



Press Release – September 10th 2004

In the 1st semester of 2004

Net Consolidated Profit reached €32.2 million

- **Direct Income from operations reached €21.3 million, an increase of 20%**
- **Open Market Value of Investment Properties increased 28.6% to €3.690 million**
- **€107 million were invested in the development of Shopping Centres, 93% outside Portugal**

Sonae Imobiliária Net Consolidated Profit (after Minority Interests) reached € 32,18 million. In the same period of last year, the Net Consolidated Profit reached € 64,61 million, however, this result was not impacted by the minority interests resulting from the sale of 49,9% of the SIERRA Fund.

The Company closed the first semester of 2004 with Direct Income from Investments of € 130,9 million, versus € 113,9 million in the first semester of 2003, an increase of 14,9%.

EBITDA reached €46,2 million versus €45,6 million in the first semester of 2003, a 1,3% increase despite the sale of 50% of Vasco da Gama to ING Real Estate in March 2003, with the consequent reduction in rents and other income. EBITDA was positively influenced by the openings of Parque Atlântico (Azores, Portugal), Coimbra Retail Park (Coimbra, Portugal), Estação Viana (Viana do Castelo, Portugal) and the expansion of CascaiShopping (Cascais, Portugal) in 2003, as well as by the openings of Dos Mares (Murcia, Spain), Avenida M40 (Madrid, Spain) and Boavista Shopping (São Paulo, Brazil) in the first semester of 2004.

The analysis of the consolidated Balance Sheet demonstrates the sound financial position of Sonae Imobiliária. Gearing (measured as net indebtedness as a percentage of total assets less cash and equivalents) was 25,5% as of June 2004, a very favorable figure for this type of business.

All of the Company's real estate properties were independently valued as of June 30th 2004 and its Open Market Value or OMV reached €3.690 million (€2.868 million as of 31/12/2003), of which € 1.758 million (€ 1.583 million as of 31/12/2003, a 11% increase) are controlled by Sonae Imobiliária. As of June 30th 2004, the NAV ("Net Asset Value") per share of the company stood at €29,97 (€29,16 as of 31/12/2003).

The total rental income in Portugal increased by 13,2%

The global performance of Sonae Imobiliária's shopping and leisure centres was in line with expectations for the first semester of 2004, despite the slow recovery of the economy.

In Portugal, the total rental income increased by 13,2% during the first semester of 2004 on the 14 shopping and leisure centres, 1 retail park and 2 commercial galleries that the company owns (or co-owns) versus the same period of 2003. To notice that Parque Atlântico (Azores), Estação Viana (Viana do Castelo) and Coimbra Retail Park (Coimbra) opened during the 4th quarter of 2003.

Two Shopping Centres Opened in Spain and rental income increased by 6,7%

In Spain, Sonae Imobiliária is the owner (or co-owner) of 8 shopping and leisure centres, with a total of 385 thousand m² of GLA. During this first semester, the total rental income increased by 6,7% versus the same period of 2003. To notice that Dos Mares (Murcia) and Avenida M40 (Madrid) only opened during 2004.

The Brazilian portfolio of Sonae Imobiliária has 7 shopping and leisure centres, after the opening of Boavista Shopping, São Paulo, on April 27th, representing a total of 242 thousand m² of GLA. During this semester, the total rental income from this portfolio increased by 13% in Reais, against the same period of the previous year.

Four projects under development in Portugal

During the first semester of 2004, the construction and leasing of the three Shopping Centres under development, Covilhã Shopping (Covilhã), LoureShopping (Loures), and Centro Tejo (Seixal), continued as planned. The openings are expected to take place in Autumn 2005.

Setúbal Retail Park, Setúbal, is the company's third investments of this type in Portugal, in joint venture (50/50) with Miller Developments, the Company's partner for the retail park business in Portugal and Spain. Several procedures for the start of construction are under way.

More inaugurations in Spain

In Spain, shopping and leisure centre Luz del Tajo, in Toledo, held in joint venture with the Eroski Group (65/35), will open to the public next September 28th, and 3 other projects are currently under development.

The construction and leasing of the Shopping and leisure centre Zubiarte, Bilbao, are proceeding at a brisk pace. This project, a joint venture between Sonae Imobiliária and the ING Group (50/50), is scheduled to open next Autumn.

Construction and leasing continues at Plaza Éboli shopping and leisure centre in Pinto (Madrid region). This centre, in partnership with the Eroski Group (65/35), is scheduled to open in March 2005.

Plaza Mayor Shopping, the expansion of the existing leisure center Plaza Mayor, in Malaga, is expected to start the construction works by the end of the current year, just after obtaining the construction licence. This project is a joint venture with Castle City (75/25).

A new partnership was set up in Germany

The shopping and leisure centre at Alexander Platz in Berlin, is being developed in joint venture with Foncière Euris (51/49). Construction licence has already been requested and construction works are expected to start before year-end.

The development of the second German shopping and leisure centre 3DO, Dortmund, continues.

In the rest of Europe the company continues the development of other important projects, mainly in Greece (Aegean Park, in Athens, and Mediterranean Cosmos, in Thessalonica), and in Italy (Brescia Centre, in Brescia).

In Brazil, the expansion and renovation of Shopping Penha, at the east side of São Paulo. After the expected opening this Autumn, Sonae Imobiliária will become its major shareholder.

Shopping Centres under management continued to growth

The Property Management business of Sonae Imobiliária, continued to expand during this first semester of 2004. The company's portfolio was expanded in Spain with the opening of Dos Mares and Avenida M40. The Company is now managing 4.590 tenant contracts in 1.432 thousand m² of GLA in Portugal, Spain and Italy. In Brazil, the Company manages 1.130 contracts with tenants, representing a total of 242 thousand m² of GLA.

In the first semester of 2004, Sonae Imobiliária in Portugal was managing 936 thousand m² of GLA, corresponding to 3.388 contracts with tenants. This portfolio presented good performance, receiving more than 126,8 million visits (4,4% increase over the first semester 2003), and sales increased by 9,5%. The occupancy rate in the portfolio was 97,8%.

In Spain, the total portfolio under management is now of 9 Centers and 2 galleries. Sonae Imobiliária is now managing 1.070 leasing contracts in 440 thousand m² of GLA. The performance was positive during the first semester of 2004, with 16,6% increase in sales and 10,6% increase in visits. Occupancy reached 93,1%.

Sonae Imobiliária manages in Italy, through a joint venture with Espansione Commerciale, Orio Center in Bergamo, one of the largest Italian shopping centers. The Centre has 56 thousand m² of GLA and 132 contracts with tenants. Taking into account the Italian economic situation, the performance was reasonable, keeping visits and sales at the same level of last year.

In Brazil, the portfolio received 30,2 million visits (18,8% increase on the same period of last year), corresponding to sales of more than R\$ 582,3 million (€153,6 million) an increase of 15,3% (in Reais) on the same period of last year. The occupancy in this portfolio reached 91,6%.

Sonae Imobiliária – The Board of Directors

Maia, 10th September 2004

Annex: Demonstration of Consolidated Profits and Consolidated Balance Sheet s.

Sonae Imobiliária

Consolidated Profit and Loss Account (€000)	2Q04 YTD	2Q03 YTD	% 04/03
Direct Income from Investments	130.866	113.861	14,9%
Operating costs	78.951	60.319	31%
Other costs	5.683	7.906	-28%
Direct costs from investments	84.635	68.225	24%
EBITDA	46.232	45.636	1,3%
Depreciation	2.267	3.044	-26%
Recurrent net financial costs	15.439	15.313	1%
Direct profit before taxes	28.525	27.279	5%
Corporate tax	7.176	9.445	-24%
Direct profit	21.349	17.834	20%
Realized on properties	-444	25.594	-102%
Value created on investments	42.604	34.969	22%
Indirect income	42.159	60.564	-30%
Deferred tax	10.667	13.595	-22%
Indirect profit	31.492	46.969	-33%
Net profit before minorities	52.841	64.802	-18%
Minorities	20.659	193	-
Net profit	32.182	64.610	-50%

Sonae Imobiliária

Consolidated Balance Sheet (€000)	30-06-2004	31-12-2003	Var. (04 - 03)
Investment properties	1.751.852	1.582.306	169.546
Properties under development and others	181.371	231.088	-49.717
Goodwill	8.936	9.484	-547
Deferred taxes	17.284	17.513	-230
Other assets	123.267	134.044	-10.777
Deposits	285.369	290.267	-4.898
Total assets	2.368.078	2.264.701	103.377
Net worth	766.245	747.220	19.024
Minorities	212.820	194.630	18.190
Bank loans	816.458	764.778	51.680
Shareholder loans from minorities	116.424	135.966	-19.542
Deferred taxes	275.068	265.253	9.815
Other liabilities	181.065	156.854	24.211
Total liabilities	1.389.014	1.322.851	66.163
Net worth, minorities and liabilities	2.368.078	2.264.701	103.377