

*(Translation from the Portuguese original)*

To the Chairman of the Board of the Shareholders'  
General Meeting of Sonae - SGPS, SA  
Lugar do Espido, Via Norte  
4471-909 Maia

Item number 2

## PROPOSAL

Taking into consideration Sonae's shareholder remuneration policy, the Group's financial position, and the amount of distributable reserves which allow for compliance with article 32 of the Portuguese Companies Act, the Board of Directors hereby proposes to the Shareholders' General Meeting that pursuant to the terms of the law and the Articles of Association:

- the net profit, in the amount of 61,300,218.37 euros, is allocated as follows:

Legal Reserves..... 3,065,011.00 euros

Dividends..... 58,235,207.37 euros;

- and that free reserves in the amount of 21,764,792.63 euros are also distributed to the shareholders;

thereby proposing an overall gross dividend per share amounting of 0.04 euros. From the total dividends of 80,000,000.00 euros shall be excluded the amount of dividends that would be attributable to the shares that, at the dividends distribution date, are held by the Company or by any of its subsidiaries, which should be added to Free Reserves.

This dividend corresponds to a dividend yield of 4.6% considering the closing price of December 31st 2016 and to a payout ratio of 54% considering the direct results attributable to Sonae's shareholders.

Maia, 14th March 2017

On behalf of the Board of Directors,

**SONAE - SGPS, S.A.**  
Lugar do Espido Via Norte  
Apartado 1011  
4471-909 Maia  
Portugal

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