

SONAE/
1ST HALF
RESULTS
2010/



SONAE/ MANAGEMENT REPORT/

1 MAIN HIGHLIGHTS

Sonae continues to deliver profitable growth while pursuing its internationalization strategy.

- Turnover up by 6%, with a 70% increase in international business;
 - Recurrent EBITDA increased by 8%; 10% growth in Total EBITDA;
 - Direct net income (equity holders) increased by 89% to 55 million euros;
 - Net debt decreased by 258 million euros (-7%).
-
- Sonae MC strengthened its leadership position, with turnover and EBITDA up 6% and 14% respectively;
 - Sonae SR continued to grow strongly, with turnover up 17%, while expansion in Spain accelerated, in line with its target of opening 80 stores by end 2010;
 - Sonae Sierra sustained Turnover and EBITDA growth, up by 6% and 9% respectively;
 - Sonaecom continued to deliver solid operational figures and increased profitability.

Message from the CEO, Paulo Azevedo

The resilience of Sonae's businesses in the face of challenging economic conditions gives us confidence in the ability to meet our ambitious strategy of value creation through international expansion and the strengthening of our core businesses. We were particularly pleased with the 9% growth rate of our retail businesses and the continued improvement of our return on invested capital.

In addition to a higher presence in Continental Spain, where we were operating 56 stores by the end of the period, we made further progress in our internationalization strategy, by announcing a plan to open more than 100 specialised stores in the Canary Islands and in 9 countries in the Middle East over the next 4 years.

A capital light approach to growth has been taken, with Sonae including new business expansion models, namely franchising and joint-ventures. Capital employed has also been released through the conclusion of 2 Sale & Lease back transactions, yielding a cash inflow of 45 million euros.

The political willingness, which we congratulate, to allow all retail stores in the country to open on Sunday afternoons and public Holidays on equal terms, will eliminate the serious distortions prevailing in the retail market, insuring healthy competition, improving consumer's quality of life and creating new employment opportunities.

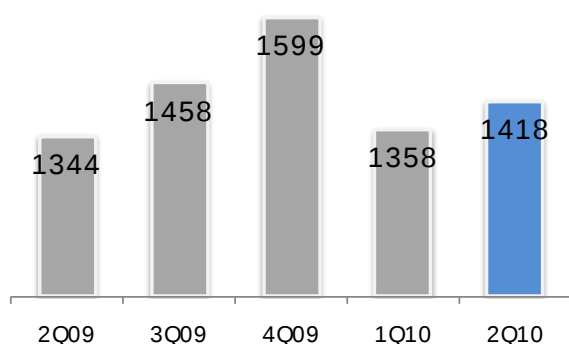
Sonae will continue to invest in its workforce's training and development, as we consider it to be the best way to successfully tackle the challenges of our strategy.

2 INCOME STATEMENT HIGHLIGHTS

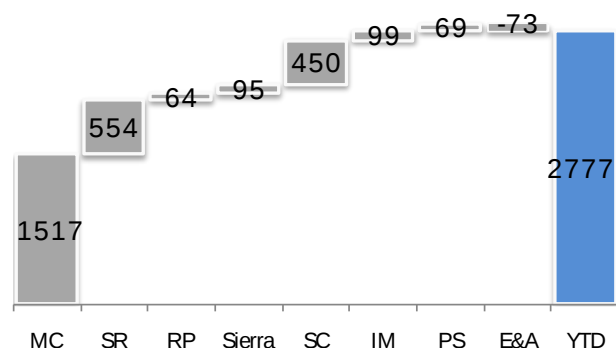
Turnover			
Million euros			
	1H09	1H10	y.o.y
Sonae	2,608	2,777	6.5%
Sonae MC	1,428	1,517	6.2%
Sonae SR	473	554	17.2%
Sonae RP	60	64	7.1%
Sonae Sierra ⁽¹⁾	89	95	6.0%
Sonaecom	482	450	-6.5%
Investment mngmt.	91	99	9.1%
Petrol stations	63	69	10.8%
Elimin.& adjust.	-77	-73	5.4%

(1) Shopping centres are proportionally consolidated (50%).

Turnover quarterly trend



Turnover breakdown



Sonae MC – food based retail; Sonae SR– specialised retail; Sonae RP – retail property; Sonae Sierra – shopping centres; Sonaecom – telecommunications.

Turnover

- **Sonae** turnover increased by 6%, with Sonae MC and Sonae SR sustaining their market share gains.
- **Sonae MC** turnover was up by 6%, with an underlying 2% like-for-like growth of the store portfolio (1% in 2Q10 vs 5% in 2Q09). This performance was achieved despite prevailing market competitive pressures and price deflation (-3%), although a clear reversal in the deflationary trend was noticeable from March onwards. The private label offer increased its share in the FMCG category to 26% (vs 23% in 1H09), while commercial initiatives, using the customer loyalty card, continued to have a strong impact on consumer spending, and were responsible for the higher sales volumes achieved in 1H10 of 4% (1% in 2Q10), which more than offset a 2% fall in unit price per article. Underlining the resilience of this operation, Sonae MC was one of the few retail players to increase its market share in Portugal (~1.5pp¹)
- **Sonae SR** maintained high double digit turnover growth of 17%, reflecting a 4% like-for-like growth of sales and strong organic growth over the last 12 months with the opening of 54 stores in Portugal and 38 in Spain. **Sonae SR Portugal** sales were up 10% (7% in 2Q10), with 3% like-for-like growth (2% in 2Q10), which was significant given the difficult economic conditions. **Sonae SR International** sales were up 70% (48% in 2Q10), reflecting; (i) a like-for-like sales increase of 5% (+1% in 2Q10); (ii) steady growth in market share of the Worten format, which doubled in size; and (iii) despite the formats having still having low levels of activity and customer awareness in Spain.
- **Sonae Sierra** turnover increased by 6% reflecting: (i) a high occupancy rate (96%); (ii) the contribution from 2 centres opened in 2009 (loop5; Manauara) and 1 in 2010 (Leiria); (iii) good performance by assets in Brazil; and (iv) higher total rents collected on a like-for-like basis (+3%). Development activity is still constrained by continuing difficulties in accessing credit, although this has been partially offset by activity in Brazil.
- **Sonaecom** turnover was down by 6%; the growth in mobile customer revenues did not entirely offset the impact of further reductions in Mobile Termination Rates and in Product Sales, the later driven by the slowdown in the e-initiatives programme.

¹ Source: Nielsen & TNS consumer panels

Recurrent EBITDA ⁽¹⁾

Million euros

	1H09	1H10	y.o.y
Sonae	272	295	8.4%
Sonae MC	69	79	14.0%
Sonae SR	2	7	-
Sonae RP	57	58	2.4%
Sonae Sierra ⁽²⁾	41	45	9.0%
Sonaecom	91	100	8.8%
Investment mngmt.	0	1	-
Elimin.& adjust.	11	5	-54.6%

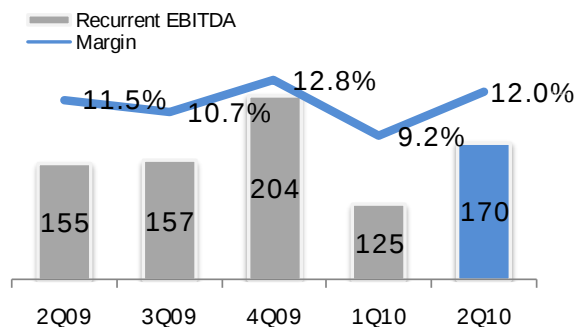
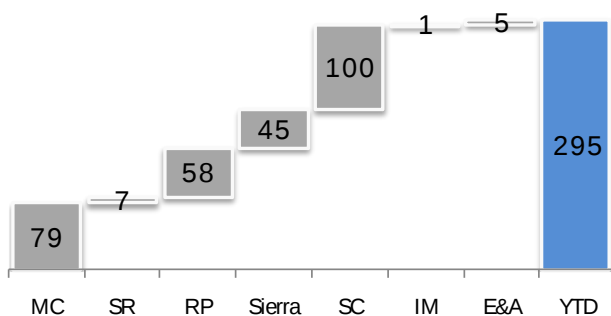
(1) EBITDA excluding extraordinary items; (2) Shopping centres are proportionally consolidated (50%).

Recurrent EBITDA ⁽¹⁾

as a % of turnover

	1H09	1H10	y.o.y
Sonae	10.4%	10.6%	0.2pp
Sonae MC	4.8%	5.2%	0.4pp
Sonae SR	0.4%	1.3%	0.9pp
Sonae RP	94.8%	90.6%	-4.2pp
Sonae Sierra ⁽²⁾	46.3%	47.6%	1.3pp
Sonaecom	19.0%	22.1%	3.1pp
Investment mngmt.	0.3%	1.3%	1pp

(1) EBITDA excluding extraordinary items; (2) Shopping centres are proportionally consolidated (50%).

Recurrent EBITDA quarterly trend**Recurrent EBITDA breakdown****Recurrent EBITDA**

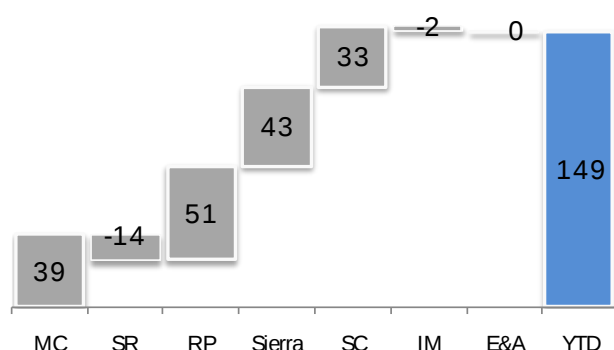
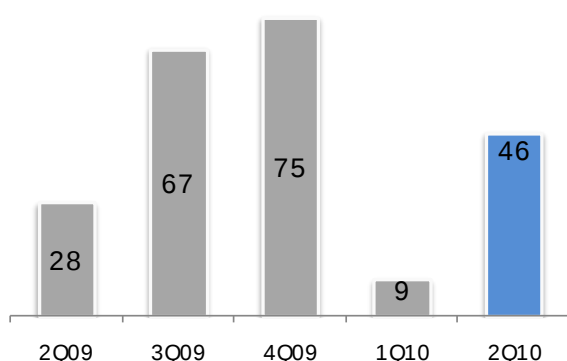
- **Sonae** recurrent EBITDA increased by 8%, generating a higher margin y.o.y of 10.6%.
- **Sonae MC** recurrent EBITDA increased by 14%, equal to a margin on sales of 5% (+0.4pp), with margins increasing in 2Q10 (+0.8pp), compared to 2Q09. This performance was driven by: (i) market share gains in the semester; (ii) the implementation of measures to improve internal efficiency, namely in stores and improvements in logistics; (iii) increased international sourcing for private label products; (iv) and despite a background of strong competitive pressures and food price deflation.
- **Sonae SR** recurrent EBITDA improved by 5 million to 7 million euros, equal to a margin on sales of 1% (+0.9pp), reflecting the sustained increase in profitability of Portuguese operations and the steadily lower negative contribution from International operations. **Sonae SR Portugal** increased EBITDA by a significant 31%, reaching a higher margin of 4.1% (+0.7pp), achieved through the improved efficiency of the more recent formats and the commercial success of the range of products developed internally. **Sonae SR International** improved EBITDA to negative 12 million euros, with the underlying margin improving by 9pp to negative 11% (1H09 = -21%), in line with the goal of achieving positive EBITDA in 2012.
- **Sonae Sierra** recurrent EBITDA increased by 9%, reflecting ongoing efforts to implement operational improvements and cost cutting measures in the day-to-day management of shopping centres and at the corporate centre level.
- **Sonaecom** recurrent EBITDA improved by 9%, mainly explained by the mobile business and related efficiency gains driven by a cost cutting strategy.

Direct net income

Million euros

	1H09	1H10	y.o.y
Recurrent EBITDA	272	295	8.4%
EBITDA	277	305	10.2%
P&I losses ⁽¹⁾	-13	-10	-27.6%
D&A ⁽²⁾	-145	-146	0.6%
EBIT	118	149	26.4%
Net financial results	-72	-51	-29.2%
Other income ⁽³⁾	1	1	-54.5%
EBT	47	99	109.0%
Taxes	-11	-25	-136.5%
Direct net income	37	74	101.1%
Equity holders	29	55	89.3%
Non-controlling interests	8	19	145.2%

(1) Provisions and impairment losses including reversion of impairments and badwill; (2) Depreciation & Amortizations; (3) Share of results of associated undertakings + dividends.

EBIT breakdown**Net income – equity holder's quarterly trend****Direct net income – equity holders**

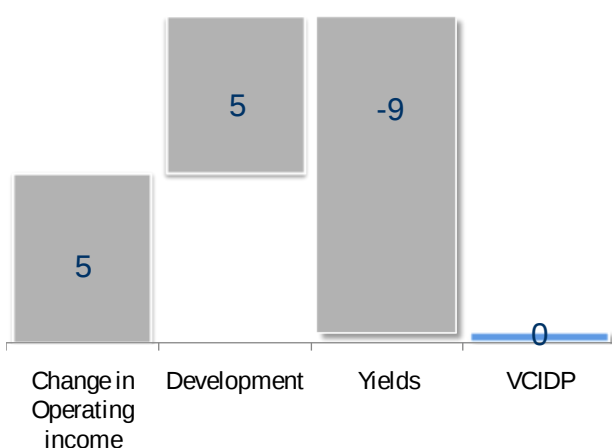
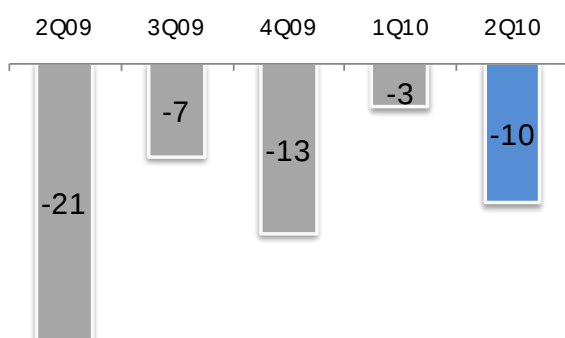
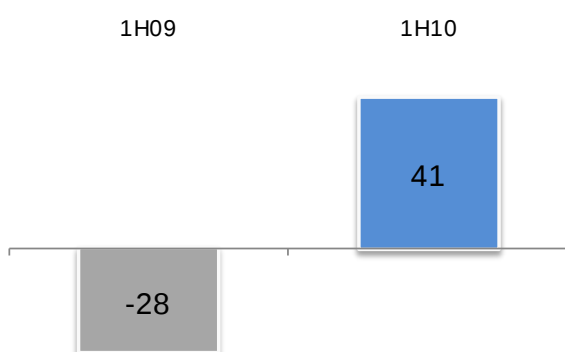
- **Sonae's** EBITDA increased by 10% to 305 million euros. EBITDA was 10 million euros higher than recurrent EBITDA, reflecting the gains generated by the planned real estate monetization process, involving the sale & leaseback of 2 Modelo supermarkets and the Azambuja logistics platform.
- **Sonae's** total direct net income increased by 37 million euros to 74 million euros, with the share of equity holders totalling 55 million euros, 26 million euros up on 1H09. This growth mainly reflects strong EBITDA performance and a significant fall in net financial expenses, despite higher taxation charges.
- Net financial results improved by 29% compared to 1H09, mainly reflecting a fall in net interest expenses of 22 million euros, due to: (i) the lower average debt in the period; and (ii) the lower average cost of debt, resulting from the general decrease in market Euribor rates.
- The taxation charge for the period was 25 million euros, compared to 11 million euros in 1H09, mainly explained by the strong increase in EBT and the recognition of additional deferred tax liabilities at Sonae Sierra. The effective corporate tax rate was of 20%.

Shopping centres indirect net income ⁽¹⁾

Million euros

	1H09	1H10	y.o.y
VCIDP ⁽²⁾	-68	0	-
Others	-3	-4	-13.7%
Taxes	15	-11	-
Indirect net income	-57	-14	75.5%
Equity holders	-57	-14	75.4%
Non-controlling interests	0	0	-

(1) Sonae Sierra's Management figures, based on the proportional method (% of detention); (2) Value created on investment and development properties; includes one-off investments.

VCIDP breakdown**Indirect net income – quarterly trend****Total income – equity holders – half-year trend****Shopping centres indirect income**

- Equity holders' share of consolidated indirect income was negative 14 million euros, compared to negative 57 million euros in 1H09, mainly reflecting adjustments of the Portuguese Corporate Income tax, as well as relatively stable yields across all the other countries where Sierra is present, with the exception of Portugal.

- VCIDP in the shopping centres business was marginally positive, as a result of: (i) a 9 million euros decrease in the value of European shopping centres in the portfolio (0.4% devaluation of properties since 2009, in Europe), explained by the increase in capitalization yields in Portugal. In 1H10, the average portfolio yield was 7.2%, compared to 7.0% in 2009; (ii) a 5 million euros increase from the estimated improved performance of shopping centres owned; and (iii) 5 million euros of value recognized on development activity, of which 4 million euros relates to value recognized on the one property opened during the 1Q10 (Leiria Shopping).

- The latest quarterly valuation of the assets implies that average yields, compared to year end 2009, increased in Portugal by 18bp, while yields in other countries remained relatively flat.

- The taxation line shows a cost of 11 million euros, reflecting the recognition of additional deferred tax liabilities. These were generated by the income tax increase (+2.5pp) announced in Portugal and respective application to possible capital gains on the sale of properties owned.

Total income – equity holders

- Total income equity holders improved significantly from negative 28 million euros in 1H09 to 41 million euros in 1H10, on the back of the good operational and financial performance and reflecting the stabilization of yields, generating a return on equity of 15%.

3 INVESTMENT

CAPEX

Million euros

	1H09	1H10	y.o.y
Sonae	293	191	-34.6%
as a % of turnover	11.2%	6.9%	-4.3pp
Sonae MC	64	41	-35.9%
Sonae SR	56	42	-25.0%
Sonae RP	62	15	-76.6%
Sonae Sierra ⁽¹⁾	47	32	-32.1%
Sonaecom	55	59	7.6%
Investment mngmt.	8	0	-100.0%
Elimin.& adjust.	0	3	-
Rec. EBITDA - CAPEX	-20	104	-

(1) Shopping centres are proportionally consolidated (50%).

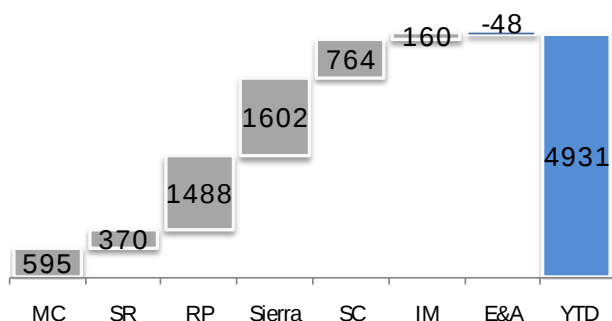
Invested capital

Million euros

	1H09	1H10	y.o.y
Sonae	5,011	4,931	-1.6%
Investment properties ⁽¹⁾	1,846	1,799	-2.6%
Technical investment ⁽²⁾	3,160	3,219	1.9%
Financial investment	63	46	-27.2%
Goodwill	699	733	4.9%
Working capital	-755	-865	-14.5%

(1) Includes shopping centres accounted for as financial investments in the balance sheet; (2) includes available for sale assets.

Invested capital breakdown



CAPEX

- **Sonae's total CAPEX** in 1H10 totalled 191 million euros (7% of turnover), significantly lower than in 1H09, reflecting the adoption of a capital light strategy, despite the strong push to increase its presence in the Spanish market with the Worten, SportZone and Zippy specialised retail formats.
- **Sonae MC CAPEX** of 41 million euros was mainly spent on store refurbishment, the opening of 1 Modelo and preparatory work for future openings.
- **Sonae SR CAPEX** was 42 million euros, of which 23 million euros was for the expansion of **Sonae SR International** and 7 million euros for the increase in store coverage of Portugal by **Sonae SR Portugal**.
- **Sonae RP CAPEX** amounted to 15 million euros, spent on the acquisition of plots of land for future stores. CAPEX was 77% below that in 1H09, which reflects the capital light strategy adopted (leasing instead of owning) for new retail sales area, particularly for Modelo stores.
- **Sonae Sierra CAPEX** included: (i) the conclusion of the shopping centre in Leiria, Portugal (opened in March); (ii) progress on the development of projects in the pipeline already announced and scheduled for 2011, namely Le Terrazze, in Italy and Uberlândia, in Brazil; and (iii) progress on the expansion of Parque D. Pedro, in Brazil.
- **Sonaecom CAPEX** reflects ongoing investment in the expansion and coverage of the mobile network, aimed at ensuring the best integrated network in Portugal, and the "capital light" strategy in the Wireline business.

4 CAPITAL STRUCTURE

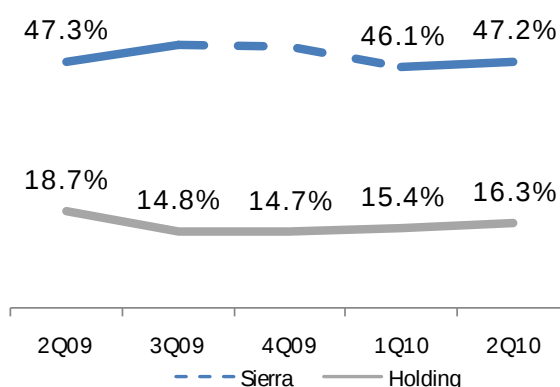
Capital structure

Million euros

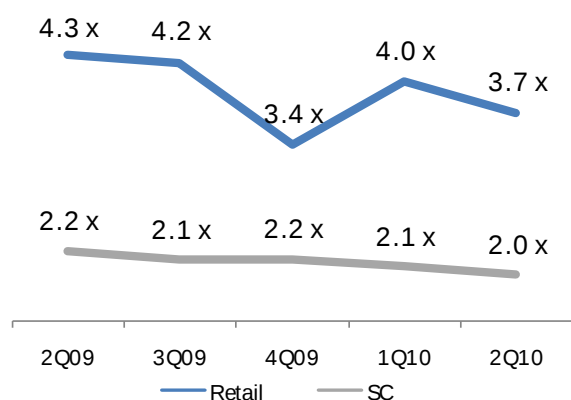
	1H09	1H10	y.o.y
Net debt inc. SH loans	3,479	3,221	-7.4%
Retail businesses	1,495	1,397	-6.6%
Sonae Sierra ⁽¹⁾	948	866	-8.6%
Sonaeacom ⁽²⁾	411	360	-12.3%
Investment mngmt.	116	71	-38.2%
Holding ⁽³⁾	510	527	3.3%

(1) Shopping centres are proportionally consolidated (50%); (2) excludes securitization transaction; (3) includes Sonae's individual accounts.

Sonae Sierra and Holding Loan to value



Retail and Telecom Net Debt/EBITDA (last 12 months)



Note: Leverage Ratios based on financial debt (excluding shareholder loans)

Capital structure

- **Sonae's** net debt fell by 7%, in line with expectations and the objective of deleveraging over time in absolute and relative terms. This performance reflects: (i) the strong cash flows generated by the market leader operations in Portugal; (ii) the cost cutting measures to ensure higher profitability; (iii) the sale of property assets owned, coupled with the capital light approach to growth; and (iv) notwithstanding dividends paid amounting to 63 million euros (vs 60 million euros in 1H09).
- **Sonae's** weighted average maturity stood at approximately 4.9 years, with no major debt repayments expected over the next 12 months.
- **Retail business'** net debt as at end 1H10 mainly reflects its improved (EBITDA-CAPEX) performance over the last 12 months, as well as inflows from the proceeds of the sale & leaseback operations concluded, amounting to 45 million euros. Compared to end 1H09, Net Debt to EBITDA (last 12 months) improved to 3.7x, explained by a combination of lower net debt (including a dividend payment of 70 million euros) and a higher level of EBITDA in the prior 12 month period.
- **Sonae Sierra's** net debt was considerably lower than that at end 1H09, which reflects: (i) the inflow from the sale of a majority stake of Alexa to Union Investment and the respective write off of the debt from the balance sheet; (ii) 50% of a dividend payment totalling 27 million euros. Loan to value decreased to 47.2%, despite the fall in value of European Shopping centres in the portfolio over the last 12 months.
- **Sonaeacom's** net debt² stood at 360 million euros, primarily reflecting the positive FCF performance between the two periods. Net Debt to EBITDA (last 12 months) improved to 2.0x, as a result of both a decrease in net debt and improved EBITDA performance over the last 12 months.
- **Holding's** net debt increased by 17 million euros, including a share capital increase in Sonae insurance arm through the conversion of intercompany loans into equity, amounting to 15 million euros. Holding loan to value stood at 16.3%, an improvement of 2.4pp compared to end 1H09.

² Excluding the proceeds from the securitization transaction

5 CORPORATE INFORMATION

Half-year corporate developments

- Sonae informed about the early repayment, on 10 May 2010, of the bonds Sonae SGPS 2006/2011, totalling 250 million euros and maturing in May 2011.
- Sonae informed about the completion of a bond issue, by private placement, amounting to 250 million euros; this operation allowed for the early repayment of Sonae Holding's bonds maturing in 2011, representing half of its medium and long term debt, and for a substantial increase in the average maturity of the Holding debt to 4.1 years, with the next refinancing only due in 2013.
- Sonae concluded the first stage of its planned real estate monetization process involving property assets valued at 45.4 million euros. The two deals have been structured as sale and leaseback (S&LB) operations and have generated a capital gain of circa 10 million euros. The transactions include:
 - The S&LB of the Azambuja logistics platform to international investors. This transaction involved the leaseback of the facility for an initial period of 20 years, the property being valued at 33.2 million euros.
 - The S&LB of 2 Modelo stores valued at 12.2 million euros. This transaction involved the leaseback of the stores for an initial period of 15 years.

These transactions are consistent with the announced strategy of releasing capital from Sonae RP's retail real estate assets, while maintaining adequate operational flexibility.

Subsequent events

- Sonae announced the following transactions, which are consistent with its strategy of international expansion based on new business models, using a capital light approach, as a means of accelerating growth in new international markets:
 - The signing of a franchise agreement for Zippy specialized retail, which involves a plan to open 70 stores through to 2014, in Saudi Arabia, the United Arab Emirates, Egypt, Lebanon, Jordan, Qatar, Kuwait, Kazakhstan and Bahrain, with the first stores

scheduled to be ready for opening for the "Autumn/Winter season 2010";

- The opening of specialized retail stores in the Canary Islands, through the set up of two joint-ventures, one for Worten and another for SportZone, and the signing of a franchising agreement for the Zippy retail format. For each of the three formats, it is expected that 14 stores will be opened through until 2014, with the first store planned for opening during 4Q10.
- The entry in Colombia by Sonae Sierra, with the creation of a service provider company for the shopping centre sector, including Development and Management activities, and the signing of several other contracts aligned with the strategy adopted of selling services, namely in Morocco.
- The Portuguese Council of Ministers approved the opening of all retail stores on Sundays afternoons and public holidays, allowing for fairer competition in the retail market. The move will also contribute towards increased employment.
- Sonae Sierra sold its ownership stake in Mediterranean Cosmos, in Greece, yielding a cash inflow of 9.5 million euros. This agreement reflects the Company's long term business strategy of recycling capital for future growth.

Outlook

- Sonae's performance over the first 6 months of the year shows that it is making good progress towards its stated corporate goals, despite the challenging environment. Sonae's expects that the following will be achieved in the last six months of the year:
 - Sonae MC will continue to increase its presence in Portugal, expecting to reach the end the year with approximately 25 thousand m² of new sales area.
 - Sonae SR will consolidate its position in Portugal, reaching the end of the year with additional 10 thousand m² of sales area, approximately, and increase its international presence, in particular ending the year with 60 thousand m² of new sales area, through the opening of, at least, 40 new stores in Spain.
 - Sonae Sierra will continue to work on the already announced pipeline of projects scheduled for opening in 2011, with no further openings planned in 2010.
 - Sonaecom remains confident that its results will continue to show a favourable evolution throughout 2010.

The Company is confident that it will end the year with higher market share in its leading formats and with an increased international presence, the latter being Sonae's main strategic priority in order to sustain high growth rates. These goals will be pursued while also improving profitability and further strengthening the company's balance sheet.

6 CORPORATE GOVERNANCE

A detailed annual Corporate Governance Report is included in Sonae's Full Year 2009 Management Report and Accounts available on its website (www.sonae.pt). Sonae's website also has a specific section dedicated to corporate governance.

Highlighted below are the main developments that occurred during 1H10 in relation to corporate governance issues:

Amendment to Sonae's articles of association

- At Sonae's Shareholders' Annual General Meeting, held on 27 April 2010, an amendment to article 31 of Sonae's articles of association was approved to include the possibility of the Shareholders' General Meeting approving the allocation of a percentage, not higher than 5%, of the financial year net result to directors' remuneration; and to Sonae's employees' bonus.

Board of Directors

- As from 1 April onwards, the Executive Director Álvaro Carmona e Costa Portela became a Non-Executive member of the Board

7 ADDITIONAL INFORMATION

The consolidated and individual financial information contained in this report is subject to limited review procedures 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, for the purposes of interim financial reporting (IAS 34);

Organizational structure



Glossary

ARPU	Average revenue per user.
CAPEX	Investments in tangible and intangible assets, investment properties and acquisitions; Gross CAPEX, not including cash inflows from the sale of assets
Direct income	Direct income excludes contributions to indirect income
EBITDA	Turnover + other revenues - impairment reversion - bad will- operating costs (based on direct net income) + gain/losses from sales of companies; includes capital gains in the sale of shareholdings since 2008
EBITDA margin	EBITDA / Turnover
Eliminations & others	Intra-groups + consolidation adjustments + contributions from other companies not included in the identified segments
EOP	End of period
Free Cash Flow (FCF)	EBITDA – operating capex-change in working capital-financial investments-financial results-income taxes
FMCG	Fast Moving Consumer Goods
Financial net debt	Total net debt excluding shareholders loans
Indirect income	Indirect Income includes Sierra's contributions net of taxes to the consolidated income statement, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and; (iv) provision for assets at Risk; The data used for the analysis of the indirect income was computed based on the proportional method for all companies owned by

	Sonae Sierra; when applied to Sonae, the analysis should be done based on statutory values, according to the consolidation method, for each company, underlying the consolidated financial accounts
Investment properties	Shopping centres in operation owned by Sonae Sierra
Liquidity	Cash & equivalents + current investments
Like for Like sales	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods
Loan to value Holding	Holding Net debt/ Investment Portfolio Gross Asset Value; gross asset value based on Market multiples, real estate NAV and market capitalization for listed companies
Loan to value shopping centres	Net debt / (investment properties + properties under Development)
Net invested capital	Gross real estate assets + other tangible and intangible assets - amortizations and impairment losses + financial investments + working capital (including other assets & liabilities such as deferred taxes); all figures at acquisition cost, with the exception of Sonae Sierra's building block
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities
Net debt	Bonds + bank loans + other loans + finance leases – cash, bank deposits and current investments
Net income group share	Net income attributable to Sonae shareholders
Other income	Share of results of associated undertakings + dividends
Other loans	Bonds, leasing and derivatives
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by an independent entity
RoIC (Return on invested capital)	EBIT(12 months) /Net invested capital
Recurrent EBITDA	EBITDA excluding non-recurrent items, namely gains in sales of investments and other movements that distort comparability
Shopping Centre Services business	Asset management services + property management services
Technical investment	Tangible assets + intangible assets + other fixed assets – depreciations and amortizations
Value created on investment and development properties (VCIDP)	Increase (decrease) in the valuation of shopping centres in operation and under development; shopping centres under development are only included if a high degree of certainty concerning their conclusion and opening exists

Consolidated income statement

Consolidated income statement			
Million euros			
	1H09	1H10	y.o.y
Direct income			
Turnover	2,608	2,777	6.5%
Recurrent EBITDA ⁽¹⁾	272	295	8.4%
Recurrent EBITDA margin	10.4%	10.6%	0.2pp
EBITDA	277	305	10.2%
EBITDA margin	10.6%	11.0%	0.4pp
Provisions and impairment losses ⁽²⁾	-13	-10	27.6%
Depreciations and amortizations	-145	-146	-0.6%
EBIT	118	149	26.4%
Net financial results	-72	-51	29.2%
Other income ⁽³⁾	1	1	-54.5%
EBT	47	99	109.0%
Taxes	-11	-25	-136.5%
Direct net income	37	74	101.1%
Attributable to equity holders	29	55	89.3%
Non-controlling interests	8	19	145.2%
Shoppings indirect income			
Indirect net income ⁽⁴⁾	-87	-25	70.8%
Attributable to equity holders	-57	-14	75.7%
Non-controlling interests	-30	-12	61.5%
Total net income			
Total net income	-50	48	-
Attributable to equity holders	-28	41	-
Non-controlling interests	-22	7	-

(1) EBITDA excluding extraordinary items; (2) Includes reversion of impairments and goodwill; (3) share of results of associated undertakings + dividends; (4) Statutory numbers; for management purposes, Sonae uses the decomposition of the Indirect result according to the notes to the consolidated financial statements.

Consolidated balance sheet

Balance sheet

Million euros

	1H09	1H10	y.o.y	2009	y.o.y
TOTAL ASSETS	7,453	7,400	-0.7%	7,552	-2.0%
Non current assets	6,003	6,062	1.0%	6,108	-0.8%
Tangible and intangible assets	3,154	3,219	2.1%	3,221	-0.1%
Goodwill	699	733	4.9%	746	-1.8%
Investment properties in operation	1,636	1,663	1.7%	1,677	-0.8%
Investment properties under development	169	96	-43.2%	120	-20.0%
Other investments	104	84	-19.0%	93	-9.0%
Deferred tax assets	216	230	6.4%	230	-0.1%
Others	26	37	41.8%	21	73.4%
Current assets	1,450	1,337	-7.7%	1,443	-7.3%
Stocks	587	620	5.7%	603	2.8%
Trade debtors	200	182	-9.2%	208	-12.6%
Liquidity	168	156	-7.0%	230	-32.2%
Others	495	379	-23.3%	402	-5.7%
SHAREHOLDERS' FUNDS	1,532	1,710	11.6%	1,701	0.5%
Equity holders	1,081	1,209	11.8%	1,223	-1.2%
Attributable to minority interests	451	501	10.9%	478	4.8%
LIABILITIES	5,920	5,690	-3.9%	5,850	-2.7%
Non-current liabilities	3,780	3,611	-4.5%	3,561	1.4%
Bank loans	1,418	1,290	-9.0%	1,208	6.7%
Other loans	1,802	1,811	0.5%	1,736	4.4%
Deferred tax liabilities	319	362	13.5%	326	11.0%
Provisions	64	60	-6.6%	51	18.0%
Others	177	88	-50.4%	240	-63.5%
Current liabilities	2,140	2,079	-2.9%	2,289	-9.2%
Bank loans	390	153	-60.8%	233	-34.3%
Other loans	14	78	-	81	-2.8%
Trade creditors	1,043	1,080	3.6%	1,220	-11.5%
Others	694	768	10.7%	755	1.7%
SHAREHOLDERS' FUNDS + LIABILITIES	7,453	7,400	-0.7%	7,552	-2.0%

Invested capital & return on invested capital (RoIC)

Invested capital

Million euros

	1H09	1H10	y.o.y	2009	y.o.y
Invested Capital	5,011	4,931	-1.6%	4,781	3.1%
Investment properties ⁽¹⁾	1,846	1,799	-2.6%	1,836	-2.0%
Technical investment ⁽²⁾	3,160	3,219	1.9%	3,221	-0.1%
Financial investment	63	46	-27.2%	53	-14.8%
Goodwill	699	733	4.9%	746	-1.8%
Working capital	-755	-865	-14.5%	-1,075	19.6%
Equity + Minorities	1,532	1,710	11.6%	1,701	0.5%
Total Net debt ⁽³⁾	3,479	3,221	-7.4%	3,080	4.6%

(1) Includes shopping centres accounted for as financial investments in the balance sheet; (2) includes available for sale assets; (3) Financial net debt + net shareholder loans.

Return on invested capital

Million euros

	1H09	1H10	y.o.y	2009	y.o.y
Invested capital	5,011	4,931	-1.6%	4,781	3.1%
Sonae MC	629	595	-5.5%	484	22.9%
Sonae SR	308	370	19.9%	250	48.0%
Sonae RP	1,512	1,488	-1.6%	1,523	-2.3%
Sonae Sierra ⁽¹⁾	1,661	1,602	-3.6%	1,661	-3.6%
Sonaecom	770	764	-0.7%	752	1.7%
Investment mngmt.	152	160	5.5%	151	6.3%
Elimin.& adjust. ⁽²⁾	-21	-48	-128.8%	-39	-
EBIT (last 12 months)	347	380	9.5%	349	8.9%
Sonae MC	134	130	-3.4%	124	4.5%
Sonae SR	12	10	-18.9%	10	2.4%
Sonae RP	86	90	4.8%	83	8.5%
Sonae Sierra ⁽¹⁾	84	85	1.2%	81	4.2%
Sonaecom	24	44	81.0%	24	84.7%
Investment mngmt.	-4	24	-	25	-1.1%
Elimin.& adjust. ⁽²⁾	11	-3	-	2	-
RoIC	6.9%	7.7%	0.8pp	7.3%	0.4pp
Sonae MC	21.3%	21.8%	0.5pp	25.6%	-3.8pp
Sonae SR	4.0%	2.7%	-1.3pp	4.0%	-1.2pp
Sonae RP	5.7%	6.1%	0.4pp	5.5%	0.6pp
Sonae Sierra	5.0%	5.3%	0.3pp	5.0%	0.3pp
Sonaecom	3.2%	5.8%	2.6pp	3.2%	2.6pp
Investment mngmt.	-2.7%	15.1%	17.9pp	16.3%	-1.1pp

(1) Shopping centres are proportionally consolidated (50%); (2) includes Sonae Holding.

Working capital breakdown

Working capital breakdown

Million euros

	1H09	1H10	y.o.y	2009	y.o.y
Working capital	-755	-865	-14.5%	-1,085	20.3%
Sonae MC	-358	-415	-16.0%	-530	21.6%
Sonae SR	24	50	110.7%	-52	-
Sonae RP	-51	-37	28.5%	-38	3.1%
Sonae Sierra ⁽¹⁾	-254	-257	-1.2%	-238	-8.2%
Sonaeacom	-107	-127	-18.2%	-150	15.8%
Investment mngmt.	1	-32	-	-21	-53.4%
Elimin.& adjust. ⁽²⁾	-10	-47	-	-56	16.9%

(1) Shopping centres are proportionally consolidated (50%); (2) includes SonaeHolding.

Retail formats & retail real estate main highlights (stand-alone figures)

Retail formats & Retail real estate operating review

	1H09	1H10	y.o.y
Turnover growth			
Sonae MC	7.6%	6.2%	-1.3pp
Sonae SR	24.7%	17.2%	-7.5pp
LFL sales growth			
Sonae MC	2.8%	2.4%	-0.4pp
Sonae SR	-3.2%	4.4%	-4.9pp
Total employees (EOP)	33,436	35,567	6.4%
Sonae MC	25,390	26,551	4.6%
Sonae SR	8,015	8,981	12.1%
Sonae RP	31	35	12.9%

Retail formats & Retail real estate financial review

Million euros

	1H09	1H10	y.o.y
Sonae MC			
Turnover	1,428	1,517	6.2%
Recurrent EBITDA	69	79	14.0%
EBITDA	69	79	14.0%
EBITDA margin	4.8%	5.2%	0.4pp
CAPEX	64	41	-35.9%
Sonae SR			
Turnover	473	554	17.2%
Portugal	414	453	9.6%
International	60	101	70.3%
Recurrent EBITDA	2	7	-
EBITDA	2	7	-
Portugal	14	19	31.2%
International	-12	-12	6.4%
EBITDA margin	0.4%	1.3%	0.9pp
Portugal	3.5%	4.1%	0.7pp
International	-20.7%	-11.3%	9.3pp
CAPEX	56	42	-25.0%
Portugal	30	19	-38.5%
International	26	23	-9.1%
Sonae RP			
Turnover	60	64	7.1%
Recurrent EBITDA	57	58	2.4%
EBITDA	57	67	18.0%
EBITDA margin	94.8%	104.5%	9.6pp
CAPEX	62	15	-76.6%
Net debt including shareholder loans	1,495	1,397	-6.6%
Net debt	1,524	1,418	-6.9%
Net debt/EBITDA (last 12 months)	4.3 x	3.7 x	-0.6x
EBITDA/net interest expenses (last 12 months)	5.6 x	12.3 x	6.7x
Net debt/invested capital	62.2%	57.8%	-4.4pp

Stores and sales area

	Number of stores					Sales area('000 m ²)					Area owned (%)
	31 Dec 2009	Stores opened	Banner changed	Stores closed	30 Jun 2010	31 Dec 2009	Stores opened	Banner changed	Stores closed	30 Jun 2010	
Sonae MC	378	14	0	-2	390	528	3	0	0	531	85%
Continente	39	0	0	0	39	284	0	0	0	284	90%
Modelo ⁽¹⁾	125	1	0	0	126	218	2	0	0	220	82%
Área Saúde	115	8	0	0	123	11	0	0	0	12	74%
Bom Bocado	80	3	0	-2	81	4	0	0	0	4	78%
Book.It	14	2	0	0	16	5	1	0	0	5	56%
Others ⁽²⁾	5	0	0	0	5	5	0	0	0	5	8%
Sonae SR	454	27	0	-11	470	304	26	0	-3	327	37%
Portugal	416	9	0	-11	414	248	5	0	-3	250	45%
Worten	132	2	0	0	134	113	2	0	0	115	55%
Vobis	17	0	0	-8	9	8	0	0	-3	5	15%
Worten Mobile	48	2	0	-1	49	1	0	0	0	1	39%
SportZone	75	0	0	0	75	61	0	0	0	61	14%
Modalfa	99	2	0	-1	100	51	2	0	0	53	73%
Zippy	34	2	0	0	36	12	0	0	0	13	6%
Loop	11	1	0	-1	11	2	0	0	0	2	0%
Spain	38	18	0	0	56	56	21	0	0	77	9%
Worten	14	3	0	0	17	34	8	0	0	42	17%
Sport Zone	14	7	0	0	21	17	11	0	0	28	0%
Zippy	10	8	0	0	18	4	2	0	0	6	0%
Invest. mngmt.	105	0	0	-1	104	67	0	0	-2	65	60%
MaxMat	35	0	0	-1	34	63	0	0	-2	61	62%
Geostar ⁽³⁾	70	0	0	0	70	4	0	0	0	4	26%
Total	937	41	0	-14	964	899	29	0	-5	923	66%

(1) includes Modelo Bonjour; (2) includes outlet; (3) Includes combined Star and Geotur stores, resulting from the joint-venture between Sonae and RAR.

Shopping centres main highlights (stand-alone figures)

Shopping centres operating review					
	1H09	1H10	y.o.y	2009	y.o.y
Assets under management (million euros) ⁽¹⁾	6,117	6,586	7.7%	6,340	3.9%
Real estate NAV (million euros)	1,248	1,250	0.2%	1,228	1.8%
Sierra Investments	678	695	2.5%	731	-5.0%
Sierra Developments	275	187	-32.3%	191	-2.3%
Sierra Brazil	240	339	41.4%	289	17.0%
Others ⁽²⁾	55	30	-45.8%	17	78.0%
NAV per share (euros)	38.4	38.4	0.2%	37.8	1.8%
Openings & acquisitions (EOP)	1	1	0.0%	1	0.0%
Shopping centres owned/co-owned (EOP)	51	53	3.9%	52	1.9%
GLA owned/co-owned (thousand m2) ⁽³⁾	2,010	2,081	3.5%	2,059	1.1%
Occupancy rate of GLA owned (%)	93.9%	95.9%	2pp	94.5%	1.4pp
Projects under development (EOP) ⁽⁴⁾	13	11	-15.4%	12	-8.3%
GLA under development (thousand m2)	596	528	-11.4%	550	-4.0%
Shopping centres managed (EOP)	69	69	0.0%	68	1.5%
GLA under management (thousand m2)	2,280	2,306	1.2%	2,284	1.0%
Total employees	1,161	1,133	-2.4%	1,147	-1.2%

(1) Open market value; (2) NAV of Corporate Centre + Property Management; (3) Gross lettable area in operating centres; (4) Projects in planning phase and under construction.

Shopping Centres market yields									
	2009			1H10			y.o.y		
	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min
Portugal	8.3%	6.5%	6.0%	8.6%	6.7%	6.2%	0.3pp	0.18pp	0.15pp
Spain	9.1%	7.1%	6.4%	9.0%	7.1%	6.5%	-0.05pp	-0.07pp	0.05pp
Italy	7.7%	6.6%	6.0%	7.8%	6.7%	6.1%	0.1pp	0.05pp	0.05pp
Germany	6.3%	6.1%	6.0%	6.3%	6.1%	6.0%	0pp	0pp	0pp
Greece	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	0pp	0pp	0pp
Romania	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	0pp	0pp	0pp
Brazil	9.5%	8.5%	8.3%	9.5%	8.5%	8.3%	0pp	0pp	0pp

(1) Average yields weighted by the Open Market Value of Sierra's shopping centres.

Shopping Centres financial review ⁽¹⁾

Million euros

	1H09	1H10	y.o.y
Direct results			
Turnover	104	110	5.5%
Investments	65	65	-1.2%
Developments	3	3	-14.1%
Brazil	10	14	44.3%
Services Business	22	21	-0.3%
Asset management	6	5	-21.9%
Property management	15	16	8.8%
Others & eliminations	4	6	75.0%
Recurrent EBITDA	53	58	10.0%
EBITDA	53	58	10.0%
Investments	53	51	-2.5%
Developments	-40	-9	78.2%
Brazil	7	12	61.0%
Services Business	5	5	-5.8%
Asset management	3	1	-57.9%
Property management	2	4	65.6%
Others & eliminations	28	-1	-
EBITDA margin	50.7%	52.8%	2.1pp
Net financial results	-27	-21	22.7%
Current tax	7	7	5.2%
Direct results	19	28	46.3%
Indirect results			
Gains realized on investments	0	-4	-
Provisions for assets under development	-6	-3	55.7%
VCIDP ⁽²⁾	-137	1	-
Deferred tax	-29	21	-
Indirect results	-114	-28	75.5%
Total net results			
Total net results	-94	1	-
Attributable to equity holders	-94	1	-
Net debt including shareholder loans	1,896	1,732	-8.6%
Net debt	1,237	1,164	-5.9%
Loan to Value	47.3%	47.2%	-0.1pp
Net debt/EBITDA (last 12 months)	8.7 x	8.1 x	-0.5x
EBITDA/net interest expenses (last 12 months)	0.4 x	0.8 x	0.2x
Net debt/invested capital	54.9%	53.4%	-1.5pp
CAPEX	69	54	-21.4%

(1) Quarterly numbers based on Sierra's management accounts (fully proportional base); (2) Value created on investment and development properties.

Telecommunications main highlights (stand-alone figures)

Telecomunications operating review			
	1H09	1H10	y.o.y
Mobile			
Customers (EOP) ('000)	3,269	3,469	6.1%
Data as % Service Revenues	27.6%	29.9%	2.3pp
ARPU (euros) ⁽¹⁾	14.9	13.7	-8.0%
Wireline			
Total accesses (EOP) ('000)	528	448	-15.2%
Direct accesses (EOP) ('000)	433	373	-13.9%
Direct access as % customer revenues	77.5%	72.7%	-4.8pp
SSI			
IT service revenues / employee ('000 euros)	63	62	-0.9%
Total employees	2,002	2,063	3.0%

(1) Average revenues per user.

Telecommunications financial review

Million euros

	1H09	1H10	y.o.y
Turnover	482	450	-6.5%
Mobile	299	288	-3.6%
Wireline	124	120	-3.2%
SSI	82	67	-17.9%
Others & eliminations	-24	-25	-7.3%
Other revenues	2	3	19.8%
Recurrent EBITDA	91	100	8.8%
EBITDA	91	100	8.8%
EBITDA margin (%)	19.0%	22.1%	3.1pp
Mobile	89	94	6.1%
Wireline	2	3	55.0%
SSI	4	4	1.1%
Others & eliminations	-3	-1	54.1%
EBIT	12	33	162.7%
Net financial results	-7	-4	50.1%
Total net income	2	20	-
Attributable to equity holders	1	20	-
Excluding the securitization transaction:			
Net debt including shareholder loans	411	360	-12.3%
Net debt	410	366	-10.8%
Net debt/EBITDA (last 12 months)	2.2 x	2.0 x	-0.2x
EBITDA/net interest expenses (last 12 months)	11.3 x	19.3 x	8x
Net debt/invested capital	53.3%	47.8%	-5.4pp
CAPEX	53	56	5.1%
Operating CAPEX ⁽¹⁾	52	56	6.3%
EBITDA minus Operating CAPEX	39	44	12.0%
Free Cash Flow	-18	6	-

(1) Operating CAPEX excludes financial investments, provisions for dismantling of sites and other non operational investments.

Investment management main highlights (stand-alone figures)

Investment management unit			
Million euros			
	1H09	1H10	y.o.y
Turnover	91	99	9.1%
Recurrent EBITDA	0	1	-
EBITDA	0	1	-
EBIT	-2	-2	-13.1%
Net debt including shareholder loans	116	71	-38.2%
Net debt	-2	1	-
CAPEX	8	0	-100.0%
Total employees	1,036	1,263	21.9%

Maia, 26 August 2010

Belmiro Mendes de Azevedo
President of the Board of Directors

Álvaro Cuervo Garcia
Member of the Board of Directors

Álvaro Carmona e Costa Portela
Member of the Executive Committee

Michel Marie Bon
Member of the Board of Directors

José Neves Adelino
Member of the Board of Directors

Bernd Bothe
Member of the Board of Directors

Christine Cross
Member of the Board of Directors

Duarte Paulo Teixeira de Azevedo
President of the Executive Committee

Ângelo Gabriel Ribeirinho dos Santos Paupério
Member of the Executive Committee

Nuno Manuel Moniz Trigos Jordão
Member of the Executive Committee

SONAE/
APPENDIX/

Statement under the terms of Article 246, paragraph 1, c) of the Portuguese Securities Code

The signatories individually declare that, to their knowledge, the Management Report, the Consolidated and Individual Financial Statements and other accounting documents required by law or regulation were prepared meeting the standards of the applicable International Financial Reporting Standards, giving a truthful (fairly) and appropriate image, in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of the issuer and that the Management Report faithfully describes the progress of the business and position of the issuer and of the companies included in the consolidation perimeter and contains a description of the major risks and uncertainties that they face.

Maia, 26 August 2010

Belmiro Mendes de Azevedo
President of the Board of Directors

Bernd Bothe
Member of the Board of Directors

Álvaro Cuervo Garcia
Member of the Board of Directors

Christine Cross
Member of the Board of Directors

Álvaro Carmona e Costa Portela
Member of the Board of Directors

Duarte Paulo Teixeira de Azevedo
President of the Executive Committee

Michel Marie Bon
Member of the Board of Directors

Ângelo Gabriel Ribeirinho dos Santos Paupério
Member of the Executive Committee

José Neves Adelino
Member of the Board of Directors

Nuno Manuel Moniz Trigoso Jordão
Member of the Executive Committee

Appendix required by articles 9 nr. 1, a) and 14, nr. 7 of CMVM Regulation nr. 05/2008

Disclosure of shares and other securities held by members of the Board of Directors and by those discharging managerial responsibilities, as well as by people closely connected with them (article 248 B of the Portuguese Securities Code), and disclosure of the respective transactions during the year involving such shares and other securities

		Additions		Reductions		Balance as of 30.06.2010
	Date	Quantity	Aver. Price €	Quantity	Aver. Price €	Quantity
Belmiro Mendes de Azevedo (*) (**) (***)						
Efanor Investimentos, SGPS, SA (1)						49,999,996
Sonaecom, SGPS, SA						75,537
Álvaro Carmona e Costa Portela (*)						
Sonae, SGPS, SA						125,934
Sonaecom, SGPS, SA						5,000
Álvaro Carmona e Costa Portela (*)						
Sonae, SGPS, SA						250,000
Sonaecom, SGPS, SA						225,000
Duarte Paulo Teixeira de Azevedo (*) (**) (*** (****)						
Efanor Investimentos, SGPS, SA (1)						1
Migracom, SGPS, SA (4)						1,969,996
Sonae, SGPS, SA						3,293 (a)
Michel Marie Bon (*)						
Sonae, SGPS, SA						144,363
Purchase	18.01.2010	13,000	0.918			
Maria Margarida Carvalhais Teixeira de Azevedo (**) (***)						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA						14,901
Maria Cláudia Teixeira de Azevedo (**) (*** (****)						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA						17,585
Shares attributed under a Share Based Compensation Plan	10.03.2009	17,585	0.000			
Linhacom, SGPS, SA (6)						99,996
Sonaecom, SGPS, SA						11,818
Shares attributed under a Share Based Compensation Plan	10.03.2009	11,818	0.000			
Sonaecom, SGPS, SA						170 (b)
Nuno Teixeira de Azevedo (**) (*** (****)						
Efanor Investimentos, SGPS, SA (1)						1
Sonae, SGPS, SA						10,500 (a)

(*) Member of the Board of Directors of Sonae, SGPS, SA

(**) Member of the Board of Directors of Efanor Investimentos SGPS, SA (directly and indirectly dominant company) (1)

(***) People closely connected with the President of the Board of Directors of Sonae Holding, Belmiro de Azevedo

(****) Member of the Board of Directors of Imparfin, SGPS, SA (5)

(a) Shares held by underage descendants under his/her charge

(b) Shares held by spouse

Note: The Independent Non-executive member of the Board of Directors, José Manuel Neves Adelino, is a member of the Statutory Audit Board of Banco BPI, SA, which holds 178.039.855 shares representing of 8,902 % of Company's share capital.

		Additions		Reductions		Balance as of 30.06.2010
	Date	Quantity	Aver. Price €	Quantity	Aver. Price €	Quantity
(1) Efanor Investimentos, SGPS, SA						
Sonae, SGPS, SA						659,650,000
Pareuro, BV (2)						2,000,000
Sonaecom, SGPS, SA						1,000
(2) Pareuro, BV						
Sonae, SGPS, SA						400,000,000
(3) Sonae, SGPS, SA						
Sonae Investments, BV						2,000,000
Sontel, BV						4,286
Sonaecom, SGPS, SA						838,649
(4) Migracom, SGPS, SA						
Sonae, SGPS, SA						1,485,000
Sonaecom, SGPS, SA						387,342
Imparfin, SGPS, SA (5)						150,000
(5) Imparfin, SGPS, SA						
Sonae, SGPS, SA						4,105,280
(6) Linhacom, SGPS, SA						
Sonae, SGPS, SA						351,296
Sonaecom, SGPS, SA						38,044
Imparfin, SGPS, SA (5)						150,000
(7) Sonae Investments BV						
Sontel BV (8)						5,714
Sonaecom, SGPS, SA (9)						10,500,000
(8) Sontel BV						
Sonaecom, SGPS, SA (9)						183,374,470
(9) Sonaecom SGPS, SA						
Sonaecom, SGPS, SA (own shares)						8,264,325
Purchase	04.01.2010	69,000	1.953			
Purchase	05.01.2010	163,000	1.951			
Purchase	06.01.2010	313,158	1.995			
Purchase	07.01.2010	98,750	2.004			
Purchase	08.01.2010	103,092	2.001			
Shares attributed under a Share Based Compensation Plan	10.03.2010			972,184	0.000	
Purchase	15.03.2010	56,000	1.688			
Purchase	16.03.2010	24,500	1.697			
Purchase	17.03.2010	98,000	1.724			
Purchase	18.03.2010	38,000	1.716			
Purchase	19.03.2010	60,000	1.696			
Purchase	22.03.2010	35,000	1.668			
Purchase	23.03.2010	183,000	1.654			
Purchase	24.03.2010	170,000	1.621			
Purchase	25.03.2010	87,500	1.611			
Purchase	26.03.2010	134,935	1.622			
Purchase	18.05.2010	50,000	1.303			
Purchase	19.05.2010	60,000	1.281			
Purchase	20.05.2010	63,000	1.254			
Purchase	21.05.2010	260,000	1.241			

Qualified holdings

Shares held and voting rights of companies owning more than 2% of the share capital of the company, as required by article 9 nr.1 c) of Securities Market Regulation Board (CMVM) regulation 05/2008.

Shareholder	Nr. of shares	% Share Capital	% of Voting Rights
Efanor Investimentos, SGPS, SA			
Directly	659,650,000	32.983%	32.983%
By Pareuro, BV (controlled by Efanor)	400,000,000	20.000%	20.000%
By Maria Margarida Carvalhais Teixeira de Azevedo (Director of Efanor)	14,901	0.001%	0.001%
By Duarte Paulo Teixeira de Azevedo (Director of Efanor and held by descendent)	3,293	0.000%	0.000%
By Maria Cláudia Teixeira de Azevedo (Director of Efanor and held by spouse)	17,585	0.001%	0.001%
By Nuno Miguel Teixeira de Azevedo (Director of Efanor and held by descendent)	10,500	0.001%	0.001%
By Migracom, SGPS, SA (company controlled by Efanor's Director Duarte Paulo Teixeira de Azevedo)	1,485,000	0.074%	0.074%
By Linhacom, SGPS, SA (company controlled by Efanor's Director Maria Cláudia Teixeira de Azevedo)	351,296	0.018%	0.018%
Total attributable to Efanor Investimentos, SGPS, SA	1,061,532,575	53.077%	53.077%
Banco BPI, SA	132,851,868	6.643%	6.643%
Banco Português de Investimento, SA	365,199	0.018%	0.018%
Fundos de Pensões do Banco BPI	40,071,372	2.004%	2.004%
BPI Vida - Companhia de Seguros de Vida, SA	4,751,416	0.238%	0.238%
Total attributable to Banco BPI, SA	178,039,855	8.902%	8.902%
Fundação Berardo, Instituição Particular de Solidariedade Social	49,849,514	2.492%	2.492%
Total attributable to Fundação Berardo, Instituição Particular de Solidariedade Social	49,849,514	2.492%	2.492%
Bestinver Gestión, S.A. SGIC			
Bestinver Bolsa, F.I.	16,222,727	0.811%	0.811%
Bestinfond, F.I.	12,366,063	0.618%	0.618%
Bestinver Mixto, F.I.	2,784,381	0.139%	0.139%
Bestinver Global, FP	2,465,710	0.123%	0.123%
Soixa Sicav	2,373,144	0.119%	0.119%
Bestinver Bestvalue Sicav	2,169,616	0.108%	0.108%
Bestinver Ahorro, FP	1,617,575	0.081%	0.081%
Texrenta Inversiones Sicav	663,409	0.033%	0.033%
Loupri Inversiones	162,262	0.008%	0.008%
Divalsa de Inversiones Sicav, SA	113,869	0.006%	0.006%
Acciones, cup. Y Obli. Segovianas	86,821	0.004%	0.004%
Bestinver Empleo, FP	76,327	0.004%	0.004%
Abedul 1999, SA, Sicav	70,491	0.004%	0.004%
Linker Inversiones, Sicav, SA	64,270	0.003%	0.003%
Total attributable to Bestinver Gestión, S.A. SGIC	41,236,665	2.062%	2.062%

SONAE/
**CONSOLIDATED
FINANCIAL
STATEMENTS/**

Condensed consolidated financial statements

SONAE, SGPS, SA

CONDENSED CONSOLIDATED BALANCE SHEET AS FOR THE PERIODS ENDED 30 JUNE 2010 AND 2009
AND AS AT 31 DECEMBER 2009

(Amounts expressed in euro)

(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)

ASSETS	Notes	30 June 2010	30 June 2009	31 December 2009 (Note 1)
NON-CURRENT ASSETS:				
Tangible assets	9	2,751,068,120	2,724,115,990	2,781,177,575
Intangible assets	10	467,852,302	429,682,801	467,315,297
Investment properties	11	1,759,392,170	1,804,467,800	1,796,470,818
Goodwill	12	732,917,395	698,693,241	728,945,475
Investments in associates	6	71,885,051	88,848,801	74,649,393
Other investments	7 and 13	12,506,138	15,294,970	18,127,492
Deferred tax assets	16	229,914,556	216,000,705	230,214,508
Other non-current assets	14	36,710,575	25,880,124	21,176,312
Total Non-Current Assets		6,062,246,307	6,002,984,432	6,118,076,870
CURRENT ASSETS:				
Inventories		620,061,618	586,831,423	603,003,189
Trade accounts receivable and other current assets	15	561,332,679	689,244,081	610,516,925
Investments	13	62,815,687	52,859,402	57,679,031
Cash and cash equivalents	17	93,163,857	114,842,574	172,229,871
Total Current Assets		1,337,373,841	1,443,777,480	1,443,429,016
Assets available for sale		-	5,782,499	-
TOTAL ASSETS		7,399,620,148	7,452,544,411	7,561,505,886
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	18	2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(135,679,489)	(136,911,861)	(136,911,861)
Reserves and retained earnings		(696,280,847)	(753,831,838)	(733,683,436)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		40,939,173	(28,120,304)	93,760,817
Equity attributable to the equity holders of the Parent Company		1,208,978,837	1,081,135,997	1,223,165,520
Equity attributable to non-controlling interests	19	500,678,707	451,331,453	477,968,755
TOTAL EQUITY		1,709,657,544	1,532,467,450	1,701,134,275
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	20	3,101,063,930	3,219,523,065	2,943,987,134
Other non-current liabilities	22	87,814,939	177,093,165	240,267,403
Deferred tax liabilities	16	362,367,811	319,328,440	336,301,701
Provisions	25	59,701,038	63,903,893	50,607,367
Total Non-Current Liabilities		3,610,947,718	3,779,848,563	3,571,163,605
CURRENT LIABILITIES:				
Loans	20	231,438,124	404,098,402	313,554,408
Trade creditors and other current liabilities	24	1,845,584,514	1,734,374,043	1,973,035,847
Provisions	25	1,992,248	1,755,953	2,617,751
Total Current Liabilities		2,079,014,886	2,140,228,398	2,289,208,006
TOTAL LIABILITIES		5,689,962,604	5,920,076,961	5,860,371,611
TOTAL EQUITY AND LIABILITIES		7,399,620,148	7,452,544,411	7,561,505,886

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS ENDED 30 JUNE 2010 AND 2009

(Amounts expressed in euro)

*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)*

	Notes	2 nd Quarter 2010 (Unaudited)	2 nd Quarter 2009 (Unaudited)	30 June 2010	30 June 2009
Sales		1,131,251,265	1,071,778,054	2,209,764,574	2,063,893,607
Services rendered		286,962,052	272,677,254	566,739,485	544,343,005
Value created on investment properties	11	(145,485)	(37,661,319)	(3,957,957)	(100,358,070)
Investment income		4,903,949	3,436,654	4,890,276	4,459,065
Financial income		3,942,427	3,000,038	6,791,929	8,087,412
Other income		116,961,280	117,951,841	217,274,399	217,565,365
Cost of goods sold and materials consumed		(870,096,189)	(851,070,067)	(1,738,061,248)	(1,649,459,711)
Changes in stocks of finished goods and work in progress		191,136	-	296,497	-
External supplies and services		(289,891,091)	(267,828,093)	(556,305,770)	(534,512,899)
Staff costs		(173,147,507)	(161,476,994)	(344,135,696)	(322,053,260)
Depreciation and amortisation	9 and 10	(73,198,144)	(73,939,141)	(146,094,344)	(145,152,046)
Provisions and impairment losses		(11,273,512)	(8,839,308)	(17,470,051)	(16,152,798)
Financial expense		(29,537,757)	(35,060,585)	(57,905,352)	(80,322,712)
Other expenses		(27,500,748)	(26,243,871)	(51,029,253)	(47,988,031)
Share of results of associated undertakings	6	866,240	(2,712,520)	(274,617)	(2,955,235)
Profit/(Loss) before taxation		70,287,916	4,011,943	90,522,872	(60,606,308)
Taxation	28	(32,919,695)	(4,089,177)	(42,160,480)	10,302,974
Profit/(Loss) after taxation	29	37,368,221	(77,234)	48,362,392	(50,303,334)
Attributable to:					
Equity holders of the Parent Company		35,197,188	7,493,842	40,939,173	(28,120,304)
Non-controlling interests		2,171,033	(7,571,076)	7,423,219	(22,183,030)
Profit/(Loss) per share					
Basic	30	0.018827	0.004012	0.021898	(0.015057)
Diluted	30	0.018793	0.004012	0.021833	(0.015057)

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED
30 JUNE 2010 AND 2009*(Amounts expressed in euro)**(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)*

	2nd Quarter 2010 (Unaudited)	2nd Quarter 2009 (Unaudited)	30 June 2010	30 June 2009
Net Profit / (Loss) for the period	37,368,221	(77,234)	48,362,392	(50,303,334)
Exchange differences arising on translation of foreign operations	15,331,865	11,471,647	24,393,402	19,543,458
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method	(1,153,300)	1,544,487	(2,361,704)	1,544,487
Changes on fair value of available-for-sale financial assets	(2,158,000)	2,822,000	(5,810,000)	3,818,000
Changes in hedge and fair value reserves	2,362,913	5,102,981	(6,961,905)	(13,121,138)
Deferred tax related to changes in fair value reserves	(1,415,234)	(612,909)	301,323	1,022,298
Others	(762,900)	-	(762,900)	-
Other comprehensive income for the period	12,205,344	20,328,206	8,798,216	12,807,105
Total comprehensive income for the period	49,573,565	20,250,972	57,160,608	(37,496,229)
Attributable to:				
Equity holders of the Parent Company	45,217,095	41,042,278	47,203,087	(14,502,940)
Non-controlling interests	4,356,470	(20,791,306)	9,957,521	(22,993,289)

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 30 JUNE 2010 AND 2009

(Amounts expressed in euro)

(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)

	Attributable to Equity Holders of the Parent Company									Non-Controlling Interests (Note 19)	Total Equity	
	Share Capital	Own Shares	Reserves and Retained Earnings									
Legal Reserve			Currency Translation Reserve	Investments Fair Value Reserve	Hedging Reserve	Other Reserves and Retained Earnings	Total	Net Profit/(Loss)	Total			
Balance as at 1 January 2009	2,000,000,000	(138,568,275)	161,705,974	(4,251,321)	(1,976,346)	(11,232,990)	(934,717,935)	(790,472,618)	80,035,669	1,150,994,776	411,549,101	1,562,543,877
Total comprehensive income for the period	-	-	-	20,260,513	3,818,000	(10,461,149)	-	13,617,364	(28,120,304)	(14,502,940)	(22,993,289)	(37,496,229)
Appropriation of profit of 2008:												
Transfer to legal reserves and retained earnings	-	-	1,523,608	-	-	-	78,512,061	80,035,669	(80,035,669)	-	-	-
Dividends distributed	-	-	-	-	-	-	(56,050,051)	(56,050,051)	-	(56,050,051)	-	(56,050,051)
Disposal of own shares/ attribution to employees	-	1,656,414	-	-	-	-	-	-	-	1,656,414	4,169	1,660,583
Changes in the consolidation perimeter	-	-	-	-	-	-	-	-	-	-	62,019,315	62,019,315
Other changes	-	-	-	-	-	-	(962,202)	(962,202)	-	(962,202)	752,157	(210,045)
Balance as at 30 June 2009	2,000,000,000	(136,911,861)	163,229,582	16,009,192	1,841,654	(21,694,139)	(913,218,127)	(753,831,838)	(28,120,304)	1,081,135,997	451,331,453	1,532,467,450
Balance as at 1 January 2010	2,000,000,000	(136,911,861)	163,229,582	27,670,569	11,801,654	(21,082,667)	(915,302,573)	(733,683,436)	93,760,817	1,223,165,520	477,968,755	1,701,134,275
Total comprehensive income for the period	-	-	-	19,509,639	(5,810,000)	(4,684,591)	(2,751,134)	6,263,914	40,939,173	47,203,087	9,957,521	57,160,608
Appropriation of profit of 2009:												
Transfer to legal reserves and retained earnings	-	-	4,586,452	-	-	-	89,174,365	93,760,817	(93,760,817)	-	-	-
Dividends distributed	-	-	-	-	-	-	(58,889,883)	(58,889,883)	-	(58,889,883)	(1,314,038)	(60,203,921)
Disposal of own shares / attribution to employees	-	1,232,372	-	-	-	-	(693,484)	(693,484)	-	538,888	(471,377)	67,511
Changes in the consolidation perimeter	-	-	-	-	-	-	(1,238,277)	(1,238,277)	-	(1,238,277)	(822,591)	(2,060,868)
Capital increases	-	-	-	-	-	-	-	-	-	-	15,287,888	15,287,888
Other changes	-	-	-	-	-	-	(1,800,499)	(1,800,498)	-	(1,800,498)	72,549	(1,727,949)
Balance as at 30 June 2010	2,000,000,000	(135,679,489)	167,816,034	47,180,208	5,991,654	(25,767,258)	(891,501,485)	(696,280,847)	40,939,173	1,208,978,837	500,678,707	1,709,657,544

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR
THE PERIODS ENDED 30 JUNE 2010 AND 2009

(Amounts expressed in euro)

*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails.)*

Notes	2nd Quarter 2010 (Unaudited)	2nd Quarter 2009 (Unaudited)	30 June 2010	30 June 2009
OPERATING ACTIVITIES				
Net cash from operating activities (1)	166,855,722	290,653,736	68,872,347	136,814,058
INVESTMENT ACTIVITIES				
Cash receipts arising from:				
Investments	33,798,825	118,495	56,028,130	2,154,549
Tangible, intangible assets and investment properties	3,960,587	1,677,355	27,835,325	8,645,239
Dividends	911,306	209,003	911,473	209,003
Others	9,618,015	15,568,333	16,199,787	27,294,161
	48,288,733	17,573,186	100,974,715	38,302,952
Cash Payments arising from:				
Investments	(5,747,233)	(8,217,921)	(11,055,757)	(22,910,458)
Tangible, intangible assets and investment properties	(84,300,953)	(110,423,919)	(224,276,050)	(304,650,504)
Others	(97,081)	(10,681,262)	(361,791)	(13,729,658)
	(90,145,267)	(129,323,102)	(235,693,598)	(341,290,620)
Net cash used in investment activities (2)	(41,856,534)	(111,749,916)	(134,718,883)	(302,987,668)
FINANCING ACTIVITIES				
Cash receipts arising from:				
Loans obtained	1,901,283,999	4,041,178,556	3,350,180,599	6,161,897,026
Others	3,615	43,443,980	3,615	46,100,055
	1,901,287,614	4,084,622,536	3,350,184,214	6,207,997,081
Cash Payments arising from:				
Loans obtained	(1,916,949,862)	(4,096,770,537)	(3,208,403,288)	(5,915,560,212)
Interest and similar charges	(5,821,767)	(45,189,174)	(54,187,525)	(99,309,007)
Dividends	(63,692,152)	(60,011,933)	(64,311,035)	(60,170,328)
Others	(20,649,221)	(2,542,645)	(23,468,388)	(5,087,547)
	(2,007,113,002)	(4,204,514,289)	(3,350,370,236)	(6,080,127,094)
Net cash used in financing activities (3)	(105,825,388)	(119,891,753)	(186,022)	127,869,987
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	19,173,800	59,012,067	(66,032,558)	(38,303,623)
Effect of foreign exchange rate	(993,708)	(147,902)	(1,649,378)	(452,688)
Cash and cash equivalents at the beginning of the period	17 63,915,564	45,955,084	148,466,253	142,965,988
Cash and cash equivalents at the end of the period	17 84,083,073	105,115,053	84,083,073	105,115,053

The accompanying notes are part of these condensed consolidated financial statements.

The Board of Directors

SONAE, SGPS, SA

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED

30 June 2010

(Amounts expressed in euro)

(Translation of condensed consolidated financial statements originally issued in Portuguese.

In case of discrepancies the Portuguese version prevails.)

1 INTRODUCTION

SONAE, SGPS, SA ("Sonae Holding"), 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"). Sonae's operations and operating segments are described in Note 32.

Consolidation of business activities: Lazam/MDS

The process of acquisition of Lazam/MDS was only concluded in the second half of 2009, and, as disclosed in the financial statements for the period ended 31 December 2009, the process of imputation of fair value was not completed at that date. This process was completed during this period, and a retrospective correction of the accounting effects of this business combination was made as required by IFRS 3 – Business Combinations. Consequently the consolidated balance sheet as at 31 December 2009 was restated to reflect the adjusted values of assets and liabilities. The details of these changes are disclosed in note 8.

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 2009, with the exception of those described in note 3.

2.1. Basis of preparation

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

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the companies included in the consolidation (Notes 4 to 6) on a going concern basis and under the historical cost convention, except for investment properties and financial instruments which are stated at fair value.

3 CHANGES IN ACCOUNTING POLICIES

During the period it was adopted a set of accounting standards, interpretations, amendments and revisions issued in previous periods and whose implementation became mandatory during the financial year 2010 as disclosed in the financial statements presented for the period ended as at 31 December 2009 and which, except as described below, didn't have any significant impacts on the financial statements as at 30 June 2010.

During the period it has been adopted for the first time the revised version of IFRS 3 – Business Combinations (revised 2008) and IAS 27 – Consolidated and separate financial statements (revised 2008).

These changes brought some modifications in the accounting policies of recording business combinations, in particular:

- (a) the calculation of goodwill and the measurement of non-controlling interests (previously referred to as minority interests): introduced the option, on transaction-by-transaction basis, of calculating the value of non-controlling interests at fair value of assets and liabilities acquired, or their share of the identifiable net assets of the acquire. Additionally, goodwill is now calculated as the difference between the acquisition price of the participation plus the non-controlling interests and the fair value of the assets and liabilities acquired;
- (b) the recognition and subsequent accounting requirements for contingent consideration: whereas, under the previous version of the Standard, contingent consideration was recognized at the acquisition date only if it met probability and reliably measurable criteria, under the revised Standard that consideration for the acquisition always includes the fair value of any contingent consideration. Once the fair value of the contingent consideration for the acquisition date has been determined, subsequent adjustments are made against goodwill only to the extent that they reflect fair value at the acquisition date, and they occur within the 'measurement period' (a maximum of 12 months from the acquisition date). Under the previous version of the Standard, adjustments to consideration were always made against goodwill;
- (c) the accounting treatment of acquisition-related costs: they are generally recorded as expenses in the periods in which they are incurred, and don't influence the acquisition price;
- (d) the accounting of purchase transactions of entities already controlled by the entity and sale transactions that don't imply the loss of control: until the adoption of the revised version of IAS 27 an increase in equity interests in a subsidiary implied the calculation of goodwill, and a loss on the percentage of control would give rise to a profit or loss in that period. With this new standard, transactions whereby the parent entity acquires further equity interests or disposes of equity interest but without losing control, are accounted for as equity transactions and only affect the company's equity, there is no recognition of goodwill or profit or loss in the period;
- (e) the calculation of the profit or loss associated with disposal of equity interests in a subsidiary with loss of control and subsequent accounting for a residual interest: according to the new version of the standard as a result of the loss of control, the assets and liabilities of the disposed subsidiary should be derecognised and any interest retained on the entity should be remeasured at fair value. The value received as a result of the sale plus the effect of remeasurement is registered as profit or loss of the period.

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 Sonae as at 30 June 2010 and 31 December 2009 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 June 2010		31 December 2009	
		Direct	Total	Direct	Total
Sonae - SGPS, S.A.	Maia	HOLDING	HOLDING	HOLDING	HOLDING
Retail					
Arat Inmuebles, SA	a) Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Azulino Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
BB Food Service, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Bertimóvel - Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Best Offer - Prestação de Informações por 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%
Bom Momento - Comércio Retalhista, 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 - Indústria e Distribuição Carnes, SA	a) Santarém	100.00%	100.00%	100.00%	100.00%
Chão Verde - Sociedade de Gestão 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 - Comércio e Distribuição de Combustíveis, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Contimobe - Imobiliária de Castelo de Paiva, SA	a) Castelo de Paiva	100.00%	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a) Lisbon	100.00%	100.00%	100.00%	100.00%
Cumulativa - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
2) Difusão - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Edições Book.it, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Efanor - Design e Serviços, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Estevão Neves - Hipermercados da Madeira, SA	a) Madeira	100.00%	100.00%	100.00%	100.00%
Farmácia Selecção, SA	a) Matosinhos	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 Fechado Imosedé	a)	Maia	54.55%	54.55%	54.55%	54.55%
	Fundo de Investimento Imobiliário Fechado Imosonaé 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%
	Good and Cheap - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Hipotética - Comércio Retalhista, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Sonaerp – Retail Properties, 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 Imobiliária, 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%
3)	Fashion Division, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Just Sport - Comércio de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Marcas MC, Zrt	a)	Budapest (Hungary)	100.00%	100.00%	100.00%	100.00%
	MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	MC - SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
	Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Modalloop – Vestuário e Calçado, 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%	87.50%	100.00%	87.50%
	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%
	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%
Pharmaconcept – Actividades em Saúde, 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 de Fafe, 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%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Sociedade 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)	Matosinhos	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 Center Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonae Investimentos, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sonae Retalho Espanha - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Sonae Specialized Retail, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sontária - Empreendimentos 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 de Artigos de Desporto, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sport Zone Espanha - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Têxtil do Marco, SA	a)	Marco de Canaveses	90.37%	90.37%	80.37%	80.37%
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%
Well W - Electrodomésticos e Equipamentos, 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 España Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%

Zippy – Comércio e Distribuição, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Zippy - Comércio Y Distribución, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Telecommunications						
Be Artis - Conceção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Be Towering – Gestão de Torres de Telecomunicações, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Cape Technologies Limited	a)	Dublin (Ireland)	100.00%	54.39%	100.00%	54.23%
Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	40.85%	75.10%	40.72%
Lugares Virtuais, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
M3G - Edições Digitais, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Magma - Operação de Titularização de Créditos	c)	Portugal	100.00%	54.39%	100.00%	54.23%
Mainroad Serviços em Tecnologias de Informação, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Miauger - Org. Gestão Leilões Electrónicos, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Praesidium Services Limited	a)	Berkshire (U.K.)	100.00%	54.39%	100.00%	54.23%
Público - Comunicação Social, SA	a)	Porto	100.00%	54.39%	100.00%	54.23%
Saphety Level - Trusted Services, SA	a)	Maia	86.99%	47.32%	86.99%	47.17%
Sonaecom BV	a)	Amsterdam (The Netherlands)	100.00%	54.39%	100.00%	54.23%
Sonae Telecom, SGPS, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Sonaecom - Serviços de Comunicação, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
1) Sonaecom - Sistemas de Información España, SL	a)	Madrid	100.00%	54.39%	-	-
Sonaecom, SGPS, SA	a)	Maia	55.42%	54.39%	55.12%	54.23%
Sonaetelecom, BV	a)	Amsterdam (The Netherlands)	100.00%	54.39%	100.00%	54.23%
Tecnológica Telecomunicações, Ltda	a)	Rio de Janeiro (Brazil)	99.99%	54.34%	99.99%	54.17%
We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	54.39%	100.00%	54.23%
We Do Brasil Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	54.34%	99.91%	54.28%
We Do Poland Sp.Z.o.o.	a)	Posnan (Poland)	100.00%	54.39%	100.00%	54.23%

	We Do Technologies Americas, Inc.	a)	Miami (USA)	100.00%	54.39%	100.00%	54.23%
	We Do Technologies Australia PTY Limited	a)	Australia	100.00%	54.39%	100.00%	54.23%
	We Do Technologies BV	a)	Amsterdam (The Netherlands)	100.00%	54.39%	100.00%	54.23%
	We Do Technologies BV – Sucursal Malásia	a)	Kuala Lumpur (Malásia)	100.00%	54.39%	100.00%	54.23%
	We Do Technologies Chile, SpA	a)	Santiago (Chile)	100.00%	54.39%	100.00%	54.23%
	We Do Technologies Egypt Limited Liability Company	a)	Cairo (Egypt)	100.00%	54.39%	100.00%	54.23%
	We Do Technologies Mexico S. de RL	a)	Mexico City	100.00%	54.39%	100.00%	54.23%
1)	We Do Technologies Panamá SA	a)	Panama City	100.00%	54.39%	-	-
1)	We Do Technologies Singapore PTE. LDT	a)	Singapore	100.00%	54.39%	-	-
	We Do Technologies (UK) Limited	a)	Berkshire (U.K.)	100.00%	54.39%	100.00%	54.23%

Investment Management

	ADD Avaliações Engenharia de Avaliações e Perícias, Ltda	a)	Brazil	100.00%	50.00%	100.00%	50.00%
	ADDmakler Administração e Corretagem de Seguros, Ltda	a)	Brazil	99.98%	50.00%	99.98%	50.00%
	ADDmakler Administradora, Corretora de Seguros Partic. Ltda	a)	Brazil	100.00%	50.00%	100.00%	50.00%
	Fontana Corretora de Seguros Ltda	a)	Brazil	99.99%	50.01%	99.99%	50.01%
	Herco Consultoria de Risco e Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Larim Corretora de Resseguros Ltda	a)	Brazil	99.99%	50.01%	99.99%	50.01%
	Lazam/mds Correctora Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	MDS - Corretor de Seguros, SA	a)	Porto	100.00%	50.01%	100.00%	50.01%
	MDS, SGPS, SA	a)	Maia	50.01%	50.01%	50.01%	50.01%
	MDS Consultores, SA	a)	Maia	100.00%	50.01%	100.00%	50.01%
	Miral Administração e Corretagem de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Modelo - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
	RSI Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
	Terra Nossa Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%

Others

	Libra Serviços, Lda	a)	Funchal	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)	Luxemburg	99.92%	99.92%	99.92%	99.92%
Sonaecenter Serviços, SA	a)	Maia	100.00%	100.00%	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) Companies incorporated in the period;

2) Companies disposed in the period;

3) Ex - Inventory - Acessórios de Casa, SA;

a) Majority of voting rights;

b) Management control;

c) Control determined in accordance with SIC 12 - Special purpose entities.

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 Sonae as at 30 June 2010 and 31 December 2009 are as follows:

COMPANY		Head Office	Percentage of capital held			
			30 June 2010		31 December 2009	
			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%
1)	Adlands BV	Amsterdam (The Netherlands)	50.00%	25.00%	-	-
	Aegean Park, 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%
2)	Alexa Asset GmbH & Co	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%

Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Avenida M-40, BV	Amsterdam (The Netherlands)	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%
Clérigosshopping - Gestão do Centro Comercial, 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	The Hague (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Craiova Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
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	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Fundo I.I. Parque Dom Pedro Shopping Center, SA	São Paulo (Brazil)	50.00%	3.99%	50.00%	3.99%
Fundo Investimento Imob. Shopping Parque D. Pedro Shopping, SA	São Paulo (Brazil)	100.00%	21.25%	100.00%	21.25%
Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
Gli Orsi 1 Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Guimarãesshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
Harvey Dos Iberica, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
Le Terrazze – Shopping Centre 1, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
Iberian Assets, SA	Madrid (Spain)	49.78%	12.48%	49.78%	12.48%
Inparsi - 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%
6) Lembo Services Ltd	Cyprus	100.00%	50.00%	100.00%	50.00%

Loop 5 - Shopping Centre Gmbh	Dusseldorf (Germany)	50.00%	25.00%	50.00%	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 (Madeira)	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%
Münster Arkaden, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Norte Shopping 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%
Pantheon Plaza BV	Amsterdam (The Netherlands)	50.00%	25.00%	50.00%	25.00%
Paracentro - Gestão de Galerias Comerciais, SA	Maia	100.00%	50.00%	100.00%	50.00%
Park Avenue Developement of Shopping Centers, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada (Azores)	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 - Empreendimentos Imobiliários, 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%	23.92%	100.00%	23.91%
Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	23.92%	100.00%	23.91%
Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	23.92%	100.00%	23.91%
Pátio Penha Shopping, Ltda	São Paulo (Brazil)	99.99%	23.92%	99.99%	23.91%
Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	23.92%	100.00%	23.91%
Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	23.92%	100.00%	23.91%
Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	23.92%	100.00%	23.91%
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 Ócio, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Shopping, BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	25.05%
Plaza Mayor Shopping, SA	Madrid (Spain)	75.00%	18.79%	75.00%	18.79%

	Ploi Mall BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	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	Vienna (Austria)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 2, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
7)	Beralands BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 6, BV	Amsterdam (The Netherlands)	50.00%	25.00%	100.00%	50.00%
	Project Sierra 7 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 8 BV	Amsterdam (The Netherlands)	100.00%	25.05%	100.00%	50.00%
	Project Sierra 9 BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra 10 BV	Amsterdam (The Netherlands)	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 Four SA	Bucharest (Romania)	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 Italy 1 - Shopping Centre, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Italy 2 - Development 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 Centres Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
	Project Sierra One Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
3)	ARP Alverca Retail Park, SA	Maia	50.00%	25.00%	50.00%	25.00%
4)	CCCB Caldas da Rainha - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
5)	LCC Leiriashopping – Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Project Sierra Portugal IV - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Project Sierra Portugal V - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%

	Project Sierra Portugal VII - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Project Sierra Portugal VIII - Centro 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 - Centro Comercial, 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 - Centro 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 Spain 6 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 6, BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 7 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
	Project Sierra Spain 7, BV	Amsterdam (The Netherlands)	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%
	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 Mediterranean Cosmos, BV	Amsterdam (The Netherlands)	50.00%	12.53%	50.00%	12.53%
	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 - Gestão de Activos, SA	Maia	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 Development of Shopping Centers, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
	Sierra Charagionis Property Management, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
	Sierra Corporate Services - Apoio à 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 Development of Shopping Centres Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
	Sierra Developments - Serviços de Promoção Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%
	Sierra Developments Germany GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
8)	Sierra Berlin 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 Iberia 1, Promoção Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Developments Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Romania SRL	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sierra Developments Spain - Promociones de Centros Comerciales, 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%	23.92%	100.00%	23.91%
Sierra European Retail Real Estate Assets Holdings, 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%	23.92%	100.00%	23.91%
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 Management Germany, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
Sierra Management II - Gestão de Centros Comerciais, 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 New Tech.Bus. - Serv.Comu.CC, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Management Portugal - Gestão de Centros Comerciais, SA	Lisbon	100.00%	50.00%	100.00%	50.00%
Sierra Management Spain - Gestión de Centros Comerciales, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
Sierra Management, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
Sierra Property Management Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
Sierra Property Management, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Sonae Sierra Brasil, SA	São Paulo (Brazil)	95.20%	23.92%	95.20%	23.91%
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	Luxembourg	100.00%	50.00%	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%
Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	23.91%	100.00%	23.91%

Unishopping Consultoria Imobiliária, Ltda	São Paulo (Brazil)	99.98%	23.91%	99.98%	23.91%
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%
Vuelta Omega, S.L.	Madrid (Spain)	100.00%	12.53%	100.00%	12.53%
Weierstadt Shopping BV	Amsterdam (The Netherlands)	100.00%	50.00%	100.00%	50.00%
Zubiarte Inversiones Inmobiliarias, SA	Madrid (Spain)	49.83%	12.48%	49.83%	12.48%

Telecommunications

Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	50.00%	27.16%	50.00%	27.11%
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Investment Management

Equador & Mendes - Agência de Viagens e Turismo, Lda	Lisbon	50.00%	37.50%	50.00%	37.50%
Marcas do Mundo - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Movimentos Viagens - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Nova Equador Internacional, Agência de Viagens e Turismo, Lda	Lisbon	50.00%	37.50%	50.00%	37.50%
Puravida - Viagens e Turismo, Lda	Lisbon	50.00%	50.00%	50.00%	50.00%
Nova Equador P.C.O. e Eventos, Sociedade Unipessoal, Lda	Lisbon	50.00%	37.50%	50.00%	37.50%
Raso SGPS, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
Raso - Viagens e Turismo, SA	Lisbon	50.00%	50.00%	50.00%	50.00%
Viagens y Turismo de Geotur España, S.L.	Madrid (Spain)	50.00%	50.00%	50.00%	50.00%

- 1) Companies incorporated in the period;
- 2) At 15 February 2010, 91% of this company's share capital was disposed off. Since then the entity consolidates by the equity method, as Sonae Sierra kept control over the shopping centre management;
- 3) Ex - Project Sierra Portugal I - C.Comercial, SA;
- 4) Ex - Project Sierra Portugal II - Centro Comercial, SA;
- 5) Ex - Project Sierra Portugal VI - Centro Comercial, SA;
- 6) Companies disposed in the period;
- 7) Ex - Project Sierra 5, BV;
- 8) Ex - Sierra Developments Germany Holding, BV.

These entities are consolidated using the proportionate 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 proportionate consolidation method, can be summarized as follows:

	30 June 2010	31 December 2009
Non-current assets	4,445,755,925	4,508,730,523
Current assets	328,699,182	256,002,590
Non-current liabilities	1,667,596,040	1,652,852,079
Current liabilities	398,647,563	375,513,257
	30 June 2010	30 June 2009
Income	176,103,745	81,752,592
Expenses	176,328,667	149,995,241

6 INVESTMENTS IN ASSOCIATES

Associated companies, their head offices and the percentage of share capital held as at 30 June 2010 and 31 December 2009 are as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		30 June 2010		31 December 2009		30 June 2010	31 December 2009
		Direct	Total	Direct	Total		
Retail							
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	1,182,359	1,551,585
Shopping Centres							
1) 8ª Avenida Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
2) Alexa Asset GmbH & Co	Dusseldorf (Germany)	25.00%	2.25%	50.00%	25.00%	3,201,666	-
1) Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
Campo Limpo Lda	S. Paulo (Brazil)	20.00%	5.00%	20.00%	5.00%	2,191,814	1,712,614
1) Gaiashopping I - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
1) Gaiashopping II - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
1) Loureshopping - Centro Comercial, SA	Maia	100.00%	21.00%	100.00%	21.00%	-	-
Mediterranean Cosmos Shop, Centre Investments, SA	Athens (Greece)	39.90%	5.00%	39.90%	5.00%	3,307,468	3,376,307
1) 3) PORTCC - Portimãoshopping - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
1) Rio Sul - Centro Comercial, SA	Lisbon	50.00%	10.50%	50.00%	10.50%	-	-
1) Serra Shopping - Centro Comercial, SA	Covilhã	50.00%	10.50%	50.00%	10.50%	-	-
1) 4) ALBCC - Albufeirasshopping - Centro Comercial, SA	Maia	50.00%	10.50%	50.00%	10.50%	-	-
SPF - Sierra Portugal Real estate, Sarl	Luxembourg	42.00%	21.00%	42.00%	21.00%	28,191,966	32,013,766
Telecommunications							
SIRS - Sociedade Independente de Radiodifusão Sonora, SA	Porto	45.00%	24.48%	45.00%	24.40%	21,497	-
Investment Management							
Cooper Gay (Holding) Limited	U.K.	32.12%	16.06%	32.12%	16.06%	33,788,281	35,995,121
Total						71,885,051	74,649,393

- 1) Nil balances result from the application of the equity method over the consolidated financial statements of Sierra Portugal Real estate, which holds these participations;
- 2) At 15 February 2010, 91% of this company's share capital was disposed off. Since then the entity consolidates by the equity method as Sonae Sierra kept control over the shopping center management. At the disposal date the remaining interests in the company were remeasured and recognized at their fair value;
- 3) Ex - Oeste Retail Park - Gestão de G.Comer., SA;

4) Ex - Sol Retail Park - Gestão de G. Comerc., SA.

Nil balances result from the application of the equity method that reduced the acquisition value.

Associated companies are included in the consolidated financial statements using the equity method. As at 30 June 2010 and 31 December 2009, aggregate values of main financial indicators of associated companies can be analysed as follows:

	30 June 2010	31 December 2009
Total Assets	1,087,012,016	845,744,918
Total Liabilities	724,410,866	608,521,167
	30 June 2010	30 June 2009
Income	161,363,651	99,468,066
Expenses	124,017,659	105,583,256

During the periods ended 30 June 2010 and 2009, movements in Investments in Associates, are made up as follows:

	30 June 2010			30 June 2009		
	Proportion on equity	Goodwill	Total investment	Proportion on equity	Goodwill	Total investment
Investments in Associates						
Initial balance as at January,1	33,224,083	41,425,310	74,649,393	105,402,825	37,260,670	142,663,495
Capital increase in associated companies	-	-	-	6,955,606	-	6,955,606
Capital reduction in associated companies	(2,310,176)	-	(2,310,176)	(523,792)	-	(523,792)
Change of consolidation method (Note 8)	2,250,456	190,680	2,441,136	(61,039,549)	(344,878)	(61,384,427)
Equity method						
Share of result in associated companies	(274,617)	-	(274,617)	(2,955,235)	-	(2,955,235)
Other effects in the income statement	362,060	-	362,060	-	-	-
Distributed dividends	(897,540)	-	(897,540)	-	-	-
Effect in equity capital and non-controlling interests	(981,125)	(1,104,080)	(2,085,205)	884,644	3,208,510	4,093,154
	31,373,141	40,511,910	71,885,051	48,724,499	40,124,302	88,848,801

The effect in equity is mainly the effect of currency translation of equity and net income of associated Companies with a functional currency different from euro.

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 30 June 2010 and 31 December 2009 are made up as follows:

COMPANY	Head Office	Percentage of capital held				Book value	
		30 June 2010		31 December 2009		30 June 2010	31 December 2009
		Direct	Total	Direct	Total		
Retail							
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	7.14%	7.14%	7.14%	7.14%	9,976	4,988
Insko - 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%	6.27%	11.54%	6.26%	1,000,000	1,000,000
Lusa - Agên. de Notícias de Portugal, SA	Lisbon	1.38%	0.75%	1.38%	0.75%	197,344	197,344
Other investments						10,526,672	16,153,014
Total (Note 13)						12,506,138	18,127,492

As at 30 June 2010, the caption "Other Investments" includes 7,968,000 euro (13,778,000 euro as at 31 December 2009) related to the fair value of Sonae Capital, SGPS, S.A. shares attributable to Sonae SGPS, and not derecognized as explained in Note 18.

8 CHANGES TO THE CONSOLIDATION PERIMETER

8.1 The main disposals of companies occurred in the period ended as at 30 June 2010 were made up as follows:

COMPANY	Head Office	Percentage of capital held	
		at disposal date	
		Direct	Total
Shopping Centres			
Alexa Asset GmbH & Co KG	Dusseldorf (Germany)	50.00%	25.00%
Retail Properties			
Difusão- Sociedade Imobiliária, SA	Maia	100.00%	100.00%

The assets and liabilities of the disposed companies as at the disposal date were as follows:

	Shopping Centres	Retail Properties
Disposed net assets		
Investment properties	79,027,888	-
Tangible Assets (Note 9)	-	25,630,907
Other assets	325,391	1,775,422
Cash and cash equivalents	250	258,238
Deferred tax liabilities	-	(509,307)
Other liabilities	(50,678,591)	(26,012,428)
	28,674,938	1,142,832
Transfer to investments in associated companies (Note 6)	(2,441,136)	-
Goodwill	2,118,857	-
Shareholder's loans, other loans and interests	-	25,166,711
Costs with the disposal	-	644,896
Profit / (Loss) in the disposal	(1,928,391)	6,423,734
Disposal price	26,424,268	33,378,174
Effective cash payment received	22,614,865	33,378,174
Future cash receivements	3,809,803	-
	26,424,668	33,378,174
Net cash-flow arising from disposal		
Effective cash payment received	22,614,865	33,378,174
Effective cash received related to shareholder's loans and interests	-	375,263
Effective cash payment related to the disposal costs	-	(147,046)
Cash and cash equivalents disposed	(250)	(258,238)
	22,614,615	33,348,152

In February 2010, Sonae, through the jointly controlled company ALEXA Shopping Centre GmbH ("Alexa Shopping"), disposed 91% of its equity interest in the company ALEXA Asset GmbH & Co, KG ("Alexa KG") (entity that owns the shopping centre "Alexa"). As a consequence of the loss of control over this company, it now consolidates by the equity method as Sonae kept a significant influence over it.

The retail real estate company referred above owns a building which has remained in use by the group after the company's disposal through an operating lease agreement, with an initial term of 20 years, (term extensions are possible).

8.2 Changes to the allocation of the fair value of business concentration activities made in the previous year

As the acquisition process of the Lazam/MDS was only concluded in the second half of 2009 and that it was necessary to re-express to IFRS the financial statements of the subsidiaries acquired, it was not concluded the process of allocation of fair value to the assets, liabilities and contingent liabilities acquired, namely in what refers to intangible assets acquired and not recognized until 31 December 2009. Such process was concluded during the period ended in 30 June 2010, and a restatement of the financial statements was made as required by IFRS's.

The impacts of the allocation of the fair value are as follows:

	Acquisition date			31.12.2009 Published
	Book Value	Fair Value Adjustment	Total Restated	
Net assets acquired				
Tangible and Intangible Assets (Notes 9 and 10)	3,235,540	27,276,799	30,512,339	3,235,540
Other current assets	2,776,129	-	2,776,129	2,776,129
Cash and cash equivalents	1,951,125	-	1,951,125	1,951,125
Deferred taxes	-	(9,881,583)	(9,881,584)	-
Loans	(74,063)	-	(74,063)	(74,063)
Other liabilities	(28,740,040)	-	(28,740,040)	(28,740,041)
	(20,851,309)	17,395,216	(3,456,094)	(20,851,310)
Goodwill (Note 12)		(16,347,045)	34,935,602	51,282,647
Transfers to associated companies		-	(9,082,673)	(9,082,673)
Non-controlling interests		-	7,919,350	7,919,350
Acquisition price		1,048,171	30,316,185	29,268,014
Effective cash paid			29,268,014	29,268,014
Amount to be paid - acquisition price adjustment			1,048,171	-
			30,316,185	29,268,014
Net cash flow resulting from the acquisition				
Effective cash paid			29,268,014	29,268,014
Cash and cash equivalents acquired			(1,951,125)	(1,951,125)
			27,316,889	27,316,889

As of 30 June 2010, the allocation of the acquisition price changed. A total amount of 87,416,093 reais was allocated to the 'clients portfolio', that is now registered in the caption "Intangible assets" and being depreciated over a period of 12 years. This intangible asset's valuation was based on the expected profitability of the existing 'clients portfolio' at the acquisition date, considering a growth rate of 3.7%, a churn rate of 5% and a discount rate of 12.8%.

9 TANGIBLE ASSETS

During the six months period ended 30 June 2010 and 2009, movements in Tangible 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 costs:					
Opening balance as at 1 January 2010	1,986,853,135	1,909,707,144	356,672,971	192,384,479	4,445,617,729
Capital expenditure	6,901,630	3,131,828	9,164,752	114,928,491	134,126,701
Disposals	(14,816,822)	(23,486,336)	(5,710,856)	(1,254,972)	(45,268,986)
Disposals of subsidiaries (Note 8)	(30,071,609)	(250,482)	-	-	(30,322,091)
Exchange rate effect	36,879	229,129	429,186	318	695,512
Transfers	55,795,750	153,462,931	6,068,853	(225,284,084)	(9,956,550)
Closing balance as at 30 June 2010	2,004,698,963	2,042,794,214	366,624,906	80,774,232	4,494,892,315
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2010	356,057,319	1,030,564,372	277,818,463	-	1,664,440,154
Charge for the period	19,435,405	75,681,806	20,866,201	-	115,983,412
Disposals	(5,201,353)	(20,456,539)	(5,249,267)	-	(30,907,159)
Disposals of subsidiaries (Note 8)	(4,622,572)	(68,612)	-	-	(4,691,184)
Exchange rate effect	15,570	115,231	186,420	-	317,221
Transfers	29,068	(1,279,583)	(67,734)	-	(1,318,249)
Closing balance as at 30 June 2010	365,713,437	1,084,556,675	293,554,083	-	1,743,824,195
Carrying amount					
As at 30 June 2010	1,638,985,526	958,237,539	73,070,823	80,774,232	2,751,068,120
	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
Gross costs:					
Opening balance as at 1 January 2009	1,742,490,487	1,614,278,960	321,293,070	283,948,037	3,962,010,554
Capital expenditure	8,850,623	4,975,670	7,341,831	183,569,413	204,737,537
Acquisitions of subsidiaries	94,326,259	-	-	51,140,432	145,466,691
Disposals	(337,404)	(10,058,833)	(2,438,520)	(9,567,669)	(22,402,426)
Exchange rate effect	53,092	205,541	167,963	(54)	426,542
Transfers	29,420,491	141,459,535	12,091,815	(188,496,243)	(5,524,402)
Closing balance as at 30 June 2009	1,874,803,548	1,750,860,873	338,456,159	320,593,916	4,284,714,496
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2009	320,534,099	889,938,447	243,594,972	-	1,454,067,518
Charge for the period	17,442,396	79,959,813	19,492,254	-	116,894,463
Disposals	(13,943)	(8,153,601)	(1,956,891)	-	(10,124,435)
Exchange rate effect	29,071	79,901	72,797	-	181,769
Transfers	(21,765)	(329,544)	(69,500)	-	(420,809)
Closing balance as at 30 June 2009	337,969,858	961,495,016	261,133,632	-	1,560,598,506
Carrying amount					
As at 30 June 2009	1,536,833,690	789,365,857	77,322,527	320,593,916	2,724,115,990

During the six-month period ended 30 June 2010, the Board has reviewed the estimated useful life of a set of assets associated with mobile telecommunications network, which was recorded on a forward-looking basis with effect from 1 January 2010 and which meant that the depreciation of the six-month period ended 30 June 2010 was approximately 4.4 million lower than the six-month period ended 30 June 2009.

Additionally, the comparison of the depreciation of the six-month period ended 30 June 2010 with those of the previous year's equivalent period is also affected by a subsequent review of the estimated useful life of a set of tangible assets and software related to fixed and mobile telecommunications network, carried out in the second half of 2009, which were recorded on a forward-looking basis and which meant that the depreciation of the six-month period ended 30 June 2010 was approximately 12 million euro and 3.8 million lower, respectively, at the six-month period ended 30 June 2009.

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

	30 June 2010	30 June 2009
Refurbishment and expansion of stores in the retail businesses located in Portugal	36,589,630	147,162,637
Refurbishment and expansion of stores in the retail businesses located in Spain	1,690,378	10,280,126
Projects of "Modelo" and "Continente" stores for which advance payments were made	9,573,231	34,347,426
Construction in Progress in Maia (Business Park)		58,910,612
Deployment of mobile network	8,270,519	35,712,592
Deployment of fixed network	21,883,797	35,770,692
Others	2,766,678	57,320,443
	<u>80,774,232</u>	<u>320,593,916</u>

10 INTANGIBLE ASSETS

During the six month period ended 30 June 2010 and 2009, movements in Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross costs:				
Opening balance as at 1 January 2010 - published	404,407,706	392,398,702	31,279,161	828,085,569
Fair value of the acquired assets (Note8)	-	27,276,799	-	27,276,799
Opening balance as at 1 January 2010 - restated	404,407,706	419,675,501	31,279,161	855,362,368
Capital expenditure	6,243,033	980,127	14,622,105	21,845,265
Disposals	(3,235)	(1,136,532)	(216,768)	(1,356,535)
Exchange rate effect	2,008	4,534,986	-	4,536,994
Transfers	(191,390)	19,278,260	(12,771,502)	6,315,368
Closing balance as at 30 June 2010	<u>410,458,122</u>	<u>443,332,342</u>	<u>32,912,996</u>	<u>886,703,460</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2010	99,146,402	288,900,669	-	388,047,071
Charge for the period	11,494,324	18,616,608	-	30,110,932
Disposals	(3,235)	(1,024,645)	-	(1,027,880)
Exchange rate effect	396	551,304	-	551,700
Transfers	(20,071)	1,189,406	-	1,169,335
Closing balance as at 30 June 2010	<u>110,617,816</u>	<u>308,233,342</u>	<u>-</u>	<u>418,851,158</u>
Carrying amount				
As at 30 June 2010	<u>299,840,306</u>	<u>135,099,000</u>	<u>32,912,996</u>	<u>467,852,302</u>

	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross costs:				
Opening balance as at 1 January 2009	382,645,868	362,074,955	31,622,120	776,342,943
Capital expenditure	317,942	869,841	16,079,036	17,266,819
Acquisitions of subsidiaries	31,051	998	-	32,049
Disposals	(142,639)	(38,518)	(203,641)	(384,798)
Exchange rate effect	309	417,981	4,443	422,733
Transfers	962,462	7,720,060	(8,260,463)	422,059
Closing balance as at 30 June 2009	383,814,993	371,045,317	39,241,495	794,101,805
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2009	78,555,270	257,488,512	-	336,043,782
Charge for the period	9,904,958	18,354,155	-	28,259,113
Acquisitions of subsidiaries	25,062	-	-	25,062
Disposals	(70,627)	(5,388)	-	(76,015)
Exchange rate effect	-	156,426	-	156,426
Transfers	3,424	7,212	-	10,636
Closing balance as at 30 June 2009	88,418,087	276,000,917	-	364,419,004
Carrying amount				
As at 30 June 2009	295,396,906	95,044,400	39,241,495	429,682,801

As at 30 June 2010 and 2009, Sonae kept recorded under the heading "Patents and other similar rights" the amounts of 197,278,727 euro and 192,896,038 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 61,505,906 euro (amount of 64,506,194 euro in 2009) relating to the license; (ii) 20,551,378 euro (amount of 21,553,884 euro in 2009) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators in Portugal with licenses; (iii) 6,311,949 euro (amount of 6,619,849 euro in 2009) related to a contribution to the Information Society Fund, established in 2007, under an agreement made 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) 101,566,127 euro (amount of 94,704,665 euro in 2009) relating to the "Iniciativas E" program, the latter relating to commitments assumed by Sonae in the "Fund for Information Society" (Note 33).

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 2009).

11 INVESTMENT PROPERTIES

Investment properties are recorded at fair value. These assets are owned by the shopping centres operating segment and are consolidated using the proportionate method.

As at 30 June 2010 and 31 December 2009, Investment properties are detailed as follows:

	30 June 2010	31 December 2009
Investment properties in operation	1,663,466,322	1,676,623,981
Investment properties in progress	95,925,848	119,846,837
	<u>1,759,392,170</u>	<u>1,796,470,818</u>

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

	30 June 2010			31 December 2009		
	10 years "discount rate"	Yields	Amount	10 years "discount rate"	Yields	Amount
Portugal	8,40% and 10,85%	6,15% and 8,60%	758,244,220	8,25% and 10,55%	6,00% and 8,30%	726,662,623
Spain	8,95% and 11,50%	6,45% and 9,00%	355,007,045	8,90% and 11,55%	6,40% and 9,05%	351,937,238
Italy	8,25% and 10,00%	6,05% and 7,80%	151,065,750	8,00% and 9,50%	6,00% and 7,70%	149,810,250
Germany	6,75%	6,00% and 6,25%	157,560,000	6,50% and 6,75%	6,00% and 6,25%	234,425,638
Brazil	12,75% and 14,00%	8,25% and 9,50%	211,124,786	12,75% and 14,00%	8,25% and 9,50%	180,277,982
Greece	10,25%	7,00%	15,620,250	10,75%	7,00%	18,529,750
Romania	10,75%	9,00%	14,844,271	10,75%	9,00%	14,980,500
			<u>1,663,466,322</u>			<u>1,676,623,981</u>

The fair value was determined by a valuation performed as at 30 June 2010 by an independent specialized entity, based on valuation criteria generally accepted in the real estate business.

Value created on investment properties over the six months periods ended 30 June 2010 and 2009 can be detailed as follows:

	30 June 2010	30 June 2009
Properties which were under development and were concluded during the period	2,597,101	2,534,012
Changes in fair value of investment properties in operation	(7,467,729)	(102,892,082)
Changes in fair value of investment properties in progress	912,671	-
	<u>(3,957,957)</u>	<u>(100,358,070)</u>

As at 30 June 2010 and 31 December 2009, Investment properties in progress can be detailed as follows:

	30 June 2010	31 December 2009
Investment Properties in progress at cost:		
Portugal:		
Alverca	3,067,225	3,066,099
Centro Bordalo	1,699,125	1,685,228
Parque de Famalicão	627,500	1,498,232
Torre Ocidente	1,704,858	519,902
Germany:		
Alexa	5,500,000	7,320,992
Garbsen	892,371	867,053
Others	7,212	-
Brazil:		
Goiânia Shopping	5,111,797	3,770,303
Uberlândia Shopping	-	2,294,093
Boulevard Londrina Shopping	1,722,462	1,348,853
Parque D. Pedro - expansion	852,631	
Others	43,420	22,867
Spain:		
Alfaz del Pi	-	9,575,000
Pulianas Shopping	103,105	103,105
Dos Mares - expansion	1,404,902	1,404,902
Others	61,743	37,868
Greece:		
Epirus Plaza	16,031,313	13,531,277
Galatsi Shopping	6,289,794	5,771,370
Aegean Park	4,933,341	4,925,052
Pantheon Plaza	889,064	889,064
Italy:		
Le Terraze	2,788,415	3,261,195
Caldogno	4,947,132	4,937,831
Others	260,983	257,365
Romania:		
Craiova Shopping	17,200,399	17,615,979
Ploiesti Shopping	7,161,464	7,415,770
	83,300,252	92,119,400
Impairment losses	(5,279,500)	(6,537,230)
	78,020,752	85,582,170
Investment Properties in progress at fair value:		
Portugal:		
Leiria Shopping	-	24,597,667
Brazil:		
Uberlândia Shopping	6,327,596	-
Italy:		
Le Terraze	11,577,500	9,667,000
	17,905,096	34,264,667
	95,925,848	119,846,837

As at 30 June 2010, the following investment properties were mortgaged:

Airone	Loop 5
Algarveshopping	Luz del Tajo
Alverca	Madeirashopping
Arrabidashopping	Maiashopping
Cascaishopping	Manauara Shopping
Centro Colombo	Max Center
Centro Vasco da Gama	Munster Arkaden
Coimbrashopping	Norteshopping
Dos Mares	Parque Atlântico
El Rosal	Parque Principado
Estação Viana	Plaza Éboli
Freccia Rossa	Plaza Mayor
Gaiashopping	Plaza Mayor Shopping
Gli Orsi	River Plaza Mall
Grancasa	Torre Ocidente
Guimarãesshopping	Valecenter
La Farga	Valle Real
Leiriashopping	Viacatarina
	Zubiarte

12 GOODWILL

During the six month periods ended 30 June 2010 and 2009 movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	30 June 2010	30 June 2009
Gross value:		
Opening balance	759,786,674	709,012,583
Re-allocation of Goodwill (Note 8)	(17,395,216)	-
Restated opening balance (Note 8)	742,391,458	709,012,583
New companies in the consolidation perimeter	-	1,934,451
Increases	1,439,129	125,646
Decreases	(1,928,179)	(979,241)
Transfers	(190,680)	345,023
Currency translation	4,651,650	-
Write-off	(720,710)	-
Closing balance	745,642,668	710,438,462
Accumulated impairment losses:		
Opening balance	13,445,983	11,745,221
Increases	-	-
Write-off	(720,710)	-
Closing balance	12,725,273	11,745,221
Carrying amount:	732,917,395	698,693,241

13 OTHER INVESTMENTS

During the six months period ended 30 June 2010 and 2009 movements in other investments were made up as follows:

	30 June 2010		30 June 2009	
	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	925,769	-	3,012,637	-
Acquisitions in the period	-	-	-	-
Disposals in the period	-	-	-	-
Transfers	81,307	-	(1,501,205)	-
Closing balance as at 30 June	1,007,076	-	1,511,432	-
Accumulated impairment losses	-	-	-	-
	1,007,076	-	1,511,432	-
Other investments:				
Fair value (net of impairment losses) as at 1 January	17,201,722	57,313,909	9,965,538	60,956,604
Acquisitions in the period	105,149	2,864,730	-	1,806,302
Disposals in the period	(249)	(9,341)	3,818,000	(10,780,843)
Increase/(Decrease) in fair value	(5,810,000)	-	-	877,211
Transfers	2,440	-	-	-
Fair value (net of impairment losses) as at 30 June	11,499,062	60,169,298	13,783,538	52,859,274
Other Investments (Note 7)	12,506,138	60,169,298	15,294,970	52,859,274
Derivative financial instruments (Note 21)				
Fair value as at 1 January	-	365,122	-	2,600,159
Acquisitions in the period	-	-	-	128
Disposals in the period	-	-	-	(72,484)
Increase/(Decrease) in fair value	-	2,281,267	-	(2,527,677)
Fair value as at 30 June	-	2,646,389	-	127
	12,506,138	62,815,687	15,294,970	52,859,402

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 Sonae 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 3,517,789 euro (2,661,538 euro as at 30 June 2009) of investments recorded at the cost net of impairment losses for the same reasons.

The investments available for sale are net of impairment losses (Note 25) amounting to 31,757 euro (13,157 euro as at 30 June 2009).

Under the caption other financial investments is recorded an amount of 45,119,240 euro (45,139,648 euro as at 30 June 2009) related to deposited amounts on an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities assumed by Sonae which may arise from the sale of Sonae Distribuição Brasil, S.A., and for which provisions were recorded (Note 25).

Although in accordance with the deadlines contractually established, the Escrow Account should have already been released by the buyer, that didn't happen as there are some points of disagreement on how to use the Escrow Account, namely as to whether or not, to return the Escrow Account for ongoing fiscal procedures that have not yet been decided by Brazilian authorities (Note 26). It is the understanding of the Board of Directors, based in the legal opinions of Brazilian and Portuguese lawyers, that this amount shall be entirely received up to 31 December 2010, and that there are legal means that may be operated so as to compel the buyer to authorize the return of the Escrow account. If the negotiations currently under way between the two parties do not accomplish in results, it is the intention of the Board to make use of such legal means.

14 OTHER NON - CURRENT ASSETS

As at 30 June 2010 and 31 December 2009, Other non- current assets are detailed as follows:

	30 June 2010			31 December 2009		
	Gross Value	Accumulated impairment losses (Note 25)	Carrying Amount	Gross Value	Accumulated impairment losses (Note 25)	Carrying Amount
Loans granted to related parties	799,995	-	799,995	1,312,071	-	1,312,071
Trade accounts receivable and other debtors						
Legal deposits	931,968	-	931,968	819,480	-	819,480
Cautions	3,921,107	-	3,921,107	2,949,266	-	2,949,266
Lisbon Town Council	3,888,477	-	3,888,477	3,888,477	-	3,888,477
Malaga Town Council	824,948	-	824,948	824,948	-	824,948
Rent deposits from tenants	3,952,746	-	3,952,746	4,036,717	-	4,036,717
Financial investments Disposals	3,134,776	-	3,134,776	-	-	-
Others	1,525,634	(141,988)	1,383,646	1,399,468	(141,988)	1,257,480
	18,179,656	(141,988)	18,037,668	13,918,356	(141,988)	13,776,368
Non-current derivatives (Note 21)	242,782	-	242,782	12,991	-	12,991
Reinsurer's' share of technical provisions	16,945,614	-	16,945,614	5,396,067	-	5,396,067
Other non-current assets	684,516	-	684,516	678,815	-	678,815
	36,852,563	(141,988)	36,710,575	21,318,300	(141,988)	21,176,312

15 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2010 and 31 December 2009, Trade account receivable and other current assets are detailed as follows:

	30 June 2010	31 December 2009
Trade accounts receivable	267,289,603	294,831,656
Taxes recoverable	59,035,767	55,070,469
Granted loans to related companies	394,927	8,339
Other debtors		
Trade creditors - debtor balances	65,213,719	58,251,461
Special regime for payment of tax and social security debts	12,382,502	13,999,945
VAT recoverable on real estate assets and discount granted	7,092,591	20,698,211
Vouchers and gift cards	1,406,650	1,308,743
Accounts receivable from the disposal of fixed assets	1,164,471	5,210,484
Disposal of financial investments (Note 18)	675,027	-
Cash Settled Equity Swap	2,194,239	-
"Initiativas E" program	11,956,726	-
Advances for the acquisition of a real estate project	7,967,500	7,967,500
Termination of the contract of acquisition of land in Pulianas	5,382,500	5,382,500
Revocation of contracts for acquisition of stores	11,781,197	11,131,667
Advances to suppliers	19,428,054	15,905,764
Advances to agents	1,121,027	1,004,492
Reinsurance operations	11,004,093	3,351,186
Other current assets	29,222,384	36,395,501
	<u>187,992,680</u>	<u>180,607,454</u>
Other current assets		
Invoices to be issued	57,880,545	57,394,646
"Initiativas E" program	160,873	75,145,779
Commercial Discounts	48,279,720	14,211,921
Commissions to be received	1,056,394	1,368,173
Prepayments - Rents	5,416,051	4,204,847
Prepayments of external supplies and services	22,473,589	18,096,233
Other current assets	15,451,354	13,565,819
	<u>150,718,526</u>	<u>183,987,418</u>
Accumulated impairment losses in receivables accounts (Note 25)	<u>(104,098,824)</u>	<u>(103,988,411)</u>
	<u>561,332,679</u>	<u>610,516,925</u>

16 DEFERRED TAX

Deferred tax assets and liabilities as at 30 June 2010 and 31 December 2009 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Difference between fair value and acquisition cost	3,610,307	3,700,884	286,729,367	268,856,386
Harmonisation adjustments	128,513	46,211	48,566,152	43,461,567
Provisions and impairment losses not accepted for tax purposes	17,175,353	15,627,931	-	-
Write off of tangible and intangible assets	52,679,229	58,633,429	-	-
Write off of deferred costs	28,601,459	36,005,911	1,625,536	1,362,430
Valuation of hedging derivatives	7,353,805	7,180,175	805,852	100,654
Temporary differences arising from the securitization operation	11,270,000	12,880,000	-	-
Amortisation of Goodwill for tax purposes	-	-	17,450,040	13,960,032
Non taxed exchange differences	-	-	190,372	928,553
Revaluation of tangible assets	-	-	2,103,769	2,131,967
Tax losses carried forward	104,282,938	94,364,809	359,540	-
Reinvested capital gains/(losses)	-	-	2,142,835	2,768,248
Others	4,812,952	1,775,158	2,394,348	2,731,864
	<u>229,914,556</u>	<u>230,214,508</u>	<u>362,367,811</u>	<u>336,301,701</u>

During the period and as a result of the introduction in Portugal of "Derrama Estadual", regulated by the law "Lei n.º 12-A/2010" of 30 June, that implies an additional income tax of 2.5% applied to the taxable profit that exceeds 2,000,000 euro, in some group companies in which it is expectable that this rate will be applied, the group changed the tax rate used to calculate the corresponding deferred tax. The more relevant impacts are the increase of the deferred tax credit relating to the fair value measurement of the investment properties in the amount of approximately, 13 million Euro, that was recorded as an expense in profit and loss statement (Note 28).

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 30 June 2010 and 31 December 2009, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	30 June 2010			31 December 2009		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2004	372,453	93,113	2010	171,630	42,907	2010
Generated in 2005	416,072	104,018	2011	1,454,441	363,610	2011
Generated in 2006	761,658	190,414	2012	1,953,506	488,376	2012
Generated in 2007	3,500,266	875,067	2013	15,775,143	3,943,786	2013
Generated in 2008	4,116,994	1,029,249	2014	4,136,674	1,034,169	2014
Generated in 2009	50,515,820	12,628,955	2015	50,067,344	12,516,838	2015
Generated in 2010	30,486,794	7,621,746	2014	-	-	
	<u>90,170,057</u>	<u>22,542,561</u>		<u>73,558,738</u>	<u>18,389,686</u>	
Without limited time use	8,059,948	2,249,632		18,581,710	5,096,472	
With a time limit different from the above mentioned	265,345,717	79,490,745		236,619,705	70,878,651	
	<u>273,405,665</u>	<u>81,740,377</u>		<u>255,201,415</u>	<u>75,975,123</u>	
	<u>363,575,722</u>	<u>104,282,938</u>		<u>328,760,153</u>	<u>94,364,809</u>	

As at 30 June 2010 and 31 December 2009, 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 30 June 2010 there was tax losses carried forward tax losses carried forward, for which no deferred tax assets were recognized due to prudential reasons. These may be summarised as follows:

	30 June 2010			31 December 2009		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2004	7,041,502	1,760,376	2010	7,026,627	1,756,656	2010
Generated in 2005	46,601,333	11,650,333	2011	46,474,629	11,618,658	2011
Generated in 2006	61,534,911	15,383,727	2012	60,520,774	15,130,192	2012
Generated in 2007	61,035,206	15,258,802	2013	60,518,585	15,129,647	2013
Generated in 2008	13,091,129	3,272,783	2014	13,091,128	3,272,783	2014
Generated in 2009	11,974,636	2,993,685	2015	12,670,496	3,167,650	2015
Generated in 2010	7,687,991	1,921,997	2014			
	208,966,708	52,241,703		200,302,239	50,075,586	
Without limited time use	49,135,195	14,213,317		38,617,859	10,737,954	
With a time limit different from the above mentioned	303,992,328	78,149,833		400,098,533	102,943,995	
	353,127,523	92,363,150		438,716,392	113,681,949	
	562,094,231	144,604,853		639,018,631	163,757,535	

17 CASH AND CASH EQUIVALENTS

As at 30 June 2010 and 31 December 2009, Cash and cash equivalents can be detailed as follows:

	30 June 2010	31 December 2009
Cash at hand	6,580,039	6,412,073
Bank deposits	61,877,788	140,227,780
Treasury applications	24,706,030	25,590,018
Cash and cash equivalents on the balance sheet	93,163,857	172,229,871
Bank overdrafts (Note 20)	(9,080,784)	(23,763,618)
Cash and cash equivalents on the statement of cash flows	84,083,073	148,466,253

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

18 SHARE CAPITAL

As at 30 June 2010, 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 Holding sold, 132,856,072 Sonae Holding 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 Holding entered into a derivative financial instrument - Cash Settled Equity Swap - over a total of 132,800,000 Sonae Holding shares, representative of 6.64% of its share 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 Investments BV 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 Holding did not derecognize their own shares, recording a liability in the caption Other non-current liabilities (Note 22). According to the interpretation made by Sonae of the IAS 39, applied by analogy to own equity instruments, the derecognition of own shares is not allowed as Sonae maintains the risks and rewards arising on the instruments sold.

Consequently, Sonae 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, as at 4 January 2008, demerger rights attributable to the 132,800,000 Sonae SGPS, SA shares subject to the above mentioned agreement, Sonae recognized an asset measured at its' fair value . This asset has not been derecognized as Sonae also entered into a Cash Settled Equity Swap over the Sonae Capital SGPS, SA shares, and therefore a liability was recognized.

On 23 April 2009 and 10 March 2010 Sonae Investments BV requested a partial cancellation of the Cash settled Equity Swap for 1,134,965 and 1,185,144 shares Sonae Holding respectively, passing the derivative financial instrument to 130,479,891 shares Sonae Holding.

Consequently, and in relation with this operation the full liability amount can be detailed as follows at 30 June 2010: market value of Sonae SGPS, SA shares amounting to 99,295,197 euro and market value of Sonae Capital SGPS, SA shares amounting to 7,968,000 euro, after the conversion of rights occurred on 28 January 2008.

These liabilities are adjusted at the end of each month by the effect in Sonae Holding or Sonae Capital, SGPS, S.A. share price, as applicable, being recognized a current asset/liability in order to present the right/obligation related to the cash settlement of the operation that resets monthly.

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 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.

At 30 June 2010, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and subsidiaries	52.98

19 NON-CONTROLLING INTERESTS

Movements in non-controlling interests during the periods ended 30 June 2010 and 2009 are as follows:

	30 June 2010	30 June 2009
Opening balance as at 1 January	477,968,755	411,549,101
Dividends	(1,314,038)	(4,169)
Exchange rate effect	4,883,763	827,432
Acquisition of subsidiaries	-	62,019,315
Increase of capital and premium on subsidiaries	15,287,888	-
Increased shareholding by acquisitions	(822,591)	-
Changes in hedge and fair value reserves	(1,975,991)	(1,637,691)
Others	(772,297)	760,495
Profit for the period attributable to non controlling interests	7,423,219	(22,183,030)
Closing balance	500,678,707	451,331,453

20 LOANS

As at 30 June 2010 and 31 December 2009, Loans are made up as follows:

	30 June 2010			31 December 2009		
	Amount limit	Outstanding amount		Amount limit	Outstanding amount	
		Current	Non Current		Current	Non Current
Bank loans						
Sonae, SGPS, SA - commercial paper	350,000,000	33,250,000	-	350,000,000	24,950,000	-
Sonae Investimentos, SGPS, S.A. - commercial paper	682,500,000	-	425,000,000	692,500,000	-	271,000,000
a)b) Sonae Sierra affiliated companies	441,599,500	19,610,906	388,986,785	470,086,920	16,621,638	385,383,442
a)b)c) Sonae Sierra affiliated companies	388,861,665	38,734,022	346,601,312	442,830,796	61,288,733	377,516,488
a)b)d) Sonae Sierra affiliated companies	-	-	-	11,179,526	-	11,179,526
a)d) Sonae Sierra affiliated companies	15,544,489	2,830,375	12,714,114	-	-	-
a) Sonae Sierra affiliated companies	10,158,847	4,200,000	2,658,847	12,185,116	8,179,211	3,435,116
Sonae Sierra SGPS, SA	49,460,000	-	-	49,460,000	18,585,252	-
Sonaeacom SGPS, SA commercial paper	347,500,000	26,450,000	100,500,000	320,000,000	55,000,000	150,000,000
Sonaeacom SGPS, SA	26,500,000	-	-	26,500,000	3,500,000	-
Continente Hipermercados SA - commercial paper	30,000,000	-	-	30,000,000	-	-
MDS, SGPS, SA - commercial paper	10,000,000	-	4,500,000	-	-	-
Others		19,590,951	13,649,219		21,887,012	15,374,356
		144,666,254	1,294,610,277		210,011,846	1,213,888,928
Bank overdrafts (Note 17)		9,080,784	-		23,763,618	-
Up-front fees beard with the issuance of borrowings		(660,601)	(4,900,874)		(808,536)	(5,564,118)
Bank loans		153,086,437	1,289,709,403		232,966,928	1,208,324,810
Bonds						
Bonds Sonae / 05		-	100,000,000		-	100,000,000
Bonds Sonae 2006/2011		-	-		-	250,000,000
Bonds Sonae 2007/2014		-	150,000,000		-	150,000,000
Bonds Sonae 2007/2015		-	250,000,000		-	-
Bonds Modelo Continente / 2003		-	82,000,000		-	82,000,000
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 Sonae Distribuição / 2007 / 2015		-	200,000,000		-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015		-	310,000,000		-	310,000,000
Bonds Sonae Distribuição / 2009 / 2014		-	50,000,000		-	50,000,000
Bonds Sonaecom / 2005		-	150,000,000		-	150,000,000
Bonds Sonaecom / 2010		-	30,000,000		-	-
Bonds Sonaecom / 2010		-	40,000,000		-	-
Bonds Sonae Sierra 2008/2013		-	37,500,000		-	37,500,000
Up-front fees beard with the issuance of borrowings		(56,278)	(9,454,316)		(76,340)	(8,365,778)
Bonds		64,868,722	1,740,045,684		64,848,660	1,671,134,222
Other loans		24,954	579,011		33,466	586,519
Derivative instruments (Note 21)		6,620,597	42,855,782		7,902,322	34,584,190
Other loans		6,645,551	43,434,793		7,935,788	35,170,709
Obligations under finance leases		6,837,414	27,874,050		7,803,032	29,357,393
		231,438,124	3,101,063,930		313,554,408	2,943,987,134

- a) These amounts are proportionate considering the percentage held by Sonae;
- b) These loans are guaranteed by mortgages of investment properties held by those affiliated companies;
- c) These loans are guaranteed by a pledge of shares held by those affiliated companies;
- d) These loans are guaranteed by bank guarantees.

The interest rate as at 30 June 2010 of bonds and loans were in average 1.77% (1.72% 31 December 2009).

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 21).

All loans with financial covenants were analyzed at the balance sheet date and in situations where they were breached, the corresponding debt was reclassified to current liabilities. These situations have occurred in the case of borrowing by Zubiarte,

Gli Orsi and River Plaza, subsidiaries of the segment of shopping centres, amounting to 7,000,000 euro. Negotiations are underway with the correspondent banks to obtain a debt rescheduling.

The repayment schedule of the nominal value of loans can be summarised as follows:

	30 June 2010	31 December 2009
N+1 a)	225,534,406	306,536,962
N+2	332,850,831	369,170,365
N+3	607,063,673	561,016,180
N+4	489,003,789	549,823,566
N+5	783,661,504	492,562,407
After N+5	859,983,541	950,760,322
	<u>3,298,097,744</u>	<u>3,229,869,802</u>

a) Includes the amounts drawn under commercial paper programs.

The maturities above were estimated in accordance with the contractual terms of loans that do not include financial covenants.

21 DERIVATIVES

Exchange rate derivatives

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

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

As at 30 June 2010, the fair value of exchange rate derivatives which haven't been considered hedging instruments, calculated based on present market value of equivalent financial instruments of exchange rate, is of 150,175 euro included in liabilities (79,039 euro as of 31 December 2009) and 2,646,389 euro on the caption current investments (365,121 euro as at 31 December 2009).

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 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 30 June 2010, derivatives used by Sonae refer essentially to swaps and interest rate options ("cash flow hedges"). These were negotiated to hedge the interest rate risk of loans amounting to 1,064,412,907 euro (948,629,817 euro as at 31 December 2009). The fair value of these derivatives amounts to - 49,083,422 euro (-42,394,481 euro as at 31 December 2009), and is disclosed as assets amounting to 242,782 euro (12,991 euro as at 31 December 2009) and as liabilities 49,326,204 euro (42,407,473 euro as at 31 de December de 2009).

These derivatives were valued considering the estimated future cash-flows, assuming the exercise of the cancellation options by the counterparties when the forward interest rates are higher than the established fixed interest rate. Sonae intends to keep these derivatives until their expiration date, therefore, this valuation is considered to be the most appropriate to estimate the future cash flow of these instruments.

These interest rate derivatives are valued at fair value, at the balance sheet date, based on valuations performed by Sonae using specific software and on external valuations when this software does not deal with specific instruments. The fair value of swaps was calculated, 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 30 June 2010 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	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Derivatives not qualified as hedging				
Exchange rate	2,646,389	365,121	150,175	79,039
Interest rate	-	-	-	-
Hedging derivatives				
Exchange rate	-	-	-	-
Interest rate	242,782	12,992	49,326,205	42,407,473
Interest and exchange rate	-	-	-	-
Other derivatives	-	-	-	-
	<u>2,889,171</u>	<u>378,113</u>	<u>49,476,380</u>	<u>42,486,512</u>

22 OTHER NON - CURRENT LIABILITIES

As at 30 June 2010 and 31 December 2009, "Other non-current liabilities" is detailed as follows:

	30 June 2010	31 December 2009
Shareholders loans	39,280,854	47,276,787
Fixed assets suppliers	1,863,067	2,440,330
"Iniciativas E" program	16,691,193	32,923,892
Other non-current liabilities	28,819,530	156,470,214
Accruals and deferrals	1,160,295	1,156,180
Other non-current liabilities	<u>87,814,939</u>	<u>240,267,403</u>

The caption Shareholders loans relates to affiliated undertakings in the retail, shopping centres and investment management segments. These liabilities do not have a defined vesting date and bear interests at variable market rates.

23 SHARE-BASED PAYMENTS

In 2010 and in previous years, Sonae 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.

In 2009, Sonae changed the way of liquidation of its share-based programmes, which were traditionally settled in cash, to an equity based settlement, in what concerns to Sonae Holding programmes. As at 30 June 2010, these plans are recognized in the captions "other reserves" and "staff costs".

The plans that continue to be settled in cash, shall remain recorded in the balance sheet, in the figure other liabilities of the balance sheet, and staff costs in the income statement.

As at 30 June 2010 and 31 December 2009, 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	
				30 June 2010	31 December 2009
Shares	2007	2010	464	-	4,554,430
	2008	2011	467	5,239,289	5,703,916
	2009	2012	492	7,122,057	7,568,676
	2010	2013	458	3,703,038	-
	Total			16,064,384	17,827,022

As at 30 June 2010 and 31 December 2009 the financial statements include the following amounts corresponding to the period elapsed between those dates and the date of granting deferred bonus plans, which have not yet vested:

	30 June 2010	31 December 2009
Staff costs	2,290,950	7,588,472
Recorded in previous years	7,965,468	3,678,193
	10,256,418	11,266,665
Recorded in other liabilities	2,278,087	7,050,164
Recorded value in Other reserves	7,978,331	4,216,501
	10,256,418	11,266,665

24 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 June 2010 and 31 December 2009, Trade creditors and other current liabilities were made up as follows:

	30 June 2010	31 December 2009
Trade creditors	1,079,799,325	1,220,401,450
Taxes payable	71,269,380	86,627,709
Other creditors		
Fixed asset suppliers	82,684,308	125,829,938
Related undertakings	5,729,980	5,527,840
Other debts	203,496,595	123,496,868
	<u>291,910,883</u>	<u>254,854,646</u>
Other current liabilities		
Property investments accruals	13,470,366	11,315,293
Fixed assets accrued costs	11,307,393	14,472,472
Holiday pay and bonuses	123,759,721	124,087,431
Interests payable	15,195,254	14,528,300
Invoices to be issued	35,863,160	42,253,540
Commissions	6,248,996	6,049,967
Marketing expenses	21,114,759	22,938,341
Information society	34,108,424	55,426,396
Other external supplies and services	51,557,166	49,901,884
Accrued income - trade debtors	30,177,429	31,257,499
Accrued income - rents	5,104,037	4,929,704
Others	54,698,221	33,991,215
	<u>402,604,926</u>	<u>411,152,042</u>
	<u>1,845,584,514</u>	<u>1,973,035,847</u>

The caption "Other creditors – other debts" includes the amount of 107,263,197 euro (126,683,322 euro as at 31 December 2009 in the caption non-current liabilities) related to the fair value of the derivative on Sonae Holding and Sonae Capital SGPS, SA shares referred to in Note 18.

25 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the six months period ended 30 June 2010 and 2009 were as follows:

Caption	Balance as at 31 December 2009	Increase	Decrease	Balance as at 30 June 2010
Accumulated impairment losses on investments (Note 13)	67,925	535	(36,703)	31,757
Accumulated impairment losses on other non-current assets (Note 14)	141,988	-	-	141,988
Accumulated impairment losses on trade account receivables and other debtors (Note 15)	103,988,411	12,627,282	(12,516,869)	104,098,824
Accumulated impairment losses on inventories	31,644,772	5,637,151	(2,799,668)	34,482,255
Non-current provisions	50,607,367	9,489,145	(395,474)	59,701,038
Current provisions	2,617,751	70,315	(695,818)	1,992,248
	<u>189,068,214</u>	<u>27,824,428</u>	<u>(16,444,532)</u>	<u>200,448,110</u>

Caption	Balance as at 31 December 2008	Increase	Decrease	Balance as at 30 June 2009
Accumulated impairment losses on investments (Note 13)	13,157	-	-	13,157
Accumulated impairment losses on other non-current assets	291,571	-	-	291,571
Accumulated impairment losses on trade account receivables and other debtors	109,583,183	15,605,127	(16,406,344)	108,781,966
Accumulated impairment losses on inventories	29,783,714	5,247,446	(6,138,462)	28,892,698
Non-current provisions	57,086,975	10,110,324	(3,293,406)	63,903,893
Current provisions	2,369,154	32,374	(645,575)	1,755,953
	<u>199,127,754</u>	<u>30,995,271</u>	<u>(26,483,787)</u>	<u>203,639,238</u>

As at 30 June 2010 and 2009 and 31 December 2009, Provisions can be analysed as follows:

	30 June 2010	31 December 2009
Technical provisions on reinsurance	13,861,912	9,118,524
Future liabilities relating to subsidiaries of retail sold in Brazil	6,195,747	5,447,923
Dismantling of telecommunication sites	22,503,341	22,208,721
Judicial claims	9,222,849	9,133,101
Others	9,909,437	7,316,849
	<u>61,693,286</u>	<u>53,225,118</u>

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

26 CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2010 and 31 December 2009, major contingent liabilities were guarantees given and can be detailed as follows:

	30 June 2010	31 December 2009
Guarantees given:		
on tax claims	274,151,573	266,974,945
on judicial claims	714,905	659,048
on municipal claims	7,608,846	8,998,481
others	47,008,650	42,776,282

The heading "Others" includes the following guarantees:

- 9,931,673 euro (9,250,883 euro as at 31 December 2009) to guarantee part of the debt of Sonae Sierra affiliates related with the purchase, sale and exchange of land.

In 2009, one of the retail subsidiaries has granted a guarantee in favour of tax administration associated with a process for VAT amounting to 30,260,721 euro of the year 2004, which was presented their impugnation.

The shareholder of the subsidiary referred to above, has granted a guarantee amounting to 46,893,361 euro in order to ensure an additional payment of VAT, related to the year of 2005. Sonae will present the relevant appeal and believes, based on the opinion of their tax advisers the sentence will be favourable to the company.

Additionally to the guarantees referred above, were granted:

-by Sonae SGPS, S.A. two guarantees in favour of Sonae Investments SGPS, S.A. and Sonaecom SGPS amounting to EUR 69,366,699 for suspension of tax claims;

-by Sonaecom SGPS, S.A. a guarantee in favour of its subsidiary Optimus for ongoing tax processes up to the amount of EUR 6,935,848.

Guarantees given on tax claims include a guarantee granted by a company of the Retail segment in Brazil, of approximately 30,260,370 euro (74,078,783 Brazilian real) , which is being judged by tax courts (72,755,267 brazilian real as at 31 December 2009).

As a consequence of the sale of a subsidiary company in Brazil, Sonae guaranteed the buyer all the losses incurred by that company arising on unfavourable decisions not open for appeal, concerning tax lawsuits on transactions that took place before the sale date (13 December 2005) and that exceed 40 million euro. As at 31 December 2009, the amount claimed by the Brazilian Tax Authorities concerning the tax lawsuits still in progress, which the company's lawyers assess as having a high probability of loss, amount to near 40 million euro, including processes paid under recovery program Brazilian State taxes ("REFIS") in the amount of 22 million euro (56 million brazilian real).

Furthermore, there are other tax lawsuits totalling 45 million euro for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary referred above.

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 Sonae.

27 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009
Parent Company	81,555	68,995	-	-
Jointly controlled companies	5,641,680	5,116,765	9,528,053	8,351,831
Associated companies	17,999,108	17,127,883	875,271	933,925
Other partners and Group companies	32,898,643	30,209,198	16,964,925	20,994,061
	<u>56,620,986</u>	<u>52,522,841</u>	<u>27,368,249</u>	<u>30,279,817</u>

Transactions	Interest income		Interest expenses	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009
Parent Company	-	-	-	-
Jointly controlled companies	4,220	94,597	15	2,162
Associated companies	49	-	-	-
Other partners and Group companies	44,299	39,009	99,198	347,939
	<u>48,568</u>	<u>133,606</u>	<u>99,213</u>	<u>350,101</u>

Balances	Accounts receivable		Accounts payable	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
Parent Company	98,419	42,212	-	-
Jointly controlled companies	3,034,881	2,633,332	4,381,024	5,803,997
Associated companies	6,338,157	2,044,450	1,394,827	1,655,097
Other partners and Group companies	16,473,398	18,353,791	13,389,167	14,523,536
	<u>25,944,855</u>	<u>23,073,785</u>	<u>19,165,018</u>	<u>21,982,630</u>

Balances	Loans			
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	Obtained		Granted	
Parent Company	-	-	-	-
Jointly controlled companies	-	-	454,080	1,214,522
Associated companies	-	-	-	-
Other partners and Group companies	11,392,901	41,740,399	248,393	-
	<u>11,392,901</u>	<u>41,740,399</u>	<u>702,473</u>	<u>1,214,522</u>

The caption "Other partners in Group companies" includes Sonae Industria, SGPS, SA and Sonae Capital, SGPS, SA affiliated, associated and jointly controlled companies and also other shareholders of affiliated companies or jointly controlled companies of Sonae, as well as other affiliated companies of the parent company Efanor Investimentos, SGPS, SA.

28 INCOME TAX

As at 30 June 2010 and 2009, income tax is detailed as follows:

	30 June 2010	30 June 2009
Current tax	20,025,212	13,687,955
Deferred tax	22,135,268	(23,990,929)
	<u>42,160,480</u>	<u>(10,302,974)</u>

29 RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 June 2010 and 2009, the reconciliation of consolidated net profit can be analysed as follows:

	30 June 2010	30 June 2009
Aggregate net profit	610,082,793	78,788,526
Proportionate method	(62,002,515)	47,122,961
Harmonisation adjustments	(30,182,222)	(16,964,311)
Elimination of intragroup dividends	(128,279,624)	(162,655,071)
Elimination of intragroup capital gains and losses	(71,373,885)	(15,566,441)
Elimination of intragroup provisions	(272,266,323)	7,500,000
Consolidation adjustments to gains/(losses) on sales of investments	(3,263,780)	2,095,456
Others	5,647,948	9,375,546
Consolidated net profit for the period	<u>48,362,392</u>	<u>(50,303,334)</u>

30 EARNINGS PER SHARE

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

	30 June 2010	30 June 2009
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	40,939,173	(28,120,304)
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share	40,939,173	(28,120,304)
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	1,869,520,109	1,867,636,525
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with share based payments	12,050,889	-
Shares related to performance bonus that can be bought at market price	(6,439,343)	-
Weighted average number of shares used to calculate diluted earnings per share	1,875,131,655	1,867,636,525
Earnings per share		
Basic	0.021898	(0.015057)
Diluted	0.021833	(0.015057)

31 DIVIDENDS

In the Shareholders Annual General Meeting held on 27 April 2010, the payment of a gross dividend of 0.0315 euro per share (0.03 euro per share in 2009) corresponding to a total of 63,000,000 euro (60,000,000 euro in 2009) was approved.

32 SEGMENT INFORMATION

As described with more detail in the Management Report the operating segments used by Sonae management are as follows:

- Food based retail
- Specialised retail
- Retail real estate
- Shopping Centres
- Telecommunications
- Investment Management

The amounts reported below, are calculated, when applicable, excluding contributions to indirect income as explained in Note 34.

Sonae's reportable segment information regarding the income statement in accordance with IFRS 8 can be analysed as follows:

	30 June 2010	Inter-segment	30 June 2009	Inter-segment
Turnover				
Food based retail	1,586,766,253	(3,303,955)	1,490,745,621	(2,277,308)
Ex-Fuel	1,517,409,731	(3,303,955)	1,428,157,957	(2,277,308)
Fuel	69,356,522	-	62,587,664	-
Specialised retail	554,480,678	-	473,094,205	-
Retail real estate	64,195,245	(59,839,540)	59,914,108	(58,361,773)
Shopping centres	94,830,862	(6,550,335)	89,445,852	(6,421,485)
Telecommunications	450,330,109	(6,891,871)	481,580,123	(11,179,030)
Investment management	99,156,179	(290,099)	90,896,616	(421)
Eliminations and adjustments	(73,255,267)	(503,292)	(77,439,913)	(2,137,869)
Total direct consolidated	2,776,504,059	(77,379,092)	2,608,236,612	(80,377,886)
Operational cash-flow (EBITDA)				
Food based retail	78,980,683		69,263,055	
Specialised retail	7,245,252		1,996,767	
Retail real estate	67,074,577		56,826,390	
Shopping centres	45,132,527		41,387,796	
Telecommunications	99,511,724		91,492,181	
Investment management	1,275,192		298,981	
Eliminations and adjustments	5,762,865		15,366,787	
Total direct consolidated	304,982,820		276,631,956	
Operational profit/(loss) (EBIT)				
Food based retail	39,265,427		33,721,128	
Specialised retail	(14,078,392)		(14,318,655)	
Retail real estate	51,078,946		43,997,278	
Shopping centres	43,008,530		39,606,690	
Telecommunications	32,673,277		12,436,848	
Investment management	(2,339,821)		(2,069,596)	
Eliminations and adjustments	(481,100)		4,618,506	
Total direct consolidated	149,126,867		117,992,199	
Investment (CAPEX)				
	30 June 2010	30 June 2009		
Food based retail	41,096,213	64,118,171		
Specialised retail	41,969,144	55,957,794		
Retail real estate	14,545,343	62,243,819		
Shopping centres	31,773,894	46,791,772		
Telecommunications	59,390,719	55,174,193		
Investment management	-	8,220,915		
Eliminations and adjustments (1)	2,510,893	147,158		
Total consolidated	191,286,206	292,653,823		

	30 June 2010	31 December 2009
Invested capital		
Food based retail	594,614,421	483,969,819
Specialised retail	369,550,702	249,684,220
Retail real estate	1,488,435,042	1,523,249,390
Shopping centres	1,601,568,244	1,660,873,322
Telecommunications	764,423,116	751,867,339
Investment management	160,271,950	150,752,432
Eliminations and adjustments (1)	(48,002,512)	(38,989,061)
Total consolidated	4,930,860,963	4,781,407,461
Total net debt (2)		
Retail businesses	1,396,606,165	1,188,231,638
Shopping centres	866,247,220	926,594,447
Telecommunications	360,304,115	375,961,568
Investment management	71,430,361	93,490,195
Holding (1)	526,690,278	495,839,007
Total consolidated	3,221,278,139	3,080,116,856

(1) Includes Sonae Individual accounts.

(2) Includes shareholders loans.

The caption "Eliminations and Adjustments" can be analysed as follows:

	Turnover		Operational cash-flow (EBITDA)		Operational profit/(loss) (EBIT)	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009
Inter-segment income	(77,379,092)	(80,377,886)	(916,735)	(1,075,198)	(164,196)	(981,234)
Adjustment on telecommunications provisions (1)	-	-	3,864,272	11,042,296	-	-
Others	4,123,825	2,937,973	2,815,328	5,399,689	(316,904)	5,599,740
Eliminations and adjustments	(73,255,267)	(77,439,913)	5,762,865	15,366,787	(481,100)	4,618,506

(1) The sub-holding considers provisions as EBITDA.

(2) Amounts offset with turnover for management purposes.

	Investment		Invested capital	
	30 June 2010	30 June 2009	30 June 2010	31 December 2009
Inter-segment balances	-	(353,196)	41,176,517	91,790,907
Cash settled equity swap (3)	-	-	(107,263,197)	(132,711,536)
Others	2,510,893	500,354	18,084,168	1,931,568
Eliminations and adjustments	2,510,893	147,158	(48,002,512)	(38,989,061)

(3) Financial Instrument reported in Note 18.

Glossary:

Invested capital = Gross real estate assets + other fixed assets (including Goodwill) - amortisations and impairment losses + financial investments + working capital (includes non-current assets and non-current liabilities excluding total net debt); all figures at book value with the exception of Shopping Centres building block;

Total Net debt = Bonds + bank loans + other loans + shareholders loans + finance leases - cash, bank deposits and current investments;

EBITDA = Turnover + Investment income + other income – dividends- negative goodwill -impairment reversion - operating costs;

Eliminations and adjustments = Includes the Holding company figures and consolidation adjustments;

CAPEX = Investments in tangible and intangible assets, investment properties and acquisitions of subsidiaries;

Direct income - excludes contributions to indirect income;

Indirect Income - includes the Shopping Centre operating segment contributions net of taxes to consolidated income statement, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and; (iv) provision for Development Funds at Risk.

33 COMMITMENTS WITH "INFORMATION SOCIETY"

Upon being given the UMTS Licence, Optimus (now Sonaecom – Serviços de Comunicações) assumed commitments in the area of promotion of the Information Society, totalling 274 million euro, to be complied with up to the end of the licence period (2015).

In accordance with the Agreement established on 5 June 2007 with the Ministry of Public Works, Transport and Communications ("MOPTC"), part of these commitments, up to 159 million euro will be realised through own projects which qualify as contributions to the Information Society and incurred under the normal activities of Sonaecom – Serviços de Comunicações, S.A. (investment in the network and technology not resulting from the need to comply with the obligations assumed when the UMTS Licence was granted, and activities relating to research, development and promotion of services, contents and applications) which must be recognised by the MOPTC and by entities created especially for that purpose. At 30 June 2010 the total amount was already incurred and validated by the above referred entities, so at this date there are no additional responsibilities related to these commitments. These charges were recorded in the financial statements at the moment the projects were carried out and the estimated costs became known.

The remaining commitments, up to the amount of around 116 million euro, will be realised as agreed between Sonaecom-Serviços de Comunicações and MOPTC, through contributions to the "Iniciativas E" project (offer of modems, discounts on tariffs, cash contributions, among others, relating to the widespread use of broadband internet by students and teachers), the contributions being made through an Open fund called Information Society Fund (Fundo para a Sociedade de Informação), created by the three mobile operators operating in Portugal. The total responsibility is recognized like an additional cost of the license UMTS, by offset of the caption "Other non-current liabilities" and "Other current liabilities". In this way, as of 30 June 2010, the totality of the responsibilities with such commitments find itself fully registered in the consolidated financial statements attached.

34 PRESENTATION OF CONSOLIDATED INCOME STATEMENT

In the Management Report, and for the purposes of calculating financial indicators as EBITDA, EBIT and as well for segments income presentation purposes, the income statement is divided between Direct Income and Indirect Income, according to common practice in the Shopping Centre business.

The Indirect Income includes the contribution of the Shopping Centre operating segment to the consolidated income statement, net of taxes, that result from: (i) valuation of investment properties; (ii) gains (losses) with the sale of financial investments, joint ventures or associates; (iii) impairment losses (including goodwill) and (iv) provisions for "Development Funds at Risk".

The values of the EBITDA and EBIT is calculated only in the Direct Income, excluding the indirect contributions.

The reconciliation between consolidated income and direct/indirect income for the six month periods ended 30 June 2010 and 2009 can be summarised as follows:

	30 June 2010			30 June 2009		
	Consolidated	Indirect income	Direct income	Consolidated	Indirect income	Direct income
Operational income						
Sales	2,209,764,574	-	2,209,764,574	2,063,893,607	-	2,063,893,607
Services rendered	566,739,485	-	566,739,485	544,343,005	-	544,343,005
Value created on investment properties	(3,957,957)	(3,957,957)	-	(100,358,070)	(100,358,070)	-
Investment income	-	-	-	-	-	-
Dividends	400,492	-	400,492	209,003	-	209,003
Other	4,489,784	(1,928,392)	6,418,176	4,250,062	-	4,250,062
Other income						
Badwill	-	-	-	90,051	-	90,051
Reversion of impairment losses	3,133,942	-	3,133,942	1,348,311	-	1,348,311
Other	214,436,954	-	214,436,954	216,127,003	-	216,127,003
Total income	2,995,007,274	(5,886,349)	3,000,893,623	2,729,902,972	(100,358,070)	2,830,261,042
Total cost (a)	2,853,096,362	1,730,098	2,851,366,264	2,715,318,745	3,258,905	2,712,059,840
Depreciation and amortisation	146,094,344	-	146,094,344	145,152,046	-	145,152,046
Provisions and impairment losses	17,470,051	1,434,000	16,036,051	16,152,798	1,226,725	14,926,073
Profit before financial results and share of results of associated	141,910,912	(7,616,447)	149,527,359	14,584,227	(103,616,975)	118,201,202
Financial profit/(loss)	(51,113,423)	-	(51,113,423)	(72,235,300)	-	(72,235,300)
Share of results of associated undertakings	(274,617)	(539,186)	264,569	(2,955,235)	(4,206,303)	1,251,068
Profit before income tax	90,522,872	(8,155,633)	98,678,505	(60,606,308)	(107,823,278)	47,216,970
Income tax	(42,160,480)	(17,205,134)	(24,955,346)	10,302,974	20,855,693	(10,552,719)
Net profit for the period	48,362,392	(25,360,766)	73,723,159	(50,303,334)	(86,967,585)	36,664,251
- attributable to equity holders of Sonae	40,939,173	(13,842,131)	54,781,304	(28,120,304)	(57,059,326)	28,939,022
- attributable to non controlling interests	7,423,219	(11,518,635)	18,941,854	(22,183,030)	(29,908,259)	7,725,229
Operational cash-flow (EBITDA) (b)			304,982,822			272,381,894

(a) The amount recorded in Indirect income relates mainly to the reduction of investment properties value, accruals for "Development Funds at Risk" and recognized impairment losses;

(b) EBITDA is computed as Turnover + Other Income - negative goodwill - Impairment losses reversal – Operational expenses + Gains/(losses) in disposals.

35 SUBSEQUENT EVENTS

On July 30, 2010 Sonae Sierra and the Acropole Charagionis have agreed in the sale of their 39.9% joint and equal interests in Pylaia, SA (company that owns Mediterranean Cosmos Shopping Centre in Thessaloniki, Greece) to Lamda Developments SA, by approximately 38 million euro of which approximately 9.5 million euro will be attributable to Sierra BV.

This transaction is subject to certain conditions, including the agreement of the Greek authorities.

36 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 26 August 2010.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Cuervo Garcia

Álvaro Carmona e Costa Portela

Michel Marie Bon

José Neves Adelino

Bernd Bothe

Christine Cross

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigos Jordão

Condensed individual financial statements

SONAE, SGPS, SA

CONDENSED INDIVIDUAL BALANCE SHEETS AS AT 30 JUNE 2010 AND 2009
AND AS AT 31 DECEMBER 2009(Translation of condensed individual financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)*(Amounts expressed in euro)*

ASSETS	Notes	30.June.2010	30.June.2009	31.December.2009
NON-CURRENT ASSETS:				
Tangible assets		252,885	301,765	265,384
Intangible assets		1,416	7,212	5,776
Investments in affiliated companies	4	3,017,561,518	2,987,748,391	2,991,917,733
Other investments	5	66,654,880	89,644,880	77,489,880
Other non-current assets	6	556,650,545	585,809,709	543,934,785
Total Non-Current Assets		3,641,121,244	3,663,511,957	3,613,613,558
CURRENT ASSETS:				
Trade accounts receivable and other current assets	7	8,977,709	55,339,105	11,693,493
Cash and cash equivalents	8	677,165	3,149,011	2,769,998
Total Current Assets		9,654,874	58,488,116	14,463,491
TOTAL ASSETS		3,650,776,118	3,722,000,073	3,628,077,049
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	9	2,000,000,000	2,000,000,000	2,000,000,000
Reserves and retained earnings		1,030,174,291	1,005,713,929	996,333,036
Profit for the period		67,357,768	93,063,796	91,729,048
TOTAL EQUITY		3,097,532,059	3,098,777,725	3,088,062,084
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	10	514,388,654	509,592,034	510,456,528
Total Non-Current Liabilities		514,388,654	509,592,034	510,456,528
CURRENT LIABILITIES:				
Loans	10	33,250,000	108,750,000	24,950,000
Trade creditors and other current liabilities	11	5,605,405	4,880,314	4,608,437
Total Current Liabilities		38,855,405	113,630,314	29,558,437
TOTAL EQUITY AND LIABILITIES		3,650,776,118	3,722,000,073	3,628,077,049

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL INCOME STATEMENTS FOR THE PERIODS ENDED
30 JUNE 2010 AND 2009

(Translation of condensed individual financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

	Notes	2 nd Quarter 2010 (Unaudited)	2 nd Quarter 2009 (Unaudited)	30.June.2010	30.June.2009
Services rendered		-	1,686,706	-	2,157,817
Gains or losses on investments	14	226,080	-	71,616,617	93,516,449
Financial income		4,132,620	7,869,799	8,014,616	16,142,750
Other income		79,067	5,266	537,840	10,622
External supplies and services		(579,023)	(859,149)	(1,409,189)	(1,376,102)
Staff costs		(550,253)	(1,177,094)	(1,095,358)	(2,254,984)
Depreciation and amortisation		(15,550)	(16,255)	(25,649)	(28,549)
Financial expenses		(5,316,286)	(6,132,895)	(9,738,356)	(14,982,333)
Other expenses		(45,837)	(61,030)	(542,753)	(130,522)
Profit/(Loss) before taxation		(2,069,182)	1,315,348	67,357,768	93,055,148
Taxation		-	8,648	-	8,648
Profit/(Loss) after taxation		(2,069,182)	1,323,996	67,357,768	93,063,796
Profit/(Loss) per share					
Basic	15	(0.001035)	0.000662	0.033679	0.046532
Diluted	15	(0.001034)	0.000662	0.033668	0.046532

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED AT 30 JUNE 2010 AND 2009

(Translation of the individual financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

	2 nd Quarter 2010 (Unaudited)	2 nd Quarter 2009 (Unaudited)	30.June.2010	30.June.2009
Net Profit / (Loss) for the period	(2,069,182)	1,323,996	67,357,768	93,063,796
Changes on fair value of available-for-sale financial assets	21,024,889	(41,855,299)	10,349,780	(83,442,982)
Changes in hedging and fair value reserves	(1,379,097)	1,372,488	(5,421,883)	(5,958,577)
Other comprehensive income for the period	19,645,792	(40,482,811)	4,927,897	(89,401,559)
Total comprehensive income for the period	17,576,610	(39,158,815)	72,285,665	3,662,237

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AT 30 JUNE 2010 AND 2009

(Translation of condensed financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

	Reserves e Retained Earnings							Net Profit/(Loss)	Total
	Share Capital	Own Shares	Legal Reserve	Fair value Reserve	Hedging Reserve	Other Reserves and Retained Earnings	Total Reserves and Retained Earnings		
Balance as at 1 January 2009	2,000,000,000	-	161,705,974	581,929,609	307,070	380,700,680	1,124,643,333	30,472,155	3,155,115,488
Total comprehensive income for the period	-	-	-	(83,442,982)	(5,958,577)	-	(89,401,559)	93,063,796	3,662,237
Appropriation of profit of 2008:									
Transfer to legal reserves and retained earnings	-	-	1,523,608	-	-	-	1,523,608	(1,523,608)	-
Dividends distributed	-	-	-	-	-	(31,051,453)	(31,051,453)	(28,948,547)	(60,000,000)
Purchase of own shares	-	696,429	-	-	-	-	-	-	-
Disposal / attribution of own shares to employees	-	(696,429)	-	-	-	-	-	-	-
Balance as at 30 June 2009	2,000,000,000	-	163,229,582	498,486,627	(5,651,507)	349,649,227	1,005,713,929	93,063,796	3,098,777,725
Balance as at 1 January 2010	2,000,000,000	-	163,229,582	488,904,537	(5,807,343)	350,006,260	996,333,036	91,729,048	3,088,062,084
Total comprehensive income for the period	-	-	-	10,349,780	(5,421,883)	-	4,927,897	67,357,768	72,285,665
Appropriation of profit of 2009:									
Transfer to legal reserves and retained earnings	-	-	4,586,452	-	-	24,142,596	28,729,048	(28,729,048)	-
Dividends distributed	-	-	-	-	-	-	-	(63,000,000)	(63,000,000)
Share based payments	-	-	-	-	-	184,310	184,310	-	184,310
Balance as at 30 June 2010	2,000,000,000	-	167,816,034	499,254,317	(11,229,226)	374,333,166	1,030,174,291	67,357,768	3,097,532,059

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

SONAE, SGPS, SA

CONDENSED INDIVIDUAL CASH FLOW STATEMENTS FOR THE PERIODS ENDED 30 JUNE 2010 AND 2009

(Translation of the condensed financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

Notes	2 nd Quarter 2010 (Unaudited)	2 nd Quarter 2009 (Unaudited)	30.June.2010	30.June.2009
OPERATING ACTIVITIES				
Net cash flow from operating activities (1)	(816,555)	1,245,391	(869,044)	(350,961)
INVESTMENT ACTIVITIES				
Cash receipts arising from:				
Investments	5,357,500	5,405,000	10,835,000	10,405,000
Tangible and intangible assets	557,172	9,763	578,391	10,123
Interests and similar income	850,357	2,998,289	7,760,892	26,721,955
Dividends	71,616,617	70,106,369	71,616,617	70,106,369
Loans granted	232,718,448	117,307,882	404,758,448	154,985,269
	311,100,094	195,827,303	495,549,348	262,228,716
Cash Payments arising from:				
Investments	-	-	-	(538,668)
Tangible and intangible assets	(62,069)	(51,714)	(62,139)	(178,007)
Loans granted	(235,403,999)	(75,512,000)	(431,771,266)	(150,811,000)
	(235,466,068)	(75,563,714)	(431,833,405)	(151,527,675)
Net cash used in investment activities (2)	75,634,026	120,263,589	63,715,943	110,701,041
FINANCING ACTIVITIES				
Cash receipts arising from:				
Loans obtained	468,293,716	466,150,000	564,765,000	710,800,000
Disposal of own shares	-	637,113	-	637,113
	468,293,716	466,787,113	564,765,000	711,437,113
Cash Payments arising from:				
Loans obtained	(445,000,000)	(512,000,000)	(556,465,000)	(740,250,000)
Interests and similar charges	(7,457,311)	(13,155,280)	(10,253,256)	(18,114,435)
Dividends	(62,986,476)	(59,986,491)	(62,986,476)	(59,986,491)
Purchase of own shares	-	(696,429)	-	(696,429)
	(515,443,787)	(585,838,200)	(629,704,732)	(819,047,355)
Net cash used in financing activities (3)	(47,150,071)	(119,051,087)	(64,939,732)	(107,610,242)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	27,667,400	2,457,893	(2,092,833)	2,739,838
Cash and cash equivalents at the beginning of the period	(26,990,235)	691,118	2,769,998	409,173
Cash and cash equivalents at the end of the period 8	677,165	3,149,011	677,165	3,149,011

The accompanying notes are part of these condensed individual financial statements.

The Board of Directors

SONAE, SGPS, SA

NOTES TO THE CONDENSED INDIVIDUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED

30 JUNE 2010

(Translation of the condensed individual financial statements originally issued in Portuguese.
In case of discrepancies the Portuguese version prevails)

(Amounts expressed in euro)

1 INTRODUCTION

SONAE, SGPS, SA ("Sonae Holding"), 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 described in the file of annual financial statements for the year ended 31 December 2009.

4 INVESTMENTS IN AFFILIATED COMPANIES

As at 30 June 2010 and 31 December 2009 the company held investments in the following affiliated companies:

30.June.2010				
Company	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Investimentos SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	625,060,376	490,113,339	134,947,037
Sonaecom, SGPS, SA	0.23%	1,158,174	921,724	236,450
MDS, SGPS, SA	46.92%	43,173,879	43,173,879	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others	-	4,527,028	4,527,028	-
Impairment		(88,500,000)	-	-
Total		<u>3,017,561,518</u>	<u>2,606,807,201</u>	<u>499,254,317</u>

31.December.2009				
Company	% Held	Carrying amount	Acquisition cost	Fair Value Reserve
Sonae Investimentos SGPS, SA (a)	82.48%	1,690,800,661	1,326,729,831	364,070,830
Sonae Sierra SGPS, SA (b)	50.00%	614,248,500	490,113,339	124,135,161
Sonaecom, SGPS, SA	0.23%	1,620,270	921,724	698,546
MDS, SGPS, SA	45.71%	27,879,874	27,879,874	-
Sontel BV	42.86%	191,341,400	191,341,400	-
Sonae Investments BV	100.00%	550,000,000	550,000,000	-
Others	-	4,527,028	4,527,028	-
Impairment		(88,500,000)	-	-
Total		<u>2,991,917,733</u>	<u>2,591,513,196</u>	<u>488,904,537</u>

(a) The value of this investment is the price paid in the public tender offer for the de-listing occurred in 2006. Since that date no change in the value of the investment was recorded.

(b) Market value was determined based on an independent valuation for the period of assets held by this affiliated company, after deduction of associated net debt and of the share attributable to non-controlling interests.

5 OTHER INVESTMENTS

As at 30 June 2010 and 31 December 2009 other investments are as follows:

	30.June.2010	31.December.2009
Magma No. 1 Securitisation Notes	66,605,000	77,440,000
Others	49,880	49,880
Total	<u>66,654,880</u>	<u>77,489,880</u>

6 OTHER NON-CURRENT ASSETS

As at 30 June 2010 and 31 December 2009 other non-current assets are detailed as follows:

	30.June.2010	31.December.2009
Loans granted to group companies	556,650,545	543,934,785

7 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2010 and 31 December 2009 trade accounts receivable and other current assets are detailed as follows:

	30.June.2010	31.December.2009
Trade accounts receivable	294	1,767,521
Group companies	-	7,078,238
Taxes and contributions receivable	1,678,170	1,387,264
Accrued income and prepayments	6,952,070	648,644
Others	347,175	811,826
Total	8,977,709	11,693,493

The caption "Other current assets" mainly includes receivables relating to interest, from loans granted to group companies (Note 6).

8 CASH AND CASH EQUIVALENTS

As at 30 June 2010 and 31 December 2009 cash and cash equivalents are detailed as follows:

	30.June.2010	31.December.2009
Cash at hand	89	7,042
Bank deposits	677,076	2,762,956
Cash and cash equivalents on the balance sheet	677,165	2,769,998
Bank overdrafts	-	-
Cash and cash equivalents on the cash flow statement	677,165	2,769,998

9 SHARE CAPITAL

As at 30 June 2010 and 31 December 2009 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

10 LOANS

As at 30 June 2010 and 31 December 2009 this caption included the following loans:

	30.June.2010	31.December.2009
Nominal value of bonds	500,000,000	500,000,000
Up-front fees not yet charged to income statement	(3,273,503)	(1,761,923)
Bonds	496,726,497	498,238,077
Derivatives	17,662,157	12,218,451
Non-current loans	514,388,654	510,456,528
Commercial paper	33,250,000	24,950,000
Current loans	33,250,000	24,950,000

Non-current loans

Bonds SONAE / 05 amounting to 100,000,000 euro, repayable after 8 years, in one installment, on 31 March 2013. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

Bonds Sonae 2007/2014 amounting to 150,000,000 euro, repayable after 7 years, in one installment, on 11 April 2014. Interest rate is variable, indexed to Euribor 6 months, 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.

Bonds Sonae 2010/2015 amounting to 250,000,000 euro, repayable after 5 years, in one installment, on 16 April 2015. Interest rate is variable, indexed to Euribor 6 months, with interest paid half-yearly.

Current loans

On 16 April 2010, Sonae 2006/2011 bond loan of 250,000,000 euro was partially repaid in the amount of 220,000,000 euro. On 10 May 2010 proceeded to the early repayment of the remaining in the amount of 30,000,000.

Commercial paper - Program of issuance of short-term commercial paper, by private subscription, released on August 23, 2004, valid for a period of 10 years with an extension possibility by Company's initiative, with a maximum of 350,000,000 euro.

The above mentioned loans are unsecured and its estimated fair value is considered to be near its carrying amount, as they bear interests at variable market rates.

Interest rate as at 30 June 2010 of the bonds and bank loan was, on average, 2.25% (1.67% as at 31 December 2009).

Maturity of Borrowings

As at 30 June 2010 and 31 December 2009 the analysis of the maturity of loans is as follows:

	30.June.2010	31.December.2009
N+1	33,250,000	24,950,000
N+2	-	250,000,000
N+3	100,000,000	-
N+4	150,000,000	100,000,000
N+5	250,000,000	150,000,000

11 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 June 2010 and 31 December 2009, trade creditors and other current liabilities are detailed as follows:

	30.June.2010	31.December.2009
Trade creditors	1,339,694	985,568
Taxes and contributions payable	97,693	349,693
Accrued expenses	3,153,846	3,108,281
Others	1,014,172	164,895
Total	5,605,405	4,608,437

12 CONTINGENT LIABILITIES

As at 30 June 2010 and 31 December 2009, contingent liabilities are detailed as follows:

	30.June.2010	31.December.2009
Guarantees given:		
on tax claims	307,664	216,835
on judicial claims	145,256	74,490
 Guarantees given in favour of subsidiaries	 69,629,364	 256,137

- a) Guarantees given to Tax Authorities in favour of subsidiaries to suspend claims from tax authorities.

13 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

	30.June.2010	30.June.2009
Transactions		
Group companies	-	2,039,062
Jointly controlled companies	-	118,755
Services rendered	-	2,157,817
Group companies	569,635	320,769
Jointly controlled companies	-	56,878
Other partners in group companies	116,620	98,994
Purchases and services obtained	686,255	476,641
Group companies	6,474,984	12,375,712
Interest income	6,474,984	12,375,712
Group companies	269,757	-
Interest expenses	269,757	-
Group companies	57,960,737	70,106,369
Jointly controlled companies	13,655,880	23,410,080
Dividend income (Note 14)	71,616,617	93,516,449

	30.June.2010	31.December.2009
Balance		
Group companies	6,943,482	8,927,985
Jointly controlled companies	1,634	483,632
Other partners in group companies	6,266	133,710
Accounts receivable	6,951,382	9,545,327
Group companies	2,019,097	547,244
Jointly controlled companies	-	-
Other partners in group companies	54,330	106,775
Accounts payable	2,073,427	654,019
Group companies	556,650,545	544,374,785
Loans granted (Note 18)	556,650,545	544,374,785

All Sonae, SGPS, SA subsidiaries, associates and joint ventures are considered related parties and are identified in Consolidated Financial Statements. All Efanor Investimentos, SGPS, SA, subsidiaries, including the ones of Sonae Indústria, SGPS, SA and of Sonae Capital, SGPS, SA are also considered related parties.

14 GAINS OR LOSSES ON INVESTMENTS

As at 30 June 2010 and 2009, investment income can be detailed as follows:

	30.June.2010	30.June.2009
Dividends	71,616,617	93,516,449

The dividends mentioned above were distributed by the affiliates Sonae Investimentos, SGPS, SA (57,734,657 euro) and Sonae Sierra, SGPS, SA (13,655,880 euro) and Sonaegest, SA (226,080 euro).

15 EARNINGS PER SHARE

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

	30.June.2010	30.June.2009
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	67,357,768	93,063,796
Effect of dilutive potential shares		
Interests related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	67,357,768	93,063,796
Number of shares		
Weighted average number of shares used to calculate basic earnings	2,000,000,000	2,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with deferred performance bonus	1,322,666	-
Number of shares that could be acquired at average market price	(664,686)	-
Weighted average number of shares used to calculate diluted earnings per share	2,000,657,980	2,000,000,000
Profit/(Loss) per share		
Basic	0.033679	0.046532
Diluted	0.033668	0.046532

16 DIVIDENDS

In the annual General Meeting held on 27 April 2010, were allocated a gross dividend of 0.0315 euro per share (0.03 euro per share in 2009), corresponding to a total of 63,000,000 euro (60,000,000 euro in 2009).

17 APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 26 August 2010.

18 INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

During the period ended 30 June 2010 shareholders' loan contracts were entered into with the following companies:

Sonaecenter Serviços, SA

Sonae Investments, BV

Sontel, BV

During the period ended 30 June 2010 short-term loan contracts were entered into with the following companies:

Sonaecom, SGPS, SA

As at 30 June 2010 amounts owed by affiliated undertakings can be summarized as follows:

Companies	Closing Balance
MDS, SGPS, SA	15,382,017
Sonae Investments, BV	505,218,261
Sonaecenter, Serviços, SA	236,267
Sontel, BV	35,814,000
Total	556,650,545

As at 30 June 2010 there were no amounts owed from affiliated undertakings.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Cuervo García

Álvaro Carmona e Costa Portela

Michel Marie Bon

José Neves Adelino

Bernd Bothe

Christine Cross

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigos Jordão

SONAE/
LIMITED
REVIEW
REPORT/

RELATÓRIO DE REVISÃO LIMITADA ELABORADO POR AUDITOR REGISTADO NA CMVM SOBRE INFORMAÇÃO SEMESTRAL

Introdução

1. Nos termos do Código dos Valores Mobiliários, apresentamos o nosso Relatório de Revisão Limitada sobre a informação financeira do semestre findo em 30 de Junho de 2010 da Sonae, S.G.P.S., S.A. (“Empresa”), incluída: no Relatório de Gestão, no Balanço Consolidado Condensado e Individual Condensado, (que evidenciam um activo total de 7.399.620.148 Euros e 3.650.776.118 Euros, respectivamente, e capitais próprios consolidados e individuais de 1.709.657.544 Euros e 3.097.532.059 Euros, respectivamente, incluindo um resultado líquido consolidado atribuível aos accionistas da Empresa de 40.939.173 Euros e um resultado líquido individual de 67.357.768 Euros), nas Demonstrações Consolidadas Condensadas e Individuais Condensadas dos Resultados e do Rendimento Integral, das Alterações no Capital Próprio e dos Fluxos de Caixa do semestre findo naquela data e nos correspondentes Anexos.
2. As quantias das demonstrações financeiras, consolidadas e individuais, bem como as da informação financeira adicional, são as que constam dos registos contabilísticos das empresas incluídas na consolidação, posteriormente ajustadas, no âmbito do processo de consolidação, para estarem de acordo com as Normas Internacionais de Relato Financeiro tal como adoptadas na União Europeia.

Responsabilidades

3. É da responsabilidade do Conselho de Administração da Empresa: (i) a preparação de informação financeira consolidada e individual que apresente de forma verdadeira e apropriada a posição financeira da Empresa e do conjunto das empresas incluídas na consolidação, o resultado consolidado e individual e o rendimento integral consolidado e individual das suas operações, as alterações no seu capital próprio consolidado e individual e os seus fluxos de caixa consolidados e individuais; (ii) que a informação financeira histórica, seja preparada de acordo com as Normas Internacionais de Relato Financeiro tal como adoptadas na União Europeia para efeitos de relato financeiro intercalar (IAS 34) e que seja completa, verdadeira, actual, clara, objectiva e lícita, conforme exigido pelo Código dos Valores Mobiliários; (iii) a adopção de políticas e critérios contabilísticos adequados; (iv) a manutenção de um sistema de controlo interno apropriado; e (v) a informação de qualquer facto relevante que tenha influenciado a sua actividade e a actividade do conjunto das empresas incluídas na consolidação, a sua posição financeira ou o seu rendimento integral ou resultado.
4. A nossa responsabilidade consiste em verificar a informação financeira contida nos documentos acima referidos, designadamente sobre se, para os aspectos materialmente relevantes, é completa, verdadeira, actual, clara, objectiva, lícita e em conformidade com o exigido pelo Código dos Valores Mobiliários, competindo-nos emitir um relatório de segurança moderada, profissional e independente, sobre essa informação financeira, baseado no nosso trabalho.

Âmbito

5. O trabalho a que procedemos teve como objectivo obter uma segurança moderada quanto a se a informação financeira anteriormente referida está isenta de distorções materialmente relevantes. O nosso trabalho foi efectuado com base nas Normas Técnicas e Directrizes de Revisão/Auditoria emitidas pela Ordem dos Revisores Oficiais de Contas, foi planeado de acordo com aquele objectivo, e consistiu principalmente, em indagações e procedimentos analíticos destinados a rever: (i) a fiabilidade das asserções constantes da informação financeira; (ii) a adequação das políticas contabilísticas adoptadas, tendo em conta as circunstâncias e a consistência da sua aplicação; (iii) a aplicabilidade, ou não, do princípio da continuidade; (iv) a apresentação da informação financeira; e (v) se, para os aspectos materialmente relevantes, a informação financeira é completa, verdadeira, actual, clara, objectiva e lícita em conformidade com o exigido pelo Código dos Valores Mobiliários.
6. O nosso trabalho abrangeu ainda a verificação da concordância da informação financeira constante do Relatório de Gestão com os restantes documentos anteriormente referidos.
7. Entendemos que o trabalho efectuado proporciona uma base aceitável para a emissão do presente Relatório de Revisão Limitada sobre a informação semestral.

Parecer

8. Com base no trabalho efectuado, o qual foi executado tendo em vista a obtenção de uma segurança moderada, nada chegou ao nosso conhecimento que nos leve a concluir que a informação financeira consolidada e individual do semestre findo em 30 de Junho de 2010 referida no parágrafo 1 acima da Sonae, S.G.P.S., S.A., não esteja isenta de distorções materialmente relevantes que afectem a sua conformidade com as Normas Internacionais de Relato Financeiro tal como adoptadas na União Europeia, para efeitos de relato financeiro intercalar (IAS 34) e que, nos termos das definições incluídas nas directrizes mencionadas no parágrafo 5 acima, não seja completa, verdadeira, actual, clara, objectiva e lícita.

Porto, 26 de Agosto de 2010

Deloitte & Associados, SROC S.A.
Representada por Luís Augusto Gonçalves Magalhães

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 regulation, industry and 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 at Sonae's institutional website
www.sonae.pt

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Sonae 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.

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