



SONAE SIERRA

Maia, Portugal, November 5th 2009

Sonae Sierra recorded a Direct Result of €55.8 million in the first nine months of 2009, a growth of 18% versus last year

- Direct Income grew 2% to €225.1 million in the first 9 months of 2009
- Net Operating Margin grew 4% to €131.2 million in the same period
- Loop5 development was finished and successfully inaugurated
- Distinguished with three awards in the third quarter
- Successful sale of 10.5% of the Equity of Parque D. Pedro Fund

Sonae Sierra Equity Holders' Consolidated Result in the first nine months of 2009 was negative of €94.4 million compared with a Consolidated Result of €4.8 million in the same period of last year.

The variation in the Equity Holders' Consolidated Result continues to be driven by the Indirect Result that is adversely affected by the continuous increases in market capitalization yields in Europe. This is caused by the negative climate in the property 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.

We have started to observe a reduction of the pace in the increase of the yields and, at the same time, there were again operational improvements in the Portuguese and German portfolio, but still insufficient to compensate the yield effect.

In Brazil, it should be highlighted the continuous improvement of the operational activity, as well as, the yields decrease in some assets.

In the same period Sonae Sierra's Direct Result reached €55.8 million (+18%), compared to the €47.3 million in the same period of 2008 due to the combination of three factors: (i) increase in the portfolio; (ii) the cut cost efforts implemented by the Company in 2009; and (iii) the lower interest rates.

The Shopping Centre Operating Income is 9% above the first nine months of 2008 mostly due to the increase in the portfolio - the openings of 2008 in Europe: Freccia Rossa, Plaza Mayor Shopping, Gli Orsi and Pantheon Plaza; and the opening of Manauara in 2009, in Brazil. On a L4L basis Total Rents (Fixed Rents and Turnover Rents) are 0.4% above the same period of 2008.

The Company's Net Operating Margin reached €131.2 million in the first nine months of 2009, 4% above the same period of last year.

PRESS RELEASE

Value Metrics

The Company measures its performance, in a first instance, on the basis of changes in Net Asset Value (NAV) plus dividends distributed. The Company calculates 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 30 September 2009, was €1.24 billion, corresponding to a NAV per share of €38,24.

(€ 000)	
Contribution to consolidated NAV	
Sierra Investments	695.178
Sierra Developments	234.036
Sonae Sierra Brazil	268.251
Sierra Management	2.785
Cash & Others	43.125
Total	1.243.376

Further to this, the Company uses a second set of value metrics, the Net Operating Margin (NOM) generated by its service activities. In the nine months of 2009, the figures were:

(€ 000)		
	Net Operating Margin	
	9M09	9M08 PF*
Developments	-62.078	-37.926
Asset Management	5.119	9.032
Property Management	2.974	4.040
Total of Service Activities	-53.985	-24.853

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' NOM presented has two main components: (i) the operational activity related with the supply of development services to the 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 decrease in value of the shopping centres inaugurated in recent years, and the reduced level of services delivered due to the slowdown in the development activity, the Developments NOM show a loss of €62.1 million.

One shopping centre inaugurated and two more under construction

Sonae Sierra's growth and expansion strategy continues although the company has adjusted the development timings to the evolution of the financial and retail markets.

Following the successful opening in Brazil, of Manauara Shopping (Manaus) last April, the company has inaugurated last 9 of October Loop5 (Weiterstadt), representing an investment of €265 million, the shopping centre had more than one million visits in just two weeks which give us a strong confidence for it's future performance.

At the end of the first nine months of 2009, the Company continued to develop two new

shopping centres and has in the development pipeline a total of 12 new projects in Portugal, Italy, Germany, Greece, Romania and Brazil.

In Portugal, Sonae Sierra is currently developing LeiriaShopping (Leiria), an investment of €75 million, schedule to open in the Spring of 2010 and in Italy the Company has just started the construction works of Le Terrazze, in La Spezia.

Three new Awards in the third quarter of 2009

In September the company's was distinguished with the "Best Retail Developer" award for Portugal and Spain, by the readers of '*Euromoney*' magazine, an international publication acknowledged as a leader in information about banking and finance. For this Award, the voters of the "Real Estate Awards" considered the companies with the highest innovation capacity and ability to create prime investment opportunities in the retail sector.

Finally, also in September, in the Portuguese Real Estate Fair SIL the project of the Colombo Towers, two office towers developed in Centro Colombo, were considered the best office project in Portugal.

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

Sonae Sierra

(un-audited accounts)

Consolidated Profit and Loss Account (€ 000)	9M 09	9M 08	9M08 PF*	% 09/08 PF
Direct Income from Investments	225.167	232.084	220.240	2%
Operating costs	88.032	94.146	90.716	-3%
Other costs	5.900	3.862	3.738	58%
Direct costs from investments	93.931	98.008	94.454	-1%
Net Operating Margin	131.236	134.077	125.786	4%
Depreciation	1.626	1.580	1.580	3%
Net financial costs	61.952	63.434	58.829	5%
Other non-recurrent income/cost	2.736	-3.723	-3.717	174%
Direct profit before taxes	70.395	65.341	61.660	14%
Corporate tax	14.586	14.870	14.314	2%
Direct Result	55.808	50.471	47.346	18%
Gains realized on sale of investments	1.545	17.224	17.224	-91%
Assets at risk provision	-6.412	-5.609	-5.609	-14%
Value created in investments	-243.223	-90.951	-84.548	-188%
Indirect income	-248.091	-79.336	-72.933	-240%
Deferred tax	-48.747	-10.689	-9.632	-
Indirect Result	-199.344	-68.647	-63.301	-215%
Result before minorities	-143.536	-18.176	-15.955	-
Attributable to :				-
Equity holders	-94.449	5.546	4.844	-
Minority interests	-49.086	-23.722	-20.799	-136%

9M08 PF* is restated considering the Sierra Portugal Fund companies only at 42% contribution

Sonae Sierra

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Investment properties	3.510.874	3.629.503	-118.628
Properties under development and others	416.507	352.171	64.336
Tax shelter	20.338	18.111	2.228
Other assets	174.112	174.406	-294
Cash & Equivalents	52.833	117.378	-64.545
Total assets	4.174.664	4.291.567	-116.903
Net worth	997.775	1.103.109	-105.334
Minorities	379.769	419.990	-40.221
Bank loans	2.001.147	1.946.703	54.444
Shareholder loans from minorities	27.332	27.167	165
Deferred taxes	476.734	516.502	-39.768
Other liabilities	291.907	278.095	13.812
Total liabilities	2.797.120	2.768.468	28.652
Net worth, minorities and liabilities	4.174.664	4.291.567	-116.903

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

Sierra Investments

(un-audited accounts)

Profit & Loss Account (€ 000)	9M 09	9M 08	% 09/08
Fixed Rental Income	150.018	147.693	2%
Turnover Rental Income	3.635	4.992	-27%
Key-Money Income	4.929	4.842	2%
Other Income	5.917	6.681	-11%
Retail Operating Income	164.499	164.208	0%
Property Management Services	7.460	8.042	-7%
Asset Management Services	12.483	17.374	-28%
Letting & Promotion	1.313	1.180	11%
Capital Expenditures	2.233	3.098	-28%
Other Costs	15.511	14.508	7%
Retail Operating Costs	39.000	44.203	-12%
Retail Net Operating Margin	125.499	120.004	5%
Parking Net Operating Margin	2.486	2.209	13%
Co-generation Net Operating Margin	1.007	695	45%
Shopping Centre Net Operating Income	128.991	122.908	5%
Offices Net Operating Income	142	148	-5%
Income from Asset Management Services	14.451	18.557	-22%
Overheads	9.332	9.524	-2%
Asset Management Net Operating Income	5.119	9.032	-43%
Net Operating Income (NOI)	134.252	132.088	2%
Depreciation and Provisions	2.744	865	217%
Recurrent net financial costs/(income)	57.501	61.397	-6%
Non-Recurring costs/(income)	-2.029	-27	-
Results Before Corporate Taxes	76.036	69.854	9%
Corporate Taxes	13.898	14.963	-7%
Direct Result	62.138	54.891	13%
Realized Property Result	-333	2.460	-114%
Non-Realised Property Result	-201.106	-99.125	-103%
Total Indirect Income from Investments	-201.439	-96.664	-108%
Deferred tax	-53.305	-13.019	-309%
Indirect Result	-148.134	-83.646	-77%
Net Result for the Period	-85.996	-28.755	-199%
Attributable to :			
Equity holders	-40.326	-7.282	-
Minority interests	-45.670	-21.472	-113%

Sierra Investments

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Investment properties & others	3.201.863	3.253.773	-51.910
Tenants	23.344	23.097	247
Deferred taxes	16.909	16.500	409
Other assets	106.532	131.077	-24.545
Group companies	12.711	44.678	-31.967
Group companies - Sierra Developments	47.625	0	47.625
Cash & Equivalents	24.915	26.788	-1.873
Total assets	3.433.898	3.495.913	-62.015
Net worth	717.847	714.840	3.007
Minorities	359.642	366.164	-6.522
Bank loans	1.775.389	1.789.239	-13.851
Shareholder loans	27.393	27.855	-462
Deferred taxes	420.166	431.945	-11.779
Group companies - Sierra Developments	0	88.535	-88.535
Other liabilities	133.461	77.334	56.128
Total liabilities	2.356.409	2.414.909	-58.500
Net Worth, minorities and liabilities	3.433.898	3.495.913	-62.015

Sierra Developments

(un-audited accounts)

Profit & Loss Account (€ 000)	9M 09	9M 08	% 09/08
Project Development Services Rendered	3.910	10.651	-63%
Value created in projects	-46.787	-26.222	-78%
Operating Income	-42.877	-15.571	-175%
Personnel costs	8.405	8.367	0%
Other costs	10.843	13.988	-22%
Operating costs	19.249	22.355	-14%
Net Operating Income (NOI)	-62.125	-37.926	-64%
Depreciation and provisions	14	27	-48%
Net financial costs/(income)	3.798	3.563	7%
Result Before Taxes	-65.937	-41.516	-59%
Corporate taxes	-2.530	-3.899	35%
Deferred tax	3.016	-7.713	139%
Net Result for the Period	-66.423	-29.903	-122%
Attributable to :			
Equity holders	-66.423	-29.903	-122%
Minority interests	0	0	-

Sierra Developments

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Properties under development	380.093	289.855	90.238
Customers	1.494	2.556	-1.062
Group companies - Sierra Investments	0	88.535	-88.535
Other assets	41.619	40.550	1.069
Group Companies	494	55.914	-55.419
Cash & Equivalents	15.233	12.107	3.126
Total assets	438.934	489.518	-50.584
Net worth	-4.108	62.940	-67.049
Minorities	0	0	0
Bank loans	100.214	62.999	37.215
Shareholder loans	201.893	312.600	-110.707
Group companies - Sierra Investments	47.625	0	47.625
Deferred taxes	6.488	992	5.496
Other liabilities	86.823	49.987	36.836
Total liabilities	443.043	426.577	16.465
Net worth, minorities and liabilities	438.934	489.518	-50.584

Sierra Management

(un-audited accounts)

Profit & Loss Account (€ 000)	9M 09	9M 08	% 09/08
Property Management Income	21.292	21.347	0%
Letting Services Income	2.108	3.162	-33%
Other income	1.201	1.879	-36%
Total income from management services	24.601	26.388	-7%
Operating costs	21.627	22.347	-3%
Net operating income (NOI)	2.974	4.040	-26%
Depreciation and Provisions	411	624	-34%
Net financial costs/(income)	-974	-1.301	25%
Non-recurring costs/(income)	-108	-32	-234%
Results Before Corporate Taxes	3.645	4.751	-23%
Corporate taxes	1.419	1.452	-2%
Net Result for the period	2.226	3.299	-33%
Atributable to :			
Equity holders	2.152	3.225	-33%
Minority interests	74	74	0%

Sierra Management

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Net fixed assets	382	452	-70
Goodwill	4.055	4.663	-608
Tenants	19.464	16.317	3.147
Tax Shelter	944	731	213
Other assets	10.440	9.195	1.246
Short term investment in group companies	22.292	19.956	2.336
Cash & Equivalents	2.812	4.059	-1.247
Total assets	60.390	55.372	5.018
Net worth	2.785	4.453	-1.668
Minorities	110	127	-17
Shareholder Loans	0	140	-140
Other liabilities	57.494	50.652	6.843
Total liabilities	57.494	50.792	6.703
Net Worth, minorities and liabilities	60.390	55.372	5.018

Sonae Sierra Brazil

(un-audited accounts)

Profit & Loss Account (€ 000)	9M 09	9M 08	% 09/08
Fixed Rental Income	26.982	24.114	12%
Turnover Rental Income	1.949	2.120	-8%
Key-Money Income	2.937	1.774	66%
Other Income	1.680	1.457	15%
Retail Operating Income	33.547	29.465	14%
Property Management Services	1.402	1.334	5%
Letting & Promotion Services	909	634	43%
Other Costs	4.705	4.132	14%
Retail Operating Costs	7.016	6.101	15%
Parking Net Operating Margin	954	675	41%
Shopping Centre Net Operating Margin	27.485	24.039	14%
Income from Project Development Services	1.546	397	289%
Income from Property Management Services	5.811	5.542	5%
Total Income from Services Rendered	7.357	5.939	24%
Overheads	10.096	9.238	9%
Net Operating Income (NOI)	24.746	20.740	19%
Depreciation	313	174	80%
Provisions	681	598	14%
Net financial costs/(income)	3.248	-477	-
Non-recurring costs/(income)	109	1.251	-91%
Results Before Corporate Taxes	20.395	19.194	6%
Corporate taxes	3.031	4.215	-28%
Direct Result	17.364	14.979	16%
Realised Property Result	3.776	1.131	234%
Non-Realised Property Result	34.111	53.777	-37%
Non-Realised Property Result (Under Dev.)	1.786	11.356	-84%
Total Indirect Income from Investments	39.674	66.264	-40%
Deferred tax	8.235	21.879	-62%
Indirect Result	31.439	44.385	-29%
Net Result for the Period	48.803	59.364	-18%
Atributable to:			
Equity holders	44.750	57.548	-22%
Minority interests	4.053	1.816	123%

Sonae Sierra Brazil

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Properties	681.225	461.041	220.184
Tenants	5.203	5.968	-765
Deferred taxes	4.550	3.287	1.263
Other assets	34.219	14.817	19.402
Cash & Equivalents	7.790	3.929	3.861
Total Assets	732.987	489.042	243.946
Net worth	498.333	349.812	148.521
Minorities	45.410	13.332	32.078
Bank loans	71.478	41.980	29.497
Deferred taxes	99.678	71.021	28.657
Other liabilities	18.089	12.896	5.192
Total liabilities	189.244	125.898	63.346
Net Worth, minorities and liabilities	732.987	489.042	243.946

Corporate Centre

(un-audited accounts)

Profit & Loss Account (€ 000)	9M 09	9M 08	% 09/08
Services rendered	22.809	24.437	-7%
General supplies and services	10.913	13.784	-21%
Personnel costs	11.035	10.145	9%
Operating costs	21.948	23.930	-8%
Gross operating results	861	507	70%
Depreciation	851	685	24%
Recurrent operating results	10	-178	106%
Non-Recurrent Operating Income/(costs)	-10	178	-106%
Operating results	0	0	-211%
Financial results	0	-3.226	-
Results before corporate taxes	0	-3.226	100%
Corporate taxes	0	-855	-
Net Result for the period	0	-2.371	100%

Corporate Centre

(un-audited accounts)

Consolidated Balance Sheet (€ 000)	30-09-2009	31-12-2008	Var. (09 - 08)
Investments	985.432	980.062	5.370
Investments in group companies	777.484	777.484	0
Loans in group companies	207.948	202.578	5.370
Other assets	26.028	12.331	13.697
Short term loans (group)	112.434	236.853	-124.419
Deposits	1.062	58.059	-56.997
Total assets	1.124.956	1.287.305	-162.349
Net worth	931.969	948.837	-16.868
Group company loans	34.688	228.422	-193.734
Bank loans	67.050	15.000	52.050
Bond loans	75.000	75.000	0
Other liabilities	16.249	20.046	-3.797
Total liabilities	192.987	338.468	-145.481
Net Worth, minorities and liabilities	1.124.956	1.287.305	-162.349

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 52 Shopping Centres in Portugal, Spain, Italy, Germany, Greece, Romania and Brazil, with a total Gross Lettable Area (GLA) of more than 2 million m2. Sonae Sierra has 2 projects under construction and 10 new projects in different phases of development in Portugal, Italy, Germany, Greece, Romania and Brazil. In 2008, its centres welcomed more than 429 million visits.