

Press Release
October 28 2010

European Protest on October 29

Sonae Indústria halts production

The initiative, integrated in the European protest promoted by the *European Panel Federation* (EPF), aims at heightening the awareness of governments, players of the wood sector and public opinion regarding the negative consequences for the environment, for the economy and for society, of the subsidies attributed to the production of biomass energy.

Lisbon, 28th October 2010 - Sonae Indústria halts its production units in Europe on October 29th. This initiative, known in Portugal as "Storage of carbon in wood: an urgent requirement", integrates the European protest of the *European Panel Federation* (EPF).

According to Alberto Tavares, Manager of Sonae Indústria, *"At Sonae Indústria, we defend that the wood used for producing biomass as a source of energy should already be in the last stages of its life cycle, virgin wood or wood that can still be recycled as a raw material should never be used for this purpose. We recognize the environmental value that the use of wood has as a source of renewable energy, but we are also aware that the so-called virtuous cycle of wood is a reality. In fact, transformation of wood into products of added value and the increase in its life cycle, through recycling, contribute to maintaining the storage of carbon in wood, effectively reduce the emission of CO₂ into the atmosphere and help mitigate climate change.*

It does not make sense that any incentives attributed to the industry for biomass energy, should contribute to subvert this reality and help promote the incineration of wood that still has a useful life period ahead. It is with these issues that the European wood panel manufacturing industry is preoccupied and based on these issues it assumed the present protest, to which we associate ourselves".

In 2008, the European wood industry generated a business turnover of more than 270 billion Euros, providing 2.4 million jobs. The industry of *wood based products*, representing 9% of this industry, is an important player in the forest sector.

Para mais informações contactar:

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Given the huge diversity of situations encompassing diversion of biomass for the production of energy using wood that could perfectly well still be used for other ends, it becomes decisive to ensure a fair framework and loyal competition in the competitive search for “wood” resources in all the sector’s industries, based on the best interests of the environment, of society and of the economy, which is only possible with an adequate regulation for the biomass for energy sector.

About Sonae Indústria

Sonae Indústria is one of the world’s largest companies, in the industrial sector, of *wood based products* segment. Present in nine countries, Portugal, Spain, France, Germany, United Kingdom, Canada, Holland, Switzerland and South Africa, the company owns 28 industrial units, employing around 5.500 workers.

During the first semester of 2010, Sonae Indústria’s consolidated business turnover was 659 million euros, which represents a 7% growth compared to the same period in 2009.

Sonae Indústria’s range of products include high quality particleboard, MDF (Medium Density Fiberboard), OSB (Oriented Strand Board) and decorative laminated boards and others such as materials used in the furniture manufacturing industry, interior decorating and construction.

About the *European Panel Federation* (EPF)

The *European Panel Federation* (EPF) represents the producers of wood based panels from 29 European countries.

The wood based product industry sector is constituted by over 180 factories, many of them situated in rural areas.

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