SDC Investimentos, SGPS, SA

11.11.2015 **MATERIAL INFORMATION**

SDC- INVESTIMENTOS INFORMS ON THE SIGNING OF THE FRAMEWORK AGREEMENT

SDC– Investimentos, SGPS, SA informs that the company has signed today with a group of financial institutions a Framework Agreement regarding the restructuring and partial novation of its debt, of €150.4 million and USD 5.3 million, which general terms, that the company disclosed on April 30, are herewith annexed.

The signing of this Agreement closes a cycle of transactions, initiated in February 2014 with the capital increase and debt restructuring of its participated company Soares da Costa Construção, SGPS, SA, which aimed to provide the Group with a sustainable asset and liabilities structure.

The closing of this restructuring is dependent upon certain acts, contracts and consents, as well as the issue and subscription of convertible bonds that should occur throughout the next 60 days.

SDC Investimentos, SGPS, SA

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Share Capital 160.000.000 Euros | Corporate and Register Number 500 265 763

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ANNEX | SUMMARY OF FRAMEWORK AGREEMENT OF DEBT RESTRUCTURING OF SDC INVESTIMENTOS, SGPS, SA

1. Borrowers

SDC Investimentos, SGPS, SA ("SDC Investimentos")

SDC América Inc. ("SDC América")

2. Type of Transaction

Debt restructuring of SDC Investimentos and SDC América

3. Global Amount

Financing to be restructured amount to €150.4 million and USD 5.3 million, hereafter referred to as "Restructured Debt"

4. Lenders

BCP, CGD, CCCAM, BPI, B. Popular, BANIF, Novo Banco e Lisgarante

5. Restructuring by tranche

The Restructured Debt will be divided by tranches each with specific features:

a) *Tranche* 0:

Financing in the form of Commercial Paper Programme and to SDC America, with endorsement of Soares da Costa Construção SGPS SA and/ or Sociedade de Construções Soares da Costa SA

b) Tranche 1:

Financing with some sort of collateral/ guarantees, not included in Tranche 0

c) Tranche 2:

Financing without collateral/ guarantees

d) Tranche Bullet

Other financing without collateral/ guarantees

e) Convertible

Tranche of "Convertible Securities", convertible in ordinary shares of SDC Investimentos

6. Amounts

a) *Tranche* 0: € 12,4 million e USD 5,3 million

b) *Tranche* 1: € 10,0 million

c) *Tranche* 2: € 59,6 million

d) *Tranche Bullet*: € 50,0 million

e) Convertible: € 18,5 million

Tranches 0, 1 e 2

7. Mandatory Repayment

a) On 18 annual instalments, on 15 July of each year, starting in 2018 up to 2035, of € 5 million each, except for 2020 when will amount to € 3.5 million and in 2035 when will be the remaining

b) The annual instalments referred to in paragraph a) above will be primarily assigned the repayment of the Tranche 0, in the exact amount of the net dividends received from Soares da Costa Construção, SGPS, SA

c) If the net dividends from Soares da Costa Construção, SGPS, SA received by SDC Investimentos are lower than the annual instalment due mentioned in paragraph a), the differential between these amounts will be allocated to repayment of the three Tranches 0, 1 and 2, with respect for the proportions calculated every time this repayment is due, using the exchange rate USD/ EUR at the time

d) After the full repayment of Tranche 0, annual benefits identified in paragraph a) above shall be allocated among Tranches 1 and 2, with respect for the proportions calculated every time this repayment is due

8. Mandatory Early Repayment

a) Subject to the conditions specified in the following paragraphs, Tranches 0, 1 and 2 shall be reimbursed in advance at the amount of receipts in excess SDC Investimentos against the budgeted approved by the Banks for each year. The early repayment will be due when it is established that the overpayment in the budget and will be allocated between Tranches with respect for the proportions calculated every time this repayment is due, using the exchange rate USD / EUR at the time.

b) Cash inflows from real estate disposals/ sales currently guaranteeing debt of SDC Investimentos will be allocated to early repayment of loans benefiting from such collateral, registered in Tranche 1

9. Guarantees

a) Tranche 0 and 1: (a) maintenance of currently existing stock pledges and mortgages and, (b) first financial pledge of shares of the 33.33% stake held by SDC Investimentos in Soares da Costa Construção, SGPS, SA

b) Tranche 2: Second financial pledge of shares of the 33.33% stake held by SDC Investimentos in Soares da Costa Construção, SGPS, SA

Tranche *Bullet*

10. Repayment

a) On 15.07.2035, total capital

b) Early redemption in the amount of funds directly or indirectly arising from the sale of assets integrated in the subsidiaries SDC Imobiliário, SGPS, SA and SDC Concessões, SGPS SA, after the settlement of these loans and/ or loans that have these assets as collateral

11. Guarantees

Third financial pledge of shares of the 33.33% stake held by SDC Investimentos in Soares da Costa Construção, SGPS, SA

Convertible Bonds

12. Repayment

a) Form: Issue of securities convertible into common shares representing the capital of SDC Investimentos, with private placement

b) Maturity: 15.07.2035

c) Repayment: bullet, at maturity, by the nominal amount not object of conversion into shares

d) Conversion: Holders may opt for partial or total conversion of their securities, on each date of interest payment from the third year (inclusive), at the conversion price corresponding to the greater of: (i) the weighted average of the shares of SDC Investimentos between the 10th and the 5th days of trading preceding the subscription date and (ii) € 0.25/ share. The conversion price will be subject to the usual adjustment mechanisms arising from any dilutive capital events

Other conditions common to all the tranches and to the convertible tranches

a) Allowing for a review of the restructuring conditions after the first of the following dates: (a) third anniversary of the restructuring date or (b) 15.04.2018

b) Pari Passu, Cross Default and Negative Pledge

c) Until full repayment of Restructured Debt, SDC Investimentos will not propose to the shareholders the distribution of dividends and/ or payment of any amount to shareholders, without prior approval by the banks and holders of convertible securities (by a simple majority of detained credits)