

Sonae Sierra Brasil S.A. (SSBR3)
CNPJ Nº. 05.878.397/0001-32
NIRE Nº. 35.300.358.325

Second Issuance of Debentures

Sonae Sierra Brasil S.A. ("Company"), pursuant to CVM Instruction #358, as amended, informs its shareholders and the market that the Company's Board of Directors have approved, in the minutes submitted to file on this date in the Commercial Registry of the State of São Paulo, the second issuance of debentures, unsecured, non-convertible into shares, in up to two series ("Offer" and "Debentures", respectively), for distribution in a public offering with restricted effort placement, pursuant to CVM Instruction #476/09, as amended ("Limited Offer"). It will be issued 250,000 (two hundred and fifty thousand) Debentures each with a face value of R\$1,000.00 (one thousand reais), in the total amount of R\$250,000,000.00 (two hundred and fifty million reais) on the Issuance Date, as defined bellow.

For all legal purposes, the date of issuance of the debentures will be July 15, 2017 ("Issuance Date"). The Debentures of the 1st Series will have a term of five (5) years counted from the Issuance Date, maturing, therefore, on July 15, 2022; and the Debentures of the 2nd Series will have a term of seven (7) years counted from the Issuance Date, maturing, therefore, on July 15, 2024. The remuneration of the Debentures of the 1st and 2nd Series will be set on the bookbuilding process. The net funds raised with the issuance will be used to strengthen the Company's cash position.

The Limited Offer will be automatically exempted from registration of public distribution with CVM, pursuant to Article 6 of CVM Instruction #476/09.

This material fact has exclusively informational purposes, in accordance with the regulations in force, and should not be interpreted as material of sales of the Debentures.

São Paulo, June 14, 2017.

Carlos Alberto Correa
CFO and IRO