTD; (6) Excluding employees dedicated to equipment sales.

Customer base
Sonaecom's mobile customer base increased by 11.3% to 2,927 million customers, compared to 2,629 million customers at end of 1Q07, with net additions of 33 thousand in the quarter, up by 22% compared to 1Q07, reflecting further progress in Sonaecom's growth strategy, including its planned investments in supporting the Optimus' brand, in improving distribution capacity, and in the development of its fixed-mobile convergent product "Optimus Home" and wireless broadband service "Kanguru".

Mobile customers generated an ARPU of 17.0 euros, down from an ARPU of 17.7 euros in 1Q07, of which 13.2 euros related to customer monthly bill and 3.8 euros related to operator revenues, which compares to 13.5 euros and 4.2 euros respectively in 1Q07. This decrease in ARPU is mainly explained by: (i) the decrease of 9.1% in operator revenues ARPU, due to reductions in roaming-in tariffs; (ii) the decrease of 2.2% in customer monthly bill, due to higher price pressure on voice tariffs, mainly in the SME and Corporate segments, and (iii) to the increased weight of Sonaecom's fixed-mobile convergent product, "Optimus Home", which was not fully offset by increased minutes of use in the period. By end 1Q08, data revenues represented 20.6% of service revenues, 4.6pp higher than in 1Q07, as the result the success of Sonaecom's wireless broadband solutions and related promotional campaigns to increase usage.

Sonaecom's wireline accesses reached 775.2 thousand at end 1Q08, an increase of 97% compared to 1Q07. On a like-for-like basis, total accesses increased 14.2%, excluding the impact of ONI's residential and SoHo customer base and Tele2 Portugal customers. Total direct accesses represented 67.2% of Sonaecom's wireline customer base in 1Q08, compared to 78.6% in 1Q07, reflecting the higher indirect customer base resulting from the acquisition of Tele2. Direct net additions in 1Q08 were, approximately, 10 thousand accesses, a decrease from the 28 thousand accesses in 1Q07, as a result of the lower rate of expansion of the ULL addressable market, the increased competitive pressures in the market and the growing use of mobile broadband services.

Million euros

FINANCIAL REVIEW	1Q07	1Q08	y.o.y	4Q07	q.o.q
Turnover	**198,9**	**237,7**	**19,5%**	**248,4**	**-4,3%**
Mobile	142,8	151,6	6,2%	164,4	-7,8%
Wireline	54,0	75,2	39,2%	77,8	-3,4%
Media	7,2	7,8	8,8%	9,5	-18,2%
SSI	15,0	27,1	80,8%	26,1	3,6%
Others & eliminations	-20,0	-23,9	-19,7%	-29,5	18,8%
Other revenues	1,3	1,5	15,1%	2,2	-30,1%
EBITDA (1)	**34,0**	**34,1**	**0,2%**	**41,4**	**-17,8%**
EBITDA margin (%) (2)	17,1%	14,3%	-2,8pp	16,7%	-2,3pp
Mobile	35,0	33,1	-5,2%	35,5	-6,7%
Wireline	0,2	2,5	-	5,4	-53,4%
Media	-1,2	-1,2	1,6%	0,2	-
SSI	1,2	0,9	-27,4%	0,4	134,0%
Others & eliminations	-1,2	-1,3	-5,1%	-0,1	-
EBIT	-2,6	-3,2	-21,1%	2,9	-
Net financial results	-4,1	-4,2	-0,4%	-3,8	-8,1%
Net income - group share (3)	**-6,0**	**-5,5**	**8,0%**	**33,8**	**-**
Gross debt	465,6	349,3	-25,0%	393,7	-11,3%
Net debt	276,1	343,7	24,5%	309,8	10,9%
Net debt/EBITDA (last 12 months)	1,5 x	2,1 x	0,6x	1,9 x	0,2x
EBITDA/interest expenses (4)	2,9 x	7,6 x	4,7x	9,9 x	-2,2x
Debt/(Debt+Total equity) (5)	34,4%	27,2%	-7,1pp	29,6%	-2,4pp
CAPEX	29,6	35,4	19,3%	76,5	-53,8%
Operating CAPEX (6)	28,7	32,7	13,8%	52,3	-37,5%
EBITDA minus CAPEX	4,3	-1,3	-	-35,1	96,3%
Free Cash Flow	63,2	-32,7	-	3,9	-

(1) EBITDA includes provisions and impairment losses; (2) EBITDA margin = EBITDA / Turnover; (3) Net income after minority interests; (4) Interest cover; (5) Net gearing; (6) Operating CAPEX excludes financial investments, provisions for sites dismantling and other non operational investments.

Turnover

Sonaecom turnover increased by 19.5% in 1Q08 to 237.7 million euros compared to 1Q07, notwithstanding the significant competitive pressures in the Portuguese telecoms market, with the main players very active in all key segments of the market. The main contributions to this performance came from: (i) 38.8% higher service revenues from the Wireline business, mainly due to the significant increase in customer revenues, up by 84.9%, driven by the growth in both direct access revenues, up 60.7% on 1Q07, and indirect access revenues, up 9.8 million euros; (ii) 6.7% increase in Mobile's service revenues, the highest year on year increase of the last 3 years, with the 8.4% growth of customer revenues more than offsetting the negative impact of lower roaming-in tariffs; (iii) 44.9% higher service revenues from SSI, driven by the good performance of all its businesses; and (iv) notwithstanding the 2.0% decrease in Media's service revenues, driven primarily by lower advertising revenues.

Excluding the contributions from the businesses acquired during 2007[3], Sonaecom's turnover would have grown by 9.7%, compared to 1Q07, reflecting the increase in service revenues by 7.8% and customer revenues by 11.2%.

EBITDA

EBITDA reached 34.1 million euros in 1Q08, generating a margin of 14.3%, compared to an EBITDA of 34.0 million euros and a margin of 17.1% in 1Q07. This performance was mainly driven by strong operational results at the Wireline division, which were almost fully off-set by the increased marketing & sales costs at the Mobile division and the integration costs related with acquisitions. The Mobile business generated EBITDA of 33.1 million euros, compared to 35 million euros in 1Q07, mainly driven by the rebranding operation and increased commercial activity in the quarter, combined with the negative impact from lower roaming-in tariffs. The Wireline business generated an EBITDA of 2.5 million euros compared to 0.2 million euros in 1Q07, reflecting the scale benefits of an higher direct access customer base, achieved via organic growth, which is generating an increasingly positive contribution to profitability since 2H06. EBITDA at SSI decreased from 1.2 million in 1Q07 to 0.9 million in 1Q08, with higher service revenues in all its businesses not compensating the costs of integration and the improving but still negative contributions in 1Q08 from the companies acquired by WeDo. Público's EBITDA was a negative 1.2 million euros, a slight improvement when compared to 1Q07, with improved performance in product sales, up by 17.7% over 1Q07, almost fully off-set by the negative performance in advertising revenues and the growth in marketing & sales costs.

[3] In 2007, Sonaecom acquired ONI residential and SOHO customers, Tele2 Portugal, Cape Technologies, Praesidium and Tecnológica.

4. Quarterly corporate developments

Sonae SGPS

- Following the completion of the demerger of Sonae Capital from Sonae, with the attribution of 0.125 of a share of the new company for each Sonae share, a rights trading period was available to Sonae shareholders from 9 January 2008 to 15 January 2008, inclusive, and over-the-counter continued up to 18 January 2008, inclusive. The listing on Euronext Lisbon of the new shares took place on 28 January 2008.

- On 3 March 2008, Luiz Filipe Lampreia, a member of the Sonae Board, resigned as a Director of the Company, effective from 30 April 2008.

Retail

- On 2 January 2008, the acquired retail stores were successfully integrated, including IT systems, Human Resources and rebranding. The twelve units were closed for only 2 days, and have delivered very promising sales figures in 1Q08.

- On 14 February 2008, Sonae Distribuição announced that it has reached an agreement with Galp Energia for the operation of eight petrol stations located next to Continente hypermarkets. These filling stations were acquired by Sonae Distribuição as part of the purchase of the retail operation concluded at end December 2007, and will be integrated into the programme of joint promotional actions, allowing customers of both companies to take advantage of discounts on purchases in Galp stations and in Continente and Modelo hypermarkets.

The following events, which took place after 31 March 2008 but before the approval of the quarterly accounts by the Board, should be noted:

- On 23 April 2008, Sonae Distribuição successfully opened its first SportZone store in Spain, in the new Isla Azul shopping centre at Carabanchel, Madrid, with a space area of 2,000 m2 and 55 employees. This opening falls within the company's goal of internationalizing its sportswear chain. 3 Sportzone stores will be opened in Spain before the end of 2008 and between 20 and 25 stores until 2010. The estimated investment is approximately 8 million euros in 2008.

Shopping centres

- On 6 March 2008, Sonae Sierra announced the development of its 11th shopping centre in Brazil, in Londrina, through a partnership with a local associate company, Marco Zero. The project is due to be inaugurated in March 2010 with an estimated investment of approximately 135 million reais (53 million euros).

- On 27 March 2008, Sonae Sierra launched its second shopping centre investment fund – the Sierra Portugal Fund (SPF) – with a total equity of 300 million euros. Three reference investors have joined Sonae Sierra in the initial closing of the fund with combined commitments of 120 million euros. Further closings are planned later in 2008. The SPF is seeded with eight Portuguese shopping centres, representing a total market value of over 425 million euros and also benefits from a pipeline of three projects currently being developed in Portugal. Their market value, after completion, is estimated to be 235 million euros.

The following events, which took place after 31 March 2008 but before the approval of the quarterly accounts by the Board, should be noted:

- On 2 April 2008, Sonae Sierra and Caelum Development, a specialist retail developer in Eastern Europe, have established a 50:50 Joint Venture for the development of Parklake Plaza, one of Europe's biggest shopping centres, located in Bucharest, Romania, with an estimated total gross investment of 591 million euros, which is scheduled to open in April 2011.

- On 21 April 2008, Sonae Sierra inaugurated “Freccia Rossa" shopping and leisure centre in Brescia, Italy, a 144 million euros investment with 119 shops on 29,700 m2 GLA.

Telecommunications

- On 21 February 2008, Sonaecom announced its 3-year investment plan totalling 240 million euros for the deployment of fibre, which will allow coverage of over 1 million homes and approximately 25% of the Portuguese population. As part of this plan, Sonaecom proposed to give access to its fibre network to all interested national operators, aligning with regulatory recommendations and best practice in Europe.

5. Additional information

5.1. Corporate centre net costs

Million euros

HOLDING NET COSTS	1Q07	1Q08	y.o.y	4Q07	q.o.q
Operating income	**0,6**	**0,8**	**28,8%**	**1,3**	**-36,4%**
Turnover	0,4	0,8	124,9%	1,2	-34,6%
Other revenues	0,3	0,0	-96,6%	0,0	-81,0%
Operating costs	**2,3**	**2,4**	**8,1%**	**3,6**	**-32,6%**
Staff	1,4	1,3	-7,9%	2,5	-46,1%
External Supply and Services	0,6	1,0	53,3%	1,1	-10,0%
Other Operating Costs	0,2	0,1	-22,7%	0,1	92,8%
EBITDA	**-1,6**	**-1,6**	**-0,3%**	**-2,4**	**30,5%**

5.2. Net debt at the holding level

Million euros

HOLDING NET DEBT	1Q07	1Q08	y.o.y	4Q07	q.o.q
Inflows	**759,0**	**520,0**	**-31,5%**	**412,3**	**26,1%**
Bank debt	757,1	533,5	-29,5%	514,0	3,8%
Cash and equivalentes	-4,2	-13,5	-	-101,7	86,7%
Intercompany short term loans obtained	6,1	0,0	-	0,0	-100,0%
Retail	0,0	0,0	-	0,0	-
Shopping Centres	0,0	0,0	-	0,0	-
Telecoms	0,2	0,0	-	0,0	-
Services	5,9	0,0	-100,0%	0,0	-
Others	0,0	0,0	-	0,0	-100,0%
Outflows	**-104,6**	**-7,6**	**92,7%**	**-1,9**	**-**
Intercompany short term loans granted	0,0	0,0	-	0,0	-
Retail	0,0	0,0	-	0,0	-
Shopping Centres	0,0	0,0	-	0,0	-
Telecoms	0,0	0,0	-	0,0	-
Services	-103,3	0,0	100,0%	0,0	-
Others	-1,4	-7,6	-	-1,9	-
Total holding net debt	**654,4**	**512,4**	**-21,7%**	**410,4**	**24,9%**

5.3. Insurance brokerage business main financial figures

Million euros

INSURANCE BROKERAGE BUSINESS (1)	1Q08
Operating income	**4.28**
Turnover	4.22
Other revenues	0.05
Operating costs	**3.96**
Staff	1.20
External Supply and Services	2.42
Other Operating Costs	0.35
EBITDA	**0.32**
EBIT	**0.24**
Net financial results	-0.61
Share of results of associated undertakings	1.24
Investment income (2)	0.00
EBT	**0.87**

(1) Includes MDS, an insurance brokerage firm (100% owned), and Sonae RE, a reinsurance brokerage firm (100% owned); (2) Capital gains (losses) with financial

Consolidated Accounts

SONAE, SGPS, SA

CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 2008 AND 2007 PRO FORMA

AND AS AT 31 DECEMBER 2007

(Amounts expressed in euro)

ASSETS	Notes	31.March.2008	31.March.2007 Pro- forma (Note 1)	31.December.2007
NON-CURRENT ASSETS:				
Tangible and intangible assets	8	2.529.133.201	2.052.362.984	2.501.937.910
Investment properties	9	2.083.413.028	1.569.346.076	2.062.128.926
Goodwill	10	733.811.029	215.616.249	740.938.670
Investment in associated companies	6	74.569.088	31.429.039	73.548.640
Other investments	7 e 11	34.949.329	39.010.772	12.055.157
Deferred tax assets	14	143.649.689	98.096.734	135.605.669
Other non-current assets	12	77.116.163	48.384.239	74.616.749
Total Non-Current Assets		5.676.641.527	4.054.246.093	5.600.831.721
CURRENT ASSETS:				
Inventories		506.548.657	393.425.300	481.903.201
Trade account receivables and other current assets	13	658.567.619	595.014.145	590.949.208
Investments	11	57.744.023	34.163.567	60.069.924
Cash and cash equivalents	15	123.506.127	484.501.739	286.401.453
Total Current Assets		1.346.366.426	1.507.104.751	1.419.323.786
Non current assets held for sale		-	-	6.006.580
TOTAL ASSETS		7.023.007.953	5.561.350.844	7.026.162.087
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	16	2.000.000.000	2.000.000.000	2.000.000.000
Own shares	16	(138.568.275)	(141.110.861)	(138.568.275)
Reserves and retained earnings		(733.309.922)	(939.876.080)	(975.815.015)
Profit/(Loss) for the period attributable to the equity holders of Sonae		12.140.567	10.812.820	284.044.038
Equity attributable to the equity holders of Sonae		1.140.262.370	929.825.879	1.169.660.748
Equity attributable to minority interests	17	460.056.412	404.609.294	448.320.704
TOTAL EQUITY		1.600.318.782	1.334.435.173	1.617.981.452
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	18	2.898.029.527	2.051.453.194	2.829.116.990
Other non-current liabilities	20	223.522.924	72.075.361	313.023.126
Deferred tax liabilities	14	335.080.119	269.633.810	334.219.912
Provisions	23	107.627.366	43.337.129	107.984.226
Total Non-Current Liabilities		3.564.259.936	2.436.499.494	3.584.344.254
CURRENT LIABILITIES:				
Loans	18	296.466.042	573.768.603	138.317.111
Trade creditors and other non-current liabilities	22	1.559.579.244	1.215.488.428	1.683.223.813
Provisions	23	2.383.949	1.159.146	2.295.457
Total Current Liabilities		1.858.429.235	1.790.416.177	1.823.836.381
TOTAL LIABILITIES		5.422.689.171	4.226.915.671	5.408.180.635
TOTAL EQUITY AND LIABILITIES		7.023.007.953	5.561.350.844	7.026.162.087

The accompanying notes are part of these consolidated financial statements.

The Board of Directors

SONAE, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE QUARTERS ENDED 31 MARCH 2008, 2007 PRO-FORMA AND 2007

(Amounts expressed in euro)

	Notes	31.March.2008	31.March.2007 Pro-forma (Note 1)	31.March.2007
Operational income				
Sales		916.285.836	712.539.760	765.258.707
Services rendered		287.923.486	244.079.244	277.449.161
Value created on investment properties	9	-	2.869.336	2.869.336
Other operational income		100.335.947	78.839.210	106.983.228
Total operational income		1.304.545.269	1.038.327.550	1.152.560.432
Operational expenses				
Cost of goods sold and materials consumed		(750.566.987)	(580.089.847)	(610.849.696)
Changes in stocks of finished goods and work in progress		-	-	10.342.576
External supplies and services		(272.331.887)	(213.689.914)	(275.251.808)
Staff costs		(150.181.109)	(125.198.465)	(148.604.868)
Depreciation and amortisation		(63.655.727)	(57.890.731)	(60.339.804)
Provisions and impairment losses		(4.254.187)	(3.568.873)	(3.867.968)
Other operational expenses		(20.846.399)	(17.408.945)	(20.119.955)
Total operational expenses		(1.261.836.296)	(997.846.775)	(1.108.691.523)
Operational profit/(loss)		42.708.973	40.480.775	43.868.909
Financial expenses		(49.875.938)	(38.422.785)	(40.287.139)
Financial income		10.631.115	13.425.407	12.626.752
Net financial expenses		(39.244.823)	(24.997.378)	(27.660.387)
Share of profit of associates		1.615.589	(25.171)	297.449
Investment income		5.955.375	2.027.165	6.757.222
Profit/(Loss) before income tax		11.035.114	17.485.391	23.263.193
Income tax	26	(452.526)	(6.109.452)	(7.238.623)
Profit/(Loss) for the period	27	10.582.588	11.375.939	16.024.570
Attributable to:				
Equity holders of Sonae		12.140.567	10.812.820	14.672.787
Minority interests		(1.557.979)	563.119	1.351.783
		-	-	
Profit/(Loss) per share				
Basic	28	0,006502	0,005793	0,007861
Diluted	28	0,006502	0,005793	0,007861

The accompanying notes are part of these consolidated financial statements.

The Board of Directors

SONAE, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE QUARTERS ENDED 31 MARCH 2008 AND 2007

(Amounts expressed in euro)

		Attributable to Equity Holders of Sonae						
	Notes	Share Capital	Own Shares	Reserves and Retained Earnings	Net Profit/(Loss)	Total	Minority Interests	Total Equity
Balance as at 1 January 2007		2.000.000.000	(142.961.431)	(806.219.141)	241.822.233	1.292.641.661	402.058.314	1.694.699.975
Appropriation of profit of 2006:								
Transfer to legal reserves and retained earnings		-	-	241.822.233	(241.822.233)	-	-	-
Dividends distributed		-	-	(55.997.443)	-	(55.997.443)	-	(55.997.443)
Changes in reserves								
In currency translation reserve		-	-	2.136.312	-	2.136.312	222.009	2.358.321
In hedge and fair value reserves		-	-	11.615.213	-	11.615.213	(2.365.303)	9.249.910
In other reserves		-	1.850.570	1.696.002	-	3.546.572	2.554.704	6.101.276
Consolidated Profit/(Loss) for the three months ended 31 March 2007		-	-	-	14.672.787	14.672.787	1.351.783	16.024.570
Balance as at 31 March 2007		2.000.000.000	(141.110.861)	(604.946.824)	14.672.787	1.268.615.102	403.821.509	1.672.436.611
Balance as at 1 January 2008		2.000.000.000	(138.568.275)	(975.815.015)	284.044.038	1.169.660.748	448.320.704	1.617.981.452
Appropriation of profit of 2007:								
Transfer to legal reserves and retained earnings		-	-	284.044.038	(284.044.038)	-	-	-
Dividends distributed		-	-	(60.000.000)	-	(60.000.000)	-	(60.000.000)
Changes in reserves								
In currency translation reserve		-	-	(6.066.848)	-	(6.066.848)	(232.036)	(6.298.884)
In hedge and fair value reserves		-	-	(3.562.153)	-	(3.562.153)	(1.674.758)	(5.236.911)
Recognition of Sonae Capital demerger rights attributable	16	-	-	22.908.000	-	22.908.000	-	22.908.000
Acquisitions and sales of subsidiaries		-	-	-	-	-	12.271.270	12.271.270
Dividends distributed to own shares	16	-	-	3.984.000	-	3.984.000	-	3.984.000
In other reserves		-	-	1.198.056	-	1.198.056	2.929.211	4.127.267
Consolidated Profit/(Loss) for the three months ended 31 March 2008		-	-	-	12.140.567	12.140.567	(1.557.979)	10.582.588
Balance as at 31 March 2008		2.000.000.000	(138.568.275)	(733.309.922)	12.140.567	1.140.262.370	460.056.412	1.600.318.782

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, SA

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR

THE QUARTERS ENDED 31 MARCH 2008, 2007 PRO FORMA AND 2007

(Amounts expressed in euro)

	Notes	31.March.2008	31.March.2007 Pro-forma (Note 1)	31.March.2007
OPERATING ACTIVITIES				
Net cash flow from operating activities (1)		(59.137.221)	(97.731.130)	(101.870.137)
INVESTMENT ACTIVITIES				
Cash receipts arising from:				
Investments		4.307.351	114.395.306	119.532.222
Tangible, intangible assets and investment properties		1.017.705	3.097.453	4.087.583
Dividends		-	-	1.041.922
Others		9.348.207	39.599.728	25.643.380
		14.673.263	157.092.487	150.305.107
Cash Payments arising from:				
Investments		(19.539.841)	(15.252.390)	(20.998.314)
Tangible, intangible assets and investment properties		(171.961.224)	(139.082.374)	(159.723.901)
Others		(14.437.243)	(54.412.762)	(9.044.716)
		(205.938.308)	(208.747.526)	(189.766.931)
Net cash from / (used in) investment activities (2)		(191.265.045)	(51.655.039)	(39.461.824)
FINANCING ACTIVITIES				
Cash receipts arising from:				
Loans obtained		1.096.251.023	3.545.133.077	3.631.252.315
Capital increases, additional paid in capital and share premiums		-	-	-
		1.096.251.023	3.545.133.077	3.631.252.315
Cash Payments arising from:				
Loans obtained		(899.730.556)	(3.514.744.538)	(3.608.335.871)
Interest and similar charges		(48.758.040)	(42.953.603)	(45.282.874)
Reimbursement of capital and paid in capital		-	(78.380)	(78.380)
Dividends		-	(568.860)	(568.860)
Others		(88.214.055)	(628.228)	(768.213)
		(1.036.702.651)	(3.558.973.609)	(3.655.034.198)
Net cash from / (used in) financing activities (3)		59.548.372	(13.840.532)	(23.781.883)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(190.853.894)	(163.226.701)	(165.113.844)
Effect of foreign exchange rate		359.632	(136.679)	(93.995)
Cash and cash equivalents at the beginning of the period	15	275.625.572	640.915.660	648.811.274
Cash and cash equivalents at the end of the period	15	84.412.046	477.825.638	483.791.425

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2008

(Amounts expressed in euro)

1. INTRODUCTION

SONAE, SGPS, SA ("the Company" or "Sonae"), has its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4471-909 Maia, Portugal, and is the parent company of a group of companies, as detailed in Notes 4 to 7 ("Sonae Group"). The Group's operations and business segments are described in Note 30.

The consolidated income statements and the consolidated statement of cash flows for the three months period ended as at 31 March 2008 are not directly comparable with the statements for the three months period ended 31 March 2007, because of: the spin-off of the Sonae Capital business (with accounting effects from 1 October 2007) and the sale of the Plysorol group (with accounting effects from 30 June 2007).

The pro-forma consolidated income statement and the proforma consolidated statement of cash flows as at 31 March 2007 include the above mentioned changes in the consolidation perimeter occurred on the 1 January 2007.

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2007.

Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS" – previously named International Accounting Standards – "IAS"), issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), applicable to financial years beginning on 1 January 2008.

Interim financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting".

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS

During the period there were neither changes in accounting policies nor correction of prior period errors.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of share capital held by the Group as at 31 March 2008 and 31 December 2007 are as follows:

			Percentage of capital held			
			31 March 2008		31 December 2007	
COMPANY		Head Office	Direct	Total	Direct	Total
Sonae - SGPS, S.A.		Maia	HOLDING	HOLDING	HOLDING	HOLDING
Retail						
Bertimóvel - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
Best Offer - Prest. Inf. p/Internet, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Bikini, Portal de Mulheres, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Canasta - Empreendimentos Imobiliários, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Carnes do Continente - Ind. Distr. Carnes, SA	a)	Santarém	100,00%	100,00%	100,00%	100,00%
Chão Verde - Soc.Gestora Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Citorres - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Contibomba - Comérc. Distr. Combustiveis, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
Contimobe - Imobil.Castelo Paiva, SA	a)	Castelo de Paiva	100,00%	100,00%	100,00%	100,00%
Continente Hipermercados, SA	a)	Lisbon	99,90%	99,90%	99,86%	99,86%
Cumulativa - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Difusão - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Distrifin - Comercio y Prest.Servicios, SA	a)	Madrid (Spain)	100,00%	100,00%	100,00%	100,00%
Efanor - Design e Serviços, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
Efanor - Indústria de Fios, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
Equador & Mendes, Lda	a)	Lisbon	67,50%	67,50%	67,50%	67,50%
Estevão Neves - Hipermercados Madeira, SA	a)	Madeira	100,00%	100,00%	100,00%	100,00%

	Fozimo - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Fozmassimo - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Fundo de Investimento Imobiliário Imosonae Dois	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Global S - Hipermercado, Lda	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	IGI - Investimento Imobiliário, SA	a)	Porto	100,00%	100,00%	100,00%	100,00%
	Igimo - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Iginha - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Imoconti - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Imoestrutura - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Imomuro - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Imoresultado - Sociedade Imobiliaria, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Imosistema - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Infofield - Informática, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Inventory - Acessórios de Casa, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Marcas MC, zRT	a)	Budapest	100,00%	100,00%	100,00%	100,00%
	MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Modalfa - Comércio e Serviços, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Modelo - Dist.de Mat. de Construção, SA	b)	Maia	50,00%	50,00%	50,00%	50,00%
	Modelo Continente - Opererações Retalho SGPS, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Modelo Continente Hipermercados,SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Modelo Continente Seguros - Sociedade Mediação, SA	a)	Porto	100,00%	100,00%	100,00%	100,00%
	Modelo Hiper Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Modelo Hipermercados Trading, SA	a)	Madrid (Spain)	100,00%	100,00%	100,00%	100,00%
	Modelo.com - Vendas p/Correspond., SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	NA - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	NA - Equipamentos para o Lar, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Nova Equador Internacional,Ag.Viag.T, Lda	a)	Lisbon	67,50%	67,50%	67,50%	67,50%
	Nova Equador P.C.O. e Eventos, SA	a)	Lisbon	67,50%	67,50%	67,50%	67,50%
	Peixes do Continente - Indústria e Distribuição de Peixes, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Pharmacontinente - Saúde e Higiene, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Predicomercial - Promoção Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Selifa - Empreendimentos Imobiliários, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100,00%	100,00%	100,00%	100,00%
5)	SM Empreendimentos Imobiliários, Ltda	a)	Porto Alegre (Brazil)	100,00%	100,00%	100,00%	100,00%
	Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100,00%	100,00%	100,00%	100,00%
	Sociloures - Soc.Imobiliária, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Soflorin, BV	a)	Amsterdam (The Netherlands)	100,00%	100,00%	100,00%	100,00%
	Solaris - Supermercados, SA	a)	Viana do Castelo	100,00%	100,00%	100,00%	100,00%
	Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100,00%	100,00%	100,00%	100,00%
	Sonae Distribuição, SGPS, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Sonae Retalho Espana - Servicios Generales, SA	a)	Madrid (Spain)	100,00%	100,00%	100,00%	100,00%
	Sondis Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Sontária - Empreend.Imobiliários, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Sonvecap, BV	a)	Amsterdam (The Netherlands)	100,00%	100,00%	100,00%	100,00%
	Sport Zone - Comércio Artigos de Desporto, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Star - Viagens e Turismo, SA	a)	Lisbon	90,00%	90,00%	90,00%	90,00%
	Tlantic Portugal - Sistemas de Informação, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
	Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100,00%	100,00%	100,00%	100,00%
	Todos os Dias - Com. Ret. Expl. C. Comer., SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Valor N, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Worten - Equipamento para o Lar, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
	Worten Espanã, SA	a)	Madrid (Spain)	100,00%	100,00%	100,00%	100,00%
	Telecommunications						
2)	Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
3)	Be Towering - Explor. Torres Telecom, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
	Cape Asia Pac Pty Limited	a)	Australia	100,00%	52,12%	100,00%	50,52%
	Cape Poland Sp.Z.o.o.	a)	Posnan (Poland)	100,00%	52,12%	100,00%	50,52%
	Cape Tecnologies (U.K) Limitied	a)	Cardiff (U.K.)	100,00%	52,12%	100,00%	50,52%
	Cape Tecnologies Americas, Inc.	a)	Delaware (USA)	100,00%	52,12%	100,00%	50,52%
	Cape Tecnologies Limitied	a)	Dublin (Ireland)	100,00%	52,12%	100,00%	50,52%
	Digitmarket - Sistemas de Informação, SA	a)	Maia	75,10%	39,15%	75,10%	37,94%
	M3G - Edições Digitais, SA	a)	Lisbon	100,00%	52,12%	100,00%	50,52%
	Mainroad Serviços em Tecnologias de Informação, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
	Miauger - Org. Gestão Leilões El., SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
	Per-Mar - Sociedade de Construções, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
	Praesidium Holdings Limited	a)	Berkshire (U.K.)	100,00%	52,12%	100,00%	50,52%
	Praesidium Servises Limited	a)	Berkshire (U.K.)	100,00%	52,12%	100,00%	50,52%
	Praesidium Tecnologies Limited	a)	Berkshire (U.K.)	100,00%	52,12%	100,00%	50,52%
	Público - Comunicação Social, SA	a)	Porto	100,00%	52,12%	100,00%	50,52%

Saphety Level - Trusted Services, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
Sonae Telecom, SGPS, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
Sonaecom - Serviços de Comunicação, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100,00%	52,12%	100,00%	50,52%
Sonaecom BV	a)	Amsterdam (The Netherlands)	100,00%	52,12%	100,00%	50,52%
Sonaecom, SGPS, SA	a)	Maia	52,12%	52,12%	50,52%	50,52%
Sonaetelecom, BV	a)	Amsterdam (The Netherlands)	100,00%	52,12%	100,00%	50,52%
Tecnológica Telecomunicações Ltda	a)	Rio de Janeiro (Brazil)	99,99%	52,07%	99,99%	50,47%
Telemilénio - Telecomunicações Soc.Unipessoal, Lda	a)	Lisbon	100,00%	52,12%	100,00%	50,52%
We Do Brasil - Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99,91%	52,07%	99,91%	50,47%
We Do Consulting - Sistemas de Informação, SA	a)	Maia	100,00%	52,12%	100,00%	50,42%
Others						
Libra Serviços, Lda	a)	Funchal	100,00%	100,00%	100,00%	100,00%
MDS - Corretor de Seguros, SA	a)	Porto	100,00%	100,00%	100,00%	100,00%
4) MDS, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Sonae Investments, BV	a)	Amsterdam (The Netherlands)	100,00%	100,00%	100,00%	100,00%
Sonae RE, SA	a)	Luxembourg	100,00%	100,00%	100,00%	100,00%
1) Sonaecenter Serviços, SA	a)	Maia	100,00%	100,00%		
Sonaegest-Soc.Gest.Fundos Investimentos, SA	a)	Maia	80,00%	70,00%	80,00%	70,00%
Sontel, BV	a)	Amsterdam (The Netherlands)	100,00%	100,00%	100,00%	100,00%

1) Company incorporated in the period;
2) Ex - Optimus Artis - Concepção, Construção e Gestão de Redes de Comunicações, SA;
3) Ex - Optimus Towering - Explor. Torres Telecom, SA;
4) Ex - Resolução, SGPS, SA;
5) Company merged into Sonae Capital Brasil, Lda.

a) Majority of voting rights;
b) Management control.

These group companies are consolidated using the full consolidation method.

5. JOINTLY CONTROLLED COMPANIES

Jointly controlled companies included in the consolidated financial statements, their head offices and the percentage of share capital held by the Group as at 31 March 2008 and 31 December 2007 are as follows:

		Percentage of capital held			
		31 March 2008		31 December 2007	
COMPANY	Head Office	Direct	Total	Direct	Total
Shopping Centres					
3DO Holding GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
3DO Shopping Centre GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
3shoppings - Holding, SGPS, SA	Maia	100,00%	25,05%	100,00%	25,05%
8ª Avenida Centro Comercial, SA	Maia	100,00%	30,00%	100,00%	50,00%
Aegean Park Constructions Real Estate and Development, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
Airone - Shopping Centre, Srl	Milan (Italy)	100,00%	25,05%	100,00%	25,05%
ALEXA Administration GmbH	Berlin (Germany)	100,00%	25,00%	100,00%	25,00%
ALEXA Holding GmbH	Dusseldorf (Germany)	50,00%	25,00%	50,00%	25,00%
ALEXA Shopping Centre GmbH	Dusseldorf (Germany)	100,00%	25,00%	100,00%	25,00%
Algarveshopping - Centro Comercial, SA	Maia	100,00%	25,05%	100,00%	25,05%
Arrábidashopping - Centro Comercial, SA	Maia	50,00%	27,53%	50,00%	37,53%
Avenida M-40, BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%
Avenida M-40, SA	Madrid (Spain)	100,00%	25,05%	100,00%	25,05%
Cascaishopping - Centro Comercial, SA	Maia	50,00%	12,53%	50,00%	12,53%
Cascaishopping Holding I, SGPS, SA	Maia	100,00%	25,05%	100,00%	25,05%
Centro Colombo - Centro Comercial, SA	Maia	100,00%	12,53%	100,00%	12,53%
Centro Vasco da Gama - Centro Comercial, SA	Maia	50,00%	12,53%	50,00%	12,53%
Clérigoshopping - Gestão do C.Comerc., SA	Maia	100,00%	50,00%	100,00%	50,00%
Coimbrashopping - Centro Comercial, SA	Maia	100,00%	25,05%	100,00%	25,05%
Colombo Towers Holding, BV	Haya (The Netherlands)	50,00%	25,00%	50,00%	25,00%
Dortmund Tower GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
Dos Mares - Shopping Centre, BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%

	Dos Mares - Shopping Centre, SA	Madrid (Spain)	100,00%	25,05%	100,00%	25,05%
	El Rosal Shopping, SA	Madrid (Spain)	70,00%	35,00%	70,00%	35,00%
	Estação Viana - Centro Comercial, SA	Viana do Castelo	100,00%	25,05%	100,00%	25,05%
	Freccia Rossa - Shopping Centre, Srl	Sondrio (Italy)	50,00%	25,00%	50,00%	25,00%
	Fundo Investimento Imob. Shopping Parque D. Pedro Shopping, SA	São Paulo (Brazil)	100,00%	24,33%	100,00%	24,33%
	Gaiashopping I - Centro Comercial, SA	Maia	50,00%	27,53%	50,00%	37,53%
	Gaiashopping II - Centro Comercial, SA	Maia	100,00%	27,53%	100,00%	37,53%
	Gil Orsi - Shopping Centre, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
	Guimarãeshopping - Centro Comercial, SA	Maia	100,00%	25,05%	100,00%	25,05%
	Iberian Assets, SA	Madrid (Spain)	49,78%	12,48%	49,78%	12,48%
	Inparsa - Gestão de Galeria Comerc., SA	Maia	100,00%	50,00%	100,00%	50,00%
	Ioannina Development of Shopping Centres, SA	Athens (Greece)	100,00%	50,00%	100,00%	50,00%
	KLC Holdings XII SA	Luxembourg	100,00%	50,00%	100,00%	50,00%
	La Farga - Shopping Centre, SL	Madrid (Spain)	100,00%	12,48%	100,00%	12,48%
	Larissa Development of Shopping Centres, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
	Le Terrazze - Shopping Centre, Srl	Milan (Italy)	50,00%	25,00%	50,00%	25,00%
	Lembo Services Ltd	Cyprus	100,00%	50,00%	100,00%	50,00%
	Loop 5 - Shopping Centre Gmbh	Dusseldorf (Germany)	50,00%	50,00%	50,00%	50,00%
	Loureshopping - Centro Comercial, SA	Maia	100,00%	15,00%	100,00%	25,00%
	Luz del Tajo - Centro Comercial, SA	Madrid (Spain)	100,00%	25,05%	100,00%	25,05%
	Luz del Tajo, BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%
	Madeirashopping - Centro Comercial, SA	Funchal	50,00%	12,53%	50,00%	12,53%
	Maiashopping - Centro Comercial, SA	Maia	100,00%	25,05%	100,00%	25,05%
	MC Property Management, SA	Athens (Greece)	75,00%	18,75%	75,00%	18,75%
	Munster Arkaden BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%
	NorteShop. Retail and Leisure Centre, BV	Amsterdam (The Netherlands)	50,00%	12,53%	50,00%	12,53%
	Norteshopping - Centro Comercial, SA	Maia	100,00%	12,53%	100,00%	12,53%
	Oeste Retail Park - Gestão de G.Comer., SA	Maia	50,00%	15,00%	50,00%	25,00%
1)	Pantheon Plaza 1, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
1)	Pantheon Plaza 2, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
1)	Pantheon Plaza 3, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
	Pantheon Plaza BV	Amsterdam (The Netherlands)	50,00%	25,00%	50,00%	25,00%
	Paracentro - Gestão de Gal.Comerc. SA	Maia	100,00%	50,00%	100,00%	50,00%
	Park Avenue Develop. of Shop. Centers, SA	Athens (Greece)	100,00%	25,00%	100,00%	25,00%
	Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada	50,00%	12,53%	50,00%	12,53%
	Parque D. Pedro 1, BV Sarl	Luxembourg	100,00%	25,00%	100,00%	25,00%
	Parque D. Pedro 2, BV Sarl	Luxembourg	100,00%	25,00%	100,00%	25,00%
	Parque de Famalicão - Empr. Imob., SA	Maia	100,00%	50,00%	100,00%	50,00%
	Parque Principado, SL	Madrid (Spain)	50,00%	12,53%	50,00%	12,53%
	Pátio Boavista Shopping, Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
	Pátio Penha Shopping, Ltda	São Paulo (Brazil)	99,99%	23,69%	99,99%	23,69%
	Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
	Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
	Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
	Plaza Eboli - Centro Comercial, SA	Madrid (Spain)	100,00%	50,00%	100,00%	50,00%
	Plaza Eboli, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Plaza Mayor Holding, SGPS, SA	Maia	100,00%	25,05%	100,00%	25,05%
	Plaza Mayor Parque de Ócio, BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%
	Plaza Mayor Parque de Ocio, SA	Madrid (Spain)	100,00%	25,05%	100,00%	25,05%
	Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Plaza Mayor Shopping, SA	Madrid (Spain)	75,00%	37,50%	75,00%	37,50%
	Pridelease Investments, Ltd	Cascais	100,00%	50,00%	100,00%	50,00%
	Project 4, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
	Project SC 1, BV	Amsterdam (The Netherlands)	50,00%	25,00%	50,00%	25,00%
	Project SC 2, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Project Sierra - 1 Shopping Centre, GmbH	Vienne (Austria)	100,00%	50,00%	100,00%	50,00%
	Project Sierra 2, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Project Sierra 5, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Project Sierra 6, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Project Sierra 7 BV	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
	Project Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
	Project Sierra Germany 2 (two), Shopping Centre GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
	Project Sierra Germany 3 (three), Shopping Centre, GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
	Project Sierra Germany 4 (four), Shopping Centre, GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
	Project Sierra Germany Shopping Centre 1 BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%

Project Sierra Germany Shopping Centre 2 BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Project Sierra Holding Portugal V, SGPS, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Italy 1 - Shopping Centre, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Project Sierra Italy 2 - Dev.of Shopping Centres, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Project Sierra Italy 3 - Shopping Centre, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Project Sierra Italy 5 - Development of Shopping Centrs Sarl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Project Sierra One Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal I - C.Comercial, SA	Maia	50,00%	25,00%	50,00%	25,00%
Project Sierra Portugal II - C.Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal IV - C.Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal V - C.Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal VI - C. Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal VII - C. Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Portugal VIII - C.Comercial, SA	Maia	100,00%	50,00%	100,00%	50,00%
Project Sierra Spain 1, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Project Sierra Spain 2 - C. Comerial, SA	Madrid (Spain)	100,00%	50,00%	100,00%	50,00%
Project Sierra Spain 2, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Project Sierra Spain 3 - C. Comercial, SA	Madrid (Spain)	50,00%	25,00%	50,00%	25,00%
Project Sierra Spain 3, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Project Sierra Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Project Sierra Three Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Project Sierra Two Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Rio Sul - Centro Comercial, SA	Lisbon	50,00%	15,00%	50,00%	25,00%
River Plaza BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
River Plaza Mall, Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
S.C. Microcom Doi Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
SC Aegean, BV	Amsterdam (The Netherlands)	50,00%	25,00%	50,00%	25,00%
SC Mediterraneum Cosmos, BV	Amsterdam (The Netherlands)	50,00%	25,00%	50,00%	25,00%
Serra Shopping - Centro Comercial, S.A.	Covilhã	50,00%	15,00%	50,00%	25,00%
Shopping Centre Colombo Holding, BV	Amsterdam (The Netherlands)	50,00%	12,53%	50,00%	12,53%
Shopping Centre Parque Principado, BV	Amsterdam (The Netherlands)	100,00%	25,05%	100,00%	25,05%
Sierra Asset Management - Gest. Activos, SA	Maia	100,00%	50,00%	100,00%	50,00%
Sierra Asset Management Luxemburg, Sarl	Luxembourg	100,00%	50,00%	100,00%	50,00%
Sierra Brazil 1, BV	Amsterdam (The Netherlands)	100,00%	25,00%	100,00%	25,00%
Sierra Charagionis Develop. of Shop, Centers, SA	Athens (Greece)	50,00%	25,00%	50,00%	25,00%
Sierra Charagionis Propert.Management, SA	Athens (Greece)	50,00%	25,00%	50,00%	25,00%
Sierra Corporate Services - Ap.Gestão, SA	Lisbon	100,00%	50,00%	100,00%	50,00%
Sierra Corporate Services Holland, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Develop.Iberia 1, Prom.Imob., SA	Maia	100,00%	50,00%	100,00%	50,00%
Sierra Developments - Serv. Prom.Imob., SA	Maia	100,00%	50,00%	100,00%	50,00%
Sierra Developments Germany GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
Sierra Developments Germany Holding, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Developments Holding, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Developments Italy, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Sierra Developments of Shopping Centres Greece, SA	Athens (Greece)	100,00%	50,00%	100,00%	50,00%
Sierra Developments Services Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Sierra Developments Spain - Prom.C.Com., SL	Madrid (Spain)	100,00%	50,00%	100,00%	50,00%
Sierra Developments, SGPS, SA	Maia	100,00%	50,00%	100,00%	50,00%
Sierra Enplanta, Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
Sierra European R.R.E. Assets Hold., BV	Amsterdam (The Netherlands)	50,10%	25,05%	50,10%	25,05%
Sierra GP, Limited	Guernsey (U.K.)	100,00%	49,99%	100,00%	49,99%
Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
Sierra Investments (Holland) 1, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Investments (Holland) 2, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Investments Holding, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Investments SGPS, SA	Maia	100,00%	50,00%	100,00%	50,00%
Sierra Italy Holding, BV	Amsterdam (The Netherlands)	100,00%	50,00%	100,00%	50,00%
Sierra Man.New Tech.Bus. - Serv.Comu.CC, SA	Lisbon	100,00%	50,00%	100,00%	50,00%
Sierra Management Germany, GmbH	Dusseldorf (Germany)	100,00%	50,00%	100,00%	50,00%
Sierra Management Greece, SA	Athens (Greece)	100,00%	50,00%	100,00%	50,00%
Sierra Management II - Gestão de C.C., SA	Lisbon	100,00%	50,00%	100,00%	50,00%

Sierra Management Italy, Srl	Milan (Italy)	100,00%	50,00%	100,00%	50,00%
Sierra Management Portugal - Gest. CC, SA	Lisbon	100,00%	50,00%	100,00%	50,00%
Sierra Management Romania, Srl	Bucharest (Romania)	100,00%	50,00%	100,00%	50,00%
Sierra Management Spain - Gestión C.Com., SA	Madrid (Spain)	100,00%	50,00%	100,00%	50,00%
Sierra Management, SGPS, SA	Maia	100,00%	50,00%	100,00%	50,00%
Sol Retail Park - Gestão de G. Comerc., SA	Maia	50,00%	15,00%	50,00%	25,00%
Sonae Sierra Brasil, Ltda	São Paulo (Brazil)	94,54%	23,69%	94,54%	23,69%
Sonae Sierra Brazil, BV Sarl	Luxembourg	50,00%	25,00%	50,00%	25,00%
Sonae Sierra, SGPS, SA	Maia	50,00%	50,00%	50,00%	50,00%
SPF - Sierra Portugal Fund, Sarl	Luxembourg	100,00%	30,00%	100,00%	50,00%
SRP - Parque Comercial de Setúbal, SA	Maia	50,00%	25,00%	50,00%	25,00%
Torre Ocidente - Imobiliária, SA	Maia	50,00%	12,50%	50,00%	12,50%
Torre Oriente - Imobiliária, SA	Maia	50,00%	12,50%	50,00%	12,50%
Unishopping Administradora, Ltda	São Paulo (Brazil)	100,00%	23,69%	100,00%	23,69%
Unishopping Consultoria Imob., Ltda	São Paulo (Brazil)	99,98%	23,69%	99,98%	23,69%
Valecenter Srl	Milan (Italy)	100,00%	25,05%	100,00%	25,05%
Via Catarina - Centro Comercial, SA	Maia	50,00%	12,53%	50,00%	12,53%
Weiterstadt Shopping BV	Amsterdam (The Netherlands)	100,00%	25,00%	100,00%	25,00%
Zubiarte Inversiones Inmob, SA	Madrid (Spain)	49,83%	12,48%	49,83%	12,48%
Telecommunications					
Vipu ACE	Lisbon	50,00%	26,06%	50,00%	25,26%

1) Company merged into Larissa Development of Shopping Centres, SA.

These entities are consolidated using the proportional consolidation method.

Aggregate amounts, excluding intragroup eliminations, corresponding to the percentage of capital held in these jointly controlled companies included in the financial statements for the period, using the proportional consolidation method, can be summarised as follows:

	31 March 2008	31 December 2007	31 March 2007
Non-current assets	4.630.389.389	4.590.187.152	3.518.162.599
Current assets	611.753.985	515.149.354	501.676.326
Non-current liabilities	2.053.444.249	1.996.914.291	1.592.159.309
Current liabilities	687.176.758	618.951.030	446.928.322

	31 March 2008	31 December 2007	31 March 2007
Income	77.436.675	444.471.226	62.219.009
Expenses	72.402.895	296.380.772	50.761.188

6. INVESTMENTS IN ASSOCIATED COMPANIES

Associated companies, their head offices and the percentage of share capital held as at 31 March 2008 and 31 December 2007 are as follows:

		Percentage of capital held				Carrying amount	
		31 March 2008		31 December 2007			
COMPANY	Head Office	Direct	Total	Direct	Total	31 March 2008	31 December 2007
Retail							
Mundo Vip - Operadores Turísticos, SA	Lisbon	33,33%	33,33%	33,33%	33,33%	2.925.848	2.924.947
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25,00%	25,00%	25,00%	25,00%	981.717	943.957
Fundo de Investimento Imobiliário Fechado Imosede	Maia	42,16%	42,16%	42,16%	42,16%	34.246.303	34.010.917
Shopping Centres							
Campo Limpo Lda	São Paulo (Brazil)	20,00%	4,70%	20,00%	4,70%	1.112.217	1.248.144
Mediterranean Cosmos Shop. Centre Investments, SA	Athens (Greece)	39,90%	9,98%	39,90%	9,98%	10.831.703	10.749.437
SIC Indoor - Gest. Suportes Publicitários, SA	Oeiras	35,00%	17,50%	35,00%	17,50%	-	-
Telecommunications							
Net Mall SGPS, SA	Maia	39,51%	20,59%	39,51%	19,96%	-	-
SIRS - Sociedade Independente de Radiodifusão Sonora, SA	Porto	45,00%	23,45%	45,00%	22,73%	168.690	168.690
Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	40,00%	20,85%	40,00%	20,21%	468.340	463.429
Others							
Cooper Gay (Holding) Limited	U.K.	13,68%	13,68%	13,68%	13,68%	21.030.647	20.061.065
Lazam Corretora, Ltda	Brazil	45,00%	45,00%	45,00%	45,00%	2.803.623	2.978.054
Total						74.569.088	73.548.640

Nil balances shown result from the reduction of the acquisition cost of amounts by the use of the equity method.

Associated companies are included using the equity method.

As at 31 March 2008, 2007 pro-forma and 31 December 2007, aggregate values of main financial indicators of associated companies can be analysed as follows:

	31 March 2008	31 December 2007	31 March 2007 Pro-forma
Total Assets	463.912.250	466.865.963	309.208.114
Total Liabilities	229.520.704	231.682.571	150.623.446
Income	64.699.779	290.905.131	51.133.665
Expenses	53.732.631	260.445.776	39.265.486

During the periods ended 31 March 2008 and 2007 pro-forma, movements in Investments in associated companies, are made up as follows:

	31 March 2008			31 March 2007 Pro - forma		
	Proportion on equity	Goodwill	Total of investment	Proportion on equity	Goodwill	Total of investment
Investments in associated companies						
Initial balance as at January,1	51.468.673	22.079.969	73.548.642	30.520.635	1.094.523	31.615.158
Acquisitions during the period	-	-	-	-	-	-
Disposals during the period	-	-	-	-	-	-
Equity method						
Effect in net income	1.615.689	-	1.615.689	(25.171)	-	(25.171)
Effect in equity	(517.089)	-	(517.089)	(168.734)	-	(168.734)
Transfers	(78.154)	-	(78.154)	7.786	-	7.786
Investments in associated companies	52.489.119	22.079.969	74.569.088	30.334.516	1.094.523	31.429.039

7. GROUP COMPANIES, JOINTLY CONTROLLED COMPANIES AND ASSOCIATED COMPANIES EXCLUDED FROM CONSOLIDATION AND OTHER NON CURRENT INVESTMENTS

Group companies, jointly controlled companies and associated companies excluded from consolidation and other non current investments, their head offices, percentage of share capital held and book value as at 31 March 2008 and 31 December 2007 are made up as follows:

			Percentage of capital held					
			31 March 2008		31 December 2007		Book Value	
COMPANY	Exclusion Reason	Head Office	Direct	Total	Direct	Total	31 March 2008	31 December 2007
Retail								
Dispar - Distrib. de Participações, SGPS, SA		Lisbon	7,14%	7,14%	7,14%	7,14%	4.988	4.988
Insco - Insular de Hipermerc., SA		Ponta Delgada	10,00%	10,00%	10,00%	10,00%	748.197	748.197
Shopping Centres								
Ercasa Cogeneracion SA		Grancasa (Spain)	10,00%	1.25%	10,00%	1.25%	23.949	23.949
Telecommunications								
Altitude, SGPS, SA		Lisbon	11,54%	6,01%	11,54%	5,83%	1.000.000	1.000.000
Lusa - Agên. de Noticias de Portugal, SA		Lisbon	1,38%	0,72%	1,38%	0,70%	197.344	197.344
Minhodigital.com - Inv. na Área Tecnológ., SA		Porto	4,76%	2,48%	4,76%	2,40%	-	-
Others								
Sonae Investimentos América Latina, Lda	a)	São Paulo (Brazil)	99,99%	99,99%	99,99%	99,99%	25.687	25.687
Other investments							32.949.164	10.054.992
Total (Note 11)							34.949.329	12.055.157

a) Group company, jointly controlled company or associated company for which, at the date of the issuance of these financial statements, complete financial information was not available for the period;

Nil balances shown above result from deduction of impairment losses from related investments (Note 11).

As at 31 March 2008, other investments include 8,136,194 euro (8,151,301 euro as at 31 December 2007) related with the advance payment for the acquisition of a owner of an investment property named Ploiesti and which acquisition is estimated to be concluded during 2008. As at 31 March 2008, this caption also includes 22,908,000 euro related to the far value of Sonae Capital, SGPS, S.A. demerger rights attributable to Sonae SGPS shares as explained in Note 16.

8. TANGIBLE AND INTANGIBLE ASSETS

During the three months period ended 31 March 2008 and 2007 pro-forma, movements in Tangible and Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
Gross cost:					
Opening balance as at 1 January 2008	1.549.793.886	1.434.332.293	304.444.152	176.493.351	3.465.063.682
Capital expenditure	1.066.031	1.749.934	4.116.043	77.641.588	84.573.596
Disposals	(5.156)	(2.718.065)	(9.314.710)	(974.033)	(13.011.964)
Exchange rate effect	(21.180)	(67.556)	(62.545)	-	(151.281)
Transfers	(21.596.372)	54.090.186	2.454.653	(35.278.300)	(329.833)
Closing balance as at 31 March 2008	1.529.237.209	1.487.386.792	301.637.593	217.882.606	3.536.144.200
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2008	309.924.688	774.612.718	226.256.512	-	1.310.793.918
Charge for the period	8.182.964	34.613.172	8.749.305	-	51.545.441
Disposals	(71)	(2.116.377)	(9.124.620)	-	(11.241.068)
Exchange rate effect	(10.710)	(23.562)	(28.151)	-	(62.423)
Transfers	(17.511.285)	17.542.559	(5.012)	-	26.262
Closing balance as at 31 March 2008	300.585.586	824.628.510	225.848.034	-	1.351.062.130
Carrying amount					
As at 31 March 2008	1.228.651.623	662.758.282	75.789.559	217.882.606	2.185.082.070

	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
Gross cost:					
Opening balance as at 1 January 2007 pro-forma	1.245.290.430	1.227.901.679	265.679.558	70.467.119	2.809.338.786
Capital expenditure	1.664.314	1.034.231	972.103	63.151.015	66.821.663
Disposals	(18.075.092)	(2.153.345)	(1.055.652)	(738.829)	(22.022.918)
Exchange rate effect	213.355	41.171	28.432	6.090	289.048
Transfers	6.642.753	35.455.359	2.349.849	(50.281.445)	(5.833.484)
Closing balance as at 31 March 2007 pro-forma	1.235.735.760	1.262.279.095	267.974.290	82.603.950	2.848.593.095
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2007 pro-forma	236.152.091	645.988.456	187.879.320	-	1.070.019.867
Charge for the period	9.644.123	30.921.660	6.925.355	-	47.491.138
Disposals	(2.428.688)	(1.209.648)	(990.944)	-	(4.629.280)
Exchange rate effect	5.858	8.134	8.374	-	22.366
Transfers	(689.228)	(222.460)	(192.696)	-	(1.104.384)
Closing balance as at 31 March 2007 pro-forma	242.684.156	675.486.142	193.629.409	-	1.111.799.707
Carrying amount					
As at 31 March 2007 pro-forma	993.051.604	586.792.953	74.344.881	82.603.950	1.736.793.388

Major amounts included in the caption Tangible assets in progress, refer to the following projects:

	31 March 2008	31 March 2007 Pro-forma
Refurbishment and expansion of stores in the retail segment located in Portugal	133.648.098	38.625.917
Projects of "Modelo" and "Continente" stores for which advance payments were made	34.792.862	16.610.131
Deployment of mobile network	36.884.068	9.594.170
Deployment of fixed network	3.579.669	6.477.410
Others	8.977.909	11.296.322
	217.882.606	82.603.950

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total Intangible Assets
Gross cost:				
Opening balance as at 1 January 2008	274.917.793	340.533.967	21.477.186	636.928.946
Capital expenditure	2.938.572	1.019.242	5.236.185	9.193.999
Disposals	(485)	(356.062)	(21.907)	(378.454)
Exchange rate effect	(123)	(166.011)	-	(166.134)
Transfers	8.591	189.903	(739.662)	(541.168)
Closing balance as at 31 March 2008	277.864.348	341.221.039	25.951.802	645.037.189
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2008	54.460.087	234.800.716	-	289.260.803
Charge for the period	5.888.506	6.221.780	-	12.110.286
Disposals	(461)	(352.701)	-	(353.162)
Exchange rate effect	-	(31.461)	-	(31.461)
Transfers	(408)	-	-	(408)
Closing balance as at 31 March 2008	60.347.724	240.638.334	-	300.986.058
Carrying amount				
As at 31 March 2008	217.516.624	100.582.705	25.951.802	344.051.131

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total Intangible Assets
Gross cost:				
Opening balance as at 1 January 2007 pro-forma	232.779.039	308.541.993	21.623.062	562.944.094
Capital expenditure	68.094	205.218	6.371.898	6.645.210
Disposals	-	(2.925)	(17.556)	(20.481)
Exchange rate effect	57	5.608	-	5.665
Transfers	597.290	1.584.752	(2.840.501)	(658.459)
Closing balance as at 31 March 2007 pro-forma	233.444.480	310.334.646	25.136.903	568.916.029
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2007 pro-forma	35.798.979	207.227.948	-	243.026.927
Charge for the period	3.723.934	6.675.657	-	10.399.591
Disposals	(249)	(134.089)	-	(134.338)
Exchange rate effect	-	1.522	-	1.522
Transfers	8.587	44.144	-	52.731
Closing balance as at 31 March 2007 pro-forma	39.531.251	213.815.182	-	253.346.433
Carrying amount				
As at 31 March 2007 pro-forma	193.913.229	96.519.464	25.136.903	315.569.596

At 31 March 2008 and 2007, the Group has recorded under the heading Patents and other similar rights the amounts of 110,931,747 euro and 111,802,442 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) Euro 69,756,698 (amount of 78,757,563 euro in 2007) relating to the license; (ii) 23,308,270 euro (amount of 26,315,789 euro in 2007) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators in Portugal with UMTS licenses; (iii) 7,158,674 euro related to a contribution to the Information Society Fund, established in 2007, under an agreement entered into between the Ministry of Public Works, Transport and Communications ("Ministério das Obras Públicas, Transportes e Comunicações") and the three mobile telecommunication operators in Portugal; and (iv) 4,748,054 euro relating to the “Iniciativas E” program, the latter relating to commitments assumed by the Group in the Information Society Fund.

Additionally, this heading also includes the fair value attributed to a group of brands with indefinite useful lives, among which the "Continente" brand, 75,000,000 euro (the same amount as at December 2007).

9. INVESTMENT PROPERTIES

Investment properties are recorded at fair value. These assets are owned by the shopping centres business and as such are consolidated using the proportional method.

As at 31 March 2008 and 31 December 2007, Investment properties are detailed as follows:

	31 March 2008	31 December 2007
Investment properties in operation	1.863.887.456	1.868.656.061
Investment properties in progress	219.525.572	193.472.865
	2.083.413.028	2.062.128.926

Investment properties in operation correspond to the fair value of the Group's share of shopping centres, which can be detailed as follows:

	31 March 2008		31 December 2007	
	Amount	Yield range	Amount	Yield range
Portugal	1.039.173.376	4.90% to 7.00%	1.038.302.637	4.90% to 7.00%
Spain	454.290.823	5.00% to 6.90%	454.290.823	5.00% to 6.90%
Germany	172.792.000	5,50%	172.792.000	5,50%
Brazil	92.024.757	8.50% to 10.50%	97.664.101	8.50% to 10.50%
Italy	84.255.000	5.50% to 6.15%	84.255.000	5.50% to 6.15%
Romania	21.351.500	6,75%	21.351.500	6,75%
	1.863.887.456		1.868.656.061	

The fair value of each investment property was determined by a valuation as at 31 December 2007, performed by an independent entity, based on valuation criteria generally accepted in the real estate business.

Value created on investment properties over the three months periods ended 31 March 2008 and 2007 can be detailed as follows:

	31 March 2008	31 March 2007 Pro-forma
Properties which were under development and were concluded during the three months period	-	-
Changes in fair value of investment properties in operation	-	2.869.336
Adjustments to construction cost estimates of properties under development which were transferred to investment properties	-	-
	-	2.869.336

As at 31 March 2008 and 31 December 2007, Investment properties in progress can be detailed as follows:

	31 March 2008	31 December 2007
Portugal:		
Arrábidashopping - expansion	3.365.837	2.375.011
Alverca	2.997.536	2.995.036
Caldas da Rainha Shopping	1.218.207	1.192.538
Cacém Shopping	1.058.989	1.036.919
Torres Oriente e Ocidente	822.280	192.426
Setubal Retail Park	786.418	786.164
Parque de Famalicão	627.500	627.500
Others	675.552	1.220.554
Germany:		
Loop 5	26.509.261	25.612.284
Alexa	7.320.992	7.320.992
Others	217.681	-
Brazil:		
Manauara Shopping	6.875.177	5.628.846
Pátio Uberlândia	1.445.613	1.530.607
Others	114.939	-
Spain:		
Plaza Mayor Shopping	19.293.353	17.733.934
Alfaz del Pí	9.803.709	-
Las Pulianas	5.953.144	5.746.847
Dos Mares - expansion	1.404.902	1.404.902
Greece:		
Pantheon Plaza	14.190.908	13.855.607
Ioannina	10.679.407	10.395.799
Aegean Park	4.853.619	4.845.206
Galatsi Shopping	3.540.621	3.159.277
Others	-	-
Italy:		
Freccia Rossa	34.656.510	32.263.488
Gli Orsi	30.483.751	23.397.730
Caldogno	4.216.647	4.138.655
Pavia	3.742.146	3.641.489
Le Terraze	2.029.027	1.891.179
Others	62.349	-
Romania:		
Craiova	20.579.497	20.479.875
	219.525.572	193.472.865

As at 31 March 2008, the following investment properties were mortgaged:

8ª Avenida	Loop 5
Airone	Loureshopping
C C Modelo de Albufeira	Luz del Tajo
Alexa	Madeirashopping
Algarveshopping	Maiashopping
Arrabidashopping	Munster Arkaden
Avenida M40	Norteshopping
Cascaishopping	Parque Atlântico
Centro Colombo	Parque Principado
Centro Vasco da Gama	Plaza Éboli
Coimbrashopping	Plaza Mayor
Dos Mares	Plaza Mayor Shopping
Estação Viana	C C Continente de Portimão
Feccia Rossa	Rio Sul
Gaiashopping	Serra Shopping
Gli Orsi	Valecenter
Grancasa	Valle Real
Guimarãeshopping	Viacatarina
Kareaga	Zubiarte
El Rosal	Torre Oriente
La Farga	Torre Ocidente

10. GOODWILL

During the three months period ended 31 March 2008 and 2007 pro-forma and the twelve months period ended 31 December 2007, movements in goodwill, as well as in corresponding impairment losses, are as follows:

	31 March 2008	31 March 2007 Pro-forma	31 December 2007
Gross value:			
Opening balance	750.851.668	222.429.087	264.411.899
New companies	-	978.230	535.205.260
Increases	1.824.404	2.338.524	30.035.581
Decreases	(8.952.045)	(2.583.620)	(12.999.103)
Demerger	-	-	(65.801.969)
Closing balance	743.724.027	223.162.221	750.851.668
Accumulated impairment losses:			
Opening balance	9.912.998	7.545.972	13.569.244
Increases	-	-	3.659.303
Decreases	-	-	(7.315.549)
Closing balance	9.912.998	7.545.972	9.912.998
Carrying amount:	733.811.029	215.616.249	740.938.670

The subsidiary Continente Hipermercados (ex- Carrefour Portugal) was acquired only at the end of 2007, therefore no fair value allocation to acquired assets was made, and is expected to be performed during 2008. Consequently the value of the goodwill amounting 505,728,155 euro is considered to be provisional.

11. OTHER INVESTMENTS

As at 31 March 2008 and 2007 Pro-forma, this caption is made up as follows:

	31 March 2008		31 March 2007 Pro-forma	
	Non current	Current	Non current	Current
Investments in group companies, jointly controlled companies or associated companies excluded from consolidation				
Opening balance as at 1 January	9.376.193	-	3.380.876	-
Acquisitions in the period	-	-	660.000	-
Disposals in the period	-	-	-	-
Transfers	(7.546)	-	-	-
Closing balance as at 31 March	9.368.647	-	4.040.876	-
Accumulated impairment losses (Note 23)	-	-	-	-
	9.368.647	-	4.040.876	-
Investments available for sale				
Fair value (net of impairment losses) as at 1 January	2.678.932	56.093.108	145.795.375	33.211.904
Acquisitions in the period	18.750	-	-	11.551
Disposals in the period	(25.000)	-	(112.027.145)	(122.100)
Increase/(Decrease) in fair value	(8.964.000)	-	-	(917.239)
Transfers	31.872.000	(4.508)	1.201.666	1.226.158
Fair value (net of impairment losses) as at 31 March	25.580.682	56.088.600	34.969.896	33.410.274
Other Investments (Note 7)	34.949.329	56.088.600	39.010.772	33.410.274
Derivative financial instruments (Note 19)				
Fair value as at 1 January	-	3.976.816	-	49.458
Acquisitions in the period	-	-	-	15.657
Disposals in the period	-	(1.971)	-	(49.458)
Increase/(Decrease) in fair value	-	(2.319.422)	-	737.636
Fair value as at 31 March	-	1.655.423	-	753.293
	34.949.329	57.744.023	39.010.772	34.163.567

The financial investments in group companies, jointly controlled companies or associated companies excluded from consolidation are recorded at the acquisition cost net of impairment losses. It is Group understanding that no reliable fair value estimate could be made as there is no market data available for these investments. The heading of Investments available for sale includes 2,672,681 euro (2,185,186 euro in 31 March 2007 pro-forma) of investments recorded at the cost net of impairment losses for the same reasons.

The investments available for sale are net impairment losses (Note 23) amounting 26,314 euro (2,565,541 euro in 31 March 2007).

The caption Investments available for sale includes 56,088,600 euro (32,784,710 euro as non current and 33,410,274 euro as current on 31 March 2007) of deposits in an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities which may arise from the sale of the Brazilian subsidiaries in the Retail segment and for which provisions were recognized (Note 23).

12. OTHER NON-CURRENT ASSETS

As at 31 March 2008 and 31 December 2007, Other non-current assets are detailed as follows:

	31 March 2008			31 December 2007		
	Gross Value	Accumulated losses impairment (Note 23)	Carrying Amount	Gross Value	Accumulated losses impairment (Note 23)	Carrying Amount
Loans granted to related parties						
Mundo Vip - Operadores Turísticos, SA	1.000.000	-	1.000.000	1.000.000	-	1.000.000
Cooper Gay (Holding) Limited	7.635.447	-	7.635.447	1.943.295	-	1.943.295
Others	242.190	(170.125)	72.065	346.654	(170.125)	176.529
	8.877.637	(170.125)	8.707.512	3.289.949	(170.125)	3.119.824
Trade accounts receivable and other debtors						
Legal deposits	746.874	-	746.874	792.644	-	792.644
Assets arising from the sale of financial investments	-	-	-	-	-	-
Lisbon Town Councils	3.888.477	-	3.888.477	3.888.477	-	3.888.477
Malaga Town Councils	512.108	-	512.108	512.108	-	512.108
Rent deposits from tenants	4.891.379	-	4.891.379	4.394.235	-	4.394.235
Others	147.636	(131.446)	16.190	582.691	(131.446)	451.245
	10.186.474	(131.446)	10.055.028	10.170.155	(131.446)	10.038.709
Non-current derivatives (Note 19)	4.242.351	-	4.242.351	7.346.945	-	7.346.945
Total financial instruments	23.306.462	(301.571)	23.004.891	20.807.049	(301.571)	20.505.478
Reinsurer's' share of technical provisions	54.060.294	-	54.060.294	54.060.294	-	54.060.294
Other non-current assets	50.978	-	50.978	50.977	-	50.977
	77.417.734	(301.571)	77.116.163	74.918.320	(301.571)	74.616.749

13. TRADE DEBTORS AND OTHER CURRENT ASSETS

As at 31 March 2008 and 31 December 2007 , Trade debtors and other current assets are detailed as follows:

	31 March 2008	31 December 2007
Trade accounts receivable	305.577.220	315.058.659
Taxes recoverable	75.140.553	86.514.614
Trade suppliers - debit balances	50.931.143	46.822.333
Special regime for payment of tax and social security debts	14.576.053	14.576.053
VAT recoverable on retail estate assets	1.986.722	4.776.482
Other debtors	42.616.661	29.955.004
Accounts receivable from the disposal of investments	45.554.276	4.328.720
Accounts receivable from the disposal of tangible fixed assets	9.505.171	790.575
Amount receivable regarding price adjustments of acquired subsidiaries	30.414.000	30.414.000
Advances to suppliers	21.740.226	22.236.065
Reinsurance Companies	9.072.963	9.072.963
Invoices to be issued	66.522.778	70.459.857
Commercial discounts	14.931.930	5.887.081
Prepayments - Rents	5.286.477	6.260.720
Prepayments - external supplies and services	11.185.981	3.833.921
Other current assets	16.946.343	15.178.385
	32.559.719	20.019.622
	754.548.216	686.185.054
Accumulated impairment losses (Note 23)	(95.980.597)	(95.235.846)
	658.567.619	590.949.208

14. DEFERRED TAX

Deferred tax assets and liabilities as at 31 March 2008 and 31 December 2007 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Difference between fair value and acquisition cost	55.433	64.940	297.287.452	296.353.425
Harmonisation adjustments	78.188	81.897	25.183.491	24.978.921
Provisions and impairment losses not accepted for tax purposes	14.042.622	12.900.045	-	-
Write off of tangible and intangible assets	60.412.343	60.114.242	-	-
Write off of deferred costs	42.089.536	41.026.618	2.187.994	2.097.786
Valuation of hedging derivatives	803.901	296.245	1.223.962	2.614.826
Revaluation of tangible assets	-	-	2.507.358	2.523.410
Tax losses carried forward	25.970.523	20.969.753	-	-
Reinvested capital gains/(losses)	-	-	3.408.371	3.428.201
Others	197.143	151.929	3.281.491	2.223.343
	143.649.689	135.605.669	335.080.119	334.219.912

In accordance with the tax statements and tax estimates presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 31 March 2008 and 31 December 2007, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	31 March 2008			31 December 2007		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2002	11.858.677	2.964.669	2008	12.816.002	3.204.001	2008
Generated in 2003	11.097.367	2.774.341	2009	10.854.186	2.713.546	2009
Generated in 2004	3.288.631	822.158	2010	2.660.665	665.166	2010
Generated in 2005	8.666.532	2.166.634	2011	8.378.182	2.094.546	2011
Generated in 2006	4.562.764	1.140.690	2012	4.576.150	1.144.037	2012
Generated in 2007	3.960.968	990.242	2013	3.960.967	990.242	2013
Generated in 2008	18.519.181	4.629.796	2014	-	-	2014
	61.954.120	15.488.530		43.246.152	10.811.538	
Without limited time use	7.203.398	1.893.322		6.783.431	1.922.301	
With a time limit different from the above mentioned	28.849.581	8.588.671		27.620.047	8.235.914	
	36.052.979	10.481.993		34.403.478	10.158.215	
	98.007.099	25.970.523		77.649.630	20.969.753	

As at 31 March 2008 and 31 December 2007, Deferred tax assets resulting from tax losses carried forward were re-assessed against each company's business plans, which are regularly updated, and available tax planning opportunities. Deferred tax assets have only been recognized to the extent that future taxable profits will arise which may be offset against available tax losses or against deductible temporary differences.

As at 31 March 2008 tax losses carried forward, amounting to 1,122,480,282 euro (1,013,542,711 euro at 31 December 2007), have not originated deferred tax assets for prudential reasons. These may be summarised as follows:

	31 March 2008			31 December 2007		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2002	428.186.405	107.046.600	2008	433.259.735	108.315.185	2008
Generated in 2003	41.109.695	10.277.425	2009	41.896.110	10.474.030	2009
Generated in 2004	23.110.539	5.777.635	2010	23.869.128	5.967.282	2010
Generated in 2005	88.652.601	22.163.151	2011	89.006.183	22.251.545	2011
Generated in 2006	68.028.710	17.007.178	2012	68.204.804	17.051.201	2012
Generated in 2007	100.712.988	25.178.247	2013	103.549.416	25.887.353	2013
Generated in 2008	5.381.666	1.345.417	2014	-	-	2014
	755.182.604	188.795.653		759.785.376	189.946.596	
Without limited time use	27.745.515	8.164.590		34.124.969	10.101.615	
With a time limit different from the above mentioned	339.552.163	92.517.096		219.632.366	63.700.019	
	1.122.480.282	289.477.339		1.013.542.711	263.748.230	

15. CASH AND CASH EQUIVALENTS

As at 31 March 2008 and 31 December 2007, Cash and cash equivalents can be detailed as follows:

	31 March 2008	31 December 2007
Cash at hand	5.122.495	6.482.624
Bank deposits	103.265.708	190.688.029
Treasury applications	15.117.924	89.230.800
Cash and cash equivalents on the balance sheet	123.506.127	286.401.453
Bank overdrafts (Note 18)	(39.094.081)	(10.775.881)
Cash and cash equivalents on the statement of cash flows	84.412.046	275.625.572

Bank overdrafts are disclosed in the balance sheet under Current bank loans.

16. SHARE CAPITAL

As at 31 March 2008, the share capital, which is fully subscribed and paid for, is made up of 2,000,000,000 ordinary shares, which do not have the right to a fixed dividend, with a nominal value of 1 euro each.

On 15 November 2007, Sonae SGPS, SA sold, 132,856,072 Sonae SGPS, SA shares directly owned by the Company. The shares were sold in a market operation at the unit price of 2.06 euro per share and resulted on a cash inflow (net of brokerage commissions) of 273,398,877 euro.

On the same date, Sonae Investments, BV, wholly owned by Sonae SGPS, SA, entered into a derivative financial instrument - Cash Settled Equity Swap - over a total of 132,800,000 Sonae SGPS, SA shares, representative of 6.64% of its capital.

This transaction has a maximum maturity of three years and a strictly financial liquidation, without any duty or right for the Company or any of its associated companies in the purchase of these shares. This transaction allows Sonae to totally maintain the economic exposure to the sold shares.

In this context, although legally all the rights and obligations inherent to these shares have been transferred to the buyer, Sonae SGPS, SA did not derecognize its own shares, recording a liability in the caption Other non-current liabilities (Note 20). According to the interpretation made by the Group of IAS 39, applied by analogy to own equity instruments, the derecognition of own shares is not allowed as the group maintains the risks and rewards arising on the instruments sold.

Consequently, the Group maintains the deduction from Equity amounting to the acquisition cost of the 132,800,000 shares (138,568,275 euro), and has accounted for the consideration received for the above mentioned sale of own shares in the caption Other non-current liabilities (273,568,000 euro).

Due to the detach of Sonae Capital SGPS, SA demerger rights attributable to the 132,800,000 Sonae SGPS, SA shares subject of the above mentioned agreement, the Group recognized an asset corresponding to the fair value of those rights. This asset as not been derecognized as the Group also entered into a Cash Settled Equity Swap over the Sonae Capital SGPS, SA shares, and therefore a liability was recognized. Consequently, and in relation with this operation the full liability amount can be detailed as follows: market value of Sonae SGPS, SA shares amounting to 154,712,000 euro and market value of Sonae Capital SGPS, SA shares amounting to 22,908,000 euro.

These liabilities are adjusted at the end of each month by the effect of the change in Sonae, SGPS, S.A. or Sonae Capital, SGPS, S.A. share price, as applicable, being recognized an asset/liability in order to present the right/obligation related to the cash settlement of the operation that resets monthly (Notes 20 and 22).

Additionally, the costs related to the "floating amount" based on Euribor 1 month are recorded in the income statement.

The receivable amount arising on dividends distributed by the Company is credited to Equity in order to offset the charge of the distribution. The dividends attributable to the above mentioned share amount to 3,984,000 euro and were credited to Equity.

The number of shares taken into consideration to calculate earnings per share includes the shares referred to above as a deduction to the shares issued by the Company.

As at 31 March 2008, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and associated companies	52.94

17. MINORITY INTERESTS

Movements in minority interests during the periods ended 31 March 2008 and 2007 pro-forma and 31 December 2007 are as follows:

	31 March 2008	31 March 2007 Pro-forma	31 December 2007
Opening balance as at 1 January	448.320.704	411.547.735	402.058.314
Dividends	-	-	(21.887.082)
Exchange rate effect	(232.036)	144.329	373.748
Acquisition of subsidiaries	-	-	(9.677.763)
Disposal of subsidiaries	-	-	(2.171.988)
Demerger of Sonae Capital	-	-	9.310.396
Increased shareholding by acquisitions	(17.631.322)	(3.529.403)	(8.454.103)
Decreased shareholding by disposals	29.902.592	-	-
Changes in hedge and fair value reserves	(1.674.758)	(2.236.279)	868.668
Others	(186.745)	(1.880.207)	5.230.470
Profit for the period attributable to minority interests	1.557.977	563.119	72.670.044
Closing balance	460.056.412	404.609.294	448.320.704

18. BORROWINGS

As at 31 March 2008 and 31 December 2007, Borrowings are made up as follows:

		31 March 2008			31 December 2007		
			Outstanding amount			Outstanding amount	
		Amount limit	Current	Non Current	Amount limit	Current	Non Current
	Bank loans						
	Sonae, SGPS, SA - commercial paper	350.000.000	33.000.000	-	350.000.000	-	-
	Sonae Distribuição, SGPS,SA - commercial paper	563.000.000	25.000.000	182.000.000	163.000.000	-	-
a)b)	Sonae Sierra subsidiaries	517.789.512	20.210.446	423.950.432	498.624.959	16.476.410	417.635.936
a)b)c)	Sonae Sierra subsidiaries	984.018.832	6.052.118	425.425.868	452.885.624	5.971.751	401.044.158
	Sonaecom SGPS, SA	250.000.000	-	180.500.000	250.000.000	-	225.000.000
	Continente Hipermercados SA - commercial paper	80.000.000	50.000.000	-	80.000.000	80.000.000	-
	Sonae Investments BV	32.154.000	3.075.470	-	32.154.000	4.613.205	-
	Others		12.805.767	22.479.219		12.047.631	22.532.078
			150.143.801	1.234.355.519		119.108.997	1.066.212.172
	Bank overdrafts (Note 15)		39.094.081	-		10.775.881	-
	Up-front fees bearded with the issuance of borrowings		(747.269)	(6.706.700)		(677.170)	(6.521.094)
	Bank loans		188.490.613	1.227.648.819		129.207.708	1.059.691.078
	Bonds:						
	Bonds Sonae / 05		-	100.000.000		-	100.000.000
	Bonds Sonae 2006/2011		-	250.000.000		-	250.000.000
	Bonds Sonae 2007/2014		-	150.000.000		-	150.000.000
	Bonds Modelo Continente / 2003		-	82.000.000		-	82.000.000
	Bonds Modelo Continente / 2004		100.000.000	-		-	100.000.000
	Bonds Modelo Continente 2005/2010		-	64.925.000		-	64.925.000
	Bonds Modelo Continente 2005/2012		-	150.000.000		-	150.000.000
	Bonds Modelo Continente 2007/2012		-	200.000.000		-	200.000.000
	Bonds Modelo Continente 2007/2015		-	200.000.000		-	200.000.000
	Bonds Modelo Continente 2007/2016		-	310.000.000		-	310.000.000
	Bonds Sonaecom / 2005		-	150.000.000		-	150.000.000
	Up-front fees bearded with the issuance of borrowings		(154.721)	(11.708.451)		-	(12.074.291)
	Bonds		99.845.279	1.645.216.549		-	1.744.850.709
	Other loans		27.716	266.727		36.229	276.330
	Derivative instruments (Note 19)		633.762	2.365.513		363.463	828.199
	Other loans		661.478	2.632.240		399.692	1.104.529
	Obligations under finance leases		7.468.672	22.531.919		8.709.711	23.470.674
			296.466.042	2.898.029.527		138.317.111	2.829.116.990

a) These amounts are proportionate considering the percentage held by the group;

b) These loans are guaranteed by mortgages of investment properties held by these affiliated companies;

c) These loans are guaranteed by a pledge of shares held in those affiliated companies;

Interest rate of the bonds are equal to Euribor 6 months plus a spread between 0.25% and 1.15%.

Bank loans bear interests at market rates based on Euribor for each interest payment term, therefore the fair value of bank loans are estimated to be similar to their market value.

The derivative instruments are recorded at fair value (Note 19).

The repayment schedule of the nominal value of borrowings may be summarised as follows:

	31 March 2008	31 December 2007
N+1	296.734.270	138.630.818
N+2	25.699.874	123.716.946
N+3	167.648.051	226.053.892
N+4	359.017.810	357.710.073
N+5	645.677.443	528.494.772
After N+5	1.716.035.991	1.610.908.493
	3.210.813.439	2.985.514.994

19. DERIVATIVES

Exchange rate derivatives

The Group uses exchange rate derivatives, essentially to hedge future cash flows.

The Group contracted several exchange rate forwards and options in order to manage its exchange rate exposure.

As at 31 March 2008, the fair value of exchange rate derivatives, calculated based on present market value of equivalent financial instruments, is of 585,599 euro included in Current liabilities (281,123 euro as of 31 December 2007) and 774,784 euro on the caption Current investments (2,151,335 euro as at 31 December 2007). From the total amount registered in Assets, 305,691 euro and in Liabilities, 263,244 euro refers to derivative transactions (Non Deliverable Forwards - "NDF") entered into during 2008 in order to hedge the exchange rate exposure as consequence of the share purchase agreement with the Sonae Sierra partner in Brazil (DDR), to reinvest the amount of 300,000,000 Brazilian Real until the end of 2009. The notional of the NDF amounts to 115.042.000 Brazilian Real.

The non-deliverable forward foreign exchange contracts (NDFs) are stated at their fair value at the balance sheet date, in accordance with a valuation made by the bank with which the NDF were contracted.

The computation of the fair value of these financial instruments was made taking into consideration the present value at balance sheet date of the forward settlement amount of the relevant NDF contract. The settlement amount considered in the valuation, is equal to the reference currency notional amount (foreign currency) multiplied by the difference between the contracted forward exchange rate and the forward exchange market rate to the settlement date as at the valuation date.

Losses in the period arising from changes in the fair value of instruments that do not qualify for hedging accounting treatment were recorded directly in the income statement in the caption Net financial expenses.

Interest rate derivatives

As at 31 March 2008, derivatives used by the Group refer essentially to interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 1,416,907,335 euro (1,302,514,561 euro as at 31 December 2007). The fair value of these derivatives amounts to 2,757,479 euro (8,344,227 euro as at 31 December 2007), and is disclosed as assets amounting to 5,122,991 euro (9,172,426 euro as at 31 December 2007) and as liabilities amounting to 2,365,512 euro (828,199 euro as at 31 de December de 2007). As at 31 March 2008, 48,163 euro of the amount disclosed as liabilities (82,340 euro as at 31 December 2007) relates to derivatives on loans which no longer qualify as hedging derivatives, although continuing to hedge interest risks.

These interest rate derivatives are valued at fair value, at the balance sheet date, based on valuations performed by the Group using specific software and on external valuations when this software does not deal with specific instruments. The fair value of swaps was calculated, as at the balance sheet date, based on the discounted cash flow of the difference between the fixed interest rate of the fixed leg and the indexed variable interest rate inherent to the variable leg. The calculation of the fair value of options was based on the "Black-Scholes" and similar models.

Interest rate and exchange rate derivatives

As at 31 March 2008 no contracts existed related to interest rate and exchange rate derivatives.

Fair value of derivatives

The fair value of derivatives is detailed as follows:

	Assets		Liabilities	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Derivatives not qualified as hedging				
Exchange rate	305.691	2.151.335	585.599	281.123
Interest rate	-	-	48.163	82.340
Hedging derivatives				
Exchange rate	469.093	-	263.244	-
Interest rate	5.122.991	9.172.426	2.102.269	828.199
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	5.897.775	11.323.761	2.999.275	1.191.662

20. OTHER NON-CURRENT LIABILITIES

As at 31 March 2008 and 31 December 2007, Other non-current liabilities are made up as follows:

	31 March 2008	31 December 2007
Shareholder loans	23.129.104	24.107.894
Fixed assets suppliers	12.862.079	11.597.003
Other non-current liabilities	187.531.741	277.318.229
	223.522.924	313.023.126

The caption Other non-current liabilities includes the amount of 177,620,000 euro (263,059,508 euro as at 31 December 2007) related to the fair value of the derivative on Sonae SGPS, SA shares referred to in Note 16.

21. SHARE-BASED PAYMENTS

In 2008 and in previous years, the Sonae Group granted deferred performance bonuses to its directors and eligible employees. These are either based on shares to be acquired at nil cost, three years after they were attributed to the employee, or based on share options with the exercise price equal to the share price at the grant date, to be exercised three years later. In both cases, the acquisition can be exercised during the period commencing on the third anniversary of the grant date and the end of that year. The company has the choice to settle in cash instead of shares. The option can only be exercised if the employee still works for the Group on the vesting date.

As at 31 March 2008 and 31 December 2007, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarised as follows:

	Grant year	Vesting year	Number of participants	Fair value 31 March 2008	Fair value 31 December 2007
Shares					
	2005	2008	67	2.082.226	8.956.701
	2006	2009	458	4.971.747	7.472.751
	2007	2010	487	4.347.251	7.856.374
	2008	2011	504	4.048.740	-
Total				15.449.964	24.285.826

As at 31 March 2008 and 31 December 2007 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	31 March 2008	31 December 2007
Staff costs	537.004	12.906.145
Recorded in previous years	6.207.537	4.368.199
	6.744.541	17.274.344
Other liabilities	6.744.541	17.274.344

22. TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 31 March 2008 and 31 December 2007, Trade creditors and other current liabilities are made up as follows:

	31 March 2008	31 December 2007
Trade creditors	892.578.393	988.803.378
Shareholders	91.166.590	30.616.400
Fixed asset suppliers	61.976.936	97.446.196
Other accounts payable	63.236.768	72.917.053
Taxes and contributions payable	51.936.141	62.131.632
Effect of changes in the share price of Sonae SGPS and Sonae Capital	8.134.000	10.624.000
Property investments accruals	41.308.042	50.739.687
Holiday pay and bonuses	95.054.304	103.767.265
Interest payable	33.572.113	33.975.996
Invoices to be issued	65.066.750	67.830.234
Commissions	6.516.144	7.922.541
Marketing expenses	18.343.396	27.152.426
Other external supplies and services	48.971.468	49.632.490
Accrued income - trade debtors	9.241.522	9.802.707
Accrued income - rents	5.802.049	5.260.081
Prepaid minutes not yet used	17.908.679	17.237.818
Others	48.765.949	47.363.909
	1.559.579.244	1.683.223.813

23. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the three months period ended 31 March 2008 and 2007 pro-forma are as follows:

	Balance as at 31 December 2007	Increase	Decrease	Balance as at 31 March 2008
Accumulated impairment losses on investments (Note 11)	26.314	-	-	26.314
Accumulated impairment losses on other non-current assets (Note 12)	301.571	-	-	301.571
Accumulated impairment losses on trade account receivables and other debtors (Note 13)	95.235.846	3.800.772	(3.056.021)	95.980.597
Accumulated impairment losses on inventories	24.759.431	3.358.270	(2.101.993)	26.015.708
Non-current provisions	107.984.226	877.634	(1.234.494)	107.627.366
Current provisions	2.295.457	112.533	(24.041)	2.383.949
	230.602.845	8.149.209	(6.416.549)	232.335.505

	Balance as at 31 December 2006	Increase	Decrease	Balance as at 31 March 2007 Pro-forma
Accumulated impairment losses on investments (Note 11)	2.565.541	-	-	2.565.541
Accumulated impairment losses on other non-current assets	131.445	-	-	131.445
Accumulated impairment losses on trade account receivables and other debtors	85.764.579	3.261.764	(1.821.215)	87.205.128
Accumulated impairment losses on inventories	17.664.557	249.000	(31.000)	17.882.557
Non-current provisions	42.812.924	2.032.642	(1.508.437)	43.337.129
Current provisions	1.156.389	27.463	(24.706)	1.159.146
	150.095.435	5.570.869	(3.385.358)	152.280.946

As at 31 March 2008 and 2007 pro-forma and 31 December 2007, Provisions can be analysed as follows:

	31 March 2008	31 March 2007 Pro-forma	31 December 2007
Technical provisions on reinsurance	61.137.164	-	61.137.164
Expenses to be incurred with the sale of the Brazilian subsidiaries	13.499.048	22.522.801	14.628.032
Dismantling of telecommunication sites	18.891.544	15.758.440	18.888.140
Judicial claims	13.930.064	3.766.212	2.749.949
Others	2.553.495	2.448.822	12.876.398
	110.011.315	44.496.275	110.279.683

Amounts included in "Technical provisions of reinsurance" relate to a group captive company that operates in the non-life re-insurance industry. The provision amount can be detailed as follows: 5,650,956 euro (the same amount as at 31 December 2007) related to provisions for non-acquired insurance premiums and 55,486,208 euro (the same amount as at 31 December 2007) related to provisions for claims outstanding.

Impairment losses are deducted from the book value of the corresponding asset.

24. CONTINGENT ASSETS AND LIABILITIES

As at 31 March 2008 and 31 December 2007, major contingent liabilities were guarantees given are as follows:

	31 March 2008	31 December 2007
Guarantees given:		
on tax claims	132.982.705	92.198.572
on judicial claims	1.977.798	1.907.032
on municipal claims	14.199.625	11.687.093
others	72.052.025	71.897.604

The heading Others includes the following guarantees:
- 27,917,475 euro (23,861,474 euro as at 31 December 2007) to guarantee part of the debt of Sonae Sierra affiliates related with the purchase, sale and exchange of land;
- 33,213,383 euro (35,800,646 euro as at 31 December 2007) related to VAT reimbursement requests.

During 2007, a retail segment company in Brazil granted a guarantee of 23,796,969 euro (65,570,840 brazilian real) on a tax claim, which is being judged by tax courts.

No provision has been registered to face risks arising from events related to guarantees given, as the Board of Directors considers that no liabilities will result for the Group.

25. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

	Sales and services rendered			Purchases and services obtained		
Transactions	31 March 2008	31 March 2007 Pro-forma	31 March 2007	31 March 2008	31 March 2007 Pro-forma	31 March 2007
Parent company and group companies excluded from consolidation	11.583.036	12.233.862	13.749.020	5.830	35.255	35.255
Jointly controlled companies	3.600.942	3.480.982	7.607.625	4.084.413	3.761.348	4.092.683
Associated companies	213.154	163.517	442.341	2.850.759	1.118.779	4.533.091
Other partners in Group companies	2.603.647	2.737.292	16.052.502	10.849.669	8.576.883	4.178.089
	18.000.779	18.615.653	37.851.488	17.790.671	13.492.265	12.839.118

	Interest income			Interest expenses		
Transactions	31 March 2008	31 March 2007 Pro-forma	31 March 2007	31 March 2008	31 March 2007 Pro-forma	31 March 2007
Parent company and group companies excluded from consolidation	-	-	-	-	30.399	30.399
Jointly controlled companies	125	122.292	139	327	267.637	287.044
Associated companies	14.614	66.653	4.425	-	-	-
Other partners in Group companies	19.776	1.483.767	-	733.888	937.088	707.636
	34.515	1.672.712	4.564	734.215	1.235.124	1.025.079

	Accounts receivable		Accounts payable	
Balances	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Parent company and group companies excluded from consolidation	8.187.496	11.915.663	38.432	18.659
Jointly controlled companies	5.737.038	2.744.092	6.606.103	5.300.970
Associated companies	687.000	1.856.039	2.482.642	2.231.505
Other partners in Group companies	2.949.630	5.787.280	26.350.070	28.092.208
	17.561.164	22.303.074	35.477.247	35.643.342

	Loans			
	Obtained		Granted	
Balances	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Parent company and group companies excluded from consolidation	-	-	-	-
Jointly controlled companies	-	-	-	63.427
Associated companies	-	-	-	-
Other partners in Group companies	44.692.123	44.297.395	16.049	15.475
	44.692.123	44.297.395	16.049	78.902

26. TAXATION

As at 31 March 2008, 2007 and 2007 pro-forma, Taxation is made up as follows:

	31 March 2008	31 March 2007 Pro-forma	31 March 2007
Current tax	5.368.895	4.958.507	6.132.419
Deferred tax	(4.916.369)	1.150.945	1.106.204
	452.526	6.109.452	7.238.623

27. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 31 March 2008 and 2007, the reconciliation of consolidated net profit can be analysed as follows:

	31 March 2008	31 March 2007 Pro-forma	31 March 2007
Aggregate net profit	434.393.764	545.967.514	570.684.538
Use of the proportionate method	(72.934.896)	(70.621.332)	(70.621.332)
Harmonisation adjustments	75.492.988	1.339.466	(1.638.100)
Elimination of intragroup dividends	(432.432.606)	(170.093.343)	(177.029.439)
Elimination of intragroup capital gains and losses	(140.395)	(296.411.562)	(300.561.351)
Elimination of intragroup provisions	-	-	(167.000)
Consolidation adjustments to gains/(losses) on sales of investments	1.547.074	1.874.199	(2.862.887)
Others	4.656.659	(679.003)	(1.779.859)
Consolidated net profit for the period	10.582.588	11.375.939	16.024.570

28. EARNINGS PER SHARE

Earnings per share for the period were calculated taking into consideration the following amounts:

	31 March 2008	31 March 2007 Pro-forma	31 March 2007
Net profit			
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	12.140.567	10.812.820	14.672.787
Effect of dilutive potential shares	-	-	-
Interest related to convertible bonds (net of tax)	-	-	-
Net profit taken into consideration to calculate diluted earnings per share	12.140.567	10.812.820	14.672.787
Number of shares			
Weighted average number of shares used to calculated basic earnings per share	1.867.200.000	1.866.581.428	1.866.581.428
Effect of dilutive potential ordinary shares from convertible bonds	-	-	-
Weighted average number of shares used to calculated diluted earnings per share	1.867.200.000	1.866.581.428	1.866.581.428
Earnings per share (basic and diluted)	0,006502	0,005793	0,007861

There are no convertible instruments on Sonae, SGPS shares, hence there is no dilutive effects.

29. DIVIDENDS

In the Shareholders Annual General Meeting held on 21 April 2008, the payment of a gross dividend of 0.03 euro per share (0.03 euro per share in 2007) corresponding to a total of 60,000,000 euro (55,997,442.84 euro in 2007) was approved.

30. SEGMENT INFORMATION

In 2008 and 2007, the following were identified as business segments:

- Retail
- Shopping Centres
- Telecommunications
- Holding and Others

The contribution of the business segments to the income statement for the three months periods ended at 31 March 2008 and 2007 Pro forma can be detailed as follows:

31 March 2008

	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated
Operational income						
Sales	897.624.868	-	18.660.968	-	-	916.285.836
Services rendered	26.665.617	42.340.613	214.406.760	4.510.496	-	287.923.486
Value created on investments properties	-	-	-	-	-	-
Other operational income	83.975.690	5.072.087	5.859.422	112.624	5.316.124	100.335.947
	1.008.266.175	47.412.700	238.927.150	4.623.120	5.316.124	1.304.545.269
Inter-segment income	8.350.308	823.009	2.335.581	392.378	(11.901.276)	-
	1.016.616.483	48.235.709	241.262.731	5.015.498	(6.585.152)	1.304.545.269
Operational cash-flow (EBITDA)	48.824.638	22.636.719	37.039.907	(1.810.323)	3.584.244	110.275.185
Depreciation and amortisation	26.026.444	252.265	36.351.290	91.970	933.758	63.655.727
Provisions and impairment losses	935.962	186.977	3.131.268	-	(20)	4.254.187
Operational profit (EBIT)	21.997.830	22.235.551	(2.296.256)	(1.878.675)	2.650.523	42.708.973
Net financial expenses	(14.552.976)	(13.056.775)	(4.163.752)	(7.635.330)	164.010	(39.244.823)
Share of results of associated undertakings	-	-	-	-	1.615.589	1.615.589
Investment income	-	5.722.158	-	109.873.210	(109.639.993)	5.955.375
Profit before taxation	7.444.854	14.900.934	(6.460.008)	100.359.205	(105.209.871)	11.035.114
Income tax	1.409.209	(3.648.426)	1.885.222	(113.018)	14.487	(452.526)
Net profit for the period	8.854.063	11.252.508	(4.574.786)	100.246.187	(105.195.384)	10.582.588
- attributable to equity holders of Sonae	-	-	-	-	-	12.140.567
- attributable to minority interests	-	-	-	-	-	(1.557.979)

31 March 2007	Retail	Shopping Centres	Telecommunications	Holding and Others	Consolidation Adjustments	Consolidated Pro-forma
Operational income						
Sales	697.853.869	-	14.685.891	-	-	712.539.760
Services rendered	25.230.806	34.094.476	181.981.129	2.757.682	15.151	244.079.244
Value created on investments properties	-	2.869.336	-	-	-	2.869.336
Other operational income	74.515.058	1.564.540	4.507.806	487.198	(2.235.392)	78.839.210
	797.599.733	38.528.352	201.174.826	3.244.880	(2.220.241)	1.038.327.550
Inter-segment income	8.275.056	3.399.164	724.428	332.917	(12.731.565)	-
	805.874.789	41.927.516	201.899.254	3.577.797	(14.951.806)	1.038.327.550
Operational cash-flow (EBITDA)	48.243.866	17.824.150	37.257.014	(978.010)	(676.074)	101.670.946
Depreciation and amortisation	20.872.344	230.811	36.630.606	156.151	819	57.890.731
Provisions and impairment losses	84.990	139.632	3.344.257	-	(6)	3.568.873
Operational profit (EBIT)	27.474.508	17.522.461	(2.705.145)	(1.134.161)	(676.888)	40.480.775
Net financial expenses	(7.707.686)	(4.192.701)	(6.623.310)	(6.610.589)	136.908	(24.997.378)
Share of results of associated undertakings	-	-	-	-	(25.171)	(25.171)
Investment income	-	243	2.574.695	87.177.831	(87.725.604)	2.027.165
Profit before taxation	19.766.822	13.330.003	(6.753.760)	79.433.081	(88.290.755)	17.485.391
Income tax	(2.500.884)	(4.391.430)	835.092	(58.188)	5.958	(6.109.452)
Net profit for the period	17.265.938	8.938.573	(5.918.668)	79.374.893	(88.284.797)	11.375.939
- attributable to equity holders of Sonae	-	-	-	-	-	10.812.820
- attributable to minority interests	-	-	-	-	-	563.119

The contribution of the major business segments to the consolidated balance sheets as at 31 March 2008 and 31 December 2007 can be detailed as follows:

31 March 2008	Retail	Shopping Centres	Telecommunications	Holding and Others (1)	Consolidation Adjustments	Consolidated
Fixed assets						
Intangible	153.695.328	3.549.299	190.599.226	103.681	(3.896.402)	344.051.132
Tangible	1.639.125.843	1.243.307	533.742.981	1.340.651	9.629.287	2.185.082.069
Investment properties	-	2.083.957.705	-	-	(544.677)	2.083.413.028
Goodwill	-	-	-	-	733.811.029	733.811.029
Investments	43.887.151	20.359.030	7.102.202	45.769.867	(7.599.833)	109.518.417
Deferred tax assets	27.376.652	13.012.520	103.275.882	32.718	(48.083)	143.649.689
Other assets	709.306.126	132.525.826	335.306.176	194.700.272	(129.605.961)	1.242.232.439
Cash, Cash Equivalents and Current Investments	128.303.007	32.989.890	5.530.897	13.513.078	913.278	181.250.150
Total assets	2.701.694.107	2.287.637.577	1.175.557.364	255.460.267	602.658.638	7.023.007.953
Non-current liabilities						
Borrowings	1.187.935.219	868.388.884	347.941.120	497.155.463	(3.391.159)	2.898.029.527
Deferred tax liabilities	33.457.889	298.914.992	257.439	2.390.589	59.210	335.080.119
Other non-current liabilities	27.447.437	32.893.388	30.853.580	239.265.323	690.561	331.150.289
Current liabilities						
Borrowings	206.021.767	52.084.851	2.012.831	36.357.262	(10.669)	296.466.042
Other current liabilities	1.050.346.384	166.859.992	379.559.085	92.694.645	(127.496.912)	1.561.963.194
Total liabilities	2.505.208.696	1.419.142.107	760.624.055	867.863.282	(130.148.969)	5.422.689.171
Total investment	54.121.435	28.831.105	35.363.105	15.311.729	-	133.627.374
Gross Debt	1.393.956.987	920.473.734	349.953.951	533.512.725	(3.401.829)	3.194.495.568
Net Debt	1.265.653.980	887.483.844	344.423.054	519.999.646	(4.315.106)	3.013.245.418

31 December 2007	Retail	Shopping Centres	Telecommunications	Holding and Others (1)	Consolidation Adjustments	Consolidated
Fixed assets						
Intangible	154.559.265	3.553.684	192.416.571	118.561	(2.979.937)	347.668.144
Tangible	1.608.893.564	1.176.095	533.165.965	1.391.131	9.643.011	2.154.269.766
Investment properties	-	2.062.673.604	-	-	(544.678)	2.062.128.926
Goodwill	-	-	-	-	740.938.670	740.938.670
Investments	43.887.151	20.359.968	7.102.202	22.861.867	(8.607.391)	85.603.797
Deferred tax assets	22.286.220	12.212.701	101.118.096	37.213	(48.561)	135.605.669
Other assets	694.482.746	77.482.995	320.676.431	78.948.664	(18.115.098)	1.153.475.738
Cash, Cash Equivalents and Current Investments	125.062.227	34.994.583	83.851.612	101.744.777	818.178	346.471.377
Total assets	2.649.171.173	2.212.453.630	1.238.330.877	205.102.213	721.104.194	7.026.162.087
Non-current liabilities						
Borrowings	1.106.503.697	836.262.512	391.596.174	497.000.804	(2.246.197)	2.829.116.990
Deferred tax liabilities	32.365.890	299.080.440	284.402	2.416.071	73.109	334.219.912
Other non-current liabilities	28.981.199	32.739.640	30.393.470	328.573.323	319.720	421.007.352
Current liabilities						
Borrowings	90.935.924	38.433.460	2.550.499	6.411.526	(14.298)	138.317.111
Other current liabilities	1.115.553.998	149.590.790	396.728.752	35.201.242	(11.555.512)	1.685.519.270
Total liabilities	2.374.340.708	1.356.106.842	821.553.297	869.602.966	(13.423.178)	5.408.180.635
Total investment	800.086.030	411.103.512	235.657.425	124.438.780	-	1.571.285.747
Gross Debt	1.197.439.621	874.695.972	394.146.673	503.412.330	(2.260.495)	2.967.434.101
Net Debt	1.072.377.395	839.706.865	310.295.061	401.667.553	(3.084.150)	2.620.962.724

31. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 27 May 2008.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Michel Marie Bom

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

Individual Accounts

SONAE, SGPS, SA

COMPANY BALANCE SHEETS AS AT 31 MARCH 2008 AND 2007

AND AS AT 31 DECEMBER 2007

(Amounts expressed in euro)

ASSETS	Notes	31.March.2008	31.March.2008	31.December.2007
NON-CURRENT ASSETS:				
Tangible and intangible assets		88.664	113.288	94.573
Investments	4	2.543.451.640	2.856.657.318	2.567.941.218
Other non-current assets	5	1.276.326.182	2.057.000.951	1.086.871.182
Total Non-Current Assets		3.819.866.486	4.913.771.557	3.654.906.973
			-	
CURRENT ASSETS:			-	
Trade account receivables and other current assets	6	137.895.406	187.526.909	97.569.972
Cash and cash equivalents	7	1.000.721	4.126.923	88.356.998
Total Current Assets		138.896.127	191.653.832	185.926.970
			-	
			-	
TOTAL ASSETS		3.958.762.613	5.105.425.389	3.840.833.943
			-	
EQUITY AND LIABILITIES			-	
			-	
EQUITY:			-	
Share capital	8	2.000.000.000	2.000.000.000	2.000.000.000
Own shares		-	(138.044.363)	-
Reserves and retained earnings		1.248.606.192	1.450.982.604	1.316.594.330
Profit/(Loss) for the period		104.745.189	(411.286)	16.503.135
TOTAL EQUITY		3.353.351.381	3.312.526.955	3.333.097.465
			-	
LIABILITIES:			-	
NON-CURRENT LIABILITIES:			-	
Loans	9	497.155.463	347.314.242	497.000.804
Total Non-Current Liabilities		497.155.463	347.314.242	497.000.804
			-	
CURRENT LIABILITIES:			-	
Loans	9	33.100.200	400.590.181	1.660.856
Trade creditors and other non-current liabilities	10	75.155.569	1.044.994.011	9.074.818
Total Current Liabilities		108.255.769	1.445.584.192	10.735.674
			-	
			-	
TOTAL EQUITY AND LIABILITIES		3.958.762.613	5.105.425.389	3.840.833.943

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, SA

COMPANY INCOME STATEMENTS BY NATURE

FOR THE QUARTERS ENDED 31 MARCH 2008 AND 2007

(Amounts expressed in euro)

	Notes	31.March.2008	31.March.2007
Operational income			
Services rendered		533.962	350.128
Other operational income		9.020	268.177
Total operational income		542.982	618.305
Operational expenses			
External supplies and services		(800.116)	(635.786)
Staff costs		(1.123.219)	(1.443.541)
Depreciation and amortisation		(10.170)	(20.526)
Other operational expenses		(139.977)	(181.181)
Total operational expenses		(2.073.482)	(2.281.034)
Operational profit/(loss)		(1.530.500)	(1.662.729)
Financial Expenses		(7.127.077)	(17.573.417)
Financial Income		18.423.187	24.164.809
Investment loss/income	12	94.979.579	(5.339.949)
Profit/(Loss) before taxation		104.745.189	(411.286)
Income tax		-	-
Profit/(Loss) for the period		104.745.189	(411.286)
Profit/(Loss) per share			
Basic	13	0,0524	(0,0002)
Diluted	13	0,0524	(0,0002)

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, SA

COMPANY STATEMENTS OF CHANGES IN EQUITY

FOR THE QUARTERS ENDED 31 MARCH 2008 AND 2007

(Amounts expressed in euro)

	Notes	Share Capital	Own Shares	Reserves and Retained Earnings	Net Profit/(Loss)	Total
Balance as at 1 January 2007		2.000.000.000	(138.044.363)	1.364.273.482	65.138.044	3.291.367.163
Appropriation of profit of 2006:						
Transfer to legal reserves		-	-	3.256.902	(3.256.902)	-
Dividends distributed		-	-	-	(55.997.443)	(55.997.443)
Transfer to / (from) retained earnings		-	-	-	-	-
Changes in hedge and fair value reserves	14	-	-	770.833	(5.883.699)	(5.112.866)
Transfer to profit / (loss) of the period		-	-	82.681.387	-	82.681.387
Profit / (Loss) for the quarters ended 31 March 2007		-	-	-	(411.286)	(411.286)
Others		-	-	-	-	-
Balance as at 31 March 2007		2.000.000.000	(138.044.363)	1.450.982.604	(411.286)	3.312.526.955
Balance as at 1 January 2008		2.000.000.000	-	1.316.594.330	16.503.135	3.333.097.465
Appropriation of profit of 2007:						
Transfer to legal reserves		-	-	825.157	(825.157)	-
Dividends distributed		-	-	(44.322.022)	(15.677.978)	(60.000.000)
Transfer to / (from) retained earnings		-	-	-	-	-
Changes in reserves	14	-	-	(24.491.273)	-	(24.491.273)
Transfer to profit / (loss) of the period		-	-	-	-	-
Profit / (Loss) for the quarters ended 31 March 2008		-	-	-	104.745.189	104.745.189
Others		-	-	-	-	-
Balance as at 31 March 2008		2.000.000.000	-	1.248.606.192	104.745.189	3.353.351.381

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, SA

COMPANY CASH FLOW STATEMENTS

FOR THE QUARTERS ENDED 31 MARCH 2008 AND 2007

(Amounts expressed in euro)

OPERATING ACTIVITIES	Notes	31.March.2008	31.March.2007
Net cash flow from operating activities (1)		(1.756.510)	(1.291.384)
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Investments		-	209.070.745
Tangible and intangible assets		-	150
Interest and similar income		29.821.676	20.591.107
Others		-	400.000
Loans granted		50.037.000	358.363.196
		79.858.676	588.425.198
Cash Payments arising from:			
Investments		(50.000)	-
Tangible and intangible assets		(5.999)	(36.939)
Loans granted		(193.675.000)	(1.628.748.800)
		(193.730.999)	(1.628.785.739)
Net cash used in investment activities (2)		(113.872.323)	(1.040.360.541)
FINANCING ACTIVITIES			
Cash receipts arising from:			
Loans obtained		74.500.000	4.157.832.201
		74.500.000	4.157.832.201
Cash Payments arising from:			
Loans obtained		(44.390.625)	(3.232.281.500)
Interest and similar charges		(228.000)	(10.285.988)
		(44.618.625)	(3.242.567.488)
Net cash used in financing activities (3)		29.881.375	915.264.713
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(85.747.458)	(126.387.212)
Cash and cash equivalents at the beginning of the period		86.696.142	130.514.092
Cash and cash equivalents at the end of the period	7	948.684	4.126.880

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE, SGPS, S.A.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2008

(Amounts expressed in euro)

1. INTRODUCTION

SONAE, SGPS, SA ("the Company" or "Sonae"), has its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4470-909 Maia, Portugal.

2. BASIS OF PREPARATION

Interim financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting".

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2007.

4. INVESTMENTS

As at 31 March 2008 and 2007 and 31 December 2007 the Company held investments in the following affiliated and associated undertakings:

	31.March.2008			
Company	% Held	Fair Value	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	74,98%	1.690.800.661	1.326.729.831	364.070.830
Sonae Sierra SGPS, SA	50,00%	832.089.500	490.113.339	341.976.161
Sonaecom, SGPS, SA	0,01%	50.964	109.495	(58.531)
Others	-	20.510.515	20.510.515	-
Total		2.543.451.640	1.837.463.180	705.988.460

	31.March.2007			
Company	% Held	Fair Value	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	74,98%	1.690.800.661	1.326.729.831	364.070.830
Sonae Sierra SGPS, SA	50,00%	740.506.350	490.113.339	250.393.011
Sonaecom, SGPS, SA	1,37%	22.305.002	23.259.495	(954.493)
Others	-	403.045.305	403.045.305	-
Total		2.856.657.318	2.243.147.970	613.509.348

	31.December.2007			
Company	% Held	Fair Value	Acquisition cost	Fair Value Reserve
Sonae Distribuição, SGPS, SA (a)	74,98%	1.690.800.661	1.326.729.831	364.070.830
Sonae Sierra SGPS, SA	50,00%	856.602.000	490.113.339	366.488.661
Sonaecom, SGPS, SA	0,01%	78.041	109.495	(31.454)
Others	-	20.460.516	20.460.516	-
Total		2.567.941.218	1.837.413.181	730.528.037

(a) Previously Modelo Continente, SGPS, SA

5. OTHER NON-CURRENT ASSETS

As at 31 March 2008 and 2007 and 31 December 2007 other non-current assets are detailed as follows:

	31.March.2008	31.March.2007	31.December.2007
Loans granted to group companies	1.276.321.999	2.056.850.749	1.086.866.999
Guarantee deposits	4.183	8.599	4.183
Other	-	141.603	-
	1.276.326.182	2.057.000.951	1.086.871.182

6. TRADE ACCOUNT RECEIVABLES AND OTHER CURRENT ASSETS

As at 31 March 2008 and 2007 and 31 December 2007 trade account receivables and other current assets are detailed as follows:

	31.March.2008	31.March.2007	31.December.2007
Trade account receivables	987.398	308.591	1.392.495
Group companies	112.339.839	163.406.706	92.609.951
Taxes and contributions receivable	2.146.338	1.219.984	2.066.250
Accrued income and prepayments	18.400.758	21.910.075	521.229
Others	3.680.879	681.553	737.328
Cash flow hedge derivatives	340.194	-	242.719
	137.895.406	187.526.909	97.569.972

7. CASH AND CASH EQUIVALENTS

As at 31 March 2008 and 2007 and 31 December 2007 cash and cash equivalents are detailed as follows:

	31.March.2008	31.March.2007	31.December.2007
Cash at hand	1.708	2.500	2.500
Bank deposits	999.013	4.124.423	88.354.498
Cash and cash equivalents on the balance sheet	1.000.721	4.126.923	88.356.998
Bank overdrafts	52.037	43	1.660.856
Cash and cash equivalents on the cash flow statement	948.684	4.126.880	86.696.142

8. SHARE CAPITAL

As at 31 March 2008 and 2007 and 31 December 2007 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

9. LOANS

As at 31 March 2008 and 2007 and 31 December 2007 this caption included the following loans:

	31.March.2008	31.March.2007	31.December.2007
Nominal value of bonds	500.000.000	350.000.000	500.000.000
Up-front fees not yet charged to income statement	(2.844.537)	(2.685.758)	(2.999.196)
Bonds	497.155.463	347.314.242	497.000.804
Non-current loans	497.155.463	347.314.242	497.000.804
Commercial paper	33.000.000	325.800.000	-
Nominal value of Sonae/97 bonds	-	74.819.685	-
Up-front fees not yet charged to income statement	-	(29.547)	-
Bank Overdrafts	52.037	43	1.660.856
Derivatives	48.163	-	-
Current loans	33.100.200	400.590.181	1.660.856

Bonds SONAE / 05 amounting to 100,000,000 euro, repayable after 8 years, in one instalment, on 31 March 2013. Interest rate equals Euribor 6 months plus 0.875%, with interest paid half-yearly.

Bonds Sonae 2006/2011 amounting to 250,000,000 euro, repayable after 5 years, in one instalment, on 10 May 2011. Interest rate equals Euribor 6 months plus 0.65%, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 6th and 8th coupons.

Bonds Sonae 2007/2014 amounting to 150,000,000 euro, repayable after 7 years, in one instalment, on 11 April 2014. Interest rate equals Euribor 6 months plus 0.6%, with interest paid half-yearly. The company has the option to make whole or partial reimbursements, with no extra cost, on the date of the 10th and 12th coupons.

Maturity of Borrowings

As at 31 March 2008 and 2007 and 31 December 2007 the analysis of the maturity of loans are as follows:

	31.March.2008	31.March.2007	31.December.2007
N+1	33.052.037	400.619.728	1.660.856
N+2	-	-	-
N+3	-	-	-
N+4	250.000.000	-	250.000.000
N+5	100.000.000	250.000.000	-
after N+5	150.000.000	100.000.000	250.000.000

10. TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 31 March 2008 and 2007 and 31 December 2007, trade creditors and other current liabilities are detailed as follows:

	31.March.2008	31.March.2007	31.December.2007
Trade creditors	778.499	174.797	476.418
Group companies	-	972.968.701	-
Taxes and contributions payable	559.019	421.886	1.588.469
Accrued expenses	13.544.799	15.394.178	6.828.069
Others	60.273.252	56.034.449	181.862
	75.155.569	1.044.994.011	9.074.818

11. CONTINGENT LIABILITIES

	31.March.2008	31.December.2007
Guarantees given:		
on tax claims	1.776.135	1.776.135
on judicial claims	425.965	355.199

12. INVESTMENT INCOME

As at 31 March 2008 and 2007, investment income can be detailed as follows:

	31.March.2008	31.March.2007
Dividends received	94.979.579	76.848.426
Gains/(Losses) on sale of investments	-	(82.188.375)
	94.979.579	(5.339.949)

13. EARNINGS PER SHARE

Earnings per share for the period were calculated taking into consideration the following amounts:

	31.March.2008	31.March.2007
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	104.745.189	(411.286)
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	104.745.189	(411.286)
Number of shares		
Weighted average number of shares used to calculated basic earnings	2.000.000.000	1.866.581.428
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Weighted average number of shares used to calculated diluted earnings per share	2.000.000.000	1.866.581.428
Profit/(Loss) per share (basic and diluted)	0,0524	(0,0002)

14. CHANGES IN RESERVES

The detail of changes in reserves in the three months ended on 31 March 2008 and 2007 may be summarised as follows:

	31.March.2008	31.March.2007
Fair value reserve	(24.539.578)	(5.112.866)
Free reserves	-	5.883.699
Hedging reserve	48.305	-
	(24.491.273)	770.833

15. SUBSEQUENT EVENTS

The 2007 profit appropriation has been approved in the General Meeting of Shareholders held on 21 April 2008. Dividends amounting to 60,000,000.00 euro have been attributed and are already considered in these financial statements.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 27 May 2008.

17. INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

In the three months ended 31 March 2008 shareholders' loan contracts were entered into with the following companies:

MDS, SGPS, SA
Sonae Investments, BV
Sontel, BV

In the three months ended 31 March 2008 short-term loan contracts were entered into with the following companies:

Sonaecenter, Serviços, SA

As at 31 March 2008 amounts owed by affiliated undertakings can be summarized as follows:

Loans granted

Companies	Closing Balance
MDS, SGPS, SA	69.225.260
Sonae Investments, BV	1.004.314.699
Sontel, BV	220.132.300
Sonaecenter, Serviços, SA	10.000
	1.293.682.259

As at 31 March 2008 there were no amounts owed to affiliated undertakings.

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo Garcia

Michel Marie Bom

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Álvaro Carmona e Costa Portela

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that are not historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in economic conditions and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

Report available in Sonae SGPS's institutional website
www.sonae.pt

Media and Investor Contacts

Martim Avillez
Institutional Relations and Sonae Brand
martim.avillez@sonae.pt
Tel: 351 22 010 4731

Patrícia Mendes
Investor Relations Manager
patricia.mendes@sonae.pt
Tel.: 351 22 010 4794

Sonae SGPS is listed on the Euronext Stock Exchange. Information may be accessed on Reuters under the symbol SONP.IN and on Bloomberg under the symbol SONPL.

Sonae SGPS, SA
Lugar do Espido Via Norte
4471-909 Maia
Portugal
Tel.:+351 22 9487522
Fax: +351 22 940 4634