

REPORT AND ACCOUNTS

30 JUNE 2015



SONAE CAPITAL

REPORT AND ACCOUNTS

30 June 2015

INDEX

PART I - REPORT OF THE BOARD OF DIRECTORS

PART II - APPENDIX TO THE REPORT OF THE BOARD OF DIRECTORS

PART III - CONSOLIDATED FINANCIAL STATEMENTS

PART IV - INDIVIDUAL FINANCIAL STATEMENTS

PART V - LIMITED REVIEW REPORT

PART I

**REPORT OF THE BOARD OF
DIRECTORS**

30 JUNE 2015



SONAE CAPITAL

1. CEO MESSAGE & HIGHLIGHTS

"The results achieved during the first half of the year witness our commitment and effort on implementing the defined strategy. It is of particular relevance the achievement of positive Net Results and the sale of diverse Finance and Real Estate assets, amounting to 32.5M€, allowing for a significant Net Debt reduction (33.9M€).

Improving each Business unit competitive position has been and will continue to be one of our core goals and the team's main effort during 2015. In fact, second quarter 2015 results continue showing significant improvements across major key financial indicators: total Operational Income grew 14% and EBITDA improved 5.46M€, generating a margin of 20.0%, having reached a positive Net Result of 3.53M€, a growth of 5.5M€ compared to the same period of last year.

Net Debt, following the implementation of the defined strategy, reached 200.6M€, registering another quarterly decrease of 27.9M€ or 53.41M€ when compared to June 2014."

Cláudia Azevedo, CEO

SECOND QUARTER 2015 PERFORMANCE CONTINUES SHOWING SIGNIFICANT PROGRESSES BOTH AT THE CONSOLIDATED AND EACH BUSINESS UNIT LEVEL, ACHIEVING POSITIVE NET RESULTS AND ANOTHER SHARP DECREASE AT THE NET DEBT LEVEL...

...Consolidated OPERATIONAL INCOME GREW 14.2% based on:

- The Resorts segment growth of 23.2% driven by the increased number of deeds when compared to 2Q14. During the 2Q15 were signed 8 deeds regarding real estate residential units in troiaresort (compared to 6 registered in 2Q14), to which it should be added a stock of 12 promissory purchase and reserve agreements;
- The growth of 11.6% registered by the Fitness segment, driven by an enlarged number of active members, consolidating the positive trend seen in previous quarters;
- Hospitality, aligned with market indicators, registered a growth of 9.3%; and
- Particularly relevant during the 2Q15, the sale of non-core real estate assets ("Duque de Loulé" - Lisbon), that has generated a capital gain of, approximately, 6.0M€ registered in Other Operational Income.

Consolidated EBITDA amounted to 9.59M€, an improvement of 5.46M€ compared to 2Q14:

- It should be highlighted the above-mentioned capital gain on the sale of non-core real estate assets;
- Hospitality and Fitness segments, driven by Top Line performance, improved 25.2% and 1.5%, respectively;
- The Energy segment maintained a flat evolution vs LY but considering the recognition of contractual penalties, charged to suppliers, during the 2Q14, reported a decrease of 16.0%;
- Refrigeration & HVAC has also presented a drop compared to LY but performance vis a vis previous quarter and in cumulative terms witness the positive progresses that has been being implemented;
- The Resorts segment, notwithstanding the larger number of deeds compared to LY, has kept the same level of EBITDA;
- Excluding the Provision related to the estimated present value of the potential costs for the full period of the guaranteed income in real estate sales at troiaresort, Consolidated EBITDA reached 9.95M€ growing 5.4M€ or 117% compared to 2Q14.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

Consolidated 2Q15 NET RESULTS amounted to positive 3.53M€, representing an improvement of 5.5M€ compared to 2Q14. It should also be highlighted, driven by the positive Net Debt trend and the constant financing cost optimization, the 0.85M€ reduction registered at the Net Financial expenses level.

... 2Q15 RESULTS SOLIDIFY THE POSITIVE SEMESTER FINANCIAL AND OPERATIONAL PERFORMANCE, ACHIEVING POSITIVE NET RESULTS AND A SIGNIFICANT NET DEBT REDUCTION...

Consolidated OPERATIONAL INCOME GREW 15.1% with the majority of the segments presenting positive performances compared to last year.

Consolidated EBITDA amounted to 12.06M€, 3.0x the level achieved in the 1H14. It should be highlighted the contribution from the sale of non-core real estate assets and the Refrigeration & HVAC performance that has presented a considerable evolution.

1H15 Net Results reached positive, 0.86M€, an important achievement in Sonae Capital recent history. Net Results grew 8.05M€ compared to 1H14, driven by the EBITDA performance and importantly, with a significant contribution from Net Financial costs reduction in light of the reduced both debt levels and interest costs.

Free Cash Flow (levered) amounted to 31.9M€, representing an improvement of 40.24M€ compared to LY, benefiting from the improved Business Units operational contribution and, primarily, from the sale of 32.6M€ of non-core assets.

Net Debt registered another significant drop of 33.9M€ compared to YE2014, to 200.6M€, the lowest level since the spin-off.

REPORT AND ACCOUNTS - JUNE 2015

Report of the Board of Directors

2. OVERALL PERFORMANCE

The financial and operational performance during the first semester of 2015 was, in general, positive. Besides the improved Business Units competitive position, the sale of non-core assets produced a significant positive impact at the Net Debt level that has reduced by 33.9M€ when compared to YE2014. It should also be highlighted the achievement of positive Net Results both in the 2Q15 (3.53M€) and 1H2015 (0.86M€).

2.1. CONSOLIDATED PROFIT & LOSS STATEMENT

| Consolidated Profit and Loss Account | | | | | | |
|--|--------------|--------------|-----------------|--------------|--------------|-----------------|
| Million euro | | | | | | |
| | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 47.96 | 41.99 | +14.2% | 90.78 | 78.87 | +15.1% |
| Turnover | 41.14 | 40.07 | +2.7% | 80.99 | 76.23 | +6.2% |
| Resorts | 7.27 | 5.90 | +23.2% | 13.71 | 18.48 | -25.8% |
| Hospitality | 4.44 | 4.06 | +9.3% | 6.32 | 5.60 | +12.9% |
| Fitness | 3.94 | 3.53 | +11.6% | 7.45 | 6.90 | +7.9% |
| Energy | 13.01 | 13.14 | -1.0% | 28.59 | 20.27 | +41.1% |
| Refrigeration & HVAC | 12.34 | 14.07 | -12.3% | 26.19 | 25.49 | +2.7% |
| Others & Eliminations | 0.14 | -0.64 | - | -1.28 | -0.51 | <-100% |
| Other Operational Income | 6.81 | 1.93 | >100% | 9.80 | 2.63 | >100% |
| EBITDA, excluding Guaranteed Income Provisions ⁽¹⁾ | 9.95 | 4.58 | >100% | 12.71 | 6.07 | >100% |
| Resorts | 0.88 | 0.95 | -7.6% | 1.92 | 3.12 | -38.3% |
| Hospitality | -0.75 | -1.00 | +25.2% | -3.18 | -3.45 | +7.9% |
| Fitness | 0.62 | 0.61 | +1.5% | 0.85 | 0.93 | -8.3% |
| Energy | 2.48 | 2.95 | -16.0% | 5.70 | 4.40 | +29.6% |
| Refrigeration & HVAC | 0.43 | 0.57 | -24.0% | 0.85 | 0.19 | >100% |
| Others & Eliminations | 6.29 | 0.49 | >100% | 6.56 | 0.89 | >100% |
| Provisions for Guaranteed Income | -0.37 | -0.44 | +17.3% | -0.65 | -2.09 | +69.1% |
| EBITDA | 9.59 | 4.13 | >100% | 12.06 | 3.98 | >100% |
| Amortization & Depreciation | -3.92 | -3.77 | -3.7% | -7.83 | -7.05 | -11.1% |
| Provisions & Impairment Losses | -0.08 | -0.14 | +38.0% | -0.16 | -0.17 | +4.6% |
| Non-recurrent costs/income ⁽²⁾ | -0.39 | -0.05 | <-100% | 0.36 | -0.07 | - |
| Discontinued Operations ⁽³⁾ | 0.01 | 0.02 | -71.8% | 0.00 | -0.14 | - |
| EBIT | 5.20 | 0.19 | >100% | 4.43 | -3.45 | - |
| Net Financial Expenses | -2.35 | -3.20 | +26.7% | -4.60 | -6.11 | +24.7% |
| Investment Income and Results from Assoc. Undertakings | 0.79 | 1.55 | -49.2% | 1.99 | 3.28 | -39.1% |
| EBT | 3.64 | -1.47 | - | 1.83 | -6.28 | - |
| Taxation | -0.10 | -0.49 | +79.2% | -0.97 | -0.90 | -7.5% |
| Net Profit | 3.53 | -1.96 | - | 0.86 | -7.19 | - |
| Attributable to Equity Holders of Sonae Capital | 3.12 | -2.37 | - | 0.20 | -7.36 | +82.3% |
| Attributable to Non-Controlling Interests | 0.41 | 0.41 | +1.0% | 0.66 | 0.18 | >100% |

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

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

(3) Includes discontinued businesses in the reported period (2014/15)

Consolidated Total Operational Income reached 90.78M€, with an increase of 15.1% over the same period of last year, with the majority of the segments presenting favourable evolutions. Regarding Business units Top Line performance, it should be highlighted the following: (i) Energy, +41.1% due to the contribution of the operations acquired during 1Q14, the full operation of the photovoltaic plant of Martim Longo and high heat energy consumption in main industrial operators; (ii) Hospitality, +12.9% due to the occupancy rates growth and the contribution of the Hotel "The Artist" opened in April 2014; (iii) Fitness, +7.9% due to continuous growth in the number of active members; and (iv) Refrigeration & HVAC, +2.7% due to growing activity levels and despite the focus on specific business lines; according to the restructuring plan being implemented it was decided to abandon some business lines where we conclude we don't own the adequate competitive advantages. On the negative side, it was registered a decrease in Resorts Top Line due to a lower number of deeds (1Q14 registered a very large number of deeds due to sales realized at the end of 2013).

There were no significant changes in 2Q15 when compared to the semester, with Total Operational Income increasing 14.2% over the same period of last year.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

Consolidated EBITDA in 1H15 reached 12.06M€, registering an increase of 3.0x or 8.08M€ compared to the same period of last year. Main business contribution to Consolidated EBITDA comes from Energy segment, with an improvement of 1.30M€ to 5.70M€. Refrigeration & HVAC also revealed an improvement of 0.66M€, driven by the first results of the internal restructuring process started in 2014 and still on-going. Hospitality improved 1H15's EBITDA in 7.9%, based on improved operational KPIs, but, nevertheless, maintaining a negative value of 3.18M€. The Resorts segment, despite the lower Top Line, improved EBITDA by 24.5% to 1.28M€, as a consequence of a better sales mix and the need for a lower level of provisions for the Guaranteed Income.

It is of particular relevance on the results of the second quarter, the divestment of real estate assets, mainly of “Duque de Loulé” asset for 10M€, that originated a capital gain in consolidated results of approximately 6.0M€.

1H15 Net Results improved 8.05M€, reaching positive levels of 0.86M€ (3.53M€ in 2Q15), due to operational performance improvement across all business units and the capital gain on the above-mentioned real estate sale. Among the contributions to the Net Results it should be highlighted: (i) besides the already noted growth at the EBITDA level (+8.08M€); (ii) the higher costs with Depreciation and Amortization, due to the operations acquired during the 1Q14; (iii) the decrease in Net Financial Expenses of 1.51M€, driven by lower levels of Net Debt and lower financing costs; (iv) decrease of 39.1% related to Results from Associated Companies / Investment Income, mainly explained by lower contributions from Energy operations acquired during the 1Q14 where the Group does not own the majority shareholding; and (v) Non-recurrent costs/gains amounted to 0.36M€, which in 2Q15 includes costs related to legal actions from previous years (0.39M€).

2.2. CAPEX

Capex in 1H15 amounted to 6.7M€, registering a growth of 2.9M€ compared to 1H2014. The main Capex contributors were registered at the Real Estate Assets, namely the expansion and refurbishment of Aqualuz Lagos ApartHotel. The Energy segment has also accounted for a significant share of this investment and is related to repowering plants' investments in order to increase their profitability.

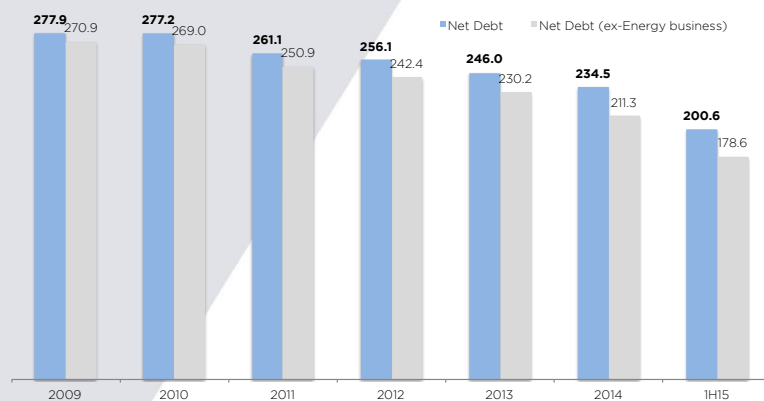
2.3. CAPITAL STRUCTURE

At the end of the semester, Net Debt amounted to 200.6M€, 33.9M€ below the level registered at the end of 2014 and, as in previous reporting seasons, the lowest level since the group's spin-off in 2007. This result was driven by the consolidated FCF performance that also includes the sale of an additional Imosede stake amounting to 22.6M€ in the semester, and the end of some Derivatives operations. It should also be highlighted that, when compared to the same period of last year, Net Debt presents a reduction of 53.4M€.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

| Consolidated Balance Sheet | | | |
|--|--------------|--------------|---------------|
| Million euro | | | |
| | Jun 2015 | Dec 2014 | Δ Jun15/Dec14 |
| Total Assets | 614.9 | 636.0 | -3.3% |
| Tangible and Intangible Assets | 241.1 | 248.7 | -3.1% |
| Goodwill | 61.0 | 61.0 | +0.0% |
| Non-Current Investments | 35.7 | 54.8 | -34.9% |
| Other Non-Current Assets | 45.4 | 44.4 | +2.3% |
| Stocks | 153.6 | 157.6 | -2.5% |
| Trade Debtors and Other Current Assets | 53.5 | 60.2 | -11.2% |
| Cash and Cash Equivalents | 24.6 | 9.3 | >100% |
| Total Equity | 308.9 | 307.3 | +0.5% |
| Total Equity attributable to Equity Holders of Sonae Capital | 299.7 | 298.0 | +0.6% |
| Total Equity attributable to Non-Controlling Interests | 9.2 | 9.4 | -2.0% |
| Total Liabilities | 306.0 | 328.7 | -6.9% |
| Non-Current Liabilities | 145.2 | 217.4 | -33.2% |
| Non-Current Borrowings | 128.3 | 199.6 | -35.7% |
| Deferred Tax Liabilities | 10.9 | 11.7 | -7.0% |
| Other Non-Current Liabilities | 6.0 | 6.2 | -2.9% |
| Current Liabilities | 160.8 | 111.2 | +44.6% |
| Current Borrowings | 96.9 | 44.2 | >100% |
| Trade Creditors and Other Current Liabilities | 63.9 | 67.0 | -4.6% |
| Total Equity and Liabilities | 614.9 | 636.0 | -3.3% |
| Net Capital Employed | 509.5 | 541.8 | -6.0% |
| Fixed Assets | 302.1 | 309.7 | -2.5% |
| Non-Current Investments (net) | 64.2 | 81.3 | -21.0% |
| Working Capital | 143.2 | 150.8 | -5.0% |
| Capex (6M period) | 6.7 | 3.8 | +75.2% |
| % Fixed Assets | 2.2% | 1.2% | |
| Net Debt | 200.6 | 234.5 | -14.4% |
| % Net Capital Employed | 39.4% | 43.3% | |
| Debt to Equity | 64.9% | 76.3% | |
| Net Debt excluding Energy | 178.6 | 211.3 | -15.5% |



Net Capital Employed reduced 6.0% compared to YE 2014, to 509.5M€. This result was driven by a 17.1M reduction in Non-Current Investments (net), a reduction in Working Capital of 7.6M€ and also, a reduction in Net Fixed Assets of 7.6M€.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

3. SEGMENTS PERFORMANCE

3.1. RESORTS

| Profit and Loss Account Million euro | | | | | | |
|--|--------------|--------------|---------------|---------------|---------------|-----------------|
| Resorts | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 7.65 | 6.23 | +22.8% | 14.97 | 19.10 | -21.6% |
| Turnover | 7.27 | 5.90 | +23.2% | 13.71 | 18.48 | -25.8% |
| Other Operational Income | 0.38 | 0.33 | +14.6% | 1.26 | 0.62 | >100% |
| Total Operational Costs | -6.75 | -5.28 | -27.8% | -13.02 | -15.98 | +18.5% |
| Cost of Goods Sold | -1.34 | -0.23 | <-100% | -2.29 | -0.28 | <-100% |
| Change in Stocks of Finished Goods | -1.16 | -1.70 | +31.7% | -2.79 | -7.66 | +63.5% |
| External Supplies and Services | -2.95 | -2.04 | -44.7% | -5.37 | -5.55 | +3.2% |
| Staff Costs | -0.93 | -0.78 | -19.3% | -1.78 | -1.59 | -11.6% |
| Other Operational Expenses | -0.37 | -0.54 | +30.8% | -0.79 | -0.90 | +12.2% |
| EBITDA excluding Guaranteed Income Provisions * | 0.88 | 0.95 | -7.6% | 1.92 | 3.12 | -38.3% |
| Provisions for Guaranteed Income | -0.37 | -0.44 | +17.3% | -0.65 | -2.09 | +69.1% |
| EBITDA | 0.52 | 0.51 | +0.7% | 1.28 | 1.03 | +24.5% |
| Capex | 0.45 | 0.53 | -16.1% | 0.56 | 0.85 | -33.9% |
| EBITDA-Capex | 0.07 | -0.02 | - | 0.72 | 0.18 | >100% |

* EBITDA excluding the estimated present value of potential costs for the period of the Guaranteed Income from real estate sales at troiaresort

During 2Q15 8 deeds were signed regarding residential units in troiaresort (an improvement when compared to the 6 deeds registered in 2Q14), with a total of 17 deeds signed in the semester. Furthermore, it should be added a stock of 12 promissory purchase and reserve agreements (with advance payment). As of 30th of June 2015, a total of 336 deeds had been celebrated on residential units in troiaresort.

Mainly driven by the number of deeds registered in the semester, Top Line stood at 13.71M€, showing a decrease of 25.8% when compared to 1H14. However, benefiting from the positive sales mix and the general improvement of the operations that support the Resort, EBITDA registered 1.28M€ in the 1H15, 24.5% above the level registered in the same period of last year.

For prudence reasons and following the traditional conservative approach that should govern the accounting principles, it is accounted as Provisions, at the time of the sale, the present value of potential costs for the entire period of the guaranteed income from troiaresort real estate sales (the difference between the guaranteed rate of return and a conservative expectation on commercial operation). Driven by the sales registered in the 1H15 and the favourable sales mix, that value amounted to 0.65M€, a decrease of 69.1% when compared to the same period of last year.

CAPEX stood at controllable levels, below 1H2014 and consequently contributing to the improvement of EBITDA-CAPEX of 0.54M€.

3.2. FITNESS

Fitness activity continues to show improvements on its competitive position, certified by the 10% growth in the number of active members.

In this regard, as mentioned in previous announcements, it should be noted a new club opening in 2Q15, in Alfragide (Oeiras). Presently the Solinca fitness club chain manages 13 clubs.

1H15 Top Line increased 7.9%, to 7.45M€, as a result of the above-mentioned growth in the number of active members, penalised by the lower market average monthly fees. Notwithstanding the increase in Top Line, EBITDA totalled 0.85M€, 8.3% below the levels registered in the same period last year, due to the natural cost increase related to new club openings. However, in 2Q15 same levels of EBITDA were registered when compared to 2Q14.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

| Profit and Loss Account Million euro | | | | | | |
|---|--------------|--------------|-----------------|--------------|--------------|---------------|
| Fitness | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 4.00 | 3.63 | +10.3% | 7.59 | 7.04 | +7.8% |
| Turnover | 3.94 | 3.53 | +11.6% | 7.45 | 6.90 | +7.9% |
| Other Operational Income | 0.06 | 0.09 | -41.1% | 0.15 | 0.14 | +3.5% |
| Total Operational Costs | -3.38 | -3.02 | -12.0% | -6.74 | -6.11 | -10.2% |
| Cost of Goods Sold | -0.03 | -0.04 | +28.7% | -0.06 | -0.07 | +15.0% |
| External Supplies and Services | -2.03 | -1.86 | -9.0% | -4.20 | -3.94 | -6.7% |
| Staff Costs | -1.03 | -0.97 | -6.4% | -2.09 | -1.88 | -11.4% |
| Other Operational Expenses | -0.29 | -0.15 | -96.1% | -0.38 | -0.23 | -70.9% |
| EBITDA | 0.62 | 0.61 | +1.5% | 0.85 | 0.93 | -8.3% |
| Capex | 0.03 | 0.44 | -93.4% | 0.21 | 0.50 | -57.7% |
| EBITDA-Capex | 0.59 | 0.17 | >100% | 0.64 | 0.43 | +49.2% |

CAPEX amounted 0.21M€, 57.7% below the level registered in 1H14, contributing to an improvement of EBITDA-CAPEX of 49.2% when compared to the same period of last year.

3.3. HOSPITALITY

| Profit and Loss Account Million euro | | | | | | |
|---|--------------|--------------|-----------------|--------------|--------------|---------------|
| Hospitality | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 4.52 | 4.17 | +8.4% | 6.49 | 5.80 | +11.8% |
| Turnover | 4.44 | 4.06 | +9.3% | 6.32 | 5.60 | +12.9% |
| Other Operational Income | 0.08 | 0.11 | -28.3% | 0.17 | 0.21 | -17.8% |
| Total Operational Costs | -5.27 | -5.18 | -1.9% | -9.67 | -9.26 | -4.4% |
| Cost of Goods Sold | -0.50 | -0.42 | -17.5% | -0.72 | -0.65 | -10.1% |
| External Supplies and Services | -3.04 | -3.00 | -1.4% | -5.71 | -5.58 | -2.3% |
| Staff Costs | -1.54 | -1.56 | +1.8% | -2.85 | -2.71 | -5.1% |
| Other Operational Expenses | -0.20 | -0.19 | -4.2% | -0.39 | -0.31 | -24.6% |
| EBITDA | -0.75 | -1.00 | +25.2% | -3.18 | -3.45 | +7.9% |
| Capex | 0.28 | 0.08 | >100% | 0.43 | 0.36 | +19.3% |
| EBITDA-Capex | -1.03 | -1.09 | +5.4% | -3.61 | -3.81 | +5.4% |

During 1H15 Top Line in Hospitality registered an improvement of 12.9% to 6.32M€, when compared with 1H14. This performance resulted mainly from the 4pp occupancy rate growth. In the same period, the number of room nights sold rose 13% in the total Group's hotel properties and RevPar revealed an improvement of 21%.

Due to the increased Top Line and the optimization and rationalization cost measures implemented over the past years, 1H15 EBITDA improved when compared to last year by 7.9%.

Excluding rents, it should be highlighted that the Hospitality segment EBITDAR was negative in 0.34M€, with an improvement of 0.35M€ when compared to 1H14. Pointing out the seasonality of the Top Line, the first and fourth quarters usually register negative EBITDARs, which are more than compensated by second and mainly third quarters' positive activity performance. In fact, 2Q15 EBITDAR registered 0.68M€, showing an improvement of 81% when compared with 2Q14.

Hospitality CAPEX levels continued to be kept under tight control, despite the increase of 19.3% when compared to 1H14. Though, resulting from positive operational performance, EBITDA-CAPEX showed in 1H15 an improvement of 5.4% compared with the same period of last year.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

3.4. ENERGY

| Profit and Loss Account Million euro | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Energy | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 13.05 | 13.62 | -4.2% | 28.83 | 20.78 | +38.8% |
| Turnover | 13.01 | 13.14 | -1.0% | 28.59 | 20.27 | +41.1% |
| Other Operational Income | 0.04 | 0.48 | -92.0% | 0.24 | 0.50 | -53.2% |
| Total Operational Costs | -10.57 | -10.67 | +0.9% | -23.13 | -16.38 | -41.2% |
| Cost of Goods Sold | -8.73 | -9.17 | +4.8% | -19.29 | -13.87 | -39.1% |
| External Supplies and Services | -1.04 | -0.75 | -39.2% | -2.01 | -1.36 | -47.9% |
| Staff Costs | -0.63 | -0.50 | -26.6% | -1.47 | -0.85 | -72.2% |
| Other Operational Expenses | -0.17 | -0.25 | +32.1% | -0.36 | -0.29 | -22.0% |
| EBITDA | 2.48 | 2.95 | -16.0% | 5.70 | 4.40 | +29.6% |
| Capex | 0.21 | 0.41 | -47.7% | 1.27 | 0.93 | +36.5% |
| EBITDA-Capex | 2.26 | 2.54 | -10.9% | 4.43 | 3.47 | +27.8% |

Energy segment Top Line ascended, in 1H15, to 28.59M€, registering an increase of 41.1%, including the contribution of the new cogeneration operations acquired at the end of 1Q14 (excluding those acquisitions, Top Line would have increased 18.4%). 1H15 EBITDA has also showed a significant increase of 29.6% to 5.70M€, with an EBITDA margin of 20.0%, resulting from the increase in heat sales due to industrial clients larger activity. Excluding the contribution of the new operations acquired in 1Q14, EBITDA levels would have increased by 26.1% when compared to the same period of last year.

It should be noted that the EBITDA decrease registered in 2Q15 was entirely motivated by penalties charged to suppliers during 2Q14. Excluding those penalties, on a comparable basis, EBITDA would have maintained the same levels as 2Q14.

CAPEX registered 1.27M€, 36.5% above that registered last year, mainly due to repowering operations in progress. However, the increase of investment was more than compensated by EBITDA levels, as EBITDA-Capex registered 4.43M€, 27.8% above last year.

3.5. REFRIGERATION & HVAC

1H15 Refrigeration & HVAC Top Line registered 26.19M€, an increase of 2.7% when compared to the same period of last year. Backlog at the end of the period amounted to, approximately 49M€, the double of that registered at the end of 2014, leveraging on businesses outside Portugal, consubstantiating the internationalization process in progress.

International Top Line (consolidating exports from Portugal and direct sales abroad) represented 30.0% of the 1H15 Consolidated Top Line, 4.3pp above the level registered in 2014.

Under the continuous implementation of measures leading to a more balanced and flexible business cost structure adjusted to the new benchmark, and as a result of the restructuring process started in 2014 and still on-going, first results can be seen. EBITDA ascended to 0.85M€, showing an improvement of 0.66M€ when compared to 1H14.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

| Profit and Loss Account Million euro | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|-----------------|
| Refrigeration & HVAC | 2Q 2015 | 2Q 2014 | Δ 15/14 | 1H 2015 | 1H 2014 | Δ 15/14 |
| Total Operational Income | 12.35 | 14.16 | -12.8% | 26.55 | 25.73 | +3.2% |
| Turnover | 12.34 | 14.07 | -12.3% | 26.19 | 25.49 | +2.7% |
| Other Operational Income | 0.01 | 0.09 | -86.3% | 0.36 | 0.24 | +52.1% |
| Total Operational Costs | -11.92 | -13.59 | +12.3% | -25.70 | -25.54 | -0.6% |
| Cost of Goods Sold | -5.61 | -4.26 | -31.6% | -9.51 | -7.65 | -24.2% |
| Change in Stocks of Finished Goods | 1.15 | -0.32 | - | 0.69 | -0.64 | - |
| External Supplies and Services | -3.78 | -5.36 | +29.5% | -9.25 | -9.38 | +1.4% |
| Staff Costs | -3.74 | -3.57 | -4.7% | -7.43 | -7.37 | -0.9% |
| Other Operational Expenses/Income | 0.06 | -0.08 | - | -0.20 | -0.51 | +60.8% |
| EBITDA | 0.43 | 0.57 | -24.0% | 0.85 | 0.19 | >100% |
| Capex | 0.03 | 0.06 | -44.4% | 0.12 | 0.14 | -12.5% |
| EBITDA-Capex | 0.40 | 0.51 | -21.6% | 0.72 | 0.05 | >100% |

Domestic operation EBITDA was of 0.6M€ in 1H15, showing an increase of 0.24M€, when compared to last year.

CAPEX remained at low levels, and majority of EBITDA-CAPEX increase resulted from the EBITDA positive performance.

3.6. OTHER ASSETS

Sonae Capital Group owns a set of non-strategic assets and thus available for sale, including Real Estate assets and Financial Shareholdings.

During the second quarter, an additional stake of the Imosede Fund was sold for 20.1M€, totalling 22.6M€ in the 1H15.

Also, important steps were taken to implement the defined strategy, namely, the approval by the Council of Ministers and subsequent promulgation by the President of the Republic of the new concession agreement of Norscut, an important step on the process to fulfil our achievement of selling non-strategic assets. To comply with all legal formalities, it is only pending the Court of Auditors approval.

Following the defined strategy, during 2Q15 it was also sold the “Duque de Loulé” real estate asset, for a value of 10M€, generating a capital gain in Sonae Capital Group consolidated results of, approximately, 6.0M€.

As of 30 of June, Capital Employed in this set of assets (real estate) amounted to 119.3M€.

REPORT AND ACCOUNTS – JUNE 2015

Report of the Board of Directors

4. CORPORATE INFORMATION

4.1. CORPORATE INFORMATION - 2Q15

There was no corporate information to register.

4.2. SUBSEQUENT CORPORATE EVENTS

There were no subsequent corporate events to register.

5. METHODOLOGICAL NOTES

The consolidated financial statements presented in this report are subject to limited review and have been prepared in accordance with International Financial Reporting Standards ("IAS/IFRS"), issued by International Accounting Standards Board ("IASB"), as adopted by European Union.

With the aim of continuing improve the quality and transparency of the information provided, not only at the Consolidated level, but also, at the Business Unit level, from the 1Q15 onwards Sonae Capital reports Business Units' financial information on a consolidated basis and not as a contribution to the Sonae Capital Consolidated accounts as practice until last reporting season. At the EBITDA level there are no differences to the reported figures, both at the Consolidated and Business Unit level. The only change is reflected at the Business Units' Top Line (not affecting the reported Consolidated figures). To assure comparable information, we are disclosing in appendix a table with the 2014 quarterly information reflecting this new criteria.

The present document is a translation from the Portuguese original version.

GLOSSARY

- HVAC = Heating, Ventilation and Air Conditioning
- Operational Cash Flow = EBITDA - Capex
- 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 troiaresort
- 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

REPORT AND ACCOUNTS - JUNE 2015

Report of the Board of Directors

APPENDIX

| Consolidated Profit and Loss Account Million euro | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1Q2014 | 2Q2014 | 3Q2014 | 4Q2014 | 1Q 2015 | 2Q 2015 |
| Total Operational Income | 36.87 | 41.99 | 56.11 | 48.70 | 42.82 | 47.96 |
| Turnover | 36.17 | 40.07 | 54.34 | 46.00 | 39.84 | 41.14 |
| Resorts | 12.58 | 5.90 | 14.06 | 7.81 | 6.44 | 7.27 |
| Hospitality | 1.53 | 4.06 | 7.15 | 2.36 | 1.87 | 4.44 |
| Fitness | 3.37 | 3.53 | 3.27 | 3.56 | 3.50 | 3.94 |
| Energy | 7.13 | 13.14 | 13.25 | 13.89 | 15.58 | 13.01 |
| Refrigeration & HVAC | 11.42 | 14.07 | 17.33 | 18.21 | 13.86 | 12.34 |
| Others & Eliminations | 0.13 | -0.64 | -0.73 | 0.17 | -1.41 | 0.14 |
| Other Operational Income | 0.71 | 1.93 | 1.77 | 2.70 | 2.98 | 6.81 |
| EBITDA, excluding Guaranteed Income Provisions ⁽¹⁾ | 1.50 | 4.58 | 6.78 | 2.68 | 2.76 | 9.95 |
| Resorts | 2.17 | 0.95 | 3.43 | 0.23 | 1.04 | 0.88 |
| Hospitality | -2.45 | -1.00 | 0.74 | -2.00 | -2.43 | -0.75 |
| Fitness | 0.32 | 0.61 | 0.17 | 0.26 | 0.23 | 0.62 |
| Energy | 1.45 | 2.95 | 2.62 | 2.52 | 3.22 | 2.48 |
| Refrigeration & HVAC | -0.38 | 0.57 | -0.66 | 1.36 | 0.42 | 0.43 |
| Others & Eliminations | 0.40 | 0.49 | 0.48 | 0.30 | 0.27 | 6.29 |
| Provisions for Guaranteed Income | -1.65 | -0.44 | -0.81 | -0.80 | -0.28 | -0.37 |
| EBITDA | -0.16 | 4.13 | 5.97 | 1.87 | 2.47 | 9.59 |
| Amortization & Depreciation | -3.27 | -3.77 | -3.85 | -3.89 | -3.92 | -3.92 |
| Provisions & Impairment Losses | -0.03 | -0.14 | 0.00 | 1.99 | -0.07 | -0.08 |
| Non-recurrent costs/income ⁽²⁾ | -0.02 | -0.05 | 0.07 | -0.15 | 0.76 | -0.39 |
| Discontinued Operations ⁽³⁾ | -0.16 | 0.02 | -0.07 | -0.07 | -0.01 | 0.01 |
| EBIT | -3.64 | 0.19 | 2.12 | -0.25 | -0.76 | 5.20 |
| Net Financial Expenses | -2.91 | -3.20 | -2.95 | -2.45 | -2.25 | -2.35 |
| Investment Income and Results from Assoc. Undertakings | 1.73 | 1.55 | 1.84 | 6.18 | 1.21 | 0.79 |
| EBT | -4.82 | -1.47 | 1.01 | 3.47 | -1.81 | 3.64 |
| Taxation | -0.41 | -0.49 | -1.62 | -1.98 | -0.87 | -0.10 |
| Net Profit | -5.23 | -1.96 | -0.61 | 1.50 | -2.68 | 3.53 |
| Attributable to Equity Holders of Sonae Capital | -5.00 | -2.37 | -0.57 | 1.10 | -2.93 | 3.12 |
| Attributable to Non-Controlling Interests | -0.23 | 0.41 | -0.04 | 0.40 | 0.25 | 0.41 |
| Net Debt | 245.63 | 254.00 | 238.00 | 234.46 | 228.53 | 200.59 |
| Delta Net debt | -0.39 | 8.37 | -16.00 | -3.54 | -5.93 | -27.94 |
| Net Debt/Ebitda* | 30.94x | 23.90x | 20.05x | 19.83x | 15.81x | 10.08x |

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

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

(3) Includes discontinued businesses in the reported period (2014/15)

*EBITDA L12M excluding discontinued operations

PART II
**APPENDIX TO THE REPORT
OF THE BOARD OF
DIRECTORS**

30 JUNE 2015



SONAE CAPITAL

REPORT AND ACCOUNTS – JUNE 2015

Appendix to the Report of the Board of Directors

STATEMENT

Under the terms of Article 246, paragraph 1, c) of the Portuguese Securities Code

(Translation of a Statement originally issued in Portuguese)

The signatories individually declare that, to their knowledge, the Report of the Board of Directors, the Consolidated and Individual Financial Statements and other accounting documents required by law or regulation were prepared in accordance with applicable International Financial Reporting Standards, and give a true and fair view, in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of Sonae Capital, SGPS, SA, and of the companies included in the consolidation perimeter, and that the Report of the Board of Directors faithfully describes major events that occurred during the first half of 2015 and their impacts, if any, in the business performance and financial position of Sonae Capital, SGPS, SA and of the companies included in the consolidation perimeter, and contains an appropriate description of the major risks and uncertainties that they face.

Maia, 30 July 2015

Duarte Paulo Teixeira de Azevedo
Chairman of the Board of Directors

Ivone Pinho Teixeira
Member of the Board of Directors

Maria Cláudia Teixeira de Azevedo
Member of the Board of Directors

Francisco de La Fuente Sánchez
Member of the Board of Directors

Álvaro Carmona e Costa Portela
Member of the Board of Directors

Paulo José Jubilado Soares de Pinho
Member of the Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Appendix to the Report of the Board of Directors

GOVERNING BODIES

(Article 447 of the Portuguese Companies Act and nr. 7 of Article 14 of CMVM's 5/2008 Regulation)

Disclosure of shares and other securities held by Members of the Board of Directors and Fiscal Board and of transactions during first half 2015 involving shares and other securities:

| Date | Purchases | | Sales | | Balance as at 30.06.2015 |
|--|-----------|-------------|----------|-------------|-----------------------------|
| | Quantity | Av. Price € | Quantity | Av. Price € | Quantity |
| Belmiro Mendes de Azevedo | | | | | |
| Efanor Investimentos, SGPS, SA (1) | | | | | |
| (includes 1 share owned by the spouse) | | | | | |
| Sonae Capital, SGPS, SA ^(a) | | | | | |
| | | | | 49,999,997 | |
| | | | | 838,862 | |
| Maria Cláudia Teixeira de Azevedo | | | | | |
| Efanor Investimentos, SGPS, SA (1) | | | | | |
| Linhacom, SGPS, SA (2) | | | | | |
| | | | | 1 | |
| | | | | 99,996 | |
| Álvaro Carmona e Costa Portela | | | | | |
| Sonae Capital, SGPS, SA | | | | | |
| Sonae Capital/2014-2019 Bonds | | | | | |
| | | | | 24,942 | |
| | | | | 1 | |
| Paulo José Jubilado Soares de Pinho | | | | | |
| Sonae Capital, SGPS, SA ^(b) | | | | | |
| | | | | 20,775 | |

| Date | Purchases | | Sales | | Balance as at 30.06.2015 |
|---|-----------|-------------|----------|-------------|-----------------------------|
| | Quantity | Av. Price € | Quantity | Av. Price € | Quantity |
| (1) Efanor Investimentos, SGPS, SA | | | | | |
| Sonae Capital, SGPS, SA | | | | | |
| Pareuro, BV (3) | | | | | |
| | | | | 88,859,200 | |
| | | | | 5,583,100 | |
| (2) Linhacom, SGPS, SA | | | | | |
| Sonae Capital, SGPS, SA | | | | | |
| Imparfin, SGPS, SA (4) | | | | | |
| | | | | 43,912 | |
| | | | | 150,000 | |
| (3) Pareuro, BV | | | | | |
| Sonae Capital, SGPS, SA | | | | | |
| | | | | 66,600,000 | |
| (4) Imparfin, SGPS, SA | | | | | |
| Sonae Capital, SGPS, SA | | | | | |
| | | | | 513,160 | |

^(a) Includes 1,862 shares owned by the spouse.

^(b) Includes 8,125 shares owned by Change Partners, SCR, SA, company where Paulo José Jubilado Soares de Pinho is member of the Board of Directors.

REPORT AND ACCOUNTS – JUNE 2015

Appendix to the Report of the Board of Directors

APPENDIX REQUIRED BY ARTICLE 448 OF THE PORTUGUESE COMPANIES ACT

Number of shares held by shareholders owning more than 10%, 33% or 50% of the company's share capital:

| | <u>Number of shares as at 30.06.2015</u> |
|---|--|
| Efanor Investimentos, SGPS, SA (1) | |
| Sonae Capital, SGPS, SA | 88,859,200 |
| Pareuro, BV | 5,583,100 |
| Pareuro, BV | |
| Sonae Capital, SGPS, SA | 66,600,000 |

(1) Belmiro Mendes de Azevedo is, under the terms of paragraph b number 1 of Article 20 and number 1 of Article 21 of the Portuguese Securities Code, the ultimate beneficial owner, as he holds around 99% of the share capital and voting rights of Efanor Investimentos SGPS, SA, which entirely controls Pareuro BV.

REPORT AND ACCOUNTS – JUNE 2015

Appendix to the Report of the Board of Directors

QUALIFIED SHAREHOLDINGS

As required by number 1, c) of Article 9 of CMVM Regulation Nr. 5/2008, the following shareholders held more than 2% of the company's share capital as at 30 June 2015:

| Shareholder | Nr. of Shares | % of Share Capital | % of Voting Rights |
|---|--------------------|--------------------|--------------------|
| Efanor Investimentos, SGPS, S.A. (1) | | | |
| Directly Owned | 88,859,200 | 35.544% | 36.401% |
| Through Pareuro, BV (controlled by Efanor) | 66,600,000 | 26.640% | 27.282% |
| Through Belmiro Mendes de Azevedo (Chairman of the Board of Directors of Efanor) | 837,000 | 0.335% | 0.343% |
| Through Maria Margarida Carvalhais Teixeira de Azevedo (Member of the Board of Directors of Efanor) | 1,862 | 0.001% | 0.001% |
| Through Linhacom, SGPS, S.A. (controlled by the Member of the Board of Directors of Efanor Maria Cláudia Teixeira de Azevedo) | 43,912 | 0.018% | 0.018% |
| Through Migracom, SGPS, S.A. (controlled by the Member of the Board of Directors of Efanor Duarte Paulo Teixeira de Azevedo) | 161,250 | 0.065% | 0.066% |
| Through descendents of Duarte Paulo Teixeira de Azevedo (Member of the Board of Directors of Efanor) | 411 | 0.000% | 0.000% |
| Total attributable | <u>156,503,635</u> | <u>62.601%</u> | <u>64.111%</u> |
| Santander Asset Management - Sociedade Gestora de Fundos de Investimento Mobiliários, SA | | | |
| Through Santander Acções Portugal Fund (managed by Santander Asset Management) | 5,214,974 | 2.086% | 2.136% |
| Through Santander PPA Fund (managed by Santander Asset Management) | 484,869 | 0.194% | 0.199% |
| Total attributable | <u>5,699,843</u> | <u>2.280%</u> | <u>2.335%</u> |
| Blueshore Global Equity Fund | | | |
| Total attributable | <u>5,000,000</u> | <u>2.000%</u> | <u>2.048%</u> |

(1) Belmiro Mendes de Azevedo is, under the terms of paragraph b) number 1 of Article 20 and number 1 of Article 21 of the Portuguese Securities Code, the ultimate beneficial owner, as he holds around 99% of the share capital and voting rights of Efanor Investimentos SGPS, SA, which entirely controls Pareuro BV.

PART III

**CONSOLIDATED FINANCIAL
STATEMENTS**

30 JUNE 2015



SONAE CAPITAL

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2015 AND 31 DECEMBER 2014

(Amounts expressed in euro)

| ASSETS | Notes | 30.06.2015 | 31.12.2014 |
|--|---------|---------------------------|---------------------------|
| NON-CURRENT ASSETS: | | | |
| Tangible assets | 7 | 233,559,821 | 240,710,716 |
| Intangible assets | 7 | 7,540,654 | 8,024,620 |
| Goodwill | 8 | 60,990,244 | 60,990,244 |
| Investments in associated companies and joint ventures | 5 | 23,741,516 | 20,730,694 |
| Other investments | 6 and 9 | 11,944,614 | 34,081,492 |
| Deferred tax assets | 13 | 23,795,220 | 23,718,439 |
| Other non-current assets | 10 | 21,613,813 | 20,653,819 |
| Total non-current assets | | <u>383,185,882</u> | <u>408,910,024</u> |
| CURRENT ASSETS: | | | |
| Stocks | 11 | 153,619,699 | 157,562,294 |
| Trade account receivables and other current assets | 12 | 53,478,402 | 60,191,897 |
| Cash and cash equivalents | 14 | 24,604,062 | 9,327,550 |
| Total Current Assets | | <u>231,702,163</u> | <u>227,081,741</u> |
| TOTAL ASSETS | | <u><u>614,888,045</u></u> | <u><u>635,991,765</u></u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY: | | | |
| Share capital | 15 | 250,000,000 | 250,000,000 |
| Own Shares | 15 | (1,413,866) | (1,486,301) |
| Reserves and retained earnings | | 50,913,981 | 56,279,740 |
| Profit/(Loss) for the year attributable to the equity holders of Sonae Capital | | 196,406 | (6,832,009) |
| Equity attributable to the equity holders of Sonae Capital | | <u>299,696,521</u> | <u>297,961,430</u> |
| Equity attributable to non-controlling interests | 16 | 9,185,084 | 9,375,864 |
| TOTAL EQUITY | | <u><u>308,881,605</u></u> | <u><u>307,337,294</u></u> |
| LIABILITIES: | | | |
| NON-CURRENT LIABILITIES: | | | |
| Loans | 17 | 128,342,745 | 199,570,233 |
| Other non-current liabilities | 19 | 2,894,132 | 3,073,863 |
| Deferred tax liabilities | 13 | 10,894,574 | 11,709,284 |
| Provisions | 22 | 3,079,824 | 3,079,824 |
| Total Non-Current Liabilities | | <u>145,211,275</u> | <u>217,433,204</u> |
| CURRENT LIABILITIES: | | | |
| Loans | 17 | 96,851,834 | 44,218,573 |
| Trade creditors and other current liabilities | 21 | 58,966,226 | 61,360,493 |
| Provisions | 22 | 4,977,105 | 5,642,201 |
| Total Current Liabilities | | <u>160,795,165</u> | <u>111,221,267</u> |
| TOTAL LIABILITIES | | <u><u>306,006,440</u></u> | <u><u>328,654,471</u></u> |
| TOTAL EQUITY AND LIABILITIES | | <u><u>614,888,045</u></u> | <u><u>635,991,765</u></u> |

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in euro)

| | Notes | 30.06.2015 | 30.06.2014 |
|--|-------|--------------|--------------|
| Sales | | 38,703,892 | 39,743,873 |
| Services rendered | | 39,234,528 | 37,834,194 |
| Other operating income | 23 | 14,173,799 | 2,947,408 |
| Cost of sales | | (30,276,335) | (24,149,974) |
| Changes in stocks of finished goods and work in progress | | (2,376,649) | (8,756,434) |
| External supplies and services | | (24,315,064) | (23,980,322) |
| Staff costs | | (17,932,278) | (16,784,781) |
| Depreciation and amortisation | | (7,834,292) | (7,051,409) |
| Provisions and impairment losses (Increases/Decreases) | | (637,442) | (1,193,954) |
| Other operating expenses | | (4,305,888) | (2,058,615) |
| Operational profit/(loss) | | 4,434,271 | (3,450,014) |
| Financial Expenses | | (5,484,257) | (6,841,853) |
| Financial Income | | 882,464 | 733,393 |
| Profit/(Loss) in associated and jointly controlled companies | 5 | 2,095,576 | 2,886,867 |
| Investment income | | (100,612) | 389,368 |
| Profit/(Loss) before taxation | | 1,827,442 | (6,282,239) |
| Taxation | 25 | (971,009) | (903,653) |
| Profit/(Loss) for the year | 26 | 856,433 | (7,185,892) |
| Attributable to: | | | |
| Equity holders of Sonae Capital | | 196,406 | (7,361,621) |
| Non-controlling interests | 16 | 660,027 | 175,729 |
| Profit/(Loss) per share | | | |
| Basic | 28 | 0.000797 | (0.029902) |
| Diluted | 28 | 0.000797 | (0.029902) |

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE 2nd QUARTERS OF 2015 AND 2014

(Amounts expressed in euro)

| | Notes | 2 nd Quarter 15 ¹ | 2 nd Quarter 14 ¹ |
|--|-------|---|---|
| Sales | | 17,872,007 | 19,465,912 |
| Services rendered | | 21,225,039 | 20,698,914 |
| Other operating income | | 10,223,627 | 2,099,694 |
| Cost of sales | | (15,203,689) | (14,217,605) |
| Changes in stocks of finished goods and work in progress | | (126,980) | (2,395,802) |
| External supplies and services | | (12,191,598) | (12,414,723) |
| Staff costs | | (8,784,370) | (8,142,333) |
| Depreciation and amortisation | | (3,916,293) | (3,774,289) |
| Provisions and impairment losses | | (554,617) | 369,823 |
| Other operating expenses | | (3,345,790) | (1,500,428) |
| Operational profit/(loss) | | 5,197,334 | 189,163 |
| Financial Expenses | | (2,913,100) | (3,534,901) |
| Financial Income | | 565,809 | 331,523 |
| Profit/(Loss) in associated and jointly controlled companies | | 847,598 | 1,439,052 |
| Investment income | | (61,036) | 109,678 |
| Profit/(Loss) before taxation | | 3,636,605 | (1,465,485) |
| Taxation | | (102,414) | (491,973) |
| Profit/(Loss) for the period | | 3,534,191 | (1,957,458) |
| Attributable to: | | | |
| Equity holders of Sonae Capital | | 3,122,485 | (2,365,164) |
| Non-controlling interests | | 411,706 | 407,706 |
| Profit/(Loss) per share | | | |
| Basic | | 0.012682 | (0.009604) |
| Diluted | | 0.012682 | (0.009604) |

The accompanying notes are part of these financial statements.

¹Prepared in accordance with IAS 34 - Interim Financial Reporting and unaudited.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in euro)

| | 30.06.2015 | 30.06.2014 |
|--|------------------|--------------------|
| Consolidated net profit/(loss) for the period | 856,433 | (7,185,892) |
| Items that may be reclassified subsequently to net profit / (loss): | | |
| Changes in the currency translation differences | 40,004 | 117,373 |
| Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5) | 963,396 | (351,176) |
| Change in the fair value of assets available for sale | 708,397 | 772,140 |
| Change in the fair value of cash flow hedging derivatives | 213,695 | 542,813 |
| Tax related to other comprehensive income captions | (233,965) | (176,163) |
| Other comprehensive income for the period | 1,691,527 | 904,987 |
| Total comprehensive income for the period | <u>2,547,960</u> | <u>(6,280,905)</u> |
| Attributable to: | | |
| Equity holders of Sonae Capital | 1,881,460 | (6,497,775) |
| Non-controlling interests | <u>666,500</u> | <u>216,870</u> |

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 2nd QUARTERS OF 2015 AND 2014

(Amounts expressed in euro)

| | 2 nd Quarter 15 ¹ | 2 nd Quarter 14 ¹ |
|--|---|---|
| Consolidated net profit/(loss) for the period | 3,534,191 | (1,957,458) |
| Items that may be reclassified subsequently to net profit / (loss): | | |
| Changes in the currency translation differences | 84,300 | 66,167 |
| Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5) | 1,016,663 | 679,660 |
| Change in the fair value of assets available for sale | 368,248 | 372,187 |
| Change in the fair value of cash flow hedging derivatives | 10,313 | 278,677 |
| Tax related to other comprehensive income captions | (160,964) | (84,174) |
| Other comprehensive income for the period | 1,318,560 | 1,312,517 |
| Total comprehensive income for the period | 4,852,751 | (644,941) |
| Attributable to: | | |
| Equity holders of Sonae Capital | 4,421,694 | (1,074,320) |
| Non-controlling interests | 431,057 | 429,379 |

The accompanying notes are part of these financial statements.

¹ Prepared in accordance with IAS 34 - Interim Financial Reporting and unaudited.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in Euro)

Attributable to Equity Holders of Sonae Capital

| | Share Capital | Own Shares | Demerger Reserve (Note 15) | Translation Reserves | Fair Value Reserves | Hedging Reserves | Other Reserves and Retained Earnings | Sub total | Net Profit/(Loss) | Total | Non-Controlling Interests | Total Equity |
|---|--------------------|--------------------|----------------------------|----------------------|---------------------|------------------|--------------------------------------|-------------------|--------------------|--------------------|---------------------------|--------------------|
| Balance as at 1 January 2014 | 250,000,000 | (1,124,125) | 132,638,253 | (189,622) | (590,856) | (1,166,854) | (62,056,375) | 68,634,546 | (13,200,373) | 304,310,048 | 8,850,291 | 313,160,339 |
| Total consolidated comprehensive income for the period | - | - | - | 82,172 | 772,140 | 536,873 | (527,339) | 863,846 | (7,361,621) | (6,497,775) | 216,870 | (6,280,905) |
| Appropriation of profit of 2013: | | | | | | | | | | | | |
| Transfer to legal reserves and retained earnings | - | - | - | - | - | - | (13,200,373) | (13,200,373) | 13,200,373 | - | - | - |
| Dividends paid | - | - | - | - | - | - | - | - | - | - | (649,927) | (649,927) |
| Acquisition of own shares | - | (362,176) | - | - | - | - | - | - | - | (362,176) | - | (362,176) |
| Changes in the percentage of capital held in affiliated | - | - | - | - | - | - | - | - | - | - | 652,223 | 652,223 |
| Other changes | - | - | - | - | - | - | (49,547) | (49,547) | - | (49,547) | 83 | (49,464) |
| Balance as at 30 June 2014 | <u>250,000,000</u> | <u>(1,486,301)</u> | <u>132,638,253</u> | <u>(107,450)</u> | <u>181,284</u> | <u>(629,981)</u> | <u>(75,833,634)</u> | <u>56,248,472</u> | <u>(7,361,621)</u> | <u>297,400,550</u> | <u>9,069,540</u> | <u>306,470,090</u> |
| Balance as at 1 January 2015 | 250,000,000 | (1,486,301) | 132,638,253 | (130,882) | (750,961) | (239,276) | (75,237,394) | 56,279,740 | (6,832,009) | 297,961,430 | 9,375,864 | 307,337,294 |
| Total consolidated comprehensive income for the period | - | - | - | 34,252 | 708,397 | 212,974 | 729,431 | 1,685,054 | 196,406 | 1,881,460 | 666,500 | 2,547,960 |
| Appropriation of profit of 2014: | | | | | | | | | | | | |
| Transfer to legal reserves and retained earnings | - | - | - | - | - | - | (6,832,009) | (6,832,009) | 6,832,009 | - | - | - |
| Dividends paid | - | - | - | - | - | - | - | - | - | - | (1,077,110) | (1,077,110) |
| Acquisition of own shares | - | 72,435 | - | - | - | - | - | - | - | 72,435 | - | 72,435 |
| Changes in the percentage of capital held in affiliated | - | - | - | - | - | - | (219,830) | (219,830) | - | (219,830) | 219,830 | - |
| Other changes | - | - | - | - | - | - | 1,026 | 1,026 | - | 1,026 | - | 1,026 |
| Balance as at 30 June 2015 | <u>250,000,000</u> | <u>(1,413,866)</u> | <u>132,638,253</u> | <u>(96,630)</u> | <u>(42,564)</u> | <u>(26,302)</u> | <u>(81,558,776)</u> | <u>50,913,981</u> | <u>196,406</u> | <u>299,696,521</u> | <u>9,185,084</u> | <u>308,881,605</u> |

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS AND SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in Euro)

| | Notes | 30.06.2015 | 30.06.2014 | 2 nd Quarter 15 | 2 nd Quarter 14 |
|---|-------|---------------------|---------------------|-------------------------------|-------------------------------|
| OPERATING ACTIVITIES: | | | | | |
| Cash receipts from trade debtors | | 79,785,533 | 78,924,691 | 36,344,610 | 38,380,316 |
| Cash receipts from trade creditors | | (52,728,599) | (54,957,222) | (26,230,894) | (31,541,408) |
| Cash paid to employees | | (16,791,937) | (16,646,874) | (9,052,295) | (9,145,473) |
| Cash flow generated by operations | | <u>10,264,997</u> | <u>7,320,595</u> | <u>1,061,421</u> | <u>(2,306,565)</u> |
| Income taxes (paid) / received | | (1,557,085) | (3,905,507) | (1,502,458) | (3,886,078) |
| Other cash receipts and (payments) relating to operating activities | | <u>82,886</u> | <u>3,182,978</u> | <u>877,883</u> | <u>2,007,431</u> |
| Net cash flow from operating activities (1) | | <u>8,790,798</u> | <u>6,598,066</u> | <u>436,846</u> | <u>(4,185,212)</u> |
| INVESTMENT ACTIVITIES: | | | | | |
| Cash receipts arising from: | | | | | |
| Investments | | 23,585,714 | 120,181 | 20,698,751 | 120,181 |
| Tangible assets | | 13,594,337 | 335,763 | 12,051,959 | (238,619) |
| Intangible assets | | - | - | - | - |
| Interest and similar income | | 828,137 | 1,139,380 | 61,681 | 63,315 |
| Dividends | | <u>273,631</u> | <u>796,367</u> | <u>273,631</u> | <u>796,367</u> |
| | | <u>38,281,819</u> | <u>2,391,691</u> | <u>33,086,022</u> | <u>741,244</u> |
| Cash Payments arising from: | | | | | |
| Investments | | (18,039) | (3,324,592) | (15,276) | (59,681) |
| Tangible assets | | (6,730,024) | (3,432,497) | (2,013,461) | (1,150,886) |
| Intangible assets | | (67,452) | (488,793) | 162,888 | (199,875) |
| Loans granted | | <u>(987,797)</u> | <u>(936,926)</u> | <u>-</u> | <u>-</u> |
| | | <u>(7,803,312)</u> | <u>(8,182,808)</u> | <u>(1,865,849)</u> | <u>(1,410,442)</u> |
| Net cash used in investment activities (2) | | <u>30,478,507</u> | <u>(5,791,117)</u> | <u>31,220,173</u> | <u>(669,198)</u> |
| FINANCING ACTIVITIES: | | | | | |
| Cash receipts arising from: | | | | | |
| Loans obtained | | 9,100,000 | 64,199,200 | 3,100,000 | 52,574,700 |
| Sale of own shares | | <u>72,435</u> | <u>42,606</u> | <u>72,435</u> | <u>42,606</u> |
| | | <u>9,172,435</u> | <u>64,241,806</u> | <u>3,172,435</u> | <u>52,617,306</u> |
| Cash Payments arising from: | | | | | |
| Loans obtained | | (26,220,621) | (38,539,183) | (12,546,983) | (35,973,550) |
| Interest and similar charges | | (4,971,469) | (6,736,891) | (2,788,764) | (2,618,515) |
| Reimbursement of capital and paid in capital | | - | (28,385) | - | (28,385) |
| Dividends | | (793,886) | (1,004,034) | (793,886) | (1,004,034) |
| Purchase of own shares | | <u>-</u> | <u>(404,783)</u> | <u>-</u> | <u>-</u> |
| | | <u>(31,985,976)</u> | <u>(46,713,276)</u> | <u>(16,129,633)</u> | <u>(39,624,484)</u> |
| Net cash used in financing activities (3) | | <u>(22,813,541)</u> | <u>17,528,530</u> | <u>(12,957,198)</u> | <u>12,992,822</u> |
| Net increase in cash and cash equivalents (4) = (1) + (2) + (3) | | <u>16,455,764</u> | <u>18,335,479</u> | <u>18,699,821</u> | <u>8,138,412</u> |
| Effect of foreign exchange rate | | <u>77,480</u> | <u>(14,823)</u> | <u>118,890</u> | <u>(8,561)</u> |
| Cash and cash equivalents at the beginning of the period | 14 | <u>8,148,876</u> | <u>2,922,307</u> | <u>5,946,229</u> | <u>13,125,636</u> |
| Cash and cash equivalents at the end of the period | 14 | <u>24,527,160</u> | <u>21,272,609</u> | <u>24,527,160</u> | <u>21,272,609</u> |

The accompanying notes are part of these financial statements.

¹ Prepared in accordance with IAS 34 - Interim Financial Reporting and unaudited.

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2015

(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 5 to 7 (“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 and 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 accounting policies adopted are consistent with those used in the financial statements presented for the year ended 31 December 2014.

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 to 6), on a going concern basis and under the historical cost convention, with the exception of derivative financial instruments and investments held for sale, which are stated at fair value.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

3. CHANGES IN ACCOUNTING POLICIES

Changes to international accounting standards that came into force on or after 1 January 2015, did not have material impacts in the financial statements as at 30 June 2015.

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 30 June 2015 and 31 December 2014, are as follows:

| Company | Head Office | Percentage of capital held | | | |
|---|---------------|----------------------------|---------|------------------|---------|
| | | 30 June 2015 | | 31 December 2014 | |
| | | Direct | Total | Direct | Total |
| Sonae Capital SGPS, SA | Maia | Holding | Holding | Holding | Holding |
| Hotels | | | | | |
| Aqualuz - Turismo e Lazer, Lda | a) Lagos | 100.00% | 100.00% | 100.00% | 100.00% |
| Solinca-Investimentos Turísticos, SA | a) Porto | 100.00% | 100.00% | 100.00% | 100.00% |
| 1) Sonae Turismo - SGPS, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| The Artist Hotel & Bistrô - Actividades Hotelaria, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| Troiaverde-Expl. Hoteleira Imob., SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| Resorts | | | | | |
| Atlantic Ferries - Traf.Loc.Flu.e Marit., SA | a) Grândola | 95.77% | 95.77% | 83.41% | 83.41% |
| Golf Time - Golfe e Inv.Turísticos, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| Imoareia - Investimentos Turísticos,SGPS, SA | a) Matosinhos | 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, SA | 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.Hoteleira Imob., SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| SII - Soberana Investimentos 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, SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| Tróia Natura, SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| Troiaresort - Investimentos Turísticos, SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| Tulipamar-Expl.Hoteleira Imob., SA | a) Grândola | 100.00% | 100.00% | 100.00% | 100.00% |
| Fitness | | | | | |
| Solinca - Health & Fitness, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| Energy | | | | | |
| Atelgen - Produção de 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% |
| 2) Capwatt ACE, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 3) Capwatt Colombo - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 4) Capwatt Engenho Novo - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 5) Capwatt Hectare - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 6) Capwatt II - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 7) Capwatt III - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 8) Capwatt Maia - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 9) Capwatt Martim Longo - Solar Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 10) Capwatt Vale do Caima - Heat Power, SA | a) Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 11) Capwatt Vale do Tejo - Heat Power, SA | 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% |
| C.T.E. - Central Termoelétrica 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% |
| 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% |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

| Refrigeration and HVAC | | | | | | | |
|-------------------------------|---|----|------------|---------|---------|---------|---------|
| | 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, Lda | a) | São Paulo | 100.00% | 70.00% | 100.00% | 70.00% |
| | Sopair, SA | a) | Madrid | 100.00% | 70.00% | 100.00% | 70.00% |
| | Spinarq-Moçambique, Lda | a) | Maputo | 70.00% | 70.00% | 100.00% | 100.00% |
| | Spinarq-Engenharia, Energia e Ambiente,SA | a) | Luanda | 99.90% | 99.90% | 99.90% | 99.90% |
| Other Assets | | | | | | | |
| | Bloco Q-Sociedade Imobiliária, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Casa da Ribeira - Sociedade Imobiliária, SA | 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, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Country Club da Maia-Imobiliária, 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 Especial de Investimento Imobiliário Fechado WTC | a) | Maia | 99.82% | 99.82% | 99.82% | 99.82% |
| | Imoclub-Serviços Imobiliários, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Imodivor - Sociedade Imobiliária, SA | 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-Soc.Imobiliária, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Imosedas-Imobiliária e Serviços, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Implantação - Imobiliária, SA | 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% |
| 14) | Martimope - Empreendimentos Turisticos, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | 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% |
| | Praedium-SGPS, 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, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | SC - Eng. e Promo Imobiliária,SGPS,SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | Sete e Meio Herdades - Investimentos Agrícolas e Turismo, 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% |
| 14) | Soconstrução, BV | a) | Amsterdam | 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 Empreendimentos Turísticos, SA | 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 SGLI, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 14) | Torre São Gabriel-Imobiliária, 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% |
| Others | | | | | | | |
| | Imobeauty, SA | 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 Desenvolvimento de Recursos Humanos, Unipessoal, Lda. | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| 13)15) | SC Hospitality, 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% |
| 15) | Solinfitness - Club Málaga, S.L. | a) | Málaga | 100.00% | 100.00% | 100.00% | 100.00% |
| 14)15) | Sontur BV | a) | Amsterdam | 100.00% | 100.00% | 100.00% | 100.00% |
| 12) | Spred SGPS, SA | a) | Maia | 100.00% | 100.00% | 100.00% | 100.00% |
| | a) Majority of voting rights. | | | | | | |
| | 1) Ex-SC Assets, S.G.P.S., S.A.; | | | | | | |
| | 2) Ex-Integrum ACE, SA; | | | | | | |
| | 3) Ex-Integrum Colombo - Energia, SA; | | | | | | |
| | 4) Ex-Integrum Engenho Novo - Energia SA; | | | | | | |
| | 5) Ex-Companhia Térmica Hectare, SA; | | | | | | |
| | 6) Ex-Integrum II - Energia, SA; | | | | | | |
| | 7) Ex-Integrum III - Energia, SA; | | | | | | |
| | 8) Ex-Ecocicloll - Energias, SA; | | | | | | |
| | 9) Ex-Integrum Martim Longo - Energia, SA; | | | | | | |
| | 10) Ex-Integrum Vale do Caima - Energia, SA; | | | | | | |
| | 11) Ex-Integrum Vale do Tejo - Energia, SA; | | | | | | |
| | 12) Company included in the Other Assets segment in 2014; | | | | | | |
| | 13) Ex-Sonae Turismo, SGPS, SA; | | | | | | |
| | 14) Company dissolved in the period; | | | | | | |
| | 15) Company included in the Tourism segment in 2014. | | | | | | |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

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 30 June 2015 and 31 December 2014 are as follows:

| Company | Head Office | Percentage of capital held | | | | Book Value | |
|---|---------------|----------------------------|--------|------------------|--------|-------------------|-------------------|
| | | 30 June 2015 | | 31 December 2014 | | 30 June 2015 | 31 December 2014 |
| | | Direct | Total | Direct | Total | | |
| Other Assets | | | | | | | |
| Andar - Sociedade Imobiliária, SA | Maia | 50.00% | 50.00% | 50.00% | 50.00% | - | 53,344 |
| 1) Sociedade de Construções do Chile, SA | Maia | 100.00% | 50.00% | 100.00% | 50.00% | - | - |
| 1) Vastgoed One - Sociedade Imobiliária, SA | Maia | 100.00% | 50.00% | 100.00% | 50.00% | - | - |
| 1) Vastgoed Sun - Sociedade Imobiliária, SA | Maia | 100.00% | 50.00% | 100.00% | 50.00% | - | - |
| Lidergraf - Artes Gráficas, Lda | Vila do Conde | 24.50% | 24.50% | 24.50% | 24.50% | 846,925 | 891,317 |
| Norscut - Concessionária de Scut Interior Norte, SA | Lisbon | 36.00% | 36.00% | 36.00% | 36.00% | 22,680,750 | 19,654,903 |
| Operscut - Operação e Manutenção de Auto-estradas, SA | Lisbon | 15.00% | 15.00% | 15.00% | 15.00% | 24,000 | 24,000 |
| Energy | | | | | | | |
| Feneralt - Produção de Energia, ACE | Barcelos | 25.00% | 25.00% | 25.00% | 25.00% | 189,841 | 107,130 |
| Total | | | | | | 23,741,516 | 20,730,694 |

- 1) Null investment values result from the adoption of the equity method in Andar - Sociedade Imobiliária, SA, holder of all of these investments.

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.

As at 30 June 2015 and 31 December 2014, aggregate values of main financial indicators of associated and jointly controlled companies can be summarized as follows:

| | 30 June 2015 | 31 December 2014 |
|-------------------|--------------|------------------|
| Total Assets | 635,394,485 | 688,065,258 |
| Total Liabilities | 526,072,558 | 583,955,642 |
| Income | 41,329,228 | 115,284,242 |
| Expenses | 34,798,459 | 88,388,616 |

During the periods ended 30 June 2015 and 30 June 2014, movements in investments of associated and jointly controlled companies are as follows:

| | 30 June 2015 | 30 June 2014 |
|---|-------------------|-------------------|
| Opening balance as at 1 January | 20,762,638 | 12,490,395 |
| Acquisitions in the period | 8,000 | 1,249,300 |
| Disposals in the period | - | - |
| Equity method | 3,058,973 | 1,792,015 |
| Dividends received | (56,151) | (26,486) |
| Change in the consolidation method | - | - |
| Closing balance as at 30 June | 23,773,460 | 15,505,224 |
| Accumulated impairment losses (Note 22) | (31,944) | (31,943) |
| | 23,741,516 | 15,473,281 |

The use of the equity method had the following impacts: 2,095,576 euro recorded on share of results of associated undertakings (2,116,705 euro at 30 June 2014), and 963,396 euro in changes in reserves (-351,176 euro at 30 June 2014).

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

6. OTHER INVESTMENTS

Other investments, their head offices, percentage of share capital held and book value as at 30 June 2015 and 31 December 2014 are made up as follows:

| Company | Head Office | Percentage of capital held | | | | Book Value | |
|---|-------------|----------------------------|--------|------------------|--------|--------------|------------------|
| | | 30 June 2015 | | 31 December 2014 | | 30 June 2015 | 31 December 2014 |
| | | Direct | Total | Direct | Total | | |
| Resorts | | | | | | | |
| Infratroia - Infraestruturas de Troia, E.M. | Grândola | 25.90% | 25.90% | 25.90% | 25.90% | 64,747 | 64,747 |
| Other Assets | | | | | | | |
| Fundo de Investimento Imobiliário Fechado Imosede | Maia | 7.52% | 7.52% | 22.57% | 22.57% | 11,344,970 | 33,493,884 |
| Fundo de Investimento Imobiliário Imosonae Dois | Maia | 0.06% | 0.06% | 0.06% | 0.06% | 124,892 | 124,892 |
| Net, SA | Lisbon | 2.80% | 2.80% | 2.80% | 2.80% | 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 | | | | | | 136,021 | 123,985 |
| Total (Note 9) | | | | | | 11,944,614 | 34,081,492 |

Sonae Capital sold in 1st half 2015 a total of 28,628 units of the Imosede Real Estate Investment Fund in the amount of 22,510,231 euro.

7. TANGIBLE AND INTANGIBLE ASSETS

During the six months period ended 30 June 2015, movements in tangible and intangible assets as well as in amortisation and accumulated impairment losses, are made up as follows:

| | Tangible Assets | | | | |
|---|--------------------|--------------------|-----------------------|-----------------------------|-----------------------|
| | Land and Buildings | Equipment | Other Tangible Assets | Tangible Assets in progress | Total Tangible Assets |
| Gross Cost: | | | | | |
| Opening balance as at 1 January 2015 | 222,289,448 | 179,441,283 | 2,197,777 | 11,880,186 | 415,808,694 |
| Changes in consolidation perimeter | - | - | - | - | - |
| Capital expenditure | 111,934 | 188,603 | 926 | 6,027,394 | 6,328,857 |
| Disposals | (6,523,628) | (1,058,453) | - | - | (7,582,081) |
| Exchange rate effect | - | (66,086) | (3,971) | - | (70,057) |
| Transfers | - | 2,251,457 | 44,664 | (2,335,285) | (39,164) |
| Closing balance as at 30 June 2015 | 215,877,754 | 180,756,804 | 2,239,396 | 15,572,295 | 414,446,249 |
| Accumulated depreciation and impairment losses | | | | | |
| Opening balance as at 1 January 2015 | 81,960,385 | 91,386,095 | 1,751,498 | - | 175,097,978 |
| Changes in consolidation perimeter | - | - | - | - | - |
| Charges for the period 1) | 1,488,095 | 6,069,855 | 43,147 | - | 7,601,097 |
| Disposals | (1,328,939) | (440,506) | - | - | (1,769,445) |
| Exchange rate effect | - | (40,349) | (2,888) | - | (43,237) |
| Transfers | - | 35 | - | - | 35 |
| Closing balance as at 30 June 2015 | 82,119,541 | 96,975,130 | 1,791,757 | - | 180,886,428 |
| Carrying amount as at 1 January 2015 | 140,329,063 | 88,055,188 | 446,279 | 11,880,186 | 240,710,716 |
| Carrying amount as at 30 June 2015 | 133,758,213 | 83,781,674 | 447,639 | 15,572,295 | 233,559,821 |

1) Includes impairment losses amounting to 160,187 euro.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

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

| | 30 June 2015 | 31 December 2014 |
|----------------------|-------------------|-------------------|
| Tróia | 7,936,987 | 7,624,730 |
| Cogeneration Project | 904,260 | 1,555,061 |
| Hotels Refurbishment | 6,196,579 | 1,825,022 |
| Others | 534,469 | 875,373 |
| | <u>15,572,295</u> | <u>11,880,186</u> |

| | Intangible Assets | | | | |
|---|----------------------------------|------------------|-------------------------|-------------------------------|-------------------------|
| | Patents and other similar rights | Software | Other Intangible Assets | Intangible Assets in progress | Total Intangible Assets |
| Gross Cost: | | | | | |
| Opening balance as at 1 January 2015 | 7,846,758 | 2,877,589 | 466,858 | 217,498 | 11,408,703 |
| Changes in consolidation perimeter | - | - | - | - | - |
| Capital expenditure | 14,040 | 209 | 187,379 | 205,211 | 406,839 |
| Disposals | - | - | (492,681) | - | (492,681) |
| Exchange rate effect | - | (2,534) | - | - | (2,534) |
| Transfers | (71,561) | 300,316 | (19,587) | (213,250) | (4,082) |
| Closing balance as at 30 June 2015 | <u>7,789,237</u> | <u>3,175,580</u> | <u>141,969</u> | <u>209,459</u> | <u>11,316,245</u> |
| Accumulated depreciation and impairment losses | | | | | |
| Opening balance as at 1 January 2015 | 1,380,363 | 1,994,300 | 9,421 | - | 3,384,083 |
| Changes in consolidation perimeter | - | - | - | - | - |
| Charges for the period | 94,085 | 299,297 | - | - | 393,382 |
| Disposals | - | - | - | - | - |
| Exchange rate effect | - | (1,874) | - | - | (1,874) |
| Transfers | (42,405) | 42,405 | - | - | - |
| Closing balance as at 30 June 2015 | <u>1,432,043</u> | <u>2,334,128</u> | <u>9,421</u> | <u>-</u> | <u>3,775,591</u> |
| Carrying amount as at 1 January 2015 | <u>6,466,395</u> | <u>883,289</u> | <u>457,437</u> | <u>217,498</u> | <u>8,024,620</u> |
| Carrying amount as at 30 June 2015 | <u>6,357,194</u> | <u>841,452</u> | <u>132,548</u> | <u>209,459</u> | <u>7,540,654</u> |

As at June 2015 net assets allocated to the concession of Marina de Troia and included in Patents and other similar rights amount to 5,923,873 euro (5,994,383 euro at 31 December 2014).

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

8. GOODWILL

During the periods ended 30 June 2015 and 31 December 2014, movements in goodwill, as well as in corresponding impairment losses, are as follows:

| | 30 June 2015 | 31 December 2014 |
|---|-------------------|-------------------|
| Gross amount: | | |
| Opening balance | 62,291,840 | 62,283,809 |
| Increases - acquisition of affiliated companies | - | 8,031 |
| Closing balance | 62,291,840 | 62,291,840 |
| Accumulated impairment losses: | | |
| Opening balance | 1,301,596 | 1,301,596 |
| Closing balance | 1,301,596 | 1,301,596 |
| | - | - |
| Total | 60,990,244 | 60,990,244 |

9. OTHER INVESTMENTS

As at 30 June 2015 and 31 December 2014, movements in investments were as follows:

| | 30 June 2015 | | 31 December 2014 | |
|---|-------------------|----------|-------------------|----------|
| | Non-current | Current | Non-current | Current |
| <u>Investments at acquisition cost</u> | | | | |
| Opening balance as at 1 January | 879,446 | - | 8,071,101 | - |
| Acquisitions in the period | 12,036 | - | 17,742 | - |
| Disposals in the period | - | - | (7,652,356) | - |
| Transfers | - | - | 442,959 | - |
| Closing balance as at 30 June | 891,482 | - | 879,446 | - |
| Accumulated impairment losses (Note 22) | (291,838) | - | (291,838) | - |
| | 599,644 | - | 587,608 | - |
| <u>Investments held for sale</u> | | | | |
| Fair value as at 1 January | 33,493,884 | - | 39,305,931 | - |
| Disposals in the period | (22,510,231) | - | (5,221,742) | - |
| Transfers | - | - | (430,200) | - |
| Increase/(Decrease) in fair value | 361,317 | - | (160,105) | - |
| Fair value as at 30 June | 11,344,970 | - | 33,493,884 | - |
| Accumulated impairment losses (Note 22) | - | - | - | - |
| Fair value (net of impairment losses) as at 30 June | 11,344,970 | - | 33,493,884 | - |
| <u>Other Investments</u> | 11,944,614 | - | 34,081,492 | - |

The amounts shown at fair value related to the Imosede Fund.

The Imosede Fund is accounted as an available for sale asset, measured at fair value. For the remaining investment under this heading, the Group considers that it is not reasonable to estimate a fair value, as there is no observable market data.

These investments are recorded at acquisition cost less impairment losses.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

10. OTHER NON-CURRENT ASSETS

As at 30 June 2015 and 31 December 2014, other non-current assets are detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|-------------------|-------------------|
| Loans granted to related parties | | |
| Norscut - Concessionária de Scut Interior Norte, SA | 19,604,752 | 18,647,695 |
| Others | 784,815 | 756,076 |
| | <u>20,389,567</u> | <u>19,403,771</u> |
| Impairment losses (Note 22) | (34,916) | (34,916) |
| | <u>20,354,651</u> | <u>19,368,855</u> |
| Trade accounts receivable and other debtors | | |
| Sale of financial investments | - | - |
| Others | 1,259,162 | 1,284,964 |
| Impairment losses (Note 22) | - | - |
| | <u>1,259,162</u> | <u>1,284,964</u> |
| Other non-current assets | <u>21,613,813</u> | <u>20,653,819</u> |

Generally, values included in other non-current assets bear interest at market rates, and it is estimated that their fair value does not significantly differ from amounts in the balance sheet.

11. INVENTORIES

Inventories as at 30 June 2015 and 31 December 2014 can be detailed as follows, highlighting the value attributable to real estate developments:

| | 30 June 2015 | | 31 December 2014 | |
|---|--------------------|-----------------------------------|--------------------|-----------------------------------|
| | Total | of which Real Estate Developments | Total | of which Real Estate Developments |
| Raw materials, by-products and consumables | 1,229,979 | - | 1,022,596 | - |
| Goods for sale | 30,627,457 | 29,337,346 | 31,110,475 | 29,736,226 |
| Finished goods | 49,351,378 | 49,351,378 | 53,463,323 | 53,463,323 |
| Work in progress | 78,666,597 | 76,101,473 | 78,258,356 | 76,373,416 |
| | <u>159,875,411</u> | <u>154,790,197</u> | <u>163,854,750</u> | <u>159,572,965</u> |
| Accumulated impairment losses on stocks (Note 22) | (6,255,712) | (6,242,656) | (6,292,456) | (6,242,656) |
| | <u>153,619,699</u> | <u>148,547,541</u> | <u>157,562,294</u> | <u>153,330,309</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

12. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2015 and 31 December 2014, trade accounts receivable and other current assets are detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|--------------------|--------------------|
| Trade accounts receivable | 28,826,664 | 30,337,378 |
| Accumulated impairment losses on trade debtors (Note 22) | (4,176,811) | (4,356,479) |
| | <u>24,649,853</u> | <u>25,980,899</u> |
| Taxes recoverable | 13,772,132 | 16,676,255 |
| Loans granted to and other amounts to be received from related parties | 120,044 | 167,444 |
| Other current assets | | |
| Suppliers with a debtor balance | 794,832 | 610,343 |
| Other debtors | 9,987,254 | 11,077,668 |
| Accounts receivable from the sale of financial investments | 4,393,509 | 5,394,384 |
| Accounts receivable from the sale of tangible assets | 30,125 | 10,659 |
| Interest receivable | 504,488 | 988,617 |
| Deferred costs - Rents | 338,478 | 282,514 |
| Deferred costs - External supplies and services | 1,783,024 | 1,419,585 |
| Other current assets | 3,483,556 | 3,939,878 |
| | <u>21,315,266</u> | <u>23,723,648</u> |
| Accumulated impairment losses on other current assets (Note 22) | (6,378,893) | (6,356,349) |
| | <u>(6,378,893)</u> | <u>(6,356,349)</u> |
| Trade accounts receivable and other current assets | <u>53,478,402</u> | <u>60,191,897</u> |

13. DEFERRED TAXES

Deferred tax assets and liabilities as at 30 June 2015 and 31 December 2014 can be detailed as follows, split between the different types of temporary differences:

| | Deferred tax assets | | Deferred tax liabilities | |
|--|---------------------|-------------------|--------------------------|-------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Amortisation and Depreciation harmonisation adjustments | 750,655 | 767,399 | 3,431,247 | 3,145,808 |
| Provisions and impairment losses of non-tax deductible | 6,720,580 | 6,762,992 | - | - |
| Write off of tangible and intangible assets | 71,250 | 71,250 | - | - |
| Write off of accruals | - | - | - | - |
| Revaluation of tangible assets | - | - | 93,594 | 94,169 |
| Tax losses carried forward | 16,213,444 | 16,063,686 | - | - |
| Financial instruments | - | - | 71,371 | 1,066,862 |
| Write off of stocks | - | - | 795,469 | 906,974 |
| Taxable temporary differences arising from the fair value of non-current liabilities | - | - | 6,552,692 | 7,141,626 |
| Others | 39,291 | 53,111 | (49,799) | (646,156) |
| | <u>23,795,220</u> | <u>23,718,439</u> | <u>10,894,574</u> | <u>11,709,284</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 30 June 2015 and 31 December 2014, and using tax rates effective at that time, tax losses carried forward can be summarized as follows:

| | 30 June 2015 | | | 31 December 2014 | | |
|------------------------------|----------------------------|---------------------|------------|----------------------------|---------------------|------------|
| | Tax losses carried forward | Deferred tax assets | Time limit | Tax losses carried forward | Deferred tax assets | Time limit |
| With limited time use | | | | | | |
| Generated in 2009 | 3,853,149 | 809,161 | 2015 | 3,853,149 | 809,161 | 2015 |
| Generated in 2010 | - | - | 2014 | - | - | 2014 |
| Generated in 2011 | 16,629,456 | 3,492,186 | 2015 | 16,629,456 | 3,492,186 | 2015 |
| Generated in 2012 | 19,769,442 | 4,151,583 | 2017 | 19,769,442 | 4,151,583 | 2017 |
| Generated in 2013 | 18,088,306 | 3,798,544 | 2018 | 18,088,306 | 3,798,545 | 2018 |
| Generated in 2014 | 11,723,660 | 2,461,969 | 2026 | 18,153,387 | 3,812,211 | 2026 |
| Generated in 2015 | 7,142,857 | 1,500,000 | 2027 | - | - | |
| | <u>77,206,870</u> | <u>16,213,443</u> | | <u>76,493,741</u> | <u>16,063,686</u> | |

As at 30 June 2015 and 31 December 2014, deferred tax assets resulting from tax losses carried forward were re-assessed. Deferred tax assets have only been recorded to the extent that future profits will arise which may be offset against available tax losses or against deductible temporary differences.

As at 30 June 2015 and 31 December 2014, tax losses carried forward amounting to 145,756,016 euro (109,866,615 euro as at 31 December 2014), have not originated deferred tax assets for prudential reasons and are detailed as follows:

| | 30 June 2015 | | | 31 December 2014 | | |
|--|----------------------------|-------------------|------------|----------------------------|-------------------|------------|
| | Tax losses carried forward | Tax Credit | Time limit | Tax losses carried forward | Tax Credit | Time limit |
| With limited time use | | | | | | |
| Generated in 2009 | 37,970,832 | 7,973,874 | 2015 | 37,739,388 | 7,925,271 | 2015 |
| Generated in 2010 | - | - | 2014 | - | - | 2014 |
| Generated in 2011 | 18,369,951 | 3,857,690 | 2015 | 16,920,254 | 3,553,253 | 2015 |
| Generated in 2012 | 15,178,378 | 3,187,459 | 2017 | 14,136,576 | 2,968,681 | 2017 |
| Generated in 2013 | 27,230,648 | 5,718,436 | 2018 | 22,115,430 | 4,644,240 | 2018 |
| Generated in 2014 | 22,249 | 4,672 | 2026 | 70,534 | 14,812 | 2026 |
| Generated in 2015 | 27,932,240 | 5,865,770 | 2027 | - | - | |
| | <u>126,704,298</u> | <u>26,607,902</u> | | <u>90,982,182</u> | <u>19,106,258</u> | |
| With a time limit different from the above mentioned | 19,051,719 | 4,861,439 | | 18,884,433 | 4,819,618 | |
| | <u>145,756,017</u> | <u>31,469,341</u> | | <u>109,866,615</u> | <u>23,925,876</u> | |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

14. CASH AND CASH EQUIVALENTS

As at 30 June 2015 and 31 December 2014, cash and cash equivalents can be detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|-------------------|------------------|
| Cash at hand | 141,509 | 132,458 |
| Bank deposits | 24,455,200 | 9,184,154 |
| Treasury applications | 7,353 | 10,938 |
| Cash and cash equivalents on the balance sheet | 24,604,062 | 9,327,550 |
| Bank overdrafts - (Note 17) | (76,902) | (1,178,675) |
| Cash and cash equivalents in the statement of cash-flows | 24,527,160 | 8,148,875 |

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

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 30 June 2015, Sonae Capital SGPS, S.A. owns 5,885,471 own shares (6,068,850 own shares at 31 December 2014) booked for 1,413,866 euro (1,486,301 euro at 31 December 2014).

The Reserves and retained earnings of Sonae Capital Group in the periods ended 31 June 2015 and 31 December 2014 are as follows:

| | 30 June 2015 | 31 December 2014 |
|---------------------------------------|-------------------|-------------------|
| Demerger reserve | 132,638,253 | 132,638,253 |
| Translation reserves | (96,630) | (130,882) |
| Fair value reserves | (42,564) | (750,961) |
| Hedging reserves | (26,302) | (239,276) |
| Other reserves and retained earnings | (81,558,776) | (75,237,394) |
| Reserves and retained earnings | 50,913,981 | 56,279,740 |

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

The reserve is made up by the conversion into euro of the financial statements of the subsidiaries that have other functional currency.

Fair Value Reserves

This reserve reflects the fair value of assets available for sale.

Hedging Reserve

This reserve is made up by the fair value of hedging derivatives and the respective accrued interest.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

16. NON CONTROLLING INTERESTS

Movements in non-controlling interests in the periods ended 30 June 2015 and 31 December 2014 are as follows:

| | 30 June 2015 | 31 December 2014 |
|---|------------------|------------------|
| Opening balance as at 1 January | 9,375,864 | 8,850,291 |
| Changes in hedging reserves | 721 | 12,699 |
| Changes in the percentage of capital held in affiliated companies | 219,830 | 679,088 |
| Changes resulting from currency translation | 5,752 | 20,118 |
| Dividends paid | (1,077,110) | (721,525) |
| Others | - | 174 |
| Profit for the period attributable to minority interests | 660,027 | 535,019 |
| Closing balance | 9,185,084 | 9,375,864 |

17. BORROWINGS

As at 30 June 2015 and 31 December 2014, Borrowings are made up as follows:

| | 30 June 2015 | | 31 December 2014 | | Repayable on |
|---|--------------------|--------------------|--------------------|--------------------|--------------|
| | Outstanding amount | | Outstanding amount | | |
| | Current | Non-Current | Current | Non-Current | |
| Bank loans | | | | | |
| Sonae Capital SGPS - commercial paper ^{a)} | 13,000,000 | - | 17,250,000 | - | Mar/2018 |
| Sonae Capital SGPS - commercial paper ^{d)} | 8,250,000 | - | 8,250,000 | - | Dec/2015 |
| Sonae Capital SGPS - commercial paper ^{b)} | - | 18,200,000 | - | 28,900,000 | Aug/2016 |
| Sonae Capital SGPS - commercial paper ^{c)} | - | 30,000,000 | - | 30,000,000 | Dec/2017 |
| Sonae Capital SGPS - commercial paper ^{f)} | 3,500,000 | 3,000,000 | 3,500,000 | 4,750,000 | May/2017 |
| Sonae Capital SGPS - commercial paper ^{g)} | 3,000,000 | - | 4,000,000 | - | Feb/2016 |
| Sonae Capital SGPS - commercial paper ^{h)} | 1,200,000 | 4,800,000 | - | - | Mar/2020 |
| Sonae Capital SGPS ^{e)} | 3,290,000 | 10,692,500 | 3,290,000 | 12,337,500 | Set/2019 |
| Up-front fees | - | (352,590) | - | (415,978) | |
| Others | 1,202,920 | 2,070,574 | 2,524,257 | 2,652,051 | |
| | <u>33,442,920</u> | <u>68,410,484</u> | <u>38,814,257</u> | <u>78,223,573</u> | |
| Bank overdrafts (Note 14) | 76,902 | - | 1,178,675 | - | |
| Bank loans | 33,519,823 | 68,410,484 | 39,992,932 | 78,223,573 | |
| Bond Loans | | | | | |
| Sonae Capital 2011/2016 Bonds | 10,000,000 | - | - | 10,000,000 | Jan/2016 |
| SC, SGPS, S.A. 2008/2018 Bonds | 50,000,000 | - | - | 50,000,000 | Mar/2018 |
| Sonae Capital 2014/2019 Bonds | - | 42,500,000 | - | 42,500,000 | May/2019 |
| Up-front fees | (70,330) | (432,076) | - | (608,709) | |
| Bond Loans | 59,929,670 | 42,067,924 | - | 101,891,291 | |
| Other loans | 499,468 | 453,273 | 752,665 | 609,258 | |
| Derivatives (Note 18) | 42,415 | - | 621,462 | - | |
| Obligations under finance leases | 2,860,458 | 17,493,816 | 2,851,514 | 18,935,072 | |
| Up-front fees on finance leases | - | (82,752) | - | (88,961) | |
| | <u>96,851,834</u> | <u>128,342,745</u> | <u>44,218,573</u> | <u>199,570,233</u> | |

- 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.
- Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to August 2018, except if the reimbursement is anticipated under the contracted terms of the call/put option, in August 2016. This loan is guaranteed by a mortgage on real estate assets
- Commercial paper programme, with subscription guarantee, issued on 27 December 2012 and valid up to December 2017.
- Commercial paper programme, with subscription guarantee, issued on 31 December 2013, with annual renewals up to 3 years.
- Bank loan guaranteed by a mortgage on real estate, started on 2 June 2011 and valid up to September 2019, with quarterly payments.
- Commercial paper programme, with subscription guarantee, issued on 7 May 2014 and valid for a 3 year period, with semi-annual payments.
- Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to a maximum of 5 years.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

- h) Short term commercial paper programme, with subscription guarantee, issued on 18 March 2015, valid up to March 2020, with annual payments.

As at 30 June 2015, borrowings of the Group were as follows:

- SC, SGPS, SA, 2008/2018 bond loan in the amount of 50,000,000 euro, with a 10 year maturity, and a sole reimbursement on 3 March 2018, except if the reimbursement is anticipated, fully or partially, which can happen on 3 March 2016. This bond loan bears interest every six months.
- Sonae Capital SGPS - 2011/2016 bond loan in the amount of 10,000,000 euro, with a 5 year maturity, and a sole reimbursement on 17 January 2016. This bond loan bears interest every six months.
- 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.

The interest rate on bonds and bank loans in force on 30 June 2015 was on average 2.68%.

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 reimbursable grants to group companies, which do not bear interest.

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

| | 30 June 2015 | | 31 December 2014 | |
|-------------------|--------------------|-------------------|--------------------|-------------------|
| | Nominal value | Interest | Nominal value | Interest |
| N+1 ^{a)} | 96,879,749 | 5,705,058 | 43,597,111 | 6,730,136 |
| N+2 | 17,618,133 | 4,559,025 | 30,417,502 | 5,187,358 |
| N+3 | 43,999,588 | 3,512,477 | 48,102,235 | 4,615,274 |
| N+4 | 56,599,214 | 2,154,694 | 66,438,849 | 2,795,451 |
| N+5 | 4,975,421 | 151,643 | 48,576,622 | 1,110,569 |
| After N+5 | 6,017,806 | 154,619 | 7,148,672 | 216,245 |
| | <u>226,089,912</u> | <u>16,237,516</u> | <u>244,280,992</u> | <u>20,655,033</u> |

- a) Includes amounts drawn under commercial paper programmes. Of the total amount maturing in N+1, 29% concerns to commercial paper taken under lines of credit with commitment exceeding one year. Taking into account the policies and measures to manage liquidity risk, no risks that could jeopardize the continuity of operations are anticipated.

In the case 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.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

18. DERIVATIVES

Interest rate derivatives

Hedging instruments used by the Group as at 30 June 2015 were mainly interest rate options (cash-flow hedges) contracted with the goal of hedging interest rate risks on loans in the amount of 773,050 euro, whose fair value of 42,415 euro (621,462 euro at 31 December 2014) is recorded as liabilities in other loans (Note 17). As at 30 de June de 2015 and 31 December 2014, 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 | |
|----------------------------------|--------------|------------------|---------------|------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Non-Hedge accounting derivatives | | | | |
| Interest rate | - | - | - | - |
| Hedge accounting derivatives | | | | |
| Interest rate (Note 17) | - | - | 42,415 | 621,462 |
| Other derivatives | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>42,415</u> | <u>621,462</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

19. OTHER NON-CURRENT LIABILITIES

As at 30 June 2015 and 31 December 2014 other non-current liabilities can be detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|------------------|------------------|
| Loans and other amounts payable to related parties | | |
| Plaza Mayor Parque de Ocio, SA | 1,973,769 | 2,017,783 |
| Others | 230,847 | 216,645 |
| | <u>2,204,616</u> | <u>2,234,428</u> |
| Other creditors | | |
| Creditors in the restructuring process of Torralta | 533,322 | 506,206 |
| Others | - | - |
| | <u>533,322</u> | <u>506,206</u> |
| Deferred income | - | - |
| Obligations by share-based payments (Note 20) | 156,194 | 333,229 |
| | <u>156,194</u> | <u>333,229</u> |
| Other non-current liabilities | <u>2,894,132</u> | <u>3,073,863</u> |

20. SHARE-BASED PAYMENTS

In 2015 and in previous years, the Sonae Capital Group granted deferred performance bonuses to employees, based on shares of Sonae Capital SGPS, SA to be acquired at nil cost, three years after they were attributed to the employee. In any case, 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 choice 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 30 June 2015 and 31 December 2014, 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 | |
|---------------|---------------|--------------|------------------------|----------------|------------------|
| | | | | 30 June 2015 | 31 December 2014 |
| Shares | | | | | |
| | 2012 | 2015 | 1 | 62,623 | 341,223 |
| | 2013 | 2016 | 8 | 425,339 | 423,280 |
| | 2014 | 2017 | 8 | 222,626 | 153,131 |
| | 2015 | 2018 | 8 | 269,287 | - |
| Total | | | | <u>979,875</u> | <u>917,634</u> |

As at 30 June 2015 and 31 December 2014, 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:

| | 30 June 2015 | 31 December 2014 |
|--|----------------|------------------|
| Other noncurrent liabilities (Note 19) | 156,194 | 333,229 |
| Other current liabilities | 397,258 | 341,223 |
| Reserves | 233,571 | 391,028 |
| Staff Costs | <u>319,882</u> | <u>283,426</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

21. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

As at 30 June 2015 and 31 December 2014 trade accounts payable can be detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|-------------------|-------------------|
| Trade creditors | 16,846,121 | 17,028,403 |
| Loans granted by and other payables to related parties | 488,590 | 107,740 |
| Other current liabilities | | |
| Fixed assets suppliers | 1,069,222 | 1,296,713 |
| Advances from customers and down payments | 2,981,208 | 4,350,703 |
| Other creditors | 1,891,039 | 2,220,512 |
| Taxes and contributions payable | 7,277,467 | 9,567,955 |
| Accrued staff costs | 6,929,255 | 5,987,039 |
| Amounts invoiced for works not yet completed | 6,276,448 | 4,667,245 |
| Accrued expenses with purchases - Energy Segment | 3,501,707 | 4,126,642 |
| Interest payable | 725,474 | 821,515 |
| Investment aid | 1,527,281 | 1,601,914 |
| Other liabilities | 9,452,414 | 9,584,112 |
| | <u>41,631,515</u> | <u>44,224,350</u> |
| Trade accounts payable and other current liabilities | <u>58,966,226</u> | <u>61,360,493</u> |

22. PROVISIONS AND ACUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the period ended 30 June 2015 were as follows:

| Captions | Balance as at 1 January 2015 | Increases | Decreases | Utilisations | Balance as at 30 June 2015 |
|--|------------------------------------|------------------|--------------------|--------------------|----------------------------------|
| Accumulated impairment losses on: | | | | | |
| Other Investments (Notes 5 and 9) | 323,782 | - | - | - | 323,782 |
| Other non-current assets (Note 10) | 34,916 | - | - | - | 34,916 |
| Trade accounts receivable (Note 12) | 4,356,479 | 457,784 | (609,426) | (28,025) | 4,176,811 |
| Other current assets (Note 12) | 6,356,349 | 85,434 | (62,890) | - | 6,378,893 |
| Stocks (Note 10) | 6,292,456 | - | (36,744) | - | 6,255,712 |
| Non-current provisions | 3,079,824 | - | - | - | 3,079,824 |
| Current provisions | 5,642,201 | 880,300 | (294,286) | (1,251,110) | 4,977,105 |
| | <u>26,086,008</u> | <u>1,423,517</u> | <u>(1,003,346)</u> | <u>(1,279,135)</u> | <u>25,227,043</u> |

As at 30 June 2015 and 31 December 2014 detail of other provisions was as follows:

| | 30 June 2015 | 31 December 2014 |
|------------------------------|------------------|------------------|
| Judicial claims | 2,013,136 | 1,802,697 |
| Provision for secured income | 3,746,782 | 4,350,846 |
| Others | 2,297,011 | 2,568,482 |
| | <u>8,056,929</u> | <u>8,722,025</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

23. OTHER OPERATIONAL INCOME

As at 30 June 2015 and 2014 the most important contingent liabilities

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|--------------------------|--------------------------|-------------------------|
| Own work capitalised | 1,835,769 | 1,218,013 |
| Gains on sales of assets | 8,067,685 | 244,012 |
| Supplementary income | 326,491 | 410,952 |
| Others | 3,943,855 | 1,074,431 |
| Total | <u><u>14,173,800</u></u> | <u><u>2,947,408</u></u> |

24. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2015 and 31 December 2014 the most important contingent liabilities referred to guarantees given and were made up as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--------------------------|---------------------|-------------------------|
| Guarantees given: | | |
| on VAT reimbursements | 5,163,386 | 5,064,574 |
| on tax claims | 8,230,902 | 5,729,805 |
| on municipal claims | 1,134,224 | 1,134,224 |
| Others | 12,170,716 | 14,418,892 |

Others include the following guarantees:

- 5,355,406 euro as at 30 June 2015 (7,507,705 euro as at 31 December 2014) of guarantees on construction works given to clients;
- 5,581,280 euro as at 30 June 2015 and as at 31 December 2014 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 the Group believes that the above mentioned events will not result in a loss for the Group.

25. TAXATION

As at 30 June 2015 and 2014, Taxation was made up as follows:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|-----------------|-----------------------|-----------------------|
| Current tax | 2,095,892 | 400,173 |
| Deferred tax | (1,124,882) | 503,480 |
| Taxation | <u><u>971,009</u></u> | <u><u>903,653</u></u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

26. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 June 2015 and 2014, the reconciliation of consolidated net profit can be analysed as follows:

| | 30 June 2015 | 30 June 2014 |
|---|----------------|--------------------|
| Aggregate net profit | (23,431,207) | 7,168,463 |
| Harmonisation adjustments | (376,908) | (1,133,822) |
| Elimination of intragroup dividends | (38,005,252) | (27,732,238) |
| Share of gains/(losses) of associated undertakings | 2,039,426 | 2,116,705 |
| Elimination of intragroup capital gains/(losses) | (3,221,077) | 11,590,777 |
| Elimination of intragroup impairment | 13,987,096 | (775,169) |
| Adjustments of gains/(losses) on assets disposals | 4,142,033 | - |
| Adjustments of gains/(losses) of financial shareholdings sale | 45,722,322 | 1,299,702 |
| Others | - | 279,690 |
| Consolidated net profit for the year | 856,433 | (7,185,892) |

27. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

| Transactions | Sales and services rendered | | Purchases and services obtained | |
|--|-----------------------------|-------------------|---------------------------------|------------------|
| | 30 June 2015 | 30 June 2014 | 30 June 2015 | 30 June 2014 |
| Parent company (a) | - | - | - | - |
| Associated companies | 194,561 | 17,898 | - | 14,628 |
| Other partners and Group companies (b) | 12,971,993 | 12,058,960 | - | 2,946,340 |
| | <u>13,166,554</u> | <u>12,076,858</u> | <u>-</u> | <u>2,960,968</u> |

| Transactions | Interest income | | Interest expenses | |
|--|-----------------|----------------|-------------------|---------------|
| | 30 June 2015 | 30 June 2014 | 30 June 2015 | 30 June 2014 |
| Parent company (a) | - | - | - | - |
| Associated companies | 503,679 | 507,178 | - | - |
| Other partners and Group companies (b) | - | - | 55,906 | 64,419 |
| | <u>503,679</u> | <u>507,178</u> | <u>55,906</u> | <u>64,419</u> |

| Balances | Accounts receivable | | Accounts payable | |
|--|---------------------|-------------------|------------------|------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Parent company (a) | - | - | - | - |
| Associated companies | 573,538 | 1,599,727 | 7,187 | 18,980 |
| Other partners and Group companies (b) | 7,937,109 | 11,254,391 | 2,387,126 | 2,243,084 |
| | <u>8,510,647</u> | <u>12,854,118</u> | <u>2,394,313</u> | <u>2,262,064</u> |

| Balances | Loans obtained | | Loans granted | |
|--|------------------|------------------|-------------------|-------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Parent company (a) | - | - | - | - |
| Associated companies | - | - | 20,354,651 | 19,368,854 |
| Other partners and Group companies (b) | 1,973,769 | 2,017,783 | - | - |
| | <u>1,973,769</u> | <u>2,017,783</u> | <u>20,354,651</u> | <u>19,368,854</u> |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

- 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 and Group companies.

28. EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2015 and 30 June 2014 were calculated taking into consideration the following amounts:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|--|---------------------|---------------------|
| Net profit | | |
| Net profit taken into consideration to calculate basic earnings per share (Net profit for the period) | 196,406 | (7,361,621) |
| Net profit taken into consideration to calculate diluted earnings per share | 196,406 | (7,361,621) |
| Number of shares | | |
| Weighted average number of shares used to calculated basic earnings per share | 246,303,242 | 246,190,249 |
| Weighted average number of shares used to calculated diluted earnings per share | 246,303,242 | 246,190,249 |
| Earnings per share (basic and diluted) | <u>0.000797</u> | <u>(0.029902)</u> |

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

29. SEGMENT INFORMATION

In 30 June 2015 and 2014 and 31 December 2014, the following were identified as segments:

- Resorts;
- Hotels;
- Fitness;
- Energy;
- Refrigeration and HVAC;
- Other Assets;
- Holding and Others.

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

The contribution of the business segments to the income statement of the periods ended 30 June 2015 and 30 June 2014 can be detailed as follows:

| 30 June 2015 | | | | | | | | |
|---------------------------------------|-------------------|-------------------|------------------|-------------------|------------------------|-------------------|--------------------------|-------------------|
| Profit and Loss Account | Resorts | Hotels | Fitness | Energy | Refrigeration and HVAC | Holding & Others | Intersegment Adjustments | Consolidated |
| Turnover | 10,664,927 | 6,315,682 | 7,447,919 | 28,593,085 | 26,192,105 | 7,051,824 | -8,327,122 | 77,938,420 |
| Other operational income | 5,066,634 | 182,883 | 197,501 | 735,788 | 359,647 | 6,432,009 | 1,199,338 | 14,173,799 |
| Total operational income | 15,731,561 | 6,498,565 | 7,645,420 | 29,328,873 | 26,551,752 | 13,483,833 | -7,127,784 | 92,112,220 |
| Operational cash-flow (EBITDA) | 1,277,841 | -3,180,591 | 854,687 | 5,699,524 | 847,818 | 6,602,520 | -39,701 | 12,062,098 |

| 30 June 2014 | | | | | | | | |
|---------------------------------------|-------------------|-------------------|------------------|-------------------|------------------------|------------------|--------------------------|-------------------|
| Profit and Loss Account | Resorts | Hotels | Fitness | Energy | Refrigeration and HVAC | Holding & Others | Intersegment Adjustments | Consolidated |
| Turnover | 18,483,144 | 5,595,308 | 6,903,760 | 20,270,424 | 26,839,292 | 7,710,601 | -8,224,462 | 77,578,067 |
| Other operational income | 626,757 | 219,646 | 197,273 | 595,590 | 309,303 | 389,122 | 609,717 | 2,947,408 |
| Total operational income | 19,109,901 | 5,814,954 | 7,101,033 | 20,866,014 | 27,148,595 | 8,099,723 | -7,614,745 | 80,525,475 |
| Operational cash-flow (EBITDA) | 1,827,572 | -3,470,166 | 919,112 | 4,321,153 | 234,670 | 789,941 | 78,127 | 4,700,409 |

The contribution of the business segments to the Balance sheets as at 30 June 2015 and 31 December 2014 can be detailed as follows:

| 30 June 2015 | | | | | | | | |
|--------------------------------------|--------------------|-------------------|-------------------|-------------------|------------------------|----------------------|--------------------------|--------------------|
| Balance Sheet | Resorts | Hotels | Fitness | Energy | Refrigeration and HVAC | Holding and Others | Intersegment Adjustments | Consolidated |
| Fixed Assets Tangible and Intangible | 131,821,957 | 13,589,273 | 8,721,632 | 24,929,512 | 10,120,998 | 112,349,424 | 557,923 | 302,090,719 |
| Investments | 41,798,605 | 22,021,422 | 27,675 | 203,565 | 3,096 | 594,937,372 | -623,305,605 | 35,686,130 |
| Other Assets | 100,609,448 | 53,799,031 | 3,161,776 | 12,243,004 | 43,370,850 | 607,942,449 | -544,015,361 | 277,111,196 |
| Total Assets | 274,230,010 | 89,409,726 | 11,911,083 | 37,376,081 | 53,494,944 | 1,315,229,245 | -1,166,763,042 | 614,888,045 |
| Total Liabilities | 231,358,024 | 49,724,019 | 8,936,849 | 35,174,155 | 20,741,668 | 504,562,381 | -544,490,656 | 306,006,440 |
| Technical investment | 561,753 | 427,087 | 211,605 | 1,270,999 | 123,814 | 4,140,439 | - | 6,735,697 |
| Gross Debt | 14,833,401 | - | 497,768 | 9,171,239 | - | 200,692,171 | - | 225,194,579 |
| Net Debt | 14,690,362 | -95,794 | 455,104 | 8,912,093 | -718,138 | 177,346,889 | - | 200,590,517 |

REPORT AND ACCOUNTS - JUNE 2015

Consolidated Financial Statements

31 December 2014

| Balance Sheet | Resorts | Hotels | Fitness | Energy | Refrigeration and HVAC | Holding and Others | Intersegment Adjustments | Consolidated |
|--------------------------------------|--------------------|-------------------|-------------------|-------------------|------------------------|----------------------|--------------------------|--------------------|
| Fixed Assets Tangible and Intangible | 135,559,390 | 13,705,579 | 9,301,498 | 26,480,547 | 10,176,911 | 113,983,432 | 518,223 | 309,725,580 |
| Investments | 39,365,628 | 31,163,716 | 24,563 | 120,196 | 611 | 613,053,027 | -628,915,555 | 54,812,186 |
| Other Assets | 106,471,805 | 42,913,396 | 2,854,314 | 11,866,682 | 41,948,979 | 990,664,413 | -925,265,587 | 271,453,999 |
| Total Assets | 281,396,823 | 87,782,691 | 12,180,375 | 38,467,424 | 52,126,501 | 1,717,700,872 | -1,553,662,919 | 635,991,765 |
| Total Liabilities | 232,409,762 | 37,437,989 | 8,905,387 | 38,162,518 | 19,532,634 | 921,903,264 | -929,697,083 | 328,654,472 |
| Technical investment | 1,768,152 | 470,708 | 1,285,193 | 2,637,973 | 311,956 | 2,484,157 | - | 8,958,139 |
| Gross Debt | 16,056,102 | - | 734,375 | 11,382,132 | 1,283,258 | 214,332,940 | - | 243,788,807 |
| Net Debt | 15,869,776 | -119,991 | 683,804 | 10,986,752 | -30,877 | 207,071,792 | - | 234,461,257 |

30. SUBSEQUENT EVENTS

No significant events, requiring further disclosure, have occurred after 30 June 2015.

31. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issue on 30 July 2015.

The Board of Directors

PART IV
**INDIVIDUAL FINANCIAL
STATEMENTS**
30 JUNE 2015



SONAE CAPITAL

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL BALANCE SHEETS AS AT 30 JUNE 2015 AND 31 DECEMBER 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| ASSETS | Notes | 30 June 2015 | 31 December 2014 |
|-------------------------------------|-------|----------------------|----------------------|
| NON CURRENT ASSETS: | | | |
| Tangible assets | | 27,552 | 28,987 |
| Investments | 4 | 415,432,455 | 434,115,996 |
| Deferred tax assets | 7 | 4,219,485 | 4,069,727 |
| Other non current assets | 5 | 543,645,531 | 197,085,531 |
| Total Non Current Assets | | <u>963,325,021</u> | <u>635,300,241</u> |
| CURRENT ASSETS: | | | |
| Other current assets | 6 | 241,010,068 | 573,184,059 |
| Cash and cash equivalents | 8 | 11,301,230 | 5,112,291 |
| Total Current Assets | | <u>252,311,297</u> | <u>578,296,350</u> |
| TOTAL ASSETS | | <u>1,215,636,319</u> | <u>1,213,596,591</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY: | | | |
| Share Capital | 9 | 250,000,000 | 250,000,000 |
| Own shares | 9 | (1,413,866) | (1,486,301) |
| Legal reserve | 10 | 9,463,225 | 8,611,464 |
| Other reserves | 10 | 309,676,446 | 293,493,001 |
| Profit / (Loss) for the period | | 14,384,362 | 17,035,205 |
| TOTAL EQUITY | | <u>582,110,167</u> | <u>567,653,369</u> |
| LIABILITIES: | | | |
| NON CURRENT LIABILITIES: | | | |
| Bank loans | 11 | 66,377,689 | 75,613,439 |
| Bonds | 11 | 42,067,924 | 52,013,159 |
| Other non current liabilities | | 46,000 | 157,880 |
| Total Non Current Liabilities | | <u>108,491,614</u> | <u>127,784,478</u> |
| CURRENT LIABILITIES | | | |
| Suppliers | | 79,173 | 107,498 |
| Bank loans | 11 | 42,240,000 | 36,293,800 |
| Other creditors | 12 | 480,154,410 | 476,548,040 |
| Other current liabilities | 13 | 2,560,955 | 5,209,406 |
| Total Current Liabilities | | <u>525,034,538</u> | <u>518,158,744</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>1,215,636,319</u> | <u>1,213,596,591</u> |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENTS BY NATURE

FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | Notes | 30 June 2015 | 30 June 2014 |
|---------------------------------|-------|--------------|--------------|
| Operational income | | | |
| Other operational income | | 11,721 | 20,337 |
| Total operational income | | 11,721 | 20,337 |
| Operational expenses | | | |
| External supplies and services | 14 | (492,334) | (218,874) |
| Staff costs | 15 | (695,513) | (641,774) |
| Depreciation and amortisation | | (1,436) | (1,750) |
| Other operational expenses | | (45,776) | (11,714) |
| Total operational expenses | | (1,235,059) | (874,112) |
| Operational profit/(loss) | | (1,223,338) | (853,775) |
| Financial income | 16 | 16,347,424 | 5,436,458 |
| Financial expenses | 16 | (4,915,471) | (5,238,040) |
| Net financial income/(expenses) | | 11,431,953 | 198,418 |
| Investment income | 16 | 3,500,638 | 15,645,955 |
| Profit/(loss) before taxation | | 13,709,253 | 14,990,598 |
| Taxation | 17 | 675,109 | 4,458,451 |
| Profit/(loss) for the period | | 14,384,362 | 19,449,049 |
| Profit/(loss) per share | | | |
| Basic and diluted | 18 | 0.058401 | 0.079000 |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENT BY NATURE

FOR THE THREE MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | <u>2nd Quarter 2015</u> <u>(Unaudited)</u> | <u>2nd Quarter 2014</u> <u>(Unaudited)</u> |
|---------------------------------|--|--|
| Operational income: | | |
| Other operational income | 4,623 | 381 |
| Total operational income | <u>4,623</u> | <u>381</u> |
| Operational expenses: | | |
| External supplies and services | (234,274) | (118,905) |
| Staff costs | (242,936) | (143,526) |
| Depreciation and amortisation | (426) | (874) |
| Other operational expenses | <u>(25,234)</u> | <u>(3,050)</u> |
| Total operational expenses | <u>(502,871)</u> | <u>(266,355)</u> |
| Operational profit/(loss) | <u>(498,248)</u> | <u>(265,974)</u> |
| Financial income | 9,281,739 | 2,822,967 |
| Financial expenses | <u>(2,548,324)</u> | <u>(2,692,799)</u> |
| Net financial income/(expenses) | <u>6,733,415</u> | <u>130,168</u> |
| Investment income | <u>(18,787,018)</u> | <u>389,533</u> |
| Profit/(loss) before taxation | <u>(12,551,850)</u> | <u>253,727</u> |
| Taxation | <u>363,114</u> | <u>1,762,658</u> |
| Profit/(loss) for the period | <u>(12,188,736)</u> | <u>2,016,385</u> |
| Profit/(loss) per share | | |
| Basic and diluted | (0.049487) | 0.008157 |

The accompanying notes are part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|--|---------------------|---------------------|
| Net profit for the period | 14,384,362 | 19,449,049 |
| Items that may subsequently be reclassified to net income: | | |
| Change in currency translation reserve | - | - |
| Share of other comprehensive income of associated undertakings and joint ventures accounted for by the equity method | - | - |
| Change in the fair value of assets available for sale | - | - |
| Change in the fair value of cash flow hedging derivatives | - | - |
| Income tax relating to components of other comprehensive income | - | - |
| Other comprehensive income for the period | - | - |
| Total comprehensive income for the period | <u>14,384,362</u> | <u>19,449,049</u> |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | <u>2nd Quarter 2015</u> <u>(Unaudited)</u> | <u>2nd Quarter 2014</u> <u>(Unaudited)</u> |
|---|--|--|
| Net profit for the period | (12,188,736) | 2,016,385 |
| Exchange differences on translating foreign operations | - | - |
| Share of other comprehensive income of associates and joint ventures accounted by the equity method | - | - |
| Change in the fair value of assets available for sale | - | - |
| Change in the fair value of cash flow hedging derivatives | - | - |
| Gains on property revaluation | - | - |
| Income tax relating to components of other comprehensive income | - | - |
| Other comprehensive income for the period | - | - |
| Total comprehensive income for the period | <u>(12,188,736)</u> | <u>2,016,385</u> |

The accompanying notes are part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

SONAE CAPITAL SGPS, SA

INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | Share Capital | Own Shares | Legal Reserve | Other Reserves | Sub total | Net profit / (loss) | Total Equity |
|---|--------------------|--------------------|------------------|--------------------|--------------------|------------------------|--------------------|
| Balance as at 1 January 2014 | 250,000,000 | (1,124,125) | 8,307,376 | 287,715,325 | 296,022,701 | 6,081,764 | 550,980,341 |
| Total comprehensive income for the period | - | - | - | - | - | 19,449,049 | 19,449,049 |
| Appropriation of profits: | | | | | | | |
| Transfer to legal reserve and retained earnings | - | - | 304,088 | 5,777,676 | 6,081,764 | (6,081,764) | - |
| Dividends distributed | - | - | - | - | - | - | - |
| (Acquisition)/disposal of own shares | - | (404,782) | - | - | - | - | (404,782) |
| Others | - | - | - | - | - | - | - |
| Balance as at 30 June 2014 | <u>250,000,000</u> | <u>(1,528,907)</u> | <u>8,611,464</u> | <u>293,493,001</u> | <u>302,104,465</u> | <u>19,449,049</u> | <u>570,024,607</u> |
| Balance as at 1 January 2015 | 250,000,000 | (1,486,301) | 8,611,464 | 293,493,001 | 302,104,465 | 17,035,205 | 567,653,369 |
| Total comprehensive income for the period | - | - | - | - | - | 14,384,362 | 14,384,362 |
| Appropriation of profits: | | | | | | | |
| Transfer to legal reserve and retained earnings | - | - | 851,760 | 16,183,445 | 17,035,205 | (17,035,205) | - |
| Dividends distributed | - | - | - | - | - | - | - |
| (Acquisition)/disposal of own shares | - | 72,435 | - | - | - | - | 72,435 |
| Others | - | - | - | - | - | - | - |
| Balance as at 30 June 2015 | <u>250,000,000</u> | <u>(1,413,866)</u> | <u>9,463,224</u> | <u>309,676,446</u> | <u>319,139,670</u> | <u>14,384,362</u> | <u>582,110,167</u> |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL CASH FLOW STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | <u>Notes</u> | <u>30 June 2015</u> | <u>30 June 2014</u> |
|--|--------------|----------------------------|--------------------------|
| <u>OPERATING ACTIVITIES</u> | | | |
| Cash paid to trade creditors | | 517,559 | 390,776 |
| Cash paid to employees | | 894,290 | 508,624 |
| Cash flow generated by operations | | <u>(1,411,849)</u> | <u>(899,400)</u> |
| Income taxes (paid)/received | | 519 | 1,227 |
| Other cash receipts/(payments) relating to operating activities | | <u>2,901</u> | <u>39,827</u> |
| Net cash flow from operating activities [1] | | <u><u>(1,409,466)</u></u> | <u><u>(860,800)</u></u> |
| <u>INVESTMENT ACTIVITIES</u> | | | |
| Cash receipts arising from: | | | |
| Investments | | 346,542,712 | - |
| Interest and similar income | | 5,496,655 | 4,979,203 |
| Dividends | | 22,184,180 | 14,870,786 |
| Loans obtained | | - | 14,957,934 |
| | | <u>374,223,547</u> | <u>34,807,923</u> |
| Cash payments arising from: | | | |
| Tangible assets | | 9,515 | - |
| Loans granted | | 352,952,772 | 29,714,614 |
| | | <u>352,962,288</u> | <u>29,714,614</u> |
| Net cash flow from investment activities [2] | | <u><u>21,261,260</u></u> | <u><u>5,093,309</u></u> |
| <u>FINANCING ACTIVITIES</u> | | | |
| Cash receipts arising from: | | | |
| Sale of own shares | | 72,435 | 42,606 |
| Loans obtained | | 12,618,574 | 42,500,000 |
| | | <u>12,691,009</u> | <u>42,542,606</u> |
| Cash Payments arising from: | | | |
| Interest and similar costs | | 3,905,063 | 5,687,638 |
| Acquisition of own shares | | - | 404,783 |
| Loans obtained | | 22,448,800 | 25,684,306 |
| | | <u>26,353,863</u> | <u>31,776,727</u> |
| Net cash flow from financing activities [3] | | <u><u>(13,662,855)</u></u> | <u><u>10,765,879</u></u> |
| Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3] | | <u>6,188,939</u> | <u>14,998,388</u> |
| Cash and cash equivalents at the beginning of the period | 8 | <u>5,112,291</u> | <u>786,250</u> |
| Cash and cash equivalents at the end of the period | 8 | <u><u>11,301,230</u></u> | <u><u>15,784,638</u></u> |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED 30 JUNE 2015 AND 2014

(Translation of the individual financial statements originally issued in Portuguese)

(Amounts expressed in euro)

| | <u>2nd Quarter 2015</u> <u>(Unaudited)</u> | <u>2nd Quarter 2014</u> <u>(Unaudited)</u> |
|--|--|--|
| <u>OPERATING ACTIVITIES</u> | | |
| Cash paid to trade creditors | 339,460 | 114,626 |
| Cash paid to employees | 696,747 | 230,519 |
| Cash flow generated by operations | <u>(1,036,207)</u> | <u>(345,145)</u> |
| Income taxes (paid)/received | (500) | 718 |
| Other cash receipts/(payments) relating to operating activities | <u>230,924</u> | <u>296,675</u> |
| Net cash flow from operating activities [1] | <u><u>(804,782)</u></u> | <u><u>(49,188)</u></u> |
| <u>INVESTMENT ACTIVITIES</u> | | |
| Cash receipts arising from: | | |
| Investments | (8,678) | - |
| Interest and similar income | 220,828 | 2,873 |
| Dividends | 22,184,180 | 14,870,786 |
| Loans granted | - | 14,957,934 |
| | <u>22,396,330</u> | <u>29,831,593</u> |
| Cash payments arising from: | | |
| Loans granted | <u>(1,167,228)</u> | <u>30,160,254</u> |
| | <u>(1,167,228)</u> | <u>30,160,254</u> |
| Net cash flow from investment activities [2] | <u><u>23,563,558</u></u> | <u><u>(328,661)</u></u> |
| <u>FINANCING ACTIVITIES</u> | | |
| Cash receipts arising from: | | |
| Sale of own shares | 72,435 | 42,606 |
| Loans obtained | 1,652,144 | 30,950,000 |
| | <u>1,724,579</u> | <u>30,992,606</u> |
| Cash Payments arising from: | | |
| Interest and similar costs | 2,608,692 | 3,643,843 |
| Loans obtained | 11,422,500 | 11,748,506 |
| | <u>14,031,192</u> | <u>15,392,349</u> |
| Net cash from financing activities [3] | <u><u>(12,306,614)</u></u> | <u><u>15,600,257</u></u> |
| Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3] | <u>10,452,162</u> | <u>15,222,408</u> |
| Cash and cash equivalents at the beginning of the period | <u>849,067</u> | <u>562,230</u> |
| Cash and cash equivalents at the end of the period | <u><u>11,301,230</u></u> | <u><u>15,784,638</u></u> |

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

(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 principal 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 2014.

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.

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

4. FINANCIAL INVESTMENTS

As at 30 June 2015 and 31 December 2014 Investments are detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|---|---------------------|---------------------|
| Investments in affiliated and associated undertakings | 494,491,377 | 494,491,377 |
| Investments in other companies | | |
| Sonae RE - (0.04%) | 1,200 | 1,200 |
| Fundo Invest. Imob. Imosonae Dois - (0.001%) | 2,546 | 2,546 |
| Matadouro Alto Alentejo, SA - (0.89%) | 1 | 1 |
| NET Novas Tecnologias, SA - (2.80%) | 23,034 | 23,034 |
| Saúde Atlântica - Gestão Hospitalar, SA (0.01%) | 34 | 34 |
| Fundo F HITEC - (6.48%) | 250,950 | 250,950 |
| | <u>494,769,143</u> | <u>494,769,143</u> |
| Impairment | <u>(79,336,688)</u> | <u>(60,653,147)</u> |
| | <u>415,432,455</u> | <u>434,115,996</u> |

4.1 Investments in affiliated and associated undertakings

As at 30 June 2015 and 31 December 2014, the detail of Investments in Affiliated and Associated Companies is as shown in the table below:

| Company | % Held | Fair Value | 30 June 2015 | | | Profit / (Loss) for the period |
|--|---------|------------|--------------------|--------------------|-------------|--------------------------------|
| | | | Book Value | Fair Value Reserve | Equity | |
| CAPWATT, S.G.P.S., S.A. | 100.00% | - | 2,725,000 | - | 2,796,513 | 91,124 |
| Fundo Esp de Invest. Imob Fechado WTC | 59.57% | - | 42,057,274 | - | 71,718,882 | 1,390,615 |
| Imoareia - Invest. Turísticos, S.G.P.S., S.A. | 100.00% | - | 167,132,793 | - | 82,108,948 | (703,427) |
| Interlog - SGPS, S.A. | 98.938% | - | 21,658,210 | - | 21,786,061 | 32,407 |
| Lidergraf - Artes Gráficas, SA. | 24.50% | - | 1,125,301 | - | 5,315,674 | 927,549 |
| Praedium SGPS, S.A. | 100.00% | - | 25,577,659 | - | 17,615,742 | (2,648,265) |
| Sonae Turismo, S.G.P.S., S.A. | 100.00% | - | 93,714,351 | - | 44,245,635 | (8,973,774) |
| SC Finance B.V. | 100.00% | - | 263,698 | - | (5,064,364) | (5,358,866) |
| SC-Eng. e Promoção imobiliária, S.G.P.S., S.A. | 100.00% | - | 34,575,100 | - | 28,099,135 | 981,570 |
| Sistavac, SGPS, S.A. | 70.00% | - | 32,492,436 | - | 41,800,719 | 652,514 |
| Solinca - Health & Fitness, S.A. | 100.00% | - | 13,553,639 | - | 736,261 | (484,184) |
| Spred, S.G.P.S., S.A. | 100.00% | - | 59,615,917 | - | 17,722,625 | (1,088,662) |
| Total | | | 494,491,377 | | | |

| Company | % Held | Fair Value | 31 December 2014 | | | Profit / (Loss) for the period |
|--|---------|------------|--------------------|--------------------|------------|--------------------------------|
| | | | Book Value | Fair Value Reserve | Equity | |
| CAPWATT, S.G.P.S., S.A. | 100.00% | - | 2,725,000 | - | 2,705,388 | (19,612) |
| Fundo Esp de Invest. Imob Fechado WTC | 59.57% | - | 42,057,274 | - | 70,328,267 | 2,177,577 |
| Imoareia - Invest. Turísticos, S.G.P.S., S.A. | 100.00% | - | 167,132,793 | - | 82,812,376 | (428,587) |
| Interlog - SGPS, S.A. | 98.938% | - | 21,658,210 | - | 21,753,654 | 84,688 |
| Lidergraf - Artes Gráficas, SA. | 24.50% | - | 1,125,301 | - | 5,315,674 | 927,549 |
| Praedium SGPS, S.A. | 100.00% | - | 25,577,659 | - | 20,264,008 | (2,512,717) |
| Sonae Turismo, S.G.P.S., S.A. | 100.00% | - | 93,714,351 | - | 53,056,218 | (23,739,606) |
| SC Finance B.V. | 100.00% | - | 263,698 | - | 294,502 | 16,205 |
| SC-Eng. e Promoção imobiliária, S.G.P.S., S.A. | 100.00% | - | 34,575,100 | - | 27,117,565 | (865,317) |
| Sistavac, SGPS, S.A. | 70.00% | - | 32,492,436 | - | 41,148,204 | 448,657 |
| Solinca - Health & Fitness, S.A. | 100.00% | - | 13,553,639 | - | 1,220,444 | (279,556) |
| Spred, S.G.P.S., S.A. | 100.00% | - | 59,615,917 | - | 40,939,316 | 23,292,661 |
| Total | | | 494,491,377 | | | |

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, based on external valuations of the real estate of group companies or DCF methodology, to assess the fair value of such investments.

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

As at 30 June 2015 and 31 December 2014, the detail of Impairments on Investments in Affiliated and Associated Companies is as shown in the table below.

| | <u>30 June 2015</u> | <u>31 December 2014</u> | <u>Variation (Note 16)</u> |
|----------------------------|---------------------|-------------------------|----------------------------|
| Fundo Esp.Inv.Imo.Fec. WTC | - | (159,628) | 159,628 |
| Spred, SGPS, SA | (35,769,387) | (16,926,218) | (18,843,169) |
| Sonae Turismo, SGPS, SA | <u>(43,567,301)</u> | <u>(43,567,301)</u> | - |
| | <u>(79,336,688)</u> | <u>(60,653,147)</u> | <u>(18,683,542)</u> |

5. OTHER NON-CURRENT ASSETS

As at 30 June 2015 and 31 December 2014, other non-current assets are detailed as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--|---------------------|-------------------------|
| Loans granted to group companies: | | |
| Sonae Turismo, SGPS, SA | 11,703,934 | 11,703,934 |
| Praedium, SGPS, SA | 85,134,991 | 85,134,991 |
| Imoareaia - Invest. Turísticos, S.G.P.S., SA | 94,593,637 | 94,593,637 |
| SC-Eng. e Promoção imobiliária, S.G.P.S., SA | 2,788,000 | 2,788,000 |
| Solinca - Health & Fitness, SA | 2,864,968 | 2,864,968 |
| SC Finance BV | <u>346,560,000</u> | - |
| | <u>543,645,531</u> | <u>197,085,531</u> |

These assets were not due or impaired as at 30 June 2015. The fair value of loans granted to Group companies is basically the same as their book value.

Loans to group companies bear interest at market rates and are repayable within a period exceeding one year. The interest rate as at 30 June 2015 stood, in average, at approximately 4.82%.

6. OTHER CURRENT ASSETS

As at 30 June 2015 and 31 December 2014, other current assets are made up as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--------------------------------|---------------------|-------------------------|
| Shareholding, other Operations | 4,242,705 | 4,077,753 |
| Loans granted | 214,127,372 | 207,734,600 |
| Other Debtors | 820,465 | 347,371,160 |
| Income tax withheld | 4,485,644 | 7,519,432 |
| Accrued income | 16,803,182 | 5,948,878 |
| Deferred costs | <u>530,699</u> | <u>532,236</u> |
| | <u>241,010,068</u> | <u>573,184,059</u> |

The balance registered at Shareholding, other Operations is related to the values transferred from subsidiaries under the IRC regime (RETGS).

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

As at 30 June 2015 and 31 December 2014, the item Loans Granted is related to financial operations with the following subsidiaries:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--|---------------------|-------------------------|
| Aqualuz - Turismo e Lazer, Lda | - | 139,000 |
| Bloco Q-Soc.Imobil.SA | - | 310,000 |
| Casa da Ribeira-Sociedade Imobiliária, S.A. | - | 8,000 |
| The Artist Porto Hotel & Bistrô - Activ. Hotel., S | - | 316,000 |
| Contacto Concessões, SGPS, S.A. | - | 1,041,000 |
| Imoareaia - Invest. Turísticos, SGPS, SA | 88,976,039 | 87,537,900 |
| Inparvi SGPS, SA | 121,327 | 118,000 |
| Martimope-Empreendimentos Turísticos, SA | - | 214,000 |
| Praedium SGPS, SA | 106,606,680 | 100,050,000 |
| Praedium II-Imobiliária,SA | - | 5,000 |
| SC-Eng. e promoção imobiliária,SGPS,S.A. | 3,891,700 | 2,890,200 |
| Sete e Meio Herdades-Inv. Agr. e Tur.,SA | - | 1,000 |
| Solinca - Health & Fitness, SA | 1,098,127 | 1,162,000 |
| Sótaqua - Soc. de Empreend. Turísticos | - | 6,000 |
| SC Finance BV | 395,000 | - |
| SC For - Serv. Form. Des. Rec. Humanos, Unip., | - | - |
| Spinveste-Gestão Imobiliária SGII,SA | - | 952,000 |
| Spinveste - Promoção Imobiliária, SA | - | 2,000 |
| CAPWATT, SGPS, S.A. | 13,038,500 | 12,982,500 |
| | <u>214,127,372</u> | <u>207,734,600</u> |

Loans to group companies bear interest at market rates and are repayable within a period inferior to one year. The interest rate as at 30 June 2015 stood, in average, at approximately 5.25%.

As at 30 June 2015 and 31 December 2014, the item State & Other public Entities are made up as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|-------------------------------|---------------------|-------------------------|
| Income tax withheld | 2,359,166 | 2,359,147 |
| Income tax (advanced payment) | 2,126,478 | 2,028,682 |
| Income tax | - | 3,131,602 |
| | <u>4,485,644</u> | <u>7,519,431</u> |

The value registered for as Tax Income (IRC) refers to the tax saving driven by the RETGS.

The amount registered in Accrued Income includes 16,795,304 euro relative to interest on loan granted to subsidiaries.

Deferred Costs includes 471,308 euro relative to bank commissions that are deferred for the loan period.

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

7. DEFERRED TAXES

Deferred tax assets and liabilities as at 30 June 2015 and 31 December 2014 can be detailed as follows, split between the different types of temporary differences:

| | Deferred tax assets | | Deferred tax liabilities | |
|----------------------------|---------------------|------------------|--------------------------|------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Tax losses carried forward | 4,219,485 | 4,069,727 | - | - |

During the periods ended 30 June 2015 and 31 December 2014, movements in deferred tax are as follows:

| | Deferred tax assets | | Deferred tax liabilities | |
|-------------------------------|---------------------|------------------|--------------------------|------------------|
| | 30 June 2015 | 31 December 2014 | 30 June 2015 | 31 December 2014 |
| Opening balance | 4,069,727 | 407,059 | - | - |
| Effect in results (Nota 17): | | | | |
| Tax losses carried forward | 149,757 | 3,687,193 | - | - |
| Others | - | (24,525) | - | - |
| | 4,219,485 | 4,069,727 | - | - |
| Effect in reserves: | - | - | - | - |
| Closing balance | 4,219,485 | 4,069,727 | - | - |

In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 30 June 2015 and 31 December 2014, tax losses carried forward can be summarized as follows:

| | 30 June 2015 | | | 31 December 2014 | | |
|-------------------|-----------------|---------------------|------------------|------------------|---------------------|------------------|
| | Prejuízo fiscal | Deferred tax assets | To be used until | Prejuízo fiscal | Deferred tax assets | To be used until |
| Generated in 2011 | 1,165,089 | 244,669 | 2015 | 1,165,089 | 244,669 | 2015 |
| Generated in 2013 | 61,175 | 12,847 | 2018 | 61,175 | 12,847 | 2018 |
| Generated in 2014 | 11,723,660 | 2,461,969 | 2018 | 18,153,387 | 3,812,211 | 2018 |
| Generated in 2015 | 7,142,857 | 1,500,000 | 2028 | - | - | - |
| | 20,092,781 | 4,219,485 | | 19,379,651 | 4,069,727 | |

8. CASH AND CASH EQUIVALENTS

As at 30 June 2015 and 31 December 2014, cash and cash equivalents can be detailed as follows:

| | 30 June 2015 | 31 December 2014 |
|--|--------------|------------------|
| Cash | 4 | 4 |
| Bank deposits | 11,301,226 | 5,112,287 |
| Cash and cash equivalents in the balance sheet | 11,301,230 | 5,112,291 |
| Bank overdrafts | - | - |
| Cash and cash equivalents in the cash flow statement | 11,301,230 | 5,112,291 |

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

9. EQUITY

The share capital of Sonae Capital SGPS, SA both in June 2015 and December 2014 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 30 June 2015 Sonae Capital SGPS, S.A. owns 5,885,471 own shares representing 2.354% of its share capital (6,068,850 shares as at 31 December 2014), with the value of 1,413,866 euro (1,486,301 euros as at 31 December 2014) (Note 10).

10. RESERVES

As at 30 June 2015, and 31 December 2014 the caption Other Reserves can be detailed as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--------------------|---------------------|-------------------------|
| Free reserves | 175,624,327 | 159,368,447 |
| Demerger reserve | 132,638,252 | 132,638,252 |
| Own shares reserve | 1,413,866 | 1,486,301 |
| | <u>309,676,446</u> | <u>293,493,001</u> |

The demerger reserve (Note 1), corresponds to the difference between the book value of the shareholding in SC, SGPS, SA (382,638,252 euro) which was spun off from Sonae, SGPS, SA to the Company, and the value of the share capital of the Company (250,000,000 euro). This reserve, 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.

Legal Reserve: According to the Company Law, at least 5% of the annual net profit must be transferred to the legal reserve until it represents 20% of share capital. This reserve cannot be distributed to shareholders, unless the company is liquidated, but can be used to cover prior year losses, once other reserves have been used fully, or for capital increases. As at 30 June 2015 the value of this caption is 9,463,225 euro.

Own shares reserve: This reserve, established in accordance with article 342 of the CSC, has the same amount of the value of own shares held by the company, and is unavailable as long as they are held by the company (Note 9).

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

11. LOANS

As at 30 June 2015 and 31 December 2014 this caption included the following loans:

| | 30 June 2015 | | 31 December 2014 | |
|---|-------------------|--------------------|-------------------|--------------------|
| | Current | Non Current | Current | Non Current |
| Bank loans | | | | |
| Sonae Capital SGPS - commercial paper a) | 13,000,000 | - | 17,253,800 | - |
| Sonae Capital SGPS - commercial paper d) | 8,250,000 | - | 8,250,000 | - |
| Sonae Capital SGPS - commercial paper b) | - | 18,200,000 | - | 28,900,000 |
| Sonae Capital SGPS - commercial paper c) | - | 30,000,000 | - | 30,000,000 |
| Sonae Capital SGPS e) | 3,290,000 | 10,692,500 | 3,290,000 | 12,337,500 |
| Sonae Capital SGPS - commercial paper g) | 3,500,000 | 3,000,000 | 3,500,000 | 4,750,000 |
| Sonae Capital SGPS - commercial paper j) | 3,000,000 | - | 4,000,000 | - |
| Sonae Capital SGPS - commercial paper i) | 1,200,000 | 4,800,000 | - | - |
| Up-front fees not yet charged to income statement | - | (314,811) | - | (374,061) |
| | <u>32,240,000</u> | <u>66,377,689</u> | <u>36,293,800</u> | <u>75,613,439</u> |
| Bank overdrafts (Nota 8) | - | - | - | - |
| | <u>32,240,000</u> | <u>66,377,689</u> | <u>36,293,800</u> | <u>75,613,439</u> |
| Bond Loans | | | | |
| Obrigações Sonae Capital 2011/2016 f) | 10,000,000 | - | - | 10,000,000 |
| Obrigações Sonae Capital 2014/2019 h) | - | 42,500,000 | - | 42,500,000 |
| Up-front fees not yet charged to income statement | - | (432,076) | - | (486,841) |
| | <u>10,000,000</u> | <u>42,067,924</u> | <u>-</u> | <u>52,013,159</u> |
| | <u>42,240,000</u> | <u>108,445,614</u> | <u>36,293,800</u> | <u>127,626,597</u> |

- 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.
- Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to August 2018, except if the reimbursement is anticipated under the contracted terms of the call/put option, in August 2016. This loan is guaranteed by a mortgage on real estate assets.
- Commercial paper programme, with subscription guarantee, issued on 27 December 2012 and valid up to December 2017.
- Commercial paper programme, with subscription guarantee, issued on 31 December 2013, with annual renewals up to 3 years.
- Bank loan guarantee by a mortgage on real estate, started on 2 June 2011 and valid up to September 2019, with quarterly payments.
- Bond loan Sonae Capital, SGPS 2011/2016, repayable after 5 years, in one instalment, on 17 January 2016. This bond issue pays interest every six months.
- Commercial paper programme, with subscription guarantee, issued on 7 May 2014 and valid for a 3 year period, with semi-annual payments.
- 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.
- Commercial paper programme, with subscription guarantee, issued on 18 March 2015 and valid till March 2020, with annual payments.
- Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to a maximum of 5 years.

The interest rate on bank loans and bonds in force on 30 June 2015 was on average 3.31%

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 the case 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.

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

12. OTHER CREDITORS

As at 30 June 2015 and 31 December 2014 other creditors can be detailed as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|------------------------------------|---------------------|-------------------------|
| <u>Other creditors</u> | | |
| Group companies - Short term loans | 475,875,572 | 472,356,998 |
| Other creditors | 4,278,838 | 4,191,042 |
| | <u>480,154,410</u> | <u>476,548,040</u> |

As at 30 June 2015 and 31 December 2014 the caption loans granted is relative to financial operations granted to the following subsidiaries:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|--|---------------------|-------------------------|
| Group companies - Short term loans: | | |
| Imobeauty, S.A. | - | 12,513,000 |
| Interlog-SGPS,SA | 21,769,000 | 21,774,000 |
| Porturbe-Edifícios e Urbanizações,SA | - | 13,000 |
| SC Finance BV | - | 263,000 |
| Sonae Turismo, S.G.P.S., S.A. | 32,861,207 | 16,030,513 |
| SC, SGPS, SA | 252,259,451 | 232,684,567 |
| Sistavac, SGPS, S.A. | 18,658,000 | 14,301,000 |
| Solinca-Investimentos Turísticos,SA | - | 3,610,000 |
| Soltroia-Imob.de Urb.Turismo de Tróia,SA | - | 9,000 |
| SC For - Serviços de Formação e Desenv d | 5000 | |
| SC Hospitality, SGPS, S.A | 136,142,841 | 135,685,517 |
| Spred, SGPS, SA | 14,180,073 | 35,473,400 |
| | <u>475,875,572</u> | <u>472,356,998</u> |

Loans obtained from group companies bear interest at market rates and are repayable within one year. The interest rate as at 30 June 2015 was, in average, approximately 0.50%.

The item Other Creditors, includes 4,270,059 euros relating to transfers from subsidiaries of tax estimates under the special regime RETGS.

13. OTHER CURRENT LIABILITIES

As at 30 June 2015 and 31 December 2014 other current liabilities can be detailed as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|----------------------------------|---------------------|-------------------------|
| <u>Other current liabilities</u> | | |
| Taxes payable | 649,449 | 4,170,928 |
| Accruals: | | |
| Staff costs | 266,186 | 339,294 |
| Interest payable | 1,566,535 | 657,638 |
| Other accruals | 78,172 | 37,253 |
| Deferred income | 613 | 4,292 |
| | <u>2,560,955</u> | <u>5,209,406</u> |

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

As at 30 June 2015 and 31 December 2014 the item Taxes payable can be detailed as follows:

| | <u>30 June 2015</u> | <u>31 December 2014</u> |
|------------------------------------|---------------------|-------------------------|
| Income taxation | 613,401 | 4,105,403 |
| Income taxation - amounts withheld | 18,441 | 42,766 |
| VAT | 69 | 69 |
| Social security contributions | 17,538 | 22,690 |
| | <u>649,449</u> | <u>4,170,928</u> |

14. EXTERNAL SUPPLIES AND SERVICES

As at 30 June 2015 and 2014 External Supplies and services can be detailed as follows:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|---------------------|---------------------|---------------------|
| Operational rents | 21,268 | 23,249 |
| Insurance costs | 26,307 | 25,750 |
| Travelling expenses | 10,021 | 12,384 |
| Services obtained | 396,727 | 132,010 |
| Other services | 38,012 | 25,480 |
| | <u>492,334</u> | <u>218,874</u> |

The item Services obtained includes, in 2015, 181 thousand euro of Holding costs that have not occur in 2014. On the other hand, the shared services fee was, in 2015, up about 95 thousand euro compared to 2014.

15. STAFF COSTS

As at 30 June 2015 and 2014, staff costs were made up as follows:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|---------------------------------|---------------------|---------------------|
| Governing bodies' remunerations | 596,456 | 562,016 |
| Social security contributions | 54,162 | 64,682 |
| Other staff costs | 44,895 | 15,075 |
| | <u>695,513</u> | <u>641,774</u> |

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

16. NET FINANCIAL EXPENSES AND INVESTMENT INCOME

As at 30 June 2015 and 2014, Net Financial Expenses and Investment Income can be detailed as follows:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|--|---------------------|---------------------|
| Interest payable and similar expenses | | |
| Interest arising from: | | |
| Bank loans | (1,534,553) | (3,422,320) |
| Bonds | (1,117,179) | (416,208) |
| Other | (981,303) | (29,032) |
| Other financial expenses | <u>(1,282,436)</u> | <u>(1,370,481)</u> |
| | <u>(4,915,471)</u> | <u>(5,238,040)</u> |
| Interest receivable and similar income | | |
| Interest income | <u>16,347,424</u> | <u>5,436,458</u> |
| | <u>16,347,424</u> | <u>5,436,458</u> |
| | <u>11,431,953</u> | <u>198,418</u> |
| Net financial expenses | <u>11,431,953</u> | <u>198,418</u> |
| Reversal of Impairment losses (Note 4.1) | (18,683,542) | 775,169 |
| Dividends received | <u>22,184,180</u> | <u>14,870,786</u> |
| Investment income | <u>3,500,638</u> | <u>15,645,955</u> |

As at 30 June 2015, the amount of dividends received is from Spred SGPS, SA.

17. TAXATION

As at 30 June 2015 and 2014, Taxation was made up as follows:

| | <u>30 June 2015</u> | <u>30 June 2014</u> |
|-----------------------|---------------------|---------------------|
| Current tax | 525,352 | (87,045) |
| Deferred tax (Note 7) | <u>149,757</u> | <u>4,545,496</u> |
| | <u>675,109</u> | <u>4,458,451</u> |

REPORT AND ACCOUNTS – JUNE 2015

Individual Financial Statements

18. EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2015 and 2014 were calculated taking into consideration the following amounts:

| | 30 June 2015 | 30 June 2014 |
|--|--------------------|--------------------|
| Net profit | | |
| Net profit taken into consideration to calculate basic earnings per share (Net profit for the period) | 14,384,362 | 19,449,049 |
| Effect of dilutive potential shares | - | - |
| Net profit taken into consideration to calculate diluted earnings per share | <u>14,384,362</u> | <u>19,449,049</u> |
| Number of shares | | |
| Weighted average number of shares used to calculate basic earnings per share | 246,303,242 | 246,190,249 |
| Weighted average number of shares used to calculate diluted earnings per share | <u>246,303,242</u> | <u>246,190,249</u> |
| Earnings per share (basic and diluted) | <u>0.058401</u> | <u>0.079000</u> |

19. 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 30 June 2015 shareholders' loan contracts were entered into with the SC Finance BV.

In the period ended 30 June 2015 short-term loan contracts were entered with the companies Spinveste Promoção Imobiliária, SC For - Serviços de Formação e Desenv de Rec Humanos Capwatt SGPS, SC Finance BV, Sistavac SGPS, SA, and Spred SGPS SA.

As at 30 June 2015 amounts due by affiliated companies can be summarized as follows:

Loans and Short term loans granted

| Companies | Closing Balance |
|---|--------------------|
| CAPWATT, SGPS, S.A. | 13,038,500 |
| Imoareia - Invest. Turísticos, S.G.P.S., SA | 183,569,676 |
| Inparvi SGPS, SA | 121,327 |
| Praedium, SGPS, SA | 191,741,671 |
| SC Finance BV | 346,955,000 |
| SC-Eng. e Promoção Imobiliária,SGPS,S.A. | 6,679,700 |
| Solinca - Health & Fitness, SA | 3,963,095 |
| Sonae Turismo, SGPS, SA | 11,703,934 |
| | <u>757,772,903</u> |

REPORT AND ACCOUNTS - JUNE 2015

Individual Financial Statements

As at 30 June 2015 amounts due to affiliated companies can be summarized as follows:

Short term loans obtained

| Companies | Closing Balance |
|---|--------------------|
| SC For - Serviços de Formação e Desenv de Rec Hur | 5,000 |
| Spred, SGPS, SA | 14,180,073 |
| Sistavac, SGPS, S.A. | 18,658,000 |
| Interlog-SGPS,SA | 21,769,000 |
| Sonae Turismo, S.G.P.S., S.A. | 32,861,207 |
| SC Hospitality, SGPS, S.A | 136,142,841 |
| SC, SGPS, SA | 252,259,451 |
| | <u>475,875,572</u> |

20. SUBSEQUENT EVENTS

No significant events, requiring further disclosure or adjusted, have occurred after 30 June 2015.

21. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors and authorized for issue on 30 July 2015.

Board of Directors

PART V

LIMITED REVIEW REPORT

30 JUNE 2015



SONAE CAPITAL



***Limited Review Report Prepared by Auditor Registered
with the Securities Market Commission (CMVM)
on the Consolidated Half Year Information***

(Free translation from the original in Portuguese)

Introduction

1 In accordance with the Portuguese Securities Market Code (CVM), we present our limited review report on the consolidated financial information for the six-month period ended June 30, 2015 of Sonae Capital, SGPS, S.A. included in the Management Report, consolidated balance sheet (which shows total assets of Euro 614,888,045 and total shareholders' equity of Euro 308,881,605, including non-controlling interests of Euro 9,185,084 and a net profit of Euro 196,406), consolidated income statement by nature, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and the corresponding notes to the accounts.

2 The amounts in the consolidated financial statements, as well as those in the additional financial information, are derived from the respective accounting records.

Responsibilities

3 It is the responsibility of the Board of Directors: (a) to prepare consolidated financial information which present fairly, in all material respects, the financial position of the companies included in the consolidation, the consolidated results and the consolidated comprehensive income of their operations, the changes in consolidated equity and the consolidated cash flows; (b) to prepare historical financial information in accordance with International Financial Reporting Standards as adopted by the European Union and which is complete, true, up-to-date, clear, objective and lawful as required by the CVM; (c) to adopt appropriate accounting policies and criteria; (d) to maintain appropriate systems of internal control; and (e) to disclose any significant matters which have influenced the activity, financial position or results.

4 Our responsibility is to verify the financial information included in the documents referred to above, namely as to whether it is complete, true, up-to-date, clear, objective and lawful, as required by the CVM, for the purpose of issuing an independent and professional report based on our work.

Scope

5 Our work was performed with the objective of obtaining moderate assurance about whether the financial information referred to above is free from material misstatement. Our work was performed in accordance with the Standards and Technical Recommendations issued by the Institute of Statutory Auditors, planned according to that objective, and consisted: (a) primarily, in enquiries and analytical procedures, to review: (i) the reliability of the assertions included in the financial information; (ii) the appropriateness and consistency of the accounting principles used, as applicable; (iii) the applicability, or not, of the going concern basis of accounting; (iv) the presentation of the financial information; (v) as to whether the consolidated financial information is complete, true, up-to-date, clear, objective and lawful; and (b) of substantive tests of unusual significant transactions.

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Matriculada na CRC sob o NUPC 506 628 752, Capital Social Euros 314.000
Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 9077*

6 Our work also covered the verification that the consolidated financial information included in the Management Report is consistent with the remaining documents referred to above.

7 We believe that the work performed provides a reasonable basis for the issue of this limited review report on the half year information.

Conclusions

9 Based on the work, which was performed with the objective of obtaining a moderate level of assurance, nothing has come to our attention that leads us to conclude that the consolidated financial information for the six-month period ended June 30, 2015 contain material misstatements that affect its conformity with International Financial Reporting Standards as adopted by the European Union and that it is not complete, true, up-to-date, clear, objective and lawful.

Report on other requirements

10 Based on the work, nothing has come to our attention that leads us to believe that the consolidated financial information included in the Management Report is not consistent with the consolidated financial information for the period.

July 31, 2015

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
Registered in the Comissão do Mercado de Valores Mobiliários with no. 9077
represented by:

Hermínio António Paulos Afonso, R.O.C.

(This is a translation, not to be signed)



***Limited Review Report Prepared by Auditor Registered
with the Securities Market Commission (CMVM)
on the Individual Half Year Information***

(Free translation from the original in Portuguese)

Introduction

1 In accordance with the Portuguese Securities Market Code (CVM), we present our limited review report on the financial information for the six-month period ended June 30, 2015 of Sonae Capital, SGPS, S.A. included in the Management Report, balance sheet (which shows total assets of Euro 1.215.636.319 and total shareholders' equity of Euro 582.110.167, including a net profit of Euro 14.384.362), income statement by nature, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and the corresponding notes to the accounts.

2 The amounts in the financial statements, as well as those in the additional financial information, are derived from the respective accounting records.

Responsibilities

3 It is the responsibility of the Board of Directors: (a) to prepare financial information which present fairly, in all material respects, the financial position of the Company, the results and the comprehensive income of their operations, the changes in equity and the cash flows; (b) to prepare historical financial information in accordance with International Financial Reporting Standards as adopted by the European Union and which is complete, true, up-to-date, clear, objective and lawful as required by the CVM; (c) to adopt appropriate accounting policies and criteria; (d) to maintain appropriate systems of internal control; and (e) to disclose any significant matters which have influenced the activity, financial position or results.

4 Our responsibility is to verify the financial information included in the documents referred to above, namely as to whether it is complete, true, up-to-date, clear, objective and lawful, as required by the CVM, for the purpose of issuing an independent and professional report based on our work.

Scope

5 Our work was performed with the objective of obtaining moderate assurance about whether the financial information referred to above is free from material misstatement. Our work was performed in accordance with the Standards and Technical Recommendations issued by the Institute of Statutory Auditors, planned according to that objective, and consisted: (a) primarily, in enquiries and analytical procedures, to review: (i) the reliability of the assertions included in the financial information; (ii) the appropriateness and consistency of the accounting principles used, as applicable; (iii) the applicability, or not, of the going concern basis of accounting; (iv) the presentation of the financial information; (v) as to whether the consolidated financial information is complete, true, up-to-date, clear, objective and lawful; and (b) of substantive tests of unusual significant transactions.

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6 Our work also covered the verification that the consolidated financial information included in the Management Report is consistent with the remaining documents referred to above.

7 We believe that the work performed provides a reasonable basis for the issue of this limited review report on the half year information.

Conclusions

9 Based on the work, which was performed with the objective of obtaining a moderate level of assurance, nothing has come to our attention that leads us to conclude that the financial information for the six-month period ended June 30, 2015 contain material misstatements that affect its conformity with International Financial Reporting Standards as adopted by the European Union and that it is not complete, true, up-to-date, clear, objective and lawful.

Report on other requirements

10 Based on the work, nothing has come to our attention that leads us to believe that the financial information included in the Management Report is not consistent with the financial information for the period.

July 31, 2015

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
Registered in the Comissão do Mercado de Valores Mobiliários with no. 9077
represented by:

Hermínio António Paulos Afonso, R.O.C.

(This is a translation, not to be signed)