



SONAE CAPITAL, SGPS, SA

Head Office: Lugar do Espido, Via Norte, Maia

Share Capital: 250,000,000 Euro

Maia Commercial Registry and Fiscal Number 508 276 756

Sociedade Aberta

CORPORATE GOVERNANCE REPORT

31 DECEMBER 2008

(Translation from the Portuguese Original)

(Translation from the Portuguese Original)

Corporate Governance Report

0. Statement of Compliance

The corporate governance policy of Sonae Capital SGPS S.A. (hereinafter Sonae Capital or Company) aims, among other objectives, to implement transparency procedures in its relationship with both investors and markets. The corporate governance structure of Sonae Capital is built upon the maximization of shareholders' interests and the satisfaction of their legal and regulatory rights.

0.1 Corporate Governance Guidelines

Sonae Capital, as a public listed company, is regulated by Regulation 1/2007 of the Portuguese Securities Market Commission (*Comissão de Mercado de Valores Mobiliários* and hereinafter CMVM), with the amendments set forth by CMVM Regulation 5/2008.

Furthermore, Sonae Capital guides its corporate governance practices by the Corporate Governance Code, available at www.cmvm.pt.

0.2 Compliance with the Corporate Governance Code

| | Recommendation | Compliance | Reference in this report |
|------------------------|--|------------|--------------------------|
| General Meeting | | | |
| I.1.1 | The Chair of the General Meeting Board shall be equipped with the necessary and adequate human resources and logistic support, taking the financial position of the company into consideration | Yes | I.1 |
| I.1.2 | The remuneration of the Chair of the General Meeting Board shall be disclosed in the annual report on corporate governance | No | 0.3 (1) I.1 |
| I.2.1 | The obligation to deposit or block shares before the General Meeting, contained in the articles of association, shall not exceed 5 working days | Yes | I.2 |
| I.2.2 | Should the General Meeting be suspended, the company shall not compel share blocking during the suspension period and shall then follow the standard requirement of the first session | Yes | I.2 |
| I.3.1 | Companies may not impose any statutory restriction on postal voting | No | 0.3 (2) I.3 |
| I.3.2 | The statutory deadline for receiving early voting ballots by mail shall not exceed 3 working days | Yes | I.3 |
| I.3.3 | The company's articles of association shall provide for the one share-one vote principle | Yes | I.3 |

| | Recommendation | Compliance | Reference in this report |
|--|---|-------------------|---------------------------------|
| I.4.1 | Companies shall not set a constitutive or deliberating quorum that outnumbers that which is prescribed by Law | No | 0.3 (3) I.4 |
| I.5.1 | The minutes of the General Meetings shall be made available to shareholders on the company's website within a 5 day period, irrespective of the fact that such information may not be legally classified as material information. The list of attendees, agenda items of the minutes and resolutions passed during such meetings shall be kept on file on the company's website for a 3 year period | Yes | I.5 |
| I.6.1 | Measures aimed at preventing successful takeover bids, shall respect both the company's and the shareholders' interests | Yes | I.6 |
| I.6.2 | In observance of the principle of the previous sub-paragraph, the company's articles of association that restrict/limit the number of votes that may be held or exercised by a sole shareholder, either individually or together with other shareholders, shall also envisage a resolution by the General Meeting, (5 year intervals, at least) on whether that statutory provision is to continue – without super quorum requirements as to the one legally in force – and that in said resolution, all votes issued be counted, without applying said restriction | Not Applicable | (*) |
| I.6.3 | In cases such as change of control or changes to the composition of the Board of Directors, defensive measures should not be adopted that instigate an immediate and serious asset erosion in the company, and further disturb the free transmission of shares and voluntary assessment of the performance of the Board of Directors by the shareholders | Not Applicable | (*) |
| Management and Supervisory Boards | | | |
| II.1.1.1 | The Board of Directors shall assess the adopted model in its governance report and identify possible constraints to its functioning and shall propose measures that it deems fit for overcoming such obstacles | Yes | II.0 |
| II.1.1.2 | Companies shall set up internal control systems in order to efficiently detect any risk to the company's activity by protecting its assets and keeping its corporate governance transparent | Yes | II.8 |
| II.1.1.3 | The Management and Supervisory Boards shall establish internal regulations and shall have these disclosed on its website | Yes | II.2 II.5 |
| II.1.2.1 | The Board of Directors shall include a number of non executive members that ensure the efficient supervision, auditing and assessment of the executive members' activity | Yes | II.2 |
| II.1.2.2 | Non executive members must include an adequate number of independent members. The size of the company and its shareholder structure must be taken into account when deciding on this number and may never be less than a quarter of the total number of Directors | Yes | II.2 |
| II.1.3.1 | Depending on the applicable model, the Chair of the Fiscal Board, the Audit Committee or the Financial Matters Committees shall be independent and be capable of adequately carrying out its duties | Yes | II.5 |

| | Recommendation | Compliance | Reference in this report |
|----------|--|-------------------|---------------------------------|
| II.1.4.1 | The company shall adopt a policy whereby irregularities occurring within the company, are reported. Such reports should contain the following information: i) the means through which such irregularities may be reported internally, including the persons that are entitled to receive the reports; ii) how the report is to be handled, including confidential treatment, should it be required by the author | No | 0.3 (4) II.9 |
| II.1.4.2 | The general guidelines on this policy should be disclosed in the corporate governance report | Yes | II.9 |
| II.1.5.1 | The remuneration of the members of the Board of Directors shall be aligned with the interests of the shareholders. Thus: i) The remuneration of Directors carrying out executive duties should be based on performance and a performance assessment shall be carried out periodically by the competent body or committee; ii) the variable remuneration shall be consistent with the maximization of the long term performance of the company, and shall be dependent on sustainability of the levels of the adopted performance; iii) when the remuneration of non executive members of the Board of Directors is not legally imposed, a fixed amount should be set | Yes | II.2 II.10 II.6 |
| II.1.5.2 | The Remuneration Committee and the Board of Directors shall submit a statement on the remuneration policy to be presented at the Annual Shareholders General Meeting concerning the Management and Supervisory bodies and other directors as provided for in Article 248/3/b of the Securities Code. The shareholders shall be informed on the proposed criteria and main factors to be used in the assessment of the performance for determining the variable remuneration (share bonuses; share options, annual bonuses or other awards) | Yes | I.7 II.4 |
| II.1.5.3 | At least one of the Remuneration Committee's representatives shall be present at the Annual Shareholders' General Meeting | Not Applicable | (**) |
| II.1.5.4 | A proposal shall be submitted at the General Meeting on the approval of plans for the allotment of shares and/or share options or in addition variations in share prices, to members of the Management and Supervisory Boards and other Directors within the scope of Article 248/3/B of the Securities Code. The proposal shall mention all the necessary information for it to be correctly assessed. The proposal shall contain the regulation plan or in its absence, the plan's general conditions. The main characteristics of the retirement benefit plans for members of the Management and Supervisory Boards and other Directors within the context of Article 248/3/B of the Securities Code, shall also be approved at the General Meeting | Yes | I.7 |
| II.1.5.5 | The remuneration of the members of the Management and Supervisory Boards shall be individually and annually disclosed and, information on fixed and variable remuneration must be separately disclosed as well as any other remuneration received from other companies within the group of companies or companies controlled by shareholders of qualifying holdings | Yes | II.2 II.5 II.6 |

| | Recommendation | Compliance | Reference in this report |
|--------|---|-------------------|---------------------------------|
| II.2.1 | Within the limits established by Law for each Management and Supervisory structure, and unless the company is of a reduced size, the Board of Directors shall delegate the day-to-day running of the business and the delegated duties should be identified in the Annual Report on Corporate Governance | Yes | II.3 |
| II.2.2 | The Board of Directors shall ensure that the company acts in accordance with its goals, and should not delegate its duties, namely in what concerns: i) definition of the company's strategy and general policies; ii) definition of the corporate structure of the group; iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved | Yes | II.2 II.3 |
| II.2.3 | Should the Chairman of the Board of Directors carry out executive duties, the Board of Directors shall set up efficient mechanisms for coordinating non executive members that can ensure that these may take decisions, in an independent and informed manner, and furthermore shall explain these mechanisms to the shareholders in the Corporate Governance report | Yes | II.0 II.2 |
| II.2.4 | The annual management report shall include a description of the activity carried out by the non executive Board Members and shall mention any restraints encountered | Yes | |
| II.2.5 | The management body should promote member replacement for financial matters at least after 2 mandates | No | 0.3 (5) |
| II.3.1 | When Directors who carry out executive duties are requested by members of other statutory bodies to supply information, the former shall do so in a timely manner and the information supplied must be adequate for the request made | Yes | II.3 |
| II.3.2 | The Chairman of the Executive Board of Directors shall send the convening notices and minutes of the meetings to the Chairman of the Board of Directors and, when applicable, to the Chairman of the Supervisory Board or the Auditing Committee | No | 0.3 (6) |
| II.3.3 | The Chairman of the Executive Board of Directors shall send the convening notices and minutes of the meetings to the Chairman of the General and Supervisory Board and to the Chairman of the Financial Matters Committee | Not Applicable | (*) |
| II.4.1 | Besides fulfilling its supervisory duties, the General and Supervisory Board shall advise, follow-up and carry out, on an on-going basis, the assessment of the management of the company by the Executive Board of Directors. Besides other subject matters, the General and Supervisory Board shall decide on: i) definition of the strategy and general policies of the company; ii) the corporate structure of the group; and iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved | Not Applicable | (*) |
| II.4.2 | The annual reports and financial information on the activity carried out by the General and Supervisory Committee, the Financial Matters Committee, the Audit Committee and the Fiscal Board shall be disclosed on the company's website together with the financial statements | Yes | II.5 |

| | Recommendation | Compliance | Reference in this report |
|---------------------------------|---|-------------------|---------------------------------|
| II.4.3 | The annual reports on the activity carried out by the General and Supervisory Board, the Financial Matters Committee, the Audit Committee and the Fiscal Board shall include a description of the supervisory activity and shall mention any restraints that they may have come up against | Yes | II.5 |
| II.4.4 | The Financial Matters Committee, the Audit Committee and the Fiscal Board (depending on the applicable model) shall represent the company for all purposes towards the external auditor, and shall propose the services supplier, the respective remuneration, ensure that adequate conditions for the supply of these services are in place within the company, as well as being the liaison officer between the company and the first recipient of the reports | No | 0.3 (7) |
| II.4.5 | According to the applicable model, the Committees for Financial Matters, Audit Committee and the Fiscal Board, shall assess the external auditor on an annual basis and advise the General Meeting that he/she be discharged whenever justifiable grounds are present | Yes | II.5 |
| II.5.1 | Unless the company is of a reduced size and depending on the adopted model, the Board of Directors and the General and Supervisory Committees, shall set up the necessary Committees in order to: i) ensure that a competent and independent assessment of the Executive Directors' performance is carried out, as well as its own overall performance and in addition, the performance of all existing Committees; ii) review the adopted governance system and verify its efficiency and propose to the competent bodies, measures to be carried out with a view to its improvement | Yes | II.4 |
| II.5.2 | Members of the Remuneration Committee or similar committees, shall be independent from Members of the Board of Directors | Yes | II.4 |
| II.5.3 | All the Committees shall draw up minutes of the meetings held | Yes | II.4 |
| Information and Auditing | | | |
| III.1.2 | Companies shall maintain permanent contact with the market thus upholding the principle of equality for shareholders and ensure that investors are able to access information in a uniform fashion. To this end, the company shall have an Investor Relations team. | Yes | III.8 |
| III.1.3 | The following information that is made available on the company's Internet website, shall be disclosed in the English language: <ul style="list-style-type: none"> a) The company, public company status, headquarters and other data provided for in Article 171 of the Commercial Companies Code; b) Articles of Association; c) Credentials of the members of the Board of Directors and of the member responsible for Capital Markets Relations; d) Investor Relations team – its functions and contacts; e) Financial statements; f) Half-Yearly Calendar of Company Events; g) Proposals for discussion and voting during the General Meeting; h) Notices convening meetings. | Yes | III.8 |


(*) The recommendations regarding practices, corporate structures, procedures or a corporate governance model not adopted by Sonae Capital shall be considered not applicable for this purpose. Under the terms and conditions of article 278 of the Portuguese Companies Code, Sonae Capital structured its corporate governance model with a Board of Directors, a Fiscal Board and a Statutory Auditor. The Recommendations considered not applicable shall not be considered in the evaluation of the level of compliance of the Corporate Governance Code by the Company.

(**) At the time of the 2008 Annual Shareholders General Meeting, the Remunerations Committee had not yet been formed. Thus, the recommendation shall be considered, in respect of the year 2008, as not applicable. Sonae Capital has the firm intention to comply with this recommendation in the current and upcoming years.

0.3 Reasons for non compliance with the Corporate Governance Code

Sonae Capital is willing to comply with most of the recommendations set in the Corporate Governance Code in the upcoming years: due to its recent incorporation, certain procedures, practices and corporate structures are still under review and implementation. On the other hand, certain practices that are fully aligned with the recommendations of the Corporate Governance Code are classified as “non compliant” in this report, exclusively due to the fact that such compliance in 2008 was partial (either functional or chronologically).

- (1) In view of the specific nature of the Board of the General Meeting and the fiduciary duty of its members towards the Company, Sonae Capital deems that the aggregate remuneration of the members of the Board of the General Meeting is the relevant information for investors to form a judgment about its magnitude and adequacy.
- (2) Under number 3 of Article 23 of the Articles of Association of Sonae Capital, votes in writing are exclusively admissible for General Meeting resolutions on amendments to the Articles of Association of the Company or on the appointment of the governing bodies. These restrictions on votes in writing are based on the procedural rule established by the Portuguese Company Law (number 9 of article 384). It is Sonae Capital’s conviction that both solutions set forth in the Portuguese Company Law regarding votes in writing, which are the only ones admissible, are contrary to the timing and motivation that should rule votes in General Meetings. The solutions set forth in the Portuguese Company Law are:
 - a. Votes in writing in respect of resolution proposals presented after the vote in writing is cast are automatically transformed in negative votes;
 - b. Votes in writing may be received in the five days following the general meeting.
- (3) Article 25 of the Articles of Association of Sonae Capital establishes that shareholders representing more than 50% of the share capital of the Company as the constitutive quorum for the first instance of the General Meeting. The definition of a constitutive quorum for the first meeting of the General Meeting (where the Portuguese Company Law sets no constitutive quorum requirement) is based on the understanding that it is essential to assure, in any shareholders’ decision, a material representation that can legitimate the resolution so obtained. Sonae Capital will continue to maintain this practice and requirement as it understands that it is the recommended way to maximize shareholders rights and to improve clarity in the decision making process of its Shareholders’ General Meeting.

- 
- (4) Sonae Capital has not defined or disclosed its whistle blowing policy during 2008. Although the Fiscal Board is the governing body responsible for receiving and treating any communication or claim, only in early 2009 did the Company fully implemented all the necessary and sufficient procedures for the recommendation of the Corporate Governance Code to be complied with.
 - (5) The Board of Directors considers that this recommendation is not in the best interests of the Company. If at any particular time the Board of Directors considers that any of its members should be replaced it will use its judgment to do so.
 - (6) In 2008 non executive members of the Board of Directors were informed in each Board meeting of the decisions taken by the Executive Committee. In 2009 this recommendation will be fully implemented and the minutes of the meetings of the Executive Committee will be sent to the non executive Board members.
 - (7) The Fiscal Board meets regularly with the External Auditor to discuss the main findings of the latter's work. Nevertheless, many of the matters related to the daily activity of the external auditor rely on the Board of Directors team and supporting staff as the preferred liaison. Thus, since the Fiscal Board is not considered to be the sole and first contact with the external auditor within the Company and, furthermore, is not deemed to be the main addressee of the External Auditor reports, Sonae Capital did not comply with this recommendation in 2008. In 2009, External Auditor's reports will be simultaneously addressed to the Board of Directors and the Fiscal Board.

0.4 Independence assessment

The Board of Directors believes that the following members remain independent (under the terms of number 5 of Article 414 of the Portuguese Company Law), as there have been no changes to the factors that justified such an assessment when they were appointed:

| Name | Governing Body |
|-------------------------------------|--------------------|
| Francisco de La Fuente Sánchez | Board of Directors |
| Rafael Cerezo Laporta | Board of Directors |
| Paulo José Jubilado Soares de Pinho | Board of Directors |
| Pedro Manuel Bastos Mendes Rezende | Board of Directors |

The Fiscal Board believes that all of its members remain independent (under the terms of number 5 of Article 414 of the Portuguese Companies Code), as there have been no changes to the factors that justified such an assessment when they were appointed:

| Name | Governing Body |
|----------------------------------|------------------------------|
| Armando Luís Vieira de Magalhães | Chairman of the Fiscal Board |
| Jorge Manuel Felizes Morgado | Fiscal Board |
| Carlos Manuel Pereira da Silva | Fiscal Board |

The Board Audit and Finance Committee of the Board of Directors believes that all of its members remain independent (under the terms of number 5 of Article 414 of the Portuguese Companies Code), as there have been no changes to the factors that justified such an assessment when they were appointed:

| Name | Governing Body |
|-------------------------------------|---|
| Francisco de La Fuente Sánchez | Chairman of the Board Audit and Finance Committee |
| Paulo José Jubilado Soares de Pinho | Board Audit and Finance Committee |

The Board Nomination and Remuneration Committee believes that all of its members remain independent (under the terms of number 5 of Article 414 of the Portuguese Companies Code), as there have been no changes to the factors that justified such an assessment when they were appointed:

| Name | Governing Body |
|------------------------------------|---|
| Rafael Cerezo Laporta | Chairman of the Board Nomination and Remuneration Committee |
| Pedro Manuel Bastos Mendes Rezende | Board Nomination and Remuneration Committee |

I. Shareholders' General Meeting

I.1 Board of the Shareholders' General Meeting

As at 31 December 2008, the Board of the Shareholders' General Meeting had the following members, mandated for the four year period 2007-2010:

- António Agostinho Cardoso da Conceição Guedes (Chairman);
- Maria Daniela Farto Baptista Passos (Secretary).

In addition to the support provided by the Company's Secretary, during the preparatory stages of the Shareholders' General Meeting, its Board members are aided by the Legal corporate department, namely in relation to the preparation of several support and output documents and files.

Remuneration of the members of the Board of the General Shareholders' Meeting is made up of a fixed amount, based on the Company situation and market practices, and amounted to a total of 4,500 euro for the year.

I.2 Presence at the Shareholders' General Meeting

According to the Company's Articles of Association only those shareholders with voting rights, who own shares or subscription rights, can attend the Shareholders' General Meeting, provided that they can prove to the Company, ownership of such shares or subscription rights under the terms of the law, up to five business days prior to the Shareholders' General Meeting. This proof of title must be issued by a financial institution where records of title are kept by the shareholders.

The proof of title can be made, within the period mentioned above, by letter, fax or e-mail, and on the latter two the original document must be received in the Company's registered office until the business day prior to the Shareholders' General Meeting.

The Articles of Association of the Company do not provide for the eventuality of suspension and it has never happened in the past. However, the Company's Articles of Association do not impose the blocking of shares during the suspension period and thus, to be present at the continuation of the Shareholders' General Meeting, the shareholder has to comply with the five business days prior notice as required for the first meeting. Furthermore, the Chairman of the Board of the Shareholders' General Meeting considers that if the suspension period does not exceed five working days, the blocking of shares should be maintained until the meeting is resumed, as it is not possible to require that shareholders comply with a new five working day blocking period; if the suspension period exceeds five working days, only a five working day-period of share-blocking will be required.

It is recommended that the presence at a Shareholders' General Meeting of shareholders holding non-voting preference shares, and their presence in the discussion of the points on the agenda for the Shareholders' General Meeting will depend on the authorisation of the Shareholders' General Meeting. The Company has not issued non-voting preference shares.

An individual shareholder may be represented at the Meeting by means of a letter addressed to the Chairman of the Board of the Shareholders' General Meeting, indicating the name and address of the representative nominated, as well as the date of the meeting. Corporate shareholders may be represented at the meeting by means of a letter addressed to the Chairman of the Board of the Shareholders' General Meeting, the authenticity of which will be considered by the Chairman of the Board of the Shareholders' General Meeting.

I.3 Voting and Exercising Voting Rights

Under the terms of the Company's Articles of Association, to each share corresponds one vote.

The Articles of Association of the Company only allow votes in writing in respect of alterations to the Articles of Association and the election of members to the statutory bodies. Written voting papers shall only be considered valid if they are received at the Company's registered office at least three days before the date of the Shareholders' General Meeting, and must be sent by registered post with acknowledgement of receipt, and addressed to the Chairman of the Board of the Shareholders' General Meeting. This does not exempt from the need to comply with the procedures set out in the Articles of Association, in order to be registered as a valid shareholder for the Shareholders' General Meeting. Written voting papers must be signed by shareholders or by their legal representatives. Individual shareholders must attach a certified copy of their identity card and, for corporate shareholders, the signature must be authenticated confirming that the signatory is duly authorised and mandated for the purpose.

In addition to the above mentioned, to be considered valid, written voting papers also have to set out clearly, in an unambiguous manner: (i) the agenda item or items to which they refer; (ii) the specific proposal to which they relate, indicating the respective proposer or proposers, and; (iii) the precise and unconditional voting intention on each proposal. Notwithstanding the content of (ii), a shareholder is permitted to include in a written voting paper, in relation to an identified proposal, the intention to vote against all alternative proposals, in relation to the same item on the agenda, without further specification. It is assumed that shareholders have abstained from any proposals that are not specifically included in their written voting papers. Written voting papers shall be deemed as votes against any proposals presented after the issuance of such written voting papers. The Chairman of the Board of the Shareholders' General Meeting, or his or her substitute, is responsible for verifying that written voting papers comply with all the above requirements and, those not accepted, are treated as null and void.

The Company makes available to shareholders minutes of written voting papers and representation letters on the Company's website (www.sonaecapital.pt), publicized via notice of Shareholders' General Meeting.

Electronic voting is not foreseen under the Company's Articles of Association.

I.4 Quorum and resolutions

The Shareholders' General Meeting shall meet ordinarily, within the timing established by law for the Shareholders' Annual General Meeting, or extraordinarily, whenever the Board of Directors or the Fiscal Board or shareholders representing more than the minimum voting share capital required for this purpose by law (5%), request it.

The Shareholders General Meeting can meet, at the first instance, as long as shareholders representing over fifty percent of the share capital are present or represented.

Under the terms of the Company's Articles of Association, resolutions at the Shareholders' General Meeting shall be taken by simple majority, unless otherwise determined by law.

I.5 Minutes and information on the resolutions of the Shareholders' General Meeting

The notice of the Shareholders' General Meeting and the proposals and respective appendices required by law, addressed to the Board of the Shareholders' General Meeting, are made publicly available to all shareholders, for consultation, at the registered office during office hours, on the Company's website (www.sonaecapital.pt) and on the Information Disclosure System of the Portuguese Securities Market Commission (www.cmvm.pt), at least fifteen days prior to the Shareholders' General Meeting.

The Company will keep a record, on its website (www.sonaecapital.pt), of the attendance lists, agenda and decisions of the Shareholders' General Meetings of the previous three years. For the time being, the abovementioned information is only available for the Shareholders' General Meeting that took place in 2008, the first since the Company's incorporation in December 2007.

Besides access to information on the above mentioned disclosure systems, shareholders can request specific information or explanations on any matter related to the Shareholders' General Meeting through the Investor Relations Office.

I.6 Measures regarding Control of the Company

The Company has not taken measures of any kind that would hinder the success of a public tender offer for the purchase of its shares, nor has the Board of Directors knowledge of any special rights or shareholders agreements in which the Company or its shareholders are involved.

The Company's Articles of Association do not foresee any defensive practices that automatically and significantly erode the Company's assets in the event of a change in control or change in the composition of the management body.

Additionally, there are no agreements between the Company and its board members or other senior managers that foresee indemnities or penalty payments in any case of termination of the existing work relationship resulting from the change in control of the Company.

I.7 Remuneration policy and performance assessment

The remuneration of the members of the statutory bodies of the Company is fixed by the Shareholders' General Meeting, which has appointed a Shareholders' Remuneration Committee to set and propose the compensation and performance assessment policies and respective guidelines.

The Shareholders' Remuneration Committee has two members, Belmiro Mendes de Azevedo (Chairman) and Bruno Walter Lehmann. Belmiro Mendes de Azevedo is also Chairman and CEO of Sonae Capital.

II. Governing Bodies

II.0 Assessment of the Corporate Governance Model

Sonae Capital was incorporated in December 2007.

During 2008, significant changes were made to the corporate governance structure of Sonae Capital to respond to the strategic and management needs of the Company's business portfolio. The new governance structure proposed by the Board of Directors and approved at the Shareholders' General Meeting of 9 April 2008 envisaged strengthening the strategy formulation of the Company and the independent appraisal of the execution of strategy by Executive Directors.

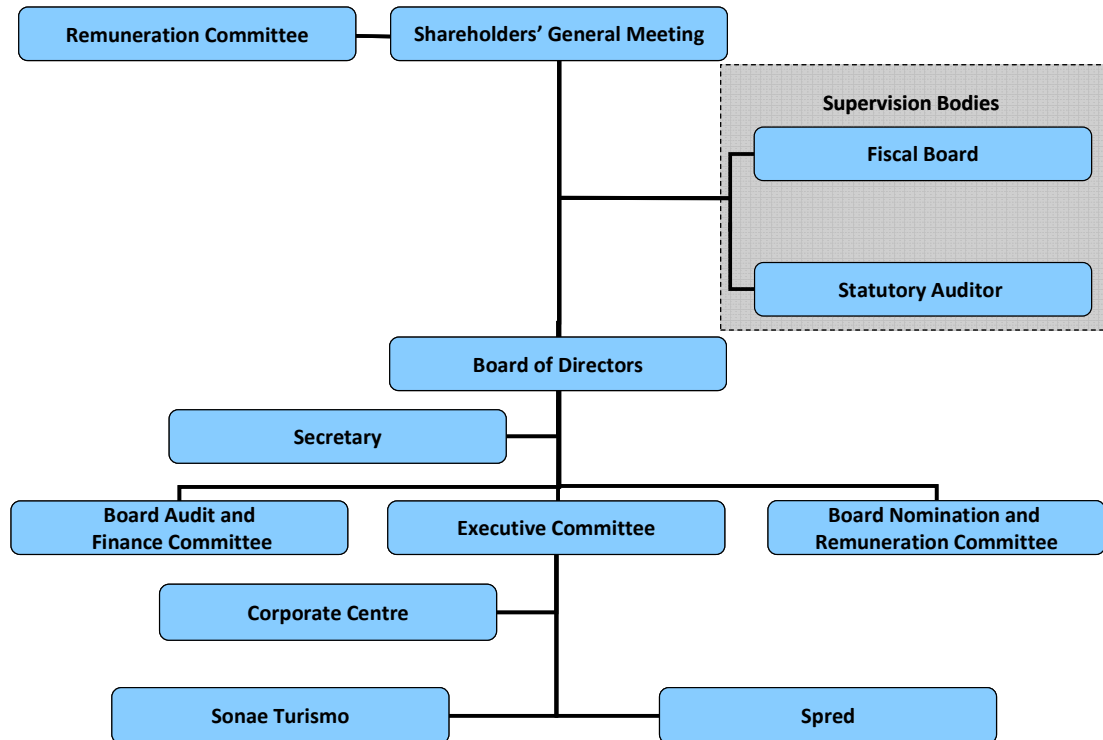
With the implementation of the current governance structure, there was a clear intent of complying with best practices in terms of Corporate Governance.

At the date of its incorporation, Sonae Capital adopted a model based on a Board of Directors, a Fiscal Board and a Statutory Auditor. The Board of Directors has the responsibility of management while the remaining two bodies have supervisory responsibility.

The significant changes introduced just months after its incorporation strengthened and enlarged the supervision of the Company mainly through the creation of an Executive Committee to which the day-to-day management was delegated and the creation of two boards, made up only of independent non executive directors, with the responsibility of supervising and appraising the Company's and management's activities and performance. Details of the new structure, its different bodies, roles and responsibilities are presented in the following sections.

For the time being and since only a few months have elapsed since the new governance structure has been set up, the Board of Directors believes the current model is adequate for the size of Sonae Capital and for the challenges it faces. With time, the Board of Directors, whenever deemed necessary, will adopt procedures and policies to fine tune the governance structure and eventually propose changes to it.

II.1 Governing bodies and functional structure



Under the current governance structure, the Board of Directors is responsible for the business portfolio strategy decisions and respective implementation. The Board of Directors delegates to the Executive Committee the management of day-to-day operations, with the exception of matters highlighted in section II.3 of the current report. The members of the Company's Executive Committee are also members of the Board of Directors of Sonae Turismo and Spred, which also include experienced managers, thus aligning the strategy of the Company with that of each of its business segments. In addition to the Executive Committee, the Board has also appointed specialised advisory committees, namely the Board Audit and Finance Committee and the Board Nomination and Remuneration Committee, aimed at strengthening the decision making process at Board level.

The audit of the Company is ensured by the Fiscal Board and by the Statutory Auditor, both elected at the Shareholders' General Meeting. For more information on these statutory bodies, please refer to sections II.4 and II.6, respectively.

The Corporate Centre comprises six functional departments, which provide support and advice to the governing bodies and business segments and, in some cases ensure co-ordination of policies and procedures within the Company.

Functional departments are the following:

| Functional department | Reports to |
|---------------------------------|-------------------------|
| Human Resources | Executive Committee |
| Risk Management and Environment | Executive Committee |
| Portfolio Management | Executive Committee |
| Administrative Services | Chief Financial Officer |
| Finance & Treasury | Chief Financial Officer |
| Reporting & Investor Relations | Chief Financial Officer |

The Human Resources department is responsible for defining and implementing the Group's human resources policy and for managing senior managers' careers.

The Risk Management and Environment department main responsibilities include definition and execution of internal audits and risk management activities in Group companies, as well as promotion and implementation of environment and sustainability best practices.

The Portfolio Management competencies comprise the following: portfolio configuration and capital allocation between existing businesses and new business opportunities, mergers and acquisitions, legal support and corporate internal and external communication.

Administrative Services comprise a set of different service lines, namely consolidation, shared service centre, information systems and tax support. The shared service centre provides accounting, administrative, treasury and payroll services to Group companies.

The Finance and Treasury department has a leading role regarding internal and external financing operations, treasury management and liaison with financial institutions. This department is also responsible for financial risk management at Group level and for the preparation and follow-up of the Group's financial plan.

The Reporting and Investor Relations department plays a role in: corporate planning and reporting activities, consolidated reporting both internally and externally; compilation and analysis of operational business indicators in management reports, and; ensuring a permanent contact with institutional investors, shareholders and analysts via the Investor Relations Office.

The Chief Financial Officer is responsible for the operational co-ordination of all functional departments within the Corporate Centre, meeting regularly with their respective managers.

II.2 Board of Directors

Under the Company's Articles of Association, the Board of Directors can be made up of an odd or even number of members, with a minimum of three members and a maximum of eleven members, elected at the Shareholders' General Meeting.

The election of one member of the Board of Directors takes place independently from the remaining elections, under the terms of the law, among persons listed in proposals subscribed by groups of shareholders, provided that such groups of shareholders hold shares that represent more than ten and less than twenty percent of the share capital. The same shareholder cannot subscribe to more than one proposal, and each proposal must contain the

identification of at least two persons eligible for each of the positions to be filled. If proposals are presented by more than one group of shareholders, voting will be based on all of these proposals.

The Board of Directors appoints a substitute in case of death, resignation or temporary or permanent incapacity or unavailability of any member. If a Director fails to be present at any two meetings without providing a justification for such absence which is accepted by the Board of Directors, such a Director will be deemed permanently unavailable. A substitute is elected to the Board of Directors in the case of permanent unavailability of the member of the Board elected under the provisions set in the previous paragraph.

Following the resolution approved on the Shareholders' General Meeting held on 9 April 2008, the Board of Directors is currently made up of three executive members and four non executive independent Directors, mandated until 2010:

| Name | Position | First appointment on |
|-------------------------------------|------------------|-----------------------------|
| Belmiro Mendes de Azevedo | Chairman and CEO | December 2007 |
| José Luís dos Santos Lima Amorim | Executive | December 2007 |
| Mário Pereira Pinto | Executive | December 2007 |
| Francisco de La Fuente Sánchez | Non executive | April 2008 |
| Rafael Cerezo Laporta | Non executive | April 2008 |
| Paulo José Jubilado Soares de Pinho | Non executive | April 2008 |
| Pedro Manuel Bastos Mendes Rezende | Non executive | April 2008 |

Non executive members were appointed based on their prestige in business, finance, academia and consultancy areas, to strengthen the skills of the Board of Directors, namely in relation to the approval of the portfolio configuration strategy and of the annual business plan and any significant changes to it.

All of the non executive members of the Board of Directors are considered independent under the terms of number 5 article 414 of the Portuguese Company Law, and comply with incompatibility rules under the terms of number 1 (except paragraph b, which is not applicable to members of the Board) of Article 414 of the Portuguese Company Law.

Independent non executive Directors have to disclose immediately to the Company any event that, in the course of their mandate, might lead to incompatibilities or loss of independence under the terms of the legal requirements.

The current composition of the Board of Directors, especially the number of non executive and independent members (4 from a total of 7 members) ensure the necessary supervision of the activities performed by executive Directors.

Under the Company's Articles of Association and the Board of Directors' Terms of Reference, there are no restrictions as to the maximum number of positions that Board members can hold simultaneously.

The Board of Directors is responsible for the management of the business and for carrying out all operations related to fulfilling the Company's objectives, and for that purpose, the Board is given the widest powers, including:

- To approve the Company's annual budget;
- To decide to associate the Company with any other person or entity under the terms of Article five of the Company's Articles of Association;
- To appoint third parties, individuals or corporate entities, to exercise office in other companies;
- To decide to issue bonds and to contract loans in national and/or international financial markets;
- To decide on the technical and financial assistance that the Company may give to affiliated or associated companies;
- To represent the Company, in or outside court, proposing or contesting any legal procedures, deciding to continue and abandon legal actions, and deciding on their settlement through arbitration proceedings. To that end, the Board of Directors can delegate its powers to a sole mandated person.

Under the terms of the Company's Articles of Association, the Board of Directors may also deliberate on share capital increases, through new entries in cash, up to one thousand million euro, in one or more stages. The Board of Directors determines, in accordance with the law, the conditions of subscription and the categories of shares to be issued, based on the existing ones at the time.

No specific responsibilities are assigned to each member of the Board, within the Company's business segments.

The Company's Articles of Association establish that the Board of Directors appoints, if it so decides, one or more Managing Directors or an Executive Committee from amongst its members, to which it shall delegate the powers to manage the businesses that the Board may determine. The Board of Directors appointed an Executive Committee in 2008. Information on the Executive Committee can be found in section II.3 of this report.

The Board of Directors may also create specialised committees to ensure the effectiveness of the Non executive Directors and of the main Board Meetings. Those currently created are the Board Audit and Finance Committee and the Board Nomination and Remuneration Committee. Please refer to section II.4 for information on these committees.

According to the Company's Articles of Association, the Board of Directors meets at least once every quarter and, in addition, whenever the Chairman or two Board Directors convene a meeting. During 2008, the Board of Directors held nine meetings, with a 98% attendance rate.

The Board of Directors may only deliberate if a majority of their members is present or represented, and decisions will be taken by a majority of votes cast by members present, represented or voting in writing.

The functioning and other logistic issues are dealt with by the Board's Secretary, which also ensures that records of decisions taken are kept in minutes of meetings and provides Board members with support information for the proposed agenda at least five days in advance and always leaving a weekend between distribution and the respective meeting.

The Board of Directors approved and enacted its Terms of Reference, which are available for consultation on the Company's website (www.sonaecapital.pt).

In ascertaining the incompatibility rules applicable to the members of the Board of Directors, the Company relies solely on criteria established in paragraph 1 of Article 414-A of the Portuguese Company Law, and has not defined, internally, any other assessment criteria.

During 2008, members of the Board of Directors of Sonae Capital, SGPS, SA were paid the following remuneration and other compensation, exclusively at Sonae Capital, SGPS, SA level (Directors are not paid in any other Group company):

Values in Euro

| | Fixed Remuneration | Performance Bonus Paid | Deferred Performance Bonus Paid | Total |
|--------------------------------------|-----------------------|---------------------------|---------------------------------------|---------|
| Chairman and CEO ¹ | 256,195 | 82,067 | - | 338,262 |
| Other Executive Directors | 286,420 | 35,417 | 56,197 | 378,034 |
| Sub-total Executive Directors | 542,615 | 117,484 | 56,197 | 716,296 |
| Non executive Directors ² | 82,000 | - | - | 82,000 |
| Total | 624,615 | 117,484 | 56,197 | 798,296 |

¹ Previous years deferred performance bonuses were attributed to the Chairman and CEO by Sonae, SGPS, SA. These bonuses were paid in cash at year end 2007 by Sonae, SGPS, SA and the net proceeds were used to buy shares in Sonae Capital, SGPS, SA, thus exposing the Chairman and CEO to fluctuations in the value of the Company to best align his interest with the interests of the Company and of its shareholders.

² Part of this remuneration (40,000 euro) was only paid in March 2009, since it is linked to objectives of involvement in challenging strategic guidelines of particular businesses, which was only assessed after the year end by the Remuneration Committee.

During 2008, no compensation to former executive Directors was paid in relation to early contract termination nor was any compensation paid to the Company's Directors, on any basis, by other group companies. The Company has no supplementary pension retirement scheme set up for its Directors.

Executive Directors are included in the deferred performance bonuses plans based on shares, which are described in section III.6 of this report.

The Company has not defined any rules regarding payments should the duties cease during the respective mandate. In 2008, no such instances occurred and as a result no such payments were made. Any compensation occurring in the future will be that which results from applicable law.

Information on other offices held by the Company's Directors, qualifications and experience can be found in the curricula vitae included as an appendix to this report.

II.3 Executive Committee

The Board of Directors delegates to the Executive Committee the powers to manage the day-to-day operations of the Company and, regulates how the Executive Committee operates and how the delegated powers can be exercised. The Board of Directors does not delegate the following powers:

- To appoint the Chairman of the Board;
- To co-opt a member to the Board;
- To convene Shareholders' General Meetings;
- To approve the Annual Report and Accounts;
- To grant any pledges, guarantees or charges over the assets of the Company;
- To decide to change the Company's registered office or to approve any share capital increases;
- To decide on mergers, de-mergers, modifications to the corporate structure of the Company;
- To approve the portfolio management strategy;
- To approve the financial plan and any significant changes thereto.

The existing Executive Committee was appointed on 9 April 2008, and its office ceases with the Board's term of office (2010), and has the following members:

| Name | Position |
|----------------------------------|-------------------------|
| Belmiro Mendes de Azevedo | Chief Executive Officer |
| José Luís dos Santos Lima Amorim | Chief Financial Officer |
| Mário Pereira Pinto | Director |

The Company's Executive Committee meets once a month and whenever the Chief Executive Officer or the majority of its members convenes it, in writing, at least 3 days before the meeting is held. There were ten meetings during the year of 2008 with all of its members present in all meetings.

The Executive Committee may only deliberate if a majority of its members is present or represented, and decisions are taken by a majority of votes cast by members present, represented or voting in writing.

The Executive Committee meetings may also be attended by members of the Corporate team, at a Director's request, for assistance and advice on specific and revised issues.

The functioning of the Committee and other logistic issues are ensured by the Executive Committee's Secretary (who is also the Board of Directors' Secretary), who also ensures records of decisions taken are kept in minutes of the meetings and provides Committee members with support information for the proposed agenda at least five days in advance and always leaving a weekend between distribution and the respective meeting. The existence of a common Secretary to both governing bodies, ensuring information flows between them,

contributes to the timely supply of information and reduces misinterpretation of information requests, thus leading to more efficiency and effectiveness in the process.

II.4 Internal Committees

On a meeting held on 9 April 2008, the Board of Directors decided to appoint a Board Audit and Finance Committee (BAFC) and a Board Nomination and Remuneration Committee (BNRC), and their office ceases with the Board's term of office.

The BAFC is currently composed of two non executive independent Directors, Francisco de La Fuente Sánchez (Chairman) and Paulo José Jubilado Soares de Pinho.

The BAFC reviews Company's reports, financial information and financial statements, before they are approved by the Board, advises the Board on reports to shareholders and financial markets, on the adequacy and appropriateness of internal information provided by the Executive Committee, including internal business controls, and on compliance with best practices in corporate governance, and evaluates risk associated with the Company's activities on behalf of the Board. The BAFC meets directly with the Statutory External Auditors and the internal audit team.

The BAFC shall meet at least four times a year before the disclosure of the annual and interim results, and whenever it is convened by its Chairman, or the Board's Chairman or the Chief Executive Officer. During 2008, the BAFC held three meetings, with full attendance from its members.

The Secretary of the BAFC circulates agendas and support documents required to the members of the BAFC at least five days in advance and always leaving a weekend between distribution and the respective meeting, also ensuring records of decisions taken are kept in minutes of the meetings.

The Board Nomination and Remuneration Committee (BNRC) is composed of two non executive independent Directors, Rafael Cerezo Laporta (Chairman) and Pedro Manuel Bastos Mendes Rezende.

The BNRC reports and proposes to the Board of Directors on nomination processes and remuneration systems of executive and non executive Directors. To that end, it may take advice from external experts. This Committee also liaises with the Shareholders' Remuneration Committee, mentioned in section I.7 of this report.

The BNRC meets at least once a year, before the annual meeting of the Shareholders' Remuneration Committee. Due to the date of its appointment, no meeting was held during the year of 2008.

Specialised committees may only deliberate if a majority of their members is present or represented, and decisions will be taken by a majority of votes cast by members present, represented or voting in writing. The deliberations of the specialised committees are taken in an advisory role in support of decisions by the Board of Directors.

II.5 Fiscal Board

According to the Company's Articles of Association, the Fiscal Board shall be made of an odd or even number of members, with a minimum number of three members and a maximum number of five members, being the number of members decided by the Shareholders' General Meeting of the Company. One or two substitutes shall be appointed if the Fiscal Board is made up of three or more members, respectively.

The Fiscal Board appoints its Chairman if the Shareholders' General Meeting has not made such an appointment. If the Chairman ceases his/her functions before the end of his/her mandate, the remaining members shall choose amongst themselves who will perform those duties until the end of the mandate. Substitute member(s) shall replace effective member(s) who are unable or have ceased to exercise their functions, and shall remain member(s) until the next Shareholders' General Meeting which will appoint new members to fill any vacancy(ies). If there are no substitute members available, the Shareholders' General Meeting shall appoint new members.

As at 31 December 2008, the Fiscal Board had the following members, mandated for the four year period 2007-2010:

| Name | Position |
|----------------------------------|----------|
| Armando Luís Vieira de Magalhães | Chairman |
| Jorge Manuel Felizes Morgado | Member |
| Carlos Manuel Pereira da Silva | Member |

On 17 September 2008, João Manuel Gonçalves Bastos resigned as Chairman of the Fiscal Board, and this vacancy was filled by Carlos Manuel Pereira da Silva, the substitute member of the Fiscal Board at the time. Under the terms of the law and of the Fiscal Board's Terms of Reference, Armando Luís Vieira de Magalhães was elected Chairman of the Fiscal Board at a meeting held on 11 November 2008.

The members of the Fiscal Board are considered independent under the terms of number five article 414 of the Portuguese Company Law.

Under the Company's Articles of Association and the Fiscal Board's Terms of Reference, there are no restrictions as to the maximum number of positions that Fiscal Board members can hold simultaneously. The limitation foreseen in Portuguese Company Law that limits to five the number of positions that Fiscal Board members can hold simultaneously, are not applicable to law firms, statutory audit firms and individual statutory auditors. All the members of the Fiscal Board of the Company are individual statutory auditors.

The duties of the Fiscal Board are those determined by law, which include amongst others:

- Overseeing the Company's Board of Directors;
- Overseeing compliance with legal and regulatory requirements and the Company's Articles of Association;
- Overseeing the preparation and disclosure of financial information;

- Convening the Shareholders' General Meeting, whenever the Chairman of the General Meeting fails to do so in circumstances deemed necessary;
- Proposing the appointment of the Statutory Auditor to the Shareholders' General Meeting and overseeing the work performed by the Statutory Auditor on the Company's financial statements;
- Considering and overseeing the independence of the Statutory Auditor, namely in relation to additional services provided.

The Fiscal Board establishes, in the first meeting of each year, a work plan and timetable for the year.

To carry out its duties, the Fiscal Board:

- Obtains from the Board of Directors, namely through the Board Audit and Finance Committee, all the necessary information to carry out its duties, namely relating to the operational and financial performance of the Company, changes to its business portfolio, the terms of any transactions that have occurred and the details of decisions taken;
- Reviews and monitors, during the year, the work of the internal and external auditors, and informs the Board of Directors of its recommendations;
- Monitors the risk management system, and, if there are any material issues, prepares an annual report of its assessment and recommendations to the Board of Directors;
- Receives from the Board of Directors, at least two days before the date of the meeting, the annual consolidated and individual financial statements and the Report of the Board of Directors and reviews in particular main changes, relevant transactions and the corresponding accounting treatment applied;
- Receives from the Statutory Auditor, the statutory audit report on the financial statements, and reports its opinions and decisions taken;
- Records in writing communications of alleged irregularities that have been addressed to it, requesting information and clarification through the Board of Directors, and internal and/or external auditors, and prepares a report on its conclusions;
- Informs the Board of Directors about the procedures and checks carried out and the results thereof;
- Attends Shareholders' General Meetings;
- Carries out any other supervisory duties required by law.

The Fiscal Board issues an annual report on the supervisory work performed, as well as an opinion on the report of the Board of Directors, consolidated and individual financial statements and proposals presented by the Board of Directors, in order to meet the legal deadlines for presentation of those documents to the annual Shareholders' General Meeting. The Fiscal Board's report on annual activity is included in the annual reports made available on the Company's website (www.sonaecapital.pt).

The Fiscal Board approved and minuted its Terms of Reference, which are available for consultation on the Company's website (www.sonaecapital.pt).

In ascertaining the incompatibility rules applicable to the members of the Fiscal Board, the Company relies solely on criteria established in number one Article 414-A of the Portuguese Company Law, and has not defined, internally, any other assessment criteria.

During 2008, members of the Fiscal Board of Sonae Capital, SGPS, SA were paid the following fixed remuneration (no other remuneration was paid):

Values in Euro

| | Fixed Remuneration |
|--|--------------------|
|--|--------------------|

| | |
|--------------|--------|
| Fiscal Board | 25,600 |
|--------------|--------|

Information on other offices held by members of the Fiscal Board, qualifications and experience can be found in the curricula vitae included in an appendix to this report.

II.6 Statutory External Auditor

The Company's Statutory External Auditor for the period 2007 to 2010 is Deloitte & Associados, SROC, represented by António Marques Dias or by António Manuel Martins Amaral, elected by the Shareholders' General Meeting following the approval of a proposal made by the Fiscal Board.

During 2008, the total remuneration paid to Company's external auditors was 207,887 euro, corresponding to the following services:

Values in Euro

| | 2008 | % | 2007 | % |
|-----------------|----------------|--------------|----------------|--------------|
| Statutory Audit | 154,387 | 74.3 | 177,902 | 69.6 |
| Other Assurance | 8,500 | 4.1 | 50,000 | 19.6 |
| Tax Consultancy | 45,000 | 21.6 | 27,585 | 10.8 |
| Total | 207,887 | 100.0 | 255,487 | 100.0 |

In order to ensure the External Auditor independence, tax consultancy services and other services are provided by different teams from those involved in audit services.

II.7 Company's Secretary

The Board of Directors appointed Anabela Nogueira Matos and André Pinto Rocha as Company's Secretary and respective substitute, whose offices cease with the term of office of the members of the Board of Directors. The Company's Secretary's duties are those determined by law, among which are:

- Providing support to the Shareholders' General Meeting and meetings of the Board of Directors;
- Keeping the formal minute books, the attendance lists and the share registration book;
- Forwarding legal notices for all statutory bodies meetings;
- Certifying signatures made by members of the statutory bodies in Company's documents;

- Certifying the total or partial content of the Company's Articles of Association, as well as the identity of the members of the various statutory bodies and respective competences;
- Requesting legal registration of any act of the statutory bodies in the Commercial Registry.

II.8 Internal Control and Risk Management

One of the most important objectives of Sonae Capital is to ensure the implementation of internal control and risk management principles, which fit into the Group's activities. Market visibility, exposure and diversification of the businesses' risks and the increasing speed in information transmission, makes the adoption of these principles crucial to value creation and to compliance with ethical and social responsibility values. These objectives are pursued through coordinated plans and systems aimed at controlling uncertainties, preventing errors and irregularities from occurring, minimizing their consequences and maximizing the organisation's performance and the fairness of its information, and comprise the following activities:

- Internal control policies and procedures;
- Risk management and internal audit;
- External audit.

Internal control policies and procedures are set at both corporate and business levels, pursuing:

- An adequate segregation of functions;
- Authority and responsibility frameworks;
- Safeguard of Group's asset base;
- Control, legal compliance and appropriateness of operations;
- Execution of corporate plans and policies;
- Integrity and accuracy of accounting records;
- Effectiveness of management and quality of information produced.

Risk management, as a support to Sonae Capital's corporate culture, is inherent in all management processes and is a permanent concern of all managers and employees of the Group. Risk management aims to create value and is one of the components of companies' sustainable development through the identification, management and control of uncertainties and threats that may affect the different businesses, in order to ensure that they operate on a going concern basis of operations and benefit from business opportunities.

Internal audit, resulting from and supporting the Risk management process, means assisting in value creation, through a systematic and structured approach to the development and assessment of management effectiveness and control of risks associated with business processes and information systems.

The risk management and internal audit functions are centrally coordinated by a single functional responsible person, Sonae Capital's corporate centre, and its activities are reported, coordinated and followed up by the Board Audit and Finance Committee. Following the spin-off of Sonae Capital, the year of 2008 was crucial to the organisation of these functions and to the carrying out of resulting activities.

The risk management function promotes, coordinates, facilitates and supports the development of risk management processes. In 2008, the Company launched a process relying on an uniform and systematic methodology based on the international model of Enterprise Risk Management – Integrated Framework of COSO (The Committee of Sponsoring Organisations of the Treadway Commission), which comprises, amongst others, the following:

- Identification and systematization of risks that affect the organization (common language);
- Definition and grouping of risks (dictionary and risk matrix);
- Evaluation and attribution of the significance and priority of risks, according to the impact on business objectives and probability of occurrence;
- Identification of the causes of most important risks (critical);
- Evaluation of risk management's strategies (options);
- Development of risk management's plan of actions and integration in the planning and management processes at the business units and functional levels;
- Monitoring and reporting of progress on the implementation of the plan of actions.

In view of the wide range of businesses and risks, this approach was firstly applied to the Fitness business, and will be followed by the implementation, in 2009, of the resulting plan of actions, with particular focus on Health & Safety, Cleanliness and Information Systems' risks. This approach is expected to be applied in 2009 to the entire Troiaresort project, including the implementation of a plan of actions, which will be followed by the implementation of this framework to all Sonae Turismo's affiliates.

Risk management activities were planned and carried out with respect to other critical areas:

- Tourism – Operations: Emergency procedures and food safety;
- Troiaresort: Environment and physical security in construction works;
- Tourism – Development: Physical security in construction works.

At Sonae Capital, the integrity and reliability of financial information is achieved by the existence of a clear distinction between producers and users of such information and also by performing several validation procedures throughout the process of its production and disclosure.

At the business level (individual companies), accounting processes and financial statement preparation are assured by the administrative services of Sonae Capital. These statements are also reviewed by the Chief Financial Officer of each business area.

Sonae Capital's consolidated financial statements are prepared on a quarterly basis by the consolidation department, within the administrative services of the Company's corporate centre. This represents an additional validation level of the integrity and reliability of the financial information, namely by ensuring the uniform application of accounting principles and standards across the individual companies.

The Statutory Auditors perform an annual audit and half year limited review of individual and consolidated financial statements. In performing their examination, in accordance with the Auditing Standards issued by the Portuguese Institute of Statutory Auditors, they are required

to obtain a reasonable assurance, in the annual audit, and a moderate assurance, in the half year limited review, that financial statements are free from material misstatement. Such examination includes verifying, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Significant estimates and judgements made by management in their preparation are also assessed. Verification is also made of whether the accounting policies are appropriate, are consistently applied and adequately disclosed.

The Reporting and Investor Relations department is responsible for preparing the Report of the Board of Directors. The Statutory Auditors also review the content of this report (annual and semi-annual versions) and its conformity with supporting financial information.

In addition, in relation to the preparation of consolidated financial information and the Report of the Board of Directors, the whole process is overseen by the Fiscal Board and the Board Audit and Finance Committee. On a quarterly basis, these Bodies meet and review the consolidated financial statements and Report of the Board of Directors. Supporting information for the discussion of these issues is distributed in advance of the meetings. The Chief Financial Officer and supporting staff also attend these meetings, on request, to present the necessary clarifications.

The Statutory Auditors also present to the Fiscal Board and the Board Audit and Finance Committee, a summary of the main findings resulting from their examination of the companies' financial information.

Sonae Capital is exposed to a variety of financial risks namely interest rates, transaction and translation foreign currency exchange rates, liquidity, counterparty and credit risk, commodity and raw material prices, and debt and equity financial market fluctuations. Sonae Capital's financial risk management policy seeks to minimize potential adverse effects of the volatility of financial markets.

The current situation of financial markets places liquidity risk management at the forefront of companies' concerns. To that end, the comprehensive set of systems established at Sonae Capital ensures the compliance of payment obligations and the funding of its businesses and strategy.

The abovementioned systems comprise the centralisation (at holding level) of liquidity management, financial planning based on cash flow forecasts, treasury and cash management control instruments, diversification of sources and counterparts of funding, adjustment of debt maturity profiles to businesses cash flow generation and an adequate level of liquidity through contractual arrangements with relationship banks.

Sonae Capital's attitude towards financial market risk management is conservative and cautious, sometimes using derivative instruments to hedge certain exposures related to its operating businesses. The Company does not therefore enter into derivatives or other financial instruments that are unrelated to its operating businesses.

Management of financial risks is performed and monitored by the corporate finance function. The activity of the finance function is also reported, coordinated and followed up by the Board Audit and Finance Committee.

The Internal Audit function promoted activities according to an annual plan previously approved and based on a previous evaluation of business risks. This plan included work in business processes, compliance and information systems, namely in Sonae Turismo's businesses, including the following:

Processes

TroiareSORT: Sales of real estate and investment;
Hotel business: Purchases and Payments, fixed assets management and cash management;
Fitness: Purchases and payments;
Selfrio Group: Invoicing and collections.

Compliance

Fitness: Monitoring the activity.

Information systems

Fitness: Operational systems;
Sonae Capital: Software licensing.

Sonae Capital encourages continued education and the adoption of best international methodologies and practices in Risk Management and Internal Audit. To that end, the Group supports attendance at training and update programmes, which include the international professional certification in Internal Audit promoted by the IIA – The Institute of Internal Auditors – the Certified Internal Auditor (CIA). Two of the three members of the Internal Audit team are Certified Internal Auditors.

II.9 Whistle Blowing Policy

The main features of the whistle blowing policy fully implemented in 2009, entail:

- The definition of irregularities, which for the purpose of the Company's Policies and Procedures for the Communication of Irregularities are facts that infringe or severely damage:
 - Compliance with legal, regulatory or ethical principles by members of the Company's statutory bodies and staff or of its affiliated companies, in the course of their professional activity;
 - Assets of the Company and of its affiliated companies, as well as assets of clients, shareholders, suppliers and commercial partners of the Company or any of its affiliated companies;
 - Good management practices and the image or reputation of the Company or of any of its affiliated companies;
- The procedures for communicating irregularities, namely the envisaged means to address the Chairman of the Fiscal Board, the procedures to ensure that communication reaches the recipient without being breached or read in advance and the need for the explicit and clear identification of the whistle blower (even if his/her identity is to be kept confidential and only known to the Chairman of the Fiscal Board);

- To ensure a thorough, rigorous and impartial review process, means the access of the Fiscal Board to all the relevant documentation that can be provided by the Company to fully investigate the reported irregularities and the prevention from access to the review process of any individual that, even indirectly, may have a conflict of interest with the disclosure of the review process;
- The handling of irregularities, particularly the fast and effective treatment of such communications, the implementation of corrective measures when necessary and the need to inform the whistle blower of such facts;
- The proposal of the Fiscal Board to the statutory bodies of the Company or to the statutory bodies of any affiliated company, when deemed necessary, for the adoption of measures considered necessary to suppress irregularities investigated;
- The assurance that no harm will be suffered as a consequence of the whistle blowing activity as long as the whistle blower has not participated in or made up any irregularity.

The Company's Policy and Procedures, whose main features are summarized above, are available for consultation on the Company's website (www.sonaecapital.pt).

II.10 Remuneration and Other Compensation

The compensation policy of the members of the Statutory Governing Bodies of Sonae Capital, SGPS, SA was approved at the Shareholder's General Meeting held on 9 April 2008.

The proposed policy is based on the understanding that initiative, effort and commitment are essential foundations for delivering good performance. It also aims at aligning individual contributions with the Company's strategic objectives, focussing primarily on performance compensation.

Under these guidelines, fixed remuneration is primarily linked to personal skills and the responsibility level inherent to each function, while variable remuneration is linked to the level of success achieved by the Company as well as by the companies managed by each individual.

The Company's remuneration policy does not foresee any compensation for ending the mandate of any Board member before its completion. In these cases, compensations will be the ones resulting from applicable law.

The compensation policy approved by the Shareholders' General Meeting for the period from 2007 to 2010 follows these guiding principles:

Executive Directors

a) the compensation policy for Executive Directors includes three components: (i) a Fixed Remuneration, established on an annual basis, (ii) a Short Term Variable Bonus, established on the first quarter of the following year to which it relates, and (iii) a Medium/Long Term Variable Bonus, with the aim of aligning Executive Directors interests with those of all shareholders, attributed annually, discretionary and with deferred payment;

b) Individual compensation considers that (i) the definition of each Executive Director's fixed remuneration is based on personal skills and the responsibility level inherent to each function. This remuneration will be based on the Company situation and market practices; (ii) the Short Term Variable Bonus is based on the achievement of predefined objectives, based on performance indicators of the business and of the teams under their responsibility, as well as to individual performance indicators; (iii) the Medium/Long Term Bonus is based on the responsibility inherent to each function and on individual skills, and on the achievement of predefined objectives, which are linked to performance indicators, and may be converted into Sonae Capital shares or its equivalent in cash on the date of payment, calculated using the share market price on the due date.

For additional information on the share based payments of Sonae Capital please refer to section III.6 of this report.

Non Executive Directors

The remuneration of Non Executive Directors is made up of a fixed amount which is based on the Company situation and market practices.

Fiscal Board

The remuneration of members of the Fiscal Board is made up of a fixed amount which is based on the Company situation and market practices.

Board of the Shareholders' General Meeting

Remuneration of the members of the Board of the General Shareholders' Meeting is made up of a fixed amount, based on the Company situation and market practices.

For the consideration paid as remuneration to each of the statutory bodies, refer to the corresponding section in this report.

III. Information disclosure

III.1 Share Capital structure

Sonae Capital was incorporated on 14 December 2007 with a fully subscribed and paid up share capital of 250,000,000 euro, made up of 250,000,000 ordinary shares, bearer and non-titled, each with a nominal value of 1 euro.

All shares of Sonae Capital were admitted to trading on Euronext Lisbon regulated market on 28 January 2008.

According to the Company's Articles of Association, shares can be titled or non-titled shares, nominal or bearer, freely interchangeable, according to the terms of the law. Preferential shares without voting rights may be issued, which can be redeemable, at nominal value, with or without the addition of a premium, if the Shareholders' General Meeting so decides. If this is the case, the meeting shall determine the method of calculation of any redemption premium. The Company may issue autonomous warrants, under the terms of the law, and with

conditions that are determined by resolution of the shareholders or of the Board of Directors, under the terms specified in the Articles of Association.

Sonae Capital's shareholders have, under the terms of the law, the right to share in profits, the right to attend the Shareholders' Annual General Meeting and exercise their right to vote, the right to a share of the net assets of the Company in case of liquidation, the right to convert shares, the right to information and preference rights in offers for subscribing shares of the same category.

As far as the Company is aware, there are no shareholders with special voting rights, nor are there limitations, restrictions or shareholders' agreements in place regarding the transfer, control or sale of shares or voting rights.

Resolutions at the Shareholders' General Meeting regarding changes to the Articles of Association can only be taken, at the first instance, as long as shareholders representing over fifty percent of the share capital are present or represented (the law establishes a threshold of one third of the share capital). The resolution must be approved by two thirds of the votes cast, whether the meeting is held at first or second instance. The Articles of Association of the Company only allow votes in writing in respect of alterations to the Articles of Association and the election of members to the statutory bodies.

Sonae Capital does not have an employee shareholder system in place, hence there are no control mechanisms for such systems in which the voting rights are not directly exercised by them.

III.2. Qualifying Shareholdings

As at 31 December 2008, the shareholders, that in accordance with article 20 of the Securities Code, held qualifying shareholdings representing at least 2% of the share capital of Sonae Capital, were the following:

| Shareholder | Nr. Shares Held | % Share Capital | % Voting Rights |
|--------------------------------|-----------------|-----------------|-----------------|
| Efanor Investimentos, SGPS, SA | 139,904,947 | 55.962% | 55.962% |
| Banco BPI, S.A. | 22,589,704 | 9.036% | 9.036% |
| Mohnish Pabrai | 17,166,440 | 6.867% | 6.867% |

During the year, main changes to qualifying shareholdings were as follows:

- Efanor Investimentos, SGPS, SA informed about its qualifying shareholding of 138,890,609 shares (55.5562% of voting rights) on 1 February 2008. Since then it increased its position to 139,904,947 shares (55.962% of voting rights);

- Banco BPI informed about its qualified shareholding of 22,589,704 shares (9.036% of voting rights) on 2 February 2008. No changes have been reported since that date;
- Mohnish Pabrai informed about its qualified shareholding of 17,166,440 shares (6.8666% of voting rights) on 23 June 2008. No changes have been reported since that date.

III.3 Shares held by members of Governing Bodies

In accordance and for the purposes of article 447 of the Portuguese Company Law, the number of shares held by members of the Governing Bodies as at 31 December 2008 was as follows:

| Governing Bodies | Nr. Shares Held |
|-------------------------------------|--------------------|
| Board of Directors | |
| Belmiro Mendes de Azevedo | 838,862 |
| José Luís dos Santos Lima Amorim | 8,125 ¹ |
| Mário Pereira Pinto | 8,125 ¹ |
| Francisco de La Fuente Sánchez | 2,500 ¹ |
| Rafael Cerezo Laporta | - |
| Paulo José Soares Jubilado de Pinho | 12,650 |
| Pedro Manuel Bastos Mendes Rezende | - |
| Fiscal Board | |
| Armando Luís Vieira de Magalhães | - |
| José Manuel Felizes Morgado | - |
| Carlos Manuel Pereira da Silva | - |

¹ Shares held indirectly by companies in which the Director is a member of the governing bodies.

During 2008, transactions of Sonae Capital's shares attributable to members of the Governing Bodies were as follows:

| Governing Bodies | Date | Transactions | | | Shares held at 31 December 2008 |
|-------------------------------------|------------|--------------|-----------|------|---------------------------------|
| | | Nr. Shares | Price (€) | Type | |
| Board of Directors | | | | | |
| Belmiro Mendes de Azevedo | | | | | 838,862 |
| | 28.01.2008 | 1,862 | - | C | |
| | 01.02.2008 | 160,000 | 1.84 | P | |
| | 04.02.2008 | 150,000 | 1.83 | P | |
| | 05.02.2008 | 350,000 | 1.78 | P | |
| | 06.02.2008 | 177,000 | 1.76 | P | |
| José Luís dos Santos Lima Amorim | | | | | 8,125 ¹ |
| | 28.01.2008 | 8,125 | - | C | |
| Mário Pereira Pinto | | | | | 8,125 ¹ |
| | 28.01.2008 | 8,125 | - | C | |
| Francisco de La Fuente Sánchez | | | | | 2,500 ¹ |
| | (a) | 2,500 | | | |
| Paulo José Jubilado Soares de Pinho | | | | | 12,650 |
| | (a) | 4,650 | | | |
| | 10.06.2008 | 3,000 | 1.35 | P | |
| | 22.09.2008 | 2,000 | 0.83 | P | |
| | 16.12.2008 | 3,000 | 0.50 | P | |

¹ Shares held indirectly by companies in which the Director is a member of the governing bodies.

P: Purchase

S: Sales

C: Conversion of demerger rights

(a) Shares held at appointment date

III.4 Sonae Capital Shares

Sonae Capital's share information:

Name: Sonae Capital, SGPS, SA

Security's issuer: Sonae Capital, SGPS, SA

Listing date: 28 January 2008

Share capital: 250,000,000 €

Listed amount: 250,000,000 shares

Treasury stock: The Company does not own treasury stock

ISIN code:

PTSNP0AE0008

NYSE Euronext:

SONC

Reuters:

SONAC LS

Bloomberg:

SONC.PL

Since the first day of trading until the end of the year, Sonae Capital's share price decreased 69.4%. In the same period, the Portuguese Stock Market reference index (PSI20) decreased 42.8%.

The following table and chart summarizes the most relevant information on the Sonae Capital shares traded in Euronext Lisbon.

| Euronext Lisbon | Since 28.01.08 until 31.12.08 |
|------------------------|--------------------------------------|
|------------------------|--------------------------------------|

Closing prices

| | |
|---------------------------|--------|
| First day of trading | 1.44 € |
| Maximum price (4 Feb.08) | 1.83 € |
| Minimum price (31 Dec.08) | 0.44 € |
| 31 December 2008 | 0.44 € |

Transactions

| | |
|------------------------|-------------|
| Average daily quantity | 862,404 |
| Total shares traded | 205,252,193 |

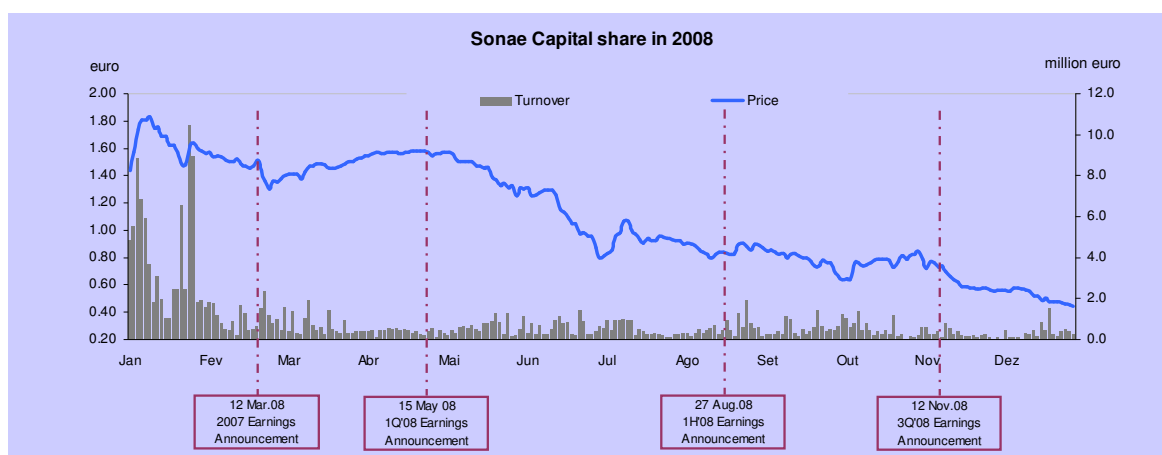
Turnover

| | |
|---------------------------------------|-------|
| Total (million euro) | 273.9 |
| Average daily turnover (million euro) | 0.95 |

Market Capitalisation (a)

| | |
|-----------------------------|---------------|
| Year end (31 December 2008) | 110,000,000 € |
|-----------------------------|---------------|

^(a) Market capitalisation was calculated using the total number of shares.



During 2008, and further to the earnings disclosure highlighted in the previous graph, the following corporate events were announced to the market.

List of material events

3 January 2008

Agreement for the sale of the whole of the shareholding in Contacto – Sociedade de Construções, SA to Soares da Costa, Construção, SGPS, SA.

21 February 2008

Contractual sale of the whole of the shareholding in Contacto – Sociedade de Construções, SA to Soares da Costa, Construção, SGPS, SA, following the terms of the initial agreement of 3 January 2008. The sales price was settled at 81.5 million euro, generating a cash inflow of 17.5 million euro.

3 March 2008

SC, SGPS, SA, a wholly owned subsidiary of Sonae Capital, SGPS, SA completed an unsecured bond issue of 50 million euro, with a tenor of 10 years and a put option exercisable from the end of the eighth year onwards.

31 March 2008

Sale of 12.25% of the share capital of Spinveste – Promoção Imobiliária, SA and 12.25% of the share capital of Spinveste – Gestão Imobiliária, SGII, SA for 5 million euro, to Espimaia (owned by former Sonae managers). Additionally, a call option was granted to Espimaia for the remaining shareholding in both companies, to be exercised up to 31 December 2011. This transaction implied a net asset valuation of 40.08 million euro.

1 April 2008

Agreement reached with Salvador Caetano Auto, SGPS, SA about the terms for the definitive sale of the shareholding of 50% in Choice Car, SGPS, SA for a total price of 12.5 million euro.

9 April 2008

Disclosure of resolutions approved on the Shareholders' General Meeting, including an increase in the number of members of the Board of Directors from 3 to 7 and election of new members to fill vacant positions in the Board of Directors, until the end of the current mandate.

Disclosure of resolutions of the Board of Directors, namely appointment of an Executive Committee and appointment of a Board Audit and Finance Committee and a Board Nomination and Remuneration Committee.

5 May 2008

Negotiation of the end of the agreement regarding the phased disposal of its entire shareholding in Elmo, SGPS, SA, company that controls 100% of Plysorol, SAS and its subsidiaries.

14 May 2008

Promissory purchase and sale agreement signed with a company wholly owned by Hagen Imobiliária, SA for the sale of a parcel of land where the Hotel Resort, within the Troiaresort project, will be built. The promissory sale will have an estimated positive impact of 13 million euro on the consolidated results of Sonae Capital, to be recognized on the date of the definitive sale agreement.

11 June 2008

Announcement of notification made by the French Competition Authority ("*Conseil de la Concurrence*") to Plysorol to pay a fine of around 4.2 million euro on charges of price coordination during the period between 1995 and 2004 and of using a common price list from 1987 to 2004.

2 September 2008

Announcement of the completion of the sale of Choice Car, SGPS, SA. The sales price was 12.5 million euro with the corresponding gain of 9 million euro impacting the 2008 consolidated results of Sonae Capital.

30 September 2008

Contacto Concessões, SGPS, SA, an affiliate of Sonae Capital, SGPS, SA, acquired from Eiffage, SA and its subsidiaries 5,500 shares, representing 11% of the share capital of Norscut – Concessionária de Auto-estradas, SA, increasing its shareholding in this company from 25% to 36%.

25 November 2008

Sonae Capital, SGPS, SA informed about the opening of rehabilitation proceedings of Plysorol, SAS.

2 December 2008

Sonae Capital, SGPS, SA informed about the Court decision regarding the rehabilitation proceedings of Plysorol, SAS.

4 December 2008

Disposal of several retail real estate assets, with an estimated positive impact of circa 0.9 million euro in the 2008 consolidated results of Sonae Capital.

III.5 Dividend Distribution

The 2007 profit appropriation proposal subscribed by the Company's Board of Directors, was approved in the Shareholders' General Meeting held on 9 April 2008. The 2007 net loss was thus transferred to retained earnings and no dividends were distributed. The Company was incorporated in December 2007, hence there is no history of dividend distribution.

The Board of Directors will not propose a dividend distribution in the next Shareholders' General Meeting.

In the future, the Board of Directors may submit proposed dividend distributions for approval by the Shareholders' Annual General Meeting, after taking into consideration the Company's performance, its investment plans and business environment.

III.6 Share Plans and Stock Option Plans

During the 2008 financial year, the Company did not adopt any share allotment plans or stock option plans.

In 2007 and previous years, the Sonae Capital Group granted deferred performance bonuses, based on shares of Sonae SGPS, SA to be acquired at nil cost, three years after they were attributed. 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, and the option can only be exercised if the employee still works for the Sonae Capital Group on the vesting date. On 28 January 2008, existing liabilities based on Sonae SGPS, SA's shares have been recalculated to reflect liabilities based on Sonae Capital, SGPS, SA's shares. Closing share prices as at that date were used in the recalculation.

As at 31 December 2008 and 31 December 2007, the market value of total liabilities arising from share-based payments, which have not yet vested, may be summarized as follows:

| Year of grant | Vesting year | Number of participants | Fair value | |
|---------------|--------------|------------------------|------------|-----------|
| | | | 31 Dec.08 | 31 Dec.07 |
| 2005 | 2008 | 0 | - | 573,543 |
| 2006 | 2009 | 6 | 73,981 | 267,377 |
| 2007 | 2010 | 5 | 49,081 | 218,103 |
| 2008 | 2011 | 7 | 120,607 | - |
| Total | | | 243,668 | 1,059,023 |

III.7 Related Party Transactions

The business dealings or transactions with members of the Board of Directors or holders of qualified shareholdings, made on an arms length basis, amounted to 962,802 euro, broken down as follows:

- 921,335 euro related with the sale of the company Águas Furtadas – Imobiliária, SA (76,616 euro) and respective intercompany loans (844,719 euro) to an affiliate of Efanor Investimentos; and
- 41,467 euro related with income from rentals.

There were no business dealings with Fiscal Board members.

Transactions with the Statutory Auditor were solely those related to his official duties, and the fees paid are described in section II.6 of the current report.

Transactions with holding companies, affiliates or group companies were not material and were made on an arms length basis as part of the normal business activity of the Company and, as such, do not require further disclosure.

III.8 Investor Relations Office

Sonae Capital, SGPS, SA, via its Investor Relations Office maintains constant contact with investors and analysts by providing up to date information. In addition, on request, it provides clarification of relevant facts about the Company's activities, as already disclosed under the terms of law.

The objective of the Investor Relations Office of Sonae Capital, SGPS, SA is to ensure adequate relations with shareholders, investors, analysts, as well as with financial markets, particularly, with Euronext Lisbon and with the Portuguese Securities Market Commission (CMVM).

In addition to the information about the Company available on the Company's official website, the Investor Relations Office of Sonae Capital, SGPS, SA, supplies, whenever necessary, all relevant information related to material events and answers queries from shareholders, investors, analysts and general public about financial indicators and different business areas' information available to the public.

In strict compliance with law and regulations, the Company informs expeditiously its shareholders and the capital markets in general of all relevant facts concerning its activities, avoiding delays between their occurrence and disclosure.

Information is made publicly available through the Information Disclosure System of the Portuguese Securities Market Commission (www.cmvm.pt) and on the Company's own website (www.sonaecapital.pt).

The Investor Relations Office can be contacted at: Telephone: +351 22 010 79 03; Fax: +351 22 010 79 35; E-mail: ir@sonaecapital.pt; Address: Lugar do Espido, Via Norte, Apartado 3053, 4471-909 Maia. The Investor Relations Manager is Pedro Capitão, who can be contacted using the above numbers and address.

The Legal Representative for Capital Market Relations is José Luís dos Santos Lima Amorim (Telephone: +351 22 010 79 03; Fax: + 351 22 010 79 35; E-mail: jamorim@sonaecapital.pt).

Sonae Capital makes available a website for disclosing corporate information about the Company. The website address is: <http://www.sonaecapital.pt>

In order to create greater interaction with shareholders and investors, the website contains a section entirely devoted to Investor Relations and information available includes:

- **Corporate Details** – General information about the Company;
- **Articles of Association**;
- **Corporate Governance** – Members of the Corporate Bodies, Terms of Reference of the Board of Directors and of the Fiscal Board, Corporate Governance Reports and Whistle Blowing Policy;
- **Capital Market Relations** – Contacts of the Representative for Capital Market Relations;
- **Investor Relations Office** – Contacts of the Office;
- **Investor Calendar** – Key dates for earnings announcements;
- **General Meetings** – Describes all procedures and includes all related documents (notices, proposals, participation and voting conditions and decisions);
- **Market Information** – Sonae Capital share price, tracked against PSI20 and with the possibility to download historical data;
- **Announcements** – All press-releases disclosed to the market (CMVM site);
- **Report & Accounts** – Annual Report & Accounts available in PDF format;
- **Other Reports & Presentations** – Institutional Presentation (updated every 6 months), Cushman & Wakefield Property Valuation Report and the Prospectus for the Listing;
- **Analysts** – List of equity analysts covering Sonae Capital.

The Company believes that through these procedures it ensures permanent contact with the market and respect for the principles of equal treatment of shareholders and equal access to information by investors.



Maia, 25 March 2009

The Board of Directors

Belmiro Mendes de Azevedo

José Luís dos Santos Lima Amorim

Mário Pereira Pinto

Francisco de La Fuente Sánchez

Rafael Cerezo Laporta

Paulo José Jubilado Soares de Pinho

Pedro Manuel Bastos Mendes Rezende



Appendix to the Corporate Governance Report

Curricula Vitae of the Members of the Governing Bodies

Belmiro Mendes de Azevedo

Chairman and CEO of Sonae Capital, SGPS, SA



Age: 71

Nationality: Portuguese

Education:

- Graduation in Chemical Engineering - Porto University (1963)
- PMD (Programme for Management Development) - Harvard Business School (1973)
- Financial Management Programme - Stanford University (1985)
- Strategic Management - Wharton University (1987)

Positions held in Group Companies:

Chairman of the Board of Directors of the following companies:

- SC, SGPS, SA
- Sonae Turismo, SGPS, SA
- Spred, SGPS, SA
- Selfrio, SGPS, SA

Positions held in Other Companies:

- Member of the EGP-UPBS (University of Porto Business School) General Board
- Member of the Management Board of COTEC - Portugal
- Founding Member of Manufuture Portugal Forum
- Member of the Harvard Business School European Advisory Board
- Member of WBCSD - Order of Outstanding Contributors to Sustainable Development
- Member of the International Advisory Board of Allianz AG
- Member of the European Union Hong-Kong Business Cooperation Committee
- Sole Director of BA - Business Angels, SGPS, SA
- Chairman of the Board of Directors of the following companies:
 - Efanor Investimentos, SGPS, SA
 - Sonae, SGPS, SA
 - Sonae Indústria, SGPS, SA
 - Casa Agrícola de Ambrães, SA
 - Praça Foz - Sociedade Imobiliária, SA
 - Setimanale – SGPS, SA

Main Professional activities in the last five years:

- 1999-2007 - Chairman and CEO of Sonae, SGPS, SA
- Since 2003 - Chairman of the Board of Directors of Sonae Indústria, SGPS, SA
- Since 2007 - Chairman of the Board of Directors of Sonae, SGPS, SA

José Luís dos Santos Lima Amorim
Executive Director of Sonae Capital, SGPS, SA



Age: 52

Nationality: Portuguese

Education:

- Graduation in Economics - Faculdade de Economia, Porto University (1978)
- Member of the Statutory Auditors Institute (since 1982)

Positions held in Group
Companies:

Chairman of the Board of Directors of the following companies:

- Aquapraia - Investimentos Turísticos, SA
- Bloco Q - Sociedade Imobiliária, SA
- Bloco W - Sociedade Imobiliária, SA
- Casa da Ribeira - Hotelaria e Turismo, SA
- Centro Residencial da Maia, Urbanismo, SA
- Country Club da Maia - Imobiliária, SA
- Elmo, SGPS, SA
- Empreendimentos Imobiliários Quinta da Azenha, SA
- Imoarea - Investimentos Turísticos, SGPS, SA
- Imoclub - Serviços Imobiliários, SA
- Imoferro - Sociedade Imobiliária, SA
- Imohotel - Empreendimentos Turísticos Imobiliários, SA
- Imosedas - Imobiliária e Serviços, SA
- Insulatroia - Sociedade Imobiliária, SA
- Marimo - Exploração Hoteleira e Imobiliária, SA
- Marmagno - Exploração Hoteleira e Imobiliária, SA
- Marvero - Exploração Hoteleira e Imobiliária, SA
- Praedium - SGPS, SA
- Praedium II - Imobiliária, SA
- Praedium III - Serviços Imobiliários, SA
- Prédios Privados - Imobiliária, SA
- Predisedas - Predial das Sedas, SA
- S.I.I - Soberana - Investimentos Imobiliários, SA
- SC - Engenharia e Promoção Imobiliária, SGPS, SA
- Sodesa - Comercialização de Energia, SA
- Solinca - Investimentos Turísticos, SA
- Solinca III - Desporto e Saúde, SA
- Soltróia - Sociedade Imobiliária de Urbanização e Turismo de Tróia, SA
- Torre São Gabriel, Imobiliária, SA
- Tróia Market - Supermercados, SA
- Troiaresort - Investimentos Turísticos, SA
- Troiaverde - Exploração Hoteleira e Imobiliária, SA
- Tulipamar - Exploração Hoteleira e Imobiliária, SA

- Urbisedas - Imobiliária das Sedas, SA
- Venda Aluga - Sociedade Imobiliária, SA
- World Trade Center Porto, SA

Member of the Board of Directors of the following companies:

- Box Lines - Navegação, SA
- Change, SGPS, SA
- Contacto Concessões, SGPS, SA
- Cronosaúde - Gestão Hospitalar, SA
- DMJB - SGPS, SA
- Edifícios Saudáveis Consultores - Ambiente e Energia em Edifícios, SA
- Etablissement A. Mathe, SA
- Imopenínsula - Sociedade Imobiliária, SA
- Imoponte - Sociedade Imobiliária, SA
- Imoresort - Sociedade Imobiliária, SA
- Inparvi, SGPS, SA
- Integrum - Edifícios Sustentáveis, SA
- Interlog, SGPS, SA
- Invesaúde - Gestão Hospitalar, SA
- Investalentejo, SGPS, SA
- Marina de Tróia, SA
- Norscut - Concessionária de Auto Estradas, SA
- Pargeste, SGPS, SA
- Promessa - Sociedade Imobiliária, SA
- Saúde Atlântica - Gestão Hospitalar, SA
- SC - Insurance and Risk Services, SGPS, SA
- SC - Sociedade de Consultadoria, SA
- SC, SGPS, SA
- Sete e Meio - Investimentos e Consultadoria, SA
- Sete e Meio Herdades - Investimentos Agrícolas e Turismo, SA
- Solinfitness Club Málaga, SL
- Sonae Financial Participations, BV
- Sonae Turismo - Gestão e Serviços, SA
- Sonae Turismo - SGPS, SA
- Sontur, BV
- Sopair, SA
- Spinarq - Arquitectura e Projectos, SA
- Spred - SGPS, SA
- TP - Sociedade Térmica Portuguesa, SA
- Vistas do Freixo - Empreendimentos Turísticos e Imobiliários, SA

Member of the Management Board of the following companies:

- Aqualuz - Turismo e Lazer, Lda
- Marinamagic - Exploração de Centros Lúdicos e Marítimos, Lda

Positions held in Other Companies:

Member of the Board of Directors of Change Partners, SCR, SA

Main Professional activities in the last five years:

- 1999-2007 - Head of Planning and Control at Sonae SGPS, SA
- 1999-2007 - Secretary to the Board of Directors and Executive Committee of Sonae, SGPS, SA
- 2001-2007 - Head of Investor Relations of Sonae, SGPS, SA

Mário Pereira Pinto

Executive Director of Sonae Capital, SGPS, SA



Age: 57

Nationality: Portuguese

Education:

- Graduation in Economics - Faculdade de Economia, Porto University (1975)
- Advanced Management Programme - INSEAD, Fontainebleau (1989)

Positions held in Group Companies:

Chairman of the Board of Directors of Change, SGPS, SA

Member of the Board of Directors of the following companies:

- Edifícios Saudáveis Consultores - Ambiente e Energia em Edifícios, SA
- Integrum - Edifícios Sustentáveis, SA
- Norscut - Concessionária de Auto Estradas, SA
- Pargeste, SGPS, SA
- SC, SGPS, SA
- Sodesa - Comercialização de Energia, SA
- TP - Sociedade Térmica Portuguesa, SA

Positions held in Other Companies:

Chairman of the Board of Directors of the following companies:

- Change Partners, SCR, SA
- Change Partners I, SGPS, SA
- Glomack - SGPS, SA

Member of the Board of Directors of the following companies:

- BA - Glass, SA
- CEV - Biotecnologia de Plantas Consumo em Verde, SA

Member of the Management Board of the following companies:

- CPartners, Serviços de Apoio à Gestão, Unipessoal, Lda
- PSISA - Consultores, Lda

Chairman of the Fiscal Board of Estoril-Sol, SGPS, SA

Main Professional activities in the last five years:

- Since 2002 - Chairman of Change Partners, SCR, SA

- 
- 2004-2007 - Chairman of BCSD Portugal - Business Council for Sustainable Development
 - 2006-2007 - Non executive Vice-Chairman of the Board of Directors of Efacec Capital, SGPS, SA
 - Since 2000 - Non executive Director of the Portugal-Africa Foundation
 - Since 2001 - Member of the Consulting Council of APDC – Associação Portuguesa para o Desenvolvimento das Comunicações
 - Since 2002 - Member of the Curators Council of the Luso-Spanish Foundation
 - Since 2003 - Member of the Ibero America Forum
 - Since 2004 - Member of the Consulting Council of the Portuguese Institute of Corporate Governance
 - Since 2004 - Member of the Curators Council of the Luso-Brazilian Foundation
 - Since 2005 - Member of the Consulting Council of the Competitiveness Forum
 - Since 2005 - Member of the Patronage of Hidroeléctrica del Cantábrico, SA
 - Since 2006 - Member of the Supervisory Board of Millennium BCP - Banco Comercial Português
 - Since 2007 - Chairman of the Corporate Governance Committee of Millennium BCP - Banco Comercial Português
 - Since 2007 - Chairman of the National Council of the Electrotechnical Engineering Board of the Engineers Institute
 - Since 2007 - Member of the Counselling Council of the Department of Electrotechnical and Computer Engineering of Instituto Superior Técnico
 - Since 2007 - Chairman of the General Council of PROFORUM
 - Since 2007 - Member of Conselho Nacional da Água
 - Since 2007 - Non executive Chairman of the Board of Directors of Efacec Capital, SGPS,SA
-

Rafael Cerezo Laporta

Non executive Director of Sonae Capital, SGPS, SA



Age: 58

Nationality: Spanish

Education:

- Graduation in Economics - London School of Economics (1970 - 1974)
- Master in Business Administration - Columbia University (1975 – 1977)

Positions held in Group

–

Companies:

Positions held in Other

Companies:

Main Professional activities in the last five years:

- 1982-2008 - At the Boston Consulting Group: leaves the European Chief Executive Office to be fully dedicated to clients in Spain and Portugal, (together with Russia and Eastern European Countries during 2002-2003). Main work during these years in retail and financial services industries
- Since 2007 - Member of the Consulting Board of the Exea Group (Family Corporation of the Puig Family)
- Since 2007 - Member of the Board of Directors and Chairman of the Audit Committee of Puig Beauty and Fashion
- Since 2007 - Member of the Board of Directors of Flamagas, SA
- Since 2007 - Member of the Board of Directors of ISDIN, SA

Paulo José Jubilado Soares de Pinho

Non executive Director of Sonae Capital, SGPS, SA



Age: 46

Nationality: Portuguese

Education:

- Graduation in Economics - Faculdade de Economia da Universidade Nova de Lisboa (1985)
- MBA – Master in Business Administration - Faculdade de Economia da Universidade Nova de Lisboa (1989)
- PhD in Banking and Finance - City University Business School, London (1994)
- Negotiation Analysis - Amsterdam Institute of Finance (2005)
- Advanced Course - European Venture Capital and Private Equity Association (2006)
- Valuation Guidelines Masterclass - European Venture Capital and Private Equity Association (2007)
- Private Equity and Venture Capital Programme - Harvard Business School (2007)

Positions held in Group Companies:

–

Positions held in Other Companies:

Main Professional activities in the last five years:

- Since 2002 - Associate Professor at Faculdade de Economia da Universidade Nova de Lisboa
- Since 2003 - Chairman of General Council of Fundo de Sindicação de Capital de Risco PME – IAPMEI
- Since 2005 - Member of the Advisory and Strategic Board of Fundo Fast Change Venture Capital
- Since 2007 - Senior Advisor for Iberia of Profit Technologies, EUA
- Since 2007 - Senior Advisor of New Next Moves Consultants, Portugal
- Since 2007 - Director of Venture Valuation, Switzerland (Representative for Portugal)
- 2004-2007 - Executive Director and Member of the Board of Directors of REN - Redes Energéticas Nacionais, SA
- 2007-2008 - Member of the Board of Directors of Xis Vending - Serviços de Vending, SA

Pedro Manuel Bastos Mendes Rezende

Non executive Director of Sonae Capital, SGPS, SA



Age: 47

Nationality: Portuguese and Spanish

Education:

- ICAI - Industrial Mechanical Engineer, Madrid (1979 – 1985)
- Master in Business Administration - INSEAD, Fontainebleau (1989 – 1990)

Positions held in Group Companies:

–

Positions held in Other Companies:

Main Professional activities in the last five years:

2003-2006 - EDP, Energias de Portugal, SA

- Member of the Board of Directors and of the Executive Committee
- CEO of EDP Produção and of Companhia Portuguesa de Produção de Electricidade (CPPE)
- Member of the Board of Directors and Executive Director of Hidroeléctrica del Cantábrico (Hidrocantábrico)
- Chairman of the Board of Directors of EDP Engenharia e Manutenção, EDP Energia Ibérica and Tergen

Since 2006 - Hyperion Energy Investments

- Founding Partner and CEO

Armando Luís Vieira de Magalhães

Chairman of the Fiscal Board of Sonae Capital, SGPS, SA

| | |
|--|---|
| Education: | <ul style="list-style-type: none">▪ Bachelor degree in Accounting, ISCAP (1972)▪ Graduation in Economics - Faculdade de Economia, Porto University (1978)▪ Executive MBA – European Management, IESF/IFG (1996) |
| Positions held in Group Companies: | – |
| Positions held in Other Companies: | Member of the Fiscal Board of the following companies: <ul style="list-style-type: none">▪ Sonaecom, SA▪ Sonae Indústria, SGPS, SA▪ Futebol Clube do Porto – Futebol SAD▪ Eça de Queiroz Foundation |
| Main Professional activities in the last five years: | <ul style="list-style-type: none">▪ Statutory Auditor and Managing Partner of Santos Carvalho & Associados, SROC, SA (since 1989) |

Jorge Manuel Felizes Morgado

Member of the Fiscal Board of Sonae Capital, SGPS, SA

| | |
|--|---|
| Education: | <ul style="list-style-type: none">▪ Graduation in Management – ISEG, Universidade Técnica de Lisboa▪ MBA in Finance – IEDE, Madrid▪ MBA in Management and Information Systems – Faculdade de Economia e Gestão, Universidade Católica |
| Positions held in Group Companies: | – |
| Positions held in Other Companies: | Member of the Fiscal Board of the following companies: <ul style="list-style-type: none">▪ Sonae, SGPS, SA▪ Sonae Indústria, SGPS, SA▪ Sonae Sierra, SGPS, SA |
| Main Professional activities in the last five years: | <ul style="list-style-type: none">▪ 1991-2004 - Partner of Deloitte▪ Since 2004 - Statutory Auditor▪ Since 2004 - Partner of Horwath Parsus - Consultoria e Gestão, Lda |

Carlos Manuel Pereira da Silva

Member of the Fiscal Board of Sonae Capital, SGPS, SA

| | |
|--|---|
| Education: | <ul style="list-style-type: none">▪ Graduation in Economics - Faculdade de Economia, Porto University (1978) |
| Positions held in Group Companies: | – |
| Positions held in Other Companies: | – |
| Main Professional activities in the last five years: | <ul style="list-style-type: none">▪ Statutory Auditor and Managing Partner of Santos Carvalho & Associados, SROC, SA (since 1992) |
