



SONAE CAPITAL, SGPS, SA

Head Office: 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 2011

(Translation from the Portuguese Original)



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REPORT OF THE BOARD OF DIRECTORS

30 JUNE 2011

(Translation from the Portuguese Original)

Report of the Board of Directors 30 June 2011

Disclaimer:

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

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

In view of the above considerations, comparisons presented throughout this report will be made on a like for like basis, not taking into account discontinued operations in the 2010 consolidated profit and loss statement.

1. Executive Summary

	1H		2Q	
	2011	2010 ¹	2011	2010 ¹
▪ Turnover	64.0 M.€	71.9 M.€	33.6 M.€	38.1 M.€
▪ EBITDA	-3.3 M.€	1.7 M.€	0.1 M.€	2.2 M.€
▪ Net Income	12.6 M.€	-5.5 M.€	15.8 M.€	-0.4 M.€

	30.06.11	31.12.10
▪ Net Debt	254.8 M.€	277.2 M.€
▪ Capex	8.6 M.€	10.2 M.€ ¹

¹ Relates to continued operations.

The second quarter and first half results were significantly impacted by the 20.3 million euro capital gain generated on the sale of the Group's 50% shareholding in *TP – Sociedade Térmica Portuguesa, SA*, a transaction consistent with Sonae Capital's programme of divesting from non strategic assets.

Net income amounted to positive 15.8 million euro in the second quarter and 12.6 million euro in the half year, compared to negative 0.4 million euro and negative 5.5 million euro in the comparable periods of last year.

Consolidated turnover for the first half of the year, totalling 64.0 million euro, decreased around 11%, mostly driven by Resort Development, where turnover was 6.3 million euro lower than the same period last year, reflecting the lower real estate sales at **troiaresort**. Fitness continued to reflect the impact of contraction in consumer spending, its contribution falling by 9% to 8.7 million euro. The 4% decrease in Selfrio's contribution, to 34.0 million euro, was entirely due to the postponement of capital expenditure plans by key customers in the HVAC business. Compared to the first half of 2010, Resort Management and Atlantic Ferries turnover grew, by 19% and 27% respectively, reflecting improved marketing policies in **troiaresort** and benefiting from the opening of the *Casino de Tróia* on 1 January 2011 and from ticket price increases. SC Assets and Energy and Environment continued to post double digit growth in turnover of 25% and 16% respectively.

Consolidated operational cash-flow (EBITDA) for the half year was negative 3.3 million euro (positive 1.7 million euro), and was marginally positive at 0.1 million euro in the second quarter of the year. Resort Development and Fitness operational contributions (down 4.0 million euro and 1.3 million euro), account for most of the fall in the half year. In Tourism, Atlantic Ferries improved its contribution by 79% which, although still negative at 0.1 million euro in the half year (negative 0.7 million euro), achieved positive 0.2 million euro EBITDA in the second quarter. This business improved performance lies in: (i) the significant 24% increase in passenger traffic; (ii) ticket price increases in early January 2011, and; (iii) cost optimisation efforts, leading to fuel savings and lower staff costs (by adjusting transport schedules to effective demand). Selfrio improved operational margins in all business units, achieving positive 2.6 million euro EBITDA, a 20% increase, including the impact from the implementation of projects with higher margins. Overall, year end margins should remain close to last year levels. The Energy and Environment business continued to perform positively, posting a positive EBITDA of 0.6 million euro (0.4 million euro).

Capex amounted to 8.6 million euro in the first half of the year, 4.6 million euro of which was incurred in the second quarter. The latter reflects the completion of construction works for the Aqualuz Events Centre (inaugurated on 29 April 2011) and the conclusion of the refurbishment of Aqualuz **troiario** hotel unit, and from the second tranche from progress in construction of the Colombo cogeneration facility (expected to be concluded during the third quarter).

Net debt fell by 22.4 million euro, compared to the end of 2010, amounting to 254.8 million euro as at 30 June, which includes the 37.2 million euro cash inflow from the sale of TP.

As at the date of this report, a total of 227 residential units have been sold at **troiaresort**, a net increase of 3 units since the last reporting date.

2. Selected Main Events

Up to the date of this report, the following material events were announced to the market:

Financing

17 January 2011

Sonae Capital, SGPS, SA announced the completion of an unsecured bond issue, by private placement, arranged and led by Banco BPI, in the amount of 10 million euro, with a tenor of 5 years and call and put options at the end of the third year.

Asset disposals

14 March 2011

Sonae Capital, SGPS, SA informed about the agreement signed with *Finerge – Gestão de Projectos Energéticos, SA*, a company owned by *Enel Green Power España, SL*, regarding the terms for the sale of the whole of its 50% shareholding in the share capital of *TP – Sociedade Térmica Portuguesa, SA*.

9 June 2011

Sonae Capital, SGPS, SA informed that the terms for the sale of the whole of its 50% shareholding in the share capital of *TP – Sociedade Térmica Portuguesa, SA* became effective as of this date. The transaction generated a cash inflow of 37.2 million euro and a positive impact of 20.3 million euro on the first half 2011 consolidated results of Sonae Capital.

20 July 2011

Sonae Capital, SGPS, SA informed about the sale of the whole of its 20% shareholding in the share capital of *Sociedade Imobiliária Tróia B3, S.A.*, including loans made to this company, to *Salvor – Sociedade de Investimento Hoteleiro, S.A.*, a company held by the Pestana Group. The transaction will result in a cash inflow of around 9.2 million euro, 1.8 million of which was received on this date and the remainder of which will be paid in three equal annual instalments, beginning in 2012, with an estimated positive impact of 6.2 million euro on the 2011 consolidated results of Sonae Capital.

Corporate Governance

31 March 2011

Sonae Capital, SGPS, SA informed about resolutions taken at the Shareholders' General Meeting and about decisions of the Board of Directors taken on that date.

3. Consolidated Financial Statements Review

3.1. Consolidated Profit and Loss Statement

Values in 10³ euro

	1H 11 Total Operations	1H 10 Total Operations	1H 10 Discontinued Operations	1H 10 Continued Operations	Δ (A/B)	2Q 11 Total Operations	2Q 10 Continued Operations	Δ (C/D)
	(A)			(B)		(C)	(D)	
Turnover	63,990.4	89,287.2	17,394.4	71,892.8	-11.0%	33,551.7	38,118.4	-12.0%
Other Operational Income	7,892.8	3,968.2	44.3	3,923.9	>100%	4,332.8	2,517.3	+72.1%
Total Operational Income	71,883.2	93,255.4	17,438.7	75,816.7	-5.2%	37,884.5	40,635.7	-6.8%
Cost of Goods Sold	-20,084.4	-17,355.2	0.3	-17,355.5	-15.7%	-10,771.8	-10,595.5	-1.7%
Change in Stocks of Finished Goods	-1,005.4	-5,209.2	0.0	-5,209.2	+80.7%	-491.2	-2,112.7	+76.8%
External Supplies and Services	-28,252.7	-43,406.2	-16,253.1	-27,153.1	-4.0%	-14,846.9	-13,135.5	-13.0%
Staff Costs	-20,425.9	-22,453.4	-750.2	-21,703.2	+5.9%	-10,026.2	-10,830.6	+7.4%
Other Operational Expenses	-3,081.0	-2,131.8	-159.9	-1,972.0	-56.2%	-1,416.6	-1,011.2	-40.1%
Total Operational Expenses	-72,849.3	-90,555.8	-17,162.9	-73,392.9	+0.7%	-37,552.8	-37,685.4	+0.4%
Operational Cash-Flow (EBITDA)	-3,268.1	1,967.4	275.8	1,691.6	-	94.5	2,223.9	-95.8%
Amortisation and Depreciation	-6,652.8	-6,846.0	-108.9	-6,737.1	+1.3%	-3,372.4	-3,427.7	+1.6%
Provisions and Impairment Losses	-75.3	-2,594.2	-12.2	-2,582.0	+97.1%	-62.2	-465.3	+86.6%
Operational Profit/(Loss) (EBIT)	-7,694.3	-6,740.6	154.7	-6,895.3	-11.6%	-3,102.9	-942.7	<-100%
Net Financial Expenses	-5,120.8	-3,946.3	4.9	-3,951.2	-29.6%	-2,758.9	-1,811.1	-52.3%
Share of Results of Associated Undertakings	2,750.9	1,505.4	0.0	1,505.4	+82.7%	1,839.6	1,028.3	+78.9%
Investment Income	22,102.8	-477.8	0.0	-477.8	-	20,409.5	126.7	>100%
Profit before Taxation	12,038.6	-9,659.3	159.6	-9,818.9	-	16,387.3	-1,598.9	-
Taxation	538.1	4,279.8	-16.4	4,296.2	-87.5%	-560.5	1,194.0	-
Net Profit	12,576.8	-5,379.5	143.2	-5,522.7	-	15,826.8	-404.9	-
Attributable to Equity Holders of Sonae Capital	12,202.6	-5,426.2	143.2	-5,569.5	-	15,432.3	-463.0	-
Attributable to Non-Controlling Interests	374.1	46.8	0.0	46.8	>100%	394.5	58.1	>100%

Contributions to consolidated turnover and operational cash-flow (EBITDA) for each business area in the reporting periods were as follows:

Values in 10³ euro

	Turnover					
	1H 11	1H 10	Δ	2Q 11	2Q 10	Δ
Resorts	5,819.3	11,535.5	-49.6%	2,842.6	6,781.1	-58.1%
Resort Development	2,997.3	9,269.1	-67.7%	933.1	5,295.3	-82.4%
Resort Management (Golf, Marina and Market)	812.1	684.7	+18.6%	576.7	475.3	+21.3%
Atlantic Ferries	2,010.0	1,581.6	+27.1%	1,332.8	1,010.6	+31.9%
Hotels	5,454.3	5,602.2	-2.6%	3,514.5	3,419.6	+2.8%
Fitness	8,699.2	9,606.1	-9.4%	4,215.9	4,899.2	-13.9%
Other	3.9	7.0	-43.8%	1.2	0.5	>100%
Sonae Turismo's contribution	19,976.7	26,750.7	-25.3%	10,574.2	15,100.5	-30.0%
Residential Property Development	774.8	1,330.1	-41.7%	648.6	492.5	+31.7%
Operational Assets	1,291.9	1,262.9	+2.3%	678.5	624.5	+8.6%
Other Assets	2,381.8	958.4	>100%	435.7	389.4	+11.9%
SC Assets's contribution	4,448.5	3,551.4	+25.3%	1,762.9	1,506.5	+17.0%
Selfrio Group	33,957.7	35,305.3	-3.8%	18,383.5	18,746.5	-1.9%
Energy and Environment	2,840.9	2,455.9	+15.7%	1,451.2	1,312.9	+10.5%
Other	2,626.7	3,642.3	-27.9%	1,273.4	1,363.4	-6.6%
Spred's contribution	39,425.3	41,403.4	-4.8%	21,108.1	21,422.8	-1.5%

	Operational Cash-Flow (EBITDA)					
	1H 11	1H 10	Δ	2Q 11	2Q 10	Δ
Resorts	-3,684.6	-167.4	<-100%	-851.6	734.9	-
Resort Development	-3,074.2	966.6	-	-842.3	956.9	-
Resort Management (Golf, Marina and Market)	-472.2	-478.7	+1.4%	-222.8	-184.1	-21.1%
Atlantic Ferries	-138.2	-655.3	+78.9%	213.5	-38.0	-
Hotels	-3,664.8	-3,811.0	+3.8%	-1,314.2	-1,453.3	+9.6%
Fitness	657.2	1,998.7	-67.1%	177.0	943.3	-81.2%
Other	273.3	324.6	-15.8%	-77.3	328.2	-
Sonae Turismo's contribution	-6,419.0	-1,655.1	<-100%	-2,066.2	553.2	-
Residential Property Development	-323.6	-530.9	+39.0%	-107.0	-448.9	+76.2%
Operational Assets	1,340.2	1,409.3	-4.9%	661.1	723.2	-8.6%
Other Assets	-529.4	514.5	-	-154.6	297.4	-
SC Assets's contribution	487.1	1,392.9	-65.0%	399.5	571.7	-30.1%
Selfrio Group	2,630.2	2,194.2	+19.9%	1,782.3	1,032.3	+72.7%
Energy and Environment	621.1	358.3	+73.3%	312.0	287.5	+8.5%
Other	76.7	-38.5	-	70.9	121.7	-41.8%
Spred's contribution	3,328.0	2,514.0	+32.4%	2,165.2	1,441.5	+50.2%

Consolidated turnover in the second quarter totalled 33.6 million euro (38.1 million euro). Compared to the same period of last year, quarterly evolution denoted a general improvement in turnover, with the exception of Resort Development, as a result of fewer sales deeds signed for residential units at **troiaresort** (2 in 2Q11 versus 9 in 2Q10), Selfrio's HVAC business where contribution fell due to increased market constraints, and Fitness, which continued last quarter's declining trend.

Consolidated turnover amounted to 64.0 million euro in the first half of the year, representing a 11% decrease compared to the same period of last year.

Resorts made up 5.8 million euro (11.5 million euro) of the half year consolidated turnover, reflecting:

- Six sales deeds signed for residential units in **troiaresort**. Resort Development turnover in the period was 3.0 million euro, 6.3 million euro less than in the first half of 2010, when 16 sales deeds were signed;
- An increase of 27% in turnover from Atlantic Ferries, to 2.0 million euro, favourably impacted by the opening of *Casino de Tróia* early this year and ticket price increases. Passenger traffic grew 24%, whilst vehicle traffic fell slightly by 3%;
- Higher occupancy of the **troiamarina** (up 11.2 p.p.), aggressive marketing policies in **troiagolf** (green fees were up by 26%) and an increase in the number of customers at **troiamarket**. As a result, Resort Management's turnover increased by around 19% to 0.8 million euro.

The contribution from the Hotel business was slightly below last year's figure, at 5.5 million euro (5.6 million euro), basically due to lower food and beverage revenues in both the Porto Palácio Hotel and Aqualuz **Tróia** units, a widespread industry trend already evident in the last quarter:

- Porto Palácio Hotel's turnover was 3.6 million euro (3.8 million euro), with the occupancy rate growing 3.9 p.p. and average daily revenue decreasing to 89.5 euro (92.2 euro);
- Aqualuz **Tróia** units delivered turnover of 1.4 million euro, down 0.1 million euro, with the occupancy rate growing 3.2 p.p. and average daily revenue improving 8%, to 84.7 euro.;
- Aqualuz Lagos performed positively, posting 12% growth in turnover, up to 0.4 million euro. The occupancy rate grew by 2.8 p.p. and average daily revenue was 5% below last year's figure, at 53.0 euro.

Fitness performance in the period was inevitably impacted by the VAT increase on sports activities and by additional pressures adversely impacting consumer spending. As a consequence, both retention rates and new membership contracts decreased in the period, leading to a 9.4% fall in turnover, which totalled 8.7 million euro.

Additional non-core real estate asset sales explain the 25% growth in SC Assets' turnover, which totalled 4.4 million euro in the half year. Sales deeds for 2 City Flats apartments were signed in the period, compared to 4 in the first half of 2010.

Selfrio's contribution to consolidated turnover fell by around 1.3 million euro to 34.0 million euro. This fall was primarily due to the HVAC business, whose turnover fell by 2.9 million euro in the half year to 13.7 million euro. All other Selfrio businesses delivered growth, the highlight being international operations in Spain where turnover increased 62% to 2.9 million euro. Turnover's performance in the half year reflects the strategic focus on international expansion to offset the impact of falling demand in the Portuguese cold engineering and HVAC markets.

Energy and Environment turnover increased around 16% to 2.8 million euro, mostly driven by the cogeneration facility located in Maia Business Park.

Consolidated operational cash-flow (EBITDA) for the second quarter of the year was 0.1 million euro, a decrease of 2.1 million euro, mainly explained by Resort Development (as a result of lower sales volume) and by Fitness (adversely impacted by the 5% VAT increase which was not passed on to customers, by the ramp up stage of the Gaia Health Club unit and by the fall in the number of members).

As a result of the above, consolidated operational cash-flow (EBITDA) for the half year amounted to negative 3.3 million euro (positive 1.7 million euro). Resort Development showed the most significant decrease, down 4.0 million euro to negative 3.1 million euro, as a result of 10 fewer sales deeds being signed in the first half of 2011 compared to the same period of last year. The Fitness business' contribution to consolidated EBITDA continued to be positive, despite a 1.3 million euro fall to 0.7 million euro.

In Tourism, the main highlight has been the operational breakeven achieved by Atlantic Ferries in the second quarter of the year (0.2 million euro EBITDA contribution), although this was still not enough to achieve a positive contribution for the half year (negative 0.1 million euro). However, it

bodes well for a positive performance during the remainder of the year. Hotels contribution to EBITDA increased by 4%, despite a fall in Food & Beverage revenues, reflecting the impact of the implementation of a leaner cost structure across the business.

The 20% growth in Selfrio's EBITDA, which totalled 2.6 million euro in the half year, reflects more favourable operational margins in some of the second quarter's projects.

EBITDA of the Energy and Environment businesses continued to increase compared to the same period of last year, as the cogeneration plant at the Maia Business Park enters cruising speed, achieving an EBITDA of 0.6 million euro, up 0.2 million euro. Performance in the remainder of the year should improve, following the beginning of operations in the new Colombo cogeneration facility in July.

No provisions and impairment losses were booked in the first half of 2011, which explains the deviation towards last year's 2.6 million euro, which included around 2.3 million euro million regarding provisions and impairment losses for real estate assets.

As anticipated, net financial expenses increased 30%, totalling 5.1 million euro for the half year. Increases in market interest rates and the increased cost from debt refinancing explain the deviation towards last year comparable figures.

Imosede Fund and TP (up to its disposal) were the main contributors to half year profits from associated undertakings, with 1.2 million euro and 1.5 million euro respectively.

The main component of investment income for the period, totalling 22.1 million euro (negative 0.5 million euro), was the 20.3 million euro capital gain from the sale of the Group's 50% shareholding in TP, which took place in June 2011. Adding up to this impact is the positive price adjustment from the sale of Choice Car as set out in the respective sale agreement.

Taking into account the impact of the above, net income for the period was 12.6 million euro (negative 5.5 million euro), which includes the impact of lower taxation.

3.2 Consolidated Balance Sheet

Values in 10³ euro

	30.06.2011	31.12.2010	Δ
Tangible and Intangible Assets	281,098.9	264,939.8	+6.1%
Goodwill	61,133.3	61,133.3	+0.0%
Non-Current Investments	61,485.2	73,517.4	-16.4%
Other Non-Current Assets	39,454.8	36,897.2	+6.9%
Stocks	210,074.9	229,782.6	-8.6%
Trade Debtors and Other Current Assets	54,247.5	61,697.0	-12.1%
Cash and Cash Equivalents	3,027.1	3,199.3	-5.4%
Total Assets	710,521.7	731,166.7	-2.8%
Total Equity attributable to Equity Holders of Sonae Capital	340,641.2	326,914.8	+4.2%
Total Equity attributable to Non-Controlling Interests	8,725.0	12,454.8	-29.9%
Total Equity	349,366.2	339,369.6	+2.9%
Non-Current Borrowings	185,360.0	151,893.4	+22.0%
Deferred Tax Liabilities	3,911.3	3,616.0	+8.2%
Other Non-Current Liabilities	39,743.3	39,827.7	-0.2%
Non-Current Liabilities	229,014.6	195,337.1	+17.2%
Current Borrowings	72,496.2	128,515.5	-43.6%
Trade Creditors and Other Current Liabilities	58,189.4	65,239.5	-10.8%
Provisions	1,455.2	2,704.9	-46.2%
Current Liabilities	132,140.9	196,460.0	-32.7%
Total Liabilities	361,155.5	391,797.1	-7.8%
Total Equity and Liabilities	710,521.7	731,166.7	-2.8%

3.2.1. Capex

Capex amounted to 8.6 million euro in the half year, 4.6 million euro of which accounted for in the second quarter of the year. The latter regards the completion of construction works of Aqualuz Events Centre (inaugurated on 29 April 2011) and the conclusion of the refurbishment works of Aqualuz **troiario** hotel unit, as well as the second tranche from progress in construction of the Colombo cogeneration facility (expected to be concluded during the third quarter of the year).

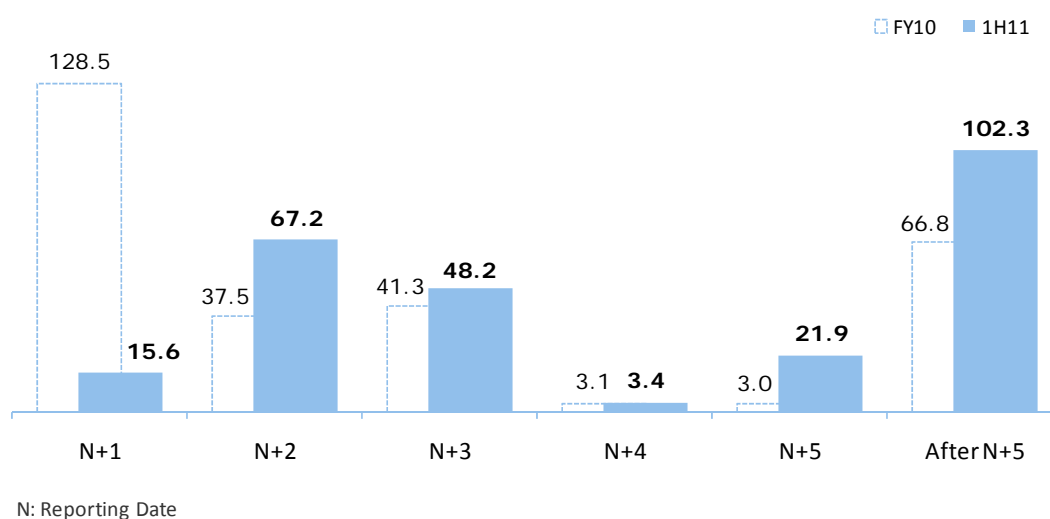
Major contributions to half year consolidated capex include 4.0 million euro at **troiaresort**, 3.5 million euro for Energy and Environment, 0.6 million euro for SC Assets (mostly regarding licenses) and 0.2 million euro for Fitness (mostly maintenance capex).

In the first half of 2011, Detailed Plans for Boure (Castelo de Paiva, Douro region), UNOP 4 (Tróia) and the revision of the Urbanisation Plan for the Tróia Peninsula were approved. Detailed plans regarding UNOPs 7 and 8 (Tróia), José Malhoa (Lisbon) and T4 (Mourão) were concluded and should be approved in the second half of the year.

3.2.2. Net Debt

The Group has successfully concluded its debt refinancing process in early June 2011. As at 30 June 2011, net debt was 254.8 million euro, 22.4 million euro down on the figure at 31 December 2010, reflecting the use of a significant portion of the proceeds from the sale of the shareholding in TP to reduce debt. Gearing was 72.9% as at 30 June 2011 (81.7% in 31 December 2010).

The forecasted repayment schedule of borrowings (in million euro), as at 30 June 2011, considering commitment periods regarding each financing operation, was as follows:



4. Individual Financial Statements

Sonae Capital, SGPS, SA, the holding company of the Group, posted a 58,887 euro net income, compared with 2,508,524 euro in the first half of the previous year. First half of 2010 results, amounting to 2,871,845 euro, included 2,871,845 euro from investment income arising from dividends paid by an associated company.

5. Own Shares

As at 30 June 2011, Sonae Capital, SGPS, SA had no treasury stock nor had it bought or sold own shares in the period.

Maia, 25 August 2011

The Board of Directors,

Glossary

- Average Daily Revenue = Lodging Revenues / Number of rooms sold.
- Capex = Investment in Tangible and Intangible Assets.
- Gearing = Net Debt / Equity.
- HVAC = Heating, Ventilation and Air Conditioning.
- Net Debt = Non Current Loans + Current Loans – Cash and Cash Equivalents – Current Investments.
- Operational Cash-Flow (EBITDA) = Operational Profit (EBIT) + Amortisation and Depreciation + Provisions and Impairment Losses + Impairment Losses of Real Estate Assets in Stocks (included in Cost of Goods Sold) – Reversal of Impairment Losses and Provisions (included in Other Operating Income).
- UNOP (Operational Planning Unit) = Planning and management operational units as specified in the Tróia Urbanisation Plan approved by the Portuguese Government Cabinet Resolution nr. 23/2000.



**APPENDIX TO THE
REPORT OF THE BOARD OF DIRECTORS
30 JUNE 2011**

(Translation from the Portuguese Original)

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 2011 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, 25 August 2011

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
Vice President of the Board of Directors

Maria Cláudia Teixeira de Azevedo
Member of the Board of Directors

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

GOVERNING BODIES

Disclosure of shares and other securities held by Members of the Board of Directors and Fiscal Board and of transactions during the half year involving shares and other securities, as required by number 1, a) of article 9 of CMVM Regulation Nr. 5/2008:

	Date	Purchases		Sales		Balance as at
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2011
						Quantity
Belmiro Mendes de Azevedo						
Efanor Investimentos, SGPS, SA (1)						49,999,997
Sonae Capital, SGPS, SA ^(a)						838,862
Álvaro Carmona e Costa Portela ^(b)						
Sonae Capital, SGPS, SA						16,603,242
Maria Cláudia Teixeira de Azevedo						
Efanor Investimentos, SGPS, SA (1)						49,999,997
Linhacom, SGPS, SA (4)						99,996
Paulo José Jubilado Soares de Pinho ^(c)						
Sonae Capital, SGPS, SA						20,775

	Date	Purchases		Sales		Balance as at
		Quantity	Aver. Price €	Quantity	Aver. Price €	30.06.2011
						Quantity
(1) Efanor Investimentos, SGPS, SA						
Sonae Capital, SGPS, SA						88,859,200
Pareuro, BV (2)						2,000,000
Sonae, SGPS, SA (3)						659,650,000
(2) Pareuro, BV						
Sonae Capital, SGPS, SA						50,000,000
(3) Sonae, SGPS, SA						
Sonae Capital, SGPS, SA						16,600,000
(4) Linhacom, SGPS, SA						
Sonae Capital, SGPS, SA						43,912

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

^(b) Includes 16,600,000 shares owned by Sonae, SGPS, SA, company of which he is a Member of the Board of Directors.

^(c) Includes 8,125 shares owned by Change Partners, SCR, SA, company of which he is a Member of the Board of Directors.

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 2011:

Shareholder	Nr. of Shares	% of Share Capital	% of Voting Rights
Efanor Investimentos, SGPS, S.A.			
Directly Owned	88,859,200	35.544%	35.544%
Through Pareuro, BV (controlled by Efanor)	50,000,000	20.000%	20.000%
Through Sonae, SGPS, SA (controlled by Efanor)	16,600,000	6.640%	6.640%
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 descendents of Duarte Paulo Teixeira de Azevedo (Member of the Board of Directors of Efanor)	411	0.000%	0.000%
Through descendents 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>
Banco BPI, S.A.			
Through Fundos de Pensões do Banco BPI (controlled by Banco BPI)	5,000,000	2.000%	2.000%
Through BPI Vida - Companhia de Seguros de Vida, S.A. (controlled by Banco BPI)	753,727	0.301%	0.301%
Total attributable	<u>5,753,727</u>	<u>2.301%</u>	<u>2.301%</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)	2,500	0.001%	0.001%
Total attributable	<u>17,166,440</u>	<u>6.867%</u>	<u>6.867%</u>



**TRANSACTIONS OF SECURITIES MADE BY PERSONS DISCHARGING MANAGERIAL RESPONSABILITIES AND
THEIR CONNECTED PERSONS DURING THE 1ST HALF OF 2011**

As required by number 6 article 14 of CMVM Regulation Nr. 5/2008, we inform that no person discharging managerial responsibilities nor their connected persons have carried out transactions of Sonae Capital's securities during the 1st Half of 2011.



CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2011

(Translation from the Portuguese Original)

SONAE CAPITAL, SGPS, SA

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2011 AND 31 DECEMBER 2010

(Amounts expressed in euro)

ASSETS	Notes	30.06.2011 Total Operations	31.12.2010 Total Operations
NON-CURRENT ASSETS:			
Tangible assets	8	273,610,215	257,689,745
Intangible assets	8	7,488,694	7,250,028
Goodwill	9	61,133,327	61,133,327
Investments in associated companies	5	60,338,569	72,378,266
Other investments	6 and 10	1,146,648	1,139,123
Deferred tax assets	14	21,685,984	19,655,868
Other non-current assets	11	17,768,777	17,241,368
Total Non-Current Assets		<u>443,172,214</u>	<u>436,487,724</u>
CURRENT ASSETS:			
Stocks	12	210,074,928	229,782,596
Trade account receivables and other current assets	13	54,247,462	61,697,035
Investments	10	-	-
Cash and cash equivalents	15	3,027,102	3,199,298
Total Current Assets		<u>267,349,492</u>	<u>294,678,929</u>
TOTAL ASSETS		<u><u>710,521,706</u></u>	<u><u>731,166,653</u></u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	16	250,000,000	250,000,000
Reserves and retained earnings		78,438,582	81,335,203
Profit/(Loss) for the year attributable to the equity holders of Sonae Capital		12,202,648	(4,420,429)
Equity attributable to the equity holders of Sonae Capital		<u>340,641,230</u>	<u>326,914,774</u>
Equity attributable to non-controlling interests	17	8,725,001	12,454,796
TOTAL EQUITY		<u>349,366,231</u>	<u>339,369,570</u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank Loans	18	185,360,008	151,893,406
Other non-current liabilities	20	36,557,279	36,641,690
Deferred tax liabilities	14	3,911,349	3,616,046
Provisions	23	3,185,974	3,185,974
Total Non-Current Liabilities		<u>229,014,610</u>	<u>195,337,116</u>
CURRENT LIABILITIES:			
Bank Loans	18	72,496,200	128,515,512
Trade creditors and other current liabilities	22	58,189,449	65,239,546
Provisions	23	1,455,216	2,704,909
Total Current Liabilities		<u>132,140,865</u>	<u>196,459,967</u>
TOTAL LIABILITIES		<u>361,155,475</u>	<u>391,797,083</u>
TOTAL EQUITY AND LIABILITIES		<u><u>710,521,706</u></u>	<u><u>731,166,653</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 2011 AND 2010

(Amounts expressed in euro)

	Notes	30.06.2011	30.06.2010		
		Total Operations	Total Operations	Discontinued Operations	Continued Operations
Operational income					
Sales		34,512,244	42,437,321	-	42,437,321
Services rendered		29,478,157	46,849,829	17,394,357	29,455,472
Other operational income	8	7,892,751	3,968,229	44,297	3,923,932
Total operational income		71,883,152	93,255,379	17,438,654	75,816,725
Operational expenses					
Cost of goods sold and materials consumed		(20,084,357)	(17,355,191)	261	(17,355,452)
Changes in stocks of finished goods and work in progress		(1,005,390)	(5,209,174)	-	(5,209,174)
External supplies and services		(28,252,745)	(43,406,203)	(16,253,068)	(27,153,135)
Staff costs		(20,425,887)	(22,453,403)	(750,224)	(21,703,179)
Depreciation and amortisation	8	(6,652,769)	(6,845,965)	(108,870)	(6,737,095)
Provisions and impairment losses	8	(75,347)	(2,594,184)	(12,193)	(2,581,991)
Other operational expenses		(3,080,970)	(2,131,835)	(159,871)	(1,971,964)
Total operational expenses		(79,577,465)	(99,995,955)	(17,283,965)	(82,711,990)
Operational profit/(loss)		(7,694,313)	(6,740,576)	154,689	(6,895,265)
Financial Expenses		(5,772,635)	(4,853,597)	3,194	(4,856,791)
Financial Income		651,809	907,308	1,727	905,581
Net financial expenses		(5,120,826)	(3,946,289)	4,921	(3,951,210)
Share of results of associated undertakings	5	2,750,918	1,505,425	-	1,505,425
Investment income	5	22,102,836	(477,837)	-	(477,837)
Profit/(Loss) before taxation		12,038,615	(9,659,277)	159,610	(9,818,887)
Taxation	26	538,144	4,279,810	(16,407)	4,296,217
Profit/(Loss) for the year	27	12,576,759	(5,379,467)	143,203	(5,522,670)
Attributable to:					
Equity holders of Sonae Capital		12,202,648	(5,426,249)	143,203	(5,569,452)
Non-controlling interests	17	374,111	46,782	-	46,782
Profit/(Loss) per share					
Basic	28	0.048811	(0.021705)	0.000573	(0.022278)
Diluted	28	0.048811	(0.021705)	0.000573	(0.022278)

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 2011 AND 2010

(Amounts expressed in euro)

	Notes	Continued Operations	
		2 nd Quarter 11 ¹	2 nd Quarter 10 ¹
Operational income:			
Sales		17,542,509	22,315,528
Services rendered		16,009,200	15,802,869
Other operational income		4,332,798	2,517,278
Total operational income		<u>37,884,507</u>	<u>40,635,675</u>
Operational expenses			
Cost of goods sold and materials consumed		(10,771,775)	(10,595,457)
Changes in stocks of finished goods and work in progress		(491,179)	(2,112,652)
External supplies and services		(14,846,917)	(13,135,519)
Staff costs		(10,026,239)	(10,830,626)
Depreciation and amortisation		(3,372,386)	(3,427,716)
Provisions and impairment losses		(62,245)	(465,283)
Other operational expenses		(1,416,648)	(1,011,157)
Total operational expenses		<u>(40,987,389)</u>	<u>(41,578,410)</u>
Operational profit/(loss)		(3,102,882)	(942,735)
Financial Expenses		(3,120,681)	(2,194,928)
Financial Income		361,761	383,818
Net financial expenses		(2,758,920)	(1,811,110)
Share of results of associated undertakings		1,839,615	1,028,314
Investment income		20,409,511	126,670
Profit/(Loss) before taxation		<u>16,387,324</u>	<u>(1,598,861)</u>
Taxation		(560,511)	1,193,965
Profit/(Loss) for the period		<u>15,826,813</u>	<u>(404,896)</u>
Attributable to:			
Equity holders of Sonae Capital		15,432,286	(462,984)
Non-controlling interests		394,527	58,088
Profit/(Loss) per share			
Basic		0.061729	(0.001852)
Diluted		0.061729	(0.001852)

The accompanying notes are part of these financial statements.

¹ Prepared in accordance with IAS 34 - Interim Financial Reporting. Not subject to limited review.

The Board of Directors

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2011 AND 2010

(Amounts expressed in euro)

	30.06.2011	30.06.2010		
	Total Operations	Total Operations	Discontinued Operations	Continued Operations
Consolidated net profit/(loss) for the period	12,576,759	(5,379,467)	143,203	(5,522,670)
Exchange differences on translating foreign operations	(21,851)	157,830	-	157,830
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	2,594,296	17,772	-	17,772
Change in the fair value of assets available for sale	-	-	-	-
Change in the fair value of cash flow hedging derivatives	545,767	(1,156,151)	-	(1,156,151)
Other comprehensive income for the period	3,118,212	(980,549)	-	(980,549)
Total comprehensive income for the period	<u>15,694,971</u>	<u>(6,360,016)</u>	143,203	<u>(6,503,219)</u>
Attributable to:				
Equity holders of Sonae Capital	15,319,633	(6,438,400)	143,203	(6,581,603)
Non-controlling interests	<u>375,338</u>	<u>78,384</u>	-	<u>78,384</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 2011 AND 2010

(Amounts expressed in euro)

		Total Operations
	2 nd Quarter 11 ¹	2 nd Quarter 10 ¹
Consolidated net profit/(loss) for the period	15,826,813	(404,896)
Exchange differences on translating foreign operations	18,730	102,951
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	1,997,066	3,127
Change in the fair value of assets available for sale	-	-
Change in the fair value of cash flow hedging derivatives	(369,999)	(308,320)
Other comprehensive income for the period	1,645,797	(202,242)
Total comprehensive income for the period	<u>17,472,610</u>	<u>(607,138)</u>
Attributable to:		
Equity holders of Sonae Capital	17,078,736	(688,874)
Non-controlling interests	<u>393,874</u>	<u>81,736</u>

The accompanying notes are part of these financial statements.

¹ Prepared in accordance with IAS 34 - Interim Financial Reporting. Not subject to limited review.

The Board of Directors

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2011 AND 2010

(Amounts expressed in Euro)

Notes	Attributable to Equity Holders of Sonae Capital							Net Profit/(Loss)	Total	Non-Controlling Interests	Total Equity
	Share Capital	Demerger Reserve (Note 16)	Translation Reserves	Fair Value Reserves	Hedging Reserves	Other Reserves and Retained Earnings	Sub total				
Balance as at 1 January 2010	250,000,000	132,638,253	(1,239,053)	-	-	(70,853,320)	60,545,880	23,074,268	333,620,148	11,319,241	344,939,389
Total consolidated comprehensive income for the period	-	-	110,481	-	(1,140,404)	17,772	(1,012,151)	(5,426,249)	(6,438,400)	78,384	(6,360,016)
Appropriation of profit of 2009											
Transfer to legal reserves and retained earnings	-	-	-	-	-	23,074,268	23,074,268	(23,074,268)	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	196,480	196,480	-	196,480	(2,110)	194,370
Balance as at 30 June 2010	<u>250,000,000</u>	<u>132,638,253</u>	<u>(1,128,572)</u>	<u>-</u>	<u>(1,140,404)</u>	<u>(47,564,800)</u>	<u>82,804,477</u>	<u>(5,426,249)</u>	<u>327,378,228</u>	<u>11,395,515</u>	<u>338,773,743</u>
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>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>

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 2011 AND 2010

(Amounts expressed in Euro)

	Notes	30.06.2011	30.06.2010	2 nd quarter 11 ¹	2 nd quarter 10 ¹
OPERATING ACTIVITIES:					
Cash receipts from trade debtors		70,638,901	92,397,975	31,475,429	42,754,154
Cash receipts from trade creditors		(48,864,713)	(79,722,065)	(20,001,993)	(40,382,240)
Cash paid to employees		(19,812,602)	(22,411,146)	(10,779,971)	(11,643,884)
Cash flow generated by operations		<u>1,961,586</u>	<u>(9,735,236)</u>	<u>693,465</u>	<u>(9,271,970)</u>
Income taxes (paid) / received		(1,611,667)	(4,817,054)	(646,017)	(4,131,044)
Other cash receipts and (payments) relating to operating activities		<u>(2,496,822)</u>	<u>2,870,382</u>	<u>(1,951,032)</u>	<u>4,767,729</u>
Net cash flow from operating activities (1)		<u><u>(2,146,903)</u></u>	<u><u>(11,681,908)</u></u>	<u><u>(1,903,584)</u></u>	<u><u>(8,635,285)</u></u>
INVESTMENT ACTIVITIES:					
Cash receipts arising from:					
Investments		40,910,953	388,548	38,410,953	25,001
Tangible assets		635,984	1,194,346	332,597	456,185
Interest and similar income		214,969	142,019	145,432	(500,457)
Loans granted		96,856	11,401,460	-	9,343,505
Dividends		<u>149,502</u>	<u>228,233</u>	<u>149,502</u>	<u>201,747</u>
		<u>42,008,264</u>	<u>13,354,606</u>	<u>39,038,484</u>	<u>9,525,981</u>
Cash Payments arising from:					
Investments		(6,027,865)	(976,574)	(23,721)	(357,728)
Tangible assets		(7,123,615)	(2,978,357)	(3,800,769)	(1,238,063)
Intangible assets		(396,797)	(31,275)	(374,562)	(3,145)
Loans granted		-	(12,000)	3,250,000	-
		<u>(13,548,277)</u>	<u>(3,998,206)</u>	<u>(949,052)</u>	<u>(1,598,936)</u>
Net cash used in investment activities (2)		<u><u>28,459,987</u></u>	<u><u>9,356,400</u></u>	<u><u>38,089,432</u></u>	<u><u>7,927,045</u></u>
FINANCING ACTIVITIES:					
Cash receipts arising from:					
Loans obtained		<u>48,979,969</u>	<u>9,644,246</u>	<u>34,616,106</u>	<u>2,407,616</u>
		<u>48,979,969</u>	<u>9,644,246</u>	<u>34,616,106</u>	<u>2,407,616</u>
Cash Payments arising from:					
Loans obtained		(70,362,507)	(2,366,343)	(69,045,474)	(2,080,998)
Interest and similar charges		(5,441,259)	(3,421,888)	(3,148,542)	(162,873)
Others		-	(292,784)	-	522,738
		<u>(75,803,766)</u>	<u>(6,081,015)</u>	<u>(72,194,016)</u>	<u>(1,721,133)</u>
Net cash used in financing activities (3)		<u><u>(26,823,797)</u></u>	<u><u>3,563,231</u></u>	<u><u>(37,577,910)</u></u>	<u><u>686,483</u></u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		<u>(510,713)</u>	<u>1,237,723</u>	<u>(1,392,062)</u>	<u>(21,757)</u>
Effect of foreign exchange rate		<u>(2,397)</u>	<u>(37,103)</u>	<u>(2,488)</u>	<u>(21,016)</u>
Cash and cash equivalents at the beginning of the period	15	<u>2,497,210</u>	<u>1,943,023</u>	<u>3,378,468</u>	<u>3,218,590</u>
Cash and cash equivalents at the end of the period	15	<u><u>1,988,894</u></u>	<u><u>3,217,849</u></u>	<u><u>1,988,894</u></u>	<u><u>3,217,849</u></u>

The accompanying notes are part of these financial statements.

The Board of Directors

SONAE CAPITAL, SGPS, SA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2011

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

(Amounts expressed in euro)

1. INTRODUCTION

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

Sonae Capital's business portfolio was reorganized according to its strategic objective, set on the development of three distinct and autonomous business areas:

- The first business area, headed by Sonae Turismo, SGPS, SA, includes businesses in tourism, through the development and management of tourism resorts, in hotels, through management of hotels with an integrated offer of services (SPA, congress/events centre and food court), and in health and fitness, through management of health clubs;
- The second business area, headed by SC Assets, SGPS, SA, is focused on investment and management of real estate property, comprising the ownership and management of real estate assets for the development of both tourism resorts and residential property, and services regarding land and buildings, among which management of leased buildings, technical management of buildings and condominium management;
- The third business area, headed by Spred, SGPS, SA, includes shareholdings in different areas: refrigeration, air conditioning and maintenance; energy and environment (engineering services related to sustainable building and energy services to industries), and; financial shareholdings in wholly owned companies of smaller size and in relevant companies.

2. MAIN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the financial statements presented for the year ended 31 December 2010.

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

Changes in accounting standards, interpretations, amendments and revisions issued with mandatory application to periods beginning on or after 1 January 2011, did not lead to significant impacts on the financial statements for 30 June 2011.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of the share capital held by the Group as at 30 June 2011 and 31 December 2010, are as follows:

Company	Head Office	Percentage of capital held			
		30 June 2011		31 December 2010	
		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%
1) Atlantic Ferries – Traf. Loc. Flu. e Marit., SA	a) Grândola	80.00%	80.00%	80.00%	80.00%
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%
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)	Málaga (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)	Amesterdam (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%
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)	Porto	100.00%	100.00%	100.00%	100.00%
Cinclus Imobiliária, SA	a)	Porto	100.00%	100.00%	100.00%	87.74%
Country Club da Maia-Imobiliaria, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
2) Espimaia, SGPS, SA	a)	Porto	100.00%	100.00%	-	-
Imobiliária da Cacela, SA	a)	Matosinhos	100.00%	100.00%	100.00%	87.74%
Imoclub-Serviços Imobiliários, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Imodivor - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	87.74%
Imoferro-Soc.Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Imohotel-Emp.Turist.Imobiliários, SA	a)	Matosinhos	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)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Implantação – Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	87.74%
Porturbe-Edifícios e Urbanizações, SA	a)	Maia	100.00%	100.00%	100.00%	87.74%
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)	Porto	100.00%	100.00%	100.00%	100.00%
Prédios Privados Imobiliária, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Predisedas-Predial das Sedas, SA	a)	Matosinhos	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)	Amesterdam (The Netherlands)	100.00%	100.00%	100.00%	100.00%
Soira-Soc.Imobiliária de Ramalde, SA	a)	Porto	100.00%	100.00%	100.00%	87.74%
Sótaqua - Soc. de Empreendimentos Turísticos, SA	a)	Maia	100.00%	100.00%	100.00%	87.74%
Spinveste - Promoção Imobiliária, SA	a)	Porto	100.00%	100.00%	87.74%	87.74%

Spinveste-Gestão Imobiliária SGII, SA	a)	Porto	100.00%	100.00%	87.74%	87.74%
Torre São Gabriel-Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Urbisedas-Imobiliária das Sedas, SA	a)	Matosinhos	100.00%	100.00%	100.00%	100.00%
Venda Aluga-Sociedade Imobiliária, 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%
World Trade Center Porto, 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-Serviços Partilhados, SA	a)	Maia	100.00%	70.00%	100.00%	70.00%
Invsauúde – Gestão Hospitalar, SA	a)	Maia	100.00%	50.00%	100.00%	50.00%
3) 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%
Selfrio, SGPS, SA	a)	Matosinhos	70.00%	70.00%	70.00%	70.00%
Selfrio-Engenharia do Frio, SA	a)	Matosinhos	100.00%	70.00%	100.00%	70.00%
Sistavac-Sist.Aquecimento,V.Ar C., 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%
SMP-Serv. de Manutenção Planeamento, SA	a)	Matosinhos	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%
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%
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 Spred segment in 2010
- 2) Company acquired in the period
- 3) Company included in Tourism segment in 2010

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 2011 and 31 December 2010 are as follows:

Company	Head Office	Percentage of capital held				Book Value	
		30 June 2011		31 December 2010		30 June 2011	31 December 2010
		Direct	Total	Direct	Total		
Tourism							
Andar - Sociedade Imobiliária, SA	Maia	50.00%	50.00%	50.00%	50.00%	871,058	942,174
Sociedade de Construções do Chile, SA	Lisbon	100.00%	50.00%	100.00%	50.00%	-	-
Fundo de Investimento Imobiliário Fechado Imosede	Maia	45.45%	45.45%	45.45%	45.45%	56,376,573	55,156,588
Sociedade Imobiliária Tróia - B3, SA	Grândola	20.00%	20.00%	20.00%	20.00%	436,153	438,004
Vastgoed One - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
Vastgoed Sun - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
Spred							
1) Cinclus-Plan. e Gestão de Projectos, SA	Porto	-	-	25.00%	25.00%	-	606,678
Lidergraf - Artes Gráficas, Lda	Vila do Conde	24.50%	24.50%	24.50%	24.50%	447,061	489,822
Norscut - Concessionária de Scut Interior Norte, SA	Lisbon	36.00%	36.00%	36.00%	36.00%	2,154,424	742,338
Operscut - Operação e Manutenção de Auto-estradas, SA	Lisbon	15.00%	15.00%	15.00%	15.00%	24,000	24,000
Sodesa, SA	Lisbon	50.00%	50.00%	50.00%	50.00%	29,300	10,548
1) TP - Sociedade Térmica, SA	Porto	-	-	50.00%	50.00%	-	13,968,114
Total						60,338,569	72,378,266

1) Company sold in the period

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 2011 and 31 December 2010, aggregate values of main financial indicators of associated and jointly controlled companies can be analyzed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Total Assets	834,976,520	987,199,563
Total Liabilities	655,887,216	784,329,964
Income	59,290,619	178,412,566
Expenses	55,883,730	161,303,622

During the periods ended 30 June 2011 and 2010, movements in investments in associated companies may be summarized as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Opening balance as at 1 January	72,378,266	69,233,729
Acquisitions in the period	172,712	52,380
Impairments in the period	-	(592,817)
Disposals in the period	(17,557,623)	-
Equity method	5,345,214	1,523,198
Dividends received	-	(26,486)
Transfers	-	-
Closing balance as at 30 June	<u>60,338,569</u>	<u>70,190,004</u>
Consolidation differences transferred to investments	-	-
	<u><u>60,338,569</u></u>	<u><u>70,190,004</u></u>

The use of the equity method had the following impacts: 2,750,918 euro was recorded in share of results of associated undertakings (1,505,425 euro at 30 June 2010) and 2,594,296 euro of other changes recorded in reserves (17,772 euro at 30 June 2010).

The impact in investment income of the sale of the shareholdings in TP – Sociedade Térmica, S.A. and Cinclus – Planeamento e Gestão de Projectos, S.A. was 20,953,335 euro.

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 2011 and 31 December 2010 are made up as follows:

Company	Reason for exclusion	Head Office	Percentage of capital held				30 June 2011	31 December 2010
			30 June 2011		31 December 2010			
			Direct	Total	Direct	Total		
Tourism								
Delphinus – Soc. de Tur. e Div. de Tróia, SA	a)	Grândola	79.00%	79.00%	79.00%	79.00%	-	-
Infratroia – Emp. De Infraest. De Troia, E.N.	a)	Grândola	25.90%	25.90%	25.90%	25.90%	64,747	64,747
Spidouro S.P.E.I. Douro e Trás-os-Montes, SA		Vila Real	8,30%	8,30%	8,30%	8,30%	-	-
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
Spinarq – Engenharia, Energia e Ambiente, SA	a)	Luanda	99.90%	99.90%	99.90%	99.90%	191,507	191,507
Other investments							479,231	471,705
Total (Note 10)							1,146,648	1,139,122

a) Subsidiary incorporated in the period for which, at the date of these financial statements, there is not enough financial information regarding the current period.

Nil balances shown above, result from deduction of impairment losses.

7. CHANGES TO THE CONSOLIDATION PERIMETER

Additions

Company	Head Office	Percentage of capital held	
		At acquisition date	
		Direct	Total
SC Assets			
Espimaia, SGPS, SA	Porto	100.00%	100.00%

The above acquisition had the following impact in the consolidated financial statements as at 30 June 2011:

	<u>Acquisition Date</u>	<u>30 June 2011</u>
Net assets acquired		
Investments	5,000,000	-
Other assets	117,858	119,205
Cash and cash equivalents	2,033	234
Other liabilities	(1,085)	(500)
	<u>5,118,806</u>	<u>118,939</u>
Equity	699,696	
Acquisition price	<u>5,818,502</u>	
Payments made	<u>5,818,502</u>	
Net cash flow from the acquisition		
Payments made	5,818,502	
Cash and equivalents acquired	(2,033)	
	<u>5,816,469</u>	

8. TANGIBLE AND INTANGIBLE FIXED ASSETS

During the six months period ended 30 June 2011, movements in tangible and intangible fixed assets, as well as in amortization and accumulated impairment losses, are made up as follows:

	Tangible Assets				
	Land and Buildings	Equipment	Other Tangible Assets	Tangible Assets in progress	Total Tangible Assets
Gross Cost:					
Opening balance as at 1 January 2011	200,519,144	126,961,058	3,463,524	13,774,203	344,717,929
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	92,117	94,889	8,413	8,051,650	8,247,069
Disposals	(825,203)	(15,543)	(1,149,840)	(160)	(1,990,746)
Exchange rate effect	(5,798)	(1,302)	(1,186)	-	(8,286)
Transfers	13,897,165	2,876,634	75,860	(1,841,624)	15,008,035
Closing balance as at 30 June 2011	<u>213,677,425</u>	<u>129,915,736</u>	<u>2,396,771</u>	<u>19,984,069</u>	<u>365,974,001</u>
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2011	44,334,203	40,050,694	2,643,287	-	87,028,184
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period 1)	1,682,205	4,763,211	39,805	-	6,485,221
Disposals 2)	(388,071)	(23,278)	(705,834)	-	(1,117,183)
Exchange rate effect	(1,536)	(871)	(782)	-	(3,189)
Transfers	-	(29,247)	-	-	(29,247)
Closing balance as at 30 June 2011	<u>45,626,801</u>	<u>44,760,509</u>	<u>1,976,476</u>	<u>-</u>	<u>92,363,786</u>
Carrying amount as at 1 January 2011	156,184,941	86,910,364	820,237	13,774,203	257,689,745
Carrying amount as at 30 June 2011	<u>168,050,624</u>	<u>85,155,227</u>	<u>420,295</u>	<u>19,984,069</u>	<u>273,610,215</u>

1) Include impairment losses of 13,102 euro.

2) Include reversal of impairment losses of 9,797 euro, recorded as other operational income.

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

	30 June 2011
Tróia	9,485,719
Cogeneration Project Integrum Colombo	5,423,491
Ecoresort Project (Tróia)	2,166,269
Boavista Complex refurbishment	1,387,334
Others	1,521,256
	<u>19,984,069</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 2011	7,441,756	2,649,462	8,202	36,788	10,136,208
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	336,467	20,198	-	46,321	402,986
Disposals	(489)	-	-	-	(489)
Exchange rate effect	-	(404)	-	-	(404)
Transfers	17,297	68,245	-	(48,682)	36,860
Closing balance as at 30 June 2011	7,795,031	2,737,501	8,202	34,427	10,575,161
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2011	836,125	2,041,853	8,202	-	2,886,180
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period	87,885	92,765	-	-	180,650
Disposals	(489)	-	-	-	(489)
Exchange rate effect	-	(238)	-	-	(238)
Transfers	4	20,360	-	-	20,364
Closing balance as at 30 June 2011	923,525	2,154,740	8,202	-	3,086,467
Carrying amount as at 1 January 2011	6,605,631	607,609	-	36,788	7,250,028
Carrying amount as at 30 June 2011	6,871,506	582,761	-	34,427	7,488,694

9. GOODWILL

During the six months period ended 30 June 2011, movements in goodwill, as well as in corresponding impairment losses, are as follows:

	30 June 2011
Gross amount:	
Opening balance	62,434,923
Increases - acquisition of affiliated companies	-
Closing balance	<u>62,434,923</u>
Accumulated impairment losses:	
Opening balance	1,301,596
Increases	-
Decreases	-
Closing balance	<u>1,301,596</u>
	-
Total Operations	<u><u>61,133,327</u></u>

10. INVESTMENTS

As at 30 June 2011 this caption can be detailed as follows:

	30 June 2011	
	Non-current	Current
<u>Investments in group companies, jointly controlled companies or associated companies excluded from consolidation</u>		
Opening balance as at 1 January	8,324,249	-
Acquisitions in the period	7,526	-
Disposals in the period	-	-
Transfers	-	-
Changes in consolidation perimeter	-	-
Closing balance as at 30 June	8,331,775	-
Accumulated impairment losses (Note 23)	(7,707,935)	-
	623,840	-
<u>Investments held for sale</u>		
Fair value as at 1 January	651,807	-
Acquisitions in the period	-	-
Disposals in the period	-	-
Increase/(Decrease) in fair value	-	-
Transfers	-	-
Fair value as at 31 December	651,807	-
Accumulated impairment losses (Note 23)	(128,999)	-
Fair value (net of impairment losses) as at 30 June	522,808	-
	1,146,648	-
<u>Other Investments (Note 6)</u>		
<u>Derivatives</u>		
Fair value as at 1 January	-	-
Acquisitions in the period	-	-
Disposals in the period	-	-
Increase/(Decrease) in fair value	-	-
Fair value as at 30 June	-	-
	1,146,648	-

Investments in group companies, jointly controlled companies or associated companies excluded from consolidation and investments held for sale 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.

11. OTHER NON-CURRENT ASSETS

As at 30 June 2011 and 31 December 2010, other non-current assets are detailed as follows:

	30 June 2011	31 December 2010
Loans granted to related parties		
Norscut - Concessionária de Scut Interior Norte, SA	15,689,170	15,222,745
Others	89,916	89,916
	<u>15,779,086</u>	<u>15,312,661</u>
Impairment losses (Note 23)	(34,916)	(34,916)
	<u>15,744,170</u>	<u>15,277,745</u>
Trade accounts receivable and other debtors	2,024,607	1,963,623
Impairment losses (Note 23)	-	-
	<u>2,024,607</u>	<u>1,963,623</u>
Other non current assets	<u>17,768,777</u>	<u>17,241,368</u>

12. STOCKS

Stocks as at 30 June 2011 and 31 December 2010 can be detailed as follows, highlighting the value attributable to real estate developments:

	30 June 2011		31 December 2010	
	Total	of which Real Estate Developments	Total	of which Real Estate Developments
Raw materials, by-products and consumables	1,046,087	-	970,130	-
Goods for sale	31,367,907	29,249,899	46,410,044	44,141,062
Finished goods	98,503,803	98,503,803	118,169,443	118,169,444
Work in progress	85,920,501	81,343,684	71,891,012	68,202,152
Payments on account	68,459	-	68,459	-
	<u>216,906,758</u>	<u>209,097,386</u>	<u>237,509,088</u>	<u>230,512,658</u>
Accumulated impairment losses on stocks (Note 23)	(6,831,830)	(6,763,370)	(7,726,492)	(7,658,033)
Stocks	<u>210,074,928</u>	<u>202,334,016</u>	<u>229,782,596</u>	<u>222,854,625</u>

13. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

As at 30 June 2011 and 31 December 2010, trade accounts receivable and other current assets are detailed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Trade accounts receivable	32,409,854	40,387,089
Taxes recoverable	14,002,567	12,781,799
Loans granted to and other amounts to be received from related parties		
Sit B3	2,559,886	2,559,886
TP	-	-
Others	20,991	152,997
	<u>2,580,877</u>	<u>2,712,883</u>
Other current assets		
Suppliers with a debtor balance	1,179,484	817,490
Other debtors	9,180,376	9,704,647
Accounts receivable from the sale of financial investments	24,146,339	25,546,339
Accounts receivable from the sale of tangible assets	14,560	17,824
Interest receivable	473,274	506,646
Deferred costs - Rents	219,140	141,923
Deferred costs - External supplies and services	833,256	698,899
Other current assets	1,373,557	655,536
	<u>37,419,986</u>	<u>38,089,304</u>
Accumulated impairment losses (Note 23)	(32,165,822)	(32,274,040)
	<u>54,247,462</u>	<u>61,697,035</u>

14. DEFERRED TAXES

Deferred tax Assets and Liabilities as at 30 June 2011 and 31 December 2010, split between the different types of temporary differences, can be detailed as follows:

	Deferred tax assets		Deferred tax liabilities	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
Amortization and Depreciation harmonization adjustments	1,594,578	1,498,863	1,798,829	1,469,476
Provisions and impairment losses of non-tax deductible	2,968,827	2,965,355	-	-
Write off of tangible and intangible assets	1,108,004	1,219,269	-	-
Write off of accruals	500,759	547,186	-	-
Revaluation of tangible assets	-	-	549,896	558,354
Tax losses carried forward	15,402,548	13,413,700	-	-
Write off of stocks	-	-	1,121,271	1,128,591
Others	111,268	11,495	441,353	459,625
	<u>21,685,984</u>	<u>19,655,868</u>	<u>3,911,349</u>	<u>3,616,046</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 2011 and 31 December 2010, and using exchange rates effective at that time, tax losses carried forward can be summarized as follows:

	30 June 2011			31 December 2010		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2005	3,863,667	965,917	2011	3,809,015	952,254	2011
Generated in 2006	6,694,276	1,673,569	2012	6,879,972	1,719,993	2012
Generated in 2007	2,832,608	708,152	2013	2,832,608	708,152	2013
Generated in 2008	7,747,724	1,936,931	2014	7,747,724	1,936,931	2014
Generated in 2009	11,043,066	2,760,767	2015	11,338,921	2,834,730	2015
Generated in 2010	19,213,561	4,803,391	2014	20,705,765	5,176,440	2014
Generated in 2011	9,830,221	2,457,555	2015	-	-	2015
	<u>61,225,122</u>	<u>15,306,281</u>		<u>53,314,005</u>	<u>13,328,501</u>	
With a time limit different from the above mentioned	385,486	96,267		340,859	85,199	
	<u>61,610,608</u>	<u>15,402,548</u>		<u>53,654,864</u>	<u>13,413,700</u>	

As at 30 June 2011 and 31 December 2010, 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 2011, tax losses carried forward amounting to 160,345,217 euro (158,693,020 euro as at 31 December 2010), have not originated deferred tax assets for prudential reasons:

	30 June 2011			31 December 2010		
	Tax losses carried forward	Tax Credit	Time limit	Tax losses carried forward	Tax Credit	Time limit
With limited time use						
Generated in 2005	5,192,860	1,298,214	2011	5,238,537	1,309,633	2011
Generated in 2006	9,978,973	2,494,745	2012	10,739,887	2,684,974	2012
Generated in 2007	17,638,591	4,409,647	2013	18,591,477	4,647,869	2013
Generated in 2008	31,360,974	7,840,245	2014	31,452,195	7,863,050	2014
Generated in 2009	48,718,257	12,179,564	2015	52,127,358	13,031,839	2015
Generated in 2010	17,996,774	4,499,195	2014	18,374,162	4,593,540	2014
Generated in 2011	9,770,243	2,442,560	2015	-	-	2015
	<u>140,656,671</u>	<u>35,164,170</u>		<u>136,523,615</u>	<u>34,130,906</u>	
Without limited time use	1,186,715	395,532		1,186,715	395,532	
With a time limit different from the above mentioned	18,501,831	5,332,777		20,982,690	5,802,011	
	<u>19,688,546</u>	<u>5,728,309</u>		<u>22,169,405</u>	<u>6,197,543</u>	
	<u>160,345,217</u>	<u>40,892,479</u>		<u>158,693,020</u>	<u>40,328,449</u>	

15. CASH AND CASH EQUIVALENTS

As at 30 June 2011 and 31 December 2010, Cash and Cash equivalents can be detailed as follows:

	30 June 2011	31 December 2010
Cash at hand	177,634	236,316
Bank deposits	2,849,468	2,962,982
Treasury applications	-	-
Cash and cash equivalents on the balance sheet	<u>3,027,102</u>	<u>3,199,298</u>
Bank overdrafts (Note 18)	(538,208)	(202,088)
Guarantee deposit	(500,000)	(500,000)
Cash and cash equivalents in the statement of cash-flows	<u>1,988,894</u>	<u>2,497,210</u>

Bank overdrafts include creditor balances of current accounts in financial institutions, and are disclosed in the balance sheet under Current bank loans (Note 18).

16. 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.

17. NON-CONTROLLING INTERESTS

Movements in non-controlling interests in the periods ended 30 June 2011 and 31 December 2010 are as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Opening balance as at 1 January	12,454,796	11,319,241
Changes in percentage by acquisition / increase capital	-	310,000
Changes in hedging reserves	7,782	(9,033)
Changes in the percentage of capital held in affiliated companies	(4,103,273)	-
Changes resulting from currency translation	(6,555)	46,997
Others	(1,860)	(12,677)
Profit for the period attributable to minority interests	374,111	800,268
Closing balance as at 30 June	<u>8,725,001</u>	<u>12,454,796</u>

18. BORROWINGS

As at 30 June 2011 and 31 December 2010, Borrowings are made up as follows:

	30 June 2011		31 December 2010		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 ^{e)}	16,250,000	-	4,000,000	12,250,000	Dec/2013
Sonae Capital SGPS - commercial paper ^{b)}	11,900,000	-	22,000,000	-	Mar/2018
Sonae Capital SGPS - commercial paper ^{c) d) i)}	32,100,000	-	59,700,000	-	Aug/2011
Sonae Capital SGPS - commercial paper ^{d)}	-	-	36,600,000	-	Aug/2011
Sonae Capital SGPS - commercial paper ^{f)}	3,700,000	-	-	-	Feb/2016
Sonae Capital SGPS - commercial paper ^{g)}	3,000,000	-	-	-	Jun/2016
Selfrio Engenharia - commercial paper	1,400,000	-	1,400,000	700,000	May/2012
Sonae Capital SGPS ^{h)}	-	35,000,000	-	-	Jun/2017
Up-front fees	-	(498,527)	-	(34,211)	
Others	94,143	-	132,844	-	
	<u>68,444,143</u>	<u>64,501,473</u>	<u>123,832,844</u>	<u>42,915,789</u>	
Bank overdrafts (Note 15)	538,208	-	202,088	-	
Bank loans	<u>68,982,351</u>	<u>64,501,473</u>	<u>124,034,932</u>	<u>42,915,789</u>	
Bond Loans					
Sonae Capital 2007/2012 Bonds	-	30,000,000	-	30,000,000	Dec/2012
Sonae Capital 2011/2016 Bonds	-	10,000,000	-	-	Jan/2016
SC, SGPS, S.A. 2008/2018 Bonds	-	50,000,000	-	50,000,000	Mar/2018
Up-front fees	-	(563,700)	-	(593,681)	
Bond Loans	<u>-</u>	<u>89,436,300</u>	<u>-</u>	<u>79,406,319</u>	
Other loans	487,640	3,521,215	1,001,327	2,986,459	
Derivatives (Note 19)	9,134	481,055	-	1,077,097	
Obligations under finance leases	3,017,075	27,553,347	3,479,253	25,636,993	
Up-front fees on finance leases	-	(133,382)	-	(129,251)	
	<u>72,496,200</u>	<u>185,360,008</u>	<u>128,515,512</u>	<u>151,893,406</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.
c) Sonae Turismo, SGPS, SA is a co-guarantor in this loan.
d) Commercial paper programme, issued on 29 August 2009 and valid up to 29 August 2011.
e) Short term commercial paper programme, with subscription guarantee, issued on 30 December 2010, with annual renewals up to 3 years.
f) Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to 5 years.
g) Short term commercial paper programme, with subscription guarantee, issued on 1 June 2011, with annual renewals up to 5 years.
h) Bank loan secured by mortgages on real state, issued on 2 June 2011 and for a 6 year period, with annual repayments.
i) Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to 29 August 2016.

As at 30 June 2011, Bond loans 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.
- 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.
- 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.

The interest rate on bonds in force on 30 June 2011 was on average 3.56%.

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 subsidies to affiliated undertakings, which do not bear interest.

The repayment schedule of the nominal value of borrowings (includes finance leasing creditors) may be summarized as follows:

	30 June 2011		31 December 2010	
	Nominal value	Interest	Nominal value	Interest
N+1 ^{a)}	72,487,067	7,474,918	128,515,511	5,703,005
N+2	65,174,060	6,718,275	37,457,919	3,234,236
N+3	10,346,383	4,927,538	41,255,250	2,020,753
N+4	10,360,541	4,148,185	3,051,392	1,538,673
N+5	20,929,965	3,544,152	3,025,754	1,480,122
After N+5	79,263,613	4,613,836	66,783,138	2,503,818
	<u>258,561,629</u>	<u>31,426,905</u>	<u>280,088,964</u>	<u>16,480,607</u>

a) Of the total amount maturing in N +1, 85% concerns to commercial paper taken under lines of credit with commitment exceeding one year.

19. DERIVATIVES

Interest rate derivatives

Hedging instruments used by the Group as at 30 June 2011 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 490,189 euro is recorded as liabilities. As at 30 June 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.

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 2011	31 December 2010	30 June 2011	31 December 2010
Non-Hedge accounting derivatives				
Interest rate	-	-	-	-
Hedge accounting derivatives				
Interest rate	-	-	490,189	1,077,097
Other derivatives	-	-	-	-
	<u>-</u>	<u>-</u>	<u>490,189</u>	<u>1,077,097</u>

20. OTHER NON-CURRENT LIABILITIES

As at 30 June 2011 and 31 December 2010 other non-current liabilities can be detailed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Loans and other amounts payable to related parties		
Plaza Mayor Parque de Ocio, SA	2,249,688	2,252,251
Others	1,098,000	1,098,000
	<u>3,347,688</u>	<u>3,350,251</u>
Other creditors		
Creditors in the restructuring process of Torralta	30,141,463	30,141,463
Fixed assets suppliers	-	-
Others	-	3,999
	<u>30,141,463</u>	<u>30,145,462</u>
Deferred income	<u>3,068,128</u>	<u>3,145,977</u>
Pension fund responsibilities	-	-
Other non-current liabilities	<u>36,557,279</u>	<u>36,641,690</u>

Other creditors include 30,141,463 euro payable to creditors of an affiliated undertaking under the terms of a judicial restructuring process. The court decision dated 27 November 1997 (which confirms the terms approved in the creditors meeting of 23 September 1997) states that these credits will be payable 50 years from the date that the decision was confirmed (30 January 2003).

21. SHARE-BASED PAYMENTS

In 2011 and in previous years, the Sonae Capital Group granted deferred performance bonuses to employees, based on shares of Sonae Capital SGPS, SA (until 2007 in the form of shares of Sonae, 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. On 28 January 2008 existing liabilities based on Sonae, SGPS, SA's shares have been recalculated to reflect liabilities based on Sonae Capital, SGPS, SA's shares. Closing share prices as at that date were used in this recalculation.

As at 30 June 2011 and December 2010, 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 2011	31 December 2010
Shares					
	2008	2011	3	-	34,015
	2009	2012	3	86,173	141,664
	2010	2013	4	88,420	145,478
	2011	2014	3	126,480	-
Total				<u>301,073</u>	<u>321,157</u>

As at 30 June 2011 and December 2010, 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 2011	31 December 2010
Other non-current liabilities	76,890	142,935
Other current liabilities	92,074	34,015
Reserves	143,765	293,939
Staff Costs	25,199	(116,989)

22. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

As at 30 June 2011 and December 2010 trade accounts payable and other current liabilities can be detailed as follows:

	30 June 2011	31 December 2010
Trade creditors	21,462,136	26,672,579
Loans granted by and other payables to related parties	107,760	202,241
Other current liabilities		
Fixed assets suppliers	2,162,850	1,299,229
Advances from customers and down payments	2,981,094	2,166,714
Other creditors	1,232,170	1,193,755
Taxes and contributions payable	3,723,751	5,975,560
Staff costs	6,585,855	6,271,783
Amounts invoiced for works not yet completed	6,284,353	8,078,357
Other external supplies and services	5,209,187	4,838,872
Interest payable	1,411,727	608,832
Expenses with construction contracts	532,787	970,584
Investment aid	1,742,424	1,757,658
Other liabilities	4,753,355	5,203,381
	<u>36,619,553</u>	<u>38,364,725</u>
Trade accounts payable and other current liabilities	<u>58,189,449</u>	<u>65,239,545</u>

23. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements in provisions and accumulated impairment losses over the period ended 30 June 2011 were as follows:

Captions	Balance as at 1 January 2011	Increases	Decreases	Balance as at 30 June 2011
Accumulated impairment losses on:				
Other Investments (Notes 5 and 10)	7,868,877	-	-	7,868,877
Other non-current assets (Note 11)	34,916	-	-	34,916
Trade accounts receivable (Note 13)	4,367,254	51,472	(170,465)	4,248,261
Other current debtors (Note 13)	27,906,786	10,775	-	27,917,561
Stocks (Note 12)	7,726,492	30,911	(925,573)	6,831,830
Non-current provisions	3,185,975	-	(1)	3,185,974
Current provisions	2,704,909	-	(1,249,693)	1,455,216
	<u>53,795,209</u>	<u>93,158</u>	<u>(2,345,732)</u>	<u>51,542,635</u>

As at 30 June 2011 and 31 December 2010, detail of other provisions was as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Judicial claims	1,707,327	2,887,019
Others	<u>2,933,863</u>	<u>3,003,864</u>
	<u>4,641,190</u>	<u>5,890,883</u>

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

24. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2011 and 31 December 2010 the most important contingent liabilities referred to guarantees given and were made up as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Guarantees given:		
on VAT reimbursements	54,937	1,295,000
on tax claims	2,911,171	2,702,720
on judicial claims	-	1,897,406
on municipal claims	3,700,394	3,175,168
Others	16,991,551	17,976,743

Other includes the following guarantees:

- 6,779,748 euro (7,766,329 euro as at 31 December 2010) of guarantees on construction works given to clients;

- 8,643,393 euro (same amount as at 31 December 2010) of 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.

25. RELATED PARTIES

Balances and transactions during the periods ended 30 June 2011 and 2010 with related parties are detailed as follows:

Transactions	Sales and services rendered		Purchases and services obtained	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Parent company and group companies excluded from consolidation (a)	-	-	115	-
Associated companies	346,903	754,799	268,222	266,218
Other partners in Group companies	14,044,419	27,405,220	3,098,374	3,384,636
	<u>14,391,322</u>	<u>28,160,019</u>	<u>3,366,711</u>	<u>3,650,854</u>
Transactions	Interest income		Interest expenses	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Parent company and group companies excluded from consolidation (a)	-	-	-	-
Associated companies	473,645	716,803	-	-
Other partners in Group companies	-	1,645	73,240	76,980
	<u>473,645</u>	<u>718,448</u>	<u>73,240</u>	<u>76,980</u>
Balances	Accounts receivable		Accounts payable	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
Parent company and group companies excluded from consolidation (a)	942	-	212	115
Associated companies	607,894	562,039	51,644	24,598
Other partners in Group companies	9,782,342	15,874,001	4,457,611	5,346,467
	<u>10,391,178</u>	<u>16,436,040</u>	<u>4,509,467</u>	<u>5,371,180</u>
Balances	Loans obtained		Loans granted	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
Parent company and group companies excluded from consolidation (a)	-	-	-	-
Associated companies	-	-	15,689,170	15,569,601
Other partners in Group companies	2,249,688	2,252,251	-	-
	<u>2,249,688</u>	<u>2,252,251</u>	<u>15,689,170</u>	<u>15,569,601</u>

(a) The parent company is Efanor Investimentos, SGPS, SA; balances and transactions with Sonae, SGPS, SA and Sonae Indústria, SGPS, SA are included under Other partners in Group companies.

26. TAXATION

Income tax for the six months periods ended 30 June 2011 and 2010 was made up as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Current tax	1,196,681	1,850,483
Deferred tax	(1,734,825)	(6,130,293)
	<u>(538,144)</u>	<u>(4,279,810)</u>

27. RECONCILIATION OF CONSOLIDATED NET PROFIT

As at 30 June 2011 and 2010, the reconciliation of consolidated net profit can be analyzed as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Aggregate net profit	26,735,588	3,861,194
Harmonization adjustments	(583,713)	1,997,209
Elimination of intragroup dividends	(7,417,837)	(45,114,978)
Share of gains/(losses) of associated undertakings	2,750,918	1,478,939
Elimination of intragroup capital gains/(losses)	-	27,251,640
Elimination of intragroup impairment	830,911	(6,158,467)
Reversal of impairment losses	-	3,457,708
Adjustments of gains/(losses) of financial shareholdings sale	(9,747,196)	7,816,779
Others	8,088	30,509
	<u>-</u>	<u>-</u>
Consolidated net profit for the year	<u><u>12,576,759</u></u>	<u><u>(5,379,467)</u></u>

28. EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2011 and 2010 were calculated taking into consideration the following amounts:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	12,202,648	(5,426,249)
Effect of dilutive potential shares	-	-
Interest related to convertible bonds (net of tax)	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>12,202,648</u>	<u>(5,426,249)</u>
Number of shares		
Weighted average number of shares used to calculated basic earnings per share	250,000,000	250,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-
Weighted average number of shares used to calculated diluted earnings per share	<u>250,000,000</u>	<u>250,000,000</u>
Earnings per share (basic and diluted)	<u>0.048811</u>	<u>(0.021705)</u>

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



29. SEGMENT INFORMATION

In the periods ended 30 June 2011 and 2010, the following were identified as segments:

- Sonae Turismo:
 - Tourism Operations
 - Atlantic Ferries
 - Other

- SC Assets:
 - Residential Development
 - Other Real Estate Assets
 - Other

- Spred:
 - Selfrio Group
 - Other

- Holding and Others

No secondary business segments were disclosed since Group activities are almost all carried out in Portugal. Foreign activities are not significant enough to justify disclosure of a different geographical segment.

The contribution of the business segments to the income statement for the six months periods ended on 30 June 2011 and 2010 can be detailed as follows:

30 June 2011

Profit & Loss Account	Tourism Operations	Atlantic Ferries	Other	Intersegment Income	Total Tourism	Residential Property Development	Other Real Estate Assets	Other	Intersegment Income	Total SC Assets	Selfrio Group	Other	Intersegment Income	Total Spred	Holding & Others	Intersegment Income	Consolidated
Operational Income																	
Sales	3,116,119	-	-	-	3,116,119	532,650	4,897,267	-	(2,800,000)	2,629,917	29,663,925	2,582,882	-	32,246,807	-	(3,480,599)	34,512,244
Services rendered	14,900,929	1,461,409	2,012,141	(1,316,167)	17,058,312	623,519	3,168,927	-	(118,791)	3,673,655	8,410,605	2,994,932	(14,794)	11,390,743	2,058,459	(4,703,012)	29,478,157
Other operational income	2,487,017	96,052	24,554	(109,007)	2,498,616	123,938	395,736	28,649	(52,775)	495,548	726,234	537,225	-	1,263,459	450,031	3,185,097	7,892,751
	20,504,065	1,557,461	2,036,695	(1,425,174)	22,673,047	1,280,107	8,461,930	28,649	(2,971,566)	6,799,120	38,800,764	6,115,039	(14,794)	44,901,009	2,508,490	(4,998,514)	71,883,152
Operational cash-flow (EBITDA)	(7,097,039)	814,744	(138,173)	(3,473)	(6,423,941)	(321,038)	825,169	(14,390)	(735)	489,006	2,629,726	697,804	(117)	3,327,413	(664,196)	3,666	(3,268,052)

30 June 2010

Profit & Loss Account	Tourism Operations	Atlantic Ferries	Other	Intersegment Income	Total Tourism	Residential Property Development	Other Real Estate Assets	Other	Intersegment Income	Total SC Assets	Box Lines	Selfrio Group	Other	Intersegment Income	Total Spred	Holding & Others	Intersegment Income	Consolidated
Operational Income																		
Sales	9,380,679	-	-	-	9,380,679	1,056,100	640,500	-	-	1,696,600	-	28,549,325	2,938,286	-	31,487,611	-	(127,569)	42,437,321
Services rendered	15,820,740	1,581,641	1,462,676	(1,317,743)	17,547,314	534,848	3,507,566	-	(162,971)	3,879,443	17,547,337	7,221,934	3,275,097	(22,307)	28,022,061	2,253,194	(4,852,183)	46,849,829
Other operational income	2,158,108	25,005	410,374	(105,921)	2,487,566	98,031	646,981	-	(76,644)	668,368	58,926	241,276	504,086	(261)	804,027	305,497	(297,229)	3,968,229
	27,359,527	1,606,646	1,873,050	(1,423,664)	29,415,559	1,688,979	4,795,047	-	(239,615)	6,244,411	17,606,263	36,012,535	6,717,469	(22,568)	60,313,699	2,558,691	(5,276,981)	93,255,379
Operational cash-flow (EBITDA)	(1,461,038)	(655,307)	455,950	(2,110)	(1,662,505)	(552,613)	1,933,860	(10,085)	21,756	1,392,918	275,753	2,198,549	319,799	159	2,794,260	(560,152)	2,837	1,967,358

The contribution of the business segments to the balance sheets as at 30 June 2011 and 31 December 2010 can be detailed as follows:

30 June 2011

Balance Sheet	Tourism Operations	Atlantic Ferries	Other	Intersegment Adjustments	Total Tourism	Residential Property Development	Other Real Estate Assets	Other	Intersegment Adjustments	Total SC Assets	Selfrio Group	Other	Intersegment Adjustments	Total Spred	Holding & Others	Intersegment Adjustments	Consolidated
Fixed Assets Tangible and Intangible	163,403,822	25,429,636	333,843	-	189,167,301	350,095	77,634,246	-	-	77,984,341	463,706	13,354,791	-	13,818,497	128,770	-	281,098,909
Investments	652,990	-	271,608	-	924,598	-	871,058	56,376,574	-	57,247,632	0	3,311,737	-	3,311,737	1,250	-	61,485,217
Other Assets	172,625,478	1,975,260	174,799,401	(174,923,506)	174,476,633	49,432,420	113,092,753	157,053,865	(197,851,357)	121,727,681	60,518,039	47,743,851	(14,765,427)	93,496,463	413,934,063	(435,697,257)	367,937,583
Total Assets	336,682,290	27,404,896	175,404,852	(174,923,506)	364,568,532	49,782,515	191,598,057	213,430,439	(197,851,357)	256,959,654	60,981,746	64,410,379	(14,765,427)	110,626,697	414,064,083	(435,697,257)	710,521,709
Total Liabilities	251,589,908	24,044,083	213,745,862	(174,923,358)	314,456,495	49,727,580	149,143,111	184,813,175	(195,051,053)	188,632,813	26,736,841	33,653,231	(14,765,435)	45,624,637	251,182,586	(438,741,056)	361,155,475
Technical investment	4,314,647	64,114	-	-	4,378,761	333,150	290,514	-	-	623,664	90,770	3,534,798	-	3,625,568	22,061	-	8,650,054
Gross Debt	3,777,909	20,891,431	0	-	24,669,340	510	404,881	-	-	405,391	1,815,674	9,429,870	-	11,245,544	221,535,934	-	257,856,209
Net Debt	3,384,763	20,794,815	(6,146)	-	24,173,432	(507,656)	375,959	(1,322)	-	(133,019)	1,065,555	9,204,737	-	10,270,293	220,518,401	-	254,829,106

31 December 2010

Balance Sheet	Tourism Operations	Atlantic Ferries	Other	Intersegment Adjustments	Total Tourism	Residential Property Development	Other Real Estate Assets	Other	Intersegment Adjustments	Total SC Assets	Selfrio Group	Other	Intersegment Adjustments	Total Spred	Holding & Others	Intersegment Adjustments	Consolidated
Fixed Assets Tangible and Intangible	148,819,754	26,052,929	395,538	-	175,268,221	25,415	78,619,454	-	-	78,644,869	557,484	10,283,015	-	10,878,774	147,910	-	264,939,773
Investments	647,321	-	271,608	-	918,929	-	942,174	54,524,812	-	55,466,986	0	1,923,660	-	1,923,660	15,207,815	-	73,517,389
Other Assets	189,212,015	1,931,534	169,457,322	(170,467,915)	190,132,955	46,407,978	114,537,861	153,686,107	(190,744,145)	123,887,801	61,214,150	46,496,706	(24,101,549)	87,817,966	391,073,353	(400,202,583)	392,709,492
Total Assets	338,679,089	27,984,462	170,124,468	(170,467,915)	366,320,105	46,433,392	194,099,489	208,210,919	(190,744,145)	257,999,655	61,771,635	58,703,381	(24,101,549)	100,620,399	406,429,078	(400,202,583)	731,166,655
Total Liabilities	247,955,879	23,577,160	201,845,568	(170,467,453)	302,911,154	46,733,559	148,301,219	175,585,925	(190,744,356)	179,876,347	28,879,746	27,432,106	(20,881,416)	40,176,816	269,276,207	(400,443,442)	391,797,082
Technical investment	6,697,646	334,932	312,873	-	7,345,451	57,990	268,987	-	-	326,977	45,396	2,209,777	-	2,477,577	92,824	20,884	10,263,714
Gross Debt	3,358,544	21,670,957	25,095	-	25,054,597	-	718,081	-	-	718,081	2,657,960	6,452,714	-	9,686,885	244,949,354	-	280,408,918
Net Debt	3,091,256	21,404,648	(261,565)	-	24,234,339	(512,754)	517,864	(40,727)	-	(35,616)	768,264	6,370,428	-	8,119,628	244,891,269	-	277,209,619

Net debt of the Holding can be analyzed as follows:

	<u>30 June 2011</u>
Inflows	
Gross bank debt	221,535,934
Cash and cash equivalents	<u>1,017,532</u>
Net bank debt	220,518,402
Sonae Turismo	-
SC Assets	-
Spred	<u>24,158,200</u>
Intercompany ST Loans obtained	24,158,200
Total Inflows	<u><u>244,676,602</u></u>
Outflows	
Sonae Turismo	208,520,362
SC Assets	177,158,250
Spred	<u>826,000</u>
Intercompany ST Loans granted	<u><u>386,504,612</u></u>

30. SUBSEQUENT EVENTS

On 20 July 2011, the Group, through its wholly owned company, Troiaserort – Investimentos Turísticos, S.A., sold the whole of its 20% shareholding in the share capital of Sociedade Imobiliária Tróia B3, S.A., as well as all loans to Salvor – Sociedade de Investimento Hoteleiro, S.A. This sale resulted in a cash inflow of around 9.2 million euro. Based on data as at 31 March 2011, this transaction will have an estimated impact of 6.2 million euro in the 2011 consolidated results of Sonae Capital.

31. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issue on 25 August 2011.

The Board of Directors



INDIVIDUAL FINANCIAL STATEMENTS

30 JUNE 2011

(Translation from the Portuguese Original)

SONAE CAPITAL, SGPS, SA

INDIVIDUAL BALANCE SHEETS AS AT 30 JUNE 2011 AND 31 DECEMBER 2010

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

(Amounts expressed in euro)

ASSETS	Notes	30 June 2011	31 December 2010
NON CURRENT ASSETS:			
Tangible assets		-	-
Investments	4	542,139,453	542,139,453
Deferred tax assets		133,658	157,965
Other non current assets	5	189,586,043	220,718,043
Total Non Current Assets		<u>731,859,154</u>	<u>763,015,461</u>
CURRENT ASSETS:			
Other current assets	6	33,745,432	20,151,723
Cash and cash equivalents	7	980,227	27,355
Total Current Assets		<u>34,725,659</u>	<u>20,179,078</u>
TOTAL ASSETS		<u>766,584,813</u>	<u>783,194,539</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share Capital	8	250,000,000	250,000,000
Legal reserve		8,307,376	8,191,127
Other reserves	9	289,628,622	287,419,883
Retained earnings		-	-
Profit / (Loss) for the period		58,887	2,324,988
TOTAL EQUITY		<u>547,994,885</u>	<u>547,935,998</u>
LIABILITIES:			
NON CURRENT LIABILITIES:			
Bank loans	10	64,501,473	42,215,789
Bonds	10	39,922,346	29,943,901
Other non current liabilities		50,211	97,003
Deferred tax liabilities		17,199	22,586
Total Non Current Liabilities		<u>104,491,229</u>	<u>72,279,279</u>
CURRENT LIABILITIES			
Suppliers		11,551	75,521
Bank overdrafts	10	66,950,000	122,300,000
Other creditors	11	45,443,446	39,693,292
Other current liabilities	12	1,693,702	910,449
Total Current Liabilities		<u>114,098,699</u>	<u>162,979,262</u>
TOTAL EQUITY AND LIABILITIES		<u>766,584,813</u>	<u>783,194,539</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 ENDED 30 JUNE 2011 AND 2010

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

(Amounts expressed in euro)

	Notes	30 June 2011	30 June 2010
Operational income			
Other operational income		322,771	53,575
Total operational income		<u>322,771</u>	<u>53,575</u>
Operational expenses			
External supplies and services	13	(127,744)	(161,882)
Staff costs	14	(494,715)	(606,578)
Depreciation and amortisation		(1)	(1,321)
Other operational expenses		(3,000)	(98,247)
Total operational expenses		<u>(625,460)</u>	<u>(868,028)</u>
Operational profit/(loss)		<u>(302,689)</u>	<u>(814,453)</u>
Financial income		4,963,127	5,097,105
Financial expenses		(4,576,559)	(4,761,450)
Net financial income/(expenses)	15	<u>386,568</u>	<u>335,655</u>
Investment income	15	-	2,871,845
Profit/(loss) before taxation		<u>83,879</u>	<u>2,393,047</u>
Taxation	16	(24,992)	115,477
Profit/(loss) for the period		<u>58,887</u>	<u>2,508,524</u>
Profit/(loss) per share			
Basic and diluted	17	0.000236	0.010034

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 2011 AND 2010

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

(Amounts expressed in euro)

	2 nd Quarter 2011 (Unaudited)	2 nd Quarter 2010 (Unaudited)
Operational income:		
Other operational income	209,354	40,588
Total operational income	<u>209,354</u>	<u>40,588</u>
Operational expenses:		
External supplies and services	(68,903)	(103,240)
Staff costs	(272,213)	(294,937)
Depreciation and amortisation	-	(660)
Other operational expenses	18,947	(36,569)
Total operational expenses	<u>(322,169)</u>	<u>(435,406)</u>
Operational profit/(loss)	<u>(112,815)</u>	<u>(394,818)</u>
Financial income	3,078,492	2,254,406
Financial expenses	<u>(2,503,241)</u>	<u>(2,286,573)</u>
Net financial income/(expenses)	575,251	(32,167)
Investment income	-	2,871,845
Profit/(loss) before taxation	<u>462,436</u>	<u>2,444,860</u>
Taxation	(117,655)	102,524
Profit/(loss) for the period	<u>344,781</u>	<u>2,547,384</u>
Profit/(loss) per share		
Basic and diluted	0.001379	0.010190

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 ENDED 30 JUNE 2011 AND 2010

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

(Amounts expressed in euro)

	<u>30 June 2011</u>	<u>30 June 2010</u>
Net profit for the period	58,887	2,508,524
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>58,887</u>	<u>2,508,524</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 2011 AND 2010

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

(Amounts expressed in euro)

	<u>2nd Quarter 2011</u> <u>(Unaudited)</u>	<u>2nd Quarter 2010</u> <u>(Unaudited)</u>
Net profit for the period	344,781	2,547,384
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>344,781</u>	<u>2,547,384</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 ENDED 30 JUNE 2011 AND 2010

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

(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 2010	250,000,000	-	-	-	-	-	132,638,253	(849,780)	131,788,473	163,822,537	545,611,010
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	2,508,524	2,508,524
Appropriation of profits:											
Transfer to legal reserve and retained earnings	-	-	8,191,127	-	-	-	154,781,630	849,780	163,822,537	(163,822,537)	-
Dividends distributed	-	-	-	-	-	-	-	-	-	-	-
Acquisition/(disposal) of own shares	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2010	250,000,000	-	8,191,127	-	-	-	287,419,883	-	295,611,010	2,508,524	548,119,534
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 legal reserve and retained earnings	-	-	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

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 ENDED 30 JUNE 2011 AND 2010

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

(Amounts expressed in euro)

	30 June 2011	30 June 2010
<u>OPERATING ACTIVITIES</u>		
Cash paid to trade creditors	179,070	216,770
Cash paid to employees	473,019	460,643
Cash flow generated by operations	<u>(652,089)</u>	<u>(677,413)</u>
Income taxes (paid)/received	104,512	54,650
Other cash receipts/(payments) relating to operating activities	<u>(87,069)</u>	<u>377,401</u>
Net cash flow from operating activities [1]	<u>(843,670)</u>	<u>(354,662)</u>
<u>INVESTMENT ACTIVITIES</u>		
Cash receipts arising from:		
Interest and similar income	3,027,224	6,175,215
Dividends	-	2,871,845
Loans obtained	<u>90,112,000</u>	<u>191,096,257</u>
	<u>93,139,224</u>	<u>200,143,317</u>
Cash payments arising from:		
Investments	-	159,500,000
Tangible assets	-	-
Loans granted	<u>70,556,000</u>	<u>67,245,984</u>
	<u>70,556,000</u>	<u>(226,745,984)</u>
Net cash flow from investment activities [2]	<u>22,583,224</u>	<u>(26,602,667)</u>
<u>FINANCING ACTIVITIES</u>		
Cash receipts arising from:		
Loans obtained	<u>50,749,000</u>	<u>29,863,907</u>
	<u>50,749,000</u>	<u>29,863,907</u>
Cash Payments arising from:		
Interest and similar costs	3,935,681	2,934,333
Loans obtained	<u>67,600,000</u>	-
	<u>71,535,681</u>	<u>(2,934,333)</u>
Net cash flow from financing activities [3]	<u>(20,786,681)</u>	<u>26,929,574</u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]	<u>952,873</u>	<u>(27,755)</u>
Cash and cash equivalents at the beginning of the period	<u>27,355</u>	<u>55,597</u>
Cash and cash equivalents at the end of the period	<u>980,227</u>	<u>27,842</u>

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 2011 AND 2010

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

(Amounts expressed in euro)

	<u>2nd Quarter 2011</u> <u>(Unaudited)</u>	<u>2nd Quarter 2010</u> <u>(Unaudited)</u>
<u>OPERATING ACTIVITIES</u>		
Cash paid to trade creditors	60,175	130,303
Cash paid to employees	171,934	290,182
Cash flow generated by operations	<u>(232,109)</u>	<u>(420,485)</u>
Income taxes (paid)/received	1,647	54,149
Other cash receipts/(payments) relating to operating activities	57,750	287,318
Net cash flow from operating activities [1]	<u>(176,006)</u>	<u>(187,316)</u>
 <u>INVESTMENT ACTIVITIES</u>		
Cash receipts arising from:		
Interest and similar income	7,660	54,345
Dividends	-	2,871,845
Loans granted	90,112,000	191,096,257
	<u>90,119,660</u>	<u>194,022,447</u>
Cash payments arising from:		
Investments	-	-
Tangible assets	-	-
Loans granted	54,912,000	56,130,800
	<u>54,912,000</u>	<u>56,130,800</u>
Net cash flow from investment activities [2]	<u>35,207,660</u>	<u>137,891,647</u>
 <u>FINANCING ACTIVITIES</u>		
Cash receipts arising from:		
Loans obtained	35,896,000	(136,690,657)
	<u>35,896,000</u>	<u>(136,690,657)</u>
Cash Payments arising from:		
Interest and similar costs	2,799,327	1,057,200
Loans obtained	67,600,000	-
	<u>70,399,327</u>	<u>1,057,200</u>
Net cash from financing activities [3]	<u>(34,503,327)</u>	<u>(137,747,857)</u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]	528,327	(43,526)
Cash and cash equivalents at the beginning of the period	451,901	71,368
Cash and cash equivalents at the end of the period	<u>980,227</u>	<u>27,842</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 ENDED 31 JUNE 2011 AND 2010

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

(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.

According to Decree-Law 35/2005 of 17 February 2007, the Company’s financial statements have been prepared in accordance with International Financial Reporting Standards.

2. BASIS OF PREPARATION

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

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of annual financial statements for the year ended 31 December 2010.

4. INVESTMENTS

As at 30 June 2011 and 31 December 2010 Investments are detailed as follows:

	30 June 2011	31 December 2010
Investments in affiliated and associated undertakings	542,138,253	542,138,253
Investments in other companies (Sonae RE - 0.04%)	1,200	1,200
	<u>542,139,453</u>	<u>542,139,453</u>

4.1 Investments in affiliated and associated undertakings

As at 30 June 2011 and 31 December 2010, 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	30 June 2011				31 December 2010			
	% 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 2011 and 31 December 2010 Other Non Current Assets are detailed as follows:

	30 June 2011	31 December 2010
Loans granted to group companies:		
SC, SGPS, SA	136,358,243	171,414,243
SC Assets, SGPS, SA	53,227,800	49,303,800
	<u>189,586,043</u>	<u>220,718,043</u>

These assets were not due or impaired as at 30 June 2011. 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 2011 and 31 December 2010 Other Current Assets can be detailed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Group companies - Short term loans:		
SC, SGPS, SA	23,535,500	16,852,500
SC Assets, SGPS, SA	4,893,000	-
Suppliers	3,195	21,505
Income tax withheld	285,512	189,164
Other Debtors	104	3,877
Accrued income	4,963,114	3,022,754
Deferred costs	65,006	61,923
	<u>33,745,432</u>	<u>20,151,723</u>

7. CASH AND CASH EQUIVALENTS

As at 30 June 2011 and 31 December 2010 Cash and Cash Equivalents can be detailed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Cash	839	1,004
Bank deposits	979,388	26,351
Cash and cash equivalents in the balance sheet	<u>980,227</u>	<u>27,355</u>
Bank overdrafts	-	-
Cash and cash equivalents in the cash flow statement	<u>980,227</u>	<u>27,355</u>

8. SHARE CAPITAL

As at 30 June 2011 Share Capital consisted of 250,000,000 ordinary shares of 1 euro each.

9. OTHER RESERVES

As at 30 June 2011, and 31 December 2010 the caption Other Reserves can be detailed as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
Free reserves	156,990,370	154,781,631
Demerger reserve	132,638,252	132,638,252
	<u>289,628,622</u>	<u>287,419,883</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.

10. LOANS

As at 30 June 2011 and 31 December 2010 this caption included the following loans:

	30 June 2011	31 December 2010
Bank loans - Commercial paper	30,000,000	42,250,000
Bank loans - Term loan	35,000,000	-
Up-front fees not yet charged to income statement	(498,527)	(34,211)
Bank loans - non current	64,501,473	42,215,789
Nominal value of bonds	40,000,000	30,000,000
Up-front fees not yet charged to income statement	(77,654)	(56,099)
Bond Loans	39,922,346	29,943,901
Non-current loans	<u>104,423,819</u>	<u>72,159,690</u>
Bank loans - Commercial paper	66,950,000	122,300,000
Current bank loans	<u>66,950,000</u>	<u>122,300,000</u>

Non Current Bank Loans

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

- i) Commercial Paper Programme issued on 14 March 2008 with subscription guarantee and valid for a period of 5 years;
- ii) Commercial Paper Programme issued on 31 March 2011 with subscription guarantee and valid for a period of 5 years and 5 months;
- iii) 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;
- iv) 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;
- v) Sonae Capital, SGPS 2011/2016, 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 2011 was 3.94%.

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;
- ii) Commercial Paper Programme issued on 29 August 2009 with subscription guarantee and valid for a period of 2 years;
- iii) Commercial Paper Programme issued on 17 February 2011 with subscription guarantee, valid for a period of 1 year, automatically renewable for equal periods to a maximum of five years, unless terminated by either party;
- iv) Programme issued on 30 December 2010 without subscription guarantee and valid for a period of 3 years.

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 at variable market rates.

There are no Derivatives.

11. OTHER CREDITORS

As at 30 June 2011 and 31 December 2010, these captions were made up as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
<u>Other creditors</u>		
Group companies - Short term loans:		
Inparvi, SGPS, SA	974,000	697,000
Interlog, SGPS, SA	20,987,000	20,999,000
SC Assets, SGPS, SA	-	100,000
SC Finance BV	297,000	300,000
Spred, SGPS, SA	23,184,200	17,597,200
Other creditors	1,246	92
	<u>45,443,446</u>	<u>39,693,292</u>

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

12. OTHER CURRENT LIABILITIES

As at 30 June 2011 and 31 December 2010, these captions were made up as follows:

	<u>30 June 2011</u>	<u>31 December 2010</u>
<u>Other current liabilities</u>		
Taxes payable	34,765	130,981
Accruals:		
Staff costs	259,136	519,335
Interest payable	1,373,730	246,980
Other accruals	25,163	6,795
Deferred income	908	6,358
	<u>1,693,702</u>	<u>910,449</u>

13. EXTERNAL SUPPLIES AND SERVICES

As at 30 June 2011 and 30 June 2010, External Supplies and Services can be detailed as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Operational rents	38,850	32,897
Insurance costs	23,700	22,049
Travelling expenses	7,453	22,298
Services obtained	42,345	72,460
Other services	15,396	12,178
	<u>127,744</u>	<u>161,882</u>

14. STAFF COSTS

As at 30 June 2011 and 30 June 2010, Staff Costs are made up as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Governing bodies' remunerations	364,617	556,473
Staff's remunerations	78,537	-
Social security contributions	37,258	38,853
Other staff costs	14,302	11,252
	<u>494,715</u>	<u>606,578</u>

15. NET FINANCIAL EXPENSES AND INVESTMENT INCOME

As at 30 June 2011 and 30 June 2010, Net Financial Expenses and Investment Income can be detailed as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Interest payable and similar expenses		
Interest arising from:		
Bank loans	(2,587,179)	(1,773,016)
Bonds	(534,082)	(390,407)
Other	(326,823)	(1,678,140)
Other financial expenses	(1,128,475)	(919,887)
	<u>(4,576,559)</u>	<u>(4,761,450)</u>
Interest receivable and similar income		
Interest income	4,963,127	5,097,105
	<u>4,963,127</u>	<u>5,097,105</u>
Net financial expenses	<u><u>386,568</u></u>	<u><u>335,655</u></u>
Investment income	<u><u>-</u></u>	<u><u>2,871,845</u></u>

As at 30 June 2010, Investment Income of 2,871,845 euro relates to dividends paid by an associated company.

16. TAXATION

As at 30 June 2011 and 30 June 2010, Taxation is made up as follows:

	<u>30 June 2011</u>	<u>30 June 2010</u>
	<u>Total</u>	<u>Total</u>
Current tax	(6,073)	(4,042)
Deferred tax	(18,920)	119,519
	<u><u>(24,992)</u></u>	<u><u>115,477</u></u>

17. EARNINGS PER SHARE

Earnings per share for the three months periods ended 30 June 2011 and 2010 were calculated taking into consideration the following amounts:

	<u>30 June 2011</u>	<u>30 June 2010</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	58,887	2,508,524
Effect of dilutive potential shares	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>58,887</u>	<u>2,508,524</u>
Number of shares		
Weighted average number of shares used to calculate basic earnings per share	250,000,000	250,000,000
Weighted average number of shares used to calculate diluted earnings per share	<u>250,000,000</u>	<u>250,000,000</u>
Earnings per share (basic and diluted)	<u>0.000236</u>	<u>0.010034</u>

18. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorized for issue on 25 August 2011.

19. INFORMATION REQUIRED BY LAW

Decree-Law nr 318/94 art 5 nr 4

In the period ended 30 June 2011 shareholders' loan contracts were entered into with the following companies:

- SC, SGPS, SA
- SC Assets, SGPS, SA

In the period ended 30 June 2011 no short-term loan contracts were entered.

As at 30 June 2011 amounts owed by affiliated companies can be summarized as follows:

Loans granted

<u>Companies</u>	<u>Closing Balance</u>
SC, SGPS, SA	159,893,743
SC Assets, SGPS, SA	58,120,800
	<u>218,014,543</u>

As at 30 June 2011 amounts owed to affiliated companies can be summarized as follows:

Loans obtained

<u>Companies</u>	<u>Closing Balance</u>
Inparvi , SGPS, SA	974,000
Interlog , SGPS, SA	20,987,000
SC Finance BV	297,000
Spred , SGPS, SA	23,184,200
	<u>45,442,200</u>

The Board of Directors



LIMITED REVIEW REPORT

30 JUNE 2011



Limited Review Report by a Registered Auditor with the Securities Market Commission (CMVM) on the Half Year Consolidated and Individual Financial Information

(Free translation from the original version 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, 2011 of **Sonae Capital, SGPS, SA**, included: in the management report, in the Consolidated and Individual balance sheet (which shows total assets of 710.521.706 Euros and 766.584.813 Euros, respectively, a total consolidated equity of 349.366.231 Euros, which includes non-controlling interests of 8.725.001 Euros and individual of 547.994.885 Euros, a net consolidated profit of 12.576.759 Euros and a net individual profit of 58.887 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 n° 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.

*PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
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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, 2011 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.

Porto, August 25, 2011

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represented by:

Hermínio António Paulos Afonso, R.O.C.