

28th April 2005

Sonae Sierra net profits increase by 34 %

In the first quarter of 2005, Sonae Sierra's consolidated net profits were €27.5 million, which represents a growth of 34 per cent in comparison to the same period in 2004. This shows a highly positive performance in the first three months of the year.

The direct net results of investments went up by 8% compared to the first quarter of 2004 (to €13.4 million), while EBITDA was more than 20% (to €29 million), due particularly to the growth in the company's portfolio after the opening in 2004 of four new shopping and leisure centres in Spain and a new shopping centre and an extension in Brazil.

Where new projects are concerned, the Plaza Éboli opened in Spain in the first quarter of 2005, representing an investment of €56.1 million, in partnership with Grupo Eroski. The company also signed an agreement with Mall Inversiones for a new shopping and leisure centre (Las Medulas) in Ponferrada, Spain, with an investment of around €110 million.

The company also announced the development of two new shopping and leisure centres in Italy, a strategic market for Sonae Sierra. These centres are expected to involve an overall investment of €320 million.

Another of the most important events in the company's activity in this quarter was the change of name from Sonae Imobiliária to Sonae Sierra. This global scale operation is part of the company's international expansion strategy of recent years and reinforces its position as a European specialist in shopping and leisure centres.

Performance at the end of the first quarter of 2005

- ◆ NAV per share €33.20
- ◆ NAV (net asset value) of € 1.079 thousand million
- ◆ Revenue from operation of shopping and leisure centres grow 21% (to €39.7 million)
- ◆ Asset leverage of 30.5%
- ◆ Interest coverage ratio of 2.82
- ◆ Six new projects under construction - Rio Sul (Seixal), SerraShopping (Covilhã) and LoureShopping (Loures) in Portugal; Alexa (Berlin) in Germany; Freccia Rossa (Brescia) in Italy; and Mediterranean Cosmos (Salonika) in Greece
- ◆ Owner or joint owner of 32 operating shopping and leisure centres and 1 retail park with 1.334 thousand million m² of GLA
- ◆ Management of 6,200 contracts with tenants, occupying 1.87 million m² of GLA



Consolidated Profit and Loss Account (€000)	Actual 1Q 05	Actual 1Q 04	% Var. (05/04)
Proveitos Directos dos Investimentos	49.801	43.361	15%
Operacional Costs	19.122	17.623	9%
Other Costs	1.651	1.471	12%
Total Direct Costs from Investments	20.773	19.094	9%
EBITDA	29.027	24.266	20%
Depreciation	531	1.767	-70%
Net Financial Costs	9.762	7.439	31%
Direct Profits before Taxes	18.734	15.060	24%
Corporate Tax	5.311	2.614	103%
Direct Profits	13.423	12.446	8%
Total Indirect Income from Investments	9.953	13.466	-26%
Indirect Income from valuation of Investments	9.360	11.491	-19%
Indirect Income from gains on sale of Investments	594	1.975	-70%
Deferred Taxes	-4.155	5.293	-179%
Indirect Net Profit	14.109	8.174	73%
Total Net Profit	27.532	20.620	34%
Atributable to:			
Equity Holders	21.655	12.709	70%
Minority Interests	5.877	7.911	-26%

Consolidated Balance Sheet (€000)	Actual	Actual	Var.
	31-03-2005	31-12-2004	(A05-A04)
Total Investment Properties	2.050.454	1.992.274	58.180
Total Properties Under Development & Others	240.605	249.091	-8.486
Goodwill	8.209	8.474	-265
Impostos diferidos activos	20.824	18.885	1.939
Other Assets	140.581	125.206	15.376
Cash & Short term investments	194.014	245.212	-51.198
Total Assets	2.654.687	2.639.142	15.545
Net Worth	849.246	822.005	27.241
Minorities	238.923	250.027	-11.104
Loans	943.680	933.712	9.968
Shareholder Loans from Minorities	87.218	95.363	-8.145
Deferred Taxes	315.022	315.807	-785
Other Liabilities	220.597	222.228	-1.631
Total Liabilities	1.566.517	1.567.110	-592
Net Worth, Minorities and Total Liabilities	2.654.687	2.639.142	15.545

