PRESS RELEASE /

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International revenues at Sonae's specialised retail unit rise 15%

SONAE SR INCREASES SALES BY 10% IN FIRST QUARTER OF 2014

Sonae SR, Sonae's specialised retail area that includes the Worten, Sport Zone, MO and Zippy brands has increased its business in Portugal and abroad in the first quarter of 2014, achieving turnover of 291 million euros. This figure represents growth of 10% against the same period of last year and is the result of increased market share across the company's insignias in Portugal and Spain.

Miguel Mota Freitas, the Sonae SR CEO said that, "The results in the first quarter of the year demonstrate the success of the initiatives that we have implemented at Sonae SR, as we have managed to achieve string growth in Portugal and expand our international business by carrying out our growth strategy based on partnerships, franchising, exports and other capital light strategies. Our insignias are an increasing preference of families in the several markets in which we have a presence, which is improving our business and profitability indicators. In the last few years, we have carried out important work to improve value proposals for our customers and to reorganise and boost the effectiveness and efficiency of operations, which has made us stronger and more prepared for economic recovery."

Amongst the main strategic initiatives carried out in the first quarter of 2014 is the development of the omni-channel strategy at Worten in Spain, the new store concept at Sport Zone in Spain, repositioning of MO with a completely new collection, and improvements to Zippy products.

In Portugal, Sonae SR's turnover rose to 201 M€ and EBITDA reached 4 M€, which was a significant recovery driven by a rise in turnover, by the operating measures that were implemented and by gains in efficiency.

Internationally Sonae SR's turnover totalled 91 M€, rising by over 15% compared to the same period of 2013. This positive performance was driven by increased export activities (wholesale), by growth in the franchise business that rose to 50 stores – including a presence in a new country, Armenia – and by adjustment of the business models and value proposals of all the brands, notably in the Spanish market.

Sonae is a retail company with two large partnerships in the areas of Shopping Centres (Sonae Sierra) and Software and Information Systems, Media and Telecommunications (Sonaecom).At the end of 2013 Sonae posted turnover of around 1.8 billion euros. The company's strategic objectives are: internationalization, diversification of investments style and leveraging and boosting the assets and skills bases.
Find out more at www.sonae.pt.

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