



2016 Results

Investors and Analysts Conference Call

22 March 2017



- ➔ **Completion of the strategic partnership with Arauco**
- ➔ **Positive Net Results of 11M€, first positive annual Net Results since 2007**
- ➔ **Conclusion of the investment in a fifth melamine surfacing line at our Lac-Mégantic plant in Canada**
- ➔ **Launch of new embossed and in-register Viva collection in North America**

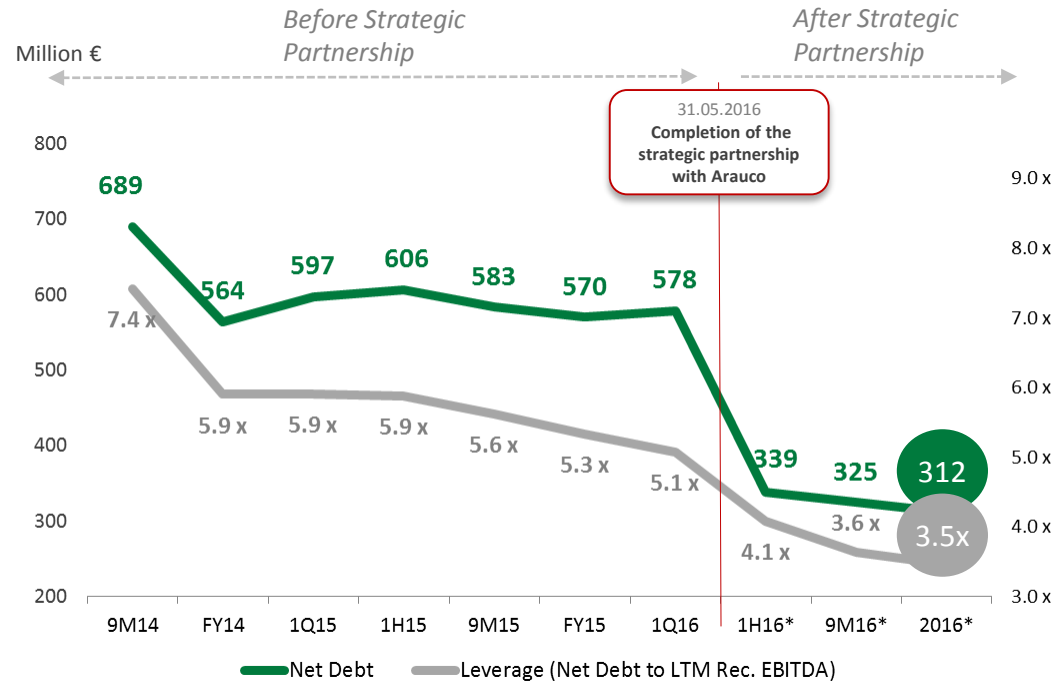
2016 FULL YEAR HIGHLIGHTS:

- Improved performance in all the three main businesses vs. 2015
- Proportional Turnover⁽¹⁾ of 639M€
- Improvement in profitability; Proportional Recurrent EBITDA⁽¹⁾ of 90M€, 20.7M€ higher than 2015, on a like for like basis; 14.1% Proportional Recurrent EBITDA⁽¹⁾ margin
- Positive Net Results of 11M€, first positive annual Net Results since 2007
- Proportional Net Debt⁽¹⁾ reduced by 13M€ to circa 312M€, when compared to September 2016
- Proportional Leverage⁽¹⁾ of 3.5x
- Loan to Value⁽¹⁾ of 41%

Financial Indicators

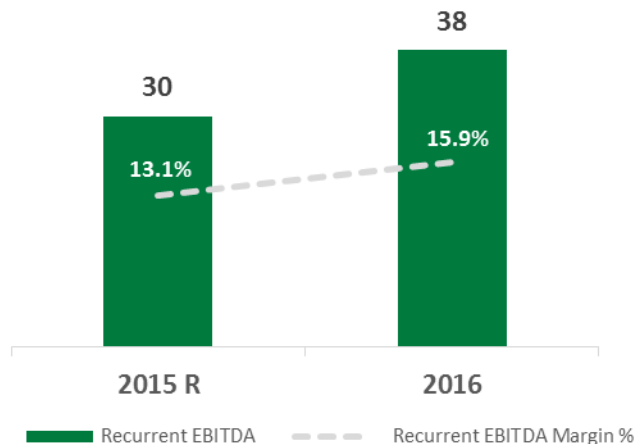
FINANCIAL INDICATORS (unaudited and proforma)	
	2016
Proportional Turnover	639
Proportional Rec. EBITDA	90
Proportional Rec. EBITDA margin	14.1%
LEVERAGE	
Proportional Net Debt	312
Proportional Leverage (Net Debt / LTM Rec. EBITDA)	3.5 x
LOAN TO VALUE	
Net Debt of Sonae Indústria	214
Asset Value	527
LTV (Net Debt of Sonae Indústria / Asset Value)	41%

Net Debt and Leverage



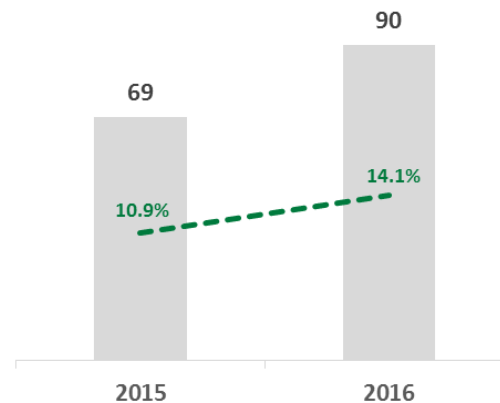
- Proportional Net Debt of 312M€ and a Proportional Leverage of 3.5x, at the end of 2016

Recurrent EBITDA (Million €) and Recurrent EBITDA margin (%)



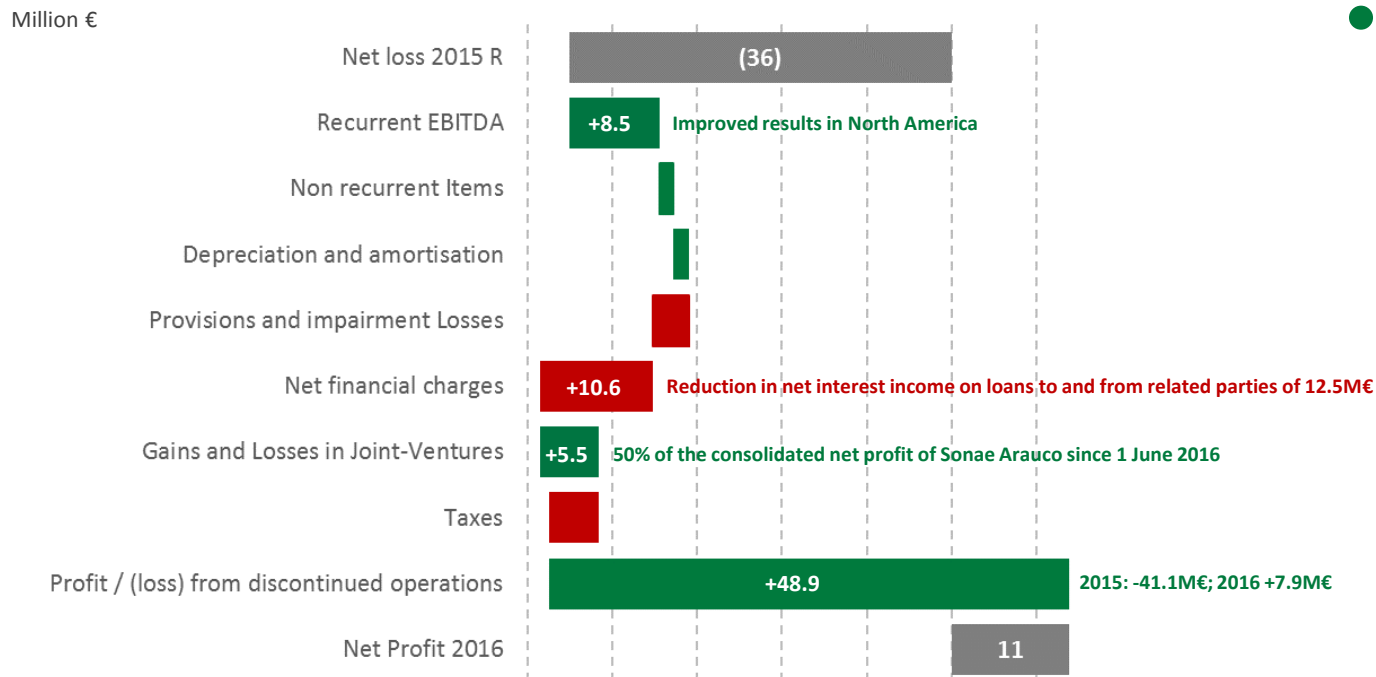
- Rec. EBITDA improved by 8.5M€ y.o.y, with an implicit Recurrent EBITDA margin of 15.9%, up by 2.8 p.p. vs. 2015.

Proportional Rec. EBITDA (million €) and Proportional Rec. EBITDA margin (%)



- Proportional Recurrent EBITDA of 90M€ for the 2016 (up by 20.7M€ vs. 2015).

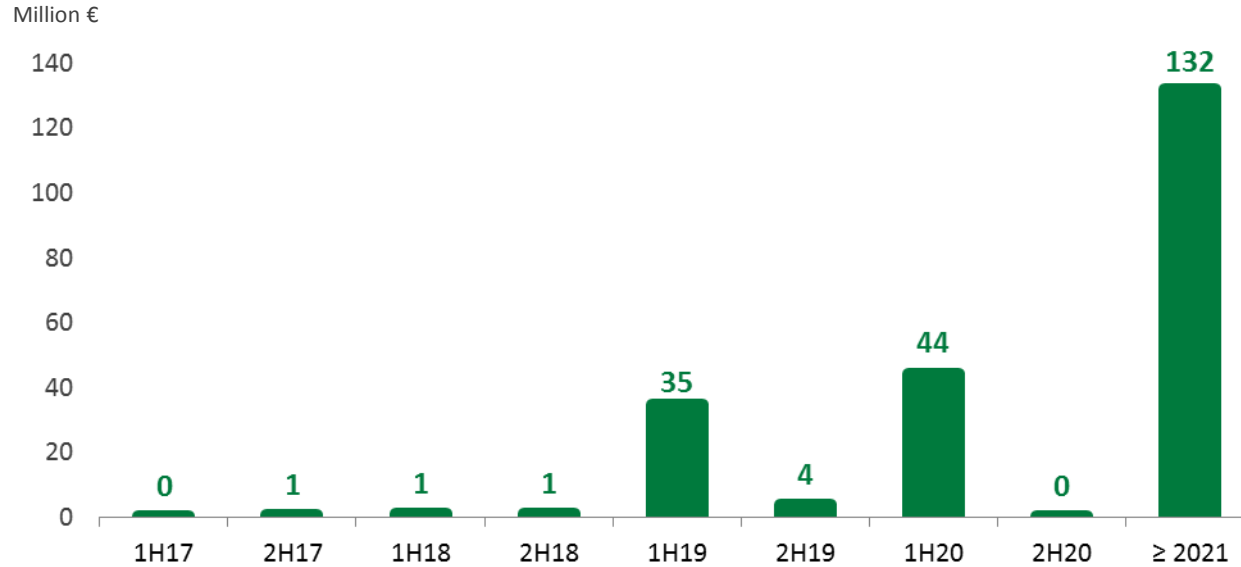
Contributions to Net results



- **Leading to a net positive result of 11M€ for 2016**

Scheduled loan repayments⁽¹⁾

as of 31 December 2016



SONAE INDÚSTRIA

Glossary of Terms

Asset Value	Asset Value is calculated as follows: $[6.8 \times \text{LTM Recurrent EBITDA of fully consolidated business (100\%)] + [\text{market value of inactive sites real estate properties owned 100\% by Sonae Indústria, according to external valuations}] + [50\% \times (6.8 \times \text{LTM Recurrent EBITDA of Sonae Arauco} - \text{Sonae Arauco Net Debt})]$
Loan to Value	$\text{Net Debt of Sonae Indústria} / \text{Asset Value}$
LTM	Last Twelve Months
Proportional Leverage (unaudited, proforma)	$\text{Proportional Net Debt} / \text{Proportional LTM Recurrent EBITDA}$
Proportional: Turnover, Recurrent EBITDA (unaudited, proforma)	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. These indicators are proforma because they consider the proportional consolidation of Sonae Arauco companies since the 1st of January of 2015, not after the 31st of May of 2016 when the partnership was setup.
Proportional Net Debt (unaudited, proforma)	Proportional Net Debt considers the full contribution of the Net Debt of the wholly owned businesses and the proportional consolidation of the 50% contribution from Sonae Arauco
Recurrent EBITDA margin	$\text{Recurrent EBITDA} / \text{Turnover}$

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