

REPORT AND ACCOUNTS

31 MARCH 2017



SONAE CAPITAL

REPORT AND ACCOUNTS

31 March 2017

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PART I

**REPORT OF THE BOARD
OF DIRECTORS**

31 MARCH 2017



SONAE CAPITAL

REPORT AND ACCOUNTS – MARCH 2017

Report of the Board of Directors

1. CEO MESSAGE & MAIN HIGHLIGHTS

"During the first quarter of 2017 we remained focused on the implementation of the defined Corporate strategy, namely: (i) the continuous improvement of our current businesses competitive position; (ii) the pursuit of new value creator business opportunities within the Group's competence areas; (iii) the sale of non-core/strategic assets; and (iv) the maintenance of a balanced capital structure according to the type of business and assets held by the Group.

Our businesses' performance continued to show progress, visible in terms of turnover and profitability, being especially notable the improvements in Fitness and Hospitality. The performance in the Energy segment should also be highlighted, the best of the last four quarters, even though the recent acquisitions had not contributed to the current result. Following the current trend, we continue to expect an overall good performance for our businesses, including the Refrigeration & HVAC segment, for which the higher number of on-going contracts allows us to foresee increased levels of activity for the forthcoming quarters. Regarding the sale of residential units in Troia, the number of booked contracts allows us to be comfortable about next quarters' performance, mitigating the lower number of sales deeds signed in the first quarter. In addition, concerning the sales of Real Estate Assets, although no significant amounts have been recorded in the first quarter, the Promissory Purchase and Sale Agreements already signed in stock, provides good prospects for the current year.

Net Debt level reveals a conservative capital structure taking into consideration the Group's type of assets. The recent acquisition, already in April, in renewable Energy, does not jeopardize this objective and will allow significant improvement and higher stability of the Group's main financial indicators."

Cláudia Azevedo, CEO

1Q17 MAIN HIGHLIGHTS

- Strong growth in turnover in both Fitness (+42.0%) and Hospitality (+26.8%) segments;
- Stock of 15 Reservations/Promissory Purchase and Sale Agreements of residential units in Troia Resort, corresponding to 5.8M€;
- Booked Promissory Purchase and Sale Agreements of Real Estate Assets (excluding residential units in Troia) amounted to 18.85M€, in addition to the deeds signed in the first quarter amounting to 0.7M€;
- Backlog in Refrigeration & HVAC Portuguese operation amounts to 24.3M€, representing, approximately, 7 months of turnover;
- Improved profitability of the Energy segment when compared to the previous quarters, already including the operation of two photovoltaic plants of 1MW each, acquired at the end of 2016 and not yet including the acquisition of a 1MW Cogeneration operation fueled by landfill biogas, acquired at the end of the quarter;
- Acquisition, already in April, of 15MW in Renewable Energy, extending the range of operated technologies, which will significantly increase the segment's turnover and profitability providing higher stability to the Group's financial indicators;
- Net Debt remains under control and adequate to the Group's business portfolio and type of assets: LTV of 10.2% and Net Debt/Ebitda of 2.39x.

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2. OVERALL PERFORMANCE

Consolidated Profit and Loss Account			
Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	34.31	37.59	-8.7%
Turnover	33.64	36.86	-8.7%
Troia Resort	2.39	3.88	-38.3%
Hospitality	2.67	2.10	+26.8%
Fitness	5.88	4.14	+42.0%
Energy	9.79	11.74	-16.6%
Refrigeration & HVAC	11.91	13.71	-13.1%
Others & Eliminations	1.00	1.28	-21.9%
Other Operational Income	0.66	0.73	-9.6%
EBITDA, excluding Guaranteed Inc. Prov. (1)	0.59	1.47	-60.0%
Troia Resort	-0.99	0.01	-
Hospitality	-1.54	-1.76	+12.0%
Fitness	0.90	0.38	>100%
Energy	2.10	2.36	-10.9%
Refrigeration & HVAC	0.42	0.69	-40.1%
Others & Eliminations	-0.30	-0.21	-38.5%
Provisions for Guaranteed Income	-0.06	-0.07	+19.7%
EBITDA	0.53	1.40	-62.1%
Amortization & Depreciation	-4.07	-3.90	-4.4%
Provisions & Impairment Losses	0.29	-0.01	-
Non-recurrent costs/income (2)	-0.24	-0.38	+36.5%
EBIT	-3.49	-2.89	-20.6%
Net Financial Expenses	-1.00	-1.73	+42.0%
Investment Income and Results from Assoc. Undert.	0.07	1.05	-92.9%
EBT	-4.42	-3.57	-23.7%
Taxation	-0.28	0.16	-
Net Profit - Continued Businesses	-4.70	-3.41	-37.8%
Net Profit - Discontinued Businesses	-0.15	-0.47	+67.9%
Net Profit - Total	-4.85	-3.88	-24.9%
Attributable to Equity Holders of Sonae Capital	-5.05	-4.19	-20.4%
Attributable to Non-Controlling Interests	0.20	0.31	-35.5%

(1) EBITDA excluding the estimated PV of potential costs for the period of the Guaranteed Inc. from RE sales at Troia Resort
(2) Non-recurrent items mainly related to restructuring costs and one-off income

However, the number of contracts in backlog at the end of the quarter indicates a good forecast for the forthcoming quarters. The lower level of activity when compared to the previous year, also associated with the end of a major international site carried out throughout 2016, contributed to a natural Ebitda reduction of 40.1%;

- Troia Resort, due to both the Easter time lag (in 1Q16 vs 2Q17) and lower number of deeds signed, registered a decrease in turnover of 38.3%, with a significant impact on its profitability. During 1Q17, 2 deeds of real estate units were signed at Troia Resort, comparing to 6 in the same period last year, partially mitigated by a 6.6% higher average value of sales. However, a total of 10 sales were completed in the quarter and, as of today, 15 promissory purchase and sale agreements and reservations, corresponding to 5.8M€, remain in stock. It is forecasted for the next quarter the deeds signature for a large part of these contracts;
- Lower Real Estate Assets sales (only 0.7M€ in deeds were signed) mainly due to the excellent 2016 in terms of City Flats apartments sales that practically sold out the available stock. It should be pointed out that PPSAs regarding a diverse portfolio of real estate assets are still in the portfolio totaling 18.85M€, forecasting once again a positive performance for the next quarters.

Consolidated Net Results in the quarter amounted to negative 4.85M€, showing a decrease of 0.97M€ when compared to the same period last year due to: (i) the above mentioned Ebitda reduction of 0.87M€; (ii) the expected reduction of 0.98M€ in Investment Income due to the sale in 2016 of shareholdings in road concessionaires; (iii) higher Tax costs as a result of the different EBT of the Group's companies; and (iv) partially offset by a significant improvement in Financial Results (+0.73M€) due to lower net debt level and lower financing costs.

The Group's consolidated turnover in 1Q17 amounted to 33.6M€, registering a decrease of 8.7% over the previous year, also impacting Ebitda (-62.1%), being worth to highlight:

- The sustained growth in turnover in the Fitness segment (+42.0%), due to the continued increase of active members (+27%) and average monthly fees (+6%), resulting in a 2.4x growth of the Ebitda level;
- Improvement of the Hospitality segment main operational indicators, namely Occupancy Rate (+3pp) and RevPar (+18.5%), registering a growth of 26.8% and 12.0% in turnover and Ebitda, respectively;
- Energy: an expected decrease in turnover of 16.6% due to the discontinuation of a cogeneration operation in 1Q16. However this was the best quarter of the last four in both turnover and profitability;
- Ref. & HVAC: registered an expected decrease of 13.1% in turnover following the lower level of activity due to the delivery, at the end of the year, of a large volume of orders.

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Capex/Capital Structure

Million euro	Mar 2017	Dec 2016	Δ 17/16
Net Capital Employed	389.0	386.4	+0.7%
Fixed Assets	284.1	284.1	-0.0%
Non-Current Investments (net)	5.9	4.7	+26.2%
Working Capital	99.8	98.2	+1.7%
Capex (end of period)	5.2	12.7	-58.8%
% Fixed Assets	1.8%	4.5%	
Net Debt	73.1	66.0	+10.7%
% Net Capital Employed	18.8%	17.1%	
Debt to Equity	23.2%	20.6%	
Net Debt excluding Energy	48.9	44.0	+11.3%
Capital Structure Ratios			
Loan to Value (Real Estate)	10.2%	8.6%	+1.6pp
Net Debt/EBITDA (recurrent)	2.39x	2.38x	+0.01x

Consolidated Balance Sheet

Million euro	Mar 2017	Dec 2016	Δ 17/16
Total Assets	479.3	500.4	-4.2%
Tangible and Intangible Assets	244.6	246.3	-0.7%
Goodwill	39.4	37.8	+4.2%
Non-Current Investments	1.8	1.7	+3.7%
Other Non-Current Assets	29.8	29.4	+1.4%
Stocks	102.9	103.2	-0.3%
Trade Debtors and Other Current Assets	54.0	49.4	+9.3%
Cash and Cash Equivalents	6.7	32.2	-79.2%
Assets held for sale	0.0	0.2	-98.3%
Total Equity	315.8	320.4	-1.4%
Total Equity attributable to Equity Holders of Sonae Capital	305.7	310.4	-1.5%
Total Equity attributable to Non-Controlling Interests	10.1	9.9	+1.8%
Total Liabilities	163.5	180.0	-9.2%
Non-Current Liabilities	99.5	120.7	-17.6%
Non-Current Borrowings	73.8	94.3	-21.7%
Deferred Tax Liabilities	19.7	19.6	+0.4%
Other Non-Current Liabilities	6.0	6.8	-12.2%
Current Liabilities	64.0	59.3	+7.9%
Current Borrowings	6.0	4.0	+51.9%
Trade Creditors and Other Current Liabilities	57.1	54.5	+4.9%
Liabilities associated to assets held for sale	0.8	0.8	-1.3%
Total Equity and Liabilities	479.3	500.4	-4.2%

- Capex for the period amounted to 5.2M€, a significant increase of 4.2M€ over the previous year, mainly due to investments in the Energy segment, namely the acquisition of a Cogeneration operation fueled by landfill biogas;
- Free Cash Flow (net of financing costs) amounted to negative 6.1M€ as a result of the Working Capital investment mainly in the Ref. & HVAC segment, Capex and the absence of a significant amount of Real Estate asset sales.
- Following the FCF performance, Net Debt increased to 73.1M€ when compared to the end of 2016, maintaining an appropriate capital structure taking into consideration Sonae Capital's portfolio of assets and businesses;
- Maintenance of a balanced capital structure:
 - Net Capital Employed increased 0.7% when compared to the end of 2016 to 389.0M€, driven by the increase of 1.7% in Working Capital;
 - As a result of the Net Debt increase, the Debt to Equity ratio rose to 23.2%, +2.5pp compared to the end of 2016;
 - Loan To Value (LTV) and Net Debt/Ebitda of non-Real Estate businesses, of 10.2%, and 2.39x, respectively.

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3. SEGMENTS PERFORMANCE

3.1. TROIA RESORT



Profit and Loss Account - Troia Resort

Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	2.72	4.57	-40.5%
Turnover	2.39	3.88	-38.3%
Other Operational Income	0.32	0.69	-52.9%
Total Operational Costs	-3.71	-4.57	+18.8%
Cost of Goods Sold	-0.37	-1.22	+70.1%
Change in Stocks of Finished Goods	-0.19	-0.47	+58.6%
External Supplies and Services	-1.80	-1.72	-4.6%
Staff Costs	-0.94	-0.85	-10.3%
Other Operational Expenses	-0.41	-0.30	-35.6%
EBITDA, excluding Guaranteed Inc. Prov. (1)	-0.99	0.01	-
Provisions for Guaranteed Income	-0.06	-0.07	+19.7%
EBITDA	-1.05	-0.07	<-100%
EBITDA Margin (% Turnover)	-43.8%	-1.7%	-42.1 pp
Capex	0.16	0.16	+3.2%
EBITDA-Capex	-1.21	-0.22	<-100%

(1) EBITDA excluding the estimated PV of potential costs for the period of the Guaranteed Inc. from RE sales at Troia Resort

- During 1Q17, 2 deeds of residential units in Troia Resort were signed, a decrease from the 6 registered in 1Q16. However, as a result of the good sales performance in the quarter, 15 promissory purchase and sale agreements and reservations, amounting to 5.8M€, remain in stock.
- As of March 31, 2017, 377 sales deeds on residential units of the Troia Resort complex had been signed.

- As a result of the lower number of deeds and the Easter effect, which was celebrated in the 2Q this year (vs the first quarter LY), turnover amounted to 2.39M€, 38.3% below 1Q16. Consequently, EBITDA registered a negative value of 1.05M€.
- Capex remained at similar levels compared to the previous year; therefore the reduction of the EBITDA-Capex indicator is mainly due to the operational performance.

3.2. FITNESS



Profit and Loss Account - Fitness

Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	5.95	4.19	+42.1%
Turnover	5.88	4.14	+42.0%
Other Operational Income	0.07	0.04	+55.2%
Total Operational Costs	-5.05	-3.80	-32.7%
Cost of Goods Sold	-0.05	-0.02	<-100%
External Supplies and Services	-2.97	-2.28	-30.5%
Staff Costs	-1.72	-1.23	-39.9%
Other Operational Expenses	-0.31	-0.28	-11.9%
EBITDA	0.90	0.38	>100%
EBITDA Margin (% Turnover)	15.3%	9.2%	+6.1 pp
Capex	0.53	0.26	>100%
EBITDA-Capex	0.37	0.13	>100%
# Health Clubs in Operation	17	13	

- Keeping up the positive performance and strengthening of the competitive position, reflected in the increase of the number of active members (+27%), as well as the positive evolution of the average monthly fees (+6%). As a result, turnover increased 42% over the same period last year.
- Performance at the turnover level is also reflected in the EBITDA performance (0.90M€), which has more than doubled comparing to the 1Q16.

- During the year, Solinca will keep the focus on the competitive position improvement, looking for opportunities to increase the number of fitness clubs in operation. This is already reflected in the 1Q17 Capex increase compared to the same period last year, although the Ebitda-Capex figure continues to show a considerable improvement.
- Consequently, the investment in the opening of new clubs, following a capital light approach, is at an accelerated pace, which can be seen by the 17 Solinca's health clubs, more 4 than last year due to the opening of 5 new clubs (Guimarães, Maia Jardim, Foz, Ermesinde and Laranjeiras) and the sale of another one (Lagos).

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3.3. HOSPITALITY

PORTO PALÁCIO
CONGRESS HOTEL & SPA
★★★★★

AQUALUZ
Troia

THE ARTIST
PORTO HOTEL
& BISTRO

THE HOUSE
RIBEIRA HOTEL
★★★★

Profit and Loss Account - Hospitality			
Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	2.79	2.22	+25.4%
Turnover	2.67	2.10	+26.8%
Other Operational Income	0.12	0.12	+0.3%
Total Operational Costs	-4.33	-3.98	-8.9%
Cost of Goods Sold	-0.28	-0.24	-14.8%
External Supplies and Services	-2.54	-2.33	-9.0%
Staff Costs	-1.32	-1.30	-2.0%
Other Operational Expenses	-0.19	-0.11	-72.9%
EBITDA	-1.54	-1.76	+12.0%
EBITDA Margin (% Turnover)	-57.9%	-83.4%	+25.6 pp
Capex	0.22	0.18	+19.1%
EBITDA-Capex	-1.76	-1.94	+9.1%
# Units	4	3	

- The main operational indicators continue to show favorable evolutions, with an improvement in the overall occupancy rate and RevPar of 3pp and 18.5%, respectively. It should be noted that all operations increased RevPar when compared to the same period last year, evidencing the positive dynamics of the sector in general and of this business segment in particular.
- As a result, both turnover (+26.8%) and EBITDA (+12%) show considerable growth rates.
- Excluding rents, it should be underlined that the Hospitality segment's EBITDAR was 0.41M€ negative in 1Q17, an improvement of 35.8% over 1Q16. Pointing out the turnover seasonality in Troia, the first and fourth quarters usually register negative EBITDAR that are more than compensated by the positive results of the second and mainly the third quarters' activity.
- Despite the investments that have been made in the improvement of existing infrastructures, namely in the Aqualuz Troia Unit, Capex has remained at controlled levels, allowing for a 9.1% improvement in Ebitda-Capex.

3.4. ENERGY

capWatt
powering your business

Profit and Loss Account - Energy			
Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	9.93	11.75	-15.5%
Turnover	9.79	11.74	-16.6%
Other Operational Income	0.14	0.01	>100%
Total Operational Costs	-7.83	-9.39	+16.6%
Cost of Goods Sold	-5.73	-7.47	+23.4%
External Supplies and Services	-1.32	-1.06	-24.5%
Staff Costs	-0.59	-0.67	+12.3%
Other Operational Expenses	-0.20	-0.19	-5.5%
EBITDA	2.10	2.36	-10.9%
EBITDA Margin (% Turnover)	21.5%	20.1%	+1.4 pp
Capex	3.53	0.22	>100%
EBITDA-Capex	-1.43	2.14	-
Total Capacity (MW)	57.6	62.8	-8.3%
Owned & Operated	47.4	52.6	-9.9%
Operated (not consolidated)	10.2	10.2	

- In 1Q17, contributions from two solar farms of 1MW each acquired at the end of 2016 are already considered. However the contribution of a Cogeneration operation fueled by landfill biogas acquired at the end of the quarter has not yet been consolidated. In addition, the acquisition of 15MW of Renewable assets at the end of April increased the owned or operated capacity to 73MW.
- Compared to the same period last year, we should consider the discontinuation of an 8MW cogeneration plant in the 1Q16, and no further discontinuations are expected for the next 10 quarters (4Q19).
- As a result of the mixed entries/exits operations, turnover decreased by 16.6% and EBITDA reduced by 10.9% to 2.1M€. It should be noted that this quarter recorded the best performance of the last four quarters in a row, revealing the improvement and sustainability of the current recovery trend.
- Capex amounted to 3.53M€ mainly due to the above mentioned cogeneration operation acquisition.

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3.5. REFRIGERATION & HVAC

Profit and Loss Account - Refrigeration & HVAC

Million euro	1Q 2017	1Q 2016	Δ 17/16
Total Operational Income	12.14	13.86	-12.4%
Turnover	11.91	13.71	-13.1%
Other Operational Income	0.23	0.15	+51.0%
Total Operational Costs	-11.73	-13.17	+11.0%
Cost of Goods Sold	-4.98	-5.71	+12.8%
Change in Stocks of Finished Goods	0.46	0.97	-53.1%
External Supplies and Services	-4.01	-5.64	+28.9%
Staff Costs	-3.01	-2.59	-16.3%
Other Operational Expenses	-0.18	-0.20	+11.8%
EBITDA	0.42	0.69	-40.1%
EBITDA Margin (% Turnover)	3.5%	5.1%	-1.6 pp
Capex	0.06	0.05	+8.3%
EBITDA-Capex	0.36	0.64	-44.0%

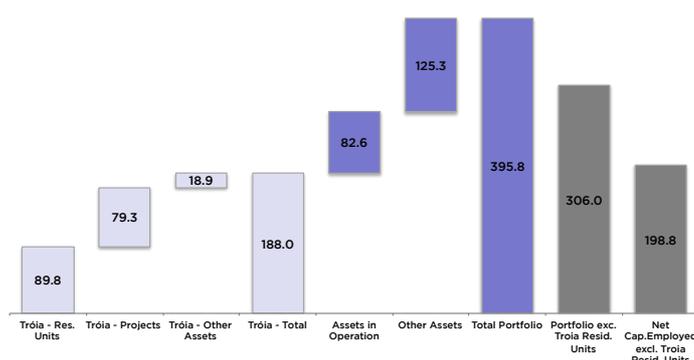
- Turnover in 1Q17 decreased 13.1% when compared to the same period last year due to: (i) an expected decrease in the Refrigeration activity due to the volume of orders delivered at the end of the previous year; and (ii) the delivery, during 2016, of an important international site that positively influenced the previous year.
- It should be highlighted that the decrease comparing to last year is concentrated in domestic operations, since the Brazilian operation registered a 77% growth.
- It should be noted that the backlog on the Portuguese operation, at the end of the quarter, amounted to approximately 24.3M€, representing 7 months of turnover, indicating a recovery in activity levels for the coming quarters particularly in the Refrigeration segment.
- Following Top Line performance, EBITDA has naturally decreased 40.1% when compared to 1Q16, amounting to 0.42M€, and reaching a 3.5% margin, 1.6pp below the 1Q16.
- EBITDA in domestic operations amounted to 0.3M€ in 1Q17, corresponding to a 2.9% margin (compared to the 5.5% margin reached in 2016).

3.6. OTHER ASSETS

Within the Group's current real estate portfolio there are diversified assets with different licensing and construction stages, including land plots with and without construction viability, residential units, construction projects, offices, industrial premises and commercial areas, with wide geographical dispersion.

This block considers all the real estate assets of the Sonae Capital Group, except the units already developed and in commercialization in the Troia Resort and the assets held by the WTC Fund.

Real Estate Assets Portfolio :: 1Q17
Cushman & Wakefield Evaluation (M€)



- As at 31 March 2017, the CE in this set of real estate assets amounted to 198.8M€, which are evaluated in 306.0M€, regarding the valuation made at the end of the previous year by the independent reference entity Cushman & Wakefield;
- Deeds signed in 1Q17 totaled 0.7M€ (1 City Flat and 1 plot of land in Ramalde - Porto); and
- There are an additional 18.85M€ of PPSAs signed over a set of assets indicating a positive forecast for the coming quarters.

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4. CORPORATE INFORMATION

4.1. CORPORATE INFORMATION 1Q17

There is no upcoming corporate information.

4.2. SUBSEQUENT CORPORATE EVENTS

- On April 27, 2017, Sonae Capital, SGPS, SA has executed a purchase and sale agreement for the acquisition of 100% of the share capital and voting rights of the company *Ventos da Serra – Produção de Energia, S.A.*, that owns and operates a photovoltaic plant with installed capacity of 10MW, located at *Ferreira do Alentejo*, for a global price of 29.1M€. This transaction is subject to prior notification to the Portuguese Competition Authority.

Additionally the Company acquired a wind farm located in *Loures* and *Arruda dos Vinhos*, with 5 MW of installed capacity, for the total amount of 5.4M€.

As a result, Sonae Capital's portfolio of cogeneration and renewable energy plants (solar and wind) will be increased by two new units, with the installed electrical capacity owned or operated by the Group totaling 73MW.

- On April 28, 2017, at the Shareholders' General Meeting, among other proposals, a gross dividend distribution of 0.10€ per share was approved.

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5. METODOLOGICAL NOTES

The quarterly consolidated financial information presented in this report is non-audited and has been prepared in accordance with the International Financial Reporting Standards ("IAS / IFRS"), issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union.

With the aim of continuing to provide the best financial information not only at the Consolidated level, but also, at each Business Unit level and aligning with the best market practices, the international operations (Angola and Mozambique) of the Refrigeration & HVAC segment are now considered as assets held for sale and therefore their contribution to the consolidated results is recognized as discontinued operations. In order to maintain the information comparability, the 2016 figures are presented in appendix according to this new reality.

GLOSSARY

- HVAC = Heating, Ventilation and Air Conditioning.
- Operational Cash Flow = EBITDA - Capex.
- PPSA = Promissory Purchase and Sale Agreement.
- EBITDA = Operational Profit (EBIT) + Amortization and Depreciation + Provisions and Impairment Losses + Impairment Losses of Real Estate Assets in Stocks (included in Costs of Goods Sold) - Reversal of Impairment Losses and Provisions (including in Other Operation Income).
- EBITDA, excluding Guaranteed Income Provisions = EBITDA + Provisions related to the estimated present value of potential costs for the full period of the Guaranteed Income from real estate sales at Troia Resort
- EBITDAR = EBITDA + Rents for buildings.
- Net Debt = Non-Current Loans + Current Loans - Cash and Cash Equivalents - Current Investments.
- Capex = Investment in Tangible and Intangible Assets.
- Gearing: Debt to Equity = Net Debt / Equity.
- Loan to Value = Net Debt of real estate assets / Real estate assets Valuation

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APPENDIX

Consolidated Profit and Loss Account					
Million euro	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Total Operational Income	37.59	43.00	52.71	97.25	34.31
Turnover	36.86	42.41	51.73	59.58	33.64
Troia Resort	3.88	7.21	9.33	10.70	2.39
Hospitality	2.10	4.34	7.35	3.21	2.67
Fitness	4.14	4.45	4.60	4.89	5.88
Energy	11.74	9.77	8.29	8.43	9.79
Refrigeration & HVAC	13.71	13.83	21.45	15.84	11.91
Others & Eliminations	1.28	2.81	0.72	16.51	1.00
Other Operational Income	0.73	0.59	0.97	37.67	0.66
EBITDA, excluding Guaranteed Inc. Prov. (1)	1.47	4.46	8.20	18.00	0.59
Troia Resort	0.01	0.70	3.28	15.05	-0.99
Hospitality	-1.76	-0.59	1.40	-1.36	-1.54
Fitness	0.38	0.62	0.78	0.37	0.90
Energy	2.36	1.93	1.73	1.78	2.10
Refrigeration & HVAC	0.69	0.62	0.36	0.58	0.42
Others & Eliminations	-0.21	1.17	0.64	1.58	-0.30
Provisions for Guaranteed Income	-0.07	-0.36	-0.08	-1.31	-0.06
EBITDA	1.40	4.09	8.12	16.69	0.53
Amortization & Depreciation	-3.90	-3.97	-3.97	-3.96	-4.07
Provisions & Impairment Losses	-0.01	-0.05	0.00	0.42	0.29
Non-recurrent costs/income (2)	-0.38	0.62	-0.37	0.21	-0.24
EBIT	-2.89	0.70	3.79	13.36	-3.49
Net Financial Expenses	-1.73	-1.68	-1.58	-1.15	-1.00
Investment Income and Results from Assoc. Undertakings	1.05	15.32	1.81	-1.50	0.07
EBT	-3.57	14.34	4.02	10.71	-4.42
Taxation	0.16	-0.54	-0.43	-4.99	-0.28
Net Profit - Continued Businesses	-3.41	13.80	3.59	5.72	-4.70
Net Profit - Discontinued Businesses	-0.47	-0.10	-0.21	-0.23	-0.15
Net Profit - Total	-3.88	13.70	3.38	5.50	-4.85
Attributable to Equity Holders of Sonae Capital	-4.19	13.33	3.12	5.33	-5.05
Attributable to Non-Controlling Interests	0.31	0.37	0.26	0.16	0.20

(1) EBITDA excluding the estimated present value of potential costs for the period of the Guaranteed Income from real estate sales at Troia Resort

(2) Non-recurrent items mainly related to restructuring costs and one-off income

PART II
**CONSOLIDATED FINANCIAL
STATEMENTS**

31 MARCH 2017



SONAE CAPITAL

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2017 AND 31 DECEMBER 2016

(Amounts expressed in euro)

ASSETS	Notes	31-03-2017	31-12-2016
NON-CURRENT ASSETS:			
Tangible assets	8	237,407,794	238,784,870
Intangible assets	8	7,215,999	7,615,431
Goodwill	9	39,437,689	37,841,090
Investments in associated companies and joint ventures	5	1,281,997	1,234,900
Other investments	6	495,849	478,855
Deferred tax assets	13	27,362,760	27,380,258
Other non-current debtors	10	2,452,524	2,036,474
Total non-current assets		315,654,612	315,371,878
CURRENT ASSETS:			
Inventories	11	102,923,999	104,511,954
Trade account receivables and other current assets	12	54,043,040	47,746,536
Cash and cash equivalents	14	6,703,308	32,747,208
Total Current Assets		163,670,347	185,005,698
Assets held for sale		3,817	-
TOTAL ASSETS		479,328,776	500,377,576
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	15	250,000,000	250,000,000
Own Shares	15	(1,339,617)	(1,404,226)
Reserves and retained earnings	15	62,128,073	44,241,791
Profit/(Loss) for the year attributable to the equity holders of Sonae Capital		(5,049,378)	17,594,199
Equity attributable to the equity holders of Sonae Capital		<u>305,739,078</u>	<u>310,431,764</u>
Equity attributable to non-controlling interests	16	10,104,765	9,925,965
Total Equity		315,843,843	320,357,729
NON-CURRENT LIABILITIES:			
Loans	17	73,788,912	94,262,228
Other non-current creditors	19	2,917,075	3,751,701
Deferred tax liabilities	13	19,711,651	19,635,287
Provisions	22	3,079,824	3,079,824
Total Non-Current Liabilities		99,497,462	120,729,040
CURRENT LIABILITIES:			
Loans	17,18	6,033,719	4,473,445
Trade creditors and other current liabilities	21	53,134,301	50,878,346
Provisions	22	3,994,997	3,939,016
Total Current Liabilities		63,163,017	59,290,807
TOTAL LIABILITIES		162,660,479	180,019,847
Liabilities associated with assets held for sale		824,454	-
TOTAL EQUITY AND LIABILITIES		479,328,776	500,377,576

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016

(Amounts expressed in euro)

	Notes	31-03-2017	31-03-2016
Sales		12,570,204	25,660,057
Services rendered		20,674,143	10,145,629
Other operating income	23	824,546	1,083,543
Cost of sales		(11,122,188)	(13,905,701)
Changes in stocks of finished goods and work in progress		(444,816)	(549,688)
External supplies and services		(12,242,302)	(12,161,315)
Staff costs		(8,929,190)	(7,983,436)
Depreciation and amortisation		(4,072,704)	(3,900,249)
Provisions and impairment losses (Increases)/Decreases		200,708	(366,065)
Other operating expenses		(946,299)	(914,029)
Operational profit/(loss)		(3,487,898)	(2,891,254)
Financial Expenses		69,794	200,946
Financial Income		(1,073,830)	(1,931,539)
Net financial income / (expenses)		(1,004,036)	(1,730,593)
Profit/(Loss) in associated and jointly controlled companies measured using the equity method	5	47,098	1,050,196
Investment income	25	27,596	(1)
Profit/(Loss) before taxation		(4,417,240)	(3,571,652)
Taxation	26	279,044	(163,236)
Profit/(Loss) for the year - continued operations		(4,696,284)	(3,408,416)
Profit/(Loss) for the year - discontinued operations		(151,958)	(473,113)
Profit/(Loss) for the year	27	(4,848,242)	(3,881,529)
Attributable to:			
Equity holders of Sonae Capital		(5,049,378)	(4,193,144)
Non-controlling interests	16	201,136	311,616
Profit/(Loss) per share - continued operations			
Basic	29	(0.019810)	(0,015077)
Diluted	29	(0.019810)	(0,015077)
			42460
Profit/(Loss) per share - discontinued operations			
Basic	29	(0.000615)	(0,001917)
Diluted	29	(0.000615)	(0,001917)

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016

(Amounts expressed in euro)

	31-03-2017	31-03-2016
Consolidated net profit/(loss) for the period	(4,848,242)	(3,881,529)
Items that may be reclassified subsequently to net profit / (loss):		
Changes in the currency translation differences	(5,575)	(16,926)
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	-	41,045
Change in the fair value of cash flow hedging derivatives	1,366	5,934
Tax related to other comprehensive income captions	-	(1,246)
Other comprehensive income for the period - continued operations	(4,209)	28,807
Other comprehensive income for the period - discontinued operations	(63,916)	127,692
Total comprehensive income for the period	<u>(4,916,367)</u>	<u>(3,725,030)</u>
Attributable to:		
Equity holders of Sonae Capital	(5,095,167)	(4,049,570)
Non-controlling interests	178,800	324,541

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016

(Amounts expressed in euro)

	Attributable to Equity Holders of Sonae Capital								Net Profit/(Loss)	Total	Non-Controlling Interests	Total Equity
	Share Capital	Own Shares	Demerger Reserve (Note 15)	Translation Reserves	Fair Value Reserves	Hedging Reserves	Other Reserves and Retained Earnings	Subtotal Reserves and Retained Earnings				
Balance as at 1 January 2016	250,000,000	(1,426,791)	132,638,253	(23,350)	-	(11,956)	(80,993,753)	51,609,194	(294,678)	299,887,725	10,247,125	310,134,850
Total consolidated comprehensive income for the period	-	-	-	97,841	-	5,934	39,799	143,574	(4,193,144)	(4,049,570)	324,541	(3,725,029)
Appropriation of profit of 2015:	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	(294,678)	(294,678)	294,678	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(1,627)	(1,627)
(Acquisition)/Sales of own shares	-	22,565	-	-	-	-	-	-	-	22,565	-	22,565
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	218,400	218,400	-	218,400	-	218,400
Balance as at 31 March 2016	250,000,000	(1,404,226)	132,638,253	74,491	-	(6,022)	(81,030,232)	51,676,490	(4,193,144)	296,079,120	10,570,039	306,649,159
Balance as at 1 January 2017	250,000,000	(1,404,226)	132,638,253	12,876	-	5,004	(88,414,342)	44,241,791	17,594,199	310,431,764	9,925,965	320,357,729
Total consolidated comprehensive income for the period	-	-	-	(47,155)	-	1,366	151,958	(45,791)	(5,049,378)	(5,095,167)	178,800	(4,916,367)
Appropriation of profit of 2016:	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	17,594,199	17,594,199	(17,594,199)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-
(Acquisition)/Sales of own shares	-	64,609	-	-	-	-	-	-	-	64,609	-	64,609
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	337,874	337,874	-	337,874	-	337,874
Balance as at 31 March 2017	250,000,000	(1,339,617)	132,638,253	(34,279)	-	6,370	(70,330,311)	62,128,073	(5,049,378)	305,739,078	10,104,765	315,843,843

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016

(Amounts expressed in euro)

	Notes	31-03-2017	31-03-2016
OPERATING ACTIVITIES:			
Cash receipts from trade debtors		30,779,075	35,449,271
Cash receipts from trade creditors		(22,668,640)	(22,130,135)
Cash paid to employees		(8,417,756)	(7,227,987)
Cash flow generated by operations		(307,322)	6,091,149
Income taxes (paid) / received		(156,591)	(163,279)
Other cash receipts and (payments) relating to operating activities		(1,419,905)	(406,116)
Discontinued operations		-	(942,519)
Net cash from operating activities (1)		(1,883,818)	4,579,235
INVESTMENT ACTIVITIES:			
<u>Cash receipts arising from:</u>			
Investments		79,960	567
Tangible assets		409,013	1,096,642
Subsidies		11	-
Interest and similar income		60,525	114,221
Dividends		73,578	-
Others		1,448	-
		624,535	1,211,430
<u>Cash Payments arising from:</u>			
Investments		(1,672,703)	(5,939)
Tangible assets		(1,512,407)	(1,518,167)
Intangible assets		(324,080)	(142,731)
Loans granted		(30,042)	(41,503)
		(3,539,232)	(1,708,340)
Discontinued operations		-	4,897
Net cash used in investment activities (2)		(2,914,697)	(492,013)
FINANCING ACTIVITIES:			
<u>Cash receipts arising from:</u>			
Loans obtained		2,212,125	30,726,297
		2,212,125	30,726,297
<u>Cash Payments arising from:</u>			
Loans obtained		(22,152,811)	(63,288,856)
Interest and similar charges		(811,080)	(1,823,473)
Dividends		-	(156,250)
		(22,963,891)	(65,268,579)
Discontinued operations		-	150,191
Net cash used in financing activities (3)		(20,751,766)	(34,392,091)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(25,550,281)	(30,304,869)
Effect of foreign exchange rate		6,110	(152)
Cash and cash equivalents at the beginning of the period	14	32,215,420	35,318,251
Cash and cash equivalents at the end of the period	14	6,659,029	5,013,534

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016

(Translation from the Portuguese Original)
(Amounts expressed in Euro)

1. INTRODUCTION

SONAE CAPITAL, SGPS, SA (“Company”, “Group” or “Sonae Capital”) whose head-office is at Lugar do Espido, Via Norte, Apartado 3053, 4471-907 Maia, Portugal, is the parent company of a group of companies, as detailed in Notes 4 to 6 (“Sonae Capital Group”) and was set up on 14 December 2007 as a result of the demerger of the shareholding in SC, SGPS, SA (previously named Sonae Capital, SGPS, SA) from Sonae, SGPS, SA, which was approved by the Board of Directors on 8 November 2007 and by the Shareholder’s General Meeting held on 14 December 2007.

Reflecting the current management structure, the reporting segments were revised, addressing the strategic business areas identified in the Group:

- Resorts;
- Hotels;
- Fitness;
- Energy,
- Refrigeration & HVAC;
- Other Assets.

The non-strategic assets (including non-tourism real estate assets and financial shareholdings) are included in the segment Other assets.

2. MAIN ACCOUNTING POLICIES

The main accounting policies adopted are consistent with those used in the financial statements presented for the year ended 31 December 2016.

Basis of preparation

Interim financial statements were presented quarterly, in accordance with IAS 34 – “Interim Financial Reporting”.

The accompanying consolidated financial statements have been prepared from the books and accounting records of the Company and of its affiliated undertakings (Notes 4 and 6), on a going concern basis and under the historical cost convention, except for derivative financial instruments which are stated at fair value.

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

3. CHANGES IN ACCOUNTING POLICIES

Changes to international accounting standards that came into force on or after 1 January 2017, did not have material impacts in the financial statements as at 31 March 2017.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of the share capital held by the Group as at 31 March 2017 and 31 December 2016, are as follows:

Company	Head Office	Percentage of capital held				
		31 March 2017		31 December 2016		
		Direct	Total	Direct	Total	
Sonae Capital SGPS, SA	Maia	Holding	Holding	Holding	Holding	
Hotels						
Porto Palácio Hotel, SA	a)	Porto	100,00%	100,00%	100,00%	100,00%
SC Hospitality, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
The Artist Porto Hotel & Bistrô - Actividades Hoteleiras, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
The House Ribeira Hotel - Exploração Hoteleira, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Aqualuz Tróia, SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Resorts						
Atlantic Ferries-Tráf.Loc.Flu.e Marít,SA	a)	Grândola	95,77%	95,77%	95,77%	95,77%
Golf Time-Golfe e Invest. Turísticos, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imopenínsula - Sociedade Imobiliária, SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Imoresort - Sociedade Imobiliária, S.A.	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Marina de Tróia, SA.	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Marmagno-Expl.Hoteleira Imob.,SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Marvero-Expl.Hotel.Im.,SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
SII - Soberana Invest. Imobiliários, SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Soltroia-Imob.de Urb.Turismo de Tróia,SA	a)	Lisbon	100,00%	100,00%	100,00%	100,00%
Tróia Market, S.A.	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Tróia Natura, S.A.	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Troiareort-Investimentos Turísticos, SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Troiareort, SGPS, SA	a)	Matosinhos	100,00%	100,00%	100,00%	100,00%
Tulipamar-Expl.Hoteleira Imob.,SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Fitness						
Acrobatic Tittle, S.A.	a)	Lisbon	10,00%	10,00%	10,00%	10,00%
Solinca - Health & Fitness, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Energy						
Atelgen - Produção Energia, ACE	a)	Barcelos	51,00%	51,00%	51,00%	51,00%
CAPWATT - Brainpower, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
CAPWATT - ACE, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Colombo - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Engenho Novo - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Hectare - Heat Power, ACE	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt II - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt III - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Maia - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Martim Longo - Solar Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%

REPORT AND ACCOUNTS – MARCH 2017

Consolidated Financial Statements

Capwatt Vale do Caima - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Capwatt Vale do Tejo - Heat Power, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
CAPWATT - SGPS, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Carvemagere - Manutenção e Energias Renováveis, Lda	a)	Barcelos	65,00%	65,00%	65,00%	65,00%
Companhia Térmica SERRADO, ACE	a)	Maia	70,00%	70,00%	70,00%	70,00%
Companhia Térmica Tagol, Lda.	a)	Oeiras	100,00%	100,00%	100,00%	100,00%
CTE - Central Termoeléctrica do Estuário, Lda	a)	Maia	100,00%	100,00%	100,00%	100,00%
Enerlousado - Recursos Energéticos, Lda.	a)	Maia	100,00%	100,00%	100,00%	100,00%
1) Gasflow, Unipessoal, Lda	a)	Maia	100,00%	100,00%	-	-
Ronfegen - Recursos Energéticos, Lda.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Soternix - Produção de Energia, ACE	a)	Barcelos	51,00%	51,00%	51,00%	51,00%
Suncoutim - Solar Energy, SA.	a)	Faro	85,00%	85,00%	85,00%	85,00%
Refrigeration and HVAC						
QCE - Desenvolvimento e fabrico de Equipamentos, SA	a)	Matosinhos	100,00%	70,00%	100,00%	70,00%
Sistavac, SA	a)	Matosinhos	100,00%	70,00%	100,00%	70,00%
Sistavac, SGPS, SA	a)	Matosinhos	70,00%	70,00%	70,00%	70,00%
Sistavac Sistemas HVAC-R do Brasil, Ltda	a)	São Paulo	100,00%	70,00%	100,00%	70,00%
Sopair, S.A.	a)	Madrid	100,00%	70,00%	100,00%	70,00%
2) Spinarq Moçambique, Lda	a)	Maputo	70,00%	70,00%	70,00%	70,00%
2) Spinarq-Engenharia,Energia e Ambiente,SA	a)	Luanda	99,90%	99,90%	99,90%	99,90%
Other Assets						
Bloco Q-Soc.Imobil.SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Casa da Ribeira-Sociedade Imobiliária, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Centro Residencial da Maia,Urban.,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Cinclus Imobiliária,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Contacto Concessões, SGPS, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Contry Club da Maia-Imobiliaria,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Empreend.Imob.Quinta da Azenha,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Fundo Esp.Inv.Imo.Fec. WTC	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imoclub-Serviços Imobiliários,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imodivor - Sociedade Imobiliária, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imohotel-Emp.Turist.Imobiliários,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imoponte - Sociedade Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Imosedas-Imobiliária e Seviços,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Implantação - Imobiliária, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
Inparvi SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Interlog-SGPS,SA	a)	Lisbon	98,98%	98,98%	98,98%	98,98%
Porturbe-Edifícios e Urbanizações,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Praedium - Serviços, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Praedium II-Imobiliária,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Prédios Privados Imobiliária,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Predisedas-Predial das Sedas,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Promessa Sociedade Imobiliária, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
SC-Eng. e promoção imobiliária,SGPS,S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
SC Assets, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Sete e Meio Herdades-Inv. Agr. e Tur.,SA	a)	Grândola	100,00%	100,00%	100,00%	100,00%
Société de Tranchage Isoroy SAS.	a)	Honfleur	100,00%	100,00%	100,00%	100,00%
Soira - Soc. Imobiliária de Ramalde, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Sótaqua - Soc. de Empreend. Turísticos	a)	Maia	100,00%	100,00%	100,00%	100,00%
Spinveste - Promoção Imobiliária, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Spinveste-Gestão Imobiliária SGII,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Urbisedas-Imobiliária das Sedas, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Vistas do Freixo-Emp.Tur.Imobiliários,SA	a)	Maia	100,00%	100,00%	100,00%	100,00%

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Imobeauty, S.A.	a)	Maia	100,00%	100,00%	100,00%	100,00%
SC - Sociedade de Consultadoria, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
SC Finance BV	a)	Amsterdam	100,00%	100,00%	100,00%	100,00%
SC For - Ser.Formação e Desenvolv.Recursos Humanos, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
UP Invest, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
SC, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%
Solifitness - Club Málaga, S.L.	a)	Málaga	100,00%	100,00%	100,00%	100,00%
Spred, SGPS, SA	a)	Maia	100,00%	100,00%	100,00%	100,00%

- 1) Company acquired in the period
- 2) Companies discontinued in the period.
- a) Majority of voting rights

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5. INVESTMENTS IN ASSOCIATED AND JOINTLY CONTROLLED COMPANIES

Associated and jointly controlled companies included in the consolidated financial statements, their head offices and the percentage of share capital held by the Group as at 31 March 2017 and 31 December 2016 are as follows:

31 March 2017											
Company name	Head Office	Percentage of Capital Held		Total Assets	Total Liabilities	Total Costs	Total income	Share Capital	Net income	Balance Value	
		Direct	Total								
Jointly Controlled Companies											
Other Assets											
	Andar - Sociedade Imobiliária, SA	Maia	50.00%	50.00%	16,605,401	17,017,246	240,774	1102	(411,845)	(239,672)	-
1)	Sociedade de Construções do Chile, SA	Maia	100.00%	50.00%	14,809,250	908,576	36,381	-	13,900,674	(36,381)	-
1)	Vastgoed One - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	12,050,318	928	74	-	12,049,390	(74)	-
1)	Vastgoed Sun - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	12,054,919	851	76	-	12,054,068	(76)	-
Associated Companies											
Other Assets											
	Lidergraf - Artes Gráficas, Lda	Vila do Conde	24.50%	24.50%	17,375,254	9,760,282	4,752,412	5,070,423	7,614,972	318,012	1,144,740
Energy											
	Feneralt - Produção de Energia, ACE	Barcelos	25.00%	25.00%	817,080	613,855	282,355	481,370	203,225	199,015	137,257
					73,712,222	28,301,738	5,312,072	5,552,895	45,410,484	240,824	1,281,997

31 December 2016											
Company name	Head Office	Percentage of Capital Held		Total Assets	Total Liabilities	Total Costs	Total income	Share Capital	Net income	Balance Value	
		Direct	Total								
Jointly Controlled Companies											
Other Assets											
	Andar - Sociedade Imobiliária, SA	Maia	50.00%	50.00%	16,604,641	16,776,815	917,743	-	(172,174)	(917,743)	-
1)	Sociedade de Construções do Chile, SA	Maia	100.00%	50.00%	14,746,910	810,256	63,685	166	13,936,655	(63,520)	-
1)	Vastgoed One - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	12,050,074	610	1,389	135	12,049,464	(1,254)	-
1)	Vastgoed Sun - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	12,054,754	610	1,297	135	12,054,143	(1,162)	-
Associated Companies											
Other Assets											
	Lidergraf - Artes Gráficas, Lda	Vila do Conde	24.50%	24.50%	17,937,039	10,378,691	21,305,990	22,539,972	7,558,348	1,233,982	1,138,099
2)	Norscut - Concessionária de Scut Interior Norte, SA	Lisbon	-	-	-	-	-	-	-	-	-
2)	Operscut - Operação e Manutenção de Auto-estradas, SA	Lisbon	-	-	-	-	-	-	-	-	-
Energy											
	Feneralt - Produção de Energia, ACE	Barcelos	25.00%	25.00%	1,036,916	522,770	1,404,866	1,910,592	442,562	438,352	96,801
					74,430,334	28,489,752	23,694,970	24,451,000	45,868,998	688,655	1,234,900

- 1) Null investment values result from the adoption of the equity method in Andar – Sociedade Imobiliária, SA, holder of all of these investments;
- 2) Company sold in 30 September 2016.

Associated and jointly controlled companies are consolidated using the equity method.

Nil balances shown result from the reduction to acquisition cost of amounts determined by the equity method, discontinuing the recognition of its part of additional losses under the terms of IAS 28.

During the periods ended 31 March 2017 and 2016, movements in investments of associated and jointly controlled companies may be summarized as follows:

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	31 March 2017	31 March 2016
Opening balance as at 1 January	1,266,842	12,992,457
Equity method	47,098	1,103,675
Dividends received	-	(12,434)
Closing balance as at 31 March	1,313,940	14,083,698
Accumulated impairment losses (Note 22)	(31,943)	(31,943)
	<u>1,281,997</u>	<u>14,051,755</u>

The use of the equity method had the following impacts: 47,098 euro recorded on share of results of associated undertakings (1,050,196 euro at 31 March 2016), and 0 euro in changes in reserves (41.045 euro at 31 March 2016).

6. OTHER INVESTMENTS

Group companies, jointly controlled companies and associated companies excluded from consolidation, their head offices, percentage of share capital held and book value as at 31 March 2017 and 31 December 2016 are as follows:

Company	Head Office	Percentage of capital held				Balance Value	
		31 March 2017		31 December 2016		31 March 2017	31 December 2016
		Direct	Total	Direct	Total		
Resorts							
Infratroia – Emp. de Infraest. de Troia, E.N.	Grândola	25.90%	25.90%	25.90%	25.90%	64,747	64,747
Other Assets							
Net, SA	Lisbon	0.98%	0.98%	0.98%	0.98%	23,034	23,034
Fundo de Capital de Risco F-HITEC	Lisbon	6.48%	6.48%	6.48%	6.48%	250,950	250,950
Other investments						157,116	140,124
Total						<u>495,847</u>	<u>478,855</u>

As at 31 March 2017 and 31 December 2016, movements in investments were as follows:

	31 March 2017		31 December 2016	
	Non-current	Current	Non-current	Current
Investments at acquisition cost				
Opening balance as at 1 January	770,693	-	889,353	-
Acquisitions in the period	19,714	-	23,752	-
Disposals in the period	(2,721)	-	(142,412)	-
Closing balance as at 31 March	787,686	-	770,693	-
Accumulated impairment losses (Note 22)	(291,838)	-	(291,838)	-
	<u>495,848</u>	-	<u>478,855</u>	-
Other Investments	<u>495,849</u>	-	<u>478,855</u>	-

The investments considered in this note are stated at the acquisition cost less impairment losses.

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7. CHANGES TO THE CONSOLIDATION PERIMETER

During the period ended 31 March 2017 the following companies were acquired:

Company	Head Office	Percentage of capital held	
		Direct	Total
Gasflow, Unipessoal, Lda	Maia	100,00%	100,00%

Impacts in the consolidated financial statements at the inclusion date were as follows:

	Acquisition date	31 March 2017
Net assets acquired		
Tangible and intangible assets (8)	862,239	862,239
Financial investments	10,000	10,000
Other assets	165,836	165,836
Cash and cash equivalents	355,854	355,854
Other liabilities	(971,686)	(43,115)
	<u>422,243</u>	<u>1,350,814</u>
Total equity	<u>422,243</u>	
Income statements from the acquired companies		
External supplies and services	56,173	-
Depreciation and amortisation	29,009	-
Operational expenses	85,182	-
Sales	151,138	-
Operational income	151,138	-
Operational profit/(loss)	65,956	-
Financial income	727	-
Financial expenses	6,834	-
Net financial income / (expenses)	(6,107)	-
Profit/(Loss) before taxation	59,849	-
Taxation	(13,995)	-
Profit/(Loss) for the year	45,854	-
Gain/(Loss) on acquisition	-	
Acquisition price	2,018,843	
Payments made	2,018,843	
Net cash flow from the acquisition		
Payments made	2,018,843	
Cash and equivalents acquired	(355,854)	
	<u>1,662,989</u>	

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8. TANGIBLE ASSETS AND INTANGIBLE ASSETS

During the three month period ended 31 March 2017, movements in tangible and intangible fixed assets as well as in amortisation and accumulated impairment losses, are made up as follows:

	Tangible Assets							Total Tangible Assets
	Land and Natural Resources	Buildings and Other Constructions	Plant and Machinery	Vehicles	Fixtures and Fittings	Others	Tangible Assets in progress	
Gross Cost:								
Opening balance as at 1 January 2017	49,277,022	163,142,640	203,878,370	988,371	4,117,201	2,239,282	2,619,249	426,262,135
Changes in consolidation perimeter (companies in)	-	-	1,202,826	-	2,250	-	-	1,205,076
Discontinued operations	-	-	(92,406)	(397,206)	(34,559)	(4,310)	-	(528,481)
Capital expenditure	-	17,291	37,789	-	3,312	-	1,847,361	1,905,753
Disposals	(21,616)	(158,129)	(314,904)	(925)	(18,372)	(22,300)	-	(536,246)
Exchange rate effect	-	-	(989)	-	204	656	-	(129)
Transfers a)	-	(53,399)	193,940	-	60,655	8,445	(371,718)	(162,077)
Closing balance as at 31 March 2017	49,255,406	162,948,403	204,904,626	590,241	4,130,691	2,221,773	4,094,892	428,146,032
Accumulated depreciation								
Opening balance as at 1 January 2017	-	41,590,603	105,170,616	930,711	3,409,113	1,742,151	-	152,843,194
Changes in consolidation perimeter (companies in)	-	-	342,392	-	445	-	-	342,838
Discontinued operations	-	-	(41,689)	(355,926)	(22,881)	(3,333)	-	(423,829)
Charges for the period	-	704,075	3,115,794	2,136	45,840	18,973	-	3,886,818
Disposals	-	(12,441)	(198,733)	(925)	(18,372)	(22,300)	-	(252,770)
Exchange rate effect	-	-	(371)	(4,746)	268	555	-	(4,294)
Transfers	-	-	(41)	205	44	-	-	207
Closing balance as at 31 March 2017	-	42,282,238	108,387,969	571,456	3,414,456	1,736,045	-	156,392,164
Accumulated impairment losses								
Opening balance as at 1 January 2017	7,602,813	25,704,222	1,327,036	-	-	-	-	34,634,071
Charges for the period	-	-	-	-	-	-	-	-
Closing balance as at 31 March 2017	7,525,323	25,517,875	1,302,876	-	-	-	-	34,346,074
Carrying amount								
As at 1 January 2017	41,674,209	95,847,815	97,380,718	57,660	708,088	497,131	2,619,249	238,784,870
As at 31 March 2017	41,730,083	95,148,291	95,213,781	18,785	716,235	485,728	4,094,892	237,407,794

- a) During the first quarter of 2017 subsidies to investment was reclassified from "Other current liabilities – Investment Aid" and "Other non-current creditors – Investment Aid" to "Fixed assets" in the amount of (260.875) euro, as set out in IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. In the income statement, the subsidy to offset the related cost is now stated in the line of Depreciation and Amortisation.

Major amounts included in the caption Tangible assets in progress, refer to the following projects:

	31 March 2017	31 December 2016
Tróia	1,669,274	1,657,460
Cogeneration Project	1,034,283	-
Health Clubs Refurbishment	1,102,567	300,884
Others	288,768	660,905
	4,094,892	2,619,249

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During the three month period ended 31 March 2017, intangible fixed assets as well as in amortisation and accumulated impairment losses, are made up as follows:

	Intangible Assets				
	Patents and other similar rights	Software	Others	Intangible Assets in progress	Total Intangible Assets
Gross Cost:					
Opening balance as at 1 January 2017	8,189,952	3,778,269	283,781	382,826	12,634,829
Changes in consolidation perimeter (companies out)	-	-	-	-	-
Capital expenditure	-	-	192,698	174,849	367,547
Disposals	-	(183)	-	-	(183)
Exchange rate effect	-	289	-	-	289
Transfers b)	(479,426)	319,355	-	(416,070)	(576,141)
Closing balance as at 31 March 2017	7,710,526	4,097,730	476,479	141,605	12,426,341
Accumulated amortization					
Opening balance as at 1 January 2017	1,700,975	3,094,135	224,289	-	5,019,398
Changes in consolidation perimeter (companies out)	-	-	-	-	-
Charges for the period	60,404	115,383	15,125	-	190,912
Disposals	-	(183)	-	-	(183)
Exchange rate effect	-	215	-	-	215
Transfers	-	-	-	-	-
Closing balance as at 31 March 2017	1,761,379	3,209,550	239,414	-	5,210,342
Carrying amount					
As at 1 January 2017	<u>6,488,978</u>	<u>684,135</u>	<u>59,492</u>	<u>382,826</u>	<u>7,615,431</u>
As at 31 March 2017	<u>5,949,148</u>	<u>888,181</u>	<u>237,065</u>	<u>141,605</u>	<u>7,215,999</u>

- a) During the first quarter of 2017 subsidies to investment was reclassified from “Other current liabilities – Investment Aid” and “Other non-current creditors – Investment Aid” to “Intangible Assets” in the amount of (482.367) euro, as set out in IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. In the income statement, the subsidy to offset the related cost is now stated in the line of Depreciation and Amortisation.

As at 31 March 2017 the net assets of Marina de Troia in Patents and other similar rights, amounts to 5,185,299 euro (5,701,588 euro at 31 December 2016).

9. GOODWILL

During the periods ended 31 March 2017 and 31 December 2016, movements in goodwill, as well as in corresponding impairment losses, are as follows:

	31 March 2017	31 December 2016
Gross amount:		
Opening balance	62,194,124	62,194,124
Increases - acquisition of affiliated companies	1,596,599	-
Decreases - disposals of affiliated companies	-	-
Closing balance	<u>63,790,723</u>	<u>62,194,124</u>
Accumulated impairment losses:		
Opening balance	24,353,034	1,301,596
Increases	-	23,051,438
Closing balance	<u>24,353,034</u>	<u>24,353,034</u>
Total	<u>39,437,689</u>	<u>37,841,090</u>

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10. OTHER NON-CURRENT DEBTORS

As at 31 March 2017 and 31 December 2016, other non-current debtors are detailed as follows:

	31 March 2017	31 December 2016
Loans granted to related parties		
Others	904,654	874,613
	904,654	874,613
Impairment losses (Note 22)	(34,916)	(34,916)
	869,738	839,697
Trade accounts receivable and other debtors		
Others	1,197,905	1,196,777
Impairment losses (Note 22)	-	-
	1,197,905	1,196,777
Deferred costs		
Financing charges	384,881	-
	384,881	-
Total financial instruments	2,452,524	2,036,474
Other non-current debtors	2,452,524	2,036,474

11. INVENTORIES

Inventories as at 31 March 2017 and 31 December 2016 can be detailed as follows, highlighting the value attributable to real estate developments:

	31 March 2017		31 December 2016	
	Total	of which Real Estate Developments	Total	of which Real Estate Developments
Raw materials, by-products and consumables	1,494,356	-	1,416,846	-
Goods for sale	29,991,125	29,402,350	30,621,892	29,396,542
Finished goods	16,060,672	16,060,672	16,227,654	16,227,654
Work in progress	70,714,177	66,859,191	71,597,057	67,573,121
	118,260,330	112,322,213	119,863,449	113,197,317
Accumulated impairment losses on stocks (Note 22)	(15,336,331)	(15,333,632)	(15,351,494)	(15,340,458)
Total Operations	102,923,999	96,988,581	104,511,954	97,856,859

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12. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 31 March 2017 and 31 December 2016, trade accounts receivable and other current assets are detailed as follows:

	31 March 2017	31 December 2016
Trade accounts receivable	21,895,850	22,289,476
Accumulated impairment losses on trade debtors (Note 22)	(4,196,126)	(4,259,208)
	<u>17,699,724</u>	<u>18,030,267</u>
Taxes recoverable	10,342,828	10,540,381
Loans granted to and other amounts to be received from related parties	67,740	139,309
Other current assets		
Suppliers with a debtor balance	3,162,040	1,222,273
Other debtors	4,543,658	3,875,438
Accounts receivable from the sale of financial investments	4,041,723	4,088,126
Accounts receivable from the sale of tangible assets	5,920	5,920
Interest receivable	31,136	28,246
Deferred costs - Rents	491,805	373,360
Deferred costs - External supplies and services	1,472,134	1,155,795
Other current assets	14,032,915	10,290,839
	<u>27,781,331</u>	<u>21,039,996</u>
Accumulated impairment losses on other current assets (Note 22)	(1,848,583)	(2,003,416)
	<u>54,043,040</u>	<u>47,746,536</u>
Trade accounts receivable and other current assets	<u>54,043,040</u>	<u>47,746,536</u>

The caption "Other current assets" includes accruals related with works in progress at the end of the period.

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13. DEFERRED TAXES

Deferred tax assets and liabilities as at 31 March 2017 and 31 December 2016 can be detailed as follows, splitted between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Amortisation and Depreciation harmonisation adjustments	564,988	566,662	4,196,166	4,068,443
Provisions and impairment losses of non-tax deductible	5,286,204	5,320,494	-	-
Write off of tangible and intangible assets	71,250	71,250	-	-
Write off of accruals	-	-	-	-
Revaluation of tangible assets	-	-	93,738	93,307
Tax losses carried forward	21,376,816	21,414,207	-	-
Financial instruments	-	-	-	-
Write off of stocks	-	-	407,314	462,815
Taxable temporary differences arising from the fair value of non-current liabilities	-	-	6,532,976	6,529,266
Others	63,501	7,644	8,481,457	8,481,456
	<u>27,362,760</u>	<u>27,380,258</u>	<u>19,711,651</u>	<u>19,635,287</u>

In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 31 March 2017 and 31 December 2016, and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	31 March 2017			31 December 2016		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2012	15,665,662	3,289,789	2017	15,843,716	3,327,180	2017
Generated in 2013	18,024,639	3,785,174	2018	18,024,639	3,785,174	2018
Generated in 2014	13,536,168	2,842,595	2026	13,536,168	2,842,595	2026
Generated in 2015	47,663,128	10,009,257	2027	47,663,128	10,009,257	2027
Generated in 2016	6,904,762	1,450,000	2028	6,904,762	1,450,000	2028
Generated in 2017	-	-	2022	-	-	-
	<u>101,794,360</u>	<u>21,376,816</u>		<u>101,972,414</u>	<u>21,414,207</u>	
With a time limit different from the above mentioned	-	-		-	-	
	<u>101,794,360</u>	<u>21,376,816</u>		<u>101,972,414</u>	<u>21,414,207</u>	

An analysis was made on the relevance of the recognition of deferred taxes, taking into account the possibility of them to be recovered in accordance with the medium and long term prospects of the Group.

Deferred tax assets arising from tax losses have been recorded only when it is likely to occur taxable income in the future.

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As at 31 March 2017, tax losses carried forward amounting to 64,661,914 euro (54,661,193 euro as at 31 December 2016), have not originated deferred tax assets for prudential reasons and are detailed as follows:

	31 March 2017			31 December 2016		
	Tax losses carried forward	Tax Credit	Time limit	Tax losses carried forward	Tax Credit	Time limit
With limited time use						
Generated in 2012	17,976,005	3,774,961	2017	13,872,225	2,913,167	2017
Generated in 2013	26,050,520	5,470,609	2018	25,870,105	5,432,722	2018
Generated in 2014	22,249	4,672	2026	22,249	4,672	2026
Generated in 2015	29,058	6,102	2027	29,058	6,102	2027
Generated in 2016	2,689,760	564,850	2028	2,892,333	607,390	2028
Generated in 2017	5,745,410	1,206,536				
	<u>52,513,001</u>	<u>11,027,730</u>		<u>42,685,969</u>	<u>8,964,054</u>	
Without limited time use	11,744,739	2,936,185		11,658,674	2,914,669	
With a time limit different from the above mentioned	404,174	93,629		407,549	94,305	
	<u>12,148,913</u>	<u>3,029,814</u>		<u>12,066,224</u>	<u>3,008,973</u>	
	<u><u>64,661,914</u></u>	<u><u>14,057,544</u></u>		<u><u>54,752,193</u></u>	<u><u>11,973,027</u></u>	

14. CASH AND CASH EQUIVALENTS

As at 31 March 2017 and 31 December 2016, cash and cash equivalents can be detailed as follows:

	31 March 2017	31 December 2016
Cash at hand	137,904	133,923
Bank deposits	6,556,823	32,604,013
Treasury applications	8,580	9,272
Cash and cash equivalents on the balance sheet	<u>6,703,308</u>	<u>32,747,208</u>
Bank overdrafts - (Note 17)	(44,279)	(15,769)
Cash and cash equivalents in the statement of cash-flows	<u><u>6,659,029</u></u>	<u><u>32,731,439</u></u>

Bank overdrafts include creditor balances of current accounts in financial institutions, and are disclosed in the balance sheet under current bank loans (Note 17).

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15. EQUITY

The share capital of Sonae Capital SGPS, SA is represented by 250,000,000 ordinary shares, which do not have the right to a fixed remuneration, with a nominal value of 1 euro each.

As at 31 March 2017, Sonae Capital SGPS, S.A. owns 5,037,711 own shares (5,516,571 own shares at 31 December 2016) booked for 1,339,617 euro (1,404,226 euro at 31 December 2016).

Other reserves includes amounts equal to the value of own shares held by the Group's parent company. This reserve should be unavailable while these shares are kept by the company.

The Reserves and retained earnings of Sonae Capital Group in the periods ended 31 March 2017 and 31 December 2016 are as follows:

	31 March 2017	31 December 2016
Demerger reserve	132,638,253	132,638,253
Translation reserves	(34,279)	12,876
Hedging reserves	6,370	5,004
Others	(70,482,272)	(88,414,342)
Other reserves and retained earnings	62,128,073	44,241,791

Demerger reserve

The demerger originated a reserve in the amount of 132,638,253 euro, which has a treatment similar to that of a Legal Reserve. According to Company Law, it cannot be distributed to shareholders, unless the company is liquidated, but can be used to make good prior year losses, once other reserves have been used fully, or for capital increases.

Translation reserves

These reserves are comprised by the conversion into euro of the financial statements of the subsidiaries that have other functional currency.

Hedging Reserve

This caption is comprised by the fair value of hedging derivatives and the accrued interest of that derivative. The amounts in this reserve are transferred to the income statement when subsidiaries are sold or liquidated.

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16. NON-CONTROLLING INTERESTS

Movements in non-controlling interests in the periods ended 31 March 2017 and 31 December 2016 are as follows:

	31 March 2017	31 December 2016
Opening balance as at 1 January	9,925,965	10,247,125
Changes in hedging reserves	-	-
Changes in the percentage of capital held in affiliated companies	-	(24,782)
Changes resulting from currency translation	(22,336)	482
Dividends paid	-	(1,441,468)
Others	-	45,913
Profit for the period attributable to minority interests	201,136	1,098,695
Closing balance	10,104,765	9,925,965

The non-controlling interests are primarily from companies in the Refrigeration and HVAC segment.

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17. BORROWINGS

As at 31 March 2017 and 31 December 2016, Borrowings are made up as follows:

	31 March 2017		31 December 2016		Repayable on
	Outstanding amount		Outstanding amount		
	Current	Non-Current	Current	Non-Current	
Bank loans					
Sonae Capital SGPS - commercial paper a)	-	-	-	20,000,000	Jun/2021
Sonae Capital SGPS - commercial paper b)	2,200,000	-	-	-	Sep/2019
Up-front fees	-	(23,152)	-	(445,544)	
Others	435,084	866,743	1,121,468	977,912	
	<u>2,635,084</u>	<u>843,591</u>	<u>1,121,468</u>	<u>20,532,367</u>	
Bank overdrafts (Note 14)	44,279	-	15,769	-	
Bank loans	<u>2,679,363</u>	<u>843,591</u>	<u>1,137,237</u>	<u>20,532,367</u>	
Bond Loans					
Sonae Capital 2014/2019 Bonds	-	42,500,000	-	42,500,000	May/2019
Sonae Capital 2016/2021 Bonds	-	15,000,000	-	15,000,000	Jul/2021
Up-front fees	-	(358,237)	-	(392,289)	
Bond Loans	<u>-</u>	<u>57,141,763</u>	<u>-</u>	<u>57,107,711</u>	
Other loans	117,400	246,177	117,400	246,177	
Derivatives (Note 18)	-	-	4,530	-	
Obligations under finance leases	3,236,956	15,628,030	3,214,278	16,449,963	
Up-front fees on finance leases	-	(70,649)	-	(73,991)	
	<u>6,033,719</u>	<u>73,788,912</u>	<u>4,473,445</u>	<u>94,262,228</u>	

- a) Commercial paper programme, with subscription guarantee, issued on 23 de June 2016 and valid for a 5 years period, with annual payments.
- b) Short term commercial paper programme, issued on 28 March 2008 and valid for a 10 year period, which may be extended at the option of Sonae Capital. Placed in investors or financial institutions and guaranteed by credit lines, with commitment of at least six months to a year, placed in relationship banks.

As at 31 March 2017, borrowings of the Group were as follows:

- Sonae Capital, SGPS, SA, 2014/2019 bond loan in the amount of 42,500,000 euro, with a 5 year maturity, and a sole reimbursement on 28 May 2019. This bond loan bears interest every six months.
- Sonae Capital, SGPS, SA, 2016/2021 bond loan in the amount of 15,000,000 euro, with a 5 year maturity, and a sole reimbursement on 29 July 2021, except if the Issuer exercise the Call Option. This bond loan bears interest every six months.

The interest rate on bonds and bank loans in force as at 31 March 2017 was on average 2.95% (2.69% as at 31 December 2016).

Bank loans pay interest rates that are indexed to the Euribor market rates of the period, and its fair value is considered close to its book value.

Other non-current loans include government refundable grants to group companies, which do not bear interest.

The Group has a loan covenant negotiated in accordance with market practices and is in regular compliance at the present date.

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The repayment schedule of the nominal value of borrowings may be summarised as follows:

	31 March 2017		31 December 2016	
	Nominal value	Interest	Nominal value	Interest
N+1	6,033,719	2,344,581	4,468,915	2,557,645
N+2	3,804,007	2,256,732	8,786,986	2,280,282
N+3	46,126,096	1,345,403	51,245,074	1,368,522
N+4	3,293,798	464,608	8,466,613	482,773
N+5	17,619,449	238,923	22,619,129	422,525
After N+5	3,397,601	48,315	4,056,251	62,467
	<u>80,274,669</u>	<u>6,698,563</u>	<u>99,642,967</u>	<u>7,174,215</u>

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18. DERIVATIVES

Interest rate derivatives

As of 31 March 2017 the Group has no hedging instruments.

Hedging instruments used by the Group as at 31 December 2016 were mainly interest rate options (cash-flow hedges) contracted with the goal of hedging interest rate risks on loans in the amount of 193,263 euro, whose fair value was 4,530 euro and are recorded as liabilities in other loans (Note 17). As at 31 December 2016 all derivatives are hedging derivatives.

These interest rate hedging instruments are valued at fair value as at the balance sheet date, determined by valuations made by the Group using derivative valuation calculation schedules and external valuations when these schedules do not permit the valuation of certain instruments. For options, fair value is determined using the Black-Scholes model and its variants.

The fair value of derivatives is calculated using valuation models based on assumptions which are confirmed by market benchmarks, thus complying with level 2 requirements set on the IFRS 7.

Risk coverage guidelines generally used by the Group in contractually arranged hedging instruments are as follows:

- Matching between cash-flows received and paid, i.e., there is a perfect match between the dates of the re-fixing of interest rates on financing contracted with the bank and the dates of the re-fixing of interest rates on the derivative;
- Perfect matching between indices: the reference index for the hedging instrument and that for the financing to which the underlying derivative relates are the same;
- In the case of extreme rises in interest rates, the maximum cost of financing is limited.

Counterparts for derivatives are selected based on their financial strength and credit risk profile, with this profile being generally measured by a rating note attributed by rating agencies of recognized merit. Counterparts for derivatives are top level, highly prestigious financial institutions which are recognized nationally and internationally.

Fair value of derivatives

The fair value of derivatives is as follows:

	Assets		Liabilities	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Non-Hedge accounting derivatives				
Interest rate	-	-	-	-
Hedge accounting derivatives				
Interest rate (Note 17)	-	-	-	4,530
Other derivatives	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,530</u>

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19. OTHER NON-CURRENT CREDITORS

As at 31 March 2017 and 31 December 2016 other non-current creditors can be detailed as follows:

	31 March 2017	31 December 2016
Loans and other amounts payable to related parties		
Plaza Mayor Parque de Ocio, SA (Note 28)	1,797,002	1,825,274
Others	232,513	232,150
	<u>2,029,514</u>	<u>2,057,424</u>
Other creditors		
Creditors in the restructuring process of Torralta	640,190	623,702
Others	-	-
	<u>640,190</u>	<u>623,702</u>
Deferred income		
Investment aid	-	606,056
Obligations by share-based payments (Note 20)	247,371	464,519
	<u>247,371</u>	<u>1,070,575</u>
Other non-current creditors	<u>2,917,075</u>	<u>3,751,701</u>

During the first quarter of 2017 subsidies to investment were reclassified from “Other current liabilities – Investment Aid” to “Fixed Assets” and “Intangible Assets” in the amount of 606.056 euro, as set out in IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

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20. SHARE-BASED PAYMENTS

Sonae Capital Group granted deferred performance bonuses to employees, based on shares of Sonae Capital SGPS, SA to be acquired three years after they were attributed to the employee. The acquisition can be exercised during the period commencing on the third anniversary of the grant date and the end of that year. The company has the option to settle in cash instead of shares. The option can only be exercised if the employee still works for the Sonae Capital Group on the vesting date.

As at 31 March 2017 and 31 December 2016, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarised as follows:

	Year of grant	Vesting year	Number of participants	Fair Value	
				31 March 2017	31 December 2016
Shares					
	2014	2017	6	74,559	406,269
	2015	2018	6	576,967	512,554
	2016	2019	6	414,746	368,445
Total				1,066,272	1,287,269

As at 31 March 2017 and 31 December 2016, 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 have not yet vested:

	31 March 2017	31 December 2016
Other non-current creditors (Note 19)	247,371	464,518
Other current creditors	432,726	406,269
Reserves	(488,025)	(170,768)
Staff Costs	192,072	700,019

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21. TRADE ACCOUNTS PAYABLE

As at 31 March 2017 and 31 December 2016 trade accounts payable can be detailed as follows:

	31 March 2017	31 December 2016
Trade creditors	21,070,918	16,479,554
Loans granted by and other payables to related parties	246,332	204,288
Other current liabilities		
Fixed assets suppliers	1,521,903	1,164,703
Advances from customers and down payments	1,965,037	838,494
Other creditors	2,930,250	2,482,586
Taxes and contributions payable	4,272,726	4,719,004
Accrued staff costs	6,049,736	6,376,663
Amounts invoiced for works not yet completed	3,108,385	4,892,128
Accrued expenses with purchases - Energy Segment	201,611	1,872,405
Interest payable	610,281	408,023
Investment aid	763,275	926,085
Other liabilities	10,393,848	10,514,414
	<u>31,817,051</u>	<u>34,194,504</u>
Trade accounts payable and other current liabilities	<u>53,134,301</u>	<u>50,878,346</u>

During the first quarter of 2017 subsidies to investment were reclassified from “Other current liabilities – Investment Aid” to “Fixed Assets” and “Intangible Assets” in the amount of 137.187 euro, as set out in IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

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22. PROVISIONS AND ACUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the period ended 31 March 2017 were as follows:

Captions	Balance as at 1 January 2017	Increases	Decreases	Utilisations	Balance as at 31 March 2017
Accumulated impairment losses on:					
Tangible Assets (Note 8)	34,634,071	-	287,997	-	34,346,074
Goodwill (Note 9)	24,353,034	-	-	-	24,353,034
Other Investments	323,781	-	-	-	323,781
Other non-current assets (Note 10)	34,916	-	-	-	34,916
Trade accounts receivable (Note 12)	4,259,204	64,869	127,156	791	4,196,126
Other current assets (Note 12)	2,003,417	-	154,834	-	1,848,583
Stocks (Note 11)	15,351,493	-	15,162	-	15,336,331
Non-current provisions	3,079,824	-	-	-	3,079,824
Current provisions	3,939,016	60,781	-	4,800	3,994,997
Total	87,978,757	125,650	585,149	5,591	87,513,667

As at 31 March 2017 and 31 December 2016 detail of other provisions was as follows:

	31 March 2017	31 December 2016
Judicial claims	1,697,459	1,697,459
Provision for secured income	2,686,630	2,628,037
Others	2,690,733	2,693,345
Total	7,074,821	7,018,840

The amount in provision for guaranteed income is the estimate of the difference between the amount to be charged through the properties sold in “Tróia” and the guaranteed income to property owners. The amount to be charged through the operation of these assets is estimated based on the average of the values obtained in previous years.

23. OTHER OPERATIONAL INCOME

Other operational income for the period ended 31 March 2017 and 2016 was as follows:

	31 March 2017	31 March 2016
Own work capitalised	35,119	-
Gains on sales of assets	125,549	330,702
Supplementary income	109,696	141,894
Others	554,182	610,947
Continued Operations	824,546	1,083,543
Discontinued Operations	-	(12,739)
Total	824,546	1,070,804

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24. CONTINGENT ASSETS AND LIABILITIES

As at 31 March 2017 and 31 December 2016 the most important contingent liabilities referred to guarantees given and were made up as follows:

	31 March 2017	31 December 2016
Guarantees given:		
on VAT reimbursements	5,199,346	5,199,346
on tax claims	17,608,327	17,589,470
on municipal claims	1,134,224	1,134,224
guarantees given on rental contracts	7,164,275	3,521,714
Others	10,083,335	10,172,103

Others include the following guarantees:

- 5,778,426 euro as at 31 March 2017 (5,872,865 euro as at 31 December 2016) of guarantees on construction works given to clients;
- 3,766,391 euro as at 31 March 2017 (3.766.391 euro as at 31 December 2016) of guarantees given concerning building permits in the Resorts segments.

The Group has not registered provisions for the events/disagreements for which these guarantees were given since its board of Directors believes that the above mentioned events will not result in a loss for the Group.

25. INVESTMENT INCOME

As at 31 March 2017 and 2016, Investment income was made up as follows:

	31 March 2017		31 March 2016	
Dividends		-		-
Adjustment to the liquidation price of "Sodesa"	1,448			
Adjustment to the selling price of "Box Lines Navegação"	26,150		-	
Gains on disposal of investments in group companies		27,598		-
Others		(2)		(1)
Investment Income	-	27,596	-	(1)
Total Operations	-	27,596	-	(1)

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26. TAXATION

As at 31 March 2017 and 2016, Taxation was made up as follows:

	31 March 2017	31 March 2016
Current tax	129,634	(188,980)
Deferred tax	149,409	25,744
Taxation	279,044	(163,236)

27. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 31 March 2017 and 2016, the reconciliation of consolidated net profit can be analysed as follows:

	31 March 2017	31 March 2016
Aggregate net profit - continued operations	(4,409,232)	(1,744,475)
Aggregate net profit - discontinued operations	(123,953)	(516,701)
Harmonisation adjustments	(362,153)	(28,496)
Elimination of intragroup dividends	-	(916,053)
Share of gains/(losses) of associated undertakings	47,098	1,050,196
Elimination of intragroup capital gains/(losses)	-	(1,726,000)
Elimination of intragroup impairment	-	-
Adjustments of gains/(losses) on assets disposals	-	-
Adjustments of gains/(losses) of financial shareholdings sale	-	-
Others	(2)	-
Consolidated net profit for the year - continued operations	(4,696,284)	(3,408,416)
Consolidated net profit for the year - discontinued operations	(151,958)	(473,113)
Consolidated net profit for the year	(4,848,242)	(3,881,529)

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28. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	March 2017		March 2016	
	Sales and services rendered	Purchases and services obtained	Sales and services rendered	Purchases and services obtained
Parent company	-	-	-	-
Associated companies	6,853	(1,903)	18,419	4,374
Andar-Sociedade Imobiliária,SA	-	-	-	-
Feneralt - Produção de Energia, ACE	3,937	(6,424)	9,572	4,374
Lidergraf - Artes Gráficas, Lda	2,916	4,521	8,847	
Norscut - Concessionária de Scut Interior Norte, SA	-	-	-	-
Vastgoed One	-	-	-	-
Vastgoed Sun	-	-	-	-
Other partners and Group companies	7,908,122	1,207,049	8,966,326	634,365
Águas Furtadas - Soc. Agrícola, SA	626	-	611	-
Alpêssego - Sociedade Agrícola, SA	609	-	1,171	-
Algarveshopping- Centro Comercial, SA	-	-	-	-
ARP Alverca Retail Park, SA	-	-	-	-
Arrábidasshopping - Centro Comercial, SA	-	-	-	-
Aqualuz - Turismo e Lazer, Lda	220,549	1,021	-	-
Azulino Imobiliária, S.A.	-	-	-	-
BB Food Service, SA	135,437	(1,759)	104,740	(62)
Bertimóvel - Sociedade Imobiliária, S.A.	-	-	-	-
Bom Momento - Restauração, S.A.	26,405	-	1,956	-
CCCB Caldas da Rainha-Centro Comerc., SA	-	-	-	-
Canasta-Empreendimentos Imobiliários,SA	-	-	-	-
Casa Agrícola de Ambrães, S.A.	1,147	-	-	-
Cascaishopping Centro Comercial, SA	367,403	(5)	-	-
Citorres - Sociedade Imobiliária, SA	-	-	-	-
Coimbrashopping Centro Comercial, SA	-	-	-	-
Centro Colombo Centro Comercial, SA	142,026	56,560	184,505	49,557
Continente Hipermercados, SA	202,301	6,151	192,354	(12,422)
Contimobe - Imobiliária Castelo Paiva,SA	-	1,606	20,295	1,205
Cumulativa - Sociedade Imobiliária, S.A.	-	-	-	-
Chão Verde-Soc. de Gestão Imobiliária,SA	-	-	-	-
Digitmarket-Sistemas de Informação,SA	-	67,536	-	53,485
Discovery Sports, SA	648	-	569	-
Ecociclo - Energia e Ambiente, SA	-	-	-	-
Efanor Investimentos, SGPS, S.A.	-	-	-	-
Efanor Serviços de Apoio à Gestão, S.A.	16,841	-	16,670	-
Sierra Spain Shop. Centers Serv., S.A.U.	-	-	-	-
Estação Viana Centro Comercial, SA	-	-	-	-
Euroresinas-Indústrias Químicas,SA	-	(2,820)	-	4,830
Fashion Division, S.A.	1,312	-	845	-
Fozimo - Sociedade Imobiliária, SA	-	-	-	-
Freccia Rossa - Shopping Centre, Srl	-	-	-	-
Gaiashopping I Centro Comercial, SA	-	-	-	-
Gaiashopping II Centro Comercial, SA	-	-	-	-
Gli Orsi Shopping Centre 1, Srl	-	-	-	-
Glunz AG	-	-	-	-
Pátio Goiânia Shopping, Ltda	-	-	-	-

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Guimarãeshopping Centro Comercial, SA	-	-	-	-
Hercos Consult.Risco Corret.Seguros, Ltda	-	-	-	-
Iberosegur-Soc. Ibérica Med. Seguros,Lda	236	-	-	-
Igimo - Sociedade Imobiliária, SA	-	-	-	-
Iginha - Sociedade Imobiliária, SA	-	-	-	-
Imoconti - Sociedade Imobiliária, SA	-	-	-	-
Imomuro - Sociedade Imobiliária, SA	-	-	-	-
Imoplamac Gestão de Imóveis, SA	-	-	-	-
Fundo de Invest.Imobiliário Fec. Imosede	7,850	142,522	5,153	112,678
Imosistema - Sociedade Imobiliária, SA	(5,592)	-	-	-
Fundo Invest. Imobiliário Imosona Dois	77,215	-	-	-
Infofield - Informática, SA	41	-	-	-
Insco Insular de Hipermercados, S.A.	62,234	(4)	25,122	-
Ioannina Develop.of Shopping Centres, SA	-	-	-	-
Isoroy SAS	-	-	-	-
LCC LeiriaShopping Centro Comercial SA	(2,276)	-	1,750	-
Le Terrazze - Shopping Centre 1, Srl	-	-	-	-
Pátio Londrina Empreend.e Particip.,Ltda	-	-	-	-
Loop 5 Shopping Centre GmbH	-	-	-	-
Madeirashopping Centro Comercial, SA	-	-	-	-
Maiashopping Centro Comercial, SA	-	-	-	-
Maiequipa - Gestão Florestal, SA	-	-	-	-
Pátio Sertório Shopping Ltda	-	-	-	-
Modelo - Dist.de Mat. de Construção,S.A.	488	-	420	-
Modelo Continente Hipermercados, SA	4,413,344	(38,422)	7,804,677	(89,701)
MCH_ES	-	3,150	-	2,400
MCSEGUROS	-	-	317	-
Modelo Continente International Trade,SA	-	-	-	-
MDS - Corretor de Seguros, SA	85,131	(1,829)	87,206	(4,639)
MDS RE - Mediador de resseguros	-	-	472	-
MDS Auto - Mediação de Seguros, SA	423	-	773	-
MDS Africa SGPS, SA	80	-	-	-
Hercos Consultoria de Risco, S.A.	2,704	443	2,856	380
MDS, SGPS, SA	311	-	340	-
S.C. Microcom Doi Srl	-	-	-	-
MJLF - Empreendimentos Imobiliários, SA	-	-	-	-
Modalfa - Comércio e Serviços, SA	11,797	-	49,927	-
Modalloop - Vestuário e Calçado, SA	375	-	(8,465)	-
Modelo Hiper Imobiliária, SA	-	-	-	-
Movelpartes-Comp.para Ind.Mobiliária,SA	-	-	-	-
Norteshopping Centro Comercial, SA	17,000	-	-	-
NOS Sistemas S.A.	21,082	277,032	-	-
Paracentro - Gestão de Galerias Com., SA	46,009	2,300	-	-
Pareuro BV	-	-	-	-
Parklake Shopping, SA	1,470,034	-	-	-
Parque Atlântico Shopping-C.Comerc., SA	-	-	-	-
PCJ-Público, Comunicação e Jornalismo,SA	-	-	-	-
Pharmacontinente - Saúde e Higiene, SA	340	149	78,153	-
Plaza Mayor Parque de Ocio, SA	-	-	-	-
Plaza Mayor Shopping, SA	-	-	-	-
Predicomercial - Promoção Imobiliária,SA	-	-	-	-
Predilugar - Sociedade Imobiliária, SA	-	-	-	-
Prosa - Produtos e Serviços Agrícolas,S.A.	8,411	(505)	-	-
Público - Comunicação Social, SA	62	2,857	-	1,413
QCE-Desenv. e Fabrico de Equipamentos,SA	-	(131,282)	-	(307,851)
SC For-Serv.Form.e Desenv.R.H.,Unip.,Lda	-	-	-	-

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Saphety Level - Trusted Services, SA	-	31,179	-	39,860
SC For-Serv.Form.e Desenv.R.H.,Unip.,Lda	-	-	-	-
Sierra Corporate Services Holland BV	-	-	-	-
Sierra Italy, Srl	-	-	-	-
SISTAVAC, S.A.	-	(31,729)	-	-
SISTAVAC, SGPS, S.A.	-	-	-	-
SONAESR - Serviços e logística, SA	2,348	-	1,268	-
Sempre à Mão - Sociedade Imobiliária, SA	-	-	-	-
Sesagest - Proj. Gestão Imobiliária, SA	-	-	-	-
Soc.Inic.Aproveit.Florest.-Energias,SA	-	-	-	-
Sondis Imobiliária, SA	-	-	-	-
Sonae Indústria-SGPS,SA	654	-	343	-
SIRS-Soc.Ind.Radiodifusão Sonora,SA	-	6,843	-	3,567
Sierra Investments SGPS, SA	-	-	-	-
Sonae Investimentos, SGPS, SA	-	-	-	-
Sonae Ind., Prod. e Com.Deriv.Madeira,SA	17,670	(70)	26,780	(02)
Sonae Industria de Revestimentos,SA	119,841	100,742	106,930	142,401
Sierra Portugal, SA	3,529	413,367	1,023	395,132
Socijofra - Sociedade Imobiliária, SA	-	-	26,085	-
Sociloures - Sociedade Imobiliária, SA	-	-	-	-
Somit Imobiliária, SA	-	-	-	-
Sonaecenter Serviços, SA	-	-	-	-
Sonae Center Serviços II, SA	23,400	142,671	65,780	129,160
Sonaecom, SGPS, SA	-	-	-	1,037
Sonae Investment Management-S.T.,SGPS,SA	333	-	-	-
Sonaecom - Serviços Partilhados, S.A	-	-	-	-
Sonaegest-Soc.Gest.Fundos Investimentos	720	52,281	-	56,343
Sonae MC - Modelo Continente, SGPS, SA	-	-	-	(346)
Sonaerp - Retail Properties, SA	194,870	3,782	68,851	4,897
Sonae SGPS, SA	1,649	12,500	3,072	12,500
Sohi Meat Solut-Distr Carnes	14,912	897	-	-
Sonae Industria (UK),Ltd	-	-	-	-
SPF - Sierra Portugal	-	-	-	-
Sonae Tafibra Benelux, BV	-	-	-	-
Sport Zone Canárias, SL	-	-	-	-
Sport Zone España-Com.Art.de Deporte,SA	-	-	-	-
SDSR - Sports Division SR, S.A.	19,581	14,774	7,580	12,858
Tafiber,Tableros de Fibras Ibéricas,SL	-	-	-	-
Sonae Arauco, S.A.	1,193	-	3,403	-
Tafibra Suisse, SA	-	-	-	-
Têxtil do Marco, SA	30,280	-	27,013	-
Tlantic Sistemas de Informação, Ltda	-	-	-	-
Tlantic Portugal - Sist.de Informação,SA	-	-	-	-
Tableros Tradema,S.L.	1,158	-	1,926	-
Pátio Uberlândia Shopping Ltda	-	-	-	-
Valor N, SA	-	-	-	-
Centro Vasco da Gama Centro Comercial,SA	-	1,951	-	-
Via Catarina Centro Comercial, SA	-	-	-	-
We Do Consulting-Sist. de Informação, SA	-	73,724	-	25,685
Worten - Equipamento para o Lar, SA	139,215	(564)	21,908	-
Worten España Distribución, SL	-	-	-	-
Zippy - Comercio y Distribución, SA	-	-	-	-
Zippy - Comércio e Distribuição, SA	4,166	-	31,947	-
	7,914,975	1,205,146	8,984,745	638,739

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Transactions	Interest income	Interest expenses	Interest income	Interest expenses
Parent company	-	-	-	-
Associated companies	13,930	-	82,850	-
Andar Sociedade Imobiliária, SA	13,930	-	14,595	-
Norscut - Concessionária de Scut Interior Norte, SA	-	-	68,255	-
Other partners and Group companies	-	22,482	-	24,655
Plaza Mayor Parque de Ocio, SA	-	22,482	-	24,655
	13,930	22,482	82,850	24,655

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Balances	March 2017		December 2016	
	Accounts receivable	Accounts payable	Accounts receivable	Accounts payable
Parent company				
Associated companies	29,259	4,607	112,744	3,074
Andar-Sociedade Imobiliária,SA	12,131	-	28,347	-
Feneralt - Produção de Energia, ACE	8,861	-	79,716	-
Lidergraf - Artes Gráficas, Lda	8,267	4,607	4,681	3,074
Other partners and Group companies	4,573,659	1,790,333	10,717,353	1,480,910
Águas Furtadas - Soc. Agrícola, SA	257	-	299	-
Algarveshopping- Centro Comercial, SA	16,479	-	16,479	-
Alpêssego - Sociedade Agrícola, SA	250	-	292	-
Aqualuz - Turismo e Lazer, Lda	196,415	139,948	-	-
Casa Agrícola de Ambrães, S.A.	-	-	-	-
BB Food Service, SA	70,728	(1,783)	80,579	-
Bom Momento - Restauração, S.A.	62	-	4,055	-
NOS Lusomundo TV, S.A.	244,373	-	-	-
AMBRÃES	1,069	-	-	-
Centro Colombo Centro Comercial, SA	91,015	37,105	139,374	16,545
Contimobe - Imobiliária Castelo Paiva,SA	-	1,994	77,223	1,500
Continente Hipermercados, SA	62,579	10,981	350,457	4,945
Digitmarket-Sistemas de Informação,SA	84,708	14,625	106,409	692
Discovery Sports, SA	2,107	-	2,010	-
Ecociclo - Energia e Ambiente, SA	-	-	-	-
Efanor Investimentos, SGPS, S.A.	-	-	-	-
Efanor Serviços de Apoio à Gestão, S.A.	7,433	5,451	6,923	5,451
Estação Viana Centro Comercial, SA	4,445	-	4,445	-
Euroresinas-Indústrias Químicas,SA	-	-	-	12,926
Fashion Division, S.A.	1,364	-	1,364	-
Fundo de Invest.Imobiliário Fec. Imosede	72,473	96,813	43,665	44,556
Fundo Invest. Imobiliário Imosonae Dois	-	-	-	-
Guimarãesshopping Centro Comercial, SA	720	-	720	-
Herco Consultoria de Risco, S.A.	-	1,207	-	1,071
Iberosegur-Soc. Ibérica Med. Seguros,Lda	130	-	-	-
Imoplamac Gestão de Imóveis, SA	-	-	-	-
Imosistema - Sociedade Imobiliária, SA	-	-	11,842	-
Infocfield - Informática, SA	1,733	-	1,683	-
Insco Insular de Hipermercados, S.A.	40,445	-	108,945	-
LCC LeiriaShopping Centro Comercial SA	(172)	-	2,628	-
Loureshopping-Centro Comercial, S.A.	-	-	37,216	-
Madeirashopping Centro Comercial, SA	42,432	-	42,432	-
Maiequipa - Gestão Florestal, SA	-	-	-	-
MDS Auto - Mediação de Seguros, SA	-	65	-	-
MDS - Corretor de Seguros, SA	8,970	209,693	33,098	129,892
MDS Africa SGPS, SA	85	-	-	-
MDS RE - Mediador de resseguros	(838)	-	(530)	-
MDS, SGPS, SA	330	-	-	-
Modalfa - Comércio e Serviços, SA	8,079	-	8,554	-
Modalloop - Vestuário e Calçado, SA	(5,773)	-	-	6,235
Modelo - Dist.de Mat. de Construção,S.A.	84	-	94,402	-
Modelo Continente Hipermercados, SA	1,733,201	160,755	6,961,465	260,677
NOS Sistemas S.A.	23,689	125,740	-	-
Norteshopping Centro Comercial, SA	17,220	423,590	-	456,799
Paracentro - Gestão de Galerias Com., SA	46,009	4,265	-	1,700

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Parklake Shopping, SA	1,129,505	-	1,924,623	-
Pharmacontinente - Saúde e Higiene, SA	396	-	7,000	-
Plaza Mayor Parque de Ocio, SA	-	40,300	-	40,300
Portimaoshopping C.Comercial SA	-	-	-	-
Prosa - Produtos e Serviços Agrícolas,S.A.	4,275	-	-	-
Público - Comunicação Social, SA	-	3,880	-	780
RIOSUL - Rio Sul - Centro Comercial, SA	6,334	-	6,334	-
Saphety Level - Trusted Services, SA	-	28,880	-	35,174
SDSR - Sports Division SR, S.A.	12,890	11,715	1,083	8,158
SEKIWI, SGPS, S.A	(25)	-	80	-
Sempre à Mão - Sociedade Imobiliária, SA	-	-	38,209	-
Sierra Developments, SGPS, SA	-	-	-	-
Sierra Portugal, SA	68,241	78,897	87,257	91,435
Sierra Spain Shop. Centers Serv., S.A.U.	-	-	210	-
SIRS-Soc.Ind.Radiodifusão Sonora,SA	1,997	6,058	1,997	3,953
Sohi Meat Solut-Distr Carnes	12,579	557	-	-
Somit Imobiliária, SA	2,261	-	2,261	-
Sonae Arauco, S.A.	864	-	754	-
Sonae Center Serviços II, SA	7,673	119,845	9,808	77,314
Sonae Ind., Prod. e Com.Deriv.Madeira,SA	18,118	(130)	14,398	(130)
Sonae Indústria de Revestimentos,SA	187,192	152,247	137,810	106,546
Sonae Indústria-SGPS,SA	834	-	290	-
Sonae Investment Management-S.T.,SGPS,SA	388	-	-	-
Sonae SGPS, SA	962	12,500	1,265	50,000
Sonaecenter Serviços, SA	-	-	-	-
Sonaecom - Serviços Partilhados, S.A	-	-	23,587	300
Sonaecom, SGPS, SA	-	250	-	250
Sonaegest-Soc.Gest.Fundos Investimentos	-	16,860	-	16,657
Sonaerp - Retail Properties, SA	196,330	21,253	5,341	58,919
SONAESR - Serviços e logística, SA	1,848	-	33,944	-
SPINARQ SA	-	-	13,232	-
Sport Zone España-Com.Art.de Deporte,SA	-	-	-	-
Tableros Tradema,S.L.	948	-	811	-
Têxtil do Marco, SA	12,992	-	8,817	119
We Do Consulting-Sist. de Informação, SA	-	58,426	-	39,800
Worten - Equipamento para o Lar, SA	-	-	260,645	8,346
Worten España Distribución, SL	133,053	8,346	-	-
Zippy - Comércio e Distribuição, SA	1,903	-	1,568	-
	4,602,918	1,794,940	10,830,097	1,483,984
Balances		Loans obtained	Loans granted	
Parent company	-	-	-	-
Associated companies	-	869,739	-	839,697
Andar-Sociedade Imobiliária,SA	-	869,739	-	839,697
Feneralt - Produção de Energia, ACE	-	-	-	-
Other partners and Group companies	1,797,002	-	1,825,274	-
Plaza Mayor Parque de Ocio, SA	1,797,002	-	1,825,274	-
	1,797,002	869,739	1,825,274	839,697

a) The parent company is Efanor Investimentos, SGPS, SA;

b) Balances and transactions with Group Sonae, SGPS and Group Sonae Indústria, SGPS, SA are included under Other partners in Group companies.

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29. EARNINGS PER SHARE

Earnings per share for the periods ended 31 March 2017 and 2016 were calculated taking into consideration the following amounts:

	31 March 2017	31 March 2016
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	(5,049,378)	(4,193,144)
Net profit taken into consideration to calculate diluted earnings per share	(5,049,378)	(4,193,144)
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	247,218,671	246,740,156
Weighted average number of shares used to calculate diluted earnings per share	247,218,671	246,740,156
Earnings per share (basic and diluted) - Continued operations	(0.019810)	(0.015077)
Earnings per share (basic and diluted) - Discontinued operations	(0.000615)	(0.001917)
Earnings per share (basic and diluted)	(0.020425)	(0.016994)

There are no convertible instruments included in the shares of Sonae Capital, SGPS, SA, hence there is no dilutive effect.

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Consolidated Financial Statements

30. SEGMENTS INFORMATION

In 31 March 2017 and 2016 and 31 December 2016, the following were identified as segments:

- Resorts
- Hotels
- Fitness
- Energy
- Refrigeration and HVAC
- Other Assets

The contribution of the business segments to the income statement of the periods ended 31 March 2017 and 2016 can be detailed as follows:

31 March 2017								
Profit and Loss Account	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Other Assets	Intersegment Adjustments	Consolidated
Turnover	1,994,024	2,668,642	5,879,167	9,790,207	11,912,150	3,507,912	(2,507,754)	33,244,348
Other operational income	441,349	120,723	103,296	146,420	229,980	48,490	(265,712)	824,546
Total operational income	2,435,373	2,789,365	5,982,463	9,936,626	12,142,131	3,556,402	(2,773,467)	34,068,893
Operational cash-flow (EBITDA)	(1,047,703)	(1,544,002)	900,434	2,101,440	176,741	(302,328)	5,402	289,984

31 March 2016								
Profit and Loss Account	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Other Assets	Intersegment Adjustments	Consolidated
Turnover	2,831,526	2,104,296	4,141,559	11,735,384	13,712,960	3,957,867	(2,677,906)	35,805,686
Other operational income	1,009,248	120,329	66,974	19,657	151,807	109,024	(393,496)	1,083,543
Total operational income	3,840,774	2,224,625	4,208,533	11,755,042	13,864,768	4,066,891	(3,071,405)	36,889,228
Operational cash-flow (EBITDA)	(66,440)	(1,755,243)	297,517	2,354,461	371,450	(180,289)	(1)	1,021,455

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Consolidated Financial Statements

The contribution of the business segments to the Balance sheets as at 31 March 2017 and 31 December 2016 can be detailed as follows:

31 March 2017								
Balance Sheet	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Other Assets	Intersegment Adjustments	Consolidated
Fixed Assets Tangible, Intangible and Goodwill	113,873,658	12,693,108	9,216,774	31,691,618	9,797,259	131,335,546	(24,546,481)	284,061,482
Investments	46,712,476	10,694,411	14,869	149,950	10,957	319,508,506	(375,313,323)	1,777,846
Other Assets	60,169,134	9,810,263	2,165,789	9,307,928	46,513,201	520,207,350	(454,684,218)	193,489,447
Total Assets	220,755,268	33,197,782	11,397,432	41,149,496	56,321,417	971,051,402	(854,544,022)	479,328,776
Total Liabilities	188,688,501	31,640,361	8,260,779	35,324,771	21,720,961	332,190,019	(455,164,913)	162,660,479
Technical investment	161,835	216,081	526,165	585,841	55,910	720,138	(1)	2,265,969
Gross Debt	11,289,122	-	150,164	8,997,302	44,279	59,341,763	-	79,822,631
Net Debt	11,142,888	(257,133)	(30,814)	8,471,994	(2,220,684)	56,013,071	-	73,119,323
31 December 2016								
Balance Sheet	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Other Assets	Intersegment Adjustments	Consolidated
Fixed Assets Tangible, Intangible and Goodwill	115,857,957	12,729,785	9,145,613	29,695,898	9,853,707	131,504,913	(24,546,482)	284,241,391
Investments	46,712,016	10,693,538	11,573	98,948	9,691	342,388,894	(398,200,905)	1,713,755
Other Assets	60,237,499	9,948,572	2,537,855	7,882,427	44,978,632	538,990,283	(450,152,835)	214,422,433
Total Assets	222,807,472	33,371,895	11,695,041	37,677,273	54,842,030	1,012,884,090	(872,900,222)	500,377,576
Total Liabilities	187,208,324	30,113,066	8,944,775	32,545,115	20,914,865	350,921,833	(450,628,130)	180,019,847
Technical investment	1,212,720	1,359,711	1,994,065	3,764,716	71,574	1,014,124	(2,668)	9,414,242
Gross Debt	11,715,949	-	158,972	9,658,175	515,200	76,687,376	-	98,735,673
Net Debt	10,844,588	(102,001)	83,404	8,830,431	(110,543)	46,442,585	-	65,988,465

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31. SUBSEQUENT EVENTS

No significant events, requiring further disclosure, have occurred after 31 March 2017.

32. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issue on 4 May 2017.

The Board of Directors

PART III
**INDIVIDUAL FINANCIAL
STATEMENTS**

31 MARCH 2017



SONAE CAPITAL

REPORT AND ACCOUNTS - MARCH 2017

Individual Financial Statements

SONAE CAPITAL, SGPS, SA
INDIVIDUAL BALANCE SHEET AS AT 31 MARCH 2017 AND 31 DECEMBER 2016
(Amounts expressed in euro)

ASSETS	Notes	31-03-2017	31-12-2016
NON-CURRENT ASSETS:			
Tangible assets		28,190	28,660
Investments	4	308,580,096	308,580,096
Deferred tax assets	7	14,314,699	14,314,699
Other non-current assets	5	332,891,745	332,918,086
Total non-current assets		<u>655,814,730</u>	<u>655,841,541</u>
CURRENT ASSETS:			
Taxes recoverable	6	2,235,368	2,163,794
Other current assets	6	51,854,506	43,498,510
Cash and cash equivalents	8	227,746	27,861,181
Total Current Assets		<u>54,317,620</u>	<u>73,523,485</u>
TOTAL ASSETS		710,132,351	729,365,026
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	9	250,000,000	250,000,000
Own Shares	9	(1,339,617)	(1,404,226)
Reserves and retained earnings	10	317,226,561	316,888,259
Transited results	10	8,738,316	-
Profit/(Loss) for the year		#VALUE!	8,738,316
TOTAL EQUITY		<u>575,811,472</u>	<u>574,222,348</u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank Loans	11	-	19,579,665
Bonds	11	57,141,763	57,107,711
Other non current liabilities	13	208,916	360,486
Total Non-Current Liabilities		<u>57,350,678</u>	<u>77,047,862</u>
CURRENT LIABILITIES:			
Trade creditors	13	260,507	92,536
Bank Loans	11	2,200,000	-
Other creditors	12	72,990,316	76,808,940
Other current liabilities	13	1,519,378	1,193,340
Total Current Liabilities		<u>76,970,201</u>	<u>78,094,816</u>
TOTAL LIABILITIES		<u>134,320,879</u>	<u>155,142,678</u>
TOTAL EQUITY AND LIABILITIES		710,132,351	729,365,026

The accompanying notes are part of these financial statements.

REPORT AND ACCOUNTS - MARCH 2017

Individual Financial Statements

SONAE CAPITAL, SGPS, SA
 INDIVIDUAL INCOME STATEMENTS BY NATURE
 FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016
 (Amounts expressed in euro)

	Notes	31-03-2017	31-03-2016
Operational profit			
Other operating income	17	23,820	12,478
Operational profit total		23,820	12,478
Operational loss			
External supplies and services	14	(346,629)	(251,915)
Staff costs	15	(500,838)	(363,871)
Depreciation and amortisation		(470)	(377)
Other operating expenses	17	(8,771)	(75,110)
Operational profit/(loss)		(832,888)	(678,795)
Financial Expenses	16	(941,105)	(1,715,872)
Financial Income	16	2,719,727	4,721,438
Net financial income / (expenses)		1,778,622	3,005,566
Investment income	16	21,424	777,933
Profit/(Loss) before taxation		967,158	3,104,704
taxation	18	219,055	235,430
Profit/(Loss) for the year		1,186,212	3,340,134
Profit/(Loss) per share			
Basic and Diluted	19	0.004798	0.013557

The accompanying notes are part of these financial statements.

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Individual Financial Statements

SONAE CAPITAL, SGPS, SA
INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016
(Amounts expressed in euro)

	31-03-2017	31-03-2016
Individual net profit/(loss) for the period	1,186,212	3,340,134
Items that may be reclassified subsequently to net profit / (loss):		
Changes in the currency translation differences		
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	-	-
Change in the fair value of assets available for sale	-	-
Change in the fair value of cash flow hedging derivatives	-	-
Tax related to other comprehensive income captions	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	1,186,212	3,340,134

The accompanying notes are part of these financial statements.

REPORT AND ACCOUNTS - MARCH 2017

Individual Financial Statements

SONAE CAPITAL, SGPS, SA
INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016
(Amounts expressed in euro)

	Share Capital (Note 9)	Own Shares (Note 9)	Fair Value Reserves (Note 10)	Other Reserves (Note 10)	Retained Earnings	Sub total	Net Profit/(Loss)	Total Equity
Balance as at 1 January 2016	250,000,000	(1,426,791)	9,463,225	309,676,446	-	319,139,671	12,198,782	579,911,662
Total individual comprehensive income for the period	-	-	-	-	-	-	3,340,134	3,340,134
Appropriation of profit of 2015:	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	-	-	12,198,782	12,198,782	(12,198,782)	-
Dividends paid	-	-	-	-	-	-	-	-
(Acquisition)/Sales of own shares	-	22,565	-	218,832	-	218,832	-	241,397
Other changes	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	250,000,000	(1,404,226)	9,463,225	309,895,278	12,198,782	331,557,285	3,340,134	583,493,193
Balance as at 1 January 2017	250,000,000	(1,404,226)	10,073,164	306,815,095	-	316,888,259	8,738,316	574,222,348
Total individual comprehensive income for the period	-	-	-	-	-	-	1,186,212	1,186,212
Appropriation of profit of 2016:	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	-	-	8,738,316	8,738,316	(8,738,316)	-
Dividends paid	-	-	-	-	-	-	-	-
(Acquisition)/Sales of own shares	-	64,609	-	338,303	-	338,303	-	402,912
Other changes	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	250,000,000	(1,339,617)	10,073,164	307,153,398	8,738,316	325,964,878	1,186,212	575,811,472

The accompanying notes are part of these financial statements.

REPORT AND ACCOUNTS – MARCH 2017

Individual Financial Statements

SONAE CAPITAL, SGPS, SA INDIVIDUAL STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016 (Amounts expressed in euro)

	Notes	31-03-2017	31-03-2016
OPERATING ACTIVITIES:			
Cash receipts from trade debtors		-	9,632
Cash receipts from trade creditors		235,368	217,271
Cash paid to employees		245,251	266,498
Cash flow generated by operations		(480,619)	(474,137)
Income taxes (paid) / received		(4,014)	232,030
Other cash receipts and (payments) relating to operating activities		(1,489,940)	(211,627)
Net cash from operating activities (1)		(1,966,545)	(917,794)
INVESTMENT ACTIVITIES:			
<u>Cash receipts arising from:</u>			
Investments		-	-
Tangible assets		-	-
Interest and similar income		8,450,547	16,235,520
Dividends		-	-
Others		-	777,933
Loans granted		411,222	240,000
		8,861,769	17,253,453
<u>Cash Payments arising from:</u>			
Investments		-	-
Tangible assets		-	1,250
Loans granted		12,185,236	9,760,098
		12,185,236	9,761,348
Net cash used in investment activities (2)		(3,323,467)	7,492,105
FINANCING ACTIVITIES:			
<u>Cash receipts arising from:</u>			
Sale of own shares		-	-
Loans obtained		2,200,000	29,300,000
		2,200,000	29,300,000
<u>Cash Payments arising from:</u>			
Interest and similar charges		629,723	1,370,245
Dividends		-	-
Aquisition of own shares		-	-
Loans obtained		23,913,700	64,510,715
		24,543,423	65,880,960
Net cash used in financing activities (3)		(22,343,423)	(36,580,960)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		(27,633,435)	(30,006,649)
Cash and cash equivalents at the beginning of the period	8	27,861,181	30,562,977
Cash and cash equivalents at the end of the period	8	227,746	556,329

The accompanying notes are part of these financial statements.

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SONAE CAPITAL, SGPS, SA

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017

(Translation from the Portuguese Original)

(Amounts expressed in Euro)

1. INTRODUCTION

Sonae Capital, SGPS, SA (“the Company” or “Sonae Capital”) whose registered office is at Lugar do Espido, Via Norte, Apartado 3053, 4471-907 Maia, Portugal, was set up on 14 December 2007 by public deed, following the demerger from Sonae, SGPS, SA of the whole of the shareholding in the company formerly named Sonae Capital, SGPS, SA, now named SC, SGPS, SA, in compliance with paragraph a) of article 118 of the Commercial Companies Code.

The Company’s financial statements are presented as required by the Commercial Companies Code. According to Decree-Law 158/2009 of 13 July of 2009, the Company’s financial statements have been prepared in accordance with International Financial Reporting Standards

2. MAIN ACCOUNTING POLICIES

The main accounting policies adopted in preparing the accompanying individual financial statements are consisting with those used in the financial statements presented for the year ended 31 December 2016.

2.1 Basis of preparation

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

The accompanying financial statements have been prepared from the books and accounting records on a going concern basis and under the historical cost convention, except for financial instruments which are stated at fair value.

3. CHANGES IN ACCOUNTING POLICIES

During the period there were no changes in accounting policies or prior period errors.

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4. FINANCIAL INVESTMENTS

As at 31 March 2017 and 31 December 2016 Investments are detailed as follows:

	31 March 2017	31 December 2016
Investments in affiliated and associated undertakings	361,971,915	361,971,915
Investments in other companies		
Sonae RE - (0,04%)	1,200	1,200
Fundo Invest. Imob. Imosonae Dois - (0,001%)	-	-
Matadouro Alto Alentejo, SA - (0,89%)	1	1
NET Novas Tecnologias, SA - (0,98%)	23,034	23,034
Fundo F HITEC - (6,48%)	250,950	250,950
	362,247,100	362,247,100
Impairment	(53,667,004)	(53,667,004)
	<u>308,580,096</u>	<u>308,580,096</u>

4.1 Investments in affiliated and associated undertakings

As at 31 March 2017 and 31 December 2016, the detail of Investments in Affiliated and Associated Companies is as shown in the table below:

Company	31.03.2017					Profit / (Loss) for the period
	% Held	Fair Value	Book Value	Fair Value Reserve	Equity	
CAPWATT, S.G.P.S., S.A.	100.00%		2,725,000		7,995,100	(26,903)
Fundo Esp de Invest. Imob Fechado WTC	59.87%		42,271,519		72,257,652	868,536
Troiareort, SGPS, S.A.	100.00%		167,132,793		79,465,486	(78,294)
Interlog - SGPS, S.A.	98.94%		21,658,210		21,854,310	1,322
Lidergraf - Artes Gráficas, SA.	24.50%		1,125,301		7,614,972	318,012
SC Assets S.G.P.S., SA	100.00%		25,577,659		13,249,076	(572,880)
SC Hospitality, S.G.P.S., S.A.	100.00%		5,857,175		6,671,224	(75,396)
SC Finance B.V.	100.00%		263,698		(10,903,509)	(66,725)
SC-Eng. e Promoção imobiliária, S.G.P.S., S.A.	100.00%		34,575,100		13,865,035	(8,953)
Sistavac, SGPS, S.A.	70.00%		32,492,436		40,666,801	16,067
Solinca - Health & Fitness, S.A.	100.00%		14,446,494		468,031	316,930
Spred, S.G.P.S., S.A.	100.00%		13,846,529		210,707	(9,066)
Total			361,971,915			

impairment losses

SC Assets S.G.P.S., SA	21,565,892
Interlog - SGPS, S.A.	36,864
Troiareort, SGPS, S.A.	19,344,286
Spred, S.G.P.S., S.A.	12,719,962
Total	53,667,004

Company	31.12.2016					Profit / (Loss) for the period
	% Held	Fair Value	Book Value	Fair Value Reserve	Equity	
CAPWATT, S.G.P.S., S.A.	100.00%		2,725,000		8,022,003	5,294,092
Fundo Esp de Invest. Imob Fechado WTC	59.57%		42,271,519		71,389,116	3,137,593
Troiareort, SGPS, S.A.	100.00%		167,132,793		79,543,780	(2,001,159)
Interlog - SGPS, S.A.	98.94%		21,658,210		21,852,988	30,161
Lidergraf - Artes Gráficas, SA.	24.50%		1,125,301		7,558,348	1,233,982
SC Assets S.G.P.S., SA	100.00%		25,577,659		13,821,956	(3,476,518)
SC Hospitality, S.G.P.S., S.A.	100.00%		5,857,175		6,746,620	305,336
SC Finance B.V.	100.00%		263,698		(10,836,784)	(964,510)
SC-Eng. e Promoção imobiliária, S.G.P.S., S.A.	100.00%		34,575,100		13,873,988	12,673,988
Sistavac, SGPS, S.A.	70.00%		32,492,436		40,650,733	(239,599)
Solinca - Health & Fitness, S.A.	100.00%		14,446,494		975,503	(244,941)
Spred, S.G.P.S., S.A.	100.00%		13,846,529		227,094	84,120
Total			361,971,915			

impairment losses

SC Assets S.G.P.S., SA	21,565,892
Interlog - SGPS, S.A.	36,864
Troiareort, SGPS, S.A.	19,344,286
Spred, S.G.P.S., S.A.	12,719,962
Total	53,667,004

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Investments carried at cost correspond to those in unlisted companies and for which a fair value cannot be reliably estimated.

Impairment tests on financial investments were performed in 2016, based on external valuations of the real estate of group companies or DCF methodology, to assess the fair value of such investments.

These assessments use discount rates that correspond to the weighted average rates of the cost of capital (WACC), calculated on the basis of the business type in which they operate and its target capital structures, and are in the range [7.9% - 8.6%]. 5 years projections were considered and growth rates in perpetuity were considered void.

As a result of this impairment tests as at 31 March 2017 and 31 December 2016, the detail of Impairments on Investments in Affiliated and Associated Companies is as shown in the table below.

	31 March 2017	31 December 2016	Variation
Spred, SGPS, SA	(12,719,962)	(12,719,962)	-
Interlog - SGPS,S.A.	(36,864)	(36,864)	-
Troiaresort, SGPS, S.A.	(19,344,286)	(19,344,286)	-
SC Assets SGPS SA	(21,565,892)	(21,565,892)	-
	<u>(53,667,004)</u>	<u>(53,667,004)</u>	-

5. OTHER NON-CURRENT ASSETS

As at 31 March 2017 and 31 December 2016, other non-current assets are detailed as follows:

	31 March 2017	31 December 2016
Loans granted to group companies:		
SC Assets, SGPS, SA	177.691.228	177.691.228
Troiaresort, S.G.P.S., SA	135.742.637	135.742.637
SC Finance BV	5.885.000	5.885.000
Solinca - Health & Fitness, SA	2.529.000	2.940.222
SC Hospitality SGPS SA	9.971.000	9.971.000
SC Eng ^a . Promoção Imobiliária, SA	688.000	688.000
	<u>332.506.865</u>	<u>332.918.086</u>
Deferred costs - Non Current		
Financing charges	384.881	-
	<u>332.891.745</u>	<u>332.918.086</u>

These assets were not due or impaired as at 31 March 2017. The fair value of loans granted to Group companies is basically the same as their book value.

Loans to group companies interest at market rates and are repayable within a period exceeding one year. The interest rate as at 31 March 2017 stood, in average, at approximately 3.029%.

The deferred costs relate to the deferral of the financial charges associated with the bank loans obtained, by their due dates.

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6. OTHER CURRENT ASSETS AND INCOME TAX

As at 31 March 2017 and 31 December 2016, other current assets and Income tax are made up as follows:

	<u>31 March 2017</u>	<u>31 December 2016</u>
Trade debtors	-	-
Other Debtors - Group	1,657,047	1,417,349
Loans granted	45,220,136	33,034,900
Other Debtors	1,873,140	55,192
Accrued income	2,792,666	8,608,007
Deferred costs	311,517	383,062
	<u>51,854,506</u>	<u>43,498,510</u>
Income tax withheld	<u>2,235,368</u>	<u>2,163,794</u>
	<u>54,089,874</u>	<u>45,662,304</u>

The balance registered at Other Debtors - Group is related to the values transferred from subsidiaries under the IRC regime (RETGS).

As at 31 March 2017 and 31 December 2016, the item Loans Granted is related to financial operations with the following subsidiaries:

	<u>31 March 2017</u>	<u>31 December 2016</u>
Loans to group companies		
SC Assets, SGPS, SA	4,210,000	59,000
CAPWATT, SGPS, S.A.	15,701,200	13,225,200
Inparvi SGPS, SA	71,800	68,000
SC, SGPS, S.A.	15,307,000	13,943,600
Solinca - Health & Fitness, SA	605,636	703,400
Spred SGPS SA	826,000	2,523,500
Troiareort, S.G.P.S., SA	8,498,500	2,512,200
	<u>45,220,136</u>	<u>33,034,900</u>

Loans to group companies interest at market rates and are repayable within a period inferior to one year. The interest rate as at 31 March 2017 stood, in average, at approximately 1.870%.

The item Other Debtors includes as at 31 March 2017 the amount 1.744.668 euro related to the credit acquired from its subsidiary Spred SGPS SA and related to the settlement of the sale price of the stake in the company, Box Lines Navegação SA, in previous years.

The amount recorded in the accrued income includes 2,767,058 euro relating to interest on loans granted to subsidiaries as well as 25,608 euro relating to commissions of guarantees given to subsidiaries.

Deferred costs include 258,173 euro relating to bank charges, which are deferred over the loan period.

Income Tax

Under current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except if there have been tax losses or tax benefits, or ongoing tax inspections or claims. In these cases, and depending on the circumstances, the time limits are extended or suspended. In this way the Company tax return, from the years 2014 to 2017, could still be subject to review. However, in the opinion of the Company's Board of Directors, it is not expected that any correction relating to the said financial years will be significant for the consolidated financial statements as at 31 March 2017.

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The Company is subject to the special regime for the taxation of groups of companies (RETGS) provided for in Article 69 and following of the IRC Code, integrating the taxation group, which is the mother company.

In the fiscal year 2017, the Company is subject to taxation on Corporate Income Tax at the normal rate of 21%, plus municipal taxes at a maximum rate of 1.5%.

In addition, on the part of the taxable profit of more than 1,500,000 euros subject to and not exempt from Corporate Income Tax, the following state levy fees are levied: 3% over 1,500,000 euros and less than 7,500,000 euros; 5% on the upper part to 7,500,000 euros and up to 35,000,000 euros; and 7% that is levied on the part of the taxable income that exceeds 35,000,000 euros.

Under the terms of Article 88 of the Portuguese Income Tax Code, the company is also subject to autonomous taxation on a set of charges at the rates provided for in the mentioned article.

The Corporate income tax rate in force for 2017 is 21%.

As at 31 March 2017 and 31 December 2016, the item Income tax is made up as follows:

	<u>31 March 2017</u>	<u>31 December 2016</u>
Income tax withheld	1,325,848	1,325,486
Income tax (advanced payment)	1,466,143	1,374,287
Income tax	<u>(556,622)</u>	<u>(535,979)</u>
	<u>2,235,368</u>	<u>2,163,794</u>

7. DEFERRED TAXES

Deferred tax assets and liabilities as at 31 March 2017 and 31 December 2016 can be detailed as follows, split between the different types of temporary differences:

	<u>Deferred tax assets</u>		<u>Deferred tax liabilities</u>	
	<u>31 March 2017</u>	<u>31 December 2016</u>	<u>31 March 2017</u>	<u>31 December 2016</u>
Tax losses carried forward	14,314,699	14,314,699	-	-

The movements in deferred tax assets and liabilities for the periods ended 31 March 2017 and 31 December 2016 were as follows:

	<u>Deferred tax assets</u>		<u>Deferred tax liabilities</u>	
	<u>31 March 2017</u>	<u>31 December 2016</u>	<u>31 March 2017</u>	<u>31 December 2016</u>
Opening balance	14,314,699	8,275,218	-	-
Effect in results				
Tax losses carried forward	-	6,039,482	-	-
Others	-	-	-	-
	<u>14,314,699</u>	<u>14,314,701</u>	<u>-</u>	<u>-</u>
Effect in reserves:	-	-	-	-
Closing balance	<u>14,314,699</u>	<u>14,314,701</u>	<u>-</u>	<u>-</u>

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In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, tax losses carried forward can be summarized as follows:

	31 March 2017			31 December 2016		
	Tax losses	Deferred tax assets	To be used until	Tax losses	Deferred tax assets	To be used until
Generated in 2013	61,175	12,847	2018	61,175	12,847	2018
Generated in 2014	13,536,168	2,842,595	2026	13,536,168	2,842,595	2026
Generated in 2015	47,663,128	10,009,257	2027	47,663,128	10,009,257	2027
Generated in 2016	6,904,762	1,450,000	2028	6,904,762	1,450,000	2028
Generated in 2017	-	-	2022	-	-	2022
	<u>68,165,233</u>	<u>14,314,699</u>		<u>68,165,233</u>	<u>14,314,699</u>	

The constitution of deferred tax assets was based on the analysis of the relevance of its recognition, notably as regards the possibility of their recovered, given the prospects for medium and long term of the company.

The deferred tax assets recognized resulting from fiscal losses are recorded to the extent that it is probable that taxable profit will occur in the future.

The valuation of deferred tax assets is based on the business plans of the Group companies, periodically reviewed and updated.

Since fiscal year 2014, most of the Group's subsidiaries, based in Portugal, are part of the perimeter of the taxed Corporate Group in accordance with the Special Taxation Regime for Company Groups (RETGS), whose parent company is the Sonae Capital, SGPS, SA. Gains generated by the application of this tax regime are allocated to Sonae Capital SGPS.

The analysis carried out on 31 March 2017, resulted that there is reasonable expectation of recovery of deferred tax assets recorded before their date of expiry.

8. CASH AND CASH EQUIVALENTS

As at 31 March 2017 and 31 December 2016, cash and cash equivalents can be detailed as follows:

	31 March 2017	31 December 2016
Cash	-	-
Bank deposits	<u>227,746</u>	<u>27,861,181</u>
Cash and cash equivalents in the balance sheet	<u>227,746</u>	<u>27,861,181</u>
Bank overdrafts	-	-
Cash and cash equivalents in the cash flow statement	<u>227,746</u>	<u>27,861,181</u>

9. EQUITY

The share capital of Sonae Capital SGPS, SA both in 31 March 2017 and 31 December 2016 is represented by 250,000,000 ordinary shares, with a nominal value of 1 euro each.

As at 31 March 2017, Sonae Capital SGPS, SA holds 5,037,711 own shares representing 2.015% of the share capital (5,516,226 shares at 31 December 2016), recorded by 1,339,617 euros (1,404,226 euros at 31 December 2016) (Note 10).

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10. RESERVES

As at 31 March 2017 and 31 December 2016 the caption Other Reserves can be detailed as follows:

	31 March 2017	31 December 2016
Free reserves	173,175,528	172,772,616
Demerger reserve	132,638,253	132,638,253
Own shares reserve	1,339,617	1,404,226
	<u>307,153,398</u>	<u>306,815,095</u>

Free Reserves: These reserves result from the transfer of the positive results obtained in retained exercises and can be distributed to shareholders provided they are not required to cover losses.

The overall value of the demerger reserve (Note 1), representing the difference between the book value of the stake in SC, SGPS, SA (382,638,252 euros) which was highlighted Sonae, SGPS, SA for the Company and the amount of capital social Society (250,000,000 euros) which is comparable to the legal Reserve, according to the Companies Code, may not be distributed to the shareholders except in the event of liquidation of the Company, but may be used to absorb accumulated losses, after other reserves are exhausted, or can be incorporated into capital.

Legal Reserve: Under the law, at least 5% of annual net profit is positive, should be allocated to the legal reserve until it represents 20% of the share capital. This reserve is not distributable except in the event of liquidation of the company, but can be used to absorb losses after the other reserves, or increase capital. On 31 March 2017 the value of this item amounts to 10,073,164 Euros (December 2016: 10,073,164 Euros).

Reserve own shares: This reserve, established in accordance with article 342 of the CSC, is the same amount of the own shares value held by the company. This reserve is unavailable while the own shares are in possession of the company.

11. LOANS

As at 31 March 2017 and 31 December 2016 this caption included the following loans:

	31 March 2017		31 December 2016	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae Capital SGPS - commercial paper a)	2,200,000	-	-	-
Sonae Capital SGPS - commercial paper b)	-	-	-	20,000,000
Up-front fees not yet charged to income statement	-	-	-	(420,335)
	<u>2,200,000</u>	-	-	<u>19,579,665</u>
Bank overdrafts (Note 8)	-	-	-	-
	<u>2,200,000</u>	-	-	<u>19,579,665</u>
Bond Loans				
Obrigações Sonae Capital 2016/2021 c)	-	15,000,000	-	15,000,000
Obrigações Sonae Capital 2014/2019 d)	-	42,500,000	-	42,500,000
Up-front fees not yet charged to income statement	-	(358,237)	-	(392,289)
	-	<u>57,141,763</u>	-	<u>57,107,711</u>
	<u>2,200,000</u>	<u>57,141,763</u>	-	<u>76,687,376</u>

- Short-term commercial paper program issued on 28 March 2008 and valid for a period of 10 years, and may be extended on the initiative of Sonae Capital. Emissions placed with investors and / or financial institutions supported by credit lines *committed* with terms between 6 months and 1 year, contracted with relationship banks.
- Commercial paper program, guaranteed by subscription, started on 23 June 2016, valid for a period of 5 years, with annual amortizations and grace period of one year. Program fully reimbursed by the company at the date of presentation of these financial statements.
- Bond loan Sonae Capital SGPS - 2016/2021 in the amount of 15,000,000 euro, with a 5 year maturity, and a sole reimbursement on 29 July 2021. This bond loan pays interest every six months.
- Bond loan Sonae Capital, SGPS 2014/2019, repayable after 5 years, in one instalment, on 28 May 2019. This bond issue pays interest every six months.

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The interest rate on bank loans and bonds in force on 31 March 2017 was on average 3.28%

Bank loans pay interest rates that are indexed to the Euribor market rates of the period, and its fair value is considered close to its book value.

In case of any Bank institution or commercial paper investor do not renew, at the maturity date, its respective loans, the Group has credit lines available to overcome such renewables

There are no derivative instruments.

12. OTHER CREDITORS

As at 31 March 2017 and 31 December 2016 other creditors can be detailed as follows:

	<u>31 March 2017</u>	<u>31 December 2016</u>
<u>Other creditors</u>		
Group companies - Short term loans	71,589,000	75,502,700
Other creditors	<u>1,401,316</u>	<u>1,306,240</u>
	<u>72,990,316</u>	<u>76,808,940</u>

As at 31 March 2017 and 31 December 2016 the caption loans granted is relative to financial operations granted to the following subsidiaries:

	<u>31 March 2017</u>	<u>31 December 2016</u>
Group companies - Short term loans:		
Interlog-SGPS,SA	21,853,200	21,856,000
SC-Eng. e Promoção Imobiliária,SGPS,S.A.	37,374,000	37,421,000
SC For - Serv. de For. e Desenv. de Recur. Hum.	25,000	19,700
Sistavac, SGPS, S.A.	9,303,300	13,074,500
SC Hospitality SGPS SA	<u>3,033,500</u>	<u>3,131,500</u>
	<u>71,589,000</u>	<u>75,502,700</u>

Loans obtained from group companies bear interest at market rates and are repayable within one year. The interest rate as at 31 March 2017 was, in average, approximately 0.080%.

The item Other Creditors - other, there are included 1,386,041 euros regarding transfers from subsidiaries of tax estimates under the special regime RETGS.

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13. SUPLIERS, TAXES, OTHER NON CURRENT AND CURRENT LIABILITIES

As at 31 March 2017 and 31 December 2016 these items were as follows:

	31 March 2017		31 December 2016	
	Current	Non current	Current	Non current
Trade creditors	260,507	-	92,536	-
Taxes payable - income tax	-	-	-	-
Taxes payable - other taxes	48,853	-	70,975	-
Other current liabilities	-	-	-	-
Accruals:	-	-	-	-
Staff costs	804,954	208,916	664,870	360,486
Interest payable	631,782	-	379,457	-
Other accruals	30,977	-	73,119	-
Deferred income	2,811	-	4,919	-
	<u>1,519,378</u>	<u>208,916</u>	<u>1,193,340</u>	<u>360,486</u>

As at 31 March 2017 and 31 December 2016 interest payable can be detailed as follows:

	31 March 2017	31 December 2016
Interest payable		
Bank Loans	608,169	371,182
Group companies - Short term loans	23,614	8,275
	<u>631,782</u>	<u>379,457</u>

As at 31 March 2017 and 31 December 2016 the Income tax and Other taxes can be detailed as follows:

	31 March 2017	31 December 2016
Income taxation	-	-
Income taxation - amounts withheld	25,161	42,921
VAT	92	55
Social security contributions	23,600	27,998
Stamp tax	-	-
	<u>48,853</u>	<u>70,975</u>

14. EXTERNAL SUPPLIES AND SERVICES

As at 31 March 2017 and 2016 External Supplies and services can be detailed as follows:

	31 March 2017	31 March 2016
Operational rents	(8,092)	(2,415)
Insurance costs	(10,073)	(11,293)
Travelling expenses	(19,767)	(17,308)
Services obtained	(293,454)	(218,176)
Other services	(15,243)	(2,723)
	<u>(346,629)</u>	<u>(251,915)</u>

In services obtained, stands out the amounts in heading fee of shared services, of 46,003 euros (2016: 65,394 euros) and heading Holding cost with the amount of 165,831 euros (2016: 104,105 euros), invoiced by subsidiary SC Sociedade de Consultadoria, SA.

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15. STAFF COSTS

As at 31 March 2017 and 2016, staff costs were made up as follows:

	31 March 2017	31 March 2016
Governing bodies' remunerations	(379,411)	(336,059)
Staff and other sectors remunerations	(67,801)	-
Social security contributions	(48,550)	(31,303)
Other staff costs	(5,076)	3,491
	<u>(500,838)</u>	<u>(363,871)</u>

In 2017 the average number of employees was 1 (one) (2016:1 one).

16. NET FINANCIAL EXPENSES AND INVESTMENT INCOME

As at 31 March 2017 and 31 March 2016, Net Financial Expenses and Investment Income can be detailed as follows:

	31 March 2017	31 March 2016
Interest payable and similar expenses		
Interest arising from:		
Bank loans	(70,142)	(584,381)
Bonds	(486,106)	(446,424)
Other	(15,540)	(60,448)
Other financial expenses	<u>(369,317)</u>	<u>(624,620)</u>
	<u>(941,105)</u>	<u>(1,715,872)</u>
Interest receivable and similar income		
Interest income	<u>2,719,727</u>	<u>4,721,438</u>
	<u>2,719,727</u>	<u>4,721,438</u>
Net financial expenses	<u>1,778,622</u>	<u>3,005,566</u>
Reversal of /and Impairment losses (Note 4.1)	-	-
Dividends received	-	-
Losses on financial investments	-	-
Other income	<u>21,424</u>	<u>777,933</u>
Investment income	<u>21,424</u>	<u>777,933</u>

As at 31 March 2017, the amount mentioned in “Interest arising from other” refers in its entirety to interest on current loans obtained from group companies.

As at 31 March 2017, the amount mentioned in “interest receivable and similar income” includes interest on loans granted to group companies amounting to 2,718,773 euros.

As at 31 March 2017, the amount mentioned in “Other financial expenses” refers to commissions incurred with the assembly and management of bank loans and bonds.

As at 31 March 2017, the amount mentioned in “Other income” refers to the debt update on the sale of the stake in the company, Box Lines - Navegação SA, in previous years.

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17. OTHER OPERATIONAL PROFIT AND OTHER OPERATIONAL EXPENSES

As at 31 March 2017 and 2016 these items were as follows:

	<u>31 March 2017</u>	<u>31 March 2016</u>
Operational profit		
Other supplementary income - guarantees commi	23,393	7,583
Others	427	4,895
	<u>23,820</u>	<u>12,478</u>
Operational expenses		
Indirect taxes	(8,771)	(75,110)
Others	-	-
	<u>(8,771)</u>	<u>(75,110)</u>

18. TAXATION

As at 31 March 2017 and 2016, Taxation was made up as follows:

	<u>31 March 2017</u>	<u>31 March 2016</u>
Current tax (Note 6)	219,055	235,430
Deferred tax (Note 7)	-	-
	<u>219,055</u>	<u>235,430</u>

As stated in Note 6, the Company is taxable according to the RETGS.

19. EARNINGS PER SHARE

Earnings per share for the periods ended 31 March 2017 and 2016 were calculated taking into consideration the following amounts:

	<u>31 March 2017</u>	<u>31 March 2016</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	1,186,212	3,340,134
Effect of dilutive potential shares	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>1,186,212</u>	<u>3,340,134</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	247,218,671	246,740,156
Weighted average number of shares used to calculate diluted earnings per share	<u>247,218,671</u>	<u>246,740,156</u>
Earnings per share (basic and diluted)	<u>0.004798</u>	<u>0.013537</u>

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20. COMPLIANCE WITH LEGAL REQUIREMENTS

Art 5 nr 4 of Decree-Law nr 495/88 of 30 December changed by art 1 of Decree-Law nr 318/94 of 24 December:

In the period ended 31 March 2017 there are no shareholders' loan contracts.

In the period ended 31 March 2017 short-term loan contracts were entered with the companies: Companhia Térmica Tagol, Lda.; Capwatt Maia-Heat Power, SA; Capwatt Martim Longo, SA; Capwatt Vale do Caima-HP, SA; Capwatt, SGPS, SA; Capwatt ACE, SA; Soltroia - Sociedade Imobil., SA; QCE-D.Fab.Equipamentos, SA; Sistavac, SA; Soberana Invest.Imobil., SA; Troiamarket, SA; The House Ribeira Hotel, SA; Soternix-Prod.Energia, ACE; Porto Palácio Hotel Exploração Hoteleira, SA; Enerlousado-R.E.Unipessoal, Lda; Capwatt Colombo HP, SA; Atelgen - Prod. Energia, ACE; Carvemagere - Man. e Energias Renováveis, Lda; CTE - Central Térmica Estuário, Lda; Capwatt Vale do Tejo HP, SA; Capwatt Engenho Novo HP, SA; Capwatt II Heat Power, SA; Capwatt III Heat Power, SA; Imobeauty, SA; Troia Natura, SA; Marvero Exp. Hotel. Imob., SA; Golftime - Golfe e Inv. Turísticos, SA; Troiaresort, SA; Tulipamar-Expl.Hoteleira Imob., SA; Imoresort - Sociedade Imobiliária, SA; Marmagno-Expl.Hoteleira Imob., SA; Atlantic Ferries-Tráf.Loc.Flu.e Marít. SA; Marina de Tróia, SA; Aqualuz Tróia - Exploração Hoteleira e Imobiliária, SA and Imopenínsula - Sociedade Imobiliária, SA.

As at 31 March 2017 amounts due by affiliated companies can be summarized as follows:

Loans and Short term loans granted

Companies	Closing Balance
SC Assets, SGPS, SA	181,901,228
SC Hospitality, SGPS, SA	9,971,000
CAPWATT, SGPS, S.A.	15,701,200
Inparvi SGPS, SA	71,800
SC Finance BV	5,885,000
SC, SGPS, S.A.	15,307,000
Solinca - Health & Fitness, SA	3,134,636
Troiaresort, S.G.P.S., SA	144,241,137
SC - Engª e Prom. Imobiliária SA	688,000
Spred SGPS SA	826,000
	<u>377,727,001</u>

As at 31 March 2017 amounts due to affiliated companies can be summarized as follows:

Short term loans obtained

Companies	Closing Balance
SC For - Serv. de For. e Desenv. de Recur. Hum., Unipe.	25,000
SC - Engª e Prom. Imobiliária SA	37,374,000
Sistavac, SGPS, S.A.	9,303,300
SC Hospitality, SGPS, SA	3,033,500
Interlog-SGPS,SA	21,853,200
	<u>71,589,000</u>

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21. SUBSEQUENT EVENTS

No significant events, requiring further disclosure, have occurred after 31 March 2017.

22. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors and authorized for issue on 4 May 2017.

Board of Directors