

SONAE

9 MONTHS RESULTS 2012/



IMPROVING LIFE

1 HIGHLIGHTS

Retail turnover underpinned by gains in market share and international growth

- Sonae MC increases market share in the 9M12 by an estimated 0.8 p.p.
- Sonae SR grows international sales by 12% year-on-year
- Worten reinforces market leadership in Portugal, growing its market share by 2.4 p.p.

Recurrent EBITDA margin up 70 bps against last year

- Sonae MC increases EBITDA margin by 0.7 p.p., driven by productivity gains
- Sonaecom and Sonae Sierra improve EBITDA margins by 3.2 and 0.7 p.p. respectively

Strengthening of capital structure driven by a positive operational cash flow generation

- Net financial debt down by 178 M€, the 12th consecutive quarter with a year-on-year reduction
- Working capital improvement thanks to a 17% reduction in stock levels against 9M11
- Refinancing requirements secured until 2014

"I am pleased to report that Sonae was again able in 3Q12 to deliver a consistent top line performance and, importantly, growth in consolidated operating profitability and cash flow generation. This performance was made possible by the capacity of our food retail business to reinforce its share in the Portuguese market, while continuously seeking efficiency improvements. This focus on productivity continues to enable us to deliver more value to our customers. Sonae SR is addressing the significant reductions experienced in the demand for the more discretionary categories, by gaining market share at Worten and by reducing costs across all activities. It is also worth highlighting the upward trend in profitability that Sonaecom has once again been able to maintain during the quarter.

The announcement and implementation of more severe austerity measures in Portugal and Spain is expected to further impact the levels of disposable income and private consumption in Iberia in the coming year. Against this negative backdrop, it is critical that we continue to deliver the best value proposals to our customers, which should again allow for a sales performance above market, and that our teams continue the successful implementation of the on-going efficiency and productivity projects.

Based on the operating and financial performance in the first nine months of the year, I remain confident that we are following the most appropriate path to deal with the current market contractions in Iberia: growing market share and protecting profitability at home whilst growing in international markets, as has been the case, for example, for Sonae Sierra in Brazil and for Zippy in several new markets."

Paulo Azevedo, CEO Sonae

2 OVERALL PERFORMANCE

Consolidated profit & loss account

Million euros

	9M11PF ⁽¹⁾	9M12	Var
Turnover	4,023	3,935	-2%
Turnover_(ex-fuel)	4,005	3,935	-2%
Recurrent EBITDA	418	436	4%
Recurrent EBITDA margin	10.4%	11.1%	0.7 pp
EBITDA	429	431	1%
EBITDA margin	10.7%	11.0%	0.3 pp
EBIT	166	161	-3%
Net financial activity	-60	-69	-17%
Other items	-2	2	-
Shopping centers direct results	22	23	5%
EBT	126	116	-8%
Taxes	-10	-9	12%
Direct results	115	107	-7%
Indirect results	-8	-15	-76%
Net income	107	92	-14%
... Group share	84	64	-24%

(1) The 2011 results were restated to reflect (i) the change in the consolidation method, applicable to Sonae Sierra and Geostar; and (ii) the change made by Sonaecom in the accounting criteria for costs related to customers' loyalty contracts. For further information please refer to the Methodological Notes in Section 10.

Net invested capital

Million euros

	9M11PF	FY11PF	9M12
Net invested capital	3,901	3,663	3,723
Technical investment	3,119	3,253	3,163
Financial investment	548	541	509
Goodwill	669	660	666
Working capital	-434	-791	-615
Total shareholders funds	1,673	1,700	1,676
Total net debt	2,228	1,963	2,047
Net debt / Invested capital	57%	54%	55%

(1) Includes available for sale assets; (2) Financial net debt + net shareholder loans.

- During the first nine months of 2012, the level of private consumption in Iberia has been strongly influenced by the implementation of austerity measures in both Portugal and Spain, aimed at correcting the identified macroeconomic imbalances. For example, in the case of Portugal, it is estimated that retail sales contracted by more than 5% during this period¹. Despite this challenging macroeconomic backdrop, Sonae has been able to attain **market share** gains in its main business areas, which has allowed for a reduction of the consolidated **turnover** of just 2%², to 3.9 billion Euros in this period.
- Recurrent **EBITDA** amounted to 436 M€ in the 9M12, an improvement of 4% in comparison with the previous year. This positive performance was determined by the growth in the recurrent EBITDA generation of the food retail and telecommunications businesses, enabling the company to reach a consolidated EBITDA margin of 11%, 0.3 p.p. above the comparable period of 2011, despite the fact that no capital gains associated with the sale & leaseback of stores were registered in 2012.
- Total **net income** amounted to 92 M€, 15 M€ below the figure registered in the same period last year, mainly due to the non-existence of capital gains associated with the sale of assets by Sonae RP (vs. 16 M€ registered in 9M11), but also to a deterioration of Sonae Sierra's non-cash, indirect results, essentially driven by the devaluation of shopping centres in Iberia. In the same period, the share of net income attributable to the group reached 64 M€.
- The consolidated **CAPEX** reached 177 M€, having been essentially allocated to remodelling and maintenance of retail assets in Iberia and, in the case of Sonaecom, to the development of its telecommunications network, related mainly with the 4G network deployment.
- On 30th Sep 2012, **total net debt** totalled 2,047 M€, 181 M€ below the same period in 2011, despite the impact of the initial payment of the LTE spectrum acquisition (83 M€) made by Sonaecom and the payment of dividends to Sonae's shareholders (66 M€). The company is thus continuing in the path of strengthening its capital structure, with the consolidated net financial debt decreasing sustainably y.o.y. over the last 12 quarters and representing, at the end of the 3Q12, 55% of invested capital (2 p.p. lower than in the same period of 2011).

¹ Source: Eurostat; overall retail sales, except motor vehicles and fuel

² The universe under analysis excludes sales related to petrol stations (as the company has transferred the management of all its petrol stations during 2011), and incorporates the change in the consolidation of Sonae Sierra and Geostar's to the Equity Method (see Methodological Notes in Section 10 of this report)

3 TURNOVER

Tumover-Ex-fuel

Million euros

9M11PF

9M12

4,005

3,935

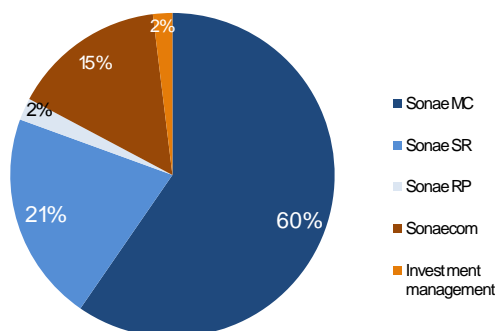
Tumover

Million euros

	9M11PF	9M12	Var
Tumover	4,023	3,935	-2%
Tumover (ex-fuel)	4,005	3,935	-2%
Sonae MC	2,421	2,405	-1%
Sonae SR	861	846	-2%
Sonae RP	89	89	0%
Sonaeom	650	617	-5%
Investment management	81	78	-3%
Eliminations & adjustments	-97	-100	-3%
Petrol stations	18	0	-100%

Tumoverbreakdown (9M12)

% totalturnoverex-fuel



During the first nine months of 2012, Sonae registered a **consolidated turnover** of 3,935 M€³, a reduction of just 2% against the previous year. The main contributors for this evolution were the following:

- **Sonae MC** with 2,405 M€ (-1%). The 16 M€ reduction reflects a slight negative evolution in sales on a "Lfl" basis (-1.4% in the 9M12). This performance was still above market average, with Sonae MC again strengthening its leading market share in the Portuguese food retail sector during the 9M12⁴. It is particularly noteworthy the fact that Sonae MC's "Lfl" sales evolution in the 3Q12 was almost flat (-0.3%), corresponding to the best performance in the market during that period. In this environment, Continente's private label portfolio continued to increase its relative weight, reaching a representativeness of almost 31% in the sales of FMCG categories during the 9M12 (+2 p.p. y.o.y.).
- **Sonae SR** with 846 M€ (-2% or -8.1% on a "Lfl" basis), reflecting the negative evolution of sales witnessed in the Iberian markets during the last quarters and despite a 3% increase in the sales area in the last 12 months. Sales from the various Sonae SR formats in Portugal decreased by circa 7%, which was only partially compensated by the 12% growth in the international markets. Sales outside of Portugal represented almost 30% of total sales in the 9M12, 4 p.p. above the figure registered in the same period of 2011. In the consumer electronics segment, the segment where more reliable market share information is available, Worten continued to strengthen its position in the Iberian market, with the market share in Portugal estimated to have increased y.o.y. by an estimated 2.4p.p.⁵.
- **Sonae RP** with 89 M€, completely in line with the 9M11, as there were no relevant changes in its asset portfolio between the 2 periods. Sonae currently maintains a level of *freehold* of approximately 77% (-1 p.p.) of its food retail selling area, still clearly above the average for other European food retailers, and 27% of its non-food retail space.
- **Sonaeom's** turnover totalled 617 M€, 5.1% below 9M11. The y.o.y. reduction results from decreases both at the level of product sales (-19.5%) and service revenues (-3.7%), with the later evolution determined not only by the impact of the austerity measures over the level of telecoms spend but also by the lower level of regulated tariffs (mobile termination rates and roaming). It is worth noting the positive performance of the IT/IS division (SSI), with the respective service revenues up by 11.1% y.o.y. in the 9M12.

³ see note 2 on previous page

⁴ For example, A.C.Nielsen's Homescan 2012 YTD evolution until 9 September: estimated + 0.8 p.p. market share

⁵ Source: GfK, August 2012 YTD

4 RECURRENT EBITDA

Recurrent EBITDA

Million euros

9M11PF

9M12

418

436

Recurrent EBITDA

Million euros

9M11PF

9M12

Var

Sonae	418	436	4%
Sonae MC	152	169	11%
Sonae SR	-15	-24	-63%
Sonae RP	81	82	0%
Sonae com	180	191	6%
Investment management	6	3	-41%
Eliminations & adjustments	14	16	13%

Recurrent EBITDA

% of turnover

9M11PF

9M12

Var

Sonae	10.4%	11.1%	0.7 pp
Sonae MC	6.3%	7.0%	0.7 pp
Sonae SR	-1.7%	-2.9%	-1.1 pp
Sonae RP	90.9%	91.2%	0.3 pp
Sonae com	27.7%	31.0%	3.2 pp
Investment management	7.2%	4.4%	-2.8 pp

In consolidated terms, Group **Recurrent EBITDA** totalled 436 M€, 4% above the 9M11, representing an operational profitability margin of 11.1% (an increase of 0.7 p.p.). In a difficult macroeconomic environment, this performance was supported by the productivity gains and operating efficiency improvements in the different business areas. In terms of performance per business, it is worth highlighting:

- **Sonae MC** with 169 M€ (+11% or +17 M€), representing a profitability of 7.0% of the respective turnover (+0.7 p.p. compared to the 9M11), a very positive outcome in the current environment of consumption retraction. Sonae MC was able, during this period, to sustain its competitiveness in the market and improve its operational profitability via a combination of a relevant promotional effort, leveraged on its "Continente" loyalty card (which was involved in approximately 90% of sales in the period), a rigorous cost control, a strict inventory management policy and further productivity gains delivered by the successful implementation of several internal initiatives.
- **Sonae SR's** contribution totalled -24 M€, which compares with a figure of -15 M€ registered in the same period last year. This deterioration essentially reflects an additional reduction in sales per square meter, as a result of the negative behaviour of retail revenues on the Iberian Peninsula, which has been particularly evident in the discretionary categories. This reduction in the level of sales density has more than offset the significant cost savings and gains in efficiency obtained by its formats. It is important to note that, despite a further reduction on sales and thanks to the efficiency measures under implementation, during the 3Q12 the level of EBITDA losses at Sonae SR was almost in line with the comparable period of last year. On the electronics segment, Worten continued to demonstrate a strong resilience and adaptability to the current consumption retraction period, as evidenced by the delivery of a stable EBITDA margin both in Portugal and Spain.
- **Sonae RP** with 82 M€, 1 M€ above previous year, which translates into a margin of approximately 91% over sales, a clear evidence of the efficient management and continuous enhancement of the retail real estate assets in its portfolio (mainly comprised of stores operated by Sonae MC and Sonae SR formats).
- Still in the 9M12, **Sonae com's** contribution reached 191 M€ (+6% or +11 M€), corresponding to a 31% margin over sales (+3.2 p.p. against the same period in 2011). Once again all its business areas registered a positive growth in their respective profitability. It is particularly worth highlighting the benchmark EBITDA margin obtained by the Optimus' mobile business (45.1% in the 3Q12).

5 SONAE SIERRA RESULTS

RESULTS OF ASSOCIATED COMPANIES

Sonae Sierra –Operational data

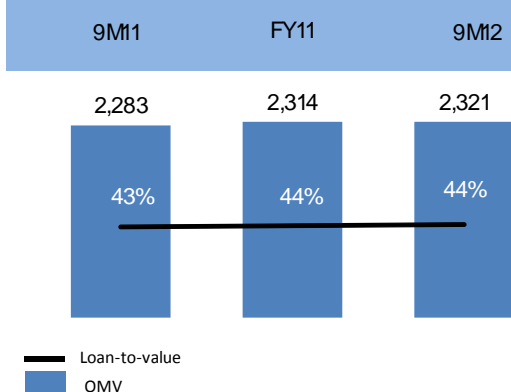
	9M11	9M12	Var
Footfall (n. million visitors)	312	313	0.4%
Europe	238	234	-1.7%
Brazil	73	79	7.3%
Occupancy rate (%)	97%	96%	-0.8 p.p.
Europe	96%	96%	-0.7 p.p.
Brazil	99%	98%	-1.3 p.p.
Tenant sales (n. million euros)	3.661	3.650	-0.3%
Europe	2.477	2.373	-4.2%
Brazil	1.184	1.277	7.9%
# shopping centres owned/co-owned (EOP)	49	51	2
Europe	39	40	1
Brazil	10	11	1
GIA owned in operating centres (000 m²)	1.921	2.015	5%
Europe	1.551	1.589	2%
Brazil	369	426	15%

Sonae Sierra –Financial indicators

	9M11	9M12	Var
Turnover	154	156	1%
EBITDA	84	86	2%
EBITDA margin	54.8%	55.6%	0.7 p.p.
Direct result	44	46	4%
Indirect result	-17	-29	-73%
Net results	27	17	-38%
... attributable to Sonae	14	8	-38%

Sonae Sierra

Open Market Value (OMV) and leverage



- In a context of a strong consumer retraction in southern European countries, with inevitable impacts on the retail real estate occupancy rates, Sonae Sierra, maintained, at the end of the 9M12, an **overall occupancy rate** in its portfolio of 96%, a decrease of just 0.8 p.p. when compared to the same period in 2011. In the portfolio under management, tenant sales decreased by 0.3% mainly impacted by the economic conditions in Portugal and Spain, which drove tenant sales down by 4.2% in the European portfolio. This trend was partly offset by the continued excellent operating performance in Brazil, with an 8.9% growth in "Lfl" tenant sales, in local currency terms, during the 9M12.
- Sonae Sierra's **turnover**⁶ increased by circa 1%, to 156 M€ in the 9M12, with the negative evolution of rental income in Europe being more than compensated by the effect of the new openings, the growth attained in Brazil and the expansion of development services rendered to third parties.
- EBITDA** grew to 86 M€ in the 9M12 (+2%), reflecting the resilient top line performance and the gains in efficiency delivered by the cost control efforts across all areas of the company, which translated into a 55.6% EBITDA margin in the period, 0.7 p.p. above the comparable period in 2011.
- In the same period, Sonae Sierra reached **net results** of 17 M€, of which the share attributable to Sonae was 8 M€, down by 6 M€ when compared to the 9M11. This reduction was solely determined by an unfavourable evolution of **indirect results** (down by 12 M€) mainly as result of yields expansion in Portugal (+20 bps), Spain (+17 bps) and Italy (+9 bps), only partially compensated by the compression of yields in Brazil. It should be noted that Sonae Sierra, in line with market practices, only revalues its portfolio on a semi-annual basis. Importantly, Sierra's direct results reached 46 M€, up by approximately 4% versus the 9M11.
- On 30th Sep 2012, the company's **OMV** (Open Market Value) was 2.3 Bn€, in line with the 2011 year-end figure. It is worth highlighting the 2 openings that occurred during 2012: "Le Terrazze" in Italy and "Uberlândia" in Brazil. In what concerns leverage, essentially due to the development of projects under construction in Brazil and Germany, the "Loan-to-value" ratio increased from 43% in the same period last year to a still conservative 44% at the end of September 2012. As a result of the above, Sonae Sierra's **Net Asset Value** reached 1.13 Bn€ at the end of the 9M12.

⁶ Financial indicators as published by Sonae Sierra on 6 November 2012 (management accounts). Sonae holds a 50% stake in Sonae Sierra.

6 NET RESULTS

Consolidated results

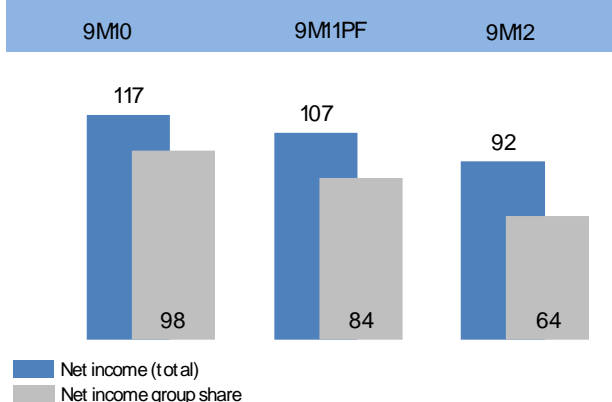
Million euros

	9M11PF	9M12	Var
Recurrent EBITDA	418	436	4%
Recurrent EBITDA margin	10.4%	11.1%	0.7 pp
EBITDA	429	431	1%
EBITDA margin	10.7%	11.0%	0.3 pp
Depreciations & amortizations ⁽¹⁾	-263	-271	-3%
EBIT	166	161	-3%
Net financial activity	-60	-69	-17%
Other items	-2	2	-
Shopping centers direct results	22	23	5%
EBT	126	116	-8%
Taxes	-10	-9	12%
Net results	115	107	-7%
Indirect results	-8	-15	-76%
Net income	107	92	-14%
...group share	84	64	-24%

(1) Includes provisions & impairments.

Net income

Million euros



- In the 9M12, **consolidated EBITDA** reached 431 M€. This figure represents an increase of 1% in relation to the same period last year, totally explained by the improved operational performance of Sonae MC and Sonaecom, as evidenced by the recurrent EBITDA growth of +4% or +18 M€ versus the 9M11. This evolution more than compensated the inexistence of capital gains obtained by Sonae RP in this period (vs. 16 M€ in 9M11), as no retail property sale & leaseback transactions were completed during 2012.
- In the same period, the expenses related to **depreciations, amortizations and provisions** stood at 271 M€, 3% above the previous year, mainly driven by the asset base growth.
- Net financial expenses** totalled 69 M€ in 9M12, 17% above the figure registered in the same period last year, with the decrease in average debt being more than compensated by the increase in the effective global interest rates, solely determined by the increase in *spreads* paid, as Euribor rates remain at historically low levels. The average interest rate of credit facilities outstanding at the end of September 2012 was circa 3.1%, which compares with 2.7% at the end of the 9M11.
- EBT** reached 116 M€, down by 8% against the 9M11, with the higher depreciation and net financial expenses partially compensated by the improved consolidated EBITDA generation and the 5% growth of Sonae Sierra's direct results contribution.
- Indirect results** reflects Sonae's share (50%) in Sonae Sierra's non-cash indirect results, the evolution of which was described in Section 5 of this report.
- Basically as a consequence of no capital gains being registered in this period and the impact of Sonae Sierra's indirect results, **total net income** was down, against the comparable period in 2011, by 14%, to 92 M€ in the 9M12, of which the amount attributable to the Group was 64 M€.

7 INVESTED CAPITAL

Capex

Million euros

	9M11PF	9M12	% of Turnover
Sonae	210	177	4%
Sonae MC	54	35	1%
Sonae SR	60	18	2%
Sonae RP	8	10	11%
Sonaecom	82	111	18%
Investment management	6	1	1%
Eliminations & adjustments	0	2	-
Recurrent EBITDA - CAPEX	208	260	-

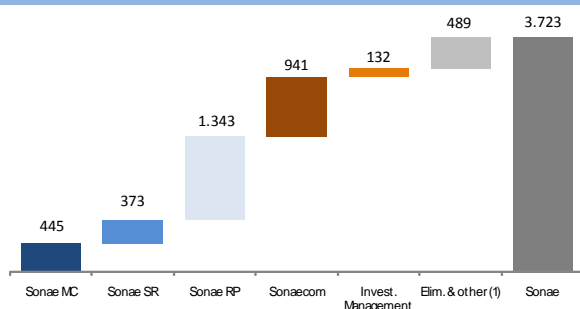
Net invested capital

Million euros

	9M11PF	FY11PF	9M12
Invested capital	3,901	3,663	3,723
Technical investment	3,119	3,253	3,163
Financial investment	548	541	509
Goodwill	669	660	666
Working capital	-434	-791	-615

Breakdown invested capital (9M12)

Million euros



(1) includes the value of partnerships accounted as financial investments

During the first nine months of 2012 Sonae carried out a **total investment** of 177 M€, significantly below the figure registered during the same period in 2011. This reduction is mostly justified by the lower degree of international expansion carried out by Sonae SR during the current year, determined by the outlook for the Spanish market and by the consolidation of the strong investments made over the last 3 years. The reductions in the retail businesses have more than compensated the higher level of CAPEX at Sonaecom, as further explained below.

The investment carried out in the 9M12 was essentially distributed amongst the following projects:

- Selective opening of new retail stores in Portugal, including 1 Continente Modelo, 4 Continente Bom Dia and 2 Worten stores;
- Consolidation of Sonae SR's own store network in the international markets. As at the end of September 2012, Sonae SR's formats had a total of 137 stores outside of Portugal, including 14 under franchising agreements. The lower rate of store openings by Sonae SR's formats is clearly evidenced by the 42 M€ y.o.y. reduction on its CAPEX;
- Programmed remodelling of a number of retail units so as to ensure they remain as a reference in their respective catchment areas;
- Strengthening of the coverage and capacity of the Optimus' mobile network. After securing the ideal combination of LTE spectrum bands, Optimus is now well advanced on the 4G network deployment, making significant progress towards reaching the target of 80% population coverage by the end of 2012;
- Also at Sonaecom, the acquisition by WeDo Technologies of Connectiv Solutions Inc, an US software company, an investment of 10 M€ made during the 2Q12, thus reinforcing WeDo's position in the global business assurance telecom market.

The increasing **cash flow generation** of Sonae's businesses continues to be evidenced by the 52 M€ growth at the level (recurrent EBITDA – Capex) registered in the 9M12, when compared to last year.

On 30th Sep 2012, Sonae's overall **net invested capital** reached 3,723 M€, of which circa 57% is invested in the retail businesses, corresponding to Sonae RP an overall asset portfolio with a book value of 1,343 M€. mostly comprised of stores operated by Sonae MC and Sonae SR. Sonaecom's contribution to the previously referred invested capital reached 941 M€, 116 M€ above the same period last year, essentially as a result of the investments carried out in the 4G network and spectrum acquisition.

8 CAPITAL STRUCTURE

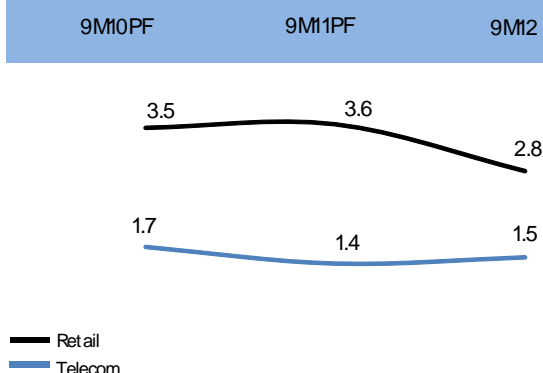
Net debt

Million euros

	9M11PF	9M12	Var
Net financial debt	2,192	2,014	-178
Retail units	1,259	982	-277
Sonaecom	324	371	47
Investment management	21	27	7
Holding & other	589	635	46
Shareholders	36	33	-4

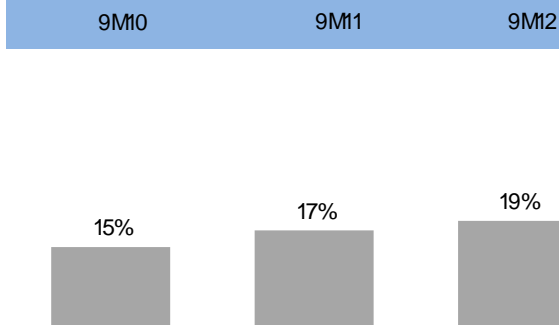
Capital structure

Net debt to recurrent EBITDA



Capital structure

Loan-to-value (%) - Holding



At the end of the 9M12, Sonae's **financial net debt** amounted to 2,014 M€, a 178 M€ decrease from the same period in 2011, despite the impact resulting from the initial payment (83 M€), made in the beginning of 2012, relative to the acquisition of the LTE spectrum by Sonaecom and the continuation of Sonae's dividend policy. In cumulative terms, in the last 3 years, the total reduction in net financial debt reached 424 M€, a particularly remarkable achievement when considering the strong investments in international growth carried out by the company during this period.

At the end of September 2012, consolidated net debt represented 55% of the total capital employed, 2 p.p. below the level registered at the end of the 9M11. In terms of allocation per business, the following is worth highlighting:

- The **retail units** net debt totalled 982 M€ at the end of the 9M12, 277 M€ below the same period in 2011, exclusively as a result of the business' strong capacity to generate *cash-flow* as no *sale & leaseback* of retail real estate assets were completed between the two periods. This reduction in net debt has allowed for an improvement of the Net Debt to recurring EBITDA ratio, from 3.6x at the end of the 9M11 to 2.8x at the end of September 2012.
- **Sonaecom's** net debt increased by 47 M€, compared to the same period in 2011, to 371 M€ at the end of 9M12, as a result of the initial payment foreseen under LTE spectrum acquisition (83 M€) and the circa 25 M€ dividends distribution made in the 2Q12. The Net Debt to recurrent EBITDA ratio slightly increased, from 1.4x to 1.5x at the end of the 9M12, with the previously explained higher net debt level more than offsetting the positive EBITDA performance
- The **holding net debt** increased circa 46 M€, to 635 M€ at the end of September 2012, mostly driven by the impact of the dividend payment made in the 2012 (66 M€). It should be noted that, in terms of quarterly evolution, the holding net debt registered a reduction of approximately 30 M€ against the end of the 2Q12. The "loan-to-value" ratio of the holding thus remains at conservative levels, having reached 19% at the end of the 9M12.

9 CORPORATE INFORMATION

Main corporate events 3Q12

On **July 23**, Sonae announced the final results of the placement of € 200 million “Obrigações Continente”, a **bond issued** by Sonae SGPS, S.A. and made available through a public subscription offer to retail investors. These bonds have a maturity of 3 years and carry a gross annual coupon of 7%. The subscription period lasted from 2 to 20 July 2012 and, taking into account the success of the placement, with total demand reaching more than 4x the initial target amount of € 100 million.

On **July 31**, Sonae announced that it had completed, directly and through its subsidiaries, additional **medium and long term financing transactions**, in the total amount of €370 million, of which €200 million correspond to the a retail bond issue and €75 million to a long term financing signed with an international bank, that becomes part of the group of banks that support its activities. These operations, together with the facilities previously negotiated in 2012, enabled Sonae to complete the refinancing program of its medium and long-term credit facilities maturing until the end of 2013, as well as to partially ensure the refinancing of debt maturities in 2014.

On **August 21**, Sonae MC was awarded an international certification for its **private label** management system. This certification, provided by SGS ICS – International Certification Services, included all “Continente” branded products and acknowledged the quality of the own brand development programme, as well as the monitoring of suppliers and products after their introduction in the market.

On **August 23**, Sonae SR announced the signature of an agreement for the **expansion of its international presence** in the Caucasus region. This expansion plan foresees the entry of the “Zippy” format in Azerbaijan, Armenia and Georgia and will be done via a “capital light” approach through the widening of the scope of the existing franchising agreement signed with the Fawaz Alhokair Group for the Middle East region.

Subsequent events

On **October 15**, Sonae SR has further strengthened its international presence with the opening of its first store in **Latin America**. This first step towards establishing the international presence in the region took place with the opening of a “Zippy” store in the Dominican Republic, under a franchising agreement with the Phoenix Group. The expansion plan for Latin America envisages the opening of another 25 Zippy stores through until 2016.

On **October 4**, **Sonae Sierra Brasil (“SSB”)**, a Sonae Sierra subsidiary, announced the **acquisition of an additional stake** of 9.5% in the “Franca Shopping” for a consideration of R\$9 million (bringing its total stake in that asset to 76.9%). Subsequently, on **November 5**, the company announced the agreement for the **sale of its ownership interests in 3 shopping centres** - 51% in “Shopping Penha”, 30% in “Tivoli Shopping” and 10.4% in “Pátio Brasil Shopping” - for a total of R\$212.9 million (approximately €81 million). These transactions were fully aligned with SSB’s strategy of focusing on the control of dominant shopping centres in the region and recycling capital from mature, non-controlled assets to other projects with development potential.

With these transactions, Sonae Sierra currently has a portfolio of 8 shopping centres in Brazil, which represent a total of approximately 321.7 thousand m² of GLA, and has 2 new projects under construction, with a combined GLA of circa 125.9 thousand m².

Sonae provides additional operating and financial information in Excel format.
Click here to be taken to the information directly or visit our website (www.sonae.pt)



10 ADDITIONAL INFORMATION

Methodological notes

The consolidated financial information contained in this report was prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union. The financial information regarding quarterly and semi-annual figures was not subject to audit procedures.

The norm IFRS 11 - Joint Arrangements alters the accounting method of joint-controlled investments, namely eliminating the possibility of proportional consolidation of entities that fall under the concept of joint-ventures, as is the case of Sonae Sierra and Geostar. Under these terms, Sonae has decided, as already possible under the current norms, anticipating the likely requirement for this change to be implemented for annual reporting periods beginning on 1 January 2013 and in order to facilitate a future comparison of its financial reporting, to start reporting Sonae Sierra and Geostar according the Equity Method (the only possible method according to this new norm) from 1 January 2012.

During the 1Q12, in line with best practice in the telecoms sector, Sonaecom changed its accounting criteria for costs related to customers' loyalty contracts. Until then, these costs were recorded as an expense in the year they occurred. From 1 January 2012, the costs incurred for customers' loyalty contracts are capitalised and amortised over the period of their respective contracts, as it was possible to apply a reliable cost allocation to the respective contracts, thus fulfilling the criteria for capitalisation required under IAS 38.

Accordingly, the 2011 results of Sonae were restated to reflect these accounting changes.

Glossary

CAPEX	Investments in tangible and intangible assets and investments in acquisitions; Gross CAPEX, not including cash inflows from the sale of assets
Direct income	Results excluding contributions to indirect income
EBITDA	Turnover + other revenues - impairment reversal - negative goodwill - operating costs (based on direct net income) - provisions for warranties extensions + gain/losses from sales of companies
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
Financial net debt	Total net debt excluding shareholders loans
GLAs	Gross Leasable Area: equivalent to the total area available to be rented in the shopping centres
Indirect income	Sonae Sierra's results, net of taxes, 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 indirect income was computed based on the proportional method for all companies owned by Sonae Sierra

Net Invested capital	Total net debt + total shareholder funds
Investment properties	Shopping centres in operation owned by Sonae Sierra
Liquidity	Cash & equivalents + current investments
Like for Like sales ("Lfl")	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)
LTE	"Long Term Evolution" is a standard for wireless communication of high-speed data for mobile phones and data terminals developed by the Third Generation Partnership Project, an industry trade group. LTE provides significantly increased capacity and speed for wireless broadband, using new modulation techniques.
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities
Net Debt	Bonds + bank loans + other loans + financial leases + shareholder loans - cash, bank deposits, current investments and other long term financial applications
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
ROE (Return on equity)	Total net income _n (equity holders)/ Shareholders' Funds _{n-1} (equity holders)
Recurrent EBITDA	EBITDA excluding non-recurrent items, namely gains in sales of investments and other movements that distort comparability
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 profit and loss account						
Million euros						
	9M11PF	9M12	Var	3Q11PF	3Q12	Var
Turnover	4 023	3 935	-2,2%	1 420	1 404	-1,1%
Recurrent EBITDA ⁽¹⁾	418	436	4,3%	166	167	0,5%
Recurrent EBITDA margin	10,4%	11,1%	0,7 pp	11,7%	11,9%	0,2 pp
EBITDA	429	431	0,7%	164	165	0,8%
EBITDA margin	10,7%	11,0%	0,3 pp	11,5%	11,8%	0,2 pp
Depreciations & amortizations ⁽²⁾	-263	-271	-2,9%	-88	-91	-3,4%
EBIT	166	161	-3,0%	76	74	-2,4%
Net financial activity	-60	-69	-16,7%	-19	-25	-27,9%
Other items ⁽³⁾	-2	2	-	0	1	157,2%
Shopping centers direct results	22	23	4,8%	8	7	-6,4%
EBT	126	116	-7,8%	64	57	-10,9%
Taxes	-10	-9	12,4%	-3	-1	65,0%
Direct results	115	107	-7,4%	61	56	-7,9%
Indirect results ⁽⁴⁾	-8	-15	-75,6%	-1	0	60,3%
Net income	107	92	-13,8%	60	56	-7,2%
... Group share	84	64	-23,7%	49	45	-8,9%
... Minority interests	23	28	22,1%	11	11	0,0%

(1) EBITDA excluding extraordinary items; (2) Includes provisions, impairments, reversion of impairments and negative goodwill; (3) Share of results of associated undertakings + dividends; (4) Statutory figures. 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					
	9M11PF	9M12	Var	FY11PF	Var
TOTAL ASSETS	6 045	5 968	-1,3%	6 317	-5,5%
Non current assets	4 627	4 641	0,3%	4 747	-2,2%
Tangible and intangible assets	3 118	3 163	1,4%	3 252	-2,8%
Goodwill	669	666	-0,5%	660	0,9%
Other investments	582	543	-6,7%	575	-5,6%
Deferred tax assets	220	226	2,9%	222	2,1%
Others	39	44	13,2%	38	14,8%
Current assets	1 417	1 327	-6,4%	1 570	-15,5%
Stocks	648	537	-17,2%	651	-17,5%
Trade debtors	157	147	-6,3%	175	-16,1%
Liquidity	233	304	30,6%	426	-28,7%
Others ⁽¹⁾	380	340	-10,6%	318	6,8%
SHAREHOLDERS' FUNDS	1 673	1 676	0,2%	1 700	-1,4%
Equity holders	1 338	1 333	-0,4%	1 364	-2,2%
Attributable to minority interests	335	343	2,2%	337	1,8%
LIABILITIES	4 371	4 292	-1,8%	4 616	-7,0%
Non-current liabilities	2 175	2 228	2,4%	2 164	3,0%
Bank loans	465	530	14,0%	401	32,0%
Other loans	1 384	1 325	-4,3%	1 389	-4,6%
Deferred tax liabilities	130	133	2,3%	134	-0,7%
Provisions	70	97	38,9%	91	6,1%
Others	126	143	13,2%	148	-3,2%
Current liabilities	2 196	2 065	-6,0%	2 453	-15,8%
Bank loans	239	220	-8,1%	227	-3,2%
Other loans	370	277	-25,0%	373	-25,6%
Trade creditors	1 056	1 046	-1,0%	1 245	-16,0%
Others	531	522	-1,6%	609	-14,2%
SHAREHOLDERS' FUNDS + LIABILITIES	6 045	5 968	-1,3%	6 317	-5,5%

(1) Includes assets available for sale.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigos Jordão

Condensed consolidated financial statements

SONAE, SGPS, SA

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2012 AND 2011
AND AT 31 DECEMBER 2011*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

ASSETS	Notes	30 September 2012	30 September 2011 Restated	31 December 2011 Restated	01 January 2011 Restated
NON-CURRENT ASSETS:					
Tangible assets	8	2,601,235,895	2,664,046,101	2,672,406,896	2,715,382,100
Intangible assets	9	561,408,464	453,858,851	579,781,789	474,815,909
Goodwill	10	665,564,627	668,998,910	659,813,493	671,030,521
Investments in associates	5	505,778,026	541,417,512	534,134,089	575,397,829
Other investments	6 and 11	37,086,592	40,514,484	40,940,837	43,298,704
Deferred tax assets	14	226,467,961	220,024,548	221,875,249	207,284,904
Other non-current assets	12	43,630,165	38,558,045	37,992,014	40,758,287
Total Non-Current Assets		4,641,171,730	4,627,418,451	4,746,944,367	4,727,968,254
CURRENT ASSETS:					
Inventories		536,642,910	647,899,457	650,705,703	682,067,028
Trade accounts receivable and other current assets	13	485,786,019	535,857,880	492,361,631	480,379,388
Investments	11	1,464,062	5,478,059	5,861,218	15,653,114
Cash and cash equivalents	15	302,505,012	227,281,713	420,169,386	219,624,321
Total Current Assets		1,326,398,003	1,416,517,109	1,569,097,938	1,397,723,851
Assets available for sale		720,338	720,338	720,338	9,500,686
TOTAL ASSETS		5,968,290,071	6,044,655,898	6,316,762,643	6,135,192,791
EQUITY AND LIABILITIES					
EQUITY:					
Share capital	16	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(132,052,137)	(131,895,330)	(131,895,330)	(135,679,489)
Reserves and retained earnings		(598,985,999)	(614,208,892)	(608,460,883)	(687,567,900)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		64,117,222	84,061,969	103,944,076	167,940,582
Equity attributable to the equity holders of the Parent Company		1,333,079,086	1,337,957,747	1,363,587,863	1,344,693,193
Equity attributable to non-controlling interests	17	342,744,927	335,222,073	336,803,275	318,520,043
TOTAL EQUITY		1,675,824,013	1,673,179,820	1,700,391,138	1,663,213,236
LIABILITIES:					
NON-CURRENT LIABILITIES:					
Loans	18	1,854,909,021	1,849,378,206	1,790,735,595	2,051,850,035
Other non-current liabilities	20	142,915,708	126,270,315	147,564,117	165,953,103
Deferred tax liabilities	14	133,237,868	130,261,491	134,191,549	122,336,903
Provisions	23	96,560,537	69,501,138	91,036,377	62,636,516
Total Non-Current Liabilities		2,227,623,134	2,175,411,150	2,163,527,638	2,402,776,557
CURRENT LIABILITIES:					
Loans	18	497,134,407	609,078,653	599,709,871	201,410,534
Trade creditors and other current liabilities	22	1,565,238,075	1,584,719,508	1,850,867,229	1,866,194,409
Provisions	23	2,470,442	2,266,767	2,266,767	1,598,055
Total Current Liabilities		2,064,842,924	2,196,064,928	2,452,843,867	2,069,202,998
TOTAL LIABILITIES		4,292,466,058	4,371,476,078	4,616,371,505	4,471,979,555
TOTAL EQUITY AND LIABILITIES		5,968,290,071	6,044,655,898	6,316,762,643	6,135,192,791

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 SEPTEMBER 2012 AND 2011*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	3 rd Quarter 2012	3 rd Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
Sales		1,195,394,525	1,199,360,437	3,318,090,770	3,373,204,086
Services rendered		208,758,192	220,869,192	616,933,517	649,953,817
Investment income		99,002	(60,891)	1,904,954	92,872
Financial income		3,071,796	5,023,272	9,159,751	11,301,892
Other income		91,310,482	91,957,396	315,910,107	352,531,647
Cost of goods sold and materials consumed		(928,754,358)	(915,582,890)	(2,601,415,731)	(2,641,897,258)
Changes in stocks of finished goods and work in progress		(342,350)	31,655	(553,945)	397,922
External supplies and services		(235,508,135)	(248,612,267)	(702,654,726)	(740,459,007)
Staff costs		(157,830,904)	(162,431,517)	(485,915,881)	(506,931,875)
Depreciation and amortisation	8 and 9	(81,919,843)	(82,574,133)	(243,647,458)	(245,620,087)
Provisions and impairment losses		(7,240,542)	(8,858,244)	(22,721,935)	(25,616,530)
Financial expense		(27,971,854)	(24,495,222)	(78,627,420)	(70,822,586)
Other expenses		(9,774,267)	(18,338,658)	(35,004,528)	(49,886,495)
Share of results of associated undertakings	5	7,997,701	7,464,709	9,994,546	11,324,689
Profit/(Loss) before taxation		57,169,445	63,752,839	101,452,021	117,573,087
Taxation	26	(1,189,552)	(3,399,927)	(9,140,081)	(10,428,899)
Profit/(Loss) after taxation		55,979,893	60,352,912	92,311,940	107,144,188
Attributable to:					
Equity holders of the Parent Company		44,605,642	48,981,633	64,117,222	84,061,969
Non-controlling interests	17	11,374,251	11,371,279	28,194,718	23,082,219
Profit/(Loss) per share					
Basic	27	0.023818	0.026149	0.034236	0.044877
Diluted	27	0.023726	0.026021	0.034120	0.044678

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

The Board of Directors

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS
ENDED 30 SEPTEMBER 2012 AND 2011*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	3 rd Quarter 2012	3 rd Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
Net Profit / (Loss) for the period	55,979,893	60,352,912	92,311,940	107,144,188
Exchange differences arising on translation of foreign operations	(277,247)	(2,566,032)	(1,989,763)	(3,051,316)
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method	(6,219,365)	(22,503,319)	(28,736,908)	(34,389,753)
Changes on fair value of available-for-sale financial assets	-	(996,000)	(2,505,654)	(2,656,000)
Changes in hedge and fair value reserves	(1,550,791)	898,243	(2,769,649)	6,664,757
Deferred tax related to changes in fair values reserves	379,104	(1,032,314)	908,995	(1,325,838)
Other comprehensive income for the period	(7,668,298)	(26,199,422)	(35,092,979)	(34,758,150)
Total comprehensive income for the period	48,311,595	34,153,490	57,218,961	72,386,038
Attributable to:				
Equity holders of parent company	37,471,741	25,535,933	30,425,935	50,956,245
Non controlling interests	10,839,854	8,617,557	26,793,026	21,429,793

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Attributable to Equity Holders of Parent Company											
	Reserves and Retained Earnings											
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Hedging Reserve	Investments Fair Value Reserve	Other Reserves and Retained	Total	Net Profit/(Loss)	Total	Non controlling Interests (Note 17)	Total Equity
Balance as at 1 January 2011 - restated	2,000,000,000	(135,679,489)	167,816,034	8,783,221	4,829,654	(9,770,493)	(859,226,316)	(687,567,900)	167,940,582	1,344,693,193	318,520,043	1,663,213,236
Total comprehensive income for the period	-	-	-	(907,441)	(2,656,000)	5,255,900	(34,798,183)	(33,105,724)	84,061,969	50,956,245	21,429,793	72,386,038
Appropriation of profit of 2010:												
Transfer to legal reserves and retained earnings	-	-	19,321,614	-	-	-	148,618,968	167,940,582	(167,940,582)	-	-	-
Dividends distributed	-	-	-	-	-	-	(66,200,000)	(66,200,000)	-	(66,200,000)	(8,286,039)	(74,486,039)
Disposal of own shares/ attribution to employees	-	3,784,159	-	-	-	-	4,379,315	4,379,315	-	8,163,474	492,392	8,655,866
Partial disposal or aquisitions of affiliated companies	-	-	-	-	-	-	53,071	53,071	-	53,071	2,874,451	2,927,522
Aquisitions of affiliated companies	-	-	-	-	-	-	-	-	-	-	253,523	253,523
Others	-	-	-	-	-	-	291,764	291,764	-	291,764	(62,090)	229,674
Balance as at 30 September 2011 - restated	2,000,000,000	(131,895,330)	187,137,648	7,875,780	2,173,654	(4,514,593)	(806,881,381)	(614,208,892)	84,061,969	1,337,957,747	335,222,073	1,673,179,820
Balance as at 1 January 2012 - restated	2,000,000,000	(131,895,330)	187,137,648	6,935,942	2,505,654	(3,434,957)	(801,605,170)	(608,460,883)	103,944,076	1,363,587,863	336,803,275	1,700,391,138
Total comprehensive income for the period	-	-	-	(1,104,280)	(2,505,654)	(1,788,287)	(28,293,066)	(33,691,287)	64,117,222	30,425,935	26,793,026	57,218,961
Appropriation of profit of 2011:												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	103,944,076	103,944,076	(103,944,076)	-	-	-
Dividends distributed	-	-	-	-	-	-	(61,989,385)	(61,989,385)	-	(61,989,385)	(11,376,626)	(73,366,011)
Income distribution	-	-	-	-	-	-	-	-	-	-	(5,924,953)	(5,924,953)
Aquisition and disposal of own shares/ attribution to employees	-	(156,807)	-	-	-	-	(971,676)	(971,676)	-	(1,128,483)	(469,841)	(1,598,324)
Partial disposal or aquisitions of affiliated companies	-	-	-	-	-	-	2,860,990	2,860,990	-	2,860,990	(2,860,990)	-
Others	-	-	-	-	-	-	(677,834)	(677,834)	-	(677,834)	(218,964)	(896,798)
Balance as at 30 September 2012	2,000,000,000	(132,052,137)	187,137,648	5,831,662	-	(5,223,244)	(786,732,065)	(598,985,999)	64,117,222	1,333,079,086	342,744,927	1,675,824,013

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

The Board of Directors

SONAE, SGPS, SA

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR
THE PERIODS ENDED 30 SEPTEMBER 2012 AND 2011*(Translation of condensed consolidated financial statements originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails.)**(Amounts expressed in euro)*

	Notes	3 rd Quarter 2012	3 rd Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
OPERATING ACTIVITIES					
Net cash flow from operating activities (1)		237,763,631	155,730,225	329,375,177	111,017,117
INVESTMENT ACTIVITIES					
Cash receipts arising from:					
Investments		471,150	652,466	5,329,402	11,856,817
Tangible and intangible assets		4,659,955	468,184	10,563,460	73,790,849
Others		24,372,965	140,384	48,043,927	18,168,329
		29,504,070	846,947	63,936,789	103,815,995
Cash payments arising from:					
Investments		(3,690,074)	(3,883,286)	(15,997,600)	(14,202,884)
Tangible and intangible assets		(51,650,777)	(59,682,044)	(257,425,591)	(235,931,002)
Others		(6,959,494)	(27,124,882)	(24,667,261)	(30,620,371)
		(62,300,345)	(90,690,212)	(298,090,452)	(280,754,257)
Net cash used in investment activities (2)		(32,796,275)	(89,843,265)	(234,153,663)	(176,938,262)
FINANCING ACTIVITIES					
Cash receipts arising from:					
Loans obtained		1,063,569,479	1,722,990,612	4,235,372,973	2,967,158,570
Capital increases, shareholder's loans and share premiums		-	-	580,875	-
Sale of own shares		-	-	2,189,569	-
Others		-	-	-	1,470,000
		1,063,569,479	1,722,990,612	4,238,143,417	2,968,628,570
Cash payments arising from:			0		
Loans obtained		(1,136,926,503)	(1,715,057,176)	(4,303,537,758)	(2,758,115,038)
Interest and similar charges		(28,527,670)	(28,275,536)	(76,811,482)	(67,695,834)
Dividends		(6,436,579)	-	(85,757,266)	(74,594,979)
Purchase of own shares		-	-	(2,612,424)	-
Others		(2,059,173)	(1,063,743)	(4,629,931)	(4,189,457)
		(1,173,949,925)	(1,744,396,455)	(4,473,348,861)	(2,904,595,308)
Net cash used in financing activities (3)		(110,380,446)	(21,405,843)	(235,205,444)	64,033,262
		0	0		
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		94,586,910	44,481,117	(139,983,930)	(1,887,883)
Effect of foreign exchange rate		(178,703)	(697,163)	11,094	(590,190)
Cash and cash equivalents at the beginning of the period	15	180,696,479	166,195,466	415,457,116	212,671,439
Cash and cash equivalents at the end of the period	15	275,462,092	211,373,746	275,462,092	211,373,746

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 SEPTEMBER 2012

(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 6 ("Sonae"). Sonae's operations and operating segments are described in Note 29.

2 PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the preparation of the consolidated financial statements for the period ended as at 31 December 2011, except for the change mentioned in Note 3.

2.1. Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), as adopted by the European Union as at the consolidated financial statements issuance date.

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 Company, subsidiaries and joint ventures, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for some financial instruments which are stated at fair value.

New accounting standards and their impact on the consolidated financial statements:

Until the date of approval of these financial statements there are no standards, interpretations, amendments and revisions that were approved (endorsed) by the European Union and whose application is mandatory in financial years beginning on or after January 1st, 2012 or whose application is mandatory in future financial years, and that were adopted for the first time in the period ended at 30 September 2012.

The following standards, interpretations, amendments and revisions have been at the date of approval of these financial statements, approved (endorsed) by the European Union, whose application is mandatory only in future financial years:

	Effective date(for financial years beginning on/after)
IAS1 - Amendments (Presentation of items of Other Comprehensive Income)	01-07-2012
IAS 19 - Amendments (Employee Benefits)	01-01-2013

3 CHANGES IN ACCOUNTING POLICIES

During the period the Group changed the following accounting policies:

3.1 Change in consolidation method for jointly controlled subsidiaries from proportion to equity

IFRS 11 - Joint Arrangements, has been issued by the IASB but not yet approved ("endorsed") by the European Union. From the adoption of this standard it is estimated a significant impact on the consolidated financial statements, namely because the proportionate consolidation method will be abolished for jointly controlled entities, which will produce a significant impact on the Group's Shopping Centers Segment.

During the period ended at 30 September 2012, in order to anticipate a probable endorsement of this standard and to facilitate the future comparison with the financial statements of the Company, Sonae decided, from 1 January 2012 onwards, to start reporting all jointly controlled entities in accordance with the equity method.

3.2 Capitalization of the costs related with customers' loyalty contracts

Additionally, during the period ended at 30 September 2012, the Group, aligned with the best practices in the telecommunications sector, changed its accounting criteria for costs related to customers' loyalty contracts. To date, these were recorded as an expense in the year they occurred. From 1 January 2012 onwards, the costs incurred for customers' loyalty contracts, which include indemnity clauses for early termination, are capitalised as "Intangible Assets" and amortised over the period of the contracts. This is because it is now possible to apply a reliable cost allocation to the respective contracts, as well as the income per customer of each contract, so fulfilling the criteria for capitalisation required by IAS 38. When a contract is terminated the

net value of intangible assets associated with this contract is immediately recognized as an expense in the income statement.

This accounting policy allows to present in a more reliable and relevant manner the financial performance and position exhibited in the financial statements, as it enables the alignment of costs associated with customer loyalties' contracts with the income generated. In addition, and in accordance with the relevant periodicity, impairment tests are made to the intangible assets in order to ensure that the current value of revenues estimated for each customer loyalties' contracts is higher than the cost capitalized on that contract.

All other accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2011.

In accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, these changes in the Group's accounting policies were applied retrospectively. Therefore changes were made in the Consolidated Statements of Financial Position as at 1 January 2011, 30 September 2011 and 31 December 2011 and the Consolidated Income Statement for the period ended at 30 September 2011. The effects of these changes can be detailed as follows:

Statement of financial position at January 1, 2011

	Before change	Capitalization of cost costumer loyalty	Change in consolidation method from PROP to EQM	Restated
Total assets	7,551,813,932	18,009,890	(1,434,631,031)	6,135,192,791
Non-current assets	6,045,726,131	18,009,890	(1,335,767,767)	4,727,968,254
Investments	113,499,526	-	505,197,007	618,696,533
Goodwill	740,738,759	-	(69,708,238)	671,030,521
Investment Property	1,733,205,596	-	(1,733,205,596)	-
Other non-current assets	3,458,282,250	18,009,890	(38,050,940)	3,438,241,200
Current assets	1,506,087,801	-	(98,863,264)	1,407,224,537
Equity	1,861,562,138	13,237,269	(211,586,171)	1,663,213,236
Attributable to shareholders	1,337,473,198	7,135,338	84,657	1,344,693,193
Non-controlling interests	524,088,940	6,101,931	(211,670,828)	318,520,043
Total liabilities	5,690,251,794	4,772,621	(1,223,044,860)	4,471,979,555
Non-current liabilities	3,455,442,166	4,772,621	(1,057,438,230)	2,402,776,557
Loans	2,839,950,773	-	(788,100,738)	2,051,850,035
Deferred tax liabilities	371,308,829	4,772,621	(253,744,547)	122,336,903
Other liabilities	244,182,564	-	(15,592,945)	228,589,619
Current liabilities	2,234,809,628	-	(165,606,630)	2,069,202,998
Loans	264,464,248	-	(63,053,714)	201,410,534
Suppliers and other liabilities	1,970,345,380	-	(102,552,916)	1,867,792,464
Total equity and liabilities	7,551,813,932	18,009,890	(1,434,631,031)	6,135,192,791

Statement of financial position at September 30, 2011

	Before change	Capitalization of cost costumer loyalty	Change in consolidation method from PROP to EQM	Restated
Total assets	7,474,698,108	17,593,614	(1,447,635,824)	6,044,655,898
Non-current assets	5,915,316,935	17,593,614	(1,305,492,098)	4,627,418,451
Investments	109,249,072	-	472,682,924	581,931,996
Goodwill	738,102,997	-	(69,104,087)	668,998,910
Investment Property	1,674,272,327	-	(1,674,272,327)	-
Other non-current assets	3,393,692,539	17,593,614	(34,798,608)	3,376,487,545
Current assets	1,559,381,173	-	(142,143,726)	1,417,237,447
Equity	1,939,876,439	12,931,306	(279,627,925)	1,673,179,820
Attributable to shareholders	1,330,838,272	7,048,945	70,530	1,337,957,747
Non-controlling interests	609,038,167	5,882,361	(279,698,455)	335,222,073
Total liabilities	5,534,821,669	4,662,308	(1,168,007,899)	4,371,476,078
Non-current liabilities	3,176,637,159	4,662,308	(1,005,888,317)	2,175,411,150
Loans	2,587,645,272	-	(738,267,066)	1,849,378,206
Deferred tax liabilities	379,572,899	4,662,308	(253,973,716)	130,261,491
Other liabilities	209,418,988	-	(13,647,535)	195,771,453
Current liabilities	2,358,184,510	-	(162,119,582)	2,196,064,928
Loans	677,570,854	-	(68,492,201)	609,078,653
Suppliers and other liabilities	1,680,613,656	-	(93,627,381)	1,586,986,275
Total equity and liabilities	7,474,698,108	17,593,614	(1,447,635,824)	6,044,655,898

Statement of financial position at December 31, 2011

	Before change	Capitalization of cost costumer loyalty	Change in consolidation method from PROP to EQM	Restated
Total assets	7,740,715,012	17,692,621	(1,441,644,990)	6,316,762,643
Non-current assets	6,050,397,022	17,692,621	(1,321,145,276)	4,746,944,367
Investments	107,576,109	-	467,498,817	575,074,926
Goodwill	728,060,436	-	(68,246,943)	659,813,493
Investment Property	1,679,859,268	-	(1,679,859,268)	-
Other non-current assets	3,534,901,209	17,692,621	(40,537,882)	3,512,055,948
Current assets	1,690,317,990	-	(120,499,714)	1,569,818,276
Equity	1,964,971,050	13,004,076	(277,583,988)	1,700,391,138
Attributable to shareholders	1,356,845,014	7,088,613	(345,764)	1,363,587,863
Non-controlling interests	608,126,036	5,915,463	(277,238,224)	336,803,275
Total liabilities	5,775,743,962	4,688,545	(1,164,061,002)	4,616,371,505
Non-current liabilities	3,184,095,918	4,688,545	(1,025,256,825)	2,163,527,638
Loans	2,551,772,643	-	(761,037,048)	1,790,735,595
Deferred tax liabilities	382,609,963	4,688,545	(253,106,959)	134,191,549
Other liabilities	249,713,312	-	(11,112,818)	238,600,494
Current liabilities	2,591,648,044	-	(138,804,177)	2,452,843,867
Loans	644,296,261	-	(44,586,390)	599,709,871
Suppliers and other liabilities	1,947,351,783	-	(94,217,787)	1,853,133,996
Total equity and liabilities	7,740,715,012	17,692,621	(1,441,644,990)	6,316,762,643

9 MONTHS RESULTS 2012/

Income statement at September 30, 2011

	Before change	Capitalization of cost costumer loyalty	Change in consolidation method from PROP to EQM	Restated
Turnover	4,171,569,898	-	(148,411,995)	4,023,157,903
EBITDA	483,246,786	16,268,007	(70,925,507)	428,589,286
EBITDA margin	11.58%	0.00%	0.00%	10.65%
Provisions and impairment losses	(21,908,361)	-	4,708,254	(17,200,107)
Depreciation and amortisation	(230,590,936)	(16,684,283)	1,655,132	(245,620,087)
EBIT	230,747,489	(416,276)	(64,562,121)	165,769,092
Financial results	(79,457,298)	-	19,936,604	(59,520,694)
Share of results of associated undertakings	(4,040,840)	-	15,365,529	11,324,689
EBT	147,249,351	(416,276)	(29,259,988)	117,573,087
Taxes	(25,575,432)	110,313	15,036,220	(10,428,899)
Profit/(Loss) after taxation	121,673,919	(305,963)	(14,223,768)	107,144,188
Atributable to the equity holders	84,113,508	(165,911)	114,372	84,061,969
Atributable to non-controlling interests	37,560,411	(140,052)	(14,338,140)	23,082,219

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 September 2012 and 31 December 2011 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 September 2012		31 December 2011	
		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%
Bom Momento - Restauração, 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)	Lisboa	100.00%	100.00%	100.00%	100.00%
Cumulativa - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Discovery Sports, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Edições Book.it, 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%
Fashion Division, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Fashion Division Canárias, SL	a)	Tenerife (Spain)	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 Imosede	a)	Maia	54.55%	54.55%	54.55%	54.55%
Fundo de Investimento Imobiliário Imosonae Dois	a)	Maia	99.94%	99.94%	99.94%	99.94%
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%
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%
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 Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modelo Continente International Trade, 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%
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%
1) SDSR – Sports Division SR, 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%

SIAL Participações, Ltda	a)	São Paulo (Brazil)	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(Holland)	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%
Sonae MC – Modelo Continente SGPS, SA	a)	Matosinhos	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%
Sonaegest-Soc.Gest.Fundos Investimentos, SA	a)	Maia	100.00%	90.00%	100.00%	90.00%
Sonaerp - Retail Properties, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Sport Zone Canárias, SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
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%
Sonvecap, BV	a)	Amsterdam (Holland)	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%
Sport Zone spor malz.per.satis ith.ve tic.ltd.sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
Têxtil do Marco, SA	a)	Marco de Canaveses	92.76%	92.76%	92.76%	92.76%
Tlantic Portugal - Sistemas de Informação, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%
Todos os Dias - Com. Ret. Expl. C. Comer., SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Valor N, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten - Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten Espanha Distribución, S.L.	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Worten Canárias, SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
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%
Zippy cocuk malz.dag.ith.ve tic.ltd.sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
ZYEvolution-Invest.Desenv., SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
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%
Bom Momento - Restauração, 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	a)	Santarém	100.00%	100.00%	100.00%	100.00%

Carnes, SA

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%

Telecommunications

Be Artis - Conceção, Construção e Gestão de Redes de Comunicações, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Be Towering – Gestão de Torres de Telecomunicações, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Cape Technologies Limited	a)	Dublin (Ireland)	100.00%	54.98%	100.00%	54.51%
2) Connectiv Solutions Inc	a)	Delaware (USA)	100,00%	54,96%	-	-
Digitmarket - Sistemas de Informação, SA	a)	Maia	75.10%	41.29%	75.10%	40.94%
Lugares Virtuais, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Magma - Operação de Titularização de Créditos	c)	Portugal	100.00%	54.98%	100.00%	54.51%
Mainroad – Serviços em Tecnologias de Informação, S.A.	a)	Maia	100.00%	54.98%	100.00%	54.51%
Miauger - Org. Gestão Leilões Electrónicos, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Optimus - Comunicações, SA	a)	Maia	100.00%	54.98%	100.00%	54.54%
PCJ-Público, Comunicação e Jornalismo, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Per-Mar - Sociedade de Construções, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Praesidium Services Limited	a)	Berkshire (R.U.)	100.00%	54.98%	100.00%	54.51%
Público - Comunicação Social, SA	a)	Porto	100.00%	54.98%	100.00%	54.51%
Saphety Level - Trusted Services, SA	a)	Maia	86.99%	47.83%	86.99%	47.42%
Sonaecom BV	a)	Amsterdam (Holland)	100.00%	54.98%	100.00%	54.51%
Sonae Telecom, SGPS, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Sonaecom - Sistemas de Informação, SGPS, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
3) Sonaecom – Serviços Partilhados, SGPS, SA	a)	Maia	100.00%	54.98%	-	-
Sonaecom - Sistemas de Información España, SL	a)	Madrid	100.00%	54.98%	100.00%	54.51%
Sonaecom, SGPS, SA	a)	Maia	54.54%	54.98%	55.63%	54.51%
Sonaetelecom, BV	a)	Amsterdam (Holland)	100.00%	54.98%	100.00%	54.51%
Sontária – Empreendimentos Imobiliários, SA	a)	Maia	100.00%	54.98%	100.00%	54.51%
Tecnológica Telecomunicações, Ltda	a)	Rio de Janeiro (Brazil)	99.99%	54.92%	99.99%	54.46%
We Do Consulting - Sistemas de Informação, SA	a)	Maia	100.00%	54.51%	100.00%	54.51%
We Do Brasil Soluções Informáticas, Ltda	a)	Rio de Janeiro (Brazil)	99.91%	54.93%	99.91%	54.46%
We Do Poland Sp.Z.o.o.	a)	Poznan (Polonia)	100.00%	54.98%	100.00%	54.51%

We Do Technologies Americas, Inc.	a)	Miami (EUA)	100.00%	54.98%	100.00%	54.51%
We Do Technologies Australia PTY Limited	a)	Australia	100.00%	54.98%	100.00%	54.51%
We Do Technologies BV	a)	Amsterdam (Holland)	100.00%	54.98%	100.00%	54.51%
We Do Technologies Chile, SpA	a)	Santiago (Chile)	100.00%	54.98%	100.00%	54.51%
We Do Technologies Egypt Limited Liability Company	a)	Cairo (Egypt)	100.00%	54.98%	100.00%	54.51%
We Do Technologies Mexico S. de RL	a)	City of México	100.00%	54.98%	100.00%	54.51%
We Do Technologies Panamá SA	a)	City of Panamá	100.00%	54.98%	100.00%	54.51%
We Do Technologies Singapore PTE. LDT	a)	Singapore	100.00%	54.98%	100.00%	54.51%
We Do Technologies (UK) Limited	a)	Berkshire (R.U.)	100.00%	54.98%	100.00%	54.51%

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%
HighDome PCC Limited	a)	Malta	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 Auto - Mediação de Seguros, SA	a)	Porto	50.01%	25.01%	50.00%	25.01%
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 Consulting, SA	a)	Maia	100.00%	50.01%	100.00%	50.01%
MDS Malta Holding Limited	a)	Malta	100.00%	50.01%	100.00%	50.01%
Miral Administração e Corretagem de Seguros, Ltda	a)	Brasil	100.00%	50.01%	100.00%	50.01%
Mds Knowledge Centre, Unipessoal, Lda	a)	Lisboa	100.00%	50.01%	100.00%	50.01%
MDS Affinity-Sociedade de Mediação Lda	a)	Porto	100.00%	50.01%	100.00%	50.01%
Polinsur - Mediação de Seguros, Lda	a)	Oeiras	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%
Quorum Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
RSI Corretora de Seguros, Ltda	a)	Brazil	100.00%	50.01%	100.00%	50.01%
Serenitas - Soc. Mediação Seguros, Lda	a)	Lisboa	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 (Holland)	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%
Sontel, BV	a)	Amsterdam (Holland)	100.00%	100.00%	100.00%	100.00%

- a) Control held by majority of voting rights;
b) Control held by Management control;
c) Control determined in accordance with SIC 12 - Special purpose entities.

- 1) Ex- Sport Zone – Comércio de artigos de Desporto, SA;
2) Company acquired in May 2012;
3) Companies created during the period.

These companies were included in the consolidation by the full consolidation method.

5 INVESTMENTS IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

Investments in jointly controlled entities and associated companies, their head offices and the percentage of share capital held as at 30 September 2012 and 31 December 2011 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 September 2012		31 December 2011	
		Total	Direct	Total	Direct
Retail					
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisboa	25.00%	25.00%	25.00%	25.00%
Mundo Vip - Operadores Turísticos, SA	Lisboa	33.34%	33.34%	33.34%	33.34%
Shopping Centres					
8ª avenida Centro Comercial, SA	Maia	100.00%	23.75%	100.00%	23.75%
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%
Adlands BV	Amsterdam (Holland)	50.00%	25.00%	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%
ALBCC – Albufeirashopping – Centro Comercial, SA	Maia	50.00%	11.88%	50.00%	11.88%
ALEXA Administration GmbH	Berlin (Germany)	100.00%	25.00%	100.00%	25.00%

	Alexa Asset GmbH & Co	Dusseldorf (Germany)	25.00%	2.25%	25.00%	2.25%
1)	ALEXA Holding GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1)	ALEXA Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1)	Algarveshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
1)	ARP Alverca Retail Park, SA	Maia	50.00%	25.00%	50.00%	25.00%
1)	Arrábidasshopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Avenida M-40, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1)	Beralands BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
	Cmpo Limpo Lda	S. Paulo (Brazil)	20.00%	5.00%	20.00%	5.00%
1)	Cascaishopping - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Cascaishopping Holding I, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
1)	CCCB Caldas da Rainha - Centro Comercial,SA	Maia	100.00%	50.00%	100.00%	50.00%
1)	Centro Colombo - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
1)	Centro Vasco da Gama - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Coimbrashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
1)	Colombo Towers Holding, BV	The Hague (Holland)	50.00%	25.00%	50.00%	25.00%
1)	Craiova Mall BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Dortmund Tower GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1)	Dos Mares - Shopping Centre, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1)	Dos Mares - Shopping Centre, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
1)	El Rosal Shopping, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
1)	Estação Viana - Centro Comercial, SA	Viana do Castelo	100.00%	25.05%	100.00%	25.05%
1)	Freccia Rossa - Shopping Centre, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
1)	Fundo de Investimento Imobiliário Parque Dom Pedro Shopping Center (FundII)	São Paulo (Brazil)	50.00%	3.99%	50.00%	3.99%
1)	Fundo de Investimento Imobiliário Shopping Parque Dom Pedro Shopping	São Paulo (Brazil)	87.61%	16.90%	87.61%	16.90%
1)	Gaiashopping I - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Gaiashopping II - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
1)	Gli Orsi Shopping Centre 1, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
1)	Guimarãesshopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
1)	Harvey Dos Iberica, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
1)	Le Terrazze – Shopping Centre 1, Srl	Milan (Italy)	50.00%	25.00%	50.00%	25.00%
1)	Iberian Assets, SA	Madrid (Spain)	49.78%	12.48%	49.78%	12.48%
1)	Inparsi - Gestão de Galeria Comerc., SA	Maia	100.00%	50.00%	100.00%	50.00%
1)	Ioannina Development of Shopping Centres, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%

9 MONTHS RESULTS 2012/

1) La Farga - Shopping Centre, SL	Madrid (Spain)	100.00%	12.48%	100.00%	12.48%
1) Larissa Development of Shopping Centres, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
LCC – Leiriashopping – Centro Comercial, SA	Maia	100.00%	23.75%	100.00%	23.75%
1) Loop 5 - Shopping Centre GmbH	Dusseldorf (Germany)	50.00%	25.00%	50.00%	25.00%
Loureshopping – Centro Comercial, SA	Maia	100.00%	23.75%	100.00%	23.75%
1) Luz del Tajo - Centro Comercial, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
1) Luz del Tajo, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Madeirashopping - Centro Comercial, SA	Funchal (Madeira)	50.00%	12.53%	50.00%	12.53%
1) Maiashopping - Centro Comercial, SA	Maia	100.00%	25.05%	100.00%	25.05%
1) Münster Arkaden, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Norte Shopping Retail and Leisure Centre, BV	Amsterdam (Holland)	50.00%	12.53%	50.00%	12.53%
1) Norteshopping - Centro Comercial, SA	Maia	100.00%	12.53%	100.00%	12.53%
1) Pantheon Plaza BV	Amsterdam (Holland)	50.00%	25.00%	50.00%	25.00%
1) Paracentro - Gestão de Galerias Comerciais, SA	Maia	100.00%	50.00%	100.00%	50.00%
1) Park Avenue Development of Shopping Centers, SA	Athens (Greece)	100.00%	25.00%	100.00%	25.00%
1) Parque Atlântico Shopping - Centro Comercial SA	Ponta Delgada (Açores)	50.00%	12.53%	50.00%	12.53%
1) Parque D. Pedro 1, BV Sarl	Luxemburg	100.00%	25.00%	100.00%	25.00%
1) Parque de Famalicão - Empreendimentos Imobiliários, SA	Maia	100.00%	50.00%	100.00%	50.00%
1) Parque Principado, SL	Madrid (Spain)	50.00%	12.53%	50.00%	12.53%
1) Pátio Boavista Shopping, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio Goiânia Shopping, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio Londrina Empreendimentos e Participações, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio Penha Shopping, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio São Bernardo Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio Sertório Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Pátio Uberlândia Shopping Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1) Plaza Eboli - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
1) Plaza Eboli, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Plaza Mayor Holding, SGPS, SA	Maia	100.00%	25.05%	100.00%	25.05%
1) Plaza Mayor Parque de Ócio, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Plaza Mayor Parque de Ócio, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
1) Plaza Mayor Shopping, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Plaza Mayor Shopping, SA	Madrid (Spain)	100.00%	25.05%	100.00%	25.05%
PORTCC – Portimãoshopping – Centro Comercial, SA	Maia	50.00%	11.88%	50.00%	11.88%
1) Project 4, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%

9 MONTHS RESULTS 2012/

1) Project SC 1, BV	Amsterdam (Holland)	50.00%	25.00%	50.00%	25.00%
1) Project SC 2, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra 2, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra 6, BV	Amsterdam (Holland)	50.00%	25.00%	50.00%	25.00%
1) Project Sierra 8 BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Project Sierra 10 BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Four SA	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Germany 2 (two), Shopping Centre GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Germany 3 (three), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Germany 4 (four), Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Germany Shopping Centre 1 BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Germany Shopping Centre 2 BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Italy 2 - Development of Shopping Centres, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Portugal VIII - Centro Comercial, SA	Maia	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 1, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 2 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 2, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 3 - Centro Comercial, SA	Madrid (Spain)	50.00%	25.00%	50.00%	25.00%
1) Project Sierra Spain 3, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 7 - Centro Comercial, SA	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Spain 7, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) Project Sierra Two Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
Rio Sul – Centro Comercial, SA	Lisboa	50.00%	11.88%	50.00%	11.88%
1) River Plaza BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1) River Plaza Mall, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
1) S.C. Microcom Doi Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
1) SC Aegean, BV	Amsterdam (Holland)	50.00%	25.00%	50.00%	25.00%
1) SC Mediterranean Cosmos, BV	Amsterdam (Holland)	50.00%	12.53%	50.00%	12.53%
Serra Shopping – Centro Comercial, SA	Covilhã	50.00%	11.88%	50.00%	11.88%
1) Shopping Centre Colombo Holding, BV	Amsterdam (Holland)	50.00%	12.53%	50.00%	12.53%
1) Shopping Centre Parque Principado, BV	Amsterdam (Holland)	100.00%	25.05%	100.00%	25.05%
1) Sierra Brazil 1, BV	Amsterdam (Holland)	100.00%	25.00%	100.00%	25.00%

1)	Sierra Central, S.A.S.	Santiago de Cali(Colombia)	50.00%	25.00%	50.00%	25.00%
1)	Sierra Charagionis Development of Shopping Centers, SA	Athens (Greece)	50.00%	25.00%	50.00%	25.00%
1)	Sierra Corporate Services Holland, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Development of Shopping Centres Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Berlin Holding BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Developments Holding, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Developments Romania SRL	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Developments, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
1)	Sierra Enplanta, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1)	Sierra European Retail Real Estate Assets Holdings, BV	Amsterdam (Holland)	50.10%	25.05%	50.10%	25.05%
1)	Sierra Germany GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1)	Sierra GP, Limited	Guernsey (U.K.)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Investimentos Brasil Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%
1)	Sierra Investments (Holland) 1, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Investments (Holland) 2, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Investments Holding, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Investments SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
1)	Sierra Italy Holding, BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Italy, Srl	Milan (Italy)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Portugal, SA	Lisboa	100.00%	50.00%	100.00%	50.00%
1)	Sierra Management, SGPS, SA	Maia	100.00%	50.00%	100.00%	50.00%
1)	Sierra Property Management Greece, SA	Athens (Greece)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Property Management, Srl	Bucharest (Romania)	100.00%	50.00%	100.00%	50.00%
1)	Sierra Solingen Holding GmbH	Dusseldorf (Germany)	100.00%	25.00%	100.00%	25.00%
1)	Sierra Spain – Shopping Centers Services, SL	Madrid (Spain)	100.00%	50.00%	100.00%	50.00%
1)	Solingen Shopping Center GmbH	Dusseldorf (Germany)	100.00%	50.00%	100.00%	50.00%
1)	Sonae Sierra Brasil, SA	São Paulo (Brazil)	66.65%	16.66%	66.65%	16.66%
1)	Sonae Sierra Brazil, BV Sarl	Luxemburg	50.00%	25.00%	50.00%	25.00%
1)	Sonae Sierra, SGPS, SA	Maia	50.00%	50.00%	50.00%	50.00%
1)	SPF - Sierra Portugal	Luxemburg	100.00%	50.00%	100.00%	50.00%
	SPF - Sierra Portugal Real Estate, Sarl	Luxemburg	47.50%	23.75%	47.50%	23.75%
1)	Torre Ocidente - Imobiliária, SA	Maia	50.00%	12.50%	50.00%	12.50%
1)	Unishopping Administradora, Ltda	São Paulo (Brazil)	100.00%	16.66%	100.00%	16.66%

9 MONTHS RESULTS 2012/

1)	Unishopping Consultoria Imobiliária, Ltda	São Paulo (Brazil)	99.98%	16.66%	99.98%	16.66%
1)	Valecenter, Srl	Milan (Italy)	100.00%	25.05%	100.00%	25.05%
1)	Via Catarina - Centro Comercial, SA	Maia	50.00%	12.53%	50.00%	12.53%
1)	Vuelta Omega, S.L.	Madrid (Spain)	100.00%	12.53%	100.00%	12.53%
1)	Weierstadt Shopping BV	Amsterdam (Holland)	100.00%	50.00%	100.00%	50.00%
1)	Zubiarte Inversiones Inmobiliarias, SA	Madrid (Spain)	49.83%	12.48%	49.83%	12.48%

Telecommunications

1)	Unipress - Centro Gráfico, Lda	Vila Nova de Gaia	50.00%	26.95%	50.00%	27.26%
	SIRS – Sociedade Independente de Radiodifusão Sonora, SA	Porto	45.00%	24.30%	45.00%	24.53%
2)	Infosystems – Sociedade de Sistemas de Informação, S.A.	Luanda (Angola)	50,00%	27,48%	-	-
2)	SSI Angola, S.A.	Luanda (Angola)	100,00%	27,48%	-	-

Investment Management

	Cooper Gay Swett & Crawford Ltd	U.K.	25.10%	12.55%	25.10%	12.55%
1)	Equador & Mendes - Agência de Viagens e Turismo, Lda	Lisboa	50.00%	37.50%	50.00%	37.50%
1)	Marcas do Mundo - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisboa	50.00%	50.00%	50.00%	50.00%
1)	Movimentos Viagens - Viagens e Turismo, Sociedade Unipessoal, Lda	Lisboa	50.00%	50.00%	50.00%	50.00%
1)	Nova Equador Internacional, Agência de Viagens e Turismo, Lda	Lisboa	50.00%	50.00%	50.00%	37.50%
1)	Puravida - Viagens e Turismo, Lda	Lisboa	50.00%	50.00%	50.00%	50.00%
1)	Nova Equador P.C.O. e Eventos, Sociedade Unipessoal, Lda	Lisboa	50.00%	50.00%	50.00%	37.50%
1)	Raso SGPS, SA	Lisboa	50.00%	50.00%	50.00%	50.00%
1)	Raso - Viagens e Turismo, SA	Lisboa	50.00%	50.00%	50.00%	50.00%
1)	Viagens y Turismo de Geotur España, S.L.	Madrid (Spain)	50.00%	50.00%	50.00%	50.00%

1) Jointly controlled entities included by the proportional method in 2011 (Note 3);

2) Company acquired in June 2012.

Jointly controlled entities and associated companies were consolidated through the equity method.

The value of investments in jointly controlled and associated companies can be analyzed as follows:

COMPANY	30 September 2012	31 December 2011 Restated
Retail		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	970,608	1,006,690
Mundo Vip - Operadores Turísticos, SA	1,101,337	1,101,337
Shopping Centres		
Sonae Sierra SGPS, SA (consolidated)	473,306,747	503,322,781
Telecommunications		
Unipress - Centro Gráfico, Lda	294,030	661,185
SIRS - Sociedade Independente de Radiodifusão Sonora,	-	-
Infosystems – Sociedade de Sistemas de Informação, S.A.	120,583	-
Investment Management		
Cooper Gay Swett & Crawford Ltd	21,334,151	18,566,435
Raso SGPS, SA (consolidated)	8,650,570	9,475,661
Total	505,778,026	534,134,089

The aggregated values of main financial indicators of jointly controlled entities and associated companies are as follows:

	Assets		Liabilities	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Retail	15,443,377	22,327,332	14,826,443	21,044,150
Shopping Centres	2,225,014,742	2,373,288,733	953,357,020	1,007,923,306
Telecommunications	6,359,390	7,115,708	5,005,471	6,008,405
Investment Management	464,950,624	676,395,425	475,581,069	732,213,964
Total	2,711,768,133	3,079,127,198	1,448,770,003	1,767,189,825

	Income		Expenses	
	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Retail	49,884,721	55,700,502	50,813,596	55,704,442
Shopping Centres	160,228,479	198,088,328	144,745,659	163,919,149
Telecommunications	3,151,320	3,372,671	2,808,101	2,997,264
Investment Management	251,723,206	242,659,622	245,331,843	237,521,151
Total	464,987,726	499,821,123	443,699,199	460,142,006

During the periods ended as at 30 September 2012 and 2011 movements in Investments in jointly controlled entities and associated companies are made up as follows:

	30 September 2012			30 September 2011 Restated		
	Proportion on equity	Goodwill	Total investment	Proportion on equity	Goodwill	Total investment
Investments						
Balance as at 1 January	358,778,934	175,355,155	534,134,089	401,118,781	174,279,048	575,397,829
Equity method						
Share of result in jointly controlled entities and associated companies	9,994,546	-	9,994,546	11,324,689	-	11,324,689
Distributed dividends	(10,567,050)	-	(10,567,050)	(12,230,783)	-	(12,230,783)
Effect in equity capital and non-controlling interests	(27,804,602)	21,043	(27,783,559)	(32,769,885)	(304,338)	(33,074,223)
	330,401,828	175,376,198	505,778,026	367,442,802	173,974,710	541,417,512

The effect on equity results primarily from the effect of currency translation companies with a functional currency other than euro.

6 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 September 2012 and 31 December 2011 are made up as follows:

COMPANY		Head Office	Percentage of capital held				Value in the statement of financial position	
			30 September 2012		31 December 2011		30 September 2012	31 December 2011 Restated
			Direct	Total	Direct	Total		
Retail								
Dispar - Distrib. de Participações, SGPS, SA		Lisbon	14.28%	14.28%	14.28%	14.28%	9,976	9,976
Insco - Insular de Hipermerc., SA		Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Telecommunications								
Lusa - Agên. de Notícias de Portugal, SA		Lisbon	1.38%	0.75%	1.38%	0.75%	197,344	197,344
Other investments							36,131,075	39,985,320
Total (Note 11)							37,086,592	40,940,837

As at 30 September 2012 the caption "Other investments" includes 33,716,716 euro (33,737,856 euro at 31 December 2011) for amounts deposited in an Escrow Account which are invested in investments funds with high credit rating and guarantee contractual liabilities assumed on the past sale of Brazil retail operation for which provisions have been recognized (Note 23).

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 the use of the Escrow Account, namely as whether or not, to retain the Escrow Account for ongoing tax additional assessments that have not yet been decided. It is the understanding of the Board of Directors, based on legal opinions of Brazilian and Portuguese lawyers, that the company is acting in accordance with the agreement and that this amount shall be entirely received, and that there are legal means that may be operated so as to compel the buyer to authorize the reimbursement of the Escrow account. There are negotiations currently under way between the two parties in order to release the above mentioned amount.

7 CHANGES IN CONSOLIDATION PERIMETER

7.1 Main acquisitions of companies over the period ended 30 September 2012 are as follows (Note 4):

COMPANY	Head Office	Percentage of capital held	
		At acquisition date	
		Direct	Total
Telecommunications			
Connectiv Solutions, Inc.	Delaware (USA)	100.00%	54.98%

Acquisitions mentioned above had the following impact on the consolidated financial statements for the period ended as at 30 September 2012:

	Telecommunications	
	At acquisition date	30 September 2012
Acquired net assets		
Tangible assets (Note 8)	625,785	691,053
Other assets	1,271,938	1,401,845
Cash and cash equivalents	315,304	677,078
Loans	(184,608)	(129,057)
Other liabilities	(1,144,459)	(993,600)
	883,960	1,647,319
Goodwill (Note 10)	8,535,782	
Acquisition price	9,419,742	
Payments made	6,441,678	
Accounts Payable	2,978,064	
	9,419,742	
Net cash outflow arising from acquisition		
Cash consideration paid	6,441,678	
Cash and cash equivalents acquired	(315,304)	
	6,126,374	

Following the acquisition of Connectiv Solutions, the company has made a preliminary assessment of the fair value of acquired assets and assumed liabilities, so the allocation of the purchase price is still subject to change until completion of the period of one year from the date of the acquisition (in accordance with IFRS 3, business combinations).

Nevertheless, the company does not expect significant changes in its financial position as a result from any changes to allocation made.

The acquisition price includes a deferred amount (USD 2 million) to be paid in 2013 and 2014 and a contingent amount to be paid annually, during 4 years, depending on revenues of the company.

As usual on mergers and acquisitions, also in the acquisition of Connectiv, there was a part of the acquisition price which was not possible to be allocated to the fair value of some identified assets and liabilities that was considered as Goodwill. This Goodwill is related to a number of different elements, which cannot be individually quantified and isolated in a viable way and include, for example, synergies, qualified workforce, technical skills and market power. The total amount of this Goodwill will be considered as fiscal cost in Connectiv accounts, for a period of 15 years.

8 TANGIBLE ASSETS

During the nine months period ended at 30 September 2012 and 2011, 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 2012 - restated	1,943,600,538	2,189,684,537	383,352,333	64,547,668	4,581,185,076
Acquisitions	2,427,814	5,759,125	11,477,932	112,478,126	132,142,997
Acquisitions of subsidiaries (Note 7)	-	-	1,212,130	-	1,212,130
Disposals	(2,242,239)	(62,839,385)	(5,538,983)	(2,329,323)	(72,949,930)
Exchange rate effect	(5,335)	(127,411)	(263,488)	(33,664)	(429,898)
Transfers	5,414,224	89,262,932	7,907,240	(113,109,322)	(10,524,926)
Closing balance as at 30 September 2012	1,949,195,002	2,221,739,798	398,147,164	61,553,485	4,630,635,449
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2012 - restated	414,752,961	1,178,263,851	315,761,368	-	1,908,778,180
Depreciation of the period	25,866,935	123,620,018	26,522,443	-	176,009,396
Acquisitions of subsidiaries (Note 7)	-	-	586,345	-	586,345
Disposals	(591,591)	(49,303,524)	(5,128,420)	-	(55,023,535)
Exchange rate effect	(7,747)	(80,740)	(186,234)	-	(274,721)
Transfers	(2,536)	(513,404)	(160,171)	-	(676,111)
Closing balance as at 30 September 2012	440,018,022	1,251,986,201	337,395,331	-	2,029,399,554
Carrying amount as at 30 September 2012	1,509,176,980	969,753,597	60,751,833	61,553,485	2,601,235,895
	Tangible assets				
	Land and Buildings	Plant and Machinery	Others	Tangible assets in progress	Total Tangible Assets
Gross costs:					
Opening balance as at 1 January 2011 - restated	1,954,539,711	2,089,794,841	366,443,681	83,389,267	4,494,167,500
Acquisitions	5,539,498	6,792,926	11,765,890	140,005,334	164,103,648
Acquisitions of subsidiaries	666,625	15,936	406,591	-	1,089,152
Change in method	763,887	-	223,269	-	987,156
Disposals	(32,518,786)	(59,281,060)	(11,457,355)	(757,787)	(104,014,988)
Exchange rate effect	(34,757)	(182,670)	(533,209)	(1,369)	(752,005)
Transfers	10,628,409	133,492,160	14,329,986	(162,430,858)	(3,980,303)
Closing balance as at 30 September 2011 - restated	1,939,584,587	2,170,632,133	381,178,853	60,204,587	4,551,600,160
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2011 - restated	382,594,714	1,100,870,423	295,320,263	-	1,778,785,400
Depreciation of the period	30,604,018	121,096,723	28,681,108	-	180,381,849
Acquisitions of subsidiaries	55,875	15,936	366,305	-	438,116
Change in method	222,913	-	207,911	-	430,824
Disposals	(6,300,428)	(51,286,250)	(11,208,036)	-	(68,794,714)
Exchange rate effect	(9,699)	(112,791)	(267,741)	-	(390,231)
Transfers	(311)	(3,009,785)	(287,089)	-	(3,297,185)
Closing balance as at 30 September 2011 - restated	407,167,082	1,167,574,256	312,812,721	-	1,887,554,059
Carrying amount as at 30 September 2011 - restated	1,532,417,505	1,003,057,877	68,366,132	60,204,587	2,664,046,101

The additions for the periods ended at 30 September 2012 include a set of assets associated with the operation of UMTS (Universal Mobile Telecommunications Service), the HSDPA (Kangaroo Express), GSM (Global Standard for Mobile Communications), GPRS (General Packet Radio Service), the FTTH (Fibre-to-the-Home) and LTE (Long Term Evolution), part of which are associated with ongoing projects, so remain registered in 'tangible fixed assets in progress'.

Disposals for the period ended at 30 September 2012, includes the sale of a pool of assets related to 2G, 3G and Microwave (MW) of the telecommunications sector.

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

	30 September 2012	30 September 2011 Restated
Refurbishment and expansion of stores in the retail businesses located in Portugal	15,501,872	21,662,819
Refurbishment and expansion of stores in the retail businesses located in Spain	1,934,475	4,236,269
Projects of "Continente" stores for which advance payments were made	8,274,617	9,194,617
Deployment of fixed and mobile network	31,825,343	19,514,504
Others	4,017,178	5,596,378
	<u>61,553,485</u>	<u>60,204,587</u>

9 INTANGIBLE ASSETS

During the nine month period ended at 30 September 2012 and 2011, movements in Intangible assets as well as depreciation and accumulated impairment losses, are made up as follows:

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total Intangible Assets
Gross costs:				
Opening balance as at 1 January 2012 - restated	461,394,359	512,244,173	134,955,822	1,108,594,354
Acquisitions	19,790,033	1,140,870	24,287,638	45,218,541
Disposals	(12,354,264)	(1,144,690)	(402,529)	(13,901,483)
Exchange rate effect	4,456	(2,964,990)	196	(2,960,338)
Transfers	79,382,598	30,005,136	(102,424,228)	6,963,506
Closing balance as at 30 September 2012	<u>548,217,182</u>	<u>539,280,499</u>	<u>56,416,899</u>	<u>1,143,914,580</u>
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2012 - restated	171,505,301	357,307,264	-	528,812,565
Depreciation of the period	34,534,170	33,103,892	-	67,638,062
Impairment losses of the period	-	-	463,419	463,419
Disposals	(12,349,028)	(1,124,195)	-	(13,473,223)
Exchange rate effect	330	(916,930)	-	(916,600)
Transfers	34,017	(52,124)	-	(18,107)
Closing balance as at 30 September 2012	<u>193,724,790</u>	<u>388,317,907</u>	<u>463,419</u>	<u>582,506,116</u>
Carrying amount as at 30 September 2012	<u>354,492,392</u>	<u>150,962,592</u>	<u>55,953,480</u>	<u>561,408,464</u>

	Intangible assets			Total Intangible Assets
	Patents and other similar rights	Others	Intangible assets in progress	
Gross costs:				
Opening balance as at 1 January 2011 - restated	454,452,874	457,236,583	32,135,978	943,825,435
Acquisitions	4,390,655	2,633,430	23,912,549	30,936,634
Disposals	(4,169)	(39,287)	(378,563)	(422,019)
Exchange rate effect	(11,689)	(4,384,657)	(8,883)	(4,405,229)
Transfers	16,271,991	34,133,372	(33,569,829)	16,835,534
Closing balance as at 30 September 2011 - restated	475,099,662	489,579,441	22,091,252	986,770,355
Accumulated depreciation and impairment losses				
Opening balance as at 1 January 2011 - restated	146,812,550	322,196,976	-	469,009,526
Depreciation of the period	32,189,218	33,049,020	-	65,238,238
Disposals	(3,441)	(9,646)	-	(13,087)
Exchange rate effect	(159)	(1,006,872)	-	(1,007,031)
Transfers	(188,201)	(127,941)	-	(316,142)
Closing balance as at 30 September 2011 - restated	178,809,967	354,101,537	-	532,911,504
Carrying amount as at 30 September 2011 - restated	296,289,695	135,477,904	22,091,252	453,858,851

At 30 September 2012 and 2011, the Group kept recorded under the heading 'Intangible assets – brands and contents' the amounts of 173,155,549 euro and 184,066,702 euro, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) 54,755,258 euro (57,755,546 euro in 2011) related to the license; (ii) 18,295,739 euro (19,298,245 euro in 2011) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators with activity in Portugal; (iii) 5,619,174 euro (927,074 euro in 2011) related to a contribution to the 'Fundação para as Comunicações Móveis', established in 2007, under an agreement entered with 'MOPCT' and the three mobile telecommunication operators in Portugal; and (iv) 89,807,058 euro (96,151,171 euro in 2011) related with the programme 'Initiatives E', these last two associated to the commitments assumed by the Group in relation to the 'Information Society'.

Intangible assets in the period ended at 30 September 2012, includes an amount of approximately 110 million euro, corresponding to the current value of future payments related with the acquisition of rights of use for frequency (spectrum) bands of 800 MHz, 1800 MHz and 2600 MHz, which will be used to develop 4th generation services (LTE - Long Term Evolution). The payable amount totals 113 million euro. In January 2012, an amount of 83 million euro was already paid. The remaining amount can be paid in five annual instalments of 6 million euro, having the company, at each annual payment, the option to anticipate the payment of the amount in debt. During the period ended 30 September 2012, considering the availability of LTE (Long Term Evolution) technology (although subject to restrictions in some areas of the country) and the subsequent launching the commercial operation, a fraction of the present value of future payments related to the acquisition of rights of use for 4th generation frequencies services was transferred from work in progress and the amortization was started, for an estimated period until 2041. Besides the amount of LTE spectrum, the caption 'Brands and patents and other rights' includes an amount of about 14.9 million euro (17.6 million euro in 2011) that corresponds to the costs incurred for customers' loyalty contracts (Note 3.2.).

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 2011).

10 GOODWILL

During the nine months period ended at 30 September 2012 and 2011 movements in goodwill, as well as in corresponding impairment losses, were made up as follows:

	30 September 2012	30 September 2011 Restated
Gross value		
Opening balance	664,766,628	673,559,363
Acquisitions of subsidiaries (Note 7)	8,535,782	2,332,375
Increases	-	2,613,686
Decreases	-	(1,812,921)
Transfers	(123,736)	-
Exchange rate effect	(2,660,912)	(5,164,751)
Closing balance	670,517,762	671,527,752
Accumulated impairment losses		
Opening balance	4,953,135	2,528,842
Increases	-	-
Closing balance	4,953,135	2,528,842
Carrying amount	665,564,627	668,998,910

11 OTHER INVESTMENTS

During the nine months period ended 30 September 2012 and 2011 movements in other investments were made up as follows:

	30 September 2012		30 September 2011 Restated	
	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 - restated	164,090	-	224,090	-
Transfers	50,000	-	(60,000)	-
Closing balance as at 30 September	214,090	-	164,090	-
Accumulated impairment losses	-	-	-	-
	214,090	-	164,090	-
Other investments:				
Fair value (net of impairment losses) as at 1 January - restated	40,776,747	3,064,149	43,074,614	15,195,954
Acquisitions in the period	600,000	143,009	12,839	521,347
Disposals in the period	(4,505,293)	(1,899,808)	(81,059)	(12,538,600)
Increase/(Decrease) in fair value	1,048	-	(2,656,000)	-
Fair value (net of impairment losses) as at 30 September	36,872,502	1,307,350	40,350,394	3,178,701
Other Investments (Note 6)	37,086,592	1,307,350	40,514,484	3,178,701
Derivative financial instruments (Note 19)				
Fair value as at 1 January - restated	-	2,797,069	-	457,160
Increase/(Decrease) in fair value	-	(2,640,357)	-	1,842,198
Fair value as at 30 September	-	156,712	-	2,299,358
	37,086,592	1,464,062	40,514,484	5,478,059

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 Other non-current investments includes 3,155,789 euro (2,455,343 euro as at 30 September 2011) 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 23) amounting to 92,097 euro (82,641 euro as at 30 September 2011).

Under the caption other non-current financial investments is recorded an amount of 33,716,716 euro related to deposited amounts on an Escrow Account (Note 6).

12 OTHER NON - CURRENT ASSETS

As at 30 September 2012 and 31 December 2011, Other non- current assets are detailed as follows:

	30 September 2012			31 December 2011 Restated		
	Gross Value	Accumulated impairment losses	Carrying Amount	Gross Value	Accumulated impairment losses	Carrying Amount
Loans granted to related parties	9,491,017	-	9,491,017	9,140,430	-	9,140,430
Trade accounts receivable and other debtors						
Legal deposits	1,003,797	-	1,003,797	851,831	-	851,831
Recognition of an amount receivable from Carrefour (a)	9,758,510	-	9,758,510	10,595,846	-	10,595,846
Cautions	5,945,247	-	5,945,247	5,962,373	-	5,962,373
Others	843,333	-	843,333	453,480	-	453,480
	17,550,887	-	17,550,887	17,863,530	-	17,863,530
Technical provisions for assigned reinsurance	16,276,701	-	16,276,701	10,575,646	-	10,575,646
Other non-current assets	311,560	-	311,560	412,408	-	412,408
	43,630,165	-	43,630,165	37,992,014	-	37,992,014

a) As a result of the agreements signed in 2005 by the former subsidiary - Sonae Distribuição Brazil, SA (sold to Wal-Mart in 2005) with Carrefour Comércio e Indústria Ltda, Sonae assumed responsibility to compensate Carrefour for the expenses that would arise from the 10 stores licensing process, in the Brazilian state of São Paulo, that were sold to that entity. During 2010, Carrefour triggered a bank warranty "on first demand" amounting to 25,340,145.80 Brazilian real (approximately 10 million euro) for alleged expenses incurred with the mentioned stores and that, allegedly, arose from the need to remedy deficiencies cited by competent authorities for the licensing process. However no evidence of those expenses were presented to Sonae, or proof of the necessity of carrying out such costs for the licensing process as established on the mentioned agreements.

It is the understanding of the Board of Directors and the Group attorneys that the amount paid will be recovered. The company will start the legal proceedings against Carrefour Comércio e Indústria, Ltda. to recover the above mentioned amount. It's the Board of Directors and the Group attorneys understanding that the amount is recoverable, since Carrefour has never proved the existence of the costs that it claims and which validate the usage of the above mentioned warranty, or through the warranty expiration date (according with Brazilian law).

According to Group attorneys, the amount improperly received by Carrefour for which a reimbursement will be requested (25,340,145.80 Brazilian real), will earn interests at the SELIC rate, and it is the Board of Directors understanding that the legal proceedings will last up to 7 years.

13 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 September 2012 and 31 December 2011, Trade account receivable and other current assets are detailed as follows:

	30 September 2012	31 December 2011 Restated
Trade accounts receivable	230,156,562	257,235,975
Taxes recoverable	76,809,984	99,411,123
Granted loans to related companies	16,175,144	16,217,863
Other debtors		
Trade creditors - debtor balances	40,850,326	40,525,100
Special regime for payment of tax and social security debts	12,047,569	12,047,568
"Iniciativas E" program	11,116,502	12,626,005
Reinsurance operations	12,474,329	7,264,352
Exchange equipment	5,917,351	-
Advances to suppliers	3,386,600	3,516,899
VAT recoverable on real estate assets and discount granted	1,143,681	444,020
Vouchers and gift cards	1,709,413	3,286,352
Advances to agents	1,576,377	875,217
Accounts receivable from the disposal of fixed assets	667,043	884,139
Other debtors	16,145,518	16,076,162
	107,034,709	97,545,814
Other current assets		
Invoices to be issued	58,843,404	56,960,732
Commercial discounts	42,636,992	29,937,096
Prepayments of external supplies and services	27,063,488	18,552,692
Prepayments - Rents	7,103,652	6,563,537
Commissions to be received	2,561,887	1,794,095
Insurance claims	5,443,378	103,175
Other current assets	11,525,513	11,257,197
	155,178,314	125,168,524
Accumulated impairment losses in receivables accounts (Note 23)	(99,568,694)	(103,217,668)
	485,786,019	492,361,631

14 DEFERRED TAX

Deferred tax assets and liabilities as at 30 September 2012 and 31 December 2011 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Difference between fair value and acquisition cost	3,543,506	3,408,306	38,601,795	40,380,932
Harmonisation adjustments	6,744,155	7,018,308	64,811,576	60,359,533
Provisions and impairment losses not accepted for tax purposes	49,726,111	38,080,776	-	-
Write off of tangible and intangible assets	36,614,114	43,925,949	-	-
Write off of deferred costs	15,152,041	20,202,721	1,044,461	12,574
Valuation of hedging derivatives	324,375	9,426	19,679	582,921
Temporary differences arising from the securitization operation	4,025,000	6,440,000	-	-
Amortisation of goodwill for tax purposes	-	-	23,383,054	22,336,051
Deferred soliciting clients costs	-	-	1,558,529	4,688,545
Revaluation of tangible assets	-	-	1,744,296	1,845,556
Tax losses carried forward	104,561,933	96,826,480	-	-
Reinvested capital gains/(losses)	-	-	1,099,132	1,197,663
Others	5,776,726	5,963,283	975,346	2,787,774
	<u>226,467,961</u>	<u>221,875,249</u>	<u>133,237,868</u>	<u>134,191,549</u>

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 September 2012 and 31 December 2011, and using exchange rates effective at that time, tax losses carried forward can be summarised as follows:

	30 September 2012			31 December 2011 Restated		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2007	1,223,112	305,778	2013	1,223,112	305,778	2013
Generated in 2008	1,401,211	350,302	2014	1,522,393	380,598	2014
Generated in 2009	16,803,262	4,200,815	2015	26,546,566	6,636,641	2015
Generated in 2010	99,670	24,918	2014	99,670	24,918	2014
Generated in 2011	1,165,535	291,383	2015	1,209,525	302,381	2015
Generated in 2012	11,711,505	2,927,876	2016	-	-	
	<u>32,404,295</u>	<u>8,101,072</u>		<u>30,601,266</u>	<u>7,650,316</u>	
Without limited time use	1,076,048	134,506		2,179,028	509,519	
With a time limit different from the above mentioned	322,951,070	96,326,355		295,437,281	88,666,645	
	<u>324,027,118</u>	<u>96,460,861</u>		<u>297,616,309</u>	<u>89,176,164</u>	
	<u>356,431,413</u>	<u>104,561,933</u>		<u>328,217,575</u>	<u>96,826,480</u>	

As at 30 September 2012 and 31 December 2011, 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. This evaluation was based in the company's business plans, which are periodically reviewed and updated, and on identified and available tax planning opportunities.

As at 30 September 2012 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 September 2012			31 December 2011 Restated		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2006	17,142,996	4,285,750	2012	19,421,434	4,855,359	2012
Generated in 2007	56,163,236	14,040,811	2013	56,171,546	14,042,888	2013
Generated in 2008	10,256,055	2,564,014	2014	10,256,055	2,564,014	2014
Generated in 2009	16,208,845	4,052,210	2015	24,814,767	6,203,691	2015
Generated in 2010	14,258,073	3,564,518	2014	15,265,401	3,816,351	2014
Generated in 2011	7,520,471	1,880,118	2015	7,205,829	1,801,457	2015
Generated in 2012	8,073,708	2,018,427	2016	-	-	
	<u>129,623,384</u>	<u>32,405,848</u>		<u>133,135,032</u>	<u>33,283,760</u>	
Without limited time use	39,372,861	11,214,501		37,624,334	10,604,792	
With a time limit different from the above mentioned	233,991,412	59,065,890		231,159,040	57,635,615	
	<u>273,364,273</u>	<u>70,280,391</u>		<u>268,783,374</u>	<u>68,240,407</u>	
	<u>402,987,657</u>	<u>102,686,239</u>		<u>401,918,406</u>	<u>101,524,167</u>	

15 CASH AND CASH EQUIVALENTS

As at 30 September 2012 and 31 December 2011, Cash and cash equivalents can be detailed as follows:

	30 September 2012	31 December 2011 Restated
Cash at hand	7,227,943	7,167,909
Bank deposits	257,633,901	262,539,711
Treasury applications	37,643,168	150,461,766
Cash and cash equivalents on the balance sheet	<u>302,505,012</u>	<u>420,169,386</u>
Bank overdrafts (Note 18)	<u>(27,042,920)</u>	<u>(4,712,270)</u>
Cash and cash equivalents on the statement of cash flows	<u>275,462,092</u>	<u>415,457,116</u>

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

16 SHARE CAPITAL

As at 30 September 2012, 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 20). 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, 10 March 2010 and 28 March 2011 Sonae Investments BV requested a partial cancellation of the Cash settled Equity Swap for 1,134,965, 1,185,144 and 3,639,140 shares of Sonae Holding respectively. Consequently the derivative underlying asset was updated to 126,840,751 Sonae Holding shares.

On 19 October 2010 Sonae Investments BV has agreed with a financial institution to extend the maturity of the Cash Settled Equity Swap over the 130,479,891 Sonae Holding's shares. The renovation is done for a maximum of 3 additional years, until November 2013 and maintains the settlement mechanism of the transaction that remains strictly cash settled. The Cash Settled Equity Swap, over shares of Sonae Capital, was not subject to extension of maturity, and Sonae acquired 16,600,000 shares in the market representing 6.6% of the capital of Sonae Capital, in result of fair value, during the period ended at 30 September 2012 Sonae Capital shares were sold (Note 11).

Therefore and for the transactions described above, the value of liabilities at 30 September 2012 is 63,927,738.5 euro on the market value of Sonae Holding (Note 20).

These liabilities are adjusted at the end of each month by the effect in Sonae Holding share price, 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 amount receivable accrued based on dividends distributed by the company is credited to equity in order to offset the negative variation caused by their 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 (Note 27).

At 30 September 2012, the following entities held more than 20% of the subscribed share capital:

Entity	%
Efanor Investimentos, SGPS, SA and subsidiaries	52.48

17 NON-CONTROLLING INTERESTS

Movements in Non-controlling interests during the periods ended at 30 September 2012 and 2011 are as follows:

	30 September 2012	30 September 2011 Restated
Opening balance as at 1 January	336,803,275	318,520,043
Dividends	(11,376,626)	(8,286,039)
Income distribution	(5,924,953)	-
Exchange rate effect	(1,233,130)	(1,965,569)
Acquisition of subsidiaries	-	253,523
Capital increase and share premium	-	1,276,562
Increased shareholding by acquisitions	(2,860,990)	2,340,323
Changes in hedge and fair value reserves	(72,367)	83,020
Others	(785,000)	(82,009)
Profit for the period attributable to non controlling interests	28,194,718	23,082,219
Closing balance	342,744,927	335,222,073

18 LOANS

As at 30 September 2012 and 31 December 2011, Loans are made up as follows:

	30 September 2012		31 December 2011 Restated	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae, SGPS, SA	1,961,683	75,000,000	-	-
Sonae, SGPS, SA - commercial paper	-	-	90,600,000	-
Sonae Investimentos, SGPS, SA - commercial paper	-	306,000,000	-	282,000,000
Sonae Holding affiliated	-	-	10,000,000	-
Sonae Investimentos affiliated	-	75,000,000	-	75,000,000
Sonaecom SGPS, SA - commercial paper	-	30,000,000	118,000,000	-
MDS, SGPS, SA - commercial paper	-	13,000,000	-	14,400,000
Lazam, SA	-	20,691,710	-	21,109,920
Others	10,729,333	12,300,142	94,341,249	10,000,384
	12,691,016	531,991,852	222,341,249	402,510,304
Bank overdrafts (Note 15)	27,042,920	-	4,712,270	-
Up-front fees beard with the issuance of borrowings	(7,667)	(2,100,961)	(171,289)	(1,155,243)
Bank loans	39,726,269	529,890,891	226,882,230	401,355,061
Bonds				
Bonds Sonae / 05	100,000,000	-	-	100,000,000
Bonds Sonae 2007/2014	-	150,000,000	-	150,000,000
Bonds Sonae 2007/2015	-	250,000,000	-	250,000,000
Bonds Continente -7% -2015	-	200,000,000	-	-
Bonds Modelo Continente / 2005 / 2012	-	-	150,000,000	-
Bonds Modelo Continente / 2007 / 2012	-	-	200,000,000	-
Bonds Sonae Distribuição / 2007 / 2015	-	200,000,000	-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015	155,000,000	155,000,000	-	310,000,000
Bonds Sonae Distribuição / 2009 / 2014	16,000,000	10,000,000	16,000,000	26,000,000
Bonds Sonae Investimentos / 2012 / 2017	-	170,000,000	-	-
Bonds Sonaecom / 2005/2013	150,000,000	-	-	150,000,000
Bonds Sonaecom / 2010/2013	30,000,000	-	-	30,000,000
Bonds Sonaecom / 2010/2015	-	40,000,000	-	40,000,000
Bonds Sonaecom / 2011/2015	-	100,000,000	-	100,000,000
Bonds Sonaecom / 2012/2015	-	20,000,000	-	-
Up-front fees beard with the issuance of borrowings	(222,650)	(8,980,369)	(143,080)	(6,565,687)
Bonds	450,777,350	1,286,019,631	365,856,920	1,349,434,313
Other loans	23,263	109,370	33,465	126,395
Derivative instruments (Note 19)	822,915	10,508,257	42,744	11,007,789
Other loans	846,178	10,617,627	76,209	11,134,184
Obligations under finance leases	5,784,610	28,380,872	6,894,512	28,812,037
	497,134,407	1,854,909,021	599,709,871	1,790,735,595

At 30 September 2012, Sonae has agreed lines of credit and commercial paper amounting to 1,338 million euro, out of which 437 million with firm commitments with maturity not exceeding one year and 598 million euro with firm commitments with maturity over 1 year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, Group had 657 million credit facilities available to meet its liquidity requirements.

The interest rate as at 30 September 2012 of bonds and loans were in average 3.05% (2.82% at 31 December 2011).

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

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

	30 September 2012	31 December 2011 Restated
N+1 ^{a)}	496,541,809	599,981,496
N+2	253,599,414	470,421,202
N+3	1,119,431,171	395,395,553
N+4	322,493,531	781,588,750
N+5	140,886,590	117,157,936
After N+5	19,071,388	22,885,295
	<u>2,352,023,903</u>	<u>2,387,430,232</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.

19 DERIVATIVES

Exchange rate derivatives

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

As such, Sonae contracted several exchange rate forwards in order to manage its exchange rate exposure.

As at 30 September 2012, there is no exchange rate derivatives that are considered speculative. The fair value of derivatives hedging the exchange rate calculated based on the current market values of financial instruments equivalent exchange rate is 822,915 euro in liabilities, and assets of 156,712 euro (42,744 euro in liabilities and 2,797,069 euro in assets as at 31 December 2011).

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.

Gains and 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".

Gains and losses for the period arising from fair value change of derivatives qualified as hedging instruments were recorded in the caption "Hedging reserve" of Comprehensive Income.

Interest rate derivatives

The hedging instruments used by Sonae existing as at 30 September 2012, relate primarily to "swaps" and interest rate options ("cash flow hedges") contracted with the purpose of hedging interest rate loans amounting to 250 million euro (400 million euro as at 31 December 2011) whose net fair value amounted to EUR -10,508,257 (-11,007,789 euro as at 31 December 2011) of derivatives recorded as liabilities.

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 instruments for hedging interest rate are measured at fair value at the date of the statement of financial position, determined by assessments made by Sonae using the computer systems of valuation of derivative instruments and external evaluations when these systems do not allow valuation of certain instruments. Determining the fair value of financial instruments is based on, for the swaps, the update to the date of the statement of financial position of the "cash flow" future resulting from the difference between the fixed interest rate of the "leg" of the fixed derivative and variable interest rate indexed to the "leg" of the derivative variable. For options the fair value is determined based on the model of "Black-Scholes" and its variants. The estimate of future cash flows is performed based on forward prices implied in the curve and the respective market discount for the present, is performed using the interest rate curve more representative of the market, built on credible sources of information conveyed by Bloomberg, among others. Comparative prices of financial institutions, for specific or similar instruments, are used as reference for evaluation. This analysis assumes that all other variables remain constant.

Interest rate and exchange rate derivatives

As at 30 September 2012 Sonae has contracted derivatives that incorporate risk management of exchange rate risk and interest rate simultaneously.

Fair value of derivatives

The fair value of derivatives is detailed as follows:

	Assets		Liabilities	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Hedging derivatives				
Exchange rate (Note 11 and 18)	156,712	2,797,069	822,915	42,744
Interest rate (Note 18)	-	-	10,508,257	11,007,789
	<u>156,712</u>	<u>2,797,069</u>	<u>11,331,172</u>	<u>11,050,533</u>

20 OTHER NON - CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2010, "Other non-current liabilities" is detailed as follows:

	30 September 2012	31 December 2011 Restated
Shareholders loans	38,132,252	36,639,791
Fixed assets suppliers	1,689,208	1726708
"Iniciativas E" program	2,253,107	2253107
Spectrum for 4th Generation	21,602,124	27423410
Other non-current liabilities	74,998,688	78286427
Accruals and deferrals	4,240,329	1234674
Other non-current liabilities	<u>142,915,708</u>	<u>147,564,117</u>

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

The caption Other non-current liabilities includes the amount of 63,927,738.50 euro (58,219,905 euro as at 31 December 2011) related to the fair value of the derivative on Sonae Holding shares referred to in Note 16.

The caption "Spectrum for 4th Generation" is the current value of the amount to be paid in future years, in giving the subsidiary Optimus, frequency of services necessary for the development of 4th generation (Note 9).

21 SHARE-BASED PAYMENTS

In 2012 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 or near zero, 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.

As at 30 September 2012, all plans Sonae Holding shares are recorded in the statement of financial position, "Other reserves" against "Personnel expenses" of the shares at fair value determined at grant date of the plan 2012, 2011 and December 31, 2010 for the plans attributed to this change. The expenses of the action plans are recognized over the years that mediate the attribution and exercise of them.

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 September 2012 and 31 December 2011, 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 September 2012	31 December 2011 Restated
Shares					
	2009	2012	53	-	9,416,984
	2010	2013	435	6,061,272	6,013,658
	2011	2014	432	5,107,712	6,535,923
	2012	2015	433	3,304,071	-
Total				14,473,055	21,966,565

As at 30 September 2012 and 31 December 2011 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 September 2012	31 December 2011 Restated
Staff costs	5,571,703	5,818,947
Recorded in previous years	6,373,411	9,734,086
	11,945,114	15,553,033
Recorded in other liabilities	5,716,080	8,433,044
Recorded value in Other reserves	6,229,034	7,119,989
	11,945,114	15,553,033

22 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2011, Trade creditors and other current liabilities were made up as follows:

	30 September 2012	31 December 2011 Restated
Trade creditors	1,045,524,338	1,244,527,123
Taxes payable	59,015,803	68,058,001
Other creditors		
Fixed asset suppliers	63,827,369	81,500,948
Related undertakings	506,557	984,945
Other debts	61,997,985	60,213,370
	<u>126,331,911</u>	<u>142,699,263</u>
Other current liabilities		
Tangible assets accrued costs	4,813,214	87,109,212
Holiday pay and bonuses	122,535,826	114,622,709
Interests payable	17,120,731	16,085,067
Invoices to be issued	35,373,112	33,764,156
Commissions	4,028,180	4,107,730
Marketing expenses	15,260,755	15,219,486
Information society	13,421,994	15,793,539
Other external supplies and services	43,891,981	48,281,811
Accrued income - trade debtors	35,101,582	27,305,184
Deferral of sales of extended warranties	10,594,265	-
Accrued income - rents	568,126	402,199
Others	31,656,257	32,891,749
	<u>334,366,023</u>	<u>395,582,842</u>
	<u>1,565,238,075</u>	<u>1,850,867,229</u>

23 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in Provisions and impairment losses over the nine months period ended at 30 September 2012 and 2011 were as follows:

Caption	Balance as at 1 January 2012 Restated	Increase	Decrease	Balance as at 30 September 2012
Accumulated impairment losses on investments (Note 11)	94,406	-	(2,309)	92,097
Accumulated impairment losses on trade account receivables and other debtors (Note 13)	103,217,668	29,081,041	(32,730,015)	99,568,694
Accumulated impairment losses on inventories	46,773,559	14,840,489	(12,500,117)	49,113,931
Non-current provisions	91,036,377	14,567,026	(9,042,866)	96,560,537
Current provisions	2,266,767	240,564	(36,889)	2,470,442
	<u>243,388,777</u>	<u>58,729,120</u>	<u>(54,312,196)</u>	<u>247,805,701</u>

Caption	Balance as at 1 January 2011 Restated	Increase	Decrease	Balance as at 30 September 2011 Restated
Accumulated impairment losses on investments (Note 11)	4,413	78,737	(509)	82,641
Accumulated impairment losses on trade account receivables and other debtors	93,253,216	18,860,620	(15,727,420)	96,386,416
Accumulated impairment losses on inventories	35,596,931	15,271,852	(5,021,877)	45,846,906
Non-current provisions	62,636,516	9,617,275	(2,752,653)	69,501,138
Current provisions	1,598,055	1,400,000	(731,288)	2,266,767
	<u>193,089,131</u>	<u>45,228,484</u>	<u>(24,233,747)</u>	<u>214,083,868</u>

As at 30 September 2012 and 31 December 2011, Provisions can be analysed as follows:

	30 September 2012	31 December 2011 Restated
Technical provisions on reinsurance	19,061,284	7,184,894
Future liabilities relating to subsidiaries of retail sold in Brazil	9,178,536	10,545,595
Dismantling of telecommunication sites	22,876,100	22,863,571
Clients guarantees	19,906,204	21,089,854
Judicial claims	6,309,471	8,043,221
Others	21,699,384	23,576,009
	<u>99,030,979</u>	<u>93,303,144</u>

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

24 CONTINGENT ASSETS AND LIABILITIES

As at 30 September 2012 and 31 December 2011, major contingent liabilities were guarantees given and can be detailed as follows:

	30 September 2012	31 December 2011 Restated
Guarantees given:		
on tax claims	393,674,023	324,515,879
on judicial claims	373,286	623,465
on municipal claims	6,306,450	6,582,372
others	67,497,576	47,245,424
Guarantees provided in favor of subsidiaries (a)	172,973,984	127,221,883

- a) Guarantees given to Tax Authorities in favor of subsidiaries to defer tax claims.

Companies of Retail segment provided guarantees to the tax authorities associated with processes relating to VAT, amounting to 148.6 million euro (148.6 million euro as at 31 December 2011), for which they were made or intends to submit their disputes. This processes is a understanding of Tax Administration that the Group should credit of Value Added Tax in respect of discounts given by suppliers and calculated based on values of purchases, the Tax Administration claims alleged match services to those entities, and the relative values for the regularization in debit in Value Added Tax in favour of the group related to loyalty programs discounts offer to customers.

The caption "Guarantees given on tax claims" include a granted guarantee on a tax claim of a Retail segment company in Brazil of approximately 27 million euro (65.6 million Brazilian real and the same amount at 31 December 2011), which is being judged by tax court, and the difference refers to accruals.

In addition to the previously disclosed guarantees, 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 30 September 2012, 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, plus the amounts already paid (26 million euro) related to programmes for the Brazilian State of tax recovery, amount to near 39.3 million euro. Furthermore, there are other tax lawsuits totalling 57.3 million euro for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary.

For the year ended at 31 December 2010, a subsidiary from the Telecommunications Business segment was notified of the Report of Tax Inspection, where it considers that it is inappropriate the increase, when calculating the taxable profit for the year 2008, of the amount of 100 million euro, with respect to initial price of future credits transferred to securitization. The settlement note, was received on April 2011, and Sonae will challenge that decision. It's the Board of Directors understanding that there are strong arguments to obtain a favourable decision for the Group. For this reason, Sonae kept the recording of deferred tax assets associated with this operation.

As at 30 September 2012, there are outstanding balances with national operators, registered in the categories of customers and suppliers, amounting to 139,253 euro and 29,913,608 euro, respectively, as well as balances of "Other current assets" in the amount of 411,649 euro, and "Provisions for other risks and charges" in the amount of 6,817,553 euro, resulting from a dispute remained, essentially, with TMN-Mobile Telecommunications SA on the vagueness of the interconnection rates of 2001, with the respective income and expenses been recorded that year. The Company considered the financial statements fares penalize. First Instance in the judgment was entirely favourable to Optimus. The Court of Appeal, on appeal, dismissed again rejected the attempts of the TMN. However, TMN again appeal this decision now before the Supreme Court, which upheld the decision of the Court of Appeal, by a judgment has become final, dismissing the attempts of the TMN, thus concluding that the prices of interconnection year 2001 were not defined. The settlement of amounts outstanding will depend on the price that will be established.

Following a deliberation of Board of Directors of ICP - ANACOM, it was applied to the Sonaecom's subsidiary Optimus, a fine of approximately 6.5 million euro, due to an alleged failure in the application of the resolutions taken by the regulator's on 26 October 2005, concerning termination rates for fixed calls. The Boards of Directors of Optimus and Sonaecom understand that Optimus has always complied with that resolution. Given this, Optimus contested in court the application of that fine and is expecting that the appeal will be upheld.

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

25 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Parent Company	112,377	116,887	227,728	-
Jointly controlled companies	8,028,701	9,053,392	26,321,030	28,618,663
Associated companies	24,900,296	25,089,444	1,043,808	1,230,130
Other related parties	45,410,259	48,551,561	14,436,137	15,790,856
	78,451,633	82,811,284	42,028,703	45,639,649
	Interest income		Interest expenses	
Transactions	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Parent Company	-	-	607,674	401,984
Jointly controlled companies	242,576	106,550	-	-
Associated companies	288,546	270,771	-	-
Other related parties	-	-	1,407,255	1,346,912
	531,122	377,321	2,014,929	1,748,896
	Accounts receivable		Accounts payable	
Balances	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Parent Company	15,386	4,088	835,402	-
Jointly controlled companies	16,460,433	19,818,553	5,732,652	6,584,841
Associated companies	5,657,165	4,277,817	102,138	424,173
Other related parties	14,676,719	16,407,377	7,388,690	7,269,485
	36,809,703	40,507,835	14,058,882	14,278,499
	Loans			
	Obtained		Granted	
Balances	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Jointly controlled companies	-	-	5,600,000	4,342,159
Associated companies	-	-	9,487,447	9,136,860
Other related parties	36,831,399	35,938,565	-	-
	36,831,399	35,938,565	15,087,447	13,479,019

The caption "Other related parties" includes Sonae Sierra SGPS, SA, Raso SGPS, SA, Sonae Indústria, 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.

26 INCOME TAX

As at 30 September 2012 and 2011, income tax is detailed as follows:

	30 September 2012	30 September 2011 Restated
Current tax	17,264,271	15,448,958
Deferred tax	(8,124,190)	(5,020,059)
	<u>9,140,081</u>	<u>10,428,899</u>

27 EARNINGS PER SHARE

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

	30 September 2012	30 September 2011 Restated
Net profit		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	64,117,222	84,061,969
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>64,117,222</u>	<u>84,061,969</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	1,872,791,076	1,873,159,249
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with share based payments	14,064,143	13,158,991
Shares related to performance bonus that can be bought at market price	(7,711,118)	(4,802,771)
Weighted average number of shares used to calculate diluted earnings per share	<u>1,879,144,101</u>	<u>1,881,515,469</u>
Earnings per share		
Basic	0.034236	0.044877
Diluted	<u>0.034120</u>	<u>0.044678</u>

28 DIVIDENDS

In the Shareholders Annual General Meeting held on 30 April 2012, the payment of a gross dividend of 0.0331 euro per share (0.0331 euro per share in 2011) corresponding to a total of 66,200,000 euro (66,200,000 euro in 2011) was approved.

29 SEGMENT INFORMATION

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

- Sonae MC
- Sonae SR
- Sonae RP
- Sonaecom
- Investment Management

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

	30 September 2012	Inter-segment income	30 September 2011 Restated	Inter-segment income
Turnover				
Sonae MC	2,405,267,313	(2,130,823)	2,439,257,794	(2,125,694)
Ex-Fuel	2,405,267,313	(2,130,823)	2,420,943,383	(2,125,694)
Fuel	-	-	18,314,411	-
Sonae SR	845,794,679	-	861,091,445	-
Sonae RP	89,465,297	(81,689,293)	89,361,575	(81,717,958)
Sonaecom	616,975,069	(17,213,261)	650,308,824	(16,819,392)
Investment management	78,009,546	(577,758)	80,528,679	(549,541)
Eliminations and adjustments	(100,487,617)	(120,000)	(97,390,414)	(86,004)
Total consolidated	3,935,024,287	(101,731,135)	4,023,157,903	(101,298,589)
Depreciation, provisions and impairment losses				
Sonae MC	65,998,804		68,835,055	
Sonae SR	48,091,156		46,350,311	
Sonae RP	22,811,115		23,009,291	
Sonaecom	122,863,421		126,874,510	
Investment management	6,375,861		5,811,577	
Eliminations and adjustments	229,036		355,873	
Total consolidated	266,369,393		271,236,617	
Operational profit/(loss) (EBIT)				
Sonae MC	106,445,456		81,028,690	
Sonae SR	(86,178,964)		(55,635,524)	
Sonae RP	58,785,479		74,502,931	
Sonaecom	80,295,689		69,847,617	
Investment management	(3,042,721)		(32,179)	
Eliminations and adjustments	4,308,953		(4,174,944)	
Total consolidated	160,613,892		165,536,591	

	30 September 2012	30 September 2011 Restated
Investment (CAPEX)		
Sonae MC	34,695,009	53,958,857
Sonae SR	18,460,651	60,413,961
Sonae RP	10,143,992	8,260,245
Sonaeacom	110,770,000	82,148,007
Investment management	1,072,430	5,577,538
Eliminations and adjustments (1)	1,712,227	72,649
Total consolidated	176,854,309	210,431,257
	30 September 2012	31 December 2011 Restated
Invested capital		
Sonae MC	444,654,565	483,891,990
Sonae SR	372,871,705	347,470,390
Sonae RP	1,342,995,687	1,360,659,243
Sonaeacom	941,482,601	826,985,263
Investment management	131,591,031	134,490,985
Eliminations and adjustments (1)	489,110,449	509,907,063
Total consolidated	3,722,706,038	3,663,404,934
Total net debt ⁽²⁾		
Retail businesses	956,894,840	975,691,161
Sonaeacom	370,785,000	309,547,000
Investment management	100,296,713	93,349,820
Holding ⁽¹⁾	612,210,692	584,425,797
Total consolidated	2,040,187,245	1,963,013,778

(1) Includes Sonae Individual accounts;

(2) Includes shareholders loans;

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

	Turnover		Operational profit/(loss) (EBIT)	
	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Inter-segment income	(101,731,135)	(101,298,589)	11,781,573	1,156,816
Others	1,243,518	3,908,175	(7,472,620)	(5,331,760)
Eliminations and adjustments	(100,487,617)	(97,390,414)	4,308,953	(4,174,944)
	Investment		Invested capital	
	30 September 2012	30 September 2011 Restated	30 September 2012	31 December 2011 Restated
Inter-segment balances	1,090,515	46,394	78,240,718	52,486,153
Investments	-	-	484,443,876	531,768,694
Cash settled equity swap ⁽³⁾	-	-	(63,927,739)	(55,936,771)
Others	621,712	26,255	(9,646,406)	(18,411,013)
Eliminations and adjustments	1,712,227	72,649	489,110,449	509,907,063

(3) Financial Instrument reported in Note 19.

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.

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

Eliminations and adjustments = Inter-segment + consolidation adjustments + contribution of companies not included in the segments;

CAPEX = Investments in tangible and intangible assets, investment properties and acquisitions of subsidiaries; less amounts generated over assets disposals;

30 COMMITMENTS WITH "INFORMATION SOCIETY"

Under the agreed terms resulting from the grant of the UMTS License, Optimus – Comunicações, S.A. 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 September 2007 with the Ministry of Public Works, Transports and Communications ("MOPTC"), a part of those commitments, up to 159 million euro, will be accomplished through its own projects as contributions to qualifying Information Society and incurred in the normal activity of Sonaecom - Communications Services (investment and networking technology that does not derive from the need for compliance with obligations relating to the allocation of the UMTS license and research activities, development and promotion services, content and applications), which must be recognized by MOPTC and entities set up especially for this purpose. As at 30 September 2012, 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 fulfilled as agreed between Optimus – Comunicações, S.A. and MOPTC, through contributions to the "Iniciativas E" project (offer of modems, discounted rates, cash contributions, among others, relating to the widespread use of broadband internet by students and teachers), those contributions being made through Information Society Fund ("Fundo para a Sociedade de Informação") now known as the "Fundação para as Comunicações Móveis" (Foundation for Mobile Communications), to be created by the three mobile operators operating in Portugal. The responsibilities were recorded, at 31 December 2010, as an added cost of the UMTS license, against an entry in the captions 'Other non-current liabilities' and 'Other current liabilities'. As at 30 September 2012 these responsibilities were all recorded in the financial statements.

31 SUBSEQUENT EVENTS

Sonae Sierra Brasil, a Sonae Sierra subsidiary, has announced on November 5th the agreement for the sale of its ownership interests in three shopping centres - 51% in Shopping Penha, 30% in Tivoli Shopping and 10.4% in Pátio Brasil Shopping - for a total of R\$212.9 million, approximately €81 million. The ownership interests in Shopping Penha and Tivoli Shopping were acquired by CSHG Brasil Shopping FII, a fund managed by Credit Suisse Hedging Griffo, while the ownership interest in Pátio Brasil Shopping was acquired by the shopping centre's main shareholder group.

32 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 13 November 2012.

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

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 STATEMENT OF FINANCIAL POSITION AS AT
30 SEPTEMBER 2012 AND 2011 AND AS AT 31 DECEMBER 2011(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.September.2012	30.September.2011	31.December.2011
NON-CURRENT ASSETS:				
Tangible assets		188,489	198,348	208,831
Intangible assets		35,226	94,382	77,138
Investments in affiliated companies	4	3,542,323,203	3,645,328,932	3,561,020,983
Other investments	5	23,352,426	46,679,880	42,214,426
Other non-current assets	6	365,718,000	428,047,946	393,745,945
Total non-current assets		3,931,617,344	4,120,349,488	3,997,267,323
CURRENT ASSETS:				
Trade account receivables and other current assets	7	35,460,910	21,851,992	15,642,899
Cash and cash equivalents	8	143,096,044	229,622	75,589
Total current assets		178,556,954	22,081,614	15,718,488
TOTAL ASSETS		4,110,174,298	4,142,431,102	4,012,985,811
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	9	2,000,000,000	2,000,000,000	2,000,000,000
Treasury shares		(156,807)	-	-
Reserves and retained earnings		1,280,171,537	1,434,579,192	1,431,187,025
Profit for the period		24,928,624	23,619,926	(63,517,229)
TOTAL EQUITY		3,304,943,354	3,458,199,118	3,367,669,796
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	10	678,973,560	510,072,851	509,005,437
Other non-current liabilities		3,291,520	-	-
Total non-current liabilities		682,265,080	510,072,851	509,005,437
CURRENT LIABILITIES:				
Loans	10	101,801,496	93,505,847	90,600,000
Trade creditors and other current liabilities	11	21,164,368	80,653,286	45,710,578
Total current liabilities		122,965,864	174,159,133	136,310,578
TOTAL EQUITY AND LIABILITIES		4,110,174,298	4,142,431,102	4,012,985,811

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 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Notes	3 rd Quarter 2012	3 rd Quarter 2011	30.September.2012	30.September.2011
Services rendered		118,170	101,150	354,511	303,450
Gains or losses on investments	14	-	-	26,857,661	11,993,439
Financial income		8,658,439	11,188,066	24,353,866	33,471,121
Other income		440,726	11,125	1,955,053	360,953
External supplies and services		(692,738)	(496,324)	(1,948,111)	(1,559,872)
Staff costs		(553,658)	(554,542)	(1,823,200)	(1,676,292)
Depreciation and amortisation		(29,587)	(24,788)	(82,406)	(76,212)
Financial expense		(9,247,207)	(6,406,985)	(23,423,021)	(17,622,149)
Other expenses		(62,158)	(56,320)	(1,308,365)	(509,193)
Profit/(Loss) before taxation		(1,368,013)	3,761,382	24,935,988	24,685,245
Taxation		(1,700)	(751,000)	(7,364)	(1,065,319)
Profit/(Loss) after taxation		(1,369,713)	3,010,382	24,928,624	23,619,926
Profit/(Loss) per share					
Basic	15	(0.000975)	0.003615	0.012468	0.011810
Diluted	15	(0.000970)	0.003612	0.012464	0.011805

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 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	3 rd Quarter 2012	3 rd Quarter 2011	30.September.2012	30.September.2011
Net Profit / (Loss) for the period	(1,369,713)	3,010,382	24,928,624	23,619,926
Changes on fair value of available-for-sale financial assets	2,970,960	(18,580,850)	(21,961,232)	(34,432,252)
Changes in hedge and fair value reserves	73,089	(2,973,517)	672,955	1,635,522
Other comprehensive income for the period	3,044,049	(21,554,367)	(21,288,277)	(32,796,730)
Total comprehensive income for the period	1,674,336	(18,543,985)	3,640,347	(9,176,804)

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 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Share capital	Treasury shares	Reserves and retained earnings				Total reserves and retained earnings	Net profit/(loss)	Total
			Legal reserve	Fair value reserve	Hedging reserve	Other reserves and retained earnings			
Balance as at 1 January 2011	2,000,000,000	-	167,816,034	612,472,662	(7,662,771)	374,517,476	1,147,143,401	386,432,293	3,533,575,694
Total comprehensive income for the period	-	-	-	(34,432,252)	1,635,522	-	(32,796,730)	23,619,926	(9,176,804)
Appropriation of profit of 2010:									
Transfer to legal reserves and retained earnings	-	-	19,321,614	-	-	300,910,679	320,232,293	(320,232,293)	-
Dividends distributed	-	-	-	-	-	-	-	(66,200,000)	(66,200,000)
Purchase of treasury shares	-	(289,862)	-	-	-	-	-	-	(289,862)
Share based payments	-	289,862	-	-	-	228	228	-	290,090
Balance as at 30 September 2011	2,000,000,000	-	187,137,648	578,040,410	(6,027,249)	675,428,383	1,434,579,192	23,619,926	3,458,199,118
Balance as at 1 January 2012	2,000,000,000	-	187,137,648	573,554,460	(5,030,164)	675,525,081	1,431,187,025	(63,517,229)	3,367,669,796
Total comprehensive income for the period	-	-	-	(21,961,232)	672,955	-	(21,288,277)	24,928,624	3,640,347
Appropriation of profit of 2011:									
Transfer to legal reserves and retained earnings	-	-	-	-	-	(63,517,229)	(63,517,229)	63,517,229	-
Dividends distributed	-	-	-	-	-	(66,187,813)	(66,187,813)	-	(66,187,813)
Purchase of treasury shares	-	(2,612,424)	-	-	-	-	-	-	(2,612,424)
Sale of treasury shares	-	2,189,569	-	-	-	-	-	-	2,189,569
Share based payments	-	266,048	-	-	-	(22,169)	(22,169)	-	243,879
Balance as at 30 September 2012	2,000,000,000	(156,807)	187,137,648	551,593,228	(4,357,209)	545,797,870	1,280,171,537	24,928,624	3,304,943,354

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 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Notes	3 rd Quarter 2012	3 rd Quarter 2011	30.September.2012	30.September.2011
OPERATING ACTIVITIES					
Net cash flow from operating activities (1)		455,538	(102,967)	(1,994,034)	(2,892,410)
INVESTMENT ACTIVITIES					
Cash receipts arising from:					
Investments		4,675,000	4,720,000	17,949,000	14,749,954
Tangible and intangible assets		50	50	50	1,917
Interest and similar income		1,615,951	7,363,912	2,619,442	30,660,756
Dividends		17,079,574	-	29,071,221	107,599
Others		3,291,520	-	3,291,520	-
Loans granted		176,734,187	625,773,678	285,887,307	1,188,933,177
		203,396,282	637,857,640	338,818,540	1,234,453,403
Cash Payments arising from:					
Investments		-	(499,999,699)	(3,263,451)	(499,999,699)
Tangible and intangible assets		(11,801)	(13,900)	(20,594)	(24,395)
Loans granted		(148,703,122)	(254,688,000)	(257,740,242)	(755,488,000)
		(148,714,923)	(754,701,599)	(261,024,287)	(1,255,512,094)
Net cash used in investment activities (2)		54,681,359	(116,843,959)	77,794,253	(21,058,691)
FINANCING ACTIVITIES					
Cash receipts arising from:					
Loans obtained		430,991,442	865,825,000	1,486,439,322	1,333,482,000
Sale of own shares		-	-	2,189,569	-
		430,991,442	865,825,000	1,488,628,891	1,333,482,000
Cash Payments arising from:					
Loans obtained		(333,858,704)	(745,565,000)	(1,330,317,195)	(1,229,627,000)
Interest and similar charges		(9,263,329)	(3,611,926)	(22,292,480)	(13,500,927)
Dividends		-	-	(66,186,556)	(66,196,465)
Purchase of treasury shares		-	-	(2,612,424)	(289,862)
		(343,122,033)	(749,176,926)	(1,421,408,655)	(1,309,614,254)
Net cash used in financing activities (3)		87,869,409	116,648,074	67,220,236	23,867,746
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		143,006,306	(298,852)	143,020,455	(83,355)
Cash and cash equivalents at the beginning of the period		89,738	522,627	75,589	307,130
Cash and cash equivalents at the end of the period	8	143,096,044	223,775	143,096,044	223,775

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 SEPTEMBER 2012

(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 2011.

4 INVESTMENTS IN AFFILIATED COMPANIES

As at 30 September 2012 and 31 December 2011 the company held investments in the following affiliated companies:

30.September.2012				
Company	% Held	Carrying amount	Acquisition cost	Fair value reserve
Sonae Investimentos SGPS, SA (a)	76.86%	1,893,270,729	1,416,192,180	477,078,549
Sonae Sierra SGPS, SA (b)	50.00%	563,811,500	490,113,339	73,698,161
Sonaecom, SGPS, SA	0.94%	4,729,970	3,913,452	816,518
Sontel BV	42.86%	405,641,099	405,641,099	-
Sonae Investments BV	100.00%	835,700,000	835,700,000	-
Others	-	4,669,905	4,669,905	-
Impairment		(165,500,000)	-	-
Total		3,542,323,203	3,156,229,975	551,593,228

31.December.2011				
Company	% Held	Carrying amount	Acquisition cost	Fair value reserve
Sonae Investimentos SGPS, SA (a)	76.86%	1,893,270,729	1,416,192,180	477,078,549
Sonae Sierra SGPS, SA (b)	50.00%	586,449,500	490,113,339	96,336,161
Sonaecom, SGPS, SA	0.18%	789,750	650,000	139,750
Sontel BV	42.86%	405,641,099	405,641,099	-
Sonae Investments BV	100.00%	835,700,000	835,700,000	-
Others	-	4,669,905	4,669,905	-
Impairment		(165,500,000)	-	-
Total		3,561,020,983	3,152,966,523	573,554,460

(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 September 2012 and 31 December 2011 other investments are as follows:

30.September.2012		31.December.2011	
	Carrying amount	Carrying amount	Acquisition cost
Magma No. 1 Securitisation Notes	23,300,000	37,680,000	37,680,000
Sonae Capital, SGPS, SA	-	6,972,000	6,972,000
Others	52,426	52,426	52,426
Impairment	-	(2,490,000)	-
Total	23,352,426	42,214,426	44,704,426

During the first quarter 2012 the Company sold the interest in Sonae Capital, SGPS, SA for the amount of 3,569,000 euro.

6 OTHER NON-CURRENT ASSETS

As at 30 September 2012 and 31 December 2011 other non-current assets are detailed as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
Loans granted to group companies	365,718,000	393,745,945

This caption includes the amount of 347,400,000 euro of a subordinate bond loan, repayable in 10 years issued by Sonae Investimentos, SGPS, SA at market conditions. This loan was fully subscribed and paid by Sonae SGPS, SA on 28 December 2010 amounting to 400,000,000 euro, relating 8,000 bonds with nominal value of 50,000 euro each, bearing fixed interest rate with full reimbursement in the end of the period.

The fair value of the bonds related to this loan as at 30 September 2012, is 40,563 euro (40,000 euro as at 31 December 2011) per bond, according with a valuation made by the use of discounted cash flow models. There is no evidence of impairment of this loan.

7 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 September 2012 and 31 December 2011 trade accounts receivable and other current assets are detailed as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
Trade accounts receivable	319	503,725
Group companies	10,567,050	12,501,941
Taxes and contributions receivable	468,960	798,587
Accrued income and prepayments	24,215,099	431,397
Others	209,482	1,407,249
Total	<u>35,460,910</u>	<u>15,642,899</u>

The caption "Accrued income and prepayments" mainly includes receivables relating to interests from loans granted to group companies (Note 6).

8 CASH AND CASH EQUIVALENTS

As at 30 September 2012 and 31 December 2011 cash and cash equivalents are detailed as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
Cash at hand	89	89
Bank deposits	143,095,955	75,500
Cash and cash equivalents on the balance sheet	<u>143,096,044</u>	<u>75,589</u>
Cash and cash equivalents on the cash flow statement	<u>143,096,044</u>	<u>75,589</u>

9 SHARE CAPITAL

As at 30 September 2012 and 31 December 2011 share capital consisted of 2,000,000,000 ordinary shares of 1 euro each.

10 LOANS

As at 30 September 2012 and 31 December 2011, loans are made up as follows:

	30.September.2012	31.December.2011
Bonds Sonae 2007/2014	150,000,000	150,000,000
Bonds Sonae 2010/2015	250,000,000	250,000,000
Bonds Sonae 05	-	100,000,000
Bonds Continente - 7% - 2015	200,000,000	-
Up-front fees not yet charged to income statement	(5,459,947)	(2,002,352)
Bonds	594,540,053	497,997,648
Nominal value of bank loans	75,000,000	-
Up-front fees not yet charged to income statement	(1,074,750)	-
Bank loans	73,925,250	-
Derivatives	10,508,257	11,007,789
Non-current loans	678,973,560	509,005,437
Bonds Sonae 05	100,000,000	-
Up-front fees not yet charged to income statement	(160,187)	-
Bonds	99,839,813	-
Commercial paper	-	90,600,000
Other bank loans	1,961,683	-
Current loans	101,801,496	90,600,000

As at 30 September 2012 Sonae, SGPS has agreed lines of credit and commercial paper programs amounting to 385 million euro, out of which 146.5 million euro with firm commitments with maturity not exceeding one year and 35 million euro with firm commitments with maturity over one year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, Sonae, SGPS had 182 million euro credit facilities available to meet its liquidity requirements.

The interest rate as at 30 September 2012 of the bonds and bank loans was, in average, 3.70% (3.37% as at 31 December 2011).

Maturity of Borrowings

As at 30 September 2012 and 31 December 2011 the analysis of maturity of loans excluding the derived instruments having in consideration its nominal value is as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
N+1	101,961,683	90,600,000
N+2	150,000,000	100,000,000
N+3	525,000,000	150,000,000
N+4	-	250,000,000

11 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2011, trade creditors and other current liabilities are detailed as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
Trade creditors	610,321	662,785
Group companies	9,920,443	40,160,000
Taxes and contributions payable	58,385	555,382
Accrued expenses	10,353,580	4,179,091
Others	221,639	153,320
Total	<u>21,164,368</u>	<u>45,710,578</u>

12 CONTINGENT LIABILITIES

As at 30 September 2012 and 31 December 2011, contingent liabilities are detailed as follows:

	<u>30.September.2012</u>	<u>31.December.2011</u>
Guarantees given:		
on tax claims	71,801,227	92,283
on judicial claims	145,256	145,256
Guarantees given in favour of subsidiaries	a) 230,569,501	130,066,153

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

13 RELATED PARTIES

Transactions and balances with related parties are detailed as follows:

Transactions	30.September.2012	30.September.2011
Group companies	2,068,896	123,246
Jointly controlled companies	160,193	153,450
Other related parties	75,000	75,069
Services rendered and other income	2,304,089	351,765
Parent company	227,728	-
Group companies	834,829	846,259
Jointly controlled companies	44,390	25,033
Other related parties	26,266	33,503
Purchases and services obtained	1,133,213	904,795
Group companies	23,040,759	31,603,252
Interest income	23,040,759	31,603,252
Parent company	607,674	401,984
Group companies	1,106,367	240,441
Interest expenses	1,714,041	642,425
Group companies	17,203,611	107,599
Jointly controlled companies	10,567,050	11,867,610
Dividend income (Note 14)	27,770,661	11,975,209
Group companies	-	289,954
Other related parties	3,569,000	-
Disposal of investments	3,569,000	289,954
Group companies	1,806,655	-
Jointly controlled companies	382,914	-
Disposal of treasury shares	2,189,569	-
Balance	30.September.2012	31.December.2011
Group companies	23,781,285	2,248,938
Jointly controlled companies	10,726,693	12,094,116
Other related parties	75,028	109,053
Accounts receivable	34,583,006	14,452,107
Parent company	835,402	-
Group companies	4,882,071	657,699
Jointly controlled companies	29,245	14,258
Other related parties	14,790	13,208
Accounts payable	5,761,508	685,165
Group companies	365,718,000	393,865,065
Loans granted	365,718,000	393,865,065
Group companies	9,920,443	40,160,000
Loans obtained	9,920,443	40,160,000

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 INVESTMENTS INCOME

As at 30 September 2012 and 2011, investment income can be detailed as follows:

	30.September.2012	30.September.2011
Dividends	27,770,661	11,975,209
Gains / (losses) on sale investments	(913,000)	18,230
	<u>26,857,661</u>	<u>11,993,439</u>

The dividends mentioned above were distributed by the affiliates Sonae Investimentos, SGPS, SA (17,079,574 euro), Sonaegest, SA (78,537 euro), Sonae Sierra, SGPS, SA (10,567,050 euro) and Sonaecom, SGPS, SA (45,500 euro).

15 EARNINGS PER SHARE

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

	30.September.2012	30.September.2011
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	24,928,624	23,619,926
Effect of dilutive potential shares	-	-
Interests related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share:	<u>24,928,624</u>	<u>23,619,926</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings	1,999,346,909	2,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Outstanding shares related with deferred performance bonus	1,673,374	1,407,223
Number of shares that could be acquired at average market price	<u>(925,751)</u>	<u>(569,446)</u>
Weighted average number of shares used to calculate diluted earnings per share	<u>2,000,094,532</u>	<u>2,000,837,777</u>
Profit/(Loss) per share		
Basic	0.012468	0.011810
Diluted	<u>0.012464</u>	<u>0.011805</u>

16 APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 13 November 2012.

17 INFORMATION REQUIRED BY LAW**Decree-Law nr 318/94 art 5 nr 4**

During the period ended as at 30 September 2012 no shareholders' loan contracts were entered into the following companies:

Sontel, BV

During the period ended 30 September 2012 short-term loan contracts were entered into with the following companies:

Efanor Investimentos, SGPS, SA

Sonae Investimentos, SGPS, SA

Sonaecenter Serviços, SA

Sonaecom, SGPS, SA

As at 30 September 2012 amounts owed by affiliated undertakings can be summarized as follows:

	<u>Closing Balance</u>
Sonae Investments, BV	18,298,000
Sontel, BV	20,000
Total	<u>18,318,000</u>

As at 30 September 2012 amounts owed from affiliated undertakings can be summarized as follows:

	<u>Closing Balance</u>
Sonae Investments, BV	9,816,564
Sonaecenter Serviços, SA	103,879
Total	<u>9,920,443</u>

The Board of Directors

Belmiro Mendes de Azevedo

Álvaro Carmona e Costa Portela

Álvaro Cuervo Garcia

Bernd Bothe

Christine Cross

Michel Marie Bon

José Neves Adelino

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigo Jordão

SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that should not be regarded as 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, and generally all recipients of this document, 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 also be accessed on Reuters
under the symbol **SONP.IN** and on Bloomberg
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