

**TOGETHER
CREATING
THE FUTURE**



FY 2019 RESULTS

31 March 2020

Maia, Portugal, 31 March 2020: Sonae Indústria reports audited Consolidated Results for the year ended 31 December 2019 which are prepared in accordance with IFRS (International Financial Reporting Standards). Proportional Indicators are unaudited.

2019 FULL YEAR HIGHLIGHTS

Financial¹

- Recurrent EBITDA of 26.5M€, with 11.5% margin;
- Net Results of -13.4M€ including -9.2M€ from one off charges²;
- Proportional Recurrent EBITDA of 63.9M€, with 10.5% margin;
- Proportional Senior Net Debt at 283M€ with Proportional Senior Leverage of 4.4x;
- Execution of refinancing deals (concluded in January 2020) of 165M€, including a new subordinated bond loan of 50M€;
- Sale of inactive sites assets totaling c. 1.9M€.

Commercial and Operational

Fully owned businesses

- Approval and start up of the investment in a new High Gloss and Super Matt lacquering plant in Canada;
- Reinforcement of Tafisa Canada decorative offer with the launch of 7 new decors in its Prelude® Series;
- Decision to close our Laminates industrial activities at our Horn site in Germany by the end of 2020;
- Laminates business presents its Surforma® branded products at Interzum for the first time.

Sonae Arauco

- Launch of new Innovus decorative collection;
- Completion of the investment in a new state of the art melamine surfacing line at our White River plant, in South Africa;
- Investment in a new continuous particleboard press at our Beeskow plant in Germany;
- Closure of the flooring joint venture in Germany;
- Agreement for the sale of Sonae Arauco biomass power plant in Horn.

¹ See Glossary of Terms (page 12).

² The one off charges of 9.2 million euros booked in 2019 refer to 7.7 million euros of Provisions (of which 50% directly in Sonae Indústria and 50% through Sonae Arauco Net Results) related to the Horn site and 1.5 million euros of provisions related to legal proceedings.

MESSAGE FROM THE CHAIRMAN

First I would like to acknowledge that 2019 was a year marked by greater challenges to our business sector and to our operations than envisaged; in North America the marginally weaker demand for particleboard and the entry of new capacity resulted in some pricing pressure and we experienced some production constraints; our Laminates business although improving still suffered from top line; and at Sonae Arauco, we faced harder underlying business conditions particularly in Iberia and South Africa.

In the light of the above and after booking one off charges³ of 9.2 million euros during 2019 Sonae Indústria booked a negative Net Result of 13.4 million euros following three consecutive years of positive Net Results.

Proportional results were impacted by the lower profitability at Sonae Arauco leading to a Proportional Recurrent EBITDA of 63.9 million euros with a 10.5% margin in both cases below the levels achieved in 2018. Proportional Senior Net Debt⁴ stood at 283 million euros, with a proportional senior leverage ratio⁴ of 4.4x.

I would now like to turn to the key developments of 2019 at our fully owned businesses and at Sonae Arauco.

In 2019, despite the increased competition in the North American market as a result of the ongoing changes in installed capacity, and some production constraints, our North American business achieved a Recurrent EBITDA result only moderately lower than in the previous year while increasing Turnover and improving the sales mix, with decorative products increasing their weight, including the high end EIR⁵ decorative offer which is complemented with our matching Surforma® Laminates produced in Portugal.

As reported throughout 2019, our team in North America has been working hard on various fronts to extend our lead and further grow the distinctiveness of our innovative decorative solutions to industrial and trade customers.

In this regard, it should be noted that Tafisa Canada is currently investing in a new High Gloss and Super Matt lacquering plant in Lac Mégantic, further complementing its existing market leading decorative solutions offer to our customers in North America with the supply of these two new types of finishes. This investment will clearly reinforce our offer of innovative and value added solutions and will further strengthen our position in the high end segments of the market.

At our Laminates business, in 2019, Recurrent EBITDA results improved marginally notwithstanding we still lack a full recovery in top line. However, both production and commercial initiatives are being implemented to materially improve the profitability of the laminates business based in Maia, Portugal.

In 2019 we decided to close our Laminates industrial activities at our Horn site in Germany by the end of 2020 as previously announced, and we proceeded with the implementation of a decorative laminates value added strategy with a manufacturing base in our site in Maia, Portugal. In this regard our sales of Surforma® Laminates (HPL) in North America, a strategic project between our Laminates and North America businesses, have grown steadily in 2019 and there is still potential growth in the near future. Additionally, we are currently exploring different routes to improve the offer of decorative solutions to our customers and expect to make progress in this regard over the next quarters.

At Sonae Arauco despite still positive results at Net Result level, profitability was below our expectations for 2019 which proved to be the most challenging year since the inception of the partnership in 2016, essentially due to harder market conditions when compared to previous years and to production constraints particularly in Iberia and South Africa.

³ The one off charges of 9.2 million euros booked in 2019 refer to 7.7 million euros of Provisions (of which 50% directly in Sonae Indústria and 50% through Sonae Arauco Net Results) related to the Horn site and 1.5 million euros of provisions related to legal proceedings.

⁴ Proportional Senior Net Debt excludes the Subordinated Bond Loan.

⁵ Embossed in-register.

In the Iberian Peninsula, we have experienced increased competitive tensions since mid 2018 when we restarted our two Portuguese plants following the forest fires, at a time when the market saw capacity increases from local competitors and less a dynamic product demand making the achievement of our goal of recovering market share, slower. In 2019 we faced material industrial challenges with the ramp up of our new line in the Mangualde plant that led to a difficult year. We have been working to conclude the investment program in Mangualde so we can start leveraging on the new continuous MDF press installed in this plant and considerably improve its recent profitability levels.

In Germany, in 2019 we managed to maintain the Recurrent EBITDA contribution at a similar level of the previous year despite the weaker general economic environment in the region. As previously reported, we have started the investment in a new continuous particleboard press at our Beeskow plant in Germany and during 2019 we made significant progresses in the construction and commissioning of this investment to replace the last single day light press in Sonae Indústria panels plants. Also in Germany, during the 4Q19 we further streamlined our business and improved our focus in our core decorative panels activities by concluding the closure of Sonae Arauco flooring joint-venture and also by agreeing the sale of its biomass power plant in Horn.

In South Africa, during 2019 our operations have suffered not only from the continued poor economic environment but also from the power outages that regularly hit the country throughout the year affecting our production, sales volumes and production costs. However, during the 4Q19 we completed the investment in a new and state of the art melamine surfacing line at our White River plant that is now fully operational and should allow us to effectively serve our customers, develop our MFC business and contribute positively for the overall profitability level in that region.

Despite the less positive results in the year at Sonae Arauco, we continued to develop the business with strategic investments in the plants and improvements in business processes in particular Health and Safety; decorative collection management; supply chain management and people development. I believe with this we have laid down fundamental building blocks in our plan to take Sonae Arauco to benchmark levels of competitiveness and profitability.

Regarding Sonae Indústria's Balance Sheet, although Shareholders' Funds were impacted by results of 2019, I would like to highlight that between December 2019 and January 2020, Sonae Indústria concluded refinancing deals totaling 165 million euros which allowed for a material improvement of its debt maturity profile and for the strengthening of its capital structure. These deals include a new subordinated debt tranche of 50 million euros with a ten year bullet maturity which enabled Sonae Indústria to reduce its senior debt by that amount and to materially extend senior debt maturities through existing and new facilities in a total amount of 115 million euros. If and when market conditions permit a second tranche of up to 15 million Euros of subordinated bonds will be offered to the market in 2020 in the form of a private placement with eligible counterparties and professional clients.

To conclude I would like to thank the contribution of Sonae Indústria employees, management teams and Statutory Boards and express my confidence that with the organic investments we are making combined with product innovation and commercial initiatives being implemented our businesses will be in a stronger competitive position enhancing the long term profitability and sustainability of the company.

Paulo Azevedo

Chairman, Sonae Indústria

Post Scriptum: My final words go to the situation the world is facing as a result of the Covid-19 pandemic and its significant harmful impact on humanity, with far reaching health, social and economic impacts. Our businesses will undoubtedly be affected in the short term and in fact some of our operations have already had to close temporarily or are likely to do so during the next few weeks. Notwithstanding the huge challenge that we face, I am confident that we have the resources and the people to mitigate these difficulties and eventually overcome them in the knowledge that this additional challenge will require significant effort by all stakeholders.

1. SONAE INDÚSTRIA RESULTS

Note IFRS 16: The mandatory adoption of the new accounting standard on leases (IFRS 16) from the beginning of 2019 financial year affects the comparability of Sonae Indústria's results in 2019 with previous years.

1.1 PROPORTIONAL RESULTS (UNAUDITED)

SUMMARY OF 2019 RESULTS

Due to the fact that one of Sonae Indústria's main assets (its 50% shareholding in Sonae Arauco) is accounted by the Equity method, this section 1.1. provides unaudited Proportional Indicators which consider the full results of our wholly owned businesses and the proportional consolidation of the 50% contribution from Sonae Arauco.

PROPORTIONAL FINANCIAL INDICATORS (UNAUDITED)

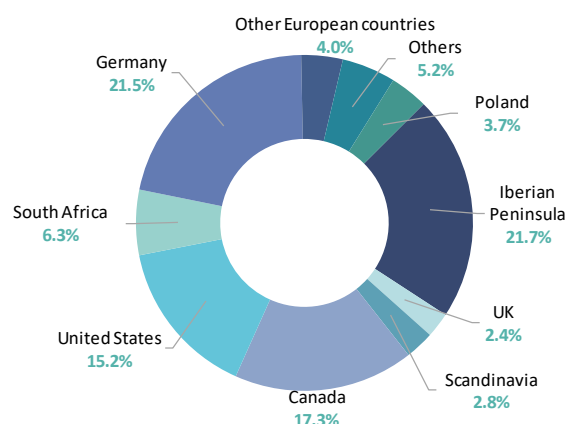
	2018	2019
Proportional Turnover	612	606
Proportional Rec. EBITDA	74	64
Proportional Rec. EBITDA margin	12.0%	10.5%
LEVERAGE		
Proportional Senior Net Debt (excluding Subordinated Bonds)	311	283
Proportional Senior Leverage (Senior Net Debt / LTM Rec. EBITDA)	4.2 x	4.4 x

Proportional Turnover in 2019 was 6.4 million euros lower than in the previous year. This evolution was driven by a lower contribution from Sonae Arauco (-16.2 million euros) affected by a reduction in total sales volumes and average selling prices, which more than offset the positive contribution of our fully owned businesses (+9.8 million euros).

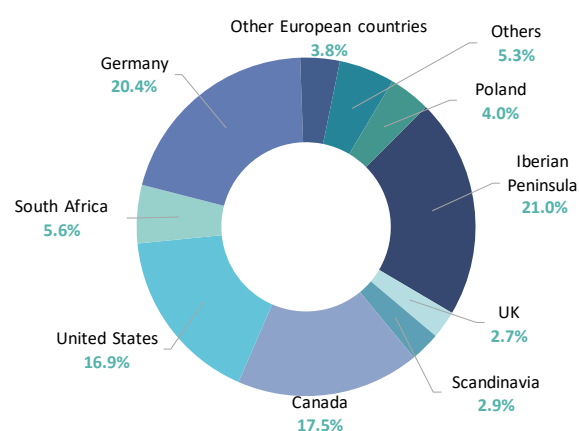
Proportional Recurrent EBITDA in 2019 reached circa 63.9 million euros (including a positive effect from the adoption of the IFRS 16 of circa 4.0 million euros), 9.7 million euros lower than in 2018 driven by the 9.5 million euros lower contribution from Sonae Arauco which is explained by more difficult business conditions but also by the fact that 2018 Recurrent EBITDA included material insurance compensation recognition.

In 2019, **Senior Net Debt to Recurrent EBITDA (proportional)** stood at circa 4.4x (including IFRS 16 effects), which compares with 4.2x in 2018. Proportional Senior Net Debt excludes Subordinated Bonds (50 million euros issued during 4Q19).

PROPORTIONAL TURNOVER BY DESTINATION MARKET
2018



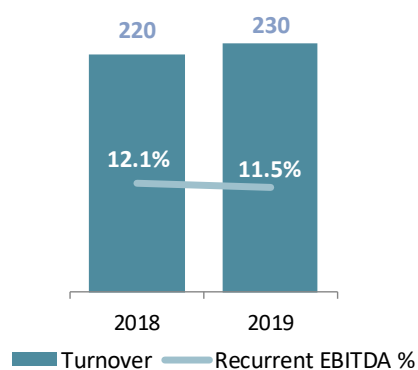
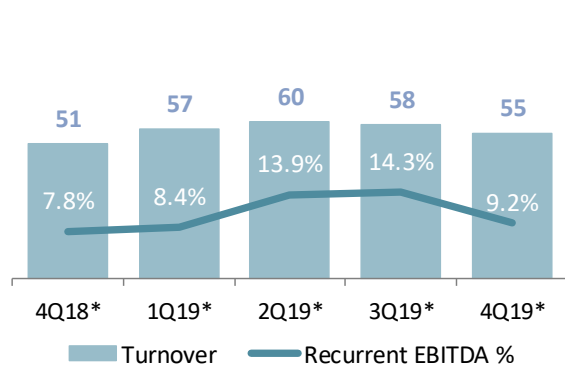
PROPORTIONAL TURNOVER BY DESTINATION MARKET
2019



1.2 CONSOLIDATED RESULTS

SUMMARY OF 2019 RESULTS

TURNOVER and RECURRENT EBITDA
MILLION EUROS



*Quarterly information unaudited.

Consolidated Turnover reached 230.0 million euros in 2019, an improvement of circa 4.5% vs. last year (+9.8 million euros), driven by our North American business (in local currency but also benefiting from a circa 6.1 million euros favourable exchange rate effect resulting from the appreciation of the Canadian dollar vs. the EUR). For the quarter, Consolidated turnover reached 55.2 million euros, which represents an increase of circa 3.9 million vs. same period of last year, mainly driven by our North American business.

Variable costs per cubic meter increased both in local currency and in euros in 2019, when compared to the previous year, with an increase in input costs (except chemicals), and in the case of the increase in euros also driven by the appreciation of the Canadian dollar. For the quarter, variable costs per cubic meter also increased when compared to 4Q18 and to 3Q19.

Recurrent EBITDA in 2019 reached circa 26.5 million euros (including a positive effect from the adoption of the IFRS 16 of 2.1 million euros), a reduction of 0.2 million euros vs. 2018, with increases in turnover and variable costs, as referred above, and in fixed costs. On a quarterly basis, Recurrent EBITDA for the 4Q19 stood at circa 5.1 million euros, with Recurrent EBITDA margin of 9.2%, an increase of 1.0 million euros and of circa 1.4 p.p., respectively, when compared to 4Q18 which included the effect of the fire occurred in one of Canada particleboard lines.

Consolidated **EBITDA** in 2019 reached circa 25.8 million euros, a reduction of 3.5 million euros vs. 2018 that benefited from a non recurrent capital gain of circa 3.2 million euros, in 4Q18, as a result of the sale of Solsona inactive site real estate. On a quarterly basis, Consolidated EBITDA in 4Q19 stood at 4.9 million euros, a reduction of 2.2 million euros vs. 4Q18 explained by the already mentioned capital gain in the sale of real estate.

CONSOLIDATED INCOME STATEMENT MILLION EUROS

	2018	2019	2019 / 2018	4Q18 Unaudited	3Q19 Unaudited	4Q19 Unaudited	4Q19 / 4Q18	4Q19 / 3Q19
Turnover	220.2	230.0	4.5%	51.3	58.4	55.2	7.6%	(5.5%)
Other operational income	8.2	4.1	(50.2%)	5.1	0.7	1.4	(72.5%)	92.1%
EBITDA	29.2	25.8	(11.9%)	7.1	8.3	4.9	(31.0%)	(40.6%)
Non recurrent items	2.6	(0.7)	(127.8%)	3.1	(0.1)	(0.1)	(103.9%)	(105.6%)
Recurrent EBITDA	26.7	26.5	(0.7%)	4.0	8.4	5.1	26.2%	(39.6%)
Recurrent EBITDA Margin %	12.1%	11.5%	-0.6 pp	7.8%	14.3%	9.2%	1.4 pp	-5.2 pp
Depreciation and amortisation	(13.1)	(15.9)	(21.7%)	(3.5)	(4.1)	(4.0)	(15.5%)	1.9%
Provisions and impairment Losses	0.1	(5.4)	-	0.2	0.0	(5.4)	-	-
Operational profit (EBIT)	16.3	4.4	(72.8%)	3.9	4.2	(4.5)	-	-
Net financial charges	(11.6)	(11.5)	0.7%	(3.0)	(3.0)	(2.8)	8.3%	6.1%
o.w. Net interest charges	(8.1)	(8.4)	(2.9%)	(2.1)	(2.1)	(2.1)	(0.9%)	(0.3%)
o.w. Net exchange differences	0.0	(0.0)	-	(0.0)	(0.0)	(0.0)	-	-
o.w. Net financial discounts	(1.7)	(1.6)	0.9%	(0.4)	(0.4)	(0.4)	7.2%	8.6%
Gains and losses in Joint-Ventures - Net Results	12.0	0.7	(94.5%)	(9.5)	(3.5)	(1.2)	87.5%	65.5%
Gains and losses in Joint-Ventures - Other	0.5	(3.7)	-	0.5	(3.4)	(0.3)	-	91.3%
Profit before taxes (EBT)	17.2	(10.0)	-	(8.2)	(5.5)	(8.7)	(6.7%)	(57.9%)
Taxes	(6.2)	(3.3)	46.0%	(3.4)	(1.1)	(0.4)	87.6%	60.5%
o.w. Current tax	(5.7)	(3.3)	41.5%	(1.1)	(1.3)	0.3	127.2%	122.1%
o.w. Deferred tax	(0.5)	(0.0)	99.6%	(2.3)	0.3	(0.7)	68.9%	-
Consolidated net profit/(loss) for the period	11.0	(13.4)	-	(11.6)	(6.6)	(9.2)	20.7%	(38.9%)

Total **fixed costs** in 2019 represented 17.3% of turnover, an increase of 0.2 p.p. vs. 2018 given the growth in Turnover was proportionally lower than the increase in Fixed costs the latter essentially explained by an increase in personnel costs. It should be noted that 2019 figures consider lower lease rents as a result of the adoption of IFRS 16.

The **number of employees** of Sonae Indústria was 506 FTE's, at the end of December 2019, excluding Sonae Arauco and trainees, which compares with 503 and 495 FTE's at the end of September 2019 and December 2018, respectively, with the variation being mainly driven by the North American business.

Depreciation and amortization charges during 2019 were 15.9 million euros, which represents an increase of 2.8 million euros vs. 2018, due mainly to the impact of 1.9 million euros from the adoption of the IFRS 16 and also due to the investments executed in Canada. For the quarter, the depreciation charges reached circa 4.0 million euros, an increase of 0.5 million euros vs. 4Q18 explained essentially by the adoption of IFRS 16.

Provisions and impairment losses in 2019 represent a charge of 5.4 million euros, mainly explained by Provisions booked in 4Q19 subsequent to the decision to close all industrial activities at Horn site in Germany by the end of 2020. Pursuant to the agreement with Arauco these costs are the responsibility of Sonae Indústria hence, in addition to the 50% booked at Sonae Arauco level as explained below, Sonae Indústria books directly the remaining 50% in its accounts.

Net financial charges during 2019 were circa 11.5 million euros, which represents a reduction of 0.1 million euros vs. 2018, despite the 0.2 million euros increase from the adoption of the IFRS 16. In the quarter net financial charges reached 2.8 million euros, a reduction of circa 0.3 million euros when compared to 4Q18.

Gains and losses in Joint-Ventures – Net Results refers to 50% of the net results of Sonae Arauco in the period. This amounted to circa 0.7 million euros in 2019, a reduction of 11.3 million euros when compared to 2018, which included significant insurance income recognition related to the fires that affected two Sonae Arauco plants in Portugal in October 2017. Sonae Arauco Net Results in 2019 were affected by more difficult business conditions which translated into 9.5 million euros lower Recurrent EBITDA (considering the 50% contribution) when compared with the previous year. Additionally, in 2019 Sonae Arauco booked circa 3.9 million euros of Provisions (considering the 50% contribution) related with closure of industrial activities at Horn site.

Gains and losses in Joint-Ventures – Other amounted to circa -3.7 million euros in 2019, essentially explained by Sonae Arauco's expenses and contingent liabilities that, pursuant to the agreement with Arauco, are the responsibility of Sonae Indústria and that, accordingly, Sonae Indústria compensates Sonae Arauco via cash contributions to Sonae Arauco for the full amounts paid or incurred. During 2019 Sonae Indústria paid circa 6.7 million euros to Sonae Arauco under this concept, in relation to a period of approximately two years. Since 50% of these expenses were already reflected in Sonae Indústria's income statement through the net results of Sonae Arauco, the remaining 50% are reflected through Gains and Losses in Joint-Ventures – Other.

Current tax charges were 3.3 million euros in 2019, a decrease of circa 2.4 million euros when compared to 2018, mainly driven by lower tax charges in Canada. **Deferred tax charges** represented a reduction of circa 1.6 million euros in the quarter when compared to 4Q18 that was affected by the full write-off of deferred tax assets in Portuguese companies.

Net results in 2019 were negative of circa 13.4 million euros, which compares with positive net results of 11.0 million euros in 2018. The evolution of the net results when compared to the previous year is essentially explained by the aforementioned reduction in Gains and losses in Joint-Ventures (aggregate Net Results and Other), by the provisions booked in 4Q19 and by the fact that 2018 EBITDA included a capital gain as a result of the sale of an inactive site.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MILLION EUROS

	2018	9M19 Unaudited	2019
Non current assets	354.5	370.1	370.0
Tangible assets	135.7	151.3	153.6
Investments in joint ventures	212.5	211.3	209.1
Deferred tax asset	0.0	0.0	0.0
Other non current assets	6.3	7.5	7.3
Current assets	47.4	51.1	50.6
Inventories	18.2	20.8	22.0
Trade debtors	12.3	18.4	14.1
Cash and cash equivalents	10.6	5.4	7.1
Other current assets	6.2	6.5	7.5
Non-current assets classified as available for sale	0.0	0.0	0.1
Total assets	401.8	421.1	420.7
Shareholders' Funds	135.5	135.9	127.3
Equity holders	135.5	135.9	127.3
Non-controlling interests	0.0	0.0	0.0
Liabilities	266.3	285.2	293.4
Subordinated bonds loan	0.0	0.0	50.0
Senior interest bearing debt	206.5	219.8	166.0
Non current	188.6	169.3	157.6
Current	17.9	50.5	8.4
Trade creditors	21.6	23.8	26.0
Other liabilities	38.3	41.7	51.4
Liabilities directly associated with non-current assets classified as available for sale	0.0	0.0	0.0
Total Shareholders' Funds and liabilities	401.8	421.1	420.7

Tangible assets reached 153.6 million euros at the end of December 2019, an increase of 17.9 million euros vs. December 2018, mainly due to investments executed in Canada and the impact of the adoption of the IFRS 16 of 4.8 million euros in 2019.

Investments in Joint-Ventures (50% shareholding in Sonae Arauco) reached 209.1 million euros, which represents a reduction of 3.3 million euros when compared to the book value of this investment at the end of 2018. This reduction includes a negative effect of 5.9 million euros due to dividends paid by Sonae Arauco to Sonae Indústria in 2019 and a positive effect of 3.4 million euros from 50% of the cash contributions made by Sonae Indústria to Sonae Arauco in 2019.

Total **Shareholders' Funds**, at the end of December 2019, totaled 127.3 million euros, which represents a decrease of 8.2 million euros when compared to 2018, mainly explained by the impact from the negative net result in 2019 and despite the positive impacts from exchange rate evolution of the South African Rand and of the Canadian dollar vs. the EUR of 1.0 million euros and 4.3 million euros, respectively.

NET DEBT and WORKING CAPITAL

MILLION EUROS

		Excluding IFRS 16 effects		Including IFRS 16 effects	
	2018	9M19 Unaudited	2019 Unaudited	9M19 Unaudited	2019
Senior Net Debt	195.8	208.8	154.0	214.4	158.9
Total Net Debt	195.8	208.8	204.0	214.4	208.9
Working Capital	9.0	15.4	10.0	15.4	10.0

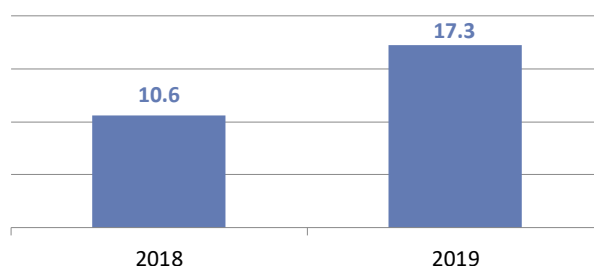
Consolidated **Working Capital** reached 10.0 million euros, an increase of circa 1.1 million euros when compared to December 2018, explained by the increase in inventories and in trade debtors, which more than offset the increase in trade creditors.

Senior Net Debt (including IFRS 16 effects) stood at 158.9 million euros at the end of December 2019, which compares with 195.8 million euros at the end of December 2018. Note: Senior Net Debt does not include the Subordinated Bonds issued during 4Q19 which are however included in Total Net Debt.

It should be highlighted that during 4Q19 Sonae Indústria executed two material financing transactions which significantly improved its debt maturity profile and capital structure. The first of these transactions involved the refinancing of 90 million euros of existing senior debt, the terms of which extended its final maturity for a five year period as from December 2019 (3.9 years average life). The second transaction consisted of the issuance of 50 million euros of Subordinated Bonds, contractually and legally subordinated to all of Sonae Indústria senior debt and repayable in full at the end of the ten year period (December 2029). The 50 million euros of Subordinated Bonds were fully subscribed by Efanor, Sonae Indústria majority shareholder.

CAPEX

MILLION EUROS



Additions to Gross Tangible Fixed Assets reached circa 17.3 million euros in 2019, essentially investments in our North American business (16.5 million euros).

2. SUBSEQUENT EVENTS

The worldwide propagation of COVID-19 in the first months of 2020 is having material negative human, social, economic and financial impacts.

The extraordinary measures imposed by the authorities in the several regions where Sonae Indústria conducts its business (namely Europe, North America and South Africa) have also had a significant impact not only on daily lives of people but also on businesses including Sonae Indústria operations.

Accordingly, during the last few days and as a result of the Covid-19 pandemic the following developments have taken place:

- Sonae Arauco has temporarily shut down its industrial units in Spain and South Africa, countries where legal provisions set out by local authorities to fight the pandemic currently prevent the continuation of activity for most businesses;
- Our North American business has partially and temporarily shut down its industrial activity in Lac Mégantic, Canada (in accordance with legal provisions set out by local authorities to fight the pandemic).

The possibility of interrupting temporarily the activity of other industrial units is currently being evaluated, taking into account the reduction in orders from our customers due to the scaling back or temporary shut down of their activities and the possible disruption of the supply of raw materials. The continuation of our other operations could also be conditioned by additional measures imposed by governments with the aim of mitigating the Covid-19 pandemic.

Due to the uncertainty, not only on the Covid-19 pandemic duration period but also on its impact in the global economy, Sonae Indústria cannot estimate the impact on the company's results, but we envisage that it will be important.

Sonae Indústria will take all possible actions, within the limitations imposed by this pandemic crisis, to mitigate the effects of any temporary shutdowns and also to restart any temporarily closed down operations as soon as the conditions allow.

3. OUTLOOK FOR 2020

The outlook for 2020 is clearly marked by the significant negative effects of the Covid-19 pandemic, as described in the previous section, which will limit or constrain the achievement of our goals for this year.

As a result, certain investments that were being considered for 2020 may have to be delayed or completed in phases.

Notwithstanding these extraordinary circumstances, we will not lose sight of our strategic objectives and will pursue them to the full extent that external conditions permit.

GLOSSARY OF TERMS

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); <i>management accounts concept</i>
Gross Debt	Bank loans + Subordinated bonds + Other bonds + Obligations under finance leases + other loans + Loans from related parties
LTM	Last Twelve Months
Proportional Senior Leverage (unaudited)	Proportional Senior Net Debt / Proportional LTM Recurrent EBITDA
Proportional Senior Net Debt (unaudited)	Proportional Senior Net Debt considers the full contribution of the Senior Net Debt of the wholly owned businesses and the proportional consolidation of the 50% contribution from Sonae Arauco Net Debt
Proportional: Turnover, Recurrent EBITDA (unaudited)	Proportional Turnover and Proportional Recurrent EBITDA consider, in what regards to Turnover and Recurrent EBITDA, the full contribution of the wholly owned businesses and the proportional consolidation of the 50% contribution from Sonae Arauco.
Recurrent EBITDA	EBITDA excluding non-recurrent operational income / costs
Recurrent EBITDA margin	Recurrent EBITDA / Turnover
Senior Net Debt	Total Gross Debt - Subordinated Bonds - Cash and cash equivalents
Total Net Debt	Total Gross Debt - Cash and cash equivalents
Working Capital	Inventories + Trade Debtors – Trade Creditors

SAFE HARBOUR

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

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

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

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Publicly Listed Company

Share Capital € 253 319 797.26

Maia Commercial Registry and Tax Number 506 035 034

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