

# **INSTITUTIONAL PRESENTATION**

**SONAE CAPITAL**  
FY 2017 RESULTS

Maia | March, 2018

**SONAE CAPITAL**

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## AGENDA

**01** SONAE CAPITAL  
OVERVIEW

**02** BUSINESSES  
PORTFOLIO

**03** REAL  
ESTATE ASSETS

**04** RECENT  
PERFORMANCE

**05** KEY  
MESSAGES

APPENDIX



AGENDA

01

SONAE CAPITAL  
OVERVIEW

# 01. SONAE CAPITAL OVERVIEW

## MAIN CORPORATE EVENTS

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**2007**

**14 Dec.** – Incorporation of Sonae Capital, SGPS, SA (Sonae Capital), through the spin-off of the share capital and voting rights of the company SC, SGPS, SA, wholly owned by Sonae SGPS, SA.

**2008**

**3 Jan.** – Sale of Contacto – Sociedade de Construções, SA to Soares da Costa. This transaction becomes effective on 21 Feb. following the non-opposition from the Competition Authority.

**28 Jan.** – Listing of Sonae Capital on Euronext Lisbon (share capital composed by 250.000.000 shares).

**1 Apr.** – Sale of Choice Car, SGPS, SA to Salvador Caetano Auto, SGPS, SA. The sale is completed on 2 Sep. 2008.

**30 Sep.** – Contacto Concessões, a company wholly owned by Sonae Capital acquires from Eiffage, SA 11% of Norscut’s share capital, thereby increasing its shareholding in Norscut from 25% to 36%.

**2009**

**13 Aug.** – Sale of the whole shareholding position in Sonae Indústria, SGPS, SA.

**16 Sep.** – Acquisition of 100% of the share capital of Ecociclo II, which owns the cogeneration facility in PNES, Maia, with a total capacity of 6.7 MW.

**30 Dec.** – Conclusion of the negotiations for the sale of Elmo, SGPS, SA.

# 01. SONAE CAPITAL OVERVIEW

## MAIN CORPORATE EVENTS

**2010**

**5 Aug.** - Sale of Box Lines - Navegação, SA to Via Marítima, SGPS, Lda. (Sousa Lima Investimentos Group). The sale becomes effective on 17 Sept., as a result of the non-opposition from the Competition Authority.

**25 Oct.** - Announcement of the development of a cogeneration project in Colombo Shopping Center, in Lisbon, with the management contract being granted to a subsidiary of Sonae Capital for a period of 15 years.

**2011**

**9 Jun.** - Agreement for the sale of the 50% shareholding in TP - Sociedade Térmica Portuguesa, SA, (signed on 14 Mar. 2011), to Finerge - Gestão de Produtos Energéticos, SA, becomes effective.

**20 Jul.** - Sale of the 20% shareholding in Sociedade Imobiliária Tróia B3, SA, to Salvor - Sociedade de Investimento Hoteleiro, SA (Pestana Group). The Tróia B3 was established with main objective of promoting the projects under Troiaresort's UNOP 5, with maximum building capacity of 54 thousand sqm, comprising one aparthotel and two touristic villages.

**2012**

**29 Feb.** - Sonae Capital's Executive Committee is enlarged from two to three members, with the appointment of Cláudia Azevedo.

**2013**

**18 Mar.** - Appointment of Cláudia Azevedo as CEO of Sonae Capital.

**23 Dec.** - Sonae Capital agrees the terms for the acquisition of a group of shareholdings and equity interests held by subsidiaries of Enel Green Power S. p. A, in 10 cogeneration plants.

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# 01. SONAE CAPITAL OVERVIEW

## MAIN CORPORATE EVENTS

**2014**

**6 Mar.** – Becomes effective the contract signed on 23 Dec. 2013, for the acquisition of 10 cogeneration plants located in Portugal, of which 8 majority held by Sonae Capital, comprising of 44MW of installed electric power capacity.

**2015**

**Nov.** – Following the strategic restructuring plan of Refrigeration & HVAC segment, the General Maintenance business, previously spun-off to an independent company (UPK) is sold through a MBO operation.

**14 Dec.** – Sonae Turismo, SGPS, SA, wholly owned by Sonae Capital, sells Aqualuz – Turismo e Lazer, Lda., which operates the Aqualuz hotel, in Lagos, to Efanor Investimentos, SGPS, SA (Efanor Group).

**17 Dec.** – Contacto Concessões, a subsidiary of Sonae Capital, receives from the company Norscut - Concessionária de Auto-Estradas, SA, the amount of 27.9M€, as reimbursement of loans and dividends distribution. This was the first step of Norscut's divestment process, aligned with Sonae Capital strategy of selling non-core assets.

**2016**

**5 Apr.** – Sonae Capital reaches an agreement with Meridiam Infrastructure Europe II SCA SICAR to sell the 36% indirect holding in Norscut – Concessionária de Auto-Estradas, SA, for approx. 42M€. As at 23 Jun., the Portuguese Competition Authority issues a decision of non-opposition.

**30 Sep.** – Sale of the 15% indirect shareholding in Operscut - Operação e Manutenção de Auto-Estradas, S.A., for approx. 1.75M€.

**12 Dec.** – Agreement to sell Troia's UNOP 7/8/9 for 50M€ to Rosp Group.

# 01. SONAE CAPITAL OVERVIEW

## MAIN CORPORATE EVENTS

2017

**27 Apr.** - Sonae Capital executes a purchase and sale agreement for the acquisition of two companies that own and operate a total of 15MW in the field of renewable energy, for a total amount of 34.5M€. On 5 Jun. this transaction receives clearance from the Portuguese Competition Authority. Additionally, Sonae Capital acquires a wind farm, with 5MW of installed capacity, for 5.4M€.

**9 Jun.** - Sonae Capital enters into a sale and purchase agreement for the acquisition of 100% of the share capital and voting rights of the company ADIRA - Metal Forming Solutions, SA and its subsidiary Guimadira. On 25 Jul. 2017, this operation receives the non-opposition declaration from the Portuguese Competition Authority.

**12 Oct.** - Sonae Capital (through CapWatt, SGPS, SA), enters into a sale and purchase agreement with Sonae Arauco, S.A. for the acquisition, for aprox. 0.9M€, of the share capital and voting rights of "Sociedade iniciativa de Aproveitamentos Florestais - Energia, SA", which owns and operates a biomass fired cogeneration plant installed in an industrial facility located in Mangualde, Portugal.

**17 Nov.** - Sonae Capital announces a sale and purchase agreement for the acquisition of About, SGPS, SA, which operates eight Fitness Clubs under the "Pump" brand, for the amount of 8.6M€.

2018

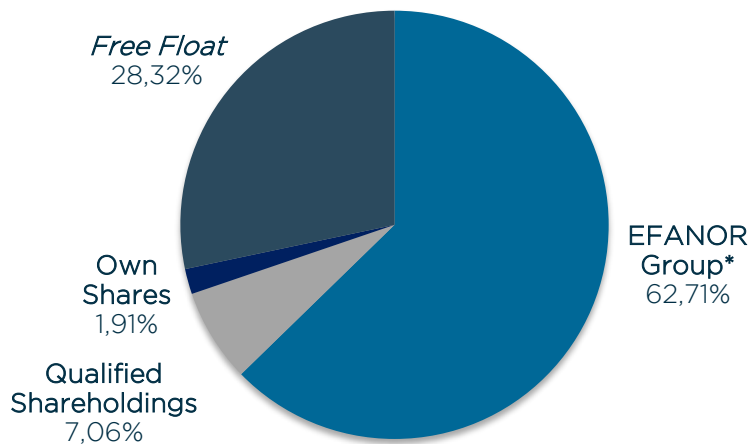
**12 Jan.** - Sonae Capital, following the Competition Authority non-opposition, announces the closure of About, SGPS,S.A. acquisition..



# 01. SONAE CAPITAL OVERVIEW

## SHAREHOLDER STRUCTURE

### SOLID SHAREHOLDER BASE\*



**SOLID SHAREHOLDER BASE THAT FAVOURS THE DEVELOPMENT, IMPLEMENTATION AND EXECUTION OF A FOCUSED STRATEGY BASED ON THE CREATION OF SOCIAL AND ECONOMIC VALUE...**

\*As at 31 December 2017.

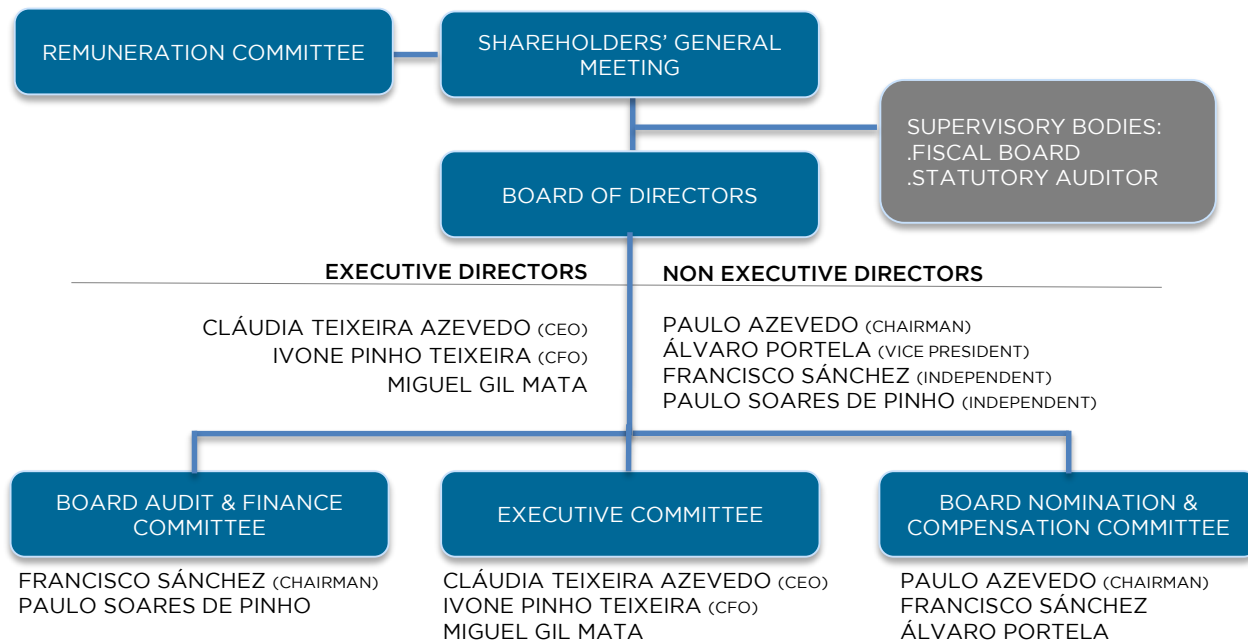
Note: Under the terms and for the proposals of article 20 and 21 of the Portuguese Securities code, EFANOR Investimentos, SGPS, AS, ceased to have controlling shareloder as of 29 November 2017.

# 01. SONAE CAPITAL OVERVIEW

## GOVERNANCE MODEL

### GOVERNANCE MODEL BEST PRACTICES

...SUSTAINED ON A TRANSPARENT GOVERNANCE MODEL BASED ON MARKET BEST PRACTICES, COMBINING EXECUTIVE AND NON EXECUTIVE FUNCTIONS WITH INDEPENDENT BOARD MEMBERS.



# 01. SONAE CAPITAL OVERVIEW

CORPORATE STRATEGY

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## STRATEGY PURPOSE

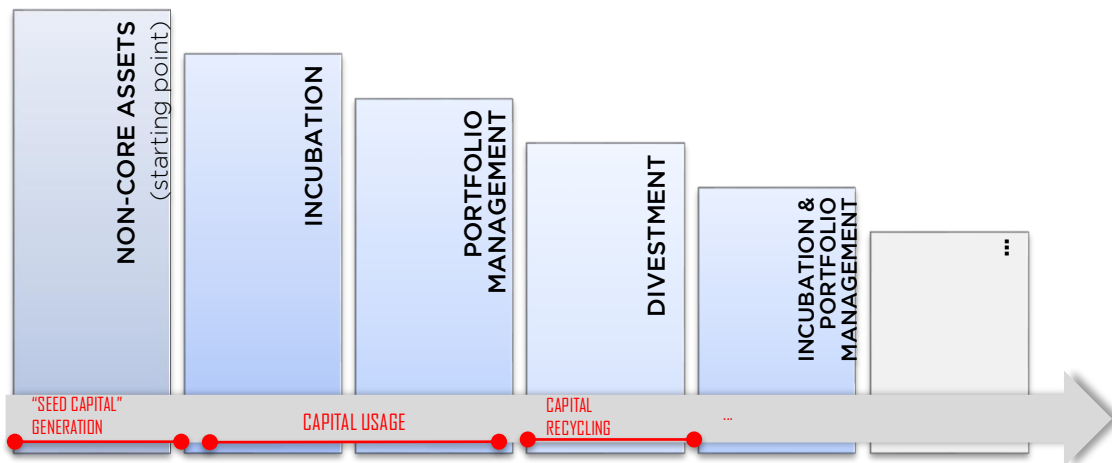
**IDENTIFY NEW BUSINESS OPPORTUNITIES IN SEGMENTS WITH HIGH GROWTH POTENTIAL, AND PROVIDE THEM WITH RESOURCES TO ENABLE GROWTH UNTIL THEY BECAME SELF-SUSTAINABLE WITH MECHANISMS FOR EFFICIENT CAPITAL ALLOCATION.**

# 01. SONAE CAPITAL OVERVIEW

## CORPORATE STRATEGY

### STRATEGIC PILLARS

- GROW WITH PROFITABILITY
- CAPITAL LIGHT STRATEGIES, SHORT PAYBACKS OR WITH PRE-DEFINED REVENUES FLOW
- DESIGN THE PORTFOLIO TO ENSURE THE COEXISTENCE OF DIFFERENT BUSINESS' IN DIVERSE STAGES



**CAPITAL RELEASE FROM ACTUAL BUSINESS PORTFOLIO (NON-CORE ASSETS) IN ORDER TO FINANCE NEW INVESTMENT OPPORTUNITIES AND ENHANCE THE GROUP PORTFOLIO GROWTH**

# 01. SONAE CAPITAL OVERVIEW

## CORPORATE STRATEGY

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### SONAE CAPITAL AIMS TO INVEST IN...

- Sectors based on **PORTUGUESE COMPETENCES** (namely engineering)
- Non-listed **COMPANIES** with **STRONG EXPORTING POTENTIAL**
- Highly fragmented sectors, with **Portuguese SMEs** with a **STRONG COMPETITIVE POSITION** in their market niche

### SONAE CAPITAL AIMS TO CREAT VALUE THROUGH...

- The management of a **DIVERSIFIED BUSINESS PORTFOLIO** in constant evolution
- **PORTUGUESE BASED** companies, serving **DIFFERENT MARKETS AND ECONOMICAL CYCLES...**
- In **DIFFERENT DEVELOPMENT STAGES** and...
- Without exit requirements, supporting a **M/L TERM PERSPECTIVE**

# 01. SONAE CAPITAL OVERVIEW

## 2017 MAIN HIGHLIGHTS

### COMPETITIVE POSITION IMPROVEMENT

- Strong **Top Line growth** in **Energy** (+18.3%), **Fitness** (+28.5%), **Hospitality** (+16.2%) and **Troia Resort Operations** (+9.1%);
- **Ref. & HVAC**: Backlog, in the domestic market, of 23.2M€, correspondent to, approximately, 5.4 months of Top Line.

### SEARCH FOR NEW GROWTH AVENUES

- **Acquisition and integration of ADIRA**, an important milestone in the implementation of the Corporate Strategy;
- Energy: full integration of the operations acquired during the 2017, namely: (i) 1MW of a Cogeneration operation fuelled by landfill biogas; and (ii) 15MW of Renewables, enlarging the scope of operated technologies, significantly increasing Top Line (5.1M€) and profitability (4.0M€) of the Energy segment, supporting a greater stability to the Group's cash flow generation.

### REAL ESTATE ASSETS SALES

- Tróia Resort: **29 sales deeds**, correspondent to **11.7M€, in 2017**;
- A Stock of 7 Promissory Purchase and Sale Agreements and Reserves and 5 deeds already signed in 2018, correspondent to a total value of 4.7M€.
- Sales deeds of a set of Real Estate Assets (excluding Residential Touristic units in Tróia), totalling 20.2M€. In addition, there are still PPSAs amounting to 4.5M€.

### SOLID CAPITAL STRUCTURE

- Net Debt increased 43.4M€ due to the high level of Capex (61.6M€) and the Dividend distribution of 25M€;
- Net Debt remains under control and adequate to the Group's Portfolio of Businesses and Real Estate Assets held: **LTV of 15.9% and Net Debt/Ebitda of 2.57x**.

# 01. SONAE CAPITAL OVERVIEW

2017 CONSOLIDATED RESULTS

THE STRATEGY IMPLEMENTATION, BASED ON THE DEFINED GUIDANCE, HAS DEMONSTRATED THE INCREASED FIRMNESS AND SUSTAINABILITY OF THE GROUP'S BUSINESS RESULTS, DESPITE THE LOWER REAL ESTATE ASSETS SALES:

- The improved Business Units competitive position continues generating positive results at both Top Line and profitability, with the exception of Ref. & HVAC;
- Real Estate Assets sales in line with expectations but lower than in 2016 due the sale of UNOPs 7/8/9;
- Net Debt increased 43.4M€ but remained adequate to the Group's portfolio of businesses and real Estate assets held.

**NET DEBT/EBITDA**  
(EBITDA - Businesses)

**2.57x**

**LOAN TO VALUE** (RE Assets)

**15.9%**

**TURNOVER\***

**157.9M€**

+7.4% YoY

**OPERACIONAL INCOME**

**187.4M€**

-17.3%

**EBITDA\***

**17.3M€**

+50.0% YoY

**CONSOLIDATED EBITDA**

**20.9M€**

-33.2%

**EBITDA Margin\***

**10.9%**

+3.0pp YoY

**NET RESULTS**

**-5.4M€**

-24.1M€ YoY

**NET DEBT**

**109.4M€**

+43.4M€ vs 2016

**REAL ESTATE ASSETS - Value**

**363.2M€**

**CUSHMAN & WAKEFIELD**  
(Excluding WTC Fund)

\* Business Units

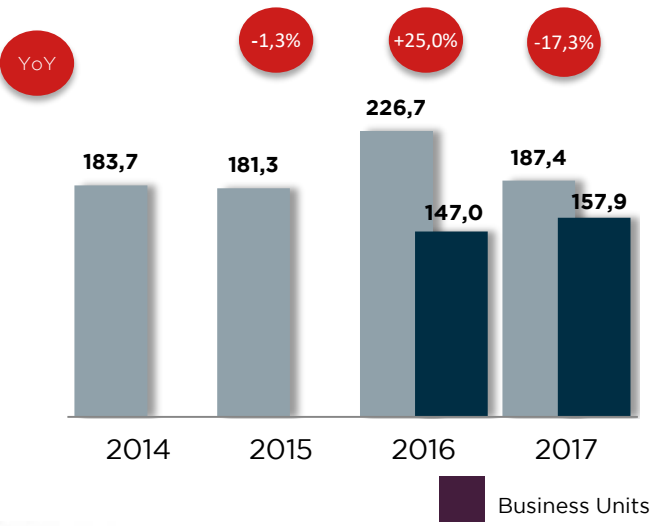
# 01. SONAE CAPITAL OVERVIEW

2017 CONSOLIDATED RESULTS

POSITIVE AND MORE SOLID OPERATIONAL PERFORMANCE. ADEQUATE CAPITAL STRUCTURE TAKING IN CONSIDERATION GROUP'S PORTFOLIO OF BUSINESSES AND REAL ESTATE ASSETS HELD.

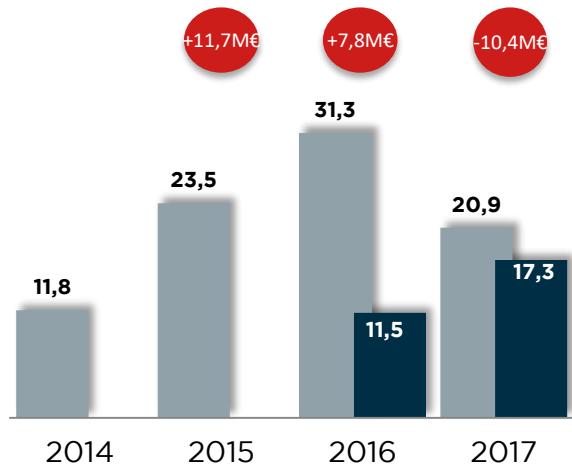
## OPERATIONAL INCOME

(M€)



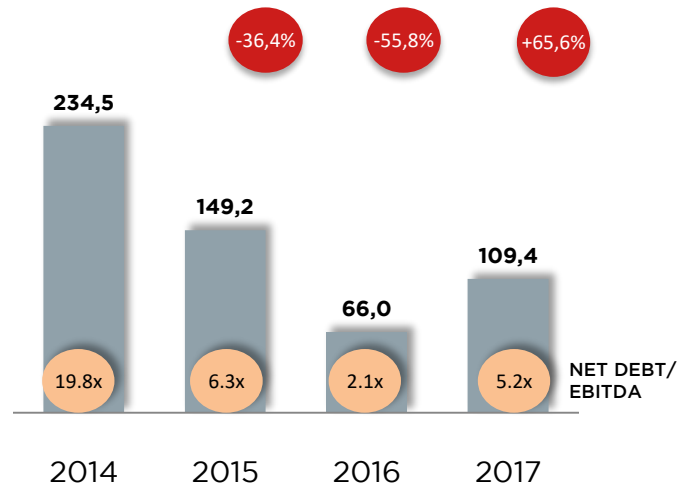
## EBITDA

(M€)



## NET DEBT

(M€)

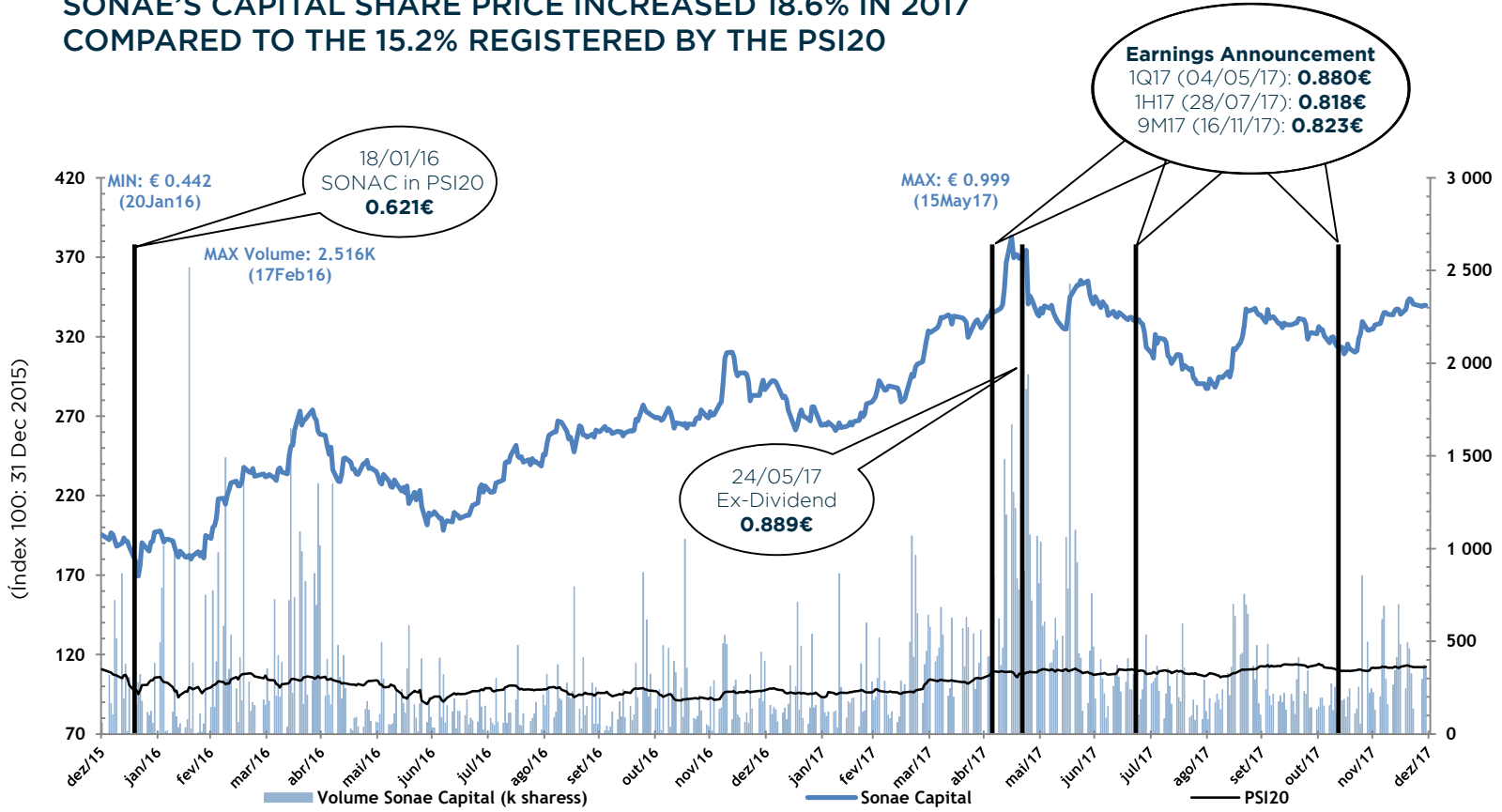




# 01. SONAE CAPITAL OVERVIEW

## SHARE PRICE PERFORMANCE

**SONAE'S CAPITAL SHARE PRICE INCREASED 18.6% IN 2017 COMPARED TO THE 15.2% REGISTERED BY THE PSI20**



**Listing Date:**  
28 January 2008

**Share Capital: 250,000,000€**

**Nr. Shares: 250,000,000**

Reuters: SONAC.LS  
Bloomberg: SONC.PL

Performance @ 30 Dec'17  
(vs 31 Dec'16)  
SONAC: +18.6%  
PSI20: +15.2%

# 01. SONAE CAPITAL OVERVIEW

## BUSINESS PORTFOLIO - BUSINESS UNITS

### ENERGY

Provision of energy services to industries, namely the development and management of energy production facilities focused in Cogeneration

### INDUSTRIAL ENGINEERING<sup>(1)</sup>

Creation of a cluster of technological based companies levered in the Portuguese engineering know-how and strongly export driven

(1) The acquisition of ADIRA became effective on 25 Jul. 2017. ADIRA is a key player in the "Metal Forming" sector, focusing on the development, design, manufacture, production and marketing of machine tools.

### REFRIGERATION & HVAC

Development of engineering projects and solutions for commercial and industrial refrigeration, design and implementation of Building Management systems and design and implementation of HVAC solutions

### FITNESS

Management of Health Clubs operating two brands:

- SOLINCA
- PUMP (since January 2018)

### HOSPITALITY

Management of hotels with an integrated offer of services (SPA, Congress/Events Center and Food&Beverage)

### TROIA RESORT OPERATIONS

Development and management of tourism resorts (TROIA RESORT)

# 01. SONAE CAPITAL OVERVIEW

## BUSINESS PORTFOLIO - BUSINESS UNITS

**FY2017 TURNOVER**  
**FY2017 REC. EBITDA**

### ENERGY

45.22M€  
+18.3% YoY

14.19M€  
+81.8% YoY

### INDUSTRIAL ENGINEERING<sup>(1)</sup>

4.27M€

-0.59M€

(1) (included in Sonae Capital  
Consolidated Results since  
August 2017)

### REFRIGERATION & HVAC

51.24M€  
-15.8% YoY

1.48M€  
-1.73M€ YoY

### FITNESS

23.25M€  
+28.5% YoY

1.79M€  
-17.1% YoY

### HOSPITALITY

22.96M€  
+16.2% YoY

-0.46M€  
+1.8M€ YoY

### TROIA RESORT OPERATIONS

10.95M€  
+9.1% YoY

0.89M€  
+0.3M€ YoY

**SONAE CAPITAL**

# 01. SONAE CAPITAL OVERVIEW

## BUSINESS PORTFOLIO – REAL ESTATE ASSETS

**Value\*: 431.7M€**

### TROIA RESORT

TURNOVER:  
15.43M€ | -25.7% YoY

#### DEVELOPED PROJECTS

- Touristic Units
  - Apartments: Beach/Marina/Ácala
- Ocean Village
- Plots
- CW valuation: 74.7M€

#### ASSETS IN OPERATION

- Hotels
- Troia Shopping
- Parking
- Other Assets
- CW valuation: 67.4M€

#### MACRO-PLOTS (PROJECTS)

- UNOP 3 and 4 (projects for future development)
- UNOP 1 – “Lagoon” Project (closure of the urban centre)
- CW valuation: 79.8M€

### OTHER REAL ESTATE ASSETS

Diversified set of assets with different licensing and construction stages, including plots with and without construction viability, residential units, residential, touristic and commercial construction projects, offices, factory buildings and retail, geographically dispersed over the country.

Independent external valuation (Cushman & Wakefield): 138.6M€

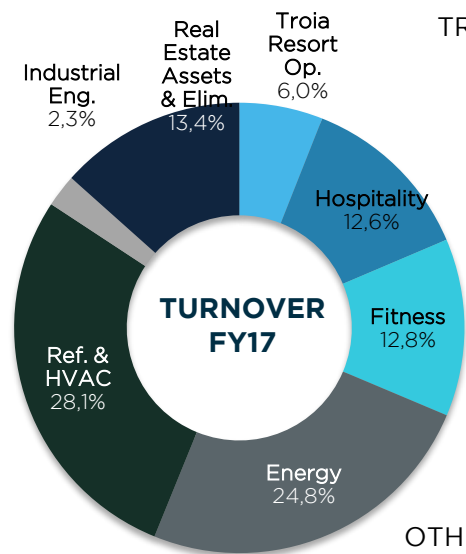
WTC Fund: 71.1M€

Value\*: Cushman & Wakefield

# 01. SONAE CAPITAL OVERVIEW

## BUSINESS PORTFOLIO

CONSOLIDATE TOP LINE AND PROFITABILITY NEGATIVELY IMPACTED BY THE REAL ESTATE ASSETS PERFORMANCE (LOWER LEVEL OF SALES). OVERALL, WITH THE EXCEPTION OF REF. & HVAC DUE TO AN EXPECTED ACTIVITY DECREASE, ALL BUSINESS UNITS POSTED A POSITIVE EVOLUTION PERFORMANCE



|                       | TURNOVER (M€) |        |         | EBITDA (M€)  |       |         | EBITDA Margin (%) |        |         |
|-----------------------|---------------|--------|---------|--------------|-------|---------|-------------------|--------|---------|
|                       | FY17          | FY16   | Δ 17/16 | FY17         | FY16  | Δ 17/16 | FY17              | FY16   | Δ 17/16 |
| TROIA RESORT OP.      | <b>10.95</b>  | 10.04  | +9.1%   | <b>0.89</b>  | 0.61  | +45.1%  | <b>8.1%</b>       | 6.1%   | +2.0pp  |
| HOSPITALITY           | <b>22.96</b>  | 19.76  | +16.2%  | <b>-0.46</b> | -2.26 | +79.6%  | <b>-2.0%</b>      | -11.4% | +9.4pp  |
| FITNESS               | <b>23.25</b>  | 18.09  | +28.5%  | <b>1.79</b>  | 2.16  | -17.1%  | <b>7.7%</b>       | 11.9%  | -4.2pp  |
| ENERGY                | <b>45.22</b>  | 38.23  | +18.3%  | <b>14.19</b> | 7.81  | +81.8%  | <b>31.4%</b>      | 20.4%  | +11.0pp |
| REF. & HVAC           | <b>51.24</b>  | 60.89  | -15.8%  | <b>1.48</b>  | 3.21  | -53.7%  | <b>2.9%</b>       | 5.3%   | -2.4pp  |
| IND. ENG.             | <b>4.27</b>   | -      | -       | <b>-0.59</b> | -     | -       | <b>-13.8%</b>     | -      | -       |
| <b>BUSINESS UNITS</b> | <b>157.89</b> | 147.01 | +7.4%   | <b>17.30</b> | 11.53 | +50.0%  | <b>10.95%</b>     | 7.84%  | +3.1pp  |
| TROIA RESORT          | <b>15.43</b>  | 20.76  | -25.7%  | <b>2.35</b>  | 16.56 | -85.8%  | <b>15.2%</b>      | 79.7%  | -64.5pp |
| OTHER REAL ESTATE     | <b>16.65</b>  | 26.79  | -37.8%  | <b>4.28</b>  | 5.81  | -26.3%  | <b>25.7%</b>      | 21.7%  | -4.0pp  |
| <b>REAL ESTATE</b>    | <b>32.09</b>  | 47.55  | -32.5%  | <b>6.63</b>  | 22.37 | -70.3%  | <b>20.7%</b>      | 47.0%  | -26.3pp |

AGENDA

02

BUSINESSES  
PORTFOLIO



BUSINESSES PORTFOLIO

02



## BUSINESES PORTFOLIO

ENERGY

# 02

## ENERGY

### VISION

TO BECOME A GLOBAL REFERENCE IN DECENTRALIZED POWER GENERATION AND SUSTAINABLE ENERGY MANAGEMENT, HAVING COMBINED HEAT AND POWER AS A MAIN DRIVER.

### MISSION

DEVELOP, DESIGN, BUILD, OWN AND OPERATE INTEGRATED ENERGY OPTIMIZATION SOLUTIONS, WITH STRONG FOCUS ON COMBINED HEAT AND POWER PLANTS, WITH DIVERSIFIED FOOTPRINT, CONTRIBUTING TO A SUSTAINABLE ENERGY PARADIGM AND ENSURING ADEQUATE VALUE CREATION TO ALL STAKEHOLDERS.





## BUSINESES PORTFOLIO

### ENERGY

# 02

## DEVELOPMENT AND MANAGEMENT OF EFFICIENT ENERGY PRODUCTION PLANTS

### ENERGY

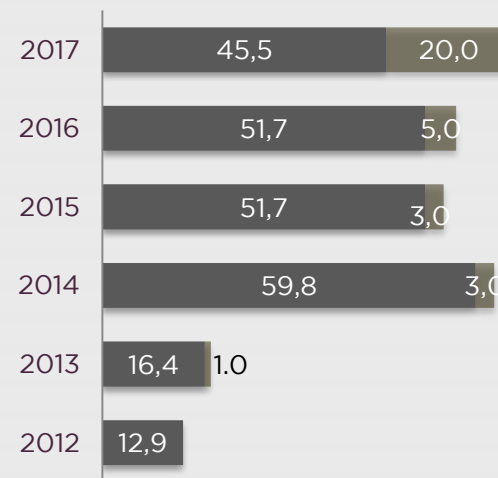


Presence in Portugal in energy business (Cogeneration & Renewables)

- Owner and operator of 11 cogeneration plants (1 of which fuelled by landfill biogas), 10 photovoltaic plants and 1 wind plant, located in Portugal.
- Installed capacity, owned and under management of 65.5MW (45.5MW of cogeneration, 15MW photovoltaic and 5MW wind)

### INSTALLED CAPACITY\* (MW)

\*Owned and Operated



▪ During 2015/16 were discontinued, by term of useful life, 11.1MW of capacity (of which 8.2MW in March 2016).

▪ During 2017, Capwatt ceased to operate (not owned) a cogeneration plant with 7MW capacity.

■ Cogeneration ■ Renewables



## BUSINESES PORTFOLIO

### ENERGY

# 02

## PORTFOLIO - DETAIL OF PRODUCTION CENTRES

### ENERGY

| COGENERATION  | LOCATION         | MW          |
|---------------|------------------|-------------|
| PNES          | Maia             | 7.4         |
| Colombo       | Lisboa           | 6.7         |
| Vale do Caima | Vale do Caima    | 3.4         |
| Altegen       | Barcelos         | 3.6         |
| Carvemagere   | Barcelos         | 2.2         |
| Enerlousado   | Famalicão        | 5.1         |
| Soternix      | Barcelos         | 2.7         |
| Tagol         | Almada           | 7.3         |
| Serrado       | Paços Brandão    | 2.9         |
| Fernalt*      | Barcelos         | 3.2         |
| Powercer*     | Vila Franca Xira | 7.5         |
| Gasflow       | Chamusca         | 1.0         |
|               |                  | <b>53.0</b> |

**FUELED BY LANDFILL BIOGAS**

\* Companies operated by Capwatt, although not owned by the company.

| RENEWABLE ENERGIES | LOCATION             | MW          |
|--------------------|----------------------|-------------|
| Aqualuz            | Troia                |             |
| Efanor             | Matosinhos           |             |
| Euroresinas        | Sines                | 1.0         |
| PNES               | Maia                 |             |
| Prosa              | Marco de Canavezes   |             |
| Troia Golf         | Troia                |             |
| Martim Longo       | Alcoutim             | 2.0         |
| Suncoutim          | Alcoutim             | 1.0         |
| Capwatt II         | Évora                | 1.0         |
| Ventos da Serra    | Ferreira do Alentejo | 10.0        |
| Lusobrisa          | Loures               | 5.0         |
|                    |                      | <b>20.0</b> |

**SOLAR**

**WIND**

- Acquisition, in 1Q17, of one cogeneration fueled by landfill biogas, with capacity of 1 MW.

- Acquisition, in 2Q17, of 15MW in renewables energies (solar and wind).



## BUSINESES PORTFOLIO

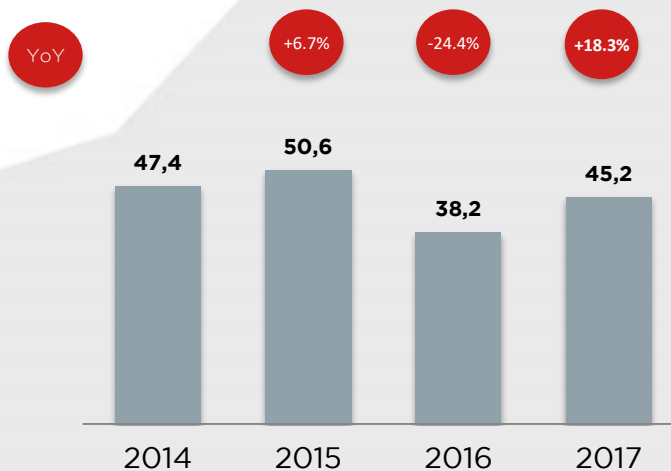
### ENERGY

# 02

MAIN ECONOMIC AND FINANCIAL INDICATORS

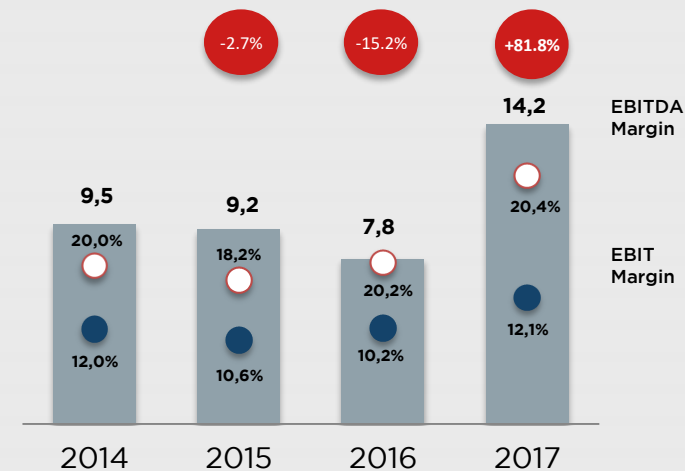
## ENERGY

### TURNOVER (M€)



Turnover reaching 45.2M€, an increase of 18.3% compared to 2016, benefiting from higher electricity sales, a larger number of cogeneration plants in operation and an increase in the number of renewable assets.

### EBITDA AND EBITDA MARGIN (M€; %)



As a result of the mixed entries/exits operations and its respective contributions, EBITDA grew by 81.8% to 11.0M€ and EBITDA margin improved 11.6pp to 31.4%.



## BUSINESES PORTFOLIO

ENERGY

# 02

## ENERGY

### OUTLOOK

LOOK FOR NEW BUSINESS OPPORTUNITIES BOTH IN PORTUGAL AND INTERNATIONALLY, BASED ON A PRE-DEFINED RISK AND PROFITABILITY CRITERIA.

IN PORTUGAL, THE COMPETITIVE POSITION REINFORCEMENT IS FORECASTED BASED ON AN ENLARGED OPERATED TECHNOLOGIES. INTERNATIONALLY, FOCUS WILL BE BASED ON INTERNAL COMPETENCES LINKED TO COGENERATION.



BUSINESSES PORTFOLIO

02



## BUSINESSES PORTFOLIO

REFRIGERATION & HVAC

# 02

## REFRIGERATION & HVAC

### VISION

BE LEADING IN THE NATIONAL MARKET AND RECOGNIZED AS AN INTERNATIONAL PLAYER IN ITS MAIN BUSINESS AREAS: REFRIGERATION, AIR CONDITIONING AND BUILDING EFFICIENCY.

### MISSION

DEVELOP VALUE ADDED ENGINEERING SOLUTIONS WITH RESOURCE TO INOVATIVE AND EFFICIENT TECHNOLOGIES, CONTRIBUTING TO THE SUSTAINABILITY OF ALL STAKEHOLDERS.



## BUSINESSES PORTFOLIO

REFRIGERATION & HVAC

# 02

## REFRIGERATION & HVAC

## DEVELOPMENT OF NATIONAL ENGINEERING PROJECTS FOR THE ENTIRE WORLD, FROM PORTUGAL



Development of engineering projects and solutions for commercial and industrial refrigeration, design and implementation of Building Management systems and design and implementation of HVAC solutions, using custom and optimized engineering technologies for the customers investments.

### Industry & Civil Engineering:

- .Petrochemicals
- .Components
- .Pharma
- .Food products
- .Data Centres
- .Project Offices
- .General Contracting

### Retail & Distribution:

- .Large Scale Distribution
- .Hotel, Hospitality & Catering Management
- .Logistics warehouses

### Services:

- .Shopping Centres
- .Office buildings
- .Healthcare Groups
- .Catering industry
- .Airport services



## BUSINESSES PORTFOLIO

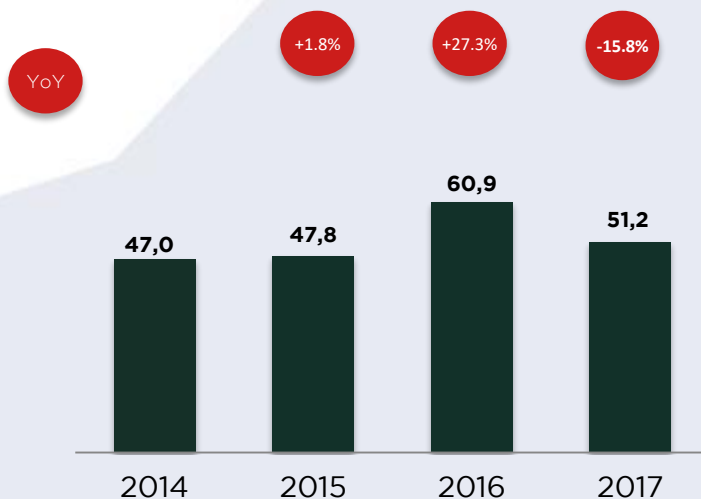
REFRIGERATION & HVAC

# 02

MAIN ECONOMIC AND FINANCIAL INDICATORS

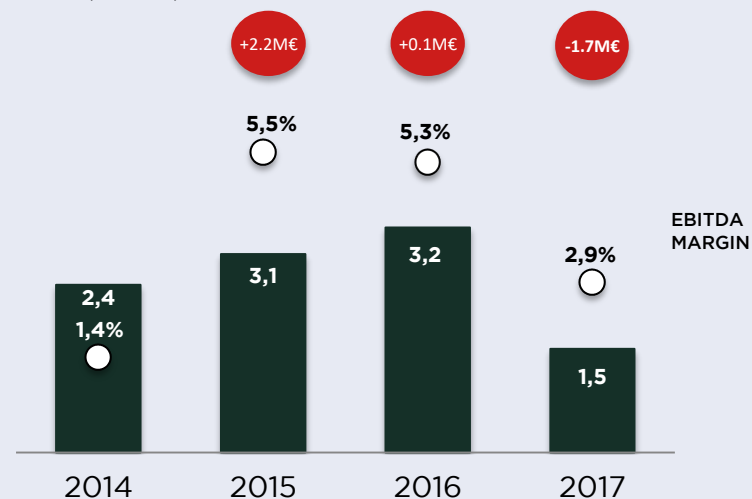
## REFRIGERATION & HVAC

### TURNOVER (M€)



Turnover registered a decline of 15.8% due to the decrease in the Refrigeration activity and the delivery, during 2016, of an important international project that positively influenced the previous year.

### EBITDA AND EBITDA MARGIN (M€; %)



As a result of Turnover performance, EBITDA decreased 53.7% to 1.48M€, correspondent to a margin of 2.9%, 2.4pp below 2016.





## BUSINESSES PORTFOLIO

REFRIGERATION & HVAC

# 02

## REFRIGERATION & HVAC

### OUTLOOK

AFTER THE RESTRUCTURING AND STRATEGIC REPOSITIONING PROCESS COMPLETION, CONTINUE FOCUSED ON VALUE CREATION OPPORTUNITIES, WITH SPECIAL EMPHASIS ON THE REFRIGERATION SEGMENT AND ON THE INTERNATIONALIZATION PROCESS BASED ON EXPORTS.



# BUSINESSES PORTFOLIO

## HOSPITALITY

# 02

**PORTO PALÁCIO**  
CONGRESS HOTEL & SPA  
\*\*\*\*\*

**AQUALUZ**  
HOTEL & SPA  
Troy

**THE ARTIST**  
PORTO HOTEL  
& BISTRO

**THE HOUSE**  
RIBEIRA HOTEL  
\*\*\*\*

  
TROIA RESIDENCE



**SONAE CAPITAL**

## BUSINESSES PORTFOLIO

### HOSPITALITY

# 02

## HOSPITALITY

### VISION

PROVIDE A SERVICE OF REFERENCE, RECOGNIZED BY OUR CUSTOMERS, IN A CONSISTENTLY WAY, IN ALL OUR BUSINESSES.

### MISSION

ASSURE QUALITY OF SERVICE, SATISFACTION OF OUR CUSTOMERS AND VALUE ADDED CREATION TO SHAREHOLDERS IN THE BUSINESSES AND DESTINATIONS WE SELECT TO SERVE:

- THE BEST “BOUTIQUE HOTELS” FOR LEISURE AND CITY BREAKS ON LARGE URBAN CENTRES OF PORTUGAL;
- THE BEST BUSINESS HOTEL IN PORTO;
- THE BEST SUN AND BEACH OFFER, FOR FAMILIES, IN TROIA.



## BUSINESSES PORTFOLIO

### HOSPITALITY

# 02

## HOSPITALITY



## DIVERSIFIED PORTFOLIO

### Porto Palácio Congress Hotel & SPA (Boavista Complex)

- 5 Star Hotel, located in Porto (Avenida Boavista)
- 233 Rooms and 18 Suites
- Addressed to a business segment
- Congress Centre with a capacity for 600 people
- Vip Lounge and Bar located on top floor, with a 360° panoramic view of the city
- Restaurants
- Leisure & Wellness, with SPA & Hairstyle and Fitness club

### Aqualuz Troia (troiamar, troiario and troialagoa Suite Hotels)

- 4 Star Apartments, located in the central area of Tróia Peninsula
- Events Centre with a capacity for up to 630 people
- Wellness Centre with 2 outdoor and 1 indoor swimming pools
- Restaurants

### The Artist Porto Hotel & Bistrô

- Inaugurated in April 2014, partnering with “Escola de Hotelaria e Turismo do Porto”
- 17 Rooms
- Restaurant and bar
- Business meeting room
- Inspired by the arts and appreciation of beauty offers a contemporary and comfortable atmosphere

### The House Ribeira Porto Hotel

- Located in Ribeira (heart of the historic centre of Porto)
- 56 Rooms (11 premium and 2 penthouses)
- Multifunctional area with lobby, reception, bar and lounge, with breakfast service and bar/cafeteria service
- Addressed to a urban audience modern, irreverent, demanding and informed that seeks the authenticity of Porto city

### Troia Residence

- Touristic apartments exploration
- Apartments and houses, located in Tróia Urban centre
- Apartments with diferent typologies and locations: beach, marina, commercial area, Ocean Village



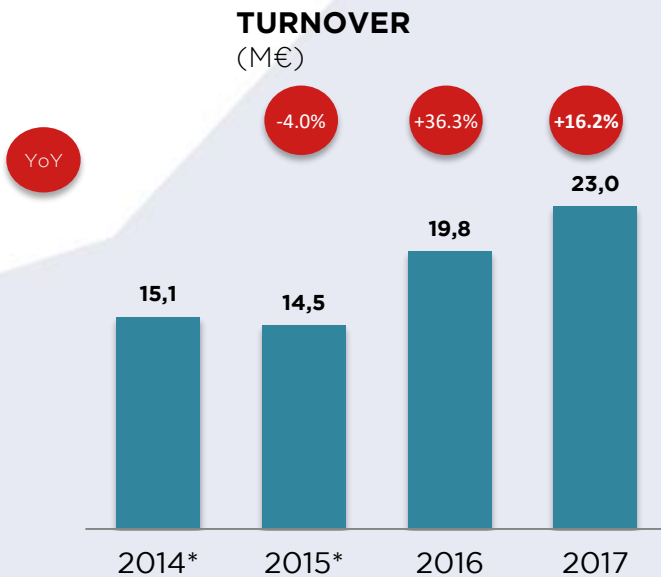
## BUSINESSES PORTFOLIO

### HOSPITALITY

# 02

#### MAIN ECONOMIC AND FINANCIAL INDICATORS

## HOSPITALITY

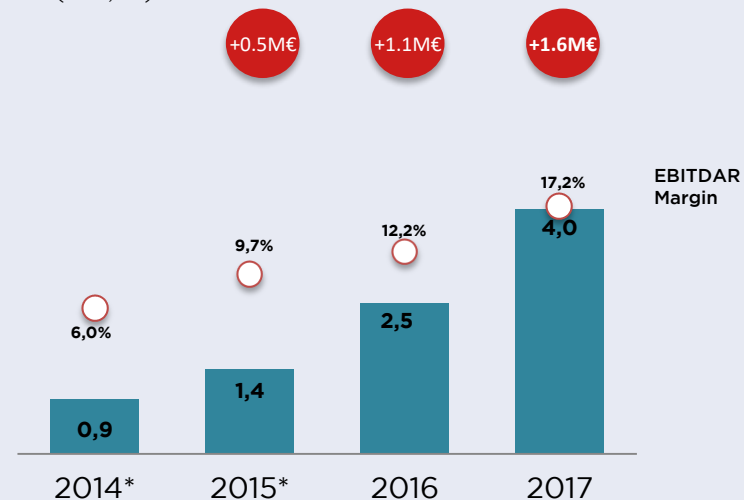


\* Not including Troia Residence.

Significant improvement in Turnover driven by a positive trend in the main operating indicators: average revenue per room (+5.9%) and RevPAR (+18.5%).

### EBITDAR\* AND EBITDAR MARGIN

(M€; %)



\* Not including Troia Residence.

EBITDAR\* in 9M17 totalling 4.0M€, an improvement of 1.6M€ compared to 2016.

\* EBITDA excluding Rents.



## BUSINESSES PORTFOLIO

### HOSPITALITY

# 02

## HOSPITALITY

### OUTLOOK

CONTINUE IMPROVING PROFITABILITY AND THE COMPETITIVE POSITION OF CURRENT OPERATIONS.

SEARCH FOR NON-ORGANIC SOLUTIONS THAT IMPROVE THE OVERALL COMPETITIVE POSITION OF THE SEGMENT.



## BUSINESSES PORTFOLIO

FITNESS

# 02



SONAE CAPITAL

## BUSINESSES PORTFOLIO

### FITNESS

# 02

## FITNESS

### VISION

BE RECOGNIZED AS A SPECIALIST IN PHYSICAL ACTIVITY AND WELLNESS, PROVIDING A GOOD EXPERIENCE TO CONSUMERS WHEREVER THEY ARE.

### MISSION

BE THE MARKET LEADER IN PROVIDING PHYSICAL ACTIVITY AND WELLNESS SERVICES, ENSURING BUSINESS SUSTAINABILITY AND PROFITABILITY FOR THE SHAREHOLDER.





## BUSINESSES PORTFOLIO

### FITNESS

# 02

## SOLINCA HEALTH CLUBS CHAIN, LAUNCHED IN 1995 AND EXPANDED AS FROM 1997

### FITNESS



- 19 operating units in Portugal [7 openings in last 12 months]
- Total area: 54.7 thousand sqm
- Average number of active members (FY17): 53 thousand; +30.8% vs. 2016
- Announcement for the acquisition of 8 Fitness clubs that operate under the “*Pump*” brand



## BUSINESSES PORTFOLIO

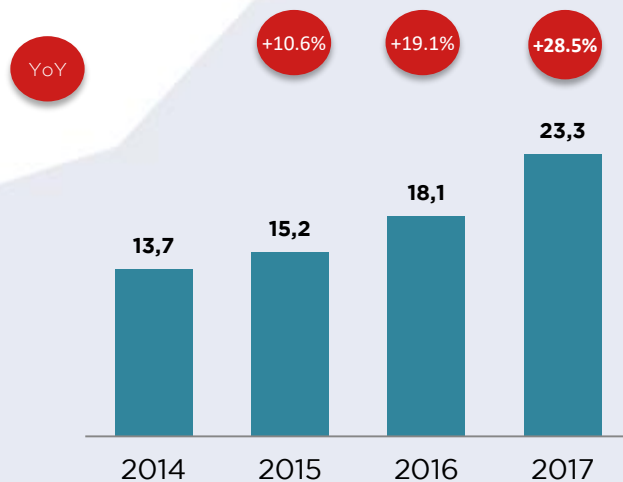
### FITNESS

# 02

### MAIN ECONOMIC AND FINANCIAL INDICATORS

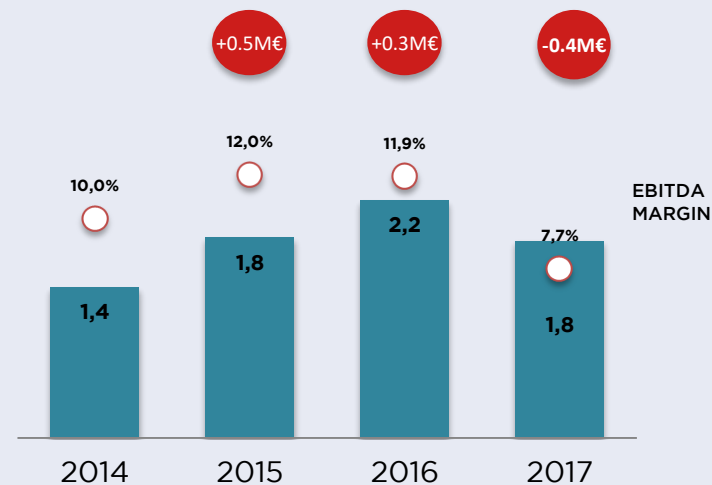
## FITNESS

### TURNOVER (M€)



Reinforcement of the competitive position, reflected in the increased number of active members (+30.8% compared to 2016) and average monthly fees (+5.2%)

### EBITDA AND EBITDA MARGIN (M€; %)



Nearly flat EBITDA performance, driven by the strong Turnover growth, which partially off-set the Investment in the opening of new clubs.



**BUSINESSES PORTFOLIO**

FITNESS

**02**

**FITNESS**

**OUTLOOK**

SEARCH FOR NEW VALUE CREATION OPPORTUNITIES, WHILE IMPLEMENTING AN EXPANSION PLAN ALREADY DEFINED FOLLOWING A CAPITAL LIGHT APPROACH.



# BUSINESSES PORTFOLIO

TROIA RESORT - OPERATIONS

# 02



**SONAE CAPITAL**

## BUSINESSES PORTFOLIO

TROIA RESORT - OPERATIONS

# 02

## TROIA RESORT OPERATIONS

### VISION

BE THE FIRST ALTERNATIVE INVESTMENT IN RESIDENTIAL TOURISM/SECOND RESIDENCE IN LISBON REGION, BASED ON A LIFE QUALITY COMMITMENT.

### MISSION

PROVIDING SUSTAINABLE AND ENVIRONMENTAL EXPERIENCES TO TROIA RESORT'S CLIENTS AND OWNERS, BASED ON THE DIVERSITY OF OFFERS AND QUALITY OF SERVICE, ENSURING ECONOMIC VALUE ADDED CREATION TO SHAREHOLDER.



## BUSINESSES PORTFOLIO

TROIA RESORT - OPERATIONS

# 02

AREAS/LOCATIONS FOR SALE COMPRISE A SET OF ANCILLARY AND ANCHOR SERVICES WITH THE AIM OF INCREASING THE DYNAMICS OF THE TROIA RESORT AREA

## TROIA RESORT OPERATIONS



**Troia Golf**  
18 hole golf course, classified in 2016 as the 19th best golf camp in Continental Europe by Golf World Magazine

**Troia Marina**  
191 berths for leisure boats

**Troia Shopping**  
34 commercial stores; shops, restaurants and terraces in the center of the resort

**Roman Ruins**  
Classified as national monument

**Troia Market**  
Modern supermarket located in the central area of the resort

**Atlantic Ferries**  
River public transport between Setúbal and Tróia Peninsula

**Sports Centre**  
On Troia by José Mourinho Training Centre



## BUSINESSES PORTFOLIO

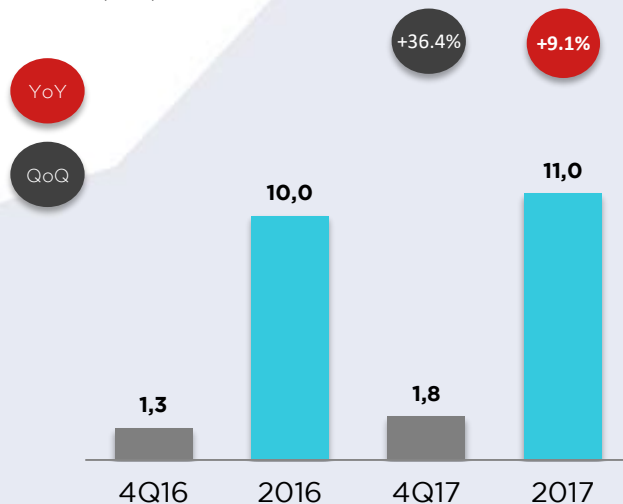
TROIA RESORT - OPERATIONS

# 02

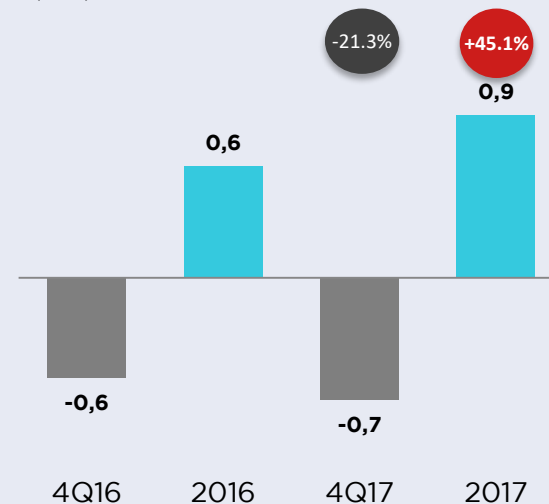
MAIN ECONOMIC AND FINANCIAL INDICATORS

## TROIA RESORT OPERATIONS

### TURNOVER (M€)



### EBITDA (M€)



Top Line (excluding Real Estate) of 10.95M€, na increase of 9.1% compared to 2016. All operations posted positive evolutions being worth to point out Atlantic Ferries: 6.2M€, +5.4%.

EBITDA (with Atlantic Ferries being the main contributor) amounted to 0.89M€ and improvement of 45.1% driven by Top Line performance.



## BUSINESSES PORTFOLIO

TROIA RESORT - OPERATIONS

# 02

## TROIA RESORT OPERATIONS

### OUTLOOK

MAXIMIZE OPERATIONS PROFITABILITY TO ENSURE ITS SELF-SUSTAINABILITY.

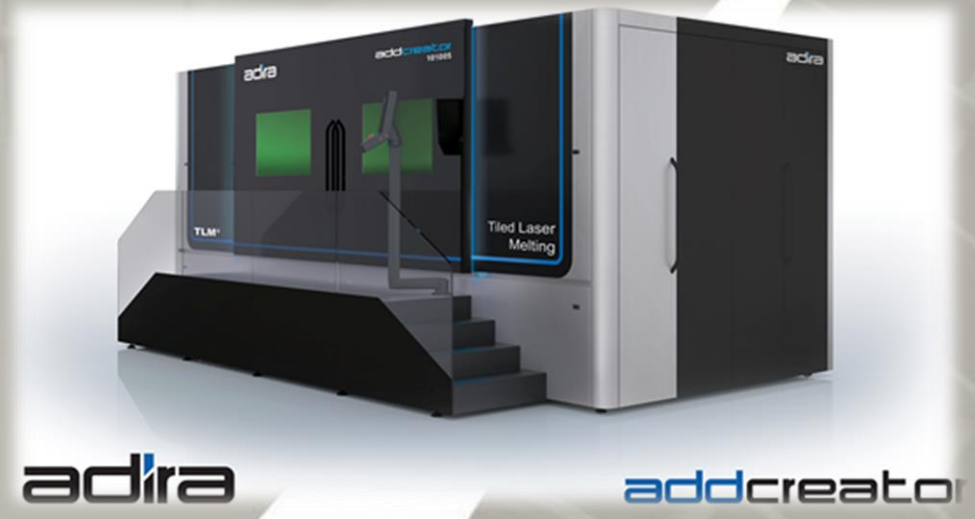




# BUSINESSES PORTFOLIO

## INDUSTRIAL ENGINEERING

# 02



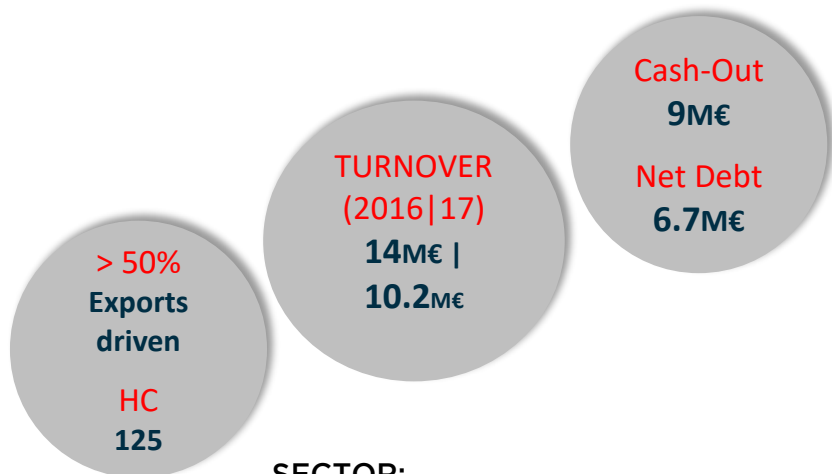
adira

addcreator

BUSINESSES PORTFOLIO  
INDUSTRIAL ENGINEERING

# 02

## INDUSTRIAL ENGINEERING



**SECTOR:**

- Highly specialized and based on engineering capabilities
- Highly fragmented with consolidation opportunities
- Fast growing Metal Forming sector with special focus on Additive Manufacturing technologies

## A SEGMENT CREATED FOLLOWING THE ACQUISITION OF ADIRA



**COMPANY:**

- Internationally recognized within Metal Forming solutions
- Strong Innovation/R&D focus
- Export driven
- Leveraging on the Industry 4.0 global trend
- Growth avenue: Additive manufacturing

FY17 Data  
(Included in Sonae Capital Consolidated Results since August 2017)



# BUSINESSES PORTFOLIO

## INDUSTRIAL ENGINEERING

# 02

## INDUSTRIAL ENGINEERING

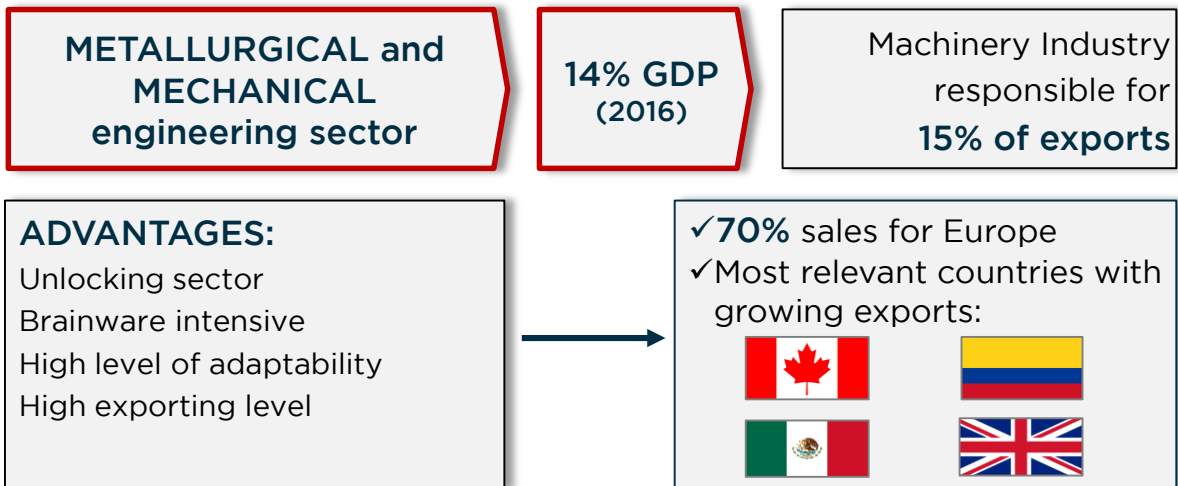
According to Roland Berger, the growing Additive Manufacturing market accounts for 3,1bn€...

With >30% CAGR between '10-'14 will account for 12,2bn€ in 2020

# A SEGMENT CREATED FOLLOWING THE ACQUISITION OF ADIRA



## THE METAL FORMING IN PORTUGAL



25

**BUSINESSES PORTFOLIO**  
INDUSTRIAL ENGINEERING

**02**

**A SEGMENT CREATED FOLLOWING THE ACQUISITION OF ADIRA**

**A RELEVANT PLAYER IN THE METAL FORMING, WITH OVER 60 YEARS OF HISTORY AND A MAJOR EXPORTING ACTIVITY**



Portfolio aligned with the major growing segments worldwide, providing standard and premium solutions

Main target sectors

| STANDARD                                   | SPECIAL  | LASER                           | SERVICE   | REPRESENTANT.   | ADDITIVE MANUFACTURING  |
|--|--|---------------------------------|---|---|---|
| <p><b>BENDING</b></p> <p><b>SHEARS</b></p> | <p><b>BENDING CELLS</b></p> <p><b>CUSTOMIZED SOLUTIONS</b></p> |                                 | <ul style="list-style-type: none"> <li>• Installation and guarantees</li> <li>• Technical assistance</li> <li>• Technical training sessions</li> <li>• Machines retrofitting</li> </ul> | <p>Commercial activity for other brand's machines in order to fill the client's offer</p> | <p>New business unit that started activity in 2016</p> <p><b>Mai-17 INOVATION AWARD</b></p> <p>Prémio Inovação COTEC-ANI 2017</p> |
| <p><b>AUTOMAKERS</b></p>                   | <p><b>AEROSPACIAL</b></p>                                      | <p><b>METALIC BUILDINGS</b></p> | <p><b>TELECOM &amp; IT</b></p>  | <p><b>METAL FURNITURE</b></p>   | <p><b>ENVIRONMENT &amp; RENEWABLE ENERGY</b></p>  |

## AGENDA

# 03 REAL ESTATE ASSETS

1. TROIA RESORT
2. OTHER REAL ESTATE ASSETS

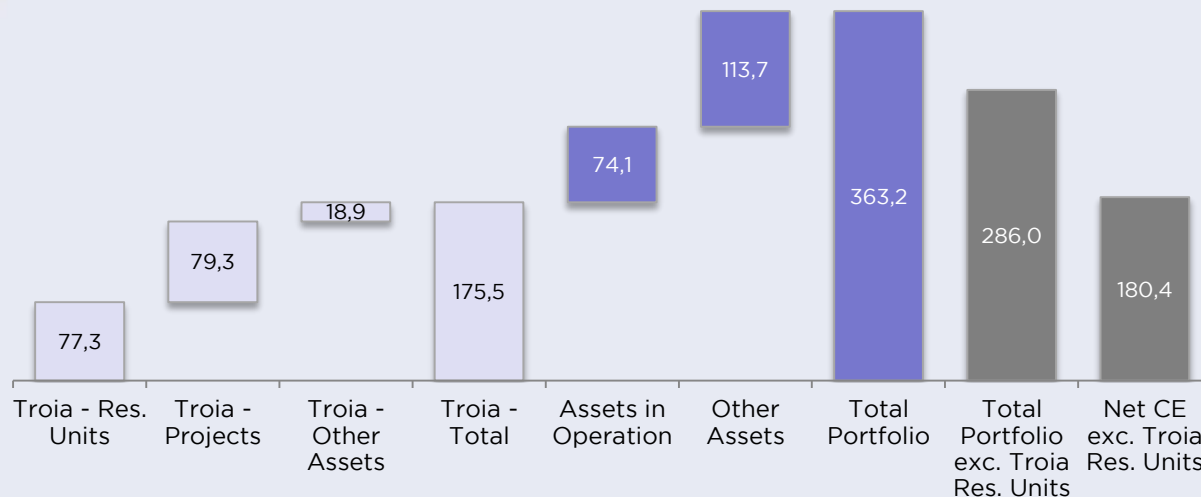


## REAL ESTATE TOTAL PORTFOLIO

# 03

## REAL ESTATE PORTFOLIO

### REAL ESTATE PORTFOLIO EVALUATION - CUSHMAN & WAKEFIELD (M€) [as at 30 Dec. 2017]



The CE in this set of real estate assets amounted to 180.4M€, which are evaluated in 286.0M€, according to the valuation made at the end of previous year by the independent reference entity Cushman & Wakefield (updated every two years).



REAL ESTATE

TROIA RESORT

03.1



SONAE CAPITAL

## REAL ESTATE

### TROIA RESORT

# 03.1

## REAL ESTATE TROIA RESORT

LOCATED IN THE NORTHERN TIP OF THE TRÓIA PENINSULA, AT 60 KM DRIVE FROM LISBON INTERNATIONAL AIRPORT, BETWEEN THE SADO ESTUARY NATURAL RESERVE AND THE SERRA DA ARRÁBIDA NATURAL PARK.

OFFICIALLY OPENED ON 8<sup>TH</sup> OF SEPTEMBER 2008.

## DIVIDED INTO 9 OPERATIONAL UNITS (UNOPS)

- UNOP 1: Central Area
- UNOP 2: Beach Area and Golf
- UNOP 3: Golf and Hotel Resort
- UNOP 4: Eco Resort

DEVELOPED AREAS

AREAS TO DEVELOP



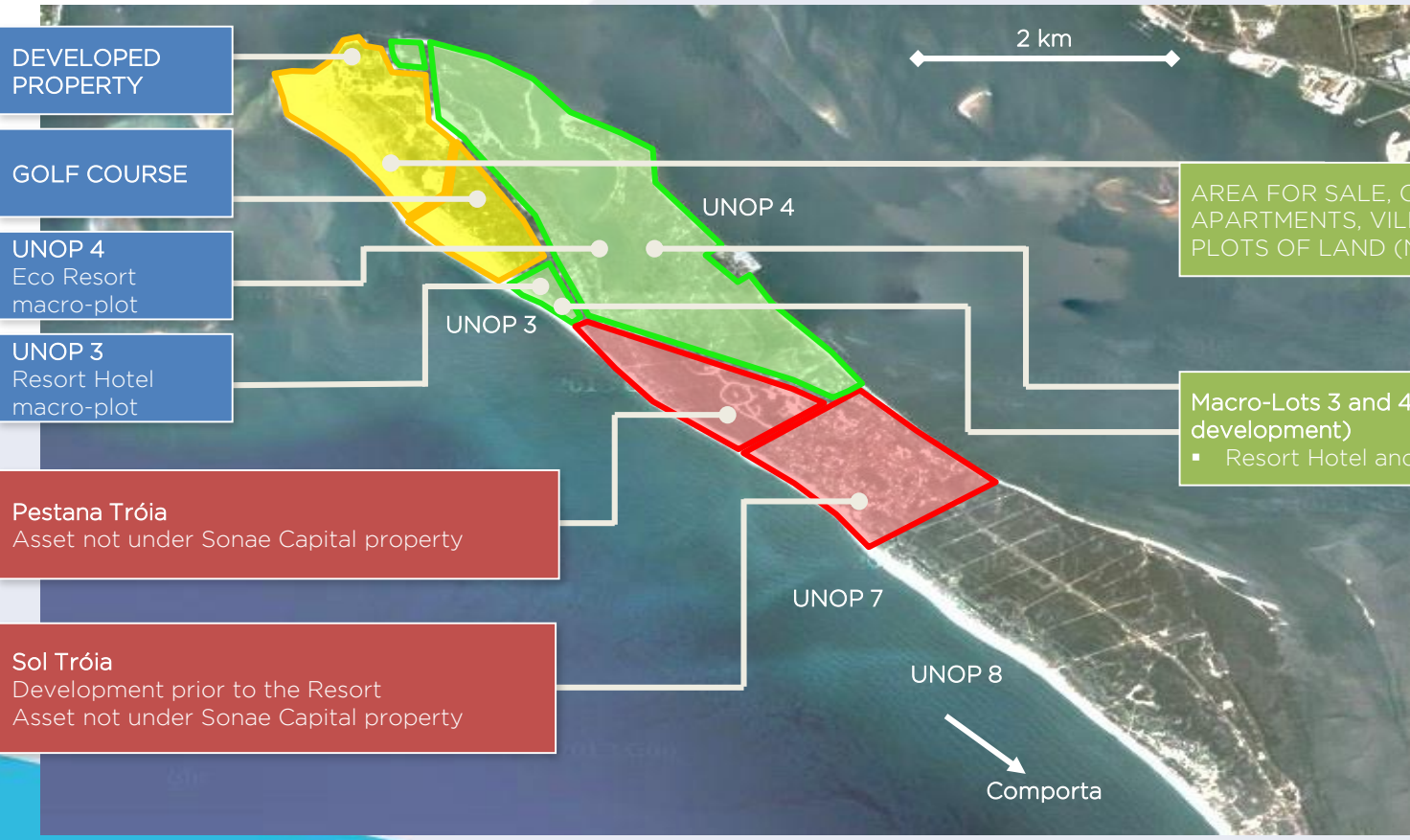


# REAL ESTATE

## TROIA RESORT

# 03.1

# REAL ESTATE TROIA RESORT



DEVELOPED PROPERTY

GOLF COURSE

UNOP 4 Eco Resort macro-plot

UNOP 3 Resort Hotel macro-plot

Pestana Tróia  
Asset not under Sonae Capital property

Sol Tróia  
Development prior to the Resort  
Asset not under Sonae Capital property

AREA FOR SALE, COMPRISING APARTMENTS, VILLAS, APARTHOTELS AND PLOTS OF LAND (NEXT SLIDE)

Macro-Lots 3 and 4 (projects for future development)  
▪ Resort Hotel and Eco-Resort

## REAL ESTATE

TROIA RESORT

# 03.1

## REAL ESTATE TROIA RESORT

- RESIDENCIAL UNITS DEVELOPED: #546 (of which 96 Plots)
- RESIDENCIAL UNITS SOLD (FY17): #404 (of which, 58 Plots)
- RESIDENCIAL UNITS FOR SALE: #142 (of which, 38 Plots)

## DEVELOPED AREAS: UNITS AVAILABLE FOR SALE

### Ocean Village

For sale  
Conclusion date:  
July 2009



### Ácala Building

For sale  
Conclusion date:  
1Q 2009

### Beach, Lake and Golf Villas and Plots

For sale



### Beach Apartments

For sale  
Conclusion date:  
September 2008

### Aparthotels Aqualuz troiamar, troiario and troialagoa (4\*)

For sale  
Conclusion date:  
September 2008 and  
January 2009



### Marina Apartments

For sale  
Conclusion date:  
September 2008



## REAL ESTATE

TROIA RESORT

03.1

REAL ESTATE  
TROIA RESORT

## DEVELOPED AREAS: UNITS AVAILABLE FOR SALE

FROM THE TOTAL 546 DEVELOPED UNITS, INCLUDING PLOTS FOR CONSTRUCTION, THERE WERE AVAILABLE FOR SALE AT THE END OF 2017, #142 UNITS (26.0% OF TOTAL DEVELOPED).

REGARDING BEACH AND MARINA APARTMENTS, THERE WERE ONLY 10 AVAILABLE FOR SALE (1.8% OF TOTAL DEVELOPED).

C&W VALUATION\*: 96.2M€ (DEVELOPED AREA)

| DEVELOPED PROJECTS          | UNOP   | GCA (sqm)     | # TOTAL UNITS | # UNITS FOR SALE (@ 31 Dec. 2017) |
|-----------------------------|--------|---------------|---------------|-----------------------------------|
| Beach Apartments            | UNOP 1 | 30,000        | 211           | 6                                 |
| Marina Apartments           | UNOP 1 | 9,500         | 78            | 4                                 |
| Ácala Building              | UNOP 1 | 13,000        | 71            | 35                                |
| Plots and Villas            | UNOP 2 | 33,000        | 96            | 38                                |
| Ocean Village (Town Houses) | UNOP 2 | 14,000        | 90            | 59                                |
| <b>TOTAL</b>                |        | <b>99,500</b> | <b>546</b>    | <b>142</b>                        |

\* Includes Beach and Marina Apartments, Ácala Building, Plots, Villas and Ocean Village (77.3M€) and Other assets already developed and available for sale (18.9M€), excluding hotels.



## REAL ESTATE

## TROIA RESORT

03.1

REAL ESTATE  
TROIA RESORT

## AREAS &amp; PROJECTS TO BE DEVELOPED

## APPROVED MASTERPLAN.

TOTAL OF 1,300 BEDS (UNOP3 AND UNOP4), AND AN ADDITIONAL OF UP TO #946 BEDS FOR THE “CALDEIRA PROJECT”, IN UNOP1, CLOSE TO THE DEVELOPED AREAS.

C&W VALUATION\*: 79.3M€

| AREAS/PROJECTS TO DEVELOP    | GCA (sqm)      | SITE AREA (ha) | # BEDS       | # ACCOMODATION UNITS                         |
|------------------------------|----------------|----------------|--------------|--|
| UNOP 3<br>(HOTEL RESORT)     | 34,400         | 20.3           | 600          | 1 Luxury Hotel<br>+ Detached Villas          |
| UNOP 4<br>(ECO RESORT)       | 29,300         | 243            | 700          | 1 Boutique Hotel<br>+ 125 Accomodation Units |
| UNOP 1<br>(CALDEIRA PROJECT) | 56,100         | 5.4            | 946          | Lagoon Apartments                            |
| <b>TOTAL</b>                 | <b>119,800</b> | <b>268.7</b>   | <b>2,246</b> | -  |

\* Excluding UNOP 7/8/9 – sold in 2016 for 50M€..



REAL ESTATE

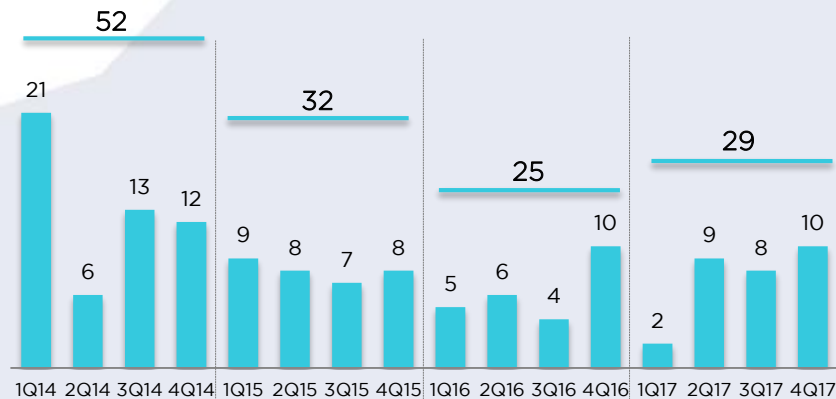
TROIA RESORT

03.1

REAL ESTATE  
TROIA RESORT

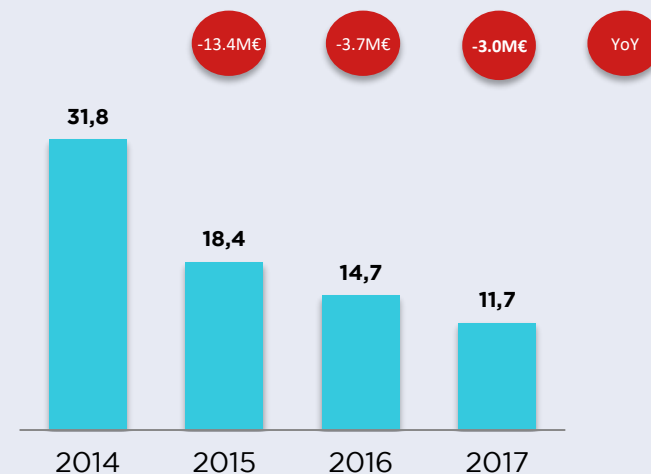
SALES DEEDS

(#)



SALES DEEDS

(M€)



29 Deeds (2 fractional) correspondent to 11.7M€. Despite the increase number of deeds (+4), value decreased by 18.2% due to the sales mix. Of the total, 19 (65.5%) were under the Guaranteed Income model (compared to the 13 - 52% - registered in 2016).



REAL ESTATE

TROIA RESORT

03.1

REAL ESTATE  
TROIA RESORT

## OUTLOOK

SALE CURRENT INVENTORY.

PLACE IN AN ACTIVE WAY THE AREAS NOT YET DEVELOPED, ENSURING THAT REAL ESTATE DEVELOPMENT PROJECTS ARE ADEQUATE TO EACH ONE OF THE SPECIFIC MACRO-PLOT.



## REAL ESTATE

### OTHER REAL ESTATE ASSETS

# 03.2

## OTHER REAL ESTATE ASSETS



## ASSETS TARGETED TO THE FINANCING OF THE GROUP CORPORATE STRATEGY - CAPITAL GENERATION

### REAL ESTATE ASSETS AVAILABLE FOR SALE

This block considers all the real estate assets of the Sonae Capital Group, except the units already developed and in commercialization in the Troia Resort and the assets held by the WTC Fund.

Capital Employed: 180.4M€

C&W\* Valuation: 286.0M€

WTC Fund: Block of assets in Oporto, Av. Da Boavista, including the Porto Palacio Hotel: 71.0M€

\* Adjusted valuation as at 31 Dec..2017.



**REAL ESTATE**

OTHER REAL ESTATE ASSETS

**03.2**

**OTHER REAL  
ESTATE ASSETS**

**OUTLOOK**

SALE OF NON CORE REAL ESTATE ASSETS, THROUGH A SPECIFIC BUSINESS UNIT, BENEFITING FROM THE IMPROVED ECONOMIC AND FINANCIAL CONDITIONS AND THE PERSPECTIVES FOR THE SECTOR ON THE PORTUGUESE MARKET.

THE DISPOSAL OF THESE REAL ESTATE ASSETS IS ONE OF THE KEY TRIGGERS FOR THE EFFECTIVE CORPORATE STRATEGY IMPLEMENTATION.





# AGENDA

# 04 RECENT PERFORMANCE



# 04. RECENT PERFORMANCE

2017 CONSOLIDATED RESULTS

THE STRATEGY IMPLEMENTATION, BASED ON THE DEFINED GUIDANCE, HAS DEMONSTRATED THE INCREASED FIRMNESS AND SUSTAINABILITY OF THE GROUP'S BUSINESS RESULTS, DESPITE THE LOWER REAL ESTATE ASSETS SALES:

- The improved Business Units competitive position continues generating positive results at both Top Line and profitability, with the exception of Ref. & HVAC;
- Real Estate Assets sales in line with expectations but lower than in 2016 due the sale of UNOPs 7/8/9;
- Net Debt increased 43.4M€ but remained adequate to the Group's portfolio of businesses and real Estate assets held.

**NET DEBT/EBITDA**  
(EBITDA - Businesses)

**2.57x**

**LOAN TO VALUE** (RE Assets)

**15.9%**

**TURNOVER\***

**157.9M€**

+7.4% YoY

**OPERACIONAL INCOME**

**187.4M€**

-17.3%

**EBITDA\***

**17.3M€**

+50.0% YoY

**CONSOLIDATED EBITDA**

**20.9M€**

-33.2%

**EBITDA Margin\***

**10.9%**

+3.0pp YoY

**NET RESULTS**

**-5.4M€**

-24.1M€ YoY

**NET DEBT**

**109.4M€**

+43.4M€ vs 2016

**REAL ESTATE ASSETS - Value**

**363.2M€**

**CUSHMAN & WAKEFIELD**  
(Excluding WTC Fund)

\* Business Units

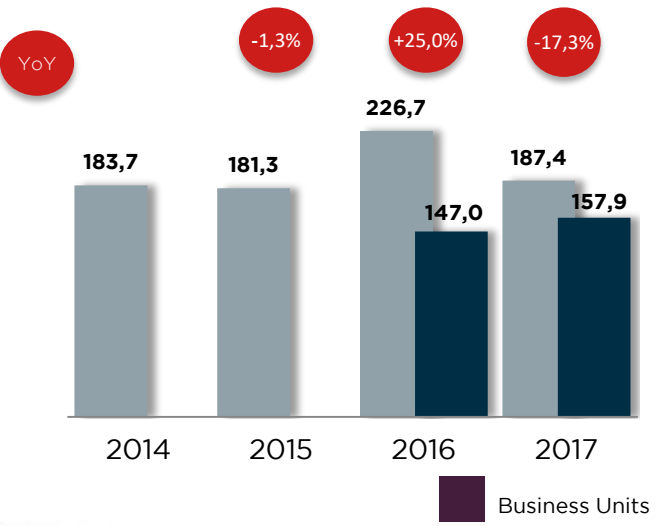
# 04. RECENT PERFORMANCE

2017 CONSOLIDATED RESULTS

**POSITIVE AND MORE SOLID OPERATIONAL PERFORMANCE. ADEQUATE CAPITAL STRUCTURE TAKING IN CONSIDERATION GROUP'S PORTFOLIO OF BUSINESSES AND REAL ESTATE ASSETS HELD.**

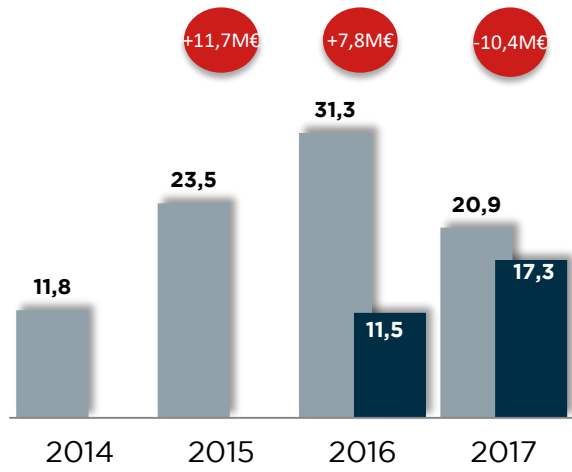
## OPERATIONAL INCOME

(M€)



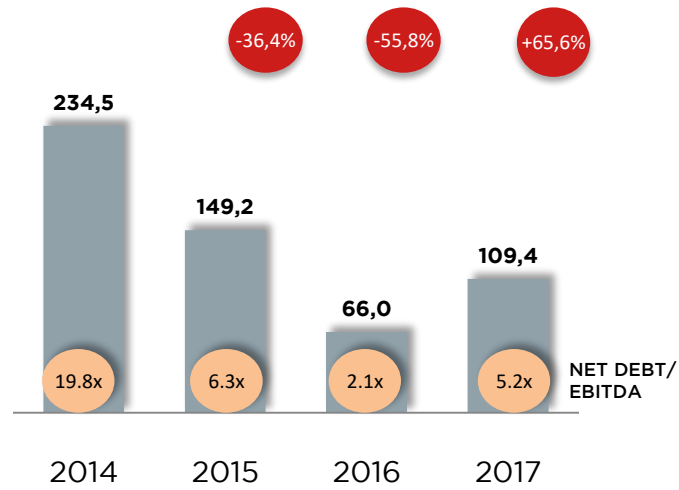
## EBITDA

(M€)



## NET DEBT

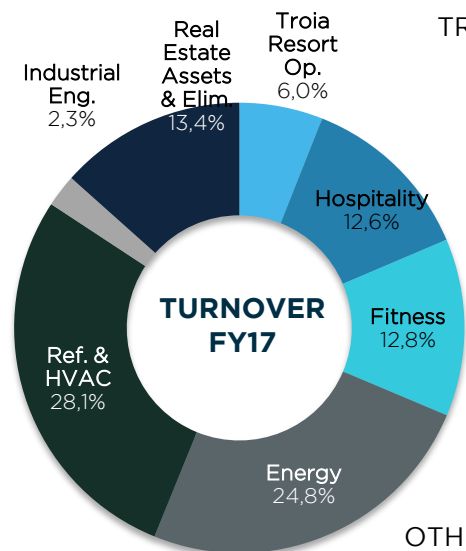
(M€)



# 04. RECENT PERFORMANCE

## 2017 CONSOLIDATED RESULTS

CONSOLIDATE TOP LINE AND PROFITABILITY NEGATIVELY IMPACTED BY THE REAL ESTATE ASSETS PERFORMANCE (LOWER LEVEL OF SALES). OVERALL, WITH THE EXCEPTION OF REF. & HVAC DUE TO AN EXPECTED ACTIVITY DECREASE, ALL BUSINESS UNITS POSTED A POSITIVE EVOLUTION PERFORMANCE



|                       | TURNOVER (M€) |        |         | EBITDA (M€)  |       |         | EBITDA Margin (%) |        |         |
|-----------------------|---------------|--------|---------|--------------|-------|---------|-------------------|--------|---------|
|                       | FY17          | FY16   | Δ 17/16 | FY17         | FY16  | Δ 17/16 | FY17              | FY16   | Δ 17/16 |
| <b>BUSINESS UNITS</b> | <b>157.89</b> | 147.01 | +7.4%   | <b>17.30</b> | 11.53 | +50.0%  | <b>10.95%</b>     | 7.84%  | +3.1pp  |
| TROIA RESORT OP.      | <b>10.95</b>  | 10.04  | +9.1%   | <b>0.89</b>  | 0.61  | +45.1%  | <b>8.1%</b>       | 6.1%   | +2.0pp  |
| HOSPITALITY           | <b>22.96</b>  | 19.76  | +16.2%  | <b>-0.46</b> | -2.26 | +79.6%  | <b>-2.0%</b>      | -11.4% | +9.4pp  |
| FITNESS               | <b>23.25</b>  | 18.09  | +28.5%  | <b>1.79</b>  | 2.16  | -17.1%  | <b>7.7%</b>       | 11.9%  | -4.2pp  |
| ENERGY                | <b>45.22</b>  | 38.23  | +18.3%  | <b>14.19</b> | 7.81  | +81.8%  | <b>31.4%</b>      | 20.4%  | +11.0pp |
| REF. & HVAC           | <b>51.24</b>  | 60.89  | -15.8%  | <b>1.48</b>  | 3.21  | -53.7%  | <b>2.9%</b>       | 5.3%   | -2.4pp  |
| IND. ENG.             | <b>4.27</b>   | -      | -       | <b>-0.59</b> | -     | -       | <b>-13.8%</b>     | -      | -       |
| <b>REAL ESTATE</b>    | <b>32.09</b>  | 47.55  | -32.5%  | <b>6.63</b>  | 22.37 | -70.3%  | <b>20.7%</b>      | 47.0%  | -26.3pp |
| TROIA RESORT          | <b>15.43</b>  | 20.76  | -25.7%  | <b>2.35</b>  | 16.56 | -85.8%  | <b>15.2%</b>      | 79.7%  | -64.5pp |
| OTHER REAL ESTATE     | <b>16.65</b>  | 26.79  | -37.8%  | <b>4.28</b>  | 5.81  | -26.3%  | <b>25.7%</b>      | 21.7%  | -4.0pp  |

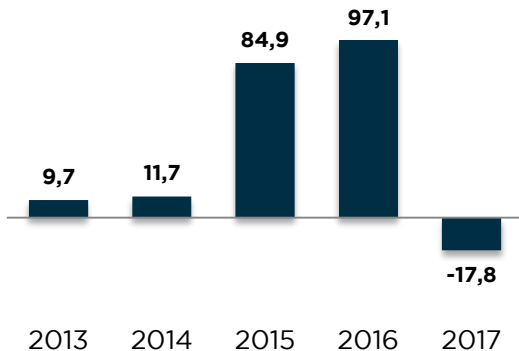
# 04. RECENT PERFORMANCE

2017 CONSOLIDATED RESULTS

**INVESTMENT IN ACQUISITIONS OF NEW BUSINESSES AND OPERATIONS OFF-SETTING THE POSITIVE CONTRIBUTION FROM CASH FLOW FROM OPERATIONS**

## LEVERED FREE CASH FLOW

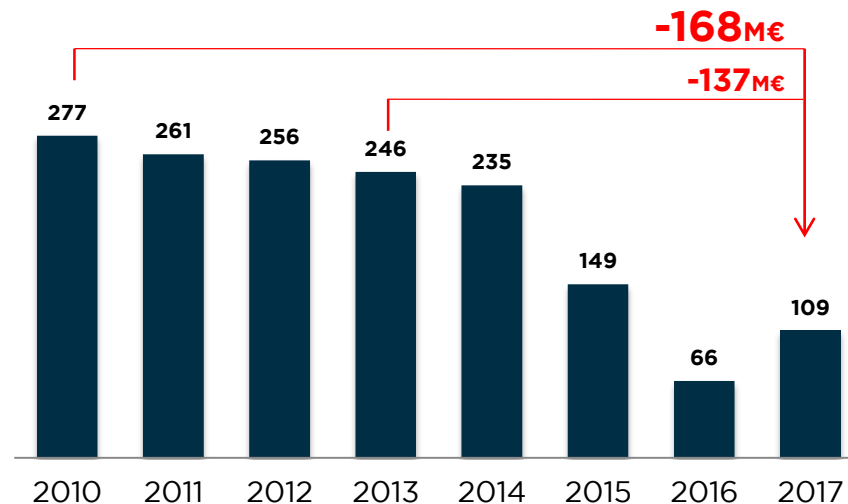
(M€)



FCF (levered) was negative 17.8M€ in FY17, driven by recent investments, namely the acquisition of new businesses, especially in the Energy and Industrial Engineering segments, notwithstanding the cashflow from operations generation.

## NET DEBT

(M€)



As a result of FCF performance and dividend distribution, Net Debt increased when compared to the end of 2016, to 109.4M€.

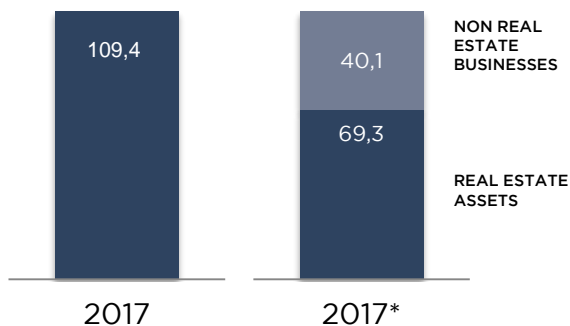
# 04. RECENT PERFORMANCE

2017 CONSOLIDATED RESULTS

ALL FINANCIAL NEEDS FOR 2018 ALREADY SECURED AND SOLID CAPITAL STRUCTURE.

CONSIDERING THE VALUE OF REAL ESTATE ASSETS AT THE END OF 2017, THE IMPLIED RATIOS PRESENT CONSERVATIVE VALUES TAKING INTO CONSIDERATION SONAE CAPITAL TYPE OF BUSINESSES

## NET DEBT (M€)

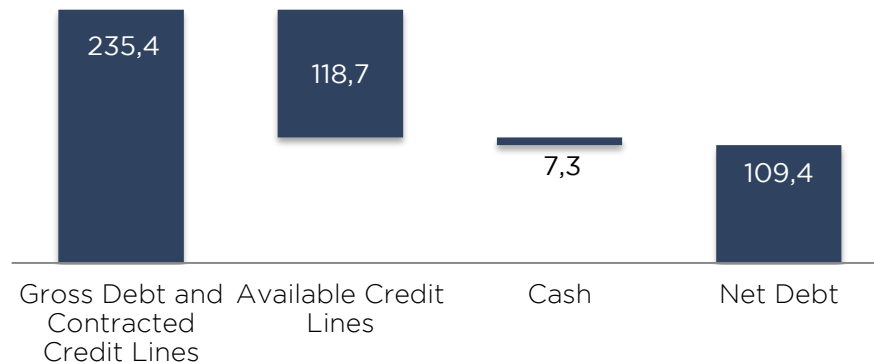


**NET DEBT/EBITDA: 2.57x**  
(NON REAL ESTATE BUSINESSES)

**LTV: 15.9%**  
(REAL ESTATE ASSETS)

\*Holding Net Debt/Liquidity allocated to the different types of Businesses according to the weight of each Business' Net Debt individually considered.

## AVAILABLE CREDIT LINES (M€)



# 04. RECENT PERFORMANCE

2017 CONSOLIDATED RESULTS

**TURNOVER AND PROFITABILITY REGISTERING A DECREASE PENALISED BY REAL ESTATE ASSETS PERFORMANCE**

**THE REDUCTION IN RESULTS FROM INVESTMENTS (FOLLOWING THE SALE OF HIGHWAY CONCESSIONS) AND THE SALE OF UNOPs7/8/9 EXPLAINS THE NET PROFIT REDUCTION**

|  |                                | CONSOLIDATED PROFIT & LOSS STATEMENT (M€) |       |         |
|--|--------------------------------|---|-------|---------|
|  |                                | FY17                                      | FY16  | Δ 17/16 |
|  | TURNOVER                       | 182,3                                     | 186,7 | -2,3%   |
|  | EBITDA exc. Guar. Income Prov. | 20,9                                      | 31,3  | -33,2%  |
|  | EBITDA <sup>1</sup>            | 1,3                                       | 15,9  | -92,1%  |
|  | EBIT                           | -4,3                                      | -6,3  | +32,4%  |
|  | NET FINANCIAL EXPENSES         | 2,4                                       | 16,7  | -85,6%  |
|  | INVESTMENTS INCOME             | -2,5                                      | 20,5  | -       |
|  | NET PROFIT                     | -5,4                                      | 18,7  | -       |

<sup>1</sup> EBITDA = EBIT + Amortization and Depreciation + Provisions and Impairment Losses + Impairment Losses in Equity Real Estate in Stock Rotation (included in Cost of Goods Sold) – Reversal Provisions and Impairments (included in Other Operational Income)

## CONSOLIDATED BALANCE SHEET (M€)

|                            | 31.12.2017 | 31.12.2016 |
|----------------------------|------------|------------|
| TOTAL ASSETS               | 516,1      | 501,5      |
| NON CURRENT ASSETS         | 359,0      | 315,2      |
| CURRENT ASSETS             | 157,1      | 186,3      |
| EQUITY                     | 291,4      | 320,4      |
| BANK LOANS                 | 116,7      | 98,3       |
| TOTAL EQUITY & LIABILITIES | 516,1      | 501,5      |
| NET DEBT <sup>1</sup>      | 109,4      | 66,0       |
| CAPEX <sup>2</sup>         | 61,6       | 12,7       |

<sup>1</sup> NET DEBT = Non current Liabilities + Current Liabilities – Cash and Cash Equivalents

<sup>2</sup> CAPEX = Investment in Tangible and Intangible Assets

AGENDA

05

KEY  
MESSAGES





# 05. KEY MESSAGES

## BUSINESS UNITS & REAL ESTATE ASSETS

THE ROBUSTNESS AND GREATER STABILITY OF THE MAIN FINANCIAL KPIS REFLECTS THE IMPLEMENTATION OF THE DEFINED STRATEGY AND THE PORTFOLIO REDEFINITION.

### 1. BUSINESS UNITS

- i. **Energy:** strong Top Line and Ebitda performance driven by Energy electrical prices index, higher production levels and the contribution of the operations acquired during 2017 (5.1M€ and 4.0M€ impact at the Top Line and Ebitda, respectively).
- ii. **Refrigeration & HVAC:** the expected HVAC activity decrease (as in 2016 there was an important international project) has resulted in a decrease of both Top Line and Ebitda. However, the contracts already secured in the domestic operation of 23.2M€ at the end of 2017, implies good perspectives for the next quarters, particularly for the Refrigeration segment.
- iii. **Industrial Engineering:** incorporation of a new segment following the acquisition of ADIRA.
- iv. **Hospitality:** continuous improvement of the key operational metrics with ARR and RevPAR increasing 5.9% and 18.5%, respectively. Consequently, Top Line improved 16.2% and EBITDA, despite negative, improved 1.8M€ (+79.6%).
- v. **Fitness:** competitive position reinforced, visible on the increased number of customers (+30.8% vs. 2016), allowing for a Top Line growth of 28.5%.
- vi. **Troia Resort - Operations:** all operations that support the resort posted positive evolutions with Top Line (10.95M€) and EBITDA (0,89M€) showing improvements of 9.1% and 45.1%, respectively.

### 2. REAL ESTATE ASSETS

- i. **Real Estate - Troia Resort:** 29 Sales Deeds in 2017, to which it should be added 7 Reserves/Promissory Purchase and Sale Agreements and 5 Deeds already signed in 2018, correspondent to 4.7M€.
- ii. **Other Real Estate Assets:** Sales Deeds totalling 20.2M€ in FY17, alongside with Promissory Purchase and Sale Agreements indicating good perspectives going forward.

# 05. KEY MESSAGES

## OUTLOOK

### THE ROBUSTNESS AND GREATER STABILITY OF THE MAIN FINANCIAL KPIS REFLECTS THE IMPLEMENTATION OF THE DEFINED STRATEGY AND THE PORTFOLIO REDEFINITION.

During 2017 important milestones were taken in the materialization of the **defined corporate strategy**, based on:

- (i) the continuous improvement of our current businesses competitive position;
- (ii) the pursuit of new value creator business opportunities within the Group's competence areas;
- (iii) the sale of non-core/strategic assets; and
- (iv) the maintenance of a balanced capital structure according to the type of business and assets held by the Group.

#### For 2018, we expect the maintenance of a positive operating performance for the main Business units:

**Energy:** performance positively impacted by the incorporation of recent acquisitions;

**Ref. & HVAC:** number/value of on-going contracts foresee increased levels of activity for the forthcoming quarters;

**Hospitality:** consolidation of the performance delivered in 2017;

**Fitness:** opening of two new clubs already in January 2018 added to the strategic relevance of “Pump” fitness clubs's acquisition;

**Industrial Engineering:** the acquisition of ADIRA, a Portuguese based company, strongly focused on the international markets, materializes the strategic purpose of incorporate new value added generating businesses;

**Troia Resort - Operations:** the positive performance shown by the majority of the operations during 2017 allows to foresee a similar performance for 2018

**Troia Resort – Real Estate :** the number of booked contracts gives comfort in relation to the evolution for the next quarters;

Other Real Estate Assets: 4.5M€ of PPSAs signed over a set of assets, providing positive expectations going forward.

# AGENDA

## Appendix



## DISCALIMER

With the aim of continuing to improve the quality and transparency of the information provided, not only at the Consolidated level, but also, at each Business Units level, and aligned with the best market practices, the international operations (Angola, Mozambique and Brazil) of the Refrigeration & HVAC segment are now considered assets held for sale and therefore their contribution to the consolidated results is recognized as discontinued operations.

In order to maintain the information comparability, the 2016 figures are presented according to this new reality.

In addition, in order to better report the results of our business portfolio, aware of the significant differences between the fundamentals of each of our businesses, we are now reporting clearly detailing information between Real Estate Assets and Business Units.

In order to ensure comparability, we present the quarterly figures for 2016 and 2017 in the new layout.



# INSTITUTIONAL PRESENTATION

SONAE CAPITAL  
FY 2017 RESULTS

Maia | March, 2018

SONAE CAPITAL