

Sonae SGPS, SA

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(Translation from the Portuguese original)

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

Item number 3

PROPOSAL

Under the terms of the law and the Articles of Association, the Board of Directors proposes to the Shareholders' General Meeting that the 2006 Net Profit, of 65,138,044.45 euro, has the following appropriation:

Legal Reserves	3,256,602.22
Free Reserves	5,883,699.39
Dividends	55,997,442.84

In view of the fact that the Board of Directors intends to maintain the number of own shares held until dividend is paid, a gross dividend of 0.03 euro per share has been proposed.

Maia, 20 March 2007

On behalf of the Board of Directors,