

MANAGEMENT REPORT & ACCOUNTS

9M15



The consolidated financial information disclosed in this report is based on unaudited financial statements, prepared in accordance with the International Financial Reporting Standards (IAS/IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union.



Table of contents

1. Main Highlights	4
2. Sonaecom Consolidated Results	4
2.1 Technology	5
2.2 Media	7
2.3 Telecommunications	7
3. Appendix	8
4. Financial Information	11
4.1 Sonaecom consolidated financial statements	11
4.2 Notes to the consolidated financial statements	19
4.3 Sonaecom individual financial statements	84
4.4 Notes to the individual financial statements	90



1. Main Highlights

Turnover growth of 10.6% with international markets representing 52.7% of turnover in the Technology area.

Underlying EBITDA decline of 7.1% LfL but presenting a positive evolution versus last quarter.

Net income of 40.3 million euros, 17.3 million above 9M14.

2. Sonaecom Consolidated Results

Turnover

Consolidated turnover in 9M15 reached 99.7 million euros, increasing 10.6% when compared to 9M14, or 3.6% excluding S21Sec contribution¹. This growth was driven by a 10.9% increase in service revenues and an increase of 9.8% in sales. Excluding S21Sec contribution, Service Revenues increased by 1.6%.

Operating costs

Operating costs amounted to 97.5 million euros, 11.3% above 9M14, with all lines increasing. Personnel costs grew 14.7% driven by the increase in the average number of employees since the consolidation of S21Sec. Commercial costs grew 10.0% to 29.0 million euros, driven by an increase in cost of goods sold of Technology area, aligned with sales evolution. The evolution in other operating costs is mainly explained by the outsourcing and G&A costs at S21Sec.

EBITDA

Total EBITDA stood at 19.8 million euros, 41.6% below 9M14, on the back of discontinued operations, that registered 12.9 million euros in 9M14. The equity results, which are mostly impacted by ZOPT contribution, which in turn depends on NOS net income evolution, increased by 0.4%. On what concerns the underlying EBITDA, it stood at 3.5 million euros, 27.7% down when compared to 9M14, and corresponding to a margin of 3.5%, which compares to 5.3% in 9M14. Excluding S21Sec contribution, underlying EBITDA decreased by 7.1%.

Net results

Sonaecom's EBIT decreased 51.0% to 14.3 million euros, explained by the lower level of EBITDA.

Net financial results reached 25.2 million euros in 9M15, positively impacted by the fair value adjustment of NOS direct stake at market price, amounting to 23.5 million euros, and the corresponding 1.5 million euros of dividend received. In 9M14, the fair value adjustment was negative by 8.2 million euros and the dividend received was 1.3 million euros.

Sonaecom's earnings before tax (EBT) increased to 39.5 million euros, driven the higher net financial results.

Net results group share stood at 40.3 million euros, which compares with 23.0 million euros in 9M14.

Operating CAPEX

Sonaecom's underlying operating CAPEX increased from 4.7 million euros to 6.1 million euros, reaching 6.1% of turnover, 0.9 p.p. above 9M14.

Capital structure

The cash position increased 3.6 million euros since September 2014 reaching 169.6 million euros.

¹ S21Sec was acquired on July 2014, being consolidated at Sonaecom since August 2014.



2.1 Technology

The Technology area has been pursuing an active portfolio strategy, aiming at strengthening its position as a technological reference at an international scale, in selected IT areas, through organic and non-organic growth.

This area currently comprises four companies in the IT/IS sector that generated circa 52.7% of its revenues outside the Portuguese market with 43% out of the total 867 employees based abroad.

WeDo Technologies is a worldwide market leader in enterprise business assurance software that **works with some of the world's leading blue chip** companies from the retail, energy and finance industries, as well as more than 190 telecommunications operators from more than 90 countries.

Coupled with its customers' recognition, WeDo was named, in 2014, by Stratecast (Frost & Sullivan) as the worldwide leader in Financial Assurance area, which comprises: Revenue Assurance, Fraud Management and Margin Assurance, and was elected, in 2015, by Analysys Mason, a TMT (telecoms, media and technology) analyst firm, as the worldwide market leader in the Revenue Assurance and Fraud Management software space.

During the 3Q15, it should be highlighted that the company acquired 2 new telecom customers (in Chile and Peru), continuing to enlarge its customer base around the world. At the end of 9M15, 76.9% of its turnover was generated in the international market and more than 10% in non-telecom industries.

S21Sec is a leading multinational cybersecurity player, focused exclusively on providing security services and technologies. Since its foundation 15 years ago, the company has grown through constant investment in innovation and today works with a global customer base, leveraging its teams in Spain, Portugal, Mexico and the UK and a network of select partners that ensure local support and touch points in other key markets.

S21sec was among the first companies in the world to identify Dridex (a banking malware) and understand the sophisticated nature of its organisation, infrastructure and procedures. The insight and intelligence generated through the company's work into Dridex rapidly became a key element of the collaboration with Law Enforcement Agencies, such as Europol, NCA, Guardia Civil and the FBI, among others. Beyond the Law Enforcement community, S21sec was also highly proactive to ensure it was providing invaluable support to the financial community. By way of example, S21sec shared the intelligence generated through its investigations with banks, through various forums in European countries such as Portugal, Spain, France and the UK, where Dridex has been especially damaging. Furthermore and in continued support of its antifraud strategy, especially in the ATM space, S21sec has also continued to be a key voice in various Latin American forums, including the XVII Congreso Nacional de Seguridad in Punta Cana and the ATEFI event in Panama.

Saphety is a solutions provider for business processes' **optimization** that has a strong position in electronic invoicing and EDI (Electronic Data Interchange) market, as well as in data synchronization for GS1 worldwide organizations.

This quarter has been marked by a significant improvement on revenues and profitability, coupled with a good commercial activity: acquisition of new customers and some important new contracts including *Associação Nacional de Farmácias* and ESPAP (*Entidade de Serviços Partilhados da Administração Pública*) or Surunai in Malaysia. **Saphety's customer base has now over 8,200 customers and 120,000 users** in about 20 countries. Importantly, international revenues increased in 9M15 when compared to 9M14 and represented more than 30.0% of total revenues.

Bizdirect is a technology company specialized in IT solutions commercialization, consulting and management of corporate software licensing **contracts and Microsoft solutions' integration**.

The improvement recorded in the IT market investments in hardware and software, coupled with a positive performance in the new solutions area, enabled the company to increase its turnover by 13.3% in 9M15. The Competence Center launched in Viseu to respond to the growing demand in the areas of CRM (Customer Relationship Management) and ECM (Enterprise Content Management), has increased the number of projects delivered and is growing its notoriety in the European market. International revenues represented more than 10.0% of total Turnover in the 9M15.

Financial indicators

Million euros

TECHNOLOGY AREA	3Q14	3Q15	Δ 15/14	2Q15	q.o.q.	9M14	9M15	Δ 15/14
Turnover	28.0	29.1	4.0%	31.2	-6.5%	78.4	88.6	13.0%
Service Revenues	19.3	20.0	3.8%	22.5	-10.9%	56.5	63.4	12.1%
Sales	8.7	9.1	4.4%	8.7	4.8%	21.9	25.2	15.3%
Other Revenues	1.3	0.3	-75.7%	0.2	46.1%	1.5	0.9	-40.5%
Operating Costs	26.0	27.1	4.2%	29.5	-8.3%	71.8	83.2	15.9%
Personnel Costs	9.3	9.9	5.6%	9.9	-0.5%	24.6	29.5	19.7%
Commercial Costs ⁽¹⁾	8.6	9.4	8.5%	8.8	6.4%	22.6	25.8	14.5%
Other Operating Costs ⁽²⁾	8.0	7.8	-2.1%	10.8	-27.6%	24.6	27.9	13.4%
EBITDA	8.9	2.3	-73.9%	1.8	29.6%	14.1	6.2	-56.2%
Underlying EBITDA ⁽³⁾	3.3	2.4	-27.8%	1.9	28.2%	8.2	6.3	-22.5%
Discontinued Operations ⁽⁴⁾	5.6	0.0	-100.0%	0.0	-	5.9	0.0	-100.0%
Underlying EBITDA Margin (%)	11.8%	8.2%	-3.6pp	6.0%	2.2pp	10.4%	7.1%	-3.3pp
Operating CAPEX ⁽⁵⁾	1.5	1.6	6.8%	2.0	-17.1%	4.1	5.2	26.3%
Operating CAPEX as % of Turnover	5.4%	5.6%	0.1pp	6.3%	-0.7pp	5.3%	5.9%	0.6pp
Underlying EBITDA - Operating CAPEX	1.8	0.8	-57.3%	-0.1	-	4.1	1.1	-72.3%
Total CAPEX	1.6	1.6	1.8%	2.0	-17.1%	4.2	5.2	24.1%

(1) Commercial Costs = COGS + Mktg & Sales; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others;

(3) Includes the businesses fully consolidated at Technology area; (4) Includes Mainroad contribution until the sale and the capital gain;

(5) Operating CAPEX excludes Financial Investments;

Turnover

Turnover continued to benefit from the international expansion of companies, growing 13.0% y.o.y., to 88.6 million euros. Service Revenues increased 12.1% to 63.4 million euros while Sales increased by 15.3% to 25.2 million euros.

Excluding S21Sec contribution in 9M15, turnover increased by 5.0% and Service Revenues by 2.1%.

Operating costs

Operating costs increased 15.9%, reaching 83.2 million euros, impacted by higher commercial costs, higher staff costs and higher other operational costs. Staff costs increased 19.7% driven by the growth in the number of employees mainly driven by S21Sec. Commercial costs increased 14.5% when compared to 9M14, to 25.8 million euros, backed by a higher cost of goods sold, consistent with the higher level of sales. Other operating costs increased 13.4% explained by the enlarged portfolio.

EBITDA

Total EBITDA declined 56.2%, which is explained by discontinued operations' impact in the 9M14 but also by the decrease of underlying EBITDA.

In the 9M15, underlying EBITDA reached 6.3 million euros, falling 22.5% y.o.y., reaching a margin of 7.1%, while showing an improving trend in the 3Q15, 28.2% above 2Q15, with a 8.2% margin.

Excluding S21Sec, underlying EBITDA in the 9M15 decreased by 7.5% and reached a 9.2% margin.

Underlying EBITDA-operating CAPEX

Underlying EBITDA-operating CAPEX stood at 1.1 million euros, decreasing when compared to 9M14, explained by the lower level of EBITDA and the higher level of CAPEX.

2.2 Media

This year has been marked by the celebration of Público's 25th anniversary and by a positive performance in terms of circulation. According to APCT, Público was the daily generalist newspaper that presented higher growth in total circulation. It should also be noted that in 2015 Público has already received 14 awards of journalism, design, photography and infographic design, including a special mention in the category of best news site by the European Digital Media Awards, only behind *The Guardian*.

Turnover reached 11.3 million euros, decreasing when compared to 9M14 but with good performances at online advertising and content revenues. The 9M15 was also marked by the reinforcement of Público's international presence, mainly at Brazil through the co-organization of some events with Globo and contents partnerships with UOL and Livraria Cultura.

EBITDA, despite negative, increased 4.9% y.o.y to negative 1.9 million euros.

2.3 Telecommunications

NOS operating revenues were 1 067.9 million euros in 9M15, growing 3.7% y.o.y.

EBITDA reached 409.8 million euros, increasing 3.2% when compared to 9M14 and representing a 38.4% EBITDA margin.

Recurrent CAPEX amounted to 217.6 million euros in 9M15, an increase of 13.0% y.o.y. As a consequence of EBITDA and CAPEX evolution, EBITDA-Recurrent CAPEX decreased 5.9%.

Net Financial Debt to EBITDA (last 4 quarters) stood at 2.0x at the end of 9M15 and the average maturity of the company's net financial debt reached 3.8 years.

NOS published its 9M15 results on 4th November, 2015, which are available at www.nos.pt.

During 9M15, the NOS share price increased 40.8% from €5.236 to €7.371, whilst PSI20 increased its market capitalisation by 5.2%.

Operational Indicators

Operational Indicators ('000)	3Q14	3Q15	Δ 15/14	2015	q.o.q.	9M14	9M15	Δ 15/14
Total RGUs	7 445.2	8 257.3	10.9%	8 010.2	3.1%	7 445.2	8 257.3	10.9%
Convergent RGUs	1 487.7	2 665.0	79.1%	2 443.2	9.1%	1 487.7	2 665.0	79.1%
IRIS subscribers	633.2	825.1	30.3%	784.2	5.2%	633.2	825.1	30.3%
3,4 and 5P subscribers	829.6	936.7	12.9%	904.9	3.5%	829.6	936.7	12.9%

Financial indicators

Million euros								
NOS HIGHLIGHTS	3Q14	3Q15	Δ 15/14	2015	q.o.q.	9M14	9M15	Δ 15/14
Operating Revenues	347.8	367.9	5.8%	355.9	3.4%	1 030.1	1 067.9	3.7%
EBITDA	133.4	143.5	7.5%	138.5	3.6%	397.0	409.8	3.2%
EBITDA margin (%)	38.4%	39.0%	+0.6pp	38.9%	0.1 pp	38.5%	38.4%	-0.2pp
Net Income	18.8	26.2	39.8%	24.1	9.0%	62.4	73.5	17.8%
CAPEX	86.6	97.9	13.1%	102.4	-4.3%	231.9	294.6	27.1%
EBITDA-CAPEX	46.8	45.6	-2.7%	36.1	26.1%	165.1	115.2	-30.2%
RECURRENT CAPEX	68.0	77.1	13.3%	72.3	6.5%	192.6	217.6	13.0%
EBITDA-RECURRENT CAPEX	65.4	66.4	1.5%	66.2	0.4%	204.3	192.2	-5.9%

3. Appendix

Consolidated income statement

Million euros

CONSOLIDATED INCOME STATEMENT	3Q14	3Q15	Δ 15/14	2Q15	q.o.q.	9M14	9M15	Δ 15/14
Turnover	31.8	32.6	2.6%	35.1	-7.3%	90.1	99.7	10.6%
Service Revenues	20.6	21.2	2.6%	24.1	-12.2%	61.0	67.7	10.9%
Product Sales	11.1	11.4	2.5%	11.0	3.6%	29.2	32.0	9.8%
Other Revenues	1.6	0.5	-67.9%	0.3	61.2%	2.3	1.3	-43.6%
Operating Costs	30.9	31.6	2.4%	34.5	-8.4%	87.6	97.5	11.3%
Personnel Costs	11.8	12.5	5.5%	12.6	-0.7%	32.5	37.3	14.7%
Commercial Costs ⁽¹⁾	9.8	10.3	5.4%	9.9	4.1%	26.3	29.0	10.0%
Other Operating Costs ⁽²⁾	9.3	8.8	-4.8%	12.0	-26.7%	28.8	31.3	8.6%
EBITDA	22.4	7.1	-68.4%	6.5	8.0%	34.0	19.8	-41.6%
Underlying EBITDA ⁽³⁾	2.4	1.4	-40.8%	0.9	58.7%	4.8	3.5	-27.7%
Equity method ⁽⁴⁾	7.3	5.6	-22.9%	5.6	-0.1%	16.3	16.3	0.4%
Discontinued Operations ⁽⁵⁾	12.6	0.0	-100.0%	0.0	-	12.9	0.0	-100.0%
Underlying EBITDA Margin (%)	7.6%	4.4%	-3.2pp	2.6%	1.8pp	5.3%	3.5%	-1.8pp
Depreciation & Amortization	1.7	1.9	11.9%	1.7	10.8%	4.8	5.6	14.9%
EBIT	20.6	5.1	-75.1%	4.8	7.0%	29.1	14.3	-51.0%
Net Financial Results	0.3	1.8	-	6.0	-70.3%	-5.9	25.2	-
Financial Income	0.7	2.9	-	6.8	-57.6%	4.0	27.6	-
Financial Expenses	0.4	1.1	-	0.8	37.8%	9.9	2.4	-76.1%
EBT	21.0	6.9	-67.0%	10.8	-35.8%	23.2	39.5	70.3%
Tax results	-0.7	-0.4	48.1%	1.0	-	-0.4	-0.5	-36.9%
Net Results	20.3	6.5	-67.7%	11.7	-44.3%	22.8	39.0	70.8%
Group Share	20.5	6.8	-66.6%	12.2	-43.8%	23.0	40.3	74.9%
Attributable to Non-Controlling Interests	-0.2	-0.3	-39.5%	-0.4	30.2%	-0.2	-1.3	-

(1) Commercial Costs = COGS + Mktg & Sales Costs; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others;

(3) Includes the businesses fully consolidated by Sonaecom;

(4) Includes the 50% holding in Unipress, the 45% holding in SIRS, the 50% holding in S21Seciberseguridad, the 50% holding in Big Data and the 50% holding in ZOPT;

(5) Includes Mainroad contribution until the sale and the capital gain

Consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	3Q14 (R)	3Q15	Δ 15/14	2015	q.o.q.	9M14 (R)	9M15	Δ 15/14
Total Net Assets	1 075.2	1 114.3	3.6%	1 124.9	-0.9%	1 075.2	1 114.3	3.6%
Non Current Assets	773.1	792.5	2.5%	797.0	-0.6%	773.1	792.5	2.5%
Tangible and Intangible Assets	28.7	29.1	1.5%	29.3	-0.5%	28.7	29.1	1.5%
Goodwill	29.5	29.3	-0.6%	29.0	1.2%	29.5	29.3	-0.6%
Investments	707.6	725.6	2.5%	730.9	-0.7%	707.6	725.6	2.5%
Deferred Tax Assets	7.1	8.2	15.4%	7.6	7.3%	7.1	8.2	15.4%
Others	0.3	0.3	1.4%	0.3	-8.5%	0.3	0.3	1.4%
Current Assets	302.1	321.8	6.5%	327.8	-1.8%	302.1	321.8	6.5%
Trade Debtors	39.4	34.4	-12.7%	43.1	-20.1%	39.4	34.4	-12.7%
Liquidity	182.9	181.9	-0.5%	176.7	2.9%	182.9	181.9	-0.5%
Others	79.8	105.5	32.2%	108.0	-2.4%	79.8	105.5	32.2%
Shareholders' Funds	998.9	1 046.7	4.8%	1 043.0	0.4%	998.9	1 046.7	4.8%
Group Share	999.0	1 048.2	4.9%	1 044.3	0.4%	999.0	1 048.2	4.9%
Non-Controlling Interests	-0.1	-1.5	-	-1.3	-18.2%	-0.1	-1.5	-
Total Liabilities	76.4	67.6	-11.5%	81.8	-17.4%	76.4	67.6	-11.5%
Non Current Liabilities	18.4	14.5	-21.2%	14.7	-1.5%	18.4	14.5	-21.2%
Bank Loans	8.5	9.1	6.7%	9.0	1.2%	8.5	9.1	6.7%
Provisions for Other Liabilities and Charges	3.0	3.4	14.1%	3.8	-9.6%	3.0	3.4	14.1%
Others	6.9	2.0	-71.0%	2.0	1.7%	6.9	2.0	-71.0%
Current Liabilities	58.0	53.1	-8.4%	67.2	-20.9%	58.0	53.1	-8.4%
Loans	2.0	2.1	5.1%	1.5	35.7%	2.0	2.1	5.1%
Trade Creditors	21.5	17.3	-19.3%	26.7	-35.0%	21.5	17.3	-19.3%
Others	34.5	33.7	-2.4%	39.0	-13.5%	34.5	33.7	-2.4%
Operating CAPEX ⁽¹⁾	1.9	1.8	-0.5%	2.5	-25.1%	4.7	6.1	29.9%
Operating CAPEX as % of Turnover	5.8%	5.7%	-0.2pp	7.0%	-1.4pp	5.2%	6.1%	0.9pp
Total CAPEX	1.9	1.8	-4.4%	2.5	-25.1%	10.3	6.1	-40.7%
Underlying EBITDA - Operating CAPEX	0.6	-0.4	-	-1.6	73.8%	0.1	-2.6	-
Gross Debt	16.9	12.3	-26.9%	11.8	5.1%	16.9	12.3	-26.9%
Net Debt	-166.0	-169.6	-2.2%	-165.0	-2.8%	-166.0	-169.6	-2.2%

(1) Operating CAPEX excludes Financial Investments.

(R) Under the Special Regime of Debt Adjustments to the Fiscal Authorities and Social Security (Decree Law No. 248-A/2002 and Decree Law No. 151-A/2013), Sonae and Sonaeocom voluntarily made payments to the State relating to additional tax assessments of previous years, for which, at the time of such payments, both companies had already brought the corresponding judicial appeals, lying processes running under the relevant courts. These payments were recognized in assets, according to "IAS 12 - Income Taxes". However, during the verification process of the 2012 accounts, CMVM disagreed with the interpretation of Sonae and requested the retrospective correction of the financial statements, arguing that the payments made in respect of other taxes than income tax should be considered as contingent assets. While not agreeing with the position of CMVM, Sonae and Sonaeocom made the restatement of financial statements. The impact of this change is nil in the income statement and immaterial in the statement of financial position.

Consolidated levered FCF

Million euros

LEVERED FREE CASH FLOW	3Q14	3Q15	Δ 15/14	2Q15	q.o.q.	9M14	9M15	Δ 15/14
Underlying EBITDA-Operating CAPEX	0.6	-0.4	-	-1.6	73.8%	0.1	-2.6	-
Change in WC	-3.4	-1.4	59.6%	-0.3	-	-4.4	-2.6	40.6%
Non Cash Items & Other	0.2	-0.1	-	4.3	-	2.8	2.7	-2.2%
Operating Cash Flow	-2.7	-1.9	29.7%	2.5	-	-1.5	-2.5	-64.8%
Investments	14.0	0.0	-100.0%	0.0	-	7.7	0.0	-100.0%
Dividends	7.3	8.5	17.2%	8.9	-4.0%	8.6	17.4	100.8%
Financial results	1.0	-0.9	-	-0.4	-148.4%	-0.3	0.9	-
Income taxes	-0.7	-1.1	-61.0%	-0.1	-	-1.1	-1.9	-74.8%
FCF ⁽¹⁾	18.9	4.6	-75.4%	10.9	-57.3%	13.5	13.8	2.5%

(1) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs.

4. Financial Information

4.1. Sonaecom consolidated financial statements

Consolidated balance sheets

For the periods ended at 30 September 2015 and 2014 (restated – note 1) and for the year ended at 31 December 2014 (restated – note 1)

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	September 2014 (not audited and restated)	December 2014 (restated)
Assets				
Non-current assets				
Tangible assets	1.c, 1.h and 5	2,887,050	2,976,171	2,696,429
Intangible assets	1.d, 1.e and 6	26,249,936	25,725,427	25,581,936
Goodwill	1.f, 1.w and 7	29,322,991	29,493,997	28,719,066
Investments in associated companies and companies jointly controlled	1.b and 8	725,359,538	706,332,699	721,607,751
Financial assets at fair value through profit or loss	1.g, 4 and 9	151,645	1,142,185	1,424,996
Investments available for sale	1.g, 4 and 10	113,054	115,448	113,054
Other non-current assets	1.g, 1.r, 1.x, 4 and 22	292,244	287,089	507,518
Deferred tax assets	1.p, 1.s and 11	8,254,952	7,063,152	6,837,230
Total non-current assets		792,631,410	773,136,168	787,487,980
Current assets				
Financial assets at fair value through profit or loss	1.g, 4 and 9	81,173,373	54,014,592	58,540,576
Inventories	1.i	341,343	815,763	1,077,458
Trade debtors	1.g, 1.j, 4 and 22	34,401,079	39,417,665	40,000,771
Other current debtors	1.g, 1.j, 4 and 22	10,839,126	11,858,219	9,396,842
Other current assets	1.g, 1.r, 1.x, 4 and 22	13,136,911	13,135,964	11,912,225
Cash and cash equivalents	1.g, 1.k, 4, 12 and 22	181,800,413	182,857,094	182,010,595
Total current assets		321,692,245	302,099,297	302,938,467
Total assets		1,114,323,655	1,075,235,465	1,090,426,447
Shareholders' funds and liabilities				
Shareholders' funds				
Share capital	13	230,391,627	230,391,627	230,391,627
Own shares	1.u and 14	(7,686,952)	(7,686,952)	(7,686,952)
Reserves	1.t	785,247,885	753,221,689	768,435,584
Consolidated net income/(loss) for the period		40,291,529	23,039,634	27,958,229
		1,048,244,089	998,965,998	1,019,098,488
Non-controlling interests		(1,494,509)	(81,827)	(632,000)
Total Shareholders' funds		1,046,749,580	998,884,171	1,018,466,488
Liabilities				
Non-current liabilities				
Medium and long-term loans – net of short-term portion	1.l, 1.m, 4 and 15.a	8,969,384	8,508,815	9,058,985
Other non-current financial liabilities	1.h, 4 and 16	757,339	476,117	480,274
Provisions for other liabilities and charges	1.o, 1.s and 17	3,394,301	2,973,928	2,579,321
Deferred tax liabilities	1.p, 1.s and 11	104,219	158,687	-
Other non-current liabilities	1.r, 1.x, 4 and 22	1,235,240	6,237,422	1,075,209
Total non-current liabilities		14,460,483	18,354,969	13,193,789
Current liabilities				
Short-term loans and other loans	1.l, 1.m, 4 and 15.b	2,067,053	1,967,147	1,980,451
Trade creditors	4 and 22	17,334,118	21,485,211	21,565,689
Other current financial liabilities	1.h, 4 and 18	445,463	257,783	285,904
Other creditors	4 and 22	8,234,481	8,230,256	6,647,364
Other current liabilities	1.r, 1.x, 4 and 22	25,032,477	26,055,928	28,286,762
Total current liabilities		53,113,592	57,996,325	58,766,170
Total Shareholders' funds and liabilities		1,114,323,655	1,075,235,465	1,090,426,447

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014 (restated – note 1).

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo

Consolidated profit and loss account by nature

For the periods ended at 30 September 2015 and 2014 and for the year ended at 31 December 2014

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	July to September 2015 (not audited)	September 2014 (not audited)	July to September 2014 (not audited)	December 2014
Sales	1r and 22	32,019,249	11,399,729	28,958,448	11,072,877	38,375,020
Services rendered	1r and 22	67,656,846	21,177,941	60,609,536	20,509,843	83,341,646
Other operating revenues	1q and 22	1,292,441	502,855	2,165,989	1,515,465	2,761,594
		100,968,536	33,080,525	91,733,973	33,098,185	124,478,260
Cost of sales	1i	(26,403,393)	(9,733,113)	(23,773,189)	(8,905,136)	(30,341,304)
External supplies and services	1h, 19 and 22	(33,102,710)	(9,661,860)	(30,574,185)	(9,945,620)	(41,853,327)
Staff expenses	1x and 27	(37,269,520)	(12,485,462)	(32,512,423)	(11,839,175)	(44,454,793)
Depreciation and amortisation	1c, 1d, 1f, 5, 6 and 7	(5,555,185)	(1,927,887)	(4,833,314)	(1,722,797)	(7,142,387)
Provisions and impairment losses	1j, 1o, 1w and 17	(502,201)	331,263	-	-	(25,972)
Other operating costs		(213,409)	(95,119)	(238,704)	(11,641)	(320,238)
		(103,046,418)	(33,572,178)	(91,931,815)	(32,424,369)	(124,138,021)
Gains and losses in associated companies and companies jointly controlled	1b, 8 and 20	16,346,079	5,636,552	16,280,727	7,307,086	15,742,802
Gains and losses on financial assets at fair value through profit or loss	1g, 9 and 20	25,270,317	2,159,390	(6,925,422)	(333,000)	(1,975,451)
Other financial expenses	1h, 1m, 1v, 1w, 20 and 22	(2,352,639)	(1,082,843)	(1,640,590)	(30,595)	(2,404,912)
Other financial income	1v, 20 and 22	2,329,037	696,683	2,564,376	679,465	2,959,024
Current income / (loss)		39,514,912	6,918,129	10,081,249	8,296,772	14,661,702
Income taxation	1p, 11 and 21	(527,094)	(378,860)	(385,616)	(730,876)	(689,789)
Consolidated net income/(loss) for the period of continued operations		38,987,818	6,539,269	9,695,633	7,565,896	13,971,913
Consolidated net income/(loss) for the period of discontinued operations	25	-	-	13,125,666	12,690,045	13,125,666
Consolidated net income/(loss) for the period		38,987,818	6,539,269	22,821,299	20,255,941	27,097,579
Attributed to:						
Shareholders of parent company	26	40,291,529	6,837,831	23,039,634	20,469,898	27,958,229
Non-controlling interests		(1,303,711)	(298,562)	(218,335)	(213,957)	(860,650)
Earnings per share	26					
Including discontinued operations:						
Basic		0.13	0.02	0.07	0.06	0.09
Diluted		0.13	0.02	0.07	0.06	0.09
Excluding discontinued operations:						
Basic		0.13	0.02	0.03	0.02	0.05
Diluted		0.13	0.02	0.03	0.02	0.05

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014.

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo

Consolidated statements of profit or loss and other comprehensive income

For the periods ended at 30 September 2015 and 2014 and for the year ended at 31 December 2014

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	July to September 2015 (not audited)	September 2014 (not audited)	July to September 2014 (not audited)	December 2014
Consolidated net income / (loss) for the period		38,987,818	6,539,269	22,821,299	20,255,941	27,097,579
Components of other consolidated comprehensive income, net of tax, that will be reclassified subsequently to profit or loss:						
Changes in reserves resulting from the application of equity method	8	3,088,982	(2,424,162)	(13,098,985)	3,956,452	2,687,127
Changes in currency translation reserve and other	1.v	(57,368)	(483,258)	1,338,813	978,330	766,596
Consolidated comprehensive income for the period		42,019,432	3,631,849	11,061,127	25,190,723	30,551,302
Attributed to:						
Shareholders of parent company		43,323,143	3,930,411	11,279,462	25,404,680	31,411,952
Non-controlling interests		(1,303,711)	(298,562)	(218,335)	(213,957)	(860,650)

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014.

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo

Consolidated movements in shareholders' funds

For the periods ended at 30 September 2015 and 2014 (restated – note 1)

(Amounts expressed in Euro)			Reserves						Non-controlling interests	Net income / (loss)	Total
	Share capital	Own shares (note 14)	Share premium	Legal reserves	Reserves for Medium Term Incentive Plans (note 27)	Reserves of own shares	Other reserves (restated)	Total reserves			
2015											
Balance at 31 December 2014 (restated - note 1)	230,391,627	(7,686,952)	775,290,377	13,152,684	-	7,686,952	(27,694,429)	768,435,584	-	27,958,229	1,019,098,488
Appropriation of the consolidated net result of 2014											
Transfers to other reserves	-	-	-	-	-	-	27,958,229	27,958,229	-	(27,958,229)	-
Dividend Distribution	-	-	-	-	-	-	(13,759,606)	(13,759,606)	-	-	(13,759,606)
Percentage change in subsidiaries	-	-	-	-	-	-	(417,936)	(417,936)	-	-	(417,936)
Consolidated comprehensive income for the period ended at 30 September 2015	-	-	-	-	-	-	3,031,614	3,031,614	-	40,291,529	43,323,143
Balance at 30 September 2015	230,391,627	(7,686,952)	775,290,377	13,152,684	-	7,686,952	(10,882,128)	785,247,885	-	40,291,529	1,048,244,089
Non-controlling interests											
Balance at 31 December 2014 (restated - note 1)	-	-	-	-	-	-	-	-	(632,000)	-	(632,000)
Non-controlling interests in comprehensive income	-	-	-	-	-	-	-	-	(1,303,711)	-	(1,303,711)
Dividend distribution	-	-	-	-	-	-	-	-	(37,350)	-	(37,350)
Percentage change in subsidiaries	-	-	-	-	-	-	-	-	417,936	-	417,936
Other changes	-	-	-	-	-	-	-	-	60,616	-	60,616
Balance at 30 September 2015	-	-	-	-	-	-	-	-	(1,494,509)	-	(1,494,509)
Total	230,391,627	(7,686,952)	775,290,377	13,152,684	-	7,686,952	(10,882,128)	785,247,885	(1,494,509)	40,291,529	1,046,749,580

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014 (restated – note 1).

The Chief Accountant

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Maria Cláudia Teixeira de Azevedo

Consolidated movements in shareholders' funds (continued)

For the periods ended at 30 September 2015 and 2014 (restated – note 1)

(Amounts expressed in Euro)			Reserves								
	Share capital	Own shares (note 14)	Share premium	Legal reserves	Reserves for Medium Term Incentive Plans (note 27)	Reserves of own shares	Other reserves (restated)	Total reserves	Non- controlling interests	Net income / (loss)	Total
2014											
Balance at 31 December 2013	366,246,868	(7,686,952)	775,290,377	13,152,684	1,077,258	7,686,952	(123,115,958)	674,091,313	-	98,425,256	1,131,076,485
Appropriation of the consolidated net result of 2013											
Transfers to other reserves (restated - note 1)	-	-	-	-	-	-	98,425,256	98,425,256	-	(98,425,256)	-
Consolidated comprehensive income for the period ended at 30 September 2014	-	-	-	-	-	-	(11,760,172)	(11,760,172)	-	23,039,634	11,279,462
Reduction of the share capital following the result of the general and voluntary acquisition of own shares (note 13)	(135,855,241)	-	-	-	-	-	(5,815,229)	(5,815,229)	-	-	(141,670,470)
Effect of the recognition of the Medium Term Incentive Plans (notes 1.x and 27)	-	-	-	-	105,935	-	-	105,935	-	-	105,935
Effect of the conversion of the Medium Term Incentive Plans (notes 1.x and 27)	-	-	-	-	(1,183,193)	-	(1,134,660)	(2,317,853)	-	-	(2,317,853)
Early termination of the derivative on own shares (Notes 22 and 27)	-	-	-	-	-	-	492,439	492,439	-	-	492,439
Balance at 30 September 2014	230,391,627	(7,686,952)	775,290,377	13,152,684	-	7,686,952	(42,908,324)	753,221,689	-	23,039,634	998,965,998
Non-controlling interests											
Balance at 31 December 2013	-	-	-	-	-	-	-	-	269,824	-	269,824
Non-controlling interests in comprehensive income	-	-	-	-	-	-	-	-	(218,335)	-	(218,335)
Dividend distribution	-	-	-	-	-	-	-	-	(19,920)	-	(19,920)
Other changes	-	-	-	-	-	-	-	-	(113,396)	-	(113,396)
Balance at 30 September 2014	-	-	-	-	-	-	-	-	(81,827)	-	(81,827)
Total	230,391,627	(7,686,952)	775,290,377	13,152,684	-	7,686,952	(42,908,324)	753,221,689	(81,827)	23,039,634	998,884,171

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014 (restated – note 1).

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo

Consolidated cash flow statements

For the years ended 30 September 2015 and 2014

(Amounts expressed in Euro)	September 2015 (not audited)	September 2014 (not audited)
Operating activities		
Receipts from trade debtors	102,793,546	96,474,949
Payments to trade creditors	(62,285,717)	(59,774,690)
Payments to employees	(42,278,277)	(37,541,182)
Cash flows generated by operations	(1,770,448)	(840,923)
Payments / receipts relating to income taxes, net	(2,307,279)	(1,398,511)
Other receipts / payments relating to operating activities, net	3,491,359	(2,461,980)
Cash flows from operating activities (1)	(586,368)	(4,701,414) ¹
Investing activities		
Receipts from:		
Financial investments	-	15,400,849
Tangible assets	4,072	8,296
Intangible assets	-	239,156
Dividends	17,357,220	8,642,154
Interest and similar income	1,386,615	6,023,029
Payments for:		
Financial investments	-	(5,522,187)
Tangible assets	(1,115,954)	(1,161,062)
Intangible assets	(1,438,649)	(1,204,374)
Cash flows from investing activities (2)	16,193,304	22,425,861 ¹
Financing activities		
Receipts from:		
Loans obtained	-	2,201,037
Payments for:		
Leasing	(152,373)	(128,980)
Interest and similar expenses	(716,539)	(3,328,416)
Dividends	(13,796,956)	(19,920)
Loans obtained	(625,382)	(21,558,910)
Cash flows from financing activities (3)	(15,291,250)	(22,835,189) ¹
Net cash flows (4)=(1)+(2)+(3)	315,686	(5,110,742)
Effect of the foreign exchanges	(310,620)	162,689
Effect of the discontinued operations	-	(1,051,278)
Cash and cash equivalents at the beginning of the period	181,795,347	188,004,715
Cash and cash equivalents at the end of the period	181,800,413	182,005,384

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014.

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

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António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo

Notes to the consolidated cash flow statements

For the periods ended 30 September 2015 and 2014

1. Acquisition or sale of subsidiaries or other businesses

	September 2015 (not audited)	September 2014 (not audited)
a) Amounts received of sales		
Mainroad	-	13,354,926
S21	-	2,045,923
	-	15,400,849
b) Amounts paid of acquisitions		
Sonae SGPS shares acquisition	-	5,522,187
	-	5,522,187
c) Amounts received of dividends		
ZOPT	15,815,466	7,250,000
NOS SGPS	1,541,754	1,321,504
Unipress	-	70,650
	17,357,220	8,642,154

2. Details of cash and cash equivalents

	Notes	September 2015 (not audited)	September 2014 (not audited)
Cash in hand	12	26,448	20,326
Cash at bank	12	71,534,070	20,932,288
Treasury applications	12	110,239,895	161,904,480
Overdrafts	12 and 15	(297,456)	(851,710)
Cash and cash equivalents		181,502,957	182,005,384
Overdrafts		297,456	851,710
Cash assets		181,800,413	182,857,094

3. Description of non-monetary financing activities

	Notes	September 2015 (not audited)	September 2014 (not audited)
a) Bank credit obtained and not used	15	2,693,931	1,198,056
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
2015				
Multimedia	(1,475,354)	(614,580)	16,693	(2,073,241)
Information Systems	4,165,812	(1,758,487)	(1,240,149)	1,167,176
Holding	(3,276,826)	18,566,371	(14,067,794)	1,221,751
	(586,368)	16,193,304	(15,291,250)	315,686

Activity	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Net cash flows
2014				
Multimedia	(2,514,050)	(361,954)	(42,443)	(2,918,447)
Information Systems	(1,721,038)	14,013,462	57,513	12,349,937
Holding	(466,326)	8,774,353	(22,850,259)	(14,542,232)
	(4,701,414)	22,425,861	(22,835,189)	(5,110,742)

The notes are an integral part of the consolidated financial statements at 30 September 2015 and 2014.

The Chief Accountant

Ricardo André Fraga Costa

The Board of Director

Ângelo Gabriel Ribeirinho Paupério

António Bernardo Aranha da Gama Lobo Xavier

Maria Cláudia Teixeira de Azevedo



4.2. Notes to the consolidated financial statements

SONAECON, 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 SONAECON, 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 O93X – 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.

During the year ended at 31 December 2013, the merger between Zon Multimédia – Serviços de Telecomunicações e Multimédia, SGPS, S.A. ('Zon') and Optimus SGPS, SA (note 8) was closed. Accordingly, the telecommunications segment was classified, for presentation purposes, as a discontinued operation and the Group's business became of, rather than the holding activity:

- Multimedia;
- Information systems consultancy.

Consequently, since the merger mentioned above, the telecommunications segment became jointly controlled (note 8).

On 5 February 2014, Sonaecom made public the decision to launch a general and voluntary tender offer for the acquisition of shares representing the share capital of Sonaecom. The offer was general and voluntary, with the offered obliged to acquire all the shares that were the object of the offer and were, until the end of the respective period, subject to valid acceptance by the recipients.

The period of the offer, during which sales orders were received, ran for two weeks, beginning on 6 February and ending on 19 February 2014. On 20 February 2014, the results of the offer were released. The level of acceptance reached 62%, corresponding to 54,906,831 Sonaecom shares (notes 9 and 17).

In 2014 Sonaecom reduced its share capital to Euro 230,391,627.

Euronext Lisbon announced Sonaecom exclusion from the PSI-20 from 24 February 2014 forward.

The Group operates in Portugal and has subsidiaries (from the information systems consultancy segment) operating in about 12 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 through full consolidation method (note 2) in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). 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 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 2015 and were first adopted in the period ended at 30 September 2015:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IAS 19 - Amendments (Defined Benefit Plans: Employee Contributions) The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service.	1-Jul-14
Annual Improvements to IFRSs 2010-2012 Cycle Annual Improvements to IFRSs 2010-2012 Cycle is a collection of amendments to IFRSs in response to eight issues addressed during the 2010-2012 cycle for annual improvements to IFRSs.	1-Jul-14
Annual Improvements to IFRSs 2011-2013 Cycle Annual Improvements to IFRSs 2011-2013 Cycle is a collection of amendments to IFRSs in response to four issues addressed during the 2011-2013 cycle for annual improvements to IFRSs.	1-Jul-14

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) and subsequent amendments This standard introduces new requirements for classifying and measuring financial assets.	1-Jan-18
Amendments to IFRS 10 - "Consolidated Financial Statements", IFRS 12 - "Disclosure of Interests in Other Entities" and IAS 28 - "Investments in Associates and Joint Ventures" The purposed of these amendments is to clarify several issues regarding the application of the requirement for investment entities to measure subsidiaries at fair value instead of consolidating them.	1-jan-16

Standard / Interpretation	Effective date (annual periods beginning on or after)
IFRS 10 and IAS 28 - Amendments (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	1-Jan-16
The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those established in IAS 28 (2011), when dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	
IFRS 11 - Amendments (Accounting for Acquisitions of Interests in Joint Operations)	1-Jan-16
The objective was to add new guidance on the accounting for the acquisition of an interest in a joint by controlled operation that constitutes a business. The IASB decided which acquirers of such interests shall apply all the principles applied to business combinations accounting as established in IFRS 3 - "Business Combinations", and other IFRSs, that do not conflict with the guidance provided in IFRS 11.	
IFRS 14 (Regulatory Deferral Accounts)	1-Jan-16
Permits an entity which is a first-time adopter of IFRS to continue to account, with some limited changes, for 'regulatory deferral account balances', in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.	
IFRS 15 (Revenue from Contracts with Customers)	1-Jan-17
IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.	
Amendments to IAS 1 - Presentation of Financial Statements (Disclosures)	1-Jan-16
The amendment introduces a set of directions and guidelines to improve and simplify the disclosures in the context of current IFRS reporting requirements.	
IAS 16 and IAS 38 - Amendments (Clarification of Acceptable Methods of Depreciation and Amortisation)	1-Jan-16
The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects more factors other than the consumption of the economic benefits embodied in the asset.	
IAS 16 and IAS 41 - Amendments (Agriculture: Bearer Plants)	1-Jan-16
The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 so that they are accounted for in the same way as property, plant and equipment.	

Standard / Interpretation	Effective date (annual periods beginning on or after)
IAS 27: Amendments (Equity Method in Separate Financial Statements)	1-Jan-16
This amendment will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.	
Annual Improvements to IFRSs 2012-2014 Cycle	1-Jan-16
Annual Improvements to IFRSs 2012-2014 Cycle is a collection of amendments to IFRSs in response to issues addressed during the 2012-2014 cycle for annual improvements to IFRSs.	

These standards have not yet been approved ('endorsed') by the European Union and, as such, were not adopted by the Group for the year ended at 30 September 2015. Their application is not yet mandatory.

It is estimated that the application of these standards and interpretations, when applicable, will have no material effect on future consolidated financial statements.

"Regime Especial de Regularizações de Dívidas ao Fisco e Segurança Social"

Within the "Regime Especial de Regularizações de Dívidas ao Fisco e Segurança Social (Decreto-Lei 248-A de 2002 e Decreto-Lei nº 151-A/2013)", Sonae and Sonaecom made payments to the Portuguese State regarding previous years taxes settlements, which by the time of the payments both companies have already initiated judicial oppositions, therefore the processes flow in the competent courthouses.

The evaluation done until the mentioned payments, which has not been changed ever since, inform that the processes are related to contingencies which the probability of becoming real in resources of outcome is low, being the processes motivated by the different interpretations of the fiscal legislation and, as a consequence, resolving into fiscal doubtful postures. As a result of the mentioned evaluation, the amounts involved are expressed on the financial presentations, which don't originate any liabilities.

The amount paid within the mentioned regulations has been considered assets in the "Other current debtors" captions, according to "IAS 12 – Share-based Payment". When it comes to Sonaecom, it only has been paid amounts about taxes other than IRC. So, since it hasn't been forecasted a specific normative treatment, Sonae and Sonaecom have decided, as an analogy, a policy alike the one related to IRC payments.

However, CMVM disagrees with the interpretation and has requested to Sonae the retrospective correction of the

financial statements under the argumentation that payments related to taxes other than IRC must be considered as contingent assets. Although Sonae and Sonaecom do not agree with the CMVM's opinion, both companies did the restated of the financial statements in conformity.

Consolidated balance for the period ended at 30 September 2014

(Amounts expressed in Euro)	Before the change	Restatement of "RERD"	After the change
Assets			
Non-current assets			
Total non-current assets	773,136,168	-	773,136,168
Current assets			
Financial assets at fair value through profit or loss	54,014,592	-	54,014,592
Inventories	815,763	-	815,763
Trade debtors	39,417,665	-	39,417,665
Other current debtors	17,271,442	5,413,223	11,858,219
Other current assets	13,135,964	-	13,135,964
Cash and cash equivalents	182,857,094	-	182,857,094
Total current assets	307,512,520	5,413,223	302,099,297
Total assets	1,080,648,688	5,413,223	1,075,235,465
Shareholders' funds and liabilities			
Shareholders' funds			
Share capital	230,391,627	-	230,391,627
Own shares	(7,686,952)	-	(7,686,952)
Reserves	758,634,912	5,413,223	753,221,689
Consolidated net income/(loss) for the period	23,039,634	-	23,039,634
	1,004,379,221	5,413,223	998,965,998
Non-controlling interests	(81,827)	-	(81,827)
Total Shareholders' funds	1,004,297,394	5,413,223	998,884,171
Liabilities			
Non-current liabilities			
Total non-current liabilities	18,354,969	-	18,354,969
Current liabilities			
Total current liabilities	57,996,325	-	57,996,325
Total Shareholders' funds and liabilities	1,080,648,688	5,413,223	1,075,235,465

The accounting policies and measurement criteria adopted by the Group on 30 September 2015 are comparable with those used in the preparation of 30 September 2014 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 and companies jointly controlled

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.

The investments in companies jointly controlled are also recorded using the equity method. The classification of these investments is determinate based on Shareholders Agreements, which regulate the shared control.

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 and companies jointly controlled is performed annually, with the aim of detecting possible impairment situations.

When the Group's share of accumulated losses of an associated company or a company jointly controlled 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 or a company jointly controlled, a situation when a provision is recorded under the caption 'Provisions for other liabilities and charges'.

The difference between the acquisition price of the investments in associated companies and companies jointly controlled and the fair value of identifiable assets and liabilities at the time of their acquisition, when positive, is recorded as Goodwill, included in the investment value and, when negative, after a reassessment, is recorded, directly, in the profit and loss statement under the caption 'Gains and losses in companies in associated companies and companies jointly controlled'.

A description of the associated companies and companies jointly controlled is disclosed in note 8.

c) 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 and other constructions	1 - 20
Plant and machinery	3 - 15
Vehicles	4 - 5
Fixtures and fittings	1 - 10
Tools and utensils	4
Other tangible assets	4-20

Current maintenance and repair expenses 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.

d) 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, brands, patents, **costs incurred with the acquisition of customers' portfolios** (value attributed under the purchase price allocation in business combinations) and know-how.

Amortisations of intangible assets are calculated on a straight-line monthly basis, over the estimated useful life of the assets (one to nineteen years, but most of which are amortized between 3 and 6 years), as from the month in which the corresponding expenses are incurred. 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.

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

e) 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.

f) Goodwill

The differences between the price of investments in subsidiaries 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 reappraisal 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 w). Impairment losses of Goodwill are recorded in the profit and loss statement for the period under the caption 'Depreciation and amortisation'.

g) 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.

(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.

On 30 September 2015 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 or 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 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.

h) 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.

i) 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'.

j) 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 impairment losses'. Future reversals of impairment losses are recorded in the profit and loss statement under the caption 'Provisions and impairment losses'.

k) 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, subsidiary companies and companies jointly controlled 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.

l) 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.

m) 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.

n) 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.

On 30 September 2015, the Group had foreign exchange forwards to hedge the foreign currency risk related to account receivables in dollars (note 1.v), in addition to those mentioned in note 1.x.

o) 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.

p) 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 is under the special regime for the taxation of groups of companies, from which Sonae, SGPS is the dominant company since 1 January 2015. Sonaecom records the income tax on their individual accounts and the tax calculated is recorded under the caption of group companies. The special regime for the taxation of groups of companies covers all direct or indirect subsidiaries, and even through companies resident in another Member State of the European Union or the European Economic Area, only if, in the last case, there is an obligation of administrative cooperation, on which the Group holds at least 75% of their share capital, where such participation confers more than 50% of voting rights, if meet certain requirements.

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 11).

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 based on decreed tax rate or substantially decreed tax rate at balance sheet date.

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.

q) Government subsidies

Subsidies awarded to finance personnel costs are recognised as less cost during the period in which the Group incurs the associated costs and are included in the profit and loss statement **under the caption 'Staff expenses'**.

Subsidies awarded to finance investments are recorded as deferred income on the Balance Sheet and are included in the **profit and loss statement under the caption 'Other operating revenues'**. Subsidies are recognized during the estimated useful life of the corresponding assets.

For businesses in the digital security area, non-repayable subsidies are recognized in the balance sheet as deferred income and are recognized in the profit and loss statement in 'Other operating income'. The incentive is recognized during the project development period.

The reimbursable subsidies are recognized in the balance sheet as liabilities in 'Medium and long-term loans – net of short-term portion' and 'Short-term loans and other loans' and are depreciated in accordance with the established payment plans. These subsidies are recorded at amortized cost in accordance with the method of effective interest rate.

r) 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 (paragraph o).

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 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 actualization 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.

s) 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 11 and 17).

t) 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', i.e., 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 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.n)) 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 IFRS. Additionally, the increments resulting from the application of fair value through equity components, including its implementation through net results, shall be distributed only when the elements that gave rise to them are sold, liquidated or exercised or when they finish their use, in the case of tangible or intangible assets. Therefore, at 30 September 2015, Sonaecom, SGPS, S.A. have free reserves distributable amounting approximately Euro 20.6 million. To this effect were considered as distributable increments resulting from the application of fair value through equity components already exercised during the period ended 30 September 2015.

u) 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'.

v) 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:

	2015		2014	
	30 September	Average	30 September	Average
Pounds Sterling	1.3541	1.3766	1.2865	1.2318
Brazilian Real	0.2232	0.2870	0.3245	0.3226
American Dollar	0.8926	0.8978	0.7947	0.7381
Polish Zloti	0.2356	0.2407	0.2394	0.2395
Australian Dollar	0.6274	0.6849	0.6924	0.6778
Mexican Peso	0.0527	0.0578	0.0588	0.0563
Egyptian Pound	0.1143	0.1169	0.1107	0.1046
Malaysian Ringgit	0.2031	0.2384	0.2421	0.2278
Chilean Peso	0.0013	0.0014	0.0013	0.0013
Singapore Dollar	0.6281	0.6585	0.6226	0.5870
Swiss Franc	0.9162	0.9423	0.8290	0.8210
Swedish Krona	0.1063	0.1067	0.1093	0.1107
South African Rand	0.0645	0.0732	0.0701	0.0688
Angolan Kwanza	0.0065	0.0079	0.0081	0.0076
Moroccan Dirham	0.0918	0.0923	0.0905	0.0893

On 30 September 2015, the Group had foreign exchange forwards amount to USD 172,000 (USD 352,800, at 30 September 2014), fixing the exchange rate for EUR, which have an average maturity of 1 months (1 month on 30 September 2014).

w) 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 in associated companies, 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 goodwill and financial investments in companies jointly controlled the recoverable amount is determinate taking into account with several information as business plans approved by the Board of Directors and the average ratings of external reviewers (researches).

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.

x) 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 '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, i.e., 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. One Sonae SGPS share plans covered by a hedging contract.



Equity-settled plans to be liquidated through the delivery of shares of Sonae SGPS 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 was 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. This contract ceased during the year of 2014.

For Sonaecom shares plans, the company converted all such plans into shares of Sonae SGPS, during the year ended at 31 December 2014.

The impacts associated to the Medium Term Incentive Plans are registered, in the balance sheet, under the caption 'Other current liabilities' and 'Other non-current liabilities' (note 27).

At the period ended 30 September 2015, the Sonae SGPS shares plans resulting from the conversion and the plan allocated during 2014 and 2015 are not covered by the contract being recorded liability at fair value. The responsibility of all plans is recorded in the captions 'Other non-current liabilities' and 'Other current liabilities'. The cost is recognized on the income statement under the caption 'Staff expenses'.

y) 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.

z) Judgements and estimates

The most significant accounting estimates reflected in the consolidated financial statements of the years ended at 30 September 2015 and 2014 are as follows:

- (i) Useful lives of tangible and intangible assets;
- (ii) Impairment analysis of goodwill and of other tangible and intangible assets; and

- (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.

aa) 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.n).

The Group is also exposed to equity price risks arising from equity investments, although they are usually maintained for strategic purposes.


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 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.n).

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 15) are at variable rates, interest rate are used swaps and other derivatives, 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.

On 30 September 2015, are not contracted any derivatives of interest rate hedging.

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, i.e., 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, i.e. to minimise the probability of default in any reimbursement of application of funds; and (iii) Financial Efficiency, i.e., 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; and
- (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 15.

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 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 September 2015 and 2014, are as follows:

Company (Commercial brand)	Head office	Main activity	Shareholder	Percentage of share capital held			
				2015		2014	
				Direct	Effective*	Direct	Effective*
Parent company							
SONAECON, S.G.P.S., S.A. ('Sonaecom')	Maia	Management of shareholdings.	-	-	-	-	-
Subsidiaries							
Cape Technologies Limited ('Cape Technologies')	Dublin	Rendering of consultancy services in the area of information systems.	We Do	100%	100%	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.	Sonaecom SI	75.10%	75.10%	75.10%	75.10%
Itrust – Cyber Security Intelligence, S.A. ('Itrust') (a)	Maia	Commercialization of products and management services, implementation and consulting in information systems and technologies areas.	Sonaecom CSI	100%	100%	100%	100%
Lookwise, S.L.U. ('Lookwise') (b)	Navarra	Development, promotion and commercial exploitation of information systems with solutions in safety and regulatory compliance, including assignment or transfer to third parties. Research, development and innovation, as well as consulting, maintenance and audit for products, systems, facilities and communication and security services.	S21 Sec Gestion	100%	77.65%	100%	60%
Mainroad – Serviços em Tecnologias de Informação, S.A. ('Mainroad') (c)	Maia	Rendering of consultancy services in IT areas.	Sonaecom SI	Sold		Sold	
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%
Praesidium Services Limited ('Praesidium Services')	Berkshire	Rendering of consultancy services in the area of information systems.	Sonaecom SI	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%
S21 Sec Barcelona, S.L. ('S21 Sec Barcelona') (b) and (h)	Barcelona	Consulting, advisory, audit and maintenance of all types of facilities and advanced communications services and security systems. Purchase and installation of advanced communications and security systems produced by others.	S21 Sec Gestion	Settled		100%	60%
S21 Sec Brasil, Ltda ('S21 Sec Brasil') (b)	São Paulo	Consulting in information technology. Development and licensing of customizable computer programs. Development of custom computer programs. Technical support, maintenance and other services in information technology.	S21 Sec Gestion	99.99%	77.65%	99.99%	60%
S21 Sec Ciber seguridad (b) and (i)	Mexico City	Computer consulting services	S21 Sec Gestion S21 Sec México	50%	77.65%	50%	30%
S21 Sec Fraud Risk Management, S.L. ('S21 Sec FRM') (b)	Navarra	Consulting, advisory, audit and maintenance of all types of facilities and advanced communications services and security systems. Purchase and installation of advanced communications and security systems produced by others.	S21 Sec Gestion	100%	77.65%	100%	60%
S21 Sec Gestion, S.A. ('S21 Sec Gestion') (b)	Navarra	Consulting, advisory, audit and maintenance of all types of facilities and advanced communications services and security systems. Purchase and installation of advanced communications and security systems produced by others.	Sonaecom CSI	77.65%	77.65%	60%	60%
S21 Sec Inc. ('S21 Sec Inc.') (b)	Texas	Consulting, advisory, audit and maintenance of all types of facilities and advanced communications services and security systems. Purchase and installation of advanced communications and security systems produced by others.	S21 Sec Gestion	100%	77.65%	100%	60%
S21 Sec Information Security Labs, S.L. ('S21 Sec Labs') (b)	Navarra	Research, development and innovation, as well as consulting, maintenance and audit for products, systems, facilities and communication and security services.	S21 Sec Gestion	100%	77.65%	100%	60%



Company (Commercial brand)	Head office	Main activity	Shareholder	Percentage of share capital held			
				2015		2014	
				Direct	Effective*	Direct	Effective*
S21 Sec Institute, S.L. ('S21 Sec Institute') (b)	Gipuzcoa	Education, formation, awareness, counseling, technical assistance, certification, research, innovation and development, in all types of methodologies, career plans, safety culture, products and services of digital security and cyber security, facilities, services and systems of advanced communication environments and digital security.	S21 Sec Gestion	100%	77.65%	100%	60%
S21 Sec México, S.A. de CV ('S21 Sec México') (b)	Mexico City	Computer consulting services	S21 Sec Gestion	99.87%	77.65%	99.87%	60%
S21 Sec, S.A. de CV ('S21 Sec, S.A. de CV') (b)	Mexico City	Computer consulting services	S21 Sec Gestion	99.99%	77.65%	99.99%	60%
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')	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%	86.821%	99.8%	86.82%
Saphety – Transacciones Electronicas SAS ('Saphety Colombia')	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%	86.995%	100%	86.995%
Servicios de Inteligencia Estratégica Global, S.L. ('SIEG') (b)	Navarra	Provision of advice services, guidance, consulting, team building and training in areas of research, testing, processing and delivering relevant information for strategic and operational management of companies, governments, organizations and institutions. Support services and support to business and defense of companies and organizations internationally. Research, development, innovation and marketing methodologies, software, hardware and technologies in general, within the scope of research, analysis and automatic and intelligent processing of information, including sensitivity analysis and indicators prospectively.	S21 Sec Gestion	100%	77.65%	100%	60%
Sonae com – Cyber Security and Intelligence, SGPS, S.A. ('Sonae com CSI') (d)	Maia	Management of shareholdings.	Sonae com SI	100%	100%	100%	100%
Sonae com - Serviços Partilhados, S.A. ('Sonae com SP')	Maia	Support, management consulting and administration, particularly in the areas of accounting, taxation, administrative procedures, logistics, human resources and training.	Sonae com	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.	Sonae com	100%	100%	100%	100%
Sonae com - Sistemas de Información Española, S.L. ('SSI Española')	Madrid	Rendering of consultancy services in the area of information systems.	Sonae com SI	100%	100%	100%	100%
Sonae com BV	Amsterdam	Management of shareholdings.	Sonae com	100%	100%	100%	100%
Sonae telecom BV	Amsterdam	Management of shareholdings.	Sonae com	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%
We 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') (e)	Poznan	Rendering of consultancy services in the area of information systems.	Cape Technologies	100%	100%	100%	100%
We Do Technologies Americas, Inc ('We Do USA')	Delaware	Rendering of consultancy services in the area of information systems.	Cape Technologies	100%	100%	100%	100%



Company (Commercial brand)	Head office	Main activity	Shareholder	Percentage of share capital held			
				2015		2014	
				Direct	Effective*	Direct	Effective*
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 Malasia')	Kuala Lumpur	Rendering of consultancy services in the area of information systems.	We Do BV	100%	100%	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%	100%	90% 5% 5%	100%
We Do Technologies (UK) Limited ('We Do UK')	Berkshire	Rendering of consultancy services in the area of information systems.	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%	100%	0.001% 99.999%	100%
We Do Technologies Panamá S.A. ('We Do Panamá') (f)	Panamá City	Rendering of consultancy services in the area of information systems.	We Do BV	Settled		100%	100%
We Do Technologies Singapore PTE. LTD. ('We Do Singapura') (g)	Singapore	Rendering of consultancy services in the area of information systems.	We Do BV	Settled		100%	100%

* Sonaecom effective participation

(a) Company established in July 2014

(b) Company acquired in July 2014. At 25 June 2015 the company Soanecom Cyber Security and Intelligence purchased more 17.65% of the capital of the Group S21SEC Gestion, S.A..

(c) Company sold in September 2014

(d) Company established in May 2014

(e) Company began its liquidation process at 1 January 2015

(f) Company settled in 2014

(g) Company settled in December 2014

(h) Company settled in September 2015

(i) On July 2015 Grupo S21 SEC Gestion acquired the remaining 50% of share capital stake on S21 Sec Ciberseguridad SA de CV. Given this change in percentage of share capital held, S21 Sec Ciberseguridad SA de CV became included in the consolidation through full consolidation method.

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. Changes in the Group

During the periods ended at 30 September 2015 and 2014, the following changes occurred in the composition of the Group:

a) Acquisitions

At the period ended at 30 September 2015 the company S21SEC Gestion purchased 50% of the company S21 SEC Ciberseguridad SA de CV, company already owned at 50% by S21 SEC México, by an amount of EUR 1,480. Given that, Sonaecom SGPS became the owner of 77.65% of the company S21 SEC Ciberseguridad SA (effective participation), and now is included in the consolidation by full consolidation method.

At the period ended at 30 September 2015, the company Sonaecom Cyber Security and Intelligence purchased more 17.65% of the capital of the Group S21sec Gestion, SA for the amount of 1 euro.

At 30 September 2014 the detail of the acquisitions is as follows:

Purchaser	Subsidiary	Date	% Direct Participation	% Effective Participation
2014				
Sonaecom CSI	Lookwise	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Barcelona	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Brasil	Jul-14	99.99%	59.99%
Sonaecom CSI	S21 Sec FRM	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Gestion	Jul-14	60%	60%
Sonaecom CSI	S21 Sec Inc.	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Labs	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Institute	Jul-14	100%	60%
Sonaecom CSI	S21 Sec México	Jul-14	99.87%	60%
Sonaecom CSI	S21 Sec, S.A. de CV	Jul-14	99.99%	60%
Sonaecom CSI	SIEG	Jul-14	100%	60%
Sonaecom CSI	S21 Sec Ciber seguridad	Jul-14	50%	30%
Sonaecom CSI	Big Data	Jul-14	50%	30%

The balance sheet of these companies ('S21 Group') acquired in 31 July 2014 incorporated in the Group consolidations statements could be detailed as follows:

(Amounts expressed in Euro)	Notes	Values before acquisition	Adjustments to fair value	Fair value
Acquired assets				
Tangible assets	5	296,360	-	296,360
Intangible assets	6	8,415,602	-	8,415,602
Other non current assets		373,756	-	373,756
Deferred tax assets	11	1,044,217	-	1,044,217
Trade debtors		2,276,529	-	2,276,529
Other current debtors		1,983,746	-	1,983,746
Other current assets		746,850	-	746,850
Cash and cash equivalents		2,828,615	-	2,828,615
		17,965,675	-	17,965,675
Acquired liabilities				
Medium and long-term loans – net of short-term portion		10,550,712	-	10,550,712
Provisions for other liabilities and charges	17	-	273,266	273,266
Other non-current liabilities		41,901	-	41,901
Short-term loans and other loans		2,416,104	-	2,416,104
Trade creditors		1,679,816	-	1,679,816
Other creditors		2,686,420	-	2,686,420
Other current liabilities		242,455	-	242,455
		17,617,408	273,266	17,890,674
Net assets and liabilities		348,267	(273,266)	75,001
Acquisition price				75,001
Goodwill / (Badwill)				-

Following this acquisition, is being performed a preliminary assessment of the fair value of assets acquired and assumed liabilities through this operation, having been registered Provisions for other liabilities and charges to cover several contingencies.

Several scenarios were included in the various reviews and sensitivity analysis performed, on which did not result significant variations in the allocation of the fair value of assets and liabilities. For the remaining assets and liabilities no significant differences were identified between the fair value and the respective book value.

The allocation of the acquisition price is still subject to changes until the conclusion of a period of one year from the date of acquisition, in accordance with IFRS 3 - Business Combinations. However, the Group does not expect material changes as a result of the allocation changes made.

The contribution of the S21 Group, to the net income attributed to shareholders of Sonaecom, for the period ended at 30 September 2015, was negative set at the amount of Euro 2.39 million.

The detail of this contribution is as follows:

(Amounts expressed in Euro)	Contribution at 30 September 2015
Total Revenues	8,517,872
Costs and losses	
Cost of sales	(501,096)
External supplies and services	(2,628,954)
Staff expenses	(6,016,254)
Depreciations and amortisations	(2,248,582)
Provisions and impairment losses	(56,655)
Other operating costs	(20,332)
	(11,471,873)
Financial Results	(769,056)
Income Tax	(107)
Net income for the year before non-controlling interests	(3,723,164)
Net income attributed to non-controlling interests	(1,328,893)
Net income attributed to shareholders of parent company	(2,394,271)

The contribution of the S21 Group in the consolidated balance sheet of Sonaecom on 30 September 2015 is as follows:

(Amounts expressed in Euro)	Contribution at 30 September 2015
Assets	
Tangible Assets	225,390
Intangible Assets	6,057,259
Deferred tax assets	924,079
Trade debtors	2,401,898
Other current debtors	896,033
Cash and cash equivalents	204,838
Other assets	2,540,686
Total assets	13,250,183
Liabilities	
Medium and long-term loans – net of short-term portion	8,513,782
Other non-current Liabilities	424,131
Short-term loans and other loans	2,067,053
Trade creditors	945,125
Other creditors	760,562
Current liabilities	1,748,922
Total liabilities	14,459,575
Net assets	(1,209,392)



b) Constitutions

Shareholder	Subsidiary	Date	Share capital	Current % shareholding
2014				
Sonae com SI	Sonaecom CSI	May-14	50,000 EUR	100%
Sonaecom CSI	Ittrust	Jul-14	50,000 EUR	100%

c) Dissolutions

Shareholder	Subsidiary	Date	Share capital
2015			
S21 Sec Gestion	S21 Sec Barcelona	Sep-15	78%

Shareholder	Subsidiary	Date	Share capital
2014			
Miauger	Lugares Virtuais	Feb-14	100%
Sonaecom	Miauger	May-14	100%
We Do BV	We Do Panamá	Dec-14	100%
We Do BV	We Do Singapura	Dec-14	100%

d) Sales

Shareholder	Subsidiary	Date	% shareholding
2014			
Sonae com SI	Mainroad	Sep-14	100%

In September 2014, Mainroad was sold for the company jointly controlled NOS Communications SA for Euro 14 million, amount based on independent evaluations. The purchase and sale agreement contemplates the possibility of future adjustments to the base price, arising from trends in future revenues. As a result of the sale value and the derecognition of Mainroad, was generated, in the consolidated accounts of Sonaecom, a gain of Euro 12.6 million, as follows:

(Amounts expressed in Euro)	Notes	30 September 2014
Assets		
Non-current assets		
Tangible assets	5	(2,437,500)
Intangible assets	6	(169,646)
Deferred tax assets	11	(169,548)
Total non-current assets		(2,776,694)
Current assets		
Trade debtors		(2,971,079)
Other current debtors		(122,457)
Other current assets		(545,243)
Cash and cash equivalents		(645,074)
Total current assets		(4,283,853)
Liabilities		
Non-current liabilities		
Other non-current financial liabilities		37,441
Provisions for other liabilities and charges	17	315,990
Other non-current liabilities		218,089
Total non-current liabilities		571,520
Current liabilities		
Trade creditors		2,121,435
Other current financial liabilities		19,206
Other creditors		666,821
Other current liabilities		2,296,831
Total current liabilities		5,104,293
Total assets and liabilities derecognized		(1,384,734)
Compensation received		14,000,000
Gain/(Loss) resulting from the disposal (note 25)		12,615,266

4. Breakdown of financial instruments

On 30 September 2015 and 2014, the breakdown of financial instruments was as follows:

							2015
	Loans and receivables	Investments available for sale	Financial assets at fair value through profit or loss	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets							
Financial assets at fair value through profit or loss (note 9)	-	-	151,645	-	151,645	-	151,645
Investments available for sale (note 10)	-	113,054	-	-	113,054	-	113,054
Other non-current assets	292,244	-	-	-	292,244	-	292,244
	292,244	113,054	151,645	-	556,943	-	556,943
Current assets							
Financial assets at fair value through profit or loss (note 9)	-	-	81,173,373	-	81,173,373	-	81,173,373
Trade debtors	34,401,079	-	-	-	34,401,079	-	34,401,079
Other current debtors	1,177,457	-	-	-	1,177,457	9,661,669	10,839,126
Other current assets	-	-	-	10,755,926	10,755,926	2,380,985	13,136,911
Cash and cash equivalents (note 12)	181,800,413	-	-	-	181,800,413	-	181,800,413
	217,378,949	-	81,173,373	10,755,926	309,308,248	12,042,654	321,350,902
	Loans and receivables	Investments available for sale	Financial assets at fair value through profit or loss	Other financial assets	Subtotal	Others not covered by IFRS 7	2014 (restated)
Non-current assets							
Financial assets at fair value through profit or loss (note 9)	-	-	1,142,185	-	1,142,185	-	1,142,185
Investments available for sale (note 10)	-	115,448	-	-	115,448	-	115,448
Other non-current assets	287,089	-	-	-	287,089	-	287,089
	287,089	115,448	1,142,185	-	1,544,722	-	1,544,722
Current assets							
Financial assets at fair value through profit or loss (note 9)	-	-	54,014,592	-	54,014,592	-	54,014,592
Trade debtors	39,417,665	-	-	-	39,417,665	-	39,417,665
Other current debtors	2,062,523	-	-	-	2,062,523	9,795,696	11,858,219
Other current assets	-	-	-	10,457,725	10,457,725	2,678,239	13,135,964
Cash and cash equivalents (note 12)	182,857,094	-	-	-	182,857,094	-	182,857,094
	224,337,282	-	54,014,592	10,457,725	288,809,599	12,473,935	301,283,534

					2015
	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 15)	8,969,384	-	8,969,384	-	8,969,384
Other non-current financial liabilities (note 16)	-	757,339	757,339	-	757,339
Other non-current liabilities	-	39,491	39,491	1,195,749	1,235,240
	8,969,384	796,830	9,766,214	1,195,749	10,961,963
Current liabilities					
Short-term loans and other loans (note 15)	2,067,053	-	2,067,053	-	2,067,053
Trade creditors	-	17,334,118	17,334,118	-	17,334,118
Other current financial liabilities (note 18)	-	445,463	445,463	-	445,463
Other creditors	-	563,678	563,678	7,670,803	8,234,481
Other current liabilities	-	17,100,833	17,100,833	7,931,644	25,032,477
	2,067,053	35,444,092	37,511,145	15,602,447	53,113,592

					2014
	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 15)	8,508,815	-	8,508,815	-	8,508,815
Other non-current financial liabilities (note 16)	-	476,117	476,117	-	476,117
Other non-current liabilities	-	5,444,055	5,444,055	793,367	6,237,422
	8,508,815	5,920,172	14,428,987	793,367	15,222,354
Current liabilities					
Short-term loans and other loans (note 15)	1,967,147	-	1,967,147	-	1,967,147
Trade creditors	-	21,485,211	21,485,211	-	21,485,211
Other current financial liabilities (note 18)	-	257,783	257,783	-	257,783
Other creditors	-	2,630,706	2,630,706	5,599,550	8,230,256
Other current liabilities	-	17,587,594	17,587,594	8,468,334	26,055,928
	1,967,147	41,961,294	43,928,441	14,067,884	57,996,325

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.

Under the "Regime Especial de Regularizações de Dívidas ao Fisco e Segurança Social (Decreto-Lei 248-A de 2002 e Decreto-Lei nº 151-A/2013)", Sonaecom made, voluntarily, tax payments in the amount of circa Euro 5.4 million, having been eliminated the guarantees and keeping the initiated judicial oppositions associated. The maximum contingency amount was reduced through the elimination of fines and accrued interest to date of payment. As provided in the support of the diplomas of those programs, Sonaecom keeps the aimed judicial proceedings what will be given reason to Sonaecom under the particular situations, having been recognized as an asset the amount paid under those plans, according to the adopted policy by Sonaecom. However, CMVM disagrees with the interpretation and has requested to Sonae the retrospective correction of the financial statements of all payments that are not related to the liquidation of the IRC under the argumentation that must be considered as contingent assets. Although Sonae and Sonaecom do not agree with the CMVM's opinion, both companies did the restated of the financial statements in conformity (note 1).

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.

5. Tangible assets

The movement in tangible assets and in the corresponding accumulated depreciation and impairment losses in the years ended 30 September 2015 and 2014 was as follows:

							2015
	Land, Buildings and other constructions	Plant and machinery	Vehicles	Fixtures and fittings	Other tangible assets	Work in progress	Total
Gross assets							
Balance at 31 December 2014	3,528,324	10,256,267	72,116	8,375,847	424,270	29,848	22,686,672
Additions	500	442	-	678,155	1,735	221,509	902,341
Disposals	-	-	-	(158,850)	-	-	(158,850)
Transfers and write-offs	(11,567)	21,551	-	917	(215)	(202,846)	(192,160)
Balance at 30 September 2015	3,517,257	10,278,260	72,116	8,896,069	425,790	48,511	23,238,003
Accumulated depreciation and impairment losses							
Balance at 31 December 2014	2,116,298	9,969,925	31,159	7,482,993	389,868	-	19,990,243
Depreciation for the period	166,252	77,303	9,860	362,648	22,730	-	638,793
Disposals	-	-	-	(158,104)	-	-	(158,104)
Transfers and write-offs	(81,340)	(4,332)	-	(34,220)	(87)	-	(119,979)
Balance at 30 September 2015	2,201,210	10,042,896	41,019	7,653,317	412,511	-	20,350,953
Net value	1,316,047	235,364	31,097	1,242,752	13,279	48,511	2,887,050

							2014
	Land, Buildings and other constructions	Plant and machinery	Vehicles	Fixtures and fittings	Other tangible assets	Work in progress	Total
Gross assets							
Balance at 31 December 2013	7,444,000	11,448,857	36,094	7,013,597	251,073	1,302,572	27,496,193
New companies (Note 3. a))	928,629	631,866	39,669	2,467,953	127,207	-	4,195,324
Additions	29,328	4,041	-	168,741	-	403,146	605,256
Disposals	(66)	-	(3,712)	(22,761)	-	-	(26,539)
Transfers and write-offs	834,689	(188,724)	65	554,895	867	(1,411,977)	(210,185)
Discontinued operations (Note 3.d))	(5,708,178)	(1,710,071)	-	(1,766,740)	(769)	(87,732)	(9,273,490)
Balance at 30 September 2014	3,528,402	10,185,969	72,116	8,415,685	378,378	206,009	22,786,559
Accumulated depreciation and impairment losses							
Balance at 31 December 2013	4,614,466	11,042,578	12,625	6,061,365	235,061	-	21,966,095
New companies (Note 3. a))	815,248	600,391	9,654	2,404,872	68,800	-	3,898,965
Depreciation for the period *	522,439	119,927	5,923	396,687	12,407	-	1,057,383
Disposals	(8)	-	(412)	(22,117)	-	-	(22,537)
Transfers and write-offs	8,137	(298,875)	7	37,204	(1)	-	(253,528)
Discontinued operations (Note 3.d))	(3,891,918)	(1,500,003)	-	(1,443,300)	(769)	-	(6,835,990)
Balance at 30 September 2014	2,068,364	9,964,018	27,797	7,434,711	315,498	-	19,810,388
Net value	1,460,038	221,951	44,319	980,974	62,880	206,009	2,976,171

* On period ended at 30 September 2014, the depreciations in the amount of Euro 1,057,383 include an amount of Euro 467,599 related to the depreciation of assets of discontinued operations (notes 3.d, 8 and 25) and an amount of Euro 589,784 related to continued operations.

The acquisition cost of 'Tangible assets' and 'Intangible assets' held by the Group under finance lease contracts, amounted to Euro 2,434,800 and Euro 1,483,682 as of 30 September 2015 and 2014, and their net book value as of those dates amounted to Euro 1,173,271 and Euro 578,143 respectively.

On 30 September 2015 and 2014, 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' on 30 September 2015 and 2014 were made up as follows:

	2015	2014
Information systems / IT equipment	48,511	201,102
Other projects in progress	-	4,907
	48,511	206,009

During the period ended 30 September 2015 and 2014, there are no commitments to third parties relating to investments to be made.

6. Intangible assets

In the periods ended at 30 September 2015 and 2014, the movement occurred in intangible assets and in the corresponding accumulated amortisation and impairment losses, was as follows:

				2015
	Brands and patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2014	11,000,702	55,566,461	5,418,866	71,986,029
Additions	13,723	1,460,971	3,727,484	5,202,178
Transfers and write-offs	427,122	4,110,815	(4,270,086)	267,851
Balance at 30 September 2015	11,441,547	61,138,247	4,876,264	77,456,058
Accumulated amortisation and impairment losses				
Balance at 31 December 2014	10,344,118	36,059,975	-	46,404,093
Amortisation for the period	608,668	4,307,724	-	4,916,392
Transfers and write-offs	352,511	(466,874)	-	(114,363)
Balance at 30 September 2015	11,305,297	39,900,825	-	51,206,122
Net value	136,250	21,237,422	4,876,264	26,249,936
				2014
	Brands and patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2013	10,348,140	30,539,349	4,561,408	45,448,897
New companies (Nota 3. a))	18,910,087	1,779,932	-	20,690,019
Additions	10,020	613,212	3,472,602	4,095,834
Transfers and write-offs	475,546	3,971,341	(3,425,103)	1,021,784
Discontinued operations (Note 3.d))	(25,330)	(1,638,360)	-	(1,663,690)
Balance at 30 September 2014	29,718,463	35,265,474	4,608,907	69,592,844
Accumulated amortisation and impairment losses				
Balance at 31 December 2013	7,141,359	21,660,278	-	28,801,637
New companies (Nota 3. a))	10,242,112	1,616,691	-	11,858,803
Amortisation for the period *	2,730,538	1,561,578	-	4,292,116
Transfers and write-offs	308,096	100,809	-	408,905
Discontinued operations (Note 3.d))	(24,812)	(1,469,232)	-	(1,494,044)
Balance at 30 September 2014	20,397,293	23,470,124	-	43,867,417
Net value	9,321,170	11,795,350	4,608,907	25,725,427

* On 30 September 2014, the amortisation of the period of Euro 4,292,116 include an amount of Euro 48,586 related to the amortisation of assets of discontinued operations (notes 3.d, 8 and 25) and an amount of Euro 4,243,530 related to continued operations.

On 30 September 2015, the additions related with intangible assets in progress include about Euro 3.7 million of capitalizations of personnel costs related to own work (about Euro 3.4 million on 30 September 2014), mainly related to IT software, RAID and NetClarus development projects.

The assessment of impairment for the main tangible and intangible assets, in the various segments, is carried out as described in note 7 ('Goodwill'), to the extent that such assets are closely related to the overall activity of the segment and consequently cannot be analysed separately.

7. Goodwill

For the periods ended at 30 September 2015 and 2014, the movements occurred in Goodwill were as follows:

	2015	2014
Opening balance	28,719,066	28,434,416
Other movements of the period	603,925	1,059,581
Closing balance	29,322,991	29,493,997

For the periods ended 30 September 2015 and 2014, the caption 'Other movements of the year' includes the effect of the exchange rate update of the Goodwill.

Additionally, at the period ended at 30 September 2015 the caption 'Other movements of the year' includes also the calculation of the Goodwill resulting from the purchase of 50% of the S21 SEC Ciberseguridad SA de CV share capital in the amount of 369,402 (note 3), that can be detailed as follows:

(Amounts expressed in thousand Euro)	Fair value
Acquired assets	
Tangible assets	5,852
Accounts receivable and other assets	187,451
Cash and cash equivalents	62,419
	255,722
Acquired liabilities	
Accounts payable and other liabilities	857,147
	857,147
Net assets and liabilities	(601,425)
Acquisition price	1,480
	(602,905)
Equity method recorded at the acquisition date	233,503
Goodwill	(369,402)

Thus, on 30 September 2015 and 2014, Goodwill was made up as follows:

	Information Systems	Multimedia
2015		
Goodwill	23,292,991	6,030,000
2014		
Goodwill	23,463,997	6,030,000

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 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 average growth rate used to the turnover of 5 years was 12.9%. For the Media sector, the average growth rate used was circa of 2%. 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 between 1% and 3% in the area of information systems and 0% in Multimedia area. 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. Regarding the area of telecommunications (Zopt), the assessment of whether or not the impairment is determinate taking into account with several information as business plans approved by the Board of Directors, which implied average growth rate of operating margin amounts to 2.7%, and the average ratings of external reviewers (researches).

	Information Systems	Multimedia	Telecommunications
Assumptions			
Basis of recoverable amount	Value in use	Value in use	Value in use
Discount rate	10.5%	9.0%	8.2%
Growth rate in perpetuity	Between 1% and 3%	0.0%	2.0%

For the sector of Information Systems, in digital security area (Cybersecurity), a growth rate used was 3%.

The analyses of the impairment indices and the review of the impairment projections and tests have not lead to clearance losses, during the period ended 30 September 2015 and 2014. For the sensitivity analyses made, required in the IAS 36 - Impairment of Assets, have not lead to material changes of the recoveries, so not result material additional impairments.

8. Investments in associated companies and companies jointly controlled

The associated companies and the companies jointly controlled, their head offices, percentage of ownership and value in profit and loss statement on 30 September 2015 and 2014, are as follows:

	Head Office	Percentage of ownership				Value in profit and loss statement	
		30 September 2015		30 September 2014		30 September 2015	30 September 2014
		Direct	Total	Direct	Total		
ZOPT (a)	Oporto	50%	50%	50%	50%	16,472,670	16,260,650
Unipress - Centro Gráfico, Lda. ('Unipress')	Vila Nova de Gaia	50%	50%	50%	50%	34,713	71,661
Sociedade Independente de Radiodifusão Sonora, S.A. ('S.I.R.S.' - using the brand name 'Rádio Nova')	Oporto	45%	45%	45%	45%	(11,447)	(35,822)
S21Sec Ciber seguridad SA de CV ('Ciber seguridad') (b)	Mexico City	Full consolidation method		50%	30%	(149,700)	(15,747)
Intelligent Big Data, S.L. ('Big Data') (c)	Gipuzcoa	50%	39%	50%	30%	(157)	(15)
Total (note 20)						16,346,079	16,280,727

(a) Includes the results of the subsidiaries, proportionally to capital held

(b) Company directly owned by S21 Sec México by 50%. On July 2015 Grupo S21 SEC Gestion acquired the remaining 50% of share capital stake on S21 Sec Ciberseguridad SA de CV. Given this change this company came to be owned by 77.65% by Sonaecom, S.G.P.S. S.A. (effective percentage) and became included in the consolidation through full consolidation method (note 3).

(c) Company directly owned by S21 Sec Gestion

The associated companies and companies jointly controlled have been consolidated by the equity method. In accordance with the IFRS 11, the classification of investments in joint ventures is determined based on the existence of an agreement that clearly demonstrate and regulate the joint control. Thus, in accordance with the requirements of this standard, on 30 September 2015 the group only held jointly controlled companies.

During the years periods ended at 30 September 2015 and 2014, the movement occurred in investments in associated companies and companies jointly controlled, were as follows:

	30 September 2015			30 September 2014		
	Ownership value	Goodwill	Total investment	Ownership value	Goodwill	Total investment
Investments in associated companies and companies jointly controlled						
Balance at 1 January	633,758,552	87,849,200	721,607,752	622,585,085	87,849,200	710,434,285
Increases	-	-	-	1,500	-	1,500
Equity method						
Effect on gains and losses (note 20)	16,507,819	-	16,507,819	16,316,549	-	16,316,549
Effect on reserves	3,088,982	-	3,088,982	(13,098,985)	-	(13,098,985)
Dividends	(15,845,015)	-	(15,845,015)	(7,320,650)	-	(7,320,650)
	637,510,338	87,849,200	725,359,538	618,483,499	87,849,200	706,332,699
Registered in Provisions for other liabilities and charges (note 17)						
Balance at 1 January	(168,071)	-	(168,071)	(105,384)	-	(105,384)
Equity method						
Effect on gains and losses (note 17)	17,910	-	17,910	(35,822)	-	(35,822)
	(150,161)	-	(150,161)	(141,206)	-	(141,206)
Total investment in associated companies and companies jointly controlled net of impairment losses	637,360,177	87,849,200	725,209,377	618,342,293	87,849,200	706,191,493

The division by company of the amount included on the investments in associated companies and join controlled is as follows:

	30 September 2015			30 September 2014		
	Ownership value	Goodwill	Total investment	Ownership value	Goodwill	Total investment
Investments in associated companies and companies jointly controlled						
Zopt	637,038,644	87,527,500	724,566,144	617,957,603	87,527,500	705,485,103
Unipress	471,257	321,700	792,957	506,652	321,700	828,352
SIRS	(149,569)	-	(149,569)	(141,206)	-	(141,206)
Ciber seguridad	-	-	-	18,646	-	18,646
Big Data	(155)	-	(155)	598	-	598
Total	637,360,177	87,849,200	725,209,377	618,342,293	87,849,200	706,191,493

The aggregated amounts of the main financial indicators of the entities can be resumed as follows:

(Amounts expressed in thousand Euro)							2015
Entity	% holding	Asset	Liability	Equity	Revenue	Operational results	Net result
ZOPT*	50%	4,584,315	2,023,682	2,544,688	1,067,897	117,813	65,891
Unipress	50%	3,316	2,373	943	2,255	643	69
SIRS	45%	363	695	(332)	674	(5)	(13)
Big Data	39%	2	3	(1)	-	(1)	(1)

*The consolidated accounts not audited of Group ZOPT, prepared in accordance with the International Financial Report Statements ('IFRS') as adopted by the European Union. The value of the shareholder funds includes non-controlling interests, and at 30 September 2015 the NOS' market capitalization amount to Euro 3,797 million.

During the period ended 30 September 2015, the company received the amount of Euro 15,815,500 referring to Zopt, S.G.P.S. dividends.

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), conditional upon completion of the merger.

Thus, following the above mentioned agreement, on 27 August 2013, and after fulfilling all the requirements required to the operation, the merger was closed. Sonaecom considers this to be the date on which Zopt took control of Zon Optimus (now NOS SGPS, SA, hereinafter 'NOS', following the amendment of its name in June 2014), having 50.01% of its share capital. Accordingly, in the same day, **it was registered the capital increase in kind with the transference of 81.807% Sonaecom's financial participation in Optimus SGPS, S.A. to Zopt.** After the share capital increase of Zopt and the closing of the merger between Optimus SGPS and Zon, Sonaecom derecognized in 2013 in consolidated accounts, the assets and liabilities fully consolidated of Optimus SGPS and its subsidiaries amounting to Euro 992 million. Sonaecom has also recognized an investment in Zopt amounting to Euro 598 million¹, loans to be received from Zopt amounting Euro 230 million, which would later be converted on supplementary capital and reduced to Euro 115 million, and an investment registered at fair value through NOS shares results (the conversion of 20,921,650 Optimus SGPS shares, representing 18.193% of the share capital, to 37,489,324 NOS shares, representing 7.28% of the share capital), at the market price of 27 August 2013 (date of the closing of the merger), amounting to Euro 156 million (note 9). The investment registered at fair value was reduced in consequence of the General Public and Voluntary Offer (note 13), on 5 February 2014, decreasing the investment in shares NOS in the amount of 26,476,792 shares (EUR 141,650,837). Thus, Sonaecom, SGPS, S.A. now holds 11,012,532 shares representing the share capital of NOS, corresponding to a share of 2.14%.

Resulting from a 'Shareholders Agreement' between the parties involved in the merger, Sonaecom and Kento/Jadeium Group agreed not to acquire any shares of NOS, with the exception of the shares acquired by Sonaecom as a result of the operation. For this reason, the 'Shareholders Agreement' also foresees that after 2 years from the date of the formal closing of the merger, and for a period of three months, the Group Kento / Jadeium may exercise a call option over half of the shares of NOS that Sonaecom holds at the date of the exercise of call option, at a price equal to the weighted average price of the previous month.

Following the merger, was performed on Zopt a preliminary assessment of the fair value of assets acquired and assumed liabilities through this operation. In accordance with IFRS 3 - Business Combinations, a preliminary evaluation of the fair value of the acquired assets and liabilities assumed in this transaction was subject to changes over a period of one year from the date of control, and this ended at 26 August 2014.

¹ The Zopt participation of Euro 598 million ($598 = ((2,850 \times 50.01\%) - 230) \times 50\%$) results from the valuation of NOS, amounting to Euro 2,850 million. This corresponds to the sum of the valuation of the capital increase in Zopt made by Zon and Optimus in Euro 1,500 million and Euro 1,000 million, respectively (the valuation was made by entities involved in the capital increase and the merger project) and the minimum synergies estimated, disclosed in the merger project in the amount of Euro 350 million, deducted from loans totaling Euro 230 million (level 3 of inputs in the hierarchy of fair value). It was decided that Zon market price at the date of the closing of the merger didn't reflected the fair value of NOS (the argument for not using the Zon share price at the date of the close of the merger, as abovementioned, is proven by the positive evolution of NOS share price since the date of the merger until December 31st 2013 (Euro 2,782 million versus 2,141, price at 27 August 2013, merger date)). For this reason, the market capitalization of Zon was not considered as a reference for valuing the Zopt investment. The valuation of Zon and Optimus was based on internally and analysts' projections, regarding the main economic indicators, including operating results and investment. For this purpose, was used a weighted average cost of capital of 9.5% and growth rate of 3%.

The detail of the net assets of the ZON Group at 26 August 2013 and the goodwill recorded under this transaction, updated at 26 August 2014, is as follows:

(Amounts expressed in thousand Euro)	Book Values	Adjustments to fair value initially reported	Changes of the adjustments to fair value	Fair value
Acquired assets				
Tangible assets	598,675	57,301	-	655,976
Intangible assets	137,644	170,575	(33,202)	275,017
Investments in group companies	33,646	284,807	(41,259)	277,194
Deferred tax assets	55,972	10,381	10,009	76,362
Inventories	18,034	-	-	18,034
Accounts receivable and other assets	169,888	1,861	-	171,749
Cash and cash equivalents	157,914	-	-	157,914
	1,171,773	524,925	(64,452)	1,632,246
Acquired liabilities				
Borrowings	817,435	7,634	-	825,069
Provisions	25,948	7,798	42,872	76,618
Deferred tax liabilities	7,450	68,591	(9,994)	66,047
Share plan	3,694	-	-	3,694
Accounts payable and other liabilities	296,169	2,062	-	298,231
Minorities	9,662	-	-	9,662
	1,160,358	86,085	32,878	1,279,321
Net assets and liabilities	11,415	438,840	(97,330)	352,925
Goodwill				1,147,075
Acquisition price				1,500,000

The fair value of net assets acquired was determined through various valuation methodologies for each type of asset or liability based on the best information available. The main fair value adjustments made in this process were : (i) valuation of Cines TV and TV Series channels (EUR +66.1 million), which will be amortised straight-line over a period of 10 years, (ii) portfolio customers (EUR +71.3 million), which will be amortised straight-line over the estimated average period of customer retention that is 6 years, (iii) financial investments (EUR +262.1 million) including EUR +224.2 million in estimated future economic benefits ('goodwill') of subsidiaries, valuations of channels in the amount of EUR +29.4 million, valuation of client portfolios in the amount of EUR +17.1 million, among others, and their respective associated deferred taxes, (iv) increase of EUR +57.3 million in the book value of basic equipment, (v) changes in the fair value of borrowings in the amount of EUR -7.6 million, and (vi) contingent liabilities relating to present obligations amounting to EUR -59.6 million.

The detail of Optimus Group's net assets and Goodwill at 26 August 2013 identified under this transaction, updated at 26 August 2014, are as follows:

(Amounts expressed in thousand Euro)	Book Values	Adjustments to fair value initially reported	Changes of the adjustments to fair value	Fair value
Acquired assets				
Tangible assets	569,441	(62,616)	-	506,825
Intangible assets	353,331	45,480	-	398,811
Deferred tax assets	100,976	27,626	(2,368)	126,234
Inventories	19,125	(1,384)	-	17,741
Accounts receivable and other assets	224,165	-	-	224,165
Cash and cash equivalents	17,987	-	-	17,987
	1,285,025	9,106	(2,368)	1,291,763
Acquired liabilities				
Borrowings	452,362	-	-	452,362
Provisions	35,224	30,091	47,124	112,439
Deferred tax liabilities	1,142	10,997	-	12,139
Share plan	6,469	3,144	-	9,613
Accounts payable and other liabilities	287,368	15,326	-	302,694
	782,565	59,558	47,124	889,247
Net assets and liabilities	502,460	(50,452)	(49,492)	402,516
Goodwill				597,484
Acquisition price				1,000,000


The fair value of net assets acquired was determined through several valuation methodologies for each type of asset or liability, based on the best information available. The main fair value adjustments made in this process were: (i) customer portfolio (EUR +23.4 million), which will be amortised linearly based on the estimated average time of customer retention; (ii) telecom licenses (EUR +12.7 million), which will be amortised over their estimated useful life; (iii) infrastructure reconstruction and replacement equipment costs and other adjustments on basic equipment in the amount of EUR -22.7 million; (iv) adjustment of EUR -27.7 million to carrying amount of the assets falling within by the commitments made to the Competition Authority, under the merger operation, in particular, the agreement on an option to acquire the fiber network of Optimus; (v) contingent liabilities related to present obligations in the amount of EUR -80.9 million, as permitted by IFRS 3, of which a percentage, corresponding to tax contingencies, was recorded as a reduction to deferred tax assets by tax losses, and (vi) contractual obligations in the amount of EUR -15.3 million related to long-term contracts whose prices are different from market prices.

The methodologies used in the main fair value adjustments were Discounted cash flows (Level 3) with the exception to Rooftops and Towers that was used the Rebuilding costs (Level 2), to Basic Equipment that was used the Replacement costs (Level 2) and to Contractual obligations that was used the Comparison with today fees (Level 2).

In identifying the fair value of acquired assets and liabilities the Group's management make estimates, assumptions and judgments such as: (i) the average period of retention of Optimus' customers used in the valuation of the customer portfolio; (ii) the average time of use of existing 2G/3G and LTE technologies and revenue growth as a result of the emergence of other new technologies, used in the valuation of the telecom licenses, among others. Although these estimates were based on the best information available at the date of preparation of the consolidated financial statements, current and future results may differ from these estimates.

Several scenarios have been considered in the valuations. The sensitivity analyzes performed have not led to significant changes in the allocation of the fair value of assets and liabilities.

For the remaining assets and liabilities were not identified significant differences between the fair value and their book value.



As usual on mergers and acquisitions, also in this operation, there was a part of the acquisition price which was not possible to allocate to the fair value of some identified assets and liabilities that was considered as Goodwill and recorded in "Intangible Assets". 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 and technical skills.

Legal actions and contingent assets and liabilities of ZOPT Group

1. Legal actions with regulators

- On 8 July 2009, NOS SA was notified by the Competition Authority (AdC) in connection with infringement proceeding relating to the triple-play offer, requesting NOS SA to comment on the content of the notification, which it did in good time. The case is currently at the fact-finding stage in AdC and various information has been requested, to which NOS has responded. If it is concluded that an infringement has occurred, the AdC may levy a fine not exceeding 10% of the company's turnover in last year of infringement. In July 2015, NOS Group was notified of decision to dismiss the case by Competition Authority.
- NOS SA, NOS Açores and NOS Madeira brought actions for judicial review of ICP-ANACOM's decisions in respect of the payment of the Annual Fee (for 2009, 2010, 2011, 2012, 2013 and 2014) for carrying on the business of Electronic Communications Services Networks Supplier in the amounts, respectively, of (i) Euro 1,861 thousand, Euro 3,808 thousand, Euro 6,049 thousand, Euro 6,283 thousand, Euro 7,270 thousand and Euro 7,426 thousand; (ii) Euro 29 thousand, Euro 60 thousand, Euro 95 thousand, Euro 95 thousand, Euro 104 thousand and Euro 107 thousand; (iii) Euro 40 thousand, Euro 83 thousand, Euro 130 thousand, Euro 132 thousand, Euro 149 thousand and Euro 165 thousand, respectively, and seeking reimbursement of the amounts meanwhile paid in connection with the enforcement proceedings. This fee corresponds to a percentage decided annually by ICP-ANACOM (in 2009 it was 0.5826%) of operators' electronic communications revenues. The scheme is being introduced gradually: 1/3 in the first year, 2/3 in the second year and 100% in the third year. NOS SA, NOS Açores and NOS Madeira claim, in addition to defects of unconstitutionality and illegality, that only revenues from the electronic communications business per se, subject to regulation by ICP-ANACOM, should be considered for the purposes of the application of the percentage and the calculation of the fee payable, and that revenues arising from television content should be excluded.

On 18 December 2012 a ruling was passed on the proceedings instigated by NOS SA at the Annual Fee of 2009, for which the appeal was upheld, with no prior hearing, condemning ICP-ANACOM to pay the costs. ICP-ANACOM appealed and by decision of July 2013 was not upheld.

The remaining proceedings are awaiting trial and/or decision.

2. Tax authorities


During the course of the 2003 to 2014 financial years, some companies of the NOS Group were the subject of tax inspections for the 2001 to 2012 financial years. Following these inspections, NOS, as the controlling company of the Tax Group, and companies not covered by Tax Group, were notified of the corrections made to the Group's tax losses, to VAT and stamp tax and to make the payments related to the corrections made to the above exercises. The total amount of the notifications is about Euro 25.8 million. Note that the Group considered that the corrections were unfounded, and contested the amounts mentioned. The Group provided the bank guarantees demanded by the Tax Authorities in connection with these proceedings.

At the end of year 2013 and taking advantage of the extraordinary settlement scheme of tax debts, the Group settled Euro 7.7 million (corresponding to notifications in the amount of Euro 17.3 million less accrued interests). This amount was recorded as "taxes receivable" non-current net of the provision recorded in the amount of Euro 3.5 million.

As belief of the Board of Directors of the NOS Group, supported by their lawyers and tax advisors, the risk of loss of these proceedings is not likely and the outcome thereof will not affect materially the consolidated position.

3. Actions by Portugal Telecom against NOS S.A., NOS Madeira and NOS Açores and by NOS S.A. against Portugal Telecom

- Action brought by MEO (PT) against NOS Madeira, claiming the payment of Euro 1.6 million, plus interests, for the alleged use of ducts, supply of the MID service, supply of video and audio channels, operating, maintenance and management costs of the Madeira/Porto Santo undersea cable and the use of two fiber optic circuits. NOS Madeira contested the action, in particular



the claimed prices, the services and the legitimacy of MEO in respect of the ducts. A decision was handed down in late July 2013, favourable to NOS Madeira. As a consequence of this decision, MEO appealed to the Lisbon Court of Appeal. In June 2015, the decision was handed down which fully acquitted NOS Madeira relative to MID and confirmed the lower court decision. This decision was appealed by MEO for the “Supremo Tribunal de Justiça” (Supreme Court).

- In 2011, PT brought an action in Lisbon Judicial Court against NOS SA, claiming payment of Euro 10.3 million, as compensation for alleged undue portability of NOS SA in the period between March 2009 and July 2011. NOS SA lodged a contest and reply and completion of proof is in progress.
- PT made two court notices to NOS SA (April 2013 and July 2015), two to NOS Açores (March and June 2013) and two to NOS Madeira (March and June 2013), in order to stop the prescription of alleged damages resulting from claims of undue portability, absence of response time to requests submitted to them by PT and alleged illegal refusal of electronic requests. PT **doesn't indicate**, in all notices, the total amounts in which it wants to be financially compensated, realizing only part of these, in the case of NOS SA, in the amount of Euro 26 million (for the period between August 2011 and May 2014), in the case of NOS Açores, in the amount of Euro 195 thousand and NOS Madeira, amounting to Euro 817 thousand.
- In 2011, NOS SA brought an action in Lisbon Judicial Court against PT, claiming payment of Euro 22.4 million, for damages suffered by NOS SA, arising from violations of the Portability Regulation by PT, in particular, the large number of unjustified refusals of portability requests by PT in the period between February 2008 and February 2011. The court declared the compulsory performance of expert evidence, which is currently underway. It is the understanding of the Board of Directors, supported by lawyers who monitor the process, that there is, in substance, a good chance of NOS SA winning the action, due to the fact that PT has already been convicted for the same offense, by ICP – ANACOM. However, it is impossible to determine the outcome of the action.

The instances and process described above are provisioned in the consolidated accounts of ZOPT, given the degree of risk identified.

- In April 2012, following the decision made on 19 July 2011 in which NOS Açores was acquitted, PT brought two new actions against NOS Açores, one relating to the MID service and the other to the supply of video and audio channels, claiming payment of Euro 222 thousand and Euro 316 thousand respectively, plus interest. They are awaiting for trial and decision. A sentence, without impacting interests, reduced the amount payable by NOS Açores to about Euro 97 thousand concerning the first action. Following the appeal filed by PT, which the “Tribunal da Relação” (Court of Appeal) judged unfounded the NOS Açores was ordered to pay Euro 222 thousand. This decision has been appealed to the Supreme Court, in February 2015, which in April 2015 annulled the decision of “Tribunal da Relação” (Court of Appeal) and confirmed of the decision of the first instance, i.e., to pay the amount of payment of Euro 97 thousand plus accrued interests in the amount of Euro 50 thousand. In what concerns the second action, in the third quarter of 2014, NOS Açores was sentenced to pay Euro 316 thousand, plus interest and legal costs. These amounts were paid in 2014.

4. Action against NOS SA

In 2014, NOS SA providers of marketing services has brought a civil lawsuit against NOS SA, seeking a payment of about Euro 1,243 thousand, by the alleged early termination of contract and for compensation. It is belief of the Board that the arguments used are not correct, so the outcome of the proceeding will not result in significant impact on the financial statements of the group. This action waits for trial.

5. Action against Sport TV

- SPORT TV Portugal, S.A. was fined by the Competition Authority to the value of Euro 3,730 thousand for the alleged abuse of its dominant position in the domestic market of subscription channels with premium sport content.

SPORT TV is not in agreement with the decision and has therefore decided to appeal against it to the competent judicial authorities. The Court of Competition, Regulation and Supervision altered the value to Euro 2,700 thousand. Meanwhile, Sport TV has appealed to the “Tribunal da Relação” (Court of Appeal) which has rejected said appeal as unfounded. Sport TV contested that decision.

- Action brought by Cogeco Cable Inc., former shareholder of Cabovisão, against Sport TV, NOS SGPS and a third, requesting, among others: (i) joint condemnation of the three institutions to pay compensation for damages caused by anti-competitive conduct, guilty and illegal, between 3 August 2006 and 30 March 2011, specifically for the excess price paid for Sport TV channels by Cabovisão, in the amount of Euro 9.1 million; (ii) condemnation for damages corresponding to the remuneration of capital unavailable, in the amount Euro 2.4 million; and (iii) condemnation for damages corresponding to the loss of business from anti-competitive practices of Sport TV, in connection with the enforcement proceedings. The NOS Group contested the action, waiting for trial.

It is the understanding of the Board of Directors, supported by lawyers who monitor the process, that, in substance, it is unlikely that NOS SA is responsible in this action.

- Cabovisão brought an action against the SPORT TV, in which it requests compensation from the latter for alleged losses resulting from abuse of a dominant position. The Board of Directors of Sport TV and lawyers, who monitor the process, predict a favorable outcome, not estimating impacts in the accounts, in addition to those already registered.

6. Contractual penalties

The general conditions that affect the agreement and termination of this contract between NOS and its clients, establish that if the products and services provided by the client can no longer be used prior to the end of the binding period, the client is obliged to immediately pay damages.

Until 31 December 2014, revenue from penalties, due to inherent uncertainties was recorded only at the moment when it was received, so at 31 December 2014, the receivables by NOS SA, NOS Madeira and NOS Açores amount to a total of Euro 112,759 thousand. During the period ended on 30 September 2015 Euro 3,612 thousand related to 2014 receivables were received and recorded in the income statement.

From 1 January 2015, Revenue from penalties is recognised taking into account an estimated collectability rate taking into account the Group's collection history. The penalties invoiced are recorded as accounts receivable and amounts determined as uncollectible are recorded as impairment by deducting revenue recognized upon invoicing.

7. Interconnection tariffs


At 30 September 2015, accounts receivable and accounts payable include Euro 37,139,253 and Euro 29,913,608, respectively, resulting from a dispute between the subsidiary NOS SA and, essentially, the operator MEO – Serviços de Comunicação e Multimédia, S.A. (previously named TMN – Telecomunicações Móveis Nacionais, S.A.), in relation to the indefiniteness of interconnection tariffs, recorded in the year ended at 31 December 2001. In the lower court, the decision was favourable to NOS SA. The "Tribunal da Relação" (Court of Appeal), on appeal, rejected the intentions of MEO. However, MEO 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.

8. CNPD

Infringement proceedings in the amount of approximately Euro 4.5 million, established by the National Commission for Data Protection ("CNPD") against NOS SA subsidiary, for alleged violations of rules relating to legal protection of data. During the project phase of decision, NOS SA argued, firstly, a set of procedural irregularities and, secondly, a set of fact and law arguments that the Board understood to impose a final decision to dismiss the case. However, on 16 January 2014, NOS SA received a settlement notice regarding the fine imposed by the CNPD, against which appealed to the courts. On 8 September 2014, the Court for Competition, Regulation and Supervision ("Tribunal da Concorrência, Regulação e Supervisão") reduced the value of the fine to Euro 600 thousand. NOS SA appealed against this decision. As a consequence of this decision, the provision was reduced by Euro 3.9 million, affecting the net income/(loss) of the year ended in 2014. On 5 February 2015, the Lisbon Court of Appeal set the fine at Euro 100 thousand, a decision which became final and unappealable. NOS reverted the provision in the amount of Euro 500 thousand and paid the fine in April 2015.

9. ANACOM

Infringement proceedings due to an alleged failure, by NOS SA, to apply the resolutions taken by ANACOM on 26 October 2005, concerning termination rates for fixed calls. Following a deliberation of Board of Directors of the regulator, in April 2012, a fine of



approximately Euro 6.5 million was applied to NOS SA; NOS SA has appealed for the judicial review of the decision and the court has declared the process's nullity, in January 2014 (violation of NOS, SA's right of defence). In April 2014 ANACOM has notified NOS SA of a new judicial process, based on the same accusations. This process is a repetition of the initial one. In September 2014, ANACOM, based on the same facts, fine on NOS SA in the amount of Euro 6.5 million. This decision was contested by NOS SA. In May 2015, it was acquitted, which revoked the decision by ANACOM and the fine which had been applied. ANACOM appealed the decision and the process is currently on appeal in Lisbon Court of Appeal.

10. Supplementary Capital

The fiscal authorities are of the opinion that NOS SA has broken the principle of full competition under the terms of (1) of article 58 of the Corporate Tax Code (CIRC), by granting supplementary capital to its subsidiary NOS Towering, without having been remunerated at a market interest rate. In consequence, it has been notified, with regard to the years 2004, 2005, 2006 and 2007, of corrections to the determination of its taxable income in the total amount of Euro 20.5 million. NOS SA contested the decision with regard to all the above mentioned years. As for the year 2007, the Fiscal and Administrative Court of Oporto has already decided unfavourably. The company has contested this decision.

11. Future credits transferred

For the year ended at 31 December 2010, the subsidiary NOS SA was notified of the Report of Tax Inspection, where it is considered that 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, is inappropriate. Given the principle of periodisation of taxable income, NOS SA was subsequently notified of the improper deduction of the amount of Euro 20 million in the calculation of taxable income between 2009 and 2012 (tax inspection report received in January 2015). Given that the increase made in 2008 was not accepted due to not complying 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 amortisation hired as part of the operation (20 million per year during 5 years). NOS SA challenged the decisions regarding 2008, 2009, 2010, 2011 and 2012 fiscal year. Regarding the year 2008, the Administrative and Fiscal Court of Porto has already decided unfavourably, in March 2014. The company has appealed.

12. Extraordinary contribution toward the fund for the compensation of the net costs of the universal service of electronic communications (CLSU):

The Extraordinary contribution toward the fund for the compensation of the net costs of the universal service of electronic communications (CLSU) is legislated in Articles 17 to 22 of Law nr 35/2012, of 23 August. From 1995 until June 2014, PT Comunicações, SA (PTC) was the sole provider for the universal service of electronic communications, having been designated administratively by the government, i.e without a tender procedure, which constitutes an illegality, as acknowledged by the European Court of Justice who, through its decision taken in June 2014, condemned the Portuguese State to pay a fine of 3M € for illegally designating Portugal Telecom. In accordance with Article 18 of the abovementioned Law 35/2012, the net costs incurred by the operator responsible for providing the universal service, approved by ICP-ANACOM, must be shared between other companies who provide, in national territory public communication networks and publicly accessible electronic communications services. NOS is therefore within the scope of this extraordinary contribution given that PTC has been requesting the payment of CLSU to the compensation fund of the several periods during which it was responsible for providing the services. The compensation fund can be activated to compensate the net costs of the electronic communications universal service, relative to the period before the designation of the provider by tender, whenever, cumulatively (i) there are net costs, considered excessive, the amount of which is approved by ICP-ANACOM, following an audit to their preliminary calculation and support documents, which are provided by the universal service provider, and (ii) the universal service provider requester the Government compensation for the net costs approved under the terms previously mentioned. In September 2013, ICP-ANACOM delivered to approve the final results of the CLSU audit presented by PTC, relative to the period from 2007 to 2009, in a total amount of Euro 66.8 million, a decision which was contested by NOS and about which NOS was, in June 2014, notified of the argument provided by ICP-ANACOM. Also in June 2014, ICP-ANACOM requested NOS to send the information regarding the revenue eligible, for the purpose of the contribution toward the compensation fund relative to the period from 2007 to 2009. This information was sent with the reservation that it did not signal NOS' acceptance or agreement as to the existence of any obligation to pay the extraordinary contribution. In November 2014, ICP – ANACOM deliberated to approve the final results of the CLSU audit by PTC, relative to the period from 2010 to 2011, in a total amount of 47 million euros, a decision also contested by NOS. Upon completion of an audit to the amount of revenues eligible reported in June 2014, in January 2015, ANACOM issued the settlement notes in the amount of Euro 18.6 million related to NOS CLSU 2007 to 2009, which were contested in March 2015 and for which a bail was presented by NOS SGPS to avoid Tax Execution Proceedings. In June 2015, ANACOM has notified NOS SA with regards to the probable decision regarding the results of the audit to CLSU presented by PTC, for the year 2012, in the amount of Euro 26.4 million. In September 2015 resolved on the approval of these results for the year 2012. This decision

will timely be contested by NOS. It is expected that PTC will submit to ICP-ANACOM the CLSU calculations incurred in the period from 2013 and the first semester of 2014. At the moment, It is estimated that the contribution of NOS, SA, relative to the period from 2013 to June 2014, amounts to Euro 9.1 million.

It is the opinion of the Board of Directors of NOS that these extraordinary contributions to CLSU of service providing by PTC (not designated through a tender procedure) violates the Directive of Universal Service. Moreover, considering the existing legal framework since NOS began its activity, the request of payment of the extraordinary contribution violates the principle of the protection of confidence, recognised on a legal and constitutional level in Portuguese domestic law. For these reasons, NOS will continue judicially challenge the liquidation of each extraordinary contributions, once the Board of Directors is convinced it will be successful in all challenges, both future and already undertaken.

Regardless of the belief of the Board of Directors of NOS, was attributed, in 2014, in the Goodwill allocation period provided by IFRS 3, a provision to remedy this situation, with regard to possible liability to the date of the merger.

The Sonaecom Board of Directors believes that the above processes may result in contingencies that affect the NOS group's accounts are properly provisioned, given the degree of risk in the consolidated accounts of Sonaecom.

9. Financial assets at fair value through profit or loss

On August 2013, Sonaecom Group began to hold NOS shares recorded at fair value through profit or loss, as a result of the merger between Optimus SGPS and Zon (Note 8), since it is the initial classification of an asset held for a sale purpose in a short-time. In accordance with the 'Shareholders Agreement', these shares neither concedes any additional vote right or affect the shared control situation with ZOPT. Some of these shares were used as part of the General Public and Voluntary Offer acquisition of own shares, as described below.

The period ended 30 September 2014 were acquired Sonae shares in accordance with the movement described below.

The movements occurred in financial assets at fair value through profit or loss, on 30 September 2015 and 2014 were as follows:

						2015
Financial assets at fair value through profit or loss	Opening balance	Increases	Decreases	Fair value adjustments (note 20)	Increase and decrease in fair value of shares intended to cover MTIP*	Closing balance
NOS	57,661,618	-	-	23,511,755	-	81,173,373
Sonae SGPS	2,303,954	-	(2,736,246)	216,840	367,097	151,645
	59,965,572	-	(2,736,246)	23,728,595	367,097	81,325,018
Recorded under the caption non current assets (note 4)						151,645
Recorded under the caption current assets (note 4)						81,173,373

*Incentive medium-term plans

						2014
Financial assets at fair value through profit or loss	Opening balance	Increases	Decreases	Fair value adjustments (note 20)	Increase and decrease in fair value of shares intended to cover MTIP*	Closing balance
NOS	202,442,350	-	(141,650,837)	(8,217,685)	-	52,573,828
Sonae SGPS	-	5,522,188	(2,804,200)	(29,241)	(105,798)	2,582,949
	202,442,350	5,522,188	(144,455,037)	(8,246,926)	(105,798)	55,156,777
Recorded under the caption non current assets (note 4)						1,142,185
Recorded under the caption current assets (note 4)						54,014,592

*Incentive medium-term plans

The increases and decreases in the fair value adjustments are recorded under the caption 'Gains and losses on Group companies' in Profit and Loss Statement (note 20). With the exception of the increases and decreases in the fair value of shares allocated to cover

the medium-term incentive plans whose value is recorded under "Other operating expenses" and "Other financial expenses" in the income statement.

The decreases at 30 September 2015, in the investment in Sonae SGPS shares, correspond essentially to the payment of the medium-term incentive plan that expired in the period ended at 30 September 2015.

The decreases at 30 September 2014 represent the counterpart in NOS shares provided for the terms of trade of the General Public and Voluntary Offer for acquisition of own shares (note 13). As a result of this offering Sonaecom reduced its investment in NOS shares in 26,476,792 shares (EUR 141,650,837) and now holds 11,012,532 shares representing the share capital of NOS, corresponding to a share of 2.14%.

The amount recorded in non-current assets corresponds to the investment in Sonae SGPS shares, to cover the medium-term incentive plans, which payment will occur in more than one year.

The evaluation of fair value of the investment is detail as follows:

2015	NOS	Sonae SGPS
Shares	11,012,532	137,859
Level of inputs in the hierarchy of fair value	Level 1	
Valuation method	Quoted price on the stock exchange	
Quoted price*	7.371	1.100
Fair value	81,173,373	151,645

* Used the share price of 30 September 2015 in the determination of the fair value.

2014	NOS	Sonae SGPS
Shares	11,012,532	2,249,955
Level of inputs in the hierarchy of fair value	Level 1	
Valuation method	Quoted price on the stock exchange	
Quoted price*	4.774	1.148
Fair value	52,573,828	2,582,949

* Used the share price of 30 September 2014 in the determination of the fair value.

10. Investments available for sale

On 30 September 2015 and 2014, this caption included investments classified as available-for-sale and was made up as follows:

	%	2015	2014
Lusa – Agência de Notícias de Portugal, S.A.	1.38%	197,347	197,344
VISAPRESS - Gestão de Conteúdos dos Média, CRL	10.00%	5,000	5,000
Others		10,707	13,104
Impairment losses		(100,000)	(100,000)
		113,054	115,448

On 30 September 2015, 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⁾	12,350	5,440	696	14,594	357	(802)
VISAPRESS - Gestão de Conteúdos dos Média, CRL ⁽¹⁾	40	2	-	45	(10)	(10)

⁽¹⁾ Amounts expressed in thousands euro at 31 December 2014.

11. Deferred taxes

Deferred tax assets on 30 September 2015 and 2014, amounted to Euro 8,254,952 and Euro 7,063,152, respectively, and arose, mainly, from tax losses carried forward, from tax benefits, 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 30 September 2015 and 2014 were as follows:

							2015
	Balance at 31 December 2014	Companies included in the consolidation perimeter (note 3.a)	Movements in deferred tax of the year	Utilization of deferred tax	Record/(reversal) of deferred tax of previous years	Discontinued units (Note 3.d))	Balance at 30 september 2015
Tax losses	2,459,918	-	753,677	(19,515)	-	-	3,194,080
Tax provisions not accepted and other temporary differences	1,658,953	-	(57,266)	-	(131,135)	-	1,470,552
Tax benefits (SIFIDE, RFAI and CFEI)	1,183,946	-	52,723	-	991,595	-	2,228,264
Differences between the tax and accounting amount of certain fixed assets and others	1,745,300	-	(189,250)	-	-	-	1,556,050
Effect on results (note 21)	7,048,117	-	559,884	(19,515)	860,460	-	8,448,946
Discontinued operations (note 3.d))	(169,548)	-	-	-	-	-	(169,548)
Others	(41,339)	-	16,893	-	-	-	(24,446)
Closing balance	6,837,230	-	576,777	(19,515)	860,460	-	8,254,952

							2014
	Balance at 31 December 2013	Companies included in the consolidation perimeter (note 3.a)	Movements in deferred tax of the year	Utilization of deferred tax	Record/(reversal) of deferred tax of previous years	Discontinued units (Note 3.d))	Balance at 30 september 2014
Tax losses	848,995	1,090,050	572,725	(204,873)	-	-	2,306,897
Tax provisions not accepted and other temporary differences	1,510,903	21,109	348,199	-	(15,950)	(104,181)	1,760,080
Tax benefits (SIFIDE, RFAI and CFEI)	946,535	-	-	-	444,193	(65,367)	1,325,361
Adjustments in the conversion to IAS/IFRS	227	-	-	-	(146)	-	81
Differences between the tax and accounting amount of certain fixed assets and others	1,997,545	-	(191,369)	-	-	-	1,806,176
Effect on results (note 21)	5,304,205	-	729,555	(204,873)	428,097	-	6,256,984
Companies included in the consolidation perimeter (Note 3.a)) and discontinued operations (Note 3.d))	-	1,111,159	-	-	-	(169,548)	941,611
Others	(104,319)	-	(31,124)	-	-	-	(135,443)
Closing balance	5,199,886	1,111,159	698,431	(204,873)	428,097	(169,548)	7,063,152

Deferred taxes related to the IAS / IFRS conversion 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.

On 30 September 2015 and 2014, 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 7.

The rate used at 30 September 2015, in Portuguese companies, to calculate the deferred tax assets relating to tax losses carried forward was 21% (23% in September 2014), as a consequence of the IRC rate change from 23% to 21% from 2015 onwards. The rate used to calculate the temporary differences in Portuguese companies, including provisions not accepted and impairment losses, was 22.5% (24.5% in September 2014). 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. 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. 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, on 30 September 2015 was as follows:

													2015
Nature	Companies included in the tax group	Digitmarket *	We Do Brasil	We Do USA	SSI Espana	We Do Mexico	Saphety Brasil	S21 Sec Gestion	S21 Sec Institute	S21 Sec Labs	Lookwise	Total	Total Sonaecom Group
Tax losses:													
To be used until 2021	-	-	-	-	-	26,514	-	-	-	-	-	26,514	26,514
To be used until 2022	-	-	-	-	-	26,517	-	-	-	-	-	26,517	26,517
To be used until 2023	-	-	-	-	-	183,770	-	-	-	-	-	183,770	183,770
To be used until 2025	-	-	-	-	-	94,232	-	-	-	-	-	94,232	94,232
To be used until 2027	-	-	-	-	-	-	-	-	13,482	45,833	-	59,315	59,315
To be used until 2028	-	-	-	-	126,288	-	-	289,787	36,623	12,017	526,337	991,052	991,052
To be used until 2030	-	-	-	163,112	32,650	-	-	-	-	-	-	195,762	195,762
To be used until 2033	-	-	-	123,413	-	-	-	-	-	-	-	123,413	123,413
To be used until 2034	-	-	-	739,828	-	-	-	-	-	-	-	739,828	739,828
To be used until 2035	-	-	-	730,727	22,950	-	-	-	-	-	-	753,677	753,677
Tax losses	-	-	-	1,757,080	181,888	331,033	-	289,787	50,105	57,850	526,337	3,194,080	3,194,080
Provisions not accepted and other temporary differences	664,298	5,081	285,871	302,717	-	101,331	7,073	-	-	-	-	702,073	1,366,371
Tax benefits (SIFIDE, RFAI and CFEI)	2,089,157	52,723	-	21,017	-	-	-	-	-	-	-	73,740	2,162,897
Differences between the tax and accounting amount of certain fixed assets and others	-	-	-	-	-	-	-	-	-	-	-	-	1,556,050
Others	-	-	(83,340)	75,684	-	(14,725)	(2,065)	-	-	-	-	(24,446)	(24,446)
Total	2,753,455	57,804	202,531	2,156,498	181,888	417,639	5,008	289,787	50,105	57,850	526,337	3,945,447	8,254,952

*In 2015 Digitmarket was no longer included in the tax group

On 30 September 2015 and 2014, 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:

	2015	2014
Tax losses	9,757,053	8,658,540
Temporary differences (provisions not accepted for tax purposes and other temporary differences)	30,864,855	33,062,129
Others	12,904,085	839,034
	53,525,993	42,559,703

At 30 September 2015 and 2014, tax losses for which deferred tax assets were not recognised have the following due dates:

Due date	2015	2014
2014	-	308,219
2015	1,109,565	1,226,551
2016	269,298	270,858
2017	151,129	206,253
2018	292,701	258,721
2019	371,427	373,730
2020	158,146	69,503
2021	92,162	173,547
2022	321,193	355,944
2023	87,958	97,052
2024	65,708	-
2025	312,211	-
2026	520,678	952,063
2027	261,739	256,524
2028	183,642	557,474
2029	1,664,913	-
2030	958,240	84,942
2031	87,290	106,853
2032	56,795	75,789
Unlimited	2,792,258	3,284,517
	9,757,053	8,658,540

The years 2028 and following are applicable to the subsidiaries incorporated in countries in which the reporting period of tax losses is greater than twelve years.

The deferred tax liabilities at 30 September 2015 in the amount of Euro 104,219 (Euro 158,867 in 2014) result mostly from temporary differences between the accounting and tax value of the intangible assets.

The movement that occurred in deferred tax liabilities in the years ended at 30 September 2015 and 2014 were as follows:

	2015	2014
Opening balance	-	(89,522)
Temporary differences between accounting and tax result	(104,219)	88,971
Sub-total effect on results (note 21)	(104,219)	88,971
Others	-	551
Entry of companies in the consolidation perimeter	-	(158,687)
Closing balance	(104,219)	(158,687)

The reconciliation between the earnings before taxes and the taxes recorded for the periods ended 30 September 2015 and 2014 is as follows:

	2015	2014 (restated)
Earnings before taxes	39,514,912	10,081,249
Income taxation	(8,298,132)	(2,318,687)
Deferred tax assets not recognised in the individual accounts and / or resulting from consolidation adjustments, autonomous taxation, surcharge and other non-deductible accounting adjustments	6,626,898	174,516
Record/(reverse) of deferred tax assets related to previous years and tax benefits	860,460	362,730
Use of tax losses and tax benefits without record of deferred tax asset in previous years	287,043	119,571
Temporary differences for the year without record of deferred tax assets	(3,363)	1,276,254
Income taxation recorded in the year (note 21)	(527,094)	(385,616)

The tax rate used to reconcile the tax expense and the accounting profit is 21% (23% in 2014) because it is the standard rate of the corporate income tax in Portugal in 2015, country where almost all of the income of Sonaecom group are taxed.

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 2011 (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.

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, on 30 September 2015.

12. Cash and cash equivalents

On 30 September 2015 and 2014, this caption was made up as follows:

	2015	2014
Cash	26,448	20,326
Bank deposits repayable on demand	71,534,070	20,932,288
Treasury applications	110,239,895	161,904,480
Cash and cash equivalents	181,800,413	182,857,094
Bank overdrafts (note 15)	(297,456)	(851,710)
	181,502,957	182,005,384

On 30 September 2015 and 2014, the caption "Treasury Applications" matched only bank applications.

The above mentioned applications were paid and, during the period ended 30 September 2015, the interest tax rate in force was 0.21% (0.54% in 2014) being, in the referred date, distributed by six financial institutions.

13. Share capital

On 30 September 2015 and 2014, the share capital of Sonaecom was comprised by 311,340,037 ordinary registered shares, of Euro 0.74 each.

At those dates, the Shareholder structure was as follows:

	2015		2014	
	Number of shares	%	Number of shares	%
Sontel BV	194,063,119	62.33%	194,063,119	62.33%
Sonae SGPS	81,022,964	26.02%	81,022,964	26.02%
Shares traded on the Portuguese Stock Exchange ('Free Float')	30,682,940	9.86%	30,682,940	9.86%
Own shares (note 14)	5,571,014	1.79%	5,571,014	1.79%
	311,340,037	100.00%	311,340,037	100.00%

On 5 February 2014, Sonaecom made public the decision to launch a general and voluntary tender offer for the acquisition of shares representing the share capital of Sonaecom.

The offer was general and voluntary, with the offered obliged to acquire all the shares that were object of the offer and were, until the end of the respective period, subject to valid acceptance by the recipients.

The period of the offer, during which sales orders were received, ran for two weeks, beginning on 6 February and ending on 19 February 2014.

On 20 February 2014, the results of the offer were released. The level of acceptance reached 62%, corresponding to 54,906,831 Sonaecom shares. During the 2014 Sonaecom reduced its share capital by Euro 136 million as a result of the extinction of the own shares acquired (54,906,831 shares) and reduction of the nominal value of the remaining shares of capital of Sonaecom from Euro 1 to Euro 0.74 per share. Following this result, the Euronext Lisbon announced the exclusion of Sonaecom PSI-20 from 24 February 2014.

As a return for the own shares acquired in this General Public Offer and Voluntary process Sonaecom delivered 26,476,792 shares representing the share capital of NOS which were recorded in the balance sheet by Euro 141,650,837 (note 9) and the amount of Euro 19,632 in cash, so as a result of this General Public and Voluntary Offer, assets and equity Sonaecom decreased by Euro 141,670,470.

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

14. Own shares

During the period ended 30 September 2015, Sonaecom did not acquire, sold or delivered own actions, in addition the own shares purchased under the General Public Offer and Voluntary process described in note 13, whereby the amount held to date, is of 5,571,014 own shares representing 1.79% of its share capital, at an average price of Euro 1.380.

15. Loans

On 30 September 2015 and 2014, the caption Loans had the following breakdown:

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

Company	Issue denomination	Limit	Maturity	Type of reimbursement	Amount outstanding	
					2015	2014
WeDo USA	Bank loan	-	Apr-19	Parcel	-	4,334,836
S21GES	Bank loan	1,229,223	Jul-21	Parcel	1,229,223	1,229,223
S21GES	Bank loan	600,919	Jul-21	Parcel	600,919	600,919
S21GES	Bank loan	573,839	Jul-21	Parcel	573,839	573,839
S21GES	Bank loan	547,000	Jul-21	Parcel	547,000	547,000
S21GES	Bank loan	309,000	Jul-21	Parcel	309,000	309,000
S21GES	Bank loan	296,000	Jul-21	Parcel	296,000	296,000
S21GES	Bank loan	192,000	Jul-21	Parcel	192,000	192,000
S21 Sec Labs	Repayable subsidies	-	Jun-24	Parcel	2,050,058	-
S21 Sec Gestion	Repayable subsidies	-	Jun-25	Parcel	1,642,789	-
Lookwise	Repayable subsidies	-	Dec-25	Parcel	1,130,322	-
Saphety	Minority Shareholder loans	-	-	-	451,322	451,322
	Costs associated with financing set-up	-	-	-	(88,106)	(99,735)
	Interests incurred but not yet due	-	-	-	35,018	74,411
					8,969,384	8,508,815

b) Short-term loans and other loans

Company	Issue denomination	Limit	Maturity	Type of reimbursement	Amount outstanding	
					2015	2014
WeDo USA	Bank loan	-	Apr-14/Oct-14	-	-	1,083,709
S21 Sec Gestion	Overdraft facilities	200,000	Jul/16	-	199,912	199,912
S21 Sec Gestion	Overdraft facilities	150,000	Jul/16	-	150,000	149,000
S21 Sec Gestion	Overdraft facilities	150,000	Jul/16	-	149,460	109,768
S21 Sec Gestion	Overdraft facilities	100,000	Jul/16	-	99,600	98,912
S21 Sec Gestion	Overdraft facilities	500,000	Jul/16	-	310,765	-
S21 Sec Gestion	Factoring	500,000	Undefined	-	-	-
S21 Sec Gestion	Factoring	1,135,000	Jul/16	-	324,153	-
S21 Sec Labs	Reimbursable grants	-	Jun-16	-	157,335	-
Lookwise	Reimbursable grants	-	Jun-16	-	187,941	-
S21 Sec Gestion	Reimbursable grants	-	Jun-16	-	190,431	-
Several	Bank overdrafts (note 12)	-	-	-	297,456	294,118
Several	Interests incurred but not yet due	-	-	-	-	31,728
					2,067,053	1,967,147

Bank credit lines of short-term portion

Sonaecom has also a short term bank credit line, in the form of current or overdraft account commitment, in the amount of Euro 1.2 million and S21GES in the amount of Euro 909 thousand, in periods, generally up to a year.

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

Grants

On 30 September 2015 the Group had grants obtained from dependent entities of the Government of Navarra, CDTI and 'Ministerio de Ciencia y Tecnología'. These subsidies are recorded at amortized cost in accordance with the method of effective interest rate and have the following repayment plan:

	2015
2015	301,369
2016	791,459
2017	1,122,990
2018	1,108,096
2019 and follows	2,034,962
	5,358,876

These subsidies bear interest at rates between 0% and 4%.

Others

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 was due in 11 equal semi-annual payments, with the first made in April 2014. This loan was repaid early in October 2014.

The S21GES loans could be detailed as follow:

	2015		
Issue denomination	Bank	Limit	Maturity
Bank loan	Popular	1,229,223	Jul-21
Bank loan	Santander	600,919	Jul-21
Bank loan	BBVA	573,839	Jul-21
Bank loan	Bankinter	547,000	Jul-21
Bank loan	Sabadell	309,000	Jul-21
Bank loan	Popular	296,000	Jul-21
Bank loan	La Caixa	192,000	Jul-21

The average interest rate of these loans, on 30 September 2015, was 3%.

On 30 September 2015, the main financial constraints (covenants) included in debt contracts are related with pledge clauses, which impose certain restrictions, namely, on the mortgaging or pledging of real guarantees in property, on elements or assets of subsidiaries' heritage, on the modification in the main companies' activities, on the issue of new shares or change in shareholder rights. The penalties applicable in the event of default in these covenants are generally the early payment of the loans obtained.

On 30 September 2015 and at present date, Sonaecom was fully compliant with all the financial constraints above mentioned.

On 30 September 2015 and 2014, the obligations to credit institutions (nominal values) related with medium and long-term loans and its interests are repayable 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
2015						
Other loans S21GES:						
Reimbursements	-	169,469	874,779	865,083	860,937	977,713
Interests	118,661	131,053	167,539	123,941	80,754	37,719
	118,661	300,522	1,042,318	989,024	941,691	1,015,432
2014						
Other loans S21GES:						
Reimbursements	-	-	64,000	916,000	916,000	916,000
Interests	116,056	112,439	100,000	70,000	70,000	70,000
	116,056	112,439	164,000	986,000	986,000	986,000

Minority Shareholder loans have no maturity defined.

On 30 September 2015 and 2014, the available bank credit lines of the Group were as follows:

						Maturity
Company	Credit	Limit	Amount outstanding	Amount available	Until 12 months	More than 12 months
2015						
Sonaecom	Authorised overdrafts	1,000,000	-	1,000,000	x	
S21 Sec Gestion	Overdraft facilities	200,000	199,912	88	x	
S21 Sec Gestion	Overdraft facilities	150,000	150,000	-	x	
S21 Sec Gestion	Overdraft facilities	150,000	149,460	37,713	x	
S21 Sec Gestion	Overdraft facilities	125,457	-	125,457		x
S21 Sec Gestion	Overdraft facilities	100,000	99,600	400	x	
S21 Sec Gestion	Overdraft facilities	30,191	-	30,191		x
S21 Sec Gestion	Overdraft facilities	500,000	310,765	189,235	x	
S21 Sec Gestion	Bank loan	1,229,223	1,229,223	-		x
S21 Sec Gestion	Bank loan	600,919	600,919	-		x
S21 Sec Gestion	Bank loan	573,839	573,839	-		x
S21 Sec Gestion	Bank loan	547,000	547,000	-		x
S21 Sec Gestion	Bank loan	309,000	309,000	-		x
S21 Sec Gestion	Bank loan	296,000	296,000	-		x
S21 Sec Gestion	Bank loan	192,000	192,000	-		x
S21 Sec Gestion	Factoring	500,000	-	500,000		x
S21 Sec Gestion	Factoring	1,135,000	324,153	810,847	x	
Others	Several	-	297,456	-	x	
		7,638,629	5,279,327	2,693,931		
2014						
Sonaecom	Authorised overdrafts	1,000,000	-	1,000,000	x	
WeDo USA	Bank loan	5,418,545	5,418,545	-	x	x
S21 Sec Gestion	Authorised overdrafts	200,000	199,912	88	x	
S21 Sec Gestion	Authorised overdrafts	150,000	109,768	40,232	x	
S21 Sec Gestion	Authorised overdrafts	150,000	149,000	1,000	x	
S21 Sec Gestion	Authorised overdrafts	125,457	-	125,457	x	
S21 Sec Gestion	Authorised overdrafts	100,000	98,912	1,088	x	
S21 Sec Gestion	Authorised overdrafts	30,191	-	30,191	x	
S21 Sec Gestion	Bank loan	1,229,223	1,229,223	-		x
S21 Sec Gestion	Bank loan	600,919	600,919	-		x
S21 Sec Gestion	Bank loan	573,839	573,839	-		x
S21 Sec Gestion	Bank loan	547,000	547,000	-		x
S21 Sec Gestion	Bank loan	309,000	309,000	-		x
S21 Sec Gestion	Bank loan	296,000	296,000	-		x
S21 Sec Gestion	Bank loan	192,000	192,000	-		x
Others	Several	-	294,118	-	x	
		10,922,174	10,018,236	1,198,056		

On 30 September 2015 and 2014, there is no interest rate hedging instruments therefore the total gross debit is exposed to changes in market interest rates.

16. Other non-current financial liabilities

On 30 September 2015 and 2014, 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 757,339 and Euro 476,117, respectively.

On 30 September 2015 and 2014, the payment of these amounts was due as follows:

	2015		2014	
	Lease payments	Present value of lease payments	Lease payments	Present value of lease payments
2014	-	-	121,588	105,120
2015	160,294	144,252	245,058	218,299
2016	441,798	405,434	229,160	213,535
2017	418,081	399,276	199,485	196,946
2018 onwards	261,628	253,840	-	-
	1,281,801	1,202,802	795,291	733,900
Interests	(78,999)	-	(63,853)	-
	1,202,802	1,202,802	731,438	733,900
Short-term liability (note 18)	-	(445,463)	-	(257,783)
	1,202,802	757,339	731,438	476,117

17. Provisions and accumulated impairment losses

The movements in provisions and in accumulated impairment losses in the periods ended 30 September 2015 and 2014 were as follows:

	Opening balance	Companies included in the consolidation perimeter (Note 3.a))	Increases	Decreases	Utilisations and Transfers	Discontinued units (Notes 3.d)	Closing balance
2015							
Accumulated impairment losses on accounts receivables	3,814,053	-	223,869	(126,785)	(45,286)	-	3,865,851
Accumulated impairment losses on inventories	25,000	-	-	-	-	-	25,000
Provisions for other liabilities and charges	2,579,321	-	997,056	(80,862)	(101,214)	-	3,394,301
	6,418,374	-	1,220,925	(207,647)	(146,500)	-	7,285,152
2014							
Accumulated impairment losses on accounts receivables	3,999,525	1,353,410	42,411	(188,626)	3,349	(137,277)	5,072,792
Accumulated impairment losses on inventories	25,000	-	-	-	-	-	25,000
Provisions for other liabilities and charges	3,060,986	-	585,901	(102,500)	(254,469)	(315,990)	2,973,928
	7,085,511	1,353,410	628,312	(291,126)	(251,120)	(453,267)	8,071,720

Reinforcements and reductions values of the accumulated impairment losses on receivable accounts and provisions for liabilities and charges, on 30 September 2015 and 2014, are detailed as follows:

	2015		2014	
	Increases	Decreases	Increases	Decreases
Accumulated impairment losses on accounts receivables				
Registered in the line 'Provisions and accumulated impairment losses' (increases) and in 'Other operating costs' (decreases)	223,869	(126,785)	-	(188,626)
Discontinued units (note 25)	-	-	42,411	-
Total increases/(decreases) of accumulated impairment losses on accounts receivables	223,869	(126,785)	42,411	(188,626)
Provisions for other liabilities and charges	Increases	Decreases	Increases	Decreases
Recorded in the income statement, under the caption 'Income Tax' (note 21)	608,948	(51,505)	544,389	(88,945)
Recorded in 'Fixed Assets' regard to the provision for dismantling and abandonment of offices net value recorded in 'Other financial expenses' related to the financial actualization of the provision for dismantling as foreseen in IAS 16 - 'Fixed Assets' (note 1.c))	1,270	-	738	-
Recorded in the income statement in 'Gains and losses of associates and jointly controlled entities' related to the registration of the provision resulting from the application of the equity method (note 8)	11,447	(29,357)	35,822	-
Recorded in reserves related to the registration of the provision resulting from the application of the equity method	97,059	-	-	-
Other increases and decreases - recorded in 'Provisions and impairment losses'	278,332	-	-	-
Total continuing operations	997,056	(80,862)	580,949	(88,945)
Discontinued operations	-	-	4,952	(13,555)
Total increases/(decreases) of provisions for other liabilities and charges	997,056	(80,862)	585,901	(102,500)
Total recorded in the income statement in 'Provisions and impairment losses' (increases) and in 'Other operating revenue' (decreases)	502,201	(126,785)	-	(188,626)

On 30 September 2015 and 2014, the breakdown of the provisions for other liabilities and charges is as follows:

	2015	2014
Several contingencies	2,344,855	2,031,449
Legal processes in progress	100,328	155,559
Dismantling	49,767	32,107
Other responsibilities	899,351	754,813
	3,394,301	2,973,928

On 30 September 2015 and 2014, the value of provisions for the dismantling is recorded at its present value, accordingly with the dates of its utilization (in accordance with IAS 37 – 'Provisions, Contingent Liabilities and Contingent Assets').

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 other responsibilities, 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.

On 30 September 2104 the heading 'Other responsibilities' corresponds essentially 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.r)), in the amount of circa Euro 423 thousand.

18. Other current financial liabilities

At 30 September 2015, this caption includes the amount of Euro 445,463 (2014: Euro 257,783) related to the short term portion of lease contracts (note 16).

19. External supplies and services

'External supplies and services' for the periods ended at 30 September 2015 and 2014 had the following composition:

	2015	2014
Subcontracts	14,914,587	14,409,555
Specialised works	4,338,423	4,028,889
Rents	3,881,530	3,072,523
Travelling costs	3,712,156	3,261,056
Advertising and promotion	2,157,760	2,058,224
Fees	954,855	912,557
Communications	934,825	915,345
Commissions	398,741	495,831
Fuel	286,850	302,611
Energy	268,975	195,241
Maintenance and repairs	215,841	110,815
Security	87,107	101,711
Others	951,060	709,827
	33,102,710	30,574,185

The commitments assumed by the Group on 30 September 2015 and 2014 related to operational leases are as follows:

	2015	2014
Minimum payments of operational leases:		
2014	-	995,807
2015	1,125,139	2,832,198
2016	2,884,805	2,237,609
2017	2,461,327	1,876,386
2018	1,692,550	1,339,226
2019 onwards	462,299	66,808
Renewable by periods of one year	1,273,205	846,338
	9,899,325	10,194,372

During the period ended 30 September 2015, an amount of Euro 3,500,179 (Euro 3,073,119 on 30 September 2014) was recorded in the heading 'External supplies and services' related with operational leasing rents, recorded in 'Rents'.

20. Financial results

Net financial results for the periods ended 30 September 2015 and 2014 were made up as follows ((costs) / gains):

	2015	2014
Financial results of associates and jointly controlled companies:		
Gains and losses related with the application of the equity method (note 8)	16,346,079	16,280,727
	16,346,079	16,280,727
Gains and losses on financial assets at fair value through profit or loss		
Gains on financial assets at fair value through profit or loss (note 9)	23,728,595	(8,246,926)
Dividends obtained	1,541,722	1,321,504
	25,270,317	(6,925,422)
Financial expenses:		
Interest expenses:	(433,568)	(792,333)
Bank loans	(273,341)	(536,011)
Leasing	(30,984)	(22,428)
Other interests	(129,243)	(233,894)
Foreign exchange losses	(1,691,300)	(341,779)
Other financial expenses	(227,771)	(506,478)
	(2,352,639)	(1,640,590)
Financial income:		
Interest income	730,601	1,636,987
Foreign exchange gains	1,229,253	769,601
Others financial gains	369,183	157,788
	2,329,037	2,564,376

During the periods ended 30 September 2015 and 2014, the caption 'Financial income: Interest income' includes, mainly, interests earned on treasury applications.

21. Income taxation

Income taxes recognised during the periods ended 30 September 2015 and 2014 were made up as follows ((costs) / gains):

	2015	2014
Current tax	(1,266,261)	(971,922)
Tax provision net of reduction (note 17)	(557,443)	(455,444)
Deferred tax assets (note 11)	1,400,829	952,779
Deferred tax liabilities (note 11)	(104,219)	88,971
	(527,094)	(385,616)

22. Related parties

During the periods ended 30 September 2015 and 2014, the balances and transactions maintained with related parties were mainly associated with the normal operational activity of the Group 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 30 September 2015 and 2014 were as follows:

	Balances at 30 September 2015		
	Accounts receivable	Accounts payable	Other assets / (liabilities)
Holding company			
Sonae SGPS	(941)	33,743	(47,190)
Other related companies			
NOS Technology *	2,279,253	-	-
ZOPT	13,869	-	-
Modelo Continente Hipermercados, S.A.	481,480	446,813	1,755
NOS Comunicações	420,485	200,074	866,451
Raso Viagens	3,762	233,552	9,709
SC-Sociedade de Consultadoria	114,636	-	(95,395)
Sierra Portugal	122,554	1,968	149,884
Sonae Indústria PCDM	172,657	-	-
Sonaecenter II	653,344	204,930	(1,286,267)
Worten	39,088	-	-
	4,300,187	1,121,080	(401,053)

* This company changed its corporate name from Be Artis to NOS Technology in 2014.

	Balances at 30 September 2014		
	Accounts receivable	Accounts payable	Other assets / (liabilities)
Holding company			
Sonae SGPS	(871)	-	(23,021)
Other related companies			
NOS Technology *	1,011,048	(12,070)	(2,957,785)
Modelo Continente Hipermercados, S.A.	461,568	106,806	(482,643)
NOS Comunicações	854,926	202,290	388,119
NOS SGPS	45,651	-	-
Raso Viagens	4,330	256,266	(15,057)
SC-Sociedade de Consultadoria	303,576	-	(184,602)
Sierra Portugal	409,654	1,919	214,861
Sonae Indústria PCDM	22,347	-	-
Sonaecenter II	2,640,450	113,286	(847,468)
Worten	33,837	(2,256)	-
	5,786,516	666,241	(3,907,596)

* This company changed its corporate name from Be Artis to NOS Technology in 2014.



	Transactions at 30 September 2015			
	Sales and services rendered	Supplies and services received (note 19)	Interest and similar income / (expense) (note 20)	Supplementary income
Holding company				
Sonae SGPS	4	-	494,566	100
Other related companies				
NOS Technology *	6,728,947	15,339	-	-
MDS	168,082	37,092	-	-
Modelo Continente Hipermercados, S.A.	518,745	(244,116)	-	124,668
NOS SGPS	-	-	-	-
Raso Viagens	116,181	1,235,908	-	-
SC-Sociedade de Consultadoria	635,307	-	-	-
Sierra Portugal	1,381,577	10,043	-	-
Sonae Indústria PCDM	382,805	-	-	-
Sonaecenter II	11,980,116	228,358	-	-
Unipress	-	379,558	-	-
Worten	166,886	3,366	-	-
	22,078,650	1,665,548	494,566	124,768

* This company changed its corporate name from Be Artis to NOS Technology in 2014.

	Transactions at 30 September 2014			
	Sales and services rendered	Supplies and services received (note 19)	Interest and similar income / (expense) (note 20)	Supplementary income
Holding company				
Sonae SGPS	1,807	(771)	1,322,406	-
Other related companies				
NOS Technology *	5,725,403	77,861	-	(41)
MDS	81	6,066	-	-
Modelo Continente Hipermercados, S.A.	643,648	198,921	-	19,418
NOS SGPS	170	(7,936)	1,329	-
Raso Viagens	174,510	990,455	-	-
SC-Sociedade de Consultadoria	1,380,235	-	-	-
Sierra Portugal	3,775,461	12,376	-	-
Sonae Indústria PCDM	709,595	-	-	-
Sonaecenter II	11,965,001	166,422	-	-
Unipress	78,763	430,486	-	97,500
Worten	81,561	710	-	-
	24,536,235	1,874,590	1,323,735	116,877

* This company changed its corporate name from Be Artis to NOS Technology in 2014.

During the period ended at 30 September 2015, the company distributed as dividends the amount of 3,646,033 euros, to its parent company.

During 2012, the Group signed an agreement with Sonae SGPS, under which Sonae compromise to transfer to employees and board members of Sonaecom, Sonaecom SGPS shares, at the price of Euro 1.184, until 2016, as requested by Sonaecom and under the MTIP of Sonaecom. Under this contract, Sonaecom paid in advance to Sonae SGPS, SA the amount of Euro 3,291,520. During the period ended 31 March 2013, Sonaecom partially anticipated the maturity of the contract, receiving the amount of Euro 4,444,207. On 11 July 2014 the company terminated this contract so, Sonae SGPS, SA repaid the remaining amount in debt.

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.

Both income and outcome will be paid in cash and have no guaranties attached. During the periods ended 30 September 2015 and 2014, no impairment losses have been recognized on the income to be made by other entities.

The Sonaecom's related parties integral list will be presented attached to this report.

23. Guarantees provided to third parties

Guarantees provided to third parties on 30 September 2015 and 2014 were as follows:

Company	Beneficiary	Description	2015	2014
Sonaecom	Direção de Contribuições e Impostos (Portuguese tax authorities)	VAT Reimbursements	1,435,379	1,435,379
We Do, WeDo Egypt, S21 Sec Gestion, S21 Sec Labs and Saphety	Emirates Telecom. Corp.; Group Etisalat; Viva Bahrain; Zain Jordan; Direccion general del Ministerio de Industria, Turismo y Comercio, Ingenieria de sistemas para la Defensa de España, S.A., Empresa de Telecomunicaciones, Packet One Networks, Mobitel (Private) Limited, Administrador de Infraestructuras Ferroviarias, Comunidade Intermunicipal do Médio Tejo and Tunisie Telecom	Completion of work to be done	1,089,549	1,448,233
S21 Sec Gestion, S21 Sec Labs and Lookwise	Centro para Desarrollo Tecnolo, EBN Banco de Negocios and Ministerio de Indústria	Grants	1,022,049	1,127,611
Sonaecom and Público	Direção de Contribuições e Impostos and Autoridade Tributária e Aduaneira (Portuguese tax authorities)	IRC, IS, IVA – Tax assessment	240,622	240,622
S21 Sec Gestion	Several	Tender	221,613	217,095
We Do and Saphety	IAPMEI	HERMES' project and 'Value4cuopons' project - QREN	42,501	392,707
WeDo	Caixa Geral de Depósitos	Bank loan (Note 15)	-	6,065,724
Several	Others		845,183	390,240
			4,896,896	11,317,611

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 23,319,289 and Sonaecom SGPS consisted of Público for the amount of Euro 565,026.

On 30 September 2015, 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

Following the classification of the Telecommunications segment as a discontinued operation (note 8), were identified for the periods ended 30 September 2015 and 2014 the following business segments:

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

These segments were identified 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 regularly 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 30 September 2015 and 2014 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.

In the period ended 30 September 2014, in result of the Mainroad sold (note 3.d)), this was classified, for presentations effects, as a discontinued operation. As set forth by IFRS 5, changes were made in the consolidated profit and loss statements for the period ended at 30 September 2014, in order to disclose a single amount in profit and loss statements related to net income/(loss) of discontinued operations (note 25).

Overall information by business segment on 30 September 2015 and 2014, 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:

	Multimedia		Information Systems		Holding Activities		Subtotal		Eliminations and others		Total	
	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014
Revenues:												
Sales and services rendered	11,279,293	11,545,191	88,618,839	78,063,713	257,645	258,761	100,155,777	89,867,665	(479,682)	(299,681)	99,676,095	89,567,984
Reversal of provisions	-	153,500	126,785	35,126	-	-	126,785	188,626	-	-	126,785	188,626
Other operating revenues	289,000	539,309	772,994	1,351,697	176,022	89,241	1,238,016	1,980,247	(72,360)	(2,884)	1,165,656	1,977,363
Total revenues	11,568,293	12,238,000	89,518,618	79,450,536	433,667	348,002	101,520,578	92,036,538	(552,042)	(302,565)	100,968,536	91,733,973
Depreciation and amortisation	(418,530)	(383,525)	(5,023,215)	(4,426,065)	(11,218)	(12,180)	(5,452,963)	(4,821,770)	(102,222)	(11,544)	(5,555,185)	(4,833,314)
Provisions and impairment losses	(84,683)	-	(371,028)	-	(46,490)	-	(502,201)	-	-	-	(502,201)	-
Net operating income / (loss) for the segment	(2,302,507)	(2,375,656)	1,312,872	3,708,593	(1,153,881)	(1,535,446)	(2,143,516)	(202,509)	65,634	4,667	(2,077,882)	(197,842)
Interest income	59	3,874	83,014	126,649	1,614,842	2,584,441	1,697,915	2,714,964	(967,314)	(1,077,977)	730,601	1,636,987
Interest expenses	(325,968)	(389,858)	(968,662)	(905,012)	(62,932)	(557,197)	(1,357,562)	(1,852,067)	923,994	1,059,734	(433,568)	(792,333)
Gains and losses on financial assets at fair value through profit or loss	-	-	-	-	25,270,317	(6,925,422)	25,270,317	(6,925,422)	-	-	25,270,317	(6,925,422)
Gains and losses in associated companies	23,266	35,839	(149,857)	(15,762)	16,472,670	16,260,650	16,346,079	16,280,727	-	-	16,346,079	16,280,727
Other financial results	(4,187)	(968)	(598,276)	185,280	(2,447,495)	(3,440,323)	(3,049,958)	(3,256,011)	2,729,323	3,335,143	(320,635)	79,132
Income taxation	505,202	617,640	(1,009,057)	(1,232,569)	(11,583)	244,419	(515,438)	(370,510)	(11,656)	(15,106)	(527,094)	(385,616)
Consolidated net income/(loss) for the period excluding discontinued operations	(2,104,135)	(2,109,129)	(1,329,966)	1,867,179	39,681,938	6,631,122	36,247,837	6,389,172	2,739,981	3,306,461	38,987,818	9,695,633
Consolidated net income/(loss) for the period of discontinued operations	-	-	-	6,074,196	-	-	-	6,074,196	-	7,051,470	-	13,125,666
Attributable to:												
Shareholders of parent company	(2,104,135)	(2,109,129)	(42,798)	8,149,039	39,681,938	6,631,122	37,535,005	12,671,032	2,756,524	10,368,602	40,291,529	23,039,634
Non-controlling interests	-	-	(1,287,168)	(207,664)	-	-	(1,287,168)	(207,664)	(16,543)	(10,671)	(1,303,711)	(218,335)
Assets:												
Tangible and intangible assets and goodwill	1,573,655	905,912	78,050,350	78,344,659	32,568	47,622	79,656,573	79,298,193	(21,196,596)	(21,102,598)	58,459,977	58,195,595
Inventories	222,561	292,124	118,782	523,639	-	-	341,343	815,763	-	-	341,343	815,763
Financial investments	850,662	955,237	10,756	30,744	661,031,196	651,217,535	661,892,614	652,203,516	63,731,623	55,386,816	725,624,237	707,590,332
Other non-current assets	3,570	3,570	8,411,863	7,334,780	165,306,642	154,088,642	173,722,075	161,426,992	(165,174,879)	(154,076,751)	8,547,196	7,350,241
Other current assets of the segment	6,069,810	6,965,125	52,289,769	60,271,146	274,701,130	254,900,664	333,060,709	322,136,935	(11,709,807)	(20,853,401)	321,350,902	301,283,534
Liabilities:												
Liabilities of the segment	17,648,480	16,658,740	76,516,261	79,044,559	5,264,624	4,699,472	99,429,365	100,402,771	(31,855,290)	(24,051,477)	67,574,075	76,351,294
CAPEX	488,781	388,581	5,213,666	4,202,401	(972)	9,743,078	5,701,475	14,334,060	403,525	(4,035,781)	6,105,000	10,298,279

During the periods ended 30 September 2015 and 2014, the inter-segments sales and services were as follows:

	Multimedia	Information Systems	Holding Activities
2015			
Multimedia	-	130,618	-
Information Systems	-	-	241,779
Holding Activities	488	51,382	-
External trade debtors	11,278,805	88,436,839	15,866
	11,279,293	88,618,839	257,645
2014 (restated - note 1)			
Multimedia	-	103,993	22,646
Information Systems	294	-	236,115
Holding Activities	-	31,329	-
External trade debtors	11,544,897	77,928,391	-
	11,545,191	78,063,713	258,761

During the periods ended 30 September 2015 and 2014, sales and services rendered of the segments of Multimedia and Activities Holding were obtained predominantly in the Portuguese market, this market represents more than 90% of revenue.

During the period ended 30 September 2015, for the Information Systems segment, also the Portuguese market is dominant, accounting for 47.5% of revenue (50.4% in 2014) followed by the Spanish and Brazilian markets, representing 10.3% and 8.2% of revenue (7.3% and 5.9% in 2014), respectively.

The consolidated financial statements of NOS on 30 September 2015 and 2014 incorporated in the consolidated financial statements of Sonaecom through ZOPT by the equity method (note 8), can be summarized as follows:

Condensed consolidated balance sheets

(Amounts expressed in thousands of Euro)	September 2015	September 2014 (restated)
Assets		
Tangible assets	1,160,185	1,094,080
Intangible assets	1,170,774	1,158,062
Deferred tax assets	122,196	138,350
Other non-current assets	42,893	57,988
Non-current assets	2,496,048	2,448,480
Trade debtors	358,430	311,998
Cash and cash equivalents	13,011	40,862
Other current assets	116,926	118,646
Current assets	488,367	471,506
Total assets	2,984,415	2,919,986
Liabilities		
Medium and long-term loans – net of short-term portion	1,027,249	811,867
Provisions for other liabilities and charges	138,205	127,897
Other non-current liabilities	32,326	51,842
Non-current liabilities	1,197,780	991,606
Short-term loans and other loans	136,994	303,217
Trade creditors	327,267	314,490
Other current liabilities	265,410	262,529
Current liabilities	729,671	880,236
Total liabilities	1,927,451	1,871,842
Shareholders' funds excluding non-controlling interests	1,047,445	1,038,288
Non-controlling interests	9,519	9,856
Total Shareholders' funds	1,056,964	1,048,144
Total Shareholders' funds and liabilities	2,984,415	2,919,986

Condensed consolidated statements of income by nature

(Amounts expressed in thousands of Euro)	September 2015	September 2014 (restated)
Total revenue	1,067,897	1,030,137
Costs and losses		
Direct costs and External supplies and services	(455,136)	(433,714)
Depreciation and amortisation	(267,649)	(251,642)
Other operating costs	(214,287)	(221,572)
	(937,072)	(906,928)
Financial results	(29,697)	(44,238)
Income taxation	(27,735)	(16,126)
Consolidated net income/(loss) for the period	73,393	62,845
Consolidated net income/(loss) for the period attributed to non-controlling interests	(136)	407
Attributed to shareholders of parent company	73,529	62,438

25. Discontinued operations

The net income/(loss) for the year of discontinued operations is detailed as follows:

	30 September 2014
Sales	-
Services rendered	11,100,105
Other operating revenues	136,924
	11,237,029
Cost of sales	-
External supplies and services	(6,432,024)
Staff expenses	(3,604,114)
Depreciation and amortisation	(516,185)
Provisions and impairment losses	(42,411)
Other operating costs	(4,436)
	(10,599,170)
Other financial expenses	(10,649)
Other financial income	1,391
Current income / (loss)	628,601
Income taxation	(118,201)
Net income/(loss) for the period of discontinued operations	510,400
Gain/(Loss) resulting from the disposal (note 3.d)	12,615,266
	13,125,666

On 30 September 2014, the net income/(loss) relates to the net income generated by Mainroad in the amount of Euro 510,400 and the gain from its sale in the amount of Euro 12,615,266 (Notes 1 and 3.d).

26. Earnings per share

Earnings per share, basic and diluted, are calculated by dividing the consolidated net income attributable to the Group (Euro 39,806,494 in 2015 and Euro 23,039,634 in 2014) by the average number of shares outstanding during the period ended 30 September 2015 and 2014, net of own shares (305,769,023 in 2015 and 317,970,541 in 2014).

27. 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.

On 10 March 2014, Sonaecom shares plans were fully converted into Sonae SGPS shares. This conversion was based on the terms set out in Tender offer for the general and voluntary acquisition of own shares at 20 February 2014, referred to in note 13 to determine the fair value of Sonaecom plans, and based on the price of shares Sonae SGPS.

The conversion of the plans was based Sonaecom / Sonae SGPS implied ratio arising from the tender offer (1 Sonaecom Share – approximately 2.05 Sonae SGPS shares).

After conversion, on 10 March 2014, the converted plans can be detailed as follows:

	Vesting period			10 March 2014	
	Share price at 20.02.2014*	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonae SGPS shares (Arising from the conversion of Sonaecom plans)					
2010 Plan	1.258	10-Mar-11	10-Mar-14	46	1,003,507
2011 Plan	1.258	09-Mar-12	10-Mar-15	48	1,132,008
2012 Plan	1.258	08-Mar-13	10-Mar-16	50	863,405

*Share price of the day of publication of the results of the Tender Offer

By decision of the Board of Nominations and Remunerations, the 2010 plan was delivered on May 2014.

The 2011 plan was delivered on March 2015 for all companies except for Sonaecom SGPS, SA, whose delivery was in May 2015. Accordingly, the outstanding plans on 30 September 2015 are as follows:

	Vesting period			30 September 2015	
	Share price 30.09.2015 / Award	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonae SGPS shares (Arising from the conversion of Sonaecom plans)					
2012 Plan	1.100	08-Mar-13	10-Mar-16	24	571,623
Sonae SGPS shares					
2012 Plan	0.701	08-Mar-13	10-Mar-16	2	173,615
2013 Plan	1.100	10-Mar-14	10-Mar-17	183	1,621,763
2014 Plan	1.100	10-Apr-15	10-Mar-18	195	1,537,079

The 2013 and 2014 Plans includes employees of WeDo Group following the adoption by these companies of the same medium term incentives plans that the rest of the group.

During the period ended at 30 September 2015, the movements that occurred in the plans can be summarised as follows:

	Sonae SGPS shares	
	Aggregate number of participations	Number of shares
Outstanding at 31 December 2014:		
Unvested	240	3,563,810
Total	240	3,563,810
Movements in the period:		
Award	200	1,539,680
Vested	(24)	(1,269,651)
Cancelled / elapsed / corrected / transfers ⁽¹⁾	(12)	70,241
Outstanding at 30 September 2015:		
Unvested	404	3,904,080
Total	404	3,904,080

(1) Corrections are made for dividends paid and changes to capital and other adjustments including those resulting from changes in the maturity of the MTIP, which may now be made through shares at a discount.

The responsibility of the plans was recognized under the caption 'Other current liabilities' and 'Other non-current liabilities'. Sonae SGPS shares plans (excluding the Sonaecom shares plans converted into Sonae SGPS shares plans), the group entered into hedging contracts with external entities, and the liabilities are calculated based on the agreed price. The contracts mentioned above can be summarized as follows:

	Sonae SGPS shares
	2012 Plan
Notional value	268,451
Maturity	Mar-16
Level of inputs in the hierarchy of fair value	Level 2
Valuation method	Current replacement cost
Fair value*	175,983

* Used the share price of 30 September 2015 in the determination of the fair value.

Share plans 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 on 30 September 2015, were as follows:

	Sonaecom shares	Sonae SGPS shares	NOS SGPS shares	Total
Costs recognised in previous years	29,770,168	4,952,818	409,556	35,132,542
Costs recognised in the period	-	1,255,755	-	1,255,755
Exit of companies from the consolidation perimeter	-	(300,629)	-	(300,629)
Impact of conversion	(1,251,767)	2,386,427	-	1,134,660
Costs of plans vested in previous years	(28,518,401)	(5,550,707)	-	(34,069,108)
Costs of plans vested in the period	-	(1,169,268)	(452,604)	(1,621,872)
Total cost of the plans	-	1,574,396	(43,048)	1,531,348
Responsibility of plans	-	1,750,379	(43,048)	1,707,331
Fair value of hedging contracts ⁽¹⁾	-	(175,983)	-	(175,983)
Recorded in 'Cash and cash equivalents' ⁽²⁾	-	(194,530)	(43,048)	(237,578)
Recorded in 'Other current liabilities'	-	573,177	-	573,177
Recorded in 'Other non-current liabilities'	-	1,195,749	-	1,195,749

(1) Sonaecom has signed hedging contracts to cover its responsibilities related with the medium and long-term group's 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.

(2) Sonaecom partially anticipated the maturity of the hedging contract with Sonae SGPS, receiving an amount equivalent to the present market value of Sonaecom shares.

On 10 March 2014, Sonaecom shares plans were fully converted into Sonae SGPS shares. This conversion was based on the terms of trade set out in the Tender Offer, on 20 February 2014, referred to in note 13 to determine the fair value of the plans and, based on the share prices Sonae SGPS. Thus, the number of Sonae SGPS shares to be delivered to the company employees was determined. As set forth by IFRS 2, the responsibility of each plan over the period between the award date and the conversion date, amounted to Euro 2,317,853 was recognised under the caption 'Other current liabilities' and 'Other non-current liabilities' with a corresponding entry in the equity.

On 27 August 2013, part of the Sonaecom and Sonae SGPS plans outstanding were converted to NOS plans. The conversion of the Sonaecom plans was made according to the merger ratio, but the conversion of Sonae SGPS plans was made according to the fair value of the shares. This decision was duly approved by the Board Nominations and Remunerations Committee. The cost of NOS plans was recognized until 30 September 2013, date on which NOS started to take responsibility for them. The responsibility of these plans was calculated based on share price of 30 September 2013 and was recorded under the headings of 'Other current liabilities' and 'Other non-current liabilities'.



These financial consolidated presentations have been approved by the Executive Board and authorized to be issued on 02 November 2015.

Appendix


Key management personnel - Sonaecom	
Ângelo Gabriel Ribeirinho dos Santos Paupério	Maria Cláudia Teixeira de Azevedo
António Bernardo Aranha da Gama Lobo Xavier	

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

Sonae/Efanor/NOS Group Companies	
3shoppings - Holding, SGPS, SA	Canal 20 TV, SA
ACCIVE Insurance Cons. e Franchising, Lda	Canasta-Empreendimentos Imobiliários, SA
Accive Insurance-Corretor de Seguros, SA	Cape Technologies Limited
ADD Avaliações Eng. Aval. e Perícias, Lda	CAPWATT - Brainpower, S.A.
Adlands BV	Capwatt ACE, S.A.
Aegean Park, SA	Capwatt Colombo - Heat Power, S.A.
Agepan Eiweiler Management GmbH	Capwatt Engenho Novo - Heat Power, S.A.
Agloma Investimentos, Sgps, S.A.	Capwatt Hectare - Heat Power, ACE
ALEXA Administration GmbH	Capwatt II - Heat Power, S.A.
ALEXA Holding GmbH	Capwatt III - Heat Power, S.A.
ALEXA Shopping Centre GmbH	Capwatt Maia - Heat Power, S.A.
Algarveshopping- Centro Comercial, SA	Capwatt Martim Longo - Solar Power, S.A.
Aqualuz - Turismo e Lazer, Lda	Capwatt Vale do Caima - Heat Power, S.A.
Arat Inmuebles, S.A.	Capwatt Vale do Tejo - Heat Power, S.A.
ARP Alverca Retail Park, SA	CAPWATT, SGPS, S.A.
Arrábidasshopping - Centro Comercial, SA	Carvemagere-Manut. e Energias Renov., Lda
Aserraderos de Cuellar, SA	Casa da Ribeira-Sociedade Imobiliária, SA
Atelgen-Produção Energia, ACE	Cascaishopping Centro Comercial, SA
Atlantic Ferries-Tráf. Loc, Flu. e Marít, SA	Cascaishopping Holding I, SGPS, SA
Avenida M-40 BV	CCCB Caldas da Rainha-Centro Comerc., SA
Azulino Imobiliária, S.A.	Centro Colombo Centro Comercial, SA
BA Business Angels, SGPS, SA	Centro Residencial da Maia, Urban., SA
BA Capital, SGPS	Centro Vasco da Gama Centro Comercial, SA
BB Food Service, SA	Chão Verde-Soc. de Gestão Imobiliária, SA
Beeskow Holzwerkstoffe	Cinclus Imobiliária, SA
Beralands BV	Citic Capital Sierra Limited
Bertimóvel - Sociedade Imobiliária, S.A.	Citic Capital Sierra Prop. Man. Limited
BIG Picture 2 Films	Citorres - Sociedade Imobiliária, SA
Bloco Q-Sociedade Imobiliária, SA	Coimbrashopping Centro Comercial, SA
Bom Momento - Restauração, S.A.	Colombo Towers Holding BV



Companhia Térmica do Serrado, ACE	Harvey Dos Iberica, SL
Companhia Térmica Tagol, Lda.	Herco Consult.Risco Corret.Seguros, Ltda
Contacto Concessões, SGPS, S.A.	Herco Consultoria de Risco, S.A.
Contibomba-Comérc.Distr.Combustíveis,SA	HighDome PCC Limited
Contimobe - Imobiliária Castelo Paiva,SA	HighDome PCC Limited (Cell Europe)
Continente Hipermercados, SA	Iberian Assets, SA
Country Club da Maia-Imobiliária,SA	Igimo - Sociedade Imobiliária, SA
Craiova Mall BV	Iginha - Sociedade Imobiliária, SA
CTE-Central Termoelect. do Estuário, Lda	Imoarea - Invest. Turísticos, SGPS, SA
CUCUTA - Proyecto Cúcuta S.A.S.	Imobeaury, SA
Cumulativa - Sociedade Imobiliária, S.A.	Imoclub-Serviços Imobiliários, SA
Darbo SAS	Imoconti - Sociedade Imobiliária, SA
Digitmarket-Sistemas de Informação,SA	Imodivor - Sociedade Imobiliária, SA
Discovery Sports, SA	Imoestrutura - Sociedade Imobiliária, SA
Distodo Distribui e Logist,Lda	Imohotel-Emp.Turísticos Imobiliários,SA
Dortmund Tower GmbH	Imomuro - Sociedade Imobiliária, SA
Dos Mares Shopping Centre BV	Imopeninsula - Sociedade Imobiliária, SA
Dos Mares Shopping Centre, SA	Imoplamac Gestão de Imóveis, SA
Dreamia, B.V	Imoponte - Sociedade Imobiliária, SA
Dreamia, Serv.de Televisão, SA	Imoresort - Sociedade Imobiliária, SA
Ecociclo - Energia e Ambiente, SA	Imoresultado - Sociedade Imobiliária, SA
Efanor Investimentos, SGPS, S.A.	Imosedas - Imobiliária e Serviços, SA
Efanor Serviços de Apoio à Gestão, S.A.	Imosistema - Sociedade Imobiliária, SA
Empracine-E.Pro.Act. Cinem,Lda	Impaper Europe GmbH
Empreend.Imob.Quinta da Azenha,SA	Implantação - Imobiliária, S.A.
Enerlousado-Recursos Energéticos, Lda.	Infocfield - Informática, SA
Equador & Mendes-Ag. Viagens e Tur.,Lda	Inparvi SGPS, SA
Estação Viana Centro Comercial, SA	Interlog-SGPS, SA
Euroresinas-Indústrias Químicas,SA	Ioannina Develop.of Shopping Centres, SA
Farmácia Selecção, SA	Isoroy SAS
Fashion Division Canárias, SA	ITRUST - Cyber Security and Intellig.,SA
Fashion Division, S.A.	Land Retail BV
FINSTAR-Socied.Investim.Par SA	Larim Corretora de Resseguros, Ltda
Fozimo - Sociedade Imobiliária, SA	Larissa Develop. of Shopping Centers, SA
Freccia Rossa - Shopping Centre, Srl	Lazam MDS Corretora e Adm. Seguros, SA
Fundo de Invest.Imobiliário Fec. Imosede	Le Terrazze - Shopping Centre 1, Srl
Fundo Esp.Inv.Imo.Fec. WTC	Libra Serviços, Lda
Fundo I.I. Parque Dom Pedro Shop. Center	Lookwise, S.L.
Fundo Invest. Imobiliário Imosonae Dois	Loop 5 Shopping Centre GmbH
Fundo Invest.Imob.Shopp. Parque D. Pedro	Lusomundo España, SL
GaiaShopping I Centro Comercial, SA	Lusomundo Imobiliária 2, SA
GaiaShopping II Centro Comercial, SA	Lusomundo Moçambique, Lda
GHP GmbH	Lusomundo Soc. Inv. Imob. SA
Gli Orsi Shopping Centre 1, Srl	Luz del Tajo BV
Glunz AG	Luz del Tajo Centro Comercial, SA
Glunz Service GmbH	Madeirashopping Centro Comercial, SA
Glunz UK Holdings Ltd	MaiaShopping Centro Comercial, SA
Glunz Uka GmbH	Maiequipa - Gestão Florestal, SA
Golf Time-Golfe e Invest. Turísticos, SA	Marcas MC, zRT
GuimarãesShopping Centro Comercial, SA	Marina de Tróia S.A.



Marmagno-Expl.Hoteleira Imob.,SA	Parque Atlântico Shopping-C.Comerc., SA
Martimope-Empreendimentos Turísticos, SA	Parque D. Pedro 1 BV
Marvero-Expl.Hoteleira Imob.,SA	Parque de Famalicão - Empreend.Imob., SA
MDS - Corretor de Seguros, SA	Pátio Boavista Shopping, Ltda
MDS Affinity-Sociedade de Mediação Lda	Pátio Campinas Shopping, Ltda
MDS Africa SGPS, SA	Pátio Goiânia Shopping, Ltda
MDS Auto - Mediação de Seguros, SA	Pátio Londrina Empreend.e Particip.,Ltda
Mds Knowledge Centre, Unipessoal, Lda	Pátio São Bernardo Shopping Ltda
MDS Malta Holding Limited	Pátio Sertório Shopping Ltda
MDS RE - Mediador de resseguros	Pátio Uberlândia Shopping Ltda
MDS, SGPS, SA	PCJ-Público, Comunicação e Jornalismo,SA
Megantic BV	PER-MAR-SOC. DE CONSTRUÇÃO, SA
MJB-Design, Lda	Pharmaconcept - Actividades em Saúde, SA
MJLF - Empreendimentos Imobiliários, SA	Pharmacontinente - Saúde e Higiene, SA
Modalfa - Comércio e Serviços, SA	Plaza Eboli - Centro Comercial, SA
Modalloop - Vestuário e Calçado, SA	Plaza Mayor Parque de Ócio BV
Modelo - Dist.de Mat. de Construção,S.A.	Plaza Mayor Parque de Ocio, SA
Modelo Continente Hipermercados, SA	Plaza Mayor Shopping BV
Modelo Continente International Trade,SA	Plaza Mayor Shopping, SA
Modelo Hiper Imobiliária, SA	Poliface North America
Modelo.com-Vendas por Correspondência,SA	Ponto de Chegada - Soc. Imobiliária, SA
Movelpartes-Comp.para Ind.Mobiliária,SA	Porturbe-Edifícios e Urbanizações,SA
Movimento Viagens-Viag.e Turismo S.U.Lda	Praedium - Serviços, SA
MSTAR, SA	Praedium II - Imobiliária, SA
Münster Arkaden BV	Praedium SGPS, SA
Norte Shop. Retail and Leisure Centre BV	Praesidium Services Limited
Norteshopping Centro Comercial, SA	Predicomercial - Promoção Imobiliária,SA
NOS Açores Comunicações, S.A.	Predilugar - Sociedade Imobiliária, SA
NOS Communications S.à.r.l.	Prédios Privados Imobiliária, SA
NOS Comunicações, S.A.	Predisedas - Predial das Sedas, SA
NOS Inovação S.A.	Project SC 1 BV
NOS Lusomundo Audiovisuais, S.A.	Project Sierra 10 BV
NOS Lusomundo Cinemas, S.A.	Project Sierra 11 BV
NOS Lusomundo TV Lda	Project Sierra 12 BV
NOS Madeira Comunicações, S.A.	Project Sierra 2 BV
NOS SISTEMAS ESPAÑA, S.L.	Project Sierra 8 BV
NOS Sistemas, S.A.	Project Sierra Cúcuta BV
NOS Technology - Concepção, Construção e Gestão de Redes de	Project Sierra Four Srl
NOS TOWERING - Gestão de Torres de Telecomunicações, S.A.	Project Sierra Germany 2 (two)-Sh.C.GmbH
NOS, SGPS, S.A.	Project Sierra Germany 4 (four)-S.C.GmbH
NOSPUB Publicidade e Conteúdos, S.A.	Project Sierra Spain 1 BV
Nova Equador Internacional,Ag.Viag.T,Lda	Project Sierra Spain 2 - C.Comercial, SA
Nova Equador P.C.O. e Eventos, S.U., Lda	Project Sierra Two Srl
Novodecor (PTY), LTD	Promessa Sociedade Imobiliária, S.A.
OSB Deustchland Gmbh	Público - Comunicação Social, SA
Pantheon Plaza BV	QCE-Desenv. e Fabrico de Equipamentos,SA
Paracentro - Gestão de Galerias Com., SA	Racionaliz. y Manufact.Florestales,SA
Pareuro BV	Raso - Viagens e Turismo, SA
Park Avenue Develop.of Shop. Centers, SA	RASO II-Viagens e Turismo,Unipessoal Lda
Parklake Shopping, SA	Raso, SGPS, SA

River Plaza BV	Sierra Investments SGPS, SA
River Plaza Mall, Srl	Sierra Italy, Srl
Ronfegen-Recursos Energéticos, Lda.	Sierra Management, SGPS, SA
RSI Corretora de Seguros, Ltda	Sierra Portugal, SA
S.C. Microcom Doi Srl	Sierra Project Nürnberg BV
S21 Sec Barcelona, S.L.	Sierra Real Estate Greece BV
S21 Sec Brasil, Ltda	Sierra Romania Sh. Centers Services Srl
S21 Sec Ciber Seguridad, S.A. de CV	Sierra Services Holland 2 BV
S21 Sec Fraud Risk Management, S.L.	Sierra Solingen Holding GmbH
S21 SEC Gestion, S.A.	Sierra Spain Shop. Centers Serv., S.A.U.
S21 Sec Inc.	Sierra Turkey Gayrim.Yön.P.Dan.An.Sirket
S21 Sec Information Security Labs, S.L.	Sierra Zenata Project BV
S21 Sec Institute, S.L.	SII - Soberana Invest. Imobiliários, SA
S21 Sec México, S.A. de CV	SISTAVAC, S.A.
S21 Sec, S.A. de CV	SISTAVAC, SGPS, S.A.
Saphety - Transacciones Electronicas SAS	SISTAVAC-Sistemas HVAC-R do Brasil, Ltda
Saphety Brasil Transações Eletrônicas Ld	Soc.Inic.Aproveit.Florest.-Energias,SA
Saphety Level - Trusted Services, SA	Société de Tranchage Isoroy SAS.
SC Aegean BV	Socijofra - Sociedade Imobiliária, SA
SC Finance BV	Sociloures - Sociedade Imobiliária, SA
SC For -Serv.Form.e Desenv.R.H.,Unip.,Lda	Soconstrução BV
SC Hospitality, SGPS , S.A.	Soflorin BV
SC, SGPS, SA	Soira-Soc.Imobiliária de Ramalde,SA
SC-Consultadoria,SA	Solinca - Health & Fitness, SA
SC-Eng. e promoção imobiliária,SGPS,S.A	Solinca-Investimentos Turisticos,SA
SDSR - Sports Division SR, S.A.	Solinfitness - Club Malaga, S.L.
Sellfa-Soc. de Empreend. Imobiliários,SA	Solingen Shopping Center GmbH
Sempre à Mão - Sociedade Imobiliária, SA	Soltroia-Imob.de Urb.Turismo de Tróia,SA
Servicios de Int.Estratégica Global,S.L.	Somit Imobiliária, SA
Sesagest - Proj. Gestão Imobiliária, SA	Sonae Capital Brasil, Lda
Sete e Meio - Invest. Consultadoria, SA	Sonae Capital, SGPS, SA
Shopping Centre Colombo Holding BV	Sonae Center Serviços II, SA
Shopping Centre Parque Principado BV	Sonae Financial Services, S.A.
SIAL Participações, Lda	Sonae Ind., Prod. e Com.Deriv.Madeira,SA
Sierra - OST Property Management	Sonae Indústria - Management Services,SA
Sierra Asia Limited	Sonae Industria (UK),Ltd
Sierra Berlin Holding BV	Sonae Industria de Revestimentos,SA
Sierra Brazil 1 BV	Sonae Indústria-SGPS,SA
Sierra Cevital Shopping Center, Spa	Sonae Investimentos, SGPS, SA
Sierra Corporate Services Holland BV	Sonae Investments BV
Sierra Developments Holding BV	Sonae MC - Modelo Continente, SGPS, SA
Sierra Developments, SGPS, SA	Sonae Novobord (PTY) Ltd
Sierra European R.R.E. Assets Hold. BV	Sonae RE, S.A.
Sierra Germany GmbH	Sonae Retalho España-Serv.Generales, SA
Sierra GP, Limited	Sonae SGPS, SA
Sierra Greece, SA	Sonae Sierra Brasil, SA
Sierra Investimentos Brasil Ltda	Sonae Sierra Brazil, BV / SARL
Sierra Investments (Holland) 1 BV	Sonae Sierra, SGPS, SA
Sierra Investments (Holland) 2 BV	Sonae Specialized Retail, SGPS, SA
Sierra Investments Holding BV	Sonae SR Malta Holding Limited

Sonae Tfibra Benelux, BV	Têxtil do Marco, SA
Sonae Turismo, SGPS, S.A.	The Artist Porto Hot.&Bistrô-Act.Hot.,SA
Sonaecenter Serviços, SA	Tlantic BV
Sonaecom - Serviços Partilhados, S.A	Tlantic Portugal - Sist.de Informação,SA
Sonaecom BV	Tlantic Sistemas de Informação, Ltda
Sonaecom, SGPS, SA	Tool Gmbh
Sonaecom-Cyber Security and Int.,SGPS,SA	Torre Ocidente Imobiliária, SA
Sonaecom-Sistemas de Informação,SGPS,SA	Torre São Gabriel Imobiliária, SA
Sonaecom-Sistemas Información España SL	Troia Market-Supermercados, S.A.
Sonaegest-Soc.Gest.Fundos Investimentos	Troia Natura, S.A.
Sonaerp - Retail Properties, SA	Troiaresort-Investimentos Turísticos, SA
SONAESR - Serviços e logística, SA	Troiaverde-Expl.Hoteleira Imob.,SA
Sonaetelecom BV	Tulipamar-Expl.Hoteleira Imob.,SA
Sondis Imobiliária, SA	Unishopping Consultoria Imobiliária,Ltda
SONTÁRIA-EMPREEND.IMOBIL,SA	UPK-Gestão de Facilities e Manutenção,SA
Sontel BV	Upstar Comunicações SA
Sontur BV	Urbisedas-Imobiliária das Sedas,SA
Sonvecap BV	Valor N, SA
Sopair, S.A.	Via Catarina Centro Comercial, SA
Sótaqua - Soc. de Empreendimentos Turist	Viajens y Turismo de Geotur España, S.L.
Soternix-Produção de Energia, ACE	Vistas do Freixo-Emp.Tur.Imobiliários,SA
Spanboard Products,Ltd	Vuelta Omega, S.L.
SPF - Sierra Portugal	We Do Consulting-Sist. de Informação, SA
Spinarq Moçambique, Lda	We Do Poland Sp.Z.o.o.
Spinarq-Engenharia,Energia e Ambiente,SA	We Do Technologies (UK) Limited
Spinveste - Promoção Imobiliária, SA	We Do Technologies Americas, Inc
Spinveste-Gestão Imobiliária SGII,SA	We Do Technologies Australia PTY Limited
Sport TV Portugal, SA	We Do Technologies BV
Sport Zone Canárias, SL	We Do Technologies Egypt LLC
Sport Zone España-Com.Art.de Deporte,SA	We Do Technologies Mexico, S. de RL
Sport Zone spor malz.per.satis ith.ve ti	Wedo Brasil-Soluções Informáticas,Ltda
Spred, SGPS, SA	Weierstadt Shopping BV
SSI Angola, S.A.	Worten - Equipamento para o Lar, SA
Tableros Tradema,S.L.	Worten Canárias, SL
Tafiber,Tableros de Fibras Ibéricas,SL	Worten España Distribución, SL
Tafibra South Africa (PTY) Ltd.	ZAP Cinemas, S.A.
Tafibra Suisse, SA	ZAP Media S.A.
Tafisa Canadá Societé en Commandite	ZAP Publishing, S.A.
Tafisa Développement	Zenata Commercial Project S.A.
Tafisa France, SA	Zippy - Comércio e Distribuição, SA
Tafisa UK,Ltd	Zippy - Comercio y Distribución, SA
Tafisa-Tableros de Fibras, SA	Zippy cocuk malz.dag.ith.ve tic.ltd.sti
Taiber,Tableros Aglomerados Ibéricos,SL	ZON Finance BV
Tecnológica Telecomunicações, Ltda	Zubiarte Inversiones Inmobiliarias, SA
Teconologias del Medio Ambiente,SA	ZYEvolution-Invest.Desenv.,SA
Teliz Holding B.V.	

4.3. Sonaecom individual financial statements

Balance sheets

For the periods ended at 30 September 2015 and 2014 (restated – note 1) and for the year ended at 31 December 2014 (restated – note 1)

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	September 2014 (not audited and restated)	December 2014 (restated)
Assets				
Non-current assets				
Tangible assets	1.a, 1.f and 2	27,947	41,669	38,672
Intangible assets	1.b and 3	4,621	5,953	6,085
Investments in Group companies	1.c and 5	51,847,142	52,822,141	52,792,142
Investments in joint ventures	1.d and 6	597,666,944	597,666,944	597,666,944
Financial assets at fair value through profit or loss	1.e, 4 and 7	151,645	1,142,185	1,424,996
Other non-current assets	1.c, 1.e, 1.n, 4, 8 and 20	159,944,237	151,906,237	165,651,236
Total non-current assets		809,642,536	803,585,129	817,580,075
Current assets				
Financial assets at fair value through profit or loss	1.e, 4 and 7	81,173,373	54,014,592	58,540,576
Other current debtors	1.e, 1.g, 4, 10 and 20	2,746,006	7,646,388	3,313,610
Other current assets	1.e, 1.n, 4, and 20	430,189	407,980	517,881
Cash and cash equivalents	1.e, 1.h, 4, 11 and 20	186,189,962	187,346,339	176,887,883
Total current assets		270,539,530	249,415,299	239,259,950
Total assets		1,080,182,066	1,053,000,428	1,056,840,025
Shareholder funds and liabilities				
Shareholders' funds				
Share capital	12	230,391,627	230,391,627	230,391,627
Own shares	1.q and 13	(8,441,804)	(8,441,804)	(8,441,804)
Reserves	1.p	817,581,760	825,520,566	825,520,566
Net income / (loss) for the year		39,096,465	363,364	5,820,800
Total Shareholders' funds		1,078,628,048	1,047,833,753	1,053,291,189
Liabilities				
Non-current liabilities				
Provisions for other liabilities and charges	1.l, 1.o and 15	351,301	333,750	304,811
Other non-current liabilities	1.n, 1.t, 4 and 23	258,928	377,642	399,254
Total non-current liabilities		610,229	711,392	704,065
Current liabilities				
Short-term loans and other loans	1.h, 1.i, 1.j, 4, 14 and 20	-	9,794	87,859
Other creditors	4, 16 and 20	112,218	2,593,214	1,065,550
Other current liabilities	1.n, 1.t, 4, 20 and 23	831,571	1,852,275	1,691,362
Total current liabilities		943,789	4,455,283	2,844,771
Total Shareholders' funds and liabilities		1,080,182,066	1,053,000,428	1,056,840,025

The notes are an integral part of the financial statements at 30 September 2015 and 2014 (restated – note 1).

The Chief Accountant

Ricardo André Fraga Costa

The Board of Directors

Ângelo Gabriel Ribeirinho Paupério

Maria Cláudia Teixeira de Azevedo

António Bernardo Aranha da Gama Lobo Xavier

Profit and Loss account by nature

For the periods ended at 30 September 2015 and 2014 and for the year ended at 31 December 2014

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	July to September 2015 (not audited)	September 2014 (not audited)	July to September 2014 (not audited)	December 2014
Services rendered	20	257,645	80,592	258,761	97,100	303,482
Other operating revenues	20	176,019	86,173	89,238	34,397	153,199
		433,664	166,765	347,999	131,497	456,681
External supplies and services	1.f, 17 and 20	(556,350)	(172,970)	(682,707)	(205,325)	(1,018,283)
Staff expenses	1.t and 23	(842,643)	(278,701)	(1,028,437)	(279,629)	(1,313,559)
Depreciation and amortisation	1.a, 1.b, 2 and 3	(11,218)	(3,564)	(12,180)	(3,904)	(15,779)
Provisions and impairment losses	1.l and 15	(46,490)	-	-	-	-
Other operating costs		(80,259)	(62,967)	(100,847)	34,799	(135,696)
		(1,536,960)	(518,202)	(1,824,171)	(454,059)	(2,483,317)
Gains and losses on Group companies	5 and 18	13,085,500	7,215,000	6,767,750	6,090,000	7,032,750
Gains and losses on financial assets at fair value through profit or loss	7 and 18	25,270,317	2,159,391	(6,925,422)	(333,000)	(1,975,451)
Other financial expenses	1.c, 1.f, 1.i, 1.j, 1.r, 1.s, 8, 14, 18 and 20	(96,483)	(10,327)	(988,884)	(35,585)	(1,018,096)
Other financial income	1.r, 8, 11, 18 and 20	1,959,573	651,767	2,741,673	708,430	3,369,520
Current income / (loss)		39,115,611	9,664,394	118,945	6,107,283	5,382,087
Income taxation	1.m, 9 and 19	(19,146)	(113,089)	244,419	205,681	438,713
Net income / (loss) for the year		39,096,465	9,551,305	363,364	6,312,964	5,820,800
Earnings per share	22					
Including discontinued operations:						
Basic		0.13	0.03	0.00	0.02	0.02
Diluted		0.13	0.03	0.00	0.02	0.02
Excluding discontinued operations:						
Basic		0.13	0.03	0.00	0.02	0.02
Diluted		0.13	0.03	0.00	0.02	0.02

The notes are an integral part of the financial statements at 30 September 2015 and 2014.

The Chief Accountant

Ricardo André Fraga Costa

The Board of Directors

Ângelo Gabriel Ribeirinho Paupério

Maria Cláudia Teixeira de Azevedo

António Bernardo Aranha da Gama Lobo Xavier

Statement of profit and loss and other comprehensive income

For the periods ended at 30 September 2015 and 2014 and for the year ended at 31 December 2014

(Amounts expressed in Euro)	Notes	September 2015 (not audited)	July to September 2015 (not audited)	September 2014 (not audited)	July to September 2014 (not audited)	December 2014
Net income / (loss) for the year		39,096,465	9,551,305	363,364	6,312,964	5,820,800
Components of other comprehensive income, net of tax		-	-	-	-	-
Comprehensive income for the year		39,096,465	9,551,305	363,364	6,312,964	5,820,800

The notes are an integral part of the financial statements at 30 September 2015 and 2014.

The Chief Accountant

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Movements in Shareholders' funds

For the periods ended at 30 September 2015 and 2014 (restated – note 1)

(Amounts expressed in Euro)			Reserves							
	Share capital	Own shares (note 13)	Share premium	Legal reserves	Medium Term Incentive Plans reserves (note 23)	Own shares reserves	Other reserves	Total reserves	Net income / (loss)	Total
2015										
Balance at 31 December 2014	230,391,627	(8,441,804)	775,290,377	13,152,684	-	8,441,804	28,635,701	825,520,566	5,820,800	1,053,291,189
Appropriation of result of 2014										
Transfer to legal reserves and other reserves	-	-	-	291,040	-	-	5,529,760	5,820,800	(5,820,800)	-
Dividend Distribution	-	-	-	-	-	-	(13,759,606)	(13,759,606)	-	(13,759,606)
Comprehensive income for the year ended at 30 September 2015	-	-	-	-	-	-	-	-	39,096,465	39,096,465
Balance at 30 September 2015	230,391,627	(8,441,804)	775,290,377	13,443,724	-	8,441,804	20,405,855	817,581,760	39,096,465	1,078,628,048
2014										
Balance at 31 December 2013	366,246,868	(8,441,804)	775,290,377	13,152,684	473,962	8,441,804	131,364,941	928,723,768	(95,982,606)	1,190,546,226
Appropriation of result of 2013										
Transfer to legal reserves and other reserves (restated)	-	-	-	-	-	-	(95,982,606)	(95,982,606)	95,982,606	-
Comprehensive income for the year ended at 30 September 2014	-	-	-	-	-	-	-	-	363,364	363,364
Reduction of the share capital following the result of the general and voluntary acquisition of own shares (note 13)	(135,855,241)	-	-	-	-	-	(5,815,229)	(5,815,229)	-	(141,670,470)
Effect of the recognition of the Medium Term Incentive Plans (note 23)	-	-	-	-	(57,543)	-	-	(57,543)	-	(57,543)
Effect of the conversion of the Medium Term Incentive Plans (note 23)	-	-	-	-	(416,419)	-	(931,405)	(1,347,824)	-	(1,347,824)
Balance at 30 September 2014	230,391,627	(8,441,804)	775,290,377	13,152,684	-	8,441,804	28,635,701	825,520,566	363,364	1,047,833,753

The notes are an integral part of the financial statements at 30 September 2015 and 2014 (restated – note 1).

The Chief Accountant

Ricardo André Fraga Costa

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António Bernardo Aranha da Gama Lobo Xavier

Cash Flow statements

For the periods ended at 30 September 2015 and 2014

(Amounts expressed in Euro)	September 2015 (not audited)		September 2014 (not audited)	
Operating activities				
Payments to employees	(1,825,537)		(315,046)	
Cash flows from operating activities	(1,825,537)		(315,046)	
Payments / receipts relating to income taxes, net	998,758		(708,104)	
Other payments / receipts relating to operating activities, net	511,010		(1,802,618)	
Cash flows from operating activities (1)	(315,769)		(2,825,768)	
Investing activities				
Receipts from:				
Financial Investments	2,957,000		28,127,148	
Interest and similar income	2,721,583		6,097,314	
Loans granted	965,000		12,895,000	
Dividends	17,357,220		8,571,504	
	24,000,803		55,690,966	
Payments for:				
Financial Investments	-		(7,023,078)	
Cash flows from investing activities (2)	24,000,803		48,667,888	
Financing activities				
Payments for:				
Interest and similar expenses	(535,502)		(2,770,078)	
Loans obtained	-		(41,644,284)	
Dividends	(13,759,606)		-	
	(14,295,108)		(44,414,362)	
Cash flows from financing activities (3)	(14,295,108)		(44,414,362)	
Net cash flows (4)=(1)+(2)+(3)	9,389,926		1,427,758	
Cash and cash equivalents at the beginning of the period	176,800,036		185,918,581	
Cash and cash equivalents at period end	186,189,962		187,346,339	

The notes are an integral part of the financial statements at 30 September 2015 and 2014.

The Chief Accountant

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Notes to the cash flow statements

For the periods ended at 30 September 2015 and 2014.

	September 2015 (not audited)	September 2014 (not audited)
1. Acquisition or sale of subsidiaries or other businesses		
a) Other business activities		
Reimburse of investments from Sonaecom BV	-	14,720,000
Reimburse of investments from Sonae Com Sistemas de Informação, SGPS, S.A.	2,957,000	10,195,000
Reimburse of investments from Sonae telecom BV	-	1,549,284
Reimburse of supplementary capital from Miauger - Organização e Gestão de Leilões Electrónicos, S.A.	-	988,854
Reimburse of supplementary capital from PCJ - Público, Comunicação e Jornalismo, S.A.	-	674,010
	2,957,000	28,127,148
b) Other business activities		
Purchase of shares Sonae SGPS	-	5,522,188
Loss cover from Miauger - Organização e Gestão de Leilões Electrónicos, S.A.	-	826,880
Loss cover from PCJ - Público, Comunicação e Jornalismo, S.A.	-	674,010
	-	7,023,078
c) Dividends received		
ZOPT SGPS, S.A.	15,815,500	7,250,000
NOS, SGPS, S.A.	1,541,720	1,321,504
	17,357,220	8,571,504
	September 2015 (not audited)	September 2014 (not audited)
2. Details of cash and cash equivalents		
Cash in hand	499	652
Cash at bank	67,454,463	14,640,686
Treasury applications	118,735,000	172,705,000
Cash and cash equivalents	186,189,962	187,346,339
Cash assets	186,189,962	187,346,339
3. Description of non-monetary financing activities		
a) Bank credit obtained and not used	1,000,000	1,000,000
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 September 2015 and 2014.

The Chief Accountant

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4.4. Notes to the individual financial statements

SONAECON, 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.

On 5 February 2014, Sonaecom made public the decision to launch a general and voluntary tender offer for the acquisition of shares representing the share capital of Sonaecom. The offer was general and voluntary, with the offeror obliged to acquire all the shares that were the object of the offer and were, until the end of the respective period, subject to valid acceptance by the recipients.

The period of the offer, during which sales orders were received, ran for two weeks, beginning on 6 February and ending on 19 February 2014. On 20 February 2014, the results of the offer were released. The level of acceptance reached 62%, corresponding to 54,906,831 Sonaecom shares (notes 7 and 12).

In 2014 Sonaecom reduced its share capital to Euro 230,391,627.

Euronext announced Sonaecom exclusion from the PSI-20 from 24 February 2014.

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 (IFRS).

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 and taking into account the IAS 34 - 'Interim Financial Reporting'', 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 2015 and were first adopted in the period ended at 30 September 2015:

Standard / Interpretation	Effective date (annual periods beginning on or after)
IAS 19 - Amendments (Defined Benefit Plans: Employee Contributions)	1-Jul-14
The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service.	
Annual Improvements to IFRSs 2010-2012 Cycle	1-Jul-14
Annual Improvements to IFRSs 2010-2012 Cycle is a collection of amendments to IFRSs in response to eight issues addressed during the 2010-2012 cycle for annual improvements to IFRSs.	
Annual Improvements to IFRSs 2011-2013 Cycle	1-Jul-14
Annual Improvements to IFRSs 2011-2013 Cycle is a collection of amendments to IFRSs in response to four issues addressed during the 2011-2013 cycle for annual improvements to IFRSs.	

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) and subsequent amendments This standard introduces new requirements for classifying and measuring financial assets.	1-Jan-18
Amendments to IFRS 10 - "Consolidated Financial Statements", IFRS 12 - "Disclosure of Interests in Other Entities" and IAS 28 - "Investments in Associates and Joint Ventures" The purposed of these amendments is to clarify several issues regarding the application of the requirement for investment entities to measure subsidiaries at fair value instead of consolidating them.	1-Jan-16
IFRS 10 and IAS 28 - Amendments (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture) The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those established in IAS 28 (2011), when dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	1-Jan-16
IFRS 11 - Amendments (Accounting for Acquisitions of Interests in Joint Operations) The objective was to add new guidance on the accounting for the acquisition of an interest in a joint by controlled operation that constitutes a business. The IASB decided which acquirers of such interests shall apply all the principles applied to business combinations accounting as established in IFRS 3 - "Business Combinations", and other IFRSs, that do not conflict with the guidance provided in IFRS 11.	1-Jan-16
IFRS 14 (Regulatory Deferral Accounts) Permits an entity which is a first-time adopter of IFRS to continue to account, with some limited changes, for 'regulatory deferral account balances', in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.	1-Jan-16
IFRS 15 (Revenue from Contracts with Customers) IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.	1-Jan-17

Standard / Interpretation	Effective date (annual periods beginning on or after)
Amendments to IAS 1 - Presentation of Financial Statements (Disclosures) The amendment introduces a set of directions and guidelines to improve and simplify the disclosures in the context of current IFRS reporting requirements.	1-Jan-16
IAS 16 and IAS 38 - Amendments (Clarification of Acceptable Methods of Depreciation and Amortisation) The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects more factors other than the consumption of the economic benefits embodied in the asset.	1-Jan-16
IAS 16 and IAS 41 - Amendments (Agriculture: Bearer Plants) The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 so that they are accounted for in the same way as property, plant and equipment.	1-Jan-16
IAS 27: Amendments (Equity Method in Separate Financial Statements) This amendment will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1-Jan-16
Annual Improvements to IFRSs 2012-2014 Cycle Annual Improvements to IFRSs 2012-2014 Cycle is a collection of amendments to IFRSs in response to issues addressed during the 2012-2014 cycle for annual improvements to IFRSs.	1-Jan-16

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 September 2015. Their application is not yet mandatory.

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

"Regime Especial de Regularização de Dívidas ao Fisco e Segurança-Social"

Within the "Regime Especial de Regularizações de Dívidas ao Fisco e Segurança Social (Decreto-Lei 248-A de 2002 e Decreto-Lei nº 151-A/2013)", Sonae and Sonaecom made payments to the Portuguese State regarding previous years taxes settlements, which by the time of the payments both companies have already initiated judicial oppositions, therefore the processes flow in the competent courthouses.

The evaluation done until the mentioned payments, which has not been changed ever since, inform that the processes are related to contingencies which the probability of becoming real in resources of outcome is low, being the processes motivated by the different interpretations of the fiscal legislation and, as a consequence, resolving into fiscal doubtful postures. As a result of the mentioned evaluation, the amounts involved are expressed on the financial presentations, which don't originate any liabilities.

The amount paid within the mentioned regulations has been considered assets in the "Other current debtors" captions, according to "IAS 12 - Share-based Payment". When it comes to Sonaecom, it only has been paid amounts about taxes other than IRC. So, since it hasn't been forecasted a specific normative treatment, Sonaecom has decided, as an analogy, a policy alike the one related to IRC payments.

However, CMVM disagrees on Sonae's interpretation and has requested the retrospective correction of the financial statements under the argumentation that payments related to taxes other than IRC must be considered as contingent assets. Although Sonae and Sonaecom do not agree with the CMVM's opinion, both companies did the restated of the financial statements in conformity.

Individual balance for the period ended at 30 September 2014

(Amounts expressed in Euro)	Before the change	Restatement of "RERD"	After the change
Assets			
Non-current assets			
Total non-current assets	803,585,129	-	803,585,129
Current assets			
Financial assets at fair value through profit or loss	54,014,592	-	54,014,592
Other current debtors	13,059,611	5,413,223	7,646,388
Other current assets	407,980	-	407,980
Cash and cash equivalents	187,346,339	-	187,346,339
Total current assets	254,828,522	5,413,223	249,415,299
Total assets	1,058,413,651	5,413,223	1,053,000,428
Shareholders' funds and liabilities			
Shareholders' funds			
Share capital	230,391,627	-	230,391,627
Own shares	(8,441,804)	-	(8,441,804)
Reserves	830,933,789	5,413,223	825,520,566
Net income / (loss) for the year	363,364	-	363,364
Total Shareholders' funds	1,053,246,976	5,413,223	1,047,833,753
Liabilities			
Non-current liabilities			
Total non-current liabilities	711,392	-	711,392
Current liabilities			
Total current liabilities	4,455,283	-	4,455,283
Total Shareholders' funds and liabilities	1,058,413,651	5,413,223	1,053,000,428

The accounting policies and measurement criteria adopted by the Company at 30 September 2015 are comparable with those used in the preparation of the individual financial statements at 30 September 2014.

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	10-20
Plant and machinery	5
Vehicles	4
Fixtures and fittings	4-8

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 (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) Investments in Joint Ventures

Investments in Joint Ventures (companies in which the Company has, direct or indirect, 50% of the voting rights in the Shareholders' General Meeting of or in which it has the control over the financial and operating policies), are recorded under the caption 'Investments in joint ventures', at acquisition cost in accordance with IAS 27, as such, Sonaecom presents, separately, consolidated financial statements in accordance with IAS / IFRS.

Loans and supplementary capital granted to companies jointly controlled, 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 joint ventures 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 joint ventures 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 joint ventures are recorded as cost when they are incurred.

e) **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.

f) 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.

g) 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'.

h) 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.

i) 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.

j) 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.

k) 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 September 2015 and 2014, the Company did not have any derivative, beyond those mentioned in note 1.t).

l) 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.

m) 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 is under the special regime for the taxation of groups of companies, from which Sonae, SGPS is the dominant company since 1 January 2015. Sonaecom records the income tax on their individual accounts and the tax calculated is record under the caption of group companies. The special regime for the taxation of groups of companies covers all direct or indirect subsidiaries, and even through companies resident in another Member State of the European Union or the European Economic Area, only if, in the last case, there is an obligation of administrative cooperation, on which the Group holds at least 75% of their share capital, where such participation confers more than 50% of voting rights, if meet certain requirements.

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 9).

Deferred taxes are calculated with the tax rate that is expected to be in effect at the time the asset or liability is realized, based on the rates that have been enacted or substantially enacted at the balance sheet date.

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.

n) 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.i).

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.

o) 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 9 and 15).

p) 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', i.e., 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. During the year ended at 31 December 2014, due to the conversion of the existing Sonaecom share plans on Sonae SGPS shares and the attribution of the new Sonae SGPS shares plan, don't exist any amount registered in the caption 'Medium-term incentives plans reserves'.

Hedging reserve

Hedging reserve reflects the changes in fair value of 'cash flow' hedges derivatives that are considered effective (note 1.k) 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.

Additionally, the increments resulting from the application of fair value through equity components, including its implementation through the net results, shall be distributed only when the elements that gave rise to them are sold, liquidated or exercised when they finish their use, in the case of tangible or intangible assets. Therefore, at 30 September 2015, Sonaecom, SGPS, S.A., had free distributable reserves amounting to approximately EUR 20.6 million. To this effect were considered distributable increments resulting from the application of fair value through equity components already exercised during the period ended at 30 September 2015.

q) 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'.

r) 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:

	2015		2014	
	30 September	Average	30 September	Average
Pounds Sterling	1.3541	1.3756	1.2865	1.2318
Swiss franc	0.9162	0.9423	0.8290	0.8210
Swedish krona	0.1063	0.1067	0.1093	0.1107
American Dollar	0.8926	0.8978	0.7947	0.7381


s) 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 in Group companies, 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.

For financial investments in joint ventures, the recoverable amount is determinate taking into account with several information as business plans approved by the Board of



Directors and the average ratings of external reviewers (researches).

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.

t) 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, i.e., 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. One Sonae SGPS share plan is covered by a hedging contract.

Equity-settled plans to be liquidated through the delivery of shares of Sonae SGPS 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 was 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. This contract ceased during the year of 2014.

During the year ended at 31 December 2014, the company converted all such plans for Sonaecom shares plans, into shares of Sonae SGPS.

The impacts associated to the Medium Term Incentive Plans are registered, in the balance sheet, under the caption ‘Other current liabilities’ and ‘Other non-current liabilities’ (note 23).

On 30 September 2015, the Sonae SGPS share plans resulting from the conversion and the plans allocated during the years 2014 and 2015 are not covered and the responsibility is recorded at the fair value. The responsibility of all plans is recorded under the captions ‘Other non-current liabilities’ and ‘Other current liabilities’. The cost is recognized on the income statement under the caption ‘Staff expenses’.

u) 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.

v) Judgements and estimates

The most significant accounting estimates reflected in the financial statements of the periods ended at 30 September 2015 and 2014 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.

w) 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.k).

The Company is also exposed to equity price risks arising from equity investments, although they are usually maintained for strategic purposes.

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. k).

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 14) 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.

On 30 September 2015, are not contracted any derivatives instruments of hedging of the interest rate changes.

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, i.e., 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, i.e., to minimise the probability of default in any reimbursement of application of funds; and (iii) Financial efficiency, i.e., 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 14.

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 September 2015 and 2014 was as follows:

								2015
	Buildings and other constructions	Plant and machinery	Vehicles	Tools	Fixtures and fittings	Other tangible assets	Work in progress	Total
Gross assets								
Balance at 31 December 2014	347,208	43,858	22,060	171	242,718	104	1,600	657,719
Additions	-	-	-	-	979	-	-	979
Disposals	-	-	-	-	-	-	(1,600)	(1,600)
Balance at 30 September 2015	347,208	43,858	22,060	171	243,697	104	-	657,098
Accumulated depreciation and impairment losses								
Balance at 31 December 2014	329,809	43,715	7,813	171	237,435	104	-	619,047
Depreciation for the period	3,160	54	4,136	-	2,754	-	-	10,104
Balance at 30 September 2015	332,969	43,769	11,949	171	240,189	104	-	629,151
Net value	14,239	89	10,111	-	3,508	-	-	27,947

								2014
	Buildings and other constructions	Plant and machinery	Vehicles	Tools	Fixtures and fittings	Other tangible assets	Work in progress	Total
Gross assets								
Balance at 31 December 2013	348,914	43,858	22,060	171	242,718	104	-	657,825
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance at 30 September 2014	348,914	43,858	22,060	171	242,718	104	-	657,825
Accumulated depreciation and impairment losses								
Balance at 31 December 2013	325,938	43,643	2,298	171	232,961	104	-	605,115
Depreciation for the period	3,388	54	4,136	-	3,463	-	-	11,041
Balance at 30 September 2014	329,326	43,697	6,434	171	236,424	104	-	616,156
Net value	19,588	161	15,626	-	6,294	-	-	41,669

3. Intangible assets

The movement in intangible assets and in the corresponding accumulated amortisation and impairment losses in the periods ended at 30 September 2015 and 2014 was as follows:

				2015
	Brands, patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2014	9,719	192,404	498	202,621
Disposals	-	-	(350)	(350)
Transfers	-	148	(148)	-
Balance at 30 September 2015	9,719	192,552	-	202,271
Accumulated amortisation and impairment losses				
Balance at 31 December 2014	9,719	186,817	-	196,536
Amortisation for the period	-	1,114	-	1,114
Balance at 30 September 2015	9,719	187,931	-	197,650
Net value	-	4,621	-	4,621

				2014
	Brands, patents and other rights	Software	Intangible assets in progress	Total
Gross assets				
Balance at 31 December 2013	9,719	192,404	-	202,123
Transfers	-	-	-	-
Balance at 30 September 2014	9,719	192,404	-	202,123
Accumulated amortisation and impairment losses				
Balance at 31 December 2013	9,719	185,312	-	195,031
Amortisation for the period	-	1,139	-	1,139
Balance at 30 September 2014	9,719	186,451	-	196,170
Net value	-	5,953	-	5,953

4. Breakdown of financial instruments

At 30 September 2015 and 2014, the breakdown of financial instruments was as follows:

						2015
	Loans and receivables	Financial assets at fair value through profit or loss	Other financial assets	Subtotal	Others not covered by IFRS 7	Total
Non-current assets						
Financial assets at fair value through profit or loss (note 7)	-	151,645	-	151,645	-	151,645
Other non-current assets (note 8)	159,944,237	-	-	159,944,237	-	159,944,237
	159,944,237	151,645	-	160,095,882	-	160,095,882
Current assets						
Financial assets at fair value through profit or loss (note 7)	-	81,173,373	-	81,173,373	-	81,173,373
Other trade debtors (note 10)	1,748,866	-	-	1,748,866	997,140	2,746,006
Other current assets	-	-	346,767	346,767	83,422	430,189
Cash and cash equivalents (note 11)	186,189,962	-	-	186,189,962	-	186,189,962
	187,938,828	81,173,373	346,767	269,458,968	1,080,562	270,539,530
	Loans and receivables	Financial assets at fair value through profit or loss	Other financial assets	Subtotal	Others not covered by IFRS 7	2014 (restated)
Non-current assets						
Financial assets at fair value through profit or loss (note 7)	-	1,142,185	-	1,142,185	-	1,142,185
Other non-current assets (note 8)	151,906,237	-	-	151,906,237	-	151,906,237
	151,906,237	1,142,185	-	153,048,422	-	153,048,422
Current assets						
Financial assets at fair value through profit or loss (note 7)	-	54,014,592	-	54,014,592	-	54,014,592
Other trade debtors (note 10)	2,588,914	-	-	2,588,914	5,057,474	7,646,388
Other current assets	-	-	295,859	295,859	112,121	407,980
Cash and cash equivalents (note 11)	187,346,339	-	-	187,346,339	-	187,346,339
	189,935,253	54,014,592	295,859	244,245,704	5,169,595	249,415,299
	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	Total	2015
Non-current liabilities						
Other non-current liabilities (note 23)	-	-	-	258,928	258,928	258,928
	-	-	-	258,928	258,928	258,928
Current liabilities						
Other creditors (note 16)	-	81,103	81,103	31,115	112,218	112,218
Other current liabilities (note 23)	-	450,318	450,318	381,253	831,571	831,571
	-	531,421	531,421	412,368	943,789	943,789
	Liabilities recorded at amortised cost	Other financial liabilities	Subtotal	Others not covered by IFRS 7	Total	2014
Non-current liabilities						
Other non-current liabilities (note 23)	-	-	-	377,642	377,642	377,642
	-	-	-	377,642	377,642	377,642
Current liabilities						
Short-term loans and other loans (note 14)	9,794	-	9,794	-	9,794	9,794
Other creditors (note 16)	-	1,557,983	1,557,983	1,035,231	2,593,214	2,593,214
Other current liabilities (note 23)	-	722,653	722,653	1,129,622	1,852,275	1,852,275
	9,794	2,280,636	2,290,430	2,164,853	4,455,283	4,455,283

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.

Under the "Regime Especial de Regularizações de Dívidas ao Fisco e Segurança Social (Decreto-Lei 248-A de 2002 e Decreto-Lei nº 151-A/2013)", Sonaecom made, voluntarily, tax payments in the amount of circa Euro 5.4 million, having been eliminated the guarantees and keeping the initiated judicial oppositions associated. The maximum contingency amount was reduced through the elimination of fines and accrued interest to date of payment. As provided in the support diplomas of those programs, Sonaecom keeps the aimed judicial proceedings hoping it will win the mentioned judicial processes under the particular situations, having been recognized as an asset the amount paid under the mentioned plans, according to the adopted policy by Sonaecom. However, CMVM disagrees with the interpretation and has requested to Sonae the retrospective correction of the financial statements of all payments that are not related to the liquidation of the IRC under the argumentation that must be considered as contingent assets. Although Sonae and Sonaecom do not agree with the CMVM's opinion, both companies did the restated of the financial statements in conformity (note 1).

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 September 2015 and 2014, this caption included the following investments in Group companies was as follows:

Company	2015	2014
Sonaetelecom BV	73,460,618	73,460,618
Sonae com – Sistemas de Informação, SGPS, S.A. ('Sonae com SI')	52,241,587	52,241,587
PCJ - Público, Comunicação e Jornalismo, S.A. ('PCJ')	11,850,557	11,850,557
Sonaecom BV	10,300,000	10,300,000
Público - Comunicação Social, S.A. ('Público')	10,227,595	10,227,595
Sonaecom - Serviços Partilhados, S.A. ('Sonaecom SP')	50,000	50,000
	158,130,357	158,130,357
Impairment losses (note 15)	(106,283,215)	(105,308,216)
Total investments in Group companies	51,847,142	52,822,141

The movements that occurred in investments in this caption during the years ended at 30 September 2015 and 2014 were as follows:

Company	Balance at 31 December 2014	Additions	Disposals	Transfers and write-offs	Balance at 30 September 2015
Sonaetelecom BV	73,460,618	-	-	-	73,460,618
Sonaecom SI	52,241,587	-	-	-	52,241,587
PCJ	11,850,557	-	-	-	11,850,557
Sonaecom BV	10,300,000	-	-	-	10,300,000
Público	10,227,595	-	-	-	10,227,595
Sonaecom Sp	50,000	-	-	-	50,000
	158,130,357	-	-	-	158,130,357
Impairment losses (note 15)	(105,338,215)	(925,000)	-	(20,000)	(106,283,215)
	52,792,142	(925,000)	-	(20,000)	51,847,142

Company	Balance at 31 December 2013	Additions	Disposals	Transfers and write-offs	Balance at 30 September 2014
Sonaetelecom BV	75,009,902	-	(1,549,284)	-	73,460,618
Sonaecom SI	52,241,587	-	-	-	52,241,587
PCJ	11,176,547	674,010	-	-	11,850,557
Sonaecom BV	25,020,000	-	(14,720,000)	-	10,300,000
Miauger	5,714,245	826,880	-	(6,541,125)	-
Público	10,227,595	-	-	-	10,227,595
Sonaecom Sp	50,000	-	-	-	50,000
	179,439,876	1,500,890	(16,269,284)	(6,541,125)	158,130,357
Impairment losses (note 15)	(112,859,590)	(17,154)	2,016,255	5,552,273	(105,308,216)
	66,580,286	1,483,736	(14,253,029)	(988,852)	52,822,141

In the period ended at 30 September 2014, the amounts of Euro 826,880 and Euro 674,010, under the caption increases 'Additions' in Miauger and PCJ, respectively, correspond to increases in capital to cover losses.

In the period ended at 30 September 2014, the amounts of Euro 1,549,284 and Euro 14,720,000 decreases in Sonaetelecom BV and Sonaecom BV, correspond to discards from shares. 'Transfers and uses' correspond to derecognition of the investment in Miauger, dissolved on May 2014.

The Company presents separate consolidated financial statements at 30 September 2015, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, which presents total consolidated assets of Euro 1,114,323,655 total consolidated liabilities of Euro 67,574,075 consolidated operational revenues of Euro 100,968,536 and consolidated Shareholders' funds of Euro 1,046,749,580 including a consolidated net profit (attributable to the Shareholders of the parent company – Sonaecom, SGPS, S.A.) for the period ended at 30 September 2015 of Euro 40,291,529.

At 30 September 2015 and 2014, the main financial information regarding the subsidiaries and joint ventures directly owned by the company is as follows (values in accordance with IFRS):

Company	Head office	2015			2014		
		% holding	Shareholders' funds	Net profit / (loss)	% holding	Shareholders' funds	Net profit / (loss)
ZOPT (a) (note 6)	Matosinhos	50%	1,270,697,939	35,919,353	50%	1,266,399,365	30,961,573
Sonae com SI	Maia	100%	81,116,151	311,000	100%	83,779,569	5,253,270
PCJ	Maia	100%	1,617,231	113,223	100%	1,391,030	151,585
Sonaecom BV	Amsterdam	100%	313,830	(43,448)	100%	365,173	123,772
Sonaetelecom BV	Amsterdam	100%	10,703	(35,813)	100%	55,426	(12,720)
Sonaecom SP	Maia	100%	67,781	(16,211)	100%	30,579	(52,737)
Público	Maia	100%	(1,954,835)	(2,223,099)	100%	(2,072,227)	(2,241,462)

(a) Individual accounts

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 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 average growth rate used to the turnover of 5 years was 12.9%. For the Media sector, the average growth rate used was circa of 2%. 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 between 1% and 3% in the area of information systems and 0% in Multimedia area. 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. Regarding the area of telecommunications (Zopt), the assessment of whether or not the impairment is determinate taking into account with several information as business plans approved by the Board of Directors, which implied average growth rate of operating margin amounts to 2.7%, and the average ratings of external reviewers (researches).

	Information Systems	Multimedia	Telecommunications
Assumptions			
Basis of recoverable amount	Value in use	Value in use	Value in use
Discount rate	10.5%	9.0%	8.2%
Growth rate in perpetuity	2.0%	0.0%	2.0%

For the sector of Information Systems, in digital security area (Cybersecurity), a growth rate used was 3%.

6. Investments in joint ventures

At 30 September 2015 and 2014, this caption included the following investments in joint ventures:

Company	2015	2014
ZOPT, SGPS, S.A. ('ZOPT')	597,666,944	597,666,944

The movements that occurred in this caption during the years ended at 30 September 2015 and 2014 were as follows:

Company	Balance at 31 December 2014	Additions	Disposals	Transfers	Balance at 30 September 2015
ZOPT	597,666,944	-	-	-	597,666,944

Company	Balance at 31 December 2013	Additions	Disposals	Transfers	Balance at 30 September 2014
ZOPT	597,666,944	-	-	-	597,666,944

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. ('Sonaecom') 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.

Thus, following the above mentioned agreement, on 27 August 2013, and after fulfilling all the remedies required to the operation, the merger was closed. Sonaecom considers this to be the date on which Zopt took control of NOS, after the company changed the name in June 2014. Accordingly, in the same day, it was registered the capital increase in kind with the transference of 81.807% Sonaecom's financial participation in Optimus SGPS, S.A. to ZOPT,SGPS, S.A. ('Zopt'). As a consequence, Sonaecom held a 50% stake in Zopt, as well as shareholder loans to be received from Zopt amounting to Euro 230 million (note 8), which would later be converted on supplementary capital and reduced to Euro 115 million (notes 8 and 18). Additionally, the remaining stake of 18.193% in Optimus SGPS, was converted into a minority stake of 7.28% in NOS (note 7), which was reduced in consequence of the General Public and Voluntary Offer, on 5 February 2014, decreasing the investment in shares NOS in the amount of 26,476,792 shares (EUR 141,650,837) (note 12). Thus, Sonaecom, SGPS, S.A. now holds 11,012,532 shares representing the share capital of NOS, corresponding to a share of 2.14%.

Resulting from a 'Shareholders Agreement' between the parties involved in the merger, Sonaecom and Kento/Jadeium Group agreed not to acquire any shares of NOS, with the exception of the shares acquired by Sonaecom as a result of the operation. For this reason, the 'Shareholders Agreement' also foresees that after 2 years from the date of the formal closing of the merger, and for a period of three months, the Group Kento / Jadeium may exercise a call option over half of the shares of NOS that Sonaecom holds at the date of the exercise of call option, at a price equal to the weighted average price of the previous month.

After the share capital increase of Zopt and the closing of the merger between Optimus SGPS and Zon, Sonaecom derecognised an investment in Optimus SGPS amounting to Euro 1,006 million and the supplementary capital amounting to Euro 144.6 million.

Sonaecom has also recognized an investment in Zopt amounting to Euro 598 million¹, loans to be received from Zopt amounting Euro 230 million and an investment registered at fair value through NOS shares (the conversion of 20,921,650 Optimus SGPS shares, representing 18.193% of the share capital, to 37,489,324 NOS shares, representing 7.28% of the share capital), at the market price of 27 August 2013 (date of the closing of the merger), amounting to Euro 156 million (note 7).

7. Financial assets at fair value through profit or loss

In August 2013, Sonaecom Group began to hold NOS shares recorded at fair value through profit or loss, as a result of the merger between Optimus SGPS and Zon (note 6), since it is the initial classification of an asset held for a sale purpose in a short-time. In accordance with the 'Shareholders Agreement', these shares neither concedes any additional vote right or affect the shared control situation with NOS.

The movements occurred in this caption during the period ended at 30 September 2015 and 2014 were as follows:

						2015
Financial assets at fair value through profit or loss	Opening balance	Increases	Decreases	Fair value adjustments (note 18)	Increase and decrease in fair value of shares intended to cover MTIP	Closing balance
NOS	57,661,618	-	-	23,511,755	-	81,173,373
Sonae SGPS	2,303,954	-	(2,736,248)	216,842	367,097	151,645
	59,965,572	-	(2,736,248)	23,728,597	367,097	81,325,018
Recorded under the caption non current assets						151,645
Recorded under the caption current assets						81,173,373

						2014
Financial assets at fair value through profit or loss	Opening balance	Increases	Decreases	Fair value adjustments (note 18)	Increase and decrease in fair value of shares intended to cover MTIP	Closing balance
NOS	202,442,350	-	(141,650,837)	(8,217,685)	-	52,573,828
Sonae SGPS	-	5,522,188	(2,804,200)	(29,241)	(105,798)	2,582,949
	202,442,350	5,522,188	(144,455,037)	(8,246,926)	(105,798)	55,156,777
Recorded under the caption non current assets						1,142,185
Recorded under the caption current assets						54,014,592

The fair value adjustments are recorded under the caption 'Gains and losses on Group companies' in Profit and Loss Statement (note 18). With the exception of the increases and decreases in the fair value of shares allocated to cover the medium-term incentive plans whose value is recorded under "Other operating expenses" and "Other financial expenses" in the income statement.

The decreases at 30 September 2015, in the investment in Sonae SGPS shares, correspond essentially to the payment of the medium-term incentive plan, which expired in the period ended at 30 September 2015.

¹ The Zopt participation of 598 million euros ($598 = ((2,850 \times 50,01\%) - 230) \times 50\%$) results from the valuation of NOS, amounting to 2,850 million euros. This corresponds to the sum of the valuation of the capital increase in Zopt by Zon and Optimus in 1,500 million euros and 1,000 million euros, respectively (the valuation was made by the entities involved in the capital increase and the merger project) and the minimum synergies estimated, disclosed in the merger project in the amount of 350 million euros, deducted from loans totaling 230 million euros (level 3 of inputs in the hierarchy of fair value). It was decided that Zon market price at the date of the closing of the merger didn't reflected the fair value of NOS (the argument for not using the Zon share price at the date of the close of the merger, as abovementioned, is proven by the positive evolution of NOS share price since the date of the merger until the date of this document (2,782 million euros versus 2,141, price at 27 August 2013, merger date). For this reason, the market capitalization of Zon was not considered as a reference for valuing the Zopt investment. The valuation of Zon and Optimus was based on internally and analysts' projections, regarding the main economic indicators, including operating results and investment. For this purpose, was used a weighted average cost of capital of 9.5% and growth rate of 3%.

The decreases in 30 September 2014 in the NOS investment corresponds to the counterpart in NOS shares provided for the terms of trade of the General Public and Voluntary Offer for acquisition of own shares. As a result of this offering Sonaecom reduced its investment in NOS shares in 26,476,792 shares (EUR 141,650,837) (note 12) and now holds 11,012,532 shares representing the share capital of NOS, corresponding to a share of 2.14%

The evaluation of fair value of the investment is detail as follows:

2015	NOS	Sonae SGPS
Shares	11,012,532	137,859
Level of inputs in the hierarchy of fair value	Level 1	
Valuation method	Quoted price on the stock exchange	
Quoted price*	7.371	1.100
Fair value	81,173,373	151,645

* Used the share price of 30 September 2015 in the determination of the fair value.

2014	NOS	Sonae SGPS
Shares	11,012,532	2,249,955
Level of inputs in the hierarchy of fair value	Level 1	
Valuation method	Quoted price on the stock exchange	
Quoted price*	4.774	1.148
Fair value	52,573,828	2,582,948

* Used the share price of 30 September 2014 in the determination of the fair value.

8. Other non-current assets

At 30 September 2015 and 2014, this caption was made up as follows:

	2015	2014
Financial assets		
Medium and long-term loans granted to group companies and joint-ventures:		
Sonae com SI	11.485.000	3.065.000
PCJ	4.135.000	4.305.000
Público	2.415.000	1.780.000
Sonaecom SP	420.000	-
	18.455.000	9.150.000
Supplementary capital:		
Zopt	115.000.000	115.000.000
Sonae com SI	29.519.792	32.476.792
Público	5.362.405	2.182.405
PCJ	1.189.445	1.189.445
	151.071.642	150.848.642
	169.526.642	159.998.642
Accumulated impairment losses (note 15)	(9.582.405)	(8.092.405)
	159.944.237	151.906.237

During the periods ended at 30 September 2015 and 2014, the movements that occurred in 'Medium and long-term loans granted' to Group companies and joint ventures were as follows:

				2015
Company	Opening balance	Increases	Decreases	Closing balance
Sonae com SI	12,220,000	-	(735,000)	11,485,000
PCJ	4,345,000	4,005,000	(4,215,000)	4,135,000
Público	2,435,000	-	(20,000)	2,415,000
Sonaecom SP	420,000	-	-	420,000
	19,420,000	4,005,000	(4,970,000)	18,455,000

				2014
Company	Opening balance	Increases	Decreases	Closing balance
Sonae com SI	15,655,000	-	(12,590,000)	3,065,000
PCJ	4,610,000	-	(305,000)	4,305,000
Público	1,780,000	-	-	1,780,000
	22,045,000	-	(12,895,000)	9,150,000

During the periods ended at 30 September 2015 and 2014, the movements in 'Supplementary capital' were as follows:

			2015
Company	Opening balance	Decreases	Closing balance
ZOPT	115,000,000	-	115,000,000
Sonae com SI	32,476,792	(2,957,000)	29,519,792
Público	5,362,405	-	5,362,405
PCJ	1,189,445	-	1,189,445
	154,028,642	(2,957,000)	151,071,642

			2014
Company	Opening balance	Decreases	Closing balance
ZOPT	115,000,000	-	115,000,000
Sonae com SI	39,951,792	(7,475,000)	32,476,792
Público	2,182,405	-	2,182,405
PCJ	1,863,455	(674,010)	1,189,445
Miauger	988,853	(988,853)	-
	159,986,505	(9,137,863)	150,848,642

During the period ended at 30 September 2015 and 2014, the loans granted to Group companies and joint ventures earned interest at market rates with an average interest rate of 5.46% and 5.69%, respectively. Supplementary capital is non-interest bearing.

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 note 5.

9. Deferred taxes

At 30 September 2015 and 2014 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:

	2015	2014
Tax losses	438,368	836,927
Temporary differences (Provisions not acceptable for tax purposes, impairment losses and other temporary differences)	26,347,978	28,402,664
CFEI	151	-
Total	26,786,497	29,239,591

At 30 September 2015 and 2014, the deferred tax assets relating to unregistered tax losses have the following origin dates:

Year of origin	2015	2014
2014	438,368	836,927
	438,368	836,927

For the period ended at 30 September 2015 the tax rate used to calculate the deferred tax assets/liabilities was of 21% relating to tax losses carried forward, and of 22.5% for remaining deferred tax assets and liabilities, as a consequence of the IRC rate change from 23% to 21% from 2015 onwards. For the period ended at 30 September 2014, the rate used to calculate the deferred tax assets/liabilities was of 23% relating to tax losses carried forward, and of 24.5% for remaining deferred tax assets and liabilities. 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.

The reconciliation between the earnings before tax and the tax recorded for the periods ended at 30 September 2015 and 2014 is as follows:

	2015	2014
Earnings before tax	39,115,611	118,945
Income tax rate (21% in 2015 and 23% in 2014)	(8,214,278)	(27,357)
Autonomous taxation, surcharge and correction of the tax of the previous year	(5,409)	(8,229)
Temporary differences from the exercise without record deferred tax assets	(402,549)	1,055,840
Adjustments of results not tax deductible	8,571,035	61,092
Deferred taxes assets not record	-	(836,927)
Use of losses carried forward, which deferred taxes were not recorded	32,055	-
Income taxation recorded in the year (note 19)	(19,146)	244,419

The tax rate used to reconcile the tax expense and the accounting profit was 21% in the year of 2015 and 23% in 2014 because it are the standards rates of the corporate income tax in Portugal in 2015 and 2014.

The adjustments to the taxable income in 2015 and 2014 relates, mainly, to losses and gains in financial investments and dividends received (note 18), which do not contribute to the calculation of the taxable profit for the year.

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 2012 (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 September 2015.

10. Other current debtors

At 30 September 2015 and 2014, this caption was made up as follows:

	2015	2014 (restated)
State and other public entities	997,140	5,057,474
Trade debtors	1,748,866	2,588,914
	2,746,006	7,646,388

At 30 September 2015 and 2014, the caption 'Trade 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 18 and 20).

The caption 'State and other public entities', at 30 September 2015 and 2014, includes the special advanced payment, retentions and taxes to be recovered.

11. Cash and cash equivalents

At 30 September 2015 and 2014, the breakdown of cash and cash equivalents was as follows:

	2015	2014
Cash	499	652
Bank deposits repayable on demand	67,454,463	14,640,687
Treasury applications	118,735,000	172,705,000
	186,189,962	187,346,339

At 30 September 2015 and 2014, the caption 'Treasury applications' had the following breakdown:

	2015	2014
Bank applications	109,400,000	160,930,000
Sonaecom SI	5,665,000	7,275,000
Público	2,830,000	4,130,000
Sonaecom SP	715,000	345,000
Sonaecom BV	-	20,000
PCJ	125,000	5,000
	118,735,000	172,705,000

During the period ended at 30 September 2015, the above mentioned treasury applications bear interests at an average rate of 0.61% (1.294% in 2014).

12. Share capital

At 30 September 2015 and 2014, the share capital of Sonaecom was comprised by 311,340,037 ordinary shares registered of Euro 0.74 each. At those dates, the Shareholder structure was as follows:

	2015		2014	
	Number of shares	%	Number of shares	%
Sontel BV	194,063,119	62.33%	194,063,119	62.33%
Sonae SGPS	81,022,964	26.02%	81,022,964	26.02%
Shares traded on the Portuguese Stock Exchange ('Free Float')	30,682,940	9.86%	30,682,940	9.86%
Own shares (note 13)	5,571,014	1.79%	5,571,014	1.79%
	311,340,037	100.00%	311,340,037	100.00%

On 5 February 2014, Sonaecom made public the decision to launch a general and voluntary tender offer for the acquisition of shares representing the share capital of Sonaecom.

The offer was general and voluntary, with the offeror obliged to acquire all the shares that were object of the offer and were, until the end of the respective period, subject to valid acceptance by the recipients.

The period of the offer, during which sales orders were received, ran for two weeks, beginning on 6 February and ending on 19 February 2014.

On 20 February 2014, the results of the offer were released. The level of acceptance reached 62%, corresponding to 54,906,831 Sonaecom shares. During the year 2014 Sonaecom reduced its capital by Euro 136 million as a result of the extinction of the own shares acquired (54,906,831 shares) and reduction of the nominal value of the remaining shares of capital stock of the Sonaecom Euro 1 to Euro 0.74 per share. Following this result, the Euronext announced the exclusion of Sonaecom PSI-20 from 24 February 2014.

As a return for the own shares acquired in this General Public Offer and Voluntary process Sonaecom delivered 26,476,792 shares representing the share capital of NOS which were recorded in the balance sheet by EUR 141,650,837 (note 7) and the amount of Euro 19,632 in cash, so as a result of this General Public and Voluntary Offer, assets and equity Sonaecom decreased by EUR 141,670,470.

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 September 2015, Sonaecom did not acquire, sold or delivered own shares, whereby the amount held to date, is of 5,571,014 own shares representing 1.79% of its share capital, at an average price of Euro 1.515.

14. Loans

Short-term loans and other loans

At 30 September 2015 and 2014, the short-term loans and other loans had the following breakdown:

	Amount outstanding	
	2015	2014
Issue denomination		
Treasury applications	-	9,716
Interests incurred but not yet due	-	78
	-	9,794

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 1 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.

Treasury applications

During the periods ended at 30 September 2015 and 2014, the detail of 'Treasury applications' received from subsidiaries was as follows:

	2015	2014
Sonaetelecom BV	-	9,716
	-	9,716

The treasury applications received from Group companies are payable in less than one year and earn interests at market rates. During the period ended at 30 September 2014, the treasury applications earned an average interest rate of 2.77%. During the period ended at 30 September 2015 Sonaecom was not treasury applications from Group companies.

At 30 September 2015 and 2014, the available credit lines of the Company are as follows:

					Maturity
Credit	Limit	Amount outstanding	Amount available	Until 12 months	More than 12 months
2015					
Authorised overdrafts	1,000,000	-	1,000,000	x	
	1,000,000	-	1,000,000		
2014					
Authorised overdrafts	1,000,000	-	1,000,000	x	
	1,000,000	-	1,000,000		

At 30 September 2015 and 2014, there are no financial instruments of interest rate hedging.

15. Provisions and accumulated impairment losses

The movements in provisions and in accumulated impairment losses in the periods ended at 30 September 2015 and 2014 were as follows:

	Opening balance	Increases	Reductions	Transfers and utilizations	Closing balance
2015					
Accumulated impairment losses on investments in Group companies (notes 5 and 18)	105,338,215	925,000	-	20,000	106,283,215
Accumulated impairment losses on other non-current assets (notes 8 and 18)	7,797,405	1,805,000	-	(20,000)	9,582,405
Provisions for other liabilities and charges	304,811	46,490	-	-	351,301
	113,440,431	2,776,490	-	-	116,216,921
2014					
Accumulated impairment losses on investments in Group companies (notes 5 and 18)	112,859,590	17,154	(2,016,255)	(5,552,273)	105,308,216
Accumulated impairment losses on other non-current assets (notes 8 and 18)	6,296,259	2,785,000	-	(988,854)	8,092,405
Provisions for other liabilities and charges	332,469	42	(12,167)	13,406	333,750
	119,488,318	2,802,196	(2,028,422)	(6,527,721)	113,734,371

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 18).

At 30 September 2015, the increase of 'Provisions for other liabilities and charges' includes, mainly, amounts to cover various contingencies related to probable liabilities arising from several transactions and which cash outflow is possible.

At 30 September 2014 the amount of Euro 42 recorded in the income statement in 'Other financial expenses', and related to the update of the provision for decommissioning as required in IAS 16 – 'Property, Plant and Equipment' (note 1.a).

16. Other creditors

At 30 September 2015 and 2014, this caption was made up as follows:

	2015	2014
Other creditors	81,103	1,557,983
State and other public entities	31,115	1,035,231
	112,218	2,593,214

17. External supplies and services

At 30 September 2015 and 2014, this caption was made up as follows:

	2015	2014
Specialised work	407,164	493,646
Travel and accommodation	38,445	58,368
Insurance	37,777	37,136
Communications	14,632	29,757
Rents	6,279	21,126
Other external supplies and services	52,053	42,674
	556,350	682,707

18. Financial results

Net financial results for the periods ended 30 September 2015 and 2014 are made up as follows ((costs)/gains):

	2015	2014
Gains and losses on investments in Group companies		
Losses related to Group companies (notes 5, 8 and 15)	(2,730,000)	(2,802,154)
Gains related to Group companies	-	2,319,904
Dividends obtained	15,815,500	7,250,000
	13,085,500	6,767,750
Gains and losses on financial assets at fair value through profit or loss		
Gains and losses on financial assets at fair value through profit or loss (note 7)	23,728,597	(8,246,926)
Dividends obtained	1,541,720	1,321,504
	25,270,317	(6,925,422)
Other financial expenses		
Interest expenses:		
Bank loans	-	(487,345)
Other loans	(4,701)	(241,520)
	(4,701)	(728,865)
Other financial expenses	(91,782)	(260,019)
	(96,483)	(988,884)
Other financial income		
Interest income	1,615,649	2,584,876
Foreign currency exchange gains	566	700
Other financial income	343,358	156,097
	1,959,573	2,741,673

At 30 September 2015, losses on the Group companies include the reinforcement of impairment losses on other non-current assets (notes 8 and 15), in the amount of Euro 1,805,000 and the reinforcement of impairment losses on investments in companies group in the amount of Euro 925,000 (notes 5 and 15).

At 30 September 2014, losses on the Group companies include the reinforcement of impairment losses on other non-current assets (notes 8 and 15), in the amount of Euro 2,785,000 and the reinforcement of impairment losses on investments in companies group in the amount of Euro 17,154 (notes 5 and 15).

At 30 September 2014, gains related to Group companies include the reversal of impairment losses on investments in group companies in the amount of Euro 2,016,255 (note 15) and the gain resulting from the liquidation of the subsidiary Miauger, in the amount of Euro 303,649.

At 30 September 2014, gains related to dividends received from investments in Group companies and in joint ventures are associated with dividends received from Zopt SGPS, S.A.. Gains related to dividends received from investments at fair value through profit or loss are associated with dividends received from NOS SGPS, S.A..

19. Income Taxation

Income taxes recognized during the periods ended at 30 September 2015 and 2014 were made up as follows ((costs) / gains):

	2015	2014
Current tax (note 9)	(19,146)	244,419
Closing balance	(19,146)	244,419

20. Related parties

The most significant balances and transactions with related parties (which are detailed in the appendix) at 30 September 2015 and 2014 were as follows:

					Balances at 30 September 2015
	Accounts receivable (note 10)	Accounts payable (note 16)	Treasury applications (note 11)	Other assets / (liabilities)	Loans granted / (obtained) (note 8 and 14)
Parent Company					
Sonae SGPS	(942)	100,348	-	(47,190)	-
Subsidiaries					
PCJ	150,263	-	125,000	19,800	4,135,000
Público	34,198	950,244	2,830,000	23,937	2,415,000
Sonae com SI	83,457	-	5,665,000	98,545	11,485,000
Sonae com BV	551	-	-	256	-
Sonae com SP	19,186	83,630	715,000	(69,529)	420,000
Others related parties					
Digitmarket	64,987	2,851	-	(10,275)	-
Saphety	118,544	5,439	-	(248,750)	-
Sonae center II	19,516	(3,001)	-	-	-
Wedo	2,218,439	(134,241)	-	-	-
ZOPT	13,869	-	-	-	-
Others	2,837	(42,811)	-	68,790	-
	2,724,905	962,459	9,335,000	(164,416)	18,455,000

					Balances at 30 September 2014
	Accounts receivable (note 10)	Accounts payable (note 16)	Treasury applications (note 11)	Other assets / (liabilities)	Loans granted / (obtained) (note 8 and 14)
Parent Company					
Sonae SGPS	-	872	-	(23,021)	-
Subsidiaries					
PCJ	129,670	(100,277)	5,000	20,863	4,305,000
Público	78,321	1,144,007	4,130,000	(7,193)	1,780,000
Sonae com SI	780,319	(6,311)	7,275,000	93,255	3,065,000
Sonae com BV	150	357,408	20,000	286	-
Sonae Telecom BV	-	16,665	-	-	(9,793)
Sonae com SP	946	24,157	345,000	(3,684)	(1)
Others related parties					
Digitmarket	6,822	1,505	-	(21,272)	-
Itrust	-	-	-	(33,243)	-
Mainroad	-	112,892	-	-	-
Saphety	17,239	5,646	-	(71,178)	-
Sonae center II	-	76,690	-	(79,740)	-
Wedo	1,713,539	(189,894)	-	-	-
Others	-	57,923	-	23,298	-
	2,727,006	1,501,283	11,775,000	(101,629)	9,140,206

				Transactions at 30 September 2015
	Sales and services rendered	Supplies and services received (note 17)	Interest and similar income / (expense) (note 18)	Supplementary income
Parent Company				
Sonae SGPS	-	-	494,566	56,881
Subsidiaries				
PCJ	-	-	176,228	-
Público	-	(120)	147,277	2,383
Sonae com SI	-	41,603	610,265	-
Sonaecom BV	-	-	807	-
Sonaetelecom BV	-	-	(11)	-
Sonaecom SP	-	226,390	33,554	-
Wedo	149,298	(800)	-	-
Others related parties				
Digitmarket	46,240	-	-	-
Saphety	46,240	1,542	-	-
Sonaecenter II	15,867	42,558	-	-
Raso - Viagens e turismo	-	29,690	-	-
NOS Comunicações	-	12,047	(26,726)	73,577
Others	-	45,080	-	-
	257,645	397,990	1,435,960	132,841

				Transactions at 30 September 2014
	Sales and services rendered	Supplies and services received (note 17)	Interest and similar income / (expense) (note 18)	Supplementary income
Parent Company				
Sonae SGPS	-	(771)	1,322,406	-
Subsidiaries				
Miauger	-	-	(1,573)	-
PCJ	-	-	193,481	-
Público	22,645	294	191,262	-
Sonae com SI	-	(32,071)	621,494	-
Sonaecom BV	-	-	(154,492)	-
Sonaetelecom BV	-	-	(16,742)	-
Sonaecom SP	-	213,924	7,071	-
Wedo	128,908	132	24,646	-
Others related parties				
Digitmarket	35,736	1,322	(18,361)	-
Mainroad	35,736	(473)	6,137	-
Saphety	35,736	2,050	6,482	-
Sonaecenter II	-	51,433	-	-
Raso - Viagens e turismo	-	46,151	-	-
Others	-	10,774	-	-
	258,761	292,765	2,181,811	-

During the period ended at 30 September 2015, Sonaecom distributed dividends, in the amount of Euro 3,646,033, to its parent company.

During 2012, the Group signed an agreement with Sonae SGPS, under which Sonae compromise to transfer to employees and board members of Sonaecom, Sonaecom shares, at the price of 1.184 euros, until 2016, as requested by Sonaecom and under the MTIP of Sonaecom. Under this contract, Sonaecom paid to Sonae SGPS, SA the amount of Euro 3,291,520.

During the year ended at 31 December 2013, Sonaecom partially anticipated the maturity of the contract, receiving the amount of Euro 4,444,207. At 11 July 2014 the company terminated this contract so, Sonae SGPS, SA will repay the remaining amount in debt.

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.

21. Guarantees provided to third parties

Guarantees provided to third parties at 30 September 2015 and 2014 were as follows:

Beneficiary	Description	2015	2014
Direção de Contribuições e Impostos (Portuguese tax authorities)	VAT reimbursements	1,435,379	1,435,379
Direção de Contribuições e Impostos (Portuguese tax authorities)	Additional tax assessments (VAT, Stamp and Income tax)	222,622	222,622
		1,658,001	1,658,001

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 23,319,289 and Sonaecom SGPS of Público surety for the amount of Euro 565,026.

At 30 September 2015, 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.

22. Earnings per share

Earnings per share, basic and diluted, are calculated by dividing the net income of the year (Euro 39,095,465 in 2015 and Euro 363,364 in 2014) by the average number of shares outstanding during the periods ended at 30 September 2015 and 2014, net of own shares (305,769,023 in 2015 and 317,970,541 in 2014).

23. 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.

At 10 March 2014, Sonaecom shares plans were converted in full for shares Sonae SGPS. This conversion was based on the terms set out in exchange takeover bid at 20 February 2014, referred to in note 12 to determine the fair value of Sonaecom plans, and based on the price of shares Sonae SGPS.

Therefore, the conversion of the plans was based Sonaecom / Sonae SGPS implied ratio under fixed the takeover bid (1 Sonaecom Action - Sonae SGPS shares approximately 2.05).

After conversion at 10 March 2014, the converted plans can be detailed as follows:

		Vesting period		10 March 2014	
	Share price at 20 Februaru 2014*	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonae SGPS shares (Arising from the conversion of Sonaecom plans)					
2010 Plan	1,258	10/mar/11	10/mar/14	2	422.647
2011 Plan	1,258	09/mar/12	10/mar/15	2	454.317
2012 Plan	1,258	8/mar/13	10/mar/16	2	266.008

*Quotation of the day of publication of the results of the Tender Offer

By the Board Nomination and Remuneration decision, the delivery of the 2010 Plan was persecute in May 2014 and the 2011 Plan will be delivery in May 2015.

Therefore, the outstanding plans at 30 September 2015 are as follows:

		Vesting period		30 September 2015	
	Share price at 30 September 2015/ Award date	Award date	Vesting date	Aggregate number of participations	Number of shares
Sonae SGPS shares (Arising from the conversion of Sonaecom plans)					
2012 Plan	1.100	08/mar/13	10/mar/16	2	281,661
Sonae SGPS shares					
2012 Plan	0.701	08/mar/13	10/mar/16	2	173,615
2013 Plan	1.100	10/mar/14	10/mar/17	2	293,169
2014 Plan	1.100	10/abr/15	10/abr/18	2	161,503

During the period ended at 30 September 2015, the movements that occurred in the plans can be summarized as follows:

	Sonae SGPS shares	
	Aggregate number of participations	Number of shares
Outstanding at 31 December 2014:		
Unvested	10	1,624,176
Total	10	1,624,176
Movements in year:		
Awarded	2	156,885
Vested	(4)	(946,612)
Cancelled / lapsed / corrected*	-	75,499
Outstanding at 30 September 2015:		
Unvested	8	909,948
Total	8	909,948

* 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.

The responsibility for all plans was recognized under 'Other current liabilities' and 'Other non-current liabilities'. For originally plans of Sonae SGPS shares, the Group entered into hedging contract with external entities, and the responsibilities are calculated based on the prices agreed on those contracts.

The detail of the hedging contracts is as follows:

	Sonae SGPS shares
	2012 Plan
Notional value	268,451
Maturity	Mar-16
Level of inputs in the hierarchy of fair value	Level 2
Valuation method	Current replacement cost
Fair value*	175,983

* Used the share price of 30 September 2015 in the determination of the fair value.

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 September 2015, were as follows:

	Sonaecom shares	Sonae SGPS shares	Zon Optimus SGPS shares	Total
Costs recognised in previous years	2,962,978	3,531,043	409,556	6,903,577
Costs recognised in the period	-	613,302	-	613,302
Impact of conversion of Sonaecom Plans	(531,505)	1,666,165	-	1,134,660
Costs of plans vested in previous years	(2,431,473)	(4,329,624)	-	(6,761,097)
Costs of plans vested in the period	-	(1,035,235)	(452,604)	(1,487,839)
	-	445,651	(43,048)	402,603
Responsibility of plans	-	269,668	(43,048)	226,620
Fair value of hedging contracts (1)	-	175,983	-	175,983
Recorded in cash and cash equivalents (2)	-	(194,530)	(43,048)	(237,578)
Recorded in other current liabilities	-	381,253	-	381,253
Recorded in other non current liabilities	-	258,928	-	258,928
Recorded in reserves	-	-	-	-

(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.

(2) Sonaecom partially anticipated the maturity of the hedging contract with Sonae SGPS, receiving an amount equivalent to the present market value of Sonaecom shares.

At 10 March 2014, Sonaecom shares plans were fully converted into shares Sonae SGPS. This conversion was based on the terms of trade set out in the Tender Offer at 20 February 2014, referred to in note 12, to determine the fair value of the plans and, based on the share prices Sonae SGPS. Therefore, it was determined the number of shares to be delivered to Sonae SGPS employees. The liability relating to the period of each plan on the date of conversion (EUR 1,582,389) was recognized under 'Other current liabilities' and 'Other non-current liabilities' by hand 'equity in accordance with the provisions of IFRS 2.

In 27 August 2013, part of the Sonaecom and Sonae SGPS plans outstanding were converted to NOS plans. The conversion of the Sonaecom plans was made according to the merger ratio, but the conversion of Sonae SGPS plans was made according to the fair value of the shares. This decision was duly approved by the Board Nominations and Remunerations Committee. The cost NOS plans were recognized until 30 September 2013, date on which NOS started to take responsibility for them. The responsibility of these plans was calculated based on share price of 30 September 2013 and was recorded under the headings of 'Other current liabilities' and 'Other non-current liabilities'.

These financial statements were approved by the Board of Directors on 02 November 2015.

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 September 2015, the related parties of Sonaecom, SGPS, S.A. are as follows:

Key management personnel - Sonaecom	
Ângelo Gabriel Ribeirinho dos Santos Paupério	Maria Cláudia Teixeira de Azevedo
António Bernardo Aranha da Gama Lobo Xavier	

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

Sonaecom Group Companies	
Cape Technologies Limited	Serviços de Int.Estratégica Global,S.L.
Digitmarket-Sistemas de Informação,SA	Sonaecom - Serviços Partilhados, S.A
Lookwise, S.L.	Sonaecom BV
PCJ-Público, Comunicação e Jornalismo,SA	Sonaecom, SGPS, SA
Praesidium Services Limited	Sonaecom-Cyber Security and Int.,SGPS,SA
Público - Comunicação Social, SA	Sonaecom-Sistemas de Informação,SGPS,SA
S21 Sec Barcelona, S.L.	Sonaecom-Sistemas Información España SL
S21 Sec Brasil, Ltda	Sonaetelecom BV
S21 Sec Ciber Seguridad, S.A. de CV	Tecnológica Telecomunicações, Ltda
S21 Sec Fraud Risk Management, S.L.	We Do Consulting-Sist. de Informação, SA
S21 SEC Gestion, S.A.	We Do Poland Sp.Z.o.o.
S21 Sec Inc.	We Do Technologies (UK) Limited
S21 Sec Information Security Labs, S.L.	We Do Technologies Americas, Inc
S21 Sec Institute, S.L.	We Do Technologies Australia PTY Limited
S21 Sec México, S.A. de CV	We Do Technologies BV
S21 Sec, S.A. de CV	We Do Technologies BV - Sucursal Malaysia
Saphety - Transacciones Electronicas SAS	We Do Technologies Egypt LLC
Saphety Brasil Transações Eletrônicas Ld	We Do Technologies Mexico, S. de RL
Saphety Level - Trusted Services, SA	Wedo Brasil-Soluções Informáticas,Ltda

Sonae/Efanor/NOS Group Companies

3shoppings - Holding, SGPS, SA	Centro Vasco da Gama Centro Comercial, SA
ACCIVE Insurance Cons. e Franchising, Lda	Chão Verde - Soc. de Gestão Imobiliária, SA
Accive Insurance - Corretor de Seguros, SA	Cinclus Imobiliária, SA
ADD Avaliações Eng. Avale Perícias, Ltda	Citic Capital Sierra Limited
Adlands BV	Citic Capital Sierra Prop. Man. Limited
Aegean Park, SA	Citorres - Sociedade Imobiliária, SA
Agepan Eiweiler Management GmbH	Coimbrashopping Centro Comercial, SA
Aglom Investimentos, Sgps, S.A.	Colombo Towers Holding BV
ALEXA Administration GmbH	Companhia Térmica do Serrado, ACE
ALEXA Holding GmbH	Companhia Térmica Tagol, Lda.
ALEXA Shopping Centre GmbH	Contacto Concessões, SGPS, S.A.
Algarveshopping - Centro Comercial, SA	Contibomba - Comérc. Distr. Combustíveis, SA
Aqualuz - Turismo e Lazer, Lda	Contimobe - Imobiliária Castelo Paiva, SA
Arat Inmuebles, S.A.	Continente Hipermercados, SA
ARP Alverca Retail Park, SA	Country Club da Maia - Imobiliária, SA
Arrábidasshopping - Centro Comercial, SA	Craiova Mall BV
Aserraderos de Cuellar, SA	CTE - Central Termoeléct. do Estuário, Lda
Atelgen - Produção Energia, ACE	CUCUTA - Proyecto Cúcuta S.A.S.
Atlantic Ferries - Tráf. Loc. Flu. e Marít, SA	Cumulativa - Sociedade Imobiliária, S.A.
Avenida M-40 BV	Darbo SAS
Azulino Imobiliária, S.A.	Discovery Sports, SA
BA Business Angels, SGPS, SA	Distodo Distribui e Logist, Lda
BA Capital, SGPS	Dortmund Tower GmbH
BB Food Service, SA	Dos Mares Shopping Centre BV
Beeskow Holzwerkstoffe	Dos Mares Shopping Centre, SA
Beralands BV	Dreamia, B.V.
Bertimóvel - Sociedade Imobiliária, S.A.	Dreamia, Serv de Televisão, SA
BIG Picture 2 Films	Ecociclo - Energia e Ambiente, SA
Bloco Q - Sociedade Imobiliária, SA	Efanor Investimentos, SGPS, S.A.
Bom Momento - Restauração, S.A.	Efanor Serviços de Apoio à Gestão, S.A.
Canal 20 TV, SA	Empracine - E.Pro.Act. Cinem, Lda
Canasta - Empreendimentos Imobiliários, SA	Empreend. Imob. Quinta da Azenha, SA
Capwatt ACE, S.A.	Enerlousado - Recursos Energéticos, Lda.
Capwatt Colombo - Heat Power, S.A.	Equador & Mendes - Ag. Viagens e Tur., Lda
Capwatt Engenho Novo - Heat Power, S.A.	Estação Viana Centro Comercial, SA
Capwatt Hectare - Heat Power, ACE	Euroresinas - Indústrias Químicas, SA
Capwatt II - Heat Power, S.A.	Farmácia Selecção, SA
Capwatt III - Heat Power, S.A.	Fashion Division Canárias, SA
Capwatt Maia - Heat Power, S.A.	Fashion Division, S.A.
Capwatt Martim Longo - Solar Power, S.A.	FINSTAR - Socied. Investim. Par SA
Capwatt Vale do Caima - Heat Power, S.A.	Fozimo - Sociedade Imobiliária, SA
Capwatt Vale do Tejo - Heat Power, S.A.	Freccia Rossa - Shopping Centre, Srl
CAPWATT, SGPS, S.A.	Fundo de Invest. Imobiliário Fec. Imosede
Carvemagere - Manut. e Energias Renov., Lda	Fundo Esp. Inv. Imo. Fec. WTC
Casa da Ribeira - Sociedade Imobiliária, SA	Fundo I.I. Parque Dom Pedro Shop. Center
Cascaishopping Centro Comercial, SA	Fundo Invest. Imobiliário Imosonae Dois
Cascaishopping Holding I, SGPS, SA	Fundo Invest. Imob. Shopp. Parque D. Pedro
CCCB Caldas da Rainha - Centro Comerc., SA	Gaiashopping I Centro Comercial, SA
Centro Colombo Centro Comercial, SA	Gaiashopping II Centro Comercial, SA
Centro Residencial da Maia, Urban., SA	GHP GmbH

Sonae/Efanor/NOS Group Companies

Gli Orsi Shopping Centre 1, Srl	Luz del Tajo Centro Comercial, SA
Glunz AG	Madeirashopping Centro Comercial, SA
Glunz Service GmbH	Maiashopping Centro Comercial, SA
Glunz UK Holdings Ltd	Maiequipa - Gestão Florestal, SA
Glunz Uka GmbH	Marcas MC, zRT
Golf Time-Golfe e Invest. Turísticos, SA	Marina de Tróia S.A.
Guimarãesshopping Centro Comercial, SA	Marmagno-Expl.Hoteleira Imob.,SA
Harvey Dos Iberica, SL	Martimope-Empreendimentos Turísticos, SA
Herco Consult.Risco Corret.Seguros, Ltda	Marvero-Expl.Hoteleira Imob.,SA
Herco Consultoria de Risco, S.A.	MDS - Corretor de Seguros, SA
HighDome PCC Limited	MDS Affinity-Sociedade de Mediação Lda
HighDome PCC Limited (Cell Europe)	MDS Africa SGPS, SA
Iberian Assets, SA	MDS Auto - Mediação de Seguros, SA
Igimo - Sociedade Imobiliária, SA	Mds Knowledge Centre, Unipessoal, Lda
Iginha - Sociedade Imobiliária, SA	MDS Malta Holding Limited
Imoarea - Invest. Turísticos, SGPS, SA	MDS RE - Mediador de resseguros
Imobeauty, SA	MDS, SGPS, SA
Imoclub-Serviços Imobiliários, SA	Megantic BV
Imoconti - Sociedade Imobiliária, SA	MJB-Design, Lda
Imodivor - Sociedade Imobiliária, SA	MJLF - Empreendimentos Imobiliários, SA
Imoestrutura - Sociedade Imobiliária, SA	Modalfa - Comércio e Serviços, SA
Imohotel-Emp.Turísticos Imobiliários,SA	Modalloop - Vestuário e Calçado, SA
Imomuro - Sociedade Imobiliária, SA	Modelo - Dist.de Mat. de Construção,S.A.
Imopeninsula - Sociedade Imobiliária, SA	Modelo Continente Hipermercados, SA
Imoplamac Gestão de Imóveis, SA	Modelo Continente International Trade,SA
Imoponte - Sociedade Imobiliária, SA	Modelo Hiper Imobiliária, SA
Imoresort - Sociedade Imobiliária, SA	Modelo.com-Vendas por Correspondência,SA
Imoresultado - Sociedade Imobiliária, SA	Movelpartes-Comp.para Ind.Mobiliária,SA
Imosedas - Imobiliária e Serviços, SA	Movimento Viagens-Viag.e Turismo S.U.Lda
Imosistema - Sociedade Imobiliária, SA	MSTAR, SA
Impaper Europe GmbH	Münster Arkaden BV
Implantação - Imobiliária, S.A.	Norte Shop. Retail and Leisure Centre BV
Infocfield - Informática, SA	Norteshopping Centro Comercial, SA
Inparvi SGPS, SA	NOS Açores Comunicações, S.A.
Interlog-SGPS, SA	NOS Communications S.à.r.l.
Ioannina Develop.of Shopping Centres, SA	NOS Comunicações, S.A.
Isoroy SAS	NOS Inovação S.A.
ITRUST - Cyber Security and Intellig.,SA	NOS Lusomundo Audiovisuais, S.A.
Land Retail BV	NOS Lusomundo Cinemas, S.A.
Larim Corretora de Resseguros, Ltda	NOS Lusomundo TV Lda
Larissa Develop. of Shopping Centers, SA	NOS Madeira Comunicações, S.A.
Lazam MDS Corretora e Adm. Seguros, SA	NOS SISTEMAS ESPAÑA, S.L.
Le Terrazze - Shopping Centre 1, Srl	NOS Sistemas, S.A.
Libra Serviços, Lda	NOS Technology - Conceção, Const. e Gestão Redes Com.,S.A.
Loop 5 Shopping Centre GmbH	NOS TOWERING - Gestão de Torres de Telecomunicações, S.A.
Lusomundo España, SL	NOS, SGPS, S.A.
Lusomundo Imobiliária 2, SA	NOSPUB Publicidade e Conteúdos, S.A.
Lusomundo Moçambique, Lda	Nova Equador Internacional,Ag.Viag.T,Lda
Lusomundo Soc. Inv. Imob. SA	Nova Equador P.C.O. e Eventos, S.U., Lda
Luz del Tajo BV	Novodecor (PTY), LTD

Sonae/Efanor/NOS Group Companies

OSB Deustchland Gmbh	Raso - Viagens e Turismo, SA
Pantheon Plaza BV	RASO II-Viagens e Turismo,Unipessoal Lda
Paracentro - Gestão de Galerias Com., SA	Raso, SGPS, SA
Pareuro BV	River Plaza BV
Park Avenue Develop.of Shop. Centers, SA	River Plaza Mall, Srl
Parklake Shopping, SA	Ronfegen-Recursos Energéticos, Lda.
Parque Atlântico Shopping-C.Comerc., SA	RSI Corretora de Seguros, Ltda
Parque D. Pedro 1 BV	S.C. Microcom Doi Srl
Parque de Famalicão - Empreend.Imob., SA	SC Aegean BV
Pátio Boavista Shopping, Ltda	SC Finance BV
Pátio Campinas Shopping, Ltda	SC For-Serv.Form.e Desenv.R.H.,Unip.,Lda
Pátio Goiânia Shopping, Ltda	SC Hospitality, SGPS, S.A.
Pátio Londrina Empreend.e Particip.,Ltda	SC, SGPS, SA
Pátio São Bernardo Shopping Ltda	SC-Consultadoria,SA
Pátio Sertório Shopping Ltda	SC-Eng. e promoção imobiliária,SGPS,S.A
Pátio Uberlândia Shopping Ltda	SDSR - Sports Division SR, S.A.
PER-MAR-SOC. DE CONSTRUÇÃO, SA	Sellfa-Soc. de Empreend. Imobiliários,SA
Pharmaconcept - Actividades em Saúde, SA	Sempre à Mão - Sociedade Imobiliária, SA
Pharmacontinente - Saúde e Higiene, SA	Sesagest - Proj. Gestão Imobiliária, SA
Plaza Eboli - Centro Comercial, SA	Sete e Meio - Invest. Consultadoria, SA
Plaza Mayor Parque de Ócio BV	Shopping Centre Colombo Holding BV
Plaza Mayor Parque de Ocio, SA	Shopping Centre Parque Principado BV
Plaza Mayor Shopping BV	SIAL Participações, Lda
Plaza Mayor Shopping, SA	Sierra - OST Property Management
Poliface North America	Sierra Asia Limited
Ponto de Chegada - Soc. Imobiliária, SA	Sierra Berlin Holding BV
Porturbe-Edifícios e Urbanizações,SA	Sierra Brazil 1 BV
Praedium - Serviços, SA	Sierra Cevital Shopping Center, Spa
Praedium II - Imobiliária, SA	Sierra Corporate Services Holland BV
Praedium SGPS, SA	Sierra Developments Holding BV
Predicomercial - Promoção Imobiliária,SA	Sierra Developments, SGPS, SA
Predilugar - Sociedade Imobiliária, SA	Sierra European R.R.E. Assets Hold. BV
Prédios Privados Imobiliária, SA	Sierra Germany GmbH
Predisedas - Predial das Sedas, SA	Sierra GP, Limited
Project SC 1 BV	Sierra Greece, SA
Project Sierra 10 BV	Sierra Investimentos Brasil Ltda
Project Sierra 11 BV	Sierra Investments (Holland) 1 BV
Project Sierra 12 BV	Sierra Investments (Holland) 2 BV
Project Sierra 2 BV	Sierra Investments Holding BV
Project Sierra 8 BV	Sierra Investments SGPS, SA
Project Sierra Cúcuta BV	Sierra Italy, Srl
Project Sierra Four Srl	Sierra Management, SGPS, SA
Project Sierra Germany 2 (two)-Sh.C.GmbH	Sierra Portugal, SA
Project Sierra Germany 4 (four)-S.C.GmbH	Sierra Project Nürnberg BV
Project Sierra Spain 1 BV	Sierra Real Estate Greece BV
Project Sierra Spain 2 - C.Comercial, SA	Sierra Romania Sh. Centers Services Srl
Project Sierra Two Srl	Sierra Services Holland 2 BV
Promessa Sociedade Imobiliária, S.A.	Sierra Solingen Holding GmbH
OCE-Desenv. e Fabrico de Equipamentos,SA	Sierra Spain Shop. Centers Serv., S.A.U.
Racionaliz. y Manufact.Florestales,SA	Sierra Turkey Gayrim.Yön.P.Dan.An.Sirket

Sonae/Efanor/NOS Group Companies

Sierra Zenata Project BV	Sopair, S.A.
SII - Soberana Invest. Imobiliários, SA	Sótaqua - Soc. de Empreendimentos Turist
SISTAVAC, S.A.	Soternix-Produção de Energia, ACE
SISTAVAC, SGPS, S.A.	Spanboard Products,Ltd
SISTAVAC-Sistemas HVAC-R do Brasil, Ltda	SPF - Sierra Portugal
Soc.Inic.Aproveit.Florest.-Energias,SA	Spinarq Moçambique, Lda
Société de Tranchage Isoroy SAS.	Spinarq-Engenharia,Energia e Ambiente,SA
Socijofra - Sociedade Imobiliária, SA	Spinveste - Promoção Imobiliária, SA
Sociloures - Sociedade Imobiliária, SA	Spinveste-Gestão Imobiliária SGII,SA
Soconstrução BV	Sport TV Portugal, SA
Soflorin BV	Sport Zone Canárias, SL
Soira-Soc.Imobiliária de Ramalde,SA	Sport Zone España-Com.Art.de Deporte,SA
Solinca - Health & Fitness, SA	Sport Zone spor malz.per.satis ith.ve ti
Solinca-Investimentos Turísticos,SA	Spred, SGPS, SA
Solinfitness - Club Malaga, S.L.	SSI Angola, S.A.
Solingen Shopping Center GmbH	Tableros Tradema,S.L.
Soltroia-Imob.de Urb.Turismo de Tróia,SA	Tafiber,Tableros de Fibras Ibéricas,SL
Somit Imobiliária, SA	Tafibra South Africa (PTY) Ltd.
Sonae Capital Brasil, Lda	Tafibra Suisse, SA
Sonae Capital, SGPS, SA	Tafisa Canadá Société en Commandite
Sonae Center Serviços II, SA	Tafisa Développement
Sonae Financial Services, S.A.	Tafisa France, SA
Sonae Ind., Prod. e Com.Deriv.Madeira,SA	Tafisa UK,Ltd
Sonae Indústria - Management Services,SA	Tafisa-Tableros de Fibras, SA
Sonae Industria (UK),Ltd	Taiber,Tableros Aglomerados Ibéricos,SL
Sonae Industria de Revestimentos,SA	Teconologias del Medio Ambiente,SA
Sonae Indústria-SGPS,SA	Teliz Holding B.V.
Sonae Investimentos, SGPS, SA	Têxtil do Marco, SA
Sonae Investments BV	The Artist Porto Hot.&Bistrô-Act.Hot.,SA
Sonae MC - Modelo Continente, SGPS, SA	Tlantic BV
Sonae Novobord (PTY) Ltd	Tlantic Portugal - Sist.de Informação,SA
Sonae RE, S.A.	Tlantic Sistemas de Informação, Ltda
Sonae Retalho España-Serv.Generales, SA	Tool GmbH
Sonae SGPS, SA	Torre Ocidente Imobiliária, SA
Sonae Sierra Brasil, SA	Torre São Gabriel Imobiliária, SA
Sonae Sierra Brazil, BV / SARL	Troia Market-Supermercados, S.A.
Sonae Sierra, SGPS, SA	Troia Natura, S.A.
Sonae Specialized Retail, SGPS, SA	Troiareort-Investimentos Turísticos, SA
Sonae SR Malta Holding Limited	Troiaverde-Expl.Hoteleira Imob.,SA
Sonae Tafibra Benelux, BV	Tulpamar-Expl.Hoteleira Imob.,SA
Sonae Turismo, SGPS, S.A.	Unishopping Consultoria Imobiliária,Ltda
Sonaecenter Serviços, SA	UPK-Gestão de Facilities e Manutenção,SA
Sonaegest-Soc.Gest.Fundos Investimentos	Upstar Comunicações SA
Sonaerp - Retail Properties, SA	Urbisedas-Imobiliária das Sedas,SA
SONAESR - Serviços e logística, SA	Valor N, SA
Sondis Imobiliária, SA	Via Catarina Centro Comercial, SA
SONTÁRIA-EMPREEND.IMOBIL.,SA	Viajens y Turismo de Geotur España, S.L.
Sontel BV	Vistas do Freixo-Emp.Tur.Imobiliários,SA
Sontur BV	Vuelta Omega, S.L.
Sonvecap BV	Weierstadt Shopping BV



Sonae/Efanor/NOS Group Companies	
Worten - Equipamento para o Lar, SA	Zippy - Comércio e Distribuição, SA
Worten Canárias, SL	Zippy - Comercio y Distribución, SA
Worten España Distribución, SL	Zippy çocuk malz.dag.ith.ve tic.ltd.sti
ZAP Cinemas, S.A.	ZON Finance BV
ZAP Media S.A.	Zubiarte Inversiones Inmobiliarias, SA
ZAP Publishing, S.A.	ZYEvolution-Invest.Desenv.,SA
Zenata Commercial Project S.A.	

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.

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