

RESULTS
ANNOUNCEMENT
2018



The consolidated financial information disclosed in this report is based on unaudited financial statements, prepared in accordance with the International Financial Reporting Standards (IAS/IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union.



1. Main Highlights

Consolidated turnover of 169.1 million euros increasing 21.2% y.o.y, or 14.6% on a comparable basis

NOS presenting solid revenues trends above the market and RGUs growth, reinforcing competitive position

Technology revenues reaching 154.6 million euros, growing 22.7% y.o.y, or 15.5%, on a comparable basis, and with International markets weighting almost 50%

Free Cash Flow of 38.0 million euros, including the 57.8 million of capital distribution related with Outsystems financing round

Net income of 69.9 million euros, significantly above 2017

2. Sonaecom Consolidated Results

Telecommunications area, which includes a 50% stake in ZOPT - consolidated through the equity method - which owns 52.15% stake in NOS, continued to present strong results, reinforcing competitive position, through RGU growth and solid revenues trends above the market, although reflective of mature service penetration. The cost discipline and operational efficiencies are the base of increased operating profitability. Investing to secure long-term competitiveness in a continuously evolving and technologically sophisticated sector gives the confidence in future performance supportive of progressive and sustainable shareholder remuneration.

Technology area, continued to pursue its active portfolio strategy, with fourteen new investments closed throughout the year and reinforcement in some portfolio companies while commanding a strong pipeline with multiple active processes, across all investment stages. As Limited Partner of the "Fundo FCR - Armilar Venture Partners II" and as a result of the last Outsystems financing round, the Technology area received a capital distribution of 57.8 million euros in June.

Turnover

Consolidated turnover in 2018 reached 169.1 million euros, increasing 21.2%, when compared to 2017. Excluding the contribution of Nextel, the cybersecurity company acquired at the end of 2Q18, the turnover increased by 14.6%.

This positive evolution was driven by both Media and Technology area, the latter presenting a growth of 22.7% y.o.y, or 15.5%, on a comparable basis.

Operating costs

Operating costs amounted to 169.4 million euros, 19.4% above 2017. Personnel costs grew 9.4% reflecting the increase in the average number of employees, also driven by the consolidation of Nextel. Commercial costs increased 35.4% to 66.1 million euros, mainly driven by the higher cost of goods sold, aligned with the higher level of sales. Other operating costs increased 13.5%, mainly explained by a new accounting procedure regarding distribution costs at Media and increase in Outsourcing costs.

EBITDA

Total EBITDA stood at 35.5 million euros, essentially on the back of equity results that are mostly driven by ZOPT contribution which, in turn, depends on NOS net income evolution. Underlying EBITDA reached 2.4 million euros, significantly above the 0.3 million euros presented in 2017, mainly driven by Technology area but also with positive contribution from Media.

Net results

Sonaecom's EBIT increased to 24.4 million euros, from 17.8 million in 2017, mainly explained by the higher level of EBITDA.

Net financial results reached a value close to zero in 2018 that compares with negative 1.0 million in the previous year.

Sonaecom's earnings before tax (EBT) increased from 16.8 million to 24.4 million euros, driven by the higher EBIT and financial results.

Indirect results reached 42.7 million euros, that compare with 6.8 million euros in 2017, impacted by Armilar Venture Funds' portfolio fair value adjustments and capital gain generated by the AVP II Fund capital distribution.

Net results group share stood at 70.0 million euros, significantly above the 22.8 million euros presented in 2017.

Operating CAPEX

Sonaecom's operating CAPEX decreased to 7.7 million euros, reaching 4.6% of turnover, 1.6 p.p. below 2017.

Capital structure

The cash position stood at 219.6 million euros, increasing 21.6 million euros since December 2017, driven namely by the 19.8 million euros of dividends from ZOPT, the €55.2 million received from AVP II Fund (net of taxes) and the positive operating cash flow of 2.0 million euros, despite the 31.1 million of investment cash out and the 11.3 million euros of dividends distribution.

2.1 Telecommunications

NOS operating revenues were 1,576.2 million euros in 2018, growing 1.1% y.o.y..

EBITDA reached 591.8 million euros, increasing 2.8% when compared to 2017 and representing a 37.5% EBITDA margin.

CAPEX amounted to 375.7 million euros in 2018, a decrease of 0.4% y.o.y. As a consequence of EBITDA and CAPEX evolution, EBITDA-CAPEX increased 9.0%.

At the end of 2018, net financial debt totalled 1,068.1 million euros, equal to 1.8X EBITDA, and with an average maturity of 2.9 years.

NOS published its 2018 results on 7th March 2019, which are available at www.nos.pt.

During 2018, NOS share price decreased 3.4% from €5.481 to €5.295, whilst PSI20 decreased by 12.2%.

Operational Indicators

Million euros								
Operational Indicators ('000)	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Total RGUs	9,411.7	9,605.0	2.1%	9,569.9	0.4%	9,411.7	9,605.0	2.1%
Convergent RGUs	3,650.6	3,902.2	6.9%	3,871.3	0.8%	3,650.6	3,902.2	6.9%

Financial indicators

Million euros								
NOS HIGHLIGHTS	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Operating Revenues	398.9	408.9	2.5%	395.0	3.5%	1,558.6	1576.2	1.1%
EBITDA	126.6	130.0	2.7%	156.2	-16.8%	575.4	591.8	2.8%
EBITDA margin (%)	31.7%	31.8%	0.1pp	39.5%	-7.7pp	36.9%	37.5%	0.6pp
Net Income	17.0	18.4	8.6%	44.1	-58.3%	122.1	141.4	15.8%
CAPEX	114.0	95.3	-16.4%	101.0	-5.6%	377.2	375.7	-0.4%
EBITDA-CAPEX	12.5	34.7	176.7%	55.2	-37.1%	198.2	216.0	9.0%

2.2 Technology

The Technology area aims to build and manage a portfolio of technology businesses around retail and telecommunications, as well as cybersecurity, with an international scale. This area currently comprises, alongside with minority stakes, Bright Pixel and Vector I fund, six controlled companies – WeDo Technologies, S21Sec, Saphety, Bizdirect, Inovretail and Excellium- that generated circa 49.2% of its revenues outside the Portuguese market with 43.9% out of the total 1,218 employees based abroad (Excellium figures to be included only after January 1st, 2019).

Controlled Companies

WeDo Technologies is a worldwide leader in Revenue Assurance and Fraud Management that works with more than 180 telecommunications operators in over 100 countries. The international markets represented 79.5% of its turnover.

WeDo Technologies' market leadership was recognized by Stratcast (Frost & Sullivan's Global Stratcast Communication Services Providers Financial Assurance Market Leadership) and, during 2018, WeDo was named Vendor to Watch in Gartner Report.

During 2018, the commercial activity performed positively resulting in twelve new telecom customers based in South Korea, Indonesia, USA, Brazil, Nigeria, Kazakhstan, Saudi Arabia, Serbia, Mexico, and Australia. This year was marked by a positive evolution on revenues and profitability.

S21Sec is a reference multinational pure cybersecurity player, focused on the delivery of cyber security services and development of proprietary supporting technologies, with a global customer base, leveraging its teams in Spain, Portugal and Mexico.

In June, **Nextel** acquisition was announced as well as the plan to merge these two landmark companies in the cybersecurity sector in Spain, S21sec and Nextel. The resulting company is the most important "pure player" (company specializing exclusively in the cybersecurity sector) in Spain and Portugal in terms of turnover and number of cybersecurity experts.

The combined company is focused on positioning as a MSSP (Managed Security Services Provider) in the market.

Excellium is a market-leading managed security services provider from Luxembourg, with presence in Belgium and more than 100 experts. Sonae IM acquired this controlling stake at the end of 2018 with no impact on 2018 results.

This majority stake acquisition, together with the stake on S21sec, turns Sonae IM's cybersecurity group as one of the most relevant cybersecurity services pure players in Europe, counting with more than 500 professionals and direct presence in 13 cities across 6 countries.

The significant European scale and cross-country presence of this group of cybersecurity companies will be key to address the increasingly challenging needs of all organizations and specially the requirements of those large and multi-national companies operating in the European space, while ensuring agile and fast response from specialized teams close to the customer.

Saphety is a leading company in solutions for electronic documents exchange, electronic invoicing and data synchronization amongst companies. Currently, its client portfolio has over 3800 companies and over 140 thousand users throughout 37 countries. International market already represents more than 30.4% of its revenues.

2018 was marked by a positive evolution in Colombia and in its new electronic bill presentment offer for invoice issuers.

Bizdirect is a technology company specialized in IT solutions commercialization, consulting and management of corporate software licensing contracts and Microsoft solutions integration.

During 2018, the cloud business unit improved its presence on helping customers in digital transformation and the solutions business unit achieved important new customer references. Bizdirect Competence Center, in Viseu, contributed to the international revenues that already represent 8.5% of total revenues.

InovRetail is a retail innovation company that provide data science solutions and digital tools that deliver quantifiable insights and actionable recommendations with direct and sustainable impact on retailer's key metrics. The company's main product is the Staff Empowerment Solution, a SaaS based solution that help retailers in three key areas like Sales Performance Enhancement; Customer Experience Optimisation and Advanced Planning & Scheduling. During 2018, the company started to penetrate new markets as Spain and UK, invested in building up the sales team and won its first international customers.

Bright Pixel is a company builder studio whose goal is to transform the creation of new ventures and the way companies address innovation. Bright Pixel is managing a venture lifecycle going from experimentation and lab phases that have the objective to identify ideas and projects that should be brewed in its incubation program. Bright Pixel invests and supports the development of internally brewed projects as well as assisting their first batch of invited startups in their product development roadmap and market rollout.

Bright Pixel is also investing in events, like Pixels Camp, to link its activity to the tech community as well as promoting a close relationship with its partners, by developing quick proof of concepts aimed at resolving technology and business needs in themes such as retail, media, cyber-security and telecommunications.



Minority Stakes (non-exhaustive)

Probe.ly, having started as an internal project of Bright Pixel, won the *Caixa Capital Empreender Award 2017*, has stepped from MVP (minimum valuable product) to an independent Web Application Security startup.

Armilar Venture Funds are the 3 Venture Capital funds in which Sonae IM owns participation units acquired to Novo Banco. With this transaction, concluded in December 2016, Sonae IM reinforced its portfolio with sizeable stakes in leading edge companies such as Outsystems and Feedzai, both consistently presenting meaningful and sustainable levels of growth. During 2018, Sonae IM recorded a significant capital gain with the AVP II Fund capital distribution subsequent to the partial sale of Outsystems.

StyleSage is a strategic analytics SaaS platform that helps fashion, home and beauty retailers and brands with critical pre, in and post season decisions globally. Every day, StyleSage pulls product data from competitors' ecommerce websites from around the world. Then, with groundbreaking technology in machine learning and visual recognition, StyleSage cleans, organizes, and analyzes the massive amounts of collected data into a cloud-based dashboard that empowers brands and retailers to make informed, data-driven decisions in areas such line planning, markdown optimization, and global expansion.

Ometria is a London based AI powered customer marketing platform with the vision to become the central hub that powers all the communication between retailers and their customers. This investment was done by Sonae IM in the Series A round, alongside several strategic investors (including Summit Action, the US VC fund of the Summit Series) and was recently reinforced during an internal round.

Secucloud is a Germany based company that provides a cloud security platform for protecting all devices (subscriber endpoints) and operating systems with no installation required, offered to Telcos & ISPs as a white label solution. Sonae IM totally subscribed the multi million Series B financing round.

ArcticWolf, a US based company, is a global pioneer in the SOC-as-a-Service market with cutting-edge managed detection and response (MDR), which provides a unique combination of technology and services for clients to quickly detect and contain threats. US technology investors Lightspeed Venture Partners and Redpoint were joined by Sonae IM and Knollwood Investment Advisory in the series B round. During 2018, the Company closed a \$45M Series C round at a significant higher valuation, in which Sonae IM participated reinforcing its stake.

Continuum Security is a Spanish based company with an application security platform to address vulnerabilities early in the development process. In order to realise their international growth plans, the company has raised an investment round of €1.5million euros, which was led by Swaanlaab Venture Factory and joined by JME Venture Capital and Sonae IM.

Jscrambler is a Portuguese startup that develops a security solution to protect Web and Mobile Applications (Javascript code). The company raised a 2.3 million dollars in a series A financing round that was led by Sonae IM with the co-investment of Portugal Ventures.

Nextail is a Spanish company that has developed a cloud-based platform that combines artificial intelligence and prescriptive analytics to upgrade retailers' inventory management processes and store operations. The company raised a \$10.0 million Series A round led by London and Amsterdam based venture capital firm KEEN Venture Partners LLP ("KEEN"), together with Sonae IM and existing investor Nauta Capital. The new financing is being used to accelerate product development and double the size of the team, as it grows internationally.

Case on IT is a Spanish company that has developed Medux, a machine learning solution for the measurement, prediction and analysis of landline, mobile and television services quality. Medux measures the customer experience in markets that collectively serve over 600 million users worldwide. The company raised a Series B round of international fund with Sonae IM.

Reblaze is an Israeli company that provides proprietary security technologies in a unified platform, shielding assets from threats found on the Internet. The company raised a Series A round in which Sonae IM led jointly with JAL Ventures and Data Point Capital.

CiValue is an Israeli company with offices in New York, Paris, and Tel Aviv, is a disruptive provider of cloud-based Precision Marketing and Supplier Advertising Platforms for Retailers. Sonae IM, coupled with Nielsen, led a \$6M Series A investment.

Visenze is a Singapore-based company that delivers intelligent image recognition solutions that shorten the path to action as consumers search and discover on the visual web. Retailers use ViSenze to convert images into immediate product search opportunities, improving conversion rates. Media companies use ViSenze to turn any image or video into an engagement opportunity, driving incremental revenue. Sonae IM co-led, with Gobi Partners, a \$20M Series C round that will enable the artificial intelligence company to further invest in its penetration among smartphone manufacturers, as well as with consumer and social communication applications.

Financial indicators

Million euros

TECHNOLOGY AREA	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Turnover	31.2	42.7	36.8%	36.4	17.3%	125.9	154.6	22.7%
Service Revenues	21.9	25.2	14.7%	23.7	6.1%	81.9	91.0	11.1%
Sales	9.3	17.6	89.1%	12.7	38.0%	44.0	63.6	44.5%
Other Revenues	0.7	0.9	33.8%	0.5	80.8%	1.8	1.9	5.1%
Operating Costs	29.7	41.4	39.3%	35.6	16.5%	123.1	149.9	21.8%
Personnel Costs	12.1	14.2	17.4%	14.1	0.9%	47.4	52.7	11.3%
Commercial Costs ⁽¹⁾	9.3	17.0	82.3%	12.3	37.5%	44.5	62.5	40.4%
Other Operating Costs ⁽²⁾	8.3	10.3	23.1%	9.2	12.3%	31.2	34.7	11.0%
EBITDA	1.8	1.9	3.6%	1.1	76.6%	4.3	5.5	27.7%
Underlying EBITDA ⁽³⁾	2.1	2.2	14%	1.3	61.2%	4.7	6.6	41.9%
Equity method ⁽⁴⁾	-0.3	-0.3	10.7%	-0.3	-3.2%	-0.3	-1.1	-
Underlying EBITDA Margin (%)	6.8%	5.1%	-1.8pp	3.7%	14pp	3.7%	4.3%	0.6pp
Operating CAPEX ⁽⁵⁾	1.6	2.1	25.6%	1.3	55.9%	7.3	7.0	-4.4%
Operating CAPEX as % of Turnover	5.3%	4.8%	-0.4pp	3.6%	12pp	5.8%	4.5%	-1.3pp
Underlying EBITDA - Operating CAPEX	0.5	0.1	-80.3%	0.0	-	-2.6	-0.4	86.2%
Total CAPEX	10.7	24.9	132.5%	6.5	-	19.4	44.7	130.3%

(1) Commercial Costs = COGS + Mktg & Sales; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (3) Includes the businesses fully consolidated at Technology area; (4) Includes the 50% holding in Big Data, the 27.45% holding in Secucloud and the 22.88% holding in Probe.ly; (5) Operating CAPEX excludes Financial Investments;

Turnover

Turnover increased 22.7% y.o.y., or 15.5% on a comparable basis (excluding the contribution of Nextel). This performance was supported on a strong performance of the commercial activity across all companies.

Operating costs

Operating costs increased 21.8% to 149.9 million euros. Staff costs increased 11.3% driven by the growth in the number of employees, mainly driven by Nextel consolidation. Commercial costs increased 40.4% mainly driven by cost of goods sold, aligned with the higher level of sales. Other operating costs increased 11.0%, mainly explained by the higher level of Outsourcing Costs.

EBITDA

EBITDA reached 5.5 million euros, 27.7% above 2017. Underlying EBITDA reached 6.6 million euros increasing 41.9%, when compared to 2017, and reaching a margin of 4.3%.

Underlying EBITDA-operating CAPEX

Underlying EBITDA-operating CAPEX stood at negative 0.4 million euros, but significantly higher than 2017, explained by the lower level of Operating CAPEX but mainly driven by the higher EBITDA.



2.3 Media

During 2018, Público continued to pursue its digital strategy reinforcing digital competencies and presence in online platforms. Moreover, the company continued to be recognized, among others, by SND (Society for News Design), that already attributed 3 Award of Excellence to 3 Ípsilon Front Pages, an Award of National Daily Newspaper of the year and a Golden award of Best Front Page, *Observatório de Ciberjornalismo* also recognized Público attributing an Excellence Award to its website.

The company continued to implement important initiatives aimed at strengthening Público as the reference Portuguese speaking news organisation: opinion panel renovation, offline distribution improvement and digital skills reinforcement, while developing two digital media projects funded by Google DNI (Digital News Initiatives) Innovation Funds.

The positive performance of online subscriptions and contents coupled with the impact of a new accounting procedure regarding distribution costs, translated into an overall 4.0% revenue growth, when compared to 2017.



3. Shareholder Remuneration

The Board of Sonaecom has approved the distribution proposal of a 11.2 euro cents gross dividend per share, corresponding to a pay-out ratio of 50% of the Consolidated Net Income Group Share and a dividend yield of 4.6%, based on the closing price as at December, 31st 2018. This proposal is subject to the final approval of the General Shareholders Meeting.

4. Subsequent events

On March 1st, Sonae IM, along with AITEC and BPI, and according with its active portfolio management strategy, has come to an agreement to sell 100% of Saphety's shares to the members of its management team, backed by Oxy Capital. The closing is still subject to some events but is expected to the end of March.

Appendix

Consolidated income statement

Million euros

CONSOLIDATED INCOME STATEMENT	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Turnover	34.5	46.4	34.7%	40.0	16.1%	139.6	169.1	21.2%
Service Revenues	23.4	26.7	14.0%	24.8	7.5%	87.5	96.5	10.3%
Sales	11.1	19.8	78.4%	15.2	30.1%	52.0	72.6	39.4%
Other Revenues	0.9	1.1	33.8%	0.7	74.0%	2.7	2.7	1.4%
Operating Costs	35.2	46.7	32.6%	40.4	15.6%	141.9	169.4	19.4%
Personnel Costs	14.8	16.8	14.0%	16.7	0.9%	57.3	62.7	9.4%
Commercial Costs ⁽¹⁾	10.3	17.8	74.0%	13.3	34.3%	48.8	66.1	35.4%
Other Operating Costs ⁽²⁾	10.2	12.0	17.7%	10.4	15.2%	35.8	40.6	13.5%
EBITDA	3.4	5.3	56.6%	10.3	-48.8%	27.3	35.5	29.9%
Underlying EBITDA ⁽³⁾	0.1	0.9	-	0.3	-	0.3	2.4	-
Equity method ⁽⁴⁾	3.3	4.4	34.1%	10.1	-56.2%	27.0	33.1	22.6%
Underlying EBITDA Margin (%)	0.3%	1.9%	1.6pp	0.6%	1.3pp	0.2%	1.4%	1.2pp
Depreciation & Amortization	2.1	3.8	78.4%	2.9	32.6%	9.4	11.1	17.9%
EBIT	1.2	1.5	24.6%	7.5	-79.9%	17.8	24.4	36.6%
Net Financial Results	-0.6	-0.3	45.8%	0.2	-	-1.0	0.0	-
Financial Income	1.8	1.2	-32.6%	0.8	45.3%	4.6	4.4	-5.4%
Financial Expenses	2.3	1.5	-35.7%	0.6	134.6%	5.7	4.4	-23.0%
EBT	0.6	1.2	84.7%	7.7	-84.3%	16.8	24.4	45.2%
Tax results	-2.7	3.3	-	0.0	-	-0.8	2.9	-
Direct Results	-2.1	4.5	-	7.7	-42.1%	16.0	27.2	69.8%
Indirect Results ⁽⁵⁾	0.0	-5.1	-	-0.1	-	6.8	42.7	-
Net Income	-2.1	-0.7	-	7.6	-	22.9	69.9	-
Group Share	-2.1	-0.6	70.7%	7.7	-	22.8	70.0	-
Attributable to Non-Controlling Interests	0.1	-0.1	-	-0.1	41.6%	0.1	0.0	-

(1) Commercial Costs = COGS + Mktg & Sales Costs; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others;

(3) Includes the businesses fully consolidated by Sonaecom;

(4) Includes the 50% holding in Unipress, the 50% holding in SIRS, the 50% holding in Big Data, the 50% holding in ZOPT, the 27.45% holding in Secucloud and the 22.88% holding in Probely

(5) Includes equity method adjustments related with AVP funds and related taxes.

Consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Total Net Assets	1,105.6	1,203.1	8.8%	1,165.4	3.2%	1,105.6	1,203.1	8.8%
Non Current Assets	839.9	895.4	6.6%	854.2	4.8%	839.9	895.4	6.6%
Tangible and Intangible Assets	28.2	29.6	5.0%	26.5	11.8%	28.2	29.6	5.0%
Goodwill	23.4	37.3	59.8%	25.6	45.8%	23.4	37.3	59.8%
Investments	777.2	815.1	4.9%	788.6	3.4%	777.2	815.1	4.9%
Deferred Tax Assets	7.3	10.3	40.3%	10.8	-4.8%	7.3	10.3	40.3%
Others	3.8	3.0	-21.1%	2.7	12.5%	3.8	3.0	-21.1%
Current Assets	265.7	307.7	15.8%	311.2	-1.1%	265.7	307.7	15.8%
Trade Debtors	47.2	50.9	8.0%	33.7	51.3%	47.2	50.9	8.0%
Liquidity	202.0	229.0	13.4%	245.2	-6.6%	202.0	229.0	13.4%
Others	16.5	27.7	68.3%	32.3	-14.2%	16.5	27.7	68.3%
Shareholders' Funds	1,031.9	1,075.3	4.2%	1,075.9	-0.1%	1,031.9	1,075.3	4.2%
Group Share	1,030.3	1,076.1	4.4%	1,077.2	-0.1%	1,030.3	1,076.1	4.4%
Non-Controlling Interests	1.6	-0.7	-	-1.4	46.6%	1.6	-0.7	-
Total Liabilities	73.7	127.8	73.3%	89.5	42.7%	73.7	127.8	73.3%
Non Current Liabilities	18.5	48.2	160.7%	23.1	109.1%	18.5	48.2	160.7%
Bank Loans	2.4	3.7	53.9%	3.7	-1.5%	2.4	3.7	53.9%
Provisions for Other Liabilities and Charges	3.6	23.6	-	3.3	-	3.6	23.6	-
Others	12.5	21.0	67.5%	16.1	30.5%	12.5	21.0	67.5%
Current Liabilities	55.2	79.5	44.0%	66.5	19.7%	55.2	79.5	44.0%
Loans	1.2	5.2	-	3.9	32.7%	1.2	5.2	-
Trade Creditors	16.0	18.9	18.2%	13.5	40.3%	16.0	18.9	18.2%
Others	38.0	55.4	45.7%	49.0	12.9%	38.0	55.4	45.7%
Operating CAPEX ⁽¹⁾	2.0	2.4	18.0%	1.4	68.0%	8.6	7.7	-9.8%
Operating CAPEX as % of Turnover	5.8%	5.1%	-0.7pp	3.5%	1.6pp	6.1%	4.6%	-1.6pp
Total CAPEX	11.0	25.1	127.6%	6.6	-	20.6	45.4	120.0%
Underlying EBITDA - Operating CAPEX	-1.9	-1.5	22.5%	-1.1	-28.6%	-8.2	-5.3	35.2%
Gross Debt	4.1	9.5	130.6%	7.9	19.6%	4.1	9.5	130.6%
Net Debt	-197.9	-219.6	-10.9%	-237.3	7.5%	-197.9	-219.6	-10.9%

(1) Operating CAPEX excludes Financial Investments.

Consolidated levered FCF

Million euros

LEVERED FREE CASH FLOW	4Q17	4Q18	Δ 18/17	3Q18	q.o.q.	2017	2018	Δ 18/17
Underlying EBITDA-Operating CAPEX	-1.9	-1.5	22.5%	-1.1	-28.6%	-8.2	-5.3	35.2%
Change in WC	23.6	5.5	-76.7%	9.0	-38.7%	22.6	9.1	-59.6%
Non Cash Items & Other	1.2	-5.9	-	-0.2	-	1.8	-1.8	-
Operating Cash Flow	22.9	-1.9	-	7.7	-	16.2	2.0	-87.9%
Investments	-8.7	-16.3	-87.4%	-5.1	-	-12.1	24.0	-
Dividends	0.0	0.0	-	2.5	-100.0%	16.5	19.8	19.6%
Financial results	-1.2	0.0	-	0.4	-97.6%	-4.0	1.1	-
Income taxes	-1.5	2.1	-	-11.1	-	-0.5	-8.9	-
FCF⁽¹⁾	11.5	-16.1	-	-5.6	-185.6%	16.1	38.0	135.5%

(1) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs.

Sonaecom SGPS is listed on the Euronext Stock Exchange. Information is available on Reuters under the symbol SNC.LS and on Bloomberg under the symbol SNC:PL.

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This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that are not historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, the telecommunications industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes", "expects", "anticipates", "projects", "intends", "should", "seeks", "estimates", "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors, analysts and, generally, the recipients of this document are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

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