

SONAE INDÚSTRIA, SGPS, S.A.

Registered Office: Lugar do Espido, Via Norte, Maia
Registered at the Commercial Registry of Maia
Registry and Tax no. 506 035 034
Share Capital: € 253,319,797.26
Publicly Traded Company

PRIVILEGED INFORMATION**SALE OF SHAREHOLDING BY A 50% OWNED COMPANY**

Sonae Indústria, SGPS, SA (“Sonae Indústria”) hereby announces that a wholly owned subsidiary of “Sonae Arauco, SA”, a 50% owned company of Sonae Indústria, sold, on the present date, shares representing 90% of the share capital and voting rights of “Sociedade de Iniciativa e Aproveitamentos Florestais - Energia, SA” (SIAF-Energia) to “CAPWATT, SGPS, SA”, a subsidiary of “Sonae Capital, SGPS; SA”, for an amount of approximately nine hundred thousand euros (plus available cash).

Sonae Arauco and CAPWATT have one put option and one call option, respectively, over the shares representing the remaining 10% of share capital, that can be exercised within a period of circa 3 years.

SIAF-Energia has a cogeneration plant installed near a MDF industrial plant located in Mangualde, which is owned by a company fully controlled by Sonae Arauco, as well as a license for the construction of a forest biomass power plant, also near the industrial plant. Once the construction of the new power plant is concluded, which is expected to occur by the end of 2019, the power plant will guarantee the supply of the thermal energy needed for the operation of the MDF plant.

With this transaction, Sonae Arauco is able to ensure the supply of the thermal energy needed for the operation of its industrial plant in Mangualde, including a new MDF production line with the latest technology to be installed therein which will allow for an increase in thin MDF capacity, without having to make the correspondent investment, thus leveraging its financial resources to invest in wood-based panels which is its core business.

Maia, 12 October 2017

The Representative for Relations with Capital Markets and CMVM,

(Christopher Lawrie)

Sonae Indústria, SGPS, SA

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