

SONAE INDÚSTRIA, SGPS, SA

Registered Office: Lugar do Espido, Via Norte, Maia, Portugal

Registered at the Commercial Registry of Maia

Registry and tax identification No. 506 035 034

Share Capital: € 700 000 000

Publicly Traded Company

Activity Report and Consolidated Financial Statements

January – June 2009

According to the International Accounting Standard 34 - Interim Financial Report



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Appendix required by Article 14, no. 7 of the CMVM Regulation no. 05/2008

Statement issued according and for the purposes of paragraph c) of Article 246. CMVM code

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STATUTORY EXTERNAL AUDITOR'S REPORT



ACTIVITY REPORT

1- Message from Carlos Bianchi de Aguiar, CEO

“As we expected, the business environment remains difficult in the regions where we operate. We have been taking restructuring measures in order to balance the supply to demand. Some of the measures we implemented are already impacting our performance and we expect to see further benefits in the coming months.

During 2Q 2009, we improved recurrent EBITDA when compared with 1Q 2009, as a result of a decrease in our cost base and improved efficiency, in line with our expectations.

Volumes sold in our markets appear to have stabilized, except in Germany and France. Downward pressure on prices continues in all markets.

In recent quarters, we have been implementing the restructuring measures, we had announced, in order to adapt our product supply to lower market demand and to reduce our cost structure. Measures to reduce fixed costs already resulted in a decrease of 27 million euros in 1H 2009, when compared to the same period last year. This trend will continue in the next quarter, since two sites in France, St. Dizier and Châtellerault were closed in June.

In Germany, in addition to the short-time work already implemented at the beginning of 2009, we are entering into negotiations with the worker representatives to close a further plant located in Central Europe (Kaisersesch). This plant has an annual capacity of approximately 350 thousand m³.

One of our main focuses has been cash flow management and we have successfully reduced Working Capital and, thereby, Net Debt during this quarter decreased by 21 million euros.

We will continue to work hard in these tough times and I am counting on a special effort from all our employees. I believe, we will come out of this crisis as an even stronger and more focused Group than before. I would also like to thank our shareholders and customers for their support and continuing confidence in our Group.”

2- Highlights of Financial Performance in 1H 2009

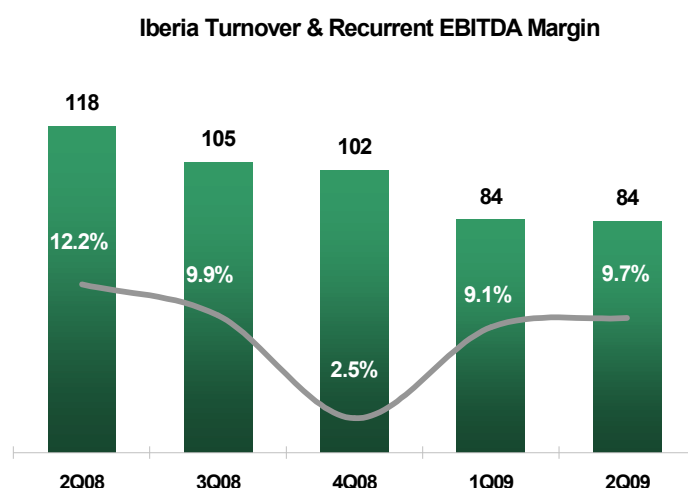
- Comparing 2Q 2009 with 1Q 2009:
 - Turnover decreased by 6% and sales volumes fell 3%, which represents a further reduction in the rate of quarter on quarter decline;
 - Sales volume increased in all countries except Germany and France;
 - Recurrent EBITDA has improved by 111% from 6 to 13 million euros, as a result of cost reductions;
 - Net Debt decreased by 21 million euros, due to Working Capital savings achieved.
- Comparing 1H 2009 with 1H 2008, Turnover decreased by 30% to 671 million euros, mainly due to a sharp sales volume decrease caused by the world economic crisis.



	2008	2Q'08	1Q'09	2Q'09	2Q'09 / 2Q'08	2Q'09 / 1Q'09	(euro millions)		
							1H'08	1H'09	% chg 09/08
Turnover	1,769	467	346	325	(31%)	(6%)	965	671	(30%)
EBITDA	139	38	4	9	(75%)	151%	126	13	(90%)
Recurrent EBITDA	100	38	6	13	(67%)	111%	79	19	(77%)
Recurrent EBITDA Margin %	5.7%	8.1%	1.7%	3.9%			8.2%	2.8%	
Net Profit/(Loss) attributable to Shareholders of Sonae Indústria	(108)	(7)	(40)	(34)	(412%)	16%	6	(74)	
Net Debt	890	827	917	896			827	896	

3- Geographic Review of Operations

3.1- Iberia



In Iberia, 1Q 2009 would appear to have seen the bottom of the crisis. During 2Q 2009, despite the negative seasonal effect of the Easter period, our volumes sold increased slightly and prices have stabilized.

Nevertheless, when compared with 1H 2008, we are still facing much tougher market conditions. New housing permits in Spain declined by 65%¹ (YoY Jan - April).

In relation to fixed costs, we are adopting short-time work solutions in almost all units in Spain and we expect to achieve further reductions in costs.

Iberian turnover in 1H 2009 decreased by 32% compared to 1H 2008 and recurrent EBITDA margin declined to 9.4%, 3 p.p. below the corresponding value for 1H 2008.

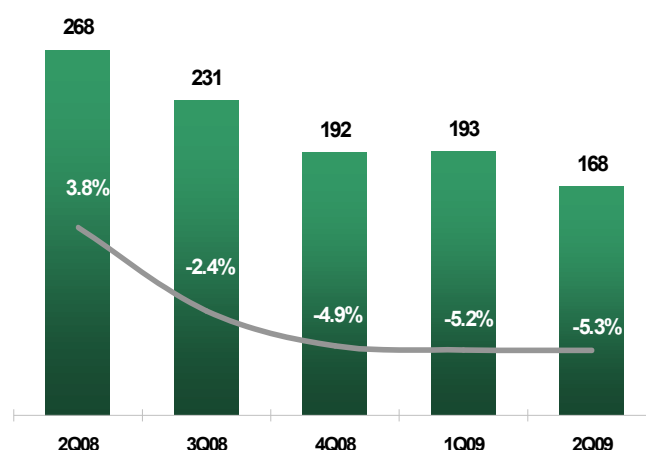
¹ Source: *Ministerio de Fomento*, June 2009



3.2- Central Europe (Germany, France and the UK)

Central Europe has also suffered from a very low level of activity in the construction and furniture industry which has negatively affected the demand for wood based panels.

Central Europe Turnover & Recurrent EBITDA Margin



In Germany, demand is still very weak and additional volumes from the Eastern Countries are being imported into the German market as a result of the strength of the Euro.

Our fixed costs have decreased as a result of the measures we have implemented. Unfortunately, the positive impacts on our margins were offset by the weakening of market prices of our products.

In order to further adapt our capacity to lower demand we continued to implement our restructuring plan. Following the production stoppage in Duisburg and the short-time work implemented in all the other plants, we are now entering into negotiations to close the Kaisersesch plant.

In France, the demand for wood based products has been falling and our volumes sold in this quarter have decreased a further 20%, when compared to 1Q 2009.

When compared to the same period last year, housing permits have declined by 18%² (YoY Jan - May). This has led to a decline in volumes sold of 37% and in Turnover of 46% (compared to 1H 2008).

The restructuring that was announced at the beginning of 2009 has been implemented according to plan and the St. Dizier and Châtelleraut plants closed in June, which will positively impact recurrent EBITDA in coming quarters.

In **the UK**, levels of demand are very low in most sectors. Market statistics still show a continuing downward trend with orders for new housing dropping by 42%³ (YoY Jan - May).

² Source: *Service économie statistiques et prospective (Ministère de l'Écologie, de l'Énergie, du Développement durable et de l'Aménagement du territoire)*, June 2009

³ Source : Office for National Statistics UK, July 2009



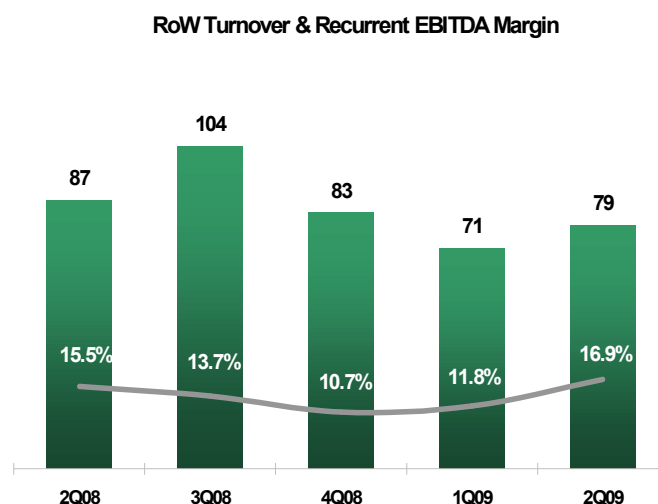
Despite this weak demand, when compared to 1Q 2009, we have increased our EBITDA margin, as a result of an increase in value-added products sold due to improvements achieved in service and product innovation.

In addition, the Coleraine plant stopped PB production in March and demand is being satisfied from the Knowsley site, positively impacting operating costs.

In Central Europe, when comparing 1H 2008 to 1H 2009, turnover decreased by 35% to 361 million euros and recurrent EBITDA fell to a negative 19 million euros.

3.3- Rest of the World (Canada, Brazil and South Africa)

Our performance in Canada, Brazil, and South Africa reflects a combination of mixed market trends and specific impacts which make direct comparisons difficult.



In **Brazil**, the new MDF capacity coming into the market is negatively affecting our sales volumes, and is putting pressure on MDF prices.

Despite this increase in capacity, we were able to slightly increase our EBITDA margin, when compared to 1Q 2009, as variable costs have decreased.

A consolidation of the market has already started with the announcement of a merger between two of our competitors: Duratex and Satipel.

In **North America**, US Housing starts declined by 50% (YoY 1H 2009, according to RISI) while Canadian Housing starts declined by 46% (YoY 1H 2009, according to CMHC⁴). As a consequence, many plants are stopping production or even closing down (two PB plants announced indefinite closures during 1Q 2009 and another plant closure has been announced for September 2009).

Nevertheless, we continue consolidating our market position. In recent quarters, we have increased market share of shipments from Canada to 35% and during this quarter our volumes sold increased by 12% (compared to 1Q 2009).

⁴ Canada Mortgage and Housing Corporation



In **South Africa**, the macroeconomic environment during 2Q 2009 has been stable and our product prices and volumes sold improved slightly.

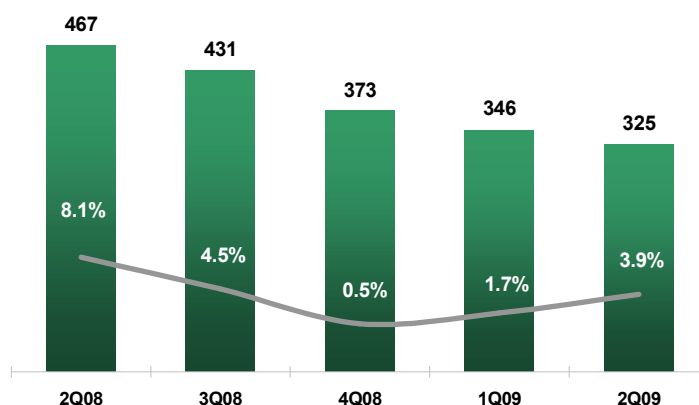
On the cost side, as expected, chemicals prices decreased during 2Q 2009, helping our EBITDA margin.

As already announced, we closed our George plant during 1H 2009.

Turnover in the **Rest of the World** amounted to 150 million euros in 1H 2009, 14% below the same period in 2008. Recurrent EBITDA decreased to 22 million euros.

4- Financial Review of 1H 2009

Consolidated Turnover & Recurrent EBITDA Margin



Consolidated Turnover in 1H 2009 amounted to 671 million euros, a decrease of 30%, when compared to 1H 2008. Consolidated Recurrent EBITDA was 19 million euros, representing a margin on Turnover of 2.8% and an absolute decrease of 77% compared to 1H 2008.

							(euro millions)		
	2008	2Q'08	1Q'09	2Q'09	2Q'09 / 2Q'08	2Q'09 / 1Q'09	1H'08	1H'09	%chg 09/08
Turnover	1,769	467	346	325	(31%)	(6%)	965	671	(30%)
Other Operational Income	114	17	11	14	(21%)	22%	77	25	(67%)
EBITDA	139	38	4	9	(75%)	151%	126	13	(90%)
Recurrent EBITDA	100	38	6	13	(67%)	111%	79	19	(77%)
Recurrent EBITDA Margin %	5.7%	8.1%	1.7%	3.9%			8.2%	2.8%	
Depreciation and amortisation	(123)	(31)	(31)	(32)	(4%)	(3%)	(60)	(63)	(4%)
Provisions and Impairment Losses	(56)	(5)	(3)	(3)	28%	(11%)	(15)	(6)	58%
Operational Profit	(23)	8	(25)	(19)	(339%)	23%	58	(45)	(177%)
Net Financial Charges	(78)	(20)	(15)	(14)	29%	7%	(38)	(29)	24%
o.w. Net Interest Charges	(48)	(12)	(10)	(8)	32%	22%	(24)	(18)	24%
o.w. Net Financial Discounts	(17)	(4)	(3)	(3)	29%	3%	(9)	(6)	29%
Profit before taxes (EBT)	(101)	(12)	(40)	(33)	(188%)	17%	20	(74)	(476%)
Taxes	(3)	8	(0)	(1)	(111%)	(75%)	(7)	(1)	82%
o.w. Current Tax	(3)	1	(0)	(1)	(294%)	(186%)	(3)	(1)	53%
Net Profit/(Loss) attributable to Shareholders of Sonae Indústria	(108)	(7)	(40)	(34)	(412%)	16%	6	(74)	



Consolidated Total EBITDA in 1H 2009 decreased by 90% to 13 million euros (compared to 1H 2008), including a negative exchange rate effect of 1.8 million euros. Non-recurrent items mainly relate to restructuring costs.

1H 2009 consolidated Net Profit/(Loss) Attributable to Sonae Indústria Shareholders amounted to a negative 74 million euros, down from a positive 6 million euros in 1H 2008.

	(euro millions)		
	2008	1Q'09	1H'09
Non Current Assets	1,386	1,384	1,413
Tangible Assets	1,203	1,198	1,224
Goodwill	104	104	107
Deferred Tax	54	55	57
Other Non Current Assets	26	26	25
Current Assets	532	467	440
Inventories	193	173	159
Trade Debtors	200	219	211
Cash & Investments	66	24	27
Other Current Assets	74	52	43
Total Assets	1,918	1,851	1,853
Shareholders' Funds	397	361	339
Minority Interests	3	3	2
Shareholders' Funds + Minority Interests	400	363	342
Interest Bearing Debt	956	941	922
Short term	189	186	188
L-M term	767	756	734
Trade Creditors	166	149	148
Other Liabilities	396	397	440
Total Liabilities	1,518	1,488	1,511
Total Liabilities, Shareholders' Funds and Minority Interests	1,918	1,851	1,853

In 1H 2009, additions to Fixed Assets amounted to 17 million Euros mostly driven by essential investments in maintenance, Health & Safety and Environmental issues.

Tight management of our Working Capital resulted in an improvement of 21 million euros during this quarter, which enabled us to reduce our Net Debt by the same amount.

Our financial costs are lower in 1H 2009 when compared to the same period last year, benefiting from the lower interest rates.

We have already received proposals from relationship banks to refinance the 80 million euros bond issue maturing in October 2009.

As previously reported, our debt has no consolidated financial ratio covenants.

5- Looking Forward

We expect a slow recovery in the wood base panel industry over the coming quarters, as volumes appear to have now stabilized in most of the geographies where we operate.

Fixed costs should continue to decline in the coming months as a result of the restructuring measures we have implemented and we will continue to adapt our production to market demand.

Cash flow management will continue to be our top priority, by restricting our investments and minimizing our working capital.



We will continue to study and implement further restructuring measures to adapt our capacity to the market and to strengthen our balance sheet.

The Board of Directors
Maia, 30th July 2009

Belmiro de Azevedo

Álvaro Cuervo

Paulo Azevedo

Per Knuts

Thomas Nystén

Carlos Bianchi de Aguiar

Rui Correia

Christophe Chambonnet

**QUALIFIED SHAREHOLDINGS,
APENDICES TO THE ACTIVITY REPORT
AND
STATEMENT ACCORDING WITH ART 246 CMVM
CODE**

QUALIFIED SHAREHOLDINGS

Complying with Article 9 No.1 of the the CMVM Regulation no. 05/2008

Shareholder	No. of shares	% Share Capital	% Voting rights
Efanor Investimentos, SGPS, S.A.			
Directly	44.780.000	31,9857%	31,9857%
By Pareuro, BV (controlled by Efanor)	27.118.645	19,3705%	19,3705%
By SC, SGPS, SA (indirectly controlled by Efanor)	9.521.815	6,8013%	6,8013%
By SC Finance, BV (ex-Sonae Financial Participations B.V) (indirectly controlled by Efanor)	843.453	0,6025%	0,6025%
By Maria Margarida CarvalhaisTeixeira de Azevedo (Director of Efanor)	1.010	0,0007%	0,0007%
By Nuno Miguel Teixeira de Azevedo (Director of Efanor and held by descendent)	711	0,0005%	0,0005%
By Duarte Paulo Teixeira de Azevedo (Director of Efanor and held by descendent)	223	0,0002%	0,0002%
By Migracom, SGPS,SA (Company controlled by Efanor's Director, Paulo Azevedo)	90.000	0,0643%	0,0643%
By Linhacom, SGPS,SA (Company controlled by Efanor's Director, Cláudia Azevedo)	23.186	0,0166%	0,0166%
Total allocation	82.379.043	58,8422%	58,8422%

Corporate Governing Bodies Information

Complying with Article 9 No.1 of the the CMVM Regulation no. 05/2008

date	Acquisitions		Sales		Balance at
	amount	€ average value	amount	€ average value	30.06.2009 amount
Belmiro Mendes de Azevedo					
Efanor Investimentos, SGPS, SA (1)					49.999.997
(1 share is held by the spouse)					
Sonae Indústria, SGPS, SA					1.010
(1 share is held by the spouse)					
Sonae Capital, SGPS, SA (2)					838.862
(1.862 shares are held by the spouse)					
Duarte Paulo Teixeira de Azevedo					
Efanor Investimentos, SGPS, SA (1)					1
Sonae Capital, SGPS, SA (2)					411
(held by the menor descendent)					
Migracom, SGPS, SA (3)					1.969.996
Sonae Indústria, SGPS, SA					223
(held by the menor descendent)					
Carlos Bianchi de Aguiar					
Sonae Indústria, SGPS, SA					720
Rui Manuel Gonçalves Correia					
Sonae Indústria, SGPS, SA					12.500
Agostinho Conceição Guedes					
Sonae Indústria, SGPS, SA					2.520

date	Acquisitions		Sales		Balance at
	amount	€ average value	amount	€ average value	30.06.2009 amount
(1) Efanor Investimentos, SGPS, SA					
Sonae Indústria, SGPS, SA					44.780.000
Pareuro, BV (4)					2.000.000
Increase in share capital					
Sonae Capital, SGPS, SA (2)					88.859.200
(2) Sonae Capital, SGPS, SA					
SC, SGPS, SA (5)					391.046.000
SC Finance, BV (6)					500
(ex-Sonae Financial Participations B.V)					
(3) Migracom, SGPS, SA					
Sonae Indústria, SGPS, SA					90.000
Imparfin, SGPS, SA (7)					150.000
Sonae Capital, SGPS, SA					161.250
(4) Pareuro, BV					
Sonae Capital, SGPS, SA (2)					50.000.000
Sonae Indústria, SGPS, SA					27.118.645
(5) SC, SGPS, SA					
Sonae Indústria, SGPS, SA					9.521.815
(6) SC Finance B.V					
Sonae Indústria, SGPS, SA					843.453
28.05.2009			7.500	2,443	
29.05.2009			30.000	2,409	
01.06.2009			50.000	2,411	
02.06.2009			55.000	2,446	
03.06.2009			30.000	2,437	
04.06.2009			22.000	2,410	
05.06.2009			110.252	2,410	
08.06.2009			40.000	2,315	
09.06.2009			25.000	2,345	
10.06.2009			17.500	2,396	
11.06.2009			15.500	2,400	
12.06.2009			200.000	2,394	
15.06.2009			11.144	2,361	
16.06.2009			5.000	2,360	
(7) Imparfin, SGPS, SA					
Sonae Capital, SGPS, SA (2)					513.160
Sonae Indústria, SGPS, SA					278.324

LIST OF TRANSACTIONS MADE BY PERSONS DISCHARGING MANAGERIAL RESPONSABILITIES AND PEOPLE CLOSELY CONNECTED WITH THEM DURING THE 1st HALF OF 2009

Complying with Article 14, no. 7 of the CMVM Regulation no. 05/2008

	Date	Acquisitons		Sales		Balance 30.06.2009
		Amount	average value	Amount	average value	Amount
SC Finance, B.V (1)						
(ex- Sonae Financial Participations)						
Sonae Indústria, SGPS, SA						843.453
Sale	28-05-2009			7.500	2,44	
	29-05-2009			30.000	2,41	
	01-06-2009			50.000	2,44	
	02-06-2009			55.000	2,446	
	03-06-2009			30.000	2,437	
	04-06-2009			22.000	2,41	
	05-06-2009			110.252	2,41	
	08-06-2009			40.000	2,315	
	09-06-2009			25.000	2,345	
	10-06-2009			17.500	2,40	
	11-06-2009			15.500	2,4	
	12-06-2009			200.000	2,394	
	15-06-2009			11.144	2,361	
	16-06-2009			5.000	2,36	

(1) Entity closely connected with the director Belmiro de Azevedo, as he indirectly holds it

(Free translation from the original in Portuguese)

Statement issued under the terms and for the purpose of sub-paragraph c) of no. 1 of Article 246 of the Portuguese Securities Code

In terms of the order in sub-paragraph c), no. 1, Article 246 of the Portuguese Securities Code, the Board members of Sonae Indústria, SGPS, SA hereby declare, to the best of their knowledge, that:

- a) The half-yearly financial statements have been prepared according to the applicable accountancy standards, reflecting a true and fair view of the assets and liabilities, financial position and results of both the company and the companies included in its consolidation perimeter; and
- b) The interim Management Report includes a fair review of the important events that have occurred in the first six months of this year, and the impact on the financial statements, together with a description of the main risks and uncertainties for the remaining part of the year.

30th July 2009

The Board of Directors

Belmiro de Azevedo

Álvaro Cuervo

Paulo Azevedo

Per knuts

Thomas Nystén

Carlos Bianchi de Aguiar

Rui Correia

Christophe Chambonnet

Consolidated Financial Statements

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2009 AND 31 DECEMBER 2008

(Amounts expressed in Euros)

ASSETS	30.06.2009	31.12.2008
NON CURRENT ASSETS:		
Tangible assets	1 224 096 795	1 202 504 678
Goodwill	106 637 124	103 811 638
Intangible assets	11 501 274	12 490 658
Investment properties	8 044 647	8 114 976
Associated undertakings and non consolidated undertakings	2 986 761	3 075 688
Investment available for sale	400 002	389 763
Deferred tax asset	57 057 506	53 985 797
Other non current assets	2 395 357	1 751 010
Total non current assets	<u>1 413 119 466</u>	<u>1 386 124 208</u>
CURRENT ASSETS:		
Inventories	158 919 113	192 882 429
Trade debtors	210 812 099	199 825 603
Other current debtors	13 051 733	15 418 674
State and other public entities	19 560 061	30 835 909
Other current assets	10 738 273	27 529 412
Cash and cash equivalents	26 531 039	65 750 257
Total current assets	<u>439 612 318</u>	<u>532 242 284</u>
TOTAL ASSETS	<u>1 852 731 784</u>	<u>1 918 366 492</u>
SHAREHOLDERS' FUNDS AND LIABILITIES		
SHAREHOLDERS' FUNDS:		
Share capital	700 000 000	700 000 000
Legal reserve	2 737 181	2 399 639
Other reserves and retained earnings	- 284 078 838	- 207 594 636
Accumulated other comprehensive income	- 79 200 372	- 97 704 689
Total	<u>339 457 971</u>	<u>397 100 314</u>
Non-controlling interests	2 437 130	3 072 691
TOTAL SHAREHOLDERS' FUNDS	<u>341 895 101</u>	<u>400 173 005</u>
LIABILITIES:		
NON CURRENT LIABILITIES:		
Long term bank loans - net of short-term portion	278 801 065	268 056 483
Non convertible debentures	302 616 842	302 147 961
Long term Finance Lease Creditors - net of short-term portion	46 333 899	47 949 761
Other loans	105 949 910	148 419 100
Pensions liabilities	25 471 065	25 244 259
Other non current liabilities	128 071 059	118 741 078
Deferred tax liabilities	75 381 072	69 902 362
Provisions	55 777 312	37 498 938
Total non current liabilities	<u>1 018 402 224</u>	<u>1 017 959 942</u>
CURRENT LIABILITIES:		
Short term portion of long term bank loans	30 978 539	31 507 509
Short term bank loans	73 689 995	74 070 252
Short term portion of long term non convertible debentures	80 000 000	80 000 000
Short term portion of Finance Lease Creditors	3 277 435	3 535 578
Other loans	300 630	301 760
Trade creditors	148 299 967	165 920 462
Taxes and Other Contributions Payable	19 141 896	16 307 234
Other current liabilities	127 217 842	116 981 282
Provisions	9 528 155	11 609 467
Total current liabilities	<u>492 434 459</u>	<u>500 233 545</u>
TOTAL EQUITY AND LIABILITIES	<u>1 852 731 784</u>	<u>1 918 366 492</u>

The notes are an integral part of the consolidated financial statements

The Board of Directors

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED INCOME STATEMENTS

FOR THE PERIODS ENDED AT 30 JUNE 2009 AND 2008

(Amounts expressed in Euros)

	30.06.2009	2nd. Half 09 (non audited)	30.06.2008	2nd. Half 08 (non audited)
Operating revenues				
Sales	668 179 765	323 307 159	960 655 421	465 091 326
Services rendered	2 586 488	1 234 115	4 178 638	2 229 996
Other operating revenues	25 109 327	13 799 537	77 023 853	17 378 290
Total operating revenues	<u>695 875 580</u>	<u>338 340 811</u>	<u>1 041 857 912</u>	<u>484 699 612</u>
Operating costs				
Cost of sales	323 324 721	153 940 562	501 554 427	245 923 026
(Increase) / decrease in production	15 951 689	8 660 564	- 3 040 879	- 5 798 743
External supplies and services	191 741 481	90 042 386	254 626 657	122 271 863
Staff expenses	133 945 115	66 696 696	144 222 299	71 707 649
Depreciation and amortisation	62 970 074	31 909 997	60 447 571	30 793 335
Provisions and impairment losses	6 303 313	3 316 124	15 013 605	4 599 260
Other operating costs	6 345 764	3 179 143	11 291 580	7 074 144
Total operating costs	<u>740 582 157</u>	<u>357 745 472</u>	<u>984 115 260</u>	<u>476 570 534</u>
Operational profit / (loss)	<u>- 44 706 577</u>	<u>- 19 404 661</u>	<u>57 742 652</u>	<u>8 129 078</u>
Financial profits	42 533 644	22 099 518	46 064 314	17 573 785
Financial costs	71 480 074	36 061 861	84 219 579	37 298 506
Gains and losses in associated companies	- 88 928	- 113 933		
Gains and losses in investments	98 700	98 700	20 975	20 975
Current profit / (loss)	<u>- 73 643 235</u>	<u>- 33 382 237</u>	<u>19 608 362</u>	<u>- 11 574 668</u>
Taxation	1 325 696	843 647	7 256 038	- 7 545 496
Consolidated net profit / (loss) afer taxation	<u>- 74 968 931</u>	<u>- 34 225 884</u>	<u>12 352 324</u>	<u>- 4 029 172</u>
Profit / (loss) after taxation from discontinued operations	-	-	-	-
Consolidated net profit / (loss) for the period	<u>- 74 968 931</u>	<u>- 34 225 884</u>	<u>12 352 324</u>	<u>- 4 029 172</u>
Attributable to:				
Equity holders of Sonae Industria	- 74 028 838	- 33 768 482	6 439 558	- 6 594 590
Non-controlling interests	<u>- 940 093</u>	<u>- 457 402</u>	<u>5 912 766</u>	<u>2 565 418</u>
Profit/(Loss) per share				
Excluding discontinued operations:				
Basic	- 0.5288	- 0.2412	0.0460	- 0.0471
Diluted	<u>- 0.5288</u>	<u>- 0.2412</u>	<u>0.0460</u>	<u>- 0.0471</u>
From discontinued operations:				
Basic	-	-	-	-
Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The notes are an integral part of the consolidated financial statements

The board of directors

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIODS ENDED 30 JUNE 2009 AND 2008

(Amounts expressed in Euros)

	<u>30.06.2009</u>	<u>2nd. Half 09 (non audited)</u>	<u>30.06.2008</u>	<u>2nd. Half 08 (non audited)</u>
Net profit / (loss) for the period (a)	<u>(74 968 931)</u>	<u>(34 225 884)</u>	<u>12 352 324</u>	<u>(4 029 172)</u>
Other comprehensive income				
Change in currency translation reserve	20 022 302	14 032 288	(15 278 560)	11 300 501
Change in fair value of cash flow hedge derivatives	(1 286 205)	268 231	431 861	312 165
Income tax relating to components of other comprehensive income				
Other comprehensive income for the period, net of tax (b)	<u>18 736 097</u>	<u>14 300 519</u>	<u>(14 846 699)</u>	<u>11 612 666</u>
Total comprehensive income for the period (a) + (b)	<u>(56 232 834)</u>	<u>(19 925 365)</u>	<u>(2 494 375)</u>	<u>7 583 494</u>
Total comprehensive income attributable to:				
Equity holders of Sonae Industria	(55 524 521)	(19 638 395)	(9 377 685)	1 899 962
Non-controlling interests	(708 313)	(286 970)	6 883 310	5 683 532
	<u>(56 232 834)</u>	<u>(19 925 365)</u>	<u>(2 494 375)</u>	<u>7 583 494</u>

The notes are an integral part of the consolidated financial statements

The board of directors

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' FUNDS AT 30 JUNE 2009 AND 2008

(Amounts expressed in Euros)

<u>Accumulated other comprehensive income</u>									
Notes	Share capital	Legal reserve	Other Reserves and accumulated earnings	Currency translation	Cash flow hedge derivatives	Subtotal	Total shareholders' funds attributable to the equity holders of Sonae Indústria	Non controlling interests	Total shareholders' funds
Balance as at 1 January 2008	700 000 000	1 340 138	- 60 916 369	-45 429 854	95 244	-45 334 610	595 089 159	33 742 417	628 831 576
Distributed dividends			- 39 200 000				- 39 200 000		- 39 200 000
Appropriation of previous year's net profit / (loss)		1 059 501	- 1 059 501						
Total comprehensive income			6 439 558	-16 249 104	431 861	-15 817 243	- 9 377 685	6 883 310	- 2 494 375
Others			- 324 041				- 324 041	122 048	- 201 993
Balance as at 30 June 2008	<u>700 000 000</u>	<u>2 399 639</u>	<u>-95 060 353</u>	<u>-61 678 958</u>	<u>527 105</u>	<u>-61 151 853</u>	<u>546 187 433</u>	<u>40 747 775</u>	<u>586 935 208</u>

<u>Accumulated other comprehensive income</u>									
Notes	Share capital	Legal reserve	Other Reserves and accumulated earnings	Currency translation	Cash flow hedge derivatives	Subtotal	Total shareholders' funds attributable to the equity holders of Sonae Indústria	Non controlling interests	Total shareholders' funds
Balance as at 1 January 2009	700 000 000	2 399 639	- 207 594 636	-96 639 619	-1 065 070	-97 704 689	397 100 314	3 072 691	400 173 005
Acquisition / (Disposal) of subsidiaries			- 311 418				- 311 418		- 311 418
Appropriation of previous year's net profit / (loss)		337 542	- 337 542						
Total comprehensive income			-74 028 838	19 790 522	-1 286 205	18 504 317	- 55 524 521	- 708 313	- 56 232 834
Others			-1 806 404				- 1 806 404	72 752	- 1 733 652
Balance as at 30 June 2009	<u>700 000 000</u>	<u>2 737 181</u>	<u>-284 078 838</u>	<u>-76 849 097</u>	<u>-2 351 275</u>	<u>-79 200 372</u>	<u>339 457 971</u>	<u>2 437 130</u>	<u>341 895 101</u>

The notes are an integral part of the consolidated financial statements

The board of directors

SONAE INDÚSTRIA, S.G.P.S., S.A.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED AT 30 JUNE 2009 AND 2008
(Amounts expressed in Euros)

	Notes	30.06.2009	30.06.2008	Restatement 30.06.2008
OPERATING ACTIVITIES				
Net cash flow from operating activities (1)		41 591 318	28 556 859	28 556 859
INVESTMENT ACTIVITIES				
Cash receipts arising from:				
Investments		497 169	6 663 392	6 663 392
Tangible and intangible assets		1 193 584	10 588 486	10 588 486
Loans granted			10 347	
Investment subventions			2 929 023	2 929 023
Interest and similar charges			2 755 018	
Others		98 700	20 974	20 974
		1 789 453	22 967 240	20 201 875
Cash Payments arising from:				
Investments		10 239	67 295	67 295
Tangible and intangible assets		23 552 113	74 583 377	74 583 377
Loans granted			300	
		23 562 352	74 650 972	74 650 672
Net cash used in investment activities (2)		- 21 772 899	- 51 683 732	- 54 448 797
FINANCING ACTIVITIES				
Cash receipts arising from:				
Interest and similar gains		897 700		2 755 018
Loans granted				10 347
Loans obtained		1 399 674 680	323 301 245	1 580 911 729
Others		5 591 572	54 702 070	54 702 070
		1 406 163 952	378 003 315	1 638 379 164
Cash Payments arising from:				
Loans granted		5 881		300
Loans obtained		1 430 572 244	273 883 484	1 531 494 268
Interest and similar charges		23 842 015	28 311 816	28 311 816
Dividends			39 101 644	39 101 644
Finance leases - repayment of principal		1 581 335	1 598 811	1 598 811
		1 456 001 475	342 895 755	1 600 506 539
Net cash used in financing activities (3)		- 49 837 523	35 107 560	37 872 625
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		- 30 019 104	11 980 687	11 980 687
Effect of foreign exchange rate		- 1 522 181	- 202 259	- 202 259
Cash and cash equivalents at the beginning of the period	7	17 388 776	49 154 756	49 154 756
Cash and cash equivalents at the end of the period	7	- 11 108 147	61 337 702	61 337 702

The notes are an integral part of the consolidated financial statements

The board of directors



SONAE INDÚSTRIA SGPS, S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2009

(Amounts expressed in euros)

1. INTRODUCTION

SONAE INDÚSTRIA, SGPS, SA has its head-office at Lugar do Espido, Via Norte, Apartado 1096, 4470-909 Maia, Portugal.

The shares of the company are listed on Euronext Lisbon.

2. ACCOUNTING POLICIES

The present set of consolidated financial statement has been prepared on the basis of the accounting policies that were disclosed in the notes to the consolidated financial statements of year 2008.

2.1. Basis of Preparation

These consolidated financial statements were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting, as changed by IAS 1 – Presentation of Financial Statements, as amended in 2007, and by IFRS 8 – Operating Segments. As such, they do not include all the information which ought to be included in annual consolidated financial statements and therefore should be read in connection with the financial statements of year 2008.



2.2. Translation of financial statements of foreign companies

Exchange rates used on translation of foreign group, jointly controlled and associated companies are listed below:

	31.03.2009		31.12.2008		31.03.2008	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
Great Britain Pound	0.8521	0.8932	0.9525	0.7943	0.7922	0.7747
Brazilian Real	2.7469	2.9163	3.2436	2.6555	2.5112	2.5932
South African Rand	10.8849	12.2041	13.0668	11.9933	12.3426	11.6727
Canadian Dollar	1.6275	1.6046	1.6998	1.5574	1.5942	1.5384
American Dollar	1.4134	1.3311	1.3917	1.4631	1.5764	1.5289
Swiss Franc	1.5265	1.5055	1.4850	1.5862	1.6056	1.6060
Polish Zloty	4.4520	4.4693	4.1535	3.5002	3.3513	3.4882

Source: Bloomberg

3. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

During the period the company Euro Decorative Boards, Ltd., formerly consolidated by the fully consolidation method, was liquidated and the company Beeskow Holzwerkstoffe GmbH was incorporated through partial demerger of GHP GmbH.

These changes in the consolidation perimeter did not affect the comparability of these consolidated financial statements.



4. TANGIBLE AND INTANGIBLE ASSETS

During the periods ended 30 June 2009 and 31 December 2008, movements in tangible and intangible assets, accumulated depreciation and impairment losses were as follows:

Tangible Assets		
	30.06.2009	31.12.2008
Gross cost:		
Opening balance	2 624 864 682	2 683 286 688
Changes in consolidation perimeter		- 7 803 613
Capital expenditure	15 700 020	109 114 008
Disposals	18 853 614	18 059 709
Others	5 128 260	198 644
Exchange rate effect	69 908 370	- 141 871 332
Closing balance	<u>2 696 747 718</u>	<u>2 624 864 686</u>
Accumulated depreciation and impairment losses		
Opening balance	1 422 360 005	1 340 465 340
Changes in consolidation perimeter		- 5 170 822
Charge for the period	61 679 965	150 085 946
Disposals	18 356 547	11 345 317
Exchange rate effect	26 510 953	- 51 578 302
Others	- 19 543 453	- 96 837
Closing balance	<u>1 472 650 923</u>	<u>1 422 360 008</u>
Carrying amount	<u>1 224 096 795</u>	<u>1 202 504 678</u>

During the periods ended 30 June 2009 and 31 December 2008 no interest paid or any other financial charges were capitalised, in accordance with conditions defined in note 2.9 to consolidated financial statements of year 2008.

Intangible Assets		
	30.06.2009	31.12.2008
Gross cost:		
Opening balance	22 257 745	18 499 178
Capital expenditure	276 963	5 597 990
Disposals	67 175	1 068 180
Exchange rate effect	389 838	- 562 449
Others	452 485	- 208 794
Closing balance	<u>23 309 856</u>	<u>22 257 745</u>
Accumulated amortisation and impairment losses		
Opening balance	9 767 088	7 663 030
Charge for the period	1 968 235	3 147 724
Disposals	67 175	1 068 186
Exchange rate effect	140 434	- 72 543
Others		97 062
Closing balance	<u>11 808 582</u>	<u>9 767 087</u>
Carrying amount	<u>11 501 274</u>	<u>12 490 658</u>

Charges to impairment losses are detailed in note 12.



5. DEFERRED TAXES

At 30 June 2009 and 31 December 2008 deferred tax asset and liability were detailed according to underlying temporary differences as follows:

	Deferred tax assets		Deferred tax liabilities	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Harmonisation adjustments			64 148 812	59 897 966
Provisions not allowed for tax purposes	4 345 945	3 377 394	24 402	
Impairment of Assets	1 918 164	2 588 089		
Derecognized intangible assets		600		
Derecognized tangible assets	132 056	186 174		
Derecognized deferred costs	128 683	177 647		
Valuation of hedging derivatives	130 633	108 820		
Revaluation of tangible assets			2 918 798	3 044 798
Tax losses carried forward	50 402 025	47 547 072		
Others			8 289 060	6 959 598
	<u>57 057 506</u>	<u>53 985 797</u>	<u>75 381 072</u>	<u>69 902 362</u>

Changes to deferred tax asset and liability include approximately 3 700 000 euros and 6 350 000 euros of exchange rate effect, respectively.

6. OTHER CURRENT ASSETS

At 30 June 2009 and 31 December 2008, details of Other current assets on the Consolidated Balance Sheet were as follows:

	30.06.2009			31.12.2008		
	Gross Value	Impairment	Net Value	Gross Value	Impairment	Net Value
Derivatives instruments	6 372 338		6 372 338	16 521 457		16 521 457
Financial Instruments	6 372 338		6 372 338	16 521 457		16 521 457
Accrued revenue	1 341 436		1 341 436	5 441 863		5 441 863
Deferred Costs	3 012 274		3 012 274	5 535 277		5 535 277
Others	12 225		12 225	30 815		30 815
Assets out of scope of IFRS 7	4 365 935		4 365 935	11 007 955		11 007 955
Total	<u>10 738 273</u>		<u>10 738 273</u>	<u>27 529 412</u>		<u>27 529 412</u>



7. CASH AND CASH EQUIVALENTS

At 30 June 2009 and 31 December 2008, the detail of Cash and Cash Equivalents was as follows:

	30.06.2009	31.12.2008
Cash at hand	104 974	98 186
Bank deposits	5 847 704	8 040 212
Treasury applications	20 578 361	57 611 859
Cash and cash equivalents on the balance sheet	26 531 039	65 750 257
Bank overdrafts	37 639 186	48 361 481
Cash and cash equivalents on the statement of cash flows	- 11 108 147	17 388 776

The consolidated statement of cash flows for the period ended 30 June 2008 was restated as follows:

- i) Cash receipts and payments arising from loans granted were transferred from investment activities to financing activities;
- ii) Cash receipts arising from interest and similar gains were transferred from investment activities to financing activities;
- iii) Cash receipts and payments arising from loans obtained were recalculated so as to include all cash inflows and outflows occurred.

The restatement referred to in points i) and ii) occurred because the company's management considers that the new classification better reflects the structure of the organization's financing.



8. LOANS

As at 30 June 2009 and 31 December 2008 Sonae Indústria had the following outstanding loans:

30.06.2009				
	Amortised cost		Nominal value	
	Current	Non current	Current	Non current
Bank loans	104 668 534	278 801 065	104 668 534	278 801 065
Debentures	80 000 000	302 616 842	80 000 000	305 000 000
Obligations under finance leases	3 277 435	46 333 899	3 277 435	46 333 899
Other loans	300 630	105 949 910	300 630	105 949 910
Gross debt	188 246 599	733 701 716	188 246 599	736 084 874
Investment				
Cash and cash equivalent in balance sheet	26 531 039		26 531 039	
Net debt	161 715 560	733 701 716	161 715 560	736 084 874
Total net debt	895 417 276		897 800 434	

31.12.2008					
	Amortised cost		Nominal value		Fair value adjustment
	Current	Non current	Current	Non current	
Bank loans	105 577 761	268 056 483	105 577 761	268 056 483	970 201
Debentures	80 000 000	302 147 961	80 000 000	305 000 000	
Obligations under finance leases	3 535 578	47 949 761	3 535 578	47 949 761	-1 242 400
Other loans	301 760	148 419 100	301 760	148 419 100	
Gross debt	189 415 099	766 573 305	189 415 099	769 425 344	- 272 199
Investment					
Cash and cash equivalent in balance sheet	65 750 257		65 750 257		
Net debt	123 664 842	766 573 305	123 664 842	769 425 344	- 272 199
Total net debt	890 238 147		893 090 186		

The main changes occurred in bank loans were as follows:

a) In the first quarter of 2009 Sonae Indústria SGPS, SA contracted a loan with a Portuguese financial institution for 20 000 000 euros. The loan pays interest at market rate and principal will be repaid from 2009 to 2015;

b) In the first quarter of 2009 Tafisa Brasil contracted several loans with local banks for a total amount of 32 000 000 BRL. These loans pay interest at market rates and will be redeemed in 2009 and 2010;

c) In the second quarter of 2009 Tafisa Brasil contracted a loan with a local bank for an amount of BRL 28 000 000. This loan pay interest at market rate and will be redeemed in 2009 and 2010;



d) On 15 June 2009 the last instalment of the loan contracted by Sonae UK with European Investment Bank, with an original amount of GBP 35 000 000, was paid.

9. FINANCIAL DERIVATIVES

At 30 June 2009 and 31 December 2008, the fair value of derivative instruments are stated as follows:

	Other current assets (note 6)		Other current liabilities		Other non current liabilities	
	30.06.09	31.12.08	30.06.09	31.12.08	30.06.09	31.12.08
Derivatives at fair value through profit or loss	6 372 338	16 305 348	16 118 743	6 244 352		9 230
Derivatives at fair value through reserves		216 109	2 690 298	1 168 770		
	<u>6 372 338</u>	<u>16 521 457</u>	<u>18 809 041</u>	<u>7 413 122</u>		<u>9 230</u>

10. OTHER NON CURRENT LIABILITIES

At 30 June 2009 and 31 December 2008, details of Other non current liabilities were as follows:

	30.06.2009	31.12.2008
Derivative instruments		9 230
Group companies	72 604	72 604
Other creditors	434 401	434 401
Financial instruments	<u>507 005</u>	<u>516 235</u>
State and other public entities	56 100 189	44 122 456
Other creditors	71 463 865	74 102 387
Liabilities out of scope of IFRS 7	<u>127 564 054</u>	<u>118 224 843</u>
Total	<u>128 071 059</u>	<u>118 741 078</u>



11. OTHER CURRENT LIABILITIES

At 30 June 2009 and 31 December 2008, Other current liabilities were composed of:

	30.06.2009	31.12.2008
Group companies	34 946	34 910
Derivatives	18 809 041	7 413 122
Trade debtors advances	498 901	643 804
Fixed assets suppliers	2 975 827	8 776 582
Other creditors	5 093 188	2 693 380
Financial instruments	27 411 903	19 561 798
Other creditors	7 485 361	7 842 207
Accrued expenses:		
Insurances	850 294	55 226
Personnel costs	26 733 412	23 753 319
Accrued financial expenses	4 961 256	9 137 782
Rappel discounts (annual quantity discounts)	22 223 501	28 919 892
External supplies and services	10 513 361	11 939 042
Other accrued expenses	20 550 417	9 815 327
Deferred income:		
Investment subventions	5 955 214	5 891 717
Other deferred income	533 122	64 973
Liabilities out of scope of IFRS 7	99 805 938	97 419 485
Total	127 217 841	116 981 283

12. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements occurred in provisions and accumulated impairment losses during the period ended 30 June 2009 were as follows:

Description	30.06.2009					
	Opening balance	Exchange rate effect	Changes to perimeter	Increase	Utilizations	Other changes
Accumulated impairment losses on tangible assets (Note 4)	57 587 280	409 725		748 452	3 406 773	- 17 047 858
Accumulated impairment losses on intangible assets (Note 4)	19 242					- 19 242
Accumulated impairment losses on other non-current assets	10 931 182					
Accumulated impairment losses on trade debtors	16 742 196	358 736		4 296 400	2 326 672	- 1 933 729
Accumulated impairment losses on other debtors	19 629					
Provisions	49 108 405	3 220 302		1 258 461	3 731 302	15 449 601
Sub-total	134 407 934	3 988 763		6 303 313	9 464 747	- 3 551 228
Accumulated impairment losses on investments	37 005 998					
Accumulated impairment losses on inventories	17 098 955	416 105		5 387 155	5 012 389	- 962 562
Total	188 512 887	4 404 868		11 690 468	14 477 136	- 4 513 790

Increases and decreases in provisions and impairment losses are stated in the Consolidated Income Statement as follows:

	30.06.2009	
	Losses	Gains
Cost of sales	2 851 027	2 621 779
Other operating revenues		9 464 747
(Increase) / decrease in production	2 536 128	2 390 610
Provisions and impairment losses	6 303 313	
Total	11 690 468	14 477 136



At 30 June 2009 Sonae Indústria tested for impairment the cash generating units currently under restructuring in France and South Africa. These tests included the restructuring decisions that were taken in 2009, therefore changing the assumptions used on the tests performed by the end of 2008. Consequently, the impairment losses recognized in 2008 were partly reversed. The reversion is stated on column Other changes.

In addition, as the provisions of IAS 37 were fulfilled, a restructuring provision was created and stated on column Other changes.

13. OTHER OPERATING REVENUES

Details of Other operating revenues on the Consolidated Income Statement for the periods ended 30 June 2009 and 2008 are as follows:

	30.06.2009	30.06.2008
Gains on disposals of non current investments	20 675	4 192 056
Gains on disposals of tangible and intangible assets	898 516	46 119 530
Supplementary Revenue	5 094 325	3 851 940
Investment subventions	3 433 365	3 380 765
Tax received	3 406 991	2 496 342
Reversion of impairment losses	5 733 447	567 188
Gains on provisions	3 731 300	5 280 471
Others	2 790 708	11 135 561
	<u>25 109 327</u>	<u>77 023 853</u>

As regards the period ended 30 June 2008, the captions Gains on disposal of tangible and intangible assets and Others include 41 309 356 euros and 2 995 938 euros, respectively, related to the accident occurred on line II of our plant in Lac Megantic, Canada.

14. OTHER OPERATING COSTS

Details of Other operating costs on the Consolidated Income Statement for the periods ended 30 June 2009 and 2008 are as follows:

	30.06.2009	30.06.2008
Taxes	4 062 458	5 304 132
Losses on disposal of non current investments		3 369 561
Losses on disposal of tangible and intangible assets	164 714	208 107
Others	2 118 592	2 409 780
	<u>6 345 764</u>	<u>11 291 580</u>



15. FINANCIAL RESULTS

Financial results for the periods ended 30 June 2009 and 2008 were as follows:

	30.06.2009	30.06.2008
Financial expenses:		
Interest expenses		
related to bank loans and overdrafts	3 725 544	4 867 523
related to non convertible debentures	5 311 525	13 389 993
related to finance leases	2 531 110	2 652 538
related to hedged loans (hedge derivatives)	3 279 644	1 886 403
others	3 788 502	4 277 731
	<u>18 636 324</u>	<u>27 074 188</u>
Losses in currency translation		
related to customers	795 126	656 752
related to suppliers	1 143 785	1 324 682
related to loans	8 203 215	24 829 001
others	205 653	479 443
	<u>10 347 779</u>	<u>27 289 878</u>
Cash discounts granted	7 373 879	10 632 473
Adjustment to fair value of financial instruments at fair value through profit or loss	29 932 951	15 225 817
Losses on valuation of hedging derivative instruments	304 613	
Fair value of inefficient component of hedge derivatives		
Other finance losses	4 884 528	3 997 224
	<u>71 480 074</u>	<u>84 219 579</u>
	30.06.2009	30.06.2008
Financial revenues:		
Interest income		
related to bank loans	27 822	155 824
related to loans to related parties	173 302	289 518
Others	328 577	2 699 781
	<u>529 701</u>	<u>3 145 123</u>
Gains in currency translation		
related to customers	568 539	801 529
related to suppliers	727 874	1 264 163
related to loans	21 718 617	8 405 721
others	792 123	372 458
	<u>23 807 153</u>	<u>10 843 871</u>
Cash discounts obtained	985 164	1 651 775
Adjustment to fair value of financial instruments at fair value through profit or loss	16 680 777	30 360 267
Gains in valuation of hedging derivative instruments	356 004	
Fair value of inefficient component of hedge derivatives		
Other finance gains	174 845	63 277
	<u>42 533 644</u>	<u>46 064 314</u>
Finance profit / (loss)	<u>- 28 946 430</u>	<u>- 38 155 265</u>

16. TAXES

Corporate income tax accounted for in the periods ended 30 June 2009 and 2008 is detailed as follows:

	30.06.2009	30.06.2008
Current tax	1 490 429	3 184 071
Deferred tax	- 164 733	4 071 967
	<u>1 325 696</u>	<u>7 256 038</u>



17. SEGMENT INFORMATION

The main activity of the Group is the production of wood based panels and derivative products through industrial plants and commercial facilities located in Portugal, Spain, France, Germany, United Kingdom, Switzerland, The Netherlands, Canada, Brazil and South Africa.

In the notes to the consolidated financial statements of the period ended 31 December 2008, Sonae Indústria disclosed the following geographic segments in accordance with IAS 14.

- Portugal;
- Spain;
- France;
- United Kingdom;
- Germany;
- Rest of Europe;
- Brazil;
- Canada;
- South Africa.

For 2009 financial year and interim reporting periods, IFRS 8 is replacing IAS 14. Under this new standard, segments to be disclosed are the ones included in the internal reporting system of financial information to the chief operating decision maker, namely:

- Iberian Peninsula;
- France;
- Germany;
- United Kingdom;
- Canada;
- Brazil;
- South Africa.

Non reportable segments are included under Other segments.



Segments	Turnover				Operating result	
	External		Intragroup		30.06.2009	30.06.2008
	30.06.2009	30.06.2008	30.06.2009	30.06.2008		
Iberian Peninsula	154 805 857	230 198 866	3 519 950	6 163 114	- 1 273 644	17 417 310
France	63 788 150	107 345 739	21 361 226	49 712 778	- 47 961 767	- 7 251 306
Germany	186 101 921	272 722 608	54 285 710	79 087 404	- 22 891 913	- 9 919 090
United Kingdom	32 220 211	51 209 043			- 4 765 890	913 527
Canada	56 799 467	52 961 229			- 1 449 566	38 562 329
Brazil	58 566 606	81 274 240			7 053 398	18 979 270
South Africa	34 631 493	40 982 800			267 108	3 631 783
Other segments	75 001 566	115 139 558	30 793 032	51 731 355	- 4 906 820	- 27 483
Total segments	661 915 271	951 834 083	109 959 918	186 694 651	- 75 929 094	62 306 340
Adjustments						
Non recognized impairment losses						- 2 000 000
Companies excluded from management consolidation perimeter					902 162	957 089
Reversion of impairment losses					27 376 043	
Adjustment to depreciation					1 933 905	628 193
Gains on sale of financial undertakings						- 3 858 287
Others					1 010 407	- 290 683
Total segments after adjustments					- 44 706 577	57 742 652
Consolidated income statement					- 44 706 577	57 742 652

18. Contingencies

In March 2009, Glunz AG, GHP GmbH and other wood based panel producers in Germany were subject to inspections carried out by the German Competition Authority. The investigations are at a fact-finding stage only and no formal allegations have been made against our Companies or any of their employees. According to the information available at this date, the Directors consider that any eventual liability related to such proceedings is deemed to be remote."

19. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorised for issuance on 30 July 2009.

Statutory Audit Board's Report

Limited Review Report for Stock Exchange Regulatory Purposes in respect of the Consolidated Financial Information

(Free translation from the original version in Portuguese)

Introduction

1 We hereby present our Limited Review Report on the consolidated interim information for the period of six months ended 30 June 2009, of **Sonae Indústria, SGPS, SA.**, included in: the Directors' Report, the consolidated statement of financial position (which shows a total of Euros 1,852,731,784, and a total consolidated equity of Euros 341,895,101, including total minority interests of Euros 2,437,130, and other negative components of equity of Euros 79,200,372), the consolidated income statement by nature, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statements for the period then ended, and the corresponding notes to the accounts.

2 The amounts in the consolidated financial statements, as well as the financial information, were obtained from the accounting records.

Responsibilities

3 It is the responsibility of the Company's Board of Directors (a) to prepare the Directors' Report and consolidated financial statements that present fairly, in all material respects, the financial position of the company and its subsidiaries, the consolidated result of their operations, the consolidated comprehensive income, the consolidated changes in equity and their consolidated cash flows; (b) to prepare historical financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting that is complete, true, timeliness, clear, objective and licit, as required by the Portuguese Securities Market Code; (c) to adopt adequate accounting policies and criteria; (d) to maintain appropriate systems of internal control; and (e) to disclose any relevant facts that have influenced the activity, the financial position or results of the company and its subsidiaries.

4 Our responsibility is to verify the financial information included in the above mentioned documents, namely if, it is complete, true, timeliness, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue a professional and independent report based on our work.

Sonae Indústria, SGPS, SA.

Scope

5 Our work was performed, with the objective of obtaining moderate assurance about whether the financial information referred to above is free of material misstatement. Our work, which was based on the Technical Rules and Directives of the Portuguese Institute of Statutory Auditors, was planned in accordance with that objective, and consisted mainly of inquiries and analytical procedures to review: (i) the reliability of the assertions included in the financial information; (ii) the adequacy of the accounting policies adopted considering the circumstances and their consistent application; (iii) the applicability, or otherwise, of the going concern concept; (iv) the presentation of the financial information; and (v) if, the financial information is complete, true, timeliness, clear, objective and licit; and (b) substantive testing to the significant unusual transactions.

6 Our work also covered the verification of the consistency of the information included in the Director's report with the remaining documents referred to above.

7 We believe that our work provides a reasonable basis for issuing this report on the half year financial information.

Conclusion

8 Based on our work, which was performed with the objective of obtaining moderate assurance, nothing has come to our attention that causes us to believe that the accompanying consolidated and financial statements for the period of six months ended 30 June 2009 are not free of material misstatements that affects its conformity with the International Accounting Standard 34 – Interim Financial Reporting and that the information included is not complete, true, timeliness, clear, objective and licit.

Porto, 30 July 2009

PricewaterhouseCoopers & Associados, S.R.O.C., Lda.
represented by:

António Joaquim Brochado Correia, R.O.C.