

**SONAE INVESTIMENTOS, SGPS, SA**

**Head Office: Rua João Mendonça, 529 – 4464-501 Senhora da Hora**

**Share Capital 1,000,000,000 Euro**

**Porto Commercial Registry and Fiscal Number 501 532 927**

**REPORT AND ACCOUNTS**

**30 September 2012**

## Management Report

### Sonae Investimentos – S.G.P.S., S.A.

In accordance with Portuguese Law and the company's articles of association, we hereby present the management report of Sonae Investimentos - S.G.P.S., S.A. for the first nine months of 2012.

#### Activity evolution for the period

During the course of the first nine months of 2012, the consolidated turnover of Sonae Investimentos totalled 3.303 million Euro, which corresponds to a decrease of 2% compared to the same period in the previous year<sup>1</sup> or of 1.6% if we exclude, in 2011, the sales related to the petrol filling stations (the company transferred them to third parties during 2011).

In the same period, the Company's operating cash-flow (EBITDA) reached 229 million Euro. This represents a decrease of 3% regarding the same period last year. This decrease of EBITDA was due to the deterioration of the operational cash-flow of the specialized retail business. In fact, the negative evolution of sales witnessed in the Iberian markets during the last quarters – result of the significant reductions in the level of private consumption in Portugal and Spain, driven by the on-going implementation of several austerity measures by the respective governments – has penalized the productivity of the operations, particularly of the discretionary categories. EBITDA margin stood at 6.9% of sales.

In terms of operating results (EBIT), the consolidated figure reached 84 million Euro in the period, which represents a decrease of circa 52 million Euro compared to the first nine months of 2011.

Sonae Investimentos consolidated net result in the first nine months of 2012 totalled 20 million Euro, 24 million Euro less than the amount realised in the same period of 2011.

At the end of September, Sonae Investimentos detained an overall portfolio of 1,063 stores<sup>2</sup>, corresponding to a sales area of 1,051 thousand m<sup>2</sup>. During the period, the company continued the consolidation of Sonae SR's own store network in international markets. As at the end of September 2012, Sonae SR's formats had a total of 136 stores outside of Portugal, including 13 under franchising agreements.

In Portugal, the company materialized a selective opening of new retail stores, including 1 Continente Modelo, 4 Continente Bom Dia and 2 Worten stores.

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<sup>1</sup> 2011 results were restated in order to reflect the change in Geostar consolidation to the Equity Method (see Methodological Note)

<sup>2</sup> Excludes Geostar

In parallel to the expansion effort, the company carried a Refurbishment Programme in a number of retail units so as to ensure they remain as a reference in their respective catchment areas. Total investment amounted to 63 million Euro during the first nine months of the year.

## Outlook

Sonae Investimentos strategic guidelines privilege growth and the strengthening of the value proposition based on a continued investment in efficiency and innovation. This positioning, consistently adopted by the Company, has allowed for the combination of strong growth rhythms with strong profitability benchmarks, and once again will be at the basis of the Company's performance during the course of the next months.

## Methodological note

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

Matosinhos, 12 November 2012

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão

## Glossary

### Turnover (t)

sale of articles + services rendered.

### Operating Cash-flow (EBITDA)

turnover + investment income + other income – negative goodwill – reversal of impairment losses – operational costs - provision for extensions of guarantees

### Operating results (EBIT)

turnover + other income – operational costs - provision for extensions of guarantees + gains / losses on sales of businesses – amortisations and impairment losses.

### Net Investment

increase in gross fixed assets (tangible and intangible) + changes in perimeter (as a result of acquisitions and disposals) - disposals in gross fixed assets (tangible and intangible) + increases in goodwill.

### Net debt

current borrowings + noncurrent borrowings + financial leasing creditors – cash and cash equivalents – other current financial investments

### Gearing

ratio between net financial debt and shareholders' funds

### Net Capital Employed

gross fixed assets (tangible and intangible) + other gross real estate assets (including goodwill) - amortisations and impairment losses + financial investments + working capital

## **Condensed consolidated financial statements**

## SONAE INVESTIMENTOS, SGPS, SA

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

ASSETS	Notes	30 September 2012	30 September 2011 Restated	31 December 2011 Restated	1 January 2011 Restated
<b>NON-CURRENT ASSETS:</b>					
Tangible assets	7	2,019,285,726	2,095,563,806	2,094,098,317	2,130,195,086
Intangible assets	8	151,615,169	147,221,102	156,357,666	152,983,921
Goodwill	9	499,234,487	500,446,937	499,234,487	500,446,937
Investments in associates	5	54,486,490	64,583,382	58,681,026	69,867,554
Other investments	6	34,592,833	34,508,671	34,613,973	34,556,255
Deferred tax assets	13	129,813,024	114,243,125	117,767,016	97,680,391
Other non-current assets	11	36,801,175	37,530,339	36,533,370	37,391,624
Total Non-Current Assets		2,925,828,904	2,994,097,362	2,997,285,855	3,023,121,768
<b>CURRENT ASSETS:</b>					
Inventories		522,405,000	633,700,975	643,387,609	664,630,207
Trade accounts receivable and other current assets	12	228,497,162	264,475,332	222,789,098	210,516,317
Investments	10	1,464,062	5,473,110	5,856,269	15,642,909
Cash and cash equivalents	14	106,851,712	71,878,783	253,481,201	199,666,276
Total Current Assets		859,217,936	975,528,200	1,125,514,177	1,090,455,709
Assets available for sale		720,338	720,338	720,338	9,500,686
<b>TOTAL ASSETS</b>		<b>3,785,767,178</b>	<b>3,970,345,900</b>	<b>4,123,520,370</b>	<b>4,123,078,163</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY:</b>					
Share capital	15	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Own shares		(320,000,000)	(320,000,000)	(320,000,000)	(320,000,000)
Reserves and retained earnings		59,353,282	20,247,976	18,463,670	(148,409,750)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		20,500,533	44,478,397	63,798,214	168,595,954
Equity attributable to the equity holders of the Parent Company		759,853,815	744,726,373	762,261,884	700,186,204
Equity attributable to non-controlling interests	16	69,316,147	76,975,200	75,700,031	75,372,692
<b>TOTAL EQUITY</b>		<b>829,169,962</b>	<b>821,701,573</b>	<b>837,961,915</b>	<b>775,558,896</b>
<b>LIABILITIES:</b>					
<b>NON-CURRENT LIABILITIES:</b>					
Loans	17	930,030,777	975,239,103	912,748,107	1,210,270,255
Other non-current liabilities	19	429,906,898	424,844,066	428,236,505	425,372,544
Deferred tax liabilities	13	125,298,397	118,285,916	119,911,312	108,129,814
Provisions	22	32,608,247	26,695,793	35,325,262	21,495,563
Total Non-Current Liabilities		1,517,844,319	1,545,064,878	1,496,221,186	1,765,268,176
<b>CURRENT LIABILITIES:</b>					
Loans	17	191,865,176	390,768,337	378,365,848	105,288,362
Trade creditors and other current liabilities	21	1,244,659,391	1,210,561,782	1,408,722,091	1,475,373,392
Provisions	22	2,228,330	2,249,330	2,249,330	1,589,337
Total Current Liabilities		1,438,752,897	1,603,579,449	1,789,337,269	1,582,251,091
<b>TOTAL LIABILITIES</b>		<b>2,956,597,216</b>	<b>3,148,644,327</b>	<b>3,285,558,455</b>	<b>3,347,519,267</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,785,767,178</b>	<b>3,970,345,900</b>	<b>4,123,520,370</b>	<b>4,123,078,163</b>

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

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

	Notes	3 <sup>rd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
Sales		1,181,936,618	1,181,644,421	3,278,080,708	3,322,092,084
Services rendered		8,746,167	10,698,440	25,192,513	33,685,901
Investment income		99,002	-	299,699	232,500
Financial income		1,567,524	3,175,986	4,485,452	7,089,130
Other income		88,237,805	89,753,264	307,638,624	345,014,783
Cost of goods sold and materials consumed		(911,254,593)	(891,788,525)	(2,554,393,581)	(2,582,077,548)
Changes in stocks of finished goods and work in progress		(342,350)	31,655	(553,945)	397,922
External supplies and services		(138,384,382)	(143,039,608)	(409,556,001)	(424,749,119)
Staff costs		(129,493,132)	(130,037,447)	(399,273,809)	(413,200,098)
Depreciation and amortisation	7 and 8	(45,013,117)	(44,254,760)	(134,112,024)	(132,778,599)
Provisions and impairment losses		(1,526,339)	(3,067,081)	(5,533,099)	(8,594,393)
Financial expenses		(21,210,014)	(21,054,612)	(62,468,704)	(61,741,807)
Other expenses		(6,862,055)	(14,177,895)	(23,088,396)	(37,198,784)
Share of results of associated undertakings	5	(847,378)	(123,725)	(3,508,973)	(990,659)
Profit/(Loss) before taxation		25,653,756	37,760,113	23,208,464	47,181,313
Taxation	25	(1,086,371)	(4,679,699)	(3,222,049)	(2,907,071)
Profit/(Loss) after taxation		24,567,385	33,080,414	19,986,415	44,274,242
Attributable to:					
Equity holders of the Parent Company		24,273,093	32,781,301	20,500,533	44,478,397
Non-controlling interests		294,292	299,113	(514,118)	(204,155)
Profit/(Loss) per share					
Basic	26	0.026970	0.036424	0.022778	0.049420
Diluted	26	0.026970	0.036424	0.022778	0.049420

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

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

	3st Quarter 2012	3st Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
Net Profit / (Loss) for the period	24,567,385	33,080,414	19,986,415	44,274,242
Exchange differences arising on translation of foreign operations	(8,391)	(1,380,794)	(58,044)	(2,290,561)
Participation in other comprehensive income (net of tax) related to associated companies included in consolidation by the equity method	(223,923)	(62,890)	(685,564)	(1,015,478)
Changes in hedge and fair value reserves	(1,674,395)	3,884,345	(3,442,603)	5,041,819
Deferred tax related to changes in fair value reserves	429,620	(1,032,314)	908,995	(1,325,838)
Other comprehensive income for the period	(1,477,089)	1,408,347	(3,277,216)	409,942
Total comprehensive income for the period	23,090,296	34,488,761	16,709,199	44,684,184
Attributable to:				
Equity holders of Parent Company	22,848,746	34,088,359	17,295,684	44,824,520
Non controlling interests	241,550	400,402	(586,485)	(140,336)

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

The Board of Directors



## SONAE INVESTIMENTOS, SGPS, SA

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

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

	Attributable to Equity Holders of Parent Company							Net Profit/(Loss)	Total	Non-controlling interests (Note 16)	Total Equity
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Hedging Reserve	Legal reserves in accordance with article 342º CSC	Other Reserves and Retained Earnings				
Balance as at 1 January 2011- Restated	1,000,000,000	(320,000,000)	117,087,918	402,475	(2,107,724)	342,000,000	(605,792,419)	(148,409,750)	168,595,954	700,186,204	775,558,896
Total comprehensive income for the period	-	-	-	(2,290,561)	3,652,162	-	(1,015,478)	346,123	44,478,397	44,824,520	44,684,184
Appropriation of profit of 2010:											
Transfer to legal reserves and retained earnings	-	-	22,526,963	-	-	-	146,068,991	168,595,954	(168,595,954)	-	-
Acquisitions of shares of affiliated undertakings	-	-	-	-	-	-	193,439	193,439	-	193,439	1,470,000
Other reserves	-	-	-	-	-	-	(477,790)	(477,790)	-	(477,790)	(11,507)
Balance as at 30 September 2011 - Restated	1,000,000,000	(320,000,000)	139,614,881	(1,888,086)	1,544,438	342,000,000	(461,023,257)	20,247,976	44,478,397	744,726,373	821,701,573
Balance as at 1 January 2012- Restated	1,000,000,000	(320,000,000)	139,614,881	336,811	1,595,204	320,000,000	(443,083,226)	18,463,670	63,798,214	762,261,884	837,961,915
Total comprehensive income for the period	-	-	-	(58,044)	(2,461,241)	-	(685,564)	(3,204,849)	20,500,533	17,295,684	16,709,199
Appropriation of profit of 2011:											
Transfer to legal reserves and retained earnings	-	-	742,928	-	-	-	63,055,286	63,798,214	(63,798,214)	-	-
Dividends distributed	-	-	-	-	-	-	(20,000,000)	(20,000,000)	-	(20,000,000)	(20,157,074)
Income distribution	-	-	-	-	-	-	-	-	-	-	(5,924,953)
Others	-	-	-	-	-	-	296,247	296,247	-	296,247	580,875
Balance as at 30 September 2012	1,000,000,000	(320,000,000)	140,357,809	278,767	(866,037)	320,000,000	(400,417,257)	59,353,282	20,500,533	759,853,815	829,169,962

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

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

	Notes	3st Quarter 2012	3st Quarter 2011 Restated	30 September 2012	30 September 2011 Restated
<b>OPERATING ACTIVITIES</b>					
Net cash flow from operating activities (1)		180,968,611	112,483,760	160,742,685	(21,688,651)
<b>INVESTMENT ACTIVITIES</b>					
Cash receipts arising from:					
Investments		471,573	603,264	1,760,402	17,927,497
Tangible and intangible assets		687,082	113,000	1,424,844	57,436,844
Interest and similar income		725,375	252,721	2,066,889	3,652,460
Loans granted		2,205,000	129,979,999	9,903,189	178,350,636
Dividends		99,002	181,586	299,699	745,871
Others		-	-	-	1,247,168
		4,188,032	131,130,570	15,455,023	259,360,476
Cash Payments arising from:					
Tangible and intangible assets		(22,658,776)	(41,110,616)	(80,542,573)	(145,559,508)
Loans granted		(2,433,000)	(112,146,864)	(11,203,189)	(169,570,000)
Others		(13)	-	(155)	(12,807)
		(25,091,789)	(153,257,480)	(91,745,917)	(315,371,591)
Net cash used in investment activities (2)		(20,903,757)	(22,126,910)	(76,290,894)	(56,011,115)
<b>FINANCING ACTIVITIES</b>					
Cash receipts arising from:					
Loans obtained		850,882,063	1,290,069,066	3,141,684,904	2,676,621,116
Capital increases, shareholder's loans and share premiums		-	-	580,875	-
Others		-	-	-	1,470,000
		850,882,063	1,290,069,066	3,142,265,779	2,678,091,116
Cash Payments arising from:					
Loans obtained		(976,356,780)	(1,387,215,209)	(3,316,322,540)	(2,681,424,991)
Interest and similar charges		(13,454,177)	(19,353,630)	(38,629,372)	(56,610,194)
Dividends		(25,924,953)	-	(26,082,027)	-
Others		(828,679)	(627,834)	(2,057,227)	(1,943,897)
		(1,016,564,589)	(1,407,196,673)	(3,383,091,166)	(2,739,979,082)
Net cash used in financing activities (3)		(165,682,526)	(117,127,607)	(240,825,387)	(61,887,966)
Net increase/(decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(5,617,672)	(26,770,757)	(156,373,596)	(139,587,732)
Effect of foreign exchange rate		(266,036)	(1,788,152)	(281,619)	(1,777,292)
Cash and cash equivalents at the beginning of the period	14	98,346,886	82,439,264	249,087,227	195,267,099
Cash and cash equivalents at the end of the period	14	92,995,250	57,456,659	92,995,250	57,456,659

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

The Board of Directors

# SONAE INVESTIMENTOS, SGPS, S.A.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2012

*(Amounts expressed in euro)*

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

### 1 INTRODUCTION

SONAE INVESTIMENTOS, SGPS, S.A. ("the Company" or "Sonae Investimentos"), with head office in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Portugal, is the Parent-company of a group of companies, as detailed in Notes 4, 5 and 6 ("Sonae Investimentos Group"), which business activity is described in the Note 27.

### 2 PRINCIPAL ACCOUNTING POLICIES

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

#### Basis of preparation

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

Interim financial statements are presented quarterly, in accordance with IAS 34- "Interim Financial Reporting".

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the Company, subsidiaries and joint ventures, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for financial instruments which are stated at fair value.

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

Until the date of approval of these financial statements there are no standards, interpretations, amendments and revisions that have been approved (endorsed) by the European Union, whose application is mandatory in 1 January 2012 or in future financial years and adopted in the period ended in 30 September 2012.

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

Effective date (for  
financial years beginning  
on/after)

IAS1 - Amendments (Presentation of items of Other Comprehensive Income)

01-07-2012

IAS 19 - Amendments (Employee Benefits)

01-01-2013

### 3 CHANGES IN ACCOUNTING POLICIES

During the period the Group changed in consolidation method for jointly controlled subsidiaries from proportion to equity.

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

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

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

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

#### Statement of financial position at January 1, 2011

	Before change	Change in consolidation method from PROP to EQM	Restated
<b>Total assets</b>	<b>4,147,368,037</b>	<b>(24,289,874)</b>	<b>4,123,078,163</b>
<b>Non-current assets</b>	<b>3,028,962,898</b>	<b>(5,841,130)</b>	<b>3,023,121,768</b>
Investments	88,444,013	15,979,796	104,423,809
Goodwill	518,235,811	(17,788,874)	500,446,937
Other non-current assets	2,422,283,074	(4,032,052)	2,418,251,022
<b>Current assets</b>	<b>1,118,405,139</b>	<b>(18,448,744)</b>	<b>1,099,956,395</b>
<b>Equity</b>	<b>775,615,075</b>	<b>(56,179)</b>	<b>775,558,896</b>
Attributable to shareholders	700,180,295	5,909	700,186,204
Non-controlling interests	75,434,780	(62,088)	75,372,692
<b>Total liabilities</b>	<b>3,371,752,962</b>	<b>(24,233,695)</b>	<b>3,347,519,267</b>
<b>Non-current liabilities</b>	<b>1,765,376,569</b>	<b>(108,393)</b>	<b>1,765,268,176</b>
Loans	1,210,270,255	-	1,210,270,255
Other liabilities	555,106,314	(108,393)	554,997,921
<b>Current liabilities</b>	<b>1,606,376,393</b>	<b>(24,125,302)</b>	<b>1,582,251,091</b>
Loans	108,475,740	(3,187,378)	105,288,362
Suppliers and other liabilities	1,497,900,653	(20,937,924)	1,476,962,729
<b>Total equity and liabilities</b>	<b>4,147,368,037</b>	<b>(24,289,874)</b>	<b>4,123,078,163</b>

## Statement of financial position at September 30, 2011

	Before change	Change in consolidation method from PROP to EQM	Restated
<b>Total assets</b>	<b>3,988,645,890</b>	<b>(18,299,990)</b>	<b>3,970,345,900</b>
<b>Non-current assets</b>	<b>3,000,010,218</b>	<b>(5,912,856)</b>	<b>2,994,097,362</b>
Investments	83,206,297	15,885,756	99,092,053
Goodwill	518,235,811	(17,788,874)	500,446,937
Other non-current assets	2,398,568,110	(4,009,738)	2,394,558,372
<b>Current assets</b>	<b>988,635,672</b>	<b>(12,387,134)</b>	<b>976,248,538</b>
<b>Equity</b>	<b>821,754,929</b>	<b>(53,356)</b>	<b>821,701,573</b>
Attributable to shareholders	744,720,465	5,908	744,726,373
Non-controlling interests	77,034,464	(59,264)	76,975,200
<b>Total liabilities</b>	<b>3,166,890,961</b>	<b>(18,246,634)</b>	<b>3,148,644,327</b>
<b>Non-current liabilities</b>	<b>1,545,132,595</b>	<b>(67,717)</b>	<b>1,545,064,878</b>
Loans	975,239,103	-	975,239,103
Other liabilities	569,893,492	(67,717)	569,825,775
<b>Current liabilities</b>	<b>1,621,758,366</b>	<b>(18,178,917)</b>	<b>1,603,579,449</b>
Loans	393,875,274	(3,106,937)	390,768,337
Suppliers and other liabilities	1,227,883,092	(15,071,980)	1,212,811,112
<b>Total equity and liabilities</b>	<b>3,988,645,890</b>	<b>(18,299,990)</b>	<b>3,970,345,900</b>

## Statement of financial position at December 31, 2011

	Before change	Change in consolidation method from PROP to EQM	Restated
<b>Total assets</b>	<b>4,134,744,735</b>	<b>(11,224,365)</b>	<b>4,123,520,370</b>
<b>Non-current assets</b>	<b>3,004,769,431</b>	<b>(7,483,576)</b>	<b>2,997,285,855</b>
Investments	79,797,769	13,497,230	93,294,999
Goodwill	517,042,098	(17,807,611)	499,234,487
Other non-current assets	2,407,929,564	(3,173,195)	2,404,756,369
<b>Current assets</b>	<b>1,129,975,304</b>	<b>(3,740,789)</b>	<b>1,126,234,515</b>
<b>Equity</b>	<b>837,996,206</b>	<b>(34,291)</b>	<b>837,961,915</b>
Attributable to shareholders	762,255,976	5,908	762,261,884
Non-controlling interests	75,740,230	(40,199)	75,700,031
<b>Total liabilities</b>	<b>3,296,748,529</b>	<b>(11,190,074)</b>	<b>3,285,558,455</b>
<b>Non-current liabilities</b>	<b>1,496,286,242</b>	<b>(65,056)</b>	<b>1,496,221,186</b>
Loans	912,748,107	-	912,748,107
Other liabilities	583,538,135	(65,056)	583,473,079
<b>Current liabilities</b>	<b>1,800,462,287</b>	<b>(11,125,018)</b>	<b>1,789,337,269</b>
Loans	380,944,864	(2,579,016)	378,365,848
Suppliers and other liabilities	1,419,517,423	(8,546,002)	1,410,971,421
<b>Total equity and liabilities</b>	<b>4,134,744,735</b>	<b>(11,224,365)</b>	<b>4,123,520,370</b>

## Income statement at September 30, 2011

	Before change	Change in consolidation method from PROP to EQM	Restated
<b>Turnover</b>	<b>3,374,954,874</b>	<b>(19,176,889)</b>	<b>3,355,777,985</b>
<b>EBITDA</b>	<b>236,589,250</b>	<b>(352,581)</b>	<b>236,236,669</b>
EBITDA margin	7.01%	0.03%	7.04%
Provisions and impairment losses	(585,222)	(48,199)	(633,421)
Depreciation and amortisation	(133,142,518)	363,919	(132,778,599)
<b>EBIT</b>	<b>102,861,510</b>	<b>(36,861)</b>	<b>102,824,649</b>
Financial results	(54,853,106)	200,429	(54,652,677)
Share of results of associated undertakings	(896,619)	(94,040)	(990,659)
<b>EBT</b>	<b>47,111,785</b>	<b>69,528</b>	<b>47,181,313</b>
Taxes	(2,840,369)	(66,702)	(2,907,071)
<b>Profit/(Loss) after taxation</b>	<b>44,271,416</b>	<b>2,826</b>	<b>44,274,242</b>
<b>Atributable to the equity holders</b>	<b>44,478,397</b>	<b>-</b>	<b>44,478,397</b>
<b>Atributable to non-controlling interests</b>	<b>(206,981)</b>	<b>2,826</b>	<b>(204,155)</b>

## 4 GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The subsidiaries included in the consolidated financial statements, its head offices and percentage of capital held as at 30 September 2012 and 31 December 2011 are as follows:

COMPANY	Head Office	Percentage of capital held			
		30 September 2012		31 December 2011	
		Direct	Total	Direct	Total
<b>Sonae Investimentos, SGPS, SA</b>	Matosinhos	Holding	Holding	Holding	Holding
Arat Inmuebles, SA	a) Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Azulino Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
BB Food Service, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Bertimóvel - Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Bom Momento - Restauração, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Canasta - Empreendimentos Imobiliários, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Carnes do Continente - Industria e Distribuição Carnes, SA	a) Santarém	100.00%	100.00%	100.00%	100.00%
Chão Verde - Sociedade de Gestão Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Citorres - Sociedade Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%

Contibomba - Comércio e Distribuição de Combustíveis, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Contimobe - Imobiliária de Castelo de Paiva, SA	a)	Castelo de Paiva	100.00%	100.00%	100.00%	100.00%
Continente Hipermercados, SA	a)	Lisbon	100.00%	100.00%	100.00%	100.00%
Cumulativa - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Discovery Sports, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Edições Book.it, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Estevão Neves - Hipermercados da Madeira, SA	a)	Madeira	100.00%	100.00%	100.00%	100.00%
Farmácia Selecção, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Fashion Division, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Fashion Division Canárias, SL	a)	Tenerife (Spain)	100.00%	100.00%	100.00%	100.00%
Fozimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Fozmassimo - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Fundo de Investimento Imobiliário Fechado Imosede	a)	Maia	54.55%	54.55%	54.55%	54.55%
Fundo de Investimento Imobiliário Fechado Imosonae Dois	a)	Maia	100.00%	100.00%	100.00%	100.00%
Igimo - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Iginha - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoconti - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoestrutura - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imomuro - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imoresultado - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imosistema - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Infofield - Informática, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Marcas MC, zRT	a)	Budapest (Hungary)	100.00%	100.00%	100.00%	100.00%
MJLF - Empreendimentos Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modalfa - Comércio e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Modalloop – Vestuário e Calçado, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo - Distribuição de Materiais de Construção, SA	b)	Maia	50.00%	50.00%	50.00%	50.00%
Modelo Continente Hipermercados, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Modelo Continente International Trade, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Modelo Hiper Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%

Modelo.com - Vendas p/Correspond., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Peixes do Continente - Indústria e Distribuição de Peixes, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Pharmacontinente - Saúde e Higiene, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Pharmaconcept – Actividades em Saúde, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Predicomercial - Promoção Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
1) SDR – Sports Division SR, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Selifa - Empreendimentos Imobiliários de Fafe, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sempre à Mão - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sesagest - Proj.Gestão Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Socijofra - Sociedade Imobiliária, SA	a)	Gondomar	100.00%	100.00%	100.00%	100.00%
Sociloures - Sociedade Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Soflorin, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sonae Capital Brasil, Lda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sonae MC – Modelo Continente, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonaecenter Serviços II, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonaegest- Sociedade Gestora de Fundos de Investimento, SA	a)	Maia	60.00%	60.00%	60.00%	60.00%
Sonaerp – Retail Properties, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Sonae Specialized Retail, SGPS, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Sonae Retalho España - Servicios Generales, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
SIAL Participações, Ltda	a)	São Paulo (Brazil)	100.00%	100.00%	100.00%	100.00%
Sondis Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Sonvecap, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Sport Zone Canarias , SL	a)	Tenerife (Spain)	51.00%	51.00%	51.00%	51.00%
Sport Zone España - Comércio de Articulos de Deporte, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Sport Zone Sport Malz.Per.Satis Ith.Ve Tic Ltd Sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
Têxtil do Marco, SA	a)	Marco de Canaveses	92.76%	92.76%	92.76%	92.76%
Tlantic Portugal - Sistemas de Informação, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Tlantic Sistemas de Informação, Ltda	a)	Porto Alegre (Brazil)	100.00%	100.00%	100.00%	100.00%



Todos os Dias - Com. Ret. Expl. C. Comer., SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Valor N, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Worten – Equipamento para o Lar, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Zippy – Comércio e Distribuição, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Zippy - Comércio Y Distribución, SA	a)	Madrid (Spain)	100.00%	100.00%	100.00%	100.00%
Zippy Çocuk Malz.Dag.lth.Ve Tic Ltd.Sti	a)	Istanbul (Turkey)	100.00%	100.00%	100.00%	100.00%
ZYEvolution- Investig.e Desenvolvimento, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%

a) Control held by majority of voting rights;

b) Control held by management control.

1) Ex- Sport Zone – Comércio de artigos de Desporto, SA.

These entities are consolidated using the full consolidation method, considering that they are controlled by Sonae Investimentos SGPS, S.A..

## 5 INVESTMENTS IN JOINTLY CONTROLLED COMPANIES AND ASSOCIATED COMPANIES

Jointly controlled companies and associated companies, their head offices, the percentage of share capital held and their book value as at 30 September 2012 and 31 December 2011 are as follows:

Company	Head Office	Percentage of capital held				Book value	
		30 September 2012		31 December 2011		30 September 2012	31 December 2011 Restated
		Direct	Total	Direct	Total		
MDS SGPS, SA (consolidated accounts)	Maia	46.92%	46.92%	46.92%	46.92%	39,785,327	43,099,957
Mundo VIP	Lisbon	33.34%	33.34%	33.34%	33.34%	1,101,337	1,101,337
1) Raso SGPS, SA (consolidated accounts)	Lisbon	50.00%	50.00%	50.00%	50.00%	12,653,406	13,497,231
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	946,420	982,502
<b>Total</b>						<b>54,486,490</b>	<b>58,681,026</b>

1) Jointly controlled companies included by the proportional method in 2011 (Note 3).

Jointly controlled companies and associated companies were consolidated using the equity method.

The aggregated values of main financial indicators of jointly controlled companies and associated companies can be summarized as follows:

	30 September 2012	31 December 2011 Restated
Assets	217,182,482	232,499,219
Liabilities	159,735,143	165,982,117
	30 September 2012	30 September 2011 Restated
Income	120,086,780	137,512,857
Expenses	128,358,316	139,988,428

During the periods ended at 30 September 2012 and 2011, movements in investments, are made up as follows:

	30 September 2012	30 September 2011 Restated
<b>Investments</b>		
Opening Balance as at 1 January - restated	58,681,026	69,867,554
Change of consolidation method	-	(466,552)
Equity method		
Effect in net income	(3,508,973)	(990,659)
Dividends	-	(513,371)
Effect in equity	(685,563)	(3,313,590)
	<u>54,486,490</u>	<u>64,583,382</u>

## 6 OTHER NON-CURRENT INVESTMENTS

Other non-current investments, their head offices, proportion of capital held and their book value as at 30 September 2012 and 31 December 2011 are as follows:

Company	Head Office	Percentage of capital held				Book value	
		30 September 2012		31 December 2011		30 September 2012	31 December 2011 Restated
		Direct	Total	Direct	Total		
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	14.28%	14.28%	14.28%	14.28%	9,976	9,976
Inscó - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	748,197	748,197
Other investments						33,834,660	33,855,800
						<u>34,592,833</u>	<u>34,613,973</u>

During the periods ended as at 30 September 2012 and 2011, movements in other non-current investments, are made up as follows:

	30 September 2012	30 September 2011 Restated
<b>Investments in other companies</b>		
Opening balance as at 1 January - restated	34,613,973	34,496,255
Increase/(Decrease)	(21,140)	-
Transfers	-	12,416
Closing balance as at 30 September	<u>34,592,833</u>	<u>34,508,671</u>
Accumulated impairment losses	-	-
	<u>34,592,833</u>	<u>34,508,671</u>
<b>Financial investments advances</b>		
Opening balance as at 1 January - restated	-	60,000
Decreases	-	(60,000)
	<u>-</u>	<u>-</u>
Balance at 30 September	<u>34,592,833</u>	<u>34,508,671</u>

Under the caption other non-current investments there is an amount of 33,716,716 euro (33,737,856 euro as at 31 December 2011), related to deposited amounts on an Escrow Account which are invested in investment funds with superior rating and guarantee contractual liabilities assumed by Sonae Investimentos which may arise from the sale of Sonae Distribuição Brasil,S.A. and for which provisions were recorded (Note 22 ).

Although in accordance with the deadlines contractually established, the Escrow Account should have already been released by the buyer. That didn't happen as there are some points of disagreement on the use of the Escrow Account, namely as to whether or not, to retain the Escrow Account for ongoing fiscal procedures that have not yet been decided. It is the understanding of the Board of Directors, based on legal opinions of Brazilian and Portuguese lawyers, that the company is acting in accordance with the agreement and that this amount shall be entirely received, and that there are

legal means that may be operated so as to compel the buyer to authorize the reimbursement of the Escrow Account. There are negotiations currently under way between the two parties in order to release the above mentioned amount.

## 7 TANGIBLE ASSETS

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

	Tangible assets			
	Land and Buildings	Plant and Machinery	Others	Total tangible assets
<b>Gross assets:</b>				
Opening balance as at 1 January 2012 - restated	1,651,284,310	1,156,118,956	167,412,568	28,062,619
Acquisitions	2,268,068	1,822,473	241,488	46,129,113
Disposals	(1,921,204)	(18,019,855)	(4,580,270)	(2,811,479)
Exchange rate effect	-	(101,164)	(40,387)	-
Transfers	973,424	37,538,715	5,778,208	(45,429,703)
Closing balance as at 30 September 2012	1,652,604,598	1,177,359,125	168,811,607	25,950,550
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2012 - restated	256,086,860	527,857,301	124,835,975	-
Depreciation of the period	20,295,238	84,961,801	12,314,138	-
Disposals	(345,414)	(15,518,605)	(4,370,208)	-
Exchange rate effect	-	(62,222)	(32,483)	-
Transfers	-	(386,740)	(195,487)	-
Closing balance as at 30 September 2012	276,036,684	596,851,535	132,551,935	-
<b>Carrying amount as at 30 September 2012</b>	<b>1,376,567,914</b>	<b>580,507,590</b>	<b>36,259,672</b>	<b>25,950,550</b>
	Tangible assets			
	Land and Buildings	Plant and Machinery	Others	Total tangible assets
<b>Gross assets:</b>				
Opening balance as at 1 January 2011 - restated	1,674,566,854	1,056,683,747	161,640,441	42,312,641
Acquisitions	5,481,515	2,030,628	594,265	101,046,772
Acquisitions of subsidiaries	-	-	43,720	-
Disposals	(31,281,057)	(11,657,852)	(4,503,194)	(1,654,809)
Exchange rate effect	-	(143,366)	(135,053)	-
Transfers	2,581,173	90,059,652	11,017,991	(105,960,929)
Closing balance as at 30 September 2011 - restated	1,651,348,485	1,136,972,809	168,658,170	35,743,675
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2011 - restated	233,006,545	455,016,104	116,985,948	-
Depreciation of the period	21,995,115	80,149,953	13,624,797	-
Acquisitions of subsidiaries	-	-	41,837	-
Disposals	(5,203,529)	(10,695,828)	(4,306,499)	-
Exchange rate effect	-	(87,597)	(58,600)	-
Transfers	(2,832)	(2,808,032)	(498,049)	-
Closing balance as at 30 September 2011 - restated	249,795,299	521,574,600	125,789,434	-
<b>Carrying amount as at 30 September 2011 - restated</b>	<b>1,401,553,186</b>	<b>615,398,209</b>	<b>42,868,736</b>	<b>35,743,675</b>

The most significant values included in the caption "Tangible assets in progress" refer to the following projects:

	30 September 2012	30 September 2011 Restated
Refurbishment and expansion of stores located in Portugal	15,501,872	21,662,819
Refurbishment and expansion of stores located in Spain	1,934,475	4,236,269
Projects of stores for which advance payments were made	8,274,617	9,194,617
Others	239,586	649,970
	<u>25,950,550</u>	<u>35,743,675</u>

## 8 INTANGIBLE ASSETS

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

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total intangible assets
<b>Gross assets</b>				
Opening balance as at 1 January 2012 - restated	101,358,773	172,809,327	15,500,704	289,668,804
Acquisitions	167,356	8,374	12,396,309	12,572,039
Disposals	(206,031)	(1,144,690)	(213,724)	(1,564,445)
Exchange rate effect	3,885	(13,595)	-	(9,710)
Transfers	706,198	10,227,960	(11,021,909)	(87,751)
Closing balance as at 30 September 2012	<u>102,030,181</u>	<u>181,887,376</u>	<u>16,661,380</u>	<u>300,578,937</u>
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2012 - restated	19,148,056	114,163,082	-	133,311,138
Depreciation of the period	2,538,592	14,002,255	-	16,540,847
Impairment losses (Note 22)	-	-	463,419	463,419
Disposals	(200,795)	(1,124,194)	-	(1,324,989)
Exchange rate effect	(369)	(15,798)	-	(16,167)
Transfers	34,017	(44,497)	-	(10,480)
Closing balance as at 30 September 2012	<u>21,519,501</u>	<u>126,980,848</u>	<u>463,419</u>	<u>148,963,768</u>
<b>Carrying amount as at 30 September 2012</b>	<u>80,510,680</u>	<u>54,906,528</u>	<u>16,197,961</u>	<u>151,615,169</u>

	Intangible assets			
	Patents and other similar rights	Others	Intangible assets in progress	Total intangible assets
<b>Gross assets</b>				
Opening balance as at 1 January 2011 - restated	100,831,268	156,393,207	14,382,676	271,607,151
Acquisitions	462,025	809,492	10,716,838	11,988,355
Disposals	(4,169)	(1,824)	(377,915)	(383,908)
Exchange rate effect	(11,248)	(134,193)	-	(145,441)
Transfers	3,262	10,583,091	(10,877,120)	(290,767)
<b>Closing balance as at 30 September 2011 - restated</b>	<b>101,281,138</b>	<b>167,649,773</b>	<b>13,844,479</b>	<b>282,775,390</b>
<b>Accumulated depreciation and impairment losses</b>				
Opening balance as at 1 January 2011 - restated	14,136,103	104,487,127	-	118,623,230
Depreciation of the period	2,790,797	14,217,937	-	17,008,734
Disposals	(3,441)	(1,794)	-	(5,235)
Exchange rate effect	(125)	(29,772)	-	(29,897)
Transfers	(188,104)	145,560	-	(42,544)
<b>Closing balance as at 30 September 2011 - restated</b>	<b>16,735,230</b>	<b>118,819,058</b>	<b>-</b>	<b>135,554,288</b>
<b>Carrying amount as at 30 September 2011 - restated</b>	<b>84,545,908</b>	<b>48,830,715</b>	<b>13,844,479</b>	<b>147,221,102</b>

The value of "Intangible assets in progress" relates mainly to IT projects and software development.

Additionally, this heading also includes the fair value attributed to a group of brands with indefinite useful lives, among which the "Continente" brand, 75,000,000 euro (the same amount as at 2011).

## 9 GOODWILL

During the period ended at 30 September 2012 and 31 December 2011, movements in "Goodwill", as well as in corresponding impairment losses, were made up as follows:

	30 September 2012	31 December 2011 Restated
<b>Gross value:</b>		
Opening balance - restated	501,821,163	501,821,163
Increases	-	-
Closing balance	501,821,163	501,821,163
<b>Accumulated impairment losses:</b>		
Opening balance - restated	2,586,676	1,374,227
Increases	-	1,212,449
Closing balance	2,586,676	2,586,676
<b>Carrying amount</b>	<b>499,234,487</b>	<b>499,234,487</b>

## 10 OTHER INVESTMENTS

As at 30 September 2012 and 2011 movements in this caption can be detailed as follows:

	30 September 2012	30 September 2011 Restated
<b>Other investment</b>		
Opening balance as at 1 January - restated	3,059,200	15,185,750
Decreases in the period	(1,751,850)	(12,011,999)
Closing balance as at 30 September	1,307,350	3,173,751
Accumulated impairment losses	-	-
	<u>1,307,350</u>	<u>3,173,751</u>
<b>Derivative financial instruments</b>		
Fair value as at 1 January - restated	2,797,069	457,159
Increase/(Decrease) in fair value	(2,640,357)	1,842,200
Fair value as at 30 September (Note 18)	156,712	2,299,359
	<u>156,712</u>	<u>2,299,359</u>
<b>Total of other investments</b>	<u>1,464,062</u>	<u>5,473,110</u>

## 11 OTHER NON-CURRENT ASSETS

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

	30 September 2012	31 December 2011 Restated
<b>Loans granted to related parties</b>	18,976,002	17,935,689
<b>Trade accounts receivable and other debtors</b>		
Bails	5,945,247	5,962,373
Legal deposits	1,003,797	851,831
Recognition of an amount receivable from Carrefour	9,758,510	10,595,846
Amount receivable for selling the Modelo Cont.Seguros	2,324,273	2,264,719
	<u>38,007,829</u>	<u>37,610,458</u>
Accumulated impairment losses in other debtors (Note 22)	(1,450,000)	(1,450,000)
	<u>36,557,829</u>	<u>36,160,458</u>
Other non-current assets	243,346	372,912
	<u>36,801,175</u>	<u>36,533,370</u>

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

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

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

## 12 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 September 2012 and 31 December 2011, "Trade accounts receivable and other current assets" are made up as follows:

	30 September 2012	31 December 2011 Restated
Trade accounts receivable	35,144,208	38,401,033
Taxes recoverable	66,952,397	82,059,326
Granted loans to related companies	5,607,975	4,873,563
Other debtors		
Trade suppliers - debtor balances	41,308,878	41,132,234
Advances to suppliers	89,972	2,028,908
Credit sales sold to third parties	969,728	821,441
Special regime for settlement of tax and social security debts	12,047,568	12,047,568
VAT recoverable on real estate assets and discounts	1,143,681	444,020
Accounts receivable from the disposal of tangible fixed assets	663,539	884,326
Other debtors	9,990,606	12,124,340
	66,213,972	69,482,837
Other current assets		
Commercial discounts	42,821,817	29,495,919
Interests to be received	1,362,530	1,231,765
Commissions to be received	2,136,514	1,784,827
Rents	6,235,709	6,728,908
Condominiums management fee's	1,805,601	1,823,876
Insurance premiums paid in advance	6,323,195	3,610,428
Insurance claims	5,443,378	103,175
Software licenses	2,248,281	1,621,862
Other current assets	5,711,723	5,907,345
	74,088,748	52,308,105
Accumulated impairment losses (Note 22)	(19,510,138)	(24,335,766)
	228,497,162	222,789,098

## 13 DEFERRED TAX

Deferred tax assets and liabilities as at 30 September 2012 and 31 December 2011 are as follows, taking into consideration its temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Difference between fair value and acquisition cost	3,408,306	3,408,306	29,690,918	30,041,386
Harmonisation adjustments	82,379	82,760	67,953,972	63,532,275
Provisions and impairment losses not accepted for tax purposes	20,266,899	18,390,916	-	-
Write-off of tangible and intangible assets	3,710,042	4,917,983	-	-
Valuation of hedging derivatives	324,375	9,426	19,679	582,921
Amortisation of goodwill for tax purposes	-	-	23,383,054	22,336,051
Revaluation of tangible assets	-	-	1,734,123	1,835,383
Tax losses carried forward	100,536,453	89,372,529	-	-
Reinvested capital gains/(losses)	-	-	1,099,132	1,197,663
Others	1,484,570	1,585,096	1,417,519	385,633
	129,813,024	117,767,016	125,298,397	119,911,312

As at 30 September 2012 and 31 December 2011, and in accordance with tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	30 September 2012			31 December 2011 Restated		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2007	1,223,112	305,778	2013	1,223,112	305,778	2013
Generated in 2008	1,219,236	304,808	2014	1,227,861	306,965	2014
Generated in 2009	1,605,688	401,422	2015	1,607,078	401,769	2015
Generated in 2010	99,670	24,918	2014	99,670	24,918	2014
Generated in 2011	307,261	76,815	2015	351,258	87,814	2015
Generated in 2012	11,711,505	2,927,877	2016	-	-	
	<u>16,166,472</u>	<u>4,041,618</u>		<u>4,508,979</u>	<u>1,127,244</u>	
Without limited time use	-	-		-	-	
With a time limit different from the above mentioned	321,649,451	96,494,835		294,183,253	88,245,285	
	<u>337,815,923</u>	<u>100,536,453</u>		<u>298,692,232</u>	<u>89,372,529</u>	

As at 30 September 2012 and 31 December 2011, deferred tax assets resulting from tax losses were assessed and only recognized to the extent it was probable that sufficient taxable profits will be available in the future against which the deferred tax assets can be used, or when taxable temporary differences are recognized by the same entity and expected to reverse in the same period. This assessment was based on business plans of Sonae Investimentos companies, which are periodically reviewed and updated, and on identified and available tax planning opportunities.

As at 30 September 2012 tax losses carried forward, have not originated deferred tax assets for prudential reasons. These may be summarized as follows:

	30 September 2012			31 December 2011 Restated		
	Tax losses carried forward	Deferred tax credit	Time limit	Tax losses carried forward	Deferred tax credit	Time limit
With limited time use						
Generated in 2006	273,208	68,303	2012	292,997	73,250	2012
Generated in 2007	375,767	93,943	2013	375,767	93,943	2013
Generated in 2008	3,549,398	887,350	2014	3,549,398	887,350	2014
Generated in 2009	5,302,815	1,325,703	2015	5,302,815	1,325,703	2015
Generated in 2010	5,386,907	1,346,727	2014	5,386,907	1,346,727	2014
Generated in 2011	4,292,265	1,073,066	2015	4,022,212	1,005,553	2015
Generated in 2012	3,073,845	768,461	2016	-	-	
	<u>22,254,205</u>	<u>5,563,553</u>		<u>18,930,096</u>	<u>4,732,526</u>	
Without limited time use	11,988,607	4,076,126		11,305,988	3,844,036	
With a time limit different from the above mentioned	13,458,398	4,037,519		190,967	38,193	
	<u>47,701,210</u>	<u>13,677,198</u>		<u>30,427,051</u>	<u>8,614,755</u>	



## 14 CASH AND CASH EQUIVALENTS

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

	30 September 2012	31 December 2011 Restated
Cash at hand	6,689,472	6,908,592
Bank deposits	100,162,240	246,560,909
Treasury applications	-	11,700
Cash and cash equivalents on the balance sheet	106,851,712	253,481,201
Bank overdrafts (Note 17)	(13,856,462)	(4,393,974)
Cash and cash equivalents on the statement of cash flows	92,995,250	249,087,227

Bank overdrafts, are recorded in the balance sheet under the caption Current bank loans.

## 15 SHARE CAPITAL

As at 30 September 2012, the share capital, which is fully subscribed and paid for, is made up by 1,000,000,000 ordinary shares which do not hold right to any fixed income, with a nominal value of 1 Euro each.

As at 30 September 2012, the subscribed share capital was held as follows:

Entity	%
Sonae, SGPS, S.A.	76.858%
Sonae Investments, BV	13.142%
Sonae Specialized Retail, SGPS, S.A.	10.000%

As at 30 September 2012, Efanor Investimentos S.G.P.S., S.A. and its subsidiaries held 52.48% of the share capital of Sonae, SGPS, S.A.

## 16 NON-CONTROLLING INTERESTS

Movements in non-controlling interests during the periods ended as at 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012	31 December 2011 Restated
Opening balance as at 1 January	75,700,031	75,372,692
Dividends	(157,074)	-
Income distribution	(5,924,953)	-
Acquisition/Creation of subsidiaries	-	466,285
Capital increase with decrease of percentage	-	1,276,562
Disposal of subsidiaries	-	175,515
Others	212,261	50,896
Profit for the period attributable to non-controlling interests	(514,118)	(1,641,919)
Closing balance	69,316,147	75,700,031

## 17 LOANS

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

	30 September 2012		31 December 2011 Restated	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae Investimentos, SGPS, S.A. - commercial paper	-	306,000,000	-	282,000,000
Subsidiary of Sonae Investimentos	-	75,000,000	-	75,000,000
Others	3,333,333	6,667,050	3,593,311	10,000,385
	3,333,333	387,667,050	3,593,311	367,000,385
Bank overdrafts (Note 14)	13,856,462	-	4,393,974	-
Up-front fees beard with the issuance of loans	(7,667)	(628,684)	(7,667)	(806,486)
Bank loans	17,182,128	387,038,366	7,979,618	366,193,899
Bonds				
Bonds Modelo Continente / 2005 / 2012	-	-	150,000,000	-
Bonds Modelo Continente / 2007 / 2012	-	-	200,000,000	-
Bonds Sonae Distribuição / 2007 / 2015	-	200,000,000	-	200,000,000
Bonds Sonae Distribuição / 2007 / 2015	155,000,000	155,000,000	-	310,000,000
Bonds Sonae Distribuição 2009 / 2014	16,000,000	10,000,000	16,000,000	26,000,000
Bonds Sonae Investimentos 2012 / 2017	-	170,000,000	-	-
Up-front fees beard with the issuance of loans	(62,463)	(2,513,395)	(143,080)	(1,677,405)
Bonds	170,937,537	532,486,605	365,856,920	534,322,595
Other loans	23,263	109,369	33,466	126,395
Derivative instruments (Note 18)	822,915	-	42,744	-
Other loans	846,178	109,369	76,210	126,395
Obligations under finance leases	2,899,333	10,396,437	4,453,100	12,105,218
	191,865,176	930,030,777	378,365,848	912,748,107

At 30 September 2012, Sonae Investimentos has agreed lines of credit and commercial paper amounting to 858 million euro, of which 210 million euro with firm commitments with maturity not exceeding one year and 548 million euro with firm commitments with maturity over 1 year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, the Group has 442 million euro credit facilities available to meet its liquidity requirements.

The interest rate at 30 September 2012 of bonds and loans was approximately 2.68% (2.51% on 31 December 2011).

The derivative instruments are recorded at fair value (Note 18).

The repayment schedule of the nominal value of borrowings (including bank loans and obligations under finance leases) is summarized as follows:

	30 September 2012	31 December 2011 Restated
N+1	191,112,391	378,473,851
N+2	90,159,106	186,845,604
N+3	391,933,303	238,114,232
N+4	312,476,500	379,551,343
N+5	137,994,982	107,985,347
After N+5	608,965	2,735,472
	1,124,285,247	1,293,705,849

The maturities above were estimated in accordance with the contractual terms of loans and contracts.

## 18 DERIVATIVES

### Exchange rate derivatives

In what concerns financial risk management policy, Sonae Investimentos uses exchange rate derivatives, essentially to hedge future cash flows.

As at 30 September 2012, the fair value of the exchange rate derivatives, calculated taking into consideration the present market value of equivalent financial instruments, is estimated as follows:

	30 September 2012	31 December 2011 Restated
Assets (Note 10)	156,712	2,797,070
Liabilities (Note 17)	(822,915)	(42,744)
	<u>(666,203)</u>	<u>2,754,326</u>

Gains or losses for the period arising from changes in the fair value of derivatives amounting to (666,203) euro ((2,213,373) euro at 30 September 2011).

### Interest rate derivatives

As at 30 September 2012, the Group had no financial instrument derivative on the interest rate.

### Fair value of derivatives

The fair value of the derivatives is detailed as follows:

	Assets		Liabilities	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
Hedging derivatives				
Exchange rate	156,712	2,797,070	822,915	42,744
Interest rate	-	-	-	-
	<u>156,712</u>	<u>2,797,070</u>	<u>822,915</u>	<u>42,744</u>

## 19 OTHER NON-CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2011, the caption "Other non-current liabilities" was made up as follows:

	30 September 2012	31 December 2011 Restated
Shareholders loans	420,513,259	419,530,355
Tangible fixed assets suppliers	1,150,000	1,187,500
Other non-current liabilities	2,800,359	2,870,898
Share based payments (Note 20)	1,603,803	1,378,150
Accruals and deferrals	3,839,477	3,269,602
Other non-current liabilities	<u>429,906,898</u>	<u>428,236,505</u>

This caption "Shareholder loans" includes a subordinate bond loan repayable after 10 years issued by Sonae Investimentos fully subscribed. This loan was fully subscribed and paid for by Sonae SGPS, SA on 28 December 2010, amounting to 400 million euro corresponding to 8,000 bonds with a nominal value of 50,000 euro each. The fair value of

this loan as at 30 September 2012 is 40,563 euro (40,000 euro as at 31 December 2011) for each bond, having been determined based on the discounted cash flow method.

The above caption includes also the amount payable to participating companies refers to a shareholders' loan granted by a minority shareholder to a subsidiary that bears interest at usual market rate. The fair value of this loan is similar to its book value, with no defined maturity.

As at 30 September 2012, the caption "Other non-current liabilities" includes 822,078 euro (892,617 euro as at 31 December 2011) mainly refers to the estimated amounts to fulfil the legal and tax obligations of a Brazilian subsidiary which were considered appropriate to face up to future losses on lawsuits and for which legal deposits exist, which are recorded under the caption "Other non-current assets" (Note 11), with no defined maturity.

## 20 SHARE BASED PAYMENT PLANS

In 2012 and in previous years, Sonae Investimentos Group granted deferred performance bonuses to its directors and eligible employees. These are based on shares to be acquired at nil cost or near nil, three years after they were attributed to the employee. The purchase can be exercised during the period between the third anniversary of the grant date and the end of that year. The company has the choice to settle its responsibilities in cash instead of shares. The option can only be exercised if the employee still works for Sonae Group on the vesting date.

Liabilities arising from deferred performance bonuses as at 30 September 2012 and 31 December 2011 are made up as follows:

	Grant year	Vesting year	Number of participants	Fair value	
				30 September 2012	31 December 2011 Restated
<b>Shares</b>					
	2009	2012	49	-	2,212,536
	2010	2013	51	1,776,472	1,449,929
	2011	2014	52	1,643,408	1,320,484
	2012	2015	52	2,666,193	-
<b>Total</b>				<b>6,086,073</b>	<b>4,982,949</b>

As at 30 September 2012 and 31 December 2011 the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which has not yet vested:

	30 September 2012	31 December 2011 Restated
Staff costs	1,658,333	336,832
Recorded in previous years	1,595,301	2,994,884
	<b>3,253,634</b>	<b>3,331,716</b>
Other non-current liabilities (Note 19)	1,603,803	1,378,150
Other current liabilities (Note 21)	1,649,831	1,953,566
	<b>3,253,634</b>	<b>3,331,716</b>

The share based payment plan costs are recognized during the years between the grant and vesting date as staff costs.

## 21 TRADE CREDITORS AND OTHER CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2011 the caption "Trade creditors and other current liabilities" can be detailed as follows:

	30 September 2012	31 December 2011 Restated
Trade creditors	933,057,933	1,114,978,891
Taxes payable	46,994,702	44,281,667
Other creditors		
Tangible asset suppliers	23,535,885	43,161,637
Related undertakings	-	472,201
Other debts	40,116,225	40,476,516
	<u>63,652,110</u>	<u>84,110,354</u>
Other current liabilities		
Staff costs	97,439,801	87,606,182
Interest payable	32,114,948	8,819,359
Marketing expenses	13,160,530	9,544,702
Other external supplies and services	33,824,391	41,105,839
Deferral of sales of extended warranties	10,594,265	-
Accrued income - rents	3,321,409	3,725,249
Real Estate Municipality tax	3,486,837	4,264,930
Share based payments (Note 20)	1,649,831	1,953,566
Others	5,362,633	8,331,352
	<u>200,954,646</u>	<u>165,351,179</u>
	<u>1,244,659,391</u>	<u>1,408,722,091</u>

The caption "Other debts" includes:

- 22,597,300 euro (19,209,200 euro as at 31 December 2011), of attributed discounts not yet used referring to "Client card";
- 5,964,573 euro (9,201,784 euro as at 31 December 2011) related to means of payments owned by clients as vouchers, gift cards and discount tickets; and
- 5,221,751 euro (5,669,808 euro as at 31 December 2011) related to payable amounts to Sonae Distribuição Brasil, SA buyer as a result of responsibilities assumed with that entity.

## 22 PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

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

Caption	Balance as at 1 January 2012 restated	Increase	Decrease	Balance as at 30 September 2012
Accumulated impairment losses on intangible assets (Note 8)	1,496,933	463,419	-	1,960,352
Accumulated impairment losses on other non current assets (Note 11)	1,450,000	-	-	1,450,000
Accumulated impairment losses on trade accounts receivable and other debtors (Note 12)	24,335,766	5,021,153	(9,846,781)	19,510,138
Accumulated impairment losses on inventories	33,972,326	13,181,847	(4,269,700)	42,884,473
Non current provisions	35,325,262	47,327	(2,764,342)	32,608,247
Current provisions	2,249,330	-	(21,000)	2,228,330
	<u>98,829,617</u>	<u>18,713,746</u>	<u>(16,901,823)</u>	<u>100,641,540</u>

Caption	Balance as at 1 January 2011 restated	Increase	Decrease	Balance as at 30 September 2011 restated
Accumulated impairment losses on trade accounts receivable and other debtors	22,703,376	2,577,048	(871,219)	24,409,205
Accumulated impairment losses on inventories	20,666,324	12,485,467	(2,705,329)	30,446,462
Non current provisions	21,495,563	5,752,012	(551,782)	26,695,793
Current provisions	1,589,337	700,000	(40,007)	2,249,330
	<u>66,454,600</u>	<u>21,514,527</u>	<u>(4,168,337)</u>	<u>83,800,790</u>

The caption "Non-current provisions" includes 9,712,230 euro (10,545,595 euro as at 31 December 2011) relating to contingencies assumed by the company, on the sale of the subsidiary Sonae Distribuição Brasil, S.A. in 2005. This provision is being used as costs are being incurred.

The caption non-current provisions and the movement in the period of this caption, also includes the estimated liabilities incurred by the Group on the sale of warranty extension programmes on products traded by Sonae SR business segment until 31 December 2011 in the amount of 19,906,204 euro (21,089,454 euro as at 31 December 2011). These extensions are granted for a period of one to three years after the legally binding warranty.

## 23 CONTINGENT ASSETS AND LIABILITIES

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

	30 setembro 2012	31 dezembro 2011 Reexpresso
Garantias prestadas:		
por processos fiscais em curso	298,264,458	299,625,260
por processos autárquicos em curso	6,225,106	6,423,622
outras	25,846,505	26,480,085
Fianças prestadas a favor de subsidiárias (a)	172,973,984	127,221,883

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

Tax claims includes 255.0 million euro (256.9 million euro as at 31 December 2011) related to appeals against additional corporate income tax assessments, as well as guarantees amounting to 163.8 million euro related to a VAT proceeding (164 million euro as at 31 December 2011).

Subsidiaries of Sonae MC and Sonae SR, granted guarantees in favour of the Portuguese Tax Administration, associated with tax claims for VAT, amounting to 148.6 million euro (148.6 million euro as at 31 December 2011), for which the Company has presented, or has the intention of presenting an impugnation. Portuguese tax authorities claim that the Company should have invoiced VAT related to promotional discounts invoiced to suppliers as these discounts depend on the acquisitions made by the Group during the year, and claim that the company should not have deducted VAT from discount vouchers used by its clients.

A Retail segment company in Brazil granted a guarantee of approximately 25 million euro (65,570,840 Brazilian real, as at 30 September 2012), on a tax claim, which is being judged by tax court.

As a consequence of the sale of a subsidiary company in Brazil, Sonae guaranteed the buyer all the losses incurred by that company arising on unfavourable decisions not open for appeal, concerning tax lawsuits on transactions that took place before the sale date (13 December 2005) and that exceed 40 million euro. As at 30 September 2012, the amount claimed by the Brazilian Tax Authorities concerning the tax lawsuits still in progress, which the company's lawyers assess as having a high probability of loss plus the amounts already paid (26 million euro) related to programmes for the Brazilian State of tax recovery amount to near 39.3 million euro.

Furthermore, there are other tax lawsuits totalling 57.3 million euro for which the Board of Directors, based on the lawyers' assessment, understands will not imply future losses to the old subsidiary.

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

## 24 RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Parent company	824,132	818,333	1,257,860	115,093
Jointly controlled companies	977,883	1,068,223	2,712,942	4,250,898
Associated companies	25,383,726	25,755,053	212,790	300,764
Other related parties <sup>(1)</sup>	43,352,025	47,462,959	52,209,556	51,939,678
	<u>70,537,766</u>	<u>75,104,568</u>	<u>56,393,148</u>	<u>56,606,433</u>

  

Transactions	Interest income		Interest expenses	
	30 September 2012	30 September 2011 Restated	30 September 2012	30 September 2011 Restated
Parent company	-	233,815	22,068,599	24,895,115
Jointly controlled companies	242,576	106,550	-	-
Associated companies	834,891	798,238	-	-
Other related parties <sup>(1)</sup>	-	272,219	3,870,613	821,840
	<u>1,077,467</u>	<u>1,410,822</u>	<u>25,939,212</u>	<u>25,716,955</u>

	Accounts receivable		Accounts payable	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
<b>Balances</b>				
Parent company	836,481	648,713	23,712,860	1,666,572
Jointly controlled companies	416,313	1,109,177	540,883	375,186
Associated companies	7,272,934	5,825,823	581,157	478,978
Other related parties <sup>(1)</sup>	19,788,265	23,171,764	20,200,388	19,399,225
	<u>28,313,993</u>	<u>30,755,477</u>	<u>45,035,288</u>	<u>21,919,961</u>

  

	Loans			
	Obtained		Granted	
	30 September 2012	31 December 2011 Restated	30 September 2012	31 December 2011 Restated
<b>Balances</b>				
Parent company (Note 19)	400,000,000	400,000,000	-	-
Jointly controlled companies	-	-	5,600,000	-
Associated companies	-	-	18,976,001	18,459,118
Other related parties <sup>(1)</sup>	19,238,541	18,777,556	-	-
	<u>419,238,541</u>	<u>418,777,556</u>	<u>24,576,001</u>	<u>18,459,118</u>

- (1) Other related parties are considered to be related party affiliates or companies under joint control of Efanor SGPS, SA that are not included in Sonae Investimentos, including companies belonging to the Sonae Group, Sonae Indústria and Sonae Capital and minority shareholders of subsidiaries and affiliates of the Group.

The recorded amounts as Obtained Loans from participating companies refer to loans granted to subsidiaries by its shareholders, which bear interests at market rates.

## 25 INCOME TAX

Income tax for the nine months period ended on 30 September 2012 and 2011 is detailed as follows:

	30 September 2012	30 September 2011 Restated
Current tax	13,591,344	10,626,988
Deferred tax	(10,369,295)	(7,719,917)
	<u>3,222,049</u>	<u>2,907,071</u>



## 26 EARNINGS PER SHARE

Earnings per share for the nine months period ended on 30 September 2012 and 2011 were calculated taking into consideration the following amounts:

	30 September 2012	30 September 2011 Restated
<b>Net profit</b>		
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	20,500,533	44,478,397
Net profit taken into consideration to calculate diluted earnings per share	20,500,533	44,478,397
<b>Number of shares</b>		
Weighted average number of shares used to calculated basic earnings per share	900,000,000	900,000,000
Weighted average number of shares used to calculated diluted earnings per share	900,000,000	900,000,000
<b>Earnings per share (basic and diluted)</b>	0.022778	0.049420

On 30 September 2012 and 2011 there is no dilutive effect on the number of shares outstanding.

## 27 SEGMENT INFORMATION

The contribution of the main segments for the nine months period ended on 30 September 2012 and 2011 can be detailed as follows:

	Sonae MC	Sonae SR	Sonae RP	Others	Total
<b>30 September 2012</b>					
Turnover	2,405,267,313	845,794,515	89,465,297	(37,253,904)	3,303,273,221
Ex-Fuel	2,405,267,313	845,794,515	89,465,297	(37,253,904)	3,303,273,221
Fuel	-	-	-	-	-
Amortisation, provisions and impairment losses	65,998,804	48,091,156	22,811,115	2,744,048	139,645,123
EBIT	106,445,456	(86,178,964)	58,785,479	5,349,019	84,400,990
Invested capital	374,941,963	372,871,705	1,342,995,687	133,128,606	2,223,937,961
Sales area [000 m <sup>2</sup> ]	550	413	-	60	1,023
	Sonae MC	Sonae SR	Sonae RP	Others	Total
<b>30 September 2011 - Restated</b>					
Turnover	2,439,257,794	861,091,445	89,361,575	(33,932,829)	3,355,777,985
Ex-Fuel	2,420,943,383	861,091,445	89,361,575	(33,932,829)	3,337,463,574
Fuel	18,314,411	-	-	-	18,314,411
Amortisation, provisions and impairment losses	68,835,055	46,350,311	23,009,291	3,178,335	141,372,992
EBIT	81,028,690	(55,635,524)	74,493,004	2,705,979	102,592,149
Invested capital	552,894,455	444,248,343	1,366,238,564	133,752,989	2,497,134,351
Sales area [000 m <sup>2</sup> ]	547	402	-	60	1,009

**Sonae MC**

Includes the contribution of Group's activity related with the insignias of food based retail (Continente, Bom Bocado, Wells and Book.it) and fuels.

**Sonae SR**

Includes the contribution of Group's activity related with the insignia of non-food retail (Worten, Worten Mobile, Worten Gamer, Sport Zone, Loop, Modalfa and Zippy).

**Sonae RP**

Includes real estate assets owned and managed by Sonae Investimentos, namely commercial galleries associated to units Continente and Continente Modelo.

**Others**

Include consolidation adjustments and eliminations of intra-group balances and contribution from other companies not included in the previous segments. These values also include the elimination of rents invoiced by the Real Estate Segment to other Segments, presented in the turnover caption.

**EBIT**

Turnover + Other income – Operational costs + Gains / losses on sales of businesses – Amortisations, provisions and impairment losses.

**Capital employed**

Gross real estate assets + other fixed assets (including Goodwill) - Amortisations and impairment losses + Financial investments + Working capital.

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**28 APPROVAL OF THE FINANCIAL STATEMENTS**

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The accompanying consolidated financial statements were approved by the Board of Directors and authorized for issue on 12 November 2012.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigo Jordão

## Condensed individual financial statements

## SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012  
AND 2011 AND AS AT 31 DECEMBER 2011(Translation of condensed individual financial statements originally issued in Portuguese.  
In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

ASSETS	Notes	30.September.2012	30.September.2011	31.December.2011
<b>NON-CURRENT ASSETS:</b>				
Tangible assets		67	93	86
Intangible assets		1,833	3,769	3,656
Investments	4	2,650,329,951	2,695,353,144	2,650,119,951
Deferred tax assets	5	2,944,026	3,001,047	82,690
Other non-current assets	6	1,436,977,274	1,254,546,989	1,590,401,623
Total Non-Current Assets		4,090,253,151	3,952,905,042	4,240,608,006
<b>CURRENT ASSETS:</b>				
Trade accounts receivable and other current assets	7	204,264,860	497,045,700	203,305,426
Cash and cash equivalents	8	11,076,649	21,129,530	132,716,621
Total Current Assets		215,341,509	518,175,230	336,022,047
<b>TOTAL ASSETS</b>		<b>4,305,594,660</b>	<b>4,471,080,272</b>	<b>4,576,630,053</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital		1,000,000,000	1,000,000,000	1,000,000,000
Reserves and retained earnings		1,329,382,832	1,334,524,273	1,334,524,273
Profit for the period		14,453,933	11,676,111	14,858,559
<b>TOTAL EQUITY</b>		<b>2,343,836,765</b>	<b>2,346,200,384</b>	<b>2,349,382,832</b>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	10	843,466,798	967,458,503	824,618,550
Deferred tax liabilities	5	374	920	784
Other non-current liabilities	11	400,000,000	400,126,834	400,126,731
Total Non-Current Liabilities		1,243,467,172	1,367,586,257	1,224,746,065
<b>CURRENT LIABILITIES:</b>				
Loans	10	176,638,647	384,722,007	369,740,894
Trade creditors and other current liabilities	12	541,652,076	372,571,624	632,760,262
Total Current Liabilities		718,290,723	757,293,631	1,002,501,156
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,305,594,660</b>	<b>4,471,080,272</b>	<b>4,576,630,053</b>

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL INCOME STATEMENTS FOR THE PERIODS ENDED  
30 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Notes	3 <sup>rd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2011	30.September.2012	30.September.2011
Services rendered		498,474	530,372	1,424,626	1,492,760
Gains or losses on investments	15	8,073,496	-	32,719,872	31,007,295
Financial income	16	12,280,476	12,884,246	38,619,429	36,813,266
Other income		190,217	8,200	330,951	17,614
External supplies and services		(776,740)	(411,996)	(2,037,063)	(1,251,897)
Staff costs		(64,494)	101,842	(70,696)	(41,202)
Depreciation and amortisation		(614)	(587)	(1,843)	(1,893)
Financial expenses	16	(21,454,426)	(20,461,162)	(62,024,938)	(59,047,728)
Other expenses		(25,207)	(4,970)	(331,712)	(336,893)
Profit/(Loss) before taxation		(1,278,818)	(7,354,055)	8,628,626	8,651,322
Taxation		2,197,969	1,833,520	5,825,307	3,024,789
Profit/(Loss) after taxation		919,151	(5,520,535)	14,453,933	11,676,111
Earnings per share	17	0.0010	(0.0061)	0.0161	0.0130

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE PERIODS ENDED AT 30 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	3 <sup>rd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2011	30.September.2012	30.September.2011
Net Profit / (Loss) for the period	919,151	(5,520,535)	14,453,933	11,676,111
Changes in hedge and fair value reserves	-	336,183	-	1,854,317
Total comprehensive income for the period	919,151	(5,184,352)	14,453,933	13,530,428

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

## CONDENSED INDIVIDUAL STATEMENTS OF CHANGE IN EQUITY FOR THE PERIODS ENDED AT 30 SEPTEMBER 2012 AND 2011

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

(Amounts expressed in euro)

	Share Capital	Reserves and Retained Earnings				Net Profit/(Loss)	Total
		Legal Reserve	Hedging Reserve	Other Reserves	Reserves and Retained		
Balance as at 1 January 2011	1,000,000,000	117,087,918	(1,854,317)	766,897,093	882,130,694	450,539,262	2,332,669,956
Total comprehensive income for the period	-	-	1,854,317	-	1,854,317	11,676,111	13,530,428
Appropriation of profit of 2010:	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	22,526,963	-	428,012,299	450,539,262	(450,539,262)	-
Balance as at 30 September 2011	1,000,000,000	139,614,881	-	1,194,909,392	1,334,524,273	11,676,111	2,346,200,384
Balance as at 01 January 2012	1,000,000,000	139,614,881	-	1,194,909,392	1,334,524,273	14,858,559	2,349,382,832
Total comprehensive income for the period	-	-	-	-	-	14,453,933	14,453,933
Appropriation of profit of 2011:	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	742,928	-	-	742,928	(742,928)	-
Dividends distributed	-	-	-	(5,884,369)	(5,884,369)	(14,115,631)	(20,000,000)
Balance as at 30 September 2012	1,000,000,000	140,357,809	-	1,189,025,023	1,329,382,832	14,453,933	2,343,836,765

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

The Board of Directors

## SONAE INVESTIMENTOS, SGPS, SA

CONDENSED INDIVIDUAL CASH FLOW STATEMENTS FOR THE PERIODS ENDED  
30 SEPTEMBER 2012 AND 2011(Translation of the condensed financial statements originally issued in Portuguese.  
In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)

	Notes	3 <sup>rd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2011	30. September.2012	30. September.2011
<b>OPERATING ACTIVITIES</b>					
Net cash flow from operating activities (1)		<u>7,973,329</u>	<u>(13,775,463)</u>	<u>4,820,474</u>	<u>4,258,874</u>
<b>INVESTMENT ACTIVITIES</b>					
Cash receipts arising from:					
Investments		-	-	-	91,365,276
Interests and similar income		666,312	1,502,779	31,516,780	33,359,651
Dividends		-	-	24,646,376	25,053,099
Others		8,073,496	-	8,073,496	29,954
Loans granted		<u>224,313,219</u>	<u>503,844,135</u>	<u>733,335,979</u>	<u>1,020,471,539</u>
		<u>233,053,027</u>	<u>505,346,914</u>	<u>797,572,631</u>	<u>1,170,279,519</u>
Cash payments arising from:					
Investments		-	-	(210,000)	(884,736)
Tangible and intangible assets		-	(218)	(492)	(218)
Others		-	-	-	(12,807)
Loans granted		<u>(194,834,000)</u>	<u>(499,200,965)</u>	<u>(572,538,347)</u>	<u>(1,169,261,569)</u>
		<u>(194,834,000)</u>	<u>(499,201,183)</u>	<u>(572,748,839)</u>	<u>(1,170,159,330)</u>
Net cash used in investment activities (2)		<u>38,219,027</u>	<u>6,145,731</u>	<u>224,823,792</u>	<u>120,189</u>
<b>FINANCING ACTIVITIES</b>					
Cash receipts arising from:					
Loans obtained		<u>1,535,419,000</u>	<u>1,846,134,669</u>	<u>4,921,218,150</u>	<u>4,324,978,431</u>
		<u>1,535,419,000</u>	<u>1,846,134,669</u>	<u>4,921,218,150</u>	<u>4,324,978,431</u>
Cash payments arising from:					
Loans obtained		<u>(1,565,327,667)</u>	<u>(1,847,473,023)</u>	<u>(5,224,353,039)</u>	<u>(4,389,725,165)</u>
Interests and similar charges		<u>(10,464,101)</u>	<u>(17,138,744)</u>	<u>(29,966,486)</u>	<u>(56,518,857)</u>
Dividends		<u>(20,000,000)</u>	-	<u>(20,000,000)</u>	<u>(68)</u>
		<u>(1,595,791,768)</u>	<u>(1,864,611,767)</u>	<u>(5,274,319,525)</u>	<u>(4,446,244,090)</u>
Net cash used in financing activities (3)		<u>(60,372,768)</u>	<u>(18,477,098)</u>	<u>(353,101,375)</u>	<u>(121,265,659)</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		<u>(14,180,412)</u>	<u>(26,106,830)</u>	<u>(123,457,109)</u>	<u>(116,886,596)</u>
Cash and cash equivalents at the beginning of the period		<u>22,881,616</u>	<u>36,641,788</u>	<u>132,158,313</u>	<u>127,421,554</u>
Cash and cash equivalents at the end of the period	8	<u>8,701,204</u>	<u>10,534,958</u>	<u>8,701,204</u>	<u>10,534,958</u>

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

The Board of Directors



# SONAE INVESTIMENTOS, SGPS, SA

## NOTES TO THE CONDENSED INDIVIDUAL FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SETPEMBER 2012

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

*(Amounts expressed in euro)*

### 1 INTRODUCTION

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SONAE INVESTIMENTOS, SGPS, SA, “the Company” or “Sonae Investimentos” it’s a Portuguese Corporation, with head-office in Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Matosinhos, Portugal.

The Company’s main activity is the management of shareholdings (Note 4).

### 2 BASIS OF PREPARATION

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

### 3 PRINCIPAL ACCOUNTING POLICIES

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The accounting policies adopted are consistent with those described in the file of the annual financial statements for the year ended 31 December 2011.

## 4 INVESTMENTS

As at 30 September 2012 and 31 December 2011, the investments caption is made up as follows:

Company	30.September.2012		31.December.2011	
	% held	Final balance	% held	Final balance
Azulino - Imobiliária, SA	100.00%	498,025	100.00%	498,025
Bertimóvel - Sociedade Imobiliária, SA	100.00%	2,115,000	100.00%	2,115,000
Canasta - Empreendimentos Imobiliários, SA	100.00%	1,669,375	100.00%	1,669,375
Chão Verde - Sociedade de Gestão Imobiliária, SA	100.00%	2,244,591	100.00%	2,244,591
Citorres - Sociedade Imobiliária, SA	100.00%	477,848	100.00%	477,848
Contimobe - Imobiliária do Castelo de Paiva, SA	100.00%	231,318,722	100.00%	231,318,722
Cumulativa - Sociedade Imobiliária, SA	100.00%	2,390,191	100.00%	2,355,191
Fozimo - Sociedade Imobiliária, SA	100.00%	24,940	100.00%	24,940
Fozmassimo - Sociedade Imobiliária, SA	100.00%	6,264,902	100.00%	6,264,902
Fundo de Investimento Imobiliário Fechado Imosede	54.55%	64,415,021	54.55%	64,415,021
Fundo de Investimento Imobiliário Imosonae Dois	74.94%	108,755,437	74.94%	108,755,437
Igimo - Sociedade Imobiliária, SA	100.00%	220,000	100.00%	220,000
Iginha - Sociedade Imobiliária, SA	100.00%	1,359,000	100.00%	1,359,000
Imoconti - Sociedade Imobiliária, SA	100.00%	380,000	100.00%	380,000
Imoestrutura - Sociedade Imobiliária, SA	100.00%	24,940	100.00%	24,940
Imomuro - Sociedade Imobiliária, SA	100.00%	999,940	100.00%	999,940
Imoresultado - Sociedade Imobiliária, SA	100.00%	109,736	100.00%	109,736
Imosistema - Sociedade Imobiliária, SA	100.00%	280,000	100.00%	280,000
MDS, SGPS, SA	46.92%	51,000,000	46.92%	51,000,000
MJLF - Empreendimentos Imobiliários, SA	100.00%	1,809,397	100.00%	1,809,397
Modelo - Distribuição de Materiais de Construção, SA	50.00%	9,790,614	50.00%	9,790,614
Modelo Hiper Imobiliária, SA	100.00%	10,655,164	100.00%	10,655,164
Modelo.Com - Vendas por Correspondência, SA	100.00%	12,637,016	100.00%	12,637,016
Mundo Vip - Operadores Turísticos, SA	33.34%	1,101,337	33.34%	1,101,337
Predicomercial - Promoção Imobiliária, SA	100.00%	6,372,293	100.00%	6,372,293
Raso, SGPS, SA	50.00%	24,500,000	50.00%	24,500,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	100.00%	1,513,379	100.00%	1,513,379
Sempre à Mão - Sociedade Imobiliária, SA	100.00%	2,130,558	100.00%	2,130,558
Sesagest - Projectos e Gestão Imobiliária, SA	100.00%	36,677,088	100.00%	36,677,088
Socijofra - Sociedade Imobiliária, SA	100.00%	550,000	100.00%	550,000
Sociloures - Sociedade Imobiliária, SA	100.00%	10,000,000	100.00%	10,000,000
Soflorin, BV	100.00%	257,309,037	100.00%	257,309,037
Sonae - Specialized Retail, SGPS, SA	100.00%	1,050,000,000	100.00%	1,050,000,000
Sonae Capital Brasil, SA	37.00%	19,600,307	37.00%	19,600,307
Sonae Center Serviços II, SA	100.00%	58,032,319	100.00%	58,032,319
Sonae MC - Modelo Continente, SGPS, SA	100.00%	600,000,000	100.00%	600,000,000
Sonaegest - Soc. Gest. de Fundos de Investimentos, SA	40.00%	384,351	40.00%	384,351
Sonaerp - Retail Properties, SA	100.00%	114,495,350	100.00%	114,495,350
Sondis Imobiliária, SA	100.00%	474,940	100.00%	474,940
Sonvecap, BV	100.00%	3,000,000	100.00%	3,000,000
Tlantic Portugal - Sistemas de Informação, SA	100.00%	1,068,316	100.00%	893,316
Valor N, SA	100.00%	2,087,315	100.00%	2,087,315
Total		2,698,736,448		2,698,526,448
Impairment		(48,406,497)		(48,406,497)
Total		2,650,329,951		2,650,119,951

## 5 DEFERRED TAX

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

	Assets	
	30.September.2012	31.December.2011
Fiscal losses carried forward	2,910,697	-
Others	33,329	82,690
	<u>2,944,026</u>	<u>82,690</u>

  

	Liabilities	
	30.September.2012	31.December.2011
Differences between amortisations for accounting and tax purposes	374	784
	<u>374</u>	<u>784</u>

## 6 OTHER NON-CURRENT ASSETS

As at 30 September 2012 and 31 December 2011 the non-current assets were as follows:

	30.September.2012	31.December.2011
Loans granted	1,436,103,001	1,589,586,905
Other debtors	874,273	814,718
	<u>1,436,977,274</u>	<u>1,590,401,623</u>

These loans earn interests at market rates indexed to Euribor and their fair value is similar to their carrying amount. The loans refer to loans granted to subsidiaries with no defined maturity.

There are no past due or impaired on loans receivable as at 30 September 2012 and 31 December 2011. The fair value of loans granted to group companies is considered to be similar to its carrying amount.

## 7 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 September 2012 and 31 December 2011 the non-current assets were as follows:

	30.September.2012	31.December.2011
Trade accounts receivable	361,009	525,861
Group companies	126,285,028	166,141,874
Other debtors	5,005,776	5,453,996
Tax recoverable	33,125,391	27,680,590
Other current assets	39,487,656	3,503,105
	<u>204,264,860</u>	<u>203,305,426</u>

The caption group companies includes: (i) the amount of 105,983,259 euro (141,714,282 euro in 31 December 2011) related to short term loans and interest to group companies; (ii) the amount of 20,301,769 euro (24,427,592 euro in 31 December 2011) related to income tax calculated by the group companies taxed in accordance with the Special Regime for Taxing Group of Companies.

The caption other debtors includes 4,778,747 euro (the same amount as at 31 December 2011), related to tax claims of tax assessments paid to tax authorities. No provision or impairment was recorded in order to face possible losses as it is understood by the Board of Directors that the outcome of these claims will be favourable to the Company.

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

## 8 CASH AND CASH EQUIVALENTS

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

	30.September.2012	31.December.2011
Cash	550	550
Bank deposits	11,076,099	132,716,071
Cash and cash equivalents on the balance sheet	11,076,649	132,716,621
Bank overdrafts	(2,375,445)	(558,308)
Cash and cash equivalents on the cash flows statement	8,701,204	132,158,313

Bank overdrafts are disclosed in the statement of financial position under the caption short term bank loans.

## 9 SHARE CAPITAL

As at 30 September 2012 and 31 December 2011, the share capital, which is fully subscribed and paid for, is made up by 1,000,000,000 ordinary shares, with a nominal value of 1 euro each.

A subsidiary company (Sonae – Specialized Retail, SGPS, SA) owns 100,000,000 shares of Sonae Investimentos. These shares are considered as treasury shares under the Commercial Companies Code, reason why the underlying rights to these shares are suspended.

As at 30 September 2012 and 31 December 2011, the subscribed share capital was held as follows:

	30.September.2012	31.December.2011
Sonae, SGPS, SA	76.86%	76.86%
Sonae Investments BV	13.14%	13.14%
Sonae - Specialized Retail, SGPS, SA	10.00%	10.00%

## 10 BORROWINGS

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

	30.September.2012	31.December.2011
Bonds Sonae Distribuição 2007/2015	200,000,000	200,000,000
Bonds Sonae Distribuição Setembro 2007/2015	155,000,000	310,000,000
Bonds Sonae Distribuição 2009/2014	10,000,000	26,000,000
Bonds Sonae Investimentos 2012/2017	170,000,000	-
Up-front fees not yet charged to income statement	(2,513,395)	(1,677,405)
Bond loans	532,486,605	534,322,595
Commercial paper	306,000,000	282,000,000
Other bank loans	5,000,000	8,333,334
Up-front fees not yet charged to income statement	(19,807)	(37,379)
Bank loans	310,980,193	290,295,955
<b>Non-current loans</b>	<b>843,466,798</b>	<b>824,618,550</b>

	30.September.2012	31.December.2011
Bonds Modelo Continente 2007/2012	-	200,000,000
Bonds Sonae Distribuição Setembro 2007/2015	-	150,000,000
Bonds Sonae Distribuição 2009/2014	16,000,000	16,000,000
Bonds Sonae Distribuição 2007/2015	155,000,000	-
Up-front fees not yet charged to income statement	(62,463)	(143,080)
Bond loans	170,937,537	365,856,920
Other bank loans	3,333,333	3,333,333
Up-front fees not yet charged to income statement	(7,667)	(7,667)
Bank overdrafts (note 8)	2,375,444	558,308
Bank loans	5,701,110	3,883,974
<b>Current loans</b>	<b>176,638,647</b>	<b>369,740,894</b>

As at 30 September 2012 Sonae Investimentos has agreed lines of credit and commercial paper programs amounting 830 million euro, out of which 182 million with firm commitments with maturity not exceeding one year and 548 million euro with firm commitments with maturity over one year.

Under the above mentioned lines of credit and commercial paper programs with firm commitments, the company had 424 million euro credit facilities available to meet its liquidity requirements.

The interest rate as at 30 September 2012 of the bonds and bank loans was, on average, 2.60% (2.37% as at 31 December 2011).

## 11 OTHER NON-CURRENTS LIABILITIES

As at 30 September 2012 and 31 December 2011 this caption includes a subordinate bond loan, repayable in 10 years issued by Sonae Investimentos at market conditions. This loan was fully subscribed and paid for Sonae SGPS, SA on 28 December 2010 amounting to 400,000,000 euro, relating 8,000 bonds with nominal value of 50,000 euro each.

As at 30 September 2012 the fair value of this bond loan is 40,563 euro (40,000 euro on 31 December 2011) per bond, and was determined based on discounted cash flows method.

## 12 TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

As at 30 September 2012 and 31 December 2011, this heading is made up as follows:

	30.September.2012	31.December.2011
Trade accounts payable	62,740	1,092,558
Group companies	492,330,399	618,102,501
Other accounts payable	43,540	1,572,506
Tax and contributions payable	6,201,701	1,919,990
Other current liabilities	43,013,696	10,072,707
	<b>541,652,076</b>	<b>632,760,262</b>

The caption group companies includes: (i) 477,286,335 euro (605,087,891 euro on 31 December 2011) related to short term loans of the group companies; (ii) the amount 15,044,064 euro (13,014,610 euro on 31 December 2011) related to income tax calculated by the group companies taxed in accordance with the Special Regime for Taxing Group of Companies.

The caption "Other current liabilities" includes mainly accrued interests not yet due relating to loans obtained.

## 13 CONTINGENT LIABILITIES

As at 30 September 2012 and 31 December 2011 the contingent liabilities were detailed as follows:

		30.September.2012	31.December.2011
Guarantees rendered:			
related to tax claims awaiting outcome	(a)	268,323,385	222,571,285
related to local and municipal claims awaiting outcome		28,938	28,938
others		10,633,112	10,643,765
Guarantees given in favour of subsidiaries	(b)	48,082,127	48,082,127

a) Includes the amount of 263,144,428 euro (217,392,328 euro as at 31 December 2011) referring to corporate income tax claims awaiting outcome and the amount of 5,178,957 euro (5,178,957 euro as at 31 December 2011) relating to stamp duty claims.

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

No provision has been recognized for these tax additional assessments, to which some guarantees were made, as the Board of Directors expects their outcome to be favorable to the Company with no additional liability.

Following the disposal of a Brazilian subsidiary company, the group guaranteed to that subsidiary company buyer all the losses it will have as consequence of tax additional assessments as it is described in the Note of Contingent Assets and Liabilities in the Consolidated financial statements.

## 14 RELATED PARTIES

Main balances and transactions with related parties are detailed as follows:

	30.September.2012	31.December.2011
<b>Balance:</b>		
Parent company	141,037	31,894
Subsidiaries	56,782,921	55,144,842
Jointly controlled companies	71,371	42,159
Associated companies	1,515,763	1,904,719
Other related parties	9,156	-
Accounts receivable	58,520,248	57,123,614
Parent company	23,202,133	1,410,945
Subsidiaries	25,217,619	15,859,308
Associated companies	40,382	-
Other related parties	3,249,584	17
Accounts payable	51,709,717	17,270,270
Subsidiaries	1,517,510,259	1,678,678,093
Jointly controlled companies	5,600,000	4,300,000
Associated companies	18,976,001	17,935,689
Loans granted	1,542,086,261	1,700,913,782
Parent company	347,400,000	347,400,000
Subsidiaries	477,286,335	605,087,891
Other related parties	52,600,000	52,600,000
Loans obtained	877,286,335	1,005,087,891

	30.September.2012	30.September.2011
<b>Transactions:</b>		
Subsidiaries	749,997	749,997
Associated companies	674,629	742,763
<b>Services rendered</b>	<b>1,424,626</b>	<b>1,492,760</b>
Parent company	856,628	37,500
Subsidiaries	54	-
Jointly controlled companies	-	302
Associated companies	20,392	20,235
Other related parties	580	1,222
<b>Purchases and services obtained</b>	<b>877,654</b>	<b>59,259</b>
Parent company	117,227	645
Subsidiaries	206,847	5,126
Associated companies	180	-
<b>Other income</b>	<b>324,254</b>	<b>5,771</b>
Parent company	-	180,754
Subsidiaries	36,976,423	34,509,752
Jointly controlled companies	242,576	106,550
Associated companies	834,891	738,684
<b>Interest income</b>	<b>38,053,890</b>	<b>35,535,740</b>
Parent company	22,068,599	24,895,115
Subsidiaries	9,030,334	4,655,577
Other related parties	3,202,756	-
<b>Interest expenses</b>	<b>34,301,689</b>	<b>29,550,692</b>
Subsidiaries	24,489,302	24,978,000
Associated companies	157,074	75,099
<b>Dividend income</b>	<b>24,646,376</b>	<b>25,053,099</b>
Subsidiaries	8,073,496	224,736
<b>Income from Investment Fund Participation Units</b>	<b>8,073,496</b>	<b>224,736</b>
Other related parties	-	224,736
<b>Investments acquisition</b>	<b>16,146,992</b>	<b>674,208</b>

All Sonae, SGPS, SA and Efanor Investimentos SGPS, SA subsidiaries, associates and joint ventures are considered related parties and are identified in Consolidated Financial Statements.

During 9 months ended on 30 September 2012 and 2011 did not occur any transactions including granted loans to the Company's Directors.

## 15 INVESTMENT INCOME

As at 30 September 2012 and 2011 investment income is as follows:

	30.September.2012	30.September.2011
Dividends	24,646,376	25,053,099
Income from Investment Fund Participation Units	8,073,496	-
Gains on the sale of investments	-	5,954,196
	<b>32,719,872</b>	<b>31,007,295</b>

## 16 FINANCIAL INCOME

As at 30 September 2012, this caption includes the amount of 38,583,983 euro (35,807,728 euro as at 30 September 2011) related to receivable interests and the amount of 57,722,754 euro (55,147,117 euro as at 30 September 2011) related to payable interests.

## 17 EARNINGS PER SHARE

Earnings per share for the periods ended 30 September 2012 and 2011 were calculated taking into consideration the following amounts:

	30.September.2012	30.September.2011
<b>Net Profit</b>		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	14,453,933	11,676,111
Net profit taken into consideration to calculate diluted earnings per share	14,453,933	11,676,111
<b>Number of shares</b>		
Weighted average number of shares used to calculate basic earnings per share	900,000,000	900,000,000
Weighted average number of shares used to calculate diluted earnings per share	900,000,000	900,000,000
Earnings per share (basic and diluted)	0.0161	0.0130

## 18 APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 12 November 2012.

## 19 INFORMATION REQUIRED BY LAW

### Decree-Law n<sup>er</sup> 318/94 art. 5<sup>th</sup> n<sup>er</sup> 4<sup>th</sup>

During the period ended as at 30 September 2012 shareholders' loan contracts were signed with the following companies:

Soflorin BV

During the period ended as at 30 September 2012, treasury application agreements were signed with the following companies:

Carnes do Continente - Indústria e Distribuição de Carnes, SA

Estevão Neves – Hipermercados da Madeira, SA

Pharmacontinente - Saúde e Higiene, SA

Raso, SGPS, SA

Raso Viagens e Turismo, SA

Sonae, SGPS, SA

Tlantic Portugal - Sistemas de Informação, SA



As at 30 September 2012 amounts owed by subsidiaries can be detailed as follows:

<b>Company</b>	<b>30.September.2012</b>
Azulino - Imobiliária, SA	3,920,174
Bom Momento - Comércio Retalhista, SA	335,000
Bertimóvel - Sociedade Imobiliária, SA	24,883,000
Canasta - Empreendimentos Imobiliários, SA	2,174,208
Chão Verde - Sociedade de Gestão Imobiliária, SA	4,906,050
Citorres - Sociedade Imobiliária, SA	3,094,050
Contimobe - Imobiliária do Castelo de Paiva, SA	43,353,807
Continente Hipermercados, SA	33,958,450
Cumulativa - Sociedade Imobiliária, SA	2,229,333
Edições Book.it, SA	4,631,000
Farmácia Selecção, SA	3,536,050
Fashion Division, SA	7,775,000
Fozimo – Sociedade Imobiliária, SA	1,569,301
Igimo – Sociedade Imobiliária, SA	674,050
Iginha – Sociedade Imobiliária, SA	19,118,462
Imoconti – Sociedade Imobiliária, SA	12,828,724
Imoestrutura - Sociedade Imobiliária, SA	195,050
Imomuro - Sociedade Imobiliária, SA	3,892,947
Imoresultado – Sociedade Imobiliária, SA	457,050
Imosistema - Sociedade Imobiliária, SA	3,984,642
MJLF - Empreendimentos Imobiliários, SA	2,998,187
Modelo - Distribuição de Materiais de Construção, SA	19,168,707
Mundo Vip - Operadores Turísticos, SA	1,000,000
MDS SGPS, SA	17,976,001
Pharmacontinente - Saúde e Higiene, SA	7,347,000
Predicomercial - Promoção Imobiliária, SA	6,763,310
Raso, SGPS, SA	5,600,000
Selifa - Sociedade de Empreendimentos Imobiliários, SA	3,102,976
Sempre à Mão - Sociedade Imobiliária, SA	52,282,020
Socijofra - Sociedade Imobiliária, SA	6,143,487
Sociloures - Sociedade Imobiliária, SA	21,372,277
Soflorin, BV	210,223,074
Sonae MC - Modelo Continente, SGPS, SA	796,003,050
Sonaerp - Retail Properties, SA	188,647,931
Sondis Imobiliária, SA	22,276,342
Tlantic Portugal - Sistemas de Informação, SA	262,000
Valor N, SA	3,403,551
	<u>1,542,086,261</u>

The amounts due to group companies as at 30 September 2012 related to the mentioned contracts were the following:

Company	30.September.2012
BB Food Service, SA	1,287,045
Carnes do Continente - Indústria e Distribuição de Carnes, SA	2,602,000
Contibomba - Comércio e Distribuição de Combustíveis, SA	658,950
Estevão Neves - Hipermercados da Madeira, SA	3,271,000
Fozmassimo - Sociedade Imobiliária, SA	918,950
Modelo Continente Hipermercados, SA	285,433,000
Modelo Hiper Imobiliária, SA	2,581,950
Modelo.Com - Vendas por Correspondência, SA	8,814,950
Pharmaconcept - Actividades em Saúde, SA	1,991,000
Peixes do Continente - Indústria e Distribuição de Peixes, SA	969,000
Sesagest - Projectos e Gestão Imobiliária, SA	1,889,950
Sonae Center Serviços II, SA	6,037,000
Sonae - Specialized Retail, SGPS, SA	159,288,540
Todos os Dias - Comércio Ret. e Expl. de Centros Comerciais, SA	1,543,000
	<u>477,286,335</u>

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

Nuno Manuel Moniz Trigoso Jordão