

Maia, Portugal, May 11th 2009

An increase of 12% compared to the first quarter 2008(PF)¹

Sonae Sierra recorded Direct Net Profit of €17.5 million in the first quarter

- Started the management of two centres for third parties in Spain and Germany
- Refurbishment of Centro Colombo was concluded
- Three new projects and one expansion under development
- Two international awards

Sonae Sierra's Consolidated Net Profit in the first quarter of 2009 was a negative result of €87.5 million compared with a positive consolidated net profit of €21,8 million in the same period of last year.

This variation in Net Profit is mainly driven by Indirect Net Profit that were adversely affected by the continuous increases in market capitalization yields in Europe.

The Company's policy was to have its properties re-valued twice a year (June and December), on the basis of an independent valuer opinion. Starting in September'08, the Company decided to move to quarterly valuations, as a result of commitments agreed with the Investors in the Sierra Portugal Fund. The accounts now published for the 1st quarter 2009 includes therefore the effect of the valuation of the portfolio.

In the same period Sonae Sierra's Direct Net Profit reached €17.5, compared to the €15,6 million in the same period of 2008.

The Shopping Centre Operating Income is in line with the first quarter of 2008. The decrease in Development Services was compensated by the favorable effect of the 2008 openings: Freccia Rossa, Plaza Mayor Shopping, Gli Orsi and Pantheon Plaza.

Therefore, the Company's Net Operating Margin reached €44 million in the first quarter of 2009, in line with the same period of last year.

The big shift in the Company's Results happened at the level of Indirect Results. In this area, the Company booked a loss of €105.1 million at the end of the first quarter of 2009, whereas it had booked a gain of €6 million in the same period of 2008.

¹ (PF) - the third quarter 2008 value was restated to include the Sierra Portugal Fund by the proportional method.

The market value of the investment properties are being affected by the negative climate now prevailing in the properties markets of most of the developed countries where the Company operates. This context led to an upwards shift of the capitalization yields applied in the valuations carried out on assets in those countries, this increase implying a reduction in the value of the corresponding property.

The losses in Value Created in Investments were mitigated however by valuation gains in Brazil, a market that was not affected by the crisis and where yields remain stable.

In terms of yield variation in the portfolio, the numbers translate an average yield increase of 17 basis points in Portugal, 17 basis points in Spain, 21 basis points in Italy and 50 basis points in Romania.

Properties in Spain and Italy have also been affected by negative operational impacts, whereas Portuguese properties have seen some improvement on the operational side.

Value Metrics

The Company measures its performance, in a first instance, on the basis of changes in Net Asset Value (NAV) plus dividends distributed. In this period, the Company decided to calculate its NAV on the basis of the guidelines published in 2007 by INREV (European Association for Investors in Non-listed Real Estate Vehicles), an association of which the Company is a member.

On the basis of this methodology, the NAV of Sonae Sierra, as of the 31st March 2009, was €1.33 billion.

		(€000)
Contribution to consolidated NAV		
Sierra Investments		736.479
Sierra Developments		311.876
Sonae Sierra Brazil		211.325
Sierra Management		1.625
Cash & Others		69.718
Total consolidated NAV		1.331.023

Further to this, the Company uses a second set of value metrics, the Net Operating Income (NOI) generated by its service activities. In the first quarter of 2009, the figures were:

	Net Operating Income (€000)	
	3M09	3M08 PF
Developments	-19.058	12.831
Asset Management	2.040	3.451
Property Management	1.265	2.166
Total	-15.753	18.447
Consolidated	44.091	44.398

The activities Asset Management and Property Management show an adverse performance, basically as a consequence of the value decrease of the existing portfolio and lower letting services.

The Developments' NOI presented has two main components: (i) the operational activity related with the supply of development services to the Company's projects and (ii) the value added in the period to projects during the development phase and the value created on the openings of the last two years.

As a result of the value decrease in the openings of previous years, the Developments NOI shows a loss of €19 million.

Portfolio under development

Sonae Sierra's growth and expansion strategy continues, now more dependent on the evolution of the financial market. At the end of the first quarter of 2009 the Company continued to develop three new shopping centres and one expansion and has in the pipeline a total of 13 shopping centres and 11 new projects are in different stages of completion in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, that represent more than one million m² of Gross Lettable Area (GLA).

In Portugal, Sonae Sierra concluded the refurbishment of Centro Colombo (Lisbon) and is currently developing LeiriaShopping (Leiria) and the expansion of GuimarãesShopping (Guimarães).

In Germany the company is finalising Loop 5 (Weiterstadt) which is due to open in the autumn of 2009. Representing an investment of €265 million the shopping centre as already let more than 90% of its GLA.

In Brazil, Sonae Sierra concluded with success the development of Manauara Shopping (Manaus), representing an investment of €88 million, which was inaugurated on the 6th of April with almost 100% of the GLA let.

New Shopping Centres under Management

Sonae Sierra took over in the first quarter of 2009 the management of two shopping centres owned by third parties in Spain and Germany, "Los Conquistadores" in Badajoz and "Post Galerie" in Karlsruhe, increasing its international portfolio under management.

Located in the centre of the German city of Karlsruhe – one of the cities with greater purchasing power in Germany – the "Post Galerie" has a Gross Lettable Area (GLA) of 26,000 m², 58 shops, and covers a market of 1.3 million potential consumers.

Inaugurated in 1999, the "Los Conquistadores", in Badajoz, has a Gross Lettable Area (GLA) of 9,700 m² and 24 shops, besides a children's play park, five restaurants, eight cinemas and one supermarket. This centre is now the fourth managed for different owners by Sonae Sierra in Spain.

International Awards

The company's contributions to sustainable development have been recognized externally, in February with the Sustainable Energy Europe Awards" (SEE), an initiative of the European Commission, with the purpose of awarding the best and the most innovative in the area of energetic sustainability at European level. This award, in the Market Transformation category, acknowledges the innovation of the company, an international specialist in shopping centres, in the energetic sustainability area, through the implementation of the "Green Centre" concept in the development and management of its centres.

In March Sonae Sierra was considered the best company in the Retail and Commercial Real Estate sector in Italy in the Quotidiano Immobiliare Daily Real Estate Awards.

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

Sonae Sierra

(un-audited accounts)

Consolidated Profit and Loss Account (€000)	3M 09	3M 08	3M08 PF*	% 09/08 PF
Direct Income from Investments	75.385	79.733	75.687	0%
Operating costs	29.045	30.831	30.059	-3%
Other costs	2.249	1.313	1.230	83%
Direct costs from investments	31.295	32.144	31.289	0%
Net Operating Margin	44.091	47.589	44.398	-1%
Depreciation	509	464	464	10%
Net financial costs	20.783	21.717	19.997	4%
Other non-recurrent income/cost	10	40	-4.771	100%
Direct profit before taxes	22.810	25.447	19.166	19%
Corporate tax	5.297	3.747	3.580	48%
Direct net profit	17.513	21.701	15.585	12%
Gains realized on sale of investments	-23	10.869	10.869	-100%
Development funds at risk provision	-2.987	-1.207	-1.207	-147%
Value created in investments	-132.091	0	0	-
Indirect income	-135.101	9.662	9.662	-
Deferred tax	-30.125	3.690	3.450	-
Indirect net profit	-104.976	5.972	6.212	-
Net profit before minorities	-87.463	27.673	21.797	-
Attributable to :				
Equity holders	-59.491	18.653	17.589	-
Minority interests	-27.972	4.208	4.208	-

Sonae Sierra

(un-audited accounts)

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Investment properties	3.508.208	3.629.503	-121.295
Properties under development and others	383.886	352.171	31.715
Tax shelter	19.818	18.111	1.707
Other assets	167.558	174.406	-6.848
Cash & Equivalents	73.343	117.378	-44.035
Total assets	4.152.812	4.291.567	-138.755
Net worth	1.040.671	1.103.109	-62.438
Minorities	387.205	419.990	-32.785
Bank loans	1.935.592	1.946.703	-11.112
Shareholder loans from minorities	27.489	27.167	322
Deferred taxes	484.807	516.502	-31.696
Other liabilities	277.048	278.095	-1.047
Total liabilities	2.724.935	2.768.468	-43.532
Net worth, minorities and liabilities	4.152.812	4.291.567	-138.755

*3M08 PF Includes the Sierra Portugal Fund by the propotional method

Sonae Sierra's Consolidated Profit and Loss Account, and Consolidated Balance Sheet by business

Sierra Investments

(un-audited accounts)

Profit & Loss Account (€000)	3M 09	3M 08	% 09/08
Fixed Rental Income	51.184	49.855	3%
Turnover Rental Income	1.105	2.255	-51%
Key-Money Income	1.735	2.155	-20%
Other Income	1.690	2.217	-24%
Retail Operating Income	55.713	56.483	-1%
Property Management Services	2.759	3.053	-10%
Asset Management Services	4.313	6.171	-30%
Letting & Promotion	255	574	-56%
Capital Expenditures	405	1.176	-66%
Other Costs	5.410	4.341	25%
Retail Operating Costs	13.141	15.315	-14%
Retail Net Operating Margin	42.572	41.168	3%
Parking Net Operating Margin	697	777	-10%
Co-generation Net Operating Margin	492	330	49%
Shopping Centre Net Operating Income	43.761	42.275	4%
Offices Net Operating Income	49	51	-4%
Income from Asset Management Services	4.939	6.463	-24%
Overheads	2.899	3.013	-4%
Asset Management Net Operating Income	2.040	3.451	-41%
Net Operating Income (NOI)	45.850	45.777	0%
Depreciation	1.031	172	-
Recurrent net financial costs/(income)	20.272	20.574	-1%
Non-Recurring costs/(income)	669	(56)	-
Results Before Corporate Taxes	23.879	25.088	-5%
Corporate Taxes	5.045	5.600	-10%
Direct Profit	18.834	19.488	-3%
Realized Property Profit	(171)	6.674	-103%
Non-Realised Property Profit	(95.806)	0	-
Total Indirect Income from Investments	(95.977)	6.674	-
Deferred tax	(17.724)	3.339	-
Indirect Profit	(78.254)	3.335	-
Net Profit for the Period	(59.420)	22.822	-360%
Attributable to :			
Equity holders	(34.197)	18.719	-283%
Minority interests	(25.223)	4.104	-

Sierra Investments

(un-audited accounts)

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Investment properties & others	3.323.571	3.454.681	-131.110
Tenants	18.206	19.820	-1.614
Deferred taxes	17.415	15.871	1.544
Other assets	101.988	109.567	-7.578
Group companies	98.967	147.429	-48.462
Cash & Equivalents	42.334	36.238	6.096
Total assets	3.602.481	3.783.606	-181.125
Net worth	722.366	794.288	-71.921
Minorities	382.450	412.839	-30.389
Bank loans	1.818.078	1.807.903	10.175
Shareholder loans	61.987	35.096	26.891
Deferred taxes	447.524	480.566	-33.042
Group companies - Sierra Developments	88.535	88.535	0
Other liabilities	81.541	164.380	-82.840
Total liabilities	2.497.665	2.576.480	-78.815
Net Worth, minorities and liabilities	3.602.481	3.783.606	-181.125

Sierra Developments

(un-audited accounts)

Profit & Loss Account (€000)	3M 09	3M 08	% 09/08
Project Development Services Rendered	1.463	3.707	-61%
Value created in projects	(14.123)	16.428	-186%
Operating Income	(12.660)	20.135	-163%
Personnel costs	2.754	3.014	-9%
Other costs	3.643	4.290	-15%
Operating costs	6.398	7.304	-12%
Net Operating Income (NOI)	(19.058)	12.831	-249%
Depreciation and provisions	4	8	-47%
Net financial costs/(income)	716	1.575	-55%
Profit Before Taxes	(19.778)	11.247	-276%
Corporate taxes	(1.108)	(1.831)	39%
Deferred tax	(53)	3.910	-101%
Net Profit for the Period	(18.617)	9.168	-303%
Attributable to :			
Equity holders	(18.617)	9.168	-303%
Minority interests	0	0	-

Sierra Developments

(un-audited accounts)

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Properties under development	304.859	289.855	15.004
Customers	1.451	2.556	-1.105
Group companies - Sierra Investments	88.535	88.535	0
Other assets	-15.738	40.550	-56.288
Group Companies	88.179	55.914	32.265
Cash & Equivalents	9.123	12.107	-2.984
Total assets	476.409	489.518	-13.109
Net worth	42.701	62.940	-20.240
Minorities	0	0	0
Bank loans	70.795	62.999	7.796
Shareholder loans	314.714	312.600	2.114
Deferred taxes	946	992	-46
Other liabilities	47.253	49.987	-2.733
Total liabilities	433.709	426.577	7.132
Net worth, minorities and liabilities	476.409	489.518	-13.108

Sierra Management

(un-audited accounts)

Profit & Loss Account (€000)	3M 09	3M 08	% 09/08
Property Management Income	7.511	7.593	-1%
Letting Services Income	550	1.121	-51%
Other income	440	670	-34%
Total income from management services	8.501	9.383	-9%
Operating costs	7.236	7.217	0%
Net operating income (NOI)	1.265	2.166	-42%
Depreciation and Provisions	205	209	-2%
Net financial costs/(income)	(323)	(478)	32%
Non-recurring costs/(income)	(162)	(0)	-
Results Before Corporate Taxes	1.545	2.435	-37%
Corporate taxes	585	747	-22%
Net Profit for the period	960	1.688	-43%
Atributable to :			
Equity holders	934	1.662	-44%
Minority interests	25	26	-1%

Sierra Management

(un-audited accounts)

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Net fixed assets	428	452	-24
Goodwill	4.460	4.663	-203
Tenants	19.724	16.317	3.407
Tax Shelter	888	731	157
Other assets	10.834	9.195	1.640
Short term investment in group companies	20.674	19.956	718
Cash & Equivalents	2.357	4.059	-1.701
Total assets	59.365	55.372	3.993
Net worth	1.625	4.453	-2.828
Minorities	153	127	25
Shareholder Loans	0	140	-140
Other liabilities	57.587	50.652	6.935
Total liabilities	57.587	50.792	6.795
Net Worth, minorities and liabilities	59.365	55.372	3.993

Sonae Sierra Brazil

(un-audited accounts)

Profit & Loss Account (€000)	3M 09	3M 08	% 09/08
Fixed Rental Income	7.393	7.768	-5%
Turnover Rental Income	462	578	-20%
Key-Money Income	510	490	4%
Other Income	368	246	50%
Retail Operating Income	8.733	9.082	-4%
Property Management Services	442	479	-8%
Letting & Promotion Services	169	153	11%
Other Costs	1.033	1.211	-15%
Retail Operating Costs	1.645	1.843	-11%
Parking Net Operating Margin	242	203	19%
Shopping Centre Net Operating Margin	7.330	7.442	-2%
Income from Project Development Services	1.012	111	-
Income from Property Management Services	1.726	1.796	-4%
Total Income from Services Rendered	2.738	1.907	44%
Overheads	3.240	2.711	19%
Net Operating Income (NOI)	6.828	6.638	3%
Depreciation	94	30	211%
Provisions	(14)	312	-104%
Net financial costs/(income)	347	91	279%
Non-recurring costs/(income)	(3)	23	-112%
Results Before Corporate Taxes	6.404	6.181	4%
Corporate taxes	999	1.316	-24%
Direct Profit	5.405	4.865	11%
Realised Property Profit	0	0	-
Non-Realised Property Profit	3.133	0	-
Non-Realised Property Profit (Under Dev.)	(1.002)	2.015	-150%
Total Indirect Income from Investments	2.131	2.015	6%
Deferred tax	(851)	1.304	-165%
Indirect profit	2.982	712	319%
Net Profit for the Period	8.386	5.577	50%
Atributable to:			
Equity holders	8.127	5.418	50%
Minority interests	260	159	64%

Sonae Sierra Brazil

(un-audited accounts)

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Properties	512.273	461.041	51.232
Tenants	6.303	5.968	336
Deferred taxes	3.267	3.287	-20
Other assets	13.766	14.817	-1.051
Cash & Equivalents	6.287	3.929	2.358
Total Assets	541.896	489.042	52.854
Net worth	380.967	349.812	31.154
Minorities	14.278	13.332	947
Bank loans	54.871	41.980	12.891
Deferred taxes	73.518	71.021	2.498
Other liabilities	18.261	12.896	5.364
Total liabilities	146.651	125.898	20.753
Net Worth, minorities and liabilities	541.896	489.042	52.854

Corporate Centre

(un-audited accounts)

Profit & Loss Account (€000)	3M 09	3M 08	% 09/08
Services rendered	7.004	7.834	-11%
General supplies and services	3.435	4.023	-15%
Personnel costs	3.325	3.631	-8%
Operating costs	32.055	30.619	5%
Gross operating results	797	962	-17%
Depreciation	241	181	34%
Operating results	0	0	-19%
Financial results	0	(4.811)	-
Results before corporate taxes	0	(4.811)	100%
Corporate taxes	0	(1.367)	-
Net profit for the period	0	-3.444	100%

Consolidated Balance Sheet (€000)	31-03-2009	31-12-2008	Var. (09 - 08)
Investments	918.927	918.927	0
Investments in group companies	717.484	717.484	0
Loans in group companies	201.443	201.443	0
Other assets	15.928	111.218	-95.290
Short term loans (group)	315.782	256.841	58.941
Deposits	-25.838	319	-26.156
Total assets	1.224.799	1.287.305	-62.506
Net worth	944.416	943.747	669
Minorities	0	0	0
Group company loans	259.250	218.116	41.135
Bank loans	526	8.194	-7.668
Bond loans	0	0	0
Other liabilities	20.606	13.387	7.219
Total liabilities	280.383	239.697	40.686
Net Worth, minorities and liabilities	1.224.799	1.183.444	41.355

Sonae Sierra, www.sonaesierra.com, is an international shopping centre specialist, with a passion for bringing innovation and excitement to the shopping and leisure centre industry. The Company owns 51 Shopping Centres in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, with a total Gross Lettable Area (GLA) of more than 1.9 million m2. Sonae Sierra has 13 projects under development and 11 new projects in different phases of completion in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil with a total GLA of 1,1 million m2. In 2008, its centres welcomed more than 429 million visits.