



2017 Results

Investors and Analysts Briefing

6 April 2018



2017 HIGHLIGHTS:

- **Consolidation of the strategic partnership at Sonae Arauco**
- **Solid performance of both Sonae Arauco and our North American business**
- **Proportional Turnover⁽¹⁾ of 630M€**
- **Proportional Recurrent EBITDA⁽¹⁾ of 88.5M€, circa 1.4M€ lower than in 2016 but circa 2.0M€ higher than LTM September 2017**
- **14.0% Proportional Recurrent EBITDA margin⁽¹⁾**
- **Net Results positive for the second consecutive year reaching circa 15.3M€ in 2017, circa 4.3M€ (+39%) higher than 2016**
- **Proportional Net Debt⁽¹⁾ down by circa 11M€ vs. 2016**
- **Proportional Leverage⁽¹⁾ of 3.4x, an improvement of circa 0.1x vs. 2016**

4Q17 HIGHLIGHTS:

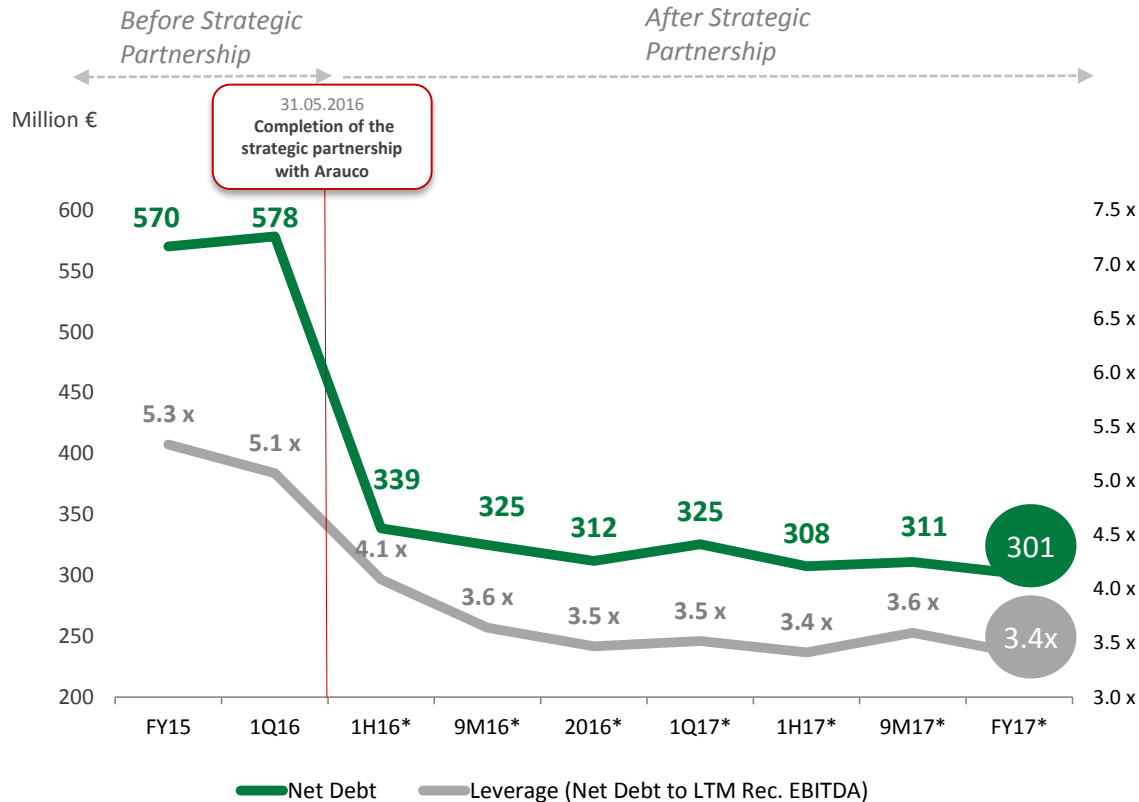
- Proportional Turnover⁽¹⁾ of 145.0M€ for the quarter
- Proportional Recurrent EBITDA⁽¹⁾ of circa 18.9M€ for 4Q17, with 13.0% margin
- Net Results of -5.6M€ in 4Q17
- Proportional Net Debt⁽¹⁾ down by circa 10M€ vs. 9M17
- Proportional Leverage⁽¹⁾ of 3.4x, an improvement of circa 0.2x vs. 9M17

Financial Indicators

FINANCIAL INDICATORS (unaudited and <i>pro forma</i>)	2016	2017
Proportional Turnover	639	630
Proportional Rec. EBITDA	90	89
Proportional Rec. EBITDA margin	14.1%	14.0%
LEVERAGE		
Proportional Net Debt	312	301
Proportional Leverage (Net Debt / LTM Rec. EBITDA)	3.5 x	3.4 x
LOAN TO VALUE		
Net Debt of Sonae Indústria	214	209
Asset Value ²	500	496
LTV (Net Debt of Sonae Indústria / Asset Value)	43%	42%

(2): Calculated as described in the Glossary of Terms. This compares with a Consensus 'Asset Value' of EUR 522M based on the average of the sum of the parts valuation (as at year-end 2018) of Sonae Indústria assets carried out by two independent equity research houses.

Net Debt and Leverage

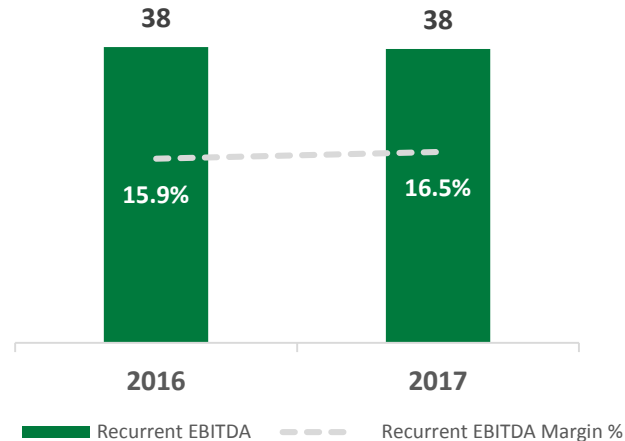


- Proportional Net Debt of 301M€ and a Proportional Leverage of 3.4x, at the end of 2017

SONAE INDÚSTRIA

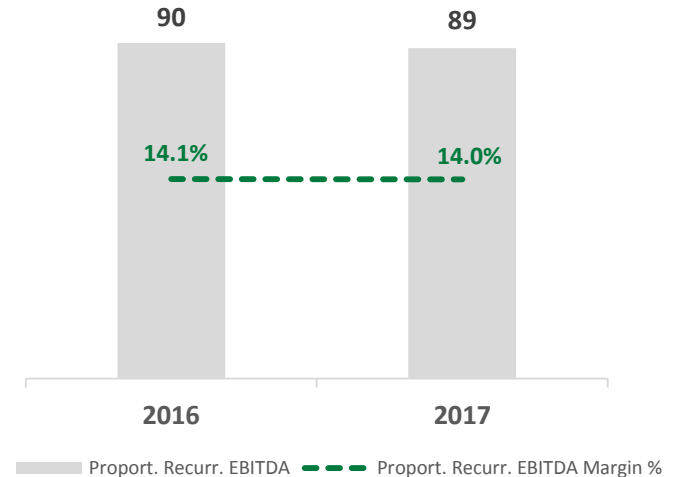
Highlights of 2017 results

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



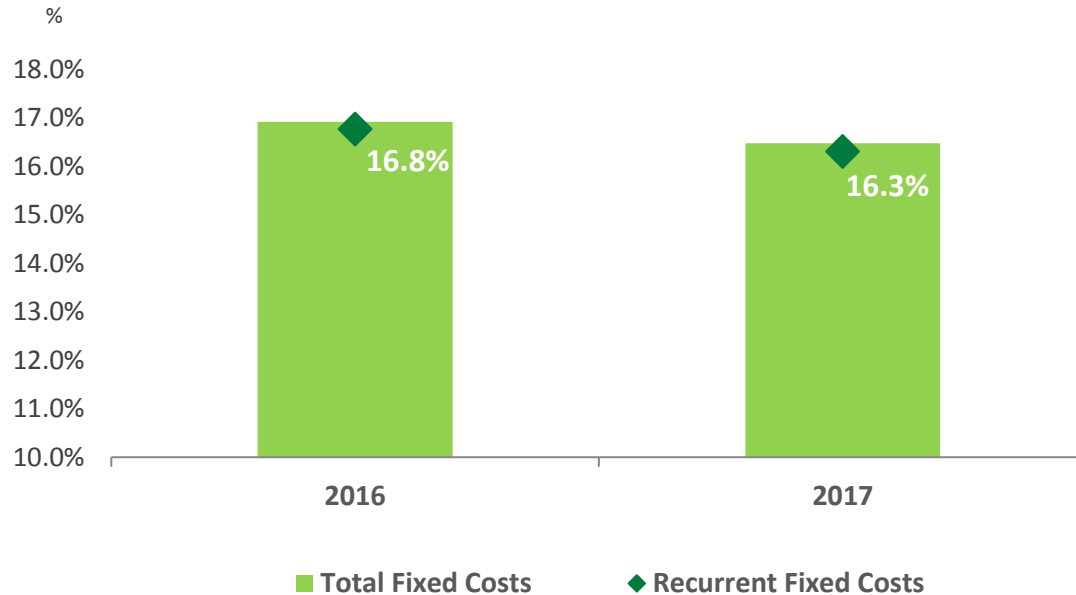
- Rec. EBITDA of 38M€ during 2017, marginally below 2016 (-0.3M€), with an implicit Recurrent EBITDA margin of 16.5%, up by circa 0.6 p.p. vs. 2016.

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



- Proportional Recurrent EBITDA of circa 89M€ during 2017, circa 1.4M€ below 2016. Recurrent EBITDA margin of 14.0%.

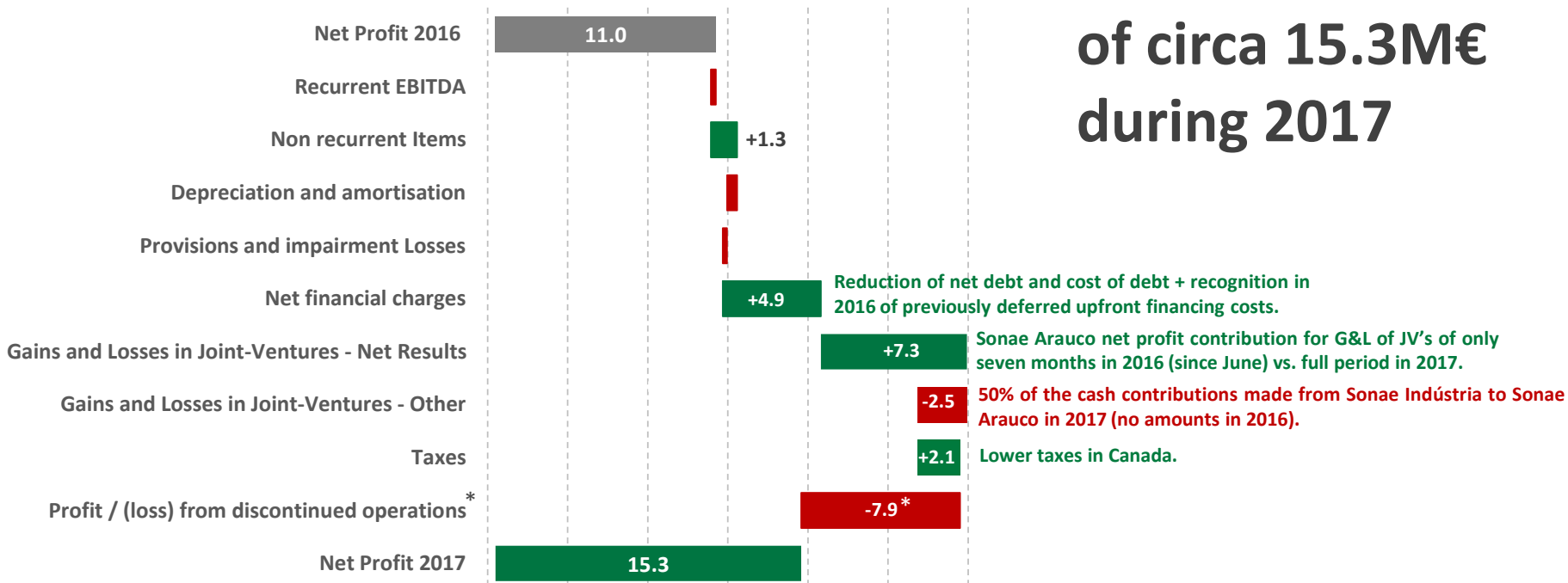
Fixed Costs in % of turnover



- **Fixed Costs as a % of Turnover decreased circa 0.5 p.p. vs. 2016, benefiting from one-off adjustments to accruals, which were negative in 4Q16 and positive in 1Q17.**

Contributions to Net results

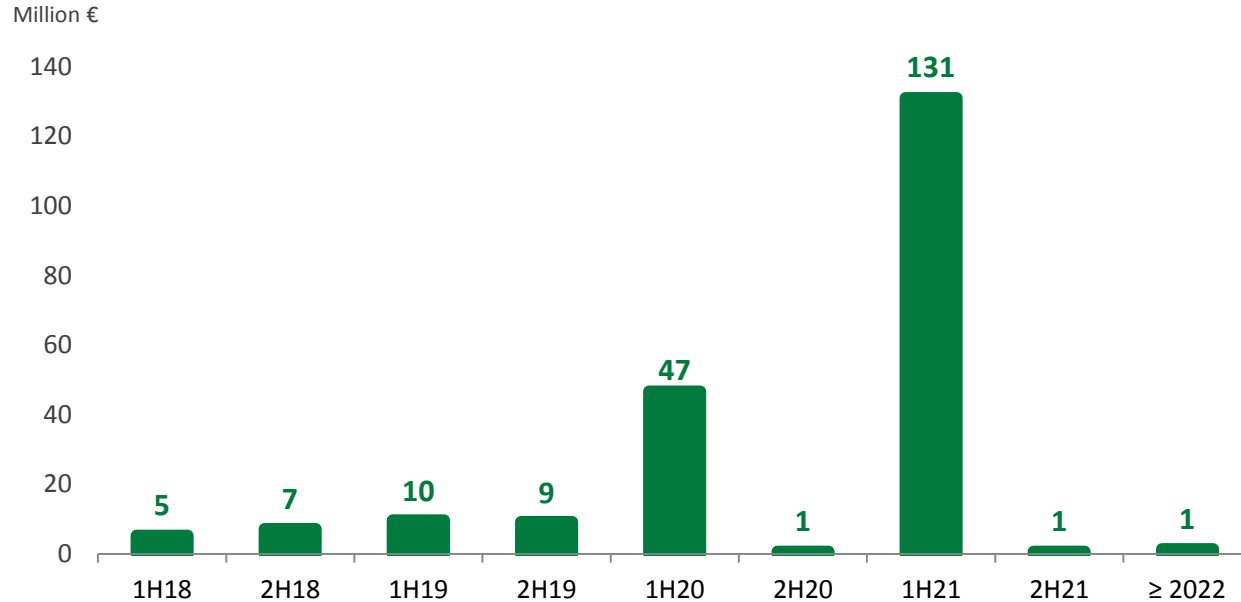
Million €



- Net positive result of circa 15.3M€ during 2017

* 2016 Profit / (loss) from Discontinued Operation comprised 5.9 million Euros net profit from Sonae Arauco (Jan-May, 100%) and circa 2.1 million Euros positive one off accounting effects related with the closing of Sonae Arauco partnership. In 2017 there are no Discontinued Operations.

Scheduled loan repayments⁽¹⁾
as of 31 December 2017



SONAE INDÚSTRIA

Glossary of Terms

Asset Value	Asset Value is calculated as follows: $[6.5 \times \text{LTM Recurrent EBITDA of fully consolidated business (100\%)] + [\text{market value of inactive sites real estate properties owned 100\% by Sonae Indústria}] + [50\% \times (6.5 \times \text{LTM Recurrent EBITDA of Sonae Arauco} - \text{Sonae Arauco Net Debt})]$
Loan to Value	$\text{Net Debt of Sonae Indústria} / \text{Asset Value}$
LTM	Last Twelve Months
Proportional Leverage (unaudited, <i>pro forma</i>)	$\text{Proportional Net Debt} / \text{Proportional LTM Recurrent EBITDA}$
Proportional: Turnover, Recurrent EBITDA (unaudited, <i>pro forma</i>)	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, <i>pro forma</i>)	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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