



SONAE CAPITAL SGPS, SA
Lugar do Espido, Via Norte, Maia
Share Capital: 250,000,000 Euro
Maia Commercial Registry and Fiscal Number 508 276 756
Sociedade aberta

ANNOUNCEMENT

As required by Article 17 of the Portuguese Securities Code, Sonae Capital, SGPS, SA announces that it has been informed by Mr. Mohnish Pabrai, Dalal Street L.L.C., Pabrai Investment Fund 3 L.P. and Pabrai Investment Fund IV L.P., as follows (translation from the Portuguese original):

"For the terms and in accordance with paragraphs a) and b), number 1 of Article 16 of the Portuguese Securities Code, we hereby inform you of the following:

- (i) Pabrai Investment Fund II, L.P., a limited partnership incorporated in the North American state of Illinois (designated hereinafter as PFI II Fund) holds, on the present date, 3,957,000 (three million, nine hundred and fifty seven thousand) shares representing 1.5828% (one point five, eight, two, eight percent) of the share capital of Sonae Capital, SGPS, SA ("sociedade aberta") with registered office at Lugar do Espido, Via Norte, 4471-907 Maia, with the share capital of 250,000,000 (two hundred and fifty million) euro and registered in the Maia Commercial Registry under the sole registry and fiscal number 508276756 (designated hereinafter as "Sonae Capital");
- (ii) Pabrai Investment Fund 3, L.P., a corporation incorporated in the British Virgin Islands (designated hereinafter as PIF 3 Fund) holds, on the present date, 5,624,000 (five million, six hundred and twenty four thousand) shares representing 2.2496% (two point two, four, nine, six percent) of the share capital of Sonae Capital;
- (iii) Pabrai Investment Fund IV, L.P., a limited partnership incorporated in the North American state of Delaware, (designated hereinafter as PIF IV Fund) holds, on the present date, 7,422,315 (seven million, four hundred and twenty two thousand, three hundred and fifteen) shares representing 2.9689% (two point nine, six, eight, nine percent) of the share capital of Sonae Capital;

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- (iv) Dalal Street, L.L.C., a limited liability company incorporated in the North American state of California (designated hereinafter as “Dalal Street”), acts as general partner of PIF II Fund and PIF IV Fund and as investment manager of PIF 3 Fund;
 - (v) Dalal Street, in its quality of general partner and investment manager, is the entity responsible for all the investment decisions of PIF II, PIF 3 and PIF IV Funds and also for the exercise of all the rights that are inherent to the securities in which those funds invest, namely the exercise of the respective voting rights;
 - (vi) Dalal Street holds, on the present date, 28,000 (twenty eight thousand) shares representing 0.00112% (zero point zero, zero, one, one, two percent) of the share capital of Sonae Capital;
 - (vii) Mr. Mohnish Pabrai, individual person resident in the North American state of California (designated hereinafter as Mohnish Pabrai), is the sole member of Dalal Street, holding 100% of the equity interests of this company and acting as its Chief Executive Officer, is responsible for taking all the day-to-day decisions of Dalal Street and, indirectly, taking all the investment decisions of PIF II, PIF 3 and PIF IV Funds and on top of that to decide on the exercise of all the rights inherent to the securities in which those funds invest, including the exercise of the respective voting rights;
 - (viii) Dakshana Foundation, a philanthropic foundation (designated hereinafter as Dakshana Foundation), holds, on the present date, 132,625 (one hundred thirty two thousand, six hundred and twenty five) shares representing 0.0531% (zero point zero, five, three, one percent) of the share capital of Sonae Capital;
 - (ix) Mr. Mohnish Pabrai is currently the manager of Dakshana Foundation, being therefore responsible for taking all the investment decisions of Dakshana Foundation and moreover to decide on the exercise of all the rights inherent to the securities in which Dakshana Foundation invests, including the exercise of the respective voting rights;
 - (x) Ms. Harina Kapoor, individual person resident in the North American state of California (designated hereinafter as Harina Kapoor), holds, on the present date, on behalf of Mr Mohnish Pabrai 2,500 (two thousand, five hundred) shares representing 0.0010% (zero point zero, zero one, zero percent) of the share capital of Sonae Capital.

In accordance with the abovementioned and following the terms of paragraph a), number 1 and of paragraph b), number 2 of Article 16 of the Portuguese Securities Code, information is given on the holding of:

- a) A qualified shareholding of 5,624,000 (five million, six hundred and twenty four thousand) shares representing 2.2496% (two point two, four, nine, six percent) of the share capital of Sonae Capital by FPI 3 Fund; and
- b) A qualified shareholding of 7,422,315 (seven million, four hundred and twenty two thousand, three hundred and fifteen) shares representing 2.9689% (two point nine, six, eight, nine percent) of the share capital of Sonae Capital by FPI IV Fund.

On the other hand, and taking into account the total control relationship established between Mr. Mohnish Pabrai and Dalal Street and, as well, the ability of Mr. Mohnish Pabrai to influence, through Dalal Street, the exercise of the voting rights inherent to the shares of Sonae Capital held by FPI II, FPI 3 and FPI IV Funds, it should be considered attributable:

- a) To Dalal Street and to Mr. Mohnish Pabrai, in accordance with the terms of number 3 of Article 20 of the Portuguese Securities Code and of paragraphs a) and b) of number 1 of Article 20-A of the Portuguese Securities Code, *a contrario*, the voting rights inherent to 17,003,315 (seventeen million, three thousand, three hundred and fifteen) shares representing 6.8013% (six point eight, zero, one, three percent) of the share capital of Sonae Capital held by FPI II, FPI 3 and FPI IV Funds; and
- b) To Mr. Mohnish Pabrai, in accordance with the terms of paragraph b) number 1 of Article 20 of the Portuguese Securities Code, the voting rights inherent to 28,000 (twenty eight thousand) shares representing 0.0112% (zero point zero, one, one, two percent) of the share capital of Sonae Capital held by Dalal Street.

It should also be considered attributable to Mr. Mohnish Pabrai:

- a) Following the terms of paragraph f) of Article 20 of the Portuguese Securities Code, the voting rights inherent to 132,625 (one hundred thirty two thousand, six hundred and twenty five) shares representing 0.0531% (zero point zero, five, three, one percent) of the share capital of Sonae Capital held by Dakshana Foundation; and
- b) Following the terms of paragraph a) of Article 20 of the Portuguese Securities Code the 2,500 (two thousand, five hundred) shares representing 0.0010% (zero point zero, zero, one, zero percent) of the share capital of Sonae Capital held by Ms. Harina Kapoor.



Given the attribution of voting rights carried out under the terms mentioned above, and assuming that there are no treasury shares, information is given in the present notification that, following the terms of paragraph a) number 1 and the terms of subparagraph 1) of paragraph a) number 2 of Article 16 of the Portuguese Securities Code, voting rights corresponding to 17,166,440 (seventeen million, one hundred and sixty six thousand, four hundred and forty) shares representing 6.8666% (six point eight, six, six, six percent) of the voting rights and share capital of Sonae Capital are attributable to Mr. Mohnish Pabrai.”

Maia, 23 June 2008

The Representative for Capital Market Relations,