

SONAE

2016

PRELIMINARY
RETAIL SALES

The logo for SONAE, featuring the word "SONAE" in a stylized, pixelated font. The letters are composed of small blue and white dots, giving it a digital or mosaic-like appearance. The logo is positioned in the bottom left corner of the page.

SONAE

1 HIGHLIGHTS AND MESSAGES FROM THE CEOs

Sonae Retail businesses grew turnover by 7.2% in 2016 (8.8% in 4Q16)

SONAE MC

- Turnover increased by 5.6%, to €3,687 M in 2016 (6.6% in 4Q16), boosted by a LfL sales growth of 1.9% in 2016 (2.1% in 4Q16)
- Opening of the first supermarket fully dedicated to healthy food

"I am particularly pleased with 2016 results. We were able to increase turnover by 5.6% and to reinforce our leadership despite the very tough market environment. This growth was driven by a LfL sales increase of 1.9%, at the same time that we kept betting in the expansion of our Continente Bom Dia urban stores, and the continued improvement of our value proposition and price perception.

These results are also important for the upcoming quarters, as they demonstrate that we have the right strategy and the right resources to reach our objectives."

Luís Moutinho, CEO of Sonae MC

SONAE SR

- Turnover increased by 11.2%, to €1,439 M in 2016 (14.4% in 4Q16)
- Worten delivered LfL sales growth of 3.3% in Iberia in 2016 (4.0% in 4Q16)
- Sports and Fashion presented turnover growth of 31.3% in 2016, to €529 M (39.2% in 4Q16), and registered a LfL sales growth of 1.0% in 2016 (3.3% in 4Q16)

"Sonae SR turnover reached €1,439 M, resulting from a turnover growth both at Worten and Sports and Fashion divisions.

At Worten, we gave important steps in the consolidation of our Iberian position, pursuing a successful omni-channel strategy, and strengthening our competitive position with market share gains in Portugal and solid growth in e-commerce both in Portugal and Spain.

Sports and Fashion division posted a combined turnover growth of 31.3%, with positive contributions both from the acquired companies, Salsa and Losan, and the original portfolio, thus positioning the division for future growth."

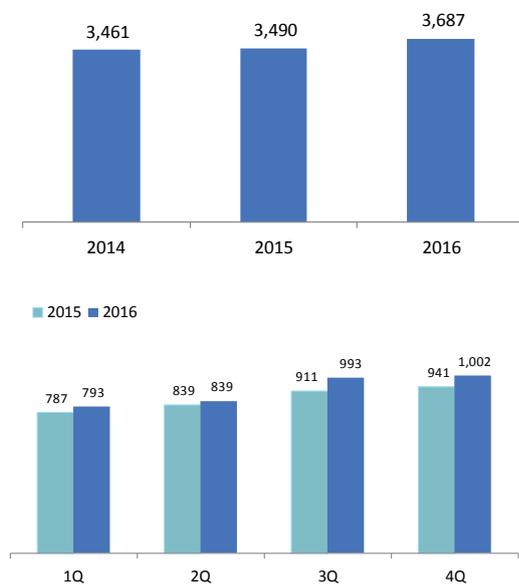
Miguel Mota Freitas, CEO of Sonae SR

2 SALES PERFORMANCE

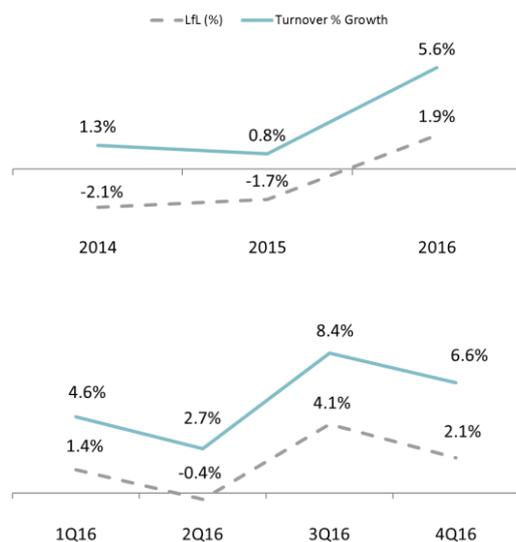
Turnover						
Million euros	2015	2016	y.o.y	4Q15	4Q16	y.o.y
Sonae Retail	4,850	5,198	7.2%	1,334	1,452	8.8%
Sonae MC	3,490	3,687	5.6%	941	1,002	6.6%
Sonae SR	1,294	1,439	11.2%	377	432	14.4%
Other ¹	65	72	9.6%	16	18	11.4%

¹ Maxmat.

Sonae MC turnover – yearly and quarterly performance



Sonae MC turnover – yearly and quarterly growth



Sonae Retail turnover increased by 7.2% in 2016, to €5,198 M, with all businesses contributing positively, namely Sonae MC and Sonae SR, which grew turnover by 5.6% and 11.2%, respectively.

Sonae MC performance in 2016 benefited from a group of measures aimed at improving Continente's value proposition. These measures included, among others, improving Continente's price perception, both through innovative communication campaigns and different and more effective discounts. Besides, **Sonae MC** kept strongly focused on developing a truly competitive perishables offer.

As a result, **Sonae MC** saw its price leadership recognised by DECO, the Portuguese Consumers Association, both in June and October 2016.

Sonae MC LfL sales growth stood at 1.9% in 2016, benefiting from the positive performance of the last quarters, namely the 3Q16 and 4Q16.

One of **Sonae MC's** strategic goals for 2016 involved the expansion of its convenience store network. This encompassed the opening of Continente Bom Dia stores, proximity own stores with an approximate average sales area of 1 thousand sqm and Meu Super stores, franchising local food retail stores located in residential areas with average sales area of 200 sqm. Accordingly, **Sonae MC** opened 25 Continente Bom Dia stores and opened 77 further Meu Super stores in 2016.

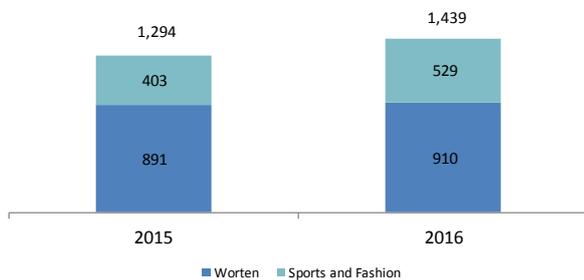
Sonae MC turnover reached €3,687 M, a growth of 5.6% when compared to 2015, benefiting from the positive LfL sales growth performance and the increased sales area.

It should be noted that **Sonae MC** took in 4Q16 two major steps in the promotion of a broad and democratic access to healthy life. It started by the acquisition of a 51% stake in 'Go Well', which operates in Portugal under the 'Go Natural' brand. Founded in 2004, 'Go Natural' is the pioneer and reference brand in the healthy catering sector in Portugal and includes 22 restaurants widely held in shopping centres. Then, **Sonae MC** inaugurated the first supermarket specialised in healthy food, in Lisbon, which offers solutions and products that contribute to improving people's health and quality of life.

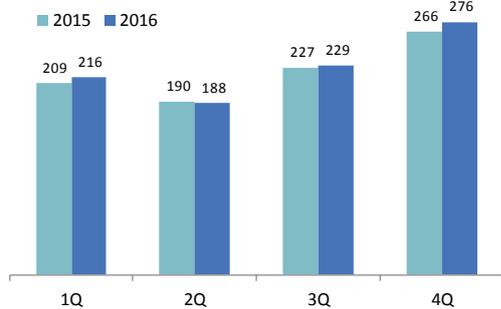
2 SALES PERFORMANCE (continued)

Turnover - Sonae SR						
Million euros	2015	2016	y.o.y.	4Q15	4Q16	y.o.y.
Turnover	1,294	1,439	11.2%	377	432	14.4%
Worten	891	910	2.1%	266	276	4.0%
Sports and Fashion	403	529	31.3%	112	155	39.2%
Lfi Sales Growth (%)	-1.1%	2.5%	-	-0.1%	3.8%	-
Worten	0.0%	3.3%	-	1.5%	4.0%	-
Sports and Fashion	-2.9%	1.0%	-	-3.2%	3.3%	-

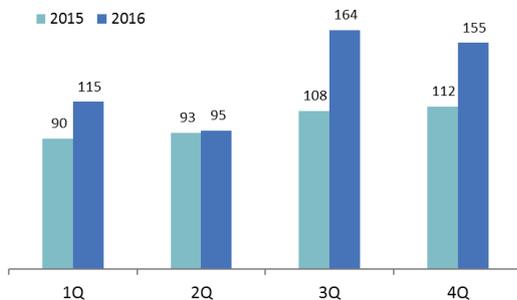
Sonae SR turnover – yearly performance



Worten turnover - quarterly performance



Sports and Fashion turnover - quarterly performance



Sonae SR turnover totalled €1,439 M in 2016, increasing 11.2% when compared with 2015, backed by a positive turnover growth both at Worten and Sports and Fashion.

Throughout 2016, **Worten** consolidated its omni-channel strategy in Iberia, growing **turnover** by 2.1%, to €910 M. The last quarter of the year saw an important investment in current and future growth, and turnover grew by 4.0% y.o.y., having a relevant contribution for this performance.

With the objective of reinforcing **Worten's** commitment on delivering an omni-channel experience and providing customers a more integrated shopping experience across all its channels, **Worten** launched in Portugal a renewed e-commerce platform in November 2016, leveraging the effort and infrastructure rolled-out in Spain in 2015. Online revenues increased by more than 50% in December 2016 y.o.y.. **Worten** continued to increase its leadership in the Portuguese electronics market, growing market share by 10bps until November 2016*.

The **Sports and Fashion** division includes a portfolio of original businesses: Sport Zone, MO and Zippy; and two acquired companies: Losan and Salsa. Losan results are fully consolidated since January 1st 2016, and Salsa results are fully consolidated since the beginning of 2H16, both in Sports and Fashion accounts.

Sports and Fashion turnover grew by 31.3% in 2016, largely benefiting from Salsa and Losan results. It should be noted that the original portfolio has also had a positive contribution for turnover performance. In quarterly terms, turnover grew by 39.2%.

Sport Zone maintained its positive top line performance, growing sales per sqm by 1.9%, despite the additional number of stores. Importantly, its e-commerce operation posted positive results, growing turnover by 26% in Portugal and 18% in Spain.

Zippy was able to consolidate the performance delivered throughout the last quarters and grew LfL sales by 9% in Portugal and 4% in Spain in 2016.

MO continued to readjust its value proposition and has been showing some positive signs, particularly in 4Q16, when LfL sales growth was substantial.

* According to GFK, last available information.

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SAFE HARBOUR

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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
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SONAE is listed on the Euronext Stock Exchange.
Information may also be accessed on Reuters
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