

**SONAE INDÚSTRIA, SGPS, S.A.**

Registered Office: Lugar do Espido, Via Norte, Maia

Registered at the Commercial Registry of Maia

Registry and Tax no. 506 035 034

Share Capital: € 253,319,797.26

Publicly Traded Company

**MATERIAL INFORMATION**

**WILDFIRES IMPACT ON SONAE ARAUCO INDUSTRIAL UNITS**

Sonae Indústria, SGPS, SA informs that the severe wildfires that affected the two industrial units of Oliveira do Hospital and Mangualde, both owned by Sonae Arauco, a company in which Sonae Indústria has a 50% shareholding, have caused material damage to the woodyards, exposed equipment within the woodyards and to the electrical and cabling systems of both plants. As a result, both plants remain stopped.

A complete assessment of the damages is being finalized and all efforts are being made to implement a recovery plan to get the plants fully up and running and serving customers as soon as possible. In order to minimize the impact on our customers, we are looking to serve them as best we can by sourcing boards from other Sonae Arauco plants and from the market.

According to the latest available information, and subject to the completion of the full evaluation of the damages and recovery plan, it is estimated that it will take approximately 4 months for both plants to be fully operational again. However, within this period, operations will be restarted gradually with some activities starting earlier including the melamine lines at Oliveira do Hospital.

Sonae Arauco has insurance coverage in respect of both industrial plants and is working with the insurance companies to assess and prepare the claims for property damage and the resulting business interruption.

We would like to thank our employees at both plants for their courage and commitment in fighting the fires alongside the fire brigade and protecting critical parts of the plants. Without their help, given the magnitude of the fires, damage would have been much more extensive.

Maia, 27 October 2017

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