



**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, Pabrai Investment Fund II, L.P., Pabrai Investment Fund 3 L.L.C., Pabrai Investment Fund IV, L.P. and Dalal Street L.L.C., as follows:

“For the purposes and in accordance with Article 16 of the Portuguese Securities Code and Article 2 of CMVM Regulation no. 5/2008, we hereby inform you of the following:

- (i) On October 22, 2012, Pabrai Investment Fund II, L.P., a limited partnership incorporated in the United States state of Illinois (designated hereinafter as “**PIF II Fund**”) sold, in a stock exchange transaction 4,342,189 (four million, three hundred and forty two thousand, one hundred and eighty nine) shares representing approximately 1.74% (one point seventy four percent) of the share capital of Sonae Capital, SGPS, SA with registered office at Lugar do Espido, Via Norte, 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**”) and currently does not hold any share of Sonae Capital;
- (ii) Pabrai Investment Fund 3, L.L.C., a company organized in the British Virgin Islands (designated hereinafter as “**PIF 3 Fund**”) holds, on the date hereof, 5,624,000 (five million, six hundred and twenty four thousand) shares representing 2.25% (two point twenty five percent) of the share capital of Sonae Capital;
- (iii) Pabrai Investment Fund IV, L.P., a limited partnership incorporated in the United States state of Delaware, (designated hereinafter as “**PIF IV Fund**”) holds, on the date hereof, 5,194,890 (five million, one hundred and ninety four thousand, eight hundred and ninety) shares representing approximately 2.07% (two point zero seven 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 United States 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 capacity as 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; and
  - (vi) Mr. Mohnish Pabrai, individual person resident in the United States, state of California (designated hereinafter as “**Mohnish Pabrai**”), and Harina Kapoor, individual person resident in the United States, state of California are the sole members of Dalal Street. Mohnish Pabrai holds 99% of the equity interests of this company and acts as its Chief Executive Officer, is responsible for making all the day-to-day decisions of Dalal Street and, indirectly, making 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.

Taking into account the 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 PIF II, PIF 3 and PIF IV Funds, it should be considered attributable 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 10,818,890 (ten million, eight hundred and eighteen thousand, eight hundred and ninety) shares representing approximately 4.33% (four point thirty three percent) of the share capital of Sonae Capital held by PIF 3 and PIF IV Funds.”

Maia, 12 November 2012

The Representative for Capital Market Relations,