

Earnings Announcement 30 September 2011

(Translation from the Portuguese original)

- **Third quarter results highlights:**
 - Increased profitability of the summer season at troiaresort. Compared to last year's third quarter, and including real estate sales, turnover grew 1.3 M.€ to 9.8 M.€ and EBITDA was positive 1.5 M.€ over negative 0.3 M.€ in 3Q10;
 - 6.2 M.€ capital gain generated from the sale of the Group's 20% shareholding in *Sociedade Imobiliária Tróia B3*;
 - Start up of the Colombo cogeneration facility, leading to 1.3 M.€ increase in turnover and 0.5 M.€ increase in EBITDA;
 - The economic crisis and its impact on consumption and investment continued to negatively affect the performance of the Fitness business and of the Selfrio Group in Portugal during the quarter, respectively;
 - Quarterly EBITDA was positive 2.9 M.€, up from 0.9 M.€ in 3Q10, and Net Income increased 4.8 M.€ to positive 2.9 M.€;
 - Cash flow from operations was positive 2.5 M.€.

- **For the first nine months of 2011:**
 - Turnover totalled 102.4 M.€ (111.4 M.€ in 9M10);
 - EBITDA was negative 0.4 M.€ (positive 2.5 M.€ in 9M10);
 - Net Profit increased by 22.8 M.€ to positive 15.4 M.€ (negative 7.4 M.€ in 9M10);
 - Net Debt of 255.9 M.€, 21.3 M.€ below the 31 December 2010 figure (277.2 M.€) .

Disclaimer:

Unless otherwise stated, comparable figures (presented within brackets), percent or absolute changes mentioned in this announcement refer to the comparable period of the previous year for performance figures and to the year 2010 for financial position figures.

Following the sale of the shareholding in Box Lines, which took effect as from 16 September 2010, this business unit's contribution to performance figures is disclosed in the profit and loss statement under discontinued operations in 2010 and is no longer included in the consolidated financial position of the company as at 31 December 2010.

In view of the above considerations, comparisons presented throughout this announcement are made on a like for like basis, with discontinued operations not being taken into account in the 2010 consolidated profit and loss statement.

1. Key Figures

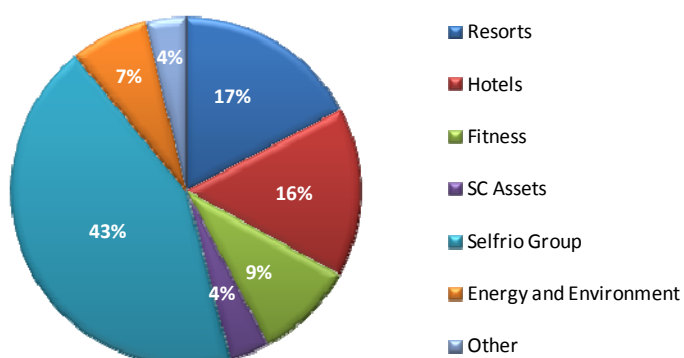
Values in 10⁶ euro

	9M		3Q	
	2011	2010 ¹	2011	2010 ¹
Turnover	102.4	111.4	38.4	39.5
EBITDA	(0.4)	2.5	2.9	0.9
Net Income	15.4	(7.4)	2.9	(1.9)

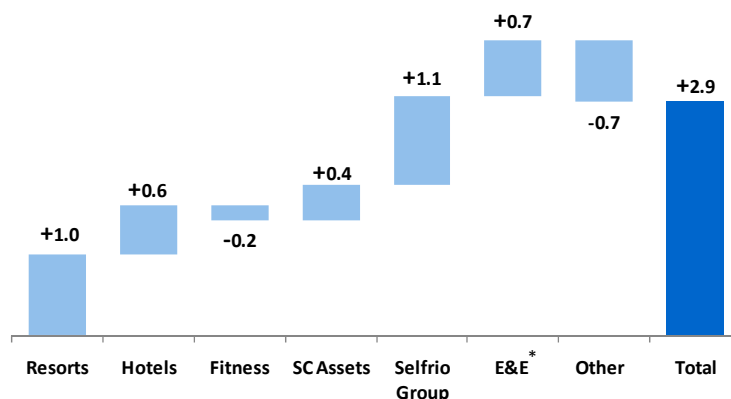
	30.09.11	31.12.10
Net Debt	255.9	277.2
Capex	11.0	10.2 ¹

¹ Relates to continued operations.

% Contribution to Turnover 3Q 11



Contributions to EBITDA 3Q 11 (10⁶ euro)



*Energy and Environment

Values in 10³ euro

	Contributions to Consolidated Turnover					
	9M 11	9M 10	Δ	3Q 11	3Q 10	Δ
Resorts	12,481.6	17,178.6	-27.3%	6,662.3	5,643.1	+18.1%
Resort Development	5,980.1	11,387.2	-47.5%	2,982.8	2,118.1	+40.8%
Resort Management (Golf, Marina and Market)	2,096.2	1,930.2	+8.6%	1,284.2	1,245.4	+3.1%
Atlantic Ferries ¹	4,405.3	3,861.2	+14.1%	2,395.3	2,279.5	+5.1%
Hotels	11,492.1	11,400.6	+0.8%	6,037.9	5,798.5	+4.1%
Fitness	12,244.7	13,935.4	-12.1%	3,545.5	4,329.3	-18.1%
Other	5.0	1.6	>100%	1.1	0.5	>100%
Sonae Turismo's contribution	36,223.4	42,516.2	-14.8%	16,246.7	15,771.3	+3.0%
Residential Property Development	973.1	1,640.9	-40.7%	198.3	310.8	-36.2%
Operational Assets	1,993.8	1,907.6	+4.5%	702.0	644.7	+8.9%
Other Assets	2,921.7	1,983.4	+47.3%	539.9	1,025.0	-47.3%
SC Assets's contribution	5,888.7	5,532.0	+6.4%	1,440.2	1,980.6	-27.3%
Selfrio Group	50,514.2	54,306.1	-7.0%	16,556.5	19,000.9	-12.9%
Energy and Environment	5,599.4	3,773.2	+48.4%	2,758.5	1,317.3	>100%
Other ²	4,030.2	5,075.0	-20.6%	1,403.5	1,432.7	-2.0%
Spred's contribution	60,143.8	63,154.3	-4.8%	20,718.5	21,750.9	-4.7%

¹ Included in Spred in 2010.

² Includes Entertainment, comprised in Sonae Turismo in 2010.

Values in 10³ euro

	Contributions to Consolidated EBITDA					
	9M 11	9M 10	Δ	3Q 11	3Q 10	Δ
Resorts	-2,641.0	-570.7	<-100%	1,043.6	-403.3	-
Resort Development	-3,213.9	-348.5	<-100%	-139.7	-1,315.2	+89.4%
Resort Management (Golf, Marina and Market)	-457.3	-572.7	+20.1%	14.9	-93.9	-
Atlantic Ferries ¹	1,030.2	350.5	>100%	1,168.4	1,005.8	+16.2%
Hotels	-3,070.3	-3,821.1	+19.6%	594.5	-10.1	-
Fitness	479.0	2,602.3	-81.6%	-178.2	603.7	-
Other	-44.5	-146.4	+69.6%	-317.8	-471.0	+32.5%
Sonae Turismo's contribution	-5,276.8	-1,935.9	<-100%	1,142.1	-280.7	-
Residential Property Development	-565.8	-734.5	+23.0%	-242.1	-203.6	-18.9%
Operational Assets	1,989.5	2,118.1	-6.1%	649.3	708.8	-8.4%
Other Assets	-509.3	-247.0	<-100%	20.1	-761.5	-
SC Assets's contribution	914.5	1,136.6	-19.5%	427.3	-256.3	-
Selfrio Group	3,720.7	3,669.6	+1.4%	1,090.5	1,475.4	-26.1%
Energy and Environment	1,321.4	603.4	>100%	700.3	245.1	>100%
Other ²	237.1	28.7	>100%	160.4	67.2	>100%
Spred's contribution	5,279.1	4,301.6	+22.7%	1,951.2	1,787.6	+9.1%

¹ Included in Spred in 2010.

² Includes Entertainment, comprised in Sonae Turismo in 2010.

2. Main Events

Since the previous earnings announcement, no material events were disclosed to the market.

3. Consolidated Financial Statements Review

3.1. Consolidated Profit and Loss Statement

Values in 10³ euro

	9M 11 Total Operations	9M 10 Continued Operations	Δ (A/B)	3Q 11 Total Operations	3Q 10 Continued Operations	Δ (C/D)
	(A)	(B)		(C)	(D)	
Turnover	102,425.8	111,429.2	-8.1%	38,435.4	39,536.4	-2.8%
Other Operational Income	9,871.0	7,386.3	+33.6%	1,978.2	3,462.4	-42.9%
Total Operational Income	112,296.7	118,815.5	-5.5%	40,413.6	42,998.7	-6.0%
Cost of Goods Sold	-31,591.2	-27,825.1	-13.5%	-11,506.9	-10,469.7	-9.9%
Change in Stocks of Finished Goods	-2,332.8	-8,090.5	+71.2%	-1,327.4	-2,881.3	+53.9%
External Supplies and Services	-42,153.7	-41,624.0	-1.3%	-13,900.9	-14,470.8	+3.9%
Staff Costs	-30,299.8	-31,440.9	+3.6%	-9,874.0	-9,737.7	-1.4%
Other Operational Expenses	-3,927.9	-4,350.8	+9.7%	-846.9	-2,378.8	+64.4%
Total Operational Expenses	-110,305.4	-113,331.2	+2.7%	-37,456.1	-39,938.3	+6.2%
Operational Cash-Flow (EBITDA)	-399.0	2,549.3	-	2,869.1	868.5	>100%
Amortisation and Depreciation	-10,131.0	-10,103.1	-0.3%	-3,478.3	-3,366.0	-3.3%
Provisions and Impairment Losses	-75.3	-3,535.6	+97.9%	-	-953.6	-
Operational Profit/(Loss) (EBIT)	-8,215.0	-8,154.4	-0.7%	-520.7	-1,259.1	+58.6%
Net Financial Expenses	-8,032.4	-5,878.3	-36.6%	-2,911.5	-1,927.1	-51.1%
Share of Results of Associated Undertakings	4,312.2	2,382.5	+81.0%	1,561.3	877.0	+78.0%
Investment Income	28,361.7	-897.1	-	6,258.8	-419.2	-
Profit before Taxation	16,426.5	-12,547.3	-	4,387.9	-2,728.4	-
Taxation	-992.1	5,110.1	-	-1,530.2	813.9	-
Net Profit	15,434.4	-7,437.1	-	2,857.7	-1,914.5	-
Attributable to Equity Holders of Sonae Capital	14,692.4	-7,827.3	-	2,489.7	-2,257.8	-
Attributable to Non-Controlling Interests	742.1	390.1	+90.2%	367.9	343.3	+7.2%

3.1.1. Quarterly Results

Consolidated turnover in the third quarter amounted to 38.4 million euro, 1.1 million euro down compared to the same period of last year.

The Fitness business saw an 18% fall in turnover to 3.5 million euro, with the average number of active members in the quarter decreasing by around 7% over the third quarter of 2010. Selfrio's contribution to quarterly turnover also dropped by about 13%, totalling 16.6 million euro, with the Portuguese cold engineering and HVAC markets explaining most of the fall.

On the positive side, **troiaresort's** turnover (including real estate, hotel units and operations), increased by 16% to 9.8 million euro, reflecting higher resort occupancy during the summer season compared to same period of last year, and 6 residential unit sales deeds signed in the quarter, three of which were for new units sold. Lodging indicators for the Aqualuz **troiaresort** units improved, with room nights increasing by 8% and average daily revenue improving by 3% in the third quarter, so that related turnover totalled 3.2 million euro (2.9 million euro). For other **troiaresort** operations (including Atlantic Ferries) turnover amounted to 3.7 million euro, up 4% on the same period of last year.

As for other hotel units, at Aqualuz Lagos turnover grew 3% to 1.3 million euro, with room nights sold increasing by 5% and average daily revenue falling by 8%, while turnover at the Porto Palácio Hotel fell 3%, to 1.6 million euro, led by a decrease in food and beverage revenues, while lodging revenues improved circa 1% as a result of a 1% increase in the average daily revenue and similar number of room nights sold.

In Energy and Environment, the new cogeneration unit started operations in July 2011, and contributed 1.3 million euro to the increase of 1.4 million euro in turnover in the quarter.

Consolidated operational cash-flow (EBITDA) was 2.9 million euro, an increase of 2.0 million euro compared to the third quarter of last year.

Fitness negative 0.2 million euro contribution in the quarter (positive 0.6 million euro), includes the impact of restructuring costs and negative contributions from the fitness unit in Spain and from the new unit opened in early 2011 in Portugal, which is still in its ramp up stage. In Portugal, the business quarterly EBITDA remained positive, at circa 0.1 million euro, compared to 0.4 million euro in the same period last year.

With the exception of Fitness and Selfrio, the latter with a 0.4 million euro decrease in the quarterly contribution to EBITDA, to positive 1.1 million euro in the face of more challenging market conditions, all other businesses increased their contribution to consolidated EBITDA, the most significant being: Resort Development, up 1.2 million euro to negative 0.1 million euro; the Hotel business, which improved its contribution by 0.6 million euro from a zero contribution last year, driven by increased summer business at **troia**resort and Lagos (up 0.7 and 0.1 million euro, respectively); and SC Assets where EBITDA also increased by 0.7 million euro. As for turnover, the 0.5 million euro increase in EBITDA from Energy and Environment is explained by the new Colombo cogeneration facility. Tourism operations posted a 0.2 million euro improvement in EBITDA, mostly from Atlantic Ferries due to higher margins from price increases implemented earlier this year.

In addition to operational performance, the quarterly net profit of 2.9 million euro (negative 1.9 million euro) also includes the negative impact of higher net financial expenses, up 1.0 million euro due to the increase in market interest rates and the higher cost of debt refinancing, and a positive impact from both the 0.7 million euro increase in the share of results of associated undertakings (mainly from Norscut) and a capital gain of 6.2 million euro resulting from the sale of the group's shareholding in *Sociedade Imobiliária Tróia B3*.

3.1.2. Year to Date Results

Consolidated turnover was 102.4 million euro in the first nine months of the year, equal to a 8% fall compared to the first nine months of last year, while consolidated EBITDA was negative 0.4 million euro, down from positive 2.5 million euro in 2010.

Resort Development, with a total contribution of 6.0 million euro, explains more than half of the decrease in consolidated turnover, since 12 sales deeds were signed in the 9 months of the year at **troia**resort, compared to 20 for the 9 months ending 30 September 2010. As a result, its contribution to EBITDA fell by 2.9 million euro to negative 3.2 million euro.

The year to date performance of Fitness reflects the pressures being exerted on disposable income and the resulting fall in the number of new memberships, the member retention rate and the demand for value added services (mostly DaySpa). A new fitness centre was opened in early 2011 which is still making a negative contribution to the business' EBITDA margin, while the results were also impacted by the VAT increase on sports activities which was not entirely passed through to customers in increased prices, and to the negative contribution of the fitness unit in Spain. EBITDA for the nine months was also negatively impacted by restructuring costs incurred in the third quarter of the year. As a result, turnover totalled 12.2 million euro (13.9 million euro) and EBITDA was 0.5 million euro (2.6 million euro).

Increased turnover and EBITDA at Atlantic Ferries (0.5 million euro to 4.4 million euro, and 0.7 million euro to 1.0 million euro, respectively) reflect the impact of both ticket price increases implemented and cost savings resulting from optimisation efforts put in place. These measures proved essential to reach operational breakeven (after depreciation) of the concession. Still, business' EBITDA does not include costs from financial leases, which amounted to 0.4 million euro up to September 2011.

Hotels turnover remained slightly above last year's figure, at 11.5 million euro (11.4 million euro), driven by the Aqualuz **troia** resort units, where turnover grew by 0.2 million euro to 4.6 million euro due to a 3% increase in the number of room nights sold and a 6% increase in average daily revenue to 110.1 euro, even though Aqualuz **troia** was shut down for around 5 months in 2011 in the course of refurbishment works carried out. Porto Palácio Hotel turnover fell by 3% to 5.2 million euro, with a 3% increase in the number of room nights and a 2% decrease in average daily revenue to 89.3 euro, while Aqualuz Lagos turnover totalled 1.7 million euro (1.6 million euro) with room nights sold growing 8%, and average daily revenue falling 6.2 euro to 71.2 euro. Hotels contribution to EBITDA improved by 20% to negative 3.1 million euro, as a result of the higher number of room nights sold, especially during the summer season, and of the implementation of cost saving measures.

Despite being less significant in terms of value, it is worth mentioning that Resort Management turnover improved by around 9% to 2.1 million euro, based on more aggressive commercial and marketing approaches at **troiamarina** and **troia**golf, which both increased their contributions to EBITDA, and resulted in an improvement of 0.1 million euro in Resort Management EBITDA to negative 0.5 million euro.

Sales of non-core real estate assets explain the 0.4 million euro increase in SC Assets contribution to consolidated turnover, which totalled 5.9 million euro. Sales deeds for 4 City Flats apartments were signed in the period (5 in the first nine months of 2010).

Selfrio's contribution to consolidated turnover, at 50.5 million euro, was 3.8 million euro below last year's comparable figure reflecting a fall in activity in the Portuguese cold engineering and HVAC markets, suffered a drop of 5.4 million euro in turnover, partially offset by growth in foreign markets (particularly Spain), where turnover reached 5.9 million euro, equal to an increase of 25%. The EBITDA margin for the period remained in line with the same period of last year at around 7%.

The improved performance of the Energy and Environment business was driven by the start up of operations at the new Colombo cogeneration facility: turnover grew by 1.8 million euro to 5.6

million euro and EBITDA was more than double last year's figure at 1.3 million euro (0.6 million euro).

There were no provisions or impairment losses booked up to 30 September 2011, compared to 3.5 million euro losses in the same period of last year, which included around 2.9 million euro relating to real estate assets.

The 37% increase in net financial expenses to 8.0 million euro was not unexpected, and is explained by the higher average debt level in the first half of the year and by increased costs from debt refinancing.

Profits from associated undertakings grew by around 2.0 million euro to 4.3 million euro, and include 1.9 million euro from the Imosede Fund, 1.5 million euro from TP (up to the date of its disposal) and 1.2 million euro from Norscut.


Investment income for the period, totalling 28.4 million euro (negative 0.9 million euro), includes capital gains generated from the sale of the Group's shareholdings in TP and in *Sociedade Imobiliária Tróia B3*, amounting to 26.5 million euro, and the positive price adjustment from the sale of Choice Car, as set out in the respective sale agreement.

In addition to the above mentioned factors, the period's net profit, amounting to 15.4 million euro (negative 7.4 million euro), also includes the impact of higher taxation.

3.2 Consolidated Balance Sheet

Values in 10³ euro

	30.09.2011	31.12.2010	Δ
Tangible and Intangible Assets	279,060.3	264,939.8	+5.3%
Goodwill	61,133.3	61,133.3	+0.0%
Non-Current Investments	59,986.0	73,517.4	-18.4%
Other Non-Current Assets	38,460.8	36,897.2	+4.2%
Stocks	208,854.8	229,782.6	-9.1%
Trade Debtors and Other Current Assets	57,160.3	61,697.0	-7.4%
Cash and Cash Equivalents	2,679.9	3,199.3	-16.2%
Total Assets	707,335.4	731,166.7	-3.3%
Total Equity attributable to Equity Holders of Sonae Capital	338,848.5	326,914.8	+3.7%
Total Equity attributable to Non-Controlling Interests	9,048.8	12,454.8	-27.3%
Total Equity	347,897.4	339,369.6	+2.5%
Non-Current Borrowings	233,985.7	151,893.4	+54.0%
Deferred Tax Liabilities	4,023.9	3,616.0	+11.3%
Other Non-Current Liabilities	39,955.1	39,827.7	+0.3%
Non-Current Liabilities	277,964.7	195,337.1	+42.3%
Current Borrowings	24,623.8	128,515.5	-80.8%
Trade Creditors and Other Current Liabilities	56,849.6	67,944.5	-16.3%
Current Liabilities	81,473.4	196,460.0	-58.5%
Total Liabilities	359,438.0	391,797.1	-8.3%
Total Equity and Liabilities	707,335.4	731,166.7	-3.3%



Capex totalled 11.0 million euro in the period, most of which was for **troia**resort with around 5.0 million euro (refurbishment of Aqualuz troiario hotel unit and construction of the Events Centre) and Energy and Environment accounting for 4.4 million euro (construction works for the Colombo cogeneration facility). Minor amounts were spent by SC Assets, with 0.7 million euro (mostly in relation to construction licenses), Fitness and Selfrio, with 0.2 million euro each (mainly for maintenance capex).

In the third quarter of 2011, Detailed Plans of UNOPs 7 and 8 (Tróia) and T4 (Mourão, Alqueva) were approved, and Detailed Plan for Boure (Castelo de Paiva) was published in *Diário da República*. The Proposal for the Plan regarding Quinta da Azenha (Douro region) was approved in August.

As at 30 September 2011, net debt totalled 255.9 million euro, 21.3 million euro down on 31 December 2010, reflecting the use of a significant portion of the proceeds from the sale of the shareholding in TP to reduce debt. Gearing was 73.6% as at 30 September 2011 (81.7% as at 31 December 2010).

Maia, 23 November 2011

The Board of Directors,



Glossary

- Average Daily Revenue = Lodging Revenues / Number of rooms sold.
- Capex = Investment in Tangible and Intangible Assets.
- Gearing = Net Debt / Equity.
- HVAC = Heating, Ventilation and Air Conditioning.
- Net Debt = Non Current Loans + Current Loans – Cash and Cash Equivalents – Current Investments.
- Operational Cash-Flow (EBITDA) = Operational Profit (EBIT) + Amortisation and Depreciation + Provisions and Impairment Losses + Impairment Losses of Real Estate Assets in Stocks (included in Cost of Goods Sold) – Reversal of Impairment Losses and Provisions (included in Other Operating Income).

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