

REPORT AND ACCOUNTS

30 SEPTEMBER 2015



SONAE CAPITAL

REPORT AND ACCOUNTS

30 September 2015

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PART I
**REPORT OF THE BOARD
OF DIRECTORS**
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SONAE CAPITAL

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Report of the Board of Directors

1. CEO MESSAGE & HIGHLIGHTS

"The results registered during the first 9 Months of 2015 witness our commitment and effort on implementing the defined strategy, with particular relevance the achievement of positive Net Results. The sale of diverse Financial and Real Estate assets, amounting to, approximately, 39M€, alongside with the operational performance of each Business Unit has allowed a significant Net Debt reduction (49.8M€).

Improving each Business unit competitive position has been and will continue to be one of our core goals and the team's main effort during 2015. As a result, the first nine months of the year continue showing significant improvements across major key financial indicators: total Operational Income grew 3.9% and EBITDA improved 10.43M€, (registering a margin of 15.7%), having reached a positive Net Result of 3.05M€, a growth of 10.84M€ compared to the same period of last year.

Net Debt reached 184.6M€, registering another quarterly decrease of 15.9M€ or 53.6M€ when compared to September 2014."

Cláudia Azevedo, CEO

THE RESULTS OF THE FIRST NINE MONTHS OF THE YEAR CONFIRM THE SOLID OPERATIONAL AND FINANCIAL PERFORMANCE OF THE GROUP, ACHIEVING POSITIVE NET RESULTS AND ANOTHER STRONG DECREASE AT THE NET DEBT LEVEL...

...CONSOLIDATED OPERATIONAL INCOME GREW 3.9%, with all business units showing positive performance when compared with the same period last year,

CONSOLIDATED EBITDA reached 20.38M€, more than twice the level reached in the 9M14, with all business units showing positive performance: Resorts, +22.0%; Hospitality, +39.0%; Fitness, +14.2%; Energy, +9.5%; and Refrigeration & HVAC, +1.88M€. It should also be highlighted the contribution of the non-core real estate sales, namely the capital gain of 6.0M€ related to the sale of "Duque de Loulé" asset.

NET RESULTS of the period reached a positive 3.05M€, growing 10.84M€ when compared to last year, resulting from the EBITDA performance and, importantly, from a relevant decrease of Net Financial Expenses, driven by both lower levels of Net Debt and lower interest rates.

FREE CASH FLOW (levered), reached 47.9M€, representing an improvement of 40.2M€ compared to LY, benefiting from the improved Business Units operational contribution and, primarily, from the sale of 39M€ of non-core assets.

NET DEBT registered another significant drop of 49.8M€ compared to YE2014, to 184.6M€, the lowest level since the spin-off of the Group.

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THIRD QUARTER PERFORMANCE CONTINUES SHOWING SIGNIFICANT PROGRESSES, BOTH AT THE CONSOLIDATED AND EACH BUSINESS UNIT LEVEL, NOTWITHSTANDING THE LOWER TOP LINE...

...CONSOLIDATED TOP LINE reached 48.9M€, a decrease of 10.1% based on...:

- A decrease of 27.5% in Resorts segment, to 10.20M€, due to a lower number of deeds despite the favourable sales mix. During the 3Q15 were registered 7 deeds of real estate residential units in troiaresort (compared with 13 deeds registered in 3Q2014), to which it should be added a stock of 17 promissory purchase and reserve agreements;
- Energy segment reached a Top Line of 11.7M€, with a decrease of 11.7% when compared to same period last year, due to: (i) lower selling energy prices, that more than cancelled the growth registered in energy production, and (ii) interruption of one cogeneration plant operations for repowering works;
- Refrigeration & HVAC registered a decrease of 15.5% when compared to LY, due to the ongoing restructuring plan and the discontinuation of some of non-strategic business lines;

...on the other hand, with positive contributions, it should be highlighted:

- The continuous growth of Hospitality segment that has resulted in a Top Line of 8.32M€ and a 16.3% growth when compared to last year; and
- On the Fitness growth of 15.6% to 3.78M€, strengthening the trend of previous quarters, leveraging on the increased number of active members.

CONSOLIDATED EBITDA amounted to 8.32M€, a significant improvement of 39.3% (2.35M€) when compared to 3Q14:

- Hospitality business improved its performance by more than twice of the value registered last year, to a EBITDA level of 1.53M€;
- Fitness, leveraging on the Top Line performance and materializing the increased number of active members, improved 2.35x to 0.4M€;
- The Resorts segment, notwithstanding the lower number of deeds and consequently a lower Top Line, registered an improvement of 21.1% driven by a favourable sales mix;
- Refrigeration & HVAC has also registered an improvement of 1.22M€, leveraging on the ongoing restructuring plan, with the aim of improving its efficiency and on the discontinuation of some of non-strategic business lines;
- The Energy segment, now on a comparable basis, registered a decrease of 24.1% due to the Top Line performance, namely the lower selling energy prices and the interruption of a cogeneration plant operation for repowering works.

CONSOLIDATED NET RESULTS of the quarter amounted a positive 2.20M€, representing an improvement of 2.81M€ when compared to 3Q14.

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2. OVERALL PERFORMANCE

The financial and operational performance during the first nine months of 2015 was overall positive. Besides the improved Business Units' competitive position, the sale of non-core assets produced a significant positive impact at the Net Debt level that has reduced by 49.8M€ when compared to YE2014. The achievement of positive Net Results, both in the quarter (2.20M€) and the nine-month period (3.05M€) should also be highlighted.

2.1. CONSOLIDATED PROFIT & LOSS STATEMENT

Consolidated Profit and Loss Account						
Million euro						
	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	49.48	56.11	-11.8%	140.27	134.98	+3.9%
Turnover	48.87	54.34	-10.1%	129.85	130.57	-0.6%
Resorts	10.20	14.06	-27.5%	23.91	32.55	-26.5%
Hospitality	8.32	7.15	+16.3%	14.64	12.75	+14.8%
Fitness	3.78	3.27	+15.6%	11.23	10.17	+10.4%
Energy	11.70	13.25	-11.7%	40.30	33.52	+20.2%
Refrigeration & HVAC	14.64	17.33	-15.5%	40.83	42.82	-4.7%
Others & Eliminations	0.22	-0.73	-	-1.05	-1.24	+15.4%
Other Operational Income	0.62	1.77	-65.2%	10.42	4.41	>100%
EBITDA, excluding Guaranteed Income Provisions ⁽¹⁾	8.48	6.78	+25.0%	21.19	12.85	+64.8%
Resorts	3.33	3.43	-2.9%	5.25	6.55	-19.8%
Hospitality	1.53	0.74	>100%	-1.65	-2.71	+39.0%
Fitness	0.40	0.17	>100%	1.26	1.10	+14.2%
Energy	1.99	2.62	-24.1%	7.69	7.02	+9.5%
Refrigeration & HVAC	0.56	-0.66	-	1.41	-0.47	-
Others & Eliminations	0.67	0.48	+39.5%	7.23	1.37	>100%
Provisions for Guaranteed Income	-0.16	-0.81	+80.3%	-0.81	-2.90	+72.2%
EBITDA	8.32	5.97	+39.3%	20.38	9.95	>100%
Amortization & Depreciation	-4.05	-3.85	-5.1%	-11.88	-10.90	-9.0%
Provisions & Impairment Losses	-0.08	0.00	<-100%	-0.24	-0.17	-41.5%
Non-recurrent costs/income ⁽²⁾	-0.57	0.07	-	-0.21	0.01	-
Discontinued Operations ⁽³⁾	0.00	-0.07	-	0.00	-0.21	-
EBIT	3.62	2.12	+70.4%	8.05	-1.33	-
Net Financial Expenses	-2.63	-2.95	+11.1%	-7.23	-9.06	+20.2%
Investment Income and Results from Assoc. Undertakings	1.04	1.84	-43.5%	3.04	5.12	-40.7%
EBT	2.03	1.01	>100%	3.86	-5.27	-
Taxation	0.16	-1.62	-	-0.81	-2.52	+68.0%
Net Profit	2.20	-0.61	-	3.05	-7.79	-
Attributable to Equity Holders of Sonae Capital	1.86	-0.57	-	2.05	-7.93	-
Attributable to Non-Controlling Interests	0.34	-0.04	-	1.00	0.14	>100%

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

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

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

Consolidated Total Operational Income reached in the 3Q15 49.48M€, a decrease of 11.8% over the same period last year. However, this decrease has not produced a negative impact on the consolidated EBITDA, which has registered, once more, an increase of 39.3% over the same period last year.

Resulting from a combination of several factors, the 3Q15 registered a decline in the Top Line: (i) Resorts: decrease of 27.5%, due to a lower number of signed deeds; in the 3Q15 were registered 7 deeds, compared to the 13 deeds registered over the same period last year; (ii) Energy: decrease of 11.7% due to lower selling energy prices and the operations' interruption of a cogeneration plant for repowering works, despite the higher production levels with higher heat energy consumption in main industrial operators; and (iii) Refrigeration & HVAC, decrease of 15.5%, due to the discontinuation of some of non-strategic business lines. On the other side, it should also be highlighted the positive contributions from the: (i) continuous growth of Hospitality business (+16.3%), based on the improvement of the main operational indicators such as occupancy rates and RevPar; and (ii) Fitness growth of 15.6% driven by the 10.0% increase on the average number of active members and 7.5% increase on the average monthly fees.

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Top Line of the first nine months of 2015 stood in line with last year, penalized by a lower number of deeds in Troia and by the on-going restructuring plan and strategic focus at Refrigeration & HVAC business unit level. Significant growth in Top Line was registered in all the remainder Business Units.

3Q15 consolidated EBITDA reached 8.32M€, an increase of 39.3% or 2.35M€ when compared to the same period last year. Resorts was the main contribution to the Consolidated EBITDA, registering an improvement of 21.1% to 3.17M€, despite the lower number of deeds. Energy contributed with 1.99M€, showing a decrease of 24.1%, due to the lower selling energy prices and the interruption of one cogeneration plant for repowering works. Hospitality contribution should also be highlighted, with a meaningful improvement to 1.53M€. Refrigeration & HVAC registered a considerable improvement to 0.56M€, notwithstanding the restructuring plan already mentioned in previous announcements, confirming the merits of the on-going strategic realignment. Finally, Fitness also registered a twofold growth to 0.4M€, leveraging not only on the increased number of active members but also on higher average monthly fees.

9M15 Consolidated EBITDA reached 20.38M€, registering an increase of 10.43M€ when compared to last year, with all business units showing positive performance. Capital gains from real estate sale registered during the 2Q15 should also be highlighted.

3Q15 Net Results reached positive 2.02M€, with particular emphasis on: (i) the already noted growth at the EBITDA level (+2.35M€); (ii) the decrease of Net Financial Expenses in 0.32M€, driven by lower levels of Net Debt and lower financing costs; (iii) the lower tax charges, due to the recognition of the consolidated fiscal perimeter; and notwithstanding (iv) the higher costs with Depreciation and Amortization (0.20M€); (v) the decrease of 43.5% related to Results from Associated Companies / Investment Income, mainly explained by lower contributions from Energy operations acquired during the 1Q14 where the Group does not own the majority shareholding; and (vi) Non-recurrent costs/(gains) amounted to 0.57M€, related do an accounting capital loss from an asset sale.

9M15 Net Results reached positive 3.05M€, an improvement of 10.84M€ when compared to last year, driven mainly by the EBITDA growth of 10.43M€.

2.2. CAPEX

CAPEX in 9M2015 amounted to 11.0M€, registering a growth of 5.5M€ when compared to the same period last year. The main Capex contributors were registered at the Energy (repowering plants' investments in order to increase their profitability) and Real Estate segment, namely the expansion and refurbishment of Aqualuz Lagos ApartHotel.

2.3. CAPITAL STRUCTURE

At the end of the 9M2015 period, Net Debt amounted to 184.6M€, 49.8M€ below the level registered at the end of 2014 and, as in previous reporting seasons, the lowest level since the group's spin-off in 2007. This result was mainly driven by the consolidated FCF performance that includes a cash in of 6.58M€ related to a

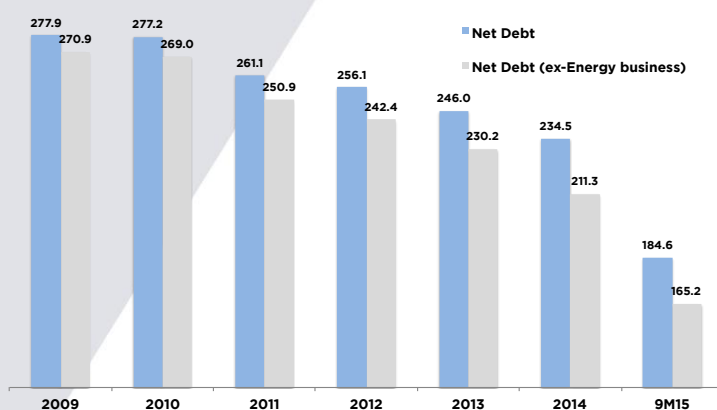
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Promissory Purchase and Reserve agreement signed during the 3Q15, of one of the non-core real estate assets.

It should also be highlighted that, when compared to the same period last year, Net Debt presents a reduction of 53.6M€.

Consolidated Balance Sheet			
Million euro			
	Sep 2015	Dec 2014	Δ Sep15/Dec14
Total Assets	589.3	636.0	-7.3%
Tangible and Intangible Assets	242.8	248.7	-2.4%
Goodwill	61.0	61.0	-0.0%
Non-Current Investments	36.9	54.8	-32.6%
Other Non-Current Assets	45.4	44.4	+2.2%
Stocks	150.1	157.6	-4.8%
Trade Debtors and Other Current Assets	47.7	60.2	-20.7%
Cash and Cash Equivalents	5.4	9.3	-42.2%
Total Equity	311.5	307.3	+1.4%
Total Equity attributable to Equity Holders of Sonae Capital	302.0	298.0	+1.4%
Total Equity attributable to Non-Controlling Interests	9.6	9.4	+1.9%
Total Liabilities	277.7	328.7	-15.5%
Non-Current Liabilities	118.3	217.4	-45.0%
Non-Current Borrowings	101.3	199.6	-48.6%
Deferred Tax Liabilities	11.0	11.7	-6.4%
Other Non-Current Liabilities	6.1	6.2	-1.2%
Current Liabilities	159.4	111.2	+42.2%
Current Borrowings	88.8	44.2	+98.1%
Trade Creditors and Other Current Liabilities	70.6	67.0	+5.4%
Total Equity and Liabilities	589.3	636.0	-7.3%
Net Capital Employed	496.2	541.8	-8.4%
Fixed Assets	303.8	309.7	-1.9%
Non-Current Investments (net)	65.2	81.3	-19.8%
Working Capital	127.2	150.8	-15.6%
Capex (9M period)	11.0	5.5	>100%
% Fixed Assets	3.6%	1.8%	
Net Debt	184.6	234.5	-21.2%
% Net Capital Employed	37.2%	43.3%	
Debt to Equity	59.3%	76.3%	
Net Debt excluding Energy	165.2	211.3	-21.8%



Net Capital Employed reduced 8.4% compared to YE2014, to 496.2M€. This result was driven by a reduction in Non-Current Investments of 16.1M€, a reduction in Working Capital of 23.6M€ and another reduction in Net Fixed Assets of 5.9M€.

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3. SEGMENTS PERFORMANCE

3.1. RESORTS

Profit and Loss Account Million euro						
Resorts	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	10,72	14,90	-28,0%	25,69	34,00	-24,4%
Turnover	10,20	14,06	-27,5%	23,91	32,55	-26,5%
Other Operational Income	0,52	0,83	-37,8%	1,78	1,45	+22,4%
Total Operational Costs	-7,42	-11,47	+35,3%	-20,44	-27,45	+25,5%
Cost of Goods Sold	-1,39	-0,75	-84,8%	-3,68	-1,03	<-100%
Change in Stocks of Finished Goods	-1,43	-4,49	+68,2%	-4,22	-12,15	+65,2%
External Supplies and Services	-3,03	-4,36	+30,5%	-8,40	-9,91	+15,2%
Staff Costs	-1,18	-1,03	-14,7%	-2,96	-2,62	-12,8%
Other Operational Expenses	-0,38	-0,83	+54,0%	-1,18	-1,74	+32,3%
EBITDA excluding Guaranteed Income Provisions *	3,33	3,43	-2,9%	5,25	6,55	-19,8%
Provisions for Guaranteed Income	-0,16	-0,81	+80,3%	-0,81	-2,90	+72,2%
EBITDA	3,17	2,62	+21,1%	4,45	3,64	+22,0%
Capex	0,23	0,20	+17,7%	0,79	1,05	-24,2%
EBITDA-Capex	2,94	2,42	+21,4%	3,65	2,60	+40,7%

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

During the 3Q15 were signed 7 deeds regarding residential units in troiaresort, with a total of 24 signed deeds for the first nine months of the year. Furthermore, it should be added a stock of 17 promissory purchase and reserve agreements (with advance payment). It should be pointed out the increase in the stock of promissory purchase and reserve agreements, when compared with previous quarters, mainly taking into consideration the slowdown of the 'Golden Visa' market, only partially mitigated with the domestic market recovery. As at 30th of September 2015, a total of 343 deeds had been celebrated on residential units in troiaresort.

Mainly driven by the number of signed deeds, Top Line in 3Q15 stood at 10.2M€, showing a decrease of 27.5% when compared to 3Q14, envisioning future recovery when taking into consideration the stock of promissory purchase and reserve agreements. However, benefiting from the positive sales mix and the general improvement of the operations that support the Resort, namely, hospitality (touristic apartments operation), EBITDA registered 3.17M€ in the 3Q15, with a positive performance of 21.1% when compared to the same period last year.

For prudence reasons and following the traditional conservative approach that should govern the accounting principles, it is accounted as Provisions, at the time of the sale, the present value of potential costs for the entire period of the guaranteed income from troiaresort real estate sales (the difference between the guaranteed rate of return and a conservative expectation on commercial operation). Driven by the sales registered in the 9M15 and the favourable sales mix, the value amounted 0.81M€.

Considering year-to-date figures, performance is similar to the quarter, registering a decrease of 26.5% in Top Line, despite an improvement in the EBITDA level of 22.0%, driven by the favourable sales mix and the general improvement of the operations that support the Resorts segment.

CAPEX stood at controllable levels, below 9M14 and consequently contributing to an improvement of EBITDA - CAPEX of 1.05M€.

3.2. FITNESS

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

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

In 3Q15, Top Line increased 15.6%, to 3.78M€, as a result of the above-mentioned growth in the number of active members, being worth to note the positive performance of average monthly fees. EBITDA amounted 0.40M€, a significant improvement over the previous year, corresponding to a margin of 10.6%.

Profit and Loss Account Million euro						
Fitness	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	3.87	3.34	+15.9%	11.47	10.39	+10.4%
Turnover	3.78	3.27	+15.6%	11.23	10.17	+10.4%
Other Operational Income	0.09	0.07	+28.7%	0.24	0.21	+12.0%
Total Operational Costs	-3.47	-3.17	-9.4%	-10.21	-9.28	-9.9%
Cost of Goods Sold	-0.03	-0.03	-8.7%	-0.09	-0.10	+8.6%
External Supplies and Services	-2.21	-2.00	-10.6%	-6.41	-5.94	-8.0%
Staff Costs	-1.04	-0.96	-8.1%	-3.13	-2.83	-10.3%
Other Operational Expenses	-0.19	-0.19	-2.4%	-0.58	-0.42	-39.5%
EBITDA	0.40	0.17	>100%	1.26	1.10	+14.2%
Capex	0.43	0.74	-41.5%	0.64	1.24	-48.1%
EBITDA-Capex	-0.03	-0.57	+95.0%	0.61	-0.14	-

Year-to-date Top Line increased 10.4% and EBITDA improved 14.2% to 1.26M€, corresponding to a margin of 11.2%.

CAPEX in the 9M15 amounted to 0.64M€, 48.1% below the level registered in 9M14, contributing to an improvement of EBITDA-CAPEX of 0.75M€ to 0.61M€, when compared to the same period last year.

3.3. HOSPITALITY

Profit and Loss Account Million euro						
Hospitality	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	8.46	7.28	+16.3%	14.95	13.08	+14.3%
Turnover	8.32	7.15	+16.3%	14.64	12.75	+14.8%
Other Operational Income	0.14	0.12	+17.5%	0.32	0.33	-4.7%
Total Operational Costs	-6.94	-6.54	-6.1%	-16.61	-15.80	-5.1%
Cost of Goods Sold	-0.74	-0.68	-8.8%	-1.45	-1.33	-9.5%
External Supplies and Services	-4.11	-3.92	-5.0%	-9.82	-9.50	-3.4%
Staff Costs	-1.96	-1.83	-7.0%	-4.81	-4.55	-5.9%
Other Operational Expenses	-0.13	-0.12	-14.1%	-0.52	-0.43	-21.7%
EBITDA	1.53	0.74	>100%	-1.65	-2.71	+39.0%
Capex	0.07	0.08	-22.1%	0.49	0.46	+7.8%
EBITDA-Capex	1.46	0.65	>100%	-2.15	-3.17	+32.3%

3Q15 Hospitality Top Line registered an improvement of 16.3% to 8.32M€, when compared to 3Q14. This performance resulted mainly from 4pp occupancy rate growth. In the same period, the number of room nights sold rose 10.1% in the total Group's hotel properties and RevPar also revealed an improvement of 17.4%.

Due to the increased Top Line and the optimization and rationalization cost measures implemented over the past years, 3Q15 EBITDA showed an improvement to more than the double when compared to last year, to 1.53M€.

Considering year-to-date figures, mainly driven mainly by 4pp increased level of occupancy rate, the increase of 11.3% in number of room nights sold and the growth of 20.0% in RevPar, Top Line and EBITDA showed an improvement of 14.8% and 39.0%, respectively.

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Excluding rents, it should be highlighted that the Hospitality segment EBITDAR registered 2.83M€ positive in the period, an improvement of 88.5% or 1.33M€ compared to 9M14.

Hospitality CAPEX levels continued to be kept under tight control, nevertheless the increase of 7.8% when compared to 9M14. Though, resulting from the operational performance, EBITDA-CAPEX showed in 9M15 an improvement of 32.3% compared with the same period last year.

3.4. ENERGY

Profit and Loss Account Million euro						
Energy	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	11,75	13,68	-14,1%	40,58	34,45	+17,8%
Turnover	11,70	13,25	-11,7%	40,30	33,52	+20,2%
Other Operational Income	0,05	0,42	-88,9%	0,28	0,93	-69,5%
Total Operational Costs	-9,76	-11,05	+11,7%	-32,89	-27,43	-19,9%
Cost of Goods Sold	-7,85	-8,99	+12,8%	-27,13	-22,86	-18,7%
External Supplies and Services	-1,10	-1,26	+13,2%	-3,11	-2,63	-18,5%
Staff Costs	-0,66	-0,50	-33,0%	-2,13	-1,35	-57,8%
Other Operational Expenses	-0,15	-0,30	+48,8%	-0,51	-0,59	+13,7%
EBITDA	1,99	2,62	-24,1%	7,69	7,02	+9,5%
Capex	3,37	0,21	>100%	4,64	1,14	>100%
EBITDA-Capex	-1,38	2,42	-	3,05	5,88	-48,2%

Energy Top Line decreased 11.7% during 3Q15 due to (i) lower selling energy prices, and (ii) the operations interruption of a cogeneration plant for repowering works, notwithstanding (iii) the growth registered in energy production levels. Following Top Line performance, EBITDA showed a decrease of 24.1%, registering a 17.0% margin.

Considering year-to-date figures and benefitting from the 9 month consolidation of the operations acquired in 2014 (when compared to the 7 months in the same period last year), Turnover and EBITDA registered a 20.2% and a 9.5% growth respectively. 9M15 EBITDA margin was of 19.1%, when compared to 20.9% registered last year.

Capex registered 4.64M€, 4.1x above that registered last year, mainly due to the repowering operations in progress, showing a reduction in EBITDA-CAPEX of 48.2%, to 3.05M€.

3.5. REFRIGERATION & HVAC

3Q15 Top Line amounted to 14.64M€, showing a decrease of 15.5% when compared to the same period last year. Backlog at the end of the period amounted to, approximately 42M€, an increase of 77% when compared to YE2014, leveraging on the Portuguese operations order backlog related to businesses abroad (i.e. exportation), consubstantiating the internationalization process in progress. At the EBITDA level a significant improvement was noted, amounting to 0.56M€, and with a margin of 3.8%.

Regarding year-to-date figures, 9M15 Top Line showed a decrease of 4.7% driven by the discontinuation of some of non-strategic business lines. International Top Line (consolidating exports from Portugal and direct sales abroad), represented 26% of the 9M15 Consolidated Top Line, 6pp above the level registered in 2014.

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Under the continuous implementation of measures leading to a more balanced and flexible business cost structure adjusted to the new benchmark, and as a result of the restructuring process started in 2014 and still on-going, first results can be seen. EBITDA ascended to 1.41M€, showing an improvement of 1.88M€ when compared to the 9M14, reaching a 3.5% margin.

Profit and Loss Account Million euro						
Refrigeration & HVAC	3Q 2015	3Q 2014	Δ 15/14	9M 2015	9M 2014	Δ 15/14
Total Operational Income	14.69	17.52	-16.2%	41.24	43.25	-4.6%
Turnover	14.64	17.33	-15.5%	40.83	42.82	-4.7%
Other Operational Income	0.05	0.19	-72.2%	0.41	0.43	-3.7%
Total Operational Costs	-14.13	-18.18	+22.3%	-39.83	-43.72	+8.9%
Cost of Goods Sold	-7.13	-7.55	+5.7%	-16.63	-15.21	-9.4%
Change in Stocks of Finished Goods	1.20	-1.09	-	1.88	-1.73	-
External Supplies and Services	-4.33	-5.47	+20.7%	-13.59	-14.85	+8.5%
Staff Costs	-3.61	-3.69	+2.1%	-11.05	-11.05	+0.1%
Other Operational Expenses/Income	-0.25	-0.38	+33.3%	-0.45	-0.89	+49.0%
EBITDA	0.56	-0.66	-	1.41	-0.47	-
Capex	0.05	0.09	-46.9%	0.17	0.23	-26.1%
EBITDA-Capex	0.51	-0.75	-	1.23	-0.71	-

Domestic operation EBITDA rose to 0.9M€ in 9M15, showing an increase of 26.6% when compared to last year.

CAPEX remained at low levels and majority of the EBITDA-CAPEX increase of 1.94M€ to 1.23M€, resulted from the EBITDA positive performance.

3.6. OTHER ASSETS

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

During the 3Q15, there were no significant sales registered. A promissory purchase and reserve agreement was signed with a 6.58M€ cash in, for a real estate asset (Plots 5 and 10 of Quinta das Sedas).

During 2015, important steps were taken in respect to Norscut financial asset, namely, to comply with almost all legal formalities for the implementation of the new concession agreement. As at the date of this announcement, it is only pending for the Court of Auditors approval (more information may be found at item 4.2).

As at 30th of September, Capital Employed in this set of assets (real estate) amounted to 118.8M€.

REPORT AND ACCOUNTS – SEPTEMBER 2015

Report of the Board of Directors

4. CORPORATE INFORMATION

4.1. CORPORATE INFORMATION 3Q15

There was no corporate information to register.

4.2. SUBSEQUENT CORPORATE EVENTS

On 27th of October 2015, Sonae Capital was informed on the Court of Auditors' decision made on 22nd of October 2015, regarding the dismissal of the previous supervision about the Norscut new concession agreement, with retroactively effect starting 1st of January 2014.

5. METHODOLOGICAL NOTES

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

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

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

GLOSSARY

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

REPORT AND ACCOUNTS – SEPTEMBER 2015

Report of the Board of Directors

APPENDIX

Consolidated Profit and Loss Account Million euro							
	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015
Total Operational Income	36.87	41.99	56.11	48.70	42.82	47.96	49.48
Turnover	36.17	40.07	54.34	46.00	39.84	41.14	48.87
Resorts	12.58	5.90	14.06	7.81	6.44	7.27	10.20
Hospitality	1.53	4.06	7.15	2.36	1.87	4.44	8.32
Fitness	3.37	3.53	3.27	3.56	3.50	3.94	3.78
Energy	7.13	13.14	13.25	13.89	15.58	13.01	11.70
Refrigeration & HVAC	11.42	14.07	17.33	18.21	13.86	12.34	14.64
Others & Eliminations	0.13	-0.64	-0.73	0.17	-1.41	0.14	0.22
Other Operational Income	0.71	1.93	1.77	2.70	2.98	6.81	0.62
EBITDA, excluding Guaranteed Income Provisions ⁽¹⁾	1.50	4.58	6.78	2.68	2.76	9.95	8.48
Resorts	2.17	0.95	3.43	0.23	1.04	0.88	3.33
Hospitality	-2.45	-1.00	0.74	-2.00	-2.43	-0.75	1.53
Fitness	0.32	0.61	0.17	0.26	0.23	0.62	0.40
Energy	1.45	2.95	2.62	2.52	3.22	2.48	1.99
Refrigeration & HVAC	-0.38	0.57	-0.66	1.36	0.42	0.43	0.56
Others & Eliminations	0.40	0.49	0.48	0.30	0.27	6.29	0.67
Provisions for Guaranteed Income	-1.65	-0.44	-0.81	-0.80	-0.28	-0.37	-0.16
EBITDA	-0.16	4.13	5.97	1.87	2.47	9.59	8.32
Amortization & Depreciation	-3.27	-3.77	-3.85	-3.89	-3.92	-3.92	-4.05
Provisions & Impairment Losses	-0.03	-0.14	0.00	1.99	-0.07	-0.08	-0.08
Non-recurrent costs/income ⁽²⁾	-0.02	-0.05	0.07	-0.15	0.76	-0.39	-0.57
Discontinued Operations ⁽³⁾	-0.16	0.02	-0.07	-0.07	-0.01	0.01	0.00
EBIT	-3.64	0.19	2.12	-0.25	-0.76	5.20	3.62
Net Financial Expenses	-2.91	-3.20	-2.95	-2.45	-2.25	-2.35	-2.63
Investment Income and Results from Assoc. Undertakings	1.73	1.55	1.84	6.18	1.21	0.79	1.04
EBT	-4.82	-1.47	1.01	3.47	-1.81	3.64	2.03
Taxation	-0.41	-0.49	-1.62	-1.98	-0.87	-0.10	0.16
Net Profit	-5.23	-1.96	-0.61	1.50	-2.68	3.53	2.20
Attributable to Equity Holders of Sonae Capital	-5.00	-2.37	-0.57	1.10	-2.93	3.12	1.86
Attributable to Non-Controlling Interests	-0.23	0.41	-0.04	0.40	0.25	0.41	0.34
⁽¹⁾ EBITDA excluding the estimated present value of potential costs for the period of the Guaranteed Income from real estate sales at troiaresort ⁽²⁾ Non-recurrent items mainly related to restructuring costs and one-off income ⁽³⁾ Includes discontinued businesses in the reported period (2014/15)							
Net Debt	245.63	254.00	238.22	234.46	228.53	200.59	184.65
Delta Net debt	-0.39	8.37	-15.78	-3.76	-5.93	-27.94	-15.94
Net Debt/Ebitda*	30.94x	23.90x	20.05x	19.83x	15.81x	10.08x	8.30x

*EBITDA L12M excluding discontinued operations

REPORT AND ACCOUNTS – SEPTEMBER 2015

Report of the Board of Directors

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PART II

**CONSOLIDATED FINANCIAL
STATEMENTS**

30 SEPTEMBER 2015



SONAE CAPITAL

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

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

(Amounts expressed in euro)

ASSETS	Notes	30.09.2015	31.12.2014
NON-CURRENT ASSETS:			
Tangible assets	7	235,385,669	240,710,716
Intangible assets	7	7,401,973	8,024,620
Goodwill	8	60,990,243	60,990,244
Investments in associated companies and joint ventures	5	24,838,309	20,730,694
Other investments	6 and 9	12,080,279	34,081,492
Deferred tax assets	13	23,768,358	23,718,439
Other non-current assets	10	<u>21,591,777</u>	<u>20,653,819</u>
Total non-current assets		<u>386,056,608</u>	<u>408,910,024</u>
CURRENT ASSETS:			
Stocks	11	150,070,861	157,562,294
Trade account receivables and other current assets	12	47,740,947	60,191,897
Cash and cash equivalents	14	<u>5,387,674</u>	<u>9,327,550</u>
Total Current Assets		<u>203,199,482</u>	<u>227,081,741</u>
TOTAL ASSETS		<u>589,256,090</u>	<u>635,991,765</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	15	250,000,000	250,000,000
Own Shares	15	(1,413,866)	(1,486,301)
Reserves and retained earnings		51,347,290	56,279,740
Profit/(Loss) for the year attributable to the equity holders of Sonae Capital		<u>2,054,038</u>	<u>(6,832,009)</u>
Equity attributable to the equity holders of Sonae Capital		<u>301,987,462</u>	<u>297,961,430</u>
Equity attributable to non-controlling interests	16	<u>9,552,837</u>	<u>9,375,864</u>
TOTAL EQUITY		<u>311,540,299</u>	<u>307,337,294</u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Loans	17	101,275,156	199,570,233
Other non current liabilities	19	2,997,453	3,073,863
Deferred tax liabilities	13	10,965,387	11,709,284
Provisions	22	<u>3,079,824</u>	<u>3,079,824</u>
Total Non-Current Liabilities		<u>118,317,820</u>	<u>217,433,204</u>
CURRENT LIABILITIES:			
Loans	17	88,758,246	44,218,573
Trade creditors and other current liabilities	21	65,508,204	61,360,493
Provisions	22	<u>5,131,521</u>	<u>5,642,201</u>
Total Current Liabilities		<u>159,397,971</u>	<u>111,221,267</u>
TOTAL LIABILITIES		<u>277,715,791</u>	<u>328,654,471</u>
TOTAL EQUITY AND LIABILITIES		<u>589,256,090</u>	<u>635,991,765</u>

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2015 AND 2014

(Amounts expressed in euro)

	Notes	30.09.2015	30.09.2014
Sales		55,637,460	65,631,246
Services rendered		70,157,115	66,279,177
Other operating income		15,260,825	5,104,302
Cost of sales		(47,026,193)	(42,164,098)
Changes in stocks of finished goods and work in progress		(2,695,844)	(14,433,677)
External supplies and services		(37,764,342)	(39,946,484)
Staff costs		(27,103,063)	(25,449,432)
Depreciation and amortisation		(11,883,374)	(10,902,965)
Provisions and impairment losses (Increases/Decreases)		(49,615)	(597,674)
Other operating expenses		(6,479,449)	(4,845,897)
Operational profit/(loss)		8,053,520	(1,325,502)
Financial Expenses		(8,318,496)	(10,067,045)
Financial Income		1,089,120	1,004,311
Profit/(Loss) in associated and jointly controlled companies	5	2,986,686	4,549,523
Investment income		49,395	569,899
Profit/(Loss) before taxation		3,860,225	(5,268,814)
Taxation	24	(807,968)	(2,524,104)
Profit/(Loss) for the year	25	3,052,257	(7,792,918)
Attributable to:			
Equity holders of Sonae Capital		2,054,038	(7,930,747)
Non-controlling interests	16	998,219	137,829
Profit/(Loss) per share			
Basic	27	0.008338	(0.032212)
Diluted	27	0.008338	(0.032212)

The accompanying notes are part of these financial statements.

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SONAE CAPITAL, SGPS, SA

CONSOLIDATED INCOME STATEMENTS BY NATURE

FOR THE 3rd QUARTERS OF 2015 AND 2014

(Amounts expressed in euro)

	Notes	3 rd Quarter 15 ¹	3 rd Quarter 14 ¹
Sales		16,933,568	25,887,373
Services rendered		30,922,587	28,444,983
Other operating income		1,087,025	2,156,894
Cost of sales		(16,749,858)	(18,014,124)
Changes in stocks of finished goods and work in progress		(319,195)	(5,677,243)
External supplies and services		(13,449,278)	(15,966,162)
Staff costs		(9,170,785)	(8,664,651)
Depreciation and amortisation		(4,049,082)	(3,851,556)
Provisions and impairment losses (Increases/Decreases)		587,827	596,280
Other operating expenses		(2,173,560)	(2,787,282)
Operational profit/(loss)		3,619,249	2,124,512
Financial Expenses		(2,834,239)	(3,225,192)
Financial Income		206,656	270,918
Profit/(Loss) in associated and jointly controlled companies		891,110	1,662,656
Investment income		150,007	180,531
Profit/(Loss) before taxation		2,032,783	1,013,425
Taxation		163,041	(1,620,451)
Profit/(Loss) for the period		2,195,824	(607,026)
Attributable to:			
Equity holders of Sonae Capital		1,857,632	(569,126)
Non-controlling interests		338,192	(37,900)
Profit/(Loss) per share			
Basic		0.007541	(0.002310)
Diluted		0.007541	(0.002310)

The accompanying notes are part of these financial statements.

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

The Board of Directors

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Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2015 AND 2014

(Amounts expressed in euro)

	30.09.2015	30.09.2014
Consolidated net profit/(loss) for the period	3,052,257	(7,792,918)
Items that may be reclassified subsequently to net profit / (loss):		
Changes in the currency translation differences	188,382	88,286
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	1,169,079	(292,285)
Change in the fair value of assets available for sale	841,904	904,216
Change in the fair value of cash flow hedging derivatives	222,404	635,193
Tax related to other comprehensive income captions	(265,833)	(129,268)
Other comprehensive income for the period	<u>2,155,936</u>	<u>1,206,142</u>
Total comprehensive income for the period	<u><u>5,208,193</u></u>	<u><u>(6,586,776)</u></u>
Attributable to:		
Equity holders of Sonae Capital	4,172,698	(6,754,398)
Non-controlling interests	<u>1,035,495</u>	<u>167,622</u>

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 3rd QUARTERS OF 2015 AND 2014

(Amounts expressed in euro)

	3 rd Quarter 15 ¹	3 rd Quarter 14 ¹
Consolidated net profit/(loss) for the period	2,195,824	(607,026)
Items that may be reclassified subsequently to net profit / (loss):		
Changes in the currency translation differences	148,378	(29,087)
Share of other comprehensive income of associates and joint ventures accounted for by the equity method (Note 5)	205,683	58,891
Change in the fair value of assets available for sale	133,507	132,076
Change in the fair value of cash flow hedging derivatives	8,709	92,380
Tax related to other comprehensive income captions	(31,868)	46,895
Other comprehensive income for the period	464,409	301,155
Total comprehensive income for the period	<u>2,660,233</u>	<u>(305,871)</u>
Attributable to:		
Equity holders of Sonae Capital	2,291,238	(256,623)
Non-controlling interests	<u>368,995</u>	<u>(49,248)</u>

The accompanying notes are part of these financial statements.

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

The Board of Directors

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

(Amounts expressed in Euro)

	Attributable to Equity Holders of Sonae Capital							Sub total	Net Profit/(Loss)	Total	Non-Controlling Interests	Total Equity
	Share Capital	Own Shares	Demerger Reserve (Note 15)	Translation Reserves	Fair Value Reserves	Hedging Reserves	Other Reserves and Retained Earnings					
Balance as at 1 January 2014	250,000,000	(1,124,125)	132,638,253	(189,622)	(590,856)	(1,166,854)	(62,056,375)	68,634,546	(13,200,373)	304,310,048	8,850,291	313,160,339
Total consolidated comprehensive income for the period	-	-	-	67,320	904,216	626,366	(421,553)	1,176,349	(7,930,747)	(6,754,398)	167,622	(6,586,776)
Appropriation of profit of 2013:												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	(13,200,373)	(13,200,373)	13,200,373	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(649,927)	(649,927)
Acquisition of own shares	-	(362,176)	-	-	-	-	-	-	-	(362,176)	-	(362,176)
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	-	-	-	-	677,890	677,890
Other changes	-	-	-	-	-	-	(40,466)	(40,466)	-	(40,466)	82	(40,384)
Balance as at 30 September 2014	<u>250,000,000</u>	<u>(1,486,301)</u>	<u>132,638,253</u>	<u>(122,302)</u>	<u>313,360</u>	<u>(540,488)</u>	<u>(75,718,767)</u>	<u>56,570,056</u>	<u>(7,930,747)</u>	<u>297,153,008</u>	<u>9,045,958</u>	<u>306,198,966</u>
Balance as at 1 January 2015	250,000,000	(1,486,301)	132,638,253	(130,882)	(750,961)	(239,276)	(75,237,394)	56,279,740	(6,832,009)	297,961,430	9,375,864	307,337,294
Total consolidated comprehensive income for the period	-	-	-	151,827	841,904	221,683	903,246	2,118,660	2,054,038	4,172,698	1,035,495	5,208,193
Appropriation of profit of 2014:												
Transfer to legal reserves and retained earnings	-	-	-	-	-	-	(6,832,009)	(6,832,009)	6,832,009	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(1,078,352)	(1,078,352)
Acquisition of own shares	-	72,435	-	-	-	-	-	-	-	72,435	-	72,435
Changes in the percentage of capital held in affiliated companies	-	-	-	-	-	-	(219,830)	(219,830)	-	(219,830)	219,830	-
Other changes	-	-	-	-	-	-	729	729	-	729	-	729
Balance as at 30 September 2015	<u>250,000,000</u>	<u>(1,413,866)</u>	<u>132,638,253</u>	<u>20,945</u>	<u>90,943</u>	<u>(17,593)</u>	<u>(81,385,258)</u>	<u>51,347,290</u>	<u>2,054,038</u>	<u>301,987,462</u>	<u>9,552,837</u>	<u>311,540,299</u>

The accompanying notes are part of these financial statements.

The Board of Directors

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

SONAE CAPITAL, SGPS, SA

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

(Amounts expressed in Euro)

	Notes	30.09.2015	30.09.2014	3 rd Quarter 15 ¹	3 rd Quarter 14 ¹
OPERATING ACTIVITIES:					
Cash receipts from trade debtors		137,299,364	134,810,744	57,513,831	55,886,053
Cash receipts from trade creditors		(79,859,846)	(80,567,933)	(27,131,247)	(25,610,711)
Cash paid to employees		(25,822,785)	(24,729,821)	(9,030,848)	(8,082,947)
Cash flow generated by operations		<u>31,616,733</u>	<u>29,512,990</u>	<u>21,351,736</u>	<u>22,192,395</u>
Income taxes (paid) / received		(224,686)	(3,866,108)	1,332,399	39,399
Other cash receipts and (payments) relating to operating activities		<u>(3,330,814)</u>	<u>(5,174,651)</u>	<u>(3,413,700)</u>	<u>(8,357,629)</u>
Net cash flow from operating activities (1)		<u>28,061,233</u>	<u>20,472,231</u>	<u>19,270,435</u>	<u>13,874,165</u>
INVESTMENT ACTIVITIES:					
Cash receipts arising from:					
Investments		23,884,334	8,125,183	298,620	8,005,002
Tangible assets		14,604,622	1,083,926	1,010,285	748,163
Interest and similar income		1,106,226	1,243,050	278,089	103,670
Dividends		<u>339,683</u>	<u>868,687</u>	<u>66,052</u>	<u>72,320</u>
		<u>39,934,865</u>	<u>11,320,846</u>	<u>1,653,046</u>	<u>8,929,155</u>
Cash Payments arising from:					
Investments		(25,863)	(3,341,003)	(7,824)	(16,411)
Tangible assets		(9,035,119)	(5,196,640)	(2,305,095)	(1,764,143)
Intangible assets		(287,348)	(851,121)	(219,896)	(362,328)
Loans granted		<u>(1,015,588)</u>	<u>(969,509)</u>	<u>(27,791)</u>	<u>(32,583)</u>
		<u>(10,363,918)</u>	<u>(10,358,273)</u>	<u>(2,560,606)</u>	<u>(2,175,465)</u>
Net cash used in investment activities (2)		<u>29,570,947</u>	<u>962,573</u>	<u>(907,560)</u>	<u>6,753,690</u>
FINANCING ACTIVITIES:					
Cash receipts arising from:					
Loans obtained		9,100,000	71,151,000	-	6,951,800
Capital increases, additional paid in capital and share premiums		-	25,393	-	25,393
Sale of own shares		<u>72,435</u>	<u>42,606</u>	-	-
		<u>9,172,435</u>	<u>71,218,999</u>	-	<u>6,977,193</u>
Cash Payments arising from:					
Loans obtained		(61,803,557)	(77,607,469)	(35,582,936)	(39,068,286)
Interest and similar charges		(7,181,864)	(11,510,973)	(2,210,395)	(4,774,082)
Reimbursement of capital and paid in capital		-	(28,385)	-	-
Dividends		(923,729)	(1,597,370)	(129,843)	(593,336)
Purchase of own shares		-	(404,783)	-	-
		<u>(69,909,150)</u>	<u>(91,148,980)</u>	<u>(37,923,174)</u>	<u>(44,435,704)</u>
Net cash used in financing activities (3)		<u>(60,736,715)</u>	<u>(19,929,981)</u>	<u>(37,923,174)</u>	<u>(37,458,511)</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		<u>(3,104,535)</u>	<u>1,504,823</u>	<u>(19,560,299)</u>	<u>(16,830,656)</u>
Effect of foreign exchange rate		218,048	(32,761)	140,568	(17,938)
Cash and cash equivalents at the beginning of the period	14	<u>8,148,876</u>	<u>2,922,307</u>	<u>24,527,160</u>	<u>21,272,609</u>
Cash and cash equivalents at the end of the period	14	<u>4,826,293</u>	<u>4,459,891</u>	<u>4,826,293</u>	<u>4,459,891</u>

The accompanying notes are part of these financial statements.

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

The Board of Directors

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SONAE CAPITAL, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015

(Translation from the Portuguese Original)

(Amounts expressed in Euro)

1. INTRODUCTION

SONAE CAPITAL, SGPS, SA ("Company", "Group" or "Sonae Capital") whose head-office is at Lugar do Espido, Via Norte, Apartado 3053, 4471-907 Maia, Portugal, is the parent company of a group of companies, as detailed in Notes 5 to 7 ("Sonae Capital Group") and was set up on 14 December 2007 as a result of the demerger of the shareholding in SC, SGPS, SA (previously named Sonae Capital, SGPS, SA) from Sonae, SGPS, SA, which was approved by the Board of Directors on 8 November 2007 and by the Shareholder's General Meeting held on 14 December 2007.

Reflecting the current management structure, the reporting segments were revised, addressing the strategic business areas identified in the Group:

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

The non-strategic assets (including non-tourism real estate assets and financial shareholdings) are included in the segment "Other assets".

2. MAIN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the financial statements presented for the year ended 31 December 2014.

Basis of preparation

Interim financial statements were presented quarterly, in accordance with IAS 34 - "Interim Financial Reporting".

The accompanying consolidated financial statements have been prepared from the books and accounting records of the Company and of its affiliated undertakings (Notes 4 to 6), on a going concern basis and under the historical cost convention, with the exception of derivative financial instruments and investments held for sale, which are stated at fair value.

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3. CHANGES IN ACCOUNTING POLICIES

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

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their head offices and percentage of the share capital held by the Group as at 30 September 2015 and 31 December 2014, are as follows:

Company	Head Office	Percentage of capital held			
		30 September 2015		31 December 2014	
		Direct	Total	Direct	Total
Sonae Capital SGPS, SA	Maia	Holding	Holding	Holding	Holding
Hotels					
Aqualuz - Turismo e Lazer, Lda	a) Lagos	100.00%	100.00%	100.00%	100.00%
Solinca-Investimentos Turísticos, SA	a) Porto	100.00%	100.00%	100.00%	100.00%
1) Sonae Turismo - SGPS, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
The Artist Hotel & Bistrô - Actividades Hotelaria, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Troiaverde-Expl. Hoteleira Imob., SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Resorts					
Atlantic Ferries - Traf.Loc.Flu.e Marit., SA	a) Grândola	95.77%	95.77%	83.41%	83.41%
Golf Time - Golfe e Inv.Turísticos, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Imoareia - Investimentos Turísticos,SGPS, SA	a) Matosinhos	100.00%	100.00%	100.00%	100.00%
Imopenínsula - Sociedade Imobiliária, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Imoresort - Sociedade Imobiliária, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Marina de Tróia, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Marmagno-Expl.Hoteleira Imob., SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Marvero-Expl.Hoteleira Imob., SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
SII - Soberana Investimentos Imobiliários, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Soltroia-Imob.de Urb.Turismo de Tróia, SA	a) Lisbon	100.00%	100.00%	100.00%	100.00%
Tróia Market, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Tróia Natura, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Troiaresort - Investimentos Turísticos, SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Tulipamar-Expl.Hoteleira Imob., SA	a) Grândola	100.00%	100.00%	100.00%	100.00%
Fitness					
Solinca - Health & Fitness, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
Energy					
Atelgen - Produção de Energia, ACE	a) Barcelos	51.00%	51.00%	51.00%	51.00%
CAPWATT - Brainpower, S.A.	a) Maia	100.00%	100.00%	100.00%	100.00%
2) Capwatt ACE, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
3) Capwatt Colombo - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
4) Capwatt Engenho Novo - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
5) Capwatt Hectare - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
6) Capwatt II - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
7) Capwatt III - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
8) Capwatt Maia - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
9) Capwatt Martim Longo - Solar Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
10) Capwatt Vale do Caima - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
11) Capwatt Vale do Tejo - Heat Power, SA	a) Maia	100.00%	100.00%	100.00%	100.00%
CAPWATT, SGPS, S.A.	a) Maia	100.00%	100.00%	100.00%	100.00%
Carvemagere - Manutenção e Energias Renováveis, Lda	a) Barcelos	65.00%	65.00%	65.00%	65.00%
Companhia Térmica SERRADO, ACE	a) Maia	70.00%	70.00%	70.00%	70.00%
Companhia Térmica Tagol, Lda	a) Oeiras	100.00%	100.00%	100.00%	100.00%
C.T.E. - Central Termoelétrica do Estuário, Lda	a) Maia	100.00%	100.00%	100.00%	100.00%
Enerlousado - Recursos Energéticos, Lda	a) Maia	100.00%	100.00%	100.00%	100.00%
Ronfegen - Recursos Energéticos, Lda	a) Maia	100.00%	100.00%	100.00%	100.00%
Soternix - Produção de Energia ACE	a) Barcelos	51.00%	51.00%	51.00%	51.00%

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Refrigeration and HVAC							
16)	QCE - Desenvolvimento e fabrico de Equipamentos, SA	a)	Matosinhos	100.00%	70.00%	-	-
	Sistavac, SA	a)	Matosinhos	100.00%	70.00%	100.00%	70.00%
	Sistavac, SGPS, SA	a)	Matosinhos	70.00%	70.00%	70.00%	70.00%
	Sistavac Sistemas HVAC-R do Brasil, Lda	a)	São Paulo	100.00%	70.00%	100.00%	70.00%
	Sopair, SA	a)	Madrid	100.00%	70.00%	100.00%	70.00%
	Spinarq-Moçambique, Lda	a)	Maputo	70.00%	70.00%	100.00%	100.00%
	Spinarq-Engenharia, Energia e Ambiente,SA	a)	Luanda	99.90%	99.90%	99.90%	99.90%
16)	UPK - Gestão de Facilities e Manutenção, SA	a)	Matosinhos	100.00%	70.00%	-	-
Other Assets							
	Bloco Q-Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Casa da Ribeira - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Centro Residencial da Maia,Urban., SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Cinclus Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Contacto Concessões, SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Country Club da Maia-Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Empreend.Imob.Quinta da Azenha, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Fundo Especial de Investimento Imobiliário Fechado WTC	a)	Maia	99.82%	99.82%	99.82%	99.82%
	Imoclub-Serviços Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Imodivor - Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Imohotel-Emp.Turist.Imobiliários, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Imoponte-Soc.Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Imosedas-Imobiliária e Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Implantação - Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Inparvi SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Interlog-SGPS, SA	a)	Lisbon	98.98%	98.98%	98.98%	98.98%
14)	Martimope - Empreendimentos Turisticos, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Porturbe-Edifícios e Urbanizações, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Praedium - Serviços, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Praedium II-Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Praedium-SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Prédios Privados Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Predisedas-Predial das Sedas, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Promessa Sociedade Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	SC - Eng. e Promo Imobiliária,SGPS,SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sete e Meio Herdades - Investimentos Agrícolas e Turismo, SA	a)	Grândola	100.00%	100.00%	100.00%	100.00%
	Société de Tranchage Isoroy SAS	a)	Honfleur	100.00%	100.00%	100.00%	100.00%
14)	Soconstrução, BV	a)	Amsterdam	100.00%	100.00%	100.00%	100.00%
	Soira-Soc.Imobiliária de Ramalde, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Sótaqua - Soc. de Empreendimentos Turísticos, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Spinveste - Promoção Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Spinveste-Gestão Imobiliária SGII, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
14)	Torre São Gabriel-Imobiliária, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Urbisedas-Imobiliária das Sedas, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	Vistas do Freixo-Emp.Tur.imobiliários,SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
Others							
	Imobeauty, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	SC - Sociedade de Consultadoria, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	SC Finance, BV	a)	Amsterdam	100.00%	100.00%	100.00%	100.00%
	SC For - Ser.Formação e Desenvolvimento de Recursos Humanos, Unipessoal, Lda.	a)	Maia	100.00%	100.00%	100.00%	100.00%
13)15)	SC Hospitality, SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
	SC-SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%
15)	Solinfitness - Club Málaga, S.L.	a)	Málaga	100.00%	100.00%	100.00%	100.00%
14)15)	Sontur BV	a)	Amsterdam	100.00%	100.00%	100.00%	100.00%
12)	Spred SGPS, SA	a)	Maia	100.00%	100.00%	100.00%	100.00%

a) Majority of voting rights.

- 1) Ex-SC Assets, S.G.P.S., S.A.;
- 2) Ex-Integrum ACE, SA;
- 3) Ex-Integrum Colombo - Energia, SA;
- 4) Ex-Integrum Engenho Novo - Energia SA;
- 5) Ex-Companhia Térmica Hectare, SA;
- 6) Ex-Integrum II - Energia, SA;
- 7) Ex-Integrum III - Energia, SA;
- 8) Ex-Ecocioll - Energias, SA;
- 9) Ex-Integrum Martim Longo - Energia, SA;
- 10) Ex-Integrum Vale do Caima - Energia, SA;
- 11) Ex-Integrum Vale do Tejo - Energia, SA;
- 12) Company included in the Other Assets segment in 2014;
- 13) Ex-Sonae Turismo, SGPS, SA;
- 14) Company dissolved in the period;
- 15) Company included in the Tourism segment in 2014;
- 16) Company demerged from Sistavac, SA.

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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 September 2015 and 31 December 2014 are as follows:

Company	Head Office	Percentage of capital held				Book Value	
		30 September 2015		31 December 2014		30 September 2015	31 December 2014
		Direct	Total	Direct	Total		
Other Assets							
Andar - Sociedade Imobiliária, SA	Maia	50.00%	50.00%	50.00%	50.00%	-	53,344
1) Sociedade de Construções do Chile, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
1) Vastgoed One - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
1) Vastgoed Sun - Sociedade Imobiliária, SA	Maia	100.00%	50.00%	100.00%	50.00%	-	-
Lidergraf - Artes Gráficas, Lda	Vila do Conde	24.50%	24.50%	24.50%	24.50%	890,673	891,317
Norscut - Concessionária de Scut Interior Norte, SA	Lisbon	36.00%	36.00%	36.00%	36.00%	23,746,754	19,654,903
Operscut - Operação e Manutenção de Auto-estradas, SA	Lisbon	15.00%	15.00%	15.00%	15.00%	24,000	24,000
Energy							
Feneralt - Produção de Energia, ACE	Barcelos	25.00%	25.00%	25.00%	25.00%	176,882	107,130
Total						24,838,309	20,730,694

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

Associated and jointly controlled companies are consolidated using the equity method.

Nil balances shown result from the reduction to acquisition cost of amounts determined by the equity method, discontinuing the recognition of its part of additional losses under the terms of IAS 28.

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

	30 September 2015	31 December 2014
Total Assets	642,520,039	688,065,258
Total Liabilities	530,381,578	583,955,642
Income	60,907,633	115,284,242
Expenses	51,844,754	88,388,616

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

	30 September 2015	30 September 2014
Opening balance as at 1 January	20,762,638	12,490,395
Acquisitions in the period	8,000	1,249,300
Disposals in the period	-	-
Equity method	4,155,765	3,513,562
Dividends received	(56,151)	(26,486)
Change in the consolidation method	-	-
Closing balance as at 30 September	24,870,252	17,226,771
Accumulated impairment losses (Note 22)	(31,943)	(31,943)
	<u>24,838,309</u>	<u>17,194,828</u>

The use of the equity method had the following impacts: 2,986,686 euro recorded on share of results of associated undertakings (3,779,361 euro at 30 September 2014), and 1,169,079 euro in changes in reserves (-292,285 euro at 30 September 2014).

6. OTHER INVESTMENTS

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

Company	Head Office	Percentage of capital held				Book Value	
		30 September 2015		31 December 2014		30 Sep 2015	31 December 2014
		Direct	Total	Direct	Total		
Resorts							
Infratroia - Infraestruturas de Troia, E.M.	Grândola	25.90%	25.90%	25.90%	25.90%	64,747	64,747
Other Assets							
Fundo de Investimento Imobiliário Fechado Imosedede	Maia	7.52%	7.52%	22.57%	22.57%	11,478,478	33,493,884
Fundo de Investimento Imobiliário Imosonaes Dois	Maia	0.06%	0.06%	0.06%	0.06%	124,892	124,892
Net, SA	Lisbon	2.80%	2.80%	2.80%	2.80%	23,034	23,034
Fundo de Capital de Risco F-HITEC	Lisbon	6.48%	6.48%	6.48%	6.48%	250,950	250,950
Other investments						138,178	123,985
Total (Note 9)						<u>12,080,279</u>	<u>34,081,492</u>

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

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7. TANGIBLE AND INTANGIBLE ASSETS

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

	Tangible Assets				
	Land and Buildings	Equipment	Other Tangible Assets	Tangible Assets in progress	Total Tangible Assets
Gross Cost:					
Opening balance as at 1 January 2015	222,289,448	179,441,283	2,197,777	11,880,186	415,808,694
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	173,028	1,371,394	1,962	8,953,386	10,499,770
Disposals	(6,871,190)	(3,428,983)	(50,776)	-	(10,350,949)
Exchange rate effect	-	(144,477)	(15,010)	-	(159,487)
Transfers	1,051,798	4,524,604	53,117	(2,606,091)	3,023,428
Closing balance as at 30 September 2015	<u>216,643,084</u>	<u>181,763,821</u>	<u>2,187,070</u>	<u>18,227,480</u>	<u>418,821,455</u>
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2015	81,960,385	91,386,095	1,751,498	-	175,097,978
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period 1)	2,248,245	9,233,741	65,904	-	11,547,890
Disposals	(1,340,669)	(1,718,652)	(46,076)	-	(3,105,397)
Exchange rate effect	-	(93,391)	(11,329)	-	(104,720)
Transfers	-	35	-	-	35
Closing balance as at 30 September 2015	<u>82,867,961</u>	<u>98,807,828</u>	<u>1,759,997</u>	<u>-</u>	<u>183,435,786</u>
Carrying amount as at 1 January 2015	<u>140,329,063</u>	<u>88,055,188</u>	<u>446,279</u>	<u>11,880,186</u>	<u>240,710,716</u>
Carrying amount as at 30 September 2015	<u>133,775,123</u>	<u>82,955,993</u>	<u>427,073</u>	<u>18,227,480</u>	<u>235,385,669</u>

1) Includes impairment losses amounting to 267,667 euro.

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

	30 September 2015	31 December 2014
Tróia	8,034,979	7,624,730
Cogeneration Project	2,969,330	1,555,061
Hotels Refurbishment	6,273,317	1,825,022
Others	949,854	875,373
	<u>18,227,480</u>	<u>11,880,186</u>

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	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 2015	7,846,758	2,877,589	466,858	217,498	11,408,703
Changes in consolidation perimeter	-	-	-	-	-
Capital expenditure	14,040	198	199,284	280,165	493,687
Disposals	-	(2,896)	(492,681)	-	(495,577)
Exchange rate effect	-	(8,745)	-	-	(8,745)
Transfers	(71,561)	443,926	(19,586)	(370,906)	(18,127)
Closing balance as at 30 September 2015	7,789,237	3,310,072	153,875	126,757	11,379,941
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2015	1,380,363	1,994,300	9,421	-	3,384,083
Changes in consolidation perimeter	-	-	-	-	-
Charges for the period	139,386	463,764	-	-	603,150
Disposals	-	(2,896)	-	-	(2,896)
Exchange rate effect	-	(6,370)	-	-	(6,370)
Transfers	(42,405)	42,405	-	-	-
Closing balance as at 30 September 2015	1,477,344	2,491,203	9,421	-	3,977,967
Carrying amount as at 1 January 2015	6,466,395	883,289	457,437	217,498	8,024,620
Carrying amount as at 30 September 2015	6,311,893	818,869	144,454	126,757	7,401,973

As at September 2015 net assets allocated to the concession of Marina de Troia and included in Patents and other similar rights amount to 5,886,825 euro (5,994,383 euro at 31 December 2014).

8. GOODWILL

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

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

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9. OTHER INVESTMENTS

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

	30 September 2015		31 December 2014	
	Non current	Current	Non current	Current
<u>Investments at acquisition cost</u>				
Opening balance as at 1 January	879,446	-	8,071,101	-
Acquisitions in the period	14,192	-	17,742	-
Disposals in the period	-	-	(7,652,356)	-
Transfers	-	-	442,959	-
Closing balance as at 30 September	893,638	-	879,446	-
Accumulated impairment losses (Note 22)	(291,838)	-	(291,838)	-
	<u>601,800</u>	<u>-</u>	<u>587,608</u>	<u>-</u>
<u>Investments held for sale</u>				
Fair value as at 1 January	33,493,884	-	39,305,931	-
Disposals in the period	(22,510,231)	-	(5,221,742)	-
Transfers	-	-	(430,200)	-
Increase/(Decrease) in fair value	494,825	-	(160,105)	-
Fair value as at 30 September	11,478,478	-	33,493,884	-
Accumulated impairment losses (Note 22)	-	-	-	-
Fair value (net of impairment losses) as at 30 September	<u>11,478,478</u>	<u>-</u>	<u>33,493,884</u>	<u>-</u>
<u>Other Investments</u>	<u>12,080,278</u>	<u>-</u>	<u>34,081,492</u>	<u>-</u>

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

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

These investments are recorded at acquisition cost less impairment losses.

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10. OTHER NON-CURRENT ASSETS

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

	30 September 2015	31 December 2014
Loans granted to related parties		
Norscut - Concessionária de Scut Interior Norte, SA	19,604,752	18,647,695
Others	812,606	756,076
	<u>20,417,358</u>	<u>19,403,771</u>
Impairment losses (Note 22)	(34,916)	(34,916)
	<u>20,382,442</u>	<u>19,368,855</u>
Trade accounts receivable and other debtors		
Sale of financial investments	-	-
Others	1,209,335	1,284,964
Impairment losses (Note 22)	-	-
	<u>1,209,335</u>	<u>1,284,964</u>
Other non current assets	<u>21,591,777</u>	<u>20,653,819</u>

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

11. INVENTORIES

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

	30 September 2015		31 December 2014	
	Total	of which Real Estate Developments	Total	of which Real Estate Developments
Raw materials, by-products and consumables	1,513,636	-	1,022,596	-
Goods for sale	30,349,818	29,136,992	31,110,475	29,736,226
Finished goods	44,726,279	44,726,279	53,463,323	53,463,323
Work in progress	79,719,630	76,018,046	78,258,356	76,373,416
	<u>156,309,363</u>	<u>149,881,317</u>	<u>163,854,750</u>	<u>159,572,965</u>
Accumulated impairment losses on stocks (Note 22)	(6,238,502)	(6,226,549)	(6,292,456)	(6,242,656)
	<u>150,070,861</u>	<u>143,654,768</u>	<u>157,562,294</u>	<u>153,330,309</u>

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12. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

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

	30 September 2015	31 December 2014
Trade accounts receivable	25,568,253	30,337,378
Accumulated impairment losses on trade debtors (Note 22)	(4,106,813)	(4,356,479)
	<u>21,461,440</u>	<u>25,980,899</u>
Taxes recoverable	11,487,567	16,676,255
Loans granted to and other amounts to be received from related parties	90,505	167,444
Other current assets		
Suppliers with a debtor balance	686,740	610,343
Other debtors	9,266,689	11,077,668
Accounts receivable from the sale of financial investments	4,187,790	5,394,384
Accounts receivable from the sale of tangible assets	296,199	10,659
Interest receivable	732,838	988,617
Deferred costs - Rents	316,721	282,514
Deferred costs - External supplies and services	1,233,229	1,419,585
Other current assets	3,547,252	3,939,878
	<u>20,267,458</u>	<u>23,723,648</u>
Accumulated impairment losses on other current assets (Note 22)	(5,566,023)	(6,356,349)
	<u>47,740,947</u>	<u>60,191,897</u>
Trade accounts receivable and other current assets	<u><u>47,740,947</u></u>	<u><u>60,191,897</u></u>

13. DEFERRED TAXES

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

	Deferred tax assets		Deferred tax liabilities	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Amortisation and Depreciation harmonisation adjustments	744,556	767,399	3,565,265	3,145,808
Provisions and impairment losses of non-tax deductible	6,705,639	6,762,992	-	-
Write off of tangible and intangible assets	71,250	71,250	-	-
Write off of accruals	-	-	-	-
Revaluation of tangible assets	-	-	93,450	94,169
Tax losses carried forward	16,213,444	16,063,686	-	-
Financial instruments	-	-	101,410	1,066,862
Write off of stocks	-	-	644,078	906,974
Taxable temporary differences arising from the fair value of non-current liabilities	-	-	6,546,430	7,141,626
Others	33,469	53,111	14,753	(646,156)
	<u>23,768,358</u>	<u>23,718,439</u>	<u>10,965,386</u>	<u>11,709,284</u>

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

	30 September 2015			31 December 2014		
	Tax losses carried forward	Deferred tax assets	Time limit	Tax losses carried forward	Deferred tax assets	Time limit
With limited time use						
Generated in 2009	3,853,149	809,161	2015	3,853,149	809,161	2015
Generated in 2011	16,629,456	3,492,186	2015	16,629,456	3,492,186	2015
Generated in 2012	19,769,442	4,151,583	2017	19,769,442	4,151,583	2017
Generated in 2013	18,024,639	3,786,434	2018	18,088,306	3,798,545	2018
Generated in 2014	11,725,573	2,461,969	2026	18,153,387	3,812,211	2026
Generated in 2015	7,142,857	1,500,000	2027	-	-	
	<u>77,145,116</u>	<u>16,201,333</u>		<u>76,493,741</u>	<u>16,063,686</u>	
With a time limit different from the above mentioned	-	-		-	-	
	<u>77,145,116</u>	<u>16,201,333</u>		<u>76,493,741</u>	<u>16,063,686</u>	

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

As at 30 September 2015 and 31 December 2014, tax losses carried forward amounting to 142,679,394 euro (109,866,615 euro as at 31 December 2014), have not originated deferred tax assets for prudential reasons and are detailed as follows:

	30 September 2015			31 December 2014		
	Tax losses carried forward	Tax Credit	Time limit	Tax losses carried forward	Tax Credit	Time limit
With limited time use						
Generated in 2009	37,970,832	7,973,875	2015	37,739,388	7,925,271	2015
Generated in 2011	18,369,951	3,857,690	2015	16,920,254	3,553,253	2015
Generated in 2012	15,178,378	3,187,459	2017	14,136,576	2,968,681	2017
Generated in 2013	27,230,338	5,718,436	2018	22,115,430	4,644,240	2018
Generated in 2014	22,249	4,672	2026	70,534	14,812	2026
Generated in 2015	24,684,372	5,183,718	2027	-	-	
	<u>123,456,119</u>	<u>25,925,850</u>		<u>90,982,182</u>	<u>19,106,258</u>	
Without limited time use	-	-		-	-	
With a time limit different from the above mentioned	19,223,275	4,899,896		18,884,433	4,819,618	
	<u>19,223,275</u>	<u>4,899,896</u>		<u>18,884,433</u>	<u>4,819,618</u>	
	<u>142,679,394</u>	<u>30,825,746</u>		<u>109,866,615</u>	<u>23,925,876</u>	

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14. CASH AND CASH EQUIVALENTS

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

	30 September 2015	31 December 2014
Cash at hand	125,122	132,458
Bank deposits	5,256,858	9,184,154
Treasury applications	5,694	10,938
Cash and cash equivalents on the balance sheet	5,387,674	9,327,550
Bank overdrafts - (Note 17)	(561,381)	(1,178,675)
Cash and cash equivalents in the statement of cash-flows	4,826,293	8,148,875

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

15. EQUITY

The share capital of Sonae Capital SGPS, SA is represented by 250,000,000 ordinary shares, which do not have the right to a fixed remuneration, with a nominal value of 1 euro each.

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

The Reserves and retained earnings of Sonae Capital Group in the periods ended 30 September 2015 and 31 December 2014 are as follows:

	30 September 2015	31 December 2014
Demerger reserve	132,638,253	132,638,253
Translation reserves	20,945	(130,882)
Fair value reserves	90,943	(750,961)
Hedging reserves	(17,593)	(239,276)
Other reserves and retained earnings	(81,385,258)	(75,237,394)
Reserves and retained earnings	51,347,290	56,279,740

Demerger reserve

The demerger originated a reserve in the amount of 132,638,253 euro, which has a treatment similar to that of a Legal Reserve. According to Company Law, it cannot be distributed to shareholders, unless the company is liquidated, but can be used to make good prior year losses, once other reserves have been used fully, or for capital increases.

Translation reserves

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

Fair Value Reserves

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

Hedging Reserve

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

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16. NON CONTROLLING INTERESTS

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

	30 September 2015	31 December 2014
Opening balance as at 1 January	9,375,864	8,850,291
Changes in hedging reserves	721	12,699
Changes in the percentage of capital held in affiliated companies	219,830	679,088
Changes resulting from currency translation	36,555	20,118
Dividends paid	(1,078,352)	(721,525)
Others	-	174
Profit for the period attributable to minority interests	998,219	535,019
Closing balance	9,552,837	9,375,864

17. BORROWINGS

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

	30 September 2015		31 December 2014		Repayable on
	Outstanding amount		Outstanding amount		
	Current	Non Current	Current	Non Current	
Bank loans					
Sonae Capital SGPS - commercial paper a)	7,000,000	-	17,250,000	-	Mar/2018
Sonae Capital SGPS - commercial paper d)	8,250,000	-	8,250,000	-	Dec/2015
Sonae Capital SGPS - commercial paper b)	-	-	-	28,900,000	Aug/2016
Sonae Capital SGPS - commercial paper c)	-	29,000,000	-	30,000,000	Dec/2017
Sonae Capital SGPS - commercial paper f)	3,500,000	3,000,000	3,500,000	4,750,000	May/2017
Sonae Capital SGPS - commercial paper g)	-	-	4,000,000	-	Feb/2016
Sonae Capital SGPS e)	3,290,000	9,870,000	3,290,000	12,337,500	Sep/2019
Up-front fees	-	(303,835)	-	(415,978)	
Others	1,755,233	1,704,258	2,524,257	2,652,051	
	23,795,233	43,270,423	38,814,257	78,223,573	
Bank overdrafts (Note 14)	561,381	-	1,178,675	-	
Bank loans	24,356,614	43,270,423	39,992,932	78,223,573	
Bond Loans					
Sonae Capital 2011/2016 Bonds	10,000,000	-	-	10,000,000	Jan/2016
SC, SGPS, S.A. 2008/2018 Bonds	50,000,000	-	-	50,000,000	Mar/2018
Sonae Capital 2014/2019 Bonds	-	42,500,000	-	42,500,000	May/2019
Up-front fees	(44,134)	(404,239)	-	(608,709)	
Bond Loans	59,955,866	42,095,761	-	101,891,291	
Other loans	311,967	453,273	752,665	609,258	
Derivatives (Note 18)	25,042	-	621,462	-	
Obligations under finance leases	4,108,757	15,535,455	2,851,514	18,935,072	
Up-front fees on finance leases	-	(79,756)	-	(88,961)	
	88,758,246	101,275,156	44,218,573	199,570,233	

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- a) Short term commercial paper programme, issued on 28 March 2008 and valid for a 10 year period, which may be extended at the option of Sonae Capital. Placed in investors or financial institutions and guaranteed by credit lines, with commitment of at least six months to a year, placed in relationship banks.
- b) Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to August 2018, except if the reimbursement is anticipated under the contracted terms of the call/put option, in August 2016. This loan is guaranteed by a mortgage on real estate assets.
- c) Commercial paper programme, with subscription guarantee, issued on 27 December 2012 and valid up to December 2017.
- d) Commercial paper programme, with subscription guarantee, issued on 31 December 2013, with annual renewals up to 3 years.
- e) Bank loan guaranteed by a mortgage on real estate, started on 2 June 2011 and valid up to September 2019, with quarterly payments.
- f) Commercial paper programme, with subscription guarantee, issued on 7 May 2014 and valid for a 3 year period, with semi-annual payments.
- g) Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to a maximum of 5 years.

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

- SC, SGPS, SA, 2008/2018 bond loan in the amount of 50,000,000 euro, with a 10 year maturity, and a sole reimbursement on 3 March 2018, except if the reimbursement is anticipated, fully or partially, which can happen on 3 March 2016. This bond loan bears interest every six months.
- Sonae Capital SGPS - 2011/2016 bond loan in the amount of 10,000,000 euro, with a 5 year maturity, and a sole reimbursement on 17 January 2016. This bond loan bears interest every six months.
- Sonae Capital SGPS, SA, 2014/2019 bond loan in the amount of 42,500,000 euro, with a 5 year maturity, and a sole reimbursement on 28 May 2019. This bond loan bears interest every six months.

The interest rate on bonds and bank loans in force on 30 September 2015 was on average 2.8%.

Bank loans pay interest rates that are indexed to the Euribor market rates of the period, and its fair value is considered close to its book value.

Other non-current loans include government reimbursable grants to group companies, which do not bear interest.

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

	30 September 2015		31 Dezembro 2014	
	Nominal value	Interest	Nominal value	Interest
N+1 ^{a)}	88,767,338	4,686,871	43,597,111	6,730,136
N+2	9,741,124	4,035,746	30,417,502	5,187,358
N+3	35,379,081	2,635,888	48,102,235	4,615,274
N+4	48,911,487	1,998,189	66,438,849	2,795,451
N+5	2,553,108	98,388	48,576,622	1,110,569
After N+5	5,488,186	132,417	7,148,672	216,245
	<u>190,840,324</u>	<u>13,587,499</u>	<u>244,280,992</u>	<u>20,655,033</u>

- a) Includes amounts drawn under commercial paper programmes. Of the total amount maturing in N+1, 21% concerns to commercial paper taken under lines of credit with commitment exceeding one year. Taking into account the policies and measures to manage liquidity risk, no risks that could jeopardize the continuity of operations are anticipated.

In the case any Bank institution or commercial paper investor do not renew, at the maturity date, its respective loans, the Group has credit lines available to overcome such renewables.

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18. DERIVATIVES

Interest rate derivatives

Hedging instruments used by the Group as at 30 September 2015 were mainly interest rate options (cash-flow hedges) contracted with the goal of hedging interest rate risks on loans in the amount of 579,787 euro, whose fair value of 25,042 euro (621,462 euro at 31 December 2014) is recorded as liabilities in other loans (Note 17). As at 30 September 2015 and 31 December 2014, all derivatives are hedging derivatives.

These interest rate hedging instruments are valued at fair value as at the balance sheet date, determined by valuations made by the Group using derivative valuation calculation schedules and external valuations when these schedules do not permit the valuation of certain instruments. For options, fair value is determined using the Black-Scholes model and its variants.

The fair value of derivatives is calculated using valuation models based on assumptions which are confirmed by market benchmarks, thus complying with level 2 requirements set on the IFRS 7.

Risk coverage guidelines generally used by the Group in contractually arranged hedging instruments are as follows:

- Matching between cash-flows received and paid, i.e., there is a perfect match between the dates of the re-fixing of interest rates on financing contracted with the bank and the dates of the re-fixing of interest rates on the derivative;
- Perfect matching between indices: the reference index for the hedging instrument and that for the financing to which the underlying derivative relates are the same;
- In the case of extreme rises in interest rates, the maximum cost of financing is limited.

Counterparts for derivatives are selected based on their financial strength and credit risk profile, with this profile being generally measured by a rating note attributed by rating agencies of recognized merit. Counterparts for derivatives are top level, highly prestigious financial institutions which are recognized nationally and internationally.

Fair value of derivatives

The fair value of derivatives is as follows:

	Assets		Liabilities	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Non-Hedge accounting derivatives				
Interest rate	-	-	-	-
Hedge accounting derivatives				
Interest rate (Note 18)	-	-	25,042	621,462
Other derivatives	-	-	-	-
	<u>-</u>	<u>-</u>	<u>25,042</u>	<u>621,462</u>

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19. OTHER NON-CURRENT LIABILITIES

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

	30 September 2015	31 December 2014
Loans and other amounts payable to related parties		
Plaza Mayor Parque de Ocio, SA	1,951,297	2,017,783
Others	230,847	216,645
	<u>2,182,144</u>	<u>2,234,428</u>
Other creditors		
Creditors in the restructuring process of Torralta	547,421	506,206
Others	42,283	-
	<u>589,704</u>	<u>506,206</u>
Deferred income	-	-
Obligations by share-based payments (Note 20)	225,605	333,229
	<u>225,605</u>	<u>333,229</u>
Other non current liabilities	<u>2,997,453</u>	<u>3,073,863</u>

20. SHARE-BASED PAYMENTS

In 2015 and in previous years, the Sonae Capital Group granted deferred performance bonuses to employees, based on shares of Sonae Capital SGPS, SA to be acquired at nil cost, three years after they were attributed to the employee. In any case, the acquisition can be exercised during the period commencing on the third anniversary of the grant date and the end of that year. The company has the choice to settle in cash instead of shares. The option can only be exercised if the employee still works for the Sonae Capital Group on the vesting date.

As at 30 September 2015 and 31 December 2014, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarised as follows:

	Year of grant	Vesting year	Fair Value	
			30 September 2015	31 December 2014
Shares				
	2012	2015	62,623	341,223
	2013	2016	486,638	423,280
	2014	2017	254,710	153,131
	2015	2018	308,096	-
Total			<u>1,112,067</u>	<u>917,634</u>

As at 30 September 2015 and 31 December 2014, the financial statements include the following amounts corresponding to the period elapsed between the date of granting and those dates for each deferred bonus plan, which have not yet vested:

	30 September 2015	31 December 2014
Other non current liabilities (Note 19)	225,605	333,230
Other current liabilities	508,708	341,223
Reserves	179,966	391,028
Staff Costs	<u>554,346</u>	<u>283,426</u>

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21. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

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

	30 September 2015	31 December 2014
Trade creditors	18,442,799	17,028,403
Loans granted by and other payables to related parties	337,137	107,740
Other current liabilities		
Fixed assets suppliers	2,787,116	1,296,713
Advances from customers and down payments	8,865,546	4,350,703
Other creditors	1,700,932	2,220,512
Taxes and contributions payable	5,615,272	9,567,955
Accrued staff costs	7,007,379	5,987,039
Amounts invoiced for works not yet completed	5,469,166	4,667,245
Accrued expenses with purchases - Energy Segment	2,747,287	4,126,642
Interest payable	882,314	821,515
Investment aid	1,476,339	1,601,914
Other liabilities	10,176,917	9,584,112
	<u>46,728,268</u>	<u>44,224,350</u>
Trade accounts payable and other current liabilities	<u>65,508,204</u>	<u>61,360,493</u>

22. PROVISIONS AND ACUMULATED IMPAIRMENT LOSSES

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

Captions	Balance as at 1 January 2015	Increases	Decreases	Utilisations	Balance as at 30 September 2015
Accumulated impairment losses on:					
Other Investments (Notes 5 and 9)	323,782	-	-	-	323,782
Other non current assets (Note 10)	34,916	-	-	-	34,916
Trade accounts receivable (Note 12)	4,356,479	470,792	(693,291)	(27,167)	4,106,813
Other current assets (Note 12)	6,356,349	85,434	(105,419)	(770,342)	5,566,023
Stocks (Note 11)	6,292,456	-	(53,953)	-	6,238,502
Non current provisions	3,079,824	-	-	-	3,079,824
Current provisions	5,642,201	1,049,826	(294,286)	(1,266,220)	5,131,521
	<u>26,086,008</u>	<u>1,606,052</u>	<u>(1,146,949)</u>	<u>(2,063,729)</u>	<u>24,481,382</u>

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Judicial claims	2,023,264	1,802,697
Provision for secured income	3,891,072	4,350,846
Others	2,297,009	2,568,482
	<u>8,211,345</u>	<u>8,722,025</u>

23. OTHER OPERATIONAL INCOME

Other operational income for the periods ended 30 September 2015 and 30 September 2014 was as follows:

	<u>30 September 2015</u>	<u>30 September 2014</u>
Own work capitalised	1,897,491	1,959,652
Gains on sales of assets	8,558,535	492,742
Supplementary income	466,161	872,405
Others	4,338,638	1,779,503
Total	<u>15,260,825</u>	<u>5,104,302</u>

24. CONTINGENT ASSETS AND LIABILITIES

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Guarantees given:		
on VAT reimbursements	5,098,627	5,064,574
on tax claims	9,547,147	5,729,805
on municipal claims	1,134,224	1,134,224
Others	13,253,258	14,418,892

Others include the following guarantees:

- 6,933,024 euro as at 30 September 2015 (7,507,705 euro as at 31 December 2014) of guarantees on construction works given to clients;
- 5,581,280 euro as at 30 September 2015 and as at 31 December 2014 of guarantees given concerning building permits in the Resorts segments.

The Group has not registered provisions for the events/disagreements for which these guarantees were given since the Group believes that the above mentioned events will not result in a loss for the Group.

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25. TAXATION

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

	30 September 2015	30 September 2014
Current tax	1,866,900	1,749,195
Deferred tax	(1,058,932)	774,909
Taxation	807,968	2,524,104

26. RECONCILIATION OF CONSOLIDATED NET PROFIT

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

	30 September 2015	30 September 2014
Aggregate net profit	(27,038,742)	4,627,335
Harmonisation adjustments	(2,629,364)	(750,314)
Elimination of intragroup dividends	(38,704,743)	(27,729,470)
Share of gains/(losses) of associated undertakings	2,930,536	3,779,361
Elimination of intragroup capital gains/(losses)	82,573,807	11,590,777
Elimination of intragroup impairment	(64,532,924)	(920,029)
Adjustments of gains/(losses) on assets disposals	4,142,033	-
Adjustments of gains/(losses) of financial shareholdings sale	46,311,654	1,329,732
Others	-	279,690
Consolidated net profit for the year	3,052,257	(7,792,918)

27. RELATED PARTIES

Balances and transactions with related parties are detailed as follows:

	Sales and services rendered		Purchases and services obtained	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
Transactions				
Parent company (a)	-	-	-	-
Associated companies	250,112	209,830	21,109	20,037
Other partners and Group companies (b)	22,669,191	23,200,960	4,063,056	4,275,308
	22,919,303	23,410,790	4,084,165	4,295,345
	Interest income		Interest expenses	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
Transactions				
Parent company (a)	-	-	-	-
Associated companies	759,976	763,779	-	-
Other partners and Group companies (b)	-	-	83,394	96,200
	759,976	763,779	83,394	96,200

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	Accounts receivable		Accounts payable	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Balances				
Parent company (a)	-	-	-	-
Associated companies	784,977	1,599,727	4,436	18,980
Other partners and Group companies (b)	8,134,200	11,254,391	9,215,991	2,243,084
	<u>8,919,177</u>	<u>12,854,118</u>	<u>9,220,427</u>	<u>2,262,064</u>
	Loans obtained		Loans granted	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Balances				
Parent company (a)	-	-	-	-
Associated companies	-	-	20,382,442	19,368,854
Other partners and Group companies (b)	1,951,297	2,017,783	-	-
	<u>1,951,297</u>	<u>2,017,783</u>	<u>20,382,442</u>	<u>19,368,854</u>

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

28. EARNINGS PER SHARE

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

	30 September 2015	30 September 2014
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	2,054,038	(7,930,747)
Net profit taken into consideration to calculate diluted earnings per share	2,054,038	(7,930,747)
Number of shares		
Weighted average number of shares used to calculated basic earnings per share	246,333,805	246,204,451
Weighted average number of shares used to calculated diluted earnings per share	246,333,805	246,204,451
Earnings per share (basic and diluted)	<u>0.008338</u>	<u>(0.032212)</u>

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

REPORT AND ACCOUNTS - SEPTEMBER 2015

Consolidated Financial Statements

29. SEGMENT INFORMATION

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

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

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

30 September 2015								
Profit and Loss Account	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Holding & Others	Intersegment Adjustments	Consolidated
Turnover	19,857,431	14,636,017	11,229,456	40,295,086	40,827,854	10,584,890	-11,636,159	125,794,575
Other operational income	6,030,607	328,339	303,025	786,032	414,129	6,670,416	728,277	15,260,825
Total operational income	25,888,038	14,964,356	11,532,481	41,081,118	41,241,983	17,255,306	-10,907,882	141,055,400
Operational cash-flow (EBITDA)	4,447,231	-1,654,694	1,258,186	7,690,422	1,406,451	7,233,657	-	20,381,253

30 September 2014								
Profit and Loss Account	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Holding & Others	Intersegment Adjustments	Consolidated
Turnover	32,546,199	12,750,037	10,174,948	33,524,254	44,158,253	11,369,681	-12,612,949	131,910,423
Other operational income	1,470,622	365,127	278,705	1,021,413	478,159	560,602	929,673	5,104,301
Total operational income	34,016,821	13,115,164	10,453,653	34,545,667	44,636,412	11,930,283	-11,683,276	137,014,724
Operational cash-flow (EBITDA)	3,951,023	-2,743,925	1,032,041	7,018,290	-798,536	1,213,059	74,387	9,746,339

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Consolidated Financial Statements

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

30 September 2015								
Balance Sheet	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Holding and Others	Intersegment Adjustments	Consolidated
Fixed Assets Tangible and Intangible	133,120,962	13,385,606	8,736,953	26,280,574	10,106,667	111,589,201	557,922	303,777,885
Investments	41,798,298	22,186,815	27,871	190,840	3,919	551,757,953	-579,047,108	36,918,588
Other Assets	95,890,023	10,845,144	3,141,102	9,966,473	42,892,229	560,927,409	-475,102,763	248,559,617
Total Assets	270,809,283	46,417,565	11,905,926	36,437,887	53,002,815	1,224,274,563	-1,053,591,949	589,256,090
Total Liabilities	227,974,125	43,285,192	8,988,903	34,409,924	20,404,107	418,231,598	-475,578,058	277,715,791
Technical investment	794,237	492,768	643,762	4,644,415	173,002	4,245,273	-	10,993,457
Gross Debt	14,228,995	0	379,464	8,823,162	737,577	165,864,205	-	190,033,402
Net Debt	13,606,958	-67,482	303,903	8,568,432	-378,598	162,612,516	-	184,645,728

31 December 2014								
Balance Sheet	Resorts	Hotels	Fitness	Energy	Refrigeration and HVAC	Holding and Others	Intersegment Adjustments	Consolidated
Fixed Assets Tangible and Intangible	135,559,390	13,705,579	9,301,498	26,480,547	10,176,911	113,983,432	518,223	309,725,580
Investments	39,365,628	31,163,716	24,563	120,196	611	613,053,027	-628,915,555	54,812,186
Other Assets	106,471,805	42,913,396	2,854,314	11,866,682	41,948,979	990,664,413	-925,265,587	271,453,999
Total Assets	281,396,823	87,782,691	12,180,375	38,467,424	52,126,501	1,717,700,872	-1,553,662,919	635,991,765
Total Liabilities	232,409,762	37,437,989	8,905,387	38,162,518	19,532,634	921,903,264	-929,697,083	328,654,472
Technical investment	1,768,152	470,708	1,285,193	2,637,973	311,956	2,484,157	-	8,958,139
Gross Debt	16,056,102	-	734,375	11,382,132	1,283,258	214,332,940	-	243,788,807
Net Debt	15,869,776	-119,991	683,804	10,986,752	-30,877	207,071,792	-	234,461,257

30. SUBSEQUENT EVENTS

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

31. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issue on 29 October 2015.

The Board of Directors

PART III
**INDIVIDUAL FINANCIAL
STATEMENTS**
30 SEPTEMBER 2015



SONAE CAPITAL

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

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

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

(Amounts expressed in euro)

ASSETS	Notes	30 September 2015	31 December 2014
NON CURRENT ASSETS:			
Tangible assets		28,812	28,987
Investments	4	361,142,580	434,115,996
Deferred tax assets	7	4,219,485	4,069,727
Other non current assets	5	<u>537,826,596</u>	<u>197,085,531</u>
Total Non Current Assets		<u>903,217,473</u>	<u>635,300,241</u>
CURRENT ASSETS:			
Other current assets	6	233,033,292	573,184,059
Cash and cash equivalents	8	<u>4</u>	<u>5,112,291</u>
Total Current Assets		<u>233,033,296</u>	<u>578,296,350</u>
TOTAL ASSETS		<u>1,136,250,769</u>	<u>1,213,596,591</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share Capital	9	250,000,000	250,000,000
Own shares	9	(1,413,866)	(1,486,301)
Legal reserve	10	9,463,225	8,611,464
Other reserves	10	309,676,446	293,493,001
Profit / (Loss) for the period		<u>16,066,867</u>	<u>17,035,205</u>
TOTAL EQUITY		<u>583,792,671</u>	<u>567,653,369</u>
LIABILITIES:			
NON CURRENT LIABILITIES:			
Bank loans	11	41,601,842	75,613,439
Bonds	11	42,095,761	52,013,159
Other non current liabilities		<u>66,932</u>	<u>157,880</u>
Total Non Current Liabilities		<u>83,764,535</u>	<u>127,784,478</u>
CURRENT LIABILITIES			
Suppliers		81,624	107,498
Bank loans	11	32,210,132	36,293,800
Other creditors	12	433,481,306	476,548,040
Other current liabilities	13	<u>2,920,501</u>	<u>5,209,406</u>
Total Current Liabilities		<u>468,693,563</u>	<u>518,158,744</u>
TOTAL EQUITY AND LIABILITIES		<u>1,136,250,769</u>	<u>1,213,596,591</u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENTS BY NATURE

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	<u>Notes</u>	<u>30 September 2015</u>	<u>30 September 2014</u>
Operational income			
Other operational income		17,443	21,475
Total operational income		<u>17,443</u>	<u>21,475</u>
Operational expenses			
External supplies and services	14	(771,984)	(331,145)
Staff costs	15	(1,016,475)	(859,642)
Depreciation and amortisation		(1,662)	(2,760)
Other operational expenses		<u>(92,665)</u>	<u>(15,406)</u>
Total operational expenses		<u>(1,882,786)</u>	<u>(1,208,953)</u>
Operational profit/(loss)		<u>(1,865,343)</u>	<u>(1,187,478)</u>
Financial income	16	25,454,818	7,826,161
Financial expenses	16	<u>(7,328,620)</u>	<u>(7,755,996)</u>
Net financial income/(expenses)		<u>18,126,198</u>	<u>70,165</u>
Investment income	16	<u>(2,394,157)</u>	<u>15,790,815</u>
Profit/(loss) before taxation		<u>13,866,698</u>	<u>14,673,502</u>
Taxation	17	<u>2,200,169</u>	<u>5,735,686</u>
Profit/(loss) for the period		<u>16,066,867</u>	<u>20,409,188</u>
Profit/(loss) per share			
Basic and diluted	18	0.065224	0.082895

The accompanying notes are an integral part of these financial statements

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REPORT AND ACCOUNTS - SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL INCOME STATEMENT BY NATURE

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	<u>3rd Quarter 2015</u> <u>(Unaudited)</u>	<u>3rd Quarter 2014</u> <u>(Unaudited)</u>
Operational income:		
Other operational income	5,722	1,138
Total operational income	<u>5,722</u>	<u>1,138</u>
Operational expenses:		
External supplies and services	(279,650)	(112,271)
Staff costs	(320,962)	(217,868)
Depreciation and amortisation	(226)	(1,010)
Other operational expenses	<u>(46,889)</u>	<u>(3,692)</u>
Total operational expenses	<u>(647,727)</u>	<u>(334,841)</u>
Operational profit/(loss)	<u>(642,005)</u>	<u>(333,703)</u>
Financial income	9,107,394	2,389,703
Financial expenses	<u>(2,413,149)</u>	<u>(2,517,956)</u>
Net financial income/(expenses)	<u>6,694,245</u>	<u>(128,253)</u>
Investment income	<u>(5,894,795)</u>	<u>144,860</u>
Profit/(loss) before taxation	<u>157,445</u>	<u>(317,096)</u>
Taxation	<u>1,525,060</u>	<u>1,277,235</u>
Profit/(loss) for the period	<u><u>1,682,505</u></u>	<u><u>960,139</u></u>
Profit/(loss) per share		
Basic and diluted	0.006830	0.003900

The accompanying notes are part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	<u>30 September 2015</u>	<u>30 September 2014</u>
Net profit for the period	16,066,867	20,409,188
Items that may subsequently be reclassified to net income:		
Change in currency translation reserve	-	-
Share of other comprehensive income of associated undertakings and joint ventures accounted for by the equity	-	-
Change in the fair value of assets available for sale	-	-
Change in the fair value of cash flow hedging derivatives	-	-
Income tax relating to components of other comprehensive income	-	-
Other comprehensive income for the period	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>16,066,867</u>	<u>20,409,188</u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS - SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	<u>3rd Quarter 2015</u> <u>(Unaudited)</u>	<u>3rd Quarter 2014</u> <u>(Unaudited)</u>
Net profit for the period	1,682,505	960,139
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>1,682,505</u>	<u>960,139</u>

The accompanying notes are part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL SGPS, SA

INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	Share Capital	Own Shares	Legal Reserve	Other Reserves	Sub total	Net profit / (loss)	Total Equity
Balance as at 1 January 2014	250,000,000	(1,124,125)	8,307,376	287,715,325	296,022,701	6,081,764	550,980,341
Total comprehensive income for the period	-	-	-	-	-	20,409,188	20,409,188
Appropriation of profits:							
Transfer to legal reserve and retained earnings	-	-	304,088	5,777,676	6,081,764	(6,081,764)	-
Dividends distributed	-	-	-	-	-	-	-
(Acquisition)/disposal of own shares	-	(362,177)	-	-	-	-	(362,177)
Others	-	-	-	-	-	-	-
Balance as at 30 September 2014	250,000,000	(1,486,301)	8,611,464	293,493,001	302,104,465	20,409,188	571,027,352
Balance as at 1 January 2015	250,000,000	(1,486,301)	8,611,464	293,493,001	302,104,465	17,035,205	567,653,369
Total comprehensive income for the period	-	-	-	-	-	16,066,867	16,066,867
Appropriation of profits:							
Transfer to legal reserve and retained earnings	-	-	851,760	16,183,445	17,035,205	(17,035,205)	-
Dividends distributed	-	-	-	-	-	-	-
(Acquisition)/disposal of own shares	-	72,435	-	-	-	-	72,435
Others	-	-	-	-	-	-	-
Balance as at 30 September 2015	250,000,000	(1,413,866)	9,463,224	309,676,446	319,139,670	16,066,867	583,792,671

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL CASH FLOW STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014

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

(Amounts expressed in euro)

	Notes	30 September 2015	30 September 2014
<u>OPERATING ACTIVITIES</u>			
Cash paid to trade creditors		771.018	403.094
Cash paid to employees		1.114.308	541.811
Cash flow generated by operations		<u>(1.885.326)</u>	<u>(944.905)</u>
Income taxes (paid)/received		(3.443.231)	(836.509)
Other cash receipts/(payments) relating to operating activities		<u>(192.577)</u>	<u>(367.240)</u>
Net cash flow from operating activities [1]		<u><u>1.365.328</u></u>	<u><u>(475.636)</u></u>
<u>INVESTMENT ACTIVITIES</u>			
Cash receipts arising from:			
Investments		394.573.565	-
Interest and similar income		16.205.629	10.112.082
Dividends		22.184.180	14.870.786
Loans obtained		594.439	42.368.634
		<u>433.557.813</u>	<u>67.351.502</u>
Cash payments arising from:			
Tangible assets		11.003	1.614
Loans granted		346.654.649	46.758.409
		<u>346.665.652</u>	<u>46.760.023</u>
Net cash flow from investment activities [2]		<u><u>86.892.161</u></u>	<u><u>20.591.479</u></u>
<u>FINANCING ACTIVITIES</u>			
Cash receipts arising from:			
Sale of own shares		72.435	42.606
Loans obtained		9.100.000	71.000.000
		<u>9.172.435</u>	<u>71.042.606</u>
Cash Payments arising from:			
Interest and similar costs		5.361.590	7.878.493
Acquisition of own shares		-	404.783
Loans obtained		97.350.754	83.269.806
		<u>102.712.344</u>	<u>91.553.082</u>
Net cash flow from financing activities [3]		<u><u>(93.539.910)</u></u>	<u><u>(20.510.476)</u></u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]		<u>(5.282.421)</u>	<u>(394.633)</u>
Cash and cash equivalents at the beginning of the period	8	<u>5.112.291</u>	<u>786.250</u>
Cash and cash equivalents at the end of the period	8	<u><u>(170.129)</u></u>	<u><u>391.617</u></u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

REPORT AND ACCOUNTS – SEPTEMBER 2015

Individual Financial Statements

SONAE CAPITAL, SGPS, SA

INDIVIDUAL STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED 30 JUNE 2015 AND 2014

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

(Amounts expressed in euro)

	<u>3rd Quarter 2015</u> <u>(Unaudited)</u>	<u>3rd Quarter 2014</u> <u>(Unaudited)</u>
<u>OPERATING ACTIVITIES</u>		
Cash paid to trade creditors	253,459	12,318
Cash paid to employees	220,018	33,187
Cash flow generated by operations	<u>(473,477)</u>	<u>(45,505)</u>
Income taxes (paid)/received	(3,443,750)	(837,736)
Other cash receipts/(payments) relating to operating activities	<u>(195,478)</u>	<u>(407,067)</u>
Net cash flow from operating activities [1]	<u>2,774,794</u>	<u>385,164</u>
<u>INVESTMENT ACTIVITIES</u>		
Cash receipts arising from:		
Investments	48,030,853	-
Interest and similar income	10,708,974	5,132,879
Dividends	-	-
Loans granted	<u>594,439</u>	<u>27,410,700</u>
	<u>59,334,266</u>	<u>32,543,579</u>
Cash payments arising from:		
Investments	-	-
Tangible assets	1,488	1,614
Loans granted	<u>(6,298,123)</u>	<u>17,043,795</u>
	<u>(6,296,636)</u>	<u>17,045,409</u>
Net cash flow from investment activities [2]	<u>65,630,901</u>	<u>15,498,170</u>
<u>FINANCING ACTIVITIES</u>		
Cash receipts arising from:		
Sale of own shares	-	-
Loans obtained	<u>(3,518,574)</u>	<u>28,500,000</u>
	<u>(3,518,574)</u>	<u>28,500,000</u>
Cash Payments arising from:		
Interest and similar costs	1,456,527	2,190,855
Acquisition of own shares	-	-
Loans obtained	<u>74,901,954</u>	<u>57,585,500</u>
	<u>76,358,481</u>	<u>59,776,355</u>
Net cash from financing activities [3]	<u>(79,877,055)</u>	<u>(31,276,355)</u>
Net increase/(decrease) in cash and cash equivalents [4] = [1]+[2]+[3]	<u>(11,471,359)</u>	<u>(15,393,021)</u>
Cash and cash equivalents at the beginning of the period	<u>11,301,230</u>	<u>15,784,638</u>
Cash and cash equivalents at the end of the period	<u>(170,129)</u>	<u>391,617</u>

The accompanying notes are an integral part of these financial statements

The Board of Directors

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NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 (Translation from the Portuguese Original) (Amounts expressed in euro)

1. INTRODUCTION

Sonae Capital, SGPS, SA (“the Company” or “Sonae Capital”) whose registered office is at Lugar do Espido, Via Norte, Apartado 3053, 4471-907 Maia, Portugal, was set up on 14 December 2007 by public deed, following the demerger from Sonae, SGPS, SA of the whole of the shareholding in the company formerly named Sonae Capital, SGPS, SA, now named SC, SGPS, SA, in compliance with paragraph a) of article 118 of the Commercial Companies Code.

The Company’s financial statements are presented as required by the Commercial Companies Code. According to Decree-Law 158/2009 of 13 July of 2009, the Company’s financial statements have been prepared in accordance with International Financial Reporting Standards

2. MAIN ACCOUNTING POLICIES

The principal accounting policies adopted in preparing the accompanying individual financial statements are consisting with those used in the financial statements presented for the year ended 31 December 2014.

Basis of preparation

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

The accompanying financial statements have been prepared from the books and accounting records on a going concern basis and under the historical cost convention, except for financial instruments which are stated at fair value.

3. CHANGES IN ACCOUNTING POLICIES

During the period there were no changes in accounting policies or prior period errors.

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4. FINANCIAL INVESTMENTS

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

	30 September 2015	31 December 2014
Investments in affiliated and associated undertakings	360,864,814	494,491,377
Investments in other companies		
Sonae RE - (0,04%)	1,200	1,200
Fundo Invest. Imob. Imosonae Dois - (0,001%)	2,546	2,546
Matadouro Alto Alentejo, SA - (0,89%)	1	1
NET Novas Tecnologias, SA - (2,80%)	23,034	23,034
Saúde Atlântica - Gestão Hospitalar, SA (0,01%)	34	34
Fundo F HITEC - (6,46%)	250,950	250,950
	<u>361,142,580</u>	<u>494,769,143</u>
Impairment	<u>-</u>	<u>(60,653,147)</u>
	<u><u>361,142,580</u></u>	<u><u>434,115,996</u></u>

4.1 Investments in affiliated and associated undertakings

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

Company	30 September 2015					
	% Held	Fair Value	Book Value	Fair Value Reserve	Equity	Profit/(Loss) for the period
CAPWATT, S.G.P.S., S.A.	100.00%	-	2,725,000	-	2,761,861	56,472
Fundo Esp de Invest. Imob Fechado WTC	59.57%	-	42,057,274	-	71,914,277	2,286,743
Imoareaia - Invest. Turísticos, S.G.P.S., S.A.	100.00%	-	167,132,793	-	81,875,235	(937,141)
Interlog - SGPS, S.A.	98.938%	-	21,658,210	-	21,806,564	52,910
Lidergraf - Artes Gráficas, SA.	24.50%	-	1,125,301	-	5,313,045	576,106
Praedium SGPS, S.A.	100.00%	-	25,577,659	-	16,309,381	(3,954,627)
Sonae Turismo, S.G.P.S., S.A.	100.00%	-	5,857,175	-	8,385,061	(7,137,817)
SC Finance B.V.	100.00%	-	263,698	-	(9,077,067)	(9,371,569)
SC-Eng. e Promoção imobiliária, S.G.P.S., S.A.	100.00%	-	34,575,100	-	28,257,725	1,140,160
Sistavac, SGPS, S.A.	70.00%	-	32,492,436	-	41,374,073	225,868
Solinca - Health & Fitness, S.A.	100.00%	-	13,553,639	-	667,585	(552,859)
Spred, S.G.P.S., S.A.	100.00%	-	13,846,529	-	6,860,213	(1,951,075)
Total			360,864,814			

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

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

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

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

	<u>30 September 2015</u>	<u>31 December 2014</u>	<u>Variation (Note 16)</u>
Fundo Esp.Inv.Imo.Fec. WTC	-	(159,628)	159,628
Spred, SGPS, SA	-	(16,926,218)	16,926,218
Sonae Turismo, SGPS, SA	-	(43,567,301)	43,567,301
	<u>-</u>	<u>(60,653,147)</u>	<u>60,653,147</u>

5. OTHER NON-CURRENT ASSETS

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Loans granted to group companies:		
Sonae Turismo, SGPS, SA	-	11,703,934
Praedium, SGPS, SA	85,134,991	85,134,991
Imoareaia - Invest. Turísticos, S.G.P.S., SA	94,593,637	94,593,637
SC-Eng. e Promoção imobiliária, S.G.P.S., SA	2,788,000	2,788,000
Solinca - Health & Fitness, SA	2,864,968	2,864,968
SC Finance BV	352,445,000	-
	<u>537,826,596</u>	<u>197,085,531</u>

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

Loans to group companies bear interest at market rates and are repayable within a period exceeding one year. The interest rate as at 30 September 2015 stood, in average, at approximately 4.70%.

6. OTHER CURRENT ASSETS

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Shareholding, other Operations	-	4,077,753
Loans granted	213,648,183	207,734,600
Other Debtors	564,475	347,371,160
Income tax withheld	2,921,145	7,519,432
Accrued income	15,206,198	5,948,878
Deferred costs	693,291	532,236
	<u>233,033,292</u>	<u>573,184,059</u>

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

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Aqualuz - Turismo e Lazer, Lda	-	139,000
Bloco Q-Soc.Imobil.SA	-	310,000
Casa da Ribeira-Sociedade Imobiliária, S.A.	-	8,000
The Artist Porto Hotel & Bistrô - Activ. Hotel., S.A.	-	316,000
Contacto Concessões, SGPS, S.A.	-	1,041,000
Imoareaia - Invest. Turísticos, SGPS, SA	89,022,643	87,537,900
Inparvi SGPS, SA	108,164	118,000
Martimope-Empreendimentos Turísticos, SA	-	214,000
Praedium SGPS, SA	92,722,641	100,050,000
Praedium II-Imobiliária,SA	-	5,000
SC-Eng. e promoção imobiliária,SGPS,S.A.	3,593,800	2,890,200
Sete e Meio Herdades-Inv. Agr. e Tur.,SA	-	1,000
Solinca - Health & Fitness, SA	1,075,800	1,162,000
Sótaqua - Soc. de Empreend. Turisticos	-	6,000
Sonae Turismo, SGPS, S.A.	16,343,134	-
Spinveste-Gestão Imobiliária SGI,SA	-	952,000
Spinveste - Promoção Imobiliária, SA	-	2,000
CAPWATT, SGPS, S.A.	10,782,000	12,982,500
	<u>213,648,183</u>	<u>207,734,600</u>

Loans to group companies interest at market rates and are repayable within a period inferior to one year. The interest rate as at 30 September 2015 stood, in average, at approximately 3.58%.

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Income tax withheld	177,409	2,359,147
Income tax (advanced payment)	999,501	2,028,682
Income tax	<u>1,744,235</u>	<u>3,131,602</u>
	<u>2,921,145</u>	<u>7,519,431</u>

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

The amount registered in Accrued Income includes 15,193,724 euro relative to interest of loans granted to subsidiaries.

Deferred Costs includes 637,663 euro relative to bank commissions that are deferred for the loan period.

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7. DEFERRED TAXES

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

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

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

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

In accordance with the tax statements presented by companies that recorded deferred tax assets arising from tax losses carried forward, tax losses carried forward can be summarized as follows:

	30 September 2015			31 December 2014		
	Prejuízo fiscal	Deferred tax assets	To be used until	Prejuízo fiscal	Deferred tax assets	To be used until
Generated in 2011	1,165,089	244,669	2015	1,165,089	244,669	2015
Generated in 2013	61,175	12,847	2018	61,175	12,847	2018
Generated in 2014	11,725,573	2,461,969	2018	18,153,387	3,812,211	2018
Generated in 2015	7,142,857	1,500,000	2028	-	-	-
	20,094,694	4,219,485		19,379,651	4,069,727	

8. CASH AND CASH EQUIVALENTS

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

	30 September 2015	31 December 2014
Cash	4	4
Bank deposits	-	5,112,287
Cash and cash equivalents in the balance sheet	4	5,112,291
Bank overdrafts	170,132	-
Cash and cash equivalents in the cash flow statement	(170,129)	5,112,291

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9. EQUITY

The share capital of Sonae Capital SGPS, SA both in September 2015 and December 2014 is represented by 250,000,000 ordinary shares, which do not have the right to a fixed remuneration, with a nominal value of 1 euro each.

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

10. RESERVES

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

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

The demerger reserve (Note 1), corresponds to the difference between the book value of the shareholding in SC, SGPS, SA (382,638,252 euro) which was spun off from Sonae, SGPS, SA to the Company, and the value of the share capital of the Company (250,000,000 euro). This reserve, which has a treatment similar to that of a Legal Reserve, according to Company Law, it cannot be distributed to shareholders, unless the company is liquidated, but can be used to make good prior year losses, once other reserves have been used fully, or for capital increases.

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

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

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11. LOANS

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

	30 September 2015		31 December 2014	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae Capital SGPS - commercial paper a)	7,000,000	-	17,253,800	-
Sonae Capital SGPS - commercial paper d)	8,250,000	-	8,250,000	-
Sonae Capital SGPS - commercial paper b)	-	-	-	28,900,000
Sonae Capital SGPS - commercial paper c)	-	29,000,000	-	30,000,000
Sonae Capital SGPS e)	3,290,000	9,870,000	3,290,000	12,337,500
Sonae Capital SGPS - commercial paper g)	3,500,000	3,000,000	3,500,000	4,750,000
Sonae Capital SGPS - commercial paper i)	-	-	4,000,000	-
Up-front fees not yet charged to income statement	-	(268,158)	-	(374,061)
	<u>22,040,000</u>	<u>41,601,842</u>	<u>36,293,800</u>	<u>75,613,439</u>
Bank overdrafts (Nota 8)	170,132	-	-	-
	<u>22,210,132</u>	<u>41,601,842</u>	<u>36,293,800</u>	<u>75,613,439</u>
Bond Loans				
Obrigações Sonae Capital 2011/2016 f)	10,000,000	-	-	10,000,000
Obrigações Sonae Capital 2014/2019 h)	-	42,500,000	-	42,500,000
Up-front fees not yet charged to income statement	-	(404,239)	-	(486,841)
	<u>10,000,000</u>	<u>42,095,761</u>	<u>-</u>	<u>52,013,159</u>
	<u>32,210,132</u>	<u>83,697,603</u>	<u>36,293,800</u>	<u>127,626,597</u>

- a) Short term commercial paper programme, issued on 28 March 2008 and valid for a 10 year period, which may be extended at the option of Sonae Capital. Placed in investors or financial institutions and guaranteed by credit lines, with commitment of at least six months to a year, placed in relationship banks.
- b) Commercial paper programme, with subscription guarantee, issued on 31 March 2011 and valid up to August 2018, except if the reimbursement is anticipated under the contracted terms of the call/put option, in August 2016. This loan is guaranteed by a mortgage on real estate assets.
- c) Commercial paper programme, with subscription guarantee, issued on 27 December 2012 and valid up to December 2017.
- d) Commercial paper programme, with subscription guarantee, issued on 31 December 2014, with annual renewals up to 3 years.
- e) Bank loan guarantee by a mortgage on real estate, started on 2 June 2011 and valid up to September 2019, with quarterly payments.
- f) Bond loan Sonae Capital, SGPS 2011/2016, repayable after 5 years, in one instalment, on 17 January 2016. This bond issue pays interest every six months.
- g) Commercial paper programme, with subscription guarantee, issued on 7 May 2014 and valid for a 3 year period, with semi-annual payments.
- h) Bond loan Sonae Capital, SGPS 2014/2019, repayable after 5 years, in one instalment, on 28 May 2019. This bond issue pays interest every six months.
- i) Short term commercial paper programme, with subscription guarantee, issued on 17 February 2011, with annual renewals up to a maximum of 5 years.

The interest rate on bank loans and bonds in force on 30 September 2015 was on average 3.75%

Bank loans pay interest rates that are indexed to the Euribor market rates of the period, and its fair value is considered close to its book value.

In the case any Bank institution or commercial paper investor do not renew, at the maturity date, its respective loans, the Group has credit lines available to overcome such renewables.

There are no derivative instruments.

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12. OTHER CREDITORS

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
<u>Other creditors</u>		
Group companies - Short term loans	432,477,544	472,356,998
Other creditors	1,003,762	4,191,042
	<u>433,481,306</u>	<u>476,548,040</u>

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Group companies - Short term loans:		
Imobeauty, S.A.	-	12,513,000
Interlog-SGPS,SA	21,741,300	21,774,000
Porturbe-Edifícios e Urbanizações,SA	-	13,000
SC Finance BV	112,000	263,000
Sonae Turismo, S.G.P.S., S.A.	-	16,030,513
SC, SGPS, SA	250,634,982	232,684,567
Sistavac, SGPS, S.A.	19,306,000	14,301,000
Solinca-Investimentos Turísticos,SA	-	3,610,000
Soltroia-Imob.de Urb.Turismo de Tróia,SA	-	9,000
SC For - Serviços de Formação e Desenv de Rec Humanos	16000	0
SC Hospitality, SGPS, S.A	136,489,192	135,685,517
Spred, SGPS, SA	4,178,070	35,473,400
	<u>432,477,544</u>	<u>472,356,998</u>

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

The item Other Creditors, includes 994,946 euro relating to transfers from subsidiaries of tax estimates under the special regime RETGS.

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13. OTHER CURRENT LIABILITIES

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
<u>Other current liabilities</u>		
Taxes payable	51,763	4,170,928
Accruals:		
Staff costs	333,964	339,294
Interest payable	2,448,668	657,638
Other accruals	79,975	37,253
Deferred income	6,131	4,292
	<u>2,920,501</u>	<u>5,209,406</u>

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

	<u>30 September 2015</u>	<u>31 December 2014</u>
Income taxation	-	4,105,403
Income taxation - amounts withheld	28,446	42,766
VAT	69	69
Social security contributions	23,247	22,690
	<u>51,763</u>	<u>4,170,928</u>

14. EXTERNAL SUPPLIES AND SERVICES

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

	<u>30 September 2015</u>	<u>30 September 2014</u>
Operational rents	31,987	34,025
Insurance costs	37,501	37,651
Travelling expenses	18,490	21,126
Services obtained	637,729	189,482
Other services	46,277	48,862
	<u>771,984</u>	<u>331,145</u>

The item Services obtained includes, in 2015, 270 thousand euro of Holding costs that have not occur in 2014. On the other hand, the shared services fee was, in 2015, up about 96 thousand euro compared to 2014.

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15. STAFF COSTS

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

	<u>30 September 2015</u>	<u>30 September 2014</u>
Governing bodies' remunerations	848,646	737,354
Social security contributions	90,306	100,149
Other staff costs	77,523	22,140
	<u>1,016,475</u>	<u>859,642</u>

16. NET FINANCIAL EXPENSES AND INVESTMENT INCOME

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

	<u>30 September 2015</u>	<u>30 September 2014</u>
Interest payable and similar expenses		
Interest arising from:		
Bank loans	(2,187,220)	(4,676,992)
Bonds	(1,670,827)	(1,014,018)
Other	(1,561,904)	(92,127)
Other financial expenses	(1,908,669)	(1,972,859)
	<u>(7,328,620)</u>	<u>(7,755,996)</u>
Interest receivable and similar income		
Interest income	25,454,818	7,826,161
	<u>25,454,818</u>	<u>7,826,161</u>
	<u>18,126,198</u>	<u>70,165</u>
Net financial expenses	<u>18,126,198</u>	<u>70,165</u>
Reversal of Impairment losses (Note 4.1)	60,653,147	920,029
Dividends received	22,184,180	14,870,786
Gains and losses in Investments	(85,231,483)	-
Investment income	<u>(2,394,157)</u>	<u>15,790,815</u>

As at 30 September 2015, the amount of dividends received from group companies were:

Lidergraf, SA	56,152
Spred SGPS, SA	<u>22,128,028</u>
	22,184,180

As at 30 September 2015, Gains and losses in investments include losses with capital reductions of the following subsidiaries:

Sonae Turismo, SGPS, SA	50,057,175
Spred SGPS, SA	<u>35,769,387</u>
	85,826,562

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17. TAXATION

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

	<u>30 September 2015</u>	<u>30 September 2014</u>
Current tax	2,050,412	2,080,742
Deferred tax (Note 7)	149,757	3,654,945
	<u>2,200,169</u>	<u>5,735,686</u>

18. EARNINGS PER SHARE

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

	<u>30 September 2015</u>	<u>30 September 2014</u>
Net profit		
Net profit taken into consideration to calculate basic earnings per share (Net profit for the period)	16,066,867	20,409,188
Effect of dilutive potential shares	-	-
Net profit taken into consideration to calculate diluted earnings per share	<u>16,066,867</u>	<u>20,409,188</u>
Number of shares		
Weighted average number of shares used to calculate diluted earnings per share	<u>246,333,804</u>	<u>246,204,451</u>
Earnings per share (basic and diluted)	<u>0.065224</u>	<u>0.082895</u>

19. COMPLIANCE WITH LEGAL REQUIREMENTS

Art 5 nr 4 of Decree-Law nr 495/88 of 30 December changed by art 1 of Decree-Law nr 318/94 of 24 December.

In the period ended 30 September 2015 shareholders' loan contracts were entered into with SC Finance BV.

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

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Individual Financial Statements

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

Loans and Short term loans granted

Companies	Closing Balance
CAPWATT, SGPS, S.A.	10,782,000
Imoareaia - Invest. Turísticos, S.G.P.S., SA	183,616,280
Inparvi SGPS, SA	108,164
Praedium, SGPS, SA	177,857,633
SC Finance BV	352,445,000
SC-Eng. e Promoção Imobiliária,SGPS,S.A.	6,381,800
Solinca - Health & Fitness, SA	3,940,768
Sonae Turismo, SGPS, SA	16,343,134
	<u>751,474,779</u>

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

Short term loans obtained

Companies	Closing Balance
SC For - Serv. de Formação e Desenv de Rec Humanos	16,000
Spred, SGPS, SA	4,178,070
Sistavac, SGPS, S.A.	19,306,000
Interlog-SGPS,SA	21,741,300
SC Finance BV	112,000
SC Hospitality, SGPS, S.A	136,489,192
SC, SGPS, SA	250,634,982
	<u>432,477,544</u>

20. SUBSEQUENT EVENTS

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

21. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors and authorized for issue on 29 October 2015.

Board of Directors