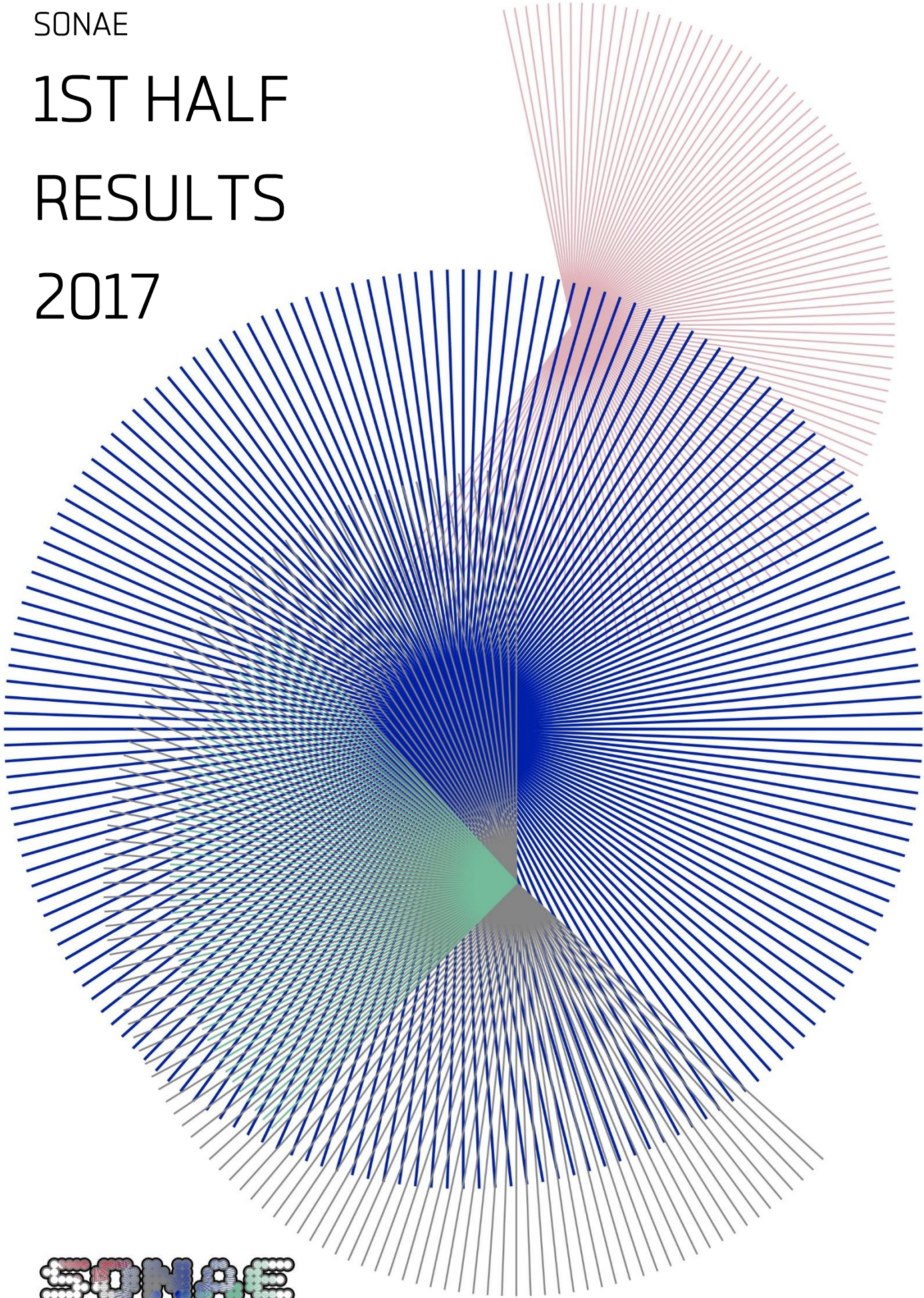


SONAE

1ST HALF RESULTS 2017



1 HIGHLIGHTS AND CEO'S MESSAGE

- Sonae increased turnover by 8.0% y.o.y. to €2,603 M, fuelled by a growth of 10.0% in 2Q17
- Sonae underlying EBITDA increased to €116 M in 1H17, +9.2% y.o.y.
- Contribution of Sonae companies consolidated through equity increased 24.5% in 1H17, to €32 M, and 36.9% in 2Q17, to €17 M

“The second quarter progressed according to our expectations, with positive contributions from all activities, which led to significant turnover growth (+8%) and an increase in recurrent profitability (+12%) in the first semester when compared to the previous year.

Increased competition in different business areas has demanded aggressive productivity increases, along with high levels of investment that have resulted in the reinforcement of competitive positions in our main sectors.

The strong focus on the digital transformation of our companies and the improvement of their online value proposition was also evidenced by the achieved results.

In addition to positive operational developments and progress in strategic execution, once again we improved our balance sheet, which is now financed by equity close to 60%.”

Ângelo Paupério, Sonae Co-CEO

2 SONAE PERFORMANCE AND CAPITAL STRUCTURE

Sonae businesses overview

Million euros	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Turnover						
Sonae Retail	2,385	2,564	7.5%	1,185	1,307	10.3%
Sonae Sierra ⁽¹⁾	100	108	8.1%	48	54	12.1%
NOS ⁽¹⁾	743	769	3.5%	373	388	4.2%
Sonae IM	61	69	14.5%	34	36	7.1%
Sonae FS	8	11	39.5%	4	6	51.1%
Underlying EBITDA						
Sonae Retail	116	128	10.3%	65	74	13.6%
Sonae Sierra ⁽¹⁾	48	50	5.8%	22	25	14.2%
NOS ⁽¹⁾	287	300	4.8%	149	157	5.4%
Sonae IM	1.9	2.4	29.0%	1.4	1.8	28.9%
Sonae FS	-1.1	1.4	-	0.1	0.7	-

(1) Consolidated in statutory accounts using the equity method.

Sonae consolidated results

Million euros	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Turnover	2,410	2,603	8.0%	1,204	1,324	10.0%
Underlying EBITDA	106	116	9.2%	63	67	6.8%
Underlying EBITDA margin	4.4%	4.5%	0.0 p.p.	5.2%	5.0%	-0.2 p.p.
Equity method results ⁽¹⁾	25	32	24.5%	13	17	36.9%
o.w. S. Sierra (direct results)	13	15	12.5%	6	8	25.4%
o.w. NOS	10	16	59.0%	5	9	70.2%
Non-recurrent items	56	-5	-	-6	-4	-
EBITDA	187	142	-24.0%	69	80	16.9%
EBITDA margin	7.8%	5.5%	-2.3 p.p.	5.7%	6.1%	0.4 p.p.
D&A ⁽²⁾	-96	-99	-3.2%	-46	-51	-9.9%
EBIT	92	44	-52.4%	23	30	31.1%
Net financial activity	-25	-18	28.6%	-11	-10	8.1%
EBT	67	26	-61.2%	12	20	67.3%
Taxes	-1	17	-	11	14	31.8%
Direct results ⁽³⁾	66	43	-35.5%	23	34	50.3%
Indirect results	11	33	195.4%	26	33	27.1%
Net income	77	75	-2.5%	48	67	38.0%
Non-controlling interests	-1	-2	-163.8%	-2	-2	0.8%
Net income group share	76	73	-4.4%	46	65	39.7%

(1) Equity method results: includes direct income related to investments consolidated by the equity method (mainly Sonae Sierra and NOS);

(2) Depreciations & amortisations including provisions & impairments;

(3) Direct results before non-controlling interests.

Sonae net invested capital

Million euros	1H16	1H17	y.o.y.
Net invested capital	3,281	3,453	5.2%
Sonae shareholders funds	1,892	2,034	7.5%
Sonae net debt ⁽¹⁾	1,389	1,419	2.1%
Net debt / Invested capital	42.3%	41.1%	-1.2 p.p.

(1) Financial net debt + net shareholder loans.

Sonae businesses highlights

- Acceleration of turnover growth in major businesses in 2Q17;
- Underlying EBITDA increasing in all businesses.

From a statutory perspective, **Sonae consolidated turnover** reached €2,603 M in 1H17, registering an increase of 8.0% y.o.y., with all businesses contributing positively to this evolution: Sonae Retail, Sonae IM and Sonae FS.

Sonae underlying EBITDA increased by 9.2%, to €116 M, driven by all businesses' positive evolution. **Sonae underlying EBITDA margin** increased from 4.4% in 1H16 to 4.5% in 1H17.

Sonae EBITDA totalled €142 M, corresponding to an **EBITDA margin** of 5.5%, down from 7.8% in 1H16 due to the positive impact, last year, of non-recurrent items (benefiting mostly from the capital gains arising from the sale and leaseback transactions completed by Sonae RP in 1H16), notwithstanding the higher underlying EBITDA and Equity method results in 1H17. Importantly, Equity method results reached €17 M in 2Q17, the highest result ever achieved in a quarter.

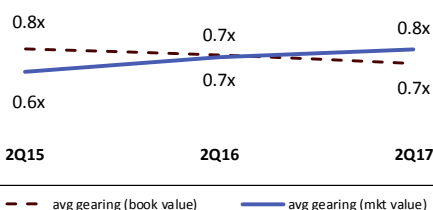
Sonae net financial activity stood at negative €18 M, improving by €7 M when compared to 1H16, driven by the y.o.y. decrease in the cost of outstanding debt. The average interest rate of outstanding debt was 1.3% on June 30th 2017, decreasing by 30bps when compared to 1H16. It should be noted that Sonae financial results exclude Sonae Sierra and NOS businesses.

Sonae direct results totalled €43 M, decreasing by €23 M when compared to 1H16, driven primarily by non-recurrent items and marginally by D&A, as underlying EBITDA, Equity method results, net financial activity and taxes posted a favourable evolution. **Sonae indirect results** improved by €22 M in 1H17, reaching €33 M. This benefited from the positive effect of the valuation of Sierra's assets, as well as from a capital gain driven by the deconsolidation of MDS.

Sonae continued to reinforce its capital structure. **Financial leverage ratio** decreased from 42.3% to 41.1%, less 120bps y.o.y.. **Sonae net debt** totalled €1,419 M, increasing 2.1% comparing to 1H16. This was mainly driven by Sonae dividends payment in the amount €80 M, on May 2017. It should be noted that net debt in 1H16 benefited from a significant sale and leaseback activity.

2 SONAE PERFORMANCE AND CAPITAL STRUCTURE

Gearing



Average gearing at book value reached 0.7x, remaining stable when compared with 2Q16. **Average gearing at market value** stood at 0.8x, increasing by 0.1x y.o.y. mainly motivated by the evolution of the average equity in the period.

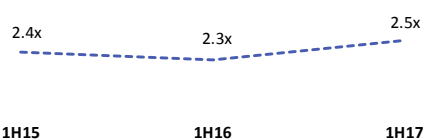
Sonae remains focused on presenting a **robust capital structure**, optimising funding costs whilst maintaining sufficient back up liquidity and an improved maturity profile. Sonae continued to fulfil its practice of being fully financed for the coming 18 months and at the same time improving its general funding conditions. As of 1H17, the average maturity profile remained close to 4 years.

Million euros	1H16	1H17	y.o.y.
Net financial debt	1,385	1,418	2.4%
Retail	826	862	4.3%
Sonae IM	2	2	7.9%
Holding & other	557	555	-0.4%
Sonae net debt	1,389	1,419	2.1%

Retail net financial debt reached €862 M in 1H17, 4.3% above 1H16. **Retail net debt to EBITDA** stood at 2.5x, increasing by 0.2x y.o.y. driven by a lower EBITDA over the last 12 months and a higher retail net debt.

Capital Structure

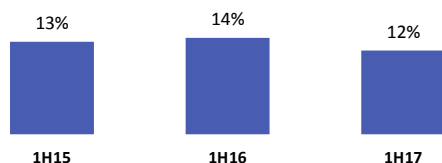
Net debt to EBITDA - Retail



Holding & other net debt totalled €555 M, remaining nearly flat versus 1H16, despite the payment of dividends, this year. **Loan-to-value** ratio of the Holding stood at 12%, decreasing when compared to 14% reached in 1H16, backed by a higher Net Asset Value.

Capital Structure

Loan-to-value (%) - Holding



Sonae Capex stood at €121 M in 1H17, €87 M below 1H16. This decrease is primarily driven by Sonae Sports & Fashion, mostly due to the Capex related to Salsa acquisition at the end of 2Q16, coupled with a slightly lower Capex at Sonae MC and at Sonae RP, both driven by a delay in the food retail store network expansion when compared to last year. In 1H17, **Sonae Capex to sales** stood at 4.6%.

Sonae Capex

Million euros	1H16	1H17	% of Turnover
Capex	208	121	4.6%
Sonae Retail	198	113	4.4%
Sonae MC	69	67	3.8%
Worten	13	13	3.0%
Sonae Sports & Fashion	89	16	5.9%
Sonae RP	28	16	35.6%
Maxmat	0.4	0.5	1.4%
Sonae IM	6	5	7.9%
Sonae FS	0.17	0.23	2.1%

3 SONAE RETAIL RESULTS

Sonae Retail businesses performance

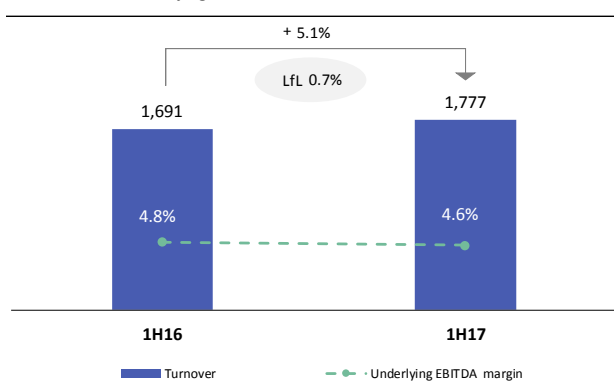
Million euros	1H16	1H17	y.o.y	2Q16	2Q17	y.o.y
Turnover	2,385	2,564	7.5%	1,185	1,307	10.3%
Sonae MC	1,691	1,777	5.1%	862	922	7.0%
Worten	404	435	7.6%	188	217	15.7%
Sonae Sports & Fashion	210	270	28.8%	95	126	32.5%
Sonae RP	47	46	-2.2%	22	23	2.0%
Maxmat	33	36	8.6%	18	19	6.9%
Underlying EBITDA	116	128	10.3%	65	74	13.6%
Sonae MC	81	81	0.1%	49	50	2.5%
Worten	3	6	93.4%	1	3	285.0%
Sonae Sports & Fashion	-11	-1	91.6%	-7	-2	71.4%
Sonae RP	41	40	-3.1%	20	20	1.1%
Maxmat	2	2	24.0%	2	2	9.3%
Underlying EBITDA margin (%)	4.9%	5.0%	0.1 p.p.	5.5%	5.6%	0.2 p.p.

Sonae retail turnover grew by 7.5% in 1H17, reaching €2,564 M, fuelled by a strong 2Q17, in which retail turnover increased by 10.3% y.o.y., also backed by positive calendar effects. The performance in 1H17 was driven by all businesses except for Sonae RP, which was impacted by a reduced freehold. Most importantly, on a quarterly basis, all businesses contributed positively for top line performance.

Sonae retail underlying EBITDA increased from €116 M to €128 M, +10.3% y.o.y.. This evolution benefited from Sonae MC, Worten, Sonae Sports & Fashion and Maxmat, which together largely off-set Sonae RP slightly reduced underlying EBITDA.

SONAE MC

Turnover and underlying EBITDA evolution



Sonae MC turnover increased by 5.1% in 1H17, reaching €1,777 M and reinforcing, once again, its market leadership. In 1H17, turnover performance benefited from a **Lfl sales growth** of 0.7% and also from additional space contribution, namely through the opening of 6 Continente Bom Dia stores.

Following the 1Q17, marked by adverse calendar effects as the absence of Easter, the leap year and one Saturday less, the 2Q17 showed a particularly positive top line trend with turnover growing by 7.0%, to €922 M, fuelled by a Lfl sales growth of 2.6%.

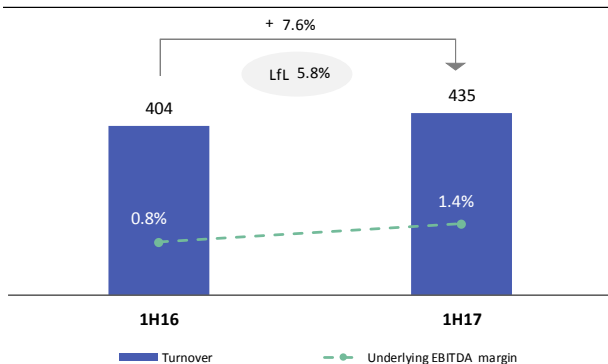
Sonae MC underlying EBITDA margin reached 4.6%, decreasing 20bps when compared to 1H16. This reflects the hardships of the fierce competitive environment, which continued very demanding in 2Q17, as well as the effect of store network expansion through convenience formats.

Sonae MC has been actively investing in strengthening its position in the *Health and Wellness* segment. It should be noted that Brio (100% owned) and Go Natural (51% owned) transactions have already been completed in 2Q17. As part of this strategy, Sonae MC now holds 7 Go Natural healthy supermarkets and is developing restaurant areas under the same banner. Also, on May 2017, Sonae MC opened Dr Well's, the first clinic specialised in dental and aesthetic medicine, a step further in the extension of services provided by Well's parapharmacies.

3 SONAE RETAIL RESULTS (continued)

WORTEN

Turnover and underlying EBITDA evolution



Worten turnover reached €435 M in Iberia in 1H17, an increase of €31 M y.o.y, driven by a **LfL sales growth** of 5.8%. In 2Q17, turnover grew by 15.7%, benefiting from a LfL sales growth of 12.4%, only partly explained by the Easter calendar effect – and, to a smaller extent, to the contribution from new stores in the portfolio.

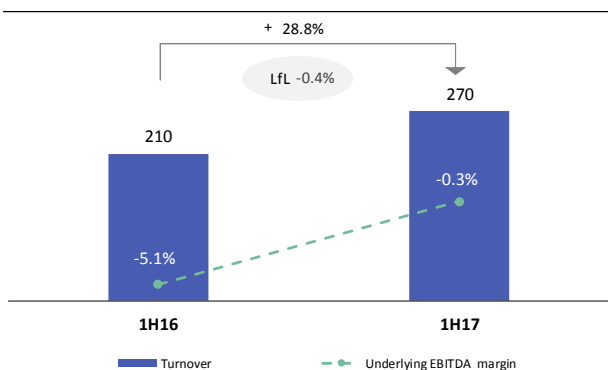
With this performance, **Worten** further strengthened its market leadership in Portugal and improved competitive position in Spain also (both in 2Q17 and 1H17 as a whole).

In a rapidly growing online market, both in Spain and Portugal, Worten e-commerce had a very positive performance, growing by more than 50% in Portugal and more than 70% in Spain – in both cases significantly improving digital market share and consolidating the benefits of the recently upgraded web platform and improvements in omni-channel functionalities.

Underlying EBITDA totalled €6 M in 1H17, almost twice as much as in 1H16, with both Iberian geographies contributing positively but with most improvement coming from Spain.

SONAE SPORTS & FASHION

Turnover and underlying EBITDA evolution



In **Sonae Sports & Fashion**, **turnover** grew by 28.8% in 1H17, to €270 M, with all businesses contributing positively and benefiting from the consolidation of Salsa. The **LfL sales growth** stood at -0.4% in 1H17, +2.7% in 2Q17.

MO and Zippy had a particularly strong 2Q17, posting **LfL sales growth** of 13% and 15% respectively. Sport Zone delivered positive turnover performance both in 1H17 and 2Q17.

At Salsa, we emphasize the positive quarter of the Spanish operation, in which **LfL sales growth** stood at 16%, and the performance in e-commerce, consistently growing above 40%.

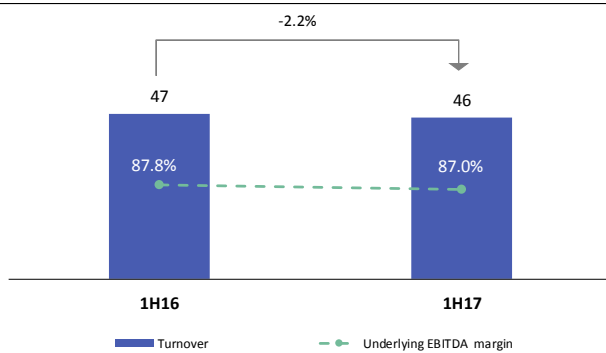
Sonae Sports & Fashion underlying EBITDA increased by almost €10 M when compared to 1H16, reaching -€0.9 M. The consolidation of Salsa was responsible for approximately half of this improvement and the rest came from improvements across all brands – especially material at Sport Zone and Zippy, while at MO 2Q17 brought significant improvement as well.

We also would like to highlight that the franchising operation of Zippy is becoming increasingly relevant, totaling 59 stores in 19 countries at the end of 2Q17, and benefiting from the recently opened stores in Abu Dhabi, Dubai and Indonesia.

3 SONAE RETAIL RESULTS (continued)

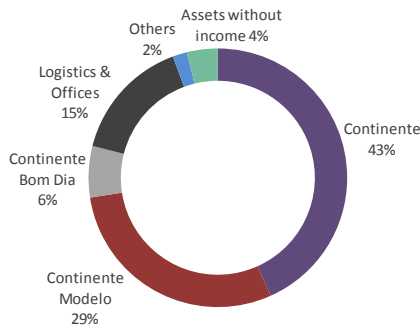
SONAE RP

Turnover and underlying EBITDA evolution



RP Portfolio

as % of Gross Book Value



Sonae RP is responsible for the management of Sonae’s retail real estate portfolio. Its portfolio included 21 Continente stores, 62 Continente Modelo stores and 26 Continente Bom Dia stores at the end of June 2017, corresponding to a **gross book value** of €1,272 M and to a **net book value** of €914 M.

In the last few years, **Sonae RP** implemented an asset monetisation strategy to reduce freehold levels. Particularly in 1H16, 3 sale and leaseback transactions in the amount of €230 M were accomplished, equivalent to a capital gain of €64 M (which had a positive impact in non-recurrent items line). In 1H17, Sonae RP did not complete any sale and leaseback transaction. However, already on July 2017, Sonae RP closed a sale and leaseback transaction of 4 food retail assets in the amount of €35 M, generating a capital gain of circa €10 M. Following this transaction, **Sonae MC’s freehold** reached 48%. In the specialised retail (**Worten** and **Sonae Sports & Fashion**), the **freehold** stood at 22%.

Sonae RP turnover amounted to €46 M in the 1H17, less €1 M when compared to the same period of last year, explained by the freehold reduction over the last 12 months.

The **underlying EBITDA** reached €40 M, equivalent to an **underlying EBITDA margin** of 87.0%.

4 SONAE SIERRA RESULTS

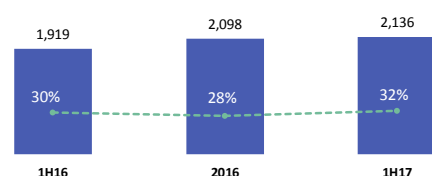
Operational Indicators

	1H16	1H17	y.o.y.
Footfall (million visitors)	204	207	1.2%
Europe & New Markets	156	160	2.5%
Brazil	48	47	-3.1%
Occupancy rate (%)	96.1%	95.8%	-0.3 p.p.
Europe	97.1%	96.9%	-0.2 p.p.
Brazil	93.0%	92.3%	-0.7 p.p.
Like-for-Like (Lfl) tenant sales			
Europe	5.3%	3.4%	-
Brazil (local currency)	-0.1%	7.3%	-
Tenant sales (million euros)	1,966	2,199	11.9%
Europe (million euros)	1,439	1,541	7.0%
Brazil (million euros)	525	659	25.4%
Brazil (million reais)	2,166	2,262	4.4%
Nº of shopping centres owned and/or managed (EOP)	68	65	-3
Europe	57	55	-2
Brazil	11	10	-1
Nº of shopping centres owned/co-owned (EOP)	46	47	1
Europe	36	38	2
Brazil	10	9	-1
GLA under Management ('000 sqm)	2,422	2,341	-3.4%
Europe & New Markets	1,900	1,859	-2.2%
Brazil	522	481	-7.7%

Financial Indicators

Million euros	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Turnover	100	108	8.1%	48	54	12.1%
EBIT	47	50	6.0%	22	25	14.5%
EBIT margin	47.2%	46.3%	-0.9 p.p.	44.9%	45.9%	1.0 p.p.
Direct results	27	30	12.5%	12	15	25.9%
Indirect results	32	34	5.6%	21	33	55.5%
Net results	59	64	8.7%	33	48	44.8%
... attributable to Sonae	30	32	8.7%	17	24	44.8%

Open Market Value (OMV) ⁽¹⁾ and leverage million euros



⁽¹⁾ Includes investment properties at open market value and development properties at cost.

■ OMV attributable to Sonae Sierra - - - Loan-to-value

In the 1H17, **Sonae Sierra** continued its **development activity**, which is progressing well and includes the following projects: Nuremberg (Germany), Málaga McArthurGlen Designer Outlet (Spain), NorteShopping and Colombo Expansion (Portugal), Jardín Plaza Cucuta (Colombia) and Zenata (Morocco).

Pursuing the **capital recycling strategy**, during 2Q17:

- Sonae Sierra created a 15/85 joint-venture with AXA IM - Real Assets for the acquisition of **Area Sur Shopping Centre**, located in Jerez, Spain. AXA IM - Real Assets will hold the majority of the shares and Sonae Sierra will be the Operating Partner;
- **ORES Socimi**, a venture between Bankinter and Sonae Sierra – the operating partner, continued to acquire assets in Iberia. In 2Q17, ORES Socimi acquired three properties (one hypermarket in Spain, plus a stand-alone and a Retail Center in Portugal).

Sonae Sierra pursued a strong **refinancing activity** during the first semester. Over this period, Sonae Sierra contracted new bank loan facilities, with favourable funding conditions in a total of €730 M.

The Shopping Centres operation in both Europe and Brazil continued to register high **occupancy rates** in the 1H17, reaching 96.9% in Europe and 92.3% in Brazil. **Tenant sales** grew by 11.9% in 1H17, corresponding to a **Lfl tenant sales** of 3.4% in Europe and 7.3% in Brazil.

Sonae Sierra turnover increased by €8 M, totalling €108 M in the 1H17. **EBIT** stood at €50 M, a growth of 6.0% when compared to the 1H16, driven by the positive impact of ParkLake opening as well as the positive exchange rate effect in Brazilian real between the two periods. **Direct results** stood at €30 M in the 1H17, +12.5% y.o.y. and **indirect results** reached €34 M in the 1H17, improving 5.6% when compared to the same period of last year, mainly driven by an upside in assets valuation in June 2017, consequence of additional yield compression in Iberia.

NAV stood at €1,392 M at the end of June 2017, €26 M below the value registered in 2016 year-end, reflecting the adverse exchange rate effect of Brazilian real (30 June 2017 vs. 31 Dec. 2016), the dividends' payment (in the amount of €75 M) and the results of the period. **Loan-to-value** stood at 32%, which compares with 28% in 2016, an increase driven by the cash-out inherent to dividends payment.

5 NOS RESULTS

Financial Indicators

Million euros	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Operating revenues	743	769	3.5%	373	388	4.2%
EBITDA	287	300	4.8%	149	157	5.4%
EBITDA margin	38.6%	39.0%	0.5 p.p	39.9%	40.4%	0.5 p.p
Net results	51	72	41.1%	27	40	52.5%
Capex	196	173	-11.9%	101	86	-15.1%

Operational Indicators

('000)	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Total RGUs (Net adds)	282	178	-	151	99	-
Convergent RGUs (Net adds)	302	199	-	168	77	-
Mobile (Net adds)	147	93	-	97	62	-
Pay TV (Net adds)	31	13	-	13	5	-
Total RGUs	8,746	9,254	5.8%	8,746	9,254	5.8%
Convergent RGUs	3,156	3,586	13.6%	3,156	3,586	13.6%
Convergent customers	644	711	10.4%	644	711	10.4%
ARPU/Unique subscriber with fixed access (euros)	43	44	2.3%	43	44	2.8%

NOS published its results on July 20th 2017, which are available at www.nos.pt.

NOS continued to deliver a robust operating and financial performance.

Operating revenues increased by 3.5% in 1H17, to €769 M, driven by a positive performance in all segments: telco, audiovisuals and cinema.

EBITDA stood at €300 M in 1H17, improving by 4.8% versus 1H16 and corresponding to an EBITDA margin of 39.0%.

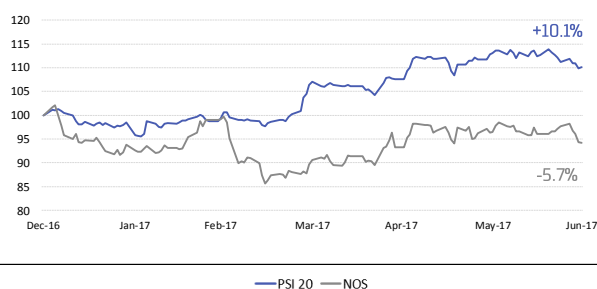
Net results reached €72 M in 1H17, growing by 41.1% when compared to €51 M in 1H16.

NOS continued to increase its customer base and the number of **RGUs**, which grew by 5.8%, to 9,254 thousand, as a result of a positive evolution in all segments. **Convergent RGUs** increased to 3,586 thousand, +13.6% y.o.y..

NOS FCF (before dividends, financial investments and acquisition of own shares) reached €102 M in 1H17, representing a material increase from the €24 M recorded in 1H16. However, due to the dividend payment made in 2Q17, in the amount of €103 M, **FCF** stood at negative €0.5 M.

During the 1H17, **NOS** market capitalisation decreased by 5.7%, corresponding to a share price decrease from €5.64 to €5.31. The PSI-20, the main Portuguese index, increased its market capitalisation by 10.1% in the same period.

Share Price Performance

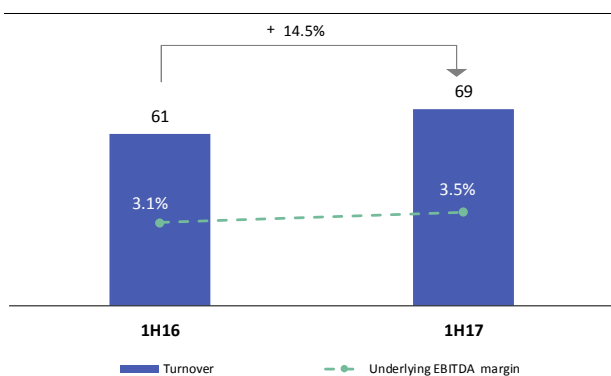


6 SONAE IM RESULTS

Portfolio

Controlling stakes	Minority stakes
WeDo Technologies S21Sec Saphety Bizdirect InovRetail Bright Pixel	AVP Funds Stylesage Movvo Probe.ly

Turnover and underlying EBITDA evolution



Sonae IM has been implementing an active portfolio strategy, with the clear objective of building and managing a portfolio of tech-based companies linked to retail and telecommunications, leveraging the strong Group's expertise in these two verticals and aiming to develop innovative solutions, with an international focus.

Sonae IM's core areas of interest include, in retail, data analytics, omni-channel and e-commerce enabling technologies, and in telecoms, customer value enablers, efficiency, data monetisation and risk management. Transversal to both retail and telecoms, Sonae IM covers also in cybersecurity solutions.

Turnover increased by 14.5%, to €69 M, in 1H17. **Underlying EBITDA** stood at €2.4 M, corresponding to an **underlying EBITDA margin** of 3.5%.

7 SONAE FS RESULTS

Financial Indicators

Million euros	1H16	1H17	y.o.y.	2Q16	2Q17	y.o.y.
Production	302	368	21.9%	151	189	25.0%
Turnover	8	11	39.5%	4	6	51.1%
Underlying EBITDA	-1.1	1.4	-	0.1	0.7	-
Underlying EBITDA margin	-13.3%	12.3%	25.5 p.p.	2.6%	12.3%	9.8 p.p.

Sonae FS was created at the end of 2015 and its mission is offering inclusive and personalised financial solutions to an enlarged number of people and families. **Sonae FS** offer includes: Credit, mostly through the Universo credit card, with special payment options at Sonae stores while having global acceptance across the Mastercard network. Additionally, Universo grants access to the several loyalty cards of Sonae retail banners. Credit offer also includes personal loans, store credit to customers and products sale at Universo online store; pre-paid cards (Cartão Dá), with B2B and B2C offers; Continente Money Transfer, a reliable service for money transfers across the globe; and insurance, presently focused on credit insurance. **Sonae FS** also includes MDS, a global insurance & reinsurance brokerage and associated risk consulting services with direct operations in Iberia, Brazil and Portuguese speaking countries in Africa. MDS is the largest broker in Portugal and the largest independent broker in Brazil. From 3Q17, MDS will be accounted for using the equity method. **Sonae FS turnover** increased by 39.5%, to €11 M, in 1H17. The **underlying EBITDA** reached €1.4 M, representing an **underlying EBITDA margin** of 12.3%.

The **Universo card** operation continued to grow in 1H17, closing the 2Q17 with 496 thousand subscribers. As for **Universo total production**, it stood at €259 M, increasing by 45.6% y.o.y..

8 CORPORATE INFORMATION

Main corporate events in the 2Q17

April 26th 2017

Sonae announced that it reached an agreement with the shareholders of BRIO – Produtos de Agricultura Biológica, S.A. (BRIO) for the acquisition of 100% of BRIO's share capital. BRIO is the first organic supermarket chain launched in Portugal and operates six supermarkets specialised in organic food, all of them with convenient locations in the Lisbon area.

April 28th 2017

In the Annual General Assembly, which took place on April 28th 2017, the company's shareholders approved, amongst other items, the distribution of a gross dividend per share, relative to the 2016 financial year, in the amount of 0.04 euros. This dividend, which was paid on May 15th 2017, corresponded to a dividend yield of 4.6%, based on the closing price as at December 31st 2016, and to a payout ratio of 54% of the consolidated direct income attributable to equity holders of Sonae.

May 3rd 2017

Sonae announced to the market Magallanes Value Investors' qualified shareholding amounting to 2.03% of Sonae's share capital.

Subsequent events

July 25th 2017

Sonae announced that Sonae RP concluded the sale and leaseback transaction of 4 food retail assets located in Portugal. This transaction, which totalled €35 M and has generated an estimated capital gain of €10 M, is aligned with Sonae's disclosed strategy concerning the monetisation of its real estate assets, while also maintaining adequate operational flexibility.

9 ADDITIONAL INFORMATION

Methodological notes

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

Glossary

Capex	Investments in tangible and intangible assets and investments in acquisitions.
Direct results	Results before non-controlling interests excluding contributions to indirect results.
(Direct) EBIT	Direct EBT - financial results.
EBITDA	Underlying EBITDA + equity method results + non-recurrent items.
(Direct) EBT	Direct results before non-controlling interests and taxes.
EBITDA margin	EBITDA / turnover.
EoP	End of period.
Financial net debt	Total net debt excluding shareholders' loans.
Gearing (book value)	Average of the last four quarters considering, for each quarter, total net debt (EoP) / total shareholders' funds (EoP).
Gearing (market value)	Average of the last four quarters considering, for each quarter, total net debt (EoP) / equity value considering the closing price of Sonae shares on the last day of each quarter.
GLA	Gross Lettable Area: equivalent to the total area available to be rented in the shopping centres.
Indirect results	Includes Sonae Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and (iv) provision for assets at risk. Additionally and concerning Sonae's portfolio, it incorporates: (i) impairments in retail real estate properties; (ii) reductions in goodwill; (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in the process of being discontinued/repositioned); (iv) results from mark to market methodology of other current investments that will be sold or exchanged in the near future; and (v) other non-relevant issues.
Investment properties	Shopping centres in operation owned and co-owned by Sonae Sierra.
Liquidity	Cash & equivalents + current investments.
Like for Like sales (Lfl)	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods.
Loan to value (LTV) - Holding	Holding net debt / investment portfolio gross asset value; gross asset value based on market multiples, real estate NAV and market capitalisation for listed companies.
Loan to value (LTV) - Shopping Centres	Net debt / (investment properties + properties under development).
Net asset value (NAV)	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities.

Net debt	Bonds + bank loans + other loans + financial leases + shareholder loans - cash, bank deposits, current investments, and other long-term financial applications.
Net invested capital	Total net debt + total shareholders' funds.
Open market value (OMV)	Fair value of properties in operation and under development (100%), provided by independent international entities.
Other income	Dividends.
Others + E&A (Eliminations & adjustments)	Intra-groups + consolidation adjustments + contributions from other companies not included in the identified segments.
Other loans	Bonds, leasing and derivatives.
RGU	Revenue generating unit.
Technical investment	Tangible assets + intangible assets + other fixed assets - depreciations and amortisations.
Underlying EBITDA	EBITDA from the businesses consolidated using the full consolidation method.

Note: Sonae implemented, in 1Q17, the following changes in its reporting structure: (i) MDS will start to be consolidated through the Equity Method and included in Sonae FS after the sale of 1,773 shares of MDS SGPS to IPLF Holding, SA, which has occurred in June 2017; (ii) Maxmat is reported under "Sonae Retail", together with Sonae MC, Worten, Sonae Sports & Fashion and Sonae RP; and (iii) Media and Tlantic are reported under "Others + E&A". In order to assure comparability, the 'Profit and Loss Statement' historical figures were restated accordingly.

Sonae statement of financial position

Million euros	1H16	1H17	y.o.y.
TOTAL ASSETS	5,336	5,427	1.7%
Non current assets	3,937	4,100	4.2%
Tangible and intangible assets	1,933	1,977	2.3%
Goodwill	655	629	-3.9%
Investment properties	1	0	-100.0%
Other investments	1,244	1,398	12.4%
Deferred tax assets	69	75	8.6%
Others	35	21	-39.2%
Current assets	1,399	1,327	-5.2%
Stocks	653	683	4.6%
Trade debtors	113	108	-4.9%
Liquidity	331	277	-16.3%
Others	302	259	-14.2%
SHAREHOLDERS' FUNDS	1,892	2,034	7.5%
Equity holders	1,731	1,877	8.4%
Attributable to minority interests	160	157	-2.0%
LIABILITIES	3,444	3,393	-1.5%
Non-current liabilities	1,540	1,515	-1.6%
Bank loans	656	709	8.2%
Other loans	707	654	-7.5%
Deferred tax liabilities	95	112	18.1%
Provisions	45	20	-56.5%
Others	38	21	-45.7%
Current liabilities	1,904	1,878	-1.4%
Bank loans	335	278	-17.1%
Other loans	29	65	123.9%
Trade creditors	993	993	0.0%
Others	547	542	-0.9%
SHAREHOLDERS' FUNDS + LIABILITIES	5,336	5,427	1.7%

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SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that should not be regarded as historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

Report available at Sonae's institutional website
www.sonae.pt

Media and Investor Contacts

Patrícia Vieira Pinto
Head of Investor Relations
pvpinto@sonae.pt
Tel.: + 351 22 010 4794

Catarina Oliveira Fernandes
Head of Communications, Brand and Corporate Responsibility
catarina.fernandes@sonae.pt
Tel.: + 351 22 010 4775

Maria João Oliveira
External Communication
mjfoliveira@sonae.pt
Tel.: + 351 22 010 4745

Sonae
Lugar do Espido Via Norte
4471-909 Maia
Portugal
Tel.: +351 22 948 7522

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