

SONAE CAPITAL, SGPS, SA

Publicly Traded Company
Registered Office: Lugar do Espido, Via Norte, Maia
Share Capital: 250,000,000.00 Euro
Registered at the Commercial Registry of Maia
Registration and Tax N° 508 276 756

(translation from the Portuguese original)

ANNOUNCEMENT

As required by Article 17 of the Portuguese Securities Code, Sonae Capital, SGPS, SA (Sonae Capital) hereby announces a communication received on the shareholding in Sonae Capital by Briarwood Chase Management LLC, in the terms of the attached document.

Maia, 26th May 2017

The Representative for Capital Market Relations,



Briarwood Chase Management LLC

1040 Avenue of the Americas, 15th Fl.

New York, NY 10018

To
SONAE CAPITAL, SGPS, S.A.
Att: Sr. Dr. Nuno Parreiro
Investment Relations Department
Lugar do Espido, Via Norte
Apartado 3053, 4471 – 907 Maia

New York, 26 May 2017

Subject: Notification of reduction of major holding by virtue of transaction of equity swaps with cash settlement

Dear Sirs,

For the purposes of articles 16 and 20 of the Portuguese Securities Code (approved by the Decree-Law no. 486/99, 13 November, as amended), Briarwood Chase Management LLC ("**Briarwood CM**") hereby notifies, as management company of the investment fund Briarwood Capital Partners LP ("**Fund**"), the disposal by the Fund of equity swaps with cash settlement over 216.512 shares of Sonae Capital, on 25 May 2017, with expiration date on 16 September 2020, pursuant to which Briarwood CM and the Fund reduced their major holding, under section (i) of number 1 of article 20 of Portuguese Securities Code, to 1,98% (number of shares and voting rights: 4.958.734) in Sonae Capital.

Yours faithfully,



Briarwood Chase Management LLC

Name: Mario Sgarlata

Title: Chief Financial Officer