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SONAE INDÚSTRIA, SGPS, SA

Registered Office: Lugar do Espido, Via Norte, Maia, Portugal
 Registered at the Commercial Registry of Maia
 Registry and Tax Identification No. 506 035 034
 Share Capital: € 700 000 000
 Publicly Traded Company

Maia, Portugal, 5th November 2009: Sonae Indústria today reports unaudited Consolidated Results for the first nine months of 2009 (9M09) which are prepared in accordance with IFRS (International Financial Reporting Standards).

Highlights of Financial Performance in 9M09:

- The sale of Tafisa Brazil in August 2009 generated a capital gain in the consolidated results for 9M09 of 56 million Euros.
- Comparing 3Q09 with 2Q09:
 - Sales volumes excluding Brazil increased by 2%;
 - Recurrent EBITDA, excluding Brazil, increased from 2% to 4% of Turnover, despite the negative seasonal effect in this quarter;
 - Net Debt decreased by 126 million Euros, driven by the sale of Tafisa Brasil.
- The refinancing program for debt maturing in 4Q09 has already been successfully completed.

	2008	3Q'08	2Q'09	3Q'09	3Q'09 /		(euro millions)		
					3Q'08	2Q'09	9M'08	9M'09	% chg 09/08
Turnover	1.769	431	325	301	(30%)	(7%)	1.396	971	(30%)
EBITDA	139	17	9	64	275%	586%	143	78	(46%)
Recurrent EBITDA	100	19	13	12	(40%)	(8%)	98	30	(69%)
Recurrent EBITDA Margin %	5,7%	4,5%	3,9%	3,8%			7,1%	3,1%	
Net Profit/(Loss) attributable to Shareholders of Sonae Industria	(108)	(33)	(34)	18	156%	155%	(27)	(56)	(108%)
Net Debt	890	904	896	770			904	770	(15%)



Message from Carlos Bianchi de Aguiar, CEO

“In line with our strategy of strengthening our balance sheet, we sold Tafisa Brasil and have continued to sell non-core assets such as the combined cycle cogeneration plant located in Maia, Portugal, for 7 million Euros. The sale of our shares in Tafisa Brasil at a price of 116 million Euros, represented an EV/LTM EBITDA multiple of 7.8x, enabling us to decrease Net Debt by approximately 130 million Euros and to increase Shareholders’ Funds by 68 million Euros. This sales opportunity was created by the consolidation process already underway in Brazil.

In all the geographies where we operate, the business environment remains difficult. Nevertheless, and despite normal seasonality effects, our sales volumes, excluding Brazil, increased by 2% when compared with 2Q09. Prices have been under pressure, but it seems that markets in terms of price are now recovering, led by higher volumes.

During this quarter, we have continued the restructuring processes in order to adapt our supply to market demand and to decrease our fixed cost base. We reached an agreement with the workers’ representatives to close the Kaisersesch plant in Germany and stopped production in October. Additionally, we are now entering into negotiations with the works council to close our plant in Duisburg (which has not started production this year). These decisions are painful but necessary to strengthen the company and insure a healthy future. Measures to reduce fixed costs already have resulted in a like-for-like saving of 35 million Euros in 9M09, when compared to the same period last year. This trend will continue over the next quarter, since the measures we most recently implemented will continue to impact our cost base.

Cash flow management continues to be a primary focus for us and we have been able to reduce working capital by a further 23 million Euros during 3Q09 (excluding the effect of the 25 million Euros reduction resulting from the sale of Tafisa Brasil).

In October, we raised 60 million Euros of new debt to refinance the necessary part of the 80 million Euros bonds that would have matured in that month.

I believe, we are coming out of this crisis as a stronger and more focused Group. I am counting on a special effort from all our employees to continue to work hard, to drive us forward in these extremely tough times. Finally, once again, I would like to thank our shareholders and customers for their support and continuing confidence in our Group.”

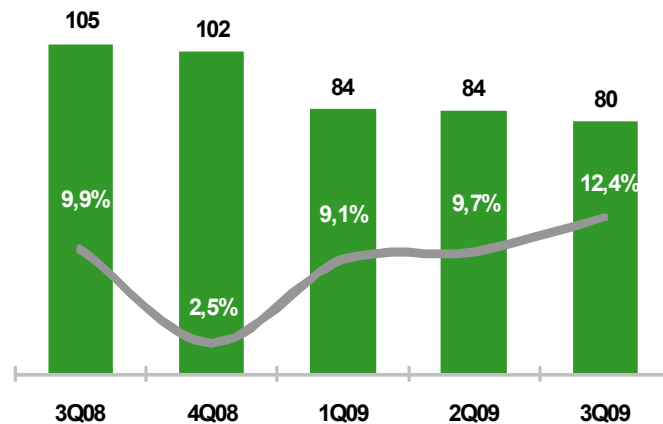
Geographical Review of Operations Iberia

Spain is still experiencing an economic slowdown and new housing permits have declined by 62%¹ (YoY Jan - August). Due to this economic environment, we continue to face tough market conditions and our sales volumes from Iberian plants decreased by 20% in 9M09 when compared to the same period of last year.

¹ Source: *Ministerio de Fomento*, October 2009



€ Mn **Iberia Turnover & Recurrent EBITDA Margin**



During 3Q09, when compared to 2Q09, and despite the negative seasonal effect of the summer holiday period, we have been able to almost maintain our sales volumes from Iberian plants and even increase our EBITDA margin. This effect is a result of the good performance achieved in July and September, which in terms of volumes sold, were the strongest months seen so far in 2009.

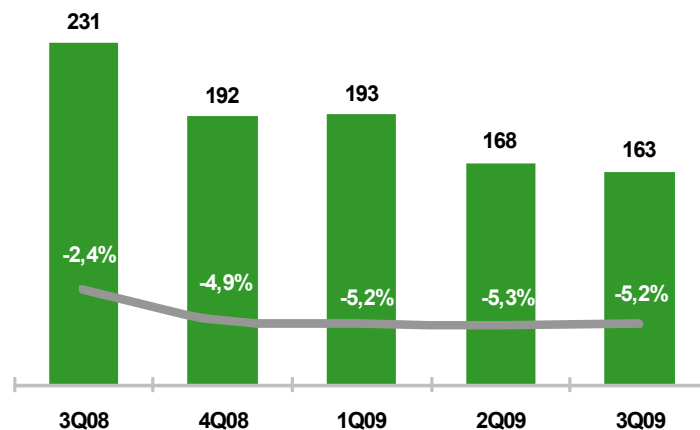
Variable and fixed costs have been maintained at a low level which has positively impacted our recurrent EBITDA margin.

Iberian turnover in 9M09 decreased by 29% compared to 9M08, but our recurrent EBITDA margin only declined to 10.4%, just 1 p.p. below the corresponding value for 9M08. This is a result of the cost saving measures that we have been implementing in this region.

Central Europe (Germany, France and the UK)

Central Europe has also been affected by a low level of activity in the construction and furniture industry which has restricted demand for wood based panels.

€ Mn **Central Europe Turnover & Recurrent EBITDA Margin**





In Germany, demand for wood based panel products is still weak when compared with the existing capacity. In order to reduce structural overcapacity, we are adapting ourselves to market demand, closing out two least efficient lines with an annual production capacity of 720.000m³ PB.

During 3Q09, our operational performance in Germany has been negatively affected by the seasonality, but volumes sold have recovered in September. Market prices are still weak but we expect an upward trend in the coming months, led by recovering volumes.

In France, demand from the construction and furniture segments is still depressed: housing permits have declined by 15%² (YoY Jan - Set) and our volumes sold in 9M09 decreased by 38%, when compared to 9M08. This volume decrease combined with market price pressure led to a Turnover decrease in 9M09 of 45% (when compared to 9M08).

At the end of June, as already announced, we closed our St. Dizier and Châtellerault plants in order to reduce the structural excess capacity in the market and to decrease our fixed costs. This restructuring plan has positively impacted recurrent EBITDA and will bring further cost savings in the coming months.

In **the UK**, levels of demand are still low in most sectors, but there are already some signs of market improvement: house prices have been rising and mortgage lending has been increasing. In addition, our September sales were the highest since May 2008. As a result, despite the seasonality in August, we were able to maintain our Turnover and Recurrent EBITDA levels when compared to 2Q09.

Our UK strategy, focused on selling value-added products, has proved successful.

In Central Europe, when comparing 9M08 to 9M09, turnover decreased by 33% to 524 million Euros and recurrent EBITDA fell to a negative 27 million Euros.

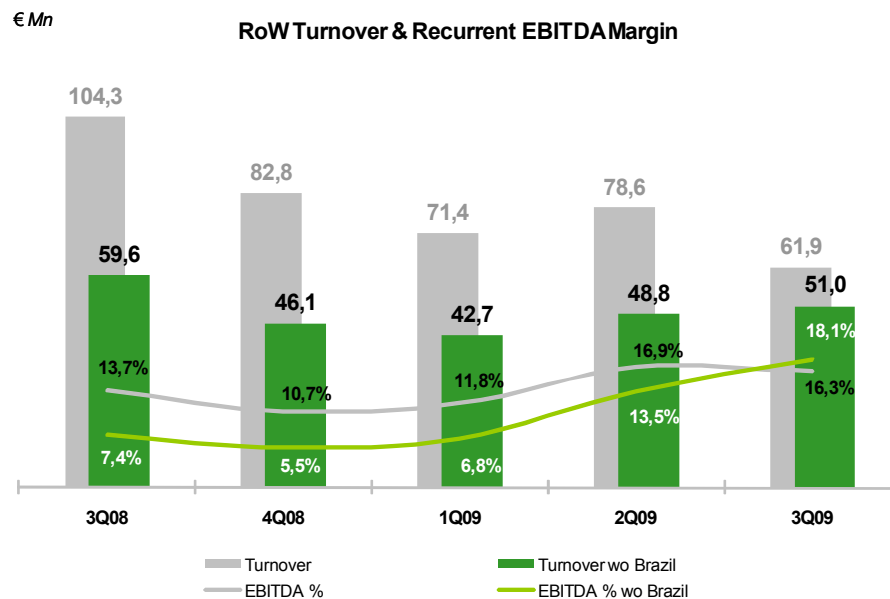
Rest of the World (Brazil, Canada and South Africa)

On August 26, we sold Tafisa Brasil, SA to a company owned by Celulosa Arauco Y Constitución, SA of Chile. This decision was in line with our strategy of strengthening our balance sheet and was facilitated by a consolidation process already underway in this market. The share capital of Tafisa Brasil was sold for 116 million Euros plus Net Debt and Retained Contingencies, totalling 43 million Euros. The total Enterprise Value of the transaction was 159 million Euros which implies an EV/LTM EBITDA multiple of 7.8x³ and a decline of Net Debt by approximately 130 million Euros. The impact on Shareholder's Funds amounted to approximately 68 million Euros, including a capital gain of close to 56 million Euros.

In order to allow for a correct comparison, we have disclosed in the chart below the RoW figures both with and without the impact of the Brazilian operations.

² Source: *Service économie statistiques et prospective (Ministère de l'Écologie, de l'Énergie, du Développement durable et de l'Aménagement du territoire)*, September 2009

³ For consistency purposes the ICMS non-current liability of 60 million Euros is included in the calculation of the multiple



Our performance in Canada and South Africa reflects a combination of mixed market trends and specific impacts which make direct comparisons difficult.

In **North America**, US Housing starts declined by 43%, YoY 9M09, according to RISI, while Canadian Housing starts decreased by 31%, YoY 9M09, according to CMHC⁴. As a consequence, many plants are suffering from weak demand, resulting in low capacity utilization rates.

Despite the tough market situation, we continue to consolidate our customer and market position. During 9M09, we increased our market share of shipments from Canada to 35% compared with 27% in 9M08.

In **South Africa**, the macroeconomic environment has been stable and there was a positive effect from seasonality during 3Q09. As a result, our volumes sold increased by 35% when compared to 2Q09, which led to an increase in Turnover.

On the cost side, as expected, chemicals prices have continued at very low levels, helping our EBITDA margin.

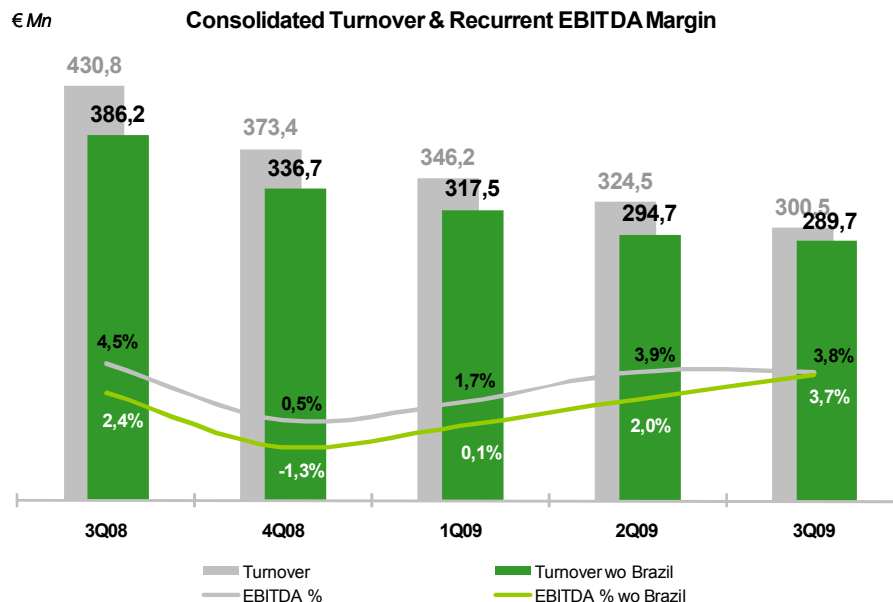
Turnover in the **Rest of the World** amounted to 212 million Euros in 9M09, 24% below the same period in 2008, but recurrent EBITDA as a percentage of turnover increased to 15%. Excluding Brazilian operations, the recurrent EBITDA margin increased from 7% in 9M08 to 13% in 9M09.

⁴ Canada Mortgage and Housing Corporation



Financial Review of 9M09

In the chart below, consolidated figures are shown both with and without the impact of Brazilian operations to facilitate comparisons.



Consolidated Turnover in 9M09 amounted to 971 million Euros, a decrease of 30%, when compared to 9M08. Consolidated Recurrent EBITDA was 30 million Euros, representing a margin on Turnover of 3%. If Brazil is excluded, the EBITDA margin increased from 2% in 2Q09 to 4% in 3Q09.

	2008	3Q'08	2Q'09	3Q'09	3Q'09 / 3Q'08	3Q'09 / 2Q'09	(euro millions)		
							9M'08	9M'09	%chg 09/08
Turnover	1.769	431	325	301	(30%)	(7%)	1.396	971	(30%)
Other Operational Income	114	13	14	78	511%	465%	90	103	15%
EBITDA	139	17	9	64	275%	586%	143	78	(46%)
Recurrent EBITDA	100	19	13	12	(40%)	(8%)	98	30	(69%)
Recurrent EBITDA Margin %	5,7%	4,5%	3,9%	3,8%			7,1%	3,1%	
Depreciation and amortisation	(123)	(31)	(32)	(31)	0%	3%	(91)	(94)	(3%)
Provisions and Impairment Losses	(56)	(2)	(3)	(15)	(832%)	(365%)	(17)	(22)	(30%)
Operational Profit	(23)	(12)	(19)	34	383%	277%	46	(10)	(123%)
Net Financial Charges	(78)	(19)	(14)	(13)	29%	3%	(57)	(42)	26%
o.w. Net Interest Charges	(48)	(12)	(8)	(6)	46%	21%	(36)	(24)	32%
o.w. Net Financial Discounts	(17)	(4)	(3)	(3)	23%	9%	(13)	(9)	27%
Profit before taxes (EBT)	(101)	(31)	(33)	21	167%	162%	(12)	(53)	(358%)
Taxes	(3)	(2)	(1)	(2)	18%	(135%)	(10)	(3)	66%
o.w. Current Tax	(3)	(2)	(1)	(0)	91%	87%	(5)	(2)	66%
Net Profit/(Loss) attributable to Shareholders of Sonae Industria	(108)	(33)	(34)	18	156%	155%	(27)	(56)	(108%)

Consolidated Total EBITDA in 9M09 amounted to 78 million Euros. Non-recurrent items amount to approximately 48 million Euros, including a capital gain of 56 million Euros as a result of the sale of Tafisa Brasil. Other non-recurrent items are mainly related to restructuring costs.

3Q09 accounts include 11 million Euros of provisions, in relation to the closure of Kaisersesch.

Our financial costs for 9M09 have fallen when compared to the same period last year, benefiting from the lower indexing interest rates.



9M09 consolidated Net Profit/(Loss) Attributable to Sonae Indústria Shareholders amounted to a negative 56 million Euros, down from negative 27 million Euros in 9M08.

	<i>(euro millions)</i>		
	2008	1H'09	9M'09
Non Current Assets	1.386	1.413	1.250
Tangible Assets	1.203	1.224	1.098
Goodwill	104	107	92
Deferred Tax	54	57	36
Other Non Current Assets	26	25	24
Current Assets	532	440	404
Inventories	193	159	138
Trade Debtors	200	211	186
Cash & Investments	66	27	41
Other Current Assets	74	43	40
Total Assets	1.918	1.853	1.653
Shareholders' Funds	397	339	373
Minority Interests	3	2	3
Shareholders' Funds + Minority Interests	400	342	376
Interest Bearing Debt	956	922	810
Short term	189	188	126
L-M term	767	734	684
Trade Creditors	166	148	145
Other Liabilities	396	440	322
Total Liabilities	1.518	1.511	1.277
Total Liabilities, Shareholders' Funds and Minority Interests	1.918	1.853	1.653

In 9M09, additions to Fixed Assets totalled 24 million Euros, mostly driven by essential investments in maintenance, Health & Safety and Environmental improvements.

Working Capital decreased by 48 million Euros during 3Q09 (of which 25 million was due to the sale of Tafisa Brasil).

In October, we raised 60 million Euros of new Debt to refinance all debt maturing in 4Q09.

As already reported, our debt has no consolidated financial ratio covenants.

Looking Forward

We expect a slow recovery to continue in the wood based panels industry over the coming quarters supported by volume and price increases.

Variable costs should increase in 4Q09, due to methanol and seasonal wood price increases.

Fixed costs should continue to decline as a result of the restructuring measures already implemented.

Cash flow management will remain a priority, with continuing efforts to minimise our working capital, and we will be extremely selective in making investments.

We will continue to focus our company on strengthening its competitiveness, efficiency and balance sheet.

The Board of Directors
Maia, 5th November 2009