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: € 812 107 574.17
Publicly Traded Company

MANAGEMENT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

JANUARY – JUNE 2015

ACCORDING TO THE INTERNATIONAL ACCOUNTING STANDARD 34 – INTERIM FINANCIAL REPORT

CONTENTS

MANAGEMENT REPORT

CEO MESSAGE

During this last quarter, we progressed significantly in the execution of our Strategic Plan. We have completed the sale of Betanzos, our hardboard business in Spain, and prepared the ground for the completion of the sale of Darbo (subsidiary that owns the Linxe plant, in France), that led to the transaction being concluded at the beginning of July. With these two transactions, we have now completed the planned restructuring of our industrial footprint. The group's energy and resources will now be channelled towards continuous improvement initiatives, to support a more market and customer centric strategy aimed, ultimately, at improving our company's profitability.

From a market perspective, we have continued to reinforce our offer in order to deliver higher value solutions for our customers. We have launched the *Innovus Essence* decorative product portfolio with the Rustic texture, in 10 carefully selected unicolors. This new decorative solution offers customers a product with the look and feel of painted solid wood or painted veneered panels. We are also finalising our new Innovus melamine decorative collection that will be launched still this year.

As regards the operational performance of our Continued Operations, I would like to highlight the achievement of marginally positive net results in the second quarter of 2015, which represents our best performance since early 2008.

We registered the fifth quarter of Recurrent EBITDA growth, leading to a last twelve month Recurrent EBITDA of 103 million Euros, up by 15 million Euros against the same period last year, on a comparable basis. The improved performance was driven by the results in Southern Europe and North America operations, which allowed us to achieve a Recurrent EBITDA margin in the second quarter of 10.8%, 1.2 p.p. higher than in the first quarter of the year. These significant improvements were achieved, despite the economic and political challenges in Europe and South Africa.

With the successful implementation of our restructuring plan, we can now focus in our objective of becoming the preferred supplier of our target customers. I count on all our team to contribute to this objective.

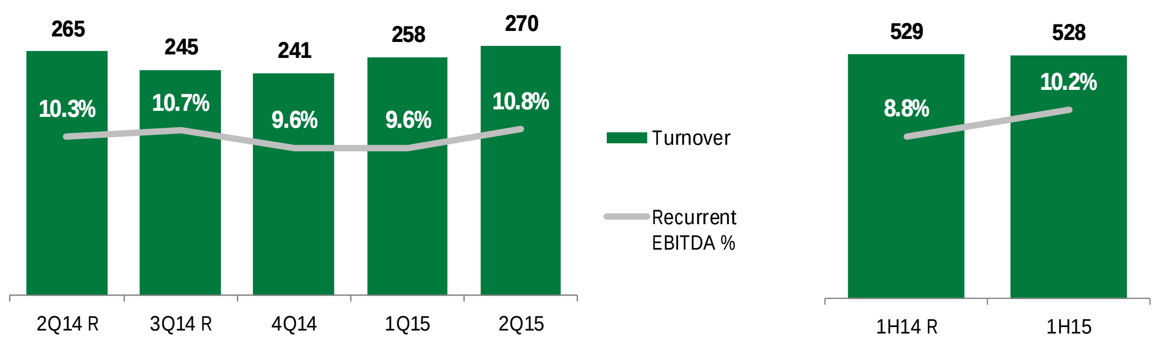
Rui Correia
CEO Sonae Indústria

1. TURNOVER & RECURRENT EBITDA

At the end of 2014, Sonae Indústria classified as "discontinued operations" the results of the French industrial units Auxerre and Le Creusot (which were sold in April of 2014), Ussel (sold in March of 2015) and Linxe (sold in July 2015), of Pontecaldelas plant (in Spain, whose production activities were stopped during the 1st half of 2014), and of Betanzos (in Spain, sold in April 2015). The analysis presented in this chapter excludes the contribution of these operations classified as "discontinued operations".

1.1. SONAE INDÚSTRIA CONSOLIDATED

Turnover & Recurrent EBITDA margin — Million euros



1H15 consolidated **turnover** (continued operations) was 528 million Euros, in line with 1H14. On a quarterly basis, Sonae Indústria turnover improved by 2% when compared to same period last year, and by 5% against the previous quarter. The improved quarterly performance was driven by a combination of improved **sales volumes** (+3.5% vs 1Q15) and higher **average selling prices** (+1.3% vs 1Q15), which were also positively impacted by exchange rate effects from both Canadian and South African currencies.

Consolidated **average variable costs per m^3** for the semester were down by 1.4% when compared to 1H14, driven by reductions in the average costs of chemicals and thermal energy. When compared to previous quarter, all 2Q15 variable cost categories contributed positively to an average reduction of the group unitary variable costs of 4.6%. It should be noted that an important part of these improvements were determined by seasonal effects, with the end of the winter period in Europe and North America, leading to a reduction in the moisture content of the wood intake in the plants and improved electricity and thermal energy costs.

On a comparable basis (without the contribution of the operations considered as discontinued), total **fixed costs** for the semester were reduced by circa 3 million Euros, when compared to 1H14.

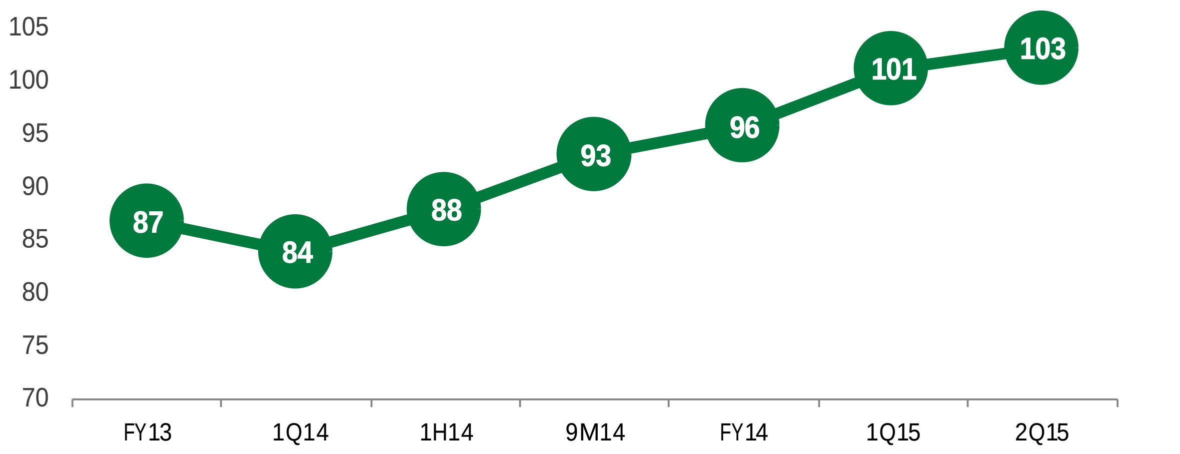
Total **headcount** (considering the contribution of all operations) was of 3,395 FTEs as at the end of June 2015, a reduction of 180 FTEs when compared to the end of March 2015. This reduction is mainly explained by the impact of the assets sold, namely Ussel, in France and Betanzos, in Spain.

The **average capacity utilization index** of Sonae Indústria's plants, on a comparable basis, excluding discontinued production lines, was kept relatively stable in 1H15, at circa 80%. On a quarterly basis, and when compared to 1Q15, the average capacity utilization index of the Group (continued production lines) increased by 2.7 p.p., reaching 81.6%.

Sonae Indústria **last twelve months Recurrent EBITDA** continued to improve, reaching 103 million Euros at the end of June 2015, with a **recurrent EBITDA** of 29 million Euros in the 2Q15, 4 million Euros above the value registered in 1Q15 (+18%). **Recurrent EBITDA margin** in the second quarter of 2015 was 10.8%, up by 1.2 p.p. when compared to 1Q15 and up by 0.5 p.p. when compared to same period of last year. 1H15 Recurrent EBITDA was 54 million Euros, up by 7.4 million Euros when compared to same period in 2014, with an implicit recurrent EBITDA margin of 10.2% (+1.4 p.p. vs 1H14).

Consolidated Sonae Indústria

LTM Recurrent EBITDA (continued operations) Million Euros



LTM: Last twelve months

Non-recurrent EBITDA items were around -1.5 million Euros in the second quarter of 2015 and were essentially related with redundancy costs (0.8 million Euros) and costs associated with inactive sites (0.7 million Euros).

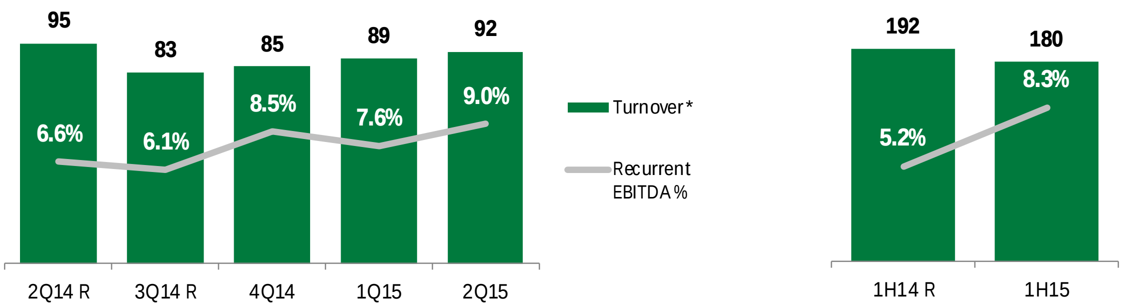
As a result of the evolutions above, total **EBITDA** for 2Q15 reached 28 million Euros. 1H15 total EBITDA was of 48 million Euros, up by 22% when compared to same period of 2014.

1.2. SOUTHERN EUROPE

Southern Europe performance analysis considers the performance of the operations considered as "continued" in the Iberian Peninsula, together with the Western Europe and overseas export activities, thus excluding French operations and the Betanzos and Pontecaldelas plants.

Turnover & Recurrent EBITDA margin

Million euros



*Turnover per region includes intercompany group sales (between regions)

During 1H15, the Southern European market showed an improved performance, positively impacted by the evolution of some macroeconomic indicators in both Portugal and Spain, namely the reported higher levels of consumer confidence, notwithstanding the political and economic uncertainty of Euro Area following the recent developments in Greece. In terms of construction activity, both Portugal and Spain indicators showed a y.o.y. increase, with housing permits granted in Portugal increasing by circa 16%[1], and in Spain the new housing indicator registering a y.o.y. increase of approximately 30%[2].

For 1H15, and when compared to 1H14, the following items are worth highlighting for this region:

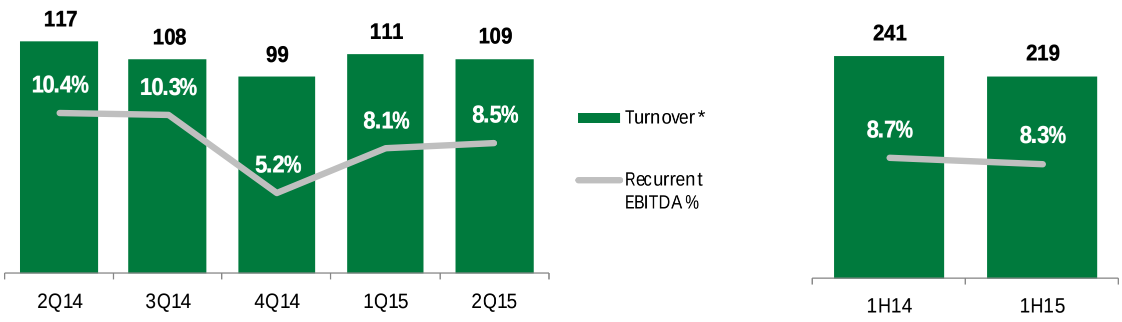
- **Turnover** decreased by 6% due to a reduction in **sales volumes** generated in Iberian Peninsula, mainly driven by MDF volumes. Notwithstanding the semester performance, 2Q15 turnover improved by 3%, when compared to 1Q15, driven by improved sales volumes in all product segments;
- **Average selling prices** showed some improvements, when compared to same period of 2014, but figures for 2Q15 were kept relatively stable vs 1Q15;
- **Average unitary variable costs (per m^3)** were kept relatively stable when compared to same period of 2014, with higher average wood costs being offset by reduced average costs of chemicals and thermal energy. In the 2Q15, and when compared to previous quarter, average variable costs were improved due to positive contributions of wood, thermal energy and electricity costs, positively impacted by seasonal effects (end of winter period).

The combination of the above factors led to an important improvement in the 1H15 **Recurrent EBITDA** of this region to 15 million Euros, up by 5 million Euros vs 1H14, with an implicit **recurrent EBITDA margin** of 8.3% (+3.1 p.p. vs 1H14). Importantly, it is worth noting that 2Q15 recurrent EBITDA margin in this region reached 9%.

[1] Source: Instituto Nacional de Estatística, July 2015 *("Nova habitação residencial*", cumulative 5 months evolution until May 2015)
[2] Source: *Ministierio de Fomento*, July 2015 (Total "New Housing", cumulative 4 months evolution until April 2015)

1.3. NORTHERN EUROPE

Turnover & Recurrent EBITDA margin — Million euros



*Turnover per region includes intercompany group sales (between regions)

The Northern Europe market started to show a weaker performance in the construction sector, when compared to the positive evolution experienced in 2014, as evidenced by the evolution of new house construction permits in Germany (down by circa 1%[3], y.o.y.).

Comparing the 1H15 performance with the same period in 2014, the key highlights of the Northern Europe region are the following:

- **Turnover** for this region decreased by 9%, notwithstanding the relatively stable value of **volumes sold**, which were only 1% below the level registered in the same period of last year. This decrease is essentially explained by the lower volumes of PB and OSB products, which were partially compensated by improved MDF volumes;
- **Average selling prices** registered a decrease in the semester, when compared to 2014, negatively impacted by the contribution of the OSB products;
- **Average unitary variable costs (per m^3)** benefited from decreases in all cost categories, when compared to same period of 2014. On a quarterly basis, and when compared to 1Q15, average unitary variable costs were positively impacted by an important reduction in thermal energy costs, a reflection of better weather conditions following the end of the winter period.

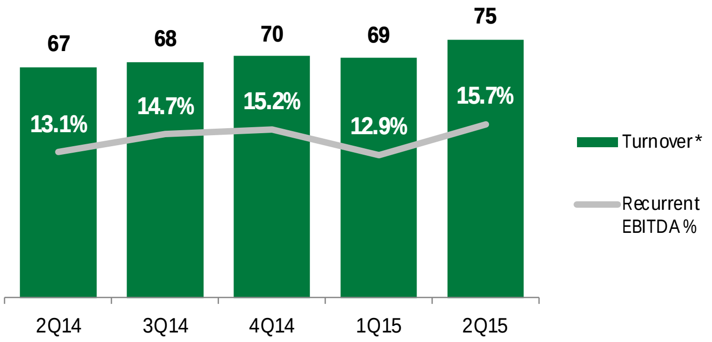
The combination of the above factors led to a **Recurrent EBITDA margin** of 8.3% for the semester, slightly below the value of 1H14 (-0.4%). However, it should be highlighted that 2Q15 recurrent EBITDA margin improved to 8.5%, up by 0.4 p.p. when compared to 1Q15.

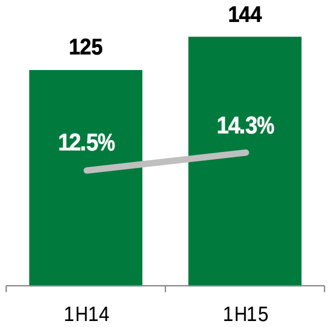
[3] Source: German Federal Statistics Office, July 2015 (“Permits for new construction, dwelling”, cumulative 5 months evolution until May 2015)

1.4. REST OF THE WORLD (CANADA AND SOUTH AFRICA)

Turnover & Recurrent EBITDA margin

Million euros





*Turnover per region includes intercompany group sales (between regions)

The North American market continued to show positive signs, fully related with the United States economy, where the construction sector continued to report improved figures for the level of housing starts (up by 8%[4] when compared to 2014). A slower performance was felt in terms of the level of Canadian housing starts, which experienced a small reduction of 1.2%[5], when compared to the previous year. In South Africa, the trading conditions continue to pressure the market demand for wood based panels, with the level of residential building permits decreasing by 1%[6] y.o.y.

In terms of performance in the 1H15, and when compared to 1H14, the following highlights should be noted for these regions:

- Consolidated **turnover** for the segment as a whole improved significantly (+15% in Euro terms), driven mostly by improved performance of the Canadian operation, but also being positively impacted by the depreciation of the Euro against the local currencies of both countries**. Sales volumes** were relatively stable, but with a higher share of melamine products in North America, when compared to same period of 2014;
- **Average selling prices** registered a positive evolution in the Canadian operations, when compared to previous year and were relatively stable in the South African operations. Nevertheless, both operations contributed positively to the consolidated results, due to the favourable exchange rate evolution;
- **Average unitary variable costs (per m^3)** increased in Canada, as the yearly evolution was impacted by higher wood and thermal energy costs of 1Q15, a consequence of the severe weather conditions witnessed in this region during the winter period. The performance of South African operations was also impacted by higher wood and electricity costs, but these were offset by improvements in the remaining variable cost categories, leading to a reduction in the unitary variable costs, when compared to 1H14.

The combination of the above factors led to an improvement in the segment's 1H15 **recurrent EBITDA margin** to 14.3%, up by 1.8 p.p. when compared to 1H14. It must also be highlighted the value of Recurrent EBITDA margin of the quarter of 15.7%, the highest level since 2011.

4 Source: United States Censes Bureau, July 2015 ("New housing units", cumulative 5 months evolution until May 2015).
5 Source: Canada Mortgage and Housing Corporation, July 2015 ("Building permits (units)", cumulative 5 months evolution until May 2015).
6 Source: Statistics South Africa, July 2015 ("Building plans for residential buildings (number)", cumulative 5 months evolution until May 2015).

2. CONSOLIDATED FINANCIAL PERFORMANCE

2.1. CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT Million euros	1H14 R	1H15	1H15 / 1H14 R	2Q14 R	1Q15	2Q15	2Q15 / 2Q14 R	2Q15 / 1Q15
Consolidated turnover	**529**	**528**	**(0%)**	**265**	**258**	**270**	**2%**	**5%**
Southern Europe*	192	180	(6%)	95	89	92	(4%)	3%
Northern Europe*	241	219	(9%)	117	111	109	(7%)	(2%)
Rest of the World*	125	144	15%	67	69	75	12%	8%
Other operational income	16	13	(18%)	9	7	6	(35%)	(18%)
EBITDA	**39**	**48**	**22%**	**25**	**21**	**28**	**10%**	**33%**
Recurrent EBITDA	**46**	**54**	**16%**	**27**	**25**	**29**	**7%**	**18%**
Southern Europe	10	15	51%	6	7	8	32%	22%
Northern Europe	21	18	(13%)	12	9	9	(25%)	2%
Rest of the World	16	21	32%	9	9	12	34%	30%
Recurrent EBITDA Margin %	**8.8%**	**10.2%**	**1.4 pp**	**10.3%**	**9.6%**	**10.8%**	**0.5 pp**	**1.2 pp**
Depreciation and amortisation	(32)	(32)	(0%)	(16)	(16)	(16)	(1%)	(0%)
Provisions and impairment Losses	(2)	2	-	(2)	2	0	(123%)	78%
Operational profit	**6**	**19**	**191%**	**8**	**7**	**12**	**51%**	**82%**
Net financial charges	(25)	(18)	30%	(13)	(8)	(10)	26%	(17%)
o.w. Net interest charges	(16)	(11)	30%	(8)	(6)	(6)	31%	(4%)
o.w. Net exchange differences	1	2	-	1	1	1	(12%)	54%
o.w. Net financial discounts	(7)	(6)	8%	(3)	(3)	(3)	5%	(13%)
Share in results of Joint Ventures	(1)	(1)	41%	(1)	(0)	(0)	(56%)	(10%)
Profit before taxes continued operat. (EBT)	**(20)**	**1**	**103%**	**(6)**	**(2)**	**2**	**143%**	**-**
Taxes	(1)	(3)	-	(0)	(1)	(2)	-	-
o.w. Current tax	(3)	(3)	(34%)	(1)	(1)	(2)	(64%)	(68%)
o.w. Deferred tax	2	0	91%	1	0	(0)	123%	165%
Profit / (loss) from continued operations	**(21)**	**(3)**	**87%**	**(6)**	**(3)**	**0**	**101%**	**101%**
Profit / (loss) from discontinued operations	(17)	(17)	(1%)	(6)	(8)	(9)	68%	18%
Consolidated net profit / (loss) for the period	**(38)**	**(20)**	**48%**	**(11)**	**(11)**	**(9)**	**19%**	**13%**
Losses (income) attrib. to non-controlling interests	(0)	(0)	90%	(0)	(0)	(0)	52%	(13%)
Net profit/(loss) attributable to Equity Holders	**(38)**	**(20)**	**48%**	**(11)**	**(11)**	**(9)**	**19%**	**13%**

*Turnover per region includes intercompany group sales (between regions).

Sonae Indústria consolidated **EBITDA** for 1H15 was 48 million Euros, 9 million Euros above 1H14 value, on a comparable basis (i.e., without the contribution of the operations classified as discontinued). This improvement was due to better performance in Southern Europe and Rest of the World operations, which have more than compensated for the reduced activity levels witnessed in Northern Europe. The group's consolidated performance continued to be negatively impacted by **non-recurrent costs** in the amount of 5.6 million Euros in the semester, associated with on-going expenses with inactive sites (3 million Euros), redundancy payments (2.8 million Euros) and circa 1 million Euros loss in the sale of a real estate asset in Portugal (vacant land).

Total **Recurrent EBITDA** in the second quarter of 2015 was 29 million Euros (4 million Euros above the value of 1Q15) and reached 54 million Euros in the semester, 7.4 million Euros above 1H14 value, on a comparable basis, generating a **Recurrent EBITDA margin** of 10.2% in the semester and 10.8% in the 2Q15.

Depreciation and amortization charges for the quarter were 16 million Euros, in line with the value booked in both 2Q14 and 1Q15, on a comparable basis.

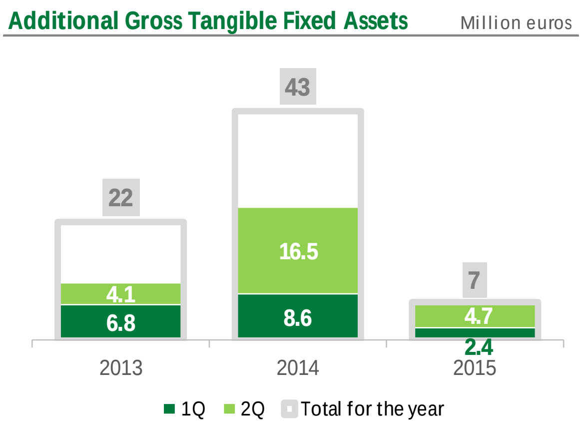
Provisions and impairment losses registered in the semester, for continued operations, totalled a net amount of 2.4 million Euros (impacting positively the net result), fully related with reversal of provisions previously booked during 2014 for the Horn restructuring process (following the dismissal costs incurred during the 1H15).

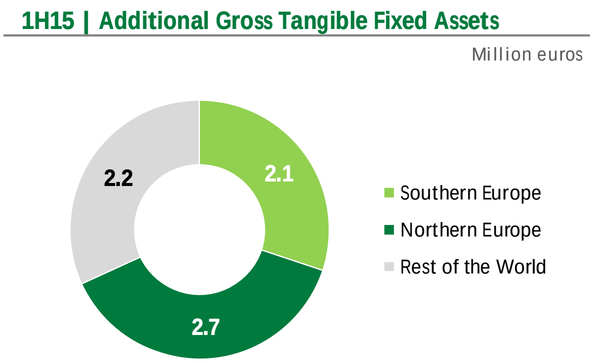
Net financial charges for 2Q15 were 9.6 million Euros, slightly above the value of 1Q15 by 1.4 million Euros, but improved by 26% (-3.3 million Euros) when compared to the value registered for the same period of previous year. The increase in the quarter was mainly due to the reduced contribution of the net exchange rate differences to the overall financial result and to the higher level of net financial discounts. The value of net financial charges for the semester was of 17.8 million Euros, improving by 30% when compared to 1H14, mainly due to the lower levels of net interest expenses. It should be noted that the improvement in the net interest charges of the company was the result of the refinancing agreements made possible by the Share Capital increase of last year, which allowed for a reduction of 0.7 p.p. in the average cost of debt to 5.3%, when compared to same period of 2014.

Current tax charges registered in the 2Q15 were 2.2 million Euros, 0.9 million Euros above the amounts registered in both 2Q14 and 1Q15, on a comparable basis, due to higher tax charges in our operations in Canada.

The combination of the above factors led to a consolidated break-even **Net Result** for Continued Operations in the 2Q15, a significant improvement of 6 million Euros when compared to 2Q14. At the end of June 2015, the consolidated Net loss of the group was of 20 million Euros, mostly driven by the impact of discontinued operations, which have contributed with a loss of 17 million Euros, which includes an additional provision in the amount of 3.8 million Euros related with the sale of the subsidiary Darbo (which occurred on 3 July 2015). Nevertheless, it must be highlighted that due to the improved operational performance of the continued operations, the consolidated net losses of the group, on the 1H15, were reduced by 48% (-18 million Euros) when compared to 1H14.

2.2. CAPEX





Additions to Gross Tangible Fixed Assets reached 4.7 million Euros in the 2Q15, which compares with 16.5 million Euros during the same period in 2014 (which were mostly related with the strategic investments completed during 2014). The majority of 2Q15 investments were related with maintenance improvements.

2.3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION Million euros	1H14	2014	1Q15	1H15
Non current assets	**922**	**830**	**821**	**802**
Tangible assets	774	700	692	670
Goodwill	82	82	83	82
Deferred tax asset	34	28	27	27
Other non current assets	33	20	19	23
Current assets	**306**	**244**	**282**	**283**
Inventories	112	99	106	99
Trade debtors	146	99	135	135
Cash and cash equivalents	16	12	9	12
Other current assets	32	35	32	39
Non-current assets held for sale	**0**	**12**	**5**	**4**
Total assets	**1,228**	**1,086**	**1,108**	**1,089**
Shareholders' Funds	**89**	**111**	**105**	**90**
Equity Holders	90	111	105	91
Non-controlling interests	(1)	(0)	(0)	(0)
Liabilities	**1,139**	**965**	**996**	**988**
Interest bearing debt	695	576	606	618
Non current	192	457	465	456
Current	503	119	141	162
Trade creditors	162	156	160	142
Other liabilities	282	233	230	228
Liabilities directly associated with non-current assets held for sale	**0**	**10**	**7**	**7**
Total Shareholders'Funds and liabilities	**1,228**	**1,086**	**1,108**	**1,089**
Net debt	**696**	**564**	**597**	**606**
Net debt to LTM recurrent EBITDA	**7.9 x**	**5.9 x**	**5.9 x**	**5.9 x**
Working Capital	**96**	**41**	**81**	**91**

LTM: last twelve months
Working Capital as defined by the company: Inventories + Trade Debtors – Trade Creditors

At the end of June 2015, consolidated **working capital** was 91 million Euros, an increase of 10 million Euros, when compared to March 2015. Notwithstanding the impacts of the reduced industrial footprint, following the disposal of Betanzos and Ussel assets, which contributed to a decrease in the several items of Sonae Indústria working capital, the higher levels of activity led to a stable value of the "Trade debtors" item. Nevertheless, when compared to same period in 2014, working capital posted a reduction of 5 million Euros (also directly related with the previously mentioned reduced footprint of the company).

When compared to March 2015, **net debt** increased by 9 million Euros, to 606 million Euros, as a result of the evolution of the working capital described above, but is 90 million Euros down vs. the value registered at the end of June 2014, benefiting from the proceeds of 2014 Share Capital increase.

The combination of the improved level of recurrent EBITDA with the increased level of Net Debt implied a stable value of the **Net Debt to Recurrent EBITDA ratio** at 5.9x, when compared to both December 2014 and March 2015. It should nevertheless be noted that this ratio has shown a significant improvement versus the 7.9x level registered at the end of the 1H14, on a comparable basis.

Total **Shareholder's Funds** at the end of June 2015 were negatively impacted by the net losses registered during this semester (-20 million Euros), which were primarily driven by the negative contribution of the discontinued operations, as previously indicated.

3. SUBSEQUENT EVENTS

On **3 July**, Sonae Indústria, SGPS, SA announced that its affiliates, Tafisa France SAS and Taiber, Tableros Aglomerados Ibéricos, SL, sold, on that date, 100% of the Share Capital of Darbo SAS (owner of Linxe plant, located in France) to an affiliate of GRAMAX CAPITAL, a Swiss-German based private investment group. The transaction was estimated to have a negative impact of approximately four million Euros on the consolidated shareholders' funds of Sonae Indústria, which was already registered as a provision in the 1H15 accounts.

4. LOOKING FORWARD

In the third quarter of 2015, we expect the consolidated sales performance of the group to be impacted by seasonal effects of the holiday period and the usual operational maintenance shutdowns of most of our plants located in Europe and Canada.

With the completion of the planned optimization of our industrial footprint, following the sale of the Darbo subsidiary, we will now focus our human and financial resources on our remaining core industrial sites. As such, the continued implementation of our Strategic Plan will now be firmly channelled towards achieving both operational excellence and a much higher market and customer orientation, aimed at creating more value for our customers and the company.

Notwithstanding the challenges we still have ahead in terms of market demand for our OSB products and the political and economic uncertainty in Europe, due to the financial situation in Greece and unsettled situation in Eastern Europe, the implementation of our commercial initiatives, coupled with some expected market improvements in Europe and North America, should allow us to continue to deliver an improved level of operational profitability at our core plants, for the remaining of the year.

28 July 2015

The Board of Directors

Duarte Paulo Teixeira de Azevedo

Carlos António Rocha Moreira da Silva

José Joaquim Romão de Sousa

Albrecht Olof Lothar Ehlers

Javier Vega de Seoane Azpilicueta

Rui Manuel Gonçalves Correia

George Christopher Lawrie

Kurt Jan Bergmann

GLOSSARY

Capacity Utilization Index	Finished-Available Production (m^3) / Installed production capacity (m^3); *raw boards only*
CAPEX	Investment in Tangible Fixed Assets
EBITDA	Earnings Before Interests and Taxes + Depreciations and Amortizations + (Provisions and impairment losses - Impairment losses in trade receivables + Reversion of impairment losses in trade receivables)
FTEs	Full Time Equivalent; the equivalent of one person working full time, according to the working schedule of each country where Sonae Indústria has operations
Fixed Costs	Overheads + Personnel costs (internal and external); *management accounts concept*
Gross Debt	Bank loans + Debentures + Obligations under finance leases + other loans + Loans from related parties
Headcount	Total number of internal FTEs, excluding trainees
MDF	Medium Density Fibreboard
Net Debt	Gross Debt - Cash and cash equivalents
Net Debt to LTM Rec. EBITDA	Net Debt / Last Twelve Months Recurrent EBITDA
OSB	Oriented Strand Board
Recurrent EBITDA	EBITDA excluding non-recurrent operational income / costs
Recurrent EBITDA margin	Recurrent EBITDA / Turnover
Turnover (regions)	Sales Finished Goods and merchandise + Services Rendered; excluding sales of other materials like for ex. wood by-products, *management accounts concept*
Working Capital	Inventories + Trade Debtors – Trade Creditors

APPENDICES IN ACCORD WITH ART 9 OF CMVM REGULATION 5/2008

STATEMENT IN ACCORD WITH ART 246 OF PORTUGUESE SECURITIES CODE

Complying with Article 9, No. 1, a) of the CMVM Regulation No. 5/2008

		Acquisitions		Sales		Balance at 30.06.2015
	Date	amount	€ average value	amount	€ average value	amount
Duarte Paulo Teixeira de Azevedo						
Efanor Investimentos, SGPS, SA **(1)**						1
Migracom, SGPS, SA **(2)**						1,999,996
Rui Manuel Gonçalves Correia						
Sonae Indústria, SGPS, SA						6,807,809

		Acquisitions		Sales		Balance at 30.06.2015
	Date	amount	€ average value	amount	€ average value	amount
(1) Efanor Investimentos, SGPS, SA						
Sonae Indústria, SGPS, SA						4,842,637,142
Pareuro, BV **(3)**						5,583,100
(2) Migracom, SGPS, SA						
Sonae Indústria, SGPS, SA						9,732,857
Imparfim, SGPS, SA **(4)**						150,000
(3) Pareuro, BV						
Sonae Indústria, SGPS, SA						2,932,687,752
(4) Imparfin, SGPS, SA						
Sonae Indústria, SGPS, SA						30,098,752

QUALIFIED SHAREHOLDINGS

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

Shareholder	No. of shares	% Share Capital	% Voting rights
Efanor Investimentos, SGPS, SA (*)			
Directly	4,842,637,142	42.6636%	42.6636%
By Pareuro, BV (controlled by Efanor)	2,932,687,752	25.8369%	25.8369%
By Maria Margarida CarvalhaisTeixeira de Azevedo (Director of Efanor)	1,010	0.000009%	0.000009%
By Migracom, SGPS,SA (Company controlled by Efanor´s Director, Paulo Azevedo)	9,732,857	0.0857%	0.0857%
By Linhacom, SGPS,SA (Company controlled by Efanor´s Director, Cláudia Azevedo)	2,507,400	0.0221%	0.0221%
Total allocation	7,787,566,161	68.6083%	68.6083%

(*) Under the terms of paragraph b) of no. 1 of Article 20 and of no. 1 of Article 21 of the Portuguese Securities Code, Belmiro Mendes de Azevedo is the ultimate beneficial owner, since he holds around 99% of the share capital and voting rights of Efanor Investimentos SGPS, SA, which, in her turn, is the dominant company of Pareuro BV.

Statement issued under the terms and for the purpose of sub-paragraph c) of no. 1 of Article 246 of the Portuguese Securities Code
(Free translation from the original in Portuguese)

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 our knowledge, that the:

a) The condensed financial statements for six month period ended 30 June 2015 have been prepared in accordance with the applicable accounting standards, reflecting a true and fair view of the assets, liabilities, financial position and results of both the company and its affiliated companies included in consolidation perimeter; and
b) The interim Management Report includes a review of the important events that have occurred in the first six months of 2015 year and their effect on the financial statements, as well as a description of the main risks and uncertainties for the remaining part of the year.

Duarte Paulo Teixeira de Azevedo

Carlos António Rocha Moreira da Silva

Albrecht Olof Lothar Ehlers

Javier Vega de Seoane Azpilicueta

José Joaquim Romão de Sousa

Rui Manuel Gonçalves Correia

George Christopher Lawrie

Kurt Jan Bergmann

CONSOLIDATED FINANCIAL STATEMENTS

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2015 AND 31 DECEMBER 2014

(Amounts expressed in Euros)

ASSETS	Notes	30.06.2015 Unaudited	31.12.2014
NON CURRENT ASSETS:			
Tangible fixed assets	7	669 936 360	700 089 421
Goodwill		82 300 481	82 096 717
Intangible assets		5 069 529	7 807 933
Investment properties		6 807 366	1 224 698
Investment in associates	4, 6	1 493 139	1 354 074
Investment in joint ventures	5, 6	6 638 132	7 326 715
Investment available for sale		1 142 086	1 128 608
Deferred tax asset		26 661 083	27 754 742
Other non current assets		1 793 774	972 238
Total non current assets		801 841 950	829 755 146
CURRENT ASSETS:			
Inventories		98 527 030	99 271 758
Trade debtors		134 648 540	98 523 551
Other current debtors		14 279 582	13 851 354
Current tax asset		3 337 011	3 312 542
Other taxes and contributions		7 488 621	7 296 381
Other current assets		13 411 670	10 064 096
Cash and cash equivalents	8	11 737 978	11 948 475
Total current assets		283 430 432	244 268 157
Non-current assets classified as available for sale	9	3 851 704	11 910 006
TOTAL ASSETS		1 089 124 086	1 085 933 309
SHAREHOLDERS`FUNDS, NON-CONTROLLING INTERESTS AND LIABILITIES			
SHAREHOLDERS`FUNDS:			
Share capital		812 107 574	812 107 574
Legal reserve		3 131 757	3 131 757
Other reserves and accumulated earnings		- 789 451 057	- 767 474 878
Accumulated other comprehensive income	10	64 880 102	63 393 095
Accumulated other comprehensive income directly associated with non-current assets classified as available for sale	10	- 38 978	- 27 802
Total		90 629 398	111 129 746
Non-controlling interests		- 285 668	- 262 099
TOTAL SHAREHOLDERS`FUNDS		90 343 730	110 867 647
LIABILITIES:			
NON CURRENT LIABILITIES:			
Bank loans - net of current portion	11	238 539 152	231 403 466
Non convertible debentures	11	147 792 091	147 604 120
Finance lease creditors - net of current portion	11	19 193 826	23 440 018
Other loans	11	50 055 278	54 951 368
Post-retirement liabilities		27 395 290	27 279 500
Other non current liabilities	12	33 710 476	42 000 326
Deferred tax liability		62 763 359	63 291 251
Provisions	14	6 030 589	7 488 485
Total non current liabilities		585 480 061	597 458 534
CURRENT LIABILITIES:			
Current portion of non-current bank loans	11	9 817 390	21 562 801
Current bank loans	11	139 310 552	85 212 092
Current portion of non-current finance lease creditors	11	6 511 420	5 829 498
Other loans	11	6 457 742	6 186 912
Trade creditors		142 205 946	156 378 992
Current tax liability		1 079 696	2 614 128
Other taxes and contributions		10 908 723	7 005 541
Other current liabilities	13	82 182 819	77 936 006
Provisions	14	4 109 353	5 307 416
Total current liabilities		402 583 641	368 033 386
Liabilities directly associated with non-current assets classified as available for sale	9	10 716 654	9 573 742
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		1 089 124 086	1 085 933 309

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 STATEMENT

FOR THE PERIODS ENDED AT 30 JUNE 2015 AND 2014

(Amounts expressed in Euros)

	Notes	30.06.2015 Unaudited	2nd. Quarter 2015 Unaudited	30.06.2014 Restated Unaudited	2nd. Quarter 2014 Restated Unaudited
Sales	19, 22	524 756 216	268 514 600	526 809 911	263 451 512
Services rendered	19, 22	2 997 285	1 328 798	2 526 638	1 115 101
Other income and gains	17, 19	12 810 379	5 782 180	15 646 207	8 962 843
Cost of sales	14, 19	278 557 022	141 290 908	290 755 693	142 122 379
(Increase) / decrease in production	14, 19	- 1 527 755	311 885	1 129 943	- 1 170 306
External supplies and services	19	129 679 487	64 308 416	131 416 455	65 571 549
Staff expenses	14, 19	77 538 729	38 951 078	76 815 136	38 675 825
Depreciation and amortisation		32 087 401	16 071 454	32 030 362	15 853 103
Provisions and impairment losses (increase / reduction)	14, 19	- 2 384 556	- 436 398	1 949 566	1 906 004
Other expenses and losses	18, 19	7 784 734	2 988 127	4 418 997	2 504 652
Operating profit / (loss)	22	18 828 818	12 140 108	6 466 604	8 066 250
Financial expenses	20	25 316 191	12 650 534	30 796 721	15 715 852
Financial income	20	7 554 920	3 081 699	5 514 903	2 827 195
Gains and losses in associated companies		246 384	246 384	- 222 095	- 222 095
Gains and losses in joint ventures		- 679 083	- 320 800	- 1 151 170	- 733 735
Net profit/(loss) from continuing operations, before taxation		634 848	2 496 857	- 20 188 479	- 5 778 237
Taxation	21	3 335 506	2 461 859	847 241	108 605
Consolidated net profit / (loss) from continuing operations, afer taxation		- 2 700 658	34 998	- 21 035 720	- 5 886 842
Profit / (loss) from discontinued operations, after taxation	14, 16	- 17 054 142	- 9 246 975	- 16 944 862	- 5 505 166
Consolidated net profit / (loss) for the period		- 19 754 800	- 9 211 977	- 37 980 582	- 11 392 008
Attributable to:					
Equity Holders of Sonae Industria					
Continuing operations		- 2 693 687	36 421	- 20 865 493	- 5 889 384
Discontinuing operations		- 17 030 317	- 9 234 057	- 16 794 442	- 5 493 178
Equity Holders of Sonae Industria		- 19 724 004	- 9 197 636	- 37 659 935	- 11 382 562
Non-controlling interests					
Continuing operations		- 6 971	- 1 423	- 170 227	2 542
Discontinuing operations		- 23 825	- 12 918	- 150 420	- 11 988
Non-controlling interests		- 30 796	- 14 341	- 320 647	- 9 446
Profit/(Loss) per share					
Fom continuing operations:					
Basic		- 0.0002	0.0003	- 0.1490	- 0.0421
Diluted		- 0.0002	0.0003	- 0.1490	- 0.0421
From discontinued operations:					
Basic		- 0.0015	- 0.0660	- 0.1200	- 0.0392
Diluted		- 0.0015	- 0.0660	- 0.1200	- 0.0392

The notes are an integral part of the consolidated financial statements

The board of directors

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in Euros)

	Notes	30.06.2015	2nd Quarter 2015	30.06.2014	2nd Quarter 2014
		Unaudited	Unaudited	Unaudited	Unaudited
Net consolidated profit / (loss) for the period (a)		**- 19 754 800**	**- 9 211 977**	**- 37 980 582**	**- 11 392 008**
Other consolidated comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Change in currency translation reserve		1 477 314	- 2 673 435	576 559	3 734 009
Change in fair value of available-for-sale financial assets		580	- 5 305	- 13 413	- 13 413
Income tax relating to items that may be reclassified					
Other consolidated comprehensive income for the period, net of tax (b)		**1 477 894**	**- 2 678 740**	**563 146**	**3 720 596**
Total consolidated comprehensive income for the period (a) + (b)		**- 18 276 906**	**- 11 890 717**	**- 37 417 436**	**- 7 671 412**
Total consolidated comprehensive income attributable to:					
Equity holders of Sonae Industria		- 18 248 173	- 11 872 624	- 37 107 880	- 7 711 445
Non-controlling interests		- 28 733	- 18 093	- 309 556	40 033
		- 18 276 906	**- 11 890 717**	**- 37 417 436**	**- 7 671 412**

The notes are an integral part of the consolidated financial statements

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS` FUNDS AT 30 JUNE 2015 AND 2014

(Amounts expressed in Euros)

	Share capital	Legal reserve	Other Reserves and accumulated earnings	Accumulated other comprehensive income	Total shareholders` funds attributable to the equity holders of Sonae Indústria	Non controlling interests	Total shareholders' funds
				10			
Balance as at 1 January 2014	700 000 000	3 131 757	- 647 867 883	72 681 459	127 945 333	- 795 247	127 150 086
Total consolidated comprehensive income for the period							
Net consolidated pofit/(loss) for the period			-37 659 935		- 37 659 935	- 320 647	- 37 980 582
Other consolidated comprehensive income for the period				552 055	552 055	11 091	563 146
Total			-37 659 935	552 055	- 37 107 880	- 309 556	- 37 417 436
Share-based payment plan			99 607		99 607	410	100 017
Change in ownership interest			- 676 286	305 282	- 371 004	371 004	
Others			- 723 607		- 723 607	- 194 805	- 918 412
Balance as at 30 June 2014	700 000 000	3 131 757	-686 828 104	73 538 796	89 842 449	- 928 194	88 914 255

	Share capital	Legal reserve	Other Reserves and accumulated earnings	Accumulated other comprehensive income	Total shareholders` funds attributable to the equity holders of Sonae Indústria	Non controlling interests	Total shareholders' funds
				10			
Balance as at 1 January 2015	812 107 574	3 131 757	-767 474 878	63 365 293	111 129 746	- 262 099	110 867 647
Total consolidated comprehensive income for the period							
Net consolidated profit/(loss) for the period			-19 724 004		- 19 724 004	- 30 796	- 19 754 800
Other consolidated comprehensive income for the period				1 475 831	1 475 831	2 063	1 477 894
Total			-19 724 004	1 475 831	-18 248 173	- 28 733	-18 276 906
Share-based payment plan			- 104 946		- 104 946	- 105	- 105 051
Others			-2 147 229		- 2 147 229	5 269	- 2 141 960
Balance as at 30 June 2015	812 107 574	3 131 757	-789 451 057	64 841 124	90 629 398	- 285 668	90 343 730

The notes are an integral part of the consolidated financial statements

The board of directors

SONAE INDÚSTRIA, S.G.P.S., S.A.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in Euros)

	Notes	30.06.2015 Unaudited	30.06.2014
OPERATING ACTIVITIES			
Receipts from trade debtors		516 629 887	549 104 002
Payments to trade creditors		445 861 909	462 493 604
Payments to staff		86 025 787	89 492 126
Net cash flow from operations		- 15 257 809	- 2 881 728
Payment / (receipt) of corporate income tax		4 888 238	4 783 022
Other receipts / (payments) relating to operating activities		- 1 614 694	6 858 811
Net cash flow from operating activities (1)		- 21 760 741	- 805 939
INVESTMENT ACTIVITIES			
Cash receipts arising from:			
Tangible fixed assets and intangible assets		7 125 509	16 557 661
Investment properties		1 295 290	
Investment subventions		119 682	717 896
Dividends		9 500	25 000
Non-current assets held for sale		1 081 935	4 382 892
		9 631 916	21 683 449
Cash Payments arising from:			
Investments		2 563	723
Tangible fixed assets and intangible assets		11 184 102	19 581 398
		11 186 665	19 582 121
Net cash used in investment activities (2)		- 1 554 749	2 101 328
FINANCING ACTIVITIES			
Cash receipts arising from:			
Interest and similar income		309 875	351 424
Loans obtained		920 289 476	1 470 381 016
		920 599 351	1 470 732 440
Cash Payments arising from:			
Interest and similar charges		17 629 471	22 253 568
Loans obtained		876 752 167	1 459 491 898
Finance leases - repayment of principal		3 683 384	2 933 299
Others		15 325	2 187
		898 080 347	1 484 680 952
Net cash used in financing activities (3)		22 519 004	- 13 948 512
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		- 796 486	- 12 653 123
Effect of foreign exchange rate		- 102 102	64 528
Cash and cash equivalents at the beginning of the period	8	10 500 810	20 940 411
Cash and cash equivalents at the end of the period	8	9 806 426	8 222 760

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 SIX-MONTH PERIOD ENDED 30 JUNE 2015

(Amounts expressed in euros)

1. INTRODUCTION

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

The shares of the company are listed on Euronext Lisbon.

Consolidated financial statements for the periods ended 30 June 2015, 31 March 2015 and 31 March 2014 were not subject to a limited revision carried out by the company's statutory external auditor.

Consolidated financial statements for the period ended 30 June 2014 were subject to a limited revision carried out by the company's statutory external auditor. These statements were restated following the discontinuing of operations referred to on note 16, therefore stated as unaudited.

2. ACCOUNTING POLICIES

This set of consolidated financial statement has been prepared on the basis of the accounting policies that were disclosed on the notes to the consolidated financial statements for fiscal year 2014.

2.1. Basis of Preparation

These consolidated financial statements were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting. As such, they do not include all the information which should be included in annual consolidated financial statements and therefore should be read in connection with the financial statements for fiscal year 2014.

2.2. Changes to accounting standards

These consolidated financial statements were prepared on the basis of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with Interpretations issued by the IFRS Interpretations Committee (IFRS IC), effective from 1 January 2015 and endorsed by the European Union.

2.2.1. In the period ended 30 June 2015 the following standards, effective in coming periods, had been issued but still not endorsed by the European Union:

IAS 1 (amendment), Presentation of Financial Statements (effective for periods beginning on or after 1 January 2016). This amendment contains guidance relating to materiality and aggregation, presentation of subtotals, structure of financial statements and accounting policies;

IAS 16 (amendment), Tangible Fixed Assets, and **IAS 38** (amendment), Intangible Assets (effective for periods beginning on or after 1 January 2016). In this amendment the IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset;

IAS 16 (amendment), Tangible Fixed Assets, and **IAS 41** (amendment), Agriculture: 'Bearer Plants' (effective for periods beginning on or after 1 January 2016). This amendment defines the concept of bearer plant and transfers this type of asset from the scope of IAS 41 – Agriculture to the one of IAS 16 – Tangible Assets, with the related effect on measurement. However, biologic assets produced by these plants are kept in the scope of IAS 41 – Agriculture;

IAS 27 (amendment), Separate Financial Statements (effective for periods beginning on or after 1 January 2016). These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements;

Annual improvements 2012-2014 (generally effective for periods beginning on or after 1 January 2016). This amendment cycle includes changes to the following standards: IFRS 5 – Non-current Assets Available for Sale and Discontinued Operations, IAS 19 – Employee Benefits and IAS 34 – Interim Financial Reporting;

IFRS 9 (new), Financial Instruments (effective for periods beginning on or after 1 January 2018). This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model;

IFRS 10 (amendment), Consolidated Financial Statements, and **IAS 28** (amendment), Investment in Associates and Joint Ventures (effective for periods beginning on or after 1 January 2016). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary;

IFRS 10 (amendment), Consolidated Financial Statements, **IFRS 12** (amendment), Disclosure of Interests in Other Entities, and **IAS 28** (amendment), Investments in Associates and Joint Ventures: 'Investment entities – exemption from consolidation' (effective for periods beginning on or after 1 January 2016). This amendment specifies that an intermediate holding company which is a subsidiary of an investment entity is exempted from consolidation. Furthermore, the optional use of equity method under IAS 28 is extensible to an entity which not being an investment entity, holds an interest in an associate or joint venture which qualifies as investment entity;

IFRS 11 (amendment), Joint Arrangements (effective for periods beginning on or after 1 January 2016). This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business;

IFRS 14 (new), Regulatory Deferral Accounts (applicable for periods beginning on or after 1 January 2016). This standard allows first-time adopting entities to keep recognizing regulatory assets and liabilities according to the accounting policy used in the former standards. However, to enhance comparability with entities using IFRSs, which do not recognize regulatory assets or liabilities, the amounts thereon must be separately disclosed on the financial statements;

IFRS 15 (new), Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2017). This new standard only applies to contracts with customers to provide goods or services, and requires an entity to recognise revenue when the contractual obligation to deliver goods or services is fulfilled and for the amount that reflects the consideration the entity is expected to be entitled to, following a five step approach;

The Company does not estimate any significant effect to arise from the application of these standards.

2.2.2. During the period ended 30 June 2015 the following accounting standards, which were issued and endorsed by the European Union, became effective:

IAS 19 (amendment), Employee Benefits (effective for periods beginning on or after 1 July 2014). This narrow scope amendment applies to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service;

Annual improvements 2010-2012 (effective for periods beginning on or after 1 July 2014). These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect the following standards: IFRS 2 - Share-based Payment, IFRS 3 - Business Combinations, IFRS 8 - Operating Segments, IFRS 13 - Fair Value Measurement, IAS 16 - Property, Plant and Equipment, IAS 24 - Related Parties Disclosures and IAS 38 - Intangible Assets;

The application of these standards had no significant effects on these consolidated financial statements.

2.3. Translation of financial statements of foreign companies

Exchange rates used for translating foreign group, jointly controlled and associated companies are listed below:

	30.06.2015		31.12.2014		30.06.2014	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
Great Britain Pound	0.7114	0.7321	0.7789	0.8060	0.8015	0.8214
South African Rand	13.6407	13.3014	14.0351	14.3968	14.4592	14.6671
Canadian Dollar	1.3839	1.3767	1.4063	1.4654	1.4589	1.5027
American Dollar	1.1189	1.1151	1.2141	1.3267	1.3658	1.3707
Swiss Franc	1.0413	1.0558	1.2024	1.2146	1.2156	1.2214

Source: Bloomberg

3. COMPANIES INCLUDED IN CONSOLIDATION PERIMETER

During the period ended 30 June 2015, subsidiary Tafisa Développement, located in France, was dissolved with no relevant effects on these consolidated financial statements.

4. JOINT VENTURES

Joint ventures, their head offices, percentage of share capital held on 30 June 2015 and 31 December 2014 are as follows:

COMPANY	HEAD OFFICE	PERCENTAGE OF CAPITAL HELD			
		30.06.2015		31.12.2014	
		Direct	Total	Direct	Total
Laminate Park GmbH & Co. KG	Eiweiler (Germany)	50.00%	49.93%	50.00%	49.93%
Tecmasa. Reciclados de Andalucia, S. L.	Alcalá de Guadaira (Spain)	50.00%	49.93%	50.00%	49.93%

Laminate Park GmbH & Co. KG is a jointly-controlled company based in Germany, where it carries out its activity that consists in producing and selling wood derivative flooring.

Tecmasa, Reciclados de Andalucia, SL is a jointly-controlled company based in Spain. Its activity consists in trading recycled wood.

Joint control of these companies is established by contract.

Level one fair value of investment in these companies is not available as shares representing their share capital are not listed.

Net assets and net profit/loss for these jointly-controlled companies, whose share was recognized on these consolidated financial statements under equity method, are detailed as follows:

	30.06.2015		31.12.2014	
	Laminate Park	Tecmasa, Reciclados de Andalucia	Laminate Park	Tecmasa, Reciclados de Andalucia
Non-current assets	50 785 065	210 641	53 445 843	221 063
Current assets	20 909 116	415 847	16 409 392	395 501
Cash and cash equivalents	153 578	222 184	691 112	168 886
Other non-current liabilities	6 603 403		6 921 403	
Current financial liabilities	7 479 796	14 347	7 066 011	
Other current liabilities	30 916 252	103 443	27 819 219	76 504
Operating revenues	39 190 279	227 471	78 369 514	534 737
Operating expenses	39 699 146	199 949	82 780 406	450 037
Depreciation and amortization	2 494 799	13 222	4 893 772	29 077
Interest income				
Interest expense	399 833		1 292 837	22
Taxation				22 095
Net profit/(loss) from continuing operations	- 1 353 872	27 637	- 6 542 770	61 976
Adjustments to the Group's accounting policies	- 30 116	- 1 816	- 36 640	- 16 951
Group's share on net profit/(loss)	- 691 994	12 911	- 3 289 705	22 513

5. INVESTMENTS IN ASSOCIATED COMPANIES

Associated companies, their head offices and the percentage of share capital held as at 30 June 2015 and 31 December 2014 are as follows:

COMPANY	HEAD OFFICE	PERCENTAGE OF CAPITAL HELD			
		30.06.2015		31.12.2014	
		Direct	Total	Direct	Total
Serradora Boix	Barcelona (Spain)	31.25%	31.21%	31.25%	31.21%

Associated companies are recognized on these consolidated financial statements using equity method.

The Statement of Financial Position and the Income Statement of the associated companies accounted for using the equity method on these consolidated financial statements, are detailed as follows:

	30.06.2015	31.12.2014
Non-current assets	6 788 575	6 494 033
Current assets	7 314 753	7 279 732
Non-current liabilities	3 101 405	3 481 145
Current liabilities	5 868 129	5 953 110
Operating revenues	19 706 691	22 396 806
Operating expenses	18 673 820	22 667 872
Net profit/(loss) from continuing operations	1 032 871	- 719 457
Adjustments to the Group's accounting policies	-	-
Group's share on net profit/(loss)	246 384	- 224 516

Assets, liabilities and results detailed on the previous table refer to the associated company's financial statements for the annual periods preceding 30 June 2015 and 31 December 2014, respectively. The Company estimates that no significant effect arises from this time difference.

There are no incurred obligations regarding this associate company.

6. INVESTMENTS

At 30 June 2015 and 31 December 2014, details of Investment in joint ventures, on the Consolidated Statement of Financial position, are as follows:

	30.06.2015 Non current	31.12.2014 Non current
Investment in associated companies		
Opening balance	1354 074	1566 686
Effect of equity method application	139 065	- 212 612
Closing balance	1493 139	1354 074

	30.06.2015 Non current	31.12.2014 Non current
Investment in joint ventures		
Opening balance	7 326 715	5 638 909
Increase in share capital		5 000 000
Effect of equity method application	- 688 583	-3 312 194
Closing balance	6 638 132	7 326 715

7. TANGIBLE FIXED ASSETS

At 30 June 2015 and 31 December 2014, movements in tangible assets, accumulated depreciation and impairment losses were as follows:

	30.06.2015	31.12.2014
	Total tangible fixed assets	Total tangible fixed assets
Gross cost:		
Opening balance	2 176 796 117	2 437 445 591
Capital expenditure	6 913 959	43 511 097
Disposals	5 093 849	146 847 551
Transfers and reclassifications	- 31 784 567	- 174 455 414
Exchange rate effect	8 102 020	17 142 394
Closing balance	2 154 933 680	2 176 796 117
Accumulated depreciation and impairment losses		
Opening balance	1 476 706 696	1 645 971 463
Depreciations for the period	31 399 454	68 885 207
Impairment losses for the period - on results	116 743	47 900 930
Impairment losses for the period - on Other Comprehensive Income		19 672 830
Disposals	3 085 449	134 748 004
Reversion of impairment losses for the period		5 855 672
Transfers and reclassifications	- 24 180 082	- 173 968 902
Exchange rate effect	4 039 958	8 848 844
Closing balance	1 484 997 320	1 476 706 696
Carrying amount	669 936 360	700 089 421

At the closing date of these consolidated financial statements, mortgaged tangible fixed assets amounted to EUR 318 373 078 (EUR 276 475 044 at 31 December 2014), as a guarantee of loans amounting to EUR 144 025 282 (EUR 125 436 696 at 31 December 2014).

8. CASH AND CASH EQUIVALENTS

At 30 June 2015 and 31 December 2014, detail of Cash and Cash Equivalents was as follows:

	30.06.2015	31.12.2014
Cash at Hand	47 840	51 539
Bank Deposits and Other Treasury Applications	11 690 138	11 896 936
Cash and Cash Equivalents on the Consolidated Statement of Financial Position	11 737 978	11 948 475
Bank Overdrafts	1 931 552	1 447 665
Cash and Cash Equivalents on the Statement of Cash Flows	9 806 426	10 500 810

9. NON-CURRENT ASSETS AVAILABLE FOR SALE

During the period ended 30 June 2015, the Group sold the assets of Ussel and Betanzos industrial plants, located in France and Spain, respectively, which had been recognized as Non-current assets classified as available for sale on the Consolidated Statement of Financial Position as at 31 December 2014. These transactions had no relevant effect on Net profit (loss) from discontinued operations, on the Consolidated Income Statement (note16).

At 30 June 2015, the assets of Linxe industrial plant, in France, were still recognized under Non-current assets classified as available for sale, as well as its liabilities were still recognized under Liabilities directly associated to non-current assets classified as available for sale.

These assets and the corresponding liabilities are detailed as follows:

	30.06.2015	31.12.2014
Tangible fixed assets		1 049 435
Intangible assets	217 089	576 352
Inventories	2 421 215	9 206 410
Trade debtors	33 205	62 256
Other current assets	1 083 271	945 255
Cash and cash equivalents	96 924	70 298
Non-current assets classified as available for sale	3 851 704	11 910 006
Non-current loans	217 715	328 961
Other non-current liabilities	507 034	823 815
Current loans	216 308	216 308
Trade creditors	3 255 620	6 121 321
Other non-current liabilities	6 519 977	2 083 337
Liabilities directly associated to non-current assets classified as available for sale	10 716 654	9 573 742

10. OTHER COMPREHENSIVE INCOME

Accumulated other comprehensive income on the Consolidated Statement of Financial Position, is detailed as follows:

	Accumulated other comprehensive income Atributable to the parent's shareholders						
	Currency translation	Available-for-sale financial assets	Revaluation Reserve	Remeasurements on defined benefit plans	Share of Other Comprehensive Income of Joint Ventures and Associates	Income tax related to components of other comprehensive income	**Total**
Balance as at 1 January 2014	- 16 496 846	88 950	126 516 277	- 3 198 741	1 371 956	35 600 137	72 681 459
Other consolidated comprehensive income for the perio	565 349	- 13 294					552 055
Change in ownership interest	30 683	295	390 943	- 10 067	4 567	111 139	305 282
Balance as at 30 June 2014	-15 900 814	75 951	126 907 220	-3 208 809	1 376 524	35 711 276	73 538 796

	Accumulated other comprehensive income Atributable to the parent's shareholders						
	Currency translation	Available-for-sale financial assets	Revaluation Reserve	Remeasurements on defined benefit plans	Share of Other Comprehensive Income of Joint Ventures and Associates	Income tax related to components of other comprehensive income	**Total**
Balance as at 1 January 2015	-12 361 951	88 083	107 383 926	-6 520 334	1 386 912	26 611 343	63 365 293
Other consolidated comprehensive income for the perio	1 475 252	579					1 475 831
Balance as at 30 June 2015	-10 886 699	88 662	107 383 926	-6 520 334	1 386 912	26 611 343	64 841 124

11. LOANS

As at 30 June 2015 and 31 December 2014, Sonae Indústria had the following outstanding loans:

	30.06.2015				**31.12.2014**			
	Amortised cost		**Nominal value**		**Amortised cost**		**Nominal value**	
	Current	**Non current**	**Current**	**Non current**	**Current**	**Non current**	**Current**	**Non current**
	Restated	**Restated**	**Restated**	**Restated**				
Bank loans	149 127 942	238 539 152	149 449 340	239 701 503	106 774 893	231 403 466	107 264 090	232 322 901
Debentures		147 792 091		150 000 000		147 604 120		150 000 000
Obligations under finance leases	6 511 420	19 193 826	6 511 420	19 193 826	5 829 498	23 440 018	5 829 498	23 440 018
Other loans	6 457 742	50 055 278	6 457 742	50 862 361	6 186 912	54 951 368	6 186 912	55 555 350
Gross debt	162 097 104	455 580 347	162 418 502	459 757 690	118 791 303	457 398 972	119 280 500	461 318 269
Cash and cash equivalent in balance she	11 737 978		11 737 978		11 948 475		11 948 475	
Net debt	150 359 126	455 580 347	150 680 524	459 757 690	106 842 828	457 398 972	107 332 025	461 318 269
Total net debt	605 939 473		610 438 214		564 241 800		568 650 294	

At 30 June 2015, loans can be detailed as follows:

11.1. Bank Loans

Company(ies)	Loan	Contract date	Maturity	Currency	Outstanding principal at 30.06.2015	Outstanding principal at 31.12.2014
					EUR	EUR
Sonae Indústria, SGPS, S.A.	Commercial Paper Programme	January 2006	January 2016	EUR	5 000 000	5 000 000
Tableros de Fibras S.A.	Commercial Paper Programme	July 2010	to be partly repaid from January 2014 to December 2016, unless it is annually revoked*	EUR	3 600 000	4 800 000
Sonae Indústria, SGPS, S.A.	Bank Loan	August 2010	to be repaid from November 2012 to August 2017	EUR	2 500 000	3 055 556
Sonae Indústria, SGPS, S.A.	Commercial Paper Programme	September 2010	September 2015	EUR	12 500 000	12 500 000
Tafisa Canada Inc.	Bank Loan (Revolving)	July 2011	to be repaid from September 2014 to July 2019	CAD	40 972 424	47 075 146
Tafisa Canada Inc.	Bank Loan	July 2011	to be repaid from August 2012 to April 2016	CAD	912 376	1 436 550
Imoplamac, S.A.	Bank Loan	November 2012	to be repaid from March 2013 to March 2016	EUR	2 618 097	4 242 823
Sonae Indústria, SGPS, S.A.	Commercial Paper Programme	June 2013	June 2018 Note: programme without subscription guarantee	EUR	14 950 000	17 500 000
Taiber, Tableros Aglomerados Ibéricos, S.L. e Sonae Indústria, SGPS, S.A.	Bank Loan	November 2013	October 2015	EUR	39 000 000	39 000 000
Sonae Indústria, SGPS, S.A.	Commercial Paper Programme	July 2014	to be repaid from December 2015 to June 2018	EUR	10 000 000	10 000 000
Sonae Indústria, SGPS, S.A.	Commercial Paper Programme	August 2014	to be repaid from May 2018 to November 2020	EUR	93 900 000	103 900 000
Tableros de Fibras, S.A. e Sonae Indústria, SGPS, S.A.	Bank Loan	October 2014	to be repaid from May 2021 to November 2022	EUR	65 000 000	65 000 000
Sonae Indústria, SGPS, S.A.	Bank Loan	October 2014	November 2015, renewable every six months	EUR	2 329 000	3 600 000
Sonae Indústria, SGPS, S.A	Commercial Paper Programme	February 2015	to be repaid from August 2016 to February 2018	EUR	12 500 000	N/A
Sonae Novobord (Pty) Limited	Bank Loan **	April 2015	to be repaid from October 2015 to April 2020	ZAR	21 039 970	N/A
Sonae Indústria, SGPS, S.A.	Bank Loan	May 2015	June 2016	EUR	10 000 000	N/A
Sonae Indústria, SGPS, S.A.	Bank Loan	June 2015	June 2016	EUR	50 000 000	N/A

All these loans are subject to variable interest rates.

* Until the approval date of these consolidated financial statements, the company had not received a notice of revocation.

** During second quarter 2015 Sonae Novobord (Pty) Ltd. contracted a new bank loan and repaid in advance existing loans.

At 30 June 2015, there were other assets amounting to EUR 63 705 667 (EUR 52 808 593 at 31 December 2014) which were pledged as guarantee of the Group's liabilities.

11.2. Bond Issues

Company(ies)	Loan	Contract date	Maturity	Currency	Outstanding principal at 30.06.2015	Outstanding principal at 31.12.2014
					EUR	EUR
Sonae Indústria, SGPS, S.A.	Sonae Industria Bonds / 2014 - 2020	October 2014	to be repaid from May 2018 to November 2020.	EUR	150 000 000	150 000 000

This loan is subject to variable interest rate.

11.3. Other loans

Company(ies)	Loan	Contract date	Maturity	Currency	Outstanding principal at 30.06.2015	Outstanding principal at 31.12.2014
					EUR	EUR
Several companies*	Trade debtors securitization	August 2012	September 2016, renewable and maximum maturity September 2018.	EUR	47 966 229	52 102 134
				GBP	1 110 555	1 140 471
Sonae Indústria - Produção e Comercialização de Derivados de Madeira, S.A.**	Trade debtors factoring	September 2012	revocable at prior notice.	EUR	4 629 501	4 445 945

* Trade debtors amounting to EUR 71 687 168 (EUR 71 024 505 at 31 December 2014) were kept on the consolidated balance sheet as the criteria set out in IAS 39 for their derecognition were not fully met, namely because the whole risks related to the securitized assets were not completely transferred.

** Trade debtors amounting to EUR 5 515 015 (EUR 5 036 646 at 31 December 2014) were kept on the consolidated balance sheet as the criteria set out in IAS 39 for their derecognition were not fully met, namely because the whole risks related to the securitized assets were not completely transferred.

All these loans are subject to variable interest rates.

12. OTHER NON-CURRENT LIABILITIES

At 30 June 2015 and 31 December 2014, Other non-current liabilities on the Consolidated Statement of Financial Position were composed of:

	30.06.2015	31.12.2014
Other creditors	277 504	241 495
Financial instruments	277 504	241 495
Other creditors	33 432 972	41 758 831
Liabilities out of scope of IFRS 7	33 432 972	41 758 831
Total	33 710 476	42 000 326

Other creditors include EUR 26 662 568 (EUR 28 648 958 at 31 December 2014) related to deferred investment subventions and EUR 6 112 600 (EUR 12 377 600 at 31 December 2014) related to the fine imposed by the German Competition Authority, to be paid until 2017.

13. OTHER CURRENT LIABILITIES

At 30 June 2015 and 31 December 2014, Other current liabilities on the Consolidated Statement of Financial Position were composed of:

	30.06.2015	31.12.2014
Derivatives	52 341	35 529
Tangible fixed assets suppliers	2 114 411	6 064 556
Other creditors	8 402 953	3 934 020
Financial instruments	10 569 705	10 034 105
Other creditors	7 950 134	9 181 367
Accrued expenses:		
Insurances	937 364	1 227 009
Personnel expenses	16 016 231	14 320 967
Accrued financial expenses	5 896 195	5 656 004
Rebates	16 969 044	15 322 111
External supplies and services	8 570 622	9 570 495
Other accrued expenses	9 036 798	6 147 430
Deferred income:		
Investment subventions	5 206 078	6 327 581
Other deferred income	1 030 648	148 937
Liabilities out of scope of IFRS 7	71 613 114	67 901 901
Total	82 182 819	77 936 006

14. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

Movements occurred in provisions and accumulated impairment losses during the period ended 30 June 2015 were as follows:

Description	30.06.2015						
	Opening balance	Exchange rate effect	Increase	Utilization	Reversion	Other changes	Closing balance
Impairment losses:							
Tangible fixed assets	48 044 432		116 743			- 542 970	47 618 205
Goodwill	7 778 921	40 544					7 819 465
Intangible assets	30 833					- 1 831	29 002
Other non-current assets	10 931 182						10 931 182
Trade debtors	26 228 073	94 338	1 139 089		942 470	- 716 842	25 802 188
Other debtors	3 502						3 502
Subtotal impairment losses	93 016 943	134 882	1 255 832		942 470	- 1 261 643	92 203 544
Provisions:							
Litigations in course	1 504 544					- 9 403	1 495 141
Warranties to customers	541 547	3 393	48 656	7 500			586 096
Restructuring	6 055 072	14 635	1 532 698	4 090 013			3 512 392
Other	4 694 739		73 266	279 736		58 046	4 546 315
Subtotal provisions	12 795 901	18 028	1 654 620	4 377 249		48 643	10 139 942
Subtotal impairment losses and provisions	105 812 845	152 910	2 910 452	4 377 249	942 470	- 1 213 000	102 343 488
Other losses:							
Investments	36 985 875						36 985 875
Write-down to net realizable value of inventories	4 165 268	15 839	2 153 893		905 561	- 867 028	4 562 411
Total	146 963 988	168 749	5 064 345	4 377 249	1 848 031	- 2 080 028	143 891 774

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

	30.06.2015	
	Losses	Gains
Cost of sales	497 071	263 790
(Increase) / decrease in production	634 115	534 033
Provisions and impairment losses	1 304 489	3 689 046
Staff expenses	68 150	200 623
Profit / (loss) from discontinued operations	2 560 520	1 537 788
Total (Consolidated Income Statement)	5 064 345	6 225 280

Utilization of restructuring provisions, which amounted to EUR 4 090 013 at 30 June 2015, relate to ongoing restructuring processes in industrial plants located in France and Germany.

15. RELATED PARTIES

Balances and flows with related parties are summarized as follows:

Balances	Accounts receivable		Accounts payable	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Other subsidiaries of the parent company	537 719	355 536	3 451 696	3 849 032
Joint ventures	9 718 839	9 585 557	2 490 328	1 106 626

Transactions	Income		Expenditure	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
		Restated		Restated
Other subsidiaries of the parent company	390 931	641 360	437 060	2 979 663
Joint ventures	2 553 594	3 518 562	8 816 733	7 503 624

16. DISCONTINUED OPERATIONS

On the consolidated financial statements for the period ended 31 December 2014, the operations of Betanzos and Pontecaldelas industrial plants, in Spain, and of Linxe and Ussel industrial plants, in France, were classified as discontinued. As such, the Consolidated Income statement for the period ended 30 June 2014 was restated.

Profit or loss from discontinued operations, on the Consolidated Income Statement for the periods ended 30 June 2015 and 30 June 2014, are detailed as follows:

	30.06.2015	30.06.2014
Sales	27 295 706	59 654 210
Services rendered		168 379
Other income and gains	1 665 170	8 791 687
Cost of sales	19 025 412	31 980 317
(Increase) / decrease in production	2 012 961	2 915 232
External supplies and services	9 467 818	23 174 432
Staff expenses	6 927 578	11 327 768
Depreciation and amortisation	56 722	3 336 142
Provisions and impairment losses (increase / reduction)	3 949 218	7 685 384
Other expenses and losses	656 520	1 485 559
Operating profit / (loss)	- 13 135 353	- 13 290 558
Financial expenses	4 386 001	4 115 779
Financial income	372 748	555 341
Net profit/(loss) from descontinued operations, before tax	- 17 148 606	- 16 850 996
Taxation	- 94 464	93 866
Net profit / (loss) from descontinued operations	- 17 054 142	- 16 944 862

Cash flows of discontinued operations, which were included line by line on the Consolidated Statement of Cash Flows, are as follows:

	30.06.2015	30.06.2014
Operating activities	- 12 530 151	- 10 425 042
Investment activities	3 437 947	12 187 178
Financing activities	9 207 029	- 2 069 331

17. OTHER INCOME AND GAINS

Details of Other income and gains on the Consolidated Income Statement for the periods ended 30 June 2015 and 2014 are as follows:

	30.06.2015	30.06.2014 Restated
Gains on disp. and write off of invest. prop., tang. and intang. assets	285 188	2 150 860
Supplementary revenue	2 949 297	3 285 435
Investment subventions	3 250 532	3 424 748
Tax received	2 200 480	3 778 066
Positive exchange gains	2 013 622	1 182 375
Others	2 111 260	1 824 723
	12 810 379	15 646 207

18. OTHER EXPENSES AND LOSSES

Details of Other expenses and losses on the Consolidated Income Statement for the periods ended 30 June 2015 and 2014 are as follows:

	30.06.2015	30.06.2014 Restated
Taxes	1 644 983	1 863 542
Losses on disp. and write off of invest. prop., tang. and intang. asset	1 308 143	104 654
Negative exchange gains	3 287 093	1 024 877
Others	1 544 515	1 425 924
	7 784 734	4 418 997

19. UNDERLYING AND NON-UNDERLYING ITEMS

Underlying operating items on the Consolidated Income Statement are detailed as follows:

	30.06.2015	30.06.2014 Restated
Sales	524 704 995	526 574 472
Services rendered	2 997 285	2 526 638
Other income and gains	11 060 054	14 099 364
Cost of sales	278 329 582	295 398 474
(Increase) / decrease in production	- 1 527 755	713 431
External supplies and services	128 216 465	128 140 717
Staff expenses	73 402 125	67 449 669
Impairment losses in trade debtors (increase/reduction)	206 490	989 625
Other expenses and losses	6 253 318	4 043 458
Recurring operating profit/(loss) before amortization, depreciation, provisions and impairment losses (except trade debtors)	53 882 109	46 465 100
Non-Recurring operating profit/(loss) before amortization, depreciation, provisions and impairment losses (except trade debtors)	- 5 556 935	- 7 007 156
Total operating profit/(loss) before amortization, depreciation, provisions and impairment losses (except trade debtors)	48 325 174	39 457 944

20. FINANCIAL RESULTS

Financial results for the periods ended 30 June 2015 and 2014 were as follows:

	30.06.2015	30.06.2014 Restated
Financial expenses:		
Interest expenses		
related to bank loans and overdrafts	9 292 793	11 777 959
related to non convertible debentures	3 532 354	5 015 450
related to finance leases	1 442 103	1 696 155
others	1 398 961	1 591 801
	15 666 211	20 081 365
Losses in currency translation		
related to loans	847 455	287 110
	847 455	287 110
Cash discounts granted	6 474 045	7 042 530
Adjustment to fair value of financial instruments at fair value through profit or loss		224 253
Other finance losses	2 328 480	3 161 463
	25 316 191	30 796 721

	30.06.2015	30.06.2014 Restated
Financial income:		
Interest income		
related to bank loans	30 777	15 114
related to loans to related parties	4 293 708	3 852 420
Others	39 226	41 230
	4 363 711	3 908 764
Gains in currency translation		
related to loans	2 757 056	932 787
	2 757 056	932 787
Cash discounts obtained	429 742	499 347
Adjustment to fair value of financial instruments at fair value through profit or loss		150 069
Other finance gains	4 411	23 936
	7 554 920	5 514 903
Finance profit / (loss)	**- 17 761 271**	**- 25 281 818**

21. TAXES

Corporate income tax accounted for in the periods ended 30 June 2015 and 2014 is detailed as follows:

	30.06.2015	30.06.2014 Restated
Current tax	3 487 537	2 595 965
Deferred tax	- 152 031	- 1 748 724
	3 335 506	847 241

22. 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 and South Africa.

At 30 June 2015 and 2014, identifiable reportable segments were as follows:

- Northern Europe;
- Southern Europe;
- Rest of the World.

		Turnover	
		30.06.2015	30.06.2014 Restated
Northern Europe		219 313 487	240 692 997
Southern Europe		180 439 248	191 894 341
Rest of the world		143 924 226	124 916 411
Total segments		543 676 961	557 503 749
Intercompany turnover	(-)	23 074 764	36 349 321
Differences in classification	(+)	7 151 304	8 182 121
Consolidated Income statement		527 753 501	529 336 549

		Operating net profit (loss)	
		30.06.2015	30.06.2014 Restated
Northern Europe		5 175 517	-1 385 740
Southern Europe		2 141 894	613 857
Rest of the world		11 452 539	7 365 413
Total segments		18 769 950	6 593 530
Consolidation adjustments not included under Total segments	(-)	- 58 868	126 926
Consolidated Income statement		18 828 818	6 466 604

Amounts stated as Total segments refer to information of continued operations which was included in internal report to chief operation decision maker.

23. SUBSEQUENT EVENTS

In July 2015, the Group sold the subsidiary Darbo, SAS, which included the Linxe industrial plant. At 30 June 2015, the assets of this company were still stated under Non-current assets classified as available for sale, as well as its liabilities were stated under Liabilities directly associated with non-current assets classified as available for sale, on the Consolidated Statement of Financial Position. A loss amounting to EUR 3 794 000 is estimated to arise from the sale of this subsidiary, for which a provision was recognized for that amount under Net profit (loss) from discontinued operations, after taxation, on the Consolidated Income Statement.

24. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorized for issuance 28 July 2015.