Presentation of Results

1st Half 2019

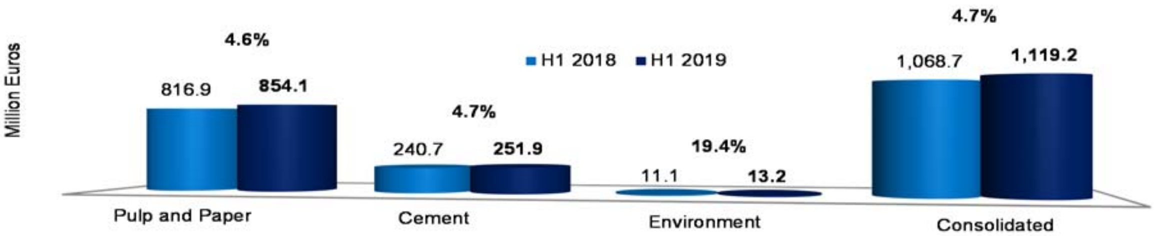
(translation from the original text in Portuguese)

Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.
Public Limited Company
Av. Fontes Pereira de Melo, nº 14, 10º, 1050-121 Lisboa
Company Registration and Corporate Taxpayer Number: 502 593 130
Share Capital: 81.270.000 euros
ISIN: PTSEM0AM0004
LEI: 549300HNGOW85KIOH584
Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)

1. SEMAPA'S PERFORMANCE

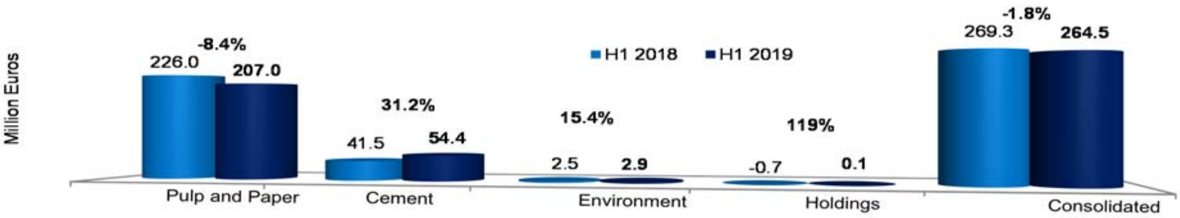
REVENUE

In the first half of 2019 the Semapa Group recorded consolidated revenue of 1,119.2 million euros, an increase of 4.7% from the same period in the previous year. Exports and foreign sales amounted to 823.4 million euros, representing 73.6% of revenue.



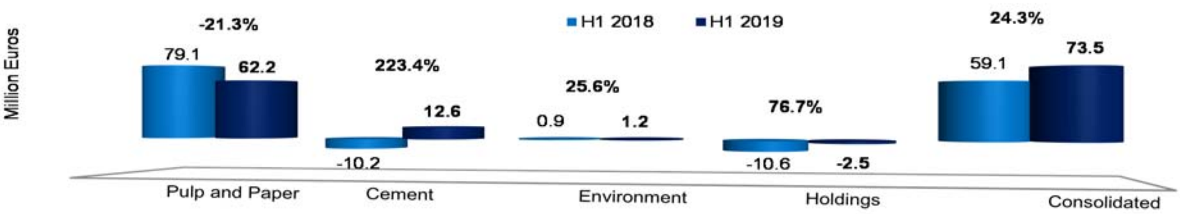
EBITDA

The EBITDA in the 1st half of 2019 decreased approximately 1.8%. Excluding the positive impacts of the sale of the pellets business in 2018 and the implementation of IFRS 16 in 2019, EBITDA would have increased by 0.7 million euros.



NET PROFIT ATTRIBUTABLE TO SEMAPA SHAREHOLDERS

Profit before taxes increased 2.9% and net profit attributable to Semapa shareholders stood at 73.5 million euros, up by 24.3% in relation to the same period in the previous year.



LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Revenue	**1,119.2**	**1,068.7**	**4.7%**	**567.9**	**559.9**	**1.4%**
EBITDA	**264.5**	**269.3**	**-1.8%**	**131.9**	**139.7**	**-5.6%**
EBITDA margin (%)	23.6%	25.2%	-1.6 p.p.	23.2%	24.9%	-1.7 p.p.
Depreciation, amortisation and impairment losses	(112.2)	(101.3)	-10.8%	(54.4)	(50.7)	-7.3%
Provisions	(1.5)	(2.0)	24.0%	(1.6)	(3.3)	51.0%
EBIT	**150.7**	**166.0**	**-9.2%**	**75.9**	**85.7**	**-11.5%**
EBIT margin (%)	13.5%	15.5%	-2.1 p.p.	13.4%	15.3%	-1.9 p.p.
Net financial results	(22.7)	(41.6)	45.3%	(13.5)	(23.0)	41.2%
Profit before taxes	**128.0**	**124.4**	**2.9%**	**62.3**	**62.7**	**-0.6%**
Income taxes	(27.3)	(28.0)	2.5%	(15.2)	(9.5)	-60.2%
Net profit for the period	100.7	96.4	4.4%	47.1	53.2	-11.5%
Attributable to Semapa shareholders	**73.5**	**59.1**	**24.3%**	**33.8**	**32.0**	**5.6%**
Attributable to non-controlling interests (NCI)	27.1	37.3	-27.1%	13.3	21.2	-37.3%
Cash-flow	214.4	199.7	7.4%	103.1	107.2	-3.8%

	30/06/2019	31/12/2018	Jun19 vs. Dec18
Equity (before NCI)	919.0	890.4	3.2%
Interest-bearing net debt	**1,568.1**	**1,551.6**	**1.1%**
Lease liabilities (IFRS 16)	67.2	0.0	-
Total	**1,635.3**	**1,551.6**	**5.4%**

LEADING OPERATING INDICATORS

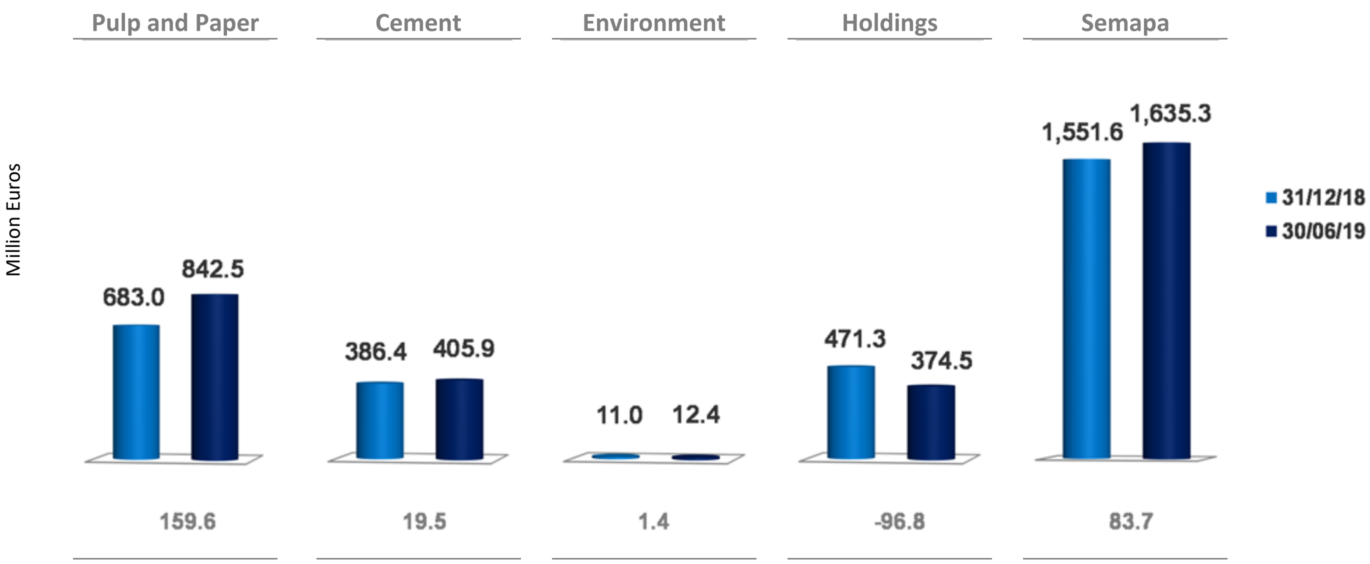
	Unit	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Pulp and Paper							
BEKP Sales (pulp)	1 000 t	123.6	114.0	8.4%	61.5	60.9	0.9%
UWF Sales (paper)	1 000 t	719.5	756.3	-4.9%	366.5	395.1	-7.2%
Total sales of tissue	1 000 t	47.2	28.5	65.9%	23.6	15.0	56.7%
Cement							
Sales of Grey cement	1 000 t	2,481	2,485	-0.2%	1,277	1,244	2.6%
Sales of Ready-mix	1 000 m3	861	758	13.6%	434	386	12.4%
Environment							
Collection of raw materials - Animal waste	1 000 t	57.7	60.3	-4.3%	29.2	29.9	-2.3%

IMPACTS OF THE ADOPTION OF IFRS 16

On 1 January 2019, the Group adopted the Accounting Standard IFRS 16. However, 2018 results were not restated in accordance with the standard. As a result of the implementation of the standard, Net Debt increased (lease liabilities), against fixed assets, which are amortised instead of recognizing the cost in External Supplies and Services.

The main impacts of the adoption of IFRS 16 as of June 2019 were as follows: reduction of External Supplies and Services of around 7.5 million euros, increase in depreciation, amortisation and impairment losses of around 6.9 million, and Lease Liabilities increase of around 67.2 million euros.

NET DEBT



As at 30 June 2019, consolidated net debt stood at 1,635.3 million euros, representing an increase of 83.7 million euros over the figure recorded at year-end 2018. Excluding the effect of IFRS 16, net debt would have been 1,568.1 million euros, above the figure at the end of 2018 by 16.5 million euros. Besides the generation of operating cash flow, these changes are due to:

- Pulp and paper: +159.6 million euros, including investments of about 68.2 million euros, the acquisition of own shares in the amount of 14.2 million euros and the payment of dividends of 200 million euros. Additionally, the impact of implementing IFRS 16 was 46.2 million euros;
- Cement: +19.5 million euros, which includes the negative effect of foreign exchange denominated debt of approximately 1.6 million euros, investments of approximately 13.5 million euros and net working capital variation. Additionally, the impact of implementing IFRS 16 was 20.4 million euros;
- Environment: +1.4 million euros, mainly arising from difficulty in collecting the amounts invoiced to the Government. As at 30 June, it owed a total of 4.9 million euros, 4.3 million of which are overdue and subject to late payment interest. The impact of implementing IFRS 16 was 0.3 million euros; and,

- Holdings: -96.8 million euros, resulting namely from dividends received from Navigator (139 million euros) and the payment of dividends (41.3 million euros). Additionally, the impact of implementing IFRS 16 was 0.3 million euros.

NET PROFIT

Net Profit attributable to Semapa shareholders was 73.5 million euros, which represents an increase of 24.3% in comparison with the same period in the previous year, explained essentially by the combined effect of the following factors:

- A drop in EBITDA of approximately 4.8 million euros. Excluding the positive impacts of 13.0 million euros related to the sale of the pellets business by Navigator in the 1st quarter of 2018 and 7.5 million from the adoption of IFRS 16 in 2019, EBITDA would have increased by 0.7 million euros;
- An increase in depreciation, amortisation, impairment losses and provisions of 10.4 million euros, mainly due to the IFRS 16 impact and the beginning of depreciation of recent Navigator investments;
- An improvement in net financial results by about 18.8 million euros;
- Decrease of about 0.7 million euros in income taxes.

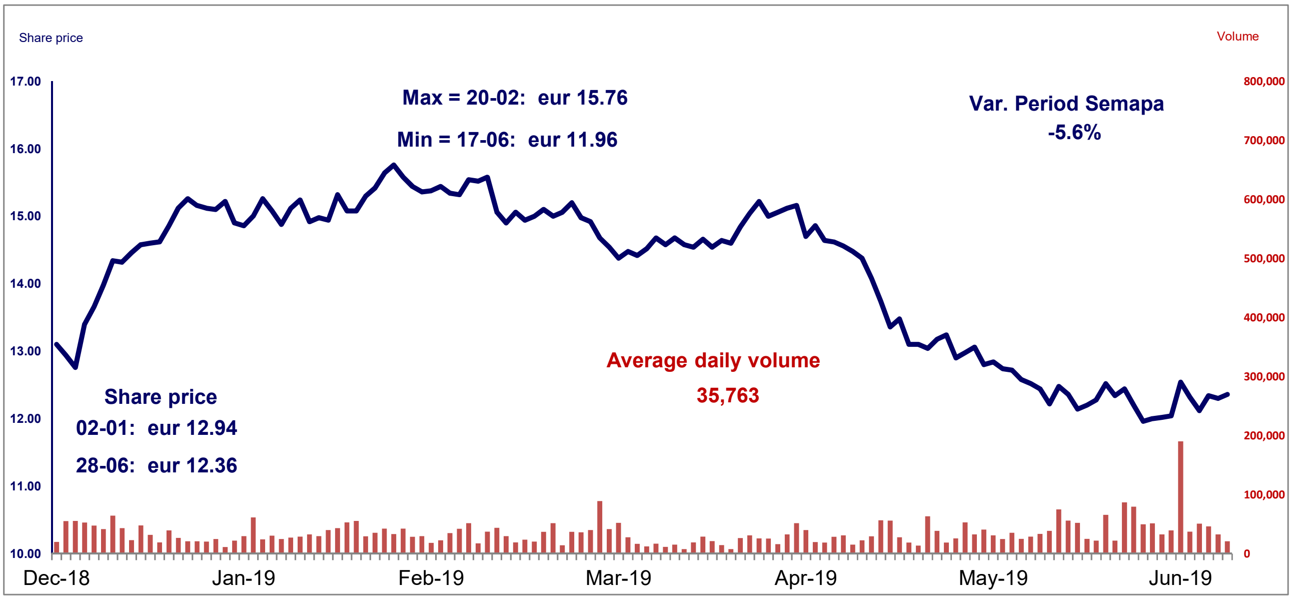
2. PERFORMANCE OF SEMAPA SHARES ON THE STOCK EXCHANGE

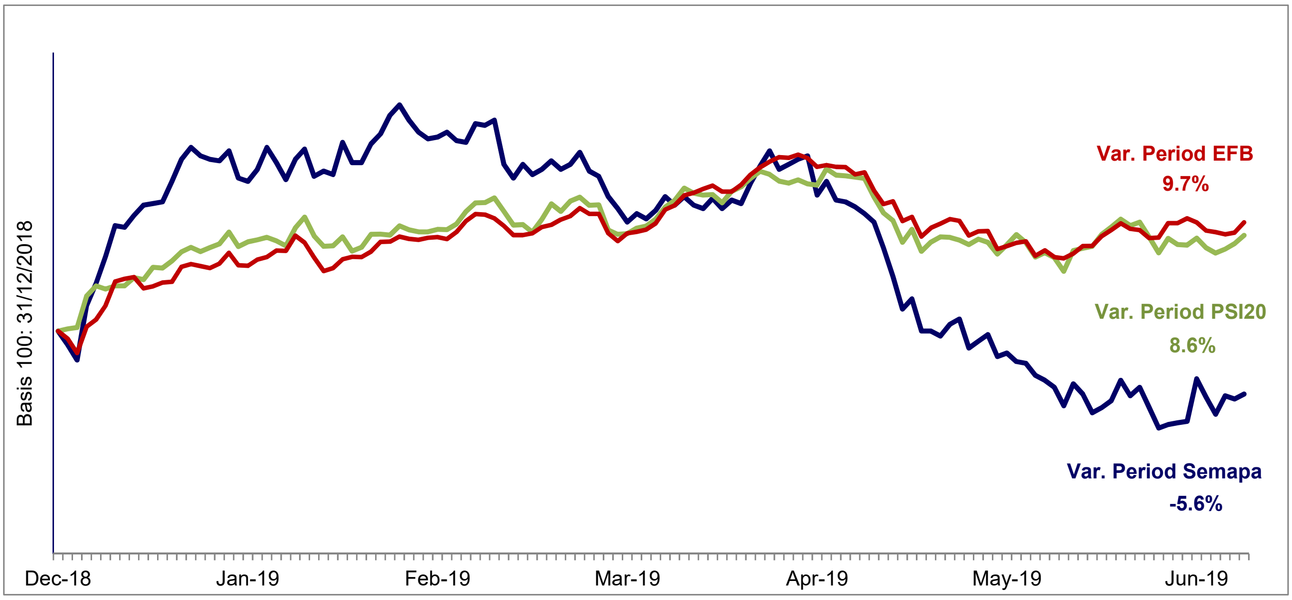
Following the end of 2018 marked by losses on the stock exchanges, during the first four months of 2019 there was a feeling of moderate optimism among investors, interrupted in May as a consequence of escalated trade tensions between the US and China, together with the confirmation that the global economy is growing at a slower rate than originally projected. Then, in June, both the ECB and the Federal Reserve (FED) evidenced a favourable attitude towards accommodative monetary policies, at the same time trade tensions eased, which restored some tranquillity to the financial markets.

In this environment, the main stock exchange indexes around the world evolved positively in the first half of the year, most stocks registering gains of over 10%, with the main indexes of the Frankfurt and Paris Stock Exchanges standing out for increases on the order of 17%.

In this context, the value of Semapa shares in the period decreased 5.6%, contrasting with the performance of the PSI20 Index (+8.6%) and the Euronext Family Business Index (+9.7%). Semapa's main asset, The Navigator Company, devalued 6.7% in the same period, which may be partially explained by the pulp price decrease - BHKP PIX, in euros, compared to the end of last year (-12.3%).

Semapa shares recorded their lowest value of 11.96 euros on 17 June, and their highest value of 15.76 euros on 20 February. The gains accumulated in the 1st Quarter of 2019 were reversed during the 2nd Quarter of the year, with a fall in share prices, especially from the end of April onwards.





EFB – Euronext Family Business Index

Note: Closing prices

3. Performance of Business Segments

Breakdown by Business Segments

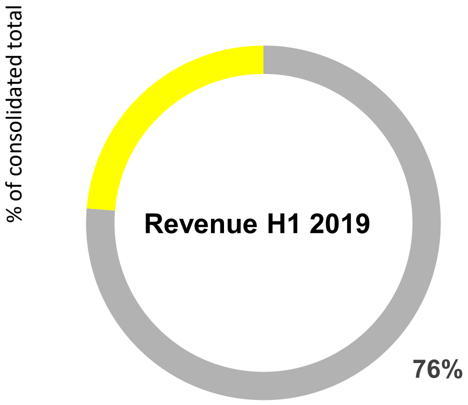
IFRS - accrued amounts (million euros)	Pulp and Paper		Cement		Environment		Holdings		Consolidated
	H1 2019	19/18	H1 2019	19/18	H1 2019	19/18	H1 2019	19/18	H1 2019
Revenue	**854.1**	**4.6%**	**251.9**	**4.7%**	**13.2**	**19.4%**	**-**	**-**	**1,119.2**
EBITDA	**207.0**	**-8.4%**	**54.4**	**31.2%**	**2.9**	**15.4%**	**0.1**	**119.1%**	**264.5**
EBITDA margin (%)	24.2%	-3.4 p.p.	21.6%	4.4 p.p.	22.2%	-0.8 p.p.			23.6%
Depreciation, amortisation and impairment losses	(78.7)	-6.2%	(31.9)	-24.2%	(1.5)	-2.3%	(0.2)	-104.8%	(112.2)
Provisions	(1.9)	-247.3%	0.4	112.2%	-	-	-	-	(1.5)
EBIT	**126.4**	**-17.5%**	**23.0**	**83.1%**	**1.4**	**33.0%**	**(0.1)**	**92.9%**	**150.7**
EBIT margin (%)	14.8%	-4.0 p.p.	9.1%	3.9 p.p.	10.9%	1.1 p.p.			13.5%
Net financial results	(9.7)	14.8%	(6.9)	69.5%	(0.2)	29.8%	(6.0)	19.4%	(22.7)
Profit before taxes	**116.7**	**-17.7%**	**16.1**	**262.2%**	**1.3**	**50.0%**	**(6.1)**	**26.5%**	**128.0**
Income taxes	(27.3)	2.1%	(3.5)	-264.2%	(0.1)	-242.8%	3.6	254.5%	(27.3)
Net profit for the period	89.4	-21.6%	12.6	261.7%	1.2	25.6%	(2.5)	76.7%	100.7
Attributable to Semapa shareholders	**62.2**	**-21.3%**	**12.6**	**223.4%**	**1.2**	**25.6%**	**(2.5)**	**76.7%**	**73.5**
Attributable to non-controlling interests (NCI)	27.1	-22.1%	0.0	-99.7%	0.0	26.9%	-	-	27.1
Cash-flow	169.9	-9.0%	44.1	108.4%	2.7	11.3%	(2.3)	78.3%	214.4
Interest-bearing net debt	**796.4**		**385.5**		**12.1**		**374.2**		**1,568.1**
Lease liabilities (IFRS 16)	**46.2**		**20.4**		**0.3**		**0.3**		**67.2**
Total	**842.5**		**405.9**		**12.4**		**374.5**		**1,635.3**

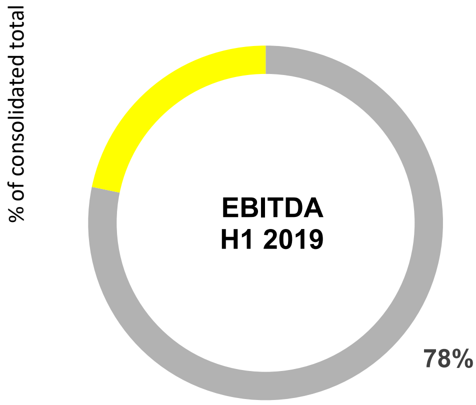
Notes:

- For the purpose of calculating the change in net debt the values of 31.12.2018 are used.
- Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

The Navigator Company ("Navigator") published its results on 24 July 2019, so only the highlights of that report will be presented herein. Secil and ETSA, which are not listed, did not publish their results. Therefore, their operations are described in more detail.

PULP AND PAPER

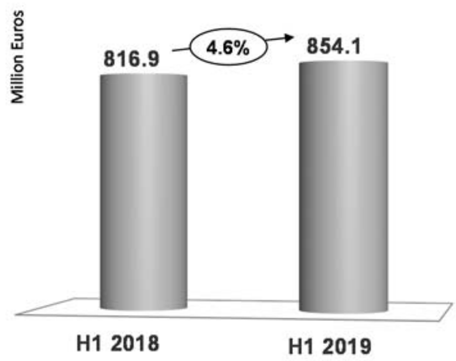




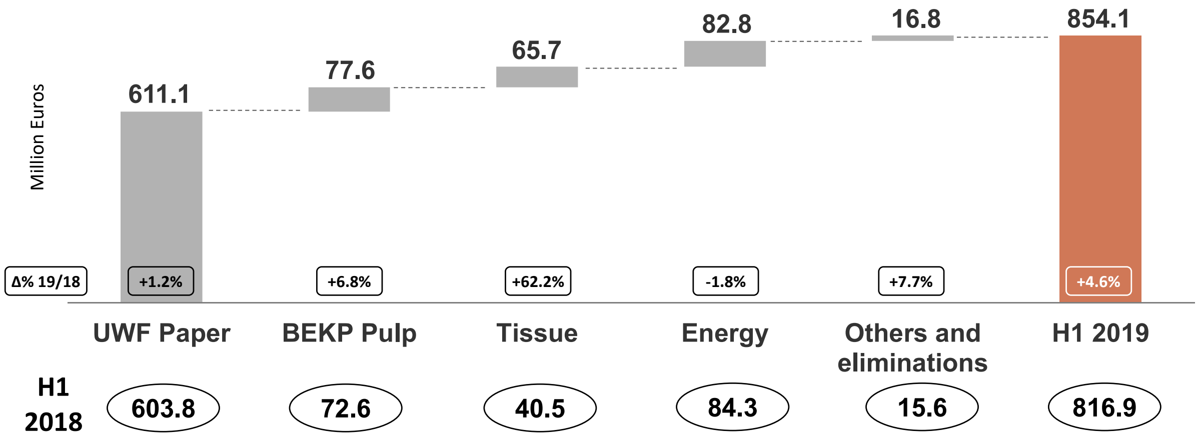
HIGHLIGHTS IN FIRST HALF OF 2019 (VS. 2018)

- Revenue amounted to 854.1 million euros, 4.6% higher than the figure for the first half of 2018, with greater pulp and tissue sales volumes

Revenue

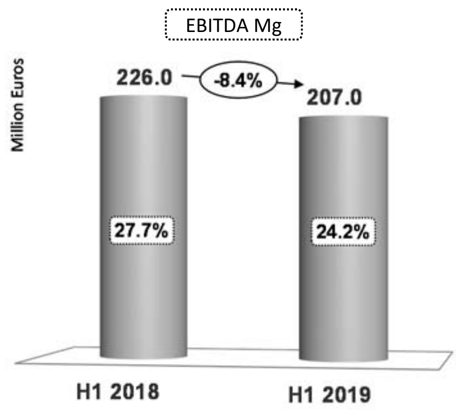


REVENUE BREAKDOWN BY SEGMENT:



- EBITDA decreased 8.4% to 207.0 million euros (vs. 226.0 million euros)
- EBITDA margin dropped 3.4 p.p. to 24.2%
- Excluding the positive impact of the sale of the pellets business in 2018 and the implementation of IFRS 16 in 2019, EBITDA would have decreased by 4.5% (9.6 million euros)

EBITDA



SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Revenue	**854.1**	**816.9**	**4.6%**	**432.3**	**432.0**	**0.1%**
EBITDA	**207.0**	**226.0**	**-8.4%**	**102.1**	**115.0**	**-11.3%**
EBITDA margin (%)	24.2%	27.7%	-3.4 p.p.	23.6%	26.6%	-3.0 p.p.
Depreciation, amortisation and impairment losses	(78.7)	(74.1)	-6.2%	(37.4)	(36.4)	-2.8%
Provisions	(1.9)	1.3	-247.3%	(0.6)	0.4	-252.8%
EBIT	**126.4**	**153.2**	**-17.5%**	**64.0**	**79.0**	**-19.0%**
EBIT margin (%)	14.8%	18.8%	-4.0 p.p.	14.8%	18.3%	-3.5 p.p.
Net financial results	(9.7)	(11.4)	14.8%	(5.7)	(5.9)	1.8%
Profit before taxes	**116.7**	**141.8**	**-17.7%**	**58.3**	**73.2**	**-20.4%**
Income taxes	(27.3)	(27.9)	2.1%	(15.4)	(9.8)	-57.9%
Net profit for the period	89.4	113.9	-21.6%	42.9	63.4	-32.4%
Attributable to Navigator shareholders	**89.4**	**113.9**	**-21.5%**	**42.9**	**63.4**	**-32.4%**
Attributable to non-controlling interests (NCI)	(0.0)	(0.0)	-906.0%	(0.0)	(0.0)	-261.6%
Cash-Flow	**169.9**	**186.7**	**-9.0%**	80.9	99.4	**-18.6%**

	30/06/2019	31/12/2018
Equity (before NCI)	857.2	989.3
Interest-bearing net debt	**796.4**	**683.0**
Lease liabilities (IFRS 16)	46.2	-
Total	**842.5**	**683.0**

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

SUMMARY TABLE OF OPERATING INDICATORS

in 1 000 t	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Pulp and Paper						
BEKP Output (pulp)	698.1	681.6	2.4%	328.3	335.4	-2.1%
BEKP Sales (pulp)	123.6	114.0	8.4%	61.5	60.9	0.9%
UWF Output (paper)	726.8	778.7	-6.7%	362.9	392.9	-7.6%
UWF Sales (paper)	719.5	756.3	-4.9%	366.5	395.1	-7.2%
FOEX – BHKP Eur/t	851	851	0.0%	830	878	-5.5%
FOEX – A4- BCopy Eur/t	913	854	6.9%	912	864	5.6%
Tissue						
Reels Output	51.7	28.6	81.0%	25.3	14.4	75.6%
Output of finished products	34.7	28.3	22.6%	16.7	14.7	13.6%
Sales of reels and goods	11.4	0.7	1471%	5.3	0.1	4456%
Sales of finished products	35.8	27.8	29.1%	18.2	14.9	22.2%
Total sales of tissue	47.2	28.5	65.9%	23.6	15.0	56.7%

In the first half of 2019, the revenue of Navigator totalled 854.1 million euros, up by 4.6% compared with the same period in the previous year. With sales of 611.1 million euros, the paper business segment accounted for 72% of revenue, energy accounted for 10% (82.8 million euros), pulp approximately 9% (77.6 million euros), and the tissue business approximately 8% (65.7 million euros). The period was marked by the challenges presented by the market conditions of the pulp and paper sector. Navigator benefitted from a level of paper prices higher than that of the half year of the previous year, which, together with the increased sales of pulp and tissue, compensated for the unfavourable variation in paper production volumes and sales.

Pulp production in the 1st Half of 2019 rose to 698.1 thousand tonnes, +2.4% year on year, benefiting from the increased capacity installed at the Figueira da Foz plant in 2018, although production was hampered by major stoppages for maintenance that took place at the plants in Setúbal and Aveiro, in April and May. Even so, the amount of pulp available for sale was greater than that of the first half of the previous year, which resulted in a 8.4% increase in pulp sales to 123.6 thousand tonnes.

Over the course of the half year, the reference pulp selling price - BHKP PIX - in USD followed a trend of decline, and stood at 896 USD/t at the end of June, a drop of about 12.5% in comparison with the year-end price of 1,024 USD/t. The average price of the index in the 1st half of the year was 962 USD/t, compared to 1,029 USD in the 1st half of 2018, a decrease of 6.6%. However, the change in the EUR/USD exchange rate benefited the reference pulp price in euros, which remained constant, with the average price being 851 €/t. Navigator's average selling price for the European market stayed in line with the index, with total pulp revenue reaching around 77.6 million euros.

The favourable evolution of **paper** selling price in the first half allowed Navigator to register record sales of 611.1 million euros, up by 1.2% year on year. In fact, the average reference price for paper UWF – A4 B-copy in the 1st half was around 6.9% above the average price year on year. The average price of the Group evolved above the index, driven by the implementation of price increases during 2018 and in the beginning of this year in Europe, and by the favourable evolution of the EUR/USD exchange rate.

UWF sales totalled 719.5 thousand tonnes, which was 36.7 thousand tonnes lower year on year, due to deviations in production that resulted from planned and unplanned production stoppages that took place in the course of the first half, namely the strikes in January and April that forced an 8 day stoppage on paper machine 4 in Setúbal. The saleable paper production was also limited by adjustments made over the course of the first six months in the production of heavyweights on paper machine 3 in Setúbal.

In the **tissue** business, there was a significant increase of 65.9% in the volume sold, to 47.2 thousand tonnes, as a result of the start-up of the new tissue factory in Aveiro. Revenue stood at 65.7 million euros, 62.2% above that in the first half of 2018. This growth in volume represents two different evolutions in the business. On the one hand, the sales of finished product grew about 29.1% to 35.8 thousand tonnes, and on the other, Navigator recorded strong growth in the sales of reels (x16), totalling 11.4 thousand tonnes, which were marginal in the same period in the last year.

Finished products and reels both recorded important increases in prices in comparison with the first half of 2018, which were clearly necessary to compensate for the increased costs, especially fibre/pulp, chemicals and energy. However, the faster growth of the reels business, typical in the initial production phase of a new tissue factory, altered the mix of products sold, impacting the average sales price.

In the first half of 2019, Navigator's revenue of electrical **energy** totalled about 82.8 million euros, which represents a reduction of 1.8% year on year. This amount resulted from a drop in sales volumes recorded in the period and a reduction in the Brent reference price. The production of electrical energy totalled about 834 GWh, which was short of year on year volumes, due to the previously mentioned stoppages.

EBITDA stood at 207.0 million euros, down by 19 million euros year on year. Excluding the positive impacts related to the sale of the pellets business in 2018 (13.0 million euros) and the implementation of IFRS 16 in 2019 (3.6 million euros), EBITDA would have decreased by 9.6 million euros.

It should be mentioned that production costs were negatively influenced by approximately 13.7 million euros rise in the cost of energy, year on year, due to higher purchase prices of electricity and natural gas. We also highlight an increase in the costs of chemicals, which had an impact of around 4.8 million euros. There was also a rise in the unit cost for wood purchases, year on year. The cost was mainly due to the greater share of certified wood acquired on the domestic wood market, which went from 37% to 51% of the total; the price increase for woodchips on the international market; and the variation in the EUR/USD foreign exchange rate for wood purchased outside the Iberian Peninsula (an unfavourable variation from the point of view of wood supplies). The higher unit purchase cost, together with an increase in the volume of wood procured, had a significant impact on the production costs, totalling 6.1 million euros for the first six months.

In fixed costs, personnel costs evolved favourably, but there was a negative evolution in operating and maintenance costs. Navigator, on the other hand, continued with its M2 programme for operating excellence, attaining a positive impact of approximately 8.1 million euros, year on year.

The financial results improved by 1.7 million euros, standing at negative figure of 9.7 million euros (vs. a negative figure of 11.4 million euros). There was a positive impact of 2.2 million euros resulting from the application of surplus liquidity and of 3.5 million euros due to interest and exchange rate effects on the amount of USD 45 million still to be received from the sale of the pellets business. Last year, this effect was negative by 3.3 million euros due to the calculation of the present value of the amount to be received being lower than its nominal value.

However, the foreign exchange results resulting from the hedge operations carried out by Navigator went in the opposite direction, with a negative evolution of 2.7 million euros, and the implementation of IFRS 16 had a negative impact of 0.9 million euros.

Navigator's net profit in the first six months amounted to 89.4 million euros, down by 21.5% compared with the first half of 2018.

Second Quarter of 2019 vs. Second Quarter of 2018

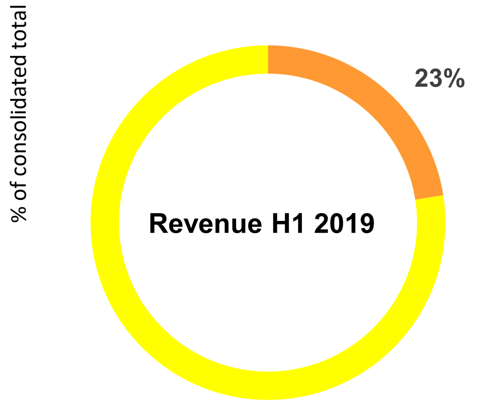
The Q2 revenue totalled 432.3 million euros, which was in line with Q2 2018.

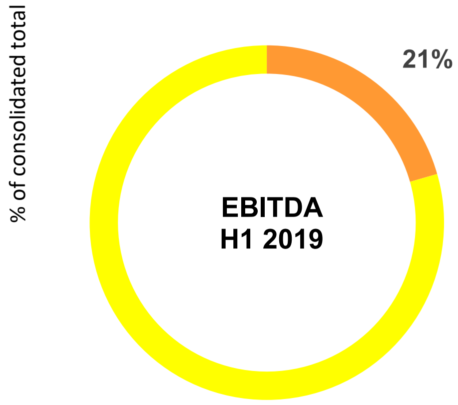
In the paper business there was a drop in volumes sold (-7.2%) compared with the second quarter of the previous year, due essentially to deviations in production resulting from planned and unplanned stoppages in production that occurred over the course of the quarter.

The pulp business in Q2 was marked by a deterioration of the market conditions, which was evidenced by a 5.5% drop in the index for BHKP reference prices in euros. Pulp sales in the quarter rose (+0.9%), despite being hampered by major maintenance stoppages that took place at the plants in Setúbal and Aveiro, in April and May.

EBITDA stood at 102.1 million euros, with an EBITDA margin of 23.6%.

CEMENT AND OTHER BUILDING MATERIALS

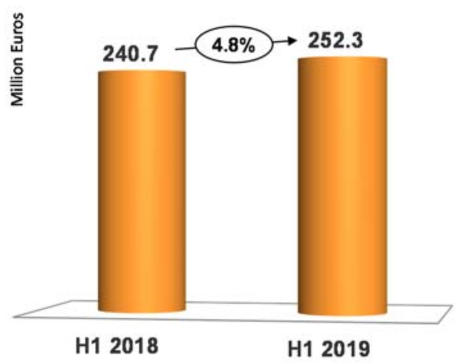




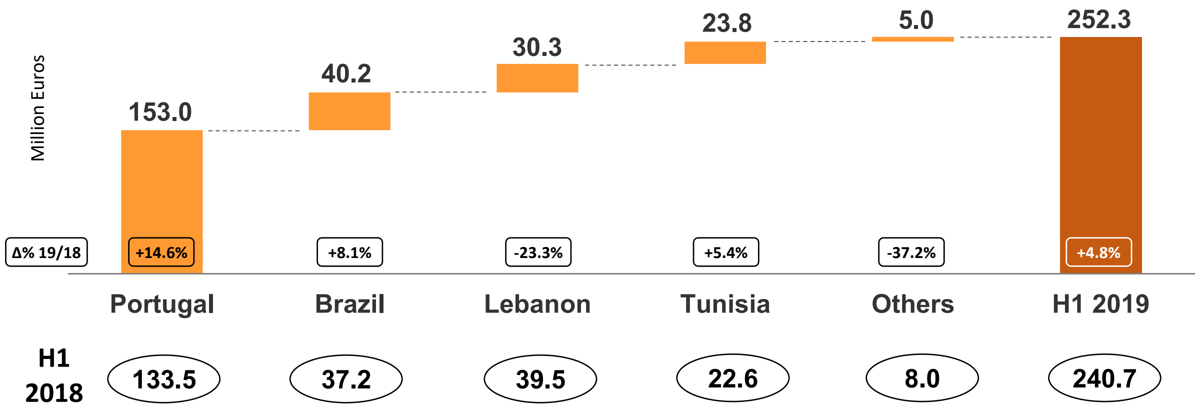
HIGHLIGHTS IN FIRST HALF OF 2019 (VS. 2018)

- Secil's revenue in H1 2019 amounted to 252.3 million euros, 11.5 million euros (4.8%) higher than that in the same period of the previous year
- This increase was achieved despite the negative impact of around 5.1 million euros from the depreciation of some currencies against the euro in the countries where Secil operates

Revenue

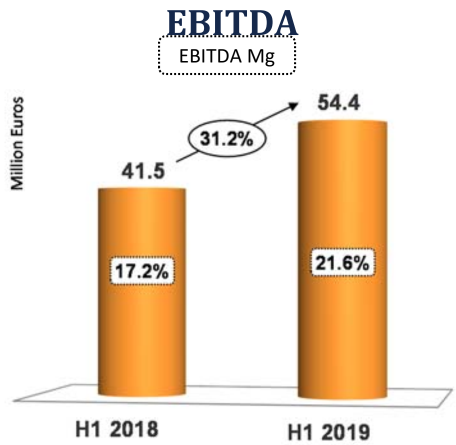


REVENUE BREAKDOWN BY COUNTRY:

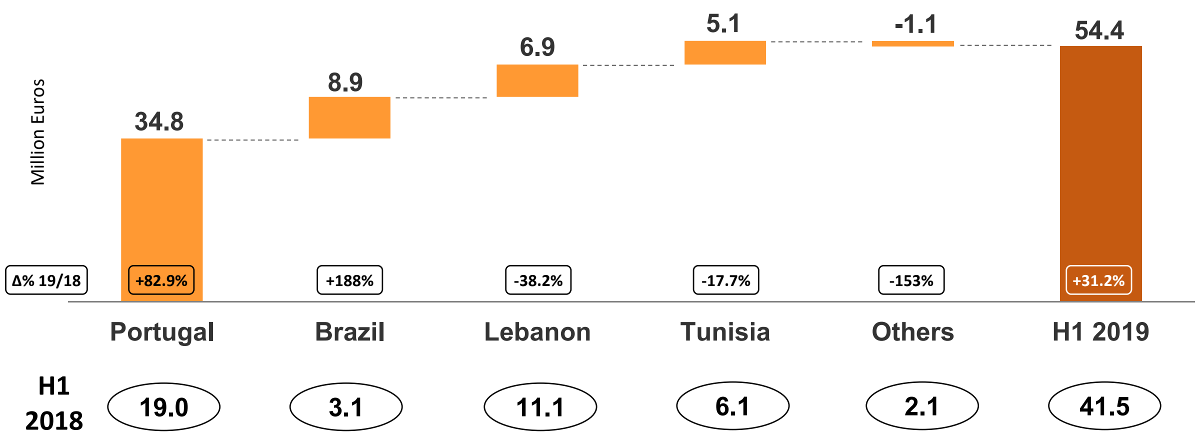


Note: Others includes Angola and Others

- EBITDA amounted to 54.4 million euros, which translated into an increase of around 12.9 million euros in relation to the first half of 2018. As was the case for revenue, the currency depreciation against the Euro produced a negative effect of approximately 0.2 million euros
- H1 2019 EBITDA benefits from the positive influence of 3.9 million euros resulting from the implementation of IFRS 16



EBITDA BREAKDOWN BY COUNTRY:



Note: Others includes Angola and Others

- Net financial results amounted to -6.9 million euros, while in the first half of 2018 they were -22.5 million euros. This positive difference year on year is due to the exchange rate differences, and also to the revenues received with the monetary correction from tax credits on sales in Brazil.

SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Revenue	**252.3**	**240.7**	**4.8%**	**128.6**	**122.4**	**5.1%**
EBITDA	**54.4**	**41.5**	**31.2%**	**28.0**	**23.7**	**18.0%**
EBITDA Margin (%)	21.6%	17.2%	4.3 p.p.	21.7%	19.4%	**2.4 p.p.**
Depreciation, amortisation and impairment losses	(31.9)	(25.7)	-24.2%	(16.1)	(13.5)	-19.3%
Provisions	0.4	(3.3)	112.2%	(1.0)	(3.7)	73.4%
EBIT	**23.0**	**12.5**	**83.1%**	**10.9**	**6.5**	**67.4%**
EBIT Margin (%)	9.1%	5.2%	3.9 p.p.	8.4%	5.3%	3.1 p.p.
Net financial results	(6.9)	(22.5)	69.5%	(5.2)	(13.3)	61.0%
Profit before taxes	**16.1**	**(9.9)**	**262.2%**	**5.7**	**(6.8)**	**183.2%**
Income taxes	(3.5)	2.1	-264.2%	(2.9)	2.5	-217.7%
Net profit for the period	12.6	(7.8)	261.7%	2.8	(4.4)	163.7%
Attributable to Secil shareholders	**12.6**	**(10.2)**	**223.4%**	**2.5**	**(6.1)**	**140.0%**
Attributable to non-controlling interests (NCI)	0.0	2.4	-99.7%	0.3	1.8	-82.3%
Cash-flow	**44.1**	**21.2**	**108.4%**	19.9	12.9	**54.7%**
	30/06/2019	**31/12/2018**				
Equity (before NCI)	375.6	354.7				
Interest-bearing net debt	**385.5**	**386.4**				
Lease liabilities (IFRS 16)	20.4	-				
Total	**405.9**	**386.4**				

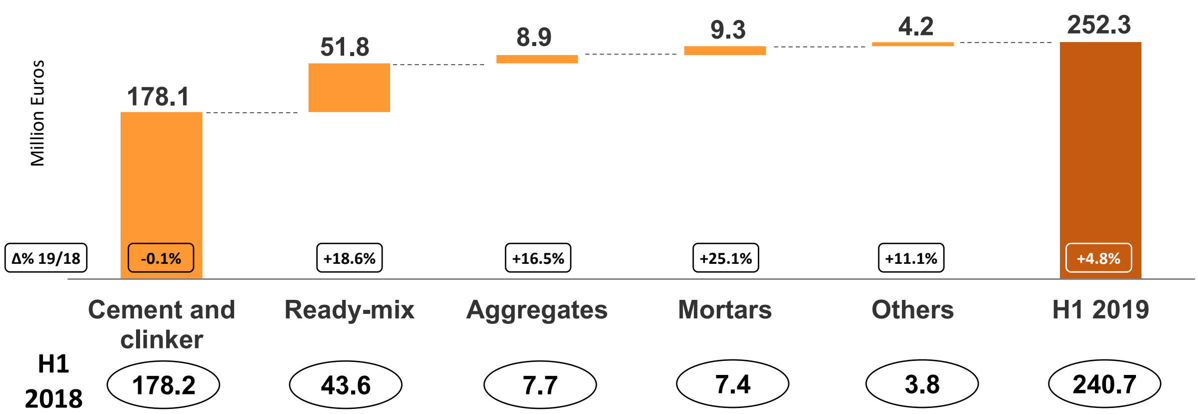
Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments. Revenue in 2018 and 2019 includes intra-group sales and may differ from those presented by each segment.

SUMMARY TABLE OF OPERATING INDICATORS

in 1 000 t	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Annual cement production capacity	9,750	9,750	0.0%	9,750	9,750	0.0%
Production						
Clinker	2,329	2,380	-2.1%	1,247	1,263	-1.2%
Cement	2,572	2,567	0.2%	1,292	1,340	-3.6%
Sales						
Grey cement	2,481	2,485	-0.2%	1,277	1,244	2.6%
White cement	40	47	-14.9%	20	23	-10.5%
Clinker	259	319	-18.6%	153	139	10.3%
Aggregates	1,669	1,442	15.7%	867	721	20.3%
Precast	65	62	3.7%	33	33	1.8%
Mortars	91	78	17.2%	46	39	16.2%
Hydraulic lime	14	12	15.3%	7	7	10.6%
Mortar fixative	10	10	3.3%	5	5	12.0%
in 1 000 m3						
Ready-mix	861	758	13.6%	434	386	12.4%

Note: Volumes excluding inter-segment sales.

REVENUE BREAKDOWN BY SEGMENT:

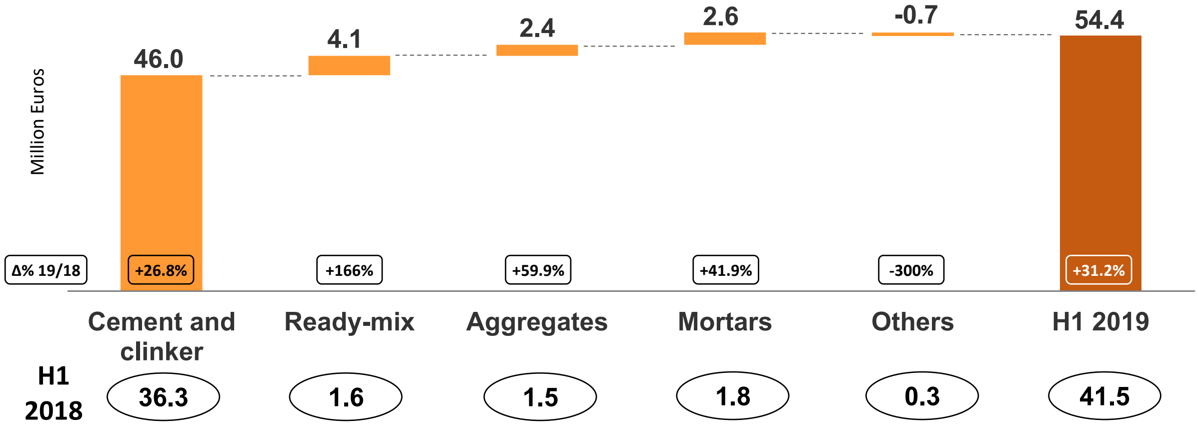


Note: Others includes Precast and Others.

Analysing by segment, the Cement and Clinker revenue dropped 0.1% compared with the 1st half of 2018, representing a smaller share of total operations (70.6% in H1 2019 vs. 74.0% in the same period in 2018). This decrease is the result of lower volumes sold and the depreciation of some of the local currencies vis-a-vis the euro.

Ready-mix concrete volumes sold increased 13.6% year on year, which resulted in a growth in Revenue of 18.6%.

EBITDA BREAKDOWN BY SEGMENT:

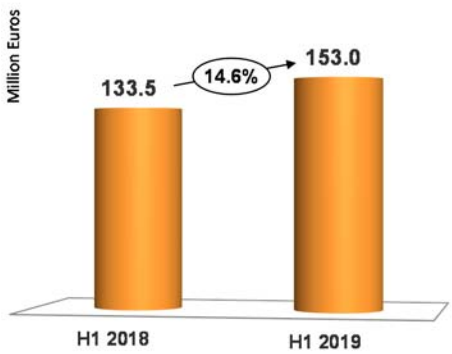


Note: Others includes Precast and Others.

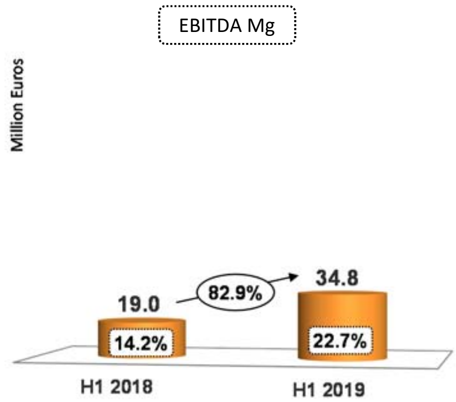
EBITDA from Cement and Clinker in H1 2019 was up by 26.8% compared with the previous year, standing at 46.0 million euros. Ready-mix concrete EBITDA increased by 166% over the first half of the previous year.

PORTUGAL

Revenue



EBITDA



In Portugal, FEPICOP's most recent forecasts (June) point to a real growth of 4.0% in the sector, growth in the residential construction sector being particularly significant (+7.5% in real terms), but growth is predicted as well in the non-residential building sector (+2.4%) and civil engineering (+3.0%).

The consumption of cement in Portugal was marked by positive monthly variations year on year in H1 2019, compared to the same period of the previous year, due to the good market dynamics and fine weather conditions during the period. It is estimated that the market grew around 16% in 2019, year on year.

Revenue for overall operations in Portugal was up by 14.6% compared to the same period in 2018, totalling 153.0 million euros.

Revenue in the Cement business unit in Portugal totalled 90.0 million euros, an increase year on year, resulting from increased domestic sales and a modest rise in the average selling price.

In the foreign market, the surplus supply in Europe, the Mediterranean and West Africa continued to drive strong competition. Total export revenue increased approximately 3.6%. This result was due to a 7% increase in cement sales, at a 2% higher price, and an increase of around 15.3% in sales of cement to the terminals. Sales of clinker fell 20%, mainly due to the high price of CO2 licences during this six-month period. The more favourable mix of cement vs. clinker sales impacted revenue positively.

In the other business segments with operations based in Portugal (Ready-mix concrete, Aggregates, Mortars and Precast), accrued revenue in June 2019 amounted to 63.0 million euros, representing a growth of 22.5% year on year.

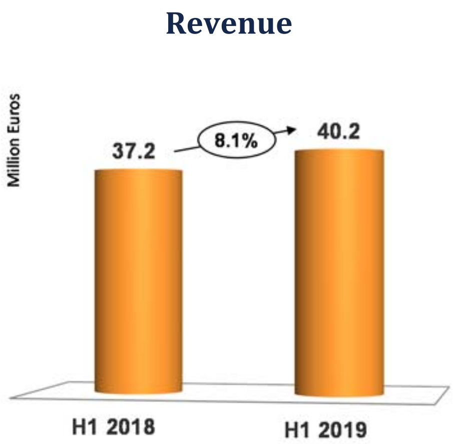
The increase took place in almost all areas of building materials, benefiting from greater dynamics in the building market. The Concrete business unit recorded a 19.9% growth in volumes sold, not only in the Portuguese market but also influenced positively by sales in Spain.

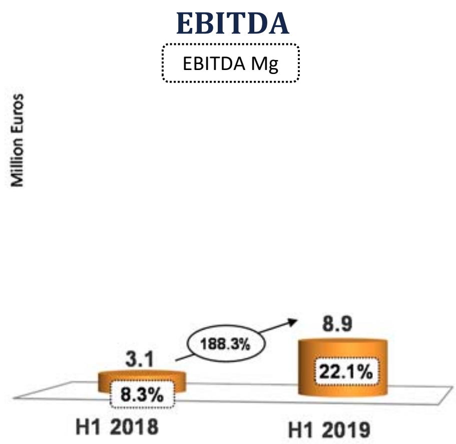
EBITDA from operations in Portugal increased by 82.9%, standing at 34.8 million euros vs. 19.0 million euros in the same period of the previous year.

The Cement business unit had an EBITDA of 25.9 million euros, 84.0% higher than the EBITDA recorded year on year. In spite of the increase in variable costs, as a result of the rise in fossil fuel prices and electricity, the greater earnings in the domestic market and the sale of surplus CO2 licenses (amounting to 7.7 million euros in the period) pulled EBITDA well above the levels of the first half of 2018.

The EBITDA of the building material business units amounted to 8.8 million euros, which compares to 4.9 million euros accumulated in June 2018.

BRAZIL





It is estimated that growth in the relevant cement market in Brazil was 1.4% in H1 2019, similar to the registered in the same period of the previous year.

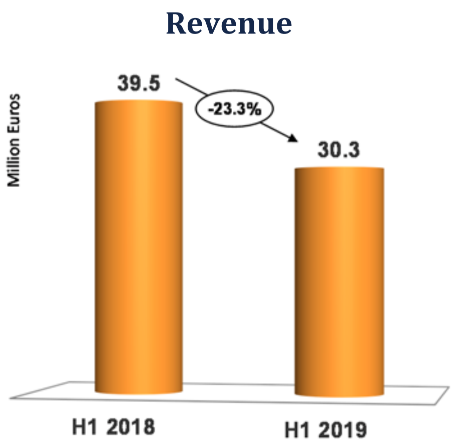
The revenue of combined operations stood at approximately 40.2 million euros, representing an increase of 8.1%, despite the depreciation of the Brazilian real against the euro, which had a negative impact of approximately 1.9 million euros. If the depreciation had not occurred, revenue would have been 5.0 million euros higher year on year.

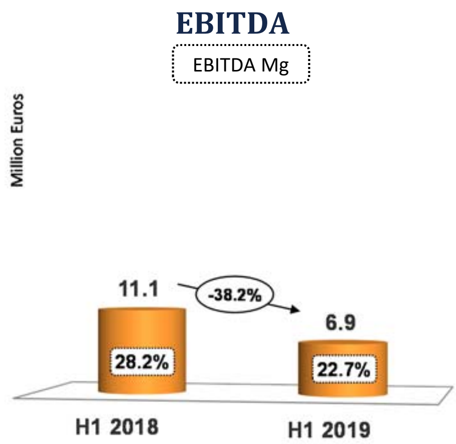
Revenue of the Cement and Clinker business unit in Brazil registered an additional 9.5%, due to an increase in volumes and sales prices, year on year.

The increase in quantities sold was partly offset by higher variable production costs (which increased by 6%) resulting from the increase in the costs of solid fuels and raw materials.

In the first half of the year, the EBITDA of activities in Brazil totalled 8.9 million euros, which compares with the 3.1 million euros recorded year on year. EBITDA for the period includes a gain of 3.4 million euros in expected income tax refunds related to sales and a positive impact of around 0.9 million euros from the implementation of IFRS16.

LEBANON





In Lebanon, cement consumption in H1 2019 is estimated to have been 32% lower compared with the same period in 2018, influenced by a long period of rains and a falling trend in the market due to the political and economic conditions in the country.

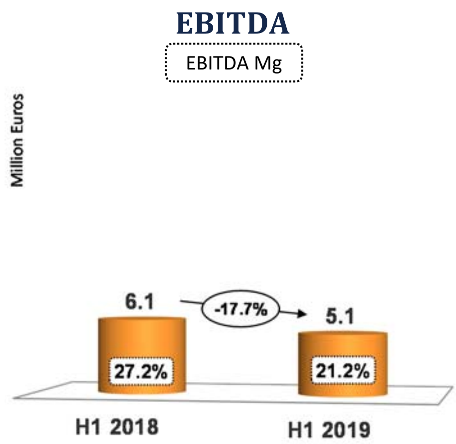
Revenue of combined operations in Lebanon decreased compared with the same period in the previous year, amounting to 30.3 million euros. This amount was positively affected by about 2.0 million euros due to the appreciation of the USD against the euro.

The sales of cement fell year on year, a result of the downturn in the cement market. Sales prices maintained levels similar to those in H1 2018. Revenue decreased year on year, mainly due to the reduction in volumes sold.

Concrete revenue dropped 8.8% compared with the same period in 2018 to 2.4 million euros, as a result of the decrease of 13.9% in quantities sold and of 1% in sales prices. This decline in volumes sold was due to the lower number of building permits issued in the country and the competition Secil faces.

EBITDA from operations in Lebanon stood at 6.9 million euros, down by 38.2% in relation to the same period of the previous year, originating in the Cement unit. This evolution is principally a result of the drop in quantities sold, being partially compensated for by cost control measures. The implementation of IFRS16 had a positive impact of 0.5 million euros on the EBITDA of operations in Lebanon.

TUNISIA



In Tunisia, it is estimated that the domestic cement market was down by 12% year on year. The cement market is still subject to strong competition, due to excess production capacity. However, in 2019 sales prices increased, driven by the overall increase in the purchase prices of relevant materials with a significant weight in the price structure of cement producers.

The cement sales on the export market increased, despite the constraints at the Libyan border and in obtaining foreign currency in the Libyan financial market.

Revenue for combined operations in Tunisia stood at approximately 23.8 million euros, up by 5.4% on a year-on-year basis. In the absence of the negative effect of the depreciation of the Tunisian Dinar against the Euro, there would have been a 20% increase.

The Cement business unit in Tunisia recorded revenue of 21.2 million euros, up by approximately 4.7%. In the domestic market, volumes sold decreased by about 13.3%. The increase in fuel prices and electrical power year on year, and the overall rise in prices in Tunisia justified an increase in cement prices by the local producers, including Secil.

Despite the limitations on exports mentioned above, it was possible to increase cement volumes sold to the Libyan market, taking advantage of the existing production capacity. In the cement and clinker mix, volumes sold fell 17.5%, resulting in a decline of 11.2% in revenue from the foreign market.

Revenue in Concrete grew by 12.8% year on year, mainly due to the increase in quantities sold.

In the first half of 2019, EBITDA of activities in Tunisia stood at 5.1 million euros, representing a decrease of 17.7% in relation to the same period in 2018. This decrease is justified by the increased production costs, mainly for solid fuels, electricity and packaging, partially offset by the increase in selling prices. The depreciation of the Tunisian dinar in relation to the euro also had a negative impact of 0.7 million euros.

ANGOLA AND OTHERS

In the first half of 2019, according to the latest figures available, the Angolan cement market was down by 16% compared to the same period in 2018.

Cement volumes sold fell 17.4% in comparison to sales in the 1st half of 2018, amounting to around 52 thousand tonnes of cement sold. In a context of strong inflation and significant depreciation of the Kwanza vis-à-vis the Euro, Secil Lobito has been implementing a strict price policy that can help it tackle significant increase in costs in the local currency and those arising from necessary imports. Under these conditions, the price of cement increased by about 5% year on year, partially offsetting the fall in quantities sold.

Consequently, revenue totalled 5.0 million euros, an amount below that which was recorded in H1 2018, being affected by the currency depreciation, which produced a negative effect of 1.9 million euros. Accumulated EBITDA in June 2019 amounted to a negative figure of 1.1 million euros, significantly below the value in the same period of 2018.

Costs were substantially affected by the depreciation of the kwanza vis-à-vis the euro. Variable costs rose 55%, mostly due to the increase in acquisition costs of clinker in the international market. On the other hand, fixed costs decreased year on year which, considering the inflation in Angola and the acquisition of some conservation materials that are strongly pegged to the exchange rate, illustrate clearly the unit's efforts to control costs.

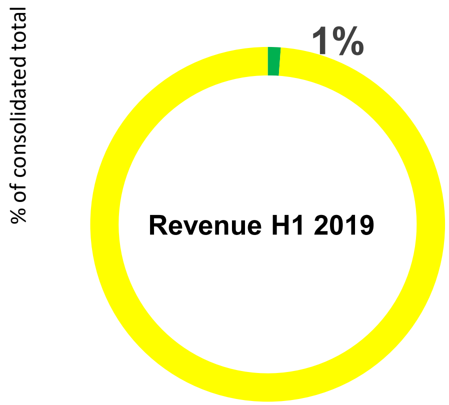
The reduced sales volumes and the increase in variable costs were the main causes for the decline in operating results in comparison with H1 2018, and for the year-on-year 0.8 million euro drop in other operating income earned.

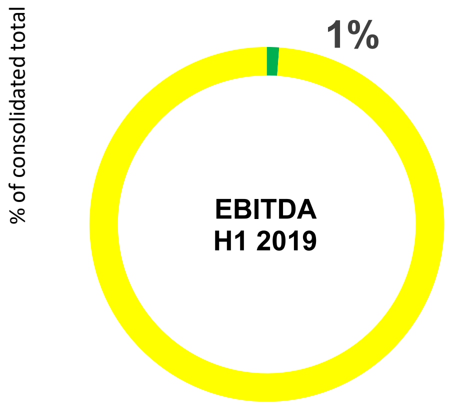
Second Quarter of 2019 vs. Second Quarter of 2018

The Q2 2019 EBITDA was around 4.3 million euros higher than that in the same period of the previous year. The increase was due to positive changes in the EBITDA of Portugal and Brazil. In Portugal, the additional 6.3 million euros is largely due to the EBITDA of the Cement business, which benefited from growth in the domestic market and increased sales of CO_2 (+2.7 million euros).

However, the positive variation in these two locations was affected by a declining performance in Tunisia, Angola and, most of all, Lebanon. In this country, the 2.3 million euro drop was mainly due to lower volumes sold, a reflection of the decline in the market, partially offset by cost control measures.

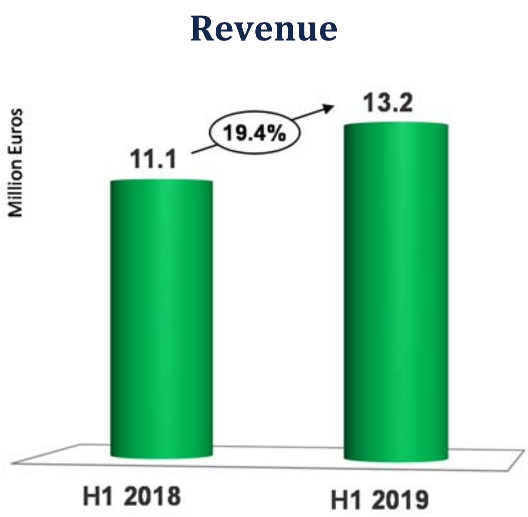
ENVIRONMENT



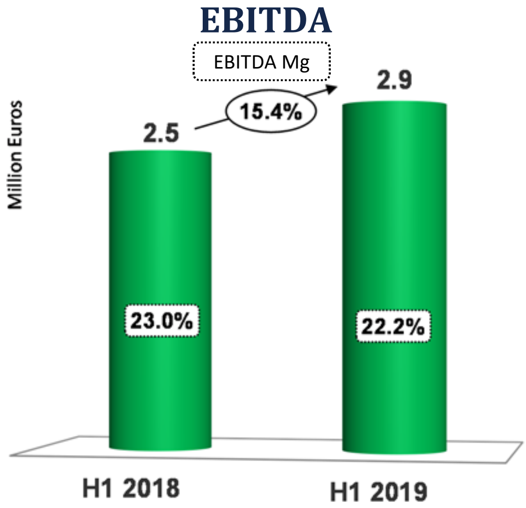


HIGHLIGHTS IN FIRST HALF OF 2019 (VS. 2018)

- ETSA recorded revenue of approximately 13.2 million euros in the period in analysis, which represented an increase of approximately 19.4% against the same period in 2018



- EBITDA for ETSA totalled approximately 2.9 million euros in the first 6 months of 2019, representing an increase of about 15.4% in comparison with the same period of the previous year



Summary table of financial indicators

IFRS - accrued amounts (million euros)	H1 2019	H1 2018	Var.	Q2 2019	Q2 2018	Var.
Revenue	**13.2**	**11.1**	**19.4%**	**7.3**	**5.5**	**31.6%**
EBITDA	**2.9**	**2.5**	**15.4%**	**1.7**	**1.0**	**68.1%**
EBITDA margin (%)	22.2%	23.0%	-0.8 p.p.	23.1%	18.1%	5.0 p.p.
Depreciation, amortisation and impairment losses	(1.5)	(1.5)	-2.3%	(0.7)	(0.7)	-0.8%
Provisions	-	-	-	-	-	-
EBIT	**1.4**	**1.1**	**33.0%**	**0.9**	**0.3**	**258.7%**
EBIT margin (%)	10.9%	9.8%	1.1 p.p.	12.9%	4.7%	8.2 p.p.
Net financial results	(0.2)	(0.2)	29.8%	(0.1)	(0.1)	31.2%
Profit before taxes	**1.3**	**0.9**	**50.0%**	**0.9**	**0.1**	**490.9%**
Income taxes	(0.1)	0.1	-242.8%	(0.2)	0.2	-168.0%
Net profit for the period	1.2	0.9	25.6%	0.7	0.4	77.3%
Attributable to ETSA shareholders	**1.2**	**0.9**	**25.6%**	**0.7**	**0.4**	**77.3%**
Attributable to non-controlling interests (NCI)	-	-	-	-	-	-
Cash-Flow	**2.7**	**2.4**	**11.3%**	1.4	1.1	**27.2%**

	30/06/2019	31/12/2018
Equity (before NCI)	71.3	70.7
Interest-bearing net debt	**12.1**	**11.0**
Lease liabilities (IFRS 16)	0.3	-
Total	**12.4**	**11.0**

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

As mentioned before, ETSA recorded revenue of approximately 13.2 million euros in the period in analysis, which represented an increase of approximately 19.4% against the same period in 2018.

The main cause of this variation was the accumulation of (i) an increase in the average volumes of class 3 sales (fats and meals) by around 22.1% year on year, (ii) an increase in the average sales price of class 3 meal, (iii) a decrease in the average sales price of class 3 fat by approximately 9.3%, and (iv) a drop of 4.3% in consolidated services rendered, mainly due to the decrease in the service of collecting animals.

EBITDA for ETSA totalled approximately 2.9 million euros in the first six months of 2019, representing a growth of about 15.4% in comparison with the same period of the previous year, essentially due to a higher revenue in this period, as stated above. The EBITDA margin stood at 22.2%, down by around 0.8 p.p. against the same period for the previous year.

Financial results improved by about 29.8% in relation to the same period in the previous year, mostly due to the reduction in average debt, in spite of the difficulty in collecting the amounts invoiced to the Government.

Net profit at the end of the first half of the year totalled 1.2 million euros.

Second Quarter of 2019 vs. Second Quarter of 2018

ETSA recorded revenue of about 7.3 million euros in the 2nd quarter of 2019, up by around 31.6% in comparison with the same period in 2018. This increase is due to about 61.1% more sales, in current market conditions of class 3 finished products, while consolidated services rendered grew by around 1.9%.

EBITDA totalled approximately 1.7 million euros in the 2nd quarter of 2019, representing a growth of about 68.1% in comparison with the same period of the previous year, essentially due to a higher revenue.

VENTURE CAPITAL

At the close of H1 2019, Semapa, through its subsidiary Semapa Next, in partnership with the North American company Techstars, completed the intensive 13-week programme focused on the development and acceleration of the technological solutions of 10 start-ups from different points around the world. On 22 July, Semapa Next and Techstars announced they will hold the 2nd programme for the acceleration of start-ups, which will begin in March 2020. The verticals of this programme will be Industry Tech, Environmental Tech, Smart Transportation and Travel & Leisure, for which 10 start-ups will be selected.

Semapa Next decided to invest in the venture capital funds Alter VC and FCR Armilar Venture Partners TechTransfer Fund in 2018. Currently, both funds are in a period of investment and are analysing a pipeline of opportunities in technological companies.

4. OUTLOOK

PULP AND PAPER

The awaited rebound in the market demand for **pulp** has been slow in coming, held back by the direction taken by the global economic performance, especially in China. Following a sharp drop in demand by local buyers, a significant increase in the stocks of producers and the subsequent fall in the prices of pulp, the level of prices in China is very low, which may signal we are nearing a turning point. The reductions in supply for the coming months, due to the conversion and maintenance stoppages and increases in Tissue capacity between 2019 and 2020 will be two of the main factors in restoring balance in the pulp market, especially, in the demand for short fibre pulp. With a slight upturn in demand and the absence of any significant increases in supply until the second half of 2021, a moderate upward turn in pulp prices can be expected, for both fibres, at the end of 2019.

As for **paper**, Q2 reflected the deteriorating global economic conditions and some reduction in stocks throughout the supply chain. However, the overall change in demand for Uncoated Woodfree paper, particularly cut-size, continues to demonstrate great resilience in relation to other types of printing and writing paper, being very stable in terms of prices. Various producers have announced closings or conversions of their Uncoated Woodfree capacity scheduled for the second half of this year, which will result in a better balance in the market and compensate new investments scheduled in uncoated production.

In the **tissue** business, demand is still demonstrating interesting growth rates - 3.3% in Portugal and 3.7% in Spain – although in a context of new capacities going into production on the Iberian Peninsula. For Navigator, 2019 remains a year of consolidation of the recent investments, with reflections at the level of increased global sales, the goal being to achieve important gains from the sales of finished product as the industrial operation matures and the market shares are strengthened. Additionally, Navigator's goal is to improve its margin as a result of the price rise that was carried out and the economies of scale associated with the growth of the business.

Navigator's activity over the course of H1 2019 has felt the pressure of various exogenous factors that have affected overall economic growth and impacted some of the production factors. In order to attenuate these impacts, Navigator has been working on its operating efficiency, continuing its M2 cost reduction and operating excellence programme. In April, it initiated the Zero-Based Budget project, with the goal of defining and implementing a set of initiatives for reducing fixed costs (operating cost, general and administrative expenses, and staff costs in the non-industrial areas), which are to be implemented in 2020.

CEMENT AND OTHER BUILDING MATERIALS

Expectations for 2019 are positive for **Portugal**. The macroeconomic indicators point to growth, but at a slower pace than in the previous year. The Bank of Portugal's outlook (*Boletim Económico*, June 2019) calls for growth of 1.7% in the GDP in 2019.

Following production growth of 3.5% in the construction sector in 2018, forecasts point to a slight increase in the pace of production in 2019. The European Commission's projection (EC- Spring Forecast, May 2019) points to a growth of 3.6% in the Gross Formation of Fixed Capital in construction in 2019.

Brazil is expected to grow 0.8% in 2019 (World Economic Outlook Update, IMF July 2019), which hints at an improvement in the conditions. There are high expectations surrounding the Government's infrastructure and privatisation programme, which may give a strong impulse to the construction sector. Therefore, the construction sector is expected to benefit from this programme this year, which will be largely based on Public-Private Partnerships.

SNIC - National Cement Industry Union - expects a growth of around 3% in the cement market in 2019, which will represent the first positive development in over 4 years and projects a positive outlook for the second half of the year. Domestically, the unit's organisational restructuring process will continue, with the implementation of operating efficiency enhancement and cost reduction projects.

In **Lebanon**, cement demand should decrease compared to 2018. The undertaking of reforms and the receiving of funds associated with the CEDRE programme may bring about an improvement in the country's economic situation, but this depends on the carrying out of economic and financial reforms in regard to the sustainability of the public accounts. New taxes implemented in the last quarter of 2017 will continue to have a negative impact on the results of cement companies in the country. Possible developments in the Syrian conflict and the situation of Syrian refugees in Lebanon will produce a macroeconomic and market effect which cannot be anticipated at this stage. The current challenging competitive environment is expected to continue throughout the rest of the year.

The level of competition in **Tunisia** should remain strong, due to the excess supply in the country. However, the increase in sales prices seen at the close of 2018 and early 2019 makes it possible to expect positive trends in 2019. Tunisia is in a difficult financial situation, social instability may worsen as a result of reforms that the Government is forced to implement. Taxes and duties are expected to increase and the current political/economic situation will probably continue.

The outlook for **Angola** (First Revision of the Expanded Financing Programme, IMF June 2019) foresees a reversal of the recessionary trend of the last few years with a predicted economic growth of 0.3%. The Macroeconomic Stabilisation Programme (PEM), alongside the National Development Plan (PDN) and, more recently, the Extended Fund Facility (EFF) signed by the Government of Angola and the IMF, and also the upward trend of oil prices on the international markets hold out the prospect of economic recovery in 2019, which will drive cement consumption up in 2019.

ENVIRONMENT

Considering the context of the sector in which ETSA operates, an improvement in the results of the second half compared to the first half is expected, based mainly on the increase in quantities of class 3 fats sold and the new SIRCA agreement entering into force in October 2019.

On the one hand, this improvement will be attenuated by the stabilisation of the demand by the Asian market for proteins produced in Europe, and, on the other, by the forecasted continuation or slight dip in the prices for animal fats.

The reestablishment of customs barriers to the imports of biodiesel from Argentina, which have been in effect in the EU since 28 February 2019, caused an increase in price for raw materials (fats, in particular) for the production of biodiesel in H1 2019. The intensity of this increase was less than anticipated, however, due to the simultaneous drop in international prices for fat substitute products, especially palm oil. The prices for palm oil futures indicate that the prices of this commodity will remain below their historic highs, and therefore, an improvement in the prices of fats compared to the first half year is not to be expected.

The prime objectives of the ETSA group in the short term include (i) concentrating on the horizontal expansion of its production and destination markets (exports accounted for around 59.4% of total accumulated sales on 30 June 2019), (ii) identifying new opportunities for vertical growth, channelling its investments to improving operational efficiency, extracting maximum value from the channels operated and retaining the loyalty of the main conventional and alternative collection centres, (iii) the gradual and progressive recovery of balanced sales margins in the market, and (iv) focus on sustained innovation and research and development addressed at ensuring new profit thresholds for the business.

Lisbon, 26 July 2019

The Board of Directors

Financial Timetable

Date	Event
31 October 2019	Presentation of Results of the 3rd Quarter of 2019

Definitions

EBITDA = EBIT + Depreciation, amortisation and impairment losses + Provisions

EBIT = Operating profit

Operating profit = Profit before taxes, financial results and results of associates and joint ventures as presented in the Income Statement in IFRS format

EBITDA LTM = EBITDA in the last twelve months

Cash-flow = Net profit for the period + Depreciation, amortisation and impairment losses + Provisions

Interest-bearing net debt = Non-current interest bearing debt (net of loan issue charges) + Current interest-bearing debt (including debts to shareholders) – Cash and cash equivalents

Disclaimer

This document contains statements that relate to the future and are subject to risks and uncertainties that can lead to actual results differing from those provided in these statements. Such risks and uncertainties are due to factors beyond Semapa's control and predictability, such as macroeconomic conditions, credit markets, currency fluctuations and legislative and regulatory changes. Statements about the future made in this document concern only the document and on the date of its publication, therefore Semapa does not assume any obligation to update them.

This presentation of results is a translation of a text originally issued in Portuguese. In the event of discrepancies the Portuguese language version prevails.