

PRIVILEGED INFORMATION
LaminatePark intention to close (Unaudited figures)
Recurrent EBITDA 4Q18 (Unaudited figures)

Sonae Indústria, SGPS, SA ("Sonae Indústria") informs that LaminatePark GmbH & Co KG ("LaminatePark"), has announced today the intention to cease operations at its Eiweiler site (Germany) by the end of 2019. LaminatePark is the joint venture between Sonae Arauco and Tarkett for the manufacturing and sale of MDF/HDF laminate flooring. The Economic Committee and Works Council of LaminatePark have been informed and formal discussions have begun.

This intention is due to LaminatePark's poor historical financial performance. LaminatePark operates in a very competitive market environment that was strongly impacted by declining volumes in laminate flooring and MDF/HDF markets in Western Europe, particularly during 2018, which led to a very low level of capacity utilization. The decision was made in the light of there being no reasonable prospects for a material recovery in its financial profitability in the medium term.

As a result of impairment testing, Sonae Arauco recognized an impairment loss in its consolidated accounts related to the full carrying amount as at year end 2018 of the investment in the joint venture LaminatePark and of the shareholder loan to the company (unaudited). The effect of this impairment loss in Sonae Indústria's consolidated results (considering the equity method contribution from Sonae Arauco to Sonae Indústria's consolidated results) is a charge estimated at circa 8 million euros (unaudited).

Furthermore, Sonae Indústria informs that with the preparation of its full year 2018 financial statements, the company estimates that its 4Q18 EBITDA results will be materially affected by the lower operational profitability of its fully owned subsidiary Tafisa Canada Inc. ("Tafisa Canada"). The lower Recurrent EBITDA at Tafisa Canada in 4Q18 is partially explained by the negative effects of a fire that occurred in the second half of November on the larger of its two particleboard lines only a few days after the annual shutdown of the line, leading to significantly lower production volumes (almost two additional weeks of stoppage in addition to the annual maintenance stoppage) and materially increased maintenance costs.

The unaudited Recurrent EBITDA for Sonae Indústria (consolidated) in 4Q18 is estimated at 4.0 million euros and compare with the 4Q17 and 3Q18 results as shown below.

Sonae Indústria SGPS - Consolidated Unaudited figures			
EUR k	4Q17	3Q18	4Q18
Recurrent EBITDA	7.3	8.6	4.0

Sonae Indústria is due to announce its full year 2018 results on 27 March 2019.

Maia, 19 February 2019

The Representative for Relations with Capital Markets and CMVM,
 (Christopher Lawrie)