EARNINGS ANNOUNCEMENT

31 MARCH 2018

SONAE CAPITAL

1. CEO'S MESSAGE AND MAIN HIGHLIGHTS

"During the first quarter of the year we remained focused implementing the defined strategy, namely in what concerns the:

- *Improvement of the Business Units' competitive position, visible in the Top Line 31.0% growth;*
- *In the integration of the investments made over the last months, being of particular relevance (i) the contribution, in the Energy segment, of the operations acquired in the 2Q2017; and (ii) in 1Q2018, the contribution of PUMP, in the Fitness segment, to the sustainability and stability of the Group's results. In the case of Adira, a new business, we are still investing for growth, providing the company with adequate resources to implement the defined growth strategy;*
- *Alongside with the improvement of the competitive position, both organically and through acquisition, it is worth to point out the profitability improvement visible in the Business Units' EBITDA margin YoY growth of 2.1pp;*
- *We've also continued to focus on the sale of real estate assets: (i) in Troia, the value of deeds already signed and the amounts we still have in Reserves and PPSAs, totals 9.0M€; and (ii) on the other real estate assets, the value of the deeds carried out and the amount of PPSAs in the portfolio amounts to 5.3M€. Taking into account the assets portfolio and the favorable environment, important steps have been taken to achieve relevant sales during the year, a mandatory condition to continue implementing the defined corporate strategy."*

Cláudia Azevedo, CEO

1Q18 MAIN HIGHLIGHTS

- Strong growth in the Business Units' Turnover (+31.0%), particularly in the Fitness (+52.1%) and Energy (+21.6%) segments;
- Completion of the acquisition and integration of the PUMP Fitness chain, which operates seven clubs in Lisbon and one in Algarve, contributing to the significant improvement of the segment's competitive position;
- The contribution, in 1Q18, of the operations acquired (Energy and Fitness) amounts to 5.49M€ and 1.37M€ in consolidated Turnover and Ebitda, corresponding to 53% and 83% of its growth, respectively;
- In 1Q18, 6 deeds of residential touristic units in Troia were signed, corresponding to 2.4M€. Additionally, as of the date of this report, another deed has already been signed and there are still 15 contracts in Reserve / PPSA, for a total amount of 6.6M€;
- Promissory Purchase and Sale Agreements (PPSA) in Real Estate Assets (excluding Troia units) amounted to 4.5M€ in addition to the 0.78M€ deeds signed in 1Q18;
- Net Debt increased by 15.9M€ compared to the end of 2017, strongly influenced by the investments in the PUMP Fitness clubs acquisition and the beginning of the investment in the Biomass project, which will only start to generate returns in the second half of 2019. Net Debt remains under control and is adequate to the type of business and assets held by the Group: LTV of 18.3% and Net Debt/Ebitda of 2.70x;
- 1Q18 Consolidated Net Results are penalized on a non-recurrent way with, approximately, 3.0M€ of costs driven, mainly, to the recognition of the most recent estimated total cost concerning the discontinuation of the Brazilian RACE operation, amounting to 2.0M€.

2. OVERALL PERFORMANCE

Consolidated Profit and Loss Account

Million euro	1Q 2018	1Q 2017	∆ 18/17
Turnover			
Business Units	**39.06**	**29.81**	**+31.0%**
Energy	11.90	9.79	+21.6%
Industrial Engineering	3.32	-	-
Fitness	8.94	5.88	+52.1%
Hospitality	2.86	2.76	+3.5%
Refrigeration & HVAC	10.79	10.22	+5.5%
Troia Resort - Operations	1.25	1.16	+8.0%
Real Estate Assets	**4.55**	**3.44**	**+32.1%**
Troia Resort	2.87	1.31	>100%
Other Real Estate Assets	1.67	2.13	-21.3%
Eliminations & Adjustments	-1.29	-1.30	+0.6%
Consolidated Turnover	**42.32**	**31.95**	**+32.4%**
Other Operational Income	0.62	0.66	-6.2%
Total Operational Income	**42.94**	**32.62**	**+31.7%**
EBITDA			
Business Units	**1.99**	**0.88**	**>100%**
Energy	3.18	2.10	+51.5%
Industrial Engineering	-0.22	-	-
Fitness	1.17	0.90	+30.5%
Hospitality	-1.45	-1.50	+3.6%
Refrigeration & HVAC	-0.07	0.27	-
Troia Resort - Operations	-0.63	-0.89	+29.4%
Real Estate Assets	**0.55**	**0.52**	**+6.4%**
Troia Resort	-0.07	-0.11	+32.6%
Other Real Estate Assets	0.62	0.62	-0.3%
Eliminations & Adjustments	-0.47	-1.01	+54.2%
Consolidated EBITDA	**2.08**	**0.38**	**>100%**
Amortization & Depreciation	-5.81	-4.07	-42.8%
Provisions & Impairment Losses	-0.14	0.29	-
Non-recurrent costs/income (1)	-0.68	-0.24	<-100%
EBIT			
Business Units	**-2.53**	**-1.37**	**-83.9%**
Real Estate Assets	**-1.15**	**-1.26**	**+8.7%**
Eliminations & Adjustments	-0.88	-1.00	+12.1%
Consolidated EBIT	**-4.55**	**-3.63**	**-25.4%**
Net Financial Expenses	-1.11	-0.99	-11.8%
Investment Inc. and Results from Assoc. Undertakin	0.20	0.07	>100%
EBT	**-5.46**	**-4.55**	**-20.1%**
Taxes	-0.37	-0.28	-32.8%
Net Results - Continued Businesses	**-5.83**	**-4.82**	**-20.8%**
Net Results - Discontinued Businesses	**-2.03**	**-0.02**	**<-100%**
Net Results - Total	**-7.86**	**-4.85**	**-62.1%**
Attributable to Equity Holders of Sonae Capital	-7.47	-5.05	-47.9%
Attributable to Non-Controlling Interests	-0.40	0.20	-

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

The Group's consolidated Turnover amounted to 42.32M€ in 1Q18. Ebitda reached 2.08M€, generating a 4.9% margin, an evolution of 3.7pp over the same period of the previous year. It should be noted the significant evolution of Business Units' profitability of + 125%.

2.1. BUSINESS UNITS

Business Units' Turnover in the quarter amounted to 39.06M€, a 31.0% increase over the same period last year. Ebitda more than doubled to 1.99M€, generating a 5.1% margin and an improvement of 2.1pp compared to the margin recorded in 1Q17.

In relation to the Business Units' performance, it should be highlighted:

- The Energy segment continued to present increases in both Turnover (+21.6%) and, mainly, EBITDA (+51.5%), to 11.90M€ and 3.18M€, respectively. The operations acquired in 2017 were the main contributors to the significant performance improvement;
- The Industrial Engineering segment, namely Adira, continues to carry out the integration in the Group's processes in parallel with the investment that is being done in providing the company with the adequate resources to implement in an effective way the defined growth strategy;
- Sustained growth in the Fitness segment Top Line (+52.1%), due to the continued growth in the number of active members and the expansion plan that is being implemented, including the acquisition of the PUMP Fitness clubs and the opening of two Solinca clubs in the period, which produced a positive impact at Ebitda level (+30.5%);
- The Hospitality segment continues to deliver a positive performance showing improvements in the main indicators, particularly RevPAR (+17.2%). Top Line and Ebitda registered a growth of 3.5% and 3.6% respectively;
- The Ref. & HVAC segment recorded a positive evolution of 5.5% in Turnover which was not convoyed with the correspondent operating results that were penalized by a deterioration in operating margins in some specific works that have not proceed as forecasted;
- Finally, regarding Troia Resort Operations, efficiency and profitability measures continue to be implemented.

2.2. REAL ESTATE ASSETS

- In 1Q18, Troia Resort recorded 6 deeds signings an increase of 4 deeds compared to the same period last year, correspondent to 2.38M€. As of the date of this report, one additional deed has already been signed, and there are still 15 promissory purchase and sale agreements and reserves, corresponding to a total amount of 6.6M€. A significant part of these contracts is foreseen to be signed over the next quarters;
- In relation to other Real Estate Assets, a set of sales deeds were signed regarding several assets totalling 0.78M€. It should be noted that remain in stock a set of PPSAs over a diverse real estate assets, totalling 4.5M€.

2.3. CONSOLIDATED NET RESULTS & CAPITAL STRUCTURE

Consolidated Net Results (continued operations) were 5.83M€ negative, representing a decrease of 1M€ compared to the same period of the previous year, which, despite the improvement in Ebitda (+1.7M€), was mainly affected by: (i) higher Amortization & Depreciations (+1.7M€), mainly due to the recent acquisitions in the Energy segment; and (ii) Non-Recurring Costs of 0.68M€, which include staff restructuring costs and an Impairment related to a business made through RACE Brazil. Altogether, the remaining items, namely, Financial Results, Investment Results and Taxes, do not show any evolution compared to the previous year.

It should be highlighted the costs recognized with the discontinuation of RACE's Brazilian operation, in the amount of 2.0M€. This cost recognition results from the accounting, in 1Q18, of the forecasted total cost related to the operation closing process which includes, besides the declining on-going activity, the most recent estimate of (i) current works operational margins; (ii) severance costs; and (iii) all the contingencies that a process of this nature on this geography conveys.

Following the above mentioned, Consolidated Net Results in 1Q18 stood at 7.86M€ negative, 3.0M€ down from the same period last year, mostly due to the closing process of RACE in Brazil.

Capital Structure/Capex/Ratios

Million euro	Mar 2018	Dec 2017	Δ 18/17
Net Capital Employed	**404.6**	**400.7**	**+1.0%**
Fixed Assets	332.4	322.6	+3.0%
Non-Current Investments (net)	5.7	8.6	-33.9%
Working Capital	70.3	71.8	-2.2%
Capex (end of period)	16.2	61.6	-73.7%
% Fixed Assets	4.9%	19.1%	-14.2 pp
Net Debt	**125.3**	**109.4**	**+14.6%**
% Net Capital Employed	31.0%	27.3%	+3.7 pp
Debt to Equity	44.9%	37.5%	+7.3 pp
Capital Structure Ratios			
Loan to Value (Real Estate)	18.3%	15.9%	
Net Debt/EBITDA (recurrent)	2.70x	2,57x	

- Capex in the period amounted to 16.2M€, an increase of 11M€ compared to the previous year, mainly as a result of investments made in the PUMP Fitness clubs acquisition (8.4M€) and in the beginning of the biomass-fueled cogeneration project development (5.0M€), in the energy segment.

- Levered Free Cash Flow, at the end of March, stood at 15.8M€ negative, mainly due to the above-mentioned Investments.

Consolidated Balance Sheet			
Million euro	**Mar 2018**	**Dec 2017**	**Δ 18/17**
Total Assets	**516.6**	**516.1**	**+0.1%**
Tangible and Intangible Assets	280.3	275.3	+1.8%
Goodwill	52.1	47.4	+10.0%
Non-Current Investments	2.3	2.0	+16.5%
Other Non-Current Assets	30.9	34.4	-10.2%
Stocks	92.7	94.4	-1.8%
Trade Debtors and Other Current Assets	52.1	53.0	-1.7%
Cash and Cash Equivalents	4.0	7.3	-44.7%
Assets held for sale	2.2	2.4	-9.7%
Total Equity	**279.3**	**291.4**	**-4.1%**
Total Equity - Equity Holders of Sonae Capital	269.6	280.5	-3.9%
Total Equity - Non-Controlling Interests	9.6	10.9	-11.6%
Total Liabilities	**237.3**	**224.8**	**+5.6%**
Non-Current Liabilities	**133.5**	**116.2**	**+14.9%**
Non-Current Borrowings	106.0	88.5	+19.8%
Deferred Tax Liabilities	21.6	21.6	-0.1%
Other Non-Current Liabilities	5.9	6.1	-3.5%
Current Liabilities	**103.8**	**108.6**	**-4.4%**
Current Borrowings	23.4	28.2	-17.2%
Trade Creditors and Other Current Liabilities	74.5	75.5	-1.4%
Liabilities associated to assets held for sale	5.9	4.8	+23.5%
Total Equity and Liabilities	**516.6**	**516.1**	**+0.1%**

- Due to the Investments previously detailed, Net Debt registered an increase when compared to the end of 2017 to 125.3M€. However the capital structure maintains an adequate level regarding the Group's portfolio: Loan To Value (LTV) of 18.3% and Net Debt/Ebitda of non Real Estate businesses of 2.70x.
- Net Capital Employed increased 1.0% when compared to the end of 2017, to 404.6M€, driven by the increase of Fixed Assets under management.
- Due to the increase in net debt above mentioned, Debt to Equity ratio reached 44.9%, +7.3pp compared to YE2017.

3. BUSINESS UNITS

3.1. ENERGY

Profit and Loss Account - Energy			
Million euro	**1Q 2018**	**1Q 2017**	**Δ 18/17**
Total Operational Income	**12.11**	**9.93**	**+22.0%**
Turnover	**11.90**	**9.79**	**+21.6%**
Other Operational Income	0.21	0.14	+47.6%
Total Operational Costs	**-8.93**	**-7.83**	**-14.0%**
Cost of Goods Sold	-6.23	-5.73	-8.7%
External Supplies and Services	-1.52	-1.32	-14.8%
Staff Costs	-0.77	-0.59	-30.5%
Other Operational Expenses	-0.42	-0.20	<-100%
EBITDA	**3.18**	**2.10**	**+51.5%**
EBITDA Margin (% Turnover)	26.7%	21.5%	+5.3 pp
EBIT	**0.88**	**1.05**	**-16.2%**
EBIT Margin (% Turnover)	7.4%	10.8%	-3.3 pp
Capex	**5.58**	**3.53**	**+58.0%**
EBITDA-Capex	**-2.40**	**-1.43**	**-67.5%**
Total Capacity (MW)	**65.5**	**57.6**	**+13.8%**
Owned & Operated	62.3	47.4	+31.5%
Operated (not consolidated)	3.2	10.2	-68.4%

- Turnover in the Energy segment amounted to 11.90M€, an increase of 21.6% over the previous year, mainly due to the operations acquired during 2017, with an impact of around 2M€. These acquisitions contribute to the total 65MW owned or operated capacity.
- As a result of the positive Turnover performance, Ebitda amounted to 3.18M€, a strong increase of 51.5% over the previous year, translated into a 26.7% margin (+5.3pp), reinforcing the continuous improvement of the previously verified performance.
- The contribution of the acquired operations was critical for the 1Q18 results performance, amounting to 2.0M€ and 1.16M€ in Turnover and Ebitda, respectively.
- It should be noted that, despite the Ebitda improvement, Ebit registered a decreased of 16.2%, due to the 1.3M€ Depreciations & Amortizations increase driven by the operations acquired during 2017 (which are being accounted for on a linear basis whilst the solar resource is well asymmetric over the year).
- Capex amounted to 5.58M€ and represents the beginning of the development of the new biomass-fueled cogeneration power plant announced in the last quarter of 2017 and expected to be operational in the second half of 2019.

3.2. INDUSTRIAL ENGINEERING

Profit and Loss Account - Industrial Engineering			
Million euro	1Q 2018	1Q 2017	Δ 18/17
Total Operational Income	**3.45**	**-**	**-**
Turnover	**3.32**	**-**	**-**
Other Operational Income	0.12	-	-
Total Operational Costs	**-3.67**	**-**	**-**
Cost of Goods Sold	-2.19	-	-
External Supplies and Services	-0.37	-	-
Staff Costs	-0.95	-	-
Other Operational Expenses	-0.15	-	-
EBITDA	**-0.22**	**-**	**-**
EBITDA Margin (% Turnover)	-6.6%	-	-
EBIT	**-0.45**	**-**	**-**
EBIT Margin (% Turnover)	-13.5%	-	-
Capex	**0.25**	**-**	**-**
EBITDA-Capex	**-0.46**	**-**	**-**

- During 1Q18, we continued focused on investing in providing the company with adequate and sufficient resources to successfully implement the defined growth strategy, namely in what concerns the Commercial team restructuring plan that is being implemented.
- 42 machines were produced during the 1Q18. It should be highlighted the progresses in the number of machines delivered on-time, a crucial aspect in current Adira's strategy (100% of *Standard* machines delivered on-time).
- This segment's contribution to the Group's consolidated results in the quarter was, 3.32M€ and -0.22M€ at Turnover and Ebitda, respectively.
- Due to its importance, it should be highlighted the restructuring plan being implemented and the reinforcement of the Commercial Team, including the Agents network. In fact, since the acquisition, ADIRA's headcount has already grown by 15 employees (11 in 1Q18) mainly to reinforce the Commercial, Customer Service and Engineering Teams.

3.3. FITNESS

Profit and Loss Account - Fitness			
Million euro	1Q 2018	1Q 2017	Δ 18/17
Total Operational Income	**8.99**	**5.95**	**+51.2%**
Turnover	**8.94**	**5.88**	**+52.1%**
Other Operational Income	0.05	0.07	-21.3%
Total Operational Costs	**-7.82**	**-5.05**	**-54.9%**
Cost of Goods Sold	-0.06	-0.05	-31.9%
External Supplies and Services	-4.60	-2.97	-55.1%
Staff Costs	-2.72	-1.72	-57.6%
Other Operational Expenses	-0.44	-0.31	-41.9%
EBITDA	**1.17**	**0.90**	**+30.5%**
EBITDA Margin (% Turnover)	13.1%	15.3%	-2.2 pp
EBIT	**0.09**	**0.45**	**-80.0%**
EBIT Margin (% Turnover)	1.0%	7.6%	-6.6 pp
Capex	**9.58**	**0.53**	**>100%**
EBITDA-Capex	**-8.40**	**0.37**	**-**
# Health Clubs in Operation	**28**	**17**	**+11**

- Fitness segment continues to deliver positive performances strengthening its competitive position, reflected, on the one hand, on an increase in the number of active members (+23% like-for-like) and average monthly fees (+2% like-for-like) when compared to the same period last year and, on the other hand, the activity's expansion with the acquisition of the PUMP fitness clubs.
- As a result, Turnover in the period registered a significant increase of 52.1% over the same period last year.
- The performance verified at the Turnover level is also reflected in the Ebitda performance, which increased by 30.5% in the comparable quarter, generating a 13.1% margin which, being below 1Q17, is above the last three quarters and FY2017.
- It should be noted that the PUMP Fitness chain, acquired at the beginning of 1Q18, accounted for 1.74M€ and 0.43M€ at the Turnover and Ebitda level, respectively, recording a margin of 24.7%.
- In 2018, the Management Team will continue to focus on improving its competitive position, materializing expansion oportunities as the acquisition of eight PUMP fitness clubs proves. The investment in opening new clubs, following a capital light approach, allowed the Fitness segment to close 1Q18 with 28 clubs in operation: two new openings in the quarter - "Loures" and "Lumiar" - and the discontinuation of the Crossfit operation, in "Cascais", whose profitability was not meeting expectations (it should be noted that this discontinuation implied an impairment loss of 0.26M€ penalizing EBIT's evolution).

3.4. HOSPITALITY

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Profit and Loss Account - Hospitality			
Million euro	**1Q 2018**	**1Q 2017**	**∆ 18/17**
Total Operational Income	**2.98**	**2.87**	**+3.7%**
Turnover	**2.86**	**2.76**	**+3.5%**
Other Operational Income	0.12	0.11	+7.2%
Total Operational Costs	**-4.43**	**-4.37**	**-1.4%**
Cost of Goods Sold	-0.50	-0.44	-14.4%
External Supplies and Services	-2.37	-2.38	+0.8%
Staff Costs	-1.39	-1.36	-2.2%
Other Operational Expenses	-0.17	-0.19	+6.9%
EBITDA	**-1.45**	**-1.50**	**+3.6%**
EBITDA Margin (% Turnover)	-50.7%	-54.5%	+3.8 pp
EBIT	**-1.55**	**-1.59**	**+2.3%**
EBIT Margin (% Turnover)	-54.3%	-57.5%	+3.3 pp
Capex	**0.15**	**0.22**	**-31.9%**
EBITDA-Capex	**-1.60**	**-1.72**	**+7.2%**
# Units	**5**	**5**	

- The main operational indicators in the Hospitality segment (including Troia Residence operation) continue to show favorable evolutions, especially RevPAR which showed a YoY performance improvement of 17.2% in 1Q18.
- It should be highlighted the positive performance achieved in the period, both at the Turnover and Ebitda levels, increasing by 3.5% and 3.6% respectively. However, there was a slowdown in Q1 YoY growth to which the adverse climacteric conditions during the 1Q18, particularly in Tróia, played an important role. A recover in growth is foreseen for the next quarters.
- Excluding rents, it should be noted that EBITDAR in the Hospitality segment amounted to negative 0.40M€, a slight improvement of 0.3% over the same period last year. It should be noted that, due to the typical seasonality of this business segment, the first and fourth quarters usually record negative EBITDAR which are more than offset by the positive value observed in the second and mainly third quarters.
- Capex remained at a reduced level of 0.15M€, 31.9% lower than in the same period of the previous year, allowing for an improvement, together with the Ebitda performance, of 7.2% in Ebitda-Capex figure.

3.5. REFRIGERATION & HVAC

RACE

Profit and Loss Account - Refrigeration & HVAC			
Million euro	**1Q 2018**	**1Q 2017**	**∆ 18/17**
Total Operational Income	**10.81**	**10.45**	**+3.5%**
Turnover	**10.79**	**10.22**	**+5.5%**
Other Operational Income	0.02	0.23	-89.4%
Total Operational Costs	**-10.88**	**-10.18**	**-6.9%**
Cost of Goods Sold	-5.17	-4.53	-14.1%
External Supplies and Services	-3.47	-3.26	-6.5%
Staff Costs	-2.10	-2.21	+4.8%
Other Operational Expenses	-0.13	-0.18	+24.3%
EBITDA	**-0.07**	**0.27**	**-**
EBITDA Margin (% Turnover)	-0.7%	2.7%	-3.3 pp
EBIT	**-0.43**	**0.01**	**-**
EBIT Margin (% Turnover)	-3.9%	0.1%	-4.1 pp
Capex	**0.10**	**0.06**	**+81.0%**
EBITDA-Capex	**-0.17**	**0.22**	**-**

- Turnover in 1Q18 increased 5.5% to 10.79M€ compared to the same period last year. The volume of contracts/works in Portugal at the end of the period amounted to 19.2M€, representing approximately 5 months of activity.
- Ebitda in 1Q18 decreased 0.34M€ to negative 0.07M€, impacting the Ebitda margin by 3.3pp due to the recognition of a set of operating costs and potential contingencies in order to limit the losses to be recognized in the future in specific works that were not running according to the initial plan

3.6. TROIA RESORT - OPERATIONS

Profit and Loss Account - Troia Resort: Operations			
Million euro	1Q 2018	1Q 2017	Δ 18/17
Total Operational Income	**1.36**	**1.31**	**+4.2%**
Turnover	**1.25**	**1.16**	**+8.0%**
Other Operational Income	0.11	0.15	-26.0%
Total Operational Costs	**-1.99**	**-2.19**	**+9.4%**
Cost of Goods Sold	-0.08	-0.08	+9.1%
External Supplies and Services	-0.99	-1.12	+11.7%
Staff Costs	-0.75	-0.80	+6.1%
Other Operational Expenses	-0.17	-0.19	+9.7%
EBITDA	**-0.63**	**-0.89**	**+29.4%**
EBITDA Margin (% Turnover)	-49.9%	-76.4%	+26.4 pp
EBIT	**-1.07**	**-1.30**	**+17.3%**
EBIT Margin (% Turnover)	-85.7%	-111.9%	+26.2 pp
Capex	**0.04**	**0.03**	**+18.7%**
EBITDA-Capex	**-0.67**	**-0.92**	**+27.6%**

- Turnover from Troia Resort operations, excluding real estate, amounted to 1.25M€ in 1Q18, an increase of 8.0% over the previous year. All the operations posted positive performances being worth to highlight the volume increase in the Atlantic Ferries river transport operation and also the greater activity in the "Marina de Troia".
- Capex remained at controlled levels and was mainly due to investments of renovation / improvements in the marine and river transport operation.

4. REAL ESTATE ASSETS

4.1. TROIA RESORT

The Real Estate Assets Unit of Troia Resort registered a turnover of 2.87M€, due to the following contributions:

- Signing of 6 deeds of touristic real estate units, corresponding to 2.38M€, compared to 2 deeds and 0.8M€ recorded in the same period last year. Five of the six deeds signed were made under the guaranteed income product.

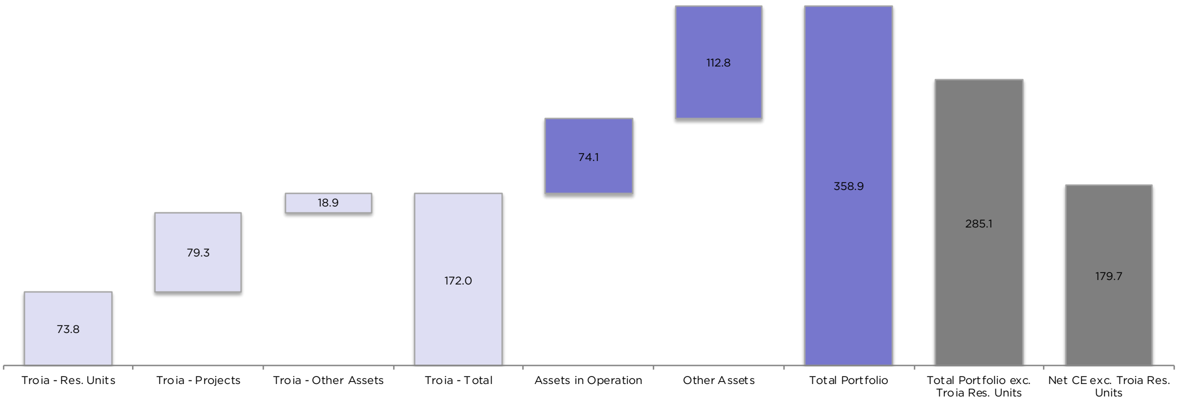
  It should be noted that already in the 2Q and up to this report's date, an additional deed was signed and 15 Promissory Purchase and Sale Agreements and Reserves are still in stock, for a total amount of 6.6M€.
- Rents related to the operations of assets held (Hotels, Troia Shopping, Parking lots, Touristic Units in operation) amounted to 0.4M€, in line with the previous year.

4.2. OTHER REAL ESTATE 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 :: 1Q18
Cushman & Wakefield valuation (M€)



- At 31 March 2018, the capital employed in this set of real estate assets amounted to 179.7M€, which are evaluated in 285.1M€ according to valuation made at the end of 2016 by the independent reference entity Cushman & Wakefield.
- During the 1Q18, deeds amounting to 0.78M€ were signed in respect to diverse real estate assets and, in the portfolio, there are still PPSAs signed on a group of assets, totalling 4.5M€, providing good insights for the coming quarters.
- It should be noted that Sonae Capital's Real Estate assets portfolio, including the WTC Fund valuation, amounts to 429.5M€.

5. CORPORATE INFORMATION

5.1. CORPORATE INFORMATION 1Q18

There were no corporate events to register.

5.2. SUBSEQUENT CORPORATE EVENTS

- On 3 May 2018, the Shareholders' General Meeting of Sonae Capital, SGPS, SA was held at the company's headquarters. Among the proposals presented, a dividend payment to the shareholders was approved in the amount of 0.06€ per share.

6. METHODOLOGICAL 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 (Mozambique and Brazil) of the Refrigeration & HVAC segment are considered as assets held for sale and therefore their contribution to the consolidated results is recognized as discontinued operations.

GLOSSARY

- HVAC = Heating, Ventilation and Air Conditioning.
- Operational Cash Flow = EBITDA - Capex.
- PPSA = Promissory Purchase and Sale Agreement.
- Net Debt = Non-Current Loans + Current Loans – Cash and Cash Equivalents – Current Investments.
- 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 + Building Rents.
- Capex = Investment in Tangible and Intangible Assets.
- Loan to Value = Net Debt of real estate assets / Real estate assets Valuation.
- Gearing: Debt to Equity = Net Debt / Equity.
- RevPAR = Revenue Per Available Room.

CONTACTS

Anabela Nogueira de Matos
Representative for Capital Market Relations
E-mail: anm@sonaecapital.pt
Tel.: +351 220129528
Fax: +351 220107900

Nuno Parreiro
Investor Relations Officer
E-mail: ir@sonaecapital.pt
Tel.: +351 220107903
Fax: +351 220107935

Sonae Capital, SGPS, SA
Lugar do Espido, Via Norte
Apartado 3053
4471 – 907 Maia
Portugal

www.sonaecapital.pt