MANAGEMENT REPORT AND ACCOUNTS

1H13

Note: The consolidated financial information contained in this report is based on Financial Statements not audited and prepared in accordance with International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union. Optimus consolidated financial information was subject to a limited review.

Table of contents

Highlights

Consolidated turnover 399.4 million euros

EBITDA reaches 126.6 million euros (127.9 million euros excluding merger costs)

EBITDA-operating CAPEX 74.7 million euros

Net results 39.9 million euros

Net debt to EBITDA ratio 1.6x

CEO message

"In the first half of 2013, Sonaecom portrayed another strong set of results, supported on the resilience of the business model adopted in telecommunications sector, and the growth of WeDo's international business, alongside the growth of other SSI companies."

"The increasing profitability of Sonaecom's portfolio, given the recessionary environment of the main market in which we operate, is the result and was only achievable due to the unique skills and dedication of our teams."

"The merger of Optimus and Zon was not yet accomplished in this quarter. However, the necessary steps were assumed so as to achieve the goal in the short term. We are conscious of the significance of this operation for the telecommunications' sector in Portugal and we are ready to face with enthusiasm and ambition this new stage of the company's lifecycle."

Ângelo Paupério, CEO of Sonaecom

Our business

During 1H13, Sonaecom's turnover benefited from the positive performances of Optimus's wireline and Software and Information Systems (SSI) divisions, which grew 4.9% and 13.4% respectively compared to 1H12. This top line performance combined with Optimus's optimisation plan enabled again an EBITDA growth of 1.6%, to 126.6 million euros, already reflecting the impact of costs associated with the consolidation process that comprises the merger between Optimus and ZON.

At Optimus, we surpassed relevant 2Q13 strategic targets. We continued to excel in customer service, winning for the third consecutive year both APCC Portugal Best Awards 2013 and the award for Best Customer Service EMEA, the most relevant category in the Contact Center World Awards.
In April 2013, Optimus launched wOw, an innovative 4G double-play offer that delivers voice and unlimited high-speed broadband services with extreme simplicity.
Despite the challenging macroeconomic climate, which continues to impact on the growth of Optimus's turnover, we expect to keep outperforming the other players on Portugal's mobile market.

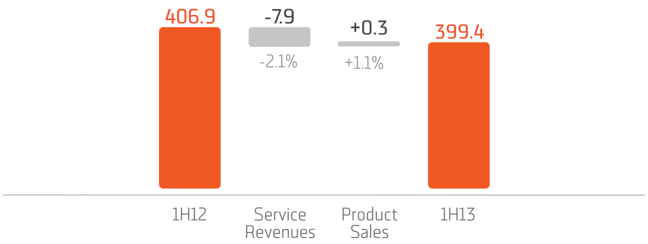
At SSI, 2Q13 service revenues grew to a new record level of 23.1 million euros and profitability continued to strengthen primarily driven by WeDo Technologies performance where international revenues now account for more than 80% of total turnover. Notably, in July 2013, Gartner named WeDo as the worldwide market leader in providing Revenue Assurance and Fraud Management solutions to telecoms operators.

At its final stage, the merger process between Optimus and ZON, a transformational operation for Sonaecom and the Portuguese telecommunications sector, will enable to fully address convergence opportunities in the consumer segments as well as explore growth potential in the business segment.

1. Consolidated results

Turnover

Consolidated turnover in 1H13 totalled 399.4 million euros, a y.o.y. decrease of 1.8% mainly reflecting a 2.1% fall in service revenues and an increase of 1.1% in product sales.



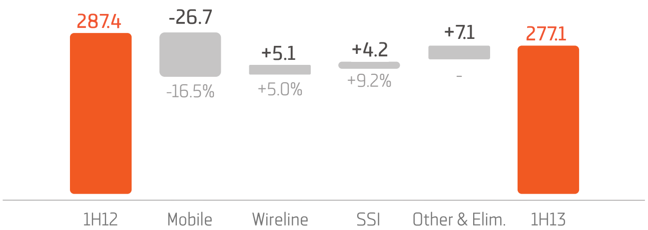
Optimus's mobile top line was impacted by regulated tariffs (mobile termination rates, or MTRs, and roaming in) and Portugal's austere economic environment, which continues to have a negative impact on consumption levels.

On a quarterly basis, it should be noted that consolidated turnover increased 0.4% between 2Q12 and 2Q13, driven by our wireline and SSI divisions. Excluding the effect of regulated tariffs, amounting to 7.3 million euros, consolidated turnover would be almost neutral between the two periods.

At SSI, a very positive increase of 19.0% in service revenues more than offset Bizdirect's fall in product sales, which were affected by the macroeconomic environment. Importantly, in 2Q13 SSI registered its highest ever service revenues.

Operating costs

Operating costs amounted to 277.1 million euros, down 3.6% versus 1H12. Sonaecom's operating costs benefited from the cross-business Optimus optimisation plan. As a result of several initiatives, important savings were achieved in all relevant cost items.

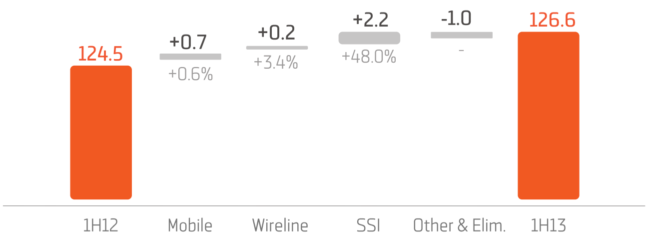


On a consolidated basis, Optimus' operating costs decreased 5.8% y.o.y., with savings reaching more than 13 million euros.

At the Sonaecom level, given the fact that the consolidated top line evolution was more than offset by lower costs, operating costs as a percentage of turnover decreased 1.2pp.

EBITDA

EBITDA reached 126.6 million euros, 1.6% above the same period in 2012, already reflecting costs related with the consolidation process that comprises the merger between Optimus and ZON. Excluding this effect, which amounted to 1.3 million euros in 2Q13, the consolidated EBITDA reached 127.9 million euros, a 2.7% y.o.y. growth.



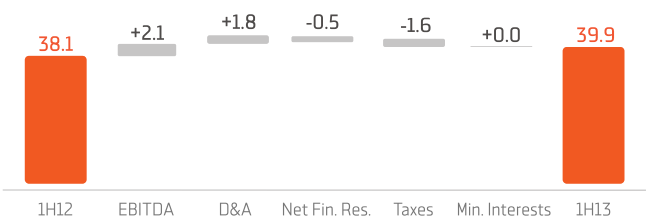
Regardless of this effect, it is very worth highlighting that Optimus mobile and wireline businesses, as well as SSI registered a positive EBITDA performance, which takes on particular importance given the macroeconomic outlook.

The consolidated EBITDA margin stood at 31.7%, up 1.1pp y.o.y..

Net profit

The net results group share reached 39.9 million euros, up 4.5% compared to 1H12, driven by an improved EBITDA and a lower level of D&A.

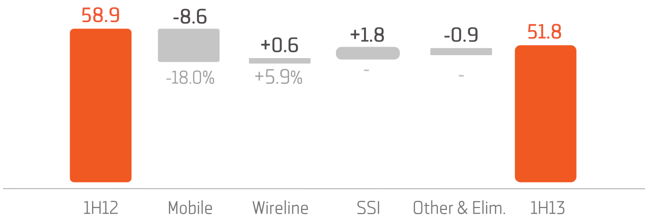
The evolution of net financial results was primarily impacted by the lower financial income in 1H13 compared with 1H12. The



impact of taxes was negative, amounting to 1.6 million euros. We continued to benefit from the recognition of deferred tax assets, but at a reduced degree.

Operating CAPEX

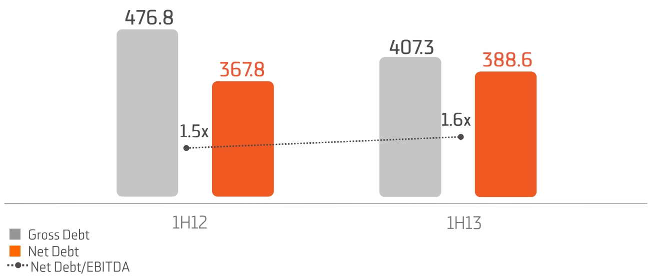
Operating CAPEX totalled 51.8 million euros, decreasing by 12.0% between 1H12 and 1H13. Following the ambitious 4G network deployment in 2012, our LTE network covers approximately 80% of the Portuguese population, leading high speed coverage with the widest 150Mbps coverage among the Portuguese mobile players.



Accordingly, following this investment effort, operating CAPEX is, as expected, at regular levels. Operating CAPEX as a percentage of turnover decreased 1.5pp to 13.0%.

Capital structure

Consolidated net debt reached 388.6 million euros in 1H13, which compares with 355.2 million euros in 1Q13, impacted by the 43.3 million euros dividend distribution occurred in May 2013.
The net debt to EBITDA ratio increased from 1.5x to 1.6x, due to a higher net debt, that more than offsets the positive EBITDA performance.
In 1H13, total credit facilities amounted to 415 million euros while the all-in average cost of debt reached 3.25%.



Free cash flow (FCF)

FCF amounted to negative 1.1 million euros in 1H13, impacted by: (i) the outflow of 10.0 million euros relating to the securitisation operation; (ii) the 6.0 million euros spectrum payment occurred in January 2013; (iii) an outflow of 11.9 million euros relating to 2012 ICP–ANACOM regulatory fees, paid in the 1Q13, and (iv) an outflow of 1.3 million euros due to a deferred payment linked to the acquisition of Connectiv Solutions.
Excluding these impacts, 1H13 FCF amounted to 28.1 million euros, an increase of 5.0% compared to the 26.7 million euros achieved in 1H12 in comparable terms (excluding the spectrum payment, the securitisation outflow and the Connectiv Solutions' acquisition).

2. Optimus

Customer base reaches 3.43 million subscribers

Optimus EBITDA reaches 121.4 million euros

Optimus mobile EBITDA margin reaches 48.4% in 1H13

Optimus EBITDA-operating CAPEX increases 14.2% y.o.y.

During 2Q13, decisive steps were taken towards the completion of the merger between Optimus and ZON, at the final stage of regulatory approval. Regardless of the consolidation process underway, it should be stressed that we remain completely focused at Optimus, on serving our customers with the best services and the most competitive offers.

Accordingly, in May 2013, for the third consecutive year, Optimus's customer service was commended at the APCC Portugal Best Awards 2013, winning the prizes at the telecommunications category. This recognition clearly vindicates the consistency of our strategy and reinforces our ambition to lead the satisfaction and trust of our customers. In July 2013, the Optimus customer support team won, for the third consecutive year, the award for Best Customer Service EMEA, the most relevant category in the Contact Center World Awards.

We continued to pursue our strategic objectives on the 4G front, leveraging Optimus's wide coverage and portfolio while offering an expanding choice of 4G smartphones. As a result, the penetration of 4G clients continued to increase across the personal and enterprise segments.
At the beginning of June 2013, Optimus has launched the first own branded 4G smartphone of the Portuguese market, the Optimus Boston 4G, an additional argument that will contribute to boost not only smartphone penetration but also data usage. It should be noted that smartphone penetration of the Optimus customer base continued its upward trend, rising 6.5pp between 1H12 and 1H13.
Also, in April 2013, Optimus launched an innovative double-play product, wOw, supported by 4G technology, that offers unlimited fixed voice and unlimited broadband traffic.

2.1. Optimus mobile business

2.1.1. Operational data

MOBILE OPERATIONAL KPI's	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Customers (EOP) ('000)	3,565.0	3,434.6	-3.7%	3,507.1	-2.1%	3,565.0	3,434.6	-3.7%
Pre-paid Customers ('000)	2,364.3	2,283.7	-3.4%	2,328.4	-1.9%	2,364.3	2,283.7	-3.4%
Post-paid Customers ('000)	1,200.6	1,150.9	-4.1%	1,178.7	-2.4%	1,200.6	1,150.9	-4.1%
Net Additions ('000)	-44.9	-72.5	-61.4%	-61.6	-17.7%	-74.4	-134.0	-80.2%
Data as % Service Revenues	32.8%	32.3%	-0.5pp	31.0%	1.2pp	32.0%	31.7%	-0.4pp
Non SMS Data as % Data Revenues	76.6%	79.5%	3.0pp	79.2%	0.4pp	76.5%	79.4%	2.9pp
Total #SMS/month/user	41.9	39.1	-6.6%	39.2	-0.1%	41.2	39.2	-5.1%
MOU(1) (min.)	123.4	122.9	-0.4%	120.7	1.8%	122.8	121.8	-0.8%
ARPU(2) (euros)	12.0	11.3	-6.0%	11.0	2.8%	12.0	11.1	-7.3%
Customer Monthly Bill	10.6	10.2	-3.1%	10.1	1.6%	10.6	10.2	-4.0%
Interconnection	1.4	1.1	-27.1%	0.9	16.3%	1.4	1.0	-32.0%
ARPM(3) (euros)	0.10	0.09	-5.6%	0.09	0.9%	0.10	0.09	-6.6%

(1) Minutes of Use per Customer per month; (2) Average Monthly Revenue per User; (3) Average Revenue per Minute.

Customer base

Optimus's mobile customer base stood at 3.43 million, down 3.7% y.o.y.. This reduction was driven by the expected erosion of the e-initiatives programme's customer base and the impact of Portugal's austerity measures, primarily in the personal segment.
However, Optimus continued to reach very positive results on key strategic fronts such as the take up of Optimus's 'Smart' unlimited plan that allows mobile unlimited calls to all networks plus free calls in 16 additional countries and 1 GB monthly traffic data that allows intensive use of internet and apps.

Following its launching at the beginning of 2013, this unlimited post-plan represents almost 20% of personal's post-paid clients at the end of the semester.

The post-paid customer base reached 1.15 million, down 4.1% y.o.y..

In 1H13, both minutes of use (MOU) and the SMS/month/customer rate decreased by 0.8% and 5.1% y.o.y. respectively. This trend continued to contrast with increasing data usage through smartphones. Average revenue per user (ARPU) among mobile customers stood at 11.1 euros in 1H13. The fall registered during the year came on the back of lower interconnection revenues, which decreased from 1.4 euros to 1.0 euros, and lower monthly customer bills, which decreased from 10.6 euros to 10.2 euros.

Data services and mobile broadband

Data revenues represented 31.7% of service revenues in 1H13, 0.4pp down on 1H12. However, the impact of the end of the e-initiatives programme on Optimus's data revenues was compensated by the increase in smartphone penetration, which rose 6.5pp y.o.y.. Importantly, the proportion of non-SMS related data increased 2.9pp, reaching 79.4% in 1H13.

2.1.2. Financial data

Million euros

MOBILE INCOME STATEMENT	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Turnover	**131.0**	**121.2**	**-7.5%**	**117.6**	**3.1%**	**262.5**	**238.8**	**-9.0%**
Service Revenues	125.7	114.7	-8.7%	113.6	1.0%	252.6	228.3	-9.6%
Customer Revenues	110.6	104.0	-5.9%	104.2	-0.2%	222.4	208.3	-6.3%
Operator Revenues	15.1	10.7	-29.2%	9.4	14.2%	30.2	20.1	-33.7%
Equipment Sales	5.3	6.5	21.0%	4.0	62.2%	9.8	10.4	6.2%
Other Revenues	7.8	6.1	-22.4%	6.2	-1.8%	14.6	12.2	-16.3%
Operating Costs	**79.3**	**67.5**	**-14.8%**	**67.9**	**-0.6%**	**162.2**	**135.5**	**-16.5%**
Personnel Costs	10.1	10.7	5.9%	10.6	0.8%	22.1	21.3	-3.8%
Direct Servicing Costs(1)	28.6	22.9	-20.0%	23.1	-0.9%	58.1	46.0	-20.9%
Commercial Costs(2)	13.7	13.2	-3.8%	9.7	36.9%	27.3	22.9	-16.3%
Other Operating Costs(3)	26.8	20.8	-22.7%	24.6	-15.6%	54.7	45.3	-17.0%
EBITDA	**59.5**	**59.7**	**0.3%**	**55.8**	**7.0%**	**114.9**	**115.5**	**0.6%**
EBITDA Margin (%)	45.4%	49.3%	3.8pp	47.5%	1.8pp	43.8%	48.4%	4.6pp
Operating CAPEX(4)	28.1	20.4	-27.3%	18.9	8.2%	47.9	39.3	-18.0%
Operating CAPEX as % of Turnover	21.4%	16.8%	-4.6pp	16.0%	0.8pp	18.2%	16.4%	-1.8pp
EBITDA - Operating CAPEX	31.5	39.3	25.0%	37.0	6.4%	67.0	76.3	13.8%
Total CAPEX	**29.1**	**20.4**	**-29.9%**	**18.9**	**8.2%**	**48.9**	**39.3**	**-19.7%**

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (4) Operating CAPEX excludes Financial Investments.

Turnover

Mobile turnover decreased 9.0% in 1H13 to 238.8 million euros, on the back of a 9.6% decrease in service revenues. This was due to a combination of lower customer revenues and lower operator revenues. Following a trend that started during 2012, now consistently decelerating, customer revenues decreased 6.3% y.o.y., to 208.3 million euros, an evolution primarily due to the end of the government's e-initiatives programme plus the negative impact of austerity measures on consumption levels, mostly in the personal segment, and the consequent impact on monthly bills.
During the same period, operator revenues decreased 33.7% to 20.1 million euros, mostly driven by lower MTRs.

Operating costs

Mobile operating costs decreased 16.5% y.o.y., to 135.5 million euros, with all relevant cost lines making a positive contribution. Direct servicing costs decreased 20.9%, principally due to lower interconnection costs, impacted by lower MTRs and also due to a lower level of leased lines and network-related costs, as Optimus continues to reduce its dependency on rented infrastructure. Commercial costs decreased 16.3% due to a combination of lower advertising costs and lower costs of goods sold (resulting from lower level of handset subsidisation). Other operating costs decreased 17.0%, driven primarily by lower general and administrative costs and outsourcing costs.

EBITDA

Mobile EBITDA increased 0.6% y.o.y. to 115.5 million euros, driven entirely by lower operating costs, which more than offset the negative top line trend. Bucking the market trends, the EBITDA margin reached 48.4% in 1H13, versus 43.8% in 1H12, an increase of 4.6pp. This achievement reinforces Optimus positioning as a benchmark among mobile operators.

EBITDA-operating CAPEX

Driven by the higher level of EBITDA and lower operating CAPEX, mobile EBITDA-operating CAPEX increased 13.8% y.o.y to 76.3 million euros.

2.2. Optimus Wireline business

2.2.1. Operational data

WIRELINE OPERATIONAL KPI's	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Total Accesses	354,449	339,281	-4.3%	330,019	2.8%	354,449	339,281	-4.3%
Corporate and SMEs	155,143	160,268	3.3%	157,585	1.7%	155,143	160,268	3.3%
PTSN/RDIS	111,039	116,530	4.9%	113,914	2.3%	111,039	116,530	4.9%
Broadband	32,472	30,039	-7.5%	30,487	-1.5%	32,472	30,039	-7.5%
Other & Data	11,632	13,699	17.8%	13,184	3.9%	11,632	13,699	17.8%
Residential	199,306	179,013	-10.2%	172,434	3.8%	199,306	179,013	-10.2%
PTSN/RDIS	88,147	69,585	-21.1%	69,646	-0.1%	88,147	69,585	-21.1%
Broadband	74,229	70,678	-4.8%	65,942	7.2%	74,229	70,678	-4.8%
TV	36,930	38,750	4.9%	36,846	5.2%	36,930	38,750	4.9%
Average Revenue per Access - Retail	23.4	22.4	-4.0%	22.0	1.9%	23.2	22.2	-4.2%

Customer base

Despite the impact of the prevailing tough macroeconomic conditions during 1H13, which continues to pressure the corporate and SMEs segment, Optimus increased the number of accesses between 1H12 and 1H13 to 160 thousand.

The total number of accesses decreased 4.3% y.o.y. to 339 thousand, driven entirely by a decrease of 10.2% in the residential segment. It should be highlighted that the total number accesses increased between 1Q13 and 2Q13, a quick win for the residential following the launch of Optimus wOw.

Also, on a positive note, the FTTH residential' customers grew 11.1% between 1H12 and 1H13, with triple play customers representing almost 90% of Optimus' FTTH customer base.

2.2.2. Financial data

Million euros

WIRELINE INCOME STATEMENT	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Turnover	55.4	60.2	8.8%	53.9	11.8%	108.8	114.1	4.9%
Service Revenues	53.8	58.3	8.4%	52.6	10.8%	106.2	110.9	4.4%
Customer Revenues	23.6	20.8	-11.7%	20.2	3.0%	47.5	41.0	-13.7%
Operator Revenues	30.2	37.4	24.0%	32.4	15.7%	58.6	69.8	19.1%
Equipment Sales	1.6	2.0	23.5%	1.3	54.0%	2.6	3.2	25.3%
Other Revenues	0.4	0.4	-1.1%	0.2	69.5%	0.5	0.6	5.5%
Operating Costs	51.8	56.8	9.7%	50.6	12.1%	102.3	107.4	5.0%
Personnel Costs	0.9	0.9	3.1%	0.9	4.4%	1.9	1.8	-3.0%
Direct Servicing Costs(1)	37.6	43.4	15.5%	38.8	11.8%	74.9	82.3	9.9%
Commercial Costs(2)	4.0	4.1	3.2%	3.5	17.9%	7.6	7.6	0.1%
Other Operating Costs(3)	9.3	8.3	-10.4%	7.4	12.0%	17.9	15.7	-12.2%
EBITDA	3.9	3.8	-3.5%	3.4	10.4%	7.0	7.2	3.4%
EBITDA Margin (%)	7.1%	6.3%	-0.8pp	6.4%	-0.1pp	6.4%	6.3%	-0.1pp
Operating CAPEX(4)	5.3	5.6	5.7%	4.5	24.4%	9.6	10.1	5.9%
Operating CAPEX as % of Turnover	9.6%	9.3%	-0.3pp	8.4%	0.9pp	8.8%	8.9%	0.1pp
EBITDA - Operating CAPEX	-1.4	-1.8	-31.7%	-1.1	-68.8%	-2.6	-2.9	-12.7%
Total CAPEX	5.3	5.6	5.7%	4.5	24.4%	9.6	10.1	5.9%

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (4) Operating CAPEX excludes Financial Investments.

Turnover

Once more, wireline revenues have showed a positive yearly performance, with growth from the Wholesale and Business segments totally offsetting the negative residential trend. Wireline turnover increased 4.9% y.o.y., to 114.1 million euros, driven almost entirely by an increase of 19.1% in operator revenues, which registered the second best quarter ever. This evolution was due to Optimus's Wholesale division, where Optimus provides a broad range of voice, broadband and data communications services to fixed and mobile, national and international, network operators worldwide. Despite the decrease in wholesale traffic prices, wireline operator revenues reached 69.8 million euros, impacted by a rise in traffic levels.

Although they had a very residual impact, equipment sales also contributed to the upward turnover trend, increasing 25.3% between 1H12 and 1H13 to 3.2 million euros.

Operating costs

Operating costs increased 5.0% between 1H12 and 1H13, driven by higher direct servicing costs. Commercial costs were almost stable, on the back of higher cost of goods sold and lower marketing and sales costs. Other operating costs decreased 12.2%, to 15.7 million euros, mostly impacted by lower outsourcing costs. As for direct servicing costs, the 9.9% y.o.y. increase is due to higher interconnection costs, linked to the positive performance in operator revenues.

EBITDA

Wireline EBITDA increased 3.4% y.o.y., reaching 7.2 million euros. The EBITDA margin kept relatively stable at 6.3%, despite the increased weight of operator revenues, which already account for more than 50% of wireline turnover.

EBITDA-operating CAPEX

EBITDA-operating CAPEX decreased 12.7% y.o.y., to a negative 2.9 million euros.

3. Software and Information Systems

WeDo Technologies, with more than 180 clients in 80 countries, was named by Gartner, already in July 2013, as the worldwide market leader in providing Revenue Assurance and Fraud Management solutions to telecoms operators. Gartner also placed the company in the top 50 global BSS, OSS and SDP vendors.

WeDo Technologies continued to expand its international footprint through the acquisition of new projects in the business assurance market. It ended 1H13 with international revenues representing 80.2% of its turnover, up 42.9% compared to 1H12.

Saphety strengthened its position as a key player in providing solutions for simplifying and automating processes to the domestic market. Currently, the international strategy is a major focus for the company, having launched, in the 2Q13, two direct South American operations, one in Brazil and the other in Colombia. During the first half of the year the international markets represented already 30% of total orders.

Specialising in IT management, security and business continuity, Mainroad increased its orders by 35% between 1H12 and 1H13, amid challenging market conditions.

Bizdirect's turnover declined in 1H13 due to the macroeconomic conditions. However, the company is broadening its portfolio and strengthening its position in IT solutions, especially after the integration of a new business unit specialised in Microsoft solutions. The company is also achieving important goals on the international front, with its 1H13 international revenues representing 12.9% of total turnover.

3.1. Operational data

SSI OPERATIONAL KPI's	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
IT Service Revenues/Employee(1) ('000 euros)	34.7	36.5	5.3%	35.9	1.7%	67.8	72.4	6.8%
Equipment Sales as % Turnover	18.6%	20.7%	2.1pp	16.3%	4.4pp	22.4%	18.6%	-3.8pp
Equipment Sales/Employee(2) ('000 euros)	219.3	188.1	-14.2%	139.3	35.0%	523.2	328.2	-37.3%
EBITDA/Employee ('000 euros)	3.6	5.0	39.1%	5.3	-6.7%	7.8	10.3	31.2%
Employees	603	664	10.1%	649	2.3%	603	664	10.1%

(1) Excluding employees dedicated to Equipment Sales; (2) Bizdirect.

IT service revenues per employee reached 72.4 thousand euros in 1H13, 6.8% above the same period in 2012, with the growth in service revenues more than compensating for the 10.1% increase in headcount. Equipment sales as a percentage of turnover decreased y.o.y. from 22.4% to 18.6%, driven by Bizdirect's equipment sales.

3.2. Financial data

Million euros

SSI CONSOLIDATED INCOME STATEMENT	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Turnover	**24.8**	**29.1**	**17.3%**	**26.5**	**9.7%**	**49.0**	**55.6**	**13.4%**
Service Revenues	20.2	23.1	14.3%	22.2	4.0%	38.0	45.3	19.0%
Equipment Sales	4.6	6.0	30.7%	4.3	39.4%	11.0	10.3	-5.9%
Other Revenues	0.2	0.2	34.5%	0.3	-0.9%	0.7	0.5	-30.2%
Operating Costs	**22.8**	**26.0**	**14.1%**	**23.3**	**11.7%**	**45.2**	**49.4**	**9.2%**
Personnel Costs	8.1	8.6	5.8%	8.9	-3.6%	15.3	17.6	15.0%
Commercial Costs(1)	5.1	6.2	21.8%	4.5	36.1%	11.6	10.7	-7.5%
Other Operating Costs(2)	9.6	11.2	17.0%	9.8	14.4%	18.3	21.1	15.1%
EBITDA	**2.2**	**3.3**	**53.2%**	**3.5**	**-4.5%**	**4.6**	**6.7**	**48.0%**
EBITDA Margin (%)	8.7%	11.3%	2.7pp	13.0%	-1.7pp	9.3%	12.1%	2.8pp
Operating CAPEX(3)	0.2	1.8	-	1.0	77.7%	1.0	2.8	-
Operating CAPEX as % of Turnover	1.0%	6.1%	5.2pp	3.8%	2.3pp	2.0%	5.0%	3.0pp
EBITDA - Operating CAPEX	1.9	1.5	-20.8%	2.4	-38.2%	3.6	4.0	11.6%
Total CAPEX	**10.3**	**1.8**	**-82.6%**	**1.4**	**25.8%**	**11.0**	**3.2**	**-71.0%**

(1) Commercial Costs = COGS + Mktg & Sales; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (3) Operating CAPEX excludes Financial Investments,

Turnover

SSI's turnover continued its strong upward trend, increasing 13.4% y.o.y. to 55.6 million euros, fuelled by a 19.0% growth in service revenues that more than offset the 5.9% decline in equipment sales. Following the record level achieved in 1Q13, SSI's service revenues registered another new record in 2Q13, growing to 23.1 million euros.

The 5.9% y.o.y. fall in Bizdirect equipment sales is due to the impact of the macroeconomic environment in this sector. However, it should be noted that, on a quarterly basis, SSI equipment sales increased 39.4%, to 6.0 million euros.

Operating costs

SSI's operating costs increased 9.2% in 1H13 to 49.4 million euros, driven by personnel costs and other operating costs. Personnel costs increased 15.0%, mainly as a result of WeDo Technologies' growth and the integration of Connectiv Solutions' headcount. The 7.5% decrease in the level of commercial costs is a direct result of the lower cost of goods sold at Bizdirect, which has decreased y.o.y by 5.9%. The increase in other operating costs relates mainly to higher outsourcing costs, aimed at supporting the increased level of activity across all SSI companies.

EBITDA

EBITDA reached 6.7 million euros in 1H13, increasing 48.0% against 1H12. This was driven exclusively by higher service revenues, which more than offset the increase in operating costs. The EBITDA margin increased from 9.3% to 12.1%, up by 2.8pp..

The mix of revenues at SSI and the expanding scale of our companies have driven a consistent double-digit EBITDA margin.

EBITDA-operating CAPEX

Despite the higher operating CAPEX, EBITDA-operating CAPEX increased 11.6% y.o.y., to 4.0 million euros, totally driven by the significantly improved EBITDA, which more than offset the higher operating CAPEX.

4. Online & Media

During 2Q13, the Online & Media division's online revenues showed positive growth compared to 1Q13, driven by an improved level of advertising sales.
Backed by its online expansion, combined with the ongoing restructuring plan implemented in October 2012, the division's operating profitability improved in 1H13 from a negative 1.3 million euros to a still negative 0.7 million euros. Of this, a negative 0.2 million euros was incurred during 2Q13.

5. Sonaecom SGPS Individual Results

5.1. Operational data

Sonaecom SGPS individual results for the semesters ended 30 June 2013 and 2012 can be summarised as follows:

Million euros	2012	2013	Difference	%
Service Revenues	1.9	1.8	-0.2	-8.5%
Operating Costs (1)	-2.2	-2.3	-0.1	3.6%
EBITDA	-0.3	-0.6	-0.3	87.7%
EBIT	-0.3	-0.6	-0.3	79.9%
Dividend Received	78.9	24.7	-54.2	-
Net Financial Activity	0.2	6.3	6.1	-
Other Financial Results	-3.8	-2.6	1.2	-31.7%
EBT	74.9	27.6	-47.3	-63.2%
Net Income	74.9	27.0	-47.9	-63.9%

(1) Excludes Amortization, Depreciation and Provisions

Service revenues totalled 1.8 million euros, which compares to 1.9 million last year and essentially comprises management services provided to its subsidiaries.

At 30 June 2013, Sonaecom SGPS had 4 board members (the same of last year). The amount of operational costs (excluding depreciation, amortization charges and provisions) totalled 2.3 million euros, which compares with 2.2 million euros in 2012.

EBITDA was a negative 0.6 million euros in the semester. When compared to the previous years, the decrease was mainly driven by higher outsourcing costs coupled with lower service revenues.

Sonaecom's SGPS's principal source of financial income in the 1H13 was the 24.7 million euros dividends received from Optimus SGPS SA . In the 1H12, Sonaecom received 78.9 million euros from Optimus – Comunicações, S.A. (46.7 million euros), from Optimus SGPS (17.4 million euros), formerly Sonae Telecom SGPS, from Sontaria (0.6 million euros) and from Sonaecom Sistemas de Informação (14.1 million euros).

Net financial activity (interest income less interest expenses) was a positive 6.3 million euros, significantly above 1H12 due to a higher level of cost of loans granted to subsidiaries which resulted in higher interest income.

Other financial results were a negative 2.6 million euros, fully driven by impairment recognition on Público (2.3 million euros) and Lugares Virtuais (0.3 million euros).

Net results for the semester were positive by 27,0 million euros, significantly lower than last year mainly due to the lower level of dividends.

5.2. Financial data

The following table summarises the major cash movements that occurred during 1H13:

Changes in Sonaecom SGPS Liquidity	million euros
Sonaecom SGPS stand-alone liquidity as at 31 December 2012	**103,7**
Cash and Bank	0,0
Treasury Applications	103,7
Bank	5,0
Subsidiaries	98,7
Changes in Nominal Gross Debt	**15,4**
External Debt	4,6
Treasury applications from subsidiaries	10,7
Shareholder Loans granted	**4,5**
Dividend paid	**-43,3**
Free Cash Flow	**29,9**
Interest paid	-6,5
Interest received	9,2
Own shares acquisition	-2,5
Dividend received	24,7
Operational Free Cash Flow and others	5,0
Sonaecom SGPS stand-alone liquidity as at 30 June 2013	**110,2**
Cash and Bank	0,0
Treasury Applications	110,2
Bank	0,0
Subsidiaries	110,2

During the semester, Sonaecom's stand-alone liquidity increased 6.5 million euros to 110.2 million euros due to the following movements:

(i) External Debt increased 4.6 million euros;
(ii) FCF was positive by 29.9 million euros;
(iii) Treasury applications from subsidiaries in Sonaecom SGPS increased 10.7 million euros (mostly justified by Sonaecom BV: 8.7 million euros);
(iv) Loans granted to subsidiaries decreased 4.5 million euros (mainly driven by Sonaecom Sistemas de Informação SGPS SA: -3.2m); and,
(v) Dividends of 43.3 million euros were paid.

At the end of June, net debt of Sonaecom SGPS was 282.5 million euros, comprising: (i) Liquidity of 110.2million euros; (ii) Treasury applications by the subsidiaries of 17.2 million euros; and (iii) External debt of 375.5 million euros.

6. Main regulatory developments in 2Q13

LTE spectrum coverage obligations

In line with Optimus's obligations following the LTE spectrum auction, Optimus was notified, on 24 April 2013, about the list of municipalities where it is required to ensure mobile broadband coverage. According to the auction regulations, each operator that acquired frequencies in the 800 MHz band is obliged to cover 160 municipalities without mobile broadband coverage.

Fulfilling this obligation implies a 50% coverage of the municipalities within six months and a 100% coverage of the municipalities within one year. These deadlines are to be counted from the notification by ICP-ANACOM concerning the end of existing restrictions in the 800 MHZ band.

7. Main corporate developments in 2Q13

CMVM resolution

On 18 April 2013, CMVM, the Portuguese Securities and Exchange Commission, informed ZOPT, SGPS, S.A., on the resolution of waiving the obligation to launch a mandatory takeover bid on ZON Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, S.A..

Annual General Meeting

On 24 April 2013, Sonaecom shareholders decided at the Company's Annual General Meeting:

1. To approve the Company's Annual Report, the Individual and consolidated Annual Accounts for 2012, including appendices thereto, as presented by the Board of Directors;
2. To approve the proposed appropriation of the Net Results for year ended 31 December 2012, which includes (among others) that each share issued will be paid the gross amount of 0.12 euros;
3. To approve a vote of appreciation and confidence in the work performed by the Board of Directors, Statutory Audit Board and Statutory External Auditor of Sonaecom, SGPS, S.A., for the year ended 31 December 2012;
4. To approve the Remuneration Policy adopted for the members of the Statutory Governing Bodies and for Persons Discharging Managerial Responsibilities ("Dirigentes"), as well as Sonaecom's shares attribution plan;
5. To authorise the Board of Directors, over the next 18 months, to purchase and sale of own shares up to the legal limit of 10% as per the terms of the proposal presented by that body and previously disclosed;
6. To authorise over the next 18 months, and under the legal limits, the purchase and holding of shares of the Company by its controlled companies, as per the terms of the proposal presented by that body and previously disclosed.

Sonaecom dividend payment

In accordance with legal requirements and pursuant to the decision taken at the Annual Shareholders' General Meeting held on 24 April 2013, dividends relating to the year ending 31 December 2012 were made available to shareholders on 22 May 2013 and corresponded to a gross dividend per share of 12 euro cents.

8. Subsequent events

Agreement on remedies proposed by the Competition Authority

In the context of the concentration operation that comprises the merger between Optimus, SGPS, S.A. and ZON Multimédia - Serviços de Telecomunicações e Multimédia, SGPS, S.A., it was announced on 2 July 2013 that the notifying parties have agreed to undertake a set of commitments aimed at eliminating all the concerns identified and conveyed by the Competition Authority in its analysis of the mentioned concentration operation. By decision of the Competition Authority, these commitments were submitted to comment by the counterparties.

Disclosure of information on remedies proposed by the Competition Authority

On 12 July 2013, upon request by the CMVM, Sonaecom disclosed to the market the remedies agreed between the notifying parties, Optimus, SGPS, S.A. and ZON Multimédia - Serviços de Telecomunicações e Multimédia, SGPS, S.A., and the Competition Authority. These commitments, subject to comment by the counterparties, will only be final when placed into a decision by the Competition Authority.

a) to ensure that Optimus extends the duration period of the network sharing agreement between Optimus and Vodafone Portugal;
b) to ensure that Optimus will amend the referred network sharing agreement between Optimus and Vodafone Portugal with the purpose of the limitation of liability not being applicable in the event of unjustified contractual termination or in the event of contractual termination justified for reasons attributable to Optimus;
c) to ensure that, over a certain period of time, Optimus will not charge its triple play customers on the Optimus network the payment of the amounts due by virtue of loyalty clauses into force in of the event of a request for termination of services;
d) to ensure that, over a certain period of time, Optimus will be open to negotiations with a third party that requests an agreement for wholesale access to its fibre network;
e) to ensure that, over a certain period of time, Optimus will present and negotiate with Vodafone Portugal a call option agreement for the purchase of Sonaecom's fibre network.

Optimus named universal service provider for northern and central Portugal

On 18 July 2013, following a meeting of the Council of Ministers, it was announced that Optimus had been awarded the contract as universal service provider for the northern and central regions of Portugal. ZON was designated the universal service provider for the south of Portugal and the islands.
After the formal adjudication and contract signing, valid for five years, Optimus will have 180 days to launch its commercial offers.
It should be noted that the formal award depends on the completion of the revocation process of Portugal Telecom's concession contract.

9. Other Indicators

9.1. Sonaecom headcount

Sonaecom	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Total Employees	**2,019**	**1,960**	**-2.9%**	**1,958**	**0.1%**	**2,019**	**1,960**	**-2.9%**
Shared Services and Corporate Centre	139	147	5.8%	146	0.7%	139	147	5.8%
Optimus	1,025	962	-6.1%	972	-1.0%	1,025	962	-6.1%
SSI	603	664	10.1%	649	2.3%	603	664	10.1%
Online & Media	252	187	-25.8%	191	-2.1%	252	187	-25.8%

9.2. Sonaecom consolidated income statement

Million euros

CONSOLIDATED INCOME STATEMENT	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Turnover	**204.5**	**205.3**	**0.4%**	**194.1**	5.7%	**406.9**	**399.4**	**-1.8%**
Mobile	131.0	121.2	-7.5%	117.6	3.1%	262.5	238.8	-9.0%
Wireline	55.4	60.2	8.8%	53.9	11.8%	108.8	114.1	4.9%
SSI	24.8	29.1	17.3%	26.5	9.7%	49.0	55.6	13.4%
Other & Eliminations	-6.7	-5.3	21.2%	-3.8	-37.4%	-13.3	-9.1	31.7%
Other Revenues	2.7	**2.2**	-16.1%	2.1	7.9%	5.0	**4.3**	**-13.7%**
Operating Costs	**142.9**	**142.6**	**-0.3%**	**134.6**	**5.9%**	**287.4**	**277.1**	**-3.6%**
Personnel Costs	22.2	22.3	0.7%	22.6	-1.2%	44.2	44.9	1.5%
Direct Servicing Costs(1)	58.7	60.9	3.7%	56.9	7.1%	117.5	117.8	0.3%
Commercial Costs(2)	24.0	23.8	-0.7%	19.6	21.1%	49.5	43.4	-12.3%
Other Operating Costs(3)	38.1	35.5	-6.6%	35.5	0.2%	76.2	71.0	-6.8%
EBITDA (excl. Merger Costs)	**64.2**	**66.3**	**3.2%**	**61.6**	**7.5%**	**124.5**	**127.9**	**2.7%**
EBITDA Margin (%) (excl. Merger Costs)	31.4%	32.3%	0.9pp	31.7%	0.5pp	30.6%	32.0%	1.4pp
Merger Costs	0.0	1.3	-	0.0	-	0.0	1.3	-
EBITDA	**64.2**	**64.9**	**1.2%**	**61.6**	**5.4%**	**124.5**	**126.6**	**1.6%**
EBITDA Margin (%)	31.4%	31.6%	0.2pp	31.7%	-0.1pp	30.6%	31.7%	1.1pp
Depreciation & Amortization	37.2	36.1	-3.0%	36.1	-0.1%	74.0	72.2	-2.4%
EBIT	**27.0**	**28.8**	**6.8%**	**25.5**	**13.1%**	**50.5**	**54.4**	**7.6%**
Net Financial Results	**-3.5**	**-3.3**	**5.5%**	**-3.0**	**-8.4%**	**-5.8**	**-6.3**	**-9.3%**
Financial Income	1.4	0.9	-35.1%	1.5	-38.0%	3.6	2.4	-32.2%
Financial Expenses	4.9	4.2	-14.1%	4.5	-7.0%	9.4	8.8	-6.6%
EBT	**23.5**	25.6	**8.6%**	**22.5**	**13.7%**	**44.7**	48.0	**7.4%**
Tax results	-2.4	-4.1	-76.1%	-4.0	-2.4%	-6.6	-8.2	-23.9%
Net Results	**21.2**	**21.4**	**1.1%**	**18.4**	**16.2%**	**38.1**	**39.8**	**4.5%**
Group Share	21.2	21.4	1.3%	18.4	16.3%	38.1	39.9	4.5%
Attributable to Non-Controlling Interests	0.0	0.0	-	0.0	-	0.0	0.0	-

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others.

9.3. Sonaecom consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Total Net Assets	**1,925.5**	**1854.4**	**-3.7%**	**1,861.4**	**-0.4%**	**1,925.5**	**1854.4**	**-3.7%**
Non Current Assets	1,584.0	1,557.4	-1.7%	1,569.2	-0.8%	1,584.0	1,557.4	-1.7%
Tangible and Intangible Assets	957.9	941.1	-1.8%	950.0	-0.9%	957.9	941.1	-1.8%
Goodwill	529.6	518.7	-2.1%	518.9	0.0%	529.6	518.7	-2.1%
Investments	0.2	0.2	-0.2%	0.2	0.0%	0.2	0.2	-0.2%
Deferred Tax Assets	95.9	95.2	-0.7%	98.1	-2.9%	95.9	95.2	-0.7%
Others	0.3	2.1	-	2.0	6.0%	0.3	2.1	-
Current Assets	341.5	297.0	-13.0%	292.2	1.6%	341.5	297.0	-13.0%
Trade Debtors	121.1	151.0	24.7%	139.3	8.4%	121.1	151.0	24.7%
Liquidity	109.0	18.7	-82.8%	32.3	-42.0%	109.0	18.7	-82.8%
Others	111.3	127.3	14.4%	120.6	5.6%	111.3	127.3	14.4%
Shareholders' Funds	**1,046.9**	**1,079.1**	**3.1%**	**1,101.2**	**-2.0%**	**1,046.9**	**1,079.1**	**3.1%**
Group Share	1,046.5	1078.7	3.1%	1,100.8	-2.0%	1,046.5	1078.7	3.1%
Non-Controlling Interests	0.4	0.4	-6.8%	0.4	-2.6%	0.4	0.4	-6.8%
Total Liabilities	**878.6**	**775.4**	**-11.8%**	**760.2**	**2.0%**	**878.6**	**775.4**	**-11.8%**
Non Current Liabilities	249.6	338.3	35.5%	291.9	15.9%	249.6	338.3	35.5%
Bank Loans	146.3	246.1	68.2%	195.4	26.0%	146.3	246.1	68.2%
Provisions for Other Liabilities and Charges	47.1	39.7	-15.8%	43.4	-8.7%	47.1	39.7	-15.8%
Others	56.2	52.4	-6.7%	53.1	-1.2%	56.2	52.4	-6.7%
Current Liabilities	629.0	437.1	-30.5%	468.3	-6.7%	629.0	437.1	-30.5%
Bank Loans	307.5	139.1	-54.8%	171.1	-18.7%	307.5	139.1	-54.8%
Trade Creditors	142.2	146.2	2.9%	140.5	4.1%	142.2	146.2	2.9%
Others	179.3	151.7	-15.4%	156.7	-3.2%	179.3	151.7	-15.4%
Operating CAPEX[1]	33.3	27.7	-17.0%	24.2	14.4%	58.9	51.8	-12.0%
Operating CAPEX as % of Turnover	16.3%	13.5%	-2.8pp	12.5%	1.0pp	14.5%	13.0%	-1.5pp
Total CAPEX	43.3	27.7	-36.2%	24.6	12.4%	68.9	52.3	-24.2%
EBITDA - Operating CAPEX	30.9	37.3	20.7%	37.5	-0.5%	65.6	74.7	13.9%
Operating Cash Flow[2]	31.7	20.7	-34.7%	-0.3	-	-44.6	20.4	-
FCF[3]	14.2	11.3	-20.5%	-12.4	-	-72.3	-1.1	98.4%
Gross Debt	476.8	407.3	-14.6%	387.5	5.1%	476.8	407.3	-14.6%
Net Debt	367.8	388.6	5.7%	355.2	9.4%	367.8	388.6	5.7%
Net Debt/ EBITDA last 12 months	1.5 x	1.6 x	0.1x	1.4 x	0.1x	1.5 x	1.6 x	0.1x
EBITDA/Interest Expenses[4] (last 12 months)	14.9 x	15.5 x	0.7x	15.2 x	0.4x	14.9 x	15.5 x	0.7x
Debt/Total Funds (Debt + Shareholders' Funds)	31.3%	27.4%	-3.9pp	26.0%	1.4pp	31.3%	27.4%	-3.9pp
Excluding the Securitisation Transaction:								
Net Debt	394.6	395.4	0.2%	367.0	7.7%	394.6	395.4	0.2%
Net Debt/ EBITDA last 12 months	1.6 x	1.6 x	0.0x	1.5 x	0.1x	1.6 x	1.6 x	0.0x
EBITDA/Interest Expenses[4] (last 12 months)	14.9 x	15.5 x	0.7x	15.2 x	0.4x	14.9 x	15.5 x	0.7x

(1) Operating CAPEX excludes Financial Investments; (2) Operating Cash Flow = EBITDA - Operating CAPEX - Change in WC -Non Cash item & Other; (3) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs; (4) Interest Cover.

9.4. Sonaecom levered FCF

Million euros

LEVERED FREE CASH FLOW	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
EBITDA-Operating CAPEX	**30.9**	**37.3**	**20.7%**	**37.5**	**-0.5%**	**65.6**	**74.7**	**13.9%**
Change in WC	2.9	-13.7	-	-38.7	64.6%	-106.5	-52.3	50.9%
Non Cash Items & Other	-2.1	-2.9	-36.3%	0.9	-	-3.7	-2.0	45.9%
Operating Cash Flow	**31.7**	**20.7**	**-34.7%**	**-0.3**	**-**	**-44.6**	**20.4**	**-**
Securitisation Transaction	-5.0	-5.0	0.0%	-5.0	0.0%	-10.0	-10.0	0.0%
Investments	-6.0	-0.2	96.7%	-1.0	80.9%	-6.0	-1.2	79.6%
Own shares	-2.5	-1.2	53.5%	-1.3	13.6%	-3.2	-2.5	22.6%
Financial results	-2.4	-2.2	6.9%	-4.1	45.5%	-5.6	-6.3	-13.2%
Income taxes	-1.6	-0.9	44.0%	-0.6	-48.0%	-2.9	-1.5	46.6%
FCF	**14.2**	**11.3**	**-20.5%**	**-12.4**	**-**	**-72.3**	**-1.1**	**98.4%**

9.5. Optimus consolidated income statement

Million euros

OPTIMUS INCOME STATEMENT	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Turnover	**178.9**	**175.5**	**-1.9%**	**166.1**	**5.7%**	**355.6**	**341.6**	**-3.9%**
Service Revenues	172.0	167.1	-2.9%	160.8	3.9%	343.3	327.9	-4.5%
Customer Revenues	133.7	124.5	-6.9%	124.1	0.3%	269.2	248.5	-7.7%
Operator Revenues	38.3	42.6	11.4%	36.8	15.9%	74.1	79.4	7.1%
Equipment Sales	6.9	8.4	21.8%	5.2	60.3%	12.4	13.7	10.5%
Other Revenues	3.3	2.9	-13.0%	2.8	1.9%	5.9	5.7	-4.0%
Operating Costs	**118.7**	**114.9**	**-3.2%**	**109.7**	**4.8%**	**239.7**	**224.6**	**-6.3%**
Personnel Costs	11.0	11.6	5.4%	11.5	1.1%	24.0	23.1	-3.8%
Direct Servicing Costs(1)	58.6	60.6	3.6%	56.6	7.1%	117.0	117.3	0.2%
Commercial Costs(2)	17.7	17.3	-2.3%	13.1	31.9%	34.9	30.4	-12.8%
Other Operating Costs(3)	31.5	25.4	-19.3%	28.4	-10.7%	63.8	53.8	-15.6%
EBITDA (excl. Merger Costs)	**63.5**	**63.5**	**0.0%**	**59.2**	**7.1%**	**121.9**	**122.7**	**0.7%**
EBITDA Margin (%) (excl. Merger Costs)	35.5%	36.2%	0.7pp	35.7%	0.5pp	34.3%	35.9%	1.7pp
Merger Costs	0.0	1.3	-	0.0	-	0.0	1.3	-
EBITDA	**63.5**	**62.1**	**-2.1%**	**59.2**	**4.9%**	**121.9**	**121.4**	**-0.4%**
EBITDA Margin (%)	35.5%	35.4%	-0.1pp	35.7%	-0.3pp	34.3%	35.5%	1.3pp
Operating CAPEX(4)	33.3	26.0	-22.0%	23.4	11.3%	58.8	49.4	-16.1%
Operating CAPEX as % of Turnover	18.6%	14.8%	-3.8pp	14.1%	0.8pp	16.5%	14.4%	-2.1pp
EBITDA - Operating CAPEX	30.1	36.1	19.9%	35.9	0.7%	63.1	72.0	14.2%
Total CAPEX	**34.4**	**26.0**	**-24.4%**	**23.4**	**11.3%**	**59.9**	**49.4**	**-17.6%**

(1) Direct Servicing Costs = Interconnection and Content + Leased Lines + Other Network Operating Costs; (2) Commercial Costs = COGS + Mktg & Sales Costs; (3) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (4) Operating CAPEX excludes Financial Investments.

9.6. Optimus consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	2Q12	2Q13	Δ 13/12	1Q13	q.o.q.	1H12	1H13	Δ 13/12
Total Net Assets	**1,861.4**	**1828.2**	**-1.8%**	**1829.9**	**-0.1%**	**1,861.4**	**1828.2**	**-1.8%**
Non Current Assets	1,607.9	1,585.6	-1.4%	1,597.8	-0.8%	1,607.9	1,585.6	-1.4%
Tangible and Intangible Assets	953.0	928.9	-2.5%	938.3	-1.0%	953.0	928.9	-2.5%
Goodwill	565.1	565.1	0.0%	565.1	0.0%	565.1	565.1	0.0%
Deferred Tax Assets	89.8	88.1	-1.8%	90.8	-3.0%	89.8	88.1	-1.8%
Others	0.1	3.6	-	3.6	0.0%	0.1	3.6	-
Current Assets	253.4	242.6	-4.3%	232.1	4.5%	253.4	242.6	-4.3%
Trade Debtors	99.2	122.7	23.7%	112.3	9.3%	99.2	122.7	23.7%
Liquidity	54.4	7.2	-86.8%	14.0	-49.0%	54.4	7.2	-86.8%
Others	99.8	112.7	12.9%	105.8	6.6%	99.8	112.7	12.9%
Shareholders' Funds	**1,036.7**	**1,056.7**	**1.9%**	**1,038.5**	**1.7%**	**1,036.7**	**1,056.7**	**1.9%**
Total Liabilities	**824.6**	**771.5**	**-6.4%**	**791.4**	**-2.5%**	**824.6**	**771.5**	**-6.4%**
Non Current Liabilities	483.9	401.5	-17.0%	404.6	-0.8%	483.9	401.5	-17.0%
Loans	382.7	314.3	-17.9%	314.4	0.0%	382.7	314.3	-17.9%
Provisions for Other Liabilities and Charges	44.5	35.5	-20.1%	39.4	-9.9%	44.5	35.5	-20.1%
Others	56.7	51.7	-8.9%	50.8	1.8%	56.7	51.7	-8.9%
Current Liabilities	340.8	370.0	8.6%	386.8	-4.3%	340.8	370.0	8.6%
Loans	57.9	110.7	91.2%	102.1	8.4%	57.9	110.7	91.2%
Trade Creditors	127.8	127.9	0.1%	123.4	3.7%	127.8	127.9	0.1%
Others	155.1	131.4	-15.3%	161.3	-18.6%	155.1	131.4	-15.3%
Operating CAPEX(1)	33.3	26.0	-22.0%	23.4	11.3%	58.8	49.4	-16.1%
Operating CAPEX as % of Turnover	18.6%	14.8%	-3.8pp	14.1%	0.8pp	16.5%	14.4%	-2.1pp
Total CAPEX	34.4	26.0	-24.4%	23.4	11.3%	59.9	49.4	-17.6%
EBITDA - Operating CAPEX	30.1	36.1	19.9%	35.9	0.7%	63.1	72.0	14.2%
Operating Cash Flow(2)	25.8	18.9	-26.6%	-3.2	-	25.8	15.7	-39.2%
FCF(3)	18.2	8.4	-53.9%	-14.4	-	-65.8	-6.0	90.9%
Gross Debt	461.6	445.4	-3.5%	435.8	2.2%	411.6	445.4	8.2%
Net Debt	407.2	438.2	7.6%	421.7	3.9%	364.3	438.2	20.3%
Net Debt/ EBITDA last 12 months	1.7 x	1.8 x	0.1x	1.7 x	0.1x	1.5 x	1.8 x	0.3x
EBITDA/Interest Expenses(4) (last 12 months)	22.7 x	11.3 x	-11.4x	13.3 x	-2.0x	20.5 x	11.3 x	-9.2x
Debt/Total Funds (Debt + Shareholders' Funds)	0.3 x	0.3 x	-1.2x	0.3 x	0.1x	0.3 x	0.3 x	0.7x

(1) Operating CAPEX excludes Financial Investments; (2) Operating Cash Flow = EBITDA - Operating CAPEX - Change in WC -Non Cash item & Other; (3) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs; (4) Interest Cover.

10. Corporate Governance

Sonaecom's detailed annual Corporate Governance Report is an integral part of Sonaecom's 2012 Annual Report and Accounts and is disclosed on the Company's website (www.sonae.com).

The company's website also contains a section on Corporate Governance.

11. Article 447, 448 and Qualified Holdings

Article 447

In accordance with article 447 of the Portuguese Company Law and CMVM Regulation no. 5/2008 shares held by the Board of Directors and Management and respective transactions during the first half 2013:

Board of Directors

		Additions		Reductions		Balance at 30 June 2013	
	Date	Quantity	Market price €	Quantity	Market Price €	Quantity	
Duarte Paulo Teixeira de Azevedo							
Efanor Investimentos, SGPS, S.A.(1)						1	
Migracom, SGPS, S.A.(3)						1,969,996	
Sonae - SGPS, S.A.(6)						3,293	a)
Shares attributed under the company's remuneration policy	25.06.2013	28,479	0.00				
Sale	26.06.2013			28,479	0.699		
Ângelo Gabriel Ribeirinho dos Santos Paupério							
Sonae - SGPS, S.A.(6)						763,150	
Shares attributed under the Medium Term Incentive Plan	08.03.2013	178,588	0.00				
Sonaecom, SGPS, S.A.(9)						552,837	
Shares attributed under the Medium Term Incentive Plan	04.03.2013	112,767	0.00				
Miguel Nuno Santos Almeida							
Sonae - SGPS, S.A.(6)						201,543	
Shares attributed under the Medium Term Incentive Plan	08.03.2013	74,375	0,00				
Sonaecom, SGPS, S.A.(9)						185,742	b)
Shares attributed under the Medium Term Incentive Plan	04.03.2013	46,963	0.00				
Maria Cláudia Teixeira de Azevedo							
Efanor Investimentos, SGPS, S.A.(1)						1	
Linhacom, SGPS, S.A.(4)						99,996	
Sonae - SGPS, S.A.(6)						41,127	
Shares attributed under the Medium Term Incentive Plan	08.03.2013	41,127	0.00				
Sonaecom, SGPS, S.A.(9)						40,566	c)
Shares attributed under the Medium Term Incentive Plan	04.03.2013	40,396	0.00				
António Bernardo Aranha da Gama Lobo Xavier							
Sonae - SGPS, S.A.(6)						178,229	
Shares attributed under the Medium Term Incentive Plan	08.03.2013	48,152	0.00				
Sonaecom, SGPS, S.A.(9)						85,234	
Shares attributed under the Medium Term Incentive Plan	04.03.2013	47,297	0.00				
Sale	14.06.2013			24,000	1.550		

a) This balance includes 1,000 shares held by descendants in his charge;
b) This balance includes 90 shares held by spouse;
c) This balance includes 170 shares held by spouse.

Management

		Additions		Reductions		Balance at 30 June 2013
	Date	Quantity	Market price €	Quantity	Market price €	Quantity
David Graham Shenton Bain						
Sonae - SGPS, S.A.(6)						20,000
Sonaecom, SGPS, S.A.(9)						15,000
Ana Paula Garrido Pina Marques						
Sonae - SGPS, S.A.(6)						11,000 d)
Sonaecom, SGPS, S.A.(9)						96,855 e)
Manuel António Neto Portugal Ramalho Eanes						
Sonaecom, SGPS, S.A.(9)						26,154
Shares attributed under the company's remuneration policy	10.05.2013	890	0.00			
David Pedro Oliveira Parente Ferreira Alves						
Sonae - SGPS, S.A.(6)						11,141 f)
Sonaecom, SGPS, S.A.(9)						130,949
Sale	10.05.2013			28,000	1.809	
Sale	10.05.2013			10,805	1.809	g)
Rui José Gonçalves Paiva						
Sonaecom, SGPS, S.A.(9)						105,754 h)
Shares attributed under the company's remuneration policy	10.05.2013	519	0.00			
Paulo Joaquim Santos Plácido						
Sonae - SGPS, S.A.(6)						10,000
Sonaecom, SGPS, S.A.(9)						115,258
José Manuel Pinto Correia						
Sonae - SGPS, S.A.(6)						3,905
Sonaecom, SGPS, S.A.(9)						221,062
Shares attributed under the company's remuneration policy	10.05.2013	1,192	0.182			
Pedro Rafael de Sousa Nunes Pedro						
Sonae - SGPS, S.A.(6)						6,625
Ana Cristina Dinis da Silva Fanha Vicente Soares						
Sonaecom, SGPS, S.A.(9)						30,092

d) Shares held by spouse;
e) This balance includes 23,063 shares held by spouse;
f) This balance includes 6,141 shares held by spouse;
g) Shares sold by spouse;
h) This balance includes 460 shares held by spouse.

Article 447

In accordance with article 447 of the Portuguese Company Law and CMVM Regulation no. 5/2008 (continued):

		Additions		Reductions		Balance at 30 June 2013
	Date	Quantity	Market price €	Quantity	Market price €	Quantity
(1) Efanor Investimentos, SGPS, S.A.						
Sonae - SGPS, S.A.[6]						200,100,000
Pareuro, BV[2]						2,000,000
Sonaecom, SGPS, S.A.[9]						1,000
(2) Pareuro, BV						
Sonae - SGPS, S.A.[6]						849,533,095
(3) Migracom, SGPS, S.A.						
Imparfin, SGPS, S.A.[5]						150,000
Sonae - SGPS, S.A.[6]						2,936,683
Acquisition	26.06.2013	28,479	0.699			
Sonaecom, SGPS, S.A.[9]						387,342
(4) Linhacom,SGPS, S.A.						
Imparfin, SGPS, S.A.[5]						150,000
Sonae - SGPS, S.A.[6]						439,314
Sonaecom, SGPS, S.A.[9]						120,300
(5) Imparfin, SGPS, S.A.						
Sonae - SGPS, S.A.[6]						4,105,280
(6) Sonae - SGPS, S.A.						
Sonaecom, SGPS, S.A.[9]						3,430,000
Sonae Investments BV[7]						2,894,000
Sontel BV[8]						32,745
(7) Sonae Investments BV						
Sontel BV[8]						43,655
(8) Sontel BV						
Sonaecom, SGPS, S.A.[9]						194,063,119
(9) Sonaecom, SGPS, S.A.						5,571,014
Shares attributed under the company's remuneration policy	04.03.2013			247,423	0.00	
	10.05.2013			1,192	0.182	
	10.05.2013			1,409	0.00	
Acquisition	Mar-13	809,000	1.658			
	Abr-12	691,000	1.677			

Article 448

In accordance with article 448 of the Portuguese Company Law:

	Number of shares as of 30 June 2013
Efanor Investimentos, SGPS, S.A. [(1)]	
Sonae - SGPS, S.A.	200,100,000
Pareuro, BV	2,000,000
Sonaecom, SGPS, S.A.	1,000
Pareuro, BV	
Sonae - SGPS, S.A.	849,533,095
Sonae - SGPS, S.A.	
Sonaecom, SGPS, S.A.	3,430,000
Sonae Investments BV	2,894,000
Sontel BV	32,745
Sonae Investments BV	
Sontel BV	43,655
Sontel BV	
Sonaecom, SGPS, S.A.	194,063,119
Atlas Services Belgium, S.A.	
Sonaecom, SGPS, S.A.	73,249,374

(1) The representative shares of about 99,99% of the share capital and the voting rights of Efanor Investimentos, SGPS, S.A. belong to Belmiro Mendes de Azevedo.

Qualified holdings

In compliance with sub-paragraph c), number 1, of the article of the CMVM Regulation no. 05/2008, we declare the qualifying holdings at 30 June 2013:

				% of voting rights
Shareholder	Number of shares	% of Share capital	With own shares	Without own shares
Sontel BV	194,063,119	52.99%	52.99%	53.81%
Sonae- SGPS, S.A.	3,430,000	0.94%	0.94%	0.95%
Migracom, SGPS, S.A.	387,342	0.11%	0.11%	0.11%
Ângelo Gabriel Ribeirinho dos Santos Paupério [(1),(2)]	552,837	0.15%	0.15%	0.15%
Belmiro Mendes de Azevedo [(1),(3)]	75,537	0.02%	0.02%	0.02%
Linhacom, SGPS, S.A.	120,300	0.03%	0.03%	0.03%
Álvaro Carmona e Costa Portela [(1)]	5,000	0.00%	0.00%	0.00%
Efanor Investimentos, SGPS, S.A.	1,000	0.00%	0.00%	0.00%
Maria Cláudia Teixeira de Azevedo [(3)]	40,566	0.01%	0.01%	0.01%
Total attributable [(4)]	198,675,701	54.25%	54.25%	55.08%
France Télécom, S.A.				
Atlas Services Belgium, S.A.	73,249,374	20.00%	20.00%	20.31%
Total attributable	73,249,374	20.00%	20.00%	20.31%

(1) Member of the Board of Directors of Sonae- SGPS, S.A.;
(2) Member of the Board of Directors of Sonae Investments, BV e Sontel BV;
(3) Member of the Board of Directors of Efanor Investimentos, SGPS, S.A.;
(4) The corresponding qualified holding is attributable to Efanor which representative shares of about 99,99% of the share capital and the voting rights of Efanor Investimentos, SGPS, S.A. belong to Belmiro Mendes de Azevedo.

12. Declaration for the purpose of Article 245 of CVM (Portuguese Securities Code)

The signatories individually declare that, to their knowledge, the Management Report, the Consolidated and Individual Financial Statements and other accounting documents required by law or regulation were prepared meeting the standards of the applicable International Financial Reporting Standards, giving a truthful (fairly) and appropriate image,
in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of the issuer and that the interim Management Report faithfully describes the most relevant events occurred during the first half of 2013 and the respective impacts, when applicable, over the financial statements, containing an appropriate description of the major risks and uncertainties within the subsequent six month period.

The Board of Directors

Duarte Paulo Teixeira de Azevedo	Miguel Nuno Santos Almeida	Gervais Gilles Pellissier
Ângelo Gabriel Ribeirinho Paupério	António Sampaio e Mello	Jean-François René Pontal
António Bernardo Aranha da Gama Lobo Xavier	David Charles Denholm Hobley	Maria Cláudia Teixeira de Azevedo
Frank Emmanuel Dangeard		

13. Financial Information

13.1. Sonaecom consolidated financial statements

Consolidated balance sheets

For the periods ended at 30 June 2013 and 2012 and for the year ended at 31 December 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	June 2012 (not audited)	December 2012
Assets				
Non-current assets				
Tangible assets	1.d, 1.i and 5	572,047,309	572,695,283	582,787,339
Intangible assets	1.e, 1.f and 6	369,086,233	385,229,733	379,531,369
Goodwill	1.g, 1.x and 8	518,740,759	529,639,593	518,307,204
Investments available for sale	1.h, 7 and 9	215,448	212,323	212,323
Other non-current assets	1.h, 1.s, 1.y and 7	2,111,443	313,460	2,422,660
Deferred tax assets	1.q, 1.t and 10	95,217,846	95,931,140	101,134,781
Total non-current assets		1,557,419,038	1,584,021,532	1,584,395,676
Current assets				
Inventories	1.j	19,806,722	7,517,046	13,851,737
Trade debtors	1.h, 1.k, 7 and 22	150,973,184	121,108,435	145,116,712
Other current debtors	1.h, 1.k, 7 and 22	26,266,322	31,778,368	21,782,073
Other current assets	1.s, 1.y and 7	81,254,479	72,039,210	73,358,546
Cash and cash equivalents	1.l, 7 and 11	18,722,114	109,019,402	62,419,042
Total current assets		297,022,821	341,462,461	316,528,110
Total assets		1,854,441,859	1,925,483,993	1,900,923,786
Shareholders' funds and liabilities				
Shareholders' funds				
Share capital	12	366,246,868	366,246,868	366,246,868
Own shares	1.v and 13	(7,686,952)	(9,475,213)	(5,544,847)
Reserves	1.u and 26	680,315,843	651,595,881	646,734,124
Consolidated net income/(loss) for the period		39,853,924	38,134,433	75,419,377
		1,078,729,683	1,046,501,969	1,082,855,522
Non-controlling interests		358,579	384,693	387,479
Total Shareholders' funds		1,079,088,262	1,046,886,662	1,083,243,001
Liabilities				
Non-current liabilities				
Medium and long-term loans – net of short-term portion	1.m, 1.n, 7 and 14.a	246,137,304	146,306,969	196,412,663
Other non-current financial liabilities	1.i, 7 and 15	18,542,712	19,908,024	18,712,963
Provisions for other liabilities and charges	1.p, 1.t and 16	39,676,912	47,097,962	43,612,202
Securitisation of receivables	7 and 17	-	9,997,284	-
Deferred tax liabilities	1.q, 1.t and 10	1,112,167	1,925,792	1,089,637
Other non-current liabilities	1.s, 1.y, 7 and 26	32,787,964	24,377,524	37,731,780
Total non-current liabilities		338,257,059	249,613,555	297,559,245
Current liabilities				
Short-term loans and other loans	1.m, 1.n, 7 and 14.b	139,149,229	307,518,703	187,170,148
Trade creditors	7 and 22	146,242,621	142,182,711	168,996,364
Other current financial liabilities	1.i, 7 and 18	3,487,675	3,098,641	3,873,491
Securitisation of receivables	7 and 17	9,997,192	19,875,154	19,952,518
Other creditors	7 and 22	17,192,181	16,617,965	12,742,471
Other current liabilities	1.s, 1.y, 7 and 26	121,027,640	139,690,602	127,386,548
Total current liabilities		437,096,538	628,983,776	520,121,540
Total Shareholders' funds and liabilities		1,854,441,859	1,925,483,993	1,900,923,786

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Frank Emmanuel Dangeard

Miguel Nuno Santos Almeida

António Sampaio e Mello

David Charles Denholm Hobley

Gervais Gilles Pellissier

Jean-François René Pontal

Maria Cláudia Teixeira de Azevedo

Consolidated profit and loss account by nature

For the periods and quarters ended at 30 June 2013 and 2012 and for the year ended at 31 December 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	April to June 2013 (not audited)	June 2012 (not audited)	April to June 2012 (not audited)	December 2012
Sales	22	**30,025,344**	16,996,483	29,690,672	14,348,199	65,055,469
Services rendered	22	**369,359,317**	188,254,013	377,221,114	190,112,074	760,382,910
Other operating revenues	1.k, 1.r and 22	**4,311,576**	2,237,783	4,998,450	2,667,549	9,289,963
		403,696,237	207,488,279	411,910,236	207,127,822	834,728,342
Cost of sales	1.j	**(26,263,847)**	(13,366,605)	(30,720,319)	(14,179,952)	(68,065,968)
External supplies and services	1.i, 19 and 22	**(192,306,083)**	(101,460,596)	(193,149,947)	(96,980,122)	(392,774,557)
Staff expenses	1.y and 26	**(44,887,904)**	(22,313,473)	(44,202,919)	(22,168,604)	(91,061,871)
Depreciation and amortisation	1.d, 1.e, 1.g, 1.x, 5, 6 and 8	**(72,198,077)**	(36,089,676)	(73,973,104)	(37,192,555)	(153,404,977)
Provisions and impairment losses	1.k, 1.p, 1.x and 16	**(5,397,662)**	(1,193,759)	(11,474,634)	(5,804,778)	(21,956,657)
Other operating costs		**(8,280,554)**	(4,217,364)	(7,854,923)	(3,797,065)	(14,881,492)
		(349,334,127)	(178,641,473)	(361,375,846)	(180,123,076)	(742,145,522)
Other financial expenses	1.i, 1.n, 1.w, 1.x, 20 and 22	**(8,760,833)**	(4,221,313)	(9,381,915)	(4,916,237)	(20,711,843)
Other financial income	1.w, 20 and 22	**2,437,834**	932,571	3,594,889	1,437,715	6,702,104
Current income / (loss)		**48,039,111**	25,558,064	44,747,364	23,526,224	78,573,081
Income taxation	1.q, 10 and 21	**(8,190,255)**	(4,143,667)	(6,608,699)	(2,353,123)	(3,141,032)
Consolidated net income/(loss) for the period		**39,848,856**	21,414,397	38,138,665	21,173,101	75,432,049
Attributed to:						
Shareholders of parent company	25	**39,853,924**	21,427,055	38,134,433	21,156,892	75,419,377
Non-controlling interests		**(5,068)**	(12,658)	4,232	16,209	12,672
Earnings per share	25					
Including discontinued operations:						
Basic		**0.11**	0.06	0.11	0.06	0.21
Diluted		**0.11**	0.06	0.11	0.06	0.21
Excluding discontinued operations:						
Basic		**0.11**	0.06	0.11	0.06	0.21
Diluted		**0.11**	0.06	0.11	0.06	0.21

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Consolidated statement of profit or loss and other comprehensive income

For the periods and quarters ended at 30 June 2013 and 2012 and for the year ended at 31 December 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	April to June 2013 (not audited)	June 2012 (not audited)	April to June 2012 (not audited)	December 2012
Consolidated net income / (loss) for the period		**39,848,856**	21,414,397	38,138,665	21,173,101	75,432,049
Components of other consolidated comprehensive income, net of tax, that will be reclassified subsequently to profit or loss:						
Changes in currency translation reserve and other	1.w	**(342,259)**	(363,552)	(749,189)	(467,796)	(1,475,942)
Consolidated comprehensive income for the period		**39,506,597**	21,050,845	37,389,476	20,705,305	73,956,107
Attributed to:						
Shareholders of parent company		**39,511,665**	21,063,503	37,385,244	20,689,096	73,943,435
Non-controlling interests		**(5,068)**	(12,658)	4,232	16,209	12,672

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Consolidated movements in shareholders' funds

For the periods ended at 30 June 2013 and 2012

			Reserves								
(Amounts expressed in Euro)	Share capital	Own shares (note 13)	Share premium	Legal reserves	Reserves for Medium Term Incentive Plans (note 26)	Reserves of own shares	Other reserves	Total reserves	Non--controlling interests	Net income / (loss)	Total
2013											
Balance at 31 December 2012	366,246,868	(5,544,847)	775,290,377	7,991,192	3,650,779	5,544,847	(145,743,071)	646,734,124	-	75,419,377	1,082,855,522
Appropriation of the consolidated net result of 2012											
Transfers to other reserves	-	-	-	5,161,492	-	-	70,257,885	75,419,377	-	(75,419,377)	-
Dividend distribution	-	-	-	-	-	-	(43,281,102)	(43,281,102)	-	-	(43,281,102)
Consolidated comprehensive income for the period ended at 30 June 2013	-	-	-	-	-	-	(342,259)	(342,259)	-	39,853,924	39,511,665
Acquisition of own shares	-	(2,500,042)	-	-	-	2,500,042	(2,500,042)	-	-	-	(2,500,042)
Delivery of own shares under the Short and Medium Term Incentive Plans (notes 1.y and 26)	-	357,937	-	-	(425,568)	(357,937)	430,292	(353,213)	-	-	4,724
Effect of the recognition of the Medium Term Incentive Plans (notes 1.y and 26)	-	-	-	-	2,138,916	-	-	2,138,916	-	-	2,138,916
Balance at 30 June 2013	366,246,868	(7,686,952)	775,290,377	13,152,684	5,364,127	7,686,952	(121,178,297)	680,315,843	-	39,853,924	1,078,729,683
Non-controlling interests											
Balance at 31 December 2012	-	-	-	-	-	-	-	-	387,479	-	387,479
Non-controlling interests in comprehensive income	-	-	-	-	-	-	-	-	(5,068)	-	(5,068)
Dividend distribution	-	-	-	-	-	-	-	-	(29,880)	-	(29,880)
Other changes	-	-	-	-	-	-	-	-	6,048	-	6,048
Balance at 30 June 2013	-	-	-	-	-	-	-	-	358,579	-	358,579
Total	366,246,868	(7,686,952)	775,290,377	13,152,684	5,364,127	7,686,952	(121,178,297)	680,315,843	358,579	39,853,924	1,079,088,262

Consolidated movements in shareholders' funds (continued)

For the periods ended at 30 June 2013 and 2012

			Reserves								
(Amounts expressed in Euro)	Share capital	Own shares (note 13)	Share premium	Legal reserves	Reserves for Medium Term Incentive Plans (note 26)	Reserves of own shares	Other reserves	Total reserves	Non-controlling interests	Net income / (loss)	Total
2012											
Balance at 31 December 2011 (restated)	366,246,868	(13,594,518)	775,290,377	7,991,192	7,119,989	13,594,518	(185,050,510)	618,945,566	-	62,287,398	1,033,885,314
Appropriation of the consolidated net result of 2011 (restated)											
Transfers to other reserves (restated)	-	-	-	-	-	-	62,287,398	62,287,398	-	(62,287,398)	-
Dividend distribution	-	-	-	-	-	-	(25,172,240)	(25,172,240)	-	-	(25,172,240)
Consolidated comprehensive income for the period ended at 30 June 2012	-	-	-	-	-	-	(749,189)	(749,189)	-	38,134,433	37,385,244
Acquisition of own shares	-	(3,231,143)	-	-	-	3,231,143	(3,231,143)	-	-	-	(3,231,143)
Delivery of own shares under the Short and Medium Term Incentive Plans (notes 1.y and 26)	-	7,350,448	-	-	(4,006,035)	(7,350,448)	5,751,065	(5,605,418)	-	-	1,745,030
Effect of the recognition of the Medium Term Incentive Plans (notes 1.y and 26)	-	-	-	-	1,889,764	-	-	1,889,764	-	-	1,889,764
Balance at 30 June 2012	366,246,868	(9,475,213)	775,290,377	7,991,192	5,003,718	9,475,213	(146,164,619)	651,595,881	-	38,134,433	1,046,501,969
Non-controlling interests											
Balance at 31 December 2011 (restated)	-	-	-	-	-	-	-	-	515,654	-	515,654
Non-controlling interests in comprehensive income	-	-	-	-	-	-	-	-	4,232	-	4,232
Dividend distribution	-	-	-	-	-	-	-	-	(124,500)	-	(124,500)
Other changes	-	-	-	-	-	-	-	-	(10,693)	-	(10,693)
Balance at 30 June 2012	-	-	-	-	-	-	-	-	384,693	-	384,693
Total	366,246,868	(9,475,213)	775,290,377	7,991,192	5,003,718	9,475,213	(146,164,619)	651,595,881	384,693	38,134,433	1,046,886,662

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Frank Emmanuel Dangeard

Miguel Nuno Santos Almeida

António Sampaio e Mello

David Charles Denholm Hobley

Gervais Gilles Pellissier

Jean-François René Pontal

Maria Cláudia Teixeira de Azevedo

Consolidated cash flow statements

For the periods ended at 30 June 2013 and 2012

(Amounts expressed in Euro)		June 2013 (not audited)		June 2012 (not audited)
Operating activities				
Receipts from trade debtors	374,965,883		408,285,090	
Payments to trade creditors	(236,997,865)		(256,479,535)	
Payments to employees	(55,712,403)		(55,471,733)	
Cash flows from operating activities	82,255,615		96,333,822	
Payments / receipts relating to income taxes, net	(1,546,789)		(2,638,434)	
Other payments / receipts relating to operating activities, net	5,901,769		5,768,990	
Cash flows from operating activities (1)		86,610,595		99,464,378
Investing activities				
Receipts from:				
Financial investments	9,375		-	
Tangible assets	1,645,534		5,177,931	
Intangible assets	2,412		-	
Interest and similar income	1,730,647		3,094,962	
Dividends	-	3,387,968	11,443	8,284,336
Payments for:				
Financial investments	(1,286,808)		(5,970,672)	
Tangible assets	(46,545,270)		(47,090,340)	
Intangible assets	(22,035,756)	(69,867,834)	(101,085,589)	(154,146,601)
Cash flows from investing activities (2)		(66,479,866)		(145,862,265)
Financing activities				
Receipts from:				
Loans obtained	3,805,000	3,805,000	11,022,100	11,022,100
Payments for:				
Leasing	(1,986,336)		(1,342,211)	
Interest and similar expenses	(7,368,227)		(9,163,450)	
Dividends	(43,382,917)		(25,296,740)	
Acquisition of own shares	(2,500,042)		(3,231,143)	
Loans obtained	(17,060,793)	(72,298,315)	(10,064,430)	(49,097,974)
Cash flows from financing activities (3)		(68,493,315)		(38,075,874)
Net cash flows (4)=(1)+(2)+(3)		(48,362,586)		(84,473,761)
Effect of the foreign exchanges		(98,350)		(66,619)
Cash and cash equivalents at the beginning of the period		62,363,752		189,031,758
Cash and cash equivalents at the end of the period		13,902,816		104,491,378

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Notes to the consolidated cash flow statements

For the periods ended at 30 June 2013 and 2012

1. Acquisition or sale of subsidiaries or other businesses

	June 2013	June 2012
a) Amounts received of sales		
Distrinews, S.A.	9,375	–
	9,375	–
b) Amounts paid of acquisitions		
Connectiv Solutions, Inc	1,217,404	5,970,672
Distrinews, S.A.	12,500	–
Saphety Brasil Transações Eletrônicas Ltda.	56,904	–
	1,286,808	5,970,672

2. Details of cash and cash equivalents

	Notes	June 2013	June 2012
Cash in hand	11	176,849	205,725
Cash at bank	11	4,458,166	6,476,272
Treasury applications	11	14,087,099	102,337,405
Overdrafts	11 and 14	(4,819,298)	(4,528,024)
Cash and cash equivalents		13,902,816	104,491,378
Overdrafts		4,819,298	4,528,024
Cash assets		18,722,114	109,019,402

3. Description of non-monetary financing activities

	Notes	June 2013	June 2012
a) Bank credit obtained and not used	14	34,171,761	106,369,030
b) Purchase of company through the issue of shares		Not applicable	Not applicable
c) Conversion of loans into shares		Not applicable	Not applicable

4. Cash flow breakdown by activity

Activity	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Net cash flows
2013				
Telecommunication	86,277,356	(63,972,305)	(19,778,124)	2,526,927
Multimedia	(1,750,511)	(321,677)	(153,847)	(2,226,035)
Information Systems	1,925,453	(2,205,587)	(335,425)	(615,559)
Holding	158,297	19,703	(48,225,919)	(48,047,919)
	86,610,595	(66,479,866)	(68,493,315)	(48,362,586)

Activity	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Net cash flows
2012				
Telecommunication	96,816,712	(139,787,789)	(13,217,292)	(56,188,369)
Multimedia	(2,043,946)	(376,455)	(85,652)	(2,506,053)
Information Systems	96,824	(6,624,426)	5,791,095	(736,507)
Holding	4,594,788	926,405	(30,564,025)	(25,042,832)
	99,464,378	(145,862,265)	(38,075,874)	(84,473,761)

The notes are an integral part of the consolidated financial statements at 30 June 2013 and 2012.

Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Frank Emmanuel Dangeard

Miguel Nuno Santos Almeida

António Sampaio e Mello

David Charles Denholm Hobley

Gervais Gilles Pellissier

Jean-François René Pontal

Maria Cláudia Teixeira de Azevedo

13.2. Notes to the consolidated financial statements

SONAECOM, SGPS, S.A. (hereinafter referred to as 'the Company' or 'Sonaecom') was established on 6 June 1988, under the name Sonae – Tecnologias de Informação, S.A. and has its head office at Lugar de Espido, Via Norte, Maia – Portugal. It is the parent company of the Group of companies listed in notes 2 and 3 ('the Group').

Pargeste, SGPS, S.A.'s subsidiaries in the communications and information technology area were transferred to the Company through a demerger-merger process, executed by public deed dated 30 September 1997.

On 3 November 1999 the Company's share capital was increased, its Articles of Association were modified and its name was changed to Sonae.com, SGPS, S.A.. Since then the Company's corporate object has been the management of investments in other companies. Also on 3 November 1999, the Company's share capital was re-denominated to Euro, being represented by one hundred and fifty million shares with a nominal value of 1 Euro each.

On 1 June 2000, the Company carried out a Combined Share Offer, involving the following:

- A Retail Share Offer of 5,430,000 shares, representing 3.62% of the share capital, made in the domestic market and aimed at: (i) employees of the Sonae Group; (ii) customers of the companies controlled by Sonaecom; and (iii) the general public;
- An Institutional Offering for sale of 26,048,261 shares, representing 17.37% of the share capital, aimed at domestic and foreign institutional investors.

In addition to the Combined Share Offer, the Company's share capital was increased under the terms explained below. The new shares were fully subscribed for and paid up by Sonae, SGPS, S.A. (a Shareholder of Sonaecom, hereinafter referred to as 'Sonae'). The capital increase was subscribed for and paid up on the date the price of the Combined Share Offer was determined, and paid up in cash, 31,000,000 new ordinary shares of 1 Euro each being issued. The subscription price for the new shares was the same as that fixed for the sale of shares in the aforementioned Combined Share Offer, which was Euro 10.

In addition, in this year, Sonae sold 4,721,739 Sonaecom shares under an option granted to the banks leading the Institutional Offer for Sale and 1,507,865 shares to Sonae Group managers and to the former owners of the companies acquired by Sonaecom.

By decision of the Shareholders' General Meeting held on 17 June 2002, Sonaecom's share capital was increased from Euro 181,000,000 to Euro 226,250,000 by public subscription reserved for the existing Shareholders, 45,250,000 new shares of 1 euro each having been fully subscribed for and paid up at the price of Euro 2.25 per share.

On 30 April 2003, the Company's name was changed by public deed to SONAECOM, SGPS, S.A..

By decision of the Shareholders' General Meeting held on 12 September 2005, Sonaecom's share capital was increased by Euro 70,276,868, from Euro 226,250,000 to Euro 296,526,868, by the issuance of 70,276,868 new shares of 1 euro each and with a share premium of Euro 242,455,195, fully subscribed by France Télécom. The corresponding public deed was executed on 15 November 2005.

By decision of the Shareholders General Meeting held on 18 September 2006, Sonaecom's share capital was increased by Euro 69,720,000, from Euro 296,526,868 to Euro 366,246,868, by the issuance of 69,720,000 new shares of 1 euro each and with a share premium of Euro 275,657,217, subscribed by 093X – Telecomunicações Celulares, S.A. ('EDP') and Parpública – Participações Públicas, SGPS, S.A. ('Parpública'). The corresponding public deed was executed on 18 October 2006.

By decision of the Shareholders General Meeting held on 16 April 2008, bearer shares were converted into registered shares.

The Group's business consists essentially of:

- Mobile and fixed telecommunications operations and internet;
- Multimedia;
- Information systems consultancy.

The Group operates in Portugal and has subsidiaries (from the information systems consultancy segment) operating in about 13 countries.

Since 1 January 2001, all Group companies based in the Euro zone have adopted the Euro as their base currency for processing, systems and accounting.

The consolidated financial statements are also presented in euro, rounded at unit, and the transactions in foreign currencies are included in accordance with the accounting policies detailed below.

1. Basis of presentation

The accompanying financial statements relate to the consolidated financial statements of the Sonaecom Group and have been prepared on a going concern basis, based on the accounting records of the companies included in the consolidation (notes 2 and 3) in accordance with the International Financial Reporting Standards (IAS/IFRS) as adopted by the European Union (EU) and considering the IAS 34 – 'Interim financial reporting'. These financial statements were prepared based on the acquisition cost, except for the revaluation of some financial instruments.

For Sonaecom, there are no differences between IFRS as adopted by European Union and IFRS published by the International Accounting Standards Board, with the exception of the start dates of the adoption of the standards indicated below.

Sonaecom adopted IAS/IFRS for the first time according to SIC 8 (First-time adoption of IAS) on 1 January 2003.

The following standards, interpretations, amendments and revisions have been approved (endorsed) by the European Union, and have mandatory application to financial years beginning on or after 1 January 2013 and were first adopted in the period ended at 30 June 2013:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 13 (Fair Value Measurement) It will improve consistency and reduce complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs.	1-Jan-13
IAS 12 - Amendments (Deferred tax: Recovery of Underlying Assets) The amendment introduces, in the case of investment properties measured using the fair value model, the presumption that recovery of the carrying amount will normally be through sale, in order to determine their tax impact. As a result of the amendments, SIC 21 - 'Income Taxes—Recovery of Revalued Non-Depreciable Assets' would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC-21, which is accordingly withdrawn.	1-Jan-12 (*)
IAS 19 - Amendments (Employee Benefits) The amendments make important improvements by eliminating an option to defer the recognition of gains and losses, known as the 'corridor method', improving comparability and faithfulness of presentation, streamlining the presentation of changes in assets and liabilities arising from defined benefit plans and enhancing the disclosure requirements for defined benefit plans.	1-Jan-13
IAS 1 - Amendments (Presentation of Items of Other Comprehensive Income) The amendments to IAS 1 require companies preparing financial statements in accordance with IFRSs to group together items within OCI.	1-Jul-12
IFRS 7 - Admendments (Disclosures od Financial Instruments) The amendments require additional disclosures regarding financial instruments, particularly, information about those subject to compensation agreements and similars.	1-Jan-13
IFRIC 20 (Stripping Costs in the Production Phase of a Surface Mine) The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods.	1-Jan-13
IFRS 1 - Amendments (Government Loans) The amendments referred to the Government Loans addresses how a first-time adopters would account for a government loan with a below-market rate of interest when transitioning to IFRS and proposes to permit prospective application of IAS 20 requirements.	1-Jan-13
Improvements to IFRS (2009-2011) The IASB finalise its annual improvements publication corresponding to the 2009-2011 cycle including six amendments to five IFRSs. The annual improvements process provides a mechanism for non urgent but necessary amendments to International Financial Reporting Standards (IFRSs) to be grouped together and issued in one package.	1-Jan-13
Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) The amendments clarify the transition guidance in IFRS 10 Consolidated Financial Statements and also provide additional transition relief in IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.	1-Jan-13

(*) In accordance with the Regulation which approves the amendment to IAS 12, an entity shall use this standard no later than periods beginning on or after January 1, 2013. The early adoption is however permitted.

The application of these standards and intepretations had no material effect on the financial statements of the Group.

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 periods or financial years:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 10 (Consolidated Financial Statements) Builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.	1-Jan-13(**)
IFRS 11 (Companies jointly controlled) Provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities.	1-Jan-13(**)
IFRS 12 (Disclosures of Interests in Other Entities) New and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	1-Jan-13(**)
IAS 27 (Separate Financial Statements) Consolidation requirements previously forming part of IAS 27 have been revised and are now contained in IFRS 10 Consolidated Financial Statements.	1-Jan-13(**)
IAS 28 (Investments in Associates and Joint Ventures) The objective of IAS 28 (as amended in 2011) is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1-Jan-13(**)
IAS 32- Admendments (Offsetting Financial Assets and Financial Liabilities) IAS 32 is amended to refer to the disclosure requirements in respect of offsetting arrangements.	1-Jan-14

(**) In accordance with the EU Regulation which approves the adoption of IFRS 10, 11 and 12 and the amendments to IAS 27 and IAS 28, an entity shall use these standards no later than periods beginning on or after January 1, 2014. The early adoption is however permitted.

The Group did not proceed to early application of any of these standards on the financial statements for period ended at 30 June 2013.

The application of these standards and interpretations, as applicable to the Group will have no material effect on future statements of the Group.

The following standards, interpretations, amendments and revisions have not yet been approved (endorsed) by the European Union, at the date of approval of these financial statements:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 9 (Financial Instruments) This standard is the first step in the project to replace IAS 39, and it introduces new requirements for classifying and measuring financial assets.	1-Jan-15
Amendments to IFRS 10, IFRS 12 and IAS 27 (Investment Entities); The amendments apply to a particular class of business that qualify as investment entities. The admendments provide an exception to the consolidation requirements in IFRS 10.	1-Jan-14
Amendments to IAS 36 (Recoverable amount disclosures for Non-Financial Assets) The amendments introduce additional disclosures and clarify the disclosures required when an asset is impaired and the recoverable amount of assets was based on Fair Value Less Cost of Disposal.	1-Jan-14
Amendments to IAS 39 (Novation of Derivatives and Continuation of Hedge Accounting) The objective of the proposed amendments is to provide an exception to the requirement for the discontinuation of hedge accounting in IAS 39 and IFRS 9 in circumstances when a hedging instrument is required to be novated as a result of laws or regulations.	1-Jan-14
IFRIC 21 Levies (Levies Charged by Public Authorities on Entities that Operate in a Specific Market) This interpretation clarifies on when a liability to pay a levy imposed by a government (does not include income taxes - see IAS 12 Income taxes) should be recognised by an entity. IFRIC 21 identifies that the obligating event that gives rise to a liability is the activity that triggers the payment of the levy in accordance with the relevant legislation.	1-Jan-14

These standards have not yet been approved ('endorsed') by the European Union and, as such, were not adopted by the Group for the period ended at 30 June 2013. Their application is not yet mandatory.

The application of these standards and interpretations, when applicable, will have no material effect on future consolidated financial statements.

The accounting policies and measurement criteria adopted by the Group on 30 June 2013 are comparable with those used in the preparation of 31 December 2012 financial statements.

Main accounting policies

The main accounting policies used in the preparation of the accompanying consolidated financial statements are as follows:

a) Investments in Group companies

Investments in companies in which the Group has direct or indirect voting rights at Shareholders' General Meetings, in excess of 50%, or in which it has control over the financial and operating policies (definition of control used by the Group) were fully consolidated in the accompanying consolidated financial statements. Third party participations in the Shareholders' equity and net results of those companies are recorded separately in the consolidated balance sheet and in the consolidated profit and loss statement, respectively, under the caption 'Non-controlling interests'.

Total comprehensive income is attributed to the owners of the Shareholders of parent company and the non-controlling interests even if this results in a deficit balance of non-controlling interests.

In the acquisition of subsidiaries, the purchase method is applied. The results of subsidiaries bought or sold during the year are included in the profit and loss statement as from the date of acquisition (or of control acquisition) or up to the date of sale (or of control cession). Intra-Group transactions, balances and dividends are eliminated.

The expenses incurred with the acquisition of investments in Group companies are recorded as cost when they are incurred.

The fully consolidated companies are listed in note 2.

b) Investments in associated companies

Investments in associated companies correspond to investments in which the Group has significant influence (generally investments representing between 20% and 50% of a company's share capital) and are recorded using the equity method.

In accordance with the equity method, investments are adjusted annually by the amount corresponding to the Group's share of the net results of associated companies, against a corresponding entry to gain or loss for the year, and by the amount of dividends received, as well as by other changes in the equity of the associated companies, which are recorded by a corresponding entry under the caption 'Other reserves'. An assessment of the investments in associated companies is performed annually, with the aim of detecting possible impairment situations.

When the Group's share of accumulated losses of an associated company exceeds the book value of the investment, the investment is recorded at nil value, except when the Group has assumed commitments to the associated company, a situation when a provision is recorded under the caption 'Provisions for other liabilities and charges'.

c) Companies jointly controlled

The financial statements of companies jointly controlled have been consolidated in the accompanying financial statements by the proportional method, since their acquisition date. According to this method, assets, liabilities, income and costs of these companies have been included into the accompanying consolidated financial statements, in the proportion attributable to the Group.
The excess of cost in relation to the fair value of identifiable assets and liabilities of the jointly controlled companies at the time of their acquisition was recorded as Goodwill (note 8). If the difference between cost and the fair value of the net assets and liabilities acquired is negative, it is recognised as income of the period, after reconfirmation of the fair value of the identifiable assets and liabilities.

The transactions, balances and dividends distributed among Group companies and jointly controlled companies are eliminated in the proportion attributable to the Group.

The classification of financial investments as jointly controlled is determined, among other things, on the Shareholders' Agreements that govern the jointly controlled companies.

A description of the companies jointly controlled is disclosed in note 3.

d) Tangible assets

Tangible assets are recorded at their acquisition cost less accumulated depreciation and less estimated accumulated impairment losses.

Depreciations are calculated on a straight-line monthly basis as from the date the assets are available for use in the necessary conditions to operate as intended by the management, by a corresponding charge under the profit and loss statement caption 'Depreciation and amortisation'.

Impairment losses detected in the realisation value of tangible assets are recorded in the year in which they arise, by a corresponding charge under the caption 'Depreciation and amortisation' in the profit and loss statement.

The annual depreciation rates used correspond to the estimated useful life of the assets, which are as follows:

	Years of useful life
Buildings	50
Other constructions	10 -40
Networks	10 -40
Other plant and machinery	1 - 16
Vehicles	4
Fixtures and fittings	1 -10
Tools	4 - 8
Other tangible assets	4 - 8

Current maintenance and repair costs of tangible assets are recorded as costs in the year in which they occur. Improvements of significant amount, which increase the estimated useful life of the assets, are capitalised and depreciated in accordance with the remaining estimated useful life of the corresponding assets.

The estimated costs related with the mandatory dismantling and removal of tangible assets, incurred by the Group, are capitalised and depreciated in accordance with the estimated useful life of the corresponding assets.

Work in progress corresponds to tangible assets still in the construction/development stage which are recorded at their acquisition cost. These assets are depreciated as from the moment they are in condition to be used and when they are ready to start operating as intended by the management. Good conditions in terms of network coverage and / or necessary quality and technical reliability to ensure minimum services are examples of conditions evaluated by the management.

e) Intangible assets

Intangible assets are recorded at their acquisition cost less accumulated amortisation and less estimated accumulated impairment losses. Intangible assets are only recognised if it is likely that they will bring future economic benefits to the Group, if the Group controls them and if their cost can be reasonably measured.

Intangible assets comprise, essentially, software (excluding the one included in tangible assets – telecommunication sites' software), industrial property, costs incurred with the mobile network operator licenses (GSM, UMTS and Spectrum for 4th generation services) and the fixed network operator licenses, as well as the costs incurred with the acquisition of customers' portfolios (value attributed under the purchase price allocation in business combinations) and the costs related to customers' loyalty contracts.

Amortisations of intangible assets are calculated on a straight-line monthly basis, over the estimated useful life of the assets (one to six years), as from the month in which the corresponding expenses are incurred. Mobile and fixed network operator licenses are amortised over the estimated period for which they were granted, so, the UMTS license is being amortised until 2030 and the LTE license until 2041. Additional license costs, namely the ones related to the commitments assumed by the Group under the UMTS license, regarding the contributions to the 'Information Society', are being amortised up to the estimated useful life of the license above indicated. The amortisation of the customer's portfolios is provided on a straight-line basis over the estimated average retention period of the customers (six years). Expenditures with internally-generated intangible assets, namely research and development expenditures, are recognised in the profit and loss statement when incurred.

Development expenditures can only be recognised as an intangible asset if the Group demonstrates the ability to complete the project and is able to put it in use or available for sale.

The costs incurred for customers' loyalty contracts, which include compensation clauses in the event of early termination, are capitalized as 'Intangible Assets' and amortised over the period of their contracts. When a contract is terminated, the net value of intangible assets associated with this contract is immediately recognised as an expense in the income statement. Additionally, at the date of each balance sheet and whenever an event or change of circumstances indicates that the recorded amount of an asset may not be recoverable, impairment tests are made to ensure that the current value of the estimated revenues is greater than the amount that is capitalised.

Amortisation for the period is recorded in the profit and loss statement under the caption 'Depreciation and amortisation'.

f) Brands and patents

Brands and patents are recorded at their acquisition cost and are amortised on a straight-line basis over their respective estimated useful life. When the estimated useful life is undetermined, they are not depreciated but are subject to annual impairment tests.

Sonaecom Group does not hold any brands or patents with undetermined useful life, therefore the second half of the above referred paragraph is not applicable.

g) Goodwill

The differences between the price of investments in subsidiaries and associated companies added the value of non-controlling interests, and the amount attributed to the fair value of the identifiable assets and liabilities at the time of their acquisition, when positive, are recorded under the caption 'Goodwill', and, when negative, after a reappreciation of its calculation, are recorded directly in the profit and loss statement. The Group will choose, on an acquisition-by-acquisition basis, to measure non-controlling interests either at their proportionate interest on the fair value of the assets and liabilities acquired, or at the fair value of the non-controlling interests themselves. Until 1 January 2010, non--controlling interests were always measured at their proportionate interest on the fair value of the acquired assets and liabilities.

Contingent consideration is recognised as a liability, at the acquisition-date, according to its fair value, and any changes to its value are recorded as a change in the 'Goodwill', but only as long as they occur during the 'measurement period' (until 12 months after the acquisition-date) and as long as they relate to facts and circumstances that existed at the acquisition date, otherwise these changes must be recognised in profit or loss.

Transactions regarding the acquisition of additional interests in a subsidiary after control is obtained, or the partial disposal of an investment in a subsidiary while control is retained, are accounted for as equity transactions impacting the shareholders funds captions, and without giving rise to any additional 'Goodwill' and without any gain or loss recognised.

The moment a sales transaction to generate a loss of control, should be derecognised assets and liabilities of the entity and any interest retained in the entity sold should be remeasured at fair value and any gain or loss calculated on the sale is recorded in results.

Until 1 January 2004, 'Goodwill' was amortised over the estimated period of recovery of the investments, usually 10 years, and the annual amortisation was recorded in the profit and loss statement under the caption 'Depreciation and amortisation'. Since 1 January 2004 and in accordance with the IFRS 3 – 'Business Combinations', the Group has ceased the amortisation of the 'Goodwill', subjecting them to impairment tests (paragraph x). Impairment losses of Goodwill are recorded in the profit and loss statement for the period under the caption 'Depreciation and amortisation'.

h) Financial instruments

The Group classifies its financial instruments in the following categories: 'financial assets at fair value through profit or loss', 'loans and receivables', 'held-to-maturity investments', and 'available-for-sale financial assets'. The classification depends on the purpose for which the investments were acquired.

The classification of the investments is determined at the initial recognition and re-evaluated every quarter.

(i) 'Financial assets at fair value through profit or loss'

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if it has been acquired mainly with the purpose of selling it in the short term or if the adoption of this method allows reducing or eliminating an accounting mismatch. Derivatives are also registered as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to mature within 12 months of the balance sheet date.

At 30 June 2013 the Group did not hold any investments recorded at fair value through profit and loss.

(ii) 'Loans and receivables'

Loans and receivables are non-derivative financial assets with fixed or variable payments that are not quoted in an active market. These financial investments arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable.

Loans and receivables are carried at amortised cost using the effective interest method, deducted from any impairment losses.

Loans and receivables are recorded as current assets, except when their maturity is greater than 12 months from the balance sheet date, a situation in which they are classified as non-current assets. Loans and receivables are included in the captions 'Trade debtors' and 'Other current debtors' in the balance sheet.

(iii) 'Held-to-maturity investments'

Held-to-maturity investments are non-derivative financial assets with fixed or variable payments and with fixed maturities that the Group's management has the positive intention and ability to hold until their maturity.

At 30 June 2013 the Group did not hold any 'Held-to-maturity investment'.

(iv) 'Available-for-sale financial assets'

Available-for-sale financial assets are non-derivative investments that are either designated in this category or not classified in any of the other above referred categories. They are included in non-current assets unless management intends to dispose them within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. The 'Financial assets at fair value through profit or loss' are initially recognised at fair value and the transaction costs are recorded in the profit and loss statement. Investments are derecognised when the rights to receive cash flows from the investments have expired or all substantial risks and rewards of their ownership have been transferred.

'Available-for-sale financial assets' and 'Financial assets at fair value through profit or loss' are subsequently carried at fair value.

'Loans and receivables' and 'Held-to-maturity investments' are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of financial assets classified at fair value through profit or loss are recognised in the profit and loss statement. Realised and unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the profit and loss statement as gains or losses from investment securities.

The fair value of quoted investments is based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using other valuation techniques. These include the use of recent arm's length transactions, reference to similar instruments, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. If none of these techniques can be used, the Group values those investments at cost net of any identified impairment losses. The fair value of listed investments is determined based on the closing Euronext share price at the balance sheet date.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In case of equity securities classified as available-for-sale, a significant (above 25%) or prolonged (in two consecutive quarters) decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment losses on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the profit and loss statement.

i) Financial and operational leases

Lease contracts are classified as financial leases, if, in substance, all risks and rewards associated with the detention of the leased asset are transferred by the lease contract or as operational leases, if, in substance, there is no transfer of risks and rewards associated with the detention of the leased assets.

The lease contracts are classified as financial or operational in accordance with the substance and not with the form of the respective contracts.

Tangible assets acquired under finance lease contracts and the related liabilities are recorded in accordance with the financial method. Under this method the tangible assets, the corresponding accumulated depreciation and the related liability are recorded in accordance with the contractual financial plan at fair value or, if less, at the present value of payments. In addition, interests included in lease payments and the depreciation of the tangible assets are recognised as expenses in the profit and loss statement for the period to which they relate.

Assets under long-term rental contracts are recorded in accordance with the operational lease method. In accordance with this method, the rents paid are recognised as an expense, over the rental period.

j) Inventories

Inventories are stated at their acquisition cost, net of any impairment losses, which reflects their estimated net realisable value.

Accumulated inventory impairment losses reflect the difference between the acquisition cost and the realisable amount of inventories, as well as the estimated impairment losses due to low turnover, obsolescence and deterioration, and are registered in profit and loss statement, in 'Cost of sales'.

k) Trade and other current debtors

Trade and other current debtors are recorded at their net realisable value and do not include interests, since the discount effect is not significant.

These financial instruments arise when the Group provides money, supplies goods or provides services directly to a debtor with no intention of trading the receivable.

The amounts of these captions are presented net of any impairment losses and are registered in profit and loss statement in heading 'Provisions and accumulated impairment losses'. Future reversals of impairment losses are recorded in the profit and loss statement under the caption 'Provisions and accumulated impairment losses'.

l) Cash and cash equivalents
Amounts included under the caption 'Cash and cash equivalents' correspond to amounts held in cash and term bank deposits and other treasury applications where the risk of change in value is insignificant.

The consolidated cash flow statement has been prepared in accordance with IAS 7, using the direct method. The Group classifies, under the caption 'Cash and cash equivalents', investments that mature in less than three months, for which the risk of change in value is insignificant. The caption 'Cash and cash equivalents' in the cash flow statement also includes bank overdrafts, which are reflected in the balance sheet caption 'Short-term loans and other loans'.

The cash flow statement is classified by operating, financing and investing activities. Operating activities include collections from customers, payments to suppliers, payments to personnel and other flows related to operating activities. Cash flows from investing activities include the acquisition and sale of investments in associated and subsidiary companies, as well as receipts and payments resulting from the purchase and sale of fixed assets. Cash flows from financing activities include payments and receipts relating to loans obtained and finance lease contracts.

All amounts included under this caption are likely to be realised in the short term and there are no amounts given or pledged as guarantee.

m) Loans
Loans are recorded as liabilities by the 'amortised cost'. Any expenses incurred in setting up loans are recorded as a deduction to the nominal debt and recognised during the period of the loan, based on the effective interest rate method. The interests incurred but not yet due are added to the loans caption until their payment.

n) Financial expenses relating to loans obtained
Financial expenses relating to loans obtained are generally recognised as expenses at the time they are incurred. Financial expenses related to loans obtained for the acquisition, construction or production of fixed assets are capitalised as part of the cost of the assets. These expenses are capitalised starting from the time of preparation for the construction or development of the asset and are interrupted when the assets are ready to operate, at the end of the production or construction phases or when the associated project is suspended.

o) Derivatives
The Group only uses derivatives in the management of its financial risks to hedge against such risks. The Group does not use derivatives for trading purposes.
The cash flow hedges used by the Group are related to:

- (i) interest rate swap operations to hedge against interest rate risks on loans obtained. The amounts, interest payment dates and repayment dates of the underlying interest rate swaps are similar in all respects to the conditions established for the contracted loans. Changes in the fair value of cash flow hedges are recorded in assets or liabilities, against a corresponding entry under the caption 'Hedging reserve' in Shareholders' funds;
- (ii) Forward's exchange rate for hedging foreign exchange risk, particularly from receipts from customers of subsidiary Wedo Consulting. The values and times periods involved are identical to the amounts invoiced and their maturities.

In cases where the hedge instrument is not effective, the amounts that arise from the adjustments to fair value are recorded directly in the profit and loss statement.

At 30 June 2013, the Group had foreign exchange forwards to hedge the foreign currency risk related to account receivables in dollars, in addition to those mentioned in note 1.y).

p) Provisions and contingencies
Provisions are recognised when, and only when, the Group has a present obligation (either legal or implicit) resulting from a past event, the resolution of which is likely to involve the disbursement of funds by an amount that can be reasonably estimated. Provisions are reviewed at the balance sheet date and adjusted to reflect the best estimate at that date.

Provisions for restructurings are only registered if the Group has a detailed plan and if that plan has already been communicated to the parties involved.

Contingent liabilities are not recognised in the consolidated financial statements but are disclosed in the notes, if the possibility of a cash outflow affecting future economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but are disclosed in the notes when future economic benefits are likely to occur.

q) Income tax
'Income tax' expense represents the sum of the tax currently payable and deferred tax. Income tax is recognised in accordance with IAS 12 – 'Income Taxes'.

Sonaecom has adopted, since 1 January 2008, the special regime for the taxation of groups of companies, under which, the provision for income tax is determined on the basis of the estimated taxable income of all the companies covered by that regime, in accordance with such rules. The special regime for the taxation of groups of companies covers all subsidiaries on which the Group holds at least 90% of their share capital, with its headquarters located in Portugal and subject to Corporate Income Tax (IRC). The remaining Group companies not covered by the special regime for the taxation of groups of companies are taxed individually based on their respective taxable income, in accordance with the tax rules in force in the location of the headquarters of each company.

Deferred taxes are calculated using the liability method and reflect the timing differences between the amount of assets and liabilities for accounting purposes and the respective amounts for tax purposes.

Deferred tax assets are only recognised when there is reasonable expectation that sufficient taxable profits shall arise in the future to allow such deferred tax assets to be used. At the end of each year the recorded and unrecorded deferred tax assets are revised and they are reduced whenever their realisation ceases to be probable, or increased if future taxable profits are, likely, enabling the recovery of such assets (note 10).

Deferred taxes are calculated with the tax rate that is expected to be in force at the time the asset or liability will be used.

Whenever deferred taxes derive from assets or liabilities directly registered in Shareholders' funds, its recording is also made under the Shareholders' funds caption. In all other situations, deferred taxes are always recorded in the profit and loss statement.

r) Government subsidies

Subsidies awarded to finance personnel training are recognised as income during the period in which the Group incurs the associated costs and are included in the profit and loss statement under the caption 'Other operating revenues'.

Subsidies awarded to finance investments are recorded as deferred income and are included in the profit and loss statement under the caption 'Other operating revenues'. If subsidies awarded are used to finance investments in tangible assets, they are recorded in the profit and loss statement during the estimated useful life of the corresponding assets. If the subsidies awarded are used to finance other investments then they are recorded as the investment expenditure is incurred.

s) Accrual basis and revenue recognition

Expenses and income are recorded in the period to which they relate, regardless of their date of payment or receipt. Estimated amounts are used when actual amounts are not known.

The captions of 'Other non-current assets', 'Other current assets', 'Other non-current liabilities' and 'Other current liabilities' include expenses and income relating to the current period, where payment and receipt will occur in future periods, as well as payments and receipts in the current period but which relate to future periods. The latter shall be included by the corresponding amounts in the results of the periods that they relate to.

The costs attributable to current year and whose expenses will only occur in future years are estimated and recorded under the caption 'Other current liabilities' and 'Other non-current liabilities', when it is possible to estimate reliably the amount and the timing of occurrence of the expense. If there is uncertainty regarding both the date of disbursement of funds, and the amount of the obligation, the value is classified as Provisions (note 1.p).

Revenue from telecommunications services is recognised in the period in which it occurs. Such services are invoiced on a monthly basis. Revenues not yet invoiced, from the last invoicing cycle to the end of the month, are estimated and recorded based on actual traffic. Differences between the estimated and actual amounts, which are usually not material, are recorded in the following period.

Sales revenues are recognised in the consolidated profit and loss statement when the significant risks and rewards associated with the ownership of the assets are transferred to the buyer and the amount of the corresponding revenue can be reasonably quantified. Sales are recognised before taxes and net of discounts.

The income related to pre-paid cards is recognised whenever the minutes are used. At the end of each period the minutes still to be used are estimated and the amount of income associated with those minutes is deferred.

Costs relating to customer loyalty programmes, under which points are awarded by the subsidiary Optimus – Comunicações, S.A., are calculated taking into consideration the probability of the redemption of the points, and are recognised, as a deduction to income, at the time the points are granted, by a corresponding entry under the caption 'Other current liabilities'.

The revenues and costs of the consultancy projects developed in the information systems consultancy segment are recognised in each period, according to the percentage of completion method.

Non-current financial assets and liabilities are recorded at fair value and, in each period, the financial actualisation of the fair value is recorded in the profit and loss statement under the captions 'Other financial expenses' and 'Other financial income'.

Dividends are recognised when the Shareholders' rights to receive such amounts are appropriately established and communicated.

t) Balance sheet classification

Assets and liabilities due in more than one year from the date of the balance sheet are classified, respectively, as non-current assets and non-current liabilities.

In addition, considering their nature, the 'Deferred taxes' and the 'Provisions for other liabilities and charges', are classified as non-current assets and liabilities (notes 10 and 16).

u) Reserves

Legal reserve

Portuguese commercial legislation requires that at least 5% of the annual net profit must be appropriated to a 'Legal reserve', until such reserve reaches at least 20% of the share capital. This reserve is not distributable, except in case of liquidation of the Company, but may be used to absorb losses, after all the other reserves are exhausted, or to increase the share capital.

Share premiums

The share premiums relate to premiums generated in the issuance of capital or in capital increases. According to Portuguese Commercial law, share premiums follow the same requirements of 'Legal reserves', ie, they are not distributable, except in case of liquidation, but they can be used to absorb losses, after all the other reserves are exhausted or to increase share capital.

Medium Term Incentive Plans Reserves

According to IFRS 2 – 'Share-based Payment', the responsibility related with the Medium Term Incentive Plans is registered under the heading of 'Reserves for Medium Term Incentive Plans', which are not distributable and which can not be used to absorb losses.

Hedging reserve

Hedging reserve reflects the changes in fair value of 'cash-flow' hedges derivatives that are considered effective (note 1.o)) and it is non-distributable nor can it be used to absorb losses.

Own shares reserve

The own shares reserve reflects the acquisition value of the own shares and follows the same requirements of legal reserve.

Under Portuguese law, the amount of distributable reserves is determined in accordance with the individual financial statements of the Company, presented in accordance with IAS / IFRS. Therefore, at 30 June 2013, Sonaecom, SGPS, S.A., has free reserves considered distributable at the end of the year, amounted around Euro 158.6 million.

v) Own shares

Own shares are recorded as a deduction of Shareholders' funds. Gains or losses arising from the sale of own shares are recorded under the heading 'Other reserves'.

w) Foreign currency

All assets and liabilities expressed in foreign currency were translated into euro using the exchange rates in force at the balance sheet date.

Favourable and unfavourable foreign exchange differences resulting from changes in the rates in force at transaction date and those in force at the date of collection, payment or at the balance sheet date are recorded as income and expenses in the consolidated profit and loss statement of the year, in financial results.

Entities operating abroad with organisational, economic and financial autonomy are treated as foreign entities.

Assets and liabilities of the financial statements of foreign entities are translated into Euro using the exchange rates in force at the balance sheet date, while expenses and income in such financial statements are translated into euro using the average exchange rate for the period. The resulting exchange differences are recorded under the Shareholders' funds caption 'Other reserves'.

Goodwill and adjustments to fair value generated in the acquisitions of foreign entities reporting in a functional currency other than Euro are translated into Euro using the exchange rates prevailing at the balance sheet date.

The following rates were used to translate into Euro the financial statements of foreign subsidiaries and the balances in foreign currency:

	2013		2012	
	30 June	Average	30 June	Average
Pounds Sterling	1.1666	1.1758	1.2395	1.2162
Brazilian Real	0.3460	0.3755	0.3878	0.4150
American Dollar	0.7645	0.7619	0.7943	0.7715
Polish Zloti	0.2305	0.2395	0.2354	0.2357
Australian Dollar	0.7057	0.7736	0.8104	0.7963
Mexican Peso	0.0587	0.0607	0.0593	0.0582
Egyptian Pound	0.1093	0.1117	0.1302	0.1276
Malaysian Ringgit	0.2419	0.2478	0.2503	0.2499
Chilean Peso	0.0015	0.0016	0.0016	0.0016
Singapore Dollar	0.6044	0.6129	0.6260	0.6102
Swiss Franc	0.8105	0.8132	0.8313	0.8300
Swedish Krona	0.1139	0.1173	0.1140	0.1126
South African Rand	0.0765	0.0828	0.0965	0.0972
Angolan Kwanza	0.0079	0.0079	0.0083	0.0081
Moroccan Dirham	0.0900	0.0898	0.0904	0.0900

x) Assets impairment

Impairment tests are performed at the date of each balance sheet and whenever an event or change of circumstances indicates that the recorded amount of an asset may not be recoverable. Whenever the book value of an asset is greater than the amount recoverable, an impairment loss is recognised and recorded in the profit and loss statement under the caption 'Depreciation and amortisation' in the case of fixed assets and goodwill, under the caption 'Other financial expenses' in the case of financial investments or under the caption 'Provisions and impairment losses', in relation to the other assets. The recoverable amount is the greater of the net selling price and the value in use. Net selling price is the amount obtainable upon the sale of an asset in a transaction within the capability of the parties involved, less the costs directly related to the sale. The value in use is the present value of the estimated future cash flows expected to result from the continued use of the asset and of its sale at the end of its useful life. The recoverable amount is estimated for each asset individually or, if this is not possible, for the cash-generating unit to which the asset belongs.

Evidence of the existence of impairment in accounts receivables appears when:

- The counterparty presents significant financial difficulties;
- There are significant delays in interest payments and in other leading payments from the counterparty;
- It is probable that the debtor goes into liquidation or into a financial restructuring.

For certain categories of financial assets for which it is not possible to determine the impairment for each asset individually, the analysis is made for a group of assets. Evidence of an impairment loss in a portfolio of accounts receivable may include past experience in terms of collections, increasing number of delays in collections, as well as changes in national or local economic conditions that are related with the collections capacity.

For Goodwill and Financial investments, the recoverable amount, calculated in terms of value in use, is determined based on the most recent business plans duly approved by the Group's Board of Directors. For Accounts receivables, the Group uses historical and statistical information to estimate the amounts in impairment. For Inventories, the impairment is calculated based on market evidence and several indicators of stock rotation.

y) Medium Term Incentive Plans

The accounting treatment of Medium Term Incentive Plans is based on IFRS 2 – 'Share-based Payments'.

Under IFRS 2, when the settlement of plans established by the Group involves the delivery of Sonaecom's own shares, the estimated responsibility is recorded, as a credit entry, under the caption 'Medium Term Incentive Plans Reserve', within the heading 'Shareholders' funds' and is charged as an expense under the caption 'Staff expenses' in the profit and loss statement.

The quantification of this responsibility is based on fair value and is recognised over the vesting period of each plan (from the award date of the plan until its vesting or settlement date). The total responsibility, at any point of time, is calculated based on the proportion of the vesting period that has 'elapsed' up to the respective accounting date.

When the responsibilities associated with any plan are covered by a hedging contract, ie, when those responsibilities are replaced by a fixed amount payable to a third party and when Sonaecom is no longer the party that will deliver the Sonaecom shares, at the settlement date of each plan, the above accounting treatment is subject to the following changes:

(i) The total gross fixed amount payable to third parties is recorded in the balance sheet as either 'Other non-current liabilities' or 'Other current liabilities';

(ii) The part of this responsibility that has not yet been recognised in the profit and loss statement (the 'unelapsed' proportion of the cost of each plan) is deferred and is recorded, in the balance sheet as either 'Other non-current assets' or 'Other current assets';

(iii) The net effect of the entries in (i) and (ii) above eliminate the original entry to 'Shareholders' funds';

(iv) In the profit and loss statement, the 'elapsed' proportion continues to be charged as an expense under the caption 'Staff expenses'.

For plans settled in cash, the estimated liability is recorded under the balance sheet captions 'Other non-current liabilities' and 'Other current liabilities' by a corresponding entry under the profit and loss statement caption 'Staff expenses', for the cost relating to the vesting period that has 'elapsed' up to the respective accounting date. The liability is quantified based on the fair value of the shares as of each balance sheet date.

When the liability is covered by a hedging contract, recognition is made in the same way as described above, but with the liability being quantified based on the contractually fixed amount.

Equity-settled plans to be liquidated through the delivery of shares of the parent company are recorded as if they were settled in cash, which means that the estimated liability is recorded under the balance sheet captions 'Other non-current liabilities' and 'Other current liabilities' by a corresponding entry under the profit and loss statement caption 'Staff expenses', for the cost relating to the deferred period elapsed. The liability is quantified based on the fair value of the shares as of each balance sheet date.

For 2011 Sonaecom shares plan, the Company signed with Sonae-SGPS, S.A. a contract that agrees to the transfer of Sonaecom SGPS, S.A. shares for employees and board members of the Group as requested by Sonaecom and under the MTIP of Sonaecom and fixed the shares' acquisition price. The remaining Sonaecom share plans are mainly covered through the detention of own shares. The impacts associated to the Medium Term Incentive Plans are registered, in the balance sheet, under the caption 'Medium Term Incentive Plans Reserve'. The cost is recognized under the profit and loss statement caption 'Staff expenses'.

Regarding the plans liquidated through the delivery of shares of the parent company, the company entered, for two plans, into hedging contracts with an external entity under which the acquisition price of those shares was fixed (the company entered into a hedging contract for 2012 share plan in July 2013).Therefore, the responsibility is recorded based on that fixed price (and for 2012 plan, is recorded at the closing price at 28 June 2013), proportionally to the period of time elapsed since the award date until the date of record, under the captions 'Other non-current liabilities' and 'Other current liabilities'. The cost is recognised on the income statement under the caption 'Staff expenses'.

z) Subsequent events

Events occurring after the date of the balance sheet which provide additional information about conditions prevailing at the time of the balance sheet (adjusting events) are reflected in the consolidated financial statements. Events occurring after the balance sheet date that provide information on post-balance sheet conditions (non-adjusting events), when material, are disclosed in the notes to the consolidated financial statements.

aa) Judgements and estimates

The most significant accounting estimates reflected in the consolidated financial statements of the years ended at 30 June 2013 and 2012, are as follows:

(i) Useful lives of tangible and intangible assets;

(ii) Impairment analysis of goodwill and of other tangible and intangible assets;

(iii) Recognition of impairment losses on assets (Trade debtors and Inventories) and provisions;

Estimates used are based on the best information available during the preparation of the consolidated financial statements and are based on the best knowledge of past and present events. Although future events are neither foreseeable nor controlled by the Group, some could occur and have impact on such estimates. Changes to the estimates used by the management that occur after the approval date of these consolidated financial statements, will be recognised in net income, in accordance with IAS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors', using a prospective methodology.

The main estimates and assumptions in relation to future events included in the preparation of these consolidated financial statements are disclosed in the corresponding notes, when applicable.

ab) Financial risk management

Due to its activities, the Group is exposed to a variety of financial risks such as market risk, liquidity risk and credit risk.

These risks arise from the unpredictability of financial markets, which affect the capacity of project cash flows and profits. The Group financial risk management, subject to a long-term ongoing perspective, seeks to minimise potential adverse effects that derive from that uncertainty, using, whenever it is possible and advisable, derivative financial instruments to hedge the exposure to such risks (note 1.o)).

Market risk

a) Foreign exchange risk
The Group operates internationally, having subsidiaries that operate in countries with a different currency than Euro namely Brazil, United Kingdom, Poland, United States of America, Mexico, Australia, Egypt, Colombia, Panama, Singapore, Angola and Malaysia (branch) and so it is exposed to foreign exchange rate risk.

Foreign exchange risk management seeks to minimise the volatility of investments and transactions made in foreign currencies and contributes to reduce the sensitivity of Group results to changes in foreign exchange rates.

Whenever possible, the Group uses natural hedges to manage exposure, by offsetting credits granted and credits received expressed in the same currency. When such a procedure is not possible, the Group adopts derivative financial hedging instruments (note 1.o)).

The Group's exposure to foreign exchange rate risk, results essentially from the fact that some of its subsidiaries report in a currency different from euro, making the risk of operational activity immaterial.

b) Interest rate risk
Sonaecom's total debt is indexed to variable rates, exposing the total cost of debt to a high risk of volatility. The impact of this volatility on the Group results or on its Shareholders' funds is mitigated by the effect of the following factors (i) relatively low level of financial leverage; (ii) possibility to use derivative financial instruments that hedge the interest rate risk, as mentioned below; (iii) possible correlation between the level of market interest rates and economic growth having the latter a positive effect in other lines of the Group's consolidated results (particularly operational), and in this way partially offsetting the increase of financial costs ('natural hedge'); and (iv) the existence of stand alone or consolidated liquidity which is also bearing interest at a variable rate.

The Group only uses derivatives or similar transactions to hedge interest rate risks considered significant. Three main principles are followed in all instruments selected and used to hedge interest rate risk:

- For each derivative or instrument used to hedge a specific loan, the interest payment dates on the loans subject to hedging must equalise the settlement dates defined under the hedging instrument;
- Perfect match between the base rates: the base rate used in the derivative or hedging instrument should be the same as that of the facility/transaction which is being hedged;
- As from the start of the transaction, the maximum cost of the debt, resulting from the hedging operation is known and limited, even in scenarios of extreme changes in market interest rates, so that the resulting rates are within the cost of the funds considered in the Group's business plan.

As all Sonaecom's borrowings (note 14) are at variable rates, interest rate swaps and other derivatives are used, when it is deemed necessary, to hedge future changes in cash flow relating to interest payments. Interest rate swaps have the financial effect of converting the respective borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with third parties (banks) to exchange, in pre-determined periods, the difference between the amount of interest calculated at the fixed contract rate and the floating rate at the time of re-fixing, by reference to the respective agreed notional amounts.

The counterparties of the derivative hedging instruments are limited to highly rated financial institutions, being the Group's policy, when contracting such instruments, to give preference to financial institutions that form part of its financing transactions. In order to select the counterparty for occasional operations, Sonaecom requests proposals and indicative prices from a representative number of banks in order to ensure adequate competitiveness of these operations.

In determining the fair value of hedging operations, the Group uses certain methods, such as option valuation and discounted future cash flow models, using assumptions based on market interest rates prevailing at the balance sheet date.

Comparative financial institution quotes for the specific or similar instruments are used as a benchmark for the valuation.

The fair value of the derivatives contracted, that are considered as fair value hedges or the ones that are considered not sufficiently effective for cash flow hedge (in accordance with the provisions established in IAS 39), are recognised under borrowings captions and changes in the fair value of such derivatives are recognised directly in the profit and loss statement for the year. The fair value of derivatives of cash flow hedge, that are considered effective according to IAS 39, are recognised under borrowing captions and changes in the fair value are recognised in equity.

Sonaecom's Board of Directors approves the terms and conditions of the financing with significant impact in the Group, based on the analysis of the debt structure, the risks and the different options in the market, particularly as to the type of interest rate (fixed / variable). Under the policy defined above, the Executive Committee is responsible for the decision on the occasional interest rate hedging contracts, through the monitoring of the conditions and alternatives existing in the market.

Liquidity risk

The existence of liquidity in the Group requires the definition of some policies for an efficient and secure management of the liquidity, allowing us to maximise the profitability and to minimise the opportunity costs related to that liquidity.

The liquidity risk management has a threefold objective: (i) Liquidity, ie, to ensure the permanent access in the most efficient way to obtain sufficient funds to settle current payments within the respective dates of maturity as well as any eventual not forecasted requests for funds, within the deadlines set for this; (ii) Safety, ie to minimise the probability of default in any reimbursement of application of funds; and (iii) Financial Efficiency, ie, to ensure that the Group maximises the value / minimises the opportunity cost of holding excess liquidity in the short term.

The main underlying policies correspond to the variety of instruments allowed, the maximum acceptable level of risk, the maximum amount of exposure by counterparty and the maximum periods for investments.

The existing liquidity in the Group should be applied to the alternatives and by the order described below:

(i) Amortisation of short-term debt – after comparing the opportunity cost of amortisation and the opportunity cost related to alternative investments;

(ii) Consolidated management of liquidity – the existing liquidity in Group companies, should mainly be applied in Group companies, to reduce the use of bank debt at a consolidated level;

(iii) Applications in the market.

The applications in the market are limited to eligible counterparties, with ratings previously established by the Board and limited to certain maximum amounts by counterparty.

The definition of maximum amounts intends to ensure that the application of liquidity in excess is made in a prudent way and taking into consideration the best practices in terms of bank relationships.

The maturity of applications should equal the forecasted payments (or the applications should be easily convertible, in the case of asset investments, to allow urgent and not estimated payments), considering a threshold for eventual deviations on the estimates. The threshold depends on the accuracy level of treasury estimates and would be determined by the business. The accuracy of the estimates is an important variable to quantify the amounts and the maturity of the applications in the market.

The maturity analysis for the loans obtained is presented in note 14.

Credit risk

The Group's exposure to credit risk is mainly associated with the accounts receivable related to current operational activities. The credit risk associated to financial operations is mitigated by the fact that the Group, in respect to telecommunications operators, only negotiates with entities with high credit quality.

The management of this risk seeks to guarantee that the amounts owing are effectively collected within the periods negotiated without affecting the financial health of the Group. The Group uses credit rating agencies and has specific departments responsible for risk control, collections and management of processes in litigation, as well as credit insurances, which all contribute to the mitigation of credit risk.

The amounts included in the financial statements related to trade debtors and other debtors, net of impairment losses, represent the maximum exposure of the Group to credit risk.

2. Companies included in the consolidation

Group companies included in the consolidation through full consolidation method, their head offices, main activities, Shareholders and percentage of share capital held at 30 June 2013 and 2012, are as follows:

				Percentage of share capital held			
				2013		2012	
Company (Commercial brand)	Head office	Main activity	Shareholder	Direct	Effective*	Direct	Effective*
Parent company							
SONAECOM, S.G.P.S., S.A. ('Sonaecom')	Maia	Management of shareholdings.	–	–	–	–	–
Subsidiaries							
Be Artis – Concepção, Construção e Gestão de Redes de Comunicações, S.A. ('Artis')	Maia	Design, construction, management and exploitation of electronic communications networks and their equipment and infrastructure, management of technologic assets and rendering of related services.	Optimus SGPS	100%	100%	100%	100%
Be Towering – Gestão de Torres de Telecomunicações, S.A. ('Be Towering')	Maia	Implementation, installation and exploitation of towers and other sites for the instalment of telecommunications equipment.	Optimus SGPS	100%	100%	100%	100%
Cape Technologies Limited ('Cape Technologies')	Dublin	Rendering of consultancy services in the area of information systems.	We Do	100%	100%	100%	100%
Connectiv Solutionsm Inc. ('Connectiv') (a)	Delaware	Rendering of consultancy services in the area of information systems.	We Do USA	–	–	100%	100%
Digitmarket – Sistemas de Informação, S.A. ('Digitmarket' – using the brand 'Bizdirect')	Maia	Development of management platforms and commercialisation of products, services and information, with the internet as its main support.	Sonae com SI	75.10%	75.10%	75.10%	75.10%
Lugares Virtuais, S.A. ('Lugares Virtuais')	Maia	Organisation and management of electronic online portals, content acquisition, management of electronic auctions, acquisition and deployment of products and services electronically and any related activities.	Miauger	100%	100%	100%	100%
Mainroad – Serviços em Tecnologias de Informação, S.A. ('Mainroad')	Maia	Rendering of consultancy services in IT areas.	Sonae com SI	100%	100%	100%	100%
Miauger – Organização e Gestão de Leilões Electrónicos, S.A. ('Miauger')	Maia	Organisation and management of electronic auctions of products and services on-line.	Sonaecom	100%	100%	100%	100%
Optimus - Comunicações, S.A. ('Optimus')	Maia	Implementation, operation, exploitation and offer of networks and rendering services of electronic comunications and related resources; offer and commercialisation of products and equipments of electronic communications.	Optimus SGPS Sonaecom	100% -	100% -	35.86% 64.14%	35.86% 64.14%
Optimus, S.G.P.S., S.A. ('Optimus SGPS')	Maia	Management of shareholdings in the area of telecommunications.	Sonaecom	100%	100%	100%	100%
PCJ - Público, Comunicação e Jornalismo, S.A. ('PCJ')	Maia	Editing, composition and publication of periodical and non-periodical material and the exploration of radio and TV stations and studios.	Sonaecom	100%	100%	100%	100%
Per-Mar – Sociedade de Construções, S.A. ('Per-Mar')	Maia	Purchase, sale, renting and operation of property and commercial establishments.	Optimus SGPS	100%	100%	100%	100%
Praesidium Services Limited ('Praesidium Services')	Berkshire	Rendering of consultancy services in the area of information systems.	We Do UK	100%	100%	100%	100%
Público – Comunicação Social, S.A. ('Público')	Oporto	Editing, composition and publication of periodical and non-periodical material.	Sonaecom	100%	100%	100%	100%
Saphety Level – Trusted Services, S.A. ('Saphety')	Maia	Rendering services, training, consultancy services in the area of communication, process and electronic certification of data; trade, development and representation of software.	Sonae com SI	86.995%	86.995%	86.995%	86.995%
Saphety Brasil Transações Eletrônicas Ltda. ('Saphety Brasil') (b)	São Paulo	Rendering services, training, consultancy services in the area of communication, process and electronic certification of data; electronic identification, storage and availability of databases and electronic payments; trade, development and representation of software related with these services.	Saphety	99.8%	99.8%	–	–

* Sonaecom effective participation

(a) Company incorporated, by merger, on We Do US in January 2013

(b) Company adquired in February 2013

				Percentage of share capital held			
				2013		2012	
Company (Commercial brand)	Head office	Main activity	Shareholder	Direct	Effective*	Direct	Effective*
Saphety – Transacciones Electronicas SAS ('Saphety Colômbia')(c)	Bogotá	Rendering services, training, consultancy services in the area of communication, process and electronic certification of data; electronic identification, storage and availability of databases and electronic payments; trade, development and representation of software related with these services.	Saphety	100%	100%	–	–
Sonaecom - Serviços Partilhados, S.A. ('Sonaecom SP')	Maia	Support, management consulting and administration, particularly in the areas of accounting, taxation, administrative procedures, logistics, human resources and training.	Sonaecom	100%	100%	100%	100%
Sonae com – Sistemas de Informação, S.G.P.S., S.A. ('Sonae com SI')	Maia	Management of shareholdings in the area of corporate ventures and joint ventures.	Sonaecom	100%	100%	100%	100%
Sonaecom - Sistemas de Información Espanã, S.L. ('SSI Espanã')	Madrid	Rendering of consultancy services in the area of information systems.	Sonae com SI	100%	100%	100%	100%
Sonaecom BV	Amsterdam	Management of shareholdings.	Sonaecom	100%	100%	100%	100%
Sonaetelecom BV	Amsterdam	Management of shareholdings.	Sonaecom	100%	100%	100%	100%
Sontária - Empreendimentos Imobiliários, S.A. ('Sontária')	Maia	Realisation of urbanisation and building construction, planning, urban management, studies, construction and property management, buy and sale of properties and resale of purchased for that purpose.	Optimus SGPS	100%	100%	100%	100%
Tecnológica Telecomunicações, LTDA. ('Tecnológica')	Rio de Janeiro	Rendering of consultancy and technical assistance in the area of IT systems and telecommunications.	We Do Brasil	99.99%	99.90%	99.99%	99.90%
We Do Consulting – Sistemas de Informação, S.A. ('We Do')	Maia	Rendering of consultancy services in the area of information systems.	Sonae com SI	100%	100%	100%	100%
Wedo do Brasil Soluções Informáticas, Ltda. ('We Do Brasil')	Rio de Janeiro	Commercialisation of software and hardware; rendering of consultancy and technical assistance related to information technology and data processing.	We Do	99.91%	99.91%	99.91%	99.91%
We Do Poland Sp. Z.o.o. ('We Do Poland')	Poznan	Rendering of consultancy services in the area of information systems.	Cape Technologies	100%	100%	100%	100%
We Do Technologies Americas, Inc ('We Do US')	Delaware	Rendering of consultancy services in the area of information systems.	Cape Technologies	100%	100%	100%	100%
We Do Technologies Australia PTY Limited ('We Do Asia')	Sydney	Rendering of consultancy services in the area of information systems.	Cape Technologies	100%	100%	100%	100%
We Do Technologies BV ('We Do BV')	Amsterdam	Management of shareholdings.	We Do	100%	100%	100%	100%
We Do Technologies BV – Malaysian Branch ('We Do Malásia')	Kuala Lumpur	Rendering of consultancy services in the area of information systems.	We Do BV	100%	100%	100%	100%
We Do Technologies Chile SpA ('We Do Chile') (d)	Chile	Rendering of consultancy services in the area of information systems.	We Do BV	–	–	100%	100%
We Do Technologies Egypt LLC ('We Do Egypt')	Cairo	Rendering of consultancy services in the area of information systems.	We Do BV Sonaecom BV Sonaetelecom BV	90% 5% 5%	90% 5% 5%	90% 5% 5%	90% 5% 5%
We Do Technologies (UK) Limited ('We Do UK')	Berkshire	Management of shareholdings.	We Do	100%	100%	100%	100%
We Do Technologies Mexico, S de R.L. ('We Do Mexico')	Mexico City	Rendering of consultancy services in the area of information systems.	Sonaecom BV We Do BV	0,001% 99,999%	0,001% 99,999%	5% 95%	5% 95%
We Do Technologies Panamá S.A. ('We Do Panamá')	Panamá City	Rendering of consultancy services in the area of information systems.	We Do BV	100%	100%	100%	100%
We Do Technologies Singapore PTE. LTD. ('We Do Singapura')	Singapore	Rendering of consultancy services in the area of information systems.	We Do BV	100%	100%	100%	100%

* Sonaecom effective participation

(c) Company established in April 2013

(d) Company dissolved in May 2013

All the above companies were included in the consolidation in accordance with the full consolidation method under the terms of IAS 27 – 'Consolidated and Separate Financial Statements' (majority of voting rights, through the ownership of shares in the companies).

3. Companies jointly controlled

At 30 June 2013 and 2012, the Group jointly controls and consolidates through the proportional method the following companies:

Percentage of share capital held

Company (Commercial brand)	Head office	Main activity	Shareholder	2013 Direct	2013 Effective*	2012 Direct	2012 Effective*
Unipress – Centro Gráfico, Lda. ('Unipress')	V.N. Gaia	Trade and industry of graphic design and publishing.	Público	**50%**	**50%**	50%	50%
Sociedade Independente de Radiodifusão Sonora, S.A. ('S.I.R.S.' – using the brand name 'Rádio Nova')	Oporto	Sound broadcasting. Radio station.	Público	**45%**	**45%**	45%	45%
Infosystems – Sociedade de Sistemas de Informação, S.A. ('Infosystems')	Luanda	Rendering of services in the area of information and technology systems.	Sonae com SI	**50%**	**50%**	**50%**	**50%**
SSI Angola, S.A. ('SSI Angola')	Luanda	Rendering of services in the area of information and technology systems.	Infosystems	**100%**	**50%**	**100%**	**50%**
Zopt (a)	Oporto	Management of shareholdings as an indirect way for the conduct of the economic activities	Sonaecom SGPS	**50%**	**50%**	-	-

*Sonaecom effective participation
(a) Company established in 21 December 2012.

At 30 June 2013 and 2012, the main impacts arising from the consolidation by the proportional method of the above mentioned entities, are as follows (debit / (credit)):

	2013	2012
Non-current assets	**1,627,209**	2,042,411
Current assets	**948,401**	1,138,436
Non-current liabilities	**(1,360,315)**	(1,924,017)
Current liabilities	**(738,960)**	(572,335)
Net result	**42,078**	(127,052)
Total revenues	**(751,901)**	(1,004,676)
Total costs	**793,979**	877,624

4. Changes in the Group

During the periods ended at 30 June 2013 and 2012, the following changes occurred in the composition of the Group:

a) Constitutions

Shareholder	Subsidiary	Date	Share capital	Current % shareholding
2013				
Saphety Level	Saphety Colômbia	Apr-13	50.000.000 COP	100%
2012				
Sonaecom	Sonaecom SP	Jan-12	50,000 EUR	100%

b) Acquisitions

Purchaser	Subsidiary	Date	% acquired	Current % shareholding
2013				
Saphety	Saphety Brasil	Feb-13	99.8%	99.8%
2012				
We Do US	Connectiv	Apr-12*	100%	100%
Sonae com SI	Infosystems	Jun-12	50%	50%
Infosystems	SSI Angola	Jun-12	100%	100%

* The contract's signature date was April 2012, with effects from 1 May 2012.

c) Dissolutions

Shareholder	Subsidiary	Date	% shareholding
2013			
We Do BV	We Do Chile	May-13	100%

5. Tangible assets

The movement in tangible assets and in the corresponding accumulated depreciation and impairment losses in the periods ended at 30 June 2013 and 2012 was as follows:

								2013
	Land, Buildings and other constructions	Plant and machinery	Vehicles	Fixtures and fittings	Tools	Other tangible assets	Work in progress	Total
Gross assets								
Balance at 31 December 2012	301,768,158	1,080,419,350	190,334	213,408,141	1,180,616	5,718,882	20,665,640	1,623,351,121
Additions	21,716	2,173,313	–	8,489,291	–	–	20,239,251	30,923,571
Disposals	(173,822)	(2,408,267)	(6,440)	(261,514)	–	(793)	–	(2,850,836)
Transfers and write-offs	3,885,602	25,732,219	–	(1,053,162)	16,152	65,478	(28,465,261)	181,028
Balance at 30 June 2013	305,501,654	1,105,916,615	183,894	220,582,756	1,196,768	5,783,567	12,439,630	1,651,604,884
Accumulated depreciation and impairment losses								
Balance at 31 December 2012	169,218,283	672,996,043	169,790	191,878,934	1,147,268	5,153,464	–	1,040,563,782
Depreciation for the period	4,083,243	28,292,407	11,504	9,242,438	6,371	127,700	–	41,763,663
Disposals	(89,930)	(1,865,299)	(5,635)	(191,816)	–	(793)	–	(2,153,473)
Transfers and write-offs	(15,931)	(424,914)	–	(187,201)	–	11,649	–	(616,397)
Balance at 30 June 2013	173,195,665	698,998,237	175,659	200,742,355	1,153,639	5,292,020	–	1,079,557,575
Net value	132,305,989	406,918,378	8,235	19,840,401	43,129	491,547	12,439,630	572,047,309

								2012
	Land, Buildings and other constructions	Plant and machinery	Vehicles	Fixtures and fittings	Tools	Other tangible assets	Work in progress	Total
Gross assets								
Balance at 31 December 2011	302,416,354	1,039,039,573	184,996	201,461,205	1,181,254	5,677,521	36,269,347	1,586,230,250
New companies (note 4. b))	–	–	–	1,250,155	–	–	–	1,250,155
Additions	156,011	2,372,974	5,338	7,487,276	220	2,715	39,504,915	49,529,449
Disposals	(89,391)	(43,277,138)	–	(420,077)	–	(18,892)	–	(43,805,498)
Transfers and write-offs	3,212,163	38,136,613	–	1,819,950	419	37,691	(51,472,288)	(8,265,452)
Balance at 30 June 2012	305,695,137	1,036,272,022	190,334	211,598,509	1,181,893	5,699,035	24,301,974	1,584,938,904
Accumulated depreciation and impairment losses								
Balance at 31 December 2011	161,265,292	655,832,295	136,116	179,673,009	1,137,465	4,772,518	–	1,002,816,695
New companies (note 4. b))	–	–	–	635,594	–	–	–	635,594
Depreciation for the period	4,080,168	28,757,184	17,080	8,937,827	6,184	234,485	–	42,032,928
Disposals	(63,305)	(32,747,992)	–	(276,290)	–	(5,117)	–	(33,092,704)
Transfers and write-offs	(20,826)	(130,489)	–	2,423	–	–	–	(148,892)
Balance at 30 June 2012	165,261,329	651,710,998	153,196	188,972,563	1,143,649	5,001,886	–	1,012,243,621
Net value	140,433,808	384,561,024	37,138	22,625,946	38,244	697,149	24,301,974	572,695,283

The additions that occurred during the periods ended at 30 June 2013 and 2012 included: assets associated with the UMTS operation (Universal Mobile Telecommunications Service), HSDPA (Kanguru Express), GSM (Global Standard for Mobile Communications), GPRS (General Packet Radio Service), FTTH (Fibre-to-the-Home) and LTE (Long Term Evolution), some of which are associated with ongoing projects, so it remains registered in 'Work in progress'.

At 30 June 2013, additions include about Euro 3.9 million of capitalizations of personnel costs related to own work (about Euro 4.6 million at 30 June 2012).

At 30 June 2012, disposals include the sale of a set of assets related with 2G, 3G and Micro-Wave network. These sales did not generate significant capital gains.

The acquisition cost of 'Tangible assets' and 'Intangible assets' held by the Group under finance lease contracts, amounted to Euro 38,453,411 and Euro 35,384,420 as of 30 June 2013 and 2012, and their net book value as of those dates amounted to Euro 19,229,970 and Euro 20,043,246, respectively.

At 30 June 2013, the heading 'Tangible assets' included an amount of Euro 26.3 million (2012: Euro 25.0 million) that relates to the net book value of the telecommunications equipment delivered to customers, under free lease agreements with a pre-defined period, which are being amortised over the duration of their contracts.

At 30 June 2013 and 2012, the heading 'Tangible assets' does not include any asset pledged or given as a guarantee for loans obtained, except for the assets acquired under financial lease contracts.

'Tangible assets in progress' at 30 June 2013 and 2012 were made up as follows:

	2013	2012
Development of mobile/fixed network	8,649,784	19,680,373
Information systems	544,080	890,663
Other projects in progress	3,245,766	3,730,938
	12,439,630	24,301,974

At 30 June 2013 and 2012, the amounts of commitments to third parties relating to investments to be made were as follows:

	2013	2012
Network	6,957,298	39,341,168
Information systems	1,568,562	1,874,101
	8,525,860	41,215,269

6. Intangible assets

In the periods ended at 30 June 2013 and 2012, the movement occurred in Intangible assets and in the corresponding accumulated amortisation and impairment losses, was as follows:

				2013
	Brands and patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2012	471,768,685	324,762,220	22,694,448	819,225,353
Additions	11,362,563	470,139	9,069,537	20,902,239
Disposals	–	(2,868)	–	(2,868)
Transfers and write-offs	33,638	3,752,927	(6,057,012)	(2,270,447)
Balance at 30 June 2013	483,164,886	328,982,418	25,706,973	837,854,277
Accumulated amortisation and impairment losses				
Balance at 31 December 2012	184,536,858	255,157,126	–	439,693,984
Amortisation for the period	20,609,293	9,825,121	–	30,434,414
Disposals	–	(641)	–	(641)
Transfers and write-offs	(38,426)	(1,321,287)	–	(1,359,713)
Balance at 30 June 2013	205,107,725	263,660,319	–	468,768,044
Net value	278,057,161	65,322,099	25,706,973	369,086,233

				2012
	Brands and patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2011 (restated)	361,690,451	296,368,784	117,812,807	775,872,042
Additions	13,305,146	465,337	7,834,274	21,604,757
Transfers and write-offs	66,083,333	15,358,118	(87,323,543)	(5,882,092)
Balance at 30 June 2012	441,078,930	312,192,239	38,323,538	791,594,707
Accumulated amortisation and impairment losses				
Balance at 31 December 2011 (restated)	153,193,021	233,557,139	–	386,750,160
Amortisation for the period	21,322,125	10,618,051	–	31,940,176
Transfers and write-offs	(12,147,687)	(177,675)	–	(12,325,362)
Balance at 30 June 2012	162,367,459	243,997,515	–	406,364,974
Net value	278,711,471	68,194,724	38,323,538	385,229,733

Under the agreed terms resulting from the grant of the UMTS License, Optimus – Comunicações, S.A., committed to contribute to the promotion and development of an 'Information Society' in Portugal. The total amount of the obligations assumed arose to Euro 274 million which will have to be realised until the end of 2015.

In accordance with the Agreement established on 5 June 2007 with the Ministry of Public Works, Transportation and Communications (MOPTC), part of these commitments, up to Euro 159 million, would be realised through own projects eligible as contributions to the 'Information Society' which will be incurred under the normal course of Optimus – Comunicações, S.A.'s business (investments in network and technology, if not directly related with the accomplishment of other obligations inherent to the attribution of the UMTS License, and activities of research, development and promotion of services, contents and applications). These own projects must be recognised by the MOPTC and by entities created specifically for this purpose. At 30 June 2013, 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 attached financial statements at the moment the projects were carried out and the estimated costs became known.

The remaining commitments, up to Euro 116 million, has been realised, as agreed between Optimus – Comunicações S.A. and MOPTC, through contributions to the 'Iniciativas E' project (modem offers, discounts on tariffs, cash contributions, among others, assigned to the widespread use of broadband internet for students and teachers). These contributions are made through the 'Fund for the Information Society', now known as the 'Fundação para as Comunicações Móveis' (Foundation for Mobile Communications), established by the three mobile operators with businesses in Portugal. All responsibility is recognised as an additional cost of UMTS license, against an entry in the captions 'Other non-current liabilities' and 'Other current liabilities'. Thus, at 30 June 2013, all the responsibilities with such commitments are fully recorded in the attached consolidated financial statements.

Intangible assets in the period ended at 30 June 2013, include an amount of approximately Euro 110 million, 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 Euro 113 million. In January 2012, an amount of Euro 83 million and in January 2013, an amount of Euro 6 were already paid. The remaining amount can be paid in four annual installments of Euro 6 million, having the company, at each annual payment, the option to anticipate the payment of the amount in debt.
During the year ended 31 December 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 (Euro 92.9 million) and the amortization was started, for an estimated period until 2041.

At 30 June 2013 and 2012, the Group kept recorded under the heading 'Intangible assets – brands and contents' the amounts of Euro 166,347,297 and Euro 175,527,543, respectively, that correspond to the investments net of depreciations made in the development of the UMTS network, including: (i) Euro 52,505,042 (2012: Euro 55,505,330) related to the license; (ii) Euro 17,573,859 (2012: Euro 18,546,366) related to the agreement signed in 2002 between Oni Way and the other three mobile telecommunication operators with activity in Portugal; (iii) Euro 5,338,249 (2012: Euro 5,696,149) 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) Euro 86,424,087 (2012: Euro 91,037,292) related with the programme 'Initiatives E', these last two associated to the commitments assumed by the Group in relation to the 'Information Society'.

The caption 'Brands and patents and other rights' includes also an amount of about Euro 9.6 million (2012: Euro 16.0 million) that corresponds to the costs incurred for customers' loyalty contracts (note 1.e).

Intangible and tangible assets include interest and other financial expenses incurred, directly related to the construction of certain items of work in progress.

At 30 June 2013 and 2012, the total net amount of financial expenses capitalization amounted to Euro 9,627,653 and Euro 9,720,211, respectively. The amounts capitalised in the periods ended at 30 June 2013 and 2012 were Euro 307,869 and Euro 1,200,884, respectively. An interest capitalisation rate of 2.83% was used in 2013 (2.73% in 2012), which corresponds to the average interest rate supported by the Group.

At 30 June 2013, additions include about Euro 5.0 million of capitalizations of personnel costs related to own work (about Euro 3.4 million at 30 June 2012).

The assessment of impairment for the main tangible and intangible assets, in the various segments, is carried out as described in note 8 ('Goodwill'), to the extent that such assets are closely related to the overall activity of the segment and consequently cannot be analysed separately.

7. Breakdown of financial instruments

At 30 June 2013 and 2012, the breakdown of financial instruments was as follows:

						2013
	Loans and receivables	Investments available for sale	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets						
Investments available for sale (note 9)	-	215,448	-	215,448	-	215,448
Other non-current assets	2,111,443	-	-	2,111,443	-	2,111,443
	2,111,443	215,448	-	2,326,891	-	2,326,891
Current assets						
Trade debtors	150,973,184	-	-	150,973,184	-	150,973,184
Other current debtors	19,658,800	-	-	19,658,800	6,607,522	26,266,322
Other current assets	-	-	61,144,901	61,144,901	20,109,578	81,254,479
Cash and cash equivalents (note 11)	18,722,114	-	-	18,722,114	-	18,722,114
	189,354,098	-	61,144,901	250,498,999	26,717,100	277,216,099

						2012
	Loans and receivables	Investments available for sale	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets						
Investments available for sale (note 9)	-	212,323	-	212,323	-	212,323
Other non-current assets	313,460	-	-	313,460	-	313,460
	313,460	212,323	-	525,783	-	525,783
Current assets						
Trade debtors	121,108,435	-	-	121,108,435	-	121,108,435
Other current debtors	27,198,845	-	-	27,198,845	4,579,523	31,778,368
Other current assets	-	-	57,406,538	57,406,538	14,632,672	72,039,210
Cash and cash equivalents (note 11)	109,019,402	-	-	109,019,402	-	109,019,402
	257,326,682	-	57,406,538	314,733,220	19,212,195	333,945,415

					2013
	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	Total
Non-current liabilities					
Medium and long-term loans net of short-term portion (note 14)	246,137,304	-	246,137,304	-	246,137,304
Other non-current financial liabilities (note 15)	-	18,542,712	18,542,712	-	18,542,712
Other non-current liabilities	-	32,609,277	32,609,277	178,687	32,787,964
	246,137,304	51,151,989	297,289,293	178,687	297,467,980
Current liabilities					
Short-term loans and other loans (note 14)	139,149,229	-	139,149,229	-	139,149,229
Trade creditors	-	146,242,621	146,242,621	-	146,242,621
Other current financial liabilities (note 18)	-	3,487,675	3,487,675	-	3,487,675
Securitisation of receivables (note 17)	9,997,192	-	9,997,192	-	9,997,192
Other creditors	-	1,934,856	1,934,856	15,257,325	17,192,181
Other current liabilities	-	96,154,407	96,154,407	24,873,233	121,027,640
	149,146,421	247,819,559	396,965,980	40,130,558	437,096,538

	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	2012 Total
Non-current liabilities					
Medium and long-term loans net of short-term portion (note 14)	146,306,969	-	146,306,969	-	146,306,969
Other non-current financial liabilities (note 15)	-	19,908,024	19,908,024	-	19,908,024
Securitisation of receivables (note 17)	9,997,284	-	9,997,284	-	9,997,284
Other non-current liabilities	-	23,818,451	23,818,451	559,073	24,377,524
	156,304,253	43,726,475	200,030,728	559,073	200,589,801
Current liabilities					
Short-term loans and other loans (note 14)	307,518,703	-	307,518,703	-	307,518,703
Trade creditors	-	142,182,711	142,182,711	-	142,182,711
Other current financial liabilities (note 18)	-	3,098,641	3,098,641	-	3,098,641
Securitisation of receivables (note 17)	19,875,154	-	19,875,154	-	19,875,154
Other creditors	-	1,850,386	1,850,386	14,767,579	16,617,965
Other current liabilities	-	112,009,820	112,009,820	27,680,782	139,690,602
	327,393,857	259,141,558	586,535,415	42,448,361	628,983,776

Considering the nature of the balances, the amounts to be paid and received to/from 'State and other public entities' as well as specialized costs related to the share based plans were considered outside the scope of IFRS 7. On the other hand, the deferred costs/profits recorded in the captions 'Other current assets', 'Other non-current assets', 'Other current liabilities' and 'Other non-current liabilities' were considered non-financial instruments.

The Board of Directors believes that, the fair value of the breakdown of financial instruments recorded at amortised cost or registered at the present value of the payments does not differ significantly from their book value. This decision is based in the contractual terms of each financial instrument.

8. Goodwill

For the periods ended at 30 June 2013 and 2012, the movements occurred in Goodwill were as follows:

	2013	2012
Opening balance	518,307,204	521,103,723
Acquisition of Connectiv and goodwill adjustment (note 1.g)	412,703	8,494,057
Other movements of the period	20,852	41,813
Closing balance	518,740,759	529,639,593

For the period ended at 30 June 2013, the caption 'Other movements of the period' includes, mainly, the effects of the exchange rate update of the Goodwill.

Goodwill at 30 June 2013 and 2012 was made up as follows:

	Telecommunications	Information Systems	Multimedia
Goodwill	485,150,341	26,268,720	7,321,698

At 30 April 2012, the group acquired the entire share capital of Connectiv Solutions. Following that, the company started from 1 May 2012 to consolidate the financial statements using the full consolidation method.

Connectiv main activity is the rendering of consulting services in the area of information systems.
The acquisition price was allocated as following:

(Amounts expressed in Euro)	Values before acquisition	Adjustments to fair value	Fair value
Acquired assets			
Tangible assets	576,455	-	576,455
Intangible assets	49,303	3,190,109	3,239,412
Other current debtors	1,155,221	-	1,155,221
Other assets	116,744	-	116,744
Cash and cash equivalents	315,304	-	315,304
	2,213,027	3,190,109	5,403,136
Acquired liabilities			
Other creditors	184,608	-	184,608
Other liabilities	1,144,459	-	1,144,459
	1,329,067	-	1,329,067
Net assets and liabilities	883,960	3,190,109	4,074,069
Acquisition price			9,654,547
Goodwill			5,580,478

Following the acquisition of Connectiv Solutions, the company has made a preliminary assessment of the fair value of acquired assets and assumed liabilities, of which result the recognision of software and clients portfolio in the amount of Euro 3,190,109.

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, according with the United States os America law.

The acquisition price includes a deferred amount of USD 2 million (1 million paid in 2013 and 1 million to be paid in 2014) and a contingent amount to be paid annually, during 4 years, depending on the performance of the company in terms of revenue, which was estimated in about Euro 1.4 million (USD 0.5 million have already been paid in the period ended at 30 June 2013). For the period ended at 30 June 2013, the contingent amount payable was adjusted by EUR 412,703, which generated an adjustment to initial Goodwill, in accordance with IFRS 3 Business Combinations.

At 1 January 2013, Connectiv was incorporated, by merger, in WeDo Americas.

The evaluation of the existence of impairment losses in Goodwill is made by taking into account the cash-generating units, based on the most recent business plans duly approved by the Group's Board of Directors, which are made on an annual basis unless there is evidence of impairment and prepared according to cash flow projections for periods of five years. In the telecommunications sector, the assumptions used are based on past performances, the evolution of the number of customers, the likely evolution of regulated tariffs, the current market conditions as well as expectations for future developments. In the area of information systems, the assumptions used are essentially based on the various businesses of the Group and the growth of the several geographic areas where the Group operates. The discount rates used were based on the estimated weighted average cost of capital, which depends on the business segment of each subsidiary, as indicated in the table below. In perpetuity, the Group considered a growth rate of around 3%. In situations where the measurement of the existence, or not, of impairment is made based on the net selling price, values of similar transactions and other proposals made are used.

	Telecommunications	Information Systems	Multimedia
Assumptions			
Basis of recoverable amount	Value in use	Value in use	Net selling price
Discount rate	9.5%	14.0%	-
Growth rate in perpetuity	3.0%	3.0%	-

Due to the worsening of the financial crisis, which caused a significant deterioration of the Portugal's macroeconomic scenario in the last years, the advertising market suffered a sharp decline . This situation along with, the bearish forecasts for the next years, aggravated the outlook for future developments. Sales of newspapers and related products have been declining, affecting the projections of cash flows of the multimedia segment, leding the record of a loss in the amount of € 8 million in the year ended at 31 December 2012, under the caption 'Depreciation and amortization' of the Income Statement, in accordance with the policy described in Note 1.x. The sensitivity analysis performed, at the end of the year, did not lead to material changes in the recouverable amounts and therefore did not result in additional losses.

The evidence of impairment analysis, the revision of the projections and impairment tests did not lead to clearance of losses, in the periods ended at 30 June 2013 and 2012. In the Telecommunications and Information Systems segment, the sensitivity analysis performed, as required by IAS 36 - Impairment of Assets, variations of 50 bp in the discount rate or variations of 100 bp in the growth rate did not lead to material changes in the recouverable amounts and therefore did not result in additional losses.

9. Investments available for sale

At 30 June 2013 and 2012, this caption included investments classified as available-for-sale and was made up as follows:

	%	2013	2012
Lusa – Agência de Notícias de Portugal, S.A.	1.38%	197,344	197,344
VISAPRESS - Gestão de Conteúdos dos Média, CRL	10.00%	5,000	5,000
Others	-	13,104	9,979
		215,448	212,323

During the period ended at 30 June 2013, the movement occurred on the heading 'Investments available for sale', corresponded to the incorporation of the company Distrinews, SA in which Público subscribed 25% of its capital in the amount of Euro 12,500, and subsequent sale of 75% of the capital held in the same entity in the amount of Euro 9,375.

During the period ended at 30 June 2012, the heading 'Investments available for sale' did not present any movements.

At 31 June 2013, these investments correspond to shareholdings of immaterial amount, in unlisted companies, in which the Group has no significant influence, and in which the acquisition cost of such investments is a reasonable estimation of their fair value, adjusted where applicable, by the respective impairment losses.

The assessment of impairment in the investments described above is performed through comparisons with the value of the percentage of share capital detained by the Group and with multiples of sales and EBITDA of companies of the same sector.

The financial information regarding these investments is detailed below (in thousands of euro):

	Assets	Shareholders' funds	Gross debt	Turnover	Operational results	Net income
Lusa – Agência de Notícias de Portugal, S.A. (1)	14,267	6,841	1,215	19,485	957	261
VISAPRESS - Gestão de Conteúdos dos Média, CRL (1)	102	2	-	128	37	37

(1) Amounts expressed in thousands euro at 31 December 2012.

10. Deferred taxes

Deferred tax assets at 30 June 2013 and 2012, amounted to Euro 95,217,846 and Euro 95,931,140, respectively, and arose, mainly, from tax losses carried forward, from differences between the accounting and tax amount of some fixed assets and from others temporary differences.

The movements in deferred tax assets in the periods ended at 30 June 2013 and 2012 were as follows:

					2013
	Balance at 31 December 2012	Movements in deferred tax of year	Utilization of deferred tax	Record/(reverse) of deffered tax of previous years	Balance at 30 June 2013
Tax losses	6,172,973	1,010,556	-	192,695	7,376,224
Tax provisions not accepted and other temporary differences	36,302,876	(1,399,071)	-	29,596	34,933,401
Tax benefits (SIFIDE and RFAI)	9,709,216	-	-	1,898,443	11,607,659
Adjustments in the conversion to IAS/IFRS	13,249,801	(3,312,450)	-	-	9,937,351
Temporary differences arising from the securitisation of receivables	3,220,000	-	(1,610,000)	-	1,610,000
Differences between the tax and accounting amount of certain fixed assets and others	32,510,701	(3,201,982)	-	482,626	29,791,345
Sub-total effect on results (note 21)	101,165,567	(6,902,947)	(1,610,000)	2,603,360	95,255,980
Others	(30,786)	(7,348)	-	-	(38,134)
Closing balance	101,134,781	(6,910,295)	(1,610,000)	2,603,360	95,217,846

					2012
	Balance at 31 December 2011	Movements in deferred tax of year	Utilization of deferred tax	Record/(reverse) of deffered tax of previous years	Balance at 30 June 2012
Tax losses	7,152,769	-	(3,122,132)	286,072	4,316,709
Tax provisions not accepted and other temporary differences	26,591,262	(300,676)	-	4,854,210	31,144,796
Tax benefits (SIFIDE and RFAI)	3,519,525	-	-	17,217	3,536,742
Adjustments in the conversion to IAS/IFRS	20,203,355	(3,367,227)	-	-	16,836,128
Temporary differences arising from the securitisation of receivables	6,440,000	-	(1,610,000)	-	4,830,000
Differences between the tax and accounting amount of certain fixed assets and others	39,975,219	(4,694,966)	-	-	35,280,253
Sub-total effect on results (note 21)	103,882,130	(8,362,869)	(4,732,132)	5,157,499	95,944,628
Others	(28,249)	14,761	-	-	(13,488)
Closing balance	103,853,881	(8,348,108)	(4,732,132)	5,157,499	95,931,140

The 'Other temporary differences' include temporary differences related to the value of the UMTS license, of the subsidiary Optimus. In consolidated financial statements and in accordance with IAS / IFRS, the license was amortised linearly, by the estimated period of useful life. For tax purposes, until the year 2009, the UMTS license was amortised using, on the first five years of commercial operation, from 2004 to 2008, incremental monthly basis depending of the capacity of the network installed, which would be applied after the straight-line monthly basis until the term of the license. Thus, the group recorded deferred tax assets relating to the temporary differences between the value of the license for tax purposes and the value recorded in the consolidated financial statements.

Deferred taxes related to the IAS / IFRS adjustments correspond to the temporary differences generated in the companies included in consolidation and result from the fact that IAS / IFRS conversion adjustments, recorded in these companies at 31 December 2009, already considered in consolidated financial statements under IAS / IFRS, from previous years, only be considered for tax purposes, linearly, for a period of five years between 2010 and 2014.

At 31 December 2008, deferred tax assets were recognised in the amount of Euro 16.1 million with regard to the securitisation of future receivables completed in December 2008 (note 17). As a result of that operation, and in accordance with the provisions of *Decreto-Lei* nº 219/2001 (Decree-Law) of 4 August, an amount of Euro 100 million was generated from that operation and it was added for purposes of determining the taxable income for the year 2008, thereby generating a temporary difference between accounting and taxable income result, which led to the recognition of a deferred tax asset to the extent, that its use was, with reasonable safety, probable at that date. Until 30 June 2013, an amount of Euro 14.5 million was reversed corresponding to the reversal of the above referred temporary difference.

At 30 June 2013 and 2012, assessments of the deferred tax assets to be recovered and recognised were made. Potential deferred tax assets were recorded to the extent that future taxable profits were expected to be generated against which the tax losses and deductible tax differences could be used. These assessments were made based on the most recent business plans duly approved by the Board of Directors of the Group companies, which are periodically reviewed and updated. The main criteria used in those business plans are described in note 8.
The rate used at 30 June 2013 and 2012, in Portuguese companies, to calculate the deferred tax assets relating to tax losses carried forward was 25%. The rate used to calculate the temporary differences, including provisions not accepted and impairment losses, was 26.5%. Tax benefits, related to deductions from taxable income, are considered at 100%, and in some cases, their full acceptance is dependent on the approval of the authorities that concede such tax benefits. It wasn't considered the state surcharge, as it was understood to be unlikely the taxation of temporary differences during the estimated period when the referred rate will be applicable. For foreign companies was used the rate in force in each country.

In accordance with the tax returns and other information prepared by the companies that have registered deferred tax assets, the detail of such deferred tax assets, by nature, at 30 June 2013 and 2012 was as follows:

		Companies excluded of the tax group							2013
Nature	Companies included in the tax group	Digitmarket	Cape Technologies	We Do Brasil	We Do USA	Sonecom Sistemas de Informação Espanha	We Do Mexico	Total	Total Sonaecom Group
Tax losses:									
To be used until 2015	5,628,170	-	-	-	-	-	-	-	5,628,170
To be used until 2017	757,673	-	-	-	-	-	-	-	757,673
To be used until 2021	-	-	-	-	-	-	153,061	153,061	153,061
To be used until 2022	-	-	-	-	-	-	28,236	28,236	28,236
To be used until 2023	-	-	-	-	-	-	190,452	190,452	190,452
To be used until 2025	-	-	-	-	-	151,545	-	151,545	151,545
To be used until 2030	-	-	-	-	142,929	7,393	-	150,322	150,322
To be used until 2032	-	-	-	-	125,994	-	-	125,994	125,994
To be used until 2033	-	-	-	-	56,265	-	-	56,265	56,265
Unlimited utilisation	-	-	134,506	-	-	-	-	134,506	134,506
Tax losses	6,385,843	-	134,506	-	325,188	158,938	371,749	990,381	7,376,224
Tax provisions not accepted and other temporary differences	34,606,623	19,588	-	166,131	130,071	-	10,988	326,778	34,933,401
Tax benefits (SIFIDE and RFAI)	11,607,659	-	-	-	-	-	-	-	11,607,659
Adjustments in the conversion to IAS/IFRS	9,937,035	316	-	-	-	-	-	316	9,937,351
Temporary differences arising from the securitisation of receivables	1,610,000	-	-	-	-	-	-	-	1,610,000
of certain fixed assets and others	-	-	-	-	-	-	-	-	29,791,345
Others	-	-	-	(6,150)	(12,600)	-	(19,384)	(38,134)	(38,134)
Total	64,147,160	19,904	134,506	159,981	442,659	158,938	363,353	1,279,341	95,217,846

At 30 June 2013 and 2012, the Group has other situations where potential deferred tax assets could be recognised, but since it is not expected that sufficient taxable profits will be generated in the future to cover those losses, such deferred tax assets were not recorded:

	2013	2012
Tax losses	19,777,113	26,817,579
Temporary differences (provisions not accepted for tax purposes and other temporary diferences)	36,347,308	40,012,327
Others	4,955,642	14,805,757
	61,080,063	81,635,663

At 30 June 2013 and 2012, tax losses for which deferred tax assets were not recognised have the following due dates:

Due date	2013	2012
2012	-	4,576,207
2013	12,852,794	13,846,284
2014	454,377	469,302
2015	2,328,841	3,853,099
2016	398,852	365,925
2017	215,945	153,947
2018	63,041	48,023
2019	331,156	331,156
2020	28,260	10,130
2021	53,860	50,078
2022	22,594	51,597
2027	-	26,539
2030	84,675	-
2031	78,338	-
Unlimited	2,864,380	3,035,292
	19,777,113	26,817,579

The years 2018 and following are applicable to the subsidiaries incorporated in countries in which the reporting period of tax losses is greater than four years.

The deferred tax liabilities at 30 June 2013 and 2012 amounting to Euro 1,112,167 and Euro 1,925,792 respectively, result mainly from temporary differences between tax and accounting results of the tangible and intangible assets.

The movement that occurred in deferred tax liabilities in the periods ended at 30 June 2013 and 2012 were as follows:

	2013	2012
Opening balance	(1,089,637)	(5,186,711)
Impact on results:		
Temporary differences between accounting and tax result	(22,530)	2,770,104
Sub-total impact on results (note 21)	(22,530)	2,770,104
Others	-	490,815
Closing balance	(1,112,167)	(1,925,792)

The reconciliation between the earnings before taxes and the taxes recorded for the periods ended at 30 June 2013 and 2012 is as follows:

	2013	2012
Earnings before taxes	48,039,111	44,747,364
Income tax rate (25%)	(12,009,778)	(11,186,841)
Deferred tax assets not recognised in the individual accounts and / or resulting from consolidation adjustments and other adjustments to taxable income	(794,583)	(2,353,949)
Record/(reverse) of deferred tax assets related to previous years and tax benefits	2,603,360	5,157,499
Use of tax losses and tax benefits without record of deferred tax asset in previous years	2,468,434	2,081,169
Temporary differences for the period without record of deferred tax assets	(826,260)	(1,024,063)
Record of deferred tax liabilities	(348,845)	-
Temporary differences arising from the securitisation of receivables	900,000	900,000
Movements in the temporary differences between the tax and accounting amounts of the UMTS license	(182,583)	(182,514)
Income taxation recorded in the period (note 21)	(8,190,255)	(6,608,699)

The tax rate used to reconcile the tax expense and the accounting profit was 25% because it is the standard rate of the corporate income tax in Portugal.

Portuguese Tax Authorities can review the income tax returns of the Company and of its subsidiaries with head office in Portugal for a period of four years (five years for Social Security), except when tax losses have been generated, tax benefits have been granted or when any review, claim or impugnation is in course, in which circumstances, the periods are extended or suspended. Consequently, tax returns of each year, since the year 2009 (inclusive) are still subject to such review. The Board of Directors believes that any correction that may arise as a result of such review would not have a significant impact on the accompanying consolidated financial statements.

For the year ended at 31 December 2010, the subsidiary Optimus 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 Euro 100 million, with respect to initial price of future credits transferred to securitization. The Settlement Note, was receipt on April 2011. Given the principle of periodization of taxable income, Optimus was subsequently notified of the improper deduction of the amount of Euro 20 million in the calculation of taxable income for the years 2009 (Report of the Tax Inspection and tax settlement notice received in December 2011 and January 2012, respectively) and 2010 (Report of the Tax Inspection and the tax settlement notice received in January and May 2013, respectively).

Since the increases made in 2008, was not accepted by not comply with Article 18 of the CIRC, also in the years following, the deduction corresponding to credits generated in that year, will eliminate the calculation of taxable income, to meet the annual amortization hired as part of the operation (20 million per year during 5 years,). Optimus challenged the decisions regarding 2008 and 2009 fiscal years and will challenge, in time, the decision regarding 2010 fiscal year. The Board of Directors of the Optimus and the Group are conviced that there are strong arguments to obtain a favorable decision for Optimus. For this reason, Optimus kept the recording of deferred tax assets associated with this operation.

Supported by the Company's lawyers and Tax consultants, the Board of Directors believes that there are no liabilities not provisioned in the consolidated financial statements, associated to probable tax contingencies that should have been registered or disclosed in the accompanying financial statements, at 30 June 2013.

11. Cash and cash equivalents

At 30 June 2013 and 2012, the detail of cash and cash equivalents was as follows:

	2013	2012
Cash	176,849	205,725
Bank deposits repayable on demand	4,458,166	6,476,272
Treasury applications	14,087,099	102,337,405
Cash and cash equivalents	18,722,114	109,019,402
Bank overdrafts (note 14)	(4,819,298)	(4,528,024)
	13,902,816	104,491,378

At 30 June 2013 and 2012, the 'Treasury applications' had the following breakdown:

	2013	2012
Sonae Investments BV	6,810,000	26,810,000
Bank applications	7,277,099	75,527,405
	14,087,099	102,337,405

During the period ended at 30 June 2013, the above mentioned treasury applications bear interests at an average rate of 1.90% (1.99% in 2012).

12. Share capital

At 30 June 2013 and 2012, the share capital of Sonaecom was comprised by 366,246,868 ordinary registered shares of 1 Euro each. At those dates, the Shareholder structure was as follows:

	2013		2012	
	Number of shares	**%**	Number of shares	%
Sontel BV	**194,063,119**	**52.99%**	194,063,119	52.99%
Shares traded on the Portuguese Stock Exchange ('Free Float')	**89,932,361**	**24.56%**	76,104,586	20.78%
Atlas Service Belgium	**73,249,374**	**20.00%**	73,249,374	20.00%
Own shares (note 13)	**5,571,014**	**1.52%**	6,897,791	1.88%
Sonae SGPS	**3,430,000**	**0.94%**	3,430,000	0.94%
Efanor Investimentos, S.G.P.S., S.A.	**1,000**	**0.00%**	1,000	0.00%
Millenium BCP *	**-**	**0.00%**	12,500,998	3.41%
	366,246,868	**100.00%**	366,246,868	100.00%

*The number of shares held by Millenium BCP, according with the information obtained on 15 May 2013, has been included in 'Free Float' because it does not correspond to a qualified participation.

All shares that comprise the share capital of Sonaecom, are authorised, subscribed and paid. All shares have the same rights and each share corresponds to one vote.

13. Own shares

During the period ended at 30 June 2013, Sonaecom delivered to its employees 250,024 own shares under its Short and Medium Term Incentive Plan.

Additionally, during the period ended at 30 June 2013, Sonaecom acquired 1,500,000 shares (at an average price of Euro 1.667), holding at 30 June 2013, 5,571,014 own shares, representative of 1.52% of its share capital at the average acquisition cost of Euro 1.380.

14. Loans

At 30 June 2013 and 2012, the caption Loans had the following breakdown:

a) Medium and long-term loans net of short-term portion

					Amount outstanding	
Company	Issue denomination	Limit	Maturity	Type of reimbursement	2013	2012
Sonaecom SGPS	'Obrigações Sonaecom SGPS 2011'	100,000,000	Mar-15	Final	100,000,000	100,000,000
	'Obrigações Sonaecom SGPS 2010'	40,000,000	Mar-15	Final	40,000,000	40,000,000
	'Obrigações Sonaecom SGPS 2012'	20,000,000	Jul-14/Jan-15/Jul-15	–	20,000,000	–
	'Obrigações Sonaecom SGPS 2013'	20,000,000	Jun-16	Final	20,000,000	–
	Costs associated with financing set-up	–	–	–	(1,355,060)	(2,223,289)
	Interests incurred but not yet due	–	–	–	1,711,194	2,038,176
					180,356,134	139,814,887
Sonaecom SGPS	Commercial paper	30,000,000	Jul-15	–	30,000,000	–
	Commercial paper	30,000,000	Nov-14	–	30,000,000	–
	Costs associated with financing set-up	–	–	–	(116,238)	–
	Interests incurred but not yet due	–	–	–	252,470	–
					60,136,232	-
WeDo USA	Bank loan	–	Apr-19	–	5,212,705	5,957,100
Unipress	Bank loan	–	Jun-17	–	100,000	238,839
Saphety	Minority Shareholder loans	–	–	–	451,322	451,322
	Costs associated with financing set-up	–	–	–	(148,895)	(187,419)
	Interests incurred but not yet due	–	–	–	29,806	32,239
					5,644,938	6,492,081
					246,137,304	146,306,969

b) Short-term loans and other loans

					Amount outstanding	
Company	Issue denomination	Limit	Maturity	Type of reimbursement	2013	2012
Sonaecom SGPS	'Obrigações Sonaecom SGPS 2005'	150,000,000	Jun-13	Final	-	150,000,000
	'Obrigações Sonaecom SGPS 2010'	30,000,000	Feb-13	Final	-	30,000,000
					-	180,000,000
Sonaecom SGPS	Commercial paper	150,000,000	Jul-12	–	-	123,000,000
	Commercial paper	100,000,000	Jun-14	–	100,000,000	-
	Commercial paper	25,000,000	Jul-13	–	25,000,000	-
	Costs associated with financing set-up	–	–	–	(17,842)	(49,631)
	Interests incurred but not yet due	–	–	–	8,372	40,310
					124,990,530	122,990,679
Sonaecom SGPS	Overdraft facilities	16,500,000	Jul-13	–	8,805,000	-
WeDo USA	Bank loan	–	Apr-14	–	521,270	-
Unipress	Bank loan	–	–	–	13,131	-
Sonaecom SGPS	Authorised overdrafts (note 11)	2,500,000	Oct-13	–	1,173,239	-
Several	Bank overdrafts (note 11)	–	–	–	3,646,059	4,528,024
					14,158,699	4,528,024
					139,149,229	307,518,703

Bond Loan

In June 2005, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 150 million without guarantees and with a maturity of eight years. The bonds bear interest at floating rate, indexed to Euribor and paid semiannually. This issue was organised and mounted by Millennium BCP Investimento. In June 2013, Sonaecom settled the entire amount of the bond loan and respective interest expenses.

In February and March 2010, Sonaecom signed two other Bond Loans, both privately placed, in the amount of Euro 30 and 40 million, without guarantees and maturities of 3 and 5 years respectively. Both loans bear interest at floating rate indexed to Euribor, and paid semiannually. The issues were organised and mounted by, respectively, Banco Espirito Santo de Investimento and Caixa - Banco de Investimento. These bond issues were traded on Euronext Lisbon market. At 4 February 2013, the Company settled the bond loan of Euro 30 million.

In September 2011, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 100 million without guarantees and with a maturity of three and half years. The bonds bear interest at floating rate, indexed to Euribor and paid semiannually. This issue was organised and mounted by BNP Paribas, ING Belgium SA/NV and WestLB AG. During the period ended at 30 June 2013, Portigon AG (previously named WestLB AG), transferred an amount of Euro 33.300.000 (corresponding to its entire participation in the loan) to Erste Abwicklungsanstalt ('EAA'), a state entity in German.

In July 2012, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 20 million without guarantees and with the maturity of three years. The bonds bear interest at floating rate, indexed to Euribor and paid semiannually. This issue was organised and mounted by Banco BPI.

In May 2013, Sonaecom signed a Boan Loan, privately placed, amounting to Euro 20 million, without guarantees and with a maturity date of three years. The bonds bear interest at floating rate indexed to Euribor and paid semiannually. This issue was organized and mounted by Caixa Económica Montepio Geral.

All the loans above are unsecured and the fulfillment of the obligations under these loans is exclusively guaranteed by the underlying activities and the indebted company cash flows generation capacity.

The average interest rate of the bond loans, in the period, was 2.48% (3.37% in 2012).

Commercial Paper

In July 2007, Sonaecom contracted a Commercial Paper Programme Issuance with a maximum amount of Euro 250 million with subscription grant and maturity of five years, organised by Banco Santander de Negócios Portugal and by Caixa – Banco de Investimento. According to the original terms, this programme was reduced to the amount of Euro 150 million in July 2010. In 30 July 2012, Sonaecom settled the entire amount used of commercial paper and respective interest expenses.

The placing underwriting consortium is composed by the following institutions: Banco Santander Totta, Caixa Geral de Depósitos, Banco BPI, Banco Bilbao Vizcaya Argentaria (Portugal), Banco Comercial Português and BNP Paribas Branch office (in Portugal).

In June 2010, Sonaecom contracted a Commercial Paper Programme Issuance with a maximum amount of Euro 15 million with subscription grant and maturity of tree years, organised by Caixa Económica Montepio Geral.

In July 2012, Sonaecom contracted a Commercial Paper Programme Issuance with a maximum amount of Euro 30 million with subscription grant and maturity of tree years, organised by Caixa – Banco de Investimento and Caixa Geral de Depósitos. Additionally, in the same period, Sonaecom contracted a Commercial Paper Programmes with a maximum of Euro 25 million with subscription grant and effective for a period of one year, organised by Banco Santander Totta.

In April 2012, WeDo Americas contracted a long term loan, amounted to USD 7,5 million with the maturity of seven years, organised by Espirito Santo Bank. Repayment of this loan is due in 11 equal semiannual payments, with the first to be made in April 2014.

In May 2013, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amounts of 30 million with subscription grant and maturity of eighteen months, organised by Banco Espírito Santo de Investimento and Banco Espírito Santo.

In June 2013, Sonaecom contracted a Commercial Paper Programme Issuance with a maximum amounts of 100 million with subscription grant and maturity of one year, organised by Banco Comercial Português.

All the loans above are unsecured and the fulfillment of the obligations under these loans is exclusively guaranteed by the underlying activities and the indebted company cash flows generation capacity.

On 30 June 2013, the main financial constraints (covenants) included in debt contracts are related with the bond issue completed by Sonaecom during September 2011, totalling Euro 100 million and establishing: (i) the requirement for Sonaecom, Optimus, Artis and Optimus SGPS, as well as the group companies whose both assets and EBITDA are equal or greater than 15% of the consolidated assets and the consolidated EBITDA (material subsidiaries) represent, as a whole, at least 80% of Sonaecom consolidated assets and consolidated EBITDA, and: (ii) the obligation to ensure that consolidated net debt does not exceed three times the consolidated EBITDA. Additionally, both this loan, as well as other loans are covered by Sonaecom negative pledge clauses, which impose certain restrictions on the mortgaging or pledging of the material subsidiaries' tangible assets and require the upholding of control over Optimus and Wedo USA (regarding this company bank loan). The penalties applicable in the event of default in these covenants are generally the early payment of the loans obtained.

On 30 June 2013 and at present date, Sonaecom was fully compliant with all the financial constraints above mentioned. As a result of the negotiation process with the financial system, the necessary approvals were obtained, allowing the resolution of the impacts of possible merger between Optimus and Zon.

Bank credit lines of short-term portion

Sonaecom has also short term bank credit lines, in the form of current or overdraft account commitments, in the amount of Euro 29 million. These credit lines have maturities up to one year, automatically renewable, except in case of termination by either party, with some periods of notice.

All these loans and bank credit lines bear interest at market rates, indexed to the Euribor for the respective term, and were all contracted in Euro.

At 30 June 2013 and 2012, the repayment schedule of medium and long-term loans and of interests (nominal values), for bonds, commercial paper and for WeDo Americas bank loan were as follows (values based on the latest interest rate established for each type of loan):

	Within 12 months	Between 12 and 24 months	Between 24 and 36 months	Between 36 and 48 months	Between 48 and 60 months	Between 60 and 72 months
2013						
Bond loan:						
Reimbursements	-	150,000,000	30,000,000	-	-	-
Interests	6,569,186	4,984,174	956,318	-	-	-
Commercial paper:						
Reimbursements	-	30,000,000	30,000,000	-	-	-
Interests	2,690,353	1,712,233	95,725	-	-	-
Other loans:						
Reimbursements	-	1,042,541	1,042,541	1,042,541	1,042,541	1,042,541
Interests	150,057	139,640	110,001	79,824	49,854	17,403
	9,409,596	187,878,588	62,204,585	1,122,365	1,092,395	1,059,944
2012						
Bond loan:						
Reimbursements	–	–	140,000,000	–	–	–
Interests	5,625,000	5,625,000	4,094,162	–	–	–
Commercial paper:						
Reimbursements	–	–	–	–	–	–
Interests	–	–	–	–	–	–
	5,625,000	5,625,000	144,094,162	–	–	–

Although the maturity of commercial paper issuance is between one week to six months, the counterparties assumed the placement and the maintenance of those limits for a period of five years (at 30 June 2013 its maturity was three years). As so, such liabilities are recorded in the medium and long term.

Minority Shareholder loans have no maturity defined.

At 30 June 2013 and 2012, the available credit lines of the Group were as follows:

					Maturity	
Company	Credit	Limit	Amount outstanding	Amount available	Until 12 months	More than 12 months
2013						
Sonaecom	Commercial paper	100,000,000	100,000,000	-	x	
Sonaecom	Commercial paper	30,000,000	30,000,000	-		x
Sonaecom	Commercial paper	30,000,000	30,000,000	-		x
Sonaecom	Commercial paper	25,000,000	25,000,000	-	x	
Sonaecom	Commercial paper	15,000,000	-	15,000,000	x	
Sonaecom	Bond loan	100,000,000	100,000,000	-		x
Sonaecom	Bond loan	40,000,000	40,000,000	-		x
Sonaecom	Bond loan	20,000,000	20,000,000	-		x
Sonaecom	Bond loan	20,000,000	20,000,000	-		x
Sonaecom	Overdraft facilities	16,500,000	8,805,000	7,695,000	x	
Sonaecom	Authorised overdrafts*	10,000,000	-	10,000,000	x	
Sonaecom	Authorised overdrafts	2,500,000	1,173,239	1,326,761	x	
SIRS	Authorised overdrafts	150,000	-	150,000	x	
WeDo USA	Bank loan	5,733,975	5,733,975	-	x	x
Others	Several	-	4,210,512	-	x	x
		414,883,975	384,922,726	34,171,761		
2012						
Sonaecom	Commercial paper	150,000,000	123,000,000	27,000,000	x	
Sonaecom	Commercial paper	30,000,000	-	30,000,000		x
Sonaecom	Commercial paper	15,000,000	-	15,000,000	x	
Sonaecom	Commercial paper	5,000,000	-	5,000,000	x	
Sonaecom	Bond loan	150,000,000	150,000,000	-	x	
Sonaecom	Bond loan	100,000,000	100,000,000	-		x
Sonaecom	Bond loan	40,000,000	40,000,000	-		x
Sonaecom	Bond loan	30,000,000	30,000,000	-	x	
Sonaecom	Overdraft facilities	16,500,000	-	16,500,000	x	
Sonaecom	Authorised overdrafts*	10,000,000	-	10,000,000	x	
Sonaecom	Authorised overdrafts	2,500,000	-	2,500,000	x	
Saphety	Authorised overdrafts	219,030	-	219,030	x	
SIRS	Authorised overdrafts	150,000	-	150,000	x	
WeDo USA	Bank loan	5,957,100	5,957,100	-		x
Others	Several	-	5,218,185	-	x	
		555,326,130	454,175,285	106,369,030		

* Can also be used in the form of commercial paper

At 30 June 2013 and 2012, there are no interest rate hedging instruments therefore the total gross debit is exposed to changes in market interest rates.

15. Other non-current financial liabilities

At 30 June 2013 and 2012, this caption was made up of accounts payable to tangible and intangible assets suppliers related to lease contracts which are due in more than one year in the amount of Euro 18,542,712 and Euro 19,908,024, respectively.

At 30 June 2013 and 2012, the payment of these amounts was due as follows:

	2013		2012	
	Lease payments	Present value of lease payments	Lease payments	Present value of lease payments
2012	-	-	2,344,001	1,829,339
2013	2,544,843	1,995,473	4,365,020	3,376,518
2014	4,242,624	3,296,577	3,455,213	2,612,179
2015	4,100,948	3,319,939	3,348,404	2,635,554
2016	3,314,147	2,692,938	2,458,419	1,864,722
2017 onwards	12,891,844	10,725,460	12,850,705	10,688,353
	27,094,406	22,030,387	28,821,762	23,006,665
Interests	(5,064,019)	–	(5,815,097)	–
	22,030,387	22,030,387	23,006,665	23,006,665
Short-term liability (note 18)	–	(3,487,675)	–	(3,098,641)
	22,030,387	18,542,712	23,006,665	19,908,024

The medium and long-term agreements made with suppliers of optical fibre network capacity, under which the Group has the right to use that network, which is considered as a specific asset, are recorded as finance leases in accordance with IAS 17 – 'Leases' and IFRIC 4 – 'Determining whether an arrangement contains a Lease'. These contracts have a 15 to 20 year maturity. The carrying amount of these assets and the corresponding liabilities for the years ended at 30 June 2013 and 2012 was as follows:

	2013	2012
Net Assets	12,490,990	13,765,813
Current liabilities	848,560	795,919
Non-current liabilities	13,288,100	14,357,750

16. Provisions and accumulated impairment losses

The movements in provisions and in accumulated impairment losses in the periods ended at 30 June 2013 and 2012 were as follows:

	Opening balance	Increases	Decreases	Utilisations and Transfers	Closing balance
2013					
Accumulated impairment losses on accounts receivables	83,081,017	13,351,071	(5,135,307)	(17,076,374)	74,220,407
Accumulated impairment losses on inventories	4,377,789	349,998	(1,970,000)	(412,964)	2,344,823
Provisions for other liabilities and charges	43,612,202	1,924,368	(3,937,549)	(1,922,109)	39,676,912
	131,071,008	15,625,437	(11,042,856)	(19,411,447)	116,242,142
2012					
Accumulated impairment losses on accounts receivables	78,700,909	12,288,987	(692,105)	(19,232,338)	71,065,453
Accumulated impairment losses on inventories	12,801,233	845,973	(181,584)	(1,366,363)	12,099,259
Provisions for other liabilities and charges	48,549,956	1,613,158	(1,025,620)	(2,039,532)	47,097,962
	140,052,098	14,748,118	(1,899,309)	(22,638,233)	130,262,674

The increase of 'Provisions for other liabilities and charges' includes the amount of Euro 500,153 (2012: Euro 851,098) recorded in the profit and loss statement, under the caption 'Income taxation' (note 21), the amount of Euro 139,000 related to the dismantling of sites, as foreseen in IAS 16 – Fixed Assets (note 1.d) and the amount of Euro 196,484 recorded in the profit and loss statement in 'Other financial expenses' concerning the update of previous provision to dismantling of sites.

The decrease in 'Provisions for other liabilities and charges' includes the amount of Euro 30,716 (2012: Euro 141.312) registered under the caption ' Income Tax' in Profit and Loss Statement (note 21).

The reinforcement and the decrease on 'Accumulated Impairment losses on Inventories' are recorded, on the profit and loss statement, under the caption 'Cost of Sales' (note 1.j). Thus, under the caption 'Provisions and accumulated impairment losses' in Profit and Loss statement, was recorded an increase amounted to Euro 5,397,662 in 2013 and to Euro 11,474,634 in 2012.

The heading 'Utilisations' refers, essentially, to the utilisation of provisions registered against entries in customers current accounts and inventories of the subsidiary Optimus – Comunicações S.A., fully subject to impairment losses already recognised in the profit and loss statement .

At 30 June 2013 and 2012, the breakdown of the provisions for other liabilities and charges is as follows:

	2013	2012
Dismantling of sites	14,319,433	22,804,101
Several contingencies	5,022,139	3,864,843
Legal processes in progress	3,102,463	3,264,062
Indemnities	540,277	652,289
Other responsibilities	16,692,600	16,512,667
	39,676,912	47,097,962

At 30 June 2013 , the value of provisions for the decommissioning of sites is recorded at its present value, accordingly with the dates of its utilization (in accordance with IAS 37 – 'Provisions, Contigent Liabilities and Contigent Assets').

The decrease in the year ended 2012 is due to the update to the present value of the provisions for decommissioning of sites accordingly with consideration the estimated dates of its utilization which was recognized in reduction in an equal amount in tangible assets (Note 5).

The heading 'Several contingencies' relates to contingent liabilities arising from transactions carried out in previous years and for which an outflow of funds is probable.

In relation to the provisions recorded for legal processes in progress and others, given the uncertainty of such proceedings, the Board of Directors is unable to estimate, with reliability, the moment when such provisions will be used and therefore no financial actualisation was carried out.

The heading 'Other responsibilities' corresponds to the value of costs charged to the current period or previous years, for which it is not possible to estimate reliably the time of occurrence of the expense (note 1.s), in the amount of circa Euro 14.7 million, which includes the amount of Euro 3.8 million related to the dispute concerning the vagueness of the interconnection tariffs of 2001 (note 27) and the amount of Euro 4.1 million related to roaming discounts.

17. Securitisation of receivables

On 30 December 2008, the subsidiary Optimus – Comunicações, S.A., carried out a securitisation operation of future receivables amounting to Euro 100 million (Euro 98,569,400, net of initial costs) following which it ceded future credits to be generated under a portfolio of existing 'Corporate' customer contracts, under the regime established in the *Decreto-Lei* nº 453/99 (Decree-Law), of 5 November (note 10).

This operation was coordinated by Deutsche Bank, the future credits having been assigned to TAGUS – Sociedade de Titularização de Créditos, S.A. (TAGUS), which, for this purpose, issued securitised bonds designated 'Magma No. 1 Securitisation Notes', that received from the CMVM (National Securities Market Commission) the legally required alphanumeric code: 200812TGSSONSXXN0031.

Future receivables in the necessary amounts required for TAGUS to perform the quarter interest and principal instalment payments due to bondholders, as well as all the other payments due to the other creditors of this transaction, shall be allocated to Optimus - Comunicações, S.A. throughout calendar years 2009/2013, up to a maximum of Euro 213,840,362. Under the terms of this transaction, the amount to be allocated in the next 12 months (Euro 9,997,192) was registered in current liabilities.

The transaction did not determine any change in the accounting treatment of the underlying receivables or in the relationship established with the customers.

At 30 June 2013 and 2012, the amount recorded in 'Securitisation of receivables' has the following maturity:

	Within 12 months	Between 12 and 24 months	Total
2013			
Securitisation of receivables	9,997,192	-	9,997,192
2012			
Securitisation of receivables	19,875,154	9,997,284	29,872,438

18. Other current financial liabilities

At 30 June 2013, this caption includes the amount of Euro 3,487,675 (2012: Euro 3,098,641) related to the short term portion of lease contracts (note 15).

19. External supplies and services

'External supplies and services' for the periods ended at 30 June 2013 and 2012 had the following composition:

	2013	2012
Interconnection costs	92,737,712	89,884,524
Specialised works	22,367,447	22,061,830
Other subcontracts	16,039,336	14,014,980
Rents	15,844,554	17,903,132
Commissions	8,659,475	8,252,298
Advertising and promotion	8,465,781	10,563,557
Energy	5,231,969	4,977,420
Leased lines	4,992,861	6,197,739
Travelling costs	3,174,458	2,652,366
Fees	2,819,430	2,678,320
Communications	2,095,915	2,343,039
Maintenance and repairs	2,016,939	2,753,286
Others	7,860,206	8,867,456
	192,306,083	193,149,947

The commitments assumed by the Group at 30 June 2013 and 2012 related to operational leases are as follows:

	2013	2012
Minimum payments of operational leases:		
2012	-	18,902,032
2013	19,536,806	34,842,931
2014	25,993,137	32,195,276
2015	21,069,532	29,515,660
2016	19,273,820	25,754,683
2017 onwards	47,735,032	56,156,057
Renewable by periods of one year	11,962,227	3,126,176
	145,570,554	200,492,815

During the period ended at 30 June 2013, an amount of Euro 20,244,355 (2012: Euro 21,863,199) was recorded in the heading 'External supplies and services' related with operational leasing rents, divided between the lines 'Rents', 'Leased lines' and 'Interconnection costs'.

20. Financial results

Net financial results for the periods ended at 30 June 2013 and 2012 were made up as follows ((costs) / gains):

	2013	2012
Financial expenses:		
Interest expenses:	(7,520,648)	(7,749,878)
Bank loans	(5,809,301)	(5,889,321)
Securitisation interests	(360,905)	(981,439)
Leasing	(516,641)	(471,866)
Other interests	(833,801)	(407,252)
Foreign exchange losses	(573,449)	(810,566)
Other financial expenses	(666,736)	(821,471)
	(8,760,833)	(9,381,915)
Financial income:		
Interest income	1,878,955	3,033,106
Foreign exchange gains	555,504	550,265
Others financial gains	3,375	11,518
	2,437,834	3,594,889

During the periods ended at 30 June 2013 and 2012, the caption 'Financial income: Interest income' includes, mainly, interests earned on treasury applications and interests arising from late collections associated with cases in litigation.

21. Income taxation

Income taxes recognised during the periods ended at 30 June 2013 and 2012 were made up as follows ((costs) / gains):

	2013	2012
Current tax	(1,788,701)	(731,515)
Tax provision net of reduction (note 16)	(469,437)	(709,786)
Deferred tax assets (note 10)	(5,909,587)	(7,937,502)
Deferred tax liabilities (note 10)	(22,530)	2,770,104
	(8,190,255)	(6,608,699)

22. Related parties

During the periods ended at 30 June 2013 and 2012, the balances and transactions maintained with related parties were mainly associated with the normal operational activity of the Group (providing communications and consultancy services) and to the concession and obtainment of loans.

The most significant balances and transactions with related parties, which are listed in the appendix to this report, during the periods ended at 30 June 2012 and 2013 were as follows:

	Balances at 30 June 2013			
	Accounts receivable	Accounts payable	Treasury applications (note 11)	Other assets / (liabilities)
Holding company				
Sonae SGPS	2,539	–	–	(12,999)
Other related companies				
Modelo Continente Hipermercados, S.A.	677,670	153,614	–	185,292
Worten	1,884,191	90,081	–	(936,236)
Sonaecenter II	1,391,531	132,230	–	27,086
Sierra Portugal	1,064,916	–	–	102,305
Raso Viagens	70,253	565,171	–	13,602
SC-Sociedade de Consultadoria	167,131	111	–	(120,111)
Sonae Indústria PCDM	518,390	–	–	29,022
Sonae Investments BV	–	3,352	6,810,000	3,367
France Telecom	3,030,219	5,705,104	–	(2,145,473)
	8,806,840	6,649,663	6,810,000	(2,854,145)

	Balances at 30 June 2012			
	Accounts receivable	Accounts payable	Treasury applications (note 11)	Other assets / (liabilities)
Holding company				
Sonae SGPS	34,168	–	–	3,089
Other related companies				
Modelo Continente Hipermercados, S.A.	859,572	535,360	–	(114,601)
Worten	2,806,609	(2,699)	–	(596,506)
Sonaecenter II	1,337,856	95,092	–	7,347
Sierra Portugal	1,048,722	81,987	–	(767,555)
Raso Viagens	96,019	94,675	–	(119,946)
SC-Sociedade de Consultadoria	300,047	–	–	(50,234)
Sonae Indústria PCDM	494,157	–	–	33,491
Sonae Investments BV	–	–	26,810,000	2,031
France Telecom	978,368	4,105,279	–	(1,599,190)
	7,955,518	4,909,694	26,810,000	(3,202,074)

	Transactions at 30 June 2013			
	Sales and services rendered	Supplies and services received (note 19)	Interest and similar income / (expense) (note 20)	Supplementary income
Holding company				
Sonae SGPS	11,672	–	–	–
Other related companies				
Modelo Continente Hipermercados, S.A.	1,952,583	515,526	–	78,538
Worten	1,463,003	734,843	–	7
Sonaecenter II	3,632,040	468,366	–	–
Sierra Portugal	3,416,578	492,082	–	7
Raso Viagens	143,313	1,356,998	–	–
SC-Sociedade de Consultadoria	358,945	–	–	–
Sonae Indústria PCDM	424,294	–	–	–
Sonae Investments BV	–	–	5,774	–
France Telecom	7,453,416	10,257,952	–	–
	18,855,844	13,825,767	5,774	78,552

	Transactions at 30 June 2012			
	Sales and services rendered	Supplies and services received (note 19)	Interest and similar income / (expense) (note 20)	Supplementary income
Holding company				
Sonae SGPS	2,368	4,500	221,776	–
Other related companies				
Modelo Continente Hipermercados, S.A.	2,615,924	893,242	–	218,903
Worten	1,205,993	921,463	–	16
Sonaecenter II	4,697,541	393,692	–	–
Sierra Portugal	2,625,847	502,258	–	(57)
Raso Viagens	191,610	1,005,622	–	–
SC-Sociedade de Consultadoria	504,485	–	–	–
Sonae Indústria PCDM	863,100	–	–	–
Sonae Investments BV	–	–	521,650	–
France Telecom	7,171,813	7,833,623	–	–
	19,878,681	11,554,400	743,426	218,862

The transactions between Group companies were eliminated in consolidation, and therefore are not disclosed in this note.

All the above transactions were made at market prices.

Accounts receivable and payable to related companies will be settled in cash and are not covered by guarantees. During the periods ended at 30 June 2013 and 2012, no impairment losses referring to account receivables from related parties were recognised.

A complete list of the Sonaecom Group's related parties is presented in the appendix to this report.

23. Guarantees provided to third parties

Guarantees provided to third parties at 30 June 2013 and 2012 were as follows:

Company	Beneficiary	Description	2013	2012
Optimus	ANACOM	Acquisition of Spectrum for 4th generation	24,000,000	30,000,000
Optimus, Sonaecom, Sontária and Público	Direção de Contribuições e Impostos (Portuguese tax authorities)	IRC, IS, IVA, RF – Tax assessment	9,015,764	8,461,628
Sonaecom and Optimus	Direção de Contribuições e Impostos (Portuguese tax authorities)	VAT Reimbursements	5,955,731	5,955,731
WeDo	Espiríto Santo Bank	Bank loan (note 14)	5,835,245	6,062,351
We Do, WeDo Brasil and WeDo Egypt	Digi Tecommunications; Emirates Telecom. Corp.; Telefonica Moviles Chile; Etisalat; Scotia Leasing Panama; Pak Telecom Mobile; Asiacell; Etihad	Completion of work to be done	1,451,319	926,959
We Do, Saphety and Digitmarket	IAPMEI	'HERMES' project and 'Vlue4cuopons' project - QREN	392,707	417,797
Optimus	Câmara Municipal de Coimbra, Lisboa, Elvas, Mealhada, Barcelos, Chaves, Covilhã, Sintra, Loures and Oeiras (Coimbra, Lisboa, Elvas, Mealhada, Barcelos, Chaves, Covilhã, Sintra, Loures and Oeiras Municipalities)	Completion of work to be done	83,823	128,388
Several	Others		1,072,629	1,088,327
			47,807,218	53,041,181

In addition to these guarantees were set up sureties for the current fiscal processes. The Sonae SGPS consisted of Sonaecom SGPS surety to the amount of Euro 2,844,270 and Sonaecom SGPS consisted of Optimus surety for the amount of Euro 10,529,619.

At 30 June 2013, the Board of Directors of the Group believes that the decision of the court proceedings and ongoing tax assessments in progress will not have significant impacts on the consolidated financial statements.

24. Information by business segment

The following business segments were identified for the periods ended at 30 June 2013 and 2012:

- Telecommunications;
- Multimedia;
- Information systems;
- Holding activities.

These segments were indentified taking into consideration the following criteria/conditions: the fact of being group units that develop activities where we can separately identify revenues and expenses, for which financial information is separately developed and their operating results are regulary reviewed by management and over which decisions are made. For example, decisions about allocation of resources, for having similar products/services and also taking into consideration the quantitative threshold (in accordance with IFRS 7).

The segment 'Holding activities' includes the operations of the Group companies that have as their main activity the management of shareholdings.

Excluding the ones mentioned above, the remaining activities of the Group have been classified as unallocated.

Inter-segment transactions during the periods ended at 30 June 2013 and 2012 were eliminated in the consolidation process. All these transactions were made at market prices.

Inter-segment transfers or transactions were entered under the normal commercial terms and conditions that would also be available to unrelated third parties and were mainly related to interest on treasury applications and management fees.

The Telecommunications segment, at 30 June 2013 and 2012, was prepared assuming that the group Optimus structure at 1 January 2011 corresponded to the structure of the group at 31 December 2012, which was reflected in the calculation of goodwill on that date.

Overall information by business segment at 30 June 2013 and 2012, prepared in accordance with the same accounting policies and measurement criteria adopted in the preparation of the consolidated financial statements, can be summarised as follows:

	Telecommunications		Multimedia		Information Systems		Holding Activities		Subtotal		Eliminations		Total	
	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012
Revenues:														
Sales and services rendered	341,595,856	355,632,115	9,311,275	11,029,693	55,599,423	49,015,218	1,762,911	1,926,858	408,269,465	417,603,884	(8,884,804)	(10,692,098)	399,384,661	406,911,786
Reversal of provisions	241	24,224	44,000	-	16,470	19,265	706	-	61,417	43,489	-	-	61,417	43,489
Other operating revenues	5,699,892	5,910,778	112,324	214,955	484,797	697,987	52,540	30,884	6,349,553	6,854,604	(2,099,394)	(1,899,643)	4,250,159	4,954,961
Total revenues	347,295,989	361,567,117	9,467,599	11,244,648	56,100,690	49,732,470	1,816,157	1,957,742	414,680,435	424,501,977	(10,984,198)	(12,591,741)	403,696,237	411,910,236
Depreciation and amortisation	(69,563,915)	(68,038,573)	(455,454)	(519,861)	(1,843,572)	(2,589,313)	(34,859)	(34,245)	(71,897,800)	(71,181,992)	(300,277)	(2,791,112)	(72,198,077)	(73,973,104)
Provisions and impairment losses	(4,823,229)	(11,279,774)	-	-	(472,168)	(179,472)	(102,265)	(15,388)	(5,397,662)	(11,474,634)	-	-	(5,397,662)	(11,474,634)
Net operating income / (loss) for the segment	51,828,962	53,839,764	(1,173,612)	(1,851,017)	4,902,001	1,966,751	(668,093)	(380,082)	54,889,258	53,575,416	(527,148)	(3,041,026)	54,362,110	50,534,390
Interest income	1,834,458	2,154,849	15,364	26,129	655,302	663,779	12,798,231	7,020,890	15,303,355	9,865,647	(12,865,521)	(6,270,758)	2,437,834	3,594,889
Interest expenses	(12,968,215)	(5,385,779)	(213,361)	(189,988)	(1,099,579)	(1,118,731)	(6,296,151)	(6,972,147)	(20,577,306)	(13,666,645)	12,497,780	5,354,984	(8,079,526)	(8,311,662)
Other financial results	(465,589)	(639,013)	(2,664)	8,875	(38,075)	(238,324)	21,924,597	75,068,851	21,418,269	74,200,389	(22,099,576)	(75,270,642)	(681,307)	(1,070,253)
Income taxation	(6,302,789)	(6,307,460)	198,537	544,826	(1,488,926)	(1,195,066)	(570,486)	23,801	(8,163,664)	(6,933,899)	(26,591)	325,200	(8,190,255)	(6,608,699)
Consolidated net income/(loss) for the period	33,926,828	43,662,361	(1,175,736)	(1,461,176)	2,930,724	78,408	27,188,099	74,761,312	62,869,915	117,040,905	(23,021,060)	(78,617,281)	39,848,856	38,138,665
Attributable to:														
Shareholders of parent company	33,926,828	43,662,361	(1,175,736)	(1,461,176)	2,941,368	88,564	27,188,099	74,761,312	62,880,559	117,051,061	(23,026,635)	(78,916,628)	39,853,924	38,134,433
Non-controlling interests	-	-	-	-	(10,644)	(10,156)	-	-	(10,644) -	10,156	5,576	14,388	(5,068)	4,232
Assets:														
Tangible and intangible assets and goodwill	1,493,918,684	1,518,034,867	3,713,948	3,821,454	77,979,897	75,788,476	273,870	329,447	1,575,886,399	1,597,974,244	(116,012,098)	(110,409,635)	1,459,874,301	1,487,564,609
Inventories	19,115,457	6,573,554	444,848	691,166	246,418	252,327	-	-	19,806,723	7,517,047	(1)	-	19,806,722	7,517,046
Financial investments	-	-	212,954	209,829	1,240,435	2,494	1,058,901,760	1,058,851,476	1,060,355,149	1,059,063,799	(1,060,139,701)	(1,058,851,476)	215,448	212,323
Other non-current assets	91,698,329	89,907,750	3,570	3,570	6,412,210	8,291,373	514,571,506	98,770,998	612,685,615	196,973,691	(515,356,326)	(100,729,091)	97,329,289	96,244,600
Other current assets of the segment	223,495,843	246,841,869	8,010,449	8,968,090	51,786,867	44,602,834	131,914,784	583,338,019	415,207,943	883,750,812	(137,991,844)	(549,805,397)	277,216,099	333,945,415
Liabilities:														
Liabilities of the segment	771,540,437	824,644,321	17,087,675	19,923,144	73,270,368	88,927,561	387,353,776	447,619,527	1,249,252,256	1,381,114,553	(473,898,659)	(502,517,222)	775,353,597	878,597,331
CAPEX	49,353,085	59,862,752	226,989	215,610	3,198,678	11,042,517	15,263,199	21,738,810	68,041,951	92,859,689	(15,786,441)	(23,957,215)	52,255,510	68,902,474

Despite the merger that occurred in 2007 between the mobile and fixed telecommunications businesses, for some headings of the balance sheet and of the profit and loss statement, the Board of Directors of the Group decided to maintain a separate analysis of the business as follows:

	Mobile network		Fixed network and internet		Eliminations		Telecommunications	
	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012
Income:								
Sales and services rendered	238,783,337	262,475,374	114,107,074	108,755,968	(11,294,555)	(15,599,227)	341,595,856	355,632,115
Other operating revenues	12,218,536	14,604,787	559,081	530,060	(7,077,484)	(9,199,845)	5,700,133	5,935,002
Total revenues	251,001,873	277,080,161	114,666,155	109,286,027	(18,372,039)	(24,799,071)	347,295,989	361,567,117
Depreciation and amortisation	(54,676,068)	(51,316,399)	(14,847,097)	(16,599,788)	(40,750)	(122,386)	(69,563,915)	(68,038,573)
Operational results of the segments	60,870,939	63,570,337	(7,627,588)	(9,619,432)	(1,414,389)	(111,141)	51,828,962	53,839,764
Assets:								
Tangible and intangible assets	793,095,054	820,133,065	135,756,887	132,835,059	-	-	928,851,941	952,968,124
Inventories	17,568,686	5,722,456	1,546,771	851,097	-	-	19,115,457	6,573,554
Financial investments	-	-	-	-	-	-	-	-
CAPEX	39,277,002	48,940,126	10,134,956	9,567,647	(58,873)	1,354,979	49,353,085	59,862,752

During the periods ended at 30 June 2013 and 2012, the inter-segments sales and services were as follows:

	Telecommunications	Multimedia	Information Systems	Holding Activities
2013				
Telecommunications	-	-	6,545,027	1,558,469
Multimedia	77,588	-	22,880	70,407
Information Systems	406,910	294	-	143,952
Holding Activities	53,553	1,800	3,924	-
External trade debtors	341,057,805	9,309,181	49,027,592	(9,917)
	341,595,856	9,311,275	55,599,423	1,762,911
2012				
Telecommunications	-	-	7,573,099	1,653,557
Multimedia	531,725	-	19,854	85,784
Information Systems	698,679	15,162	-	177,600
Holding Activities	46,886	2,291	1,382	-
External trade debtors	354,354,825	11,012,240	41,420,883	9,917
	355,632,115	11,029,693	49,015,218	1,926,858

During the periods ended at 30 June 2013 and 2012, sales and services rendered of the several segments were obtained predominantly in the Portuguese market, this market represents more than 90% of revenue for the segments of Telecommunications, Multimedia and Activities Holding.

During the period ended at 30 June 2013, also for the Information Systems segment the Portuguese market is dominant, accounting for 52.2% of revenue (53% in 2012) followed by the Brazilian and American markets, representing 8.7 % and 7.2% of revenue (7.4% and 8.6% in 2012), respectively.

25. Earnings per share

Earnings per share, basic and diluted, are calculated by dividing the consolidated net income attributable to the Group (Euro 39,853,924 in 2013 and Euro 38,134,433 in 2012) by the average number of shares outstanding during the periods ended at 30 June 2013 and 2012, net of own shares (361,206,812 in 2013 and 359,087,890 in 2012).

26. Medium Term Incentive Plans

In June 2000, Sonaecom Group created a discretionary Medium Term Incentive Plan, for more senior employees, based on Sonaecom options and shares and Sonae-SGPS, S.A. shares. The vesting occurs three years after the award of each plan, assuming that the employees are still employed in the Group, during that period.

The Sonaecom plans outstanding at 30 June 2013 can be summarised as follows:

			Vesting period		30 June 2013
	Share price at award date*	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonaecom shares					
2009 Plan	1.685	10-Mar-10	08-Mar-13**	-	-
2010 Plan	1.399	10-Mar-11	10-Mar-14	358	3,105,940
2011 Plan	1.256	09-Mar-12	10-Mar-15	355	3,242,715
2012 Plan	1.505	08-Mar-13	10-Mar-16	346	2,500,929
Sonae SGPS shares					
2009 Plan	0.761	10-Mar-10	08-Mar-13	-	-
2010 Plan	0.811	10-Mar-11	10-Mar-14	7	400,461
2011 Plan	0.401	09-Mar-12	10-Mar-15	7	794,369
2012 Plan	0.701	08-Mar-13	10-Mar-16	7	377,853

*Average share price in the month prior to the award date for Sonaecom shares and the lower of the average share price for the month prior to the Annual General Meeting and the share price on the day after the Annual General Meeting, for Sonae SGPS shares.
**Plan partially vested in advance, in 27 December 2012.

During the period ended at 30 June 2013, the movements that occurred in the plans can be summarised as follows:

		Sonaecom shares		Sonae SGPS shares
	Aggregate number of participations	Number of shares	Aggregate number of participations	Number of shares
Outstanding at 31 December 2012:				
Unvested	731	6,249,578	18	1,488,252
Total	731	6,249,578	18	1,488,252
Movements in the period:				
Awarded	346	2,335,126	7	359,443
Vested	(4)	(247,423)	(4)	(342,242)
Cancelled / elapsed / transfers (1)	(14)	512,303	-	67,230
Outstanding at 30 June 2013:				
Unvested	1,059	8,849,584	21	1,572,683
Total	1,059	8,849,584	21	1,572,683

(1) The adjustments are made for dividends paid and for share capital changes and others adjustments, namely, resulting from a change in the vesting of the MTIP, which may now be made through the purchase of shares with discount.

For Sonaecom's share plans of 2010 and 2012, the responsibility is calculated taking into consideration the share price at award date of each plan. For 2011 Sonaecom shares plan, the Company signed with Sonae-SGPS, S.A. a contract that agrees to the transfer of Sonaecom SGPS shares for employees and board members of the Group as requested of Sonaecom and under the MTIP of Sonaecom, and the liabilities are calculated based on the price fixed in the contract. The responsibility for the three share plans was recorded under the heading 'Medium Term Incentive Plans Reserve'. For the Sonae SGPS share plans, except for one plan, the Group entered into hedging contracts with external entities and the liabilities are calculated based on the prices agreed in those contracts (for the most recent plan the hedging contract was entered in July 2013, so the responsabilty is calculated based in the closing price at 28 June 2013). The responsibility of these plans is recorded under the headings of 'Other current liabilities' and 'Other non-current liabilities'.

The detail of the aforementioned hedging contracts is as follows:

	Sonae SGPS shares		Sonaecom shares
	2010 Plan	2011 Plan	2011 Plan
Notional value	257,574	323,727	3,291,520
Maturity	Mar-14	Mar-15	Dec-16
Level of inputs in the hierarchy of fair value		Level 2	
Valuation method		Current replacement cost	
Fair value*	40,706	244,156	1,344,287

* Used the share price of June, 28 in the determination of the fair value.

Share plan costs are recognised in the accounts over the year between the award and the vesting date of those shares. The costs recognised in previous years and in the period ended at 30 June 2013, were as follows:

	Sonaecom shares	Sonae SGPS shares	Total
Costs recognised in previous years	31,734,761	4,263,985	35,998,746
Costs recognised in the period	2,176,739	144,519	2,321,258
Costs of plans vested in previous years	(28,024,748)	(3,788,762)	(31,813,510)
Costs of plans vested in the period	(493,653)	(258,747)	(752,400)
Total cost of the plans	5,393,099	360,995	5,754,094
Responsability of plans	6,737,386	645,857	7,383,243
Fair value of hedging contracts	(1,344,287)	(284,862)	(1,629,149)
Recorded in 'Other current liabilities'	25,021	186,259	211,280
Recorded in 'Other non-current liabilities'	3,951	174,736	178,687
Recorded in reserves	5,364,127	-	5,364,127

27. Other matters

At 30 June 2013, accounts receivable from customers and accounts payable to suppliers include Euro 37,139,253 and Euro 29,913,608, respectively, as well the captions 'Other current assets' and 'Provisions and accumulated impairment losses' include Euro 411,649 and Euro 3,817,553, respectively, resulting from a dispute between the subsidiary Optimus – Comunicações, S.A. and, essentially, the operator TMN – Telecomunicações Móveis, S.A., in relation to the vagueness of interconnection tariffs, recorded in the year ended at 31 December 2001. The Group has considered the most penalising tariffs in their consolidated financial statements. In the lower court, the decision was favourable to Optimus. The 'Tribunal da Relação' (Court of Appeal), on appeal, rejected the intentions of TMN. However, TMN again appealed to the 'Supremo Tribunal de Justiça' (Supreme Court), for final and permanent decision, who upheld the decision of the 'Tribunal da Relação' (Court of Appeal), thus concluding that the interconnection prices for 2001 were not defined. The settlement of outstanding amounts will depend on the price that will be established. Considering the recent developments in this process, the value recorded in the caption 'Provisions for other risks and charges' was reevaluated in the period ended 30 June 2013 and reduced by about Euro 3 million.

Following a deliberation of Board of Directors of ANACOM, at April 2012, it was applied to the Sonaecom's subsidiary Optimus, a fine of approximately 6.5 million euros, 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.

Following the announcement made, on 14 December 2012, between Sonaecom SGPS, SA, Kento Holding Limited and Jadeium BV (currently named Unitel International Holdings, BV, collectively referred to as 'Kento/Jadeium'), of having reached an agreement to recommend to the Boards of Zon Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, S.A. ('Zon') and Optimus SGPS, SA a merger between the two companies, on 11 January 2013, Sonaecom SGPS, S.A. carried out a capital increase in kind, transferring

81.807% of its financial participation in Optimus SGPS, S.A. to ZOPT, SGPS, S.A. (Vehicle used for this purpose), conditional upon completion of the merger.

At 21 January 2013, it was announced, by the Boards of Directors of both companies, the approval of the merger project. However, the transaction is still subject to approval of the shareholders of both companies. On 7 march 2013, Sonaecom informed, on behalf of its affiliated company Optimus, that it was approved at the extraordinary shareholder meeting the merger project by incorporation between Optimus SGPS, S.A. and Zon Multimedia – Serviços de Telecomunicações e Multimédia, SGPS, S.A., and respective schedules, dated 21 January 2013.

At 18 April 2013, the Portuguese Securities Commission (CMVM) authorized the resolution of waiving the obligation to launch a mandatory takeover bid in the merger between Optimus SGPS and Zon.

The implementation of the merger is conditional upon the prior fulfillment of the non-opposition from the Competition Authority to the merger, in accordance with the terms of the Merger Project and the fulfillment of the remaining administrative and corporate formalities applicable or necessary to the completion of the merger, in accordance with the law and the terms laid down in the Merger Project.

At 15 February 2013, Sonae and France Télécom ('FT-Orange') have executed an agreement whereby, respectively, a call and put option is granted over the 20% stake in Sonaecom's share capital presently held by a subsidiary of FT-Orange. Sonae's call option may be exercised during the subsequent 18 months and FT-Orange's put option within the 3 months subsequent to the end of such 18 months' period. The price for the exercise of both options is of Euro 98.9 million, which may be increased up to Euro 113.5 million in case Sonaecom or Optimus participate in any material transaction of consolidation or restructuring of the telecommunications sector in Portugal which is announced within the subsquent 24 months. This agreement is subject to the condition that the Portuguese Securities Commission (CMVM) confirms that no concerted exercise of influence results from this agreement and that the shares held by Sonae are not attributable to FT-Orange, thereby removing the legal presumption of article 20, paragraph 4, of the Portuguese Securities Code.

28. Subsequent Events

Agreement on remedies proposed by the Competition Authority

In the context of the concentration operation that comprises the merger between Optimus, SGPS, S.A. and ZON - Serviços de Telecomunicações e Multimédia, SGPS, S.A., it was announced on 2 July 2013 that the notifying parties have agreed to undertake a set of commitments aimed at eliminating all the concerns identified and conveyed by the Competition Authority in its analysis of the mentioned concentration operation. By decision of the Competition Authority, these commitments were submitted to comment by the counterparties.

Disclosure of information on remedies proposed by the Competition Authority

On 12 July 2013, upon request by the CMVM, Sonaecom disclosed to the market the remedies agreed between the notifying parties, Optimus, SGPS, S.A. and ZON - Serviços de Telecomunicações e Multimédia, SGPS, S.A., and the Competition Authority. These commitments, subject to comment by the counterparties, will only be final when placed into a decision by the Competition Authority.

a) to ensure that Optimus extends the duration period of the network sharing agreement between Optimus and Vodafone Portugal;
b) to ensure that Optimus will amend the referred network sharing agreement between Optimus and Vodafone Portugal with the purpose of the limitation of liability not being applicable in the event of unjustified contractual termination or in the event of contractual termination justified for reasons attributable to Optimus;
c) to ensure that, over a certain period of time, Optimus will not charge its triple play customers on the Optimus network the payment of the amounts due by virtue of loyalty clauses into force in of the event of a request for termination of services;
d) to ensure that, over a certain period of time, Optimus will be open to negotiations with a third party that requests an agreement for wholesale access to its fibre network;
e) to ensure that, over a certain period of time, Optimus will present and negotiate with Vodafone Portugal a call option agreement for the purchase of Sonaecom's fibre network.

Optimus awarded as the Universal Service provider for the northern and centre of Portugal

On 18 July 2013, following a meeting of the Council of Ministers, it was announced that Optimus was awarded as Universal Service provider for the northern and central regions of Portugal. ZON was designated the Universal Service provider for the regions of the south of Portugal and islands,
After the formal adjudication and contract signing, valid for 5 years, Optimus will have 180 days to launch its commercial offers. It should be noted that the formal award depends on the completion of the revocation process of Portugal Telecom's concession contract.

These consolidated financial statements were approved by the Board of Directors on 24 July 2013.

These financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards (IAS / IFRS) as adopted by the European Union and the format and disclosures required by those Standards, some of which may not conform to or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Appendix

Key management personnel - Sonaecom	
Ana Cristina Dinis da Silva Fanha Vicente Soares	Gervais Gilles Pellissier
Ana Paula Garrido Pina Marques	Jean-François René Pontal
Ângelo Gabriel Ribeirinho dos Santos Paupério	José Manuel Pinto Correia
António Bernardo Aranha da Gama Lobo Xavier	Manuel Antonio Neto Portugal Ramalho Eanes
António de Sampaio e Mello	Maria Cláudia Teixeira de Azevedo
David Charles Denholm Hobley	Miguel Nuno Santos Almeida
David Graham Shenton Bain	Paulo Joaquim dos Santos Plácido
David Pedro Oliveira Parente Ferreira Alves	Pedro Rafael de Sousa Nunes Pedro
Duarte Paulo Teixeira de Azevedo	Rui José Silva Goncalves Paiva
Franck Emmanuel Dangeard	

Key management personnel - Sonae SGPS	
Álvaro Carmona e Costa Portela	Christine Cross
Álvaro Cuervo Garcia	José Manuel Neves Adelino
Belmiro de Azevedo	Michel Marie Bon
Bernd Hubert Joachim Bothe	

Sonae/Efanor Group Companies	
3DO Holding GmbH	BB Food Service, S.A.
3shoppings – Holding,SGPS, S.A.	Beralands BV
8ª Avenida Centro Comercial, SA	Bertimóvel – Sociedade Imobiliária, S.A.
ADD Avaliações Engenharia de Avaliações e Perícias Ltda	BHW Beeskow Holzwerkstoffe
Adlands B.V.	Bloco Q – Sociedade Imobiliária, S.A.
Aegean Park, S.A.	Bloco W – Sociedade Imobiliária, S.A.
Agepan Eiweiler Management GmbH	Boavista Shopping Centre BV
Agepan Flooring Products, S.A.RL	BOM MOMENTO – Comércio Retalhista, SA
Agloma Investimentos, Sgps, S.A.	Canasta – Empreendimentos Imobiliários, S.A.
Águas Furtadas Sociedade Agrícola, SA	Casa Agrícola de Ambrães, S.A.
Airone – Shopping Center, Srl	Casa da Ribeira – Hotelaria e Turismo, S.A.
ALBCC Albufeirashopping C.Comercial SA	Cascaishopping – Centro Comercial, S.A.
ALEXA Administration GmbH	Cascaishopping Holding I, SGPS, S.A.
ALEXA Asset GmbH & Co KG	CCCB Caldas da Rainha - Centro Comercial,SA
ALEXA Holding GmbH	Centro Colombo – Centro Comercial, S.A.
ALEXA Shopping Centre GmbH	Centro Residencial da Maia,Urban., S.A.
Algarveshopping – Centro Comercial, S.A.	Centro Vasco da Gama – Centro Comercial, S.A.
Alpêssego – Soc. Agrícola, S.A	Change, SGPS, S.A.
Andar – Sociedade Imobiliária, S.A.	Chão Verde – Soc.Gestora Imobiliária, S.A.
Aqualuz – Turismo e Lazer, Lda	Cinclus Imobiliária, S.A.
Arat inmebles, S.A.	Citorres – Sociedade Imobiliária, S.A.
ARP Alverca Retail Park,SA	Coimbrashopping – Centro Comercial, S.A.
Arrábidashopping – Centro Comercial, S.A.	Colombo Towers Holding, BV
Aserraderos de Cuellar, S.A.	Contacto Concessões, SGPS, S.A.
Atlantic Ferries – Tráf.Loc,Flu.e Marít, S.A.	Contibomba – Comérc.Distr.Combustiveis, S.A.
Avenida M – 40 B.V.	Contimobe – Imobil.Castelo Paiva, S.A.
Avenida M – 40, S.A.	Continente Hipermercados, S.A.
Azulino Imobiliária, S.A.	Contry Club da Maia-Imobiliaria, S.A.
BA Business Angels, SGPS, SA	Cooper Gay Swett & Crawford Lt
BA Capital, SGPS, SA	Craiova Mall BV

Cronosaúde – Gestão Hospitalar, S.A.	Iberian Assets, S.A.
Cumulativa – Sociedade Imobiliária, S.A.	Igimo – Sociedade Imobiliária, S.A.
Darbo S.A.S	Iginha – Sociedade Imobiliária, S.A.
Deutsche Industrieholz GmbH	Imoareia – Invest. Turísticos, SGPS, S.A.
Discovery Sports, SA	Imobiliária da Cacela, S.A.
Dortmund Tower GmbH	Imoclub – Serviços Imobilários, S.A.
Dos Mares – Shopping Centre B.V.	Imoconti – Soc.Imobiliária, S.A.
Dos Mares – Shopping Centre, S.A.	Imodivor – Sociedade Imobiliária, S.A.
Ecociclo – Energia e Ambiente, S.A.	Imoestrutura – Soc.Imobiliária, S.A.
Ecociclo II	Imoferro – Soc.Imobiliária, S.A.
Efanor Investimentos, SGPS, S.A.	Imohotel – Emp.Turist.Imobiliários, S.A.
Efanor Serviços de Apoio à Gestão, S.A.	Imomuro – Sociedade Imobiliária, S.A.
El Rosal Shopping, S.A.	Imopenínsula – Sociedade Imobiliária, S.A.
Emfísico Boavista	Imoplamac Gestão de Imóveis, S.A.
Empreend.Imob.Quinta da Azenha, S.A.	Imoponte – Soc.Imobiliaria, S.A.
Equador & Mendes, Lda	Imoresort – Sociedade Imobiliária, S.A.
Espimaia – Sociedade Imobiliária, S.A.	Imoresultado – Soc.Imobiliaria, S.A.
Estação Viana – Centro Comercial, S.A.	Imosedas – Imobiliária e Seviços, S.A.
Euroresinas – Indústrias Quimicas, S.A.	Imosistema – Sociedade Imobiliária, S.A.
Farmácia Selecção, S.A.	Imosonae II
Fashion Division Canárias, SL	Impaper Europe GmbH & Co. KG
Fashion Division, S.A.	Implantação – Imobiliária, S.A.
Fozimo – Sociedade Imobiliária, S.A.	Infofield – Informática, S.A.
Fozmassimo – Sociedade Imobiliária, S.A.	Infratroia, EM
Freccia Rossa – Shopping Centre S.r.l.	Inparsa – Gestão Galeria Comercial, S.A.
Frieengineering International Ltda	Inparvi SGPS, S.A.
Fundo de Invest. Imobiliário Imosede	Integrum - Energia, SA
Fundo I.I. Parque Dom Pedro Shop.Center	Integrum Colombo Energia, S.A.
Fundo Invest.Imob.Shopp. Parque D.Pedro	Integrum Martim Longo - Energia, S.A.
Gaiashopping I – Centro Comercial, S.A.	Interlog – SGPS, S.A.
Gaiashopping II – Centro Comercial, S.A.	Invesaude - Gestão Hospitalar S.A.
GHP Gmbh	Ioannina Development of Shopping Centres, SA
Gli Orsi Shopping Centre 1 Srl	Isoroy SAS
Glunz AG	La Farga – Shopping Center, SL
Glunz Service GmbH	Laminate Park GmbH Co. KG
Glunz UK Holdings Ltd	Land Retail B.V.
Glunz Uka Gmbh	Larim Corretora de Resseguros Ltda
GMET, ACE	Larissa Develop. Of Shopping Centers, S.A.
Golf Time – Golfe e Invest. Turísticos, S.A.	Lazam – MDS Corretora e Administradora de Seguros, S.A.
Guimarãeshopping – Centro Comercial, S.A.	LCC LeiriaShopping Centro Comercial SA
Harvey Dos Iberica, S.L.	Le Terrazze - Shopping Centre 1 Srl
Herco Consultoria de Riscos e Corretora de Seguros Ltda	Libra Serviços, Lda.
HighDome PCC Limited	Lidergraf – Artes Gráficas, Lda.

Loop5 Shopping Centre GmbH	Park Avenue Develop. of Shop. Centers S.A.
Loureshopping – Centro Comercial, S.A.	Parque Atlântico Shopping – C.C., S.A.
Luz del Tajo – Centro Comercial S.A.	Parque D. Pedro 1 B.V.
Luz del Tajo B.V.	Parque D. Pedro 2 B.V.
Madeirashopping – Centro Comercial, S.A.	Parque de Famalicão – Empr. Imob., S.A.
Maiashopping – Centro Comercial, S.A.	Parque Principado SL
Maiequipa – Gestão Florestal, S.A.	Pátio Boavista Shopping Ltda.
Marcas do Mundo – Viag. e Turismo Unip, Lda	Pátio Campinas Shopping Ltda
Marcas MC, ZRT	Pátio Goiânia Shopping Ltda
Marina de Tróia S.A.	Pátio Londrina Empreend. e Particip. Ltda
Marinamagic – Expl.Cent.Lúdicos Marít, Lda	Pátio Penha Shopping Ltda.
Marmagno – Expl.Hoteleira Imob., S.A.	Pátio São Bernardo Shopping Ltda
Martimope – Sociedade Imobiliária, S.A.	Pátio Sertório Shopping Ltda
Marvero – Expl.Hoteleira Imob., S.A.	Pátio Uberlândia Shopping Ltda
MDS Affinity - Sociedade de Mediação, Lda	Pharmaconcept – Actividades em Saúde, S.A.
MDS Africa SGPS, S.A.	PHARMACONTINENTE – Saúde e Higiene, S.A.
MDS Consultores, S.A.	PJP – Equipamento de Refrigeração, Lda
MDS Corretor de Seguros, S.A.	Plaza Éboli B.V.
MDS Malta Holding Limited	Plaza Éboli – Centro Comercial S.A.
MDS SGPS, SA	Plaza Mayor Holding, SGPS, SA
MDSAUTO - Mediação de Seguros, SA	Plaza Mayor Parque de Ócio BV
Megantic BV	Plaza Mayor Parque de Ocio, SA
MJLF – Empreendimentos Imobiliários, S.A.	Plaza Mayor Shopping BV
Mlearning - Mds Knowledge Centre, Unip, Lda	Plaza Mayor Shopping, SA
Modalfa – Comércio e Serviços, S.A.	Ploi Mall BV
MODALLOOP – Vestuário e Calçado, S.A.	Plysorol, BV
Modelo – Dist.de Mat. de Construção, S.A.	Poliface North America
Modelo Continente Hipermercados, S.A.	PORTCC - Portimãoshopping Centro Comercial, SA
Modelo Continente Intenational Trade, SA	Porturbe – Edificios e Urbanizações, S.A.
Modelo Hiper Imobiliária, S.A.	Praedium – Serviços, S.A.
Modelo.com – Vendas p/Correspond., S.A.	Praedium II – Imobiliária, S.A.
Movelpartes – Comp.para Ind.Mobiliária, S.A.	Praedium SGPS, S.A.
Movimento Viagens – Viag. e Turismo U.Lda	Predicomercial – Promoção Imobiliária, S.A.
Mundo Vip – Operadores Turisticos, S.A.	Prédios Privados Imobiliária, S.A.
Munster Arkaden, BV	Predisedas – Predial das Sedas, S.A.
Norscut – Concessionária de Scut Interior Norte, S.A.	Pridelease Investments, Ltd
Norteshopping – Centro Comercial, S.A.	Proj. Sierra Germany 4 (four) – Sh.C.GmbH
Norteshopping Retail and Leisure Centre, BV	Proj.Sierra Germany 2 (two) – Sh.C.GmbH
Nova Equador Internacional,Ag.Viag.T, Ld	Proj.Sierra Italy 1 – Shop.Centre Srl
Nova Equador P.C.O. e Eventos	Proj.Sierra Italy 3 – Shop. Centre Srl
Operscut – Operação e Manutenção de Auto-estradas, S.A.	Proj.Sierra Italy 5 – Dev. Of Sh.C.Srl
OSB Deustchland Gmbh	Project SC 1 BV
PantheonPlaza BV	Project SC 2 BV
Paracentro – Gest.de Galerias Com., S.A.	Project Sierra 2 B.V.
Pareuro, BV	Project Sierra 6 BV

Project Sierra 7 BV	Serra Shopping – Centro Comercial, S.A.
Project Sierra 8 BV	Sesagest – Proj.Gestão Imobiliária, S.A.
Project Sierra 9 BV	Sete e Meio – Invest. Consultadoria, S.A.
Project Sierra Brazil 1 B.V.	Sete e Meio Herdades – Inv. Agr. e Tur., S.A.
Project Sierra Charagionis 1 S.A.	Shopping Centre Parque Principado B.V.
Project Sierra Four, SA	Shopping Penha B.V.
Project Sierra Germany Shop. Center 1 BV	Siaf – Soc.Iniciat.Aprov.Florestais - Energia, S.A.
Project Sierra Germany Shop. Center 2 BV	SIAL Participações Ltda
Project Sierra Spain 1 B.V.	Sierra Asia Limited
Project Sierra Spain 2 – Centro Comer. S.A.	Sierra Asset Management – Gest. Activos, S.A.
Project Sierra Spain 2 B.V.	Sierra Berlin Holding BV
Project Sierra Spain 3 – Centro Comer. S.A.	Sierra Central S.A.S
Project Sierra Spain 3 B.V.	Sierra Charagionis Develop.Sh. Centre S.A.
Project Sierra Spain 6 B.V.	Sierra Charagionis Propert.Management S.A.
Project Sierra Spain 7 B.V.	Sierra Corporate Services Holland, BV
Project Sierra Three Srl	Sierra Development Greece, S.A.
Project Sierra Two Srl	Sierra Developments Germany GmbH
Promessa Sociedade Imobiliária, S.A.	Sierra Developments Holding B.V.
Prosa – Produtos e serviços agrícolas, S.A.	Sierra Developments Italy S.r.l.
Puravida – Viagens e Turismo, S.A.	Sierra Developments Romania, Srl
Racionaliz. y Manufact.Florestales, S.A.	Sierra Developments Spain – Prom.C.Com.SL
RASO - Viagens e Turismo, S.A.	Sierra Developments, SGPS, S.A.
RASO, SGPS, S.A.	Sierra Enplanta Ltda
Rio Sul – Centro Comercial, S.A.	Sierra European R.R.E. Assets Hold. B.V.
River Plaza Mall, Srl	Sierra GP Limited
River Plaza, BV	Sierra Investimentos Brasil Ltda
Rochester Real Estate, Limited	Sierra Investments (Holland) 1 B.V.
RSI Corretora de Seguros Ltda	Sierra Investments (Holland) 2 B.V.
S.C. Microcom Doi Srl	Sierra Investments Holding B.V.
Saúde Atlântica – Gestão Hospitalar, S.A.	Sierra Investments SGPS, S.A.
SC – Consultadoria, S.A.	Sierra Italy Holding B.V.
SC – Eng. e promoção imobiliária,SGPS, S.A.	Sierra Management Germany GmbH
SC Aegean B.V.	Sierra Management Italy S.r.l.
SC Assets SGPS, S.A.	Sierra Management Romania, Srl
SC Finance BV	Sierra Management Spain – Gestión C.Com.S.A.
SC Mediterraneum Cosmos B.V.	Sierra Management, SGPS, S.A.
SC, SGPS, SA	Sierra Portugal, S.A.
SCS Beheer, BV	SII – Soberana Invest. Imobiliários, S.A.
SDSR - Sports Division 2, S.A.	SIRS – Sociedade Independente de Radiodifusão Sonora, S.A.
Selfrio,SGPS, S.A.	SISTAVAC, S.A.
Selifa – Empreendimentos Imobiliários, S.A.	SKK – Central de Distr., S.A.
Sempre à Mão – Sociedade Imobiliária, S.A.	SKK SRL
Sempre a Postos – Produtos Alimentares e Utilidades, Lda	SKKFOR – Ser. For. e Desen. de Recursos

Sociedade de Construções do Chile, S.A.	SPF – Sierra Portugal Real Estate, Sarl
Société de Tranchage Isoroy S.A.S.	Spinarq - Engenharia, Energia e Ambiente, SA
Socijofra – Sociedade Imobiliária, S.A.	Spinveste – Gestão Imobiliária SGII, S.A.
Sociloures – Soc.Imobiliária, S.A.	Spinveste – Promoção Imobiliária, S.A.
Soconstrução BV	Sport Retalho España – Servicios Gen., S.A.
Sodesa, S.A.	Sport Zone – Comércio Art.Desporto, S.A.
Soflorin, BV	Sport Zone – Turquia
Soira – Soc.Imobiliária de Ramalde, S.A.	Sport Zone Canárias, SL
Solinca - Eventos e Catering, SA	Sport Zone España-Com.Art.de Deporte,SA
Solinca - Health and Fitness, SA	Spred, SGPS, SA
Solinca – Investimentos Turísticos, S.A.	Stinnes Holz GmbH
Solinfitness – Club Malaga, S.L.	Tableros Tradema, S.L.
Solingen Shopping Center GmbH	Tafiber,Tableros de Fibras Ibéricas, SL
SOLSWIM-Gestão e Expl.Equip.Aquáticos,SA	Tafibra Polska Sp.z.o.o.
Soltroia – Imob.de Urb.Turismo de Tróia, S.A.	Tafibra South Africa
Somit Imobiliária	Tafibra Suisse, SA
SONAE - Specialized Retail, SGPS, SA	Tafisa – Tableros de Fibras, S.A.
Sonae Capital Brasil, Lda	Tafisa Canadá Societé en Commandite
Sonae Capital,SGPS, S.A.	Tafisa France, S.A.
Sonae Center II S.A.	Tafisa UK, Ltd
Sonae Center Serviços, S.A.	Taiber,Tableros Aglomerados Ibéricos, SL
Sonae Ind., Prod. e Com.Deriv.Madeira, S.A.	Tarkett Agepan Laminate Flooring SCS
Sonae Indústria – SGPS, S.A.	Tecmasa Reciclados de Andalucia, SL
Sonae Industria de Revestimentos, S.A.	Têxtil do Marco, S.A.
Sonae Indústria Manag. Serv, SA	TLANTIC B.V.
Sonae Investimentos, SGPS, SA	Tlantic Portugal – Sist. de Informação, S.A.
Sonae Novobord (PTY) Ltd	Tlantic Sistemas de Informação Ltdª
Sonae RE, S.A.	Tool Gmbh
Sonae Retalho Espana – Servicios Gen., S.A.	Torre Ocidente Imobiliária, S.A.
Sonae SGPS, S.A.	Torre São Gabriel – Imobiliária, S.A.
Sonae Sierra Brasil S.A.	TP – Sociedade Térmica, S.A.
Sonae Sierra Brazil B.V.	Troia Market, S.A.
Sonae Sierra, SGPS, S.A.	Tróia Natura, S.A.
Sonae Tafibra Benelux, BV	Troiaresort – Investimentos Turísticos, S.A.
Sonae Turismo – SGPS, S.A.	Troiaverde – Expl.Hoteleira Imob., S.A.
Sonae UK, Ltd.	Tulipamar – Expl.Hoteleira Imob., S.A.
Sonaegest – Soc.Gest.Fundos Investimentos	Unishopping Administradora Ltda.
SONAEMC - Modelo Continente, SGPS, S.A.	Unishopping Consultoria Imob. Ltda.
Sondis Imobiliária, S.A.	Urbisedas – Imobiliária das Sedas, S.A.
Sontel BV	Valecenter Srl
Sontur BV	Valor N, S.A.
Sonvecap BV	Vastgoed One – Sociedade Imobiliária, S.A.
Sopair, S.A.	Vastgoed Sun – Sociedade Imobiliária, S.A.
Sotáqua – Soc. de Empreendimentos Turist	Via Catarina – Centro Comercial, S.A.
Spanboard Products, Ltd	Viajens y Turismo de Geotur España, S.L.

Vistas do Freixo, SA	Worten España, S.A.
Vuelta Omega, S.L.	ZIPPY - Comércio e Distribuição, SA
Weiterstadt Shopping BV	ZIPPY - Comercio y Distribución, S.A.
World Trade Center Porto, S.A.	Zippy Turquia
Worten – Equipamento para o Lar, S.A.	Zubiarte Inversiones Inmobiliarias, S.A.
Worten Canárias, SL	ZYEVOLUTION-Invest.Desenv.,SA.

FT Group Companies	
France Telecom, S.A.	Atlas Services Belgium, S.A.

13.3. Sonaecom individual financial statements

Balance sheets

For the periods ended at 30 June 2013 and 2012 and for the year ended at 31 December 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	June 2012 (not audited)	December 2012
Assets				
Non-current assets				
Tangible assets	1.a, 1.e and 2	**265,893**	327,916	296,504
Intangible assets	1.b and 3	**7,976**	1,531	9,310
Investments in Group companies	1.c and 5	**1,073,314,642**	1,083,529,576	1,072,873,096
Other non-current assets	1.c, 1.m, 4, 6 and 18	**513,890,246**	108,948,228	521,421,792
Total non-current assets		**1,587,478,757**	1,192,807,251	1,594,600,702
Current assets				
Other current debtors	1.d, 1.f, 4, 8 and 18	**8,122,967**	473,523,710	10,115,242
Other current assets	1.d, 1.m, 4 and 18	**3,679,009**	1,630,150	3,687,639
Cash and cash equivalents	1.d, 1.g, 4, 9 and 18	**110,235,715**	78,802,244	103,717,414
Total current assets		**122,037,691**	553,956,104	117,520,295
Total assets		**1,709,516,448**	1,746,763,355	1,712,120,997
Shareholder' funds and liabilities				
Shareholders' funds				
Share capital	10	**366,246,868**	366,246,868	366,246,868
Own shares	1.p and 11	**(8,441,804)**	(10,138,930)	(6,299,699)
Reserves	1.o	**930,041,556**	869,776,613	870,193,067
Net income / (loss) for the period		**27,002,027**	74,897,642	103,229,835
Total Shareholders' funds		**1,314,848,647**	1,300,782,193	1,333,370,071
Liabilities				
Non-current liabilities				
Medium and long-term loans – net of short-term portion	1.d, 1.h, 1.i, 4, 12.a and 18	**240,492,366**	139,814,887	190,239,630
Provisions for other liabilities and charges	1.k, 1.n and 13	**177,389**	70,934	74,959
Other non-current liabilities	1.m, 1.s, 4 and 21	**127,381**	100,713	174,176
Total non-current liabilities		**240,797,136**	139,986,534	190,488,765
Current liabilities				
Short-term loans and other loans	1.d, 1.g, 1.h, 1.i, 4, 12.b and 18	**152,203,296**	304,673,797	186,419,026
Other creditors	1.d, 4, 14 and 18	**1,084,551**	508,071	828,261
Other current liabilities	1.m, 1.s, 4, 18 and 21	**582,818**	812,760	1,014,874
Total current liabilities		**153,870,665**	305,994,628	188,262,161
Total Shareholders' funds and liabilities		**1,709,516,448**	1,746,763,355	1,712,120,997

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Frank Emmanuel Dangeard

Miguel Nuno Santos Almeida

António Sampaio e Mello

David Charles Denholm Hobley

Gervais Gilles Pellissier

Jean-François René Pontal

Maria Cláudia Teixeira de Azevedo

Profit and Loss account by nature

For the periods and quarters ended at 30 June 2013 and 2012 and for the year ended at 31 December 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	April to June 2013 (not audited)	June 2012 (not audited)	April to June 2012 (not audited)	December 2012
Services rendered	18	1,762,911	886,414	1,926,858	962,437	3,492,234
Other operating revenues	1.f and 18	53,243	26,503	-	-	319
		1,816,154	912,917	1,926,858	962,437	3,492,553
External supplies and services	1.e, 15 e 18	(1,173,749)	(496,452)	(997,526)	(492,048)	(2,044,286)
Staff expenses	1.s e 21	(1,115,397)	(587,581)	(1,196,785)	(560,003)	(2,248,401)
Depreciation and amortisation	1.a, 1.b, 2 and 3	(34,859)	(17,517)	(34,245)	(16,992)	(68,403)
Provisions and impairment losses	1.k and 13	(100,465)	-	(15,387)	-	(15,387)
Other operating costs		(19,271)	(9,564)	(32,249)	(15,475)	(56,689)
		(2,443,741)	(1,111,114)	(2,276,192)	(1,084,518)	(4,433,166)
Gains and losses on Group companies	5, 6 and 16	22,100,000	(775,000)	75,270,712	(1,718,149)	103,388,419
Other financial expenses	1.c, 1.h, 1.i, 1.q, 1.r, 12, 16 and 18	(6,729,954)	(3,433,475)	(7,191,230)	(3,361,910)	(14,238,054)
Other financial income	1.q, 6, 9, 16 and 18	12,818,435	6,557,344	7,143,693	3,490,303	14,938,191
Current income / (loss)		27,560,894	2,150,672	74,873,841	(1,711,837)	103,147,943
Income taxation	1.l, 7 and 17	(558,867)	(376,310)	23,801	(67,618)	81,892
Net income / (loss) for the period		27,002,027	1,774,362	74,897,642	(1,779,455)	103,229,835
Earnings per share	20					
Including discontinued operations:						
Basic		0.07	0.00	0.21	(0.01)	0.29
Diluted		0.07	0.00	0.21	(0.01)	0.29
Excluding discontinued operations:						
Basic		0.07	0.00	0.21	(0.01)	0.29
Diluted		0.07	0.00	0.21	(0.01)	0.29

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Statement of profit and loss and other comprehensive income

For the periods and quarters ended at 30 June 2013 and 2012

(Amounts expressed in Euro)	Notes	June 2013 (not audited)	April to June 2013 (not audited)	June 2012 (not audited)	April to June 2012 (not audited)	December 2012
Net income / (loss) for the period		27,002,027	1,774,362	74,897,642	(1,779,455)	103,229,835
Components of other comprehensive income, net of tax		-	-	-	-	-
Comprehensive income for the period		27,002,027	1,774,362	74,897,642	(1,779,455)	103,229,835

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Movements in Shareholders' funds

For the periods ended at 30 June 2013 and 2012

(Amounts expressed in Euro)			Reserves							
	Share capital	Own shares (note 11)	Share premium	Legal reserves	Medium Term Incentive Plans reserves (note 21)	Own shares reserves	Other reserves	Total reserves	Net income / (loss)	Total
2013										
Balance at 31 December 2012	366,246,868	(6,299,699)	775,290,377	7,991,192	650,156	6,299,699	79,961,643	870,193,067	103,229,835	1,333,370,071
Appropriation of result of 2012										
Transfer to legal reserves and other reserves	-	-	-	5,161,492	-	-	98,068,343	103,229,835	(103,229,835)	-
Dividends distribution	-	-	-	-	-	-	(43,281,102)	(43,281,102)	-	(43,281,102)
Comprehensive income for the period ended at 30 June 2013	-	-	-	-	-	-	-	-	27,002,027	27,002,027
Delivery of own shares under the Medium Term Incentive Plans	-	354,213	-	-	(406,268)	(354,213)	425,568	(334,913)	-	19,300
Sale of own shares to subsidiaries under the Short Term Incentive Plans	-	3,724	-	-	-	(3,724)	4,723	999	-	4,723
Effect of the recognition of the Medium Term Incentive Plans	-	-	-	-	233,670	-	-	233,670	-	233,670
Acquisition of own shares	-	(2,500,042)	-	-	-	2,500,042	(2,500,042)	-	-	(2,500,042)
Balance at 30 June 2013	366,246,868	(8,441,804)	775,290,377	13,152,684	477,558	8,441,804	132,679,133	930,041,556	27,002,027	1,314,848,647

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

For the periods ended at 30 June 2013 and 2012

(Amounts expressed in Euro)								Reserves		
	Share capital	Own shares (note 11)	Share premium	Legal reserves	Medium Term Incentive Plans reserves (note 21)	Own shares reserves	Other reserves	Total reserves	Net income / (loss)	Total
2012										
Balance at 31 December 2011	366,246,868	(13,594,518)	775,290,377	7,991,192	742,525	13,594,518	106,476,978	904,095,590	(7,960,682)	1,248,787,258
Appropriation of result of 2011										
Transfer to other reserves	-	-	-	-	-	-	(7,960,682)	(7,960,682)	7,960,682	-
Dividends distribution	-	-	-	-	-	-	(25,172,240)	(25,172,240)		(25,172,240)
Comprehensive income for the period ended at 30 June 2012	-	-	-	-	-	-	-	-	74,897,642	74,897,642
Delivery of own shares under the Medium Term Incentive Plans	-	438,791	-	-	(443,650)	(438,791)	443,650	(438,791)	-	-
Sale of own shares to subsidiaries under the Medium Term Incentive Plans	-	4,949,143	-	-	-	(4,949,143)	4,008,618	(940,525)	-	4,008,618
Delivery of own shares under the loan in shares to subsidiaries	-	1,962,514	-	-	-	(1,962,514)	1,962,514	-	-	1,962,514
Reimbursement of own shares under the loan in shares to subsidiaries	-	(1,719,545)	-	-	-	1,719,545	(1,719,545)	-	-	(1,719,545)
Effect of the recognition of the Medium Term Incentive Plans	-	-	-	-	193,261	-	-	193,261	-	193,261
Acquisition of own shares	-	(2,175,315)	-	-	-	2,175,315	(2,175,315)	-	-	(2,175,315)
Balance at 30 June 2012	366,246,868	(10,138,930)	775,290,377	7,991,192	492,136	10,138,930	75,863,978	869,776,613	74,897,642	1,300,782,193

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Miguel Nuno Santos Almeida

Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério

António Sampaio e Mello

Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier

David Charles Denholm Hobley

Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Cash Flow statements

For the periods ended at 30 June 2013 and 2012

(Amounts expresses in Euro)	June 2013 (not audited)		June 2012 (not audited)	
Operating activities				
Payments to employees	(1,264,003)		(1,561,257)	
Cash flows from operating activities	(1,264,003)		(1,561,257)	
Payments / receipts relating to income taxes, net	543,614		(1,317,852)	
Other payments / receipts relating to operating activities, net	5,395,635		5,583,322	
Cash flows from operating activities (1)		4,675,246		2,704,213
Investing activities				
Receipts from:				
Investments	15,260,284		21,688,811	
Interest and similar income	9,164,221		4,120,481	
Loans granted	4,490,000		-	
Dividends	24,700,000	53,614,505	78,877,861	104,687,153
Payments for:				
Investments	(15,260,284)		(21,738,810)	
Tangible assets	(2,915)		(2,446)	
Loans granted	-	(15,263,199)	(20,793,000)	(42,534,256)
Cash flows from investing activities (2)		38,351,306		62,152,897
Financing activities				
Receipts from:				
Loans obtained	14,551,000	14,551,000	5,000,000	5,000,000
Payments for:				
Interest and similar expenses	(6,460,591)		(7,699,014)	
Acquisition of own shares	(2,500,042)		(2,175,315)	
Loans obtained	-		(17,298,000)	
Dividends	(43,281,102)	(52,241,735)	(25,172,240)	(52,344,569)
Cash flows from financing activities (3)		(37,690,735)		(47,344,569)
Net cash flows (4)=(1)+(2)+(3)		5,335,817		17,512,541
Cash and cash equivalents at the beginning of the period		103,717,414		61,289,703
Cash and cash equivalents at period end		109,053,231		78,802,244

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo
Miguel Nuno Santos Almeida
Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério
António Sampaio e Mello
Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier
David Charles Denholm Hobley
Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

Notes to the cash flow statements

For the periods ended at 30 June 2013 and 2012

	June 2013	June 2012
1. Acquisition or sale of subsidiaries or other businesses		
a) Other business activities		
Reimburse of supplementary capital from PCJ - Público, Comunicação e Jornalismo, S.A.	7,624,773	3,501,772
Reimburse of supplementary capital from Público- Comunicação Social, S.A.	6,489,365	3,243,735
Reimburse of supplementary capital from Miauger - Organização e Gestão de Leilões Electrónicos, S.A.	1,146,146	-
Reimburse of supplementary capital from Be Artis - Concepção, Construção e Gestão de Redes de Comunicações, S.A.	-	14,943,304
	15,260,284	21,688,811
b) Other business activities		
Share capital increase of PCJ - Público, Comunicação e Jornalismo, S.A.	7,624,774	–
Share capital increase of Público - Comunicação Social, S.A.	6,489,365	–
Cash outflow to coverage losses Miauger - Organização e Gestão de Leilões Electrónicos, S.A.	1,146,145	
Cash outflow to coverage losses Be Artis- Concepção, Construção e Gestão de Redes de Comunicações, S.A.	-	14,943,304
Cash outflow to coverage losses PCJ - Público, Comunicação e Jornalismo, S.A.	-	3,501,772
Cash outflow to coverage losses Público - Comunicação Social, S.A.	-	3,243,735
Establishment of Sonaecom - Serviços Partilhados, S.A.	-	50,000
	15,260,284	21,738,811
c) Dividends received		
Optimus, SGPS, S.A.	24,700,000	17,434,926
Optimus - Comunicações, S.A.	-	46,726,962
Sonae Com Sistemas de Informação, SGPS, S.A.	-	14,132,500
Sontária - Empreendimentos Imobiliários, S.A.	-	583,473
	24,700,000	78,877,861
2. Details of cash and cash equivalents		
Cash in hand	1,042	10,579
Cash at bank	41,673	71,665
Treasury applications	110,193,000	78,720,000
Overdrafts	(1,182,484)	-
Cash and cash equivalents	109,053,231	78,802,244
Overdrafts	1,182,484	-
Cash assets	110,235,715	78,802,244
3. Description of non-monetary financing activities		
a) Bank credit obtained and not used	34,021,761	106,000,000
b) Purchase of company through the issue of shares	Not applicable	Not applicable
c) Conversion of loans into shares	Not applicable	Not applicable

The notes are an integral part of the financial statements at 30 June 2013 and 2012.

The Chief Accountant

Patrícia Maria Cruz Ribeiro da Silva

The Board of Directors

Duarte Paulo Teixeira de Azevedo
Miguel Nuno Santos Almeida
Gervais Gilles Pellissier

Ângelo Gabriel Ribeirinho Paupério
António Sampaio e Mello
Jean-François René Pontal

António Bernardo Aranha da Gama Lobo Xavier
David Charles Denholm Hobley
Maria Cláudia Teixeira de Azevedo

Frank Emmanuel Dangeard

13.4. Notes to the individual financial statements

SONAECOM, SGPS, S.A., (hereinafter referred to as 'the Company' or 'Sonaecom') was established on 6 June 1988, under the name Sonae – Tecnologias de Informação, S.A. and has its head office at Lugar de Espido, Via Norte, Maia – Portugal.

Pargeste, SGPS, S.A.'s subsidiaries in the communications and information technology area were transferred to the Company through a demerger-merger process, executed by public deed dated 30 September 1997.

On 3 November 1999, the Company's share capital was increased, its Articles of Association were modified and its name was changed to Sonae.com, SGPS, S.A.. Since then the Company's corporate object has been the management of investments in other companies. Also on 3 November 1999, the Company's share capital was re-denominated to euro, being represented by one hundred and fifty million shares with a nominal value of 1 Euro each.

On 1 June 2000, the Company carried out a Combined Share Offer, involving the following:

- A Retail Share Offer of 5,430,000 shares, representing 3.62% of the share capital, made in the domestic market and aimed at: (i) employees of the Sonae Group; (ii) customers of the companies controlled by Sonaecom; and (iii) the general public;
- An Institutional Offering for sale of 26,048,261 shares, representing 17.37% of the share capital, aimed at domestic and foreign institutional investors.

In addition to the Combined Share Offer, the Company's share capital was increased under the terms explained below. The new shares were fully subscribed for and paid up by Sonae-, SGPS, S.A. (a Shareholder of Sonaecom, hereinafter referred to as 'Sonae'). The capital increase was subscribed for and paid up on the date the price of the Combined Share Offer was determined, and paid up in cash, 31,000,000 new ordinary shares of 1 Euro each being issued. The subscription price for the new shares was the same as that fixed for the sale of shares in the aforementioned Combined Share Offer, which was Euro 10.

In addition, Sonae sold, in that year, 4,721,739 Sonaecom shares under an option granted to the banks leading the Institutional Offer for Sale and 1,507,865 shares to Sonae Group managers and to the former owners of the companies acquired by Sonaecom.

By decision of the Shareholders' General Meeting held on 17 June 2002, Sonaecom's share capital was increased from Euro 181,000,000 to Euro 226,250,000 by public subscription reserved for the existing Shareholders, 45,250,000 new shares of 1 Euro each having been fully subscribed for and paid up at the price of Euro 2.25 per share.

On 30 April 2003, the company's name was changed by public deed to Sonaecom, SGPS, S.A..

By decision of the Shareholders' General Meeting held on 12 September 2005, Sonaecom's share capital was increased by Euro 70,276,868, from Euro 226,250,000 to Euro 296,526,868, by the issuance of 70,276,868 new shares of 1 Euro each and with a share premium of Euro 242,455,195, fully subscribed by France Telecom. The corresponding public deed was executed on 15 November 2005.

By decision of the Shareholders' General Meeting held on 18 September 2006, Sonaecom's share capital was increased by Euro 69,720,000, to Euro 366,246,868, by the issuance of 69,720,000 new shares of 1 Euro each and with a share premium of Euro 275,657,217, subscribed by 093X – Telecomunicações Celulares, S.A. (EDP) and Parpública – Participações Públicas, SGPS, S.A. (Parpública). The corresponding public deed was executed on 18 October 2006.

By decision of the Shareholders General Meeting held on 16 April 2008, bearer shares were converted into registered shares.

The financial statements are presented in euro, rounded at unit.

1. Basis of presentation

The accompanying financial statements have been prepared on a going concern basis, based on the Company's accounting records in accordance with International Financial Reporting Standards (IAS/IFRS) as adopted by the European Union (EU), and taking into account the IAS 34 – 'Interim Financial Reporting'

The adoption of the International Financial Reporting Standards (IFRS) as adopted by the European Union occurred for the first time in 2007 and as defined by IFRS 1 – 'First time adoption of International Financial Reporting Standards', 1 January 2006 was the date of transition from generally accepted accounting principles in Portugal to those standards.

For Sonaecom, there are no differences between IFRS as adopted by European Union and IFRS published by the International Accounting Standards Board, with the exception of the start dates of the adoption of the standards indicated below.

The following standards, interpretations, amendments and revisions have been approved (endorsed) by the European Union and have mandatory application to financial years beginning on or after 1 January 2013 and were first adopted in the period ended at 30 June 2013:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 13 (Fair Value Measurement) It will improve consistency and reduce complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs.	1-Jan-13
IAS 12 - Amendments (Deferred tax: Recovery of Underlying Assets) The amendment introduces, in the case of investment properties measured using the fair value model, the presumption that recovery of the carrying amount will normally be through sale, in order to determine their tax impact. As a result of the amendments, SIC 21 - 'Income Taxes—Recovery of Revalued Non-Depreciable Assets' would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC-21, which is accordingly withdrawn.	1-Jan-12 (*)
IAS 19 - Amendments (Employee Benefits) The amendments make important improvements by eliminating an option to defer the recognition of gains and losses, known as the 'corridor method', improving comparability and faithfulness of presentation, streamlining the presentation of changes in assets and liabilities arising from defined benefit plans and enhancing the disclosure requirements for defined benefit plans.	1-Jan-13
IAS 1 - Amendments (Presentation of Items of Other Comprehensive Income) The amendments to IAS 1 require companies preparing financial statements in accordance with IFRSs to group together items within OCI.	1-Jul-12
IFRS 7 - Addendments (Disclosures of Financial Instruments) The amendments require additional disclosures regarding financial instruments, particularly, information about those subject to compensation agreements and similars.	1-Jan-13
IFRIC 20 Interpretation (Stripping Costs in the Production Phase of a Surface Mine) The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods.	1-Jan-13
IFRS 1 - Amendments (Government Loans) The amendments referred to the Government Loans addresses how a first-time adopters would account for a government loan with a below-market rate of interest when transitioning to IFRS and proposes to permit prospective application of IAS 20 requirements.	1-Jan-13
Improvements to IFRS (2009-2011) The IASB finalise its annual improvements publication corresponding to the 2009-2011 cycle including six amendments to five IFRSs. The annual improvements process provides a mechanism for non urgent but necessary amendments to International Financial Reporting Standards (IFRSs) to be grouped together and issued in one package.	1-Jan-13
Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) The amendments clarify the transition guidance in IFRS 10 Consolidated Financial Statements and also provide additional transition relief in IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.	1-Jan-13

(*) In accordance with the Regulation which approves the amendment to IAS 12, an entity shall use this standard no later than periods beginning on or after January 1, 2013. The early adoption is however permitted.

The application of these standards and interpretations had no material effect on the financial statements of the Company.

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:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 10 (Consolidated Financial Statements) Builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.	1-Jan-13(**)
IFRS 11 (Joint Arrangements) Provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities.	1-Jan-13(**)
IFRS 12 (Disclosures of Interests in Other Entities) New and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	1-Jan-13(**)
IAS 27 (Separate Financial Statements) Consolidation requirements previously forming part of IAS 27 have been revised and are now contained in IFRS 10 Consolidated Financial Statements.	1-Jan-13(**)
IAS 28 (Investments in Associates and Joint Ventures) The objective of IAS 28 (as amended in 2011) is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in	1-Jan-13(**)

Standard / Interpretation	Effective date (annual periods beginning on or after)
IAS 32- Admendments (Offsetting Financial Assets and Financial Liabilities) IAS 32 is amended to refer to the disclosure requirements in respect of offsetting arrangements.	1-Jan-14

(**) In accordance with the EU Regulation which approves the adoption of IFRS 10, 11 and 12 and the amendments to IAS 27 and IAS 28, an entity shall adopt these standards in the periods beginning on or after January 1, 2014. The early adoption is however permitted.

The Company did not proceed to early application of any of these standards on the financial statements for the period ended at 30 June 2013.

The application of these standards and interpretations, as applicable to the Company will have no material effect on future statements of the Company.

The following standards, interpretations, amendments and revisions have not yet been approved (endorsed) by the European Union, at the date of approval of these financial statements:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 9 (Financial Instruments) This standard is the first step in the project to replace IAS 39, and it introduces new requirements for classifying and measuring financial assets.	1-Jan-15
Amendments to IFRS 10, IFRS 12 and IAS 27 (Investment Entities) The amendments apply to a particular class of business that qualify as investment entities. The admendments provide an exception to the consolidation requirements in IFRS 10.	1-Jan-14
Amendments to IAS 36 (Recoverable amount disclosures for Non-Financial Assets) The amendments introduce additional disclosures and clarify the disclosures required when an asset is impaired and the recoverable amount of assets was based on Fair Value Less Cost of Disposal.	1-Jan-14
Amendments to IAS 39 (Novation of Derivatives and Continuation of Hedge Accounting) The objective of the proposed amendments is to provide an exception to the requirement for the discontinuation of hedge accounting in IAS 39 and IFRS 9 in circumstances when a hedging instrument is required to be novated as a result of laws or regulations.	1-Jan-14
IFRIC 21 Levies (Levies Charged by Public Authorities on Entities that Operate in a Specific Market) This interpretation clarifies on when a liability to pay a levy imposed by a government (does not include income taxes - see IAS 12 Income taxes) should be recognised by an entity. IFRIC 21 identifies that the obligating event that gives rise to a liability is the activity that triggers the payment of the levy in accordance with the relevant legislation.	1-Jan-14

These standards have not yet been approved ('endorsed') by the European Union and, as such, were not adopted by the Company for the period ended at 30 June 2013. Their application is not yet mandatory.

The application of these standards and interpretations, as applicable to the Company will have no material effect on future financial statements of the Company.

The accounting policies and measurement criteria adopted by the Company at 30 June 2013 are comparable with those used in the preparation of the individual financial statements at 31 December 2012.

Main accounting policies

The main accounting policies used in the preparation of the accompanying financial statements are as follows:

a) Tangible assets

Tangible assets are recorded at their acquisition cost less accumulated depreciation and less estimated accumulated impairment losses.

Depreciations are calculated on a straight-line monthly basis as from the date the assets are available for use in the necessary conditions to operate as intended by the management, by a corresponding charge to the profit and loss statement caption 'Depreciation and amortisation'.

Impairment losses detected in the realisation value of tangible assets are recorded in the period in which they arise, by a corresponding charge to the caption 'Depreciation and amortisation' of the profit and loss statement.

The annual depreciation rates used correspond to the estimated useful life of the assets, which are as follows:

	Years of useful life
Buildings and others constructions – improvements in buildings owned by third parties	5-20
Plant and machinery	5-8
Fixtures and fittings	3-8

Current maintenance and repair costs of tangible assets are recorded as costs in the period in which they occur. Improvements of significant amount, which increase the estimated useful life of the assets, are capitalised and depreciated in accordance with the estimated useful life of the corresponding assets.

b) Intangible assets

Intangible assets are recorded at their acquisition cost less accumulated amortisation and less estimated accumulated impairment losses. Intangible assets are only recognised, if it is likely that they will bring future economic benefits to the

Company, if the Company controls them and if their cost can be reliably measured.

Intangible assets correspond, essentially, to software and industrial property.

Amortisations are calculated on a straight-line monthly basis, over the estimated useful life of the assets (three to six years) as from the month in which the corresponding expenses are incurred.

Amortisation for the period is recorded in the profit and loss statement under the caption 'Depreciation and amortisation'.

c) Investments in Group companies and other non-current assets

Investments in companies in which the Company has direct or indirect voting rights at Shareholders' General Meetings in excess of 50% or in which it has control over the financial and operating policies are recorded under the caption 'Investments in Group companies', at their acquisition cost, in accordance with IAS 27, as Sonaecom presents, separately, consolidated financial statements in accordance with IAS / IFRS.

Loans and supplementary capital granted to affiliated companies with maturities, estimated or defined contractually, greater than one year, are recorded, at their nominal value, under the caption 'Other non-current assets'.

Investments and loans granted to Group companies are evaluated whenever an event or change of circumstances indicates that the recorded amount may not be recoverable or impairment losses recorded in previous years no longer exist.

Impairment losses estimated for investments and loans granted to Group companies are recorded, in the period that they are estimated, under the caption 'Other financial expenses' in the profit and loss statement.

The expenses incurred with the acquisition of investments in Group companies are recorded as cost when they are incurred.

d) Financial instruments

The Company classifies its financial instruments in the following categories: 'financial assets at fair value through profit or loss', 'loans and receivables', 'held-to-maturity investments', and 'available-for-sale financial assets'. The classification depends on the purpose for which the investments were acquired.

The classification of the investments is determined at the initial recognition and re-evaluated every quarter.

(i) 'Financial assets at fair value through profit or loss'

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term or if the adoption of this method allows reducing or eliminating an accounting mismatch. Derivatives are also registered as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to mature within 12 months of the balance sheet date.

(ii) 'Loans and receivables'

Loans and receivables are non-derivative financial assets with fixed or variable payments that are not quoted in an active market. These financial investments arise when the Company provides money or services directly to a debtor with no intention of trading the receivable.

Loans and receivables are carried at amortised cost using the effective interest method, deducted from any impairment losses.

Loans and receivables are recorded as current assets, except when its maturity is greater than 12 months from the balance sheet date, a situation in which they are classified as non-current assets.

(iii) 'Held-to-maturity investments'

Held-to-maturity investments are non-derivative financial assets with fixed or variable payments and with fixed maturities that the Company's management has the positive intention and ability to hold until their maturity.

(iv) 'Available-for-sale financial assets'

Available-for-sale financial assets are non-derivative investments that are either designated in this category or not classified in any of the other above referred categories. They are included in non-current assets unless management intends to dispose them within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. The 'Financial assets at fair value through profit or loss' are initially recognised at fair value and the transaction costs are recorded in the income statement. Investments are derecognised when the rights to receive cash flows from the investments have expired or transferred, and consequently all substantial risks and rewards of their ownership have been transferred.

'Available-for-sale financial assets' and 'Financial assets at fair value through profit or loss' are subsequently carried at fair value.

'Loans and receivables' and 'Held-to-maturity investments' are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of financial assets classified at fair value through profit or loss are recognised in the income statement. Realised and unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the profit and loss statement as gains or losses from investment securities.

The fair value of quoted investments is based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to similar instruments, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. If none of these valuation techniques can be used, the Company values these investments at acquisition cost net of any identified impairment losses. The fair value of listed investments is determined based on the closing Euronext share price at the balance sheet date.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In case of equity securities classified as available-for-sale, a significant decline (above 25%) or prolonged decline (during two consecutive quarters) in the fair value of the security below its cost is considered in determining whether the securities are impaired. If such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment losses on that financial asset previously recognised in the profit or loss statement – is removed from equity and recognised in the profit and loss statement. Impairment losses recognised in the profit and loss statement on equity securities are not reversed through the profit and loss statement.

e) Financial and operational leases

Lease contracts are classified as financial leases, if, in substance, all risks and rewards associated with the detention of the leased asset are transferred by the lease contract or as operational leases, if, in substance, there is no transfer of risks and rewards associated with the detention of the leased assets.

The lease contracts are classified as financial or operational in accordance with the substance and not with the form of the respective contracts.

Tangible assets acquired under finance lease contracts and the related liabilities are recorded in accordance with the financial method. Under this method the tangible assets, the corresponding accumulated depreciation and the related liability are recorded in accordance with the contractual financial plan at fair value or, if less, at the present value of payments. In addition, interest included in lease payments and depreciation of the tangible assets are recognised as expenses in the profit and loss statement for the period to which they relate.

Assets under long-term rental contracts are recorded in accordance with the operational lease method. In accordance with this method, the rents paid are recognised as an expense, over the rental period.

f) Other current debtors

Other current debtors are recorded at their net realisable value, and do not include interest, because the financial updated effect is not significant.

These financial investments arise when the Company provides money or services directly to a debtor with no intention of trading the receivable.

The amount relating to this caption is presented net of any impairment losses, which are recorded in the profit and loss statement under the caption 'Provisions and impairment losses'. Future reversals of impairment losses are recorded in the profit and loss statement under the caption 'Provisions and impairment losses'.

g) Cash and cash equivalents

Amounts included under the caption 'Cash and cash equivalents' correspond to amounts held in cash and term bank deposits and other treasury applications where the risk of any change in value is insignificant.

The cash flow statement has been prepared in accordance with IAS 7 –'Statement of Cash Flow', using the direct method. The Company classifies, under the caption 'Cash and cash equivalents', investments that mature in less than three months, for which the risk of change in value is insignificant. The caption 'Cash and cash equivalents' in the cash flow statement also includes bank overdrafts, which are reflected in the balance sheet caption 'Short-term loans and other loans'.

The cash flow statement is classified by operating, financing and investing activities. Operating activities include payments to personnel and other captions relating to operating activities.

Cash flows from investing activities include the acquisition and sale of investments in associated and subsidiary companies and receipts and payments resulting from the purchase and sale of tangible assets.

Cash flows from financing activities include payments and receipts relating to loans obtained and finance lease contracts.

All amounts included under this caption are likely to be realised in the short term and there are no amounts given or pledged as guarantee.

h) Loans

Loans are recorded as liabilities by the 'amortised cost'. Any expenses incurred in setting up loans are recorded as a deduction to the nominal debt and recognised during the period of the financing, based on the effective interest rate method. The interests incurred but not yet due are added to the loans caption until their payment.

i) Financial expenses relating to loans obtained

Financial expenses relating to loans obtained are generally recognised as expenses at the time they are incurred. Financial expenses related to loans obtained for the acquisition, construction or production of fixed assets are capitalised as part of the cost of the assets. These expenses are capitalised starting from the time of preparation for the construction or development of the asset and are interrupted when the assets are ready to operate, at the end of the production or construction phases or when the associated project is suspended.

j) Derivatives

The Company only uses derivatives in the management of its financial risks to hedge against such risks. The Company does not use derivatives for trading purposes.

The cash flow hedges used by the Company are related to:

(i) Interest rate swaps operations to hedge against interest rate risks on loans obtained. The amounts, interest payment dates and repayment dates of the underlying interest rate swaps are similar in all respects to the conditions established for the contracted loans. Changes in the fair value of cash flow hedges are recorded in assets or liabilities, against a corresponding entry under the caption 'Hedging reserves' in Shareholders' funds.

(ii) Forward's exchange rate for hedging foreign exchange risk. The values and times periods involved are identical to the amounts invoiced and their maturities.

In cases where the hedge instrument is not effective, the amounts that arise from the adjustments to fair value are recorded directly in the profit and loss statement.

At 30 of June 2013 and 2012, the Company did not have any derivative, beyond those mentioned in note 1.s).

k) Provisions and contingencies

Provisions are recognised when, and only when, the Company has a present obligation (either legal or implicit) resulting from a past event, the resolution of which is likely to involve the disbursement of funds by an amount that can be reasonably estimated.

Provisions are reviewed at the balance sheet date and adjusted to reflect the best estimate at that date.

Provisions for restructurings are only registered if the Company has a detailed plan and if that plan has already been communicated to the parties involved.

Contingent liabilities are not recognised in the financial statements but are disclosed in the notes, except if the possibility of a cash outflow affecting future economic benefits is remote.

Contingent assets are not recognised in the financial statements but are disclosed in the notes when future economic benefits are likely to occur.

l) Income Tax

'Income tax' expense represents the sum of the tax currently payable and deferred tax. Income tax is recognised in accordance with IAS 12 – 'Income Tax'.

Sonaecom has adopted, since 1 January 2008, the special regime for the taxation of groups of companies, under which, the provision for income tax is determined on the basis of the estimated taxable income of all the companies covered by that regime, in accordance with such rules. The special regime for the taxation of groups of companies covers all subsidiaries on which the group holds at least 90% of their share capital, with its headquarters located in Portugal and subject to Corporate Income Tax (IRC).

Deferred taxes are calculated using the liability method and reflect the timing differences between the amount of assets and liabilities for accounting purposes and the respective amounts for tax purposes.

Deferred tax assets are only recognised when there is reasonable expectation that sufficient taxable profits shall arise in the future to allow such deferred tax assets to be used. At the end of each period, the recorded and unrecorded deferred tax assets are revised and they are reduced whenever their realisation ceases to be probable, or increased if future taxable profits are likely enabling the recovery of such assets (note 7).

Deferred taxes are calculated with the tax rate that is expected to be in effect at the time the asset or liability is realised.

Whenever deferred taxes derive from assets or liabilities directly registered in Shareholders' funds, its recording is also made under the Shareholders' funds caption. In all other situations, deferred taxes are always registered in the profit and loss statement.

m) Accrual basis and revenue recognition

Expenses and income are recorded in the period to which they relate, regardless of their date of payment or receipt. Estimated amounts are used when actual amounts are not known.

The captions 'Other non-current assets', 'Other current assets', 'Other non-current liabilities' and 'Other current liabilities' include expenses and income relating to the current period, where payment and receipt will occur in future periods, as well as payments and receipts in the current period but which relate to future periods. The latter shall be included by the corresponding amount in the results of the periods to which they relate to.

The costs attributable to current period and whose expenses will only occur in future periods are estimated and recorded under the caption 'Other current liabilities' and 'Other non-current liabilities', when it is possible to estimate reliably the amount and the timing of occurrence of the expense. If there is uncertainty regarding both the date of disbursement of funds, and the amount of the obligation, the value is classified as Provisions (note 1.k)).

Non-current financial assets and liabilities are recorded at fair value and, in each period, the financial actualisation of the fair value is recorded in the profit and loss statement under the captions 'Other financial expenses' and 'Other financial income'.

Dividends are recognised when the Shareholders' rights to receive such amounts are appropriately established and communicated.

n) Balance sheet classification

Assets and liabilities due in more than one year from the date of the balance sheet are classified, respectively, as non-current assets and non-current liabilities.

In addition, considering their nature, the deferred taxes and the provisions for other liabilities and charges, are classified as non-current assets and liabilities (notes 7 and 13).

o) Reserves

Legal reserve

Portuguese commercial legislation requires that at least 5% of the annual net profit must be appropriated to a legal reserve, until such reserve reaches at least 20% of the share capital. This reserve is not distributable, except in case of liquidation of the Company, but may be used to absorb losses, after all the other reserves are exhausted, or to increase the share capital.

Share premiums

The share premiums relate to premiums generated in the issuance of capital or in capital increases. According to Portuguese law, share premiums follow the same requirements of 'Legal reserves', ie, they are not distributable, except in case of liquidation, but they can be used to absorb losses, after all the other reserves are exhausted or to increase share capital.

Medium-term incentive plans reserves

According to IFRS 2 – 'Share based payment', the responsibility related with the equity settled plans is registered, as a credit, under the caption of Medium Term Incentive Plan Reserves, which are not distributable and which cannot be used to absorb losses.

Hedging reserve

Hedging reserve reflects the changes in fair value of 'cash flow' hedges derivatives that are considered effective (note 1.j)) and it is non-distributable nor can it be used to absorb losses.

Own shares reserve

The own shares reserve reflects the acquisition value of the own shares and follows the same requirements of legal reserves.

Therefore, at 30 June 2013, Sonaecom, SGPS, S.A., has free reserves, considered distributable, ate the end of the year in the amount of around Euro 158.6 million.

p) Own shares

Own shares are recorded as a deduction of Shareholders' funds. Gains or losses related to the sale of own shares are recorded under the caption 'Other reserves'.

q) Foreign currency

All assets and liabilities expressed in foreign currency were translated into Euro using the exchange rates in force at the balance sheet.

Favourable and unfavourable foreign exchange differences resulting from changes in the rates in force at transaction date and those in force at the date of collection, payment or at the balance sheet date are recorded as income and expenses in the profit and loss statement of the period, in financial results.

The following rates were used for the translation into Euro:

	2013		2012	
	30 June	Average	30 June	Average
Pounds Sterling	1.1666	1.1758	1.2395	1.2162
Swiss franc	0.8105	0.8132	0.8313	0.8300
Swedish krona	0.1139	0.1173	0.1140	0.1126
American Dollar	0.7645	0.7619	0.7943	0.7715

r) Assets impairment

Impairment tests are performed at the date of each balance sheet and whenever an event or change of circumstances indicates that the recorded amount of an asset may not be recoverable.

Whenever the book value of an asset is greater than the amount recoverable, an impairment loss is recognised and recorded in the profit and loss statement under the caption 'Depreciation and amortisation' in the case of fixed assets, under the caption 'Other financial expenses' in the case of financial investments or under the caption 'Provisions and impairment losses', in relation to the other assets. The amount recoverable is the greater of the net selling price and the value of use. Net selling price is the amount obtained upon the sale of an asset in a transaction within the capability of the parties involved, less the costs directly related to the sale. The value of use is the present amount of the estimated future cash flows expected to result from the continued use of the asset and of its sale at the end of its useful life. The recoverable amount is estimated for each asset individually or, if this is not possible, for the cash-generating unit to which the asset belongs.

For financial investments, the recoverable amount, calculated in terms of value in use, is determined based on last business plans duly approved by the Board of Directors of the Company.

Evidence of the existence of impairment in accounts receivables appears when:

- the counterparty presents significant financial difficulties;
- there are significant delays in interest payments and in other leading payments from the counterparty;
- it is possible that the debtor goes into liquidation or into a financial restructuring.

s) Medium-term incentive plans

The accounting treatment of Medium Term Incentive Plans is based on IFRS 2 – 'Share-based Payments'.

Under IFRS 2, when the settlement of plans established by the Company involves the delivery of Sonaecom's own shares, the estimated responsibility is recorded, as a credit entry, under the caption 'Reserves – Medium Term Incentive Plans', within the caption 'Shareholders' funds' and is charged as an expense under the caption 'Staff expenses' in the profit and loss statement.

The quantification of this responsibility is based on its fair value at the attribution date and is recognised over the vesting period of each plan (from the award date of the plan until its vesting or settlement date). The total responsibility, at any point in time, is calculated based on the proportion of the vesting period that has 'elapsed' up to the respective accounting date.

When the responsibilities associated with any plan are covered by a hedging contract, ie, when those responsibilities are replaced by a fixed amount payable to a third party and when Sonaecom is no longer the party that will deliver the Sonaecom shares, at the settlement date of each plan, the above accounting treatment is subject to the following changes:

(i) The total gross fixed amount payable to third parties is recorded in the balance sheet as either 'Other non-current liabilities' or 'Other current liabilities';

(ii) The part of this responsibility that has not yet been recognised in the profit and loss statement (the 'unelapsed' proportion of the cost of each plan) is deferred and is recorded, in the balance sheet as either 'Other non-current assets' or 'Other current assets';

(iii) The net effect of the entries in (i) and (ii) above eliminate the original entry to 'Shareholders' funds';

(iv) In the profit and loss statement, the 'elapsed' proportion continues to be charged as an expense under the caption 'Staff expenses'.

For plans settled in cash, the estimated liability is recorded under the balance sheet captions 'Other non-current liabilities' and 'Other current liabilities' by a corresponding entry to the income statement caption 'Staff expenses', for the cost relating to the vesting period that has 'elapsed' up to the respective accounting date. The liability is quantified based on the fair value of the shares as of each balance sheet date.

When the liability is covered by a hedging contract, recognition is made in the same way as described above, but with the liability being quantified based on the contractually fixed amount.

Equity-settled plans to be liquidated through the delivery of shares of the parent company are recorded as if they were settled in cash, which means that the estimated liability is recorded under the balance sheet captions 'Other non-current liabilities' and 'Other current liabilities' by a corresponding entry to the income statement caption 'Staff expenses', for the cost relating to the deferred period elapsed. The liability is quantified based on the fair value of the shares as of each balance sheet date.

For 2011 Sonaecom shares plan, the Company signed with Sonae-SGPS, S.A., a contract that agrees to the transfer of Sonaecom, SGPS, S.A. shares for employees and board members of the Group as requested by Sonaecom and under the MTIP of Sonaecom and fixed the shares' acquisition price. The remaining Sonaecom share plans are mainly covered through the detention of own shares. The impacts associated to the Medium Term Incentive Plans are registered, in the balance sheet, under the caption 'Medium Term Incentive Plans Reserve'. The cost is recognized under the profit and loss statement caption 'Staff expenses'.

Regarding the plans liquidated through the delivery of shares of the parent company, the company entered, for two plans, into hedging contracts with an external entity under which the acquisition price of those shares was fixed (the company entered into a hedging contract for 2012 share plan in July 2013).Therefore, the responsibility is recorded based on that fixed price, (and for 2012 plan, is recorded at the closing price at 28 June 2013), proportionally to the period of time elapsed since the award date until the date of record, under the captions 'Other non-current liabilities' and 'Other current liabilities'. The cost is recognized on the income statement under the caption 'Staff expenses'.

t) Subsequent events

Events occurring after the date of the balance sheet which provide additional information about conditions prevailing at the time of the balance sheet (adjusting events) are reflected in the financial statements. Events occurring after the balance sheet date that provide information on post-balance sheet conditions (non-adjusting events), when material, are disclosed in the notes to the financial statements.

u) Judgements and estimates

The most significant accounting estimates reflected in the financial statements of the periods ended at 30 June 2013 and 2012 include mainly impairment analysis of assets, particularly financial investments in Group companies.

Estimates used are based on the best information available during the preparation of financial statements and are based on the best knowledge of past and present events. Although future events are not controlled by the Company neither foreseeable, some could occur and have impact on the estimates. Changes to the estimates used by the management that occur after the approval date of these financial statements, will be recognised in net income, in accordance with IAS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors', using a prospective methodology.

The main estimates and assumptions in relation to future events included in the preparation of financial statements are disclosed in the respective notes.

v) Financial risk management

The Company's activities expose it to a variety of financial risks such as market risk, liquidity risk and credit risk.

These risks arise from the unpredictability of financial markets, which affect the capacity to project cash flows and profits. The Company's financial risk management, subject to a long-term ongoing perspective, seeks to minimise potential adverse effects that derive from that uncertainty, using, every time it is possible and advisable, derivative financial instruments to hedge the exposure to such risks (note 1. j).

Market risk

a) Foreign exchange risk

Foreign exchange risk management seeks to minimise the volatility of investments and transactions made in foreign currency and contributes to reduce the sensitivity of results to changes in foreign exchange rates.

Whenever possible, the Company uses natural hedges to manage exposure, by offsetting credits granted and credits received expressed in the same currency. When such procedure is not possible, the Company adopts derivative financial hedging instruments (note 1. j).

Considering the reduced values of assets and liabilities in foreign currency, the impact of a change in exchange rate will not have significant impacts on the financial statements.

b) Interest rate risk

Sonaecom's total debt is indexed to variable rates, exposing the total cost of debt to a high risk of volatility. The impact of this volatility in the Company results or in its Shareholders' funds is mitigated by the effect of the following factors: (i) relatively low level of financial leverage; (ii) possibility to use derivative instruments that hedge the interest rate risk, as mentioned below; (iii) possible correlation between the level of market interest rates and economic growth the latter having a positive effect in other lines of the Company's results, and in this way partially offsetting the increase of financial costs ('natural hedge'); and (iv) the existence of stand alone or consolidated liquidity which is also bearing interest at a variable rate.

The Company only uses derivatives or similar transactions to hedge interest rate risks considered significant. Three main principles are followed in all instruments selected and used to hedge interest rate risk:

- For each derivative or instrument used to hedge a specific loan, the interest payment dates on the loans subject to hedging must equalise the settlement dates defined under the hedging instrument;
- Perfect match between the base rates: the base rate used in the derivative or hedging instrument should be the same as that of the facility / transaction which is being hedged;
- As from the start of the transaction, the maximum cost of the debt, resulting from the hedging operation is known and limited, even in scenarios of extreme changes in market interest rates, so that the resulting rates are within the cost of the funds considered in the Company's business plan.

As all Sonaecom's borrowings (note 12) are at variable rates, interest rate swaps and other derivatives are used to hedge future changes in cash flow relating to interest payments, when it is considered necessary. Interest rate swaps have the financial effect of converting the respective borrowings from floating rates to fixed rates. Under the interest rate swaps, the Company agrees with third parties (banks) to exchange, in pre-determined periods, the difference between the amount of interest calculated at the fixed contract rate and the floating rate at the time of re-fixing, by reference to the respective agreed notional amounts.

The counterparties of the derivative hedging instruments are limited to highly rated financial institutions, being the Company's policy, when contracting such instruments, to give preference to financial institutions that form part of its financing transactions.

In order to select the counterparty for occasional operations, Sonaecom requests proposals and indicative prices from a representative number of banks in order to ensure adequate competitiveness of these operations.

In determining the fair value of hedging operations, the Company uses certain methods, such as option valuation and discounted future cash flow models, using assumptions based on market interest rates prevailing at the balance sheet date. Comparative financial institution quotes for the specific or similar instruments are used as a benchmark for the valuation.

The fair value of the derivatives contracted, that are considered as fair value hedges or the ones that are considered not sufficiently effective for cash flow hedge (in accordance with the provisions established in IAS 39 – 'Financial Instruments'), are recognised under borrowings captions and changes in the fair value of such derivatives are recognised directly in the profit and loss statement for the period. The fair value of derivatives of cash flow hedge, that are considered effective according to IAS 39 – 'Financial Instruments', are recognised under borrowing captions and changes in the fair value are recognised in equity.

Sonaecom's Board of Directors approves the terms and conditions of the financing with significant impact in the Company, based on the analysis of the debt structure, the risks and the different options in the market, particularly as to the type of interest rate (fixed / variable). Under the policy defined above, the Executive Committee is responsible for the decision on the occasional interest rate hedging contracts, through the monitoring of the conditions and alternatives existing in the market.

Liquidity risk

The existence of liquidity in the Company requires the definition of some policies for an efficient and secure management of the liquidity, allowing us to maximise the profitability and to minimise the opportunity costs related with that liquidity.

The liquidity risk management has a threefold objective: (i) Liquidity, ie, to ensure the permanent access in the most efficient way to obtain sufficient funds to settle current payments in the respective dates of maturity as well as any eventual not forecasted requests for funds, in the deadlines set for this; (ii) Safety, ie, to minimise the probability of default in any reimbursement of application of funds; and (iii) Financial efficiency, ie, to ensure that the Company maximises the value / minimise the opportunity cost of holding excess liquidity in the short term.

The main underlying policies correspond to the variety of instruments allowed, the maximum acceptable level of risk, the maximum amount of exposure by counterparty and the maximum periods for investments.

The existing liquidity should be applied to the alternatives and by the order described below:

(i) Amortisation of short-term debt – after comparing the opportunity cost of amortisation and the opportunity cost related to alternative investments;

(ii) Consolidated management of liquidity – the existing liquidity in Group companies, should mainly be applied in Group companies, to reduce the use of bank debt at a consolidated level;

(iii) Applications in the market.

The applications in the market are limited to eligible counterparties, with ratings previously established by the Board and limited to certain maximum amounts by counterparty.

The definition of maximum amounts intends to assure that the application of liquidity in excess is made in a prudent way and taking into consideration the best practices in terms of bank relationships.

The maturity of applications should equalise the forecasted payments (or the applications should be easily convertible, in case of asset investments, to allow urgent and not estimated payments), considering a threshold for eventual deviations on the estimates. The threshold depends on the accuracy level of treasury estimates and would be determined by the business. The accuracy of the treasury estimates is an important variable to quantify the amounts and the maturity of the applications in the market.

The maturity of each class of financial liabilities is presented in Note 12.

Credit risk

The Company's exposure to credit risk is mainly associated with the accounts receivable related to current operational activities. The credit risk associated to financial operations is mitigated by the fact that the Company only negotiates with entities with high credit quality.

The management of this risk seeks to guarantee that the amounts owing are effectively collected within the periods negotiated without affecting the financial health of the Company.

The amounts included in the financial statements related to other current debtors, net of impairment losses, represent the maximum exposure of the Company to credit risk.

2. Tangible assets

The movement in tangible assets and in the corresponding accumulated depreciation and impairment losses in the periods ended at 30 June 2013 and 2012 was as follows:

						2013
	Buildings and other constructions	Plant and machinery	Tools	Fixtures and fittings	Other tangible assets	Total
Gross assets						
Balance at 31 December 2012	722,909	46,685	171	333,756	104	1,103,625
Additions	-	-	-	2,914	-	2,914
Balance at 30 June 2013	722,909	46,685	171	336,670	104	1,106,539
Accumulated depreciation and impairment losses						
Balance at 31 December 2012	486,209	40,497	171	280,140	104	807,121
Depreciation for the period	20,878	3,657	–	8,990	–	33,525
Balance at 30 June 2013	507,087	44,154	171	289,130	104	840,646
Net value	215,822	2,531	-	47,540	-	265,893

						2012
	Buildings and other constructions	Plant and machinery	Tools	Fixtures and fittings	Other tangible assets	Total
Gross assets						
Balance at 31 December 2011	721,165	46,325	171	333,757	104	1,101,522
Additions	-	360	-	-	-	360
Balance at 30 June 2012	721,165	46,685	171	333,757	104	1,101,882
Accumulated depreciation and impairment losses						
Balance at 31 December 2011	444,736	33,182	171	262,282	104	740,475
Depreciation for the period	20,722	3,657	-	9,112	-	33,491
Balance at 30 June 2012	465,458	36,839	171	271,394	104	773,966
Net value	255,707	9,846	-	62,363	-	327,916

3. Intangible assets

The movement in intangible assets and in the corresponding accumulated amortisation and impairment losses in the periods ended at 30 June 2013 and 2012, was as follows:

				2013
	Brands, patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2012	9,719	190,031	2,373	202,123
Transfers	-	2,373	(2,373)	-
Balance at 30 June 2013	9,719	192,404	-	202,123
Accumulated amortisation and impairment losses				
Balance at 31 December 2012	9,339	183,474	-	192,813
Amortisation for the period	380	954	-	1,334
Balance at 30 June 2013	9,719	184,428	-	194,147
Net value	-	7,976	-	7,976

				2012
	Brands, patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2011	9,719	183,623	-	193,342
Balance at 30 June 2012	9,719	183,623	-	193,342
Accumulated amortisation and impairment losses				
Balance at 31 December 2011	8,316	182,741	-	191,057
Amortisation for the period	512	242	-	754
Balance at 30 June 2012	8,828	182,983	-	191,811
Net value	891	640	-	1,531

4. Breakdown of financial instruments

At 30 June 2013 and 2012, the breakdown of financial instruments was as follows:

					2013
	Loans and receivables	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets					
Other non-current assets (note 6)	513,890,246	-	513,890,246	-	513,890,246
	513,890,246	-	513,890,246	-	513,890,246
Current assets					
Other trade debtors (note 8)	6,312,695	-	6,312,695	1,810,272	8,122,967
Other current assets	-	3,516,284	3,516,284	162,725	3,679,009
Cash and cash equivalents (note 9)	110,235,715	-	110,235,715	-	110,235,715
	116,548,410	3,516,284	120,064,694	1,972,997	122,037,691

					2012
	Loans and receivables	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets					
Other-non current assets (note 6)	108,948,228	-	108,948,228	-	108,948,228
	108,948,228	-	108,948,228	-	108,948,228
Current assets					
Other trade debtors (note 8)	472,760,773	-	472,760,773	762,937	473,523,710
Other current assets	-	1,472,063	1,472,063	158,087	1,630,150
Cash and cash equivalents (note 9)	78,802,244	-	78,802,244	-	78,802,244
	551,563,017	1,472,063	553,035,080	921,024	553,956,104

					2013
	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	Total
Non-current liabilities					
Medium and long-term loans – net of short-term portion (note 12)	240,492,366	-	240,492,366	-	240,492,366
Other non-current liabilities	-	-	-	127,381	127,381
	240,492,366	-	240,492,366	127,381	240,619,747
Current liabilities					
Short-term loans and other loans (note 12)	152,203,296	-	152,203,296	-	152,203,296
Other creditors (note 14)	-	944,158	944,158	140,393	1,084,551
Other current liabilities	-	440,633	440,633	142,185	582,818
	152,203,296	1,384,791	153,588,087	282,578	153,870,665

					2012
	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	Total
Non-current liabilities					
Medium and long-term loans – net of short-term portion (note 12)	139,814,887	-	139,814,887	-	139,814,887
Other non-current liabilities	-	-	-	100,713	100,713
	139,814,887	-	139,814,887	100,713	139,915,600
Current liabilities					
Short-term loans and other loans (note 12)	304,673,797	-	304,673,797	-	304,673,797
Other creditors (note 14)	-	356,610	356,610	151,461	508,071
Other current liabilities	-	588,363	588,363	224,397	812,760
	304,673,797	944,973	305,618,770	375,858	305,994,628

Considering the nature of the balances, the amounts to be paid and received to / from 'State and other public entities', as well as the specialized costs with share plans were considered outside the scope of IFRS 7. Also, the deferred income and deferred costs under the captions 'Other current assets', 'Other current liabilities' , Other non-current assets' and 'Other non-current liabilities' were considered as non-financial instrument.

The Sonaecom's Board of Directors believes that, the fair value of the breakdown of financial instruments recorded at amortised cost or registered at the present value of the payments does not differ significantly from their book value. This decision is based in the contractual terms of each financial instrument.

5. Investments in Group companies

At 30 June 2013 and 2012, this caption included the following investments in Group companies:

Company	2013	2012
OPTIMUS, SGPS, S.A. ('Optimus SGPS') *	1,005,866,218	107,289,987
Sonaetelecom BV	75,009,902	75,009,902
Sonae com – Sistemas de Informação, SGPS, S.A. ('Sonae com SI')	52,241,587	52,241,587
Sonaecom BV	25,020,000	25,020,000
PCJ - Público, Comunicação e Jornalismo, S.A. ('PCJ')	11,176,546	3,551,771
Público - Comunicação Social, S.A. ('Público')	10,227,595	3,738,230
Miauger – Organização e Gestão de Leilões Electrónicos, S.A. ('Miauger')	5,714,245	4,568,100
Sonaecom - Serviços Partilhados, S.A. ('Sonaecom SP')	50,000	50,000
ZOPT, SGPS, S.A. ('ZOPT') **	25,000	-
Optimus - Comunicações, S.A. ('Optimus')	-	898,576,231
	1,185,331,093	1,170,045,808
Impairment losses (note 13)	(112,016,451)	(86,516,232)
Total investments in Group companies	1,073,314,642	1,083,529,576

* This company changed its name from Sonae Telecom, SGPS, S.A., to OPTIMUS, SGPS, S.A., at 12 October 2012
**Company established in December 2012

The movements that occurred in investments in this caption during the periods ended at 30 June 2013 and 2012 were as follows:

Company	Balance at 31 December 2012	Additions	Disposals	Transfers and write-offs	Balance at 30 June 2013
Optimus SGPS	1,005,866,218	-	-	-	1,005,866,218
Sonaetelecom BV	75,009,902	-	-	-	75,009,902
Sonae com SI	52,241,587	-	-	-	52,241,587
Sonaecom BV	25,020,000	-	-	-	25,020,000
PCJ	3,551,772	7,624,774	-	-	11,176,546
Público	3,738,230	6,489,365	-	-	10,227,595
Miauger	4,568,100	1,146,145	-	-	5,714,245
Sonaecom SP	50,000	-	-	-	50,000
ZOPT	25,000	-	-	-	25,000
	1,170,070,809	15,260,284	-	-	1,185,331,093
Impairment losses (note 13)	(97,197,713)	-	20,000	(14,838,738)	(112,016,451)
	1,072,873,096	15,260,284	20,000	(14,838,738)	1,073,314,642

Company	Balance at 31 December 2011	Additions	Disposals	Transfers and write-offs	Balance at 30 June 2012
Optimus	898,576,231	-	-	-	898,576,231
Optimus SGPS	107,289,987	-	-	-	107,289,987
Sonaetelecom BV	75,009,902	-	-	-	75,009,902
Sonae com SI	52,241,587	-	-	-	52,241,587
Sonaecom BV	25,020,000	-	-	-	25,020,000
Miauger	4,568,100	-	-	-	4,568,100
Público	494,495	3,243,735	-	-	3,738,230
PCJ	50,000	3,501,771	-	-	3,551,771
Sonaecom SP	-	50,000	-	-	50,000
Be Artis	8,230,885	14,943,304	(23,174,189)	-	-
Sontária	6,120,239	-	(6,120,239)	-	-
	1,177,601,426	21,738,810	(29,294,428)	-	1,170,045,808
Impairment losses (note 13)	(80,122,497)	-	-	(6,393,735)	(86,516,232)
	1,097,478,929	21,738,810	(29,294,428)	(6,393,735)	1,083,529,576

In the period ended at 30 June 2013, the amounts of Euro 7,624,774 and Euro 6,489,365 under the caption 'Additions' in PCJ and Público, respectively, relates to increases of share capital and the amount of Euro 1,146,145 in Miauger relates to an increase of capital to cover losses.

In the period ended at 30 June 2012, Sonaecom sold the entire share capital of its subsidiaries Be Artis and Sontária to Optimus SGPS, a company fully owned by Sonaecom. The participations were sold for the amount of Euro 456 million and Euro 9 million respectively, including share capital, loans and supplementary capital (note 6), generating a loss of circa Euro 363 thousand (note 16).

In the period ended at 30 June 2012, the amounts of Euro 14,943,304, Euro 3,243,735 and Euro 3,501,771 under the caption 'Additions' in Be Artis, Público and PCJ, respectively, relates to an increase of capital to cover losses. The amount of Euro 50,000 under the caption 'Additions' at Sonaecom SP, relates to the constitution of Sonaecom Serviços Partilhados, S.A., wholly owned by Sonaecom.

The variation in 'Impairment losses', in the period ended at 30 June 2013, result from the decrease made in the amount of Euro 20,000 (note 13) and the transfer of Euro 14,838,738 to the caption 'Other non-current assets' (note 6 and 13).

Between June 2013 and June 2012, the additions and disposals occurred in Optimus SGPS and Optimus, respectively, are referred to Optimus SGPS capital increase. This capital increase was fully subscribed by Sonaecom, through contributions in kind, specifically the delivery of 64.14% of the share capital of Optimus – Comunicações, S.A. Following this transaction, Optimus SGPS (wholly owned by Sonaecom) holds the entire capital of Optimus – Comunicações, S.A.

The Company presents separate consolidated financial statements at 30 June 2013, in accordance with International Financial Reporting Standards (IAS / IFRS) as adopted by the European Union, which presents total consolidated assets of Euro 1,854,441,859 total consolidated liabilities of Euro 775,353,597, consolidated operational revenues of Euro 403,696,237 and consolidated Shareholders' funds of Euro 1,079,088,262 including a consolidated net profit (attributable to the Shareholders of the parent company – Sonaecom, SGPS, S.A.) for the period ended at 30 June 2013 of Euro 39,853.924.

At 30 June 2013 and 2012, the main financial information regarding the subsidiaries directly owned by the company is, as follows (values in accordance with IAS/IFRS):

		2013			2012		
Company	Head office	% holding	Shareholders' funds	Net profit / (loss)	% holding	Shareholders' funds	Net profit / (loss)
Optimus SGPS	Maia	100%	996,019,685	43,219,594	100%	173,948,332	26,146,571
Sonae com SI	Maia	100%	86,014,037	1,457,389	100%	61,577,023	35,714,336
Sonaecom BV	Amsterdam	100%	14,765,934	186,091	100%	14,530,894	(133,027)
PCJ	Maia	100%	2,013,334	99,879	100%	9,825,942	287,714
Sonaetelecom BV	Amsterdam	100%	1,615,854	(19)	100%	1,609,325	(3,302)
Público	Maia	100%	396,875	(995,530)	100%	(1,335,618)	(1,717,388)
Miauger	Maia	100%	142,760	(76,094)	100%	(3,170)	(30,536)
Sonaecom SP	Maia	100%	48,450	(1,585)	100%	49,968	(32)
ZOPT (a)	Matosinhos	50%	13,284	(36,716)	-	-	-
Optimus (b)	Maia	-	-	-	64.14%	482,397,253	31,095,732

(a) Company established in December 2012
(b) Share capital sold in September 2012

At 30 June 2012, Sonaecom owned, indirectly, through Optimus SGPS, an additional financial participation in Optimus- Comunicações, S.A. of 35.86%, reaching a participation of 100%.

The evaluation of the existence of impairment losses for the main investments in the Group companies is made by taking into account the cash-generating units, based on most up-to-date business plans duly approved by their Board of Directors, which are made on an annual basis unless there is evidence of impairment and prepared according to projected cash flows for periods of five years. In the telecommunications sector, the assumptions used are based on past performances, the evolution of the number of customers, the likely evolution of regulated tariffs, the current market conditions as well as expectations for future developments. In the area of information systems, the assumptions used are essentially based on the various businesses of the Group and the growth of the several geographic areas where the Group operates. The discount rates used were based on the estimated weighted average cost of capital, which depends on the business segment of each subsidiary, and are as indicated in the table below. In perpetuity, is considered a growth rate of circa 3%. In situations where the measurement of the existence, or not, of impairment is made based on the net selling price, values of similar transactions and other proposals made are used.

	Telecommunications	Information Systems	Multimedia
Assumptions			
Basis of recoverable amount	Value in use	Value in use	Net selling price
Discount rate	9.5%	14.0%	-
Growth rate in perpetuity	3.0%	3.0%	-

6. Other non-current assets

At 30 June 2013 and 2012, this caption was made up as follows:

	2013	2012
Financial assets		
Medium and long-term loans granted to Group companies:		
Optimus SGPS	312,850,000	-
Sonae com SI	12,590,000	25,490,000
PCJ	4,690,000	4,865,000
Sonaecom BV	810,000	11,604,000
Optimus	-	22,850,000
	330,940,000	64,809,000
Supplementary capital:		
Optimus SGPS	144,630,000	38,630,000
Sonae com SI	39,951,792	-
PCJ	1,863,455	9,488,228
Público	1,332,405	321,770
Miauger	158,854	1,105,000
	187,936,506	49,544,998
	518,876,506	114,353,998
Accumulated impairment losses (note 13)	(4,986,260)	(5,405,770)
	513,890,246	108,948,228

During the periods ended at 30 June 2013 and 2012, the movements that occurred in 'Medium and long-term loans granted to Group companies' were as follows:

				2013
Company	Opening balance	Increases	Decreases	Closing balance
Optimus SGPS	312,850,000	-	-	312,850,000
Sonae com SI	15,815,000	-	(3,225,000)	12,590,000
PCJ	4,690,000	-	-	4,690,000
Sonaecom BV	2,075,000	-	(1,265,000)	810,000
	335,430,000	-	(4,490,000)	330,940,000

				2012
Company	Opening balance	Increases	Decreases	Closing balance
Sonae com SI	19,700,000	5,790,000	-	25,490,000
Optimus	-	22,850,000	-	22,850,000
Sonaecom BV	21,785,000	-	(10,181,000)	11,604,000
PCJ	5,160,000	-	(295,000)	4,865,000
Be Artis	179,734,000	2,245,000	(181,979,000)	-
Sontária	2,676,637	584,000	(3,260,637)	-
Sonaetelecom BV	200,000	-	(200,000)	-
	229,255,637	31,469,000	(195,915,637)	64,809,000

During the periods ended at 30 June 2013 and 2012, the movements in 'Supplementary capital' were as follows:

				2013
Company	Opening balance	Increases	Decreases	Closing balance
Optimus SGPS	144,630,000	-	-	144,630,000
Sonae com SI	39,951,792	-	-	39,951,792
PCJ	9,488,228	-	(7,624,773)	1,863,455
Público	7,821,770	-	(6,489,365)	1,332,405
Miauger	1,305,000	-	(1,146,146)	158,854
	203,196,790	-	(15,260,284)	187,936,506

				2012
Company	Opening balance	Increases	Decreases	Closing balance
Optimus SGPS	38,630,000	-	-	38,630,000
PCJ	12,990,000	-	(3,501,772)	9,488,228
Miauger	1,105,000	-	-	1,105,000
Público	3,565,505	-	(3,243,735)	321,770
Be Artis	265,889,115	-	(265,889,115)	-
	322,179,620	-	(272,634,622)	49,544,998

In the period ended at 30 June 2012, the decreases of the loans in Be Artis and in Sontária, in the amount 182 million and Euro 3.3 million, are related to the sale of these companies to Optimus SGPS, as described in note 5. The sale also includes Euro 251 million of supplementary capital in Be Artis. Besides this movement, the decrease of supplementary capital in an amount of Euro 266 million, includes a repayment of Euro 14 million to Sonaecom.

During the periods ended at 30 June 2013 and 2012, the loans granted to Group companies earned interest at market rates with an average interest rate of 5.62% and 4.57%, respectively. Supplementary capital is non-interest bearing.

The movement under the caption 'Accumulated impairment losses' results from the transfer in the amount of Euro 14,838,738 to the caption 'Investments in Group companies' (note 5), as well as increase made in the period amounting to Euro 2,620,000 (note 13).

Loans granted to Group companies and Supplementary capital, do not have a defined maturity, therefore no information about the aging of these loans is presented.

The evaluation of the existence of impairment losses for the loans made to Group companies was based on the most up-to-date business plans duly approved by the Group's Board of Directors, which include projected cash flows for periods of five years. The discount rates used and the perpetuity growth considered are presented in the previous note (note 5).

7. Deferred taxes

At 30 June 2013 and 2012 the value of deferred tax assets not recorded where it is not expected that sufficient taxable profits will be generated in the future to cover those losses, have the following detail:

	2013	2012
Tax losses	50,598,593	71,433,393
Provisions not acceptable for tax purposes, impairment losses and others	117,946,480	93,263,589
Total	168,545,073	164,696,982
Deferred tax assets	43,905,465	42,573,199

At 30 June 3013 and 2012, the deferred tax assets relating to tax losses carried forward have the following due dates:

Year of origin	2013	2012
2006	-	4,217,447
2007	12,649,648	13,640,901
	12,649,648	17,858,348

The rate used at 30 June 2013 to calculate the deferred tax assets/liabilities was of 25% relating to tax losses carried forward, and of 26.5% for remaining deferred tax assets and liabilities. It wasn't considered the state surcharge, as it was understood to be unlikely the taxation of temporary differences during the estimated period when the referred rate will be applicable.

The reconciliation between the earnings before tax and the tax recorded for the periods ended at 30 June 2013 and 2012 is as follows:

	2013	2012
Earnings before tax	27,560,894	74,873,841
Income tax rate (25%)	(6,890,224)	(18,718,460)
Correction of the tax of the previous year and other related taxes	(225,874)	26,081
Tax provision (notes 13 and 17)	(2,575)	(2,280)
Movements in provisions not accepted for tax purposes (note 13)	(596,713)	(868,821)
Adjustments to the taxable income	6,165,266	19,587,281
Use of losses carried forward, which deferred taxes were not recorded	991,253	-
Income taxation recorded in the period	(558,867)	23,801

The tax rate used to reconcile the tax expense and the accounting profit was 25% because it is the standard rate of the corporate income tax in Portugal.

The adjustments to the taxable income in 2013 relates, mainly, to dividends received (note 16), which do not contribute to the calculation of the taxable profit for the period.

Portuguese Tax Authorities can review the income tax returns of the Company for a period of four years (five years for Social Security), except when tax losses have been generated, tax benefits have been granted or when any review, claim or impugnation is in progress, in which circumstances, the periods are extended or suspended. Consequently, tax returns of each year, since the year 2009 (inclusive) are still subject to such review. The Board of Directors believes that any correction that may arise as a result of such review would not produce a significant impact in the accompanying financial statements.

Supported by the Company's lawyers and tax consultants, the Board of Directors believes that there are no liabilities not provisioned in the financial statements, associated to probable tax contingencies that should have been recorded or disclosed in the accompanying financial statements, at 30 June 2013.

8. Other current debtors

At 30 June 2013 and 2012, this caption was made up as follows:

	2013	2012
Trade debtors	6,312,695	472,776,257
State and other public entities	1,810,272	762,937
Accumulated impairment losses on accounts receivables (note 13)	-	(15,484)
	8,122,967	473,523,710

At 30 June 2013 and 2012, the caption 'Other current debtors' included amounts to be received from Group companies related to interests receivable from subsidiaries on Shareholders' loans, interest on treasury applications and services rendered (notes 16 and 18).

At 30 June 2012, the caption 'Trade debtors' included amounts to be received from Optimus S.G.P.S, S.A, related to the sale of the entire share capital of Be Artis – Concepção e Gestão de Redes de Comunicações S.A. and Sontária – Empreendimentos Imobiliários, S.A. (note 5), in the amount of Euro 465 million.

The caption 'State and other public entities', at 30 June 2013 and 2012, includes the special advanced payment, retentions and taxes to be recovered.

9. Cash and cash equivalents

At 30 June 2013 and 2012, the breakdown of cash and cash equivalents was as follows:

	2013	2012
Cash	1,042	10,579
Bank deposits repayable on demand	41,673	71,665
Treasury applications	110,193,000	78,720,000
	110,235,715	78,802,244
Bank overdrafts (note 12)	(1,182,484)	-
	109,053,231	78,802,244

At 30 June 2013 and 2012, the caption 'Treasury applications' had the following breakdown:

	2013	2012
Optimus SGPS	105,325,000	-
Público	2,655,000	3,329,000
We Do	858,000	3,846,000
Lugares Virtuais	840,000	650,000
Mainroad	470,000	546,000
Saphety	40,000	-
PCJ	5,000	40,000
Optimus	-	31,704,000
Be Artis	-	19,820,000
Be Towering	-	1,340,000
Sonae com SI	-	110,000
Sontária	-	40,000
Bank applications	-	17,295,000
	110,193,000	78,720,000

During the period ended at 30 June 2013, the above mentioned treasury applications bear interests at an average rate of 5.57% (4.27% in 2012).

10. Share capital

At 30 June 2013 and 2012, the share capital of Sonaecom was comprised by 366,246,868 ordinary registered shares of 1 Euro each. At those dates, the Shareholder structure was as follows:

	2013		2012	
	Number of shares	%	Number of shares	%
Sontel BV	194,063,119	52.99%	194,063,119	52.99%
Shares traded on the Portuguese Stock Exchange ('Free float')	89,932,361	24.56%	76,104,586	20.78%
Atlas Service Belgium	73,249,374	20.00%	73,249,374	20.00%
Own shares (note 11)	5,571,014	1.52%	6,897,791	1.88%
Sonae SGPS	3,430,000	0.94%	3,430,000	0.94%
Efanor Investimentos, SGPS, S.A.	1,000	0.00%	1,000	0.00%
Millenium BCP *	-	-	12,500,998	3.41%
	366,246,868	100.00%	366,246,868	100.00%

*The number of shares held by Millenium BCP, according with the information obtained on 15 May 2013, has been included in 'Free Float' because it is not considered a qualified participation

All shares that comprise the share capital of Sonaecom, are authorised, subscribed and paid. All shares have the same rights and each share corresponds to one vote.

11. Own shares

During the period ended at 30 June 2013, Sonaecom delivered to its employees 247,423 own shares under its Medium Term Incentive Plans.

Additionally, Sonaecom sold to its subsidiaries 2,601 shares (at an average price of Euro 1.816), under the Short Term Incentive Plan of each company.

During the period ended at 30 June 2013, Sonaecom acquired 1,500,000 new shares (at an average price of Euro 1.667), holding at the end of the period 5,571,014 own shares, representative of 1.52% of its share capital, with an average price of Euro 1.515.

12. Loans

At 30 June 2013 and 2012, the caption 'Loans' had the following breakdown:

a) Medium and long-term loans net of short-term portion

				Amount outstanding	
Issue denomination	Limit	Maturity	Type of reimbursement	2013	2012
'Obrigações Sonaecom SGPS 2011'	100,000,000	Mar-15	Final	100,000,000	100,000,000
'Obrigações Sonaecom SGPS 2010'	40,000,000	Mar-15	Final	40,000,000	40,000,000
'Obrigações Sonaecom SGPS 2012'	20,000,000	Jul-14/Jan-15/Jul-15	-	20,000,000	-
'Obrigações Sonaecom SGPS 2013'	20,000,000	Jun-16	Final	20,000,000	-
Costs associated with setting-up the financing	-	-	-	(1,355,060)	(2,223,289)
Interests incurred but not yet due	-	-	-	1,711,194	2,038,176
				180,356,134	139,814,887
Commercial paper	30,000,000	Jul-15	-	30,000,000	-
Commercial paper	30,000,000	Nov-14	-	30,000,000	-
Costs associated with setting-up the financing	-	-	-	(116,238)	-
Interests incurred but not yet due	-	-	-	252,470	-
				60,136,232	-
				240,492,366	139,814,887

b) Short-term loans and other loans

				Amount outstanding	
Issue denomination	Limit	Maturity	Type of reimbursement	2013	2012
Treasury applications	-	-	-	17,044,000	1,566,000
Interests incurred but not yet due	-	-	-	181,282	67,487
				17,225,282	1,633,487
'Obrigações Sonaecom SGPS 2005'	150,000,000	Jun-13	Final	-	150,000,000
'Obrigações Sonaecom SGPS 2010'	30,000,000	Feb-13	Final	-	30,000,000
				-	180,000,000
Commercial paper	150,000,000	Jul-12	-	-	123,000,000
Commercial paper	25,000,000	Jan-14	-	25,000,000	-
Commercial paper	100,000,000	Jun-14	-	100,000,000	-
Costs associated with setting-up the financing	-	-	-	(17,842)	-
Interests incurred but not yet due	-	-	-	8,372	40,310
				124,990,530	123,040,310
Overdraft facilities	16,500,000	Jul-13	-	8,805,000	-
Authorised overdrafts (note 9)	2,500,000	Oct-13	-	1,173,239	-
Bank overdrafts (note 9)	-	-	-	9,245	-
				152,203,296	304,673,797

Bond Loan

In June 2005, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 150 million without guarantees and with a maturity of eight years. The bonds bear interest at floating rate, indexed to Euribor and paid semiannually. This issue was organised and mounted by Millennium BCP Investimento. In June 2013, Sonaecom settled the entire amount of the bond loan and respective interest expenses.

In February and March 2010, Sonaecom signed two other Bond Loan, both privately placed, in the amount of Euro 30 and 40 million, without guarantees and maturities of 3 and 5 years respectively. Both loans bear interest at floating rate indexed to Euribor, and paid semiannually. The issues were organised and mounted by, respectively, Banco Espirito Santo de Investimento and Caixa - Banco de Investimento. These bond issues were traded on Euronext Lisbon market. At 4 February 2013, the Company settled the bond loan of Euro 30 million.

In September 2011, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 100 million without guarantees and with a maturity of three and half years. The bonds bear interest at floating rate indexed to Euribor and paid semiannually. This issue was organized and mounted by BNP Paribas, ING Belgium SA / NV and WestLB AG. During the period ended at 30 June 2013, Portigon AG (previously named WestLB AG), transferred an amount of Euro 33.300.000 (corresponding to its entire participation in the loan) to Erste Abwicklungsanstalt ('EAA'), a state entity in German.

In July 2012, Sonaecom signed a Bond Loan, privately placed, amounting to Euro 20 million without guarantees and with the maturity of three years. The bonds bear interest at floating rate, indexed to Euribor and paid semiannually. This issue was organised and mounted by Banco BPI.

In May 2013, Sonaecom signed a Boan Loan, privately placed, amounting to Euro 20 million, without guarantees and with a maturity date of three years. The bonds bear interest at floating rate indexed to Euribor and paid semiannually. This issue was organized and mounted by Caixa Económica Montepio Geral.

All the loans above are unsecured and the fulfillment of the obligations under these loans is exclusively guaranteed by the underlying activities and the indebted company cash flows generation capacity.

The average interest rate of the bond loans, in the period, was 2.48% (3.37% in 2012).

Commercial Paper

In July 2007, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amount of Euro 250 million with subscription grant and maturity of five years, organised by Banco Santander de Negócios Portugal and by Caixa – Banco de Investimento. According to the original terms, this programme was reduced to the amount of Euro 150 million in July 2010. In July 2012, Sonaecom settled the entire amount used of commercial paper and respective interest expenses.

The placing underwriting consortium is composed by the following institutions: Banco Santander Totta, Caixa Geral de Depósitos, Banco BPI, Banco Bilbao Vizcaya Argentaria (Portugal), Banco Comercial Português and BNP Paribas Branch office (in Portugal).

In June 2010, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amount of Euro 15 million with subscription grant and maturity of three years, organised by Caixa Económica Montepio Geral.

In July 2012, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amount of Euro 30 million with subscription grant and maturity of tree years, organised by Caixa – Banco de Investimento and Caixa Geral de Depósitos. Additionally, in the same period, Sonaecom contracted a Commercial Paper Programme Issuance with a maximum amount of Euro 25 million with subscription grant and maturity of one year, organised by Banco Santander Totta.

In May 2013, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amount of Euro 30 million with subscription grant and maturity of eighteen months, organised by Banco Espírito Santo de Investimento and Banco Espírito Santo.

In June 2013, Sonaecom contracted a Commercial Paper Programme Issuance with maximum amount of Euro 100 million with subscription grant and maturity of one year, organised by Banco Comercial Português.

All the loans above are unsecured and the fulfillment of the obligations under these loans is exclusively guaranteed by the underlying activities and the indebted company cash flows generation capacity.

At 30 June 2013, the main financial constraints (covenants) included in debt contracts are related with the bond issue completed by Sonaecom during September 2011, totaling Euro 100 million and establishing: (i) the requirement for Sonaecom, Optimus, Artis and Optimus SGPS, as well as the group companies whose both assets and EBITDA are equal or greater than 15% of the consolidated assets and the consolidated EBITDA (material subsidiaries) represent, as a whole, at least 80% of Sonaecom consolidated assets and consolidated EBITDA, and: (ii) the obligation to ensure that consolidated net debt does not exceed three times the consolidated EBITDA. Additionally, both this loan, as well as other loans are covered by Sonaecom negative pledge clauses, which impose certain restrictions on the mortgaging or pledging of the material subsidiaries' tangible assets and require the upholding of control over Optimus. The penalties applicable in the event of default in these covenants are generally the early payment of the loans obtained.

At 30 June 2013 and at present date, Sonaecom was fully compliant with all the financial constraints above mentioned. As a result of the negotiation process with the financial system, the necessary approvals were obtained, allowing the resolution of the impacts of possible merger between Optimus and Zon.

Bank credit lines of short-term portion

Sonaecom has also short term bank credit lines, in the form of current or overdraft account commitments, in the amount of Euro 29 million. These credit lines have maturities up to one year, automatically renewable, except in case of termination by either party, with some periods of notice.

All these loans and bank credit lines bear interest at market rates, indexed to the Euribor for the respective term, and were all contracted in euro.

During the periods ended at 30 June 2013 and 2012, the detail of 'Treasury applications' received from subsidiaries was as follows:

	2013	2012
Sonaecom BV	8,715,000	-
Digitmarket	4,955,000	-
Sonaetelecom BV	1,599,000	1,539,000
Sonae com SI	1,585,000	-
Miauger	145,000	-
Sonaecom SP	45,000	-
Saphety	-	27,000
	17,044,000	1,566,000

The treasury applications received from Group companies are payable in less than one year and earn interests at market rates. During the periods ended at 30 June 2013 and 2012, the treasury applications earned an average interest rate of 3.12% and 3.68%, respectively.

At 30 June 2013 and 2012, the repayment schedule of medium and long-term loans and of interests (nominal values), for both bonds and commercial paper were as follows (values based on the latest interest rate established for each type of loan):

	Within 12 months	Between 12 and 24 months	Between 24 and 36 months	Between 36 and 48 months	Between 48 and 60 months
2013					
Bond loan					
Reimbursements	-	150,000,000	30,000,000	-	-
Interests	6,569,186	4,984,174	956,318	-	-
Commercial paper					
Reimbursements	-	30,000,000	30,000,000	-	-
Interests	2,690,353	1,712,233	95,725	-	-
	9,259,539	186,696,407	61,052,043	-	-
2012					
Bond loan					
Reimbursements	-	-	140,000,000	-	-
Interests	5,625,000	5,625,000	4,094,162	-	-
Commercial paper					
Reimbursements	-	-	-	-	-
Interests	-	-	-	-	-
	5,625,000	5,625,000	144,094,162	-	-

Although the maturity of commercial paper issuance is between one week and six months, the counterparties assumed the placement and the maintenance of those limits for a period of one to three years. As so, such liabilities are recorded in the medium and long term.

At 30 June 2013 and 2012, the available credit lines of the Company are as follows:

				Maturity	
Credit	Limit	Amount outstanding	Amount available	Until 12 months	More than 12 months
2013					
Commercial paper	100,000,000	100,000,000	-	x	
Commercial paper	30,000,000	30,000,000	-		x
Commercial paper	30,000,000	30,000,000	-		x
Commercial paper	25,000,000	25,000,000	-	x	
Commercial paper	15,000,000	-	15,000,000	x	
Bond loan	100,000,000	100,000,000	-		x
Bond loan	40,000,000	40,000,000	-		x
Bond loan	20,000,000	20,000,000	-		x
Bond loan	20,000,000	20,000,000	-		x
Overdraft facilities	16,500,000	8,805,000	7,695,000	x	
Authorised overdrafts*	10,000,000	-	10,000,000	x	
Authorised overdrafts	2,500,000	1,173,239	1,326,761	x	
Bank overdrafts	-	9,245	-	x	
	409,000,000	374,978,239	34,021,761		

*Can also be used in the form of Commercial paper

Credit	Limit	Amount outstanding	Amount available	Maturity Until 12 months	More than 12 months
2012					
Commercial paper	150,000,000	123,000,000	27,000,000	x	
Commercial paper	30,000,000	-	30,000,000		x
Commercial paper	15,000,000	-	15,000,000	x	
Commercial paper	5,000,000	-	5,000,000	x	
Bond loan	150,000,000	150,000,000	-	x	
Bond loan	100,000,000	100,000,000	-		x
Bond loan	40,000,000	40,000,000	-		x
Bond loan	30,000,000	30,000,000	-	x	
Overdraft facilities	16,500,000	-	16,500,000	x	
Authorised overdrafts*	10,000,000	-	10,000,000	x	
Authorised overdrafts	2,500,000	-	2,500,000	x	
	549,000,000	443,000,000	106,000,000		

* Can also be used in the form of Commercial paper.

At 30 June 2013 and 2012, there are no interest rate hedging instruments

13. Provisions and accumulated impairment losses

The movements in provisions and in accumulated impairment losses in the periods ended 30 June 2013 and 2012 were as follows:

	Opening balance	Increases	Reductions	Transfers	Utilizations	Closing balance
2013						
Accumulated impairment losses on accounts receivables (note 8)	-	-	-	-	-	-
Accumulated impairment losses on investments in Group companies (notes 5 and 16)	97,197,713	-	(20,000)	14,838,738	-	112,016,451
Accumulated impairment losses on other non-current assets (notes 6 and 16)	17,204,998	2,620,000	–	(14,838,738)	-	4,986,260
Provisions for other liabilities and charges	74,959	103,136	(706)	-	-	177,389
	114,477,670	2,723,136	(20,706)	-	-	117,180,100
2012						
Accumulated impairment losses on accounts receivables (note 8)	1,930	15,387	-	-	(1,833)	15,484
Accumulated impairment losses on investments in Group companies (notes 5 and 16)	80,122,497	-	-	6,393,735	-	86,516,232
Accumulated impairment losses on other non-current assets (notes 6 and 16)	8,555,505	3,244,000	-	(6,393,735)	-	5,405,770
Provisions for other liabilities and charges	68,654	2,280	-	-	-	70,934
	88,748,586	3,261,667	-	-	(1,833)	92,008,420

The increases in provisions and impairment losses are recorded under the caption 'Provisions and impairment losses' in the profit and loss statement with the exception of the impairment losses in investments in Group companies and other non-current assets, which, due to their nature, are recorded as a financial expense under the caption 'Gains and losses on Group companies' (note 16).

At 30 June 2013 and 2012, the increase of 'Provisions for other liabilities and charges' includes the amount of Euro 2,575 and 2,280, respectively, registered in the financial statements, under the caption 'Income taxation', due to its' nature (note 17). Additionally, in 30 June 2013, the increase of 'Provisions for other liabilities and charges' include, mainly, the amount of Euro 100,465 to cover several contingencies related to probable liabilities resulting from several transactions which cash outflow is probable.

14. Other creditors

At 30 June 2013 and 2012, this caption was made up as follows:

	2013	2012
Other creditors	944,158	356,610
State and other public entities	140,393	151,461
	1,084,551	508,071

15. External supplies and services

At 30 June 2013 and 2012, this caption was made up as follows:

	2013	2012
Specialised work	969,375	834,631
Travel and accommodation	57,407	46,091
Rents	56,278	44,939
Communications	27,632	19,853
Insurance	24,916	25,889
Other external supplies and services	38,141	26,123
	1,173,749	997,526

16. Financial results

Net financial results for the periods ended 30 June 2013 and 2012 are made up as follows ((costs)/gains):

	2013	2012
Gains and losses on investments in Group companies		
Losses related to Group companies (notes 5, 6 and 13)	(2,600,000)	(3,607,149)
Gains related to Group companies (note 7)	24,700,000	78,877,861
	22,100,000	75,270,712
Other financial expenses		
Interest expenses:		
Bank loans	(2,391,394)	(1,370,007)
Other loans	(4,151,784)	(5,665,611)
	(6,543,178)	(7,035,618)
Foreign currency exchange losses	-	(1,465)
Other financial expenses	(186,776)	(154,147)
	(186,776)	(155,612)
	(6,729,954)	(7,191,230)
Other financial income		
Interest income	12,818,304	7,143,693
Foreign currency exchange gains	131	-
	12,818,435	7,143,693

At 30 June 2013, the losses related to Group companies include the increase of the impairment losses in other non-current assets (note 13), in the amount of Euro 2,620,000 and the decrease of the impairment losses in Investments in group companies (note 13), in the amount of Euro 20,000.

At 30 June 2013, the gains related to Group companies relates to dividends received from subsidiary Optimus SGPS.

At 30 June 2012, the losses related to Group companies include an amount of Euro 363,149 related to the loss of the sale, to Optimus SGPS, of the entire capital of the share capital of Be Artis (note 5) and the increase of the impairment losses in other non-current assets (note 13), in the amount of Euro 3,244,000.

At 30 June 2012, the gains related to Group companies relates to the dividends received from Optimus (Euro 46,726,961), Optimus SGPS (Euro 17,434,926), Sonae com SI (Euro 14,132,501) and Sontária (Euro 583,473).

17. Income Taxation

Income taxes recognized during the periods ended at 30 June 2013 and 2012 were made up as follows ((costs) / gains):

	2013	2012
Current tax	(556,292)	26,081
Tax provision (notes 7 and 13)	(2,575)	(2,280)
Closing balance	(558,867)	23,801

18. Related parties

The most significant balances and transactions with related parties (which are detailed in the appendix) at 30 June 2013 and 2012 were as follows:

					Balances at 30 June 2013
	Accounts receivable (note 8)	Accounts payable (note 14)	Treasury applications (note 9)	Other assets / (liabilities)	Loans granted / (obtained) (note 6 and 12)
Parent Company					
Sonae SGPS	-	-	-	(14,844)	-
Subsidiaries					
Miauger	(7,481)	-	-	-	(146,429)
Optimus SGPS	5,581,764	-	105,325,000	3,237,197	312,850,000
PCJ	205,796	-	5,000	22,907	4,690,000
Público	(2,241,009)	-	2,655,000	33,989	-
Sonae com SI	196,756	-	-	58,890	10,993,512
Sonaecom BV	72,881	-	-	3,789	(8,024,235)
Sonaetelecom BV	-	-	-	-	(1,611,592)
Sonaecom SP	12	-	-	-	(45,370)
Others related parties					
Be Artis	(1,450,105)	3,382	-	-	-
Be Towering	(17,688)	-	-	-	-
Digitmarket	4,784	1,505	-	-	(4,989,600)
Lugares Virtuais	(152,035)	-	840,000	11,146	-
Mainroad	185,279	4,269	470,000	13,948	-
Optimus	3,687,494	153,703	-	45,787	-
Saphety	8,726	5,433	40,000	50,421	(1,568)
Sontária	(5,628)	3,055	-	1,783	-
Wedo	184,588	-	858,000	25,920	-
Others	(307)	103,905	-	(59,480)	-
	6,253,827	275,252	110,193,000	3,431,453	313,714,718

					Balances at 30 June 2012
	Accounts receivable (note 8)	Accounts payable (note 14)	Treasury applications (note 9)	Other assets / (liabilities)	Loans granted / (obtained) (note 6 and 12)
Parent Company					
Sonae SGPS	-	-	-	-	-
Subsidiaries					
Miauger	(23,327)	-	-	2	(777)
Optimus	296,257	114,862	31,704,000	275,012	22,838,824
Optimus SGPS	465,111,194	-	-	-	(20,244)
PCJ	163,559	-	40,000	18,385	4,865,000
Público	(1,120,101)	-	3,329,000	30,338	-
Sonae com SI	228,744	-	110,000	96,111	25,490,000
Sonaecom BV	684,057	-	-	60,110	11,604,000
Sonaetelecom BV	1,715	63,678	-	-	(1,551,790)
Sonaecom SP	-	-	-	-	(396)
Others related parties					
Be Artis	166,855	2,771	19,820,000	890,648	-
Be Towering	(592,997)	-	1,340,000	65,390	-
Digitmarket	25,769	1,505	-	(500)	(19,475)
Lugares Virtuais	(196,187)	369	650,000	6,863	-
Mainroad	92,676	4,269	546,000	(306)	(2,317)
Saphety	18,403	5,427	-	(8,951)	(27,136)
Sontária	92,395	384	40,000	14,452	-
Wedo	7,641,558	-	3,846,000	39,624	(176)
Others	21,556	131,128	-	(54,798)	-
	472,612,126	324,393	61,425,000	1,432,380	63,175,513

				Transactions at 30 June 2013
	Sales and services rendered	Supplies and services received (note 15)	Interest and similar income / (expense) (note 16)	Supplementary income
Parent Company				
Sonae SGPS	-	-	(14,844)	-
Subsidiaries				
Miauger	-	-	(3,175)	-
Optimus SGPS	-	-	12,163,749	-
PCJ	-	-	135,103	-
Público	59,695	(39,503)	52,236	-
Sonae com SI	2,313	-	341,441	-
Sonaecom BV	-	-	(208,394)	-
Sonaetelecom BV	-	-	(25,068)	-
Sonaecom SP	-	-	(752)	-
Others related parties				
Be Artis	-	14,266	-	-
Be Towering	-	(22,420)	-	-
Digitmarket	23,336	(2,193)	(67,941)	-
Lugares Virtuais	10,712	1,500	19,465	-
Mainroad	35,003	(600)	19,713	-
Optimus	1,558,469	366,875	-	52,537
Saphety	21,423	(71,889)	(5,062)	-
Sonae Center Serviços II	(9,917)	394,717	-	-
Sontária	-	11,469	-	-
Wedo	61,877	3,410	30,726	-
Others	-	45,359	-	-
	1,762,911	700,991	12,437,197	52,537

				Transactions at 30 June 2012
	Sales and services rendered	Supplies and services received (note 15)	Interest and similar income / (expense) (note 16)	Supplementary income
Parent Company				
Sonae SGPS	(23,800)	4,500	221,776	-
Subsidiaries				
Miauger	-	-	(1,935)	-
Optimus	1,653,557	497,681	305,875	-
Optimus SGPS	-	-	(20,369)	-
PCJ	-	-	117,561	-
Público	72,887	(4,282)	43,146	-
Sonae com SI	2,448	(13,234)	446,071	-
Sonaecom BV	-	-	647,083	-
Sonaecom SP	-	-	(396)	-
Sonaetelecom BV	-	-	(14,156)	-
Others related parties				
Be Artis	-	10,352	4,883,501	-
Be Towering	-	(25,331)	135,999	-
Digitmarket	28,770	(3,000)	(56,261)	-
Lugares Virtuais	12,898	1,800	12,172	-
Mainroad	43,156	(6,984)	(7,401)	-
Saphety	25,796	(63,428)	2,328	-
Sonae Center Serviços II	33,716	268,240	-	-
Sontária	-	12,987	67,059	-
Wedo	77,430	-	47,749	-
Others	-	38,280	-	-
	1,926,858	717,581	6,829,802	-

During the periods ended at 30 June 2013 and 2012, the company recognized the total amount of Euro 24,700,000 and Euro 78,877,861, respectively, related to dividends from its subsidiaries (note 16).

In the period ended at 30 June 2012, besides these transactions, it was sold of the entire share capital of Be Artis and Sontária to Optimus SGPS (Note 5).

All the above transactions were made at market prices.

Accounts receivable and payable to related companies will be settled in cash and are not covered by guarantees.

A complete list of the Sonaecom Group's related parties is presented in the appendix to this report.

19. Guarantees provided to third parties

Guarantees provided to third parties at 30 June 2013 and 2012 were as follows:

Beneficiary	Description	2013	2012
Direção de Contribuições e Impostos (Portuguese tax authorities)	VAT reimbursements	5,955,731	5,955,731
Direção de Contribuições e Impostos (Portuguese tax authorities)	Additional tax assessments (VAT, Stamp and Income tax)	2,696,853	2,142,717
Direção de Contribuições e Impostos (Portuguese tax authorities)	Others	16,795	16,795
		8,669,379	8,115,243

In addition to these guarantees were set up sureties for the current fiscal processes. The Sonae SGPS consisted of Sonaecom SGPS surety to the amount of Euro 2,844,270 and Sonaecom SGPS consisted of Optimus surety for the amount of Euro 10,529,619.

At 30 June 2013 and 2012, the Board of Directors of the Company believes that the decision of the court proceedings and ongoing tax assessments in progress will not have significant impacts on the financial statements.

20. Earnings per share

Earnings per share, basic and diluted, are calculated by dividing the net income of the period (Euro 27,002,027 in 2013 and Euro 74,897,642 in 2012) by the average number of shares outstanding during the periods ended at 30 June 2013 and 2012, net of own shares (361,206,812 in 2013 and 359,087,890 in 2012).

21. Medium Term Incentive Plans

In June 2000, the Company created a discretionary Medium Term Incentive Plan for more senior employees, based on Sonaecom options and shares and Sonae-SGPS, S.A. shares. The vesting occurs three years after the award of each plan, assuming that the employees are still employed in the Company.

The Sonaecom plans outstanding at 30 June 2013 can be summarized as follows:

		Vesting period		30 June 2013	
	Share price at award date*	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonaecom shares					
2009 Plan	1.685	10-Mar-10	08-Mar-13	-	-
2010 Plan	1.399	10-Mar-11	10-Mar-14	3	275,739
2011 Plan	1.256	09-Mar-12	10-Mar-15	3	301,321
2012 Plan	1.505	08-Mar-13	10-Mar-16	3	199,377
Sonae SGPS shares					
2009 Plan	0.761	10-Mar-10	08-Mar-13	-	-
2010 Plan	0.811	10-Mar-11	10-Mar-14	3	294,963
2011 Plan	0.401	09-Mar-12	10-Mar-15	3	585,538
2012 Plan	0.701	08-Mar-13	10-Mar-16	3	261,052

*Average share price in the month prior to the award date, for Sonaecom shares and the lower of the average share price for the month prior to the Annual General Meeting and the share price on the day after the Annual General Meeting, for Sonae SGPS shares.

During the period ended at 30 June 2013, the movements that occurred in the plans can be summarized as follows:

	Sonaecom shares		Sonae SGPS shares	
	Aggregate number of participations	Number of shares	Aggregate number of participations	Number of shares
Outstanding at 31 December 2012:				
Unvested	10	786,207	10	1,186,787
Total	10	786,207	10	1,186,787
Movements in period:				
Awarded	3	186,159	3	250,399
Vested	(4)	(247,423)	(4)	(342,242)
Cancelled / lapsed*	-	51,494	-	46,609
Outstanding at 30 June 2013:				
Unvested	9	776,437	9	1,141,553
Total	9	776,437	9	1,141,553

* The adjustments are made for dividends paid and for share capital changes and others adjustments, namely, resulting from a change in the vesting of the MTIP, which may now be made through the purchase of shares with a discount.

For Sonaecom's share plans of 2010 and 2012 the responsibility was calculated taking into consideration the share price at the corresponding award date. For 2011 Sonaecom's share plan, the Company signed with Sonae-SGPS, S.A. a contract that agrees to the transfer of Sonaecom SGPS shares for employees and board members of the Group as requested of Sonaecom and under the MTIP of Sonaecom, and the liabilities are calculated based on the price fixed in the contract. The responsibility for the three plans was recorded under the heading 'Medium Term Incentive Plans Reserve'. For the Sonae SGPS share plans, except one of the plans, the Group entered into hedging contract with external entities, and the responsibilities are calculated based on the prices agreed on those contracts (for the most recent plan the hedging contract was entered in July 2013, so the responsabilty is calculated based in the closing price at 28 June 2013).The responsibility for these plans is recorded under the captions 'Other current liabilities' and 'Other non-current liabilities'.

The detail of the hedging contracts is as follows:

	Sonae SGPS shares		Sonaecom shares
	2010 Plan	2011 Plan	2011 Plan
Notional value	257,574	323,727	3,291,520
Maturity	Mar-14	Mar-15	Dec-16
Level of inputs in the hierarchy of fair value		Level 2	
Valuation method		Current replacement cost	
Fair value*	**40,706**	**244,156**	**1,344,287**

* For the fair value calculation was used the share price at June 28

Share plan costs are recognised in the accounts over the period between the award and the vesting date of those plans. The costs recognised in previous years and in the period ended at 30 June 2013, were as follows:

	Sonaecom shares	Sonae SGPS shares	Total
Costs recognised in previous years	2,675,361	3,262,224	5,937,585
Costs recognised in the period	233,670	120,302	353,972
Costs of plans vested in previous years	(2,025,205)	(2,862,603)	(4,887,808)
Costs of plans vested in the period	(406,268)	(250,357)	(656,625)
	477,558	269,566	747,124
Responsability of plans	602,472	479,518	1,081,990
Fair value of hedging contracts (1)	(124,914)	(209,952)	(334,866)
Recorded in other current liabilities	-	142,185	142,185
Recorded in other non current liabilities	-	127,381	127,381
Recorded in reserves	477,558	-	477,558

(1)Sonaecom has signed hedging contracts to cover its responsibilities related with the medium and long-term group' incentive plans, later transferring, through contracts, the responsibility for each company of the group. The fair value of the hedging contracts, considered in the table above, corresponds to the amount that covers Sonaecom employees' responsibility.

22. Other matters

Following the announcement made, on 14 December 2012, between Sonaecom, SGPS, S.A., Kento Holding Limited and Jadeium BV (currently named Unitel International Holdings, BV, collectively referred to as 'Kento/Jadeium'), of having reached an agreement to recommend to the Boards of Zon Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, S.A. ('Zon') and Optimus SGPS, SA a merger between the two companies, on 11 January 2013, Sonaecom, SGPS, S.A. carried out a capital increase in kind, transferring 81.807% of its financial participation in Optimus SGPS, S.A. to ZOPT,SGPS, S.A. (Vehicle used for this purpose - note 5), conditional upon completion of the merger.

At 21 January 2013, it was announced, by the Boards of Directors of both companies, the approval of the merger project. However, the transaction is still subject to approval of the shareholders of both companies.

On 7 March 2013, Sonaecom informed, on behalf of its affiliated company Optimus, that it was approved at the extraordinary shareholder meeting the merger project by incorporation between Optimus SGPS, S.A. and ZON Multimedia – Serviços de Telecomunicações e Multimédia, SGPS, S.A. and respective schedules, dated 21 January 2013.

On 18 April 2013, the Portuguese Securities Commission (CMVM) authorized the resolution of waiving the obligation to launch a mandatory takeover bid in the merger between Optimus SGPS and Zon.

The implementation of the merger is conditional upon the prior fulfillment of the non-opposition from the Competition Authority to the merger, in accordance with the terms of the Merger Project and the fulfillment of the remaining administrative and corporate formalities applicable or necessary to the completion of the merger, in accordance with the law and the terms laid down in the Merger Project.

At 15 February 2013, Sonae and France Télécom ('FT-Orange') have executed an agreement whereby, respectively, a call and put option is granted over the 20% stake in Sonaecom's share capital presently held by a subsidiary of FT-Orange. Sonae's call option may be exercised during the subsequent 18 months and FT-Orange's put option within the 3 months subsequent to the end of such 18 months' period. The price for the exercise of both options is of Euro 98.9 million, which may be increased up to Euro 113.5 million in case Sonaecom or Optimus participate in any material transaction of consolidation or restructuring of the telecommunications sector in Portugal which is announced within the subsquent 24 months. This agreement is subject to the condition that the Portuguese Securities Commission (CMVM) confirms that no concerted exercise of influence results from this agreement and that the shares held by Sonae are not attributable to FT-Orange, thereby removing the legal presumption of article 20, paragraph 4, of the Portuguese Securities Code.

23. Subsequent Events

Agreement on remedies proposed by the Competition Authority

In the context of the concentration operation that comprises the merger between Optimus, SGPS, S.A. and ZON - Serviços de Telecomunicações e Multimédia, SGPS, S.A., it was announced on 2 July 2013 that the notifying parties have agreed to undertake a set of commitments aimed at eliminating all the concerns identified and conveyed by the Competition Authority in its analysis of the mentioned concentration operation. By decision of the Competition Authority, these commitments were submitted to comment by the counterparties.

Disclosure of information on remedies proposed by the Competition Authority

At 12 July 2013, upon request by the CMVM, Sonaecom disclosed to the market the remedies agreed between the notifying parties, Optimus, SGPS, S.A. and ZON - Serviços de Telecomunicações e Multimédia, SGPS, S.A., and the Competition Authority. These commitments, subject to comment by the counterparties, will only be final when placed into a decision by the Competition Authority.

a) to ensure that Optimus extends the duration period of the network sharing agreement between Optimus and Vodafone Portugal;
b) to ensure that Optimus will amend the referred network sharing agreement between Optimus and Vodafone Portugal with the purpose of the limitation of liability not being applicable in the event of unjustified contractual termination or in the event of contractual termination justified for reasons attributable to Optimus;
c) to ensure that, over a certain period of time, Optimus will not charge its triple play customers on the Optimus network the payment of the amounts due by virtue of loyalty clauses into force in of the event of a request for termination of services;
d) to ensure that, over a certain period of time, Optimus will be open to negotiations with a third party that requests an agreement for wholesale access to its fibre network;
e) to ensure that, over a certain period of time, Optimus will present and negotiate with Vodafone Portugal a call option agreement for the purchase of Sonaecom's fibre network.

Optimus awarded as the Universal Service provider for the northern and centre of Portugal

On 18 July 2013, following a meeting of the Council of Ministers, it was announced that Optimus was awarded as Universal Service provider for the northern and central regions of Portugal. ZON was designated the Universal Service provider for the regions of the south of Portugal and islands.
After the formal adjudication and contract signing, valid for 5 years, Optimus will have 180 days to launch its commercial offers.
It should be noted that the formal award depends on the completion of the revocation process of Portugal Telecom's concession contract.

These financial statements were approved by the Board of Directors on 24 July 2013.

These financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards (IAS / IFRS) as adopted by the European Union and the format and disclosures required by those Standards, some of which may not conform to or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Appendix

At 30 June 2013, the related parties of Sonaecom, SGPS, S.A. are as follows

Key management personnel - Sonaecom	
Ana Cristina Dinis da Silva Fanha Vicente Soares	Gervais Gilles Pellissier
Ana Paula Garrido Pina Marques	Jean-François René Pontal
Ângelo Gabriel Ribeirinho dos Santos Paupério	José Manuel Pinto Correia
António Bernardo Aranha da Gama Lobo Xavier	Manuel Antonio Neto Portugal Ramalho Eanes
António de Sampaio e Mello	Maria Cláudia Teixeira de Azevedo
David Charles Denholm Hobley	Miguel Nuno Santos Almeida
David Graham Shenton Bain	Paulo Joaquim dos Santos Plácido
David Pedro Oliveira Parente Ferreira Alves	Pedro Rafael de Sousa Nunes Pedro
Duarte Paulo Teixeira de Azevedo	Rui José Silva Goncalves Paiva
Franck Emmanuel Dangeard	

Key management personnel - Sonae SGPS	
Álvaro Carmona e Costa Portela	Christine Cross
Álvaro Cuervo Garcia	José Manuel Neves Adelino
Belmiro de Azevedo	Michel Marie Bon
Bernd Hubert Joachim Bothe	

Sonaecom Group Companies	
Be Artis – Concepção ,Construção e Gestão de Redes de Comunicações, S.A.	Sonaecom BV Sonaecom, SGPS, S.A.
Be Towering – Gestão de Torres de Telecomunicações, S.A.	Sonaecom - Serviços Partilhados, S.A.
Cape Technologies Limited	Sonaetelecom BV
Digitmarket – Sistemas de Informação, S.A.	Sontária - Empreendimentos Imobiliários, S.A.
Infosystems-Sociedade de Sistemas de Informação,S.A.	SSI Angola, S.A.
Lugares Virtuais, S.A.	Tecnológica Telecomunicações LTDA.
Mainroad – Serviços em Tecnologias de Informação, S.A.	Unipress – Centro Gráfico, Lda
Miauger – Organização e Gestão de Leilões Electrónicos., S.A.	WeDo do Brasil – Soluções Informáticas, Ltda
Optimus – Comunicações, S.A.	WeDo Consulting – Sistemas de Informação, S.A.
OPTIMUS - SGPS, S.A.	WeDo Technologies Mexico, S de R.L.
PCJ - Público, Comunicação e Jornalismo, S.A.	We Do Technologies Panamá S.A.
Per-Mar – Sociedade de Construções, S.A.	WeDo Poland Sp. Z.o.o.
Praesidium Services Limited	We Do Technologies Singapore PTE. LTD.
Público – Comunicação Social, S.A.	WeDo Technologies Australia PTY Limited
Saphety Brasil Transações Eletrônicas Ltda.	WeDo Technologies Egypt LLC
Saphety – Transacciones Electronicas SAS	WeDo Technologies (UK) Limited
Saphety Level – Trusted Services, S.A.	WeDo Technologies Americas, Inc.
Sociedade Independente de Radiodifusão Sonora, S.A.	WeDo Technologies BV
Sonae com – Sistemas Informação, SGPS, S.A.	WeDo Technologies BV – Sucursal Malaysia
Sonaecom – Sistemas de Información España, S.L.	ZOPT, SGPS, S.A.

Sonae/Efanor Group Companies	
3DO Holding GmbH	BB Food Service, S.A.
3shoppings – Holding,SGPS, S.A.	Beralands BV
8ª Avenida Centro Comercial, SA	Bertimóvel – Sociedade Imobiliária, S.A.
ADD Avaliações Engenharia de Avaliações e Perícias Ltda	BHW Beeskow Holzwerkstoffe
Adlands B.V.	Bloco Q – Sociedade Imobiliária, S.A.
Aegean Park, S.A.	Bloco W – Sociedade Imobiliária, S.A.
Agepan Eiweiler Management GmbH	Boavista Shopping Centre BV
Agepan Flooring Products, S.A.RL	BOM MOMENTO – Comércio Retalhista, SA
Agloma Investimentos, Sgps, S.A.	Canasta – Empreendimentos Imobiliários, S.A.
Águas Furtadas Sociedade Agrícola, SA	Casa Agrícola de Ambrães, S.A.
Airone – Shopping Center, Srl	Casa da Ribeira – Hotelaria e Turismo, S.A.
ALBCC Albufeirashopping C.Comercial SA	Cascaishopping – Centro Comercial, S.A.
ALEXA Administration GmbH	Cascaishopping Holding I, SGPS, S.A.
ALEXA Asset GmbH & Co KG	CCCB Caldas da Rainha - Centro Comercial,SA
ALEXA Holding GmbH	Centro Colombo – Centro Comercial, S.A.
ALEXA Shopping Centre GmbH	Centro Residencial da Maia,Urban., S.A.
Algarveshopping – Centro Comercial, S.A.	Centro Vasco da Gama – Centro Comercial, S.A.
Alpêssego – Soc. Agrícola, S.A	Change, SGPS, S.A.
Andar – Sociedade Imobiliária, S.A.	Chão Verde – Soc.Gestora Imobiliária, S.A.
Aqualuz – Turismo e Lazer, Lda	Cinclus Imobiliária, S.A.
Arat inmebles, S.A.	Citorres – Sociedade Imobiliária, S.A.
ARP Alverca Retail Park,SA	Coimbrashopping – Centro Comercial, S.A.
Arrábidashopping – Centro Comercial, S.A.	Colombo Towers Holding, BV
Aserraderos de Cuellar, S.A.	Contacto Concessões, SGPS, S.A.
Atlantic Ferries – Tráf.Loc,Flu.e Marít, S.A.	Contibomba – Comérc.Distr.Combustiveis, S.A.
Avenida M – 40 B.V.	Contimobe – Imobil.Castelo Paiva, S.A.
Avenida M – 40, S.A.	Continente Hipermercados, S.A.
Azulino Imobiliária, S.A.	Contry Club da Maia-Imobiliaria, S.A.
BA Business Angels, SGPS, SA	Cooper Gay Swett & Crawford Lt
BA Capital, SGPS, SA	Craiova Mall BV

Sonae/Efanor Group Companies	
Cronosaúde – Gestão Hospitalar, S.A.	Iberian Assets, S.A.
Cumulativa – Sociedade Imobiliária, S.A.	Igimo – Sociedade Imobiliária, S.A.
Darbo S.A.S	Iginha – Sociedade Imobiliária, S.A.
Deutsche Industrieholz GmbH	Imoareia – Invest. Turísticos, SGPS, S.A.
Discovery Sports, SA	Imobiliária da Cacela, S.A.
Dortmund Tower GmbH	Imoclub – Serviços Imobilários, S.A.
Dos Mares – Shopping Centre B.V.	Imoconti – Soc.Imobiliária, S.A.
Dos Mares – Shopping Centre, S.A.	Imodivor – Sociedade Imobiliária, S.A.
Ecociclo – Energia e Ambiente, S.A.	Imoestrutura – Soc.Imobiliária, S.A.
Ecociclo II	Imoferro – Soc.Imobiliária, S.A.
Efanor Investimentos, SGPS, S.A.	Imohotel – Emp.Turist.Imobiliários, S.A.
Efanor Serviços de Apoio à Gestão, S.A.	Imomuro – Sociedade Imobiliária, S.A.
El Rosal Shopping, S.A.	Imopenínsula – Sociedade Imobiliária, S.A.
Emfísico Boavista	Imoplamac Gestão de Imóveis, S.A.
Empreend.Imob.Quinta da Azenha, S.A.	Imoponte – Soc.Imobiliaria, S.A.
Equador & Mendes, Lda	Imoresort – Sociedade Imobiliária, S.A.
Espimaia – Sociedade Imobiliária, S.A.	Imoresultado – Soc.Imobiliaria, S.A.
Estação Viana – Centro Comercial, S.A.	Imosedas – Imobiliária e Seviços, S.A.
Euroresinas – Indústrias Quimicas, S.A.	Imosistema – Sociedade Imobiliária, S.A.
Farmácia Selecção, S.A.	Imosonae II
Fashion Division Canárias, SL	Impaper Europe GmbH & Co. KG
Fashion Division, S.A.	Implantação – Imobiliária, S.A.
Fozimo – Sociedade Imobiliária, S.A.	Infofield – Informática, S.A.
Fozmassimo – Sociedade Imobiliária, S.A.	Infratroia, EM
Freccia Rossa – Shopping Centre S.r.l.	Inparsa – Gestão Galeria Comercial, S.A.
Frieengineering International Ltda	Inparvi SGPS, S.A.
Fundo de Invest. Imobiliário Imosede	Integrum - Energia, SA
Fundo I.I. Parque Dom Pedro Shop.Center	Integrum Colombo Energia, S.A.
Fundo Invest.Imob.Shopp. Parque D.Pedro	Integrum Martim Longo - Energia, S.A.
Gaiashopping I – Centro Comercial, S.A.	Interlog – SGPS, S.A.
Gaiashopping II – Centro Comercial, S.A.	Invesaude - Gestão Hospitalar S.A.
GHP Gmbh	Ioannina Development of Shopping Centres, SA
Gli Orsi Shopping Centre 1 Srl	Isoroy SAS
Glunz AG	La Farga – Shopping Center, SL
Glunz Service GmbH	Laminate Park GmbH Co. KG
Glunz UK Holdings Ltd	Land Retail B.V.
Glunz Uka Gmbh	Larim Corretora de Resseguros Ltda
GMET, ACE	Larissa Develop. Of Shopping Centers, S.A.
Golf Time – Golfe e Invest. Turísticos, S.A.	Lazam – MDS Corretora e Administradora de Seguros, S.A.
Guimarãeshopping – Centro Comercial, S.A.	LCC LeiriaShopping Centro Comercial SA
Harvey Dos Iberica, S.L.	Le Terrazze - Shopping Centre 1 Srl
Herco Consultoria de Riscos e Corretora de Seguros Ltda	Libra Serviços, Lda.
HighDome PCC Limited	Lidergraf – Artes Gráficas, Lda.

Sonae/Efanor Group Companies	
Loop5 Shopping Centre GmbH	Park Avenue Develop. of Shop. Centers S.A.
Loureshopping – Centro Comercial, S.A.	Parque Atlântico Shopping – C.C., S.A.
Luz del Tajo – Centro Comercial S.A.	Parque D. Pedro 1 B.V.
Luz del Tajo B.V.	Parque D. Pedro 2 B.V.
Madeirashopping – Centro Comercial, S.A.	Parque de Famalicão – Empr. Imob., S.A.
Maiashopping – Centro Comercial, S.A.	Parque Principado SL
Maiequipa – Gestão Florestal, S.A.	Pátio Boavista Shopping Ltda.
Marcas do Mundo – Viag. e Turismo Unip, Lda	Pátio Campinas Shopping Ltda
Marcas MC, ZRT	Pátio Goiânia Shopping Ltda
Marina de Tróia S.A.	Pátio Londrina Empreend. e Particip. Ltda
Marinamagic – Expl.Cent.Lúdicos Marít, Lda	Pátio Penha Shopping Ltda.
Marmagno – Expl.Hoteleira Imob., S.A.	Pátio São Bernardo Shopping Ltda
Martimope – Sociedade Imobiliária, S.A.	Pátio Sertório Shopping Ltda
Marvero – Expl.Hoteleira Imob., S.A.	Pátio Uberlândia Shopping Ltda
MDS Affinity - Sociedade de Mediação, Lda	Pharmaconcept – Actividades em Saúde, S.A.
MDS Africa SGPS, S.A.	PHARMACONTINENTE – Saúde e Higiene, S.A.
MDS Consultores, S.A.	PJP – Equipamento de Refrigeração, Lda
MDS Corretor de Seguros, S.A.	Plaza Éboli B.V.
MDS Malta Holding Limited	Plaza Éboli – Centro Comercial S.A.
MDS SGPS, SA	Plaza Mayor Holding, SGPS, SA
MDSAUTO - Mediação de Seguros, SA	Plaza Mayor Parque de Ócio BV
Megantic BV	Plaza Mayor Parque de Ocio, SA
MJLF – Empreendimentos Imobiliários, S.A.	Plaza Mayor Shopping BV
Mlearning - Mds Knowledge Centre, Unip, Lda	Plaza Mayor Shopping, SA
Modalfa – Comércio e Serviços, S.A.	Ploi Mall BV
MODALLOOP – Vestuário e Calçado, S.A.	Plysorol, BV
Modelo – Dist.de Mat. de Construção, S.A.	Poliface North America
Modelo Continente Hipermercados, S.A.	PORTCC - Portimãoshopping Centro Comercial, SA
Modelo Continente Intenational Trade, SA	Porturbe – Edificios e Urbanizações, S.A.
Modelo Hiper Imobiliária, S.A.	Praedium – Serviços, S.A.
Modelo.com – Vendas p/Correspond., S.A.	Praedium II – Imobiliária, S.A.
Movelpartes – Comp.para Ind.Mobiliária, S.A.	Praedium SGPS, S.A.
Movimento Viagens – Viag. e Turismo U.Lda	Predicomercial – Promoção Imobiliária, S.A.
Mundo Vip – Operadores Turisticos, S.A.	Prédios Privados Imobiliária, S.A.
Munster Arkaden, BV	Predisedas – Predial das Sedas, S.A.
Norscut – Concessionária de Scut Interior Norte, S.A.	Pridelease Investments, Ltd
Norteshopping – Centro Comercial, S.A.	Proj. Sierra Germany 4 (four) – Sh.C.GmbH
Norteshopping Retail and Leisure Centre, BV	Proj.Sierra Germany 2 (two) – Sh.C.GmbH
Nova Equador Internacional,Ag.Viag.T, Ld	Proj.Sierra Italy 1 – Shop.Centre Srl
Nova Equador P.C.O. e Eventos	Proj.Sierra Italy 3 – Shop. Centre Srl
Operscut – Operação e Manutenção de Auto-estradas, S.A.	Proj.Sierra Italy 5 – Dev. Of Sh.C.Srl
OSB Deustchland Gmbh	Project SC 1 BV
PantheonPlaza BV	Project SC 2 BV
Paracentro – Gest.de Galerias Com., S.A.	Project Sierra 2 B.V.
Pareuro, BV	Project Sierra 6 BV

Sonae/Efanor Group Companies	
Project Sierra 7 BV	Serra Shopping – Centro Comercial, S.A.
Project Sierra 8 BV	Sesagest – Proj.Gestão Imobiliária, S.A.
Project Sierra 9 BV	Sete e Meio – Invest. Consultadoria, S.A.
Project Sierra Brazil 1 B.V.	Sete e Meio Herdades – Inv. Agr. e Tur., S.A.
Project Sierra Charagionis 1 S.A.	Shopping Centre Parque Principado B.V.
Project Sierra Four, SA	Shopping Penha B.V.
Project Sierra Germany Shop. Center 1 BV	Siaf – Soc.Iniciat.Aprov.Florestais - Energia, S.A.
Project Sierra Germany Shop. Center 2 BV	SIAL Participações Ltda
Project Sierra Spain 1 B.V.	Sierra Asia Limited
Project Sierra Spain 2 – Centro Comer. S.A.	Sierra Asset Management – Gest. Activos, S.A.
Project Sierra Spain 2 B.V.	Sierra Berlin Holding BV
Project Sierra Spain 3 – Centro Comer. S.A.	Sierra Central S.A.S
Project Sierra Spain 3 B.V.	Sierra Charagionis Develop.Sh. Centre S.A.
Project Sierra Spain 6 B.V.	Sierra Charagionis Propert.Management S.A.
Project Sierra Spain 7 B.V.	Sierra Corporate Services Holland, BV
Project Sierra Three Srl	Sierra Development Greece, S.A.
Project Sierra Two Srl	Sierra Developments Germany GmbH
Promessa Sociedade Imobiliária, S.A.	Sierra Developments Holding B.V.
Prosa – Produtos e serviços agrícolas, S.A.	Sierra Developments Italy S.r.l.
Puravida – Viagens e Turismo, S.A.	Sierra Developments Romania, Srl
Racionaliz. y Manufact.Florestales, S.A.	Sierra Developments Spain – Prom.C.Com.SL
RASO - Viagens e Turismo, S.A.	Sierra Developments, SGPS, S.A.
RASO, SGPS, S.A.	Sierra Enplanta Ltda
Rio Sul – Centro Comercial, S.A.	Sierra European R.R.E. Assets Hold. B.V.
River Plaza Mall, Srl	Sierra GP Limited
River Plaza, BV	Sierra Investimentos Brasil Ltda
Rochester Real Estate, Limited	Sierra Investments (Holland) 1 B.V.
RSI Corretora de Seguros Ltda	Sierra Investments (Holland) 2 B.V.
S.C. Microcom Doi Srl	Sierra Investments Holding B.V.
Saúde Atlântica – Gestão Hospitalar, S.A.	Sierra Investments SGPS, S.A.
SC – Consultadoria, S.A.	Sierra Italy Holding B.V.
SC – Eng. e promoção imobiliária,SGPS, S.A.	Sierra Management Germany GmbH
SC Aegean B.V.	Sierra Management Italy S.r.l.
SC Assets SGPS, S.A.	Sierra Management Romania, Srl
SC Finance BV	Sierra Management Spain – Gestión C.Com.S.A.
SC Mediterraneum Cosmos B.V.	Sierra Management, SGPS, S.A.
SC, SGPS, SA	Sierra Portugal, S.A.
SCS Beheer, BV	SII – Soberana Invest. Imobiliários, S.A.
SDSR - Sports Division 2, S.A.	SIRS – Sociedade Independente de Radiodifusão Sonora, S.A.
Selfrio,SGPS, S.A.	SISTAVAC, S.A.
Selifa – Empreendimentos Imobiliários, S.A.	SKK – Central de Distr., S.A.
Sempre à Mão – Sociedade Imobiliária, S.A.	SKK SRL
Sempre a Postos – Produtos Alimentares e Utilidades, Lda	SKKFOR – Ser. For. e Desen. de Recursos

Sonae/Efanor Group Companies	
Sociedade de Construções do Chile, S.A.	SPF – Sierra Portugal Real Estate, Sarl
Société de Tranchage Isoroy S.A.S.	Spinarq - Engenharia, Energia e Ambiente, SA
Socijofra – Sociedade Imobiliária, S.A.	Spinveste – Gestão Imobiliária SGII, S.A.
Sociloures – Soc.Imobiliária, S.A.	Spinveste – Promoção Imobiliária, S.A.
Soconstrução BV	Sport Retalho España – Servicios Gen., S.A.
Sodesa, S.A.	Sport Zone – Comércio Art.Desporto, S.A.
Soflorin, BV	Sport Zone – Turquia
Soira – Soc.Imobiliária de Ramalde, S.A.	Sport Zone Canárias, SL
Solinca - Eventos e Catering, SA	Sport Zone España-Com.Art.de Deporte,SA
Solinca - Health and Fitness, SA	Spred, SGPS, SA
Solinca – Investimentos Turísticos, S.A.	Stinnes Holz GmbH
Solinfitness – Club Malaga, S.L.	Tableros Tradema, S.L.
Solingen Shopping Center GmbH	Tafiber,Tableros de Fibras Ibéricas, SL
SOLSWIM-Gestão e Expl.Equip.Aquáticos,SA	Tafibra Polska Sp.z.o.o.
Soltroia – Imob.de Urb.Turismo de Tróia, S.A.	Tafibra South Africa
Somit Imobiliária	Tafibra Suisse, SA
SONAE - Specialized Retail, SGPS, SA	Tafisa – Tableros de Fibras, S.A.
Sonae Capital Brasil, Lda	Tafisa Canadá Societé en Commandite
Sonae Capital,SGPS, S.A.	Tafisa France, S.A.
Sonae Center II S.A.	Tafisa UK, Ltd
Sonae Center Serviços, S.A.	Taiber,Tableros Aglomerados Ibéricos, SL
Sonae Ind., Prod. e Com.Deriv.Madeira, S.A.	Tarkett Agepan Laminate Flooring SCS
Sonae Indústria – SGPS, S.A.	Tecmasa Reciclados de Andalucia, SL
Sonae Industria de Revestimentos, S.A.	Têxtil do Marco, S.A.
Sonae Indústria Manag. Serv, SA	TLANTIC B.V.
Sonae Investimentos, SGPS, SA	Tlantic Portugal – Sist. de Informação, S.A.
Sonae Novobord (PTY) Ltd	Tlantic Sistemas de Informação Ltdª
Sonae RE, S.A.	Tool Gmbh
Sonae Retalho Espana – Servicios Gen., S.A.	Torre Ocidente Imobiliária, S.A.
Sonae SGPS, S.A.	Torre São Gabriel – Imobiliária, S.A.
Sonae Sierra Brasil S.A.	TP – Sociedade Térmica, S.A.
Sonae Sierra Brazil B.V.	Troia Market, S.A.
Sonae Sierra, SGPS, S.A.	Tróia Natura, S.A.
Sonae Tafibra Benelux, BV	Troiaresort – Investimentos Turísticos, S.A.
Sonae Turismo – SGPS, S.A.	Troiaverde – Expl.Hoteleira Imob., S.A.
Sonae UK, Ltd.	Tulipamar – Expl.Hoteleira Imob., S.A.
Sonaegest – Soc.Gest.Fundos Investimentos	Unishopping Administradora Ltda.
SONAEMC - Modelo Continente, SGPS, S.A.	Unishopping Consultoria Imob. Ltda.
Sondis Imobiliária, S.A.	Urbisedas – Imobiliária das Sedas, S.A.
Sontel BV	Valecenter Srl
Sontur BV	Valor N, S.A.
Sonvecap BV	Vastgoed One – Sociedade Imobiliária, S.A.
Sopair, S.A.	Vastgoed Sun – Sociedade Imobiliária, S.A.
Sotáqua – Soc. de Empreendimentos Turist	Via Catarina – Centro Comercial, S.A.
Spanboard Products, Ltd	Viajens y Turismo de Geotur España, S.L.

Sonae/Efanor Group Companies	
Vistas do Freixo, SA	Worten España, S.A.
Vuelta Omega, S.L.	ZIPPY - Comércio e Distribuição, SA
Weiterstadt Shopping BV	ZIPPY - Comercio y Distribución, S.A.
World Trade Center Porto, S.A.	Zippy Turquia
Worten – Equipamento para o Lar, S.A.	Zubiarte Inversiones Inmobiliarias, S.A.
Worten Canárias, SL	ZYEVOLUTION-Invest.Desenv.,SA.

FT Group Companies	
France Telecom, S.A.	Atlas Services Belgium, S.A.

SAFE HARBOUR

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

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, the telecommunications 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, analysts and, generally, the 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 in Sonaecom's institutional website
www.sonae.com

Media and Investor Contacts

Isabel Borgas
Public Relations Manager
isabel.borgas@sonae.com
Tel: +351 93 100 20 20

Carlos Alberto Silva
Investor Relations Manager
carlos.alberto.silva@sonae.com
Tel: +351 93 100 24 44

Sonaecom SGPS is listed on the Euronext Stock Exchange. Information is available on Reuters under the symbol "SNC.LS" and on Bloomberg under the symbol "SNC:PL".

Sonaecom SGPS, SA

Rua Henrique Pousão, 432 – 7th floor

4460-841 Senhora da Hora

Portugal