



**EARNINGS ANNOUNCEMENT**

**30 JUNE 2014**

## 1. HIGHLIGHTS & CEO MESSAGE

"During the 1H14 we kept focused implementing and executing the defined strategy, namely, growing current businesses both in top line and profitability. At the same time, we are looking for releasing cash from non strategic assets to support new investments opportunities, such as the case with the new cogeneration operations and, particularly, with the aim of reducing debt. Within this framework we're able to achieve a significant 51% top line growth, improving EBITDA margin from 0.4% in 1H13 to 5.1% in 1H14. Also, at the net results level, the performance was remarkable achieving a 40% growth rate. Notwithstanding the seasonal Net Debt growth, mainly as a consequence of the level of investments on the energy expansion plan and working capital performance, we remain strongly focused in reducing debt and releasing capital from non strategic businesses, demonstrating our commitment and focus on continuing with the implementation of the corporate strategy defined at the end of 2013."

Cláudia Azevedo, CEO

### 2Q14 RESULTS CONFIRM THE POSITIVE OPERATIONAL AND FINANCIAL INDICATORS TREND EVOLUTION

... Consolidated **TURNOVER GREW 43.7%**, driven by:

- Energy grew from 3.4M€ to 13.1M€, mainly as a result from the consolidation of the new cogeneration plants acquired during the 1Q14;
- Real Estate at troiaresort maintained the positive trend growing by 82% to 5.4M€. During the 2Q14 were signed 6 deeds regarding real estate units in troiaresort, to which we should add 12 promissory purchase agreements and 9 reservation agreements. Over the 1H14 it were commercialized a total of 48 units, comparing to 67 during the FY13;
- Fitness grew 24%, consolidating the positive trend evolution observed in previous quarters and Hospitality improved 15%, fully offsetting the negative 1Q14 contribution.

...Consolidated **EBITDA<sup>1</sup>**, excluding Guaranteed Income Provisions, amounted to **4.5M€**, a significant 3.5M€ improvement when compared to 2Q13:

- As a result of all Tourism segments improvement and the growing contribution from the Energy segment when considered either the "stand alone" business or when considering the 1.57M contribution from the new cogeneration operations;
- Including the provision related to the estimated present value of potential costs for the period of the guaranteed income in real estate sales in troiaresort, consolidated EBITDA amounted to 4.08M€, growing 3.8 times or 3.0M€ compared to 2Q13.

### LEADING TO 1H14 CONSOLIDATED RESULTS WELL ABOVE LAST YEAR...

- Top Line reached 76.23M€, registering an improvement of 51.1% compared to last year with the majority of the segments contributing favourably;
- **EBITDA<sup>1</sup>** amounted 6.0M€ (or 3.91M€ considering guaranteed income provisions), reaching a 7.9% margin, compared to 0.2M€ and a margin of 0.4% recorded in 1H13;
- Net Results grew 39.8% to -7.19M€;
- Net Debt grew 8.0M€ to 254M€ mainly driven by the investments concluded in the semester, achieving a positive performance when compared to the 12.7M€ growth registered during the 1H13, on a comparable basis e.g., excluding the positive impact from the sale of Imosede Fund participation units in 1H13;
  - It should be noted that Net Debt reduced 4.8M€ when compared to same period last year.

<sup>1</sup> EBITDA excluding the estimated present value of potential costs for the full period of the guaranteed income in real estate sales at troiaresort.

## 2. OVERALL PERFORMANCE

The financial and operational performance throughout the 1H14 was globally positive, showing growth across all key financial indicators, namely, a Turnover growth of 51.1%, a 3.7M€ EBITDA improvement and a growth of 39.8% at the Net Results level. Also, at the EBITDA-Capex level that during the 1H14 has posted a marginal negative contribution, registered a significant improvement of 2.4M€.


### 2.1. CONSOLIDATED PROFIT & LOSS STATEMENT

Million euro	2Q 2014	2Q 2013	Δ 14/13	6M 2014	6M 2013	Δ 14/13
<b>Total Operational Income</b>	<b>43.22</b>	<b>29.26</b>	<b>+47.7%</b>	<b>79.99</b>	<b>52.96</b>	<b>+51.0%</b>
<b>Turnover</b>	<b>40.07</b>	<b>27.89</b>	<b>+43.7%</b>	<b>76.23</b>	<b>50.44</b>	<b>+51.1%</b>
Tourism	12.89	9.27	+39.1%	29.81	15.58	+91.4%
Resorts	5.36	2.95	+81.8%	17.45	4.72	>100%
Hospitality	3.99	3.46	+15.4%	5.45	5.22	+4.4%
Fitness	3.54	2.86	+23.8%	6.91	5.64	+22.6%
Energy	13.11	3.38	>100%	20.20	6.65	>100%
Refrigeration & HVAC	12.96	14.62	-11.3%	24.14	26.80	-9.9%
Others & Eliminations	1.11	2.24	-50.7%	2.08	3.03	-31.1%
Other Operational Income	3.15	1.38	>100%	3.76	2.52	+49.0%
<b>EBITDA, excluding Guaranteed Income Provisions <sup>(1)</sup></b>	<b>4.53</b>	<b>1.08</b>	<b>&gt;100%</b>	<b>6.01</b>	<b>0.19</b>	<b>&gt;100%</b>
Tourism	0.57	-1.28	-	0.55	-3.96	-
Resorts	0.95	-0.37	-	3.12	-0.74	-
Hospitality	-1.00	-1.22	+17.9%	-3.45	-3.58	+3.6%
Fitness	0.56	0.24	>100%	0.87	0.27	>100%
Energy	2.95	0.88	>100%	4.40	1.74	>100%
Refrigeration & HVAC	0.60	1.01	-40.4%	0.21	1.34	-84.4%
Others & Eliminations	0.40	0.46	-13.0%	0.85	1.07	-20.8%
Provisions for Guaranteed Income	-0.44	0.00	-	-2.09	0.00	-
<b>EBITDA</b>	<b>4.08</b>	<b>1.08</b>	<b>&gt;100%</b>	<b>3.91</b>	<b>0.19</b>	<b>&gt;100%</b>
Amortization & Depreciation	-3.77	-3.30	-14.5%	-7.05	-6.61	-6.7%
Provisions & Impairment Losses	-0.14	-0.02	<-100%	-0.17	-0.01	<-100%
Discontinued Operations <sup>(2)</sup>	0.02	-0.13	-	-0.14	-0.06	<-100%
<b>EBIT</b>	<b>0.19</b>	<b>-2.37</b>	<b>-</b>	<b>-3.45</b>	<b>-6.49</b>	<b>+46.9%</b>
Net Financial Expenses	-3.20	-2.86	-11.9%	-6.11	-5.31	-15.0%
Investment Income and Results from Assoc. Undertakings	1.55	1.38	+12.3%	3.28	2.96	+10.8%
<b>EBT</b>	<b>-1.47</b>	<b>-3.85</b>	<b>+61.9%</b>	<b>-6.28</b>	<b>-8.85</b>	<b>+29.0%</b>
Taxation	-0.49	-1.64	+70.1%	-0.90	-3.08	+70.6%
<b>Net Profit</b>	<b>-1.96</b>	<b>-5.49</b>	<b>+64.4%</b>	<b>-7.19</b>	<b>-11.93</b>	<b>+39.8%</b>
Attributable to Equity Holders of Sonae Capital	-2.37	-5.68	+58.4%	-7.36	-11.93	+38.3%
Attributable to Non-Controlling Interests	0.41	0.19	>100%	0.18	0.00	>100%

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

(2) Includes discontinued businesses in the reported period (2013/14)

Consolidated Turnover reached 76.23M€, evidencing a 51.1% growth compared to last year, with significant contributions from the majority of the segments: (i) a 270% growth in Resorts, supported on the growth number of sales deeds at troiaresort; (ii) Hospitality grew 4.4% as a result from the increased occupation rates; (iii) Fitness improved 22.6%, driven by the 34% growth in the number of active members; (iv) Energy posted a growth of 204% driven mainly by the new cogeneration operations; and (v) notwithstanding the 9.9% decrease in Refrigeration & HVAC segment despite the 17% increase in the level of pipeline when compared to year end 2013. With respect to segment "Others", the 47.8% positive evolution is related with our effort and commitment in realising capital from non-strategic assets, namely, real estate sales.



During the 2Q14, as it was the case in the semester, it was also registered a significant Top Line improvement of 43.7% with the majority of the segments, with the exception of Refrigeration & HVAC, showing a positive evolution compared to LY.

Consolidated 1H14 EBITDA, excluding guaranteed income provisions, totalled 6.0M€, generating a margin of 7.9% and registering an important growth of 5.8M€. All segments presented positive evolutions compared to LY, with the exception of Refrigeration & HVAC driven by the Top Line performance.

Consolidated 1H14 EBITDA including, for conservative reasons, the estimated present value of the potential costs for the full period of the guaranteed income in real estate sales at troiaresort, amounted to 3.91M€, registering a significant growth of 20.6 times or 3.7M€ compared to LY.

During the 2Q14, consolidated EBITDA reached 4.08M€, a growth of 3.8 times or 3.0M€ compared to the 2Q13.

Net Profit in 1H14 was negative 7.19M€, 39.8% or 4.74M€ above the level registered last year. It should be highlighted, besides the positive EBITDA performance, the 10.8% growth registered in Results from Associated Undertakings/Investment, mostly due to the contribution of Norscut and the two new cogeneration operations where the group does not hold a majority shareholding.

## 2.2. CAPEX

Capex (excluding the investment related to the acquisition of the new cogeneration operations) amounted to 4.01M€ during the 1H14, correspondent to a Capex/Sales ratio of 5.26%, below the 5.35% level registered during the 1H13. The bulk of Capex was mostly driven by Resorts and Hospitality, the latter driven by the opening of the new concept Hotel in Porto, a partnership with "Escola de Hotelaria e Turismo do Porto". Regarding the Energy business, Capex was mainly driven by the launch of Martim Longo operation (Photovoltaic park - 2MW).

## 2.3. CAPITAL STRUCTURE

At the end of 1H14, Net Debt amounted to 254.0M€, 8.0M€ above the level registered at the end of 2013, consequence of the FCF performance, influenced by the acquisition of the new cogeneration operations and by the level of Capex referred above.

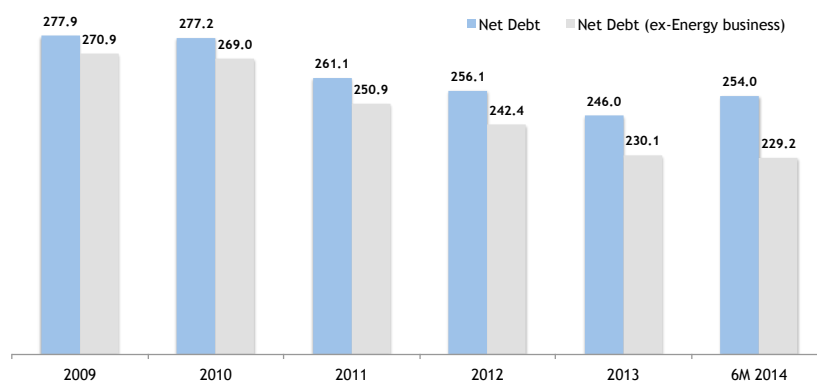
It should be noted that, traditionally, 1H is characterized by a seasonal increase in the level of working capital. During the 1H13 Net Debt has also showed a growth of 2.7M€ and as such: (i) excluding, during the 1H13, the positive 10.0M€ impact from the sale of Imosede Fund participation units; and (ii) excluding the negative impact at the Net Debt level derived from the acquisition of the new cogeneration plants (4.2M€), on a comparable basis, the evolution of Net Debt during the 1H14 has shown a positive performance of 8.9M€ compared to the 1H13.

It should be highlighted that compared to the same period last year, Net debt registered a decrease of 4.8M€.

Consolidated Balance Sheet			
Million euro			
	Jun-14	Dec 2013	Δ Jun14/Dec13
<b>Total Assets</b>	<b>662.5</b>	<b>633.4</b>	<b>+4.6%</b>
Tangible and Intangible Assets	247.8	246.3	+0.6%
Goodwill	61.0	61.0	+0.0%
Non-Current Investments	55.7	52.0	+7.2%
Other Non-Current Assets	46.5	45.8	+1.6%
Stocks	170.0	178.9	-5.0%
Trade Debtors and Other Current Assets	60.0	46.5	+29.2%
Cash and Cash Equivalents	21.4	3.0	>100%
<b>Total Equity</b>	<b>306.5</b>	<b>313.2</b>	<b>-2.1%</b>
Total Equity attributable to Equity Holders of Sonae Capital	297.4	304.3	-2.3%
Total Equity attributable to Non-Controlling Interests	9.1	8.9	+2.5%
<b>Total Liabilities</b>	<b>356.0</b>	<b>320.3</b>	<b>+11.2%</b>
<b>Non-Current Liabilities</b>	<b>202.4</b>	<b>171.9</b>	<b>+17.7%</b>
Non-Current Borrowings	183.1	153.0	+19.7%
Deferred Tax Liabilities	13.0	12.6	+3.7%
Other Non-Current Liabilities	6.2	6.3	-2.5%
<b>Current Liabilities</b>	<b>153.6</b>	<b>148.4</b>	<b>+3.5%</b>
Current Borrowings	92.3	96.1	-3.9%
Trade Creditors and Other Current Liabilities	61.4	52.3	+17.3%
<b>Total Equity and Liabilities</b>	<b>662.5</b>	<b>633.4</b>	<b>+4.6%</b>
<b>Net Capital Employed</b>	<b>560.5</b>	<b>559.2</b>	<b>+0.2%</b>
Fixed Assets	308.8	307.3	+0.5%
Non-Current Investments (net)	83.0	78.8	+5.3%
Working Capital	168.6	173.1	-2.6%
Capex (6M period)	4.0	2.7	+48.8%
% Fixed Assets	1.3%	0.9%	
<b>Net Debt</b>	<b>254.0</b>	<b>246.0</b>	<b>+3.2%</b>
% Net Capital Employed	45.3%	44.0%	
<b>Gearing</b>	<b>82.9%</b>	<b>78.6%</b>	
Net Debt excluding Energy	229.2	230.1	-0.4%

Capital Employed grew marginally, mainly driven by both the cogeneration operations acquired during the 1Q14 and by the updated non current investments valuation, namely Imosede Fund and Norscut, notwithstanding the reduction in the working capital investment vs YE'13 (although it has registered an increase of 7.0M€ compared to the previous quarter).

It is expected for the 2H14, as it was the case last year, the reversion of part of the working capital investment as to improve FCF performance and, consequently, reduce the level of Debt in accordance with our ambition and strategic intent.



## 3. SEGMENTS PERFORMANCE

### 3.1. TOURISM

Profit and Loss Account Million euro						
Tourism	2Q 2014	2Q 2013	Δ 14/13	6M 2014	6M 2013	Δ 14/13
<b>Total Operational Income</b>	<b>12.31</b>	<b>7.88</b>	<b>+56.3%</b>	<b>27.69</b>	<b>12.88</b>	<b>&gt;100%</b>
<b>Turnover</b>	<b>12.89</b>	<b>9.27</b>	<b>+39.1%</b>	<b>29.81</b>	<b>15.58</b>	<b>+91.4%</b>
Resorts	5.36	2.95	+81.8%	17.45	4.72	>100%
Hospitality	3.99	3.46	+15.4%	5.45	5.22	+4.4%
Fitness	3.54	2.86	+23.8%	6.91	5.64	+22.6%
Other Operational Income	-0.57	-1.39	+58.6%	-2.12	-2.70	+21.5%
<b>Total Operational Costs</b>	<b>-9.54</b>	<b>-8.86</b>	<b>-7.7%</b>	<b>-24.94</b>	<b>-16.68</b>	<b>-49.5%</b>
Cost of Goods Sold	-0.68	-0.99	+30.6%	-1.00	-1.27	+21.1%
Change in Stocks of Finished Goods	-1.70	-0.72	<-100%	-7.66	-1.33	<-100%
External Supplies and Services	-5.23	-4.38	-19.4%	-11.14	-8.10	-37.5%
Staff Costs	-3.04	-2.73	-11.2%	-5.91	-5.56	-6.2%
Other Operational Expenses	1.11	-0.04	-	0.77	-0.42	-
<b>EBITDA excluding Guaranteed Income Provisions *</b>	<b>0.57</b>	<b>-1.28</b>	<b>-</b>	<b>0.55</b>	<b>-3.96</b>	<b>-</b>
Resorts	0.95	-0.37	-	3.12	-0.74	-
Hospitality	-1.00	-1.22	+17.9%	-3.45	-3.58	+3.6%
Fitness	0.56	0.24	>100%	0.87	0.27	>100%
Provisions for Guaranteed Income	-0.44	0.00	-	-2.09	0.00	-
<b>EBITDA</b>	<b>0.13</b>	<b>-1.28</b>	<b>-</b>	<b>-1.54</b>	<b>-3.96</b>	<b>+61.0%</b>
<b>Capex</b>	<b>0.90</b>	<b>0.56</b>	<b>+61.3%</b>	<b>1.55</b>	<b>0.68</b>	<b>&gt;100%</b>
<b>EBITDA-Capex</b>	<b>-0.77</b>	<b>-1.83</b>	<b>+58.0%</b>	<b>-3.10</b>	<b>-4.64</b>	<b>+33.3%</b>

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

#### A. RESORTS

The 1H14 maintained a commercial dynamism in line with the end of 2013, having been celebrated 27 deeds from the troiaresort residential units (compared to 39 during the full year 2013) to which we should add 12 promissory purchase agreements and reservation agreements (with advanced payment) for additional 9 units. As at 30<sup>th</sup> June 2014, 294 sales deeds on troiaresort residential units had been signed.

Driven by the enlarged number of deeds, 1H14 Turnover reached 17.45M€, 3.7 times higher than the level registered last year and, as a consequence, EBITDA excluding guaranteed income provisions, amounted to 3.12M€, registering an improvement of 3.86M€.

For prudence reasons and following the traditional conservative approach that should govern the accounting principles, it is accounted as provisions at the time of the sale, the present value of potential costs for the entire period of the guaranteed income from troiaresort real estate sales (the difference between the guaranteed rate of return and the expected commercial operation). Driven by the sale deeds registered during the 1H14, the value amounted to 2.09M€, reflecting a level of EBITDA of 1.03M€, 1.77M€ above the level registered last year.

#### B. FITNESS

The dynamism and the improving trend in turnover and profitability observed since the end of 2013 has remained during the 1H14 with the average number of active members registering a growth of 34% when compared to the 1H13.



Turnover grew 22.6% to 6.91M€, driven by the mentioned increase number of active members, notwithstanding the lower market average monthly fees. As a result of both, the increased Turnover and the optimization and rationalization cost measures implemented aimed at reducing the cost base, EBITDA has tripled to 0.87M€ compared to 1H13, registering a margin of 12.6% (15.8% in 2Q14), +7.8pp above last year.

## C. HOSPITALITY

Turnover in the 1H14, now on a comparable calendar basis, registered a growth of 4.4% (compared to 1H13) to 5.45M€ as a consequence of the 3pp increase in the overall occupation rate. During the semester and compared to 1H13, the number of nights sold and RevPar increased 12.5% and 6.3%, in the total Group's hotel properties, respectively.

Due to the 4.4% top line increase and the optimization and rationalization cost measures implemented over the past years, EBITDA grew 3.6% remaining, nevertheless, at negative levels of 3.45M€.

Excluding rents (that are intercompany movements subject to changes upon completion of the assets' valuation carried out by an external entity), it should be highlighted that the Hospitality segment EBITDAR amounted to negative 0.68M€, an improvement of 7.3% when compared to the negative value of 0.74M€ registered in 1H13.

In April, in partnership with the "Escola de Hotelaria e Turismo do Porto" it was launched a new hotel, following a capital light approach. This is a unit with 17 rooms, restaurant, bar and meetings room, where students of the "Escola de Hotelaria e Turismo do Porto" are able to apply their knowledge. Inspired by the arts and appreciation of beauty, The Artist Porto Hotel & Bistro offers a contemporary and comfortable atmosphere, where every detail transports us to a creative and unique environment with a strong motivational atmosphere, inspiring and helping to grow (personally and professionally) students of the "Escola de Hotelaria e Turismo do Porto".

## 3.2. ENERGY

Profit and Loss Account Million euro						
Energy	2Q 2014	2Q 2013	Δ 14/13	6M 2014	6M 2013	Δ 14/13
<b>Total Operational Income</b>	<b>13.52</b>	<b>3.46</b>	<b>&gt;100%</b>	<b>20.60</b>	<b>6.77</b>	<b>&gt;100%</b>
Turnover	13.11	3.38	>100%	20.20	6.65	>100%
Other Operational Income	0.41	0.09	>100%	0.40	0.12	>100%
<b>Total Operational Costs</b>	<b>-10.56</b>	<b>-2.58</b>	<b>&lt;-100%</b>	<b>-16.20</b>	<b>-5.03</b>	<b>&lt;-100%</b>
Cost of Goods Sold	-9.17	-2.02	<-100%	-13.87	-3.92	<-100%
Change in Stocks of Finished Goods	0.00	0.00	-	0.00	0.00	-
External Supplies and Services	-0.90	-0.35	<-100%	-1.48	-0.69	<-100%
Staff Costs	-0.48	-0.21	<-100%	-0.84	-0.41	<-100%
Other Operational Expenses	-0.01	0.00	<-100%	-0.01	0.00	<-100%
<b>EBITDA</b>	<b>2.95</b>	<b>0.88</b>	<b>&gt;100%</b>	<b>4.40</b>	<b>1.74</b>	<b>&gt;100%</b>
Capex	0.53	0.74	-28.3%	0.93	1.62	-42.4%
<b>EBITDA-Capex</b>	<b>2.42</b>	<b>0.14</b>	<b>&gt;100%</b>	<b>3.47</b>	<b>0.12</b>	<b>&gt;100%</b>

During the 1Q14 it was announced the acquisition of a set of shareholdings and interests held by subsidiaries of Enel Green Power, S.p.A. in cogeneration plants located in Portugal. This acquisition of 44 MW (10 units, 8 majority held) is part of the expansion plan for the Energy segment, one of the

strategic pillars of the growth and development of Sonae Capital's portfolio, allowing the Group to: (i) Speed up the planned Portuguese Portfolio growth; (ii) Internalize a backlog of repowering projects in Portugal; and (iii) Reinforce the Energy segment team with experienced and valuable new members, required to implement the outlined development roadmap.

With the fully operational photovoltaic project, the capacity under management will ascend to 53 MW (50MW Cogeneration and 3MW Photovoltaic) or 62.3 MW, considering the non-fully held operations, a growth of 3.0 times when compared to the end of 2013.

Turnover, including four months of the new cogeneration operations, grew 204% to 20.2M€. Excluding this effect (13.24M€ in 1H14), Turnover would have grown by 4.7%. EBITDA has also shown a significant 153% increase to 4.40M€, registering a margin of 21.8%. Excluding new operations' contribution (2.06M€), EBITDA would have grown by 34.5%.

Capex (excluding the cogeneration acquisitions) remained in controlled levels and contributed, besides EBITDA, for the improvement of the operational cash flow.

### 3.3. REFRIGERATION, HVAC AND MAINTENANCE

Profit and Loss Account Million euro						
Refrigeration & HVAC	2Q 2014	2Q 2013	Δ 14/13	6M 2014	6M 2013	Δ 14/13
<b>Total Operational Income</b>	<b>14.35</b>	<b>15.43</b>	<b>-7.0%</b>	<b>25.08</b>	<b>27.43</b>	<b>-8.6%</b>
<b>Turnover</b>	<b>12.96</b>	<b>14.62</b>	<b>-11.3%</b>	<b>24.14</b>	<b>26.80</b>	<b>-9.9%</b>
<b>Total Operational Costs</b>	<b>-12.36</b>	<b>-13.60</b>	<b>+9.1%</b>	<b>-23.93</b>	<b>-25.47</b>	<b>+6.0%</b>
Cost of Goods Sold	-4.27	-6.37	+32.9%	-7.64	-10.38	+26.4%
Change in Stocks of Finished Goods	-0.29	2.41	-	-0.61	2.76	-
External Supplies and Services	-4.89	-5.07	+3.5%	-8.43	-8.77	+3.9%
Staff Costs	-3.61	-4.16	+13.2%	-7.43	-8.38	+11.3%
Other Operational Expenses/Income	0.70	-0.42	-	0.17	-0.69	-
<b>EBITDA</b>	<b>0.60</b>	<b>1.01</b>	<b>-40.4%</b>	<b>0.21</b>	<b>1.34</b>	<b>-84.4%</b>
<b>Capex</b>	<b>0.10</b>	<b>0.02</b>	<b>&gt;100%</b>	<b>0.18</b>	<b>0.09</b>	<b>&gt;100%</b>
<b>EBITDA-Capex</b>	<b>0.51</b>	<b>1.00</b>	<b>-49.1%</b>	<b>0.03</b>	<b>1.25</b>	<b>-97.5%</b>

1H14 Turnover amounted to 24.14M€, a decrease of 9.9% compared to 1H13, due to some delays in important projects both in Portuguese and international operations. Backlog grew 17% and 3% when compared to YE13 and 1Q14, respectively, representing, approximately, 7 months of turnover.

The level of International Turnover from the Refrigeration & HVAC business (consolidating exports and direct sales abroad), despite the lower international activity following some delays in the launch of important projects, amounted to 5.3M€, representing 22% of the consolidated turnover.

Despite the on-going implementation of measures leading to rationalize and variable the cost structure to the new benchmark, due to the turnover performance, consolidated EBITDA amounted to only 0.21M€ reverting, nevertheless, the negative value registered in 1Q14.

Domestic EBITDA reached 0.17M€, registering a decrease of 0.61M€ when compared to 1H13, driven by top line performance. International EBITDA reached 39K€, posting a decrease of 0.52M€ compared to 1H13.

Capex remained at low levels and the large majority of the lower Operational Cash Flow was driven by the negative EBITDA evolution.





### 3.4. OTHER ASSETS

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

During the period there were no material operations to highlight.

With respect to Real Estate assets, during the 1H14, it were celebrated over a disperse set of assets sales deeds amounting to 0.82M€.

As at 30 June 2014, Capital Employed in this set of assets (real estate) amounted to 128.1M€.



## 4. CORPORATE INFORMATION

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### 4.1. CORPORATE INFORMATION 2Q14

- As at 22<sup>nd</sup> May 2014, Sonae Capital, SGPS, SA (Sonae Capital) has disclosed that it had closed the conditions for a Bond issue of €42,500,000 (forty two million five hundred thousand euros), subscribed by institutional investors, without any guarantees and with a 5 year term, maturing in May 2019. The physical and financial settlement occurred on 28 May 2014 and the process for the bonds to be listed for trading on Euronext Lisbon is being prepared. Sonae Capital maintains its commitment and focus on reducing Net Debt and the operation allows the Group to strengthen its capital structure, diversify its sources of funding while optimizing the financing costs. It also ensures the structural funds to implement the corporate strategy defined at the end of 2013 and to prosecute the respective strategic goals.

### 4.2. SUBSEQUENT CORPORATE EVENTS

There were no subsequent corporate events to register.

## 5. METHODOLOGICAL NOTES

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

In 1Q14 it was changed the reporting template for the Net Debt of the Energy segment. Since the growth of this segment is being performed primarily through Intercompany Debt, we decided to report the Debt of the segment with the total Debt rather than the contribution to Sonae Capital Group as was until now. We believe that this change contributes to increase the quality and transparency of the information reported to the market.

With the aim of continuing improve the quality and transparency of the information provided, from the 2Q14 onwards, discontinued operations are reported on a specific line of the Profit & Loss statement.

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

### GLOSSARY

- HVAC = Heating, Ventilation and Air Conditioning
- EBITDAR = EBITDA + Rents for buildings
- EBITDA = Operational Profit (EBIT) + Amortization and Depreciation + Provisions and Impairment Losses + Impairment Losses of Real Estate Assets in Stocks (included in Costs of Goods Sold) - Reversal of Impairment Losses and Provisions (including in Other Operation Income)
- Net Debt = Non-Current Loans + Current Loans - Cash and Cash Equivalents - Current Investments
- EBITDA excluding Guaranteed Income Provisions = EBITDA + Provisions related to the estimated present value of potential costs for the full period of the Guaranteed Income from real estate sales at troiaresort
- Capex = Investment in Tangible and Intangible Assets
- Gearing = Net Debt / Equity

## CONTACTS

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