



SONAE CAPITAL, SGPS, SA

Lugar do Espido, Via Norte, Maia

Share Capital: 250,000,000 Euro

Maia Commercial Registry and Fiscal Number 508 276 756

Sociedade Aberta

REPORT AND ACCOUNTS

30 JUNE 2012

(Translation from the Portuguese Original)



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REPORT OF THE BOARD OF DIRECTORS

30 JUNE 2012

Report of the Board of Directors 30 June 2012

- **Sonae Capital's 2Q12 and 1H12 results** denote some evident trends:
 - Focus on the optimization of the operational cost structures across all business units, even more critical in a scenario of repressed consumption and investment;
 - With the exception of Hotels and Energy, most businesses are facing increased pressure on sales margins driven by tougher market practices, and demanding for new commercial approaches;
 - Steady growth of the Energy business and pipeline of projects assumes a preponderant role in the reconfiguration of the Group's business portfolio.

Values in 10⁶ euro

	1H			2Q		
	2012	2011	Δ	2012	2011	Δ
Turnover	51.9	64.0	-19%	26.8	33.6	-20%
EBITDA	-3.2	-3.3	+3%	-0.1	0.1	-
EBIT	-10.3	-7.7	-33%	-3.7	-3.1	-18%
Net Financial Expenses	-5.6	-5.1	-10%	-2.4	-2.8	11%
Results from Associated Undertakings	3.1	2.8	12%	1.2	1.8	-36%
Investment Income	-1.1	22.1	-	-1.1	20.4	-
Net Profit	-12.8	12.6	-	-5.9	15.8	-
	30.06.12	31.12.11	Δ			
Capex	6.1	11.0	-45%			
Net Debt	273.0	261.1	+5%			

- Current macroeconomic and market settings for Portugal, with overall contraction of volumes and margins and high doses of uncertainty that generically set the tone in the business environment, were inevitably incorporated in the **2012 Group's strategic planning**:
 - The Group's strategic intents are aligned with the objective of releasing cash flow to feed in business areas assumed as strategic – Sonae Turismo and Spred – and attain debt reduction goal;
 - Non strategic assets and businesses shall continue to be actively marketed and addressed as key cash flow generators;
 - With the exception of the Energy business, any growth opportunities within Sonae Turismo and Spred will only be viable following a capital light approach.

1. CONSOLIDATED PROFIT AND LOSS STATEMENTS

Values in 10³ euro

	1H 12	1H 11	Δ (A/B)	2Q 12	2Q 11	Δ (C/D)
	(A)	(B)		(C)	(D)	
Turnover	51,908.1	63,990.4	-18.9%	26,807.3	33,551.7	-20.1%
Other Operational Income	3,685.4	7,892.8	-53.3%	2,256.4	4,332.8	-47.9%
Total Operational Income	55,593.5	71,883.2	-22.7%	29,063.7	37,884.5	-23.3%
Cost of Goods Sold	-15,955.4	-20,084.4	+20.6%	-8,113.1	-10,771.8	+24.7%
Change in Stocks of Finished Goods	-1,893.2	-1,005.4	-88.3%	-919.1	-491.2	-87.1%
External Supplies and Services	-20,937.9	-28,252.7	+25.9%	-10,656.1	-14,846.9	+28.2%
Staff Costs	-18,421.4	-20,425.9	+9.8%	-8,609.6	-10,026.2	+14.1%
Other Operational Expenses	-1,340.4	-3,081.0	+56.5%	-777.0	-1,416.6	+45.2%
Total Operational Expenses	-58,548.4	-72,849.3	+19.6%	-29,074.8	-37,552.8	+22.6%
EBITDA	-3,167.3	-3,268.1	+3.1%	-75.5	94.5	-
Amortisation and Depreciation	-7,175.7	-6,652.8	-7.9%	-3,609.0	-3,372.4	-7.0%
Provisions and Impairment Losses	-126.9	-75.3	-68.4%	-34.5	-62.2	+44.6%
Operational Profit/(Loss) (EBIT)	-10,257.5	-7,694.3	-33.3%	-3,654.5	-3,102.9	-17.8%
Net Financial Expenses	-5,623.4	-5,120.8	-9.8%	-2,444.3	-2,758.9	+11.4%
Share of Results of Associated Undertakings	3,076.3	2,750.9	+11.8%	1,184.2	1,839.6	-35.6%
Investment Income	-1,080.8	22,102.8	-	-1,083.1	20,409.5	-
Profit before Taxation	-13,885.4	12,038.6	-	-5,997.7	16,387.3	-
Taxation	1,090.3	538.1	>100%	108.4	-560.5	-
Net Profit	-12,795.1	12,576.8	-	-5,889.3	15,826.8	-
Attributable to Equity Holders of Sonae Capital	-12,450.5	12,202.6	-	-5,826.6	15,432.3	-
Attributable to Non-Controlling Interests	-344.7	374.1	-	-62.8	394.5	-

Turnover performance in the second quarter of the year did not differ substantially from that in the first quarter, evidencing a 20.1% decrease over the same period last year to 26.8 million euro, on the back of the still recessive stage of the economic cycle and its effects on consumption and investment. Turnover in the half year reached 51.9 million euro, 19% down on the 64.0 million euro in the first half of 2011.

Operational **EBITDA** amounted to negative 3.2 million euro in the first half of the year (negative 3.3 million euro in the first half of 2011) and was marginally negative in the second quarter of the year, being positively impacted by the decrease in operational expenses, 18% in the half year and 22% in the second quarter, on a like for like basis (i.e. excluding the impact of 2011 non-recurrent costs related with judicial claims which had been fully impaired and had a negative effect on 2011 comparable periods EBITDA).

Amortization and depreciation increased around 8% in the half year, to 7.2 million euro, driven by the increase of the fixed assets base following investments made in the last 12 months.

Net financial expenses increased 10% in the half year, to 5.6 million euro, reflecting the higher cost of debt, as a result of higher average spread, although second quarter's net financial expenses remained below the comparable period's figure mostly due to lower average debt level.

Share of results of associated undertakings increased 0.3 million euro to 3.1 million euro, mostly led by Norscut, which delivered a 2.1 million euro contribution.

Net profit for the half year was negative 12.8 million euro, 25.4 million euro down on first half 2011 net profit which included 20.3 million euro from the sale of the shareholding in TP.

2. BUSINESS HIGHLIGHTS

2.1. SONAE TURISMO

Values in 10³ euro

Contributions to Consolidated Turnover						
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
Resorts	5.0	5.8	-13.5%	2.8	2.8	-2.0%
Resort Development	2.7	3.0	-10.7%	1.3	0.9	+38.2%
Resort Management (Golf, Marina and Market)	0.7	0.8	-11.9%	0.5	0.6	-20.1%
Atlantic Ferries	1.6	2.0	-18.2%	1.0	1.3	-22.3%
Hotels	5.3	6.3	-16.7%	3.2	3.9	-18.6%
Fitness	6.4	8.7	-26.0%	3.2	4.2	-24.6%
Other Sonae Turismo	0.0	0.0	>100%	0.0	0.0	>100%
Sonae Turismo's contribution	16.7	20.8	-19.6%	9.2	11.0	-16.5%

Contributions to Consolidated EBITDA						
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
Resorts	-2.3	-3.7	+37.9%	-1.0	-0.9	-14.7%
Resort Development	-1.4	-3.1	+54.0%	-0.8	-0.8	+6.6%
Resort Management (Golf, Marina and Market)	-0.4	-0.5	+7.2%	-0.2	-0.2	+30.9%
Atlantic Ferries	-0.4	-0.1	<-100%	0.0	0.2	-
Hotels	-1.9	-2.9	+34.5%	-0.5	-1.0	+50.6%
Fitness	-0.6	0.7	-	-0.2	0.2	-
Other Sonae Turismo	0.4	0.3	+59.4%	0.3	-0.1	-
Sonae Turismo's contribution	-4.3	-5.7	+23.7%	-1.3	-1.7	+21.1%

With the exception of real estate sales at **troiaresort** (which grew 0.4 million euro in the second quarter of the year), **Sonae Turismo's top line** did not evidence any improvement in the quarter over last year's comparable following persistent pressures on available income and the corresponding effects in consumption. Quarterly turnover reached 9.2 million euro in the quarter, a 1.8 million euro decrease, and 16.7 million euro in the half year, down 4.1 million euro. Nevertheless, **EBITDA** performed better than last year and last quarter results reflect the impacts of the cost optimization process underway.

Fitness remained as the major contributor to the sub-holding's turnover decrease, with a 2.3 million euro drop in contribution to 6.4 million euro, mostly explained by lower new membership contracts (cancellations remained below last year's first half figures and average revenue per

member was in line with 2011 comparable). EBITDA remained 1.2 million euro below the first half of 2011, at negative 0.6 million euro.

Looking forward, in Fitness, efforts will remain mostly placed on the cost side, optimizing existing structures to face sharp decline in demand and recover past profitability levels.

In **Hotels**, lower activity levels and focus on efficiency improvement have been driving cost optimization at the business level, which has been particularly visible in Aqualuz Tróia (which improved 0.9 million euro in EBITDA to negative 1.2 million euro, despite of a 0.2 million euro decrease in turnover) and in Porto Palácio (which had a positive 3% EBITDA margin in the half year, improving from -1% in the first half of 2011).

According to its strategic roadmap, Hotel management team will proceed with the optimization of the cost structure in the existing units which is already underway.

Although no significant recovery in tourism real estate market was foreseen in the first half of the year, until 30 June 2012, 6 sales deeds were signed at **troiaresort** (which include 2 exchanges of residential units, 2 units with an underlying PPA signed and 2 direct sales deeds), compared to same number but lower average sales price in the first half of 2011. In addition to these units, 2 Try before Buy contracts (rental contracts with embedded call option) were signed in the period.

In **Resort Development**, and to fight tourism real estate crisis effects, a new marketing plan has been designed and is currently being implemented. New sales formats and distribution channels are emerging for **troiaresort** assets, with a clearer market positioning and fit to new market demand.

2.2. SPRED

Values in 10³ euro

Contributions to Consolidated Turnover						
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
Sistavac Group	23.9	34.0	-29.6%	12.1	18.4	-34.1%
Energy and Environment	6.0	2.8	>100%	3.0	1.5	>100%
Other Spred	4.1	2.6	+56.6%	1.9	1.3	+51.2%
Spred's contribution	34.0	39.4	-13.7%	17.0	21.1	-19.3%

Contributions to Consolidated EBITDA						
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
Sistavac Group	0.0	2.6	-99.6%	0.3	1.8	-82.5%
Energy and Environment	1.5	0.6	>100%	0.9	0.3	>100%
Other Spred	0.0	0.1	-	0.2	0.1	>100%
Spred's contribution	1.5	3.3	-54.7%	1.3	2.2	-38.0%

Spred's profitability profile has shifted in the last months, signaling the Group's investment in the Energy business, which has been growing its importance and partly offsetting the decrease in

Sistavac Group's results. Major businesses are still performing differently regarding turnover and EBITDA, evidencing different exposure levels to current market constraints.

Turnover for the half year amounted to 34.0 million euro, down 14% due to Sistavac's lower contribution, and **EBITDA** was positive 1.5 million euro, with Sistavac inverting last quarters' negative trend and evidencing a positive 0.3 million euro contribution to EBITDA.

Sistavac's Portuguese operations did not recover in the second quarter of the year, in either the refrigeration or HVAC segments, contributing to the 30% decrease in turnover in the half year, to 23.9 million euro, and 2.6 million euro decrease in EBITDA to close to zero figure. In Spain, turnover and EBITDA performance have been in accordance with the negative economic outlooks and increased competitive pressures in the market. Turnover decreased 1.0 million euro to 1.9 million euro and EBITDA was negative 0.2 million euro, a 0.2 million euro decrease. In Brazil, turnover increased 0.3 million euro to 1.4 million euro, following contracts signed with new customers, and EBITDA was still negative at 0.1 million euro, remaining roughly in line with the comparable period in 2011. In the second quarter of the year, traditionally more favorable, some recovery of first half deviations is expected to happen, although negative deviations towards last year figures should continue.

To overcome stagnant demand and market saturation in the Portuguese market regarding new refrigeration and HVAC projects, the development of the Maintenance business complemented with the expected impacts from an internal restructuring project which aims to adjust Sistavac cost structure to the new market conditions and size, are expected to drive Sistavac's performance in Portugal. As for growth, Sistavac's strategy is based on international expansion with, in the medium term, international operations leading growth and prevailing over domestic operations in what regards turnover and cash flow generation.

The Colombo cogeneration facility continued to explain the **Energy and Environment** increased contributions, up 3.2 and 0,9 million euro, to 6.0 million euro turnover and positive 1.5 million euro EBITDA, respectively. The Energy business has been growing its asset base and sustaining Spred's profitability over the recessive stage of the economic cycle.

In the second half of the year a new cogeneration facility should start operations and a photovoltaic project is already underway.

Looking forward, this business area will pursue the development of a relevant portfolio of energy production facilities, based on renewable sources, individual units of small/medium size and technological dispersion, positioning itself in specific market niches. International replica of the domestic growth model will be assessed once it delivers the desired success rates in Portugal, thus leading to geographical risk dispersion.

2.3. OTHERS

Values in 10³ euro

	Contributions to Consolidated Turnover					
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
SC Assets	1.1	3.6	-69.7%	0.6	1.3	-56.6%
Holding and Others	0.0	0.1	-67.1%	0.0	0.1	-99.2%
Others' contribution	1.1	3.7	-69.6%	0.6	1.4	-59.8%

	Contributions to Consolidated EBITDA					
	1H 12	1H 11	Δ	2Q 12	2Q 11	Δ
SC Assets	0.3	-0.2	-	0.1	0.0	>100%
Holding and Others	-0.6	-0.7	+6.6%	-0.2	-0.4	+58.6%
Others' contribution	-0.3	-0.9	+62.9%	-0.1	-0.4	+79.9%

SC Assets turnover performance was inevitably impacted by lower sales of real estate assets in the first half of the year.

The high diversity of non-strategic real estate assets comprised in SC Assets, together with real estate market prospects for assets with such characteristics, led to the strategic option of discontinuing real estate asset management as a business unit. As a consequence, Sonae Capital Group will no longer develop the segment of property ownership and real estate development and management, focusing SC Assets in monetizing non-core real estate assets, ensuring the optimal balance between the assets' value optimization and timeliness of sale, with the objective of delivering cash flow needed for the development of the Group's strategic businesses (namely Energy) and contribute to the reduction of debt levels.

2.4. GROUP'S PORTFOLIO

Summing up, under the new strategic approach the business portfolio was reconfigured and internal restructuring was made to ensure that focused and professional management teams are allocated to each one of the businesses. The recently appointed CFO will continue to ensure that liquidity management and debt reduction goal is on center of the Group's concerns.

Following the internal review, the Group has identified two strategic branches of business, Sonae Turismo and Spred, and a set of non-strategic assets, and in that sense available for sale, including SC Assets property, the participation units in the Imosede Fund, the shareholdings in Norscut (motorway concession) and health care business.

Investment in the medium term will be mostly explained by the Energy business. This business's steady cash flow generation profile and exposure to an economic cycle distinct from that affecting other Group's businesses, make it critical to the balance of Sonae Capital's portfolio.

As for the other business segments, in the current scenario, any growth options shall only be addressed following a capital light strategy.

3. CONSOLIDATED BALANCE SHEET

Values in 10³ euro

	30.06.2012	31.12.2011	Δ
Tangible and Intangible Assets	242,403.4	243,567.0	-0.5%
Goodwill	61,028.5	61,028.5	0.0%
Non Current Investments	64,388.8	61,075.6	+5.4%
Other Non Current Assets	49,203.3	45,384.1	+8.4%
Stocks	207,705.7	209,213.3	-0.7%
Trade Debtors and Other Current Assets	44,027.4	49,581.6	-11.2%
Cash and Cash Equivalents	4,019.1	3,980.6	+1.0%
Total Assets	672,776.1	673,830.8	-0.2%
Total Equity attributable to Equity Holders of Sonae Capital	316,025.2	327,628.9	-3.5%
Total Equity attributable to Non Controlling Interests	8,877.2	9,241.8	-3.9%
Total Equity	324,902.4	336,870.7	-3.6%
Non Current Borrowings	164,505.5	182,564.9	-9.9%
Deferred Tax Liabilities	11,688.7	11,535.4	+1.3%
Other Non Current Liabilities	10,051.3	10,341.5	-2.8%
Non Current Liabilities	186,245.6	204,441.7	-8.9%
Current Borrowings	112,473.9	82,557.5	+36.2%
Trade Creditors and Other Current Liabilities	49,154.1	49,960.9	-1.6%
Current Liabilities	161,628.1	132,518.3	+22.0%
Total Liabilities	347,873.7	336,960.1	+3.2%
Total Equity and Liabilities	672,776.1	673,830.8	-0.2%

Capex amounted to 6.1 million euro in the half year, 3.6 million euro of which attributable to the Energy business (2.4 million euro for a new cogeneration facility, expected to start operations in the second half of 2012, and 1.2 million euro regarding equipment for a new photovoltaic project). Fitness explained 1.1 million euro capex, comprising the renewal of the Fitness equipment and units under the rebranding of Solinca. Other contributions, minor in value, mostly regard maintenance capex.

Net debt reached 273.0 million euro at the end of the first half of 2012, compared to 261.1 million euro as at 31 December 2011. In the first half of the year, operational free cash flow remained positive at 1.0 million euro. Gearing as at 30 June 2012 was 84.0% (77.5% in 31 December 2011).

4. INDIVIDUAL FINANCIAL STATEMENTS

Sonae Capital, SGPS, SA, the holding company of the Group, posted a 813,827 euro net income, compared with 58,887 euro in the first half of the previous year. First half 2012 results include 382,921 euro from investment income arising from dividends paid by an associated company and evidence a 316,346 euro decrease in staff costs compared to the first half of 2011.

5. OWN SHARES

As a consequence of Sonae Capital's share performance on the Portuguese Stock Exchange, and in accordance with the approval given at the last Shareholders' General Meeting, Sonae Capital acquired, from 2 January to 20 June 2012, 270,600 **own shares** on NYSE Euronext Lisbon stock exchange market, at an average transaction price of 0.231 euro. After these transactions, as at 30 June 2012, Sonae Capital held 422,200 own shares representing circa 0.169% of its share capital.

Maia, 21 August 2012

The Board of Directors,



Glossary

- Capex = Investment in Tangible and Intangible Assets.
- Gearing = Net Debt / Equity.
- Net Debt = Non Current Loans + Current Loans – Cash and Cash Equivalents – Current Investments.
- EBITDA = Operational Profit (EBIT) + Amortisation and Depreciation + Provisions and Impairment Losses + Impairment Losses of Real Estate Assets in Stocks (included in Cost of Goods Sold) – Reversal of Impairment Losses and Provisions (included in Other Operating Income).



**APPENDIX TO THE
REPORT OF THE BOARD OF DIRECTORS
30 JUNE 2012**

Statement
Under the terms of Article 245, 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, where appropriate, and that the Report of the Board of Directors faithfully describes major events that occurred during the first half of 2012 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, 21 August 2012

Belmiro Mendes de Azevedo
Chairman 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

Maria Cláudia Teixeira de Azevedo
Member of the Board of Directors

GOVERNING BODIES
(Article 447 of the Portuguese Companies Act and nr.6 of Article 14 of CMVM Regulation nr. 5/2008)

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

	Date	Purchases		Sales		Balance as at
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2012 Quantity
Belmiro Mendes de Azevedo						
Attributable through Efanor Investimentos, SGPS, SA (*) (**) (***) (*****)	27-Mar-12	16,600,000	0,215	16,600,000	0,215	156,504,947
Álvaro Carmona e Costa Portela ^(c)						
Directly owned						3,242
Attributable through Sonae, SGPS, SA (**) (*****)	27-Mar-12			16,600,000	0,215	0
Maria Cláudia Teixeira de Azevedo						
Attributable through Efanor Investimentos, SGPS, SA (**) (*****) (*****)	27-Mar-12	16,600,000	0,215	16,600,000	0,215	156,504,947
Paulo José Jubilado Soares de Pinho ^(d)						
Directly owned						12,650
Attributable through Change Partners, SCR, SA (**)						8,125

(*) Majority shareholder.

(**) Member of the Board of Directors.

(***) Includes 837,000 shares directly owned (1,862 of which by the spouse).

(****) Includes 43,912 shares owned by Linhacom, SGPS, SA, company where Maria Cláudia Teixeira de Azevedo is majority shareholder and member of the Board of Directors.

(*****) Reported transactions regard the sale of Sonae Capital's shares by Sonae SGPS to Pareuro BV.

APPENDIX TO THE REPORT OF THE BOARD OF DIRECTORS AS AT 30 JUNE 2012 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 30.06.2012</u>
Efanor Investimentos, SGPS, SA (1)	
Sonae Capital, SGPS, SA	88,859,200
Pareuro, BV	2,000,000
Pareuro, BV	
Sonae Capital, SGPS, SA	66,600,000

(1) Around 99.99% of shares representing the share capital and voting rights of Efanor Investimentos, SGPS, SA are held by Belmiro Mendes de Azevedo.

QUALIFIED SHAREHOLDINGS

As required by number 1, c) of article 9 of CMVM Regulation Nr. 05/2008, the following shareholders held more than 2% of the company's share capital, as at 30 June 2012:

Shareholder	Nr. of Shares	% of Share Capital	% of Voting Rights
Efanor Investimentos, SGPS, S.A. (1)			
Directly Owned	88,859,200	35.544%	35.544%
Through Pareuro, BV (controlled by Efanor)	66,600,000	26.640%	26.640%
Through Belmiro Mendes de Azevedo (Chairman of the Board of Directors of Efanor)	837,000	0.335%	0.335%
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%	0.065%
Through descendants of Duarte Paulo Teixeira de Azevedo (Member of the Board of Directors of Efanor)	411	0.000%	0.000%
Through descendants of Nuno Miguel Teixeira de Azevedo (Member of the Board of Directors of Efanor)	1,312	0.001%	0.001%
Total attributable	<u>156,504,947</u>	<u>62.602%</u>	<u>62.602%</u>
CAIXA GEST - Técnicas de Gestão de Fundos, SA			
Through Fundo CXG ACC Portugal (controlled by Caixa Gest)	3,566,421	1.427%	1.427%
Through Fundo CXG PPA (controlled by Caixa Gest)	<u>1,438,218</u>	<u>0.575%</u>	<u>0.575%</u>
Total attributable	<u>5,004,639</u>	<u>2.002%</u>	<u>2.002%</u>
Mohnish Pabrai			
Through Pabrai Investment Fund II, L.P. (controlled by Mohnish Pabrai)	3,957,000	1.583%	1.583%
Through Pabrai Investment Fund 3, L.P. (controlled by Mohnish Pabrai)	5,624,000	2.250%	2.250%
Through Pabrai Investment Fund IV, L.P. (controlled by Mohnish Pabrai)	7,422,315	2.969%	2.969%
Through Dalal Street, L.L.C. (controlled by Mohnish Pabrai)	28,000	0.011%	0.011%
Through Dakshana Foundation (controlled by Mohnish Pabrai)	132,625	0.053%	0.053%
Through Harina Kapoor (spouse of Mohnish Pabrai)	<u>2,500</u>	<u>0.001%</u>	<u>0.001%</u>
Total attributable	<u>17,166,440</u>	<u>6.867%</u>	<u>6.867%</u>

(1) Around 99.99% of shares representing the share capital and voting rights of Efanor Investimentos, SGPS, SA are held by Belmiro Mendes de Azevedo.



CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2012

SONAE CAPITAL, SGPS, SA

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

(Amounts expressed in euro)

ASSETS	Notes	30.06.2012	31.12.2011
NON-CURRENT ASSETS:			
Tangible assets	7	235,012,003	236,088,219
Intangible assets	7	7,391,368	7,478,779
Goodwill	8	61,028,512	61,028,512
Investments in associated companies	5	63,373,401	60,060,236
Other investments	6 and 9	1,015,381	1,015,381
Deferred tax assets	13	26,428,445	23,563,437
Other non-current assets	10	22,774,834	21,820,629
Total non-current assets		<u>417,023,944</u>	<u>411,055,193</u>
CURRENT ASSETS:			
Stocks	11	207,705,735	209,213,344
Trade account receivables and other current assets	12	44,027,353	49,581,611
Cash and cash equivalents	14	4,019,065	3,980,640
Total Current Assets		<u>255,752,153</u>	<u>262,775,595</u>
TOTAL ASSETS		<u><u>672,776,097</u></u>	<u><u>673,830,788</u></u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	15	250,000,000	250,000,000
Own Shares		(99,071)	(36,143)
Reserves and retained earnings		78,574,763	74,670,814
Profit/(Loss) for the year attributable to the equity holders of Sonae Capital		(12,450,477)	2,994,272
Equity attributable to the equity holders of Sonae Capital		<u>316,025,215</u>	<u>327,628,943</u>
Equity attributable to non-controlling interests	16	8,877,224	9,241,777
TOTAL EQUITY		<u><u>324,902,439</u></u>	<u><u>336,870,720</u></u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Loans	17	164,505,541	182,564,884
Other non-current liabilities	19	6,971,520	7,155,507
Deferred tax liabilities	13	11,688,691	11,535,355
Provisions	22	3,079,824	3,185,974
Total Non-Current Liabilities		<u>186,245,576</u>	<u>204,441,720</u>
CURRENT LIABILITIES:			
Loans	17	112,473,937	82,557,493
Trade creditors and other current liabilities	21	48,138,355	48,905,639
Provisions	22	1,015,790	1,055,216
Total Current Liabilities		<u>161,628,082</u>	<u>132,518,348</u>
TOTAL LIABILITIES		<u><u>347,873,658</u></u>	<u><u>336,960,068</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>672,776,097</u></u>	<u><u>673,830,788</u></u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	Notes	30.06.2012	30.06.2011
Sales		23,700,417	34,512,244
Services rendered		28,207,696	29,478,157
Other operating income		3,685,390	7,892,751
Cost of sales		(15,955,446)	(20,084,357)
Changes in stocks of finished goods and work in progress		(1,893,209)	(1,005,390)
External supplies and services		(20,937,930)	(28,252,745)
Staff costs		(18,421,420)	(20,425,887)
Depreciation and amortization		(7,175,672)	(6,652,769)
Provisions and impairment losses		(126,910)	(75,347)
Other operating expenses		(1,340,437)	(3,080,970)
Operational profit/(loss)		(10,257,521)	(7,694,313)
Financial Expenses		(6,498,152)	(5,772,635)
Financial Income		874,677	651,809
Profit/(Loss) in associated undertakings	5	3,076,303	2,750,918
Investment income		(1,080,763)	22,102,836
Profit/(Loss) before taxation		(13,885,456)	12,038,615
Taxation	25	1,090,274	538,144
Profit/(Loss) for the year	26	(12,795,182)	12,576,759
Attributable to:			
Equity holders of Sonae Capital		(12,450,477)	12,202,648
Non-controlling interests	16	(344,705)	374,111
Profit/(Loss) per share			
Basic	27	(0.049882)	0.048811
Diluted	27	(0.049882)	0.048811

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL, SGPS, SA
CONSOLIDATED INCOME STATEMENTS BY NATURE
FOR THE 2nd QUARTERS OF 2012 AND 2011

(Amounts expressed in euro)

	Notes	2 nd Quarter 12 ¹	2 nd Quarter 11 ¹
Sales		12,073,927	17,542,509
Services rendered		14,733,382	16,009,200
Other operating income		2,256,438	4,332,798
Cost of sales		(8,113,136)	(10,771,775)
Changes in stocks of finished goods and work in progress		(919,069)	(491,179)
External supplies and services		(10,656,057)	(14,846,917)
Staff costs		(8,609,558)	(10,026,239)
Depreciation and amortization		(3,608,985)	(3,372,386)
Provisions and impairment losses		(34,487)	(62,245)
Other operating expenses		(776,981)	(1,416,648)
Operational profit/(loss)		<u>(3,654,526)</u>	<u>(3,102,882)</u>
Financial Expenses		(2,846,763)	(3,120,681)
Financial Income		402,390	361,761
Profit/(Loss) in associated undertakings	5	1,184,243	1,839,615
Investment income		<u>(1,083,110)</u>	<u>20,409,511</u>
Profit/(Loss) before taxation		(5,997,766)	16,387,324
Taxation	25	108,395	<u>(560,511)</u>
Profit/(Loss) for the year	26	<u>(5,889,371)</u>	<u>15,826,813</u>
Attributable to:			
Equity holders of Sonae Capital		(5,826,596)	15,432,286
Non-controlling interests	16	<u>(62,775)</u>	<u>394,527</u>
Profit/(Loss) per share			
Basic	27	(0.023346)	0.061729
Diluted	27	<u>(0.023346)</u>	<u>0.061729</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

SONAE CAPITAL, SGPS, SA
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	30.06.2012	30.06.2011
Consolidated net profit/(loss) for the period	(12,795,182)	12,576,759
Changes in the currency translation differences	1,193,096	(21,851)
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	41,262	2,594,296
Change in the fair value of assets available for sale	-	-
Change in the fair value of cash flow hedging derivatives	(353,147)	545,767
Other comprehensive income for the period	881,211	3,118,212
Total comprehensive income for the period	<u>(11,913,971)</u>	<u>15,694,971</u>
Attributable to:		
Equity holders of Sonae Capital	(11,549,418)	15,319,633
Non-controlling interests	<u>(364,553)</u>	<u>375,338</u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL, SGPS, SA
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 2nd QUARTERS OF 2012 AND 2011
(Amounts expressed in euro)

	2 nd Quarter 12 ¹	2 nd Quarter 11 ¹
Consolidated net profit/(loss) for the period	(5,889,371)	15,826,813
Changes in the currency translation differences	1,201,884	18,730
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	511,923	1,997,066
Change in the fair value of assets available for sale	-	-
Change in the fair value of cash flow hedging derivatives	(53,468)	(369,999)
Other comprehensive income for the period	1,660,339	1,645,797
Total comprehensive income for the period	<u>(4,229,032)</u>	<u>17,472,610</u>
Attributable to:		
Equity holders of Sonae Capital	(4,148,448)	17,078,736
Non-controlling interests	<u>(80,584)</u>	<u>393,874</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

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in Euro)

	Attributable to Equity Holders of Sonae Capital							Net Profit/(Loss)	Total	Non-Controlling Interests	Total Equity	
	Share Capital	Own Shares	Demerger Reserve (Note 16)	Translation Reserves	Fair Value Reserves	Hedging Reserves	Other Reserves and Retained Earnings					Sub total
Balance as at 1 January 2011	250,000,000	-	132,638,253	(1,129,394)	-	(854,880)	(49,318,776)	81,335,203	(4,420,429)	326,914,774	12,454,796	339,369,570
Total consolidated comprehensive income for the period	-	-	-	(15,296)	-	537,985	2,594,296	3,116,985	12,202,648	15,319,633	375,338	15,694,971
Appropriation of profit of 2010												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	(4,420,429)	(4,420,429)	4,420,429	-	-	-
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	(1,596,425)	(1,596,425)	-	(1,596,425)	(4,103,273)	(5,699,698)
Other changes	-	-	-	-	-	-	3,248	3,248	-	3,248	(1,860)	1,388
Balance as at 30 June 2011	<u>250,000,000</u>	<u>-</u>	<u>132,638,253</u>	<u>(1,144,690)</u>	<u>-</u>	<u>(316,895)</u>	<u>(52,738,086)</u>	<u>78,438,582</u>	<u>12,202,648</u>	<u>340,641,230</u>	<u>8,725,001</u>	<u>349,366,231</u>
Balance as at 1 January 2012	250,000,000	(36,143)	132,638,253	(1,179,502)	-	(1,737,980)	(55,049,957)	74,670,814	2,994,272	327,628,943	9,241,777	336,870,720
Total consolidated comprehensive income for the period	-	-	-	1,206,031	-	(346,234)	41,262	901,059	(12,450,477)	(11,549,418)	(364,553)	(11,913,971)
Appropriation of profit of 2011												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	2,994,272	2,994,272	(2,994,272)	-	-	-
Acquisition of own shares	-	(62,928)	-	-	-	-	-	-	-	(62,928)	-	(62,928)
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	309,716	-	-	(301,098)	8,618	-	8,618	-	8,618
Balance as at 30 June 2012	<u>250,000,000</u>	<u>(99,071)</u>	<u>132,638,253</u>	<u>336,245</u>	<u>-</u>	<u>(2,084,214)</u>	<u>(52,315,521)</u>	<u>78,574,763</u>	<u>(12,450,477)</u>	<u>316,025,215</u>	<u>8,877,224</u>	<u>324,902,439</u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS AND THREE MONTHS ENDED JUNE 2012 AND 2011

(Amounts expressed in Euro)

	Notes	30.06.2012	30.06.2011	2 nd Quarter 12 ¹	2 nd Quarter 11 ¹
OPERATING ACTIVITIES:					
Cash receipts from trade debtors		52,418,213	70,638,901	24,190,921	31,475,429
Cash receipts from trade creditors		(33,132,608)	(48,864,713)	(13,893,472)	(20,001,993)
Cash paid to employees		(18,719,120)	(19,812,602)	(9,989,555)	(10,779,971)
Cash flow generated by operations		566,485	1,961,586	307,894	693,465
Income taxes (paid) / received		(467,785)	(1,611,667)	(313,117)	(646,017)
Other cash receipts and (payments) relating to operating activities		935,198	(2,496,822)	(557,227)	(1,951,032)
Net cash flow from operating activities (1)		1,033,898	(2,146,903)	(562,450)	(1,903,584)
INVESTMENT ACTIVITIES:					
Cash receipts arising from:					
Investments		19,485	40,910,953	-	38,410,953
Tangible assets		168,570	635,984	163,063	332,597
Interest and similar income		130,543	214,969	32,540	145,432
Loans granted		-	96,856	-	-
		465,985	42,008,264	342,990	39,038,484
Cash Payments arising from:					
Investments		(264,718)	(6,027,865)	(264,718)	(23,721)
Tangible assets		(5,936,261)	(7,123,615)	(3,235,749)	(3,800,769)
Intangible assets		(12,176)	(396,797)	1,034	(374,562)
Loans granted		-	-	3,600	3,250,000
		(6,213,155)	(13,548,277)	(3,495,833)	(949,052)
Net cash used in investment activities (2)		(5,747,170)	28,459,987	(3,152,843)	38,089,432
FINANCING ACTIVITIES:					
Cash receipts arising from:					
Loans obtained		33,603,424	48,979,969	12,249,861	34,616,106
		33,603,424	48,979,969	12,249,861	34,616,106
Cash Payments arising from:					
Loans obtained		(21,929,669)	(70,362,507)	(5,287,959)	(69,045,474)
Interest and similar charges		(6,601,948)	(5,441,259)	(1,711,587)	(3,148,542)
Purchase of own shares		(62,927)	-	(8,011)	-
		(28,594,544)	(75,803,766)	(7,007,557)	(72,194,016)
Net cash used in financing activities (3)		5,008,880	(26,823,797)	5,242,304	(37,577,910)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		295,608	(510,713)	1,527,011	(1,392,062)
Effect of foreign exchange rate		(15,712)	(2,397)	(36,950)	(2,488)
Cash and cash equivalents at the beginning of the period	14	2,986,070	2,497,210	1,733,429	3,378,468
Cash and cash equivalents at the end of the period	14	3,297,390	1,988,894	3,297,390	1,988,894

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

SONAE CAPITAL, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2012

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

(Amounts express in Euro)

1. INTRODUCTION

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

Following the strategic review process which took place in the first half of 2012, two distinct and autonomous business areas, were identified as strategic:

- The first, headed by Sonae Turismo, SGPS, SA, includes businesses in tourism, through the development and management of tourism resorts, in hotels, through management of hotels and services, and in health and fitness through management of health clubs;
- The second business area, headed by Spred, SGPS, SA, includes businesses in three segments: refrigeration, HVAC and maintenance; Energy and Environment businesses (energy services in the areas of cogeneration, solar thermal and photovoltaic) and management of a financial portfolio in an investment basis.

As a result of the strategic review carried out, the management of real estate properties as autonomous business area was discontinued, thereby ceasing the development of the business segment comprising the ownership, development and management of real state.

2. MAIN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the financial statements presented for the year ended 31 December 2011.

Basis of preparation

Interim financial statements are 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, except for derivative financial instruments which are stated at fair value.

3. CHANGES IN ACCOUNTING POLICIES

During the period ended 30 June 2012 there were no changes in accounting policies compared with those disclosed as at 31 December 2011.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

As 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 2012 and 31 December 2011, are as follows:

Company	Head Office	Percentage of capital held			
		30 June 2012		31 December 2011	
		Direct	Total	Direct	Total
Sonae Capital SGPS, SA	Maia	Holding	Holding	Holding	Holding
Tourism					
Aqualuz - Turismo e Lazer, Lda	a) Lagos	100.00%	100.00%	100.00%	100.00%
Casa da Ribeira - Hotelaria e Turismo, SA	a) Marco de Canaveses	100.00%	100.00%	100.00%	100.00%
Atlantic Ferries - Traf.Loc.Flu.e Marit., SA	a) Grândola	80.00%	80.00%	80.00%	80.00%
1) Fundo Especial de Investimento Imobiliário Fechado WTC	a) Maia	99.84%	99.84%	99.84%	99.84%
Golf Time - Golfe e Inv.Turisticos, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
Imoareia Investimentos Turísticos,SGPS, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
1) Imoferro-Soc.Imobiliária, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Imopenínsula - Sociedade Imobiliária, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Imoresort - Sociedade Imobiliária, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Investalentejo, SGPS, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Marimo-Exploração Hoteleira 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%
Marina Magic -Exploração de Centros Lúd, SA	a) Lisbon	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%
Modus Faciendi – Gestão e Serviços, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
SII - Soberana Investimentos Imobiliários, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Sete e Meio-Investimentos e Consultadoria,SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Solinca - Health & Fitness, SA	a) Lisbon	100.00%	100.00%	100.00%	100.00%
Solinca-Investimentos Turísticos, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
Solinfitness - Club Málaga, SL	a) Malaga (Spain)	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%
Sonae Turismo - SGPS, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
Sontur, BV	a) Amsterdam (The Netherlands)	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%
Troiareort - Investimentos Turísticos, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Troiaverde-Expl.Hoteleira Imob., 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%
1) World Trade Center Porto, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
SC Assets					
Bloco Q-Sociedade Imobiliária, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
Bloco W-Sociedade Imobiliária, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Empreend.Imob.Quinta da Azenha, 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%
Country Club da Maia-Imobiliaria, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Espimaia, SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imobiliária da Cacela, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imoclub-Serviços Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imodivor - Sociedade Imobiliária, 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%
Porturbe-Edifícios e Urbanizações, 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 – Serviços, 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 Assets, 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%
Soconstrução, BV	a)	Amsterdam (The Netherlands)	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 SGII, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
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)	Porto	100.00%	100.00%	100.00%	100.00%
Spred						
Contacto Concessões, SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Cronosaúde – Gestão Hospitalar, SA	a)	Porto	100.00%	50.00%	100.00%	50.00%
Ecociclo II – Energias, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Edifícios Saudáveis Consultores - Ambiente e Energia em Edifícios, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
Friengineering, SA	a)	São Paulo (Brazil)	100.00%	70.00%	100.00%	70.00%
Inparvi SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Integrum Colombo – Energia, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Integrum-Energia, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Integrum Vale do Caima- Energia, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Invesaude – Gestão Hospitalar, SA	a)	Maia	100.00%	50.00%	100.00%	50.00%
Martimope - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
PJP - Equipamento de Refrigeração, Lda	a)	Matosinhos	100.00%	70.00%	100.00%	70.00%
Saúde Atlântica - Gestão Hospitalar, SA	a)	Maia	50.00%	50.00%	50.00%	50.00%
SC – Eng. e Promo Imobiliária,SGPS,SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
2) Sistavac, SGPS, SA	a)	Matosinhos	70.00%	70.00%	70.00%	70.00%

Sistavac, SA	a)	Matosinhos	100.00%	70.00%	100.00%	70.00%
SKK Distribucion de Refrigeración, S.R.L.	a)	Spain	100.00%	70.00%	100.00%	70.00%
SKK-Central de Distr., SA	a)	Porto	100.00%	70.00%	100.00%	70.00%
SKKFOR - Ser.For.e Desen. de Recursos, SA	a)	Maia	100.00%	70.00%	100.00%	70.00%
Société de Tranchage Isoroy SAS	a)	Honfleur (France)	100.00%	100.00%	100.00%	100.00%
Sopair, SA	a)	Madrid (Spain)	100.00%	70.00%	100.00%	70.00%
Spinaraq-Engenharia, Energia e Ambiente, SA	a)	Luanda (Angola)	99.90%	99.90%	99.90%	99.90%
Spred SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Others						
Interlog-SGPS, SA	a)	Lisbon	98.98%	98.98%	98.98%	98.98%
3) Rochester Real Estate, Ltd	a)	Kent (U.K.)	100.00%	100.00%	100.00%	100.00%
SC – Sociedade de Consultadoria, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
SC-SGPS, SA	a)	Porto	100.00%	100.00%	100.00%	100.00%
SC Finance, BV	a)	Amsterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
a)	Majority of voting rights					
1)	Company included in the SC Assets segment in 2011					
2)	Ex-Selfrio, SGPS, S.A.					
3)	Company dissolved in the period					

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 2012 and 31 December 2011 are as follows:

Company	Head Office	Percentage of capital held				Book Value	
		30 June 2012		31 December 2011		30 June 2012	31 December 2011
		Direct	Total	Direct	Total		
Tourism and SC Assets							
Andar - Sociedade Imobiliária, SA	Maia	50.00%	50.00%	50.00%	50.00%	851,591	860,217
1) Sociedade de Construções do Chile, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
Fundo de Investimento Imobiliário Fechado Imosedo	Maia	45.45%	45.45%	45.45%	45.45%	58,962,346	57,713,465
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%	-	-
Spred							
Lidergraf - Artes Gráficas, Lda	Vila do Conde	24.50%	24.50%	24.50%	24.50%	331,363	400,936
Norscut - Concessionária de Scut Interior Norte, SA	Lisbon	36.00%	36.00%	36.00%	36.00%	3,204,101	1,061,618
Operscut - Operação e Manutenção de Auto-estradas, SA	Lisbon	15.00%	15.00%	15.00%	15.00%	24,000	24,000
Total						63.373.401	60.060,236

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 2012 and 31 December 2011, aggregate values of main financial indicators of associated and jointly controlled companies can be analysed as follows:

	30 June 2012	31 December 2011
Total Assets	811,540,095	815,672,321
Total Liabilities	626,586,301	639,016,620
Income	66,012,366	124,980,188
Expenses	57,216,069	114,912,419

During the periods ended 30 June 2012 and 31 December 2011, movements in investments and associated companies may be summarized as follows:

	30 June 2012	30 June 2011
Opening balance as at 1 January	60,092,179	72,410,209
Acquisitions in the period	195,600	172,712
Disposals in the period	-	(17,557,623)
Equity method	3,117,565	5,345,214
Closing balance as at 30 June	63,405,344	60,370,512
Accumulated impairment losses (Note 22)	(31,943)	(31,943)
	63,373,401	60,338,569

The use of the equity method had the following impacts: 3,076,303 euro recorded in share of results of associated undertakings (2,750,918 euro at 30 June 2011) and 41,262 euro in changes in reserves (2,594,296 euro at 30 June 2011).

6. GROUP COMPANIES, JOINTLY CONTROLLED COMPANIES AND ASSOCIATED COMPANIES EXCLUDED FROM CONSOLIDATION AND INVESTMENTS HELD FOR SALE

Group companies, jointly controlled companies and associated companies excluded from consolidation, their head offices, percentage of share capital held and book value as at 30 June 2012 and 31 December 2011 are made up as follows:

Company	Head Office	Percentage of capital held				30 June 2012	31 December 2011
		30 June 2012		31 December 2011			
		Direct	Total	Direct	Total		
Tourism							
Infratroia – Emp. de Infraest. de Troia, E.N.	Grândola	25.90%	25.90%	25.90%	25.90%	64,747	64,747
SC Assets							
Fundo de Investimento Imobiliário Imosonae Dois	Maia	0.06%	0.06%	0.06%	0.06%	112,025	112,025
Spred							
Net, SA	Lisbon	2.80%	2.80%	2.80%	2.80%	11,132	11,132
Sear - Sociedade Europeia de Arroz, SA	Santiago do Cacém	15.00%	15.00%	15.00%	15.00%	150,031	150,031
Fundo de Capital de Risco F-HITEC	Lisbon	7.14%	7.14%	7.14%	7.14%	250,000	250,000
Other investments						427,446	427,446
Total (Note 9)						1,015,381	1,015,381

Null balances shown above result from deduction of impairment losses from related investments.

7. TANGIBLE AND INTANGIBLE FIXED ASSETS

During the six months period ended 30 June 2012, movements in tangible and intangible fixed assets as well as in depreciation and accumulated impairment losses, are made up as follows:

	Tangible Assets				Total Tangible Assets
	Land and Buildings	Equipment	Other Tangible Assets	Tangible Assets in progress	
Gross Cost:					
Opening balance as at 1 January 2012	215,045,171	139,057,667	2,407,224	9,358,098	365,868,160
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	9,683	233,938	21,797	5,718,345	5,983,763
Disposals	(3,541)	(1,422,419)	(15,000)	(2,325)	(1,443,285)
Exchange rate effect	-	1,551	(3,609)	-	(2,058)
Transfers	37,044	2,089,410	59,220	(2,236,257)	(50,583)
Closing balance as at 30 June 2012	<u>215,088,357</u>	<u>139,960,147</u>	<u>2,469,632</u>	<u>12,837,861</u>	<u>370,355,997</u>
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2012	78,891,380	48,918,109	1,970,453	-	129,779,941
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period	1,609,069	5,330,159	40,513	-	6,979,741
Disposals	(89)	(1,383,411)	-	-	(1,383,500)
Exchange rate effect	-	(1,570)	(2,304)	-	(3,874)
Transfers	-	(58,348)	30,034	-	(28,314)
Closing balance as at 30 June 2012	<u>80,500,360</u>	<u>52,804,939</u>	<u>2,038,696</u>	<u>-</u>	<u>135,343,994</u>
Carrying amount as at 1 January 2012	<u>136,153,791</u>	<u>90,139,558</u>	<u>436,772</u>	<u>9,358,098</u>	<u>236,088,219</u>
Carrying amount as at 30 June 2012	<u>134,587,997</u>	<u>87,155,208</u>	<u>430,937</u>	<u>12,837,861</u>	<u>235,012,003</u>

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

	30 June 2012	31 December 2011
Tróia	8,073,898	8,074,490
Cogeneration project	2,434,133	-
Photovoltaic project	1,158,468	-
Others	1,171,362	1,283,608
	<u>12,837,861</u>	<u>9,358,098</u>

	Intangible Assets				Total Intangible Assets
	Patents and other similar rights	Software	Other Intangible Assets	Intangible Assets in progress	
Gross Cost:					
Opening balance as at 1 January 2012	7,805,800	2,586,420	174,822	66,927	10,633,969
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	-	689	-	241,203	241,892
Disposals	-	-	(167,300)	-	(167,300)
Exchange rate effect	-	(1,249)	-	-	(1,249)
Transfers	(11,431)	77,938	1,900	(60,782)	7,625
Closing balance as at 30 June 2012	7,794,369	2,663,798	9,422	247,348	10,714,937
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2012	1,013,594	2,107,323	34,274	-	3,155,191
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period	88,568	107,046	317	-	195,931
Disposals	-	-	(26,753)	-	(26,753)
Exchange rate effect	-	(800)	-	-	(800)
Transfers	(8,917)	8,917	-	-	-
Closing balance as at 30 June 2012	1,093,245	2,222,486	7,838	-	3,323,569
Carrying amount as at 1 January 2012	6,792,206	479,098	140,548	66,927	7,478,779
Carrying amount as at 30 June 2012	6,701,124	441,312	1,584	247,348	7,391,368

8. GOODWILL

During the six months period ended 30 June 2012, movements in goodwill, as well as in corresponding impairment losses, are as follows:

	30 June 2012	31 December 2011
Gross amount:		
Opening balance	62,330,108	62,434,923
Decreases - disposals of assets from affiliated companies	-	(104,815)
Closing balance	62,330,108	62,330,108
Accumulated impairment losses:		
Opening balance	1,301,596	1,301,596
Closing balance	1,301,596	1,301,596
Total Operations	61,028,512	61,028,512

9. INVESTMENTS

As at 30 June 2012, movements in investments were as follows:

	30 June 2012	
	Non-current	Current
<u>Investments in group companies, jointly controlled companies or associated companies excluded from consolidation</u>		
Opening balance as at 1 January	8,200,508	-
Acquisitions in the period	-	-
Disposals in the period	-	-
Closing balance as at 30 June	8,200,508	-
Accumulated impairment losses (Note 22)	(7,707,935)	-
	<u>492,573</u>	<u>-</u>
<u>Investments held for sale</u>		
Fair value as at 1 January	651,807	-
Acquisitions in the period	-	-
Disposals in the period	-	-
Fair value as at 30 June	651,807	-
Accumulated impairment losses (Note 22)	(128,999)	-
Fair value (net of impairment losses) as at 30 June	<u>522,808</u>	<u>-</u>
	<u>1,015,381</u>	<u>-</u>
<u>Other Investments (Note 6)</u>		

Investments in group companies, jointly controlled companies or associated companies excluded from consolidation are recorded at acquisition cost less impairment losses. The Group considers that it is not reasonable to estimate a fair value for these investments as there is no visible market data.

10. OTHER NON-CURRENT ASSETS

As at 30 June 2012 and 31 December 2011, other non-current assets are detailed as follows:

	30 June 2012	31 December 2011
Loans granted to related parties		
Norscut - Concessionária de Scut Interior Norte, SA	16,646,298	15,689,170
Others	34,916	34,916
	<u>16,681,214</u>	<u>15,724,086</u>
Impairment losses (Note 22)	(34,916)	(34,916)
	<u>16,646,298</u>	<u>15,689,170</u>
Trade accounts receivable and other debtors		
Sale of financial investments	4,914,984	4,914,984
Others	1,213,552	1,216,475
Impairment losses (Note 22)	-	-
	<u>6,128,536</u>	<u>6,131,459</u>
Other non-current assets	<u>22,774,834</u>	<u>21,820,629</u>

Loans granted to related parties bear interest.

The amount in sale of financial investments relates to the disposal in 2011 of Sociedade Imobiliária Tróia B3, S.A.

11. STOCKS

Stocks as at 30 June 2012 and 31 December 2011 can be detailed as follows, highlighting the value attributable to real estate developments:

	30 June 2012		31 December 2011	
	Total	of which Real Estate Developments	Total	of which Real Estate Developments
Raw materials, by-products and consumables	1,175,856	-	1,047,342	-
Goods for sale	33,479,451	30,800,791	34,749,797	29,160,330
Finished goods	95,854,769	95,854,769	96,759,113	96,759,113
Work in progress	80,630,279	78,337,039	80,094,214	78,978,708
Payments on account	68,459	-	68,459	-
	<u>211,208,815</u>	<u>204,992,599</u>	<u>212,718,924</u>	<u>204,898,151</u>
Accumulated impairment losses on stocks (Note 22)	(3,503,080)	(3,434,621)	(3,505,580)	(3,437,121)
	<u><u>207,705,735</u></u>	<u><u>201,557,978</u></u>	<u><u>209,213,344</u></u>	<u><u>201,461,030</u></u>

12. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2012 and 31 December 2011, trade accounts receivable and other current assets are detailed as follows:

	30 June 2012	31 December 2011
Trade accounts receivable	27,816,188	31,031,472
Accumulated impairment losses on trade debtors (Note 22)	(4,311,361)	(4,435,511)
	<u>23,504,827</u>	<u>26,595,961</u>
Taxes recoverable	8,677,475	12,385,331
Loans granted to and other amounts to be received from related parties	227,547	224,547
Other current assets		
Suppliers with a debtor balance	1,255,872	1,130,303
Other debtors	9,661,631	9,521,048
Accounts receivable from the sale of financial investments	24,739,831	24,756,968
Accounts receivable from the sale of tangible assets	16,967	4,859
Interest receivable	850,959	1,098,341
Deferred costs - Rents	283,651	211,172
Deferred costs - External supplies and services	743,735	740,609
Other current assets	1,794,234	645,222
	<u>39,346,880</u>	<u>38,108,522</u>
Accumulated impairment losses on other current assets (Note 22)	(27,729,376)	(27,732,750)
	<u><u>44,027,353</u></u>	<u><u>49,581,611</u></u>
Trade accounts receivable and other current assets		

13. DEFERRED TAXES

Deferred tax assets and liabilities as at 30 June 2012 and 31 December 2011 can be detailed as follows, split between the different types of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
Amortization and Depreciation harmonization adjustments	1,010,701	963,841	2,255,889	2,077,347
Provisions and impairment losses of non-tax deductible	10,137,437	10,137,246	-	-
Write off of tangible and intangible assets	756,915	888,433	-	-
Write off of accruals	346,537	410,390	-	-
Revaluation of tangible assets	-	-	173,067	173,406
Tax losses carried forward	14,087,082	10,922,466	-	-
Write off of stocks	-	-	1,104,407	1,104,407
Taxable temporary differences arising from the fair value of non-current liabilities	-	-	7,751,968	7,757,222
Others	89,773	241,061	403,360	422,973
	<u>26,428,445</u>	<u>23,563,437</u>	<u>11,688,691</u>	<u>11,535,355</u>

In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, as at 30 June 2012 and 31 December 2011, and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	30 June 2012			31 December 2011		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2006	194,841	48,710	2012	326,542	81,635	2012
Generated in 2007	1,416,550	354,137	2013	1,416,550	354,137	2013
Generated in 2008	1,426,557	356,639	2014	1,426,557	356,639	2014
Generated in 2009	6,448,363	1,612,091	2015	6,448,363	1,612,091	2015
Generated in 2010	17,976,302	4,494,076	2014	18,432,007	4,608,002	2014
Generated in 2011	18,076,637	4,519,159	2015	15,136,075	3,784,019	2015
Generated in 2012	10,054,594	2,513,648	2017	-	-	
	<u>55,593,844</u>	<u>13,898,461</u>		<u>43,186,092</u>	<u>10,796,523</u>	
With a time limit different from the above mentioned	787,365	188,621		490,158	125,943	
	<u>56,381,209</u>	<u>14,087,082</u>		<u>43,676,250</u>	<u>10,922,466</u>	

As at 30 June 2012 and 31 December 2011, 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 2012, tax losses carried forward amounting to 185,518,520 euro (172,302,504 euro as at 31 December 2011), have not originated deferred tax assets for prudential reasons and are detailed as follows:

	30 June 2012			31 December 2011		
	Tax losses carried forward	Tax Credit	Time limit	Tax losses carried forward	Tax Credit	Time limit
With limited time use						
Generated in 2006	16,133,362	4,033,341	2012	16,259,895	4,064,974	2012
Generated in 2007	17,895,099	4,473,774	2013	18,052,642	4,513,161	2013
Generated in 2008	37,313,096	9,328,275	2014	37,313,096	9,328,274	2014
Generated in 2009	47,496,490	11,874,121	2015	49,919,363	12,479,840	2015
Generated in 2010	18,353,126	4,588,282	2014	18,523,204	4,630,801	2014
Generated in 2011	19,728,067	4,932,017	2015	17,677,579	4,419,395	2015
Generated in 2012	13,123,420	3,280,855	2017	-	-	
	<u>170,042,659</u>	<u>42,510,666</u>		<u>157,745,779</u>	<u>39,436,445</u>	
Without limited time use	1,186,715	395,532		1,186,715	395,532	
With a time limit different from the above mentioned	14,289,146	4,217,182		13,370,010	3,944,355	
	<u>15,475,861</u>	<u>4,612,714</u>		<u>14,556,725</u>	<u>4,339,887</u>	
	<u>185,518,520</u>	<u>47,123,379</u>		<u>172,302,504</u>	<u>43,776,332</u>	

14. CASH AND CASH EQUIVALENTS

As at 30 June 2012 and 31 December 2011, cash and cash equivalents can be detailed as follows:

	30 June 2012	31 December 2011
Cash at hand	245,361	1,689,543
Bank deposits	3,773,704	2,291,097
Treasury applications	-	-
Cash and cash equivalents on the balance sheet	<u>4,019,065</u>	<u>3,980,640</u>
Bank overdrafts - (Note 17)	(221,675)	(494,571)
Guarantee deposit	(500,000)	(500,000)
Cash and cash equivalents in the statement of cash-flows	<u>3,297,390</u>	<u>2,986,070</u>

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

15. SHARE CAPITAL

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.

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.

As at 30 June 2012, Sonae Capital SGPS, S.A. owns 422,200 own shares (151,600 own shares at 31 December 2011) booked for 99,071 euro (36,143 at 31 December 2011).

16. NON-CONTROLLING INTERESTS

Movements in non controlling interests in the periods ended 30 June 2012 and 31 December 2011 are as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Opening balance as at 1 January	9,241,777	12,454,796
Changes in hedging reserves	(6,913)	(18,104)
Changes in the percentage of capital held in affiliated companies	-	(4,103,273)
Changes resulting from currency translation	(12,935)	(24,529)
Others	-	141,287
Profit for the period attributable to minority interests	(344,705)	791,600
Closing balance	<u>8,877,224</u>	<u>9,241,777</u>

17. BORROWINGS

As at 30 June 2012 and 31 December 2011, Borrowings are made up as follows:

	30 June 2012		31 December 2011		Repayable on
	Outstanding amount		Outstanding amount		
	Current	Non-Current	Current	Non-Current	
Bank loans					
Sonae Capital SGPS - commercial paper ^{a)}	30,000,000	-	-	30,000,000	Mar/2013
Sonae Capital SGPS - commercial paper ^{b)}	42,600,000	-	39,600,000	-	Mar/2018
Sonae Capital SGPS - commercial paper ^{d)}	4,000,000	8,250,000	-	12,250,000	Dec/2013
Sonae Capital SGPS - commercial paper ^{c)}	-	35,200,000	-	16,000,000	Aug/2016
Sonae Capital SGPS - commercial paper ^{e)}	-	-	4,550,000	-	Feb/2016
Sonae Capital SGPS - commercial paper ^{f)}	-	-	3,000,000	-	Jun/2016
Selfrio Engenharia - commercial paper	-	-	700,000	-	May/2012
Sonae Capital SGPS ^{g)}	2,000,000	31,000,000	650,000	33,000,000	Jun/2017
Up-front fees	-	(377,953)	-	(437,911)	
Others	190,699	515,625	140,825	609,375	
	<u>78,790,699</u>	<u>74,587,672</u>	<u>48,640,825</u>	<u>91,421,464</u>	
Bank overdrafts (Note 14)	221,675	-	494,571	-	
Bank loans	<u>79,012,374</u>	<u>74,587,672</u>	<u>49,135,397</u>	<u>91,421,464</u>	
Bond Loans					
Sonae Capital 2007/2012 Bonds	30,000,000	-	30,000,000	-	Dec/2012
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
Up-front fees	-	(417,545)	-	(490,184)	
Bond Loans	<u>30,000,000</u>	<u>59,582,455</u>	<u>30,000,000</u>	<u>59,509,816</u>	
Other loans	551,834	2,219,381	675,655	2,490,273	
Derivatives (Note 18)	175,746	2,131,242	138,448	1,733,828	
Obligations under finance leases	2,733,983	26,105,313	2,607,993	27,536,520	
Up-front fees on finance leases	-	(120,523)	-	(127,017)	
	<u>112,473,937</u>	<u>164,505,541</u>	<u>82,557,493</u>	<u>182,564,884</u>	

- a) Commercial paper programme, with subscription guarantee, issued on 14 March 2008 and valid for a 5 year period.
- b) Short term commercial paper programme, issued on 28 March 2008 and valid for a 10 year period, which may be extended at the option of Sonae Capital. Placed in investors or financial institutions and guaranteed by credit lines, with commitment of at least six months to a year, placed in relationship banks.
- c) Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to August 2016.
- d) Commercial paper programme, with subscription guarantee, issued on 30 December 2010, with annual renewals up to a maximum of 3 years.
- e) Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to a maximum of 5 years.
- f) Short term commercial paper programme, with subscription guarantee, issued on 1 June 2011, with annual renewals up to a maximum of 5 years.
- g) Bank loan guarantee by a mortgage on real estate, started on 2 June 2011 and valid for a 6 year period, with annual payments.

As at 30 June 2012, borrowings of the Group were as follows:

- Sonae Capital SGPS - 2007/2012 bond loan - 2nd emission in the amount of 30,000,000 euro, with a 5 year maturity, and a sole reimbursement on 31 December 2012. This bond loan bears interest every six months.
- 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, except if the reimbursement is anticipated, fully or partially, which can happen on 17 January 2014. This bond loan bears interest every six months.

The interest rate on bonds in force on 30 June 2012 was on average 3.367%.

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 reimbursable grants to affiliated undertakings, which do not bear interest.

Other current loans include bills receivable not yet due.

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

	30 June 2012		31 December 2011	
	Nominal value	Interest	Nominal value	Interest
N+1	112,298,191	8,613,805	82,419,045	8,892,411
N+2	54,201,767	6,638,814	55,571,186	6,799,606
N+3	10,706,077	5,984,039	18,899,142	5,918,320
N+4	20,465,919	5,457,550	10,656,839	5,305,279
N+5	13,173,507	2,532,053	20,205,856	4,019,406
After N+5	64,743,049	2,095,402	76,553,144	3,308,452
	<u>275,588,510</u>	<u>31,321,662</u>	<u>264,305,213</u>	<u>34,243,474</u>

18. DERIVATIVES

Interest rate derivatives

Hedging instruments used by the Group as at 30 June 2012 were mainly interest rate options (cash-flow hedges) contracted with the goal of hedging interest rate risks on loans in the amount of 55,000,000 euro, whose fair value of 2,306,988 euro (1,872,276 euro at 31 December 2011) is recorded as liabilities. As at 30 June 2012 and 31 December 2011, 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 2012	31 December 2011	30 June 2012	31 December 2011
Non-Hedge accounting derivatives				
Interest rate	-	-	-	-
Hedge accounting derivatives				
Interest rate (Note 17)	-	-	2,306,988	1,872,276
Other derivatives				
	-	-	2,306,988	1,872,276

19. OTHER NON-CURRENT LIABILITIES

As at 30 June 2012 and 31 December 2011 other current liabilities can be detailed as follows:

	30 June 2012	31 December 2011
Loans and other amounts payable to related parties		
Plaza Mayor Parque de Ocio, SA	2,181,124	2,236,843
Others	1,298,000	1,298,000
	3,479,124	3,534,843
Other creditors		
Creditors in the restructuring process of Torralta	389,956	370,128
Others	-	140,548
	389,956	510,676
Deferred income	3,102,440	3,109,988
Other non-current liabilities	6,971,520	7,155,507

20. SHARE-BASED PAYMENTS

In 2012 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 2012 and 31 December 2011, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarized as follows:

	Year of grant	Vesting year	Number of participants	Fair Value	
				30 June 2012	31 December 2011
Shares					
	2009	2012	3	-	75,054
	2010	2013	3	45,636	77,011
	2011	2014	4	78,232	132,017
	2012	2015	10	292,093	-
Total				415,961	284,082

As at 30 June 2012 and 31 December 2011, 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 2012	31 December 2011
Other non-current liabilities	99,398	106,946
Other current liabilities	38,030	95,317
Reserves	129,184	143,765
Staff Costs	8,244	58,498

21. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

As at 30 June 2012 and 31 December 2011 trade accounts payable can be detailed as follows:

	30 June 2012	31 December 2011
Trade creditors	15,825,932	14,851,465
Loans granted by and other payables to related parties	107,760	107,760
Other current liabilities		
Fixed assets suppliers	854,686	514,752
Advances from customers and down payments	1,926,024	1,938,599
Other creditors	2,207,985	1,494,526
Taxes and contributions payable	4,402,357	5,596,653
Staff costs	5,845,281	6,555,743
Deferred income for services rendered	2,773,955	4,400,408
Other external supplies and services	5,154,023	4,988,701
Interest payable	1,844,687	1,472,238
Expenses with construction contracts	475,569	509,507
Investment aid	1,684,625	1,699,859
Other liabilities	5,035,471	4,775,428
	32,204,663	33,946,414
Trade accounts payable and other current liabilities	48,138,355	48,905,639

22. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the period ended 30 June 2012 were as follows:

Captions	Balance as at 1 January 2012	Increases	Decreases	Balance as at 30 June 2012
Accumulated impairment losses on:				
Other Investments (Notes 5 and 9)	7,868,877	-	-	7,868,877
Other non-current assets (Note 10)	34,916	-	-	34,916
Trade accounts receivable (Note 12)	4,435,511	114,175	(238,326)	4,311,361
Other current assets (Note 12)	27,732,750	4,446	(7,821)	27,729,376
Stocks (Note 11)	3,505,580	-	(2,500)	3,503,080
Non-current provisions	3,185,974	-	(106,150)	3,079,824
Current provisions	1,055,216	10,000	(49,426)	1,015,790
	47,818,824	128,621	(404,222)	47,543,223

As at 30 June 2012 and 31 December 2011 detail of other provisions was as follows:

	30 June 2012	31 December 2011
Judicial claims	1,561,750	1,707,327
Others	2,533,863	2,533,863
	4,095,614	4,241,190

Impairment losses are deducted from the book value of the corresponding asset.

23. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2012 and 31 December 2011 the most important contingent liabilities referred to guarantees given and were made up as follows:

	30 June 2012	31 December 2011
Guarantees given:		
on VAT reimbursements	4,794,499	7,606,253
on tax claims	4,045,718	2,367,143
on judicial claims	-	-
on municipal claims	3,556,322	3,700,393
Others	12,848,778	17,317,084

Others include the following guarantees:

- 6,239,861 euro (6,923,850 euro as at 31 December 2011) of guarantees on construction works given to clients;
- 4,924,400 euro (8,643,393 euro as at 31 December 2011) guarantees given concerning building permits in the Tourism business.

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.

24. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Parent company and group companies excluded from consolidation (a)	-	-	-	115
Associated companies	272,753	346,903	185,554	268,222
Other partners in Group companies (b)	9,287,045	14,044,419	3,255,452	3,098,374
	<u>9,559,798</u>	<u>14,391,322</u>	<u>3,441,006</u>	<u>3,366,711</u>
Transactions	Interest income		Interest expenses	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Parent company and group companies excluded from consolidation (a)	-	-	-	-
Associated companies	554,304	473,645	-	-
Other partners in Group companies (b)	-	-	71,517	73,240
	<u>554,304</u>	<u>473,645</u>	<u>71,517</u>	<u>73,240</u>
Balances	Accounts receivable		Accounts payable	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Parent company and group companies excluded from consolidation (a)	-	-	-	365
Associated companies	639,418	902,395	36,832	57,485
Other partners in Group companies (b)	7,651,634	9,645,265	3,095,615	3,335,962
	<u>8,291,052</u>	<u>10,547,660</u>	<u>3,132,447</u>	<u>3,393,812</u>
Balances	Loans obtained		Loans granted	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Parent company and group companies excluded from consolidation (a)	-	-	-	-
Associated companies	-	-	16,816,298	15,859,170
Other partners in Group companies (b)	2,181,124	2,236,843	-	-
	<u>2,181,124</u>	<u>2,236,843</u>	<u>16,816,298</u>	<u>15,859,170</u>

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

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

25. TAXATION

Income tax for the three months periods ended 30 June 2012 and 2011 was made up as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Current tax	1,621,059	1,196,682
Deferred tax	(2,711,333)	(1,734,825)
Taxation	<u>(1,090,274)</u>	<u>(538,144)</u>

26. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 June 2012 and 2011, the reconciliation of consolidated net profit can be analysed as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Aggregate net profit	(8,865,459)	26,735,588
Harmonization adjustments	(926,555)	(583,713)
Elimination of intragroup dividends	(5,188,146)	(7,417,837)
Share of gains/(losses) of associated undertakings	3,076,303	2,750,918
Elimination of intragroup impairment	(6,568,503)	830,911
Adjustments of gains/(losses) of financial shareholdings sale	5,677,793	(9,747,196)
Others	(615)	8,088
Consolidated net profit for the year	<u>(12,795,182)</u>	<u>12,576,759</u>

27. EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2012 and 2011 were calculated taking into consideration the following amounts:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	(12,450,477)	12,202,648
Net profit taken into consideration to calculate diluted earnings per share	<u>(12,450,477)</u>	<u>12,202,648</u>
Number of shares		
Weighted average number of shares used to calculated basic earnings per share	249,598,250	250,000,000
Weighted average number of shares used to calculated diluted earnings per share	<u>249,598,250</u>	<u>250,000,000</u>
Earnings per share (basic and diluted)	<u>(0.049882)</u>	<u>0.048811</u>



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

28. SEGMENT INFORMATION

In 30 June 2012 and 2011, the following were identified as segments:

- Sonae Tourism:
 - Tourism Operations
 - Atlantic Ferries
 - Other
- SC Assets:
- Spred:
 - Energy and Environment
 - Sistavac Group
 - Other
- Holding and Others

The contribution of the business segments to the income statement of the periods ended 30 June 2012 and 2011 can be detailed as follows:

30 June 2012					
Profit & Loss Account	Sales	Services rendered	Other operational income	Total operational income	Operational cash-flow (EBITDA)
Tourism Operations	2,503,424	12,680,848	1,161,795	16,346,067	(4,428,597)
Atlantic Ferries	-	1,646,263	49,113	1,695,376	(434,243)
Other	-	1,039,155	360,565	1,399,720	524,758
Intersegment Income	-	(878,555)	(278,563)	(1,157,119)	(135)
Total Tourism	2,503,423	14,487,711	1,292,910	18,284,044	(4,338,217)
Total SC Assets	221,620	2,084,053	247,632	2,553,305	283,740
Energy and environment	5,819,023	327,527	302,954	6,449,504	1,525,842
Sistavac Group	17,157,945	9,161,744	112,616	26,432,305	7,509
Other	27,704	4,290,708	344,702	4,663,114	(29,115)
Intersegment Income	(1,684,987)	(212,190)	1,150,479	(746,698)	(483)
Total Spred	21,319,685	13,567,789	1,910,751	36,798,225	1,503,753
Holding & Others	-	2,297,972	30,140	2,328,112	(620,595)
Intersegment Income	(344,311)	(4,229,829)	203,957	(4,370,183)	3,973
Consolidated	23,700,417	28,207,696	3,685,390	55,593,503	(3,167,346)

30 June 2011					
Profit & Loss Account	Sales	Services rendered	Other operational income	Total operational income	Operational cash-flow (EBITDA)
Tourism Operations	3,116,119	15,765,160	2,448,964	21,330,243	(6,073,269)
Atlantic Ferries	-	2,012,141	24,554	2,036,695	(138,173)
Other	-	1,461,409	96,052	1,557,461	814,744
Intersegment Income	-	(1,316,167)	(109,007)	(1,425,174)	(3,473)
Total Tourism	3,116,119	17,922,543	2,460,563	23,499,225	(5,400,171)
Total SC Assets	2,629,917	2,352,641	452,281	5,434,839	(541,442)
Energy and environment	2,548,694	403,132	270,176	3,222,002	621,104
Sistavac Group	29,663,925	8,410,605	726,234	38,800,764	2,629,726
Other	34,188	2,591,800	267,049	2,893,037	76,700
Intersegment Income	-	(14,794)	-	(14,794)	(117)
Total Spred	32,246,807	11,390,743	1,263,459	44,901,009	3,327,413
Holding & Others	-	2,058,459	450,031	2,508,490	(664,196)
Intersegment Income	(3,480,599)	(4,246,229)	3,266,417	(4,460,411)	10,344
Consolidated	34,512,244	29,478,157	7,892,751	71,883,152	(3,268,052)

The contribution of the business segments to the balance sheets as at 30 June 2012 and 31 December 2011 can be detailed as follows:

30 June 2012								
Balance Sheet	Fixed Assets Tangible and Intangible	Investments	Other Assets	Total Assets	Total Liabilities	Technical investment	Gross Debt	Net Debt
Tourism Operations	153,525,784	247,390	198,038,624	351,811,798	230,309,178	1,547,786	3,113,539	1,564,736
Atlantic Ferries	24,074,706	-	1,926,337	26,001,044	24,401,144	7,805	19,581,418	19,463,434
Other	199,401	274,154	183,935,996	184,409,551	240,000,937	-	-	(3,827)
Intersegment Adjustments	-	-	(185,889,456)	(185,889,456)	(185,889,247)	-	-	-
Total Tourism	177,799,891	521,544	198,011,501	376,332,936	308,822,012	1,555,592	22,694,957	21,024,343
Total SC Assets	47,744,998	59,877,588	110,655,922	218,278,508	197,796,222	349,591	-	(522,154)
Energy and environment	14,323,876	2,546	5,000,374	19,326,797	17,108,180	3,762,742	9,674,117	9,665,459
Sistavac Group	634,840	-	51,431,585	52,066,425	16,318,144	384,947	41,799	(295,228)
Other	1,775,465	3,978,214	48,333,457	54,087,137	24,449,271	101,405	182,860	(989,900)
Intersegment Adjustments	-	-	(20,871,831)	(20,871,831)	(20,871,449)	-	-	-
Total Spred	16,734,182	3,980,760	83,893,586	104,608,527	37,004,146	4,249,094	9,898,777	8,380,330
Holding & Others	124,301	8,889	438,472,163	438,605,353	272,328,467	71,379	244,385,745	244,077,894
Intersegment Adjustments	-	-	(465,049,225)	(465,049,225)	(468,077,191)	-	-	-
Consolidated	242,403,371	64,388,782	365,983,944	672,776,099	347,873,656	6,225,656	276,979,478	272,960,413

31 December 2011								
Balance Sheet	Fixed Assets Tangible and Intangible	Investments	Other Assets	Total Assets	Total Liabilities	Technical investment	Gross Debt	Net Debt
Tourism Operations	157,031,744	247,390	194,444,133	351,723,267	231,119,097	5,983,040	3,466,557	2,938,632
Atlantic Ferries	24,755,340	-	1,672,236	26,427,576	23,305,133	78,690	20,291,480	20,204,261
Other	271,898	274,154	186,549,251	187,095,303	229,583,855	2,310	1,151	(4,919)
Intersegment Adjustments	-	-	(186,881,715)	(186,881,715)	(186,879,871)	-	-	-
Total Tourism	182,058,982	521,544	195,783,905	378,364,431	297,128,214	6,064,040	23,759,188	23,137,974
Total SC Assets	48,025,443	58,637,333	108,242,817	214,905,593	190,801,038	773,241	879	(531,441)
Energy and environment	11,253,391	2,546	4,506,946	15,762,883	14,147,725	3,748,308	10,168,918	10,149,905
Sistavac Group	322,342	-	54,857,951	55,180,293	19,283,480	79,391	1,084,721	(854,719)
Other	1,820,079	1,905,304	46,052,081	49,777,464	21,587,619	264,854	252,937	(248,699)
Intersegment Adjustments	-	-	(16,312,913)	(16,312,913)	(16,313,663)	-	-	-
Total Spred	13,395,812	1,907,850	89,104,064	104,407,726	38,705,161	4,092,553	11,506,577	9,046,486
Holding & Others	86,761	8,889	422,196,516	422,292,165	259,478,733	20,116	229,855,733	229,488,718
Intersegment Adjustments	-	-	(446,139,124)	(446,139,124)	(449,153,077)	-	-	-
Consolidated	243,566,998	61,075,617	369,188,174	673,830,792	336,960,069	10,949,950	265,122,377	261,141,737

Net debt of the Holding can be analysed as follows:

	<u>30 June 2012</u>
Inflows	
Gross bank debt	244,385,745
Cash and cash equivalents	<u>367,016</u>
Net bank debt	244,018,729
Sonae Turismo	-
SC Assets	-
Spred	<u>21,932,000</u>
Intercompany ST Loans Obtained	<u>21,932,000</u>
Total Inflows	<u><u>265,950,729</u></u>
Outflows	
Sonae Turismo	233,216,162
SC Assets	174,393,800
Spred	<u>939,546</u>
Intercompany Loans Granted	<u><u>408,549,508</u></u>

29. SUBSEQUENT EVENTS

No significant events, requiring further disclosure, have occurred after 30 June 2012.

30. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issue on 21 August 2012.

The Board of Directors



INDIVIDUAL FINANCIAL STATEMENTS

30 JUNE 2012

SONAE CAPITAL, SGPS, SA

INDIVIDUAL BALANCE SHEETS AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

(Amounts expressed in euro)

ASSETS	Notes	30 June 2012	31 December 2011
NON CURRENT ASSETS:			
Investments	4	542,141,999	542,141,999
Deferred tax assets	7	337,362	451,247
Other non current assets	5	200,578,543	164,370,542
Total Non Current Assets		<u>743,057,903</u>	<u>706,963,788</u>
CURRENT ASSETS:			
Other current assets	6	21,029,706	21,481,201
Cash and cash equivalents	8	301,335	350,634
Total Current Assets		<u>21,331,041</u>	<u>21,831,835</u>
TOTAL ASSETS		<u>764,388,944</u>	<u>728,795,623</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share Capital	9	250,000,000	250,000,000
Own shares	9	(99,071)	(36,143)
Legal reserve	10	8,307,376	8,307,376
Other reserves	10	288,710,416	289,628,622
Retained earnings		-	-
Profit / (Loss) for the period		813,827	(918,206)
TOTAL EQUITY		<u>547,732,548</u>	<u>546,981,649</u>
LIABILITIES:			
NON CURRENT LIABILITIES:			
Bank loans	11	74,072,047	90,812,089
Bond loans	11	9,964,287	9,943,470
Other non current liabilities		40,912	63,054
Deferred tax liabilities	7	6,278	11,699
Total Non Current Liabilities		<u>84,083,524</u>	<u>100,830,312</u>
CURRENT LIABILITIES			
Suppliers		92,243	1,638,046
Bank loans	11	78,600,000	47,800,000
Bond loans	11	30,000,000	30,000,000
Other creditors	12	21,933,877	31,923
Other current liabilities	13	1,946,752	1,513,693
Total Current Liabilities		<u>132,572,872</u>	<u>80,983,662</u>
TOTAL EQUITY AND LIABILITIES		<u>764,388,944</u>	<u>728,795,623</u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENTS BY NATURE

FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	Notes	30 June 2012	30 June 2011
Operational income			
Other operational income		2,705	322,771
Total operational income		<u>2,705</u>	<u>322,771</u>
Operational expenses			
External supplies and services	14	(191,579)	(127,744)
Staff costs	15	(178,369)	(494,715)
Depreciation and amortisation		-	(1)
Other operational expenses		(7)	(3,000)
Total operational expenses		<u>(369,955)</u>	<u>(625,460)</u>
Operational profit/(loss)		<u>(367,250)</u>	<u>(302,689)</u>
Financial income	16	6,037,004	4,963,127
Financial expenses	16	(5,084,067)	(4,576,559)
Net financial income/(expenses)		<u>952,937</u>	<u>386,568</u>
Investment income	16	382,921	-
Profit/(loss) before taxation		<u>968,608</u>	<u>83,879</u>
Taxation	17	(154,781)	(24,992)
Profit/(loss) for the period		<u>813,827</u>	<u>58,887</u>
Profit/(loss) per share			
Basic and diluted	18	0.003261	0.000236

The accompanying notes are an integral part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENT BY NATURE

FOR THE THREE MONTHS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	<u>2nd Quarter 2012</u> <u>(Unaudited)</u>	<u>2nd Quarter 2011</u> <u>(Unaudited)</u>
Operational income:		
Other operational income	(693)	209,354
Total operational income	<u>(693)</u>	<u>209,354</u>
Operational expenses:		
External supplies and services	(80,527)	(68,903)
Staff costs	(16,263)	(272,213)
Depreciation and amortisation	-	-
Other operational expenses	-	18,947
Total operational expenses	<u>(96,790)</u>	<u>(322,169)</u>
Operational profit/(loss)	<u>(97,483)</u>	<u>(112,815)</u>
Financial income	3,095,421	3,078,492
Financial expenses	(2,160,030)	(2,503,241)
Net financial income/(expenses)	<u>935,391</u>	<u>575,251</u>
Investment income	-	-
Profit/(loss) before taxation	<u>837,908</u>	<u>462,436</u>
Taxation	(215,502)	(117,655)
Profit/(loss) for the period	<u><u>622,406</u></u>	<u><u>344,781</u></u>
Profit/(loss) per share		
Basic and diluted	0.002495	0.001379

The accompanying notes are part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA
INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	<u>30 June 2012</u>	<u>30 June 2011</u>
Net profit for the period	813,827	58,887
Exchange differences arising from translating foreign operations	-	-
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	-	-
Gains on property revaluations	-	-
Income tax relating to components of other comprehensive income	-	-
Other comprehensive income for the period	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>813,827</u>	<u>58,887</u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	<u>2nd Quarter 2012</u> <u>(Unaudited)</u>	<u>2nd Quarter 2011</u> <u>(Unaudited)</u>
Net profit for the period	622,406	344,781
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>622,406</u>	<u>344,781</u>

The accompanying notes are part of these financial statements

The Board of Directors

SONAE CAPITAL SGPS, SA
INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	Share Capital	Own Shares	Legal Reserve	Translation Reserve	Fair Value Reserve	Hedging Reserve	Other Reserves	Retained Earnings	Sub total	Net profit / (loss)	Total Equity
Balance as at 1 January 2011	250,000,000	-	8,191,127	-	-	-	287,419,883	-	295,611,010	2,324,988	547,935,998
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	58,887	58,887
Appropriation of profits:											
Transfer to reserves	-	-	116,249	-	-	-	2,208,739	-	2,324,988	(2,324,988)	-
Dividends distributed	-	-	-	-	-	-	-	-	-	-	-
Acquisition/(disposal) of own shares	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2011	250,000,000	-	8,307,376	-	-	-	289,628,622	-	297,935,998	58,887	547,994,885
Balance as at 1 January 2012	250,000,000	(36,143)	8,307,376	-	-	-	289,628,622	-	297,935,998	(918,206)	546,981,648
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	813,827	813,827
Appropriation of profits:											
Use of free Reserves to cover net loss	-	-	-	-	-	-	(918,206)	-	(918,206)	918,206	-
Dividends distributed	-	-	-	-	-	-	-	-	-	-	-
Acquisition/(disposal) of own shares	-	(62,927)	-	-	-	-	-	-	-	-	(62,927)
Others	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2012	250,000,000	(99,070)	8,307,376	-	-	-	288,710,416	-	297,017,792	813,827	547,732,548

The accompanying notes are an integral part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA

INDIVIDUAL CASH FLOW STATEMENTS

FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	<u>30 June 2012</u>	<u>30 June 2011</u>
<u>OPERATING ACTIVITIES</u>		
Cash paid to trade creditors	1,763,312	179,070
Cash paid to employees	317,922	473,019
Cash flow generated by operations	<u>(2,081,234)</u>	<u>(652,089)</u>
Income taxes (paid)/received	17,581	104,512
Other cash receipts/(payments) relating to operating activities	(44,998)	(87,069)
Net cash flow from operating activities [1]	<u><u>(2,143,813)</u></u>	<u><u>(843,670)</u></u>
<u>INVESTMENT ACTIVITIES</u>		
Cash receipts arising from:		
Interest and similar income	5,200,990	3,027,224
Dividends	382,921	-
Loans granted	-	90,112,000
	<u>5,583,911</u>	<u>93,139,224</u>
Cash payments arising from:		
Loans granted	34,911,146	70,556,000
	<u>34,911,146</u>	<u>70,556,000</u>
Net cash flow from investment activities [2]	<u><u>(29,327,235)</u></u>	<u><u>22,583,224</u></u>
<u>FINANCING ACTIVITIES</u>		
Cash receipts arising from:		
Loans obtained	46,732,000	50,749,000
	<u>46,732,000</u>	<u>50,749,000</u>
Cash Payments arising from:		
Interest and similar costs	4,447,325	3,935,681
Acquisition of own shares	62,927	-
Loans obtained	10,800,000	67,600,000
Net cash flow from financing activities [3]	<u>15,310,252</u>	<u>71,535,681</u>
	<u><u>31,421,748</u></u>	<u><u>(20,786,681)</u></u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]	<u>(49,300)</u>	<u>952,873</u>
Cash and cash equivalents at the beginning of the period	350,634	27,355
Cash and cash equivalents at the end of the period	<u>301,335</u>	<u>980,227</u>

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The accompanying notes are an integral part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED 30 JUNE 2012 AND 2011

(Amounts expressed in euro)

	<u>2nd Quarter 2012</u> <u>(Unaudited)</u>	<u>2nd Quarter 2011</u> <u>(Unaudited)</u>
<u>OPERATING ACTIVITIES</u>		
Cash paid to trade creditors	38,201	60,175
Cash paid to employees	252,949	171,934
Cash flow generated by operations	<u>(291,150)</u>	<u>(232,109)</u>
Income taxes (paid)/received	141	1,647
Other cash receipts/(payments) relating to operating activities	3,529	57,750
Net cash flow from operating activities [1]	<u><u>(287,762)</u></u>	<u><u>(176,006)</u></u>
 <u>INVESTMENT ACTIVITIES</u>		
Cash receipts arising from:		
Interest and similar income	564	7,660
Dividends	382,921	-
Loans granted	-	90,112,000
	<u>383,485</u>	<u>90,119,660</u>
Cash payments arising from:		
Investments	-	-
Tangible assets	-	-
Loans granted	4,089,300	54,912,000
	<u>4,089,300</u>	<u>54,912,000</u>
Net cash flow from investment activities [2]	<u><u>(3,705,815)</u></u>	<u><u>35,207,660</u></u>
 <u>FINANCING ACTIVITIES</u>		
Cash receipts arising from:		
Loans obtained	751,000	35,896,000
	<u>751,000</u>	<u>35,896,000</u>
Cash Payments arising from:		
Interest and similar costs	1,413,320	2,799,327
Acquisition of own shares	8,011	0
Loans obtained	(4,950,000)	67,600,000
	<u>(3,528,669)</u>	<u>70,399,327</u>
Net cash from financing activities [3]	<u><u>4,279,669</u></u>	<u><u>(34,503,327)</u></u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]	<u>286,092</u>	<u>528,327</u>
Cash and cash equivalents at the beginning of the period	15,242	451,901
Cash and cash equivalents at the end of the period	<u><u>301,335</u></u>	<u><u>980,227</u></u>

The accompanying notes are part of these financial statements

The Board of Directors

SONAE CAPITAL, SGPS, SA
NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2012

(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 35/2005 of 17 February, the Company's financial statements have been prepared in accordance with International Financial Reporting Standards.

2. PRINCIPAL 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 2011.

Basis of preparation

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), applicable to financial years beginning on 1 January 2011.

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.

4. INVESTMENTS

As at 30 June 2012 and 31 December 2011 Investments are detailed as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Investments in affiliated and associated undertakings	542,138,253	542,138,253
Investments in other companies		
Sonae RE - (0,04%)	1,200	1,200
Fundo Invest. Imob. Imosonae Dois - (0,001%)	2,546	2,546
	<u>542,141,999</u>	<u>542,141,999</u>

4.1 Investments in affiliated and associated undertakings

As at 30 June 2012 and 31 December 2011, the detail of Investments in Affiliated and Associated Companies is as shown in the table below.

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

Company	<u>30 June 2012</u>				<u>31 December 2011</u>			
	% Held	Fair Value	Book Value	Fair Value Reserve	% Held	Fair Value	Book Value	Fair Value Reserve
SC, SGPS, SA	100.00%	-	382,638,253	-	100.00%	-	382,638,253	-
Spred, SGPS SA	54.05%	-	40,000,000	-	54.05%	-	40,000,000	-
SC Assets, SGPS, SA	76.64%	-	82,000,000	-	76.64%	-	82,000,000	-
Sonae Turismo, SGPS SA	23.08%	-	37,500,000	-	23.08%	-	37,500,000	-
Total		-	542,138,253	-		-	542,138,253	-

5. OTHER NON CURRENT ASSETS

As at 30 June 2012 and 31 December 2011 Other Non Current Assets are detailed as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Loans granted to group companies:		
SC, SGPS, SA	142,350,743	106,142,742
SC Assets, SGPS, SA	58,227,800	58,227,800
	<u>200,578,543</u>	<u>164,370,542</u>

These assets were not due or impaired as at 30 June 2012. The fair value of loans granted to Group companies is basically the same as their book value.

6. OTHER CURRENT ASSETS

As at 30 June 2012 and 31 December 2011 Other Current Assets can be detailed as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Group companies - Short term loans:		
SC, SGPS, SA	11,781,100	1,690,381
SC-Consultadoria,SA	-	3,413,021
Sonae Turismo-SGPS,SA	-	10,916,552
SC Assets, SGPS, SA	2,942,000	-
Income tax withheld	302,421	298,516
Other Debtors	5,694	9,956
Accrued income	5,962,850	5,128,767
Deferred costs	35,640	24,008
	<u>21,029,706</u>	<u>21,481,201</u>

Loans granted to group companies bear interest at market rates and are repayable within one year.

7. DEFERRED TAXES

Deferred tax assets and liabilities as at 30 June 2012 and 31 December 2011 can be detailed as follows, split between the different types of temporary differences:

	<u>Deferred tax assets</u>		<u>Deferred tax liabilities</u>	
	<u>30 June 2012</u>	<u>31 December 2011</u>	<u>30 June 2012</u>	<u>31 December 2011</u>
Tax losses carried forward	337,362	451,247	-	-
Others	-	-	6,278	11,699

During the periods ended 30 June 2012 and 31 December 2011, movements in Deferred tax are as follows:

	<u>Deferred tax assets</u>		<u>Deferred tax liabilities</u>	
	<u>30 June 2012</u>	<u>31 December 2011</u>	<u>30 June 2012</u>	<u>31 December 2011</u>
Opening balance	451,247	157,965	11,699	22,586
Effect in results :				
Tax losses carried forward	(113,885)	293,282	-	-
Others	-	-	(5,421)	(10,887)
	<u>337,362</u>	<u>451,247</u>	<u>6,278</u>	<u>11,699</u>
Effect in reserves:	-	-	-	-
Closing balance	<u>337,362</u>	<u>451,247</u>	<u>6,278</u>	<u>11,699</u>

8. CASH AND CASH EQUIVALENTS

As at 30 June 2012 and 31 December 2011 Cash and Cash Equivalents can be detailed as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Cash	1,004	1,004
Bank deposits	<u>300,331</u>	<u>349,631</u>
Cash and cash equivalents in the balance sheet	<u><u>301,335</u></u>	<u><u>350,634</u></u>
Bank overdrafts	-	-
Cash and cash equivalents in the cash flow statement	<u><u>301,335</u></u>	<u><u>350,634</u></u>

9. SHARE CAPITAL

As at 30 June 2012 and 31 December 2011, the share capital is represented by 250,000,000 ordinary shares with a nominal value of 1 euro each.

Up to 30 June 2012, Sonae Capital SGPS, S.A. bought 270,600 own shares in the stock market, representing 0.108% of its share capital, for a total consideration of 54,916 euro. As at 30 June 2012 the total number of own shares held by the company is 422,200, representing 0.169% of the share capital.

10. RESERVES

As at 30 June 2012, and 31 December 2011 the caption Other Reserves can be detailed as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Free reserves	155,973,092	156,954,227
Demerger reserve	132,638,252	132,638,252
Own shares reserve	<u>99,071</u>	<u>36,143</u>
	<u><u>288,710,416</u></u>	<u><u>289,628,622</u></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 2012 the value of this caption is 8,307,376 euro.

11. LOANS

As at 30 June 2012 and 31 December 2011 this caption included the following loans:

	<u>30 June 2012</u>	<u>31 December 2011</u>
Bank loans - Commercial paper	43,450,000	58,250,000
Bank loans - Term loan	31,000,000	33,000,000
Up-front fees not yet charged to income statement	(377,953)	(437,911)
Bank loans - non current	<u>74,072,047</u>	<u>90,812,089</u>
Nominal value of bonds	10,000,000	10,000,000
Up-front fees not yet charged to income statement	(35,713)	(56,531)
Bond Loans	<u>9,964,287</u>	<u>9,943,470</u>
Total non-current loans	<u><u>84,036,334</u></u>	<u><u>100,755,559</u></u>
Bank loans - Commercial paper	76,600,000	47,150,000
Bank loans - Term loan	<u>2,000,000</u>	<u>650,000</u>
Bank loans - current	<u>78,600,000</u>	<u>47,800,000</u>
Bond Loans	<u>30,000,000</u>	<u>30,000,000</u>
Total current bank loans	<u><u>108,600,000</u></u>	<u><u>77,800,000</u></u>

Non Current Bank Loans

The caption Non Current Bank Loans relates to amounts issued detailed as follows:

- i. Commercial Paper Programme issued on 31 March 2011 with subscription guarantee and valid for a period of 5 years and 5 months;
- ii. Bank loan started on 2 June 2011 valid for six years and repayable in six annual instalments. This loan is guaranteed by a mortgage of investment properties and pays interest every three months;
- iii. Commercial Paper Programme issued on 30 December 2010 with subscription guarantee and valid for a period of 3 years;
- iv. Sonae Capital, SGPS 2011/2016 Bond issue, amounting to 10,000,000 euro, repayable after 5 years, in one instalment, on 17 January 2016. Early repayment can occur under the terms of the Call / Put Option. This bond issue pays interest every six months.

The bank loans mentioned above bear interest at market rates, indexed to the Euribor of each issue period.

The average interest rate of these bond loans as at 30 June 2012 was 3.664%.

Current Bank Loans

The caption Current Bank Loans relates to amounts issued, detailed as follows:

- i. Commercial Paper Programme issued on 28 March 2008 without subscription guarantee, valid for a period of 10 years, which may be extended at the option of the Company. Issues placed in investors or financial institutions, guaranteed by credit lines, with commitment of at least six months to a year, placed in relationship banks;
- ii. Commercial Paper Programme issued on 30 December 2010 with subscription guarantee, valid for a period of 3 years;
- iii. Sonae Capital, SGPS 2007/2012 ^{2nd} Bond issue, amounting to 30,000,000 euro, repayable after 5 years, in one instalment, on 31 December 2012. This bond issue pays interest every six months.

The above loans are not guaranteed, and their fair value is considered to be close to their book value, in view of the fact that interest payable on them is indexed to variable market rates.

There are no Derivatives.

12. OTHER CREDITORS

As at 30 June 2012 and 31 December 2011, these captions were made up as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
<u>Other creditors</u>		
Group companies - Short term loans:		
Spred, SGPS, SA	21,932,000	-
Other creditors	<u>1,877</u>	<u>31,923</u>
	<u><u>21,933,877</u></u>	<u><u>31,923</u></u>

Loans obtained from group companies bear interest at market rates and are repayable within one year.

13. OTHER CURRENT LIABILITIES

As at 30 June 2012 and 31 December 2011, these captions were made up as follows:

	<u>30 June 2012</u>	<u>31 December 2011</u>
<u>Other current liabilities</u>		
Taxes payable	66,486	95,128
Accruals:		
Staff costs	234,806	376,622
Interest payable	1,613,042	993,925
Other accruals	31,660	42,717
Deferred income	758	5,301
	<u>1,946,752</u>	<u>1,513,693</u>

14. EXTERNAL SUPPLIES AND SERVICES

As at 30 June 2012 and 30 June 2011, External Supplies and Services can be detailed as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Operational rents	18,619	38,850
Insurance costs	25,340	23,700
Travelling expenses	9,473	7,453
Services obtained	133,381	42,345
Other services	4,765	15,396
	<u>191,579</u>	<u>127,744</u>

15. STAFF COSTS

As at 30 June 2012 and 30 June 2011, Staff Costs are made up as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Governing bodies' remunerations	146,029	364,617
Staff's remunerations	-	78,537
Social security contributions	23,448	37,258
Other staff costs	8,892	14,302
	<u>178,369</u>	<u>494,715</u>

16. NET FINANCIAL EXPENSES AND INVESTMENT INCOME

As at 30 June 2012 and 30 June 2011, Net Financial Expenses and Investment Income can be detailed as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Interest payable and similar expenses		
Interest arising from:		
Bank loans	(3,207,876)	(2,587,179)
Bonds	(635,944)	(534,082)
Other	(186,296)	(326,823)
Other financial expenses	<u>(1,053,952)</u>	<u>(1,128,475)</u>
	<u>(5,084,067)</u>	<u>(4,576,559)</u>
Interest receivable and similar income		
Interest income	<u>6,037,004</u>	<u>4,963,127</u>
	<u>6,037,004</u>	<u>4,963,127</u>
Net financial expenses	<u>952,937</u>	<u>386,568</u>
Investment income	<u>382,921</u>	<u>-</u>

As at 30 June 2012, Investment Income of 382,921 euro relates to dividends paid by an associated company.

17. TAXATION

As at 30 June 2012 and 30 June 2011, Taxation is made up as follows:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Current tax	(46,317)	(6,073)
Deferred tax	<u>(108,464)</u>	<u>(18,920)</u>
	<u>(154,781)</u>	<u>(24,992)</u>

18. EARNINGS PER SHARE

Earnings per share for the six months periods ended 30 June 2012 and 2011 were calculated taking into consideration the following amounts:

	<u>30 June 2012</u>	<u>30 June 2011</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	813,827	58,887
Effect of dilutive potential shares	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>813,827</u>	<u>58,887</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	249,598,250	250,000,000
Weighted average number of shares used to calculate diluted earnings per share	<u>249,598,250</u>	<u>250,000,000</u>
Earnings per share (basic and diluted)	<u>0.003261</u>	<u>0.000236</u>

19. INFORMATION REQUIRED BY LAW

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 2012 shareholders' loan contracts were entered into with the company SC, SGPS, SA.

In the period ended 30 June 2012 short-term loan contracts were entered with the companies SC Assets, SGPS, SA and Spred, SGPS, SA.

As at 30 June 2012 amounts due by affiliated companies can be summarized as follows:

Loans and Short term loans granted

<u>Companies</u>	<u>Closing Balance</u>
SC, SGPS, SA	154,131,843
SC Assets, SGPS, SA	61,169,800
	<u>215,301,643</u>

As at 30 June 2012 amounts due to affiliated companies can be summarized as follows:

Short term loans obtained

<u>Companies</u>	<u>Closing Balance</u>
Spred , SGPS, SA	<u>21,932,000</u>
	<u>21,932,000</u>

20. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 21 August 2012.

The Board of Directors



LIMITED REVIEW REPORT

30 JUNE 2012



***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 legislation (“Código dos Valores Mobiliários”), we present our Limited Review Report on the consolidated and individual information for the period of six months ended June 30, 2012 of **Sonae Capital, SGPS, SA**, included: in the management report, in the Consolidated and Individual balance sheet (which shows total assets of 672.776.097 Euros and 764.388.944 Euros, respectively, a total consolidated equity of 324.902.439 Euros, which includes non-controlling interests of 8.877.224 Euros and individual of 547.732.548 Euros, a net consolidated loss of 12.450.477 Euros and a net individual profit of 813.827 Euros), in the Consolidated and Individual income statement by nature, in the Consolidated and Individual statement of comprehensive income, in Consolidated and Individual statement of changes in equity, in the Consolidated and Individual cash flow statement for the period then ended, and in the corresponding notes.

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

Responsibilities

3 It is the responsibility of the Company’s Board of Directors: (a) to prepare consolidated and individual financial information that present fairly, in all material respects, the financial position of the company and its subsidiaries, the consolidated and individual results, the consolidated and individual comprehensive income of their operations, the changes in consolidated and individual equity, the consolidated and individual cash flows; (b) to prepare historic financial information in accordance with International Financial Reporting Standards as adopted by the EU, in particular with international accounting standard nº 34 – Interim Financial Reporting, and which is complete, true, timely, clear, objective and lawful, as required by the Portuguese Securities Market Code; (c) to adopt adequate accounting policies and criteria; (d) to maintain appropriate systems of internal control; and (e) to disclose any relevant matters which have influenced their activity, financial position or results.

4 Our responsibility is to verify the financial information included in the above mentioned documents, namely if it is complete, true, timely, clear, objective and lawful, as required by the Portuguese Securities Market Code, and to issue an independent and professional report based on our work.

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Tel +351 225 433 000 Fax +351 225 433 499, www.pwc.com/pt
Matriculada na Conservatória do Registo Comercial sob o NUPC 506 628 752, Capital Social Euros 314.000*

Scope

5 Our work was performed with the objective of obtaining moderate assurance as to whether the financial information referred to above is free of material misstatement. Our work, which was performed in accordance with the Standards and Technical Recommendations approved by the Portuguese Institute of Statutory Auditors, was planned in accordance with that objective, and consisted, mainly, of inquiries and analytical procedures to review: (i) the reliability of the assertions in the financial information; (ii) the adequacy of the accounting principles adopted considering the circumstances and their consistent application; (iii) the applicability, or otherwise, of the going concern basis of accounting; (iv) the presentation of the financial information; and (v) if the consolidated and individual financial information is complete, true, timely, clear, objective and lawful.

6 Our work also covered the verification of the consistency of the financial information included in the management report with the remaining documents referred to above.

7 We believe that our work provides a reasonable basis for issuing this report on half year financial information.

Opinion

8 Based on our work, which was performed with the objective of obtaining moderate assurance, nothing has come to our attention that leads us to conclude that the consolidated and individual financial information for the period of six months ended June 30, 2012 contains material misstatements that affect its conformity with the International Financial Reporting Standards (IFRS), as adopted in the EU, in particular with international accounting standard n° 34 – Interim Financial Reporting and that it is not complete, true, timely, clear, objective and lawful.

Report on other legal requirements

9 Based on our work, nothing has come to our attention that leads us to conclude that the information included in the management report is not consistent with the consolidated and individual financial information for the period.

August 21, 2012

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- 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.