

**Sonae SGPS, SA**

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4470-909 Maia Portugal  
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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  
4470 Maia

Item number 5

PROPOSAL

We propose to:

- a) Change the wording of: art. 4; nrs. 1, 2 and 7 (renumbered nr. 5) of art. 7; nr. 4 of art. 8; nr. 1 of art. 9; nr. 1 of art. 10; sub clause c) of art. 11; sub clause c) of nr. 1 of art. 12; nrs. 1, 3, 4 and 5 of art. 14; nr. 1 of art. 15; art. 17; art. 18 (renumbered art. 19); nrs. 1 and 4 (renumbered nr. 2) of art. 19 (renumbered art. 21); art. 20 (renumbered art. 22); nrs. 1, 4, 5 and 9 of art. 21 (renumbered art. 23); nr. 1 of art. 23 (renumbered art. 26); sub clause b) of art. 24 (renumbered art. 27); nr. 1 of art. 25 (renumbered art. 28); art. 28 (renumbered art. 31); and art. 29 (renumbered art. 32);
- b) Eliminate: nrs. 3 and 6 of art. 7; sub clause d) of art. 11; nrs. 2 and 3 of art. 19 (renumbered art. 21); nr. 2 of art. 23 (renumbered art. 26);
- c) Add: nr. 2 to art. 15; nr. 2 to art. 20 (renumbered art. 22); nr. 11 to art. 21 (renumbered art. 23) and 3 new articles numbered 18, 20 and 24;
- d) Renumber: nrs. 4 and 5 of art. 7 to nrs. 3 and 4; sub clauses e), f), g) and h) of article 11 to d), e), f) and g); nr. 2 of art. 15 to nr. 3; art. 18 to 19; articles. 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32 to, respectively, articles 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35.

and to approve the following wording:

**ARTICLE FOUR**

The company can acquire and dispose of financial investments in companies incorporated under Portuguese or foreign law, with the same or different objective to that referred to in article three, in companies that are regulated by special laws, and in limited liability companies.

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**ARTICLE SEVEN**

One – The shares will be titled or non-titled shares, nominal or bearer, freely interchangeable, according to the terms of the law.

Two – If the shares are represented by share certificates, these certificates will be issued according to the terms of the law.

Three – Preferential shares without voting rights may be issued, which can be redeemable, at nominal value, with or without the addition of a premium, if the Shareholders' General Meeting so decides. If this is the case, the meeting should determine the method of calculation of any redemption premium.

Four – In the event of failure to comply with the redemption conditions, the company is obliged to indemnify the shareholder. The amount of the indemnity is stated in the resolution taken when issuing this category of shares.

Five – The company may issue autonomous warrants, under the terms of the law, and with conditions that are determined by resolution of the Shareholders or of the Board of Directors. The provisions of paragraphs one and two of this article are applicable, adapted as necessary, to any warrants issued by the company.

**ARTICLE EIGHT**

Four – Paragraphs one and two of the previous article are applicable, adapted as necessary, to any bonds issued by the company.

**ARTICLE NINE**

One – The company is managed by a Board of Directors made up of an odd or even number of members, with a minimum of three members and a maximum of eleven members, elected at the Shareholders' General Meeting. The Chairman of the Board of Directors has a casting vote.

**ARTICLE TEN**

One – The election of one member of the Board of Directors will take place independently from the remaining elections, under the terms of the law, among persons listed in proposals subscribed by groups of shareholders, provided that such groups of shareholders hold shares that represent more than ten and less than twenty percent of the share capital.

**ARTICLE ELEVEN**

- c) To rent, purchase, sell, pledge or charge any property, financial or other assets of the company, including shares, quotas or bonds;
- d) To decide to associate the company with any other entity under the terms of article five above;
- e) To decide to issue bonds or to contract loans in the national and or international financial markets;
- f) To appoint third parties, individuals or corporate entities, to exercise offices (including membership of Boards) in other companies;
- g) To decide that the company will give technical and financial assistance to affiliated or associated companies.

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**ARTICLE TWELVE**

One

c) One member of the Board of Directors, to appoint a judicial attorney of the company or when duly appointed for the purpose or purposes, when the appointment has been minuted at a Board meeting;

**ARTICLE FOURTEEN**

One – A meeting of the Board of Directors shall normally be held at least once every quarter and, in addition, whenever the Chairman or two Board Directors convene a meeting, being any decisions taken included in the minutes of the respective meeting.

Three – Decisions shall be taken by a majority of the votes of the Directors present at the meeting or duly represented and the Directors that exercise a vote by letter.

Four – Any member of the Board of Directors can be represented at Board of Directors' meetings by another member of the Board by means of an appointment letter, addressed to the Chairman of the Board, indicating the day and hour of the meeting to which it refers to, being such letter noted in the minutes of the meeting and duly filed.

Five – The meetings of the Board of Directors may be held by any available media support, under the terms of the law.

**ARTICLE FIFTEEN**

One – The Boards of Directors will appoint a substitute in case of death, resignation or temporary or permanent incapacity or unavailability of any member.

Two – If a Director fails to be present at any two meetings without providing a justification for such absence which is accepted by the Board of Directors, such a Director shall than be deemed permanently unavailable.

Three - A substitute will be elected to the Board of Directors in the case of permanent unavailability of the member of the Board elected under the special provisions of article ten.

**ARTICLE SEVENTEEN**

The company will be audited by a Fiscal Board and by a Statutory Auditor or a Statutory Audit Firm, to be elected by the Shareholders' General Meeting.

**ARTICLE EIGHTEEN**

The Fiscal Board shall be made of an odd or even number of members, with a minimum number of three members and a maximum number of five members, being the number of members of the Fiscal Board decided by the Shareholders' General Meeting of the company, and one or two substitutes shall be appointed if the Fiscal Board is made of, as the case may be, three or more members.

**ARTICLE NINETEEN**

The duties of the Fiscal Board and of the Statutory Auditor are those determined by law.

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**ARTICLE TWENTY**

The Members of the Fiscal Board will provide guarantees for their responsibilities as decided by the Shareholders' General Meeting that elects them or, if no such decision is taken, for the minimum amount legally required and by any of the methods legally allowed.

**ARTICLE TWENTY ONE**

One – The Shareholders' General Meeting is composed only of Shareholders with voting rights, who own shares or subscription rights and that until the five days prior to the Shareholders' General Meeting, prove together with the company, the ownership of such shares or subscription rights under the terms of the law.

Two – The presence at a Shareholders' General Meeting of Shareholders holding non-voting preference shares, and their presence in the discussion of the points on the agenda for the Shareholders' General Meeting will depend on the authorisation of the Shareholders' General Meeting.

**ARTICLE TWENTY TWO**

One – Each share corresponds to one vote.

Two – The resolutions at the Shareholders' General Meeting shall be taken by simple majority, unless otherwise determined by the law.

**ARTICLE TWENTY THREE**

One – An individual shareholder may be represented at a Shareholders' General Meeting by means of a letter addressed to the Chairman of the Board of the Shareholders' General Meeting, indicating the name and address of the representative nominated, as well as the date of the meeting.

Four – Written voting papers shall only be considered valid, if they are received at the company's registered office at least three days before the date of the Shareholders' General Meeting. The voting papers must be sent by registered post with acknowledgement of receipt, and addressed to the Chairman of the Board of the Shareholders' General Meeting. This does not dispense with the need of complying with the procedures set out in paragraph one of article twenty one of these Articles, in order to be registered as a valid shareholder for the Shareholders' General Meeting.

Five – Written voting papers must be signed by the shareholders or by their legal representatives. Individual shareholders must attach a certified copy of their identity card and, for corporate shareholders, the signature must be authenticated confirming that the signatory is duly authorised and mandated for the purpose.

Nine – Written voting papers shall be deemed as votes against any proposals presented after the issuance of such written voting papers.

Eleven – The company shall assure confidentiality of written voting papers until the moment of the issuing of casting of votes in the Shareholders' General Meeting.

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**ARTICLE TWENTY FOUR**

The Shareholders' General Meeting may be held by any available media support, provided that such support is made available and that the authenticity and security of the communications are assured.

**ARTICLE TWENTY FIVE**

The Shareholders General Meeting can meet, at the first instance, as long as shareholders representing over fifty percent of the share capital are present or represented.

**ARTICLE TWENTY SIX**

The Board of the Shareholders' General Meeting will be formed, at least, by a Chairman and a Secretary.

**ARTICLE TWENTY SEVEN**

The Shareholders' General Meeting shall meet:

b) Extraordinarily, whenever the Board of Directors or the Fiscal Board request it, and at the request of shareholders representing more than the minimum voting share capital required for this purpose, by law.

**ARTICLE TWENTY EIGHT**

One – The remuneration of the members of the statutory bodies of the company shall be fixed by the Shareholders' General Meeting.

**ARTICLE TWENTY NINE**

The mandate of the members of the statutory bodies shall be for four years, and they may be re-elected one or more times.

**ARTICLE THIRTY**

The financial year is the same as the calendar year.

**ARTICLE THIRTY ONE**

The net results shown in the annual financial statements, after deduction of the amounts legally required to create or to add to the legal reserve, will be applied as determined by the Shareholders' General Meeting, by simple majority, which can distribute them totally or partially or transfer them to reserves.

**ARTICLE THIRTY TWO**

The Board of Directors, with the agreement of the Fiscal Board, may make interim distributions of dividends during a year, under the terms of the law.

**ARTICLE THIRTY THREE**

One – The Shareholders' General Meeting may decide that the share capital will be totally or partially refunded, the shareholders receiving the nominal value of each share or part thereof.

Two – The Shareholders' General Meeting may decide that in the case of a partial refund, a selection "draw" is carried out amongst shareholders.

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**ARTICLE THIRTY FOUR**

When new shares are issued as a result of a share capital increase, the new shares will be eligible for dividends as determined by the resolution, which decided upon the share capital increase. In the absence of this, the dividend entitlement will be based on the proportion of time elapsed between the last day of subscription to the share capital increase and the end of the financial year.

**ARTICLE THIRTY FIVE**

In the event of an increase in share capital by incorporation of reserves, the issue of new shares will respect the proportion of the various share categories existing at the time, with each shareholder receiving shares of the various categories held by him/her.

Maia, 20 March 2007

The Board of Directors