



QUARTERLY ACCOUNTS

1ST QUARTER 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
Companies Registry and Corporate Person no.: 502 593 130
Share Capital: 81.270.000 euros
ISIN: PTSEM0AM0004
LEI: 549300HNGOW85KIOH584
Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)

QUARTERLY ACCOUNTS

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PART 1

MANAGEMENT REPORT

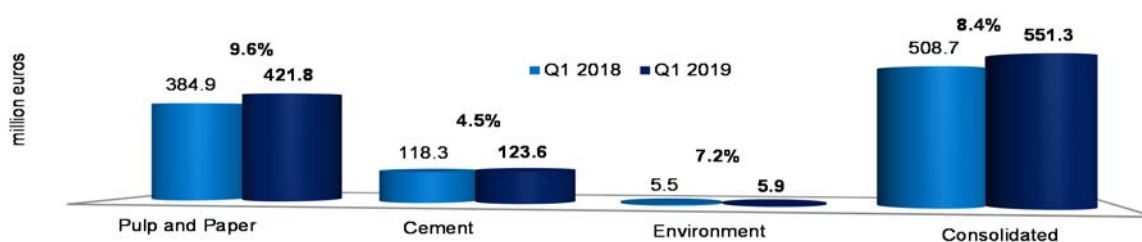
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1. SEMAPA'S PERFORMANCE

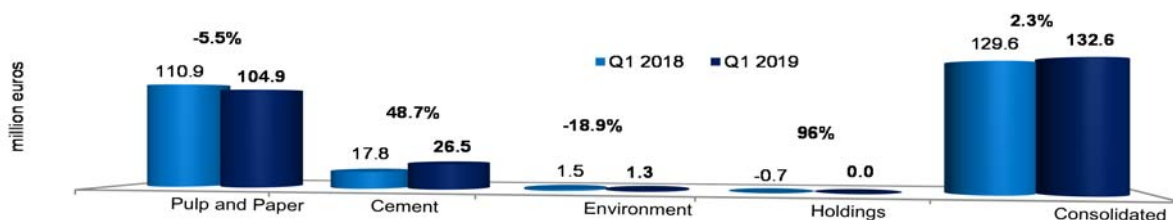
REVENUE

In the first quarter of 2019 the Semapa Group recorded consolidated revenue of 551.3 million euros, an increase of 8.4% from the same period in the previous year. Exports and foreign sales amounted to 403.4 million euros, accounting for 73.2% of revenue.



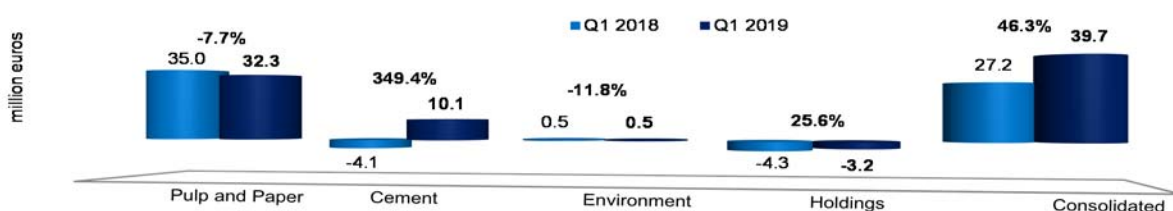
EBITDA

EBITDA for the first quarter of 2019 grew by 2.3% in relation to the same period in the previous year, standing at 132.6 million euros. The consolidated EBITDA margin stood at 24.0%, -1.4 p.p. below the one recorded in the first quarter of 2018.



NET PROFITS ATTRIBUTABLE TO SEMAPA SHAREHOLDERS

Profits before taxes increased 6.4% and net profit attributable to Semapa shareholders stood at 39.7 million euros, up by 46.3% in relation to the same period in the previous year.

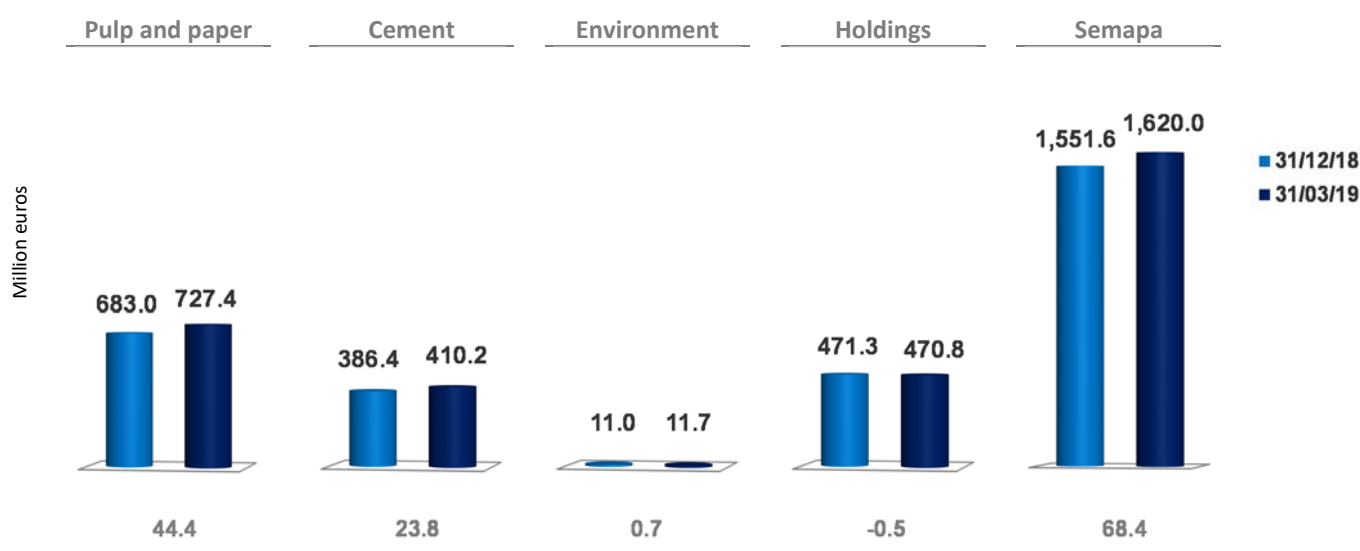


The Net Profit evolution is explained essentially by the combined effect of the following factors:

- An increase in EBITDA of approximately 3.0 million euros, Secil being mainly responsible for this growth. Excluding the impact of 9.4 million euros from the sale of the pellets business by Navigator that was recorded in the first quarter of 2018, the EBITDA would have increased by 12.4 million euros;
- An increase in depreciation, amortisation, impairment losses and provisions of 8.4 million euros (IFRS 16 impact and the beginning of depreciation of new Navigator investments);
- An improvement of net financial results by about 9.4 million euros, in relation to the previous year;
- Decrease of about 6.4 million euros in income taxes.

NET DEBT

On 1 January 2019 the Group adopted Accounting Standard IFRS 16, although the 2018 results were not restated. As a result of the implementation of the standard Net Debt increased 69.4 million euros (lease liabilities), against fixed assets, which were amortised against the corresponding cost recognized in External Supplies and Services.



On 31 March 2019, consolidated net debt stood at 1,620.0 million euros, representing an increase of 68.4 million euros over the figure recorded at year-end 2018. Excluding the effect of IFRS 16, net debt would have been 1,550.6 million euros, below the figure at the end of 2018. Such changes are positively influenced by the generation of operating cash flow and:

- Pulp and paper: +44.4 million euros, including investments of about 32.5 million euros, of which 4.6 million euros are own shares acquisition. The cash flow was impacted by the significant amount of investment in working capital, specifically due to (i) a significant rise in the balance receivable from the State in 2019, as a result of the deferral of VAT reimbursements, seeing that the receipt of debts owed by the State for two months (corresponding to January and February), totalling 45.1 million euros, only occurred in April, payments that in

2018 had already been made during the 1st quarter; (ii) the increase of 27.4 million euros in the amount of inventory of tissue, in particular, due to the development of new business, and of stocks of finished and intermediate products in Pulp, Tissue and UWF, in order to improve customer service and through initiatives of controlling the supply. Additionally, the impact of implementing IFRS 16 was 50.5 million euros;

- Cement: +23.8 million euros, which includes investments of 5.5 million euros and investment in working capital of approximately 14.5 million euros, mostly due to the increase in accounts receivable in Portugal due rising revenues. Furthermore, the impact of the implementation of IFRS 16 was 17.9 million euros;
- Environment: +0.7 million euros, mainly arising from difficulty in collecting the amounts billed to the Government. The impact of implementing IFRS was 0.3 million euros; and,
- Holdings: -0.5 million euros;

LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	551.3	508.7	8.4%
EBITDA	132.6	129.6	2.3%
EBITDA margin (%)	24.0%	25.5%	-1.4 p.p.
Depreciation, amortisation and impairment losses	(57.8)	(50.6)	-14.3%
Provisions	0.1	1.3	-92.8%
EBIT	74.9	80.3	-6.8%
EBIT margin (%)	13.6%	15.8%	-2.2 p.p.
Net financial results	(9.2)	(18.6)	50.5%
Profit before taxes	65.7	61.7	6.4%
Income taxes	(12.1)	(18.5)	34.7%
Net profit for the period	53.6	43.2	24.0%
Attributable to Semapa shareholders	39.7	27.2	46.3%
Attributable to non-controlling interests (NCI)	13.9	16.1	-13.7%
Cash-flow	111.3	92.5	20.3%
	31/03/2019	31/12/2018	Mar19 vs. Dec18
Equity (before NCI)	927.9	890.4	4.2%
Interest-bearing net debt	1,551.0	1,551.6	0.0%
Lease liabilities (IFRS 16)	69.1	0.0	-
Total	1,620.0	1,551.6	4.4%

LEADING OPERATING INDICATORS

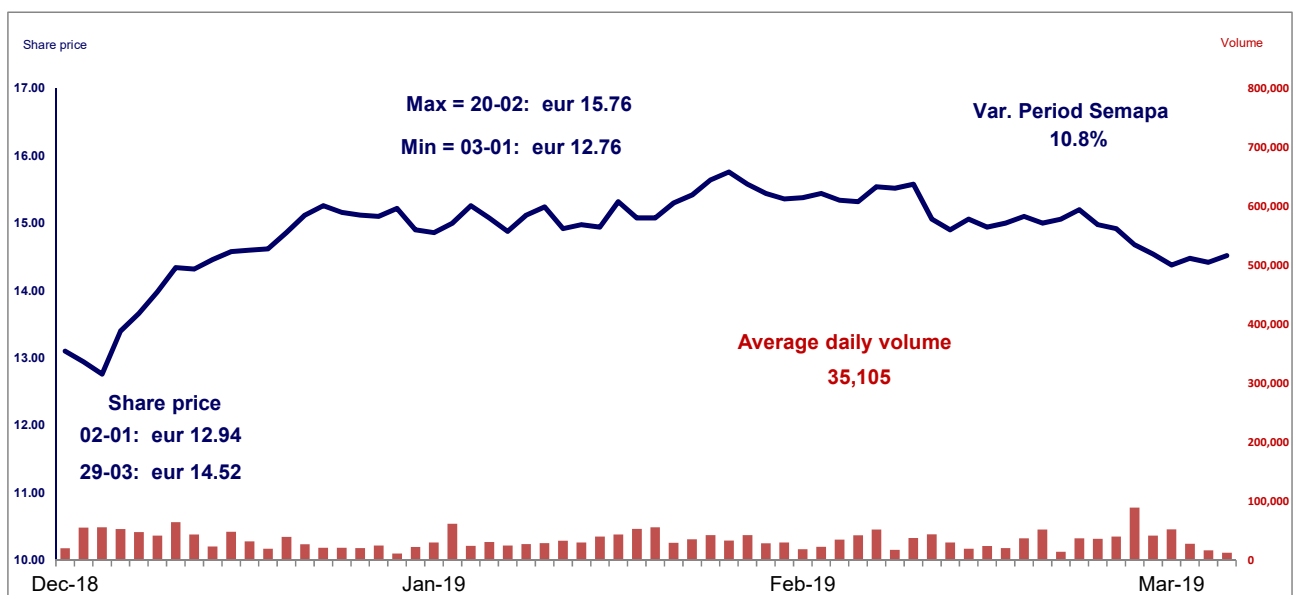
	Unit	Q1 2019	Q1 2018	Var.
Pulp and Paper				
BEKP Sales (pulp)	1 000 t	62.1	53.1	17.0%
UWF Sales (paper)	1 000 t	353.0	361.2	-2.3%
Total sales of tissue	1 000 t	23.7	13.4	76.2%
Cement				
Sales of Grey cement	1 000 t	1,204	1,241	-3.0%
Sales of Ready-mix	1 000 m3	427	372	14.8%
Environment				
Collection of raw materials - Animal waste	1 000 t	28.5	30.4	-6.5%

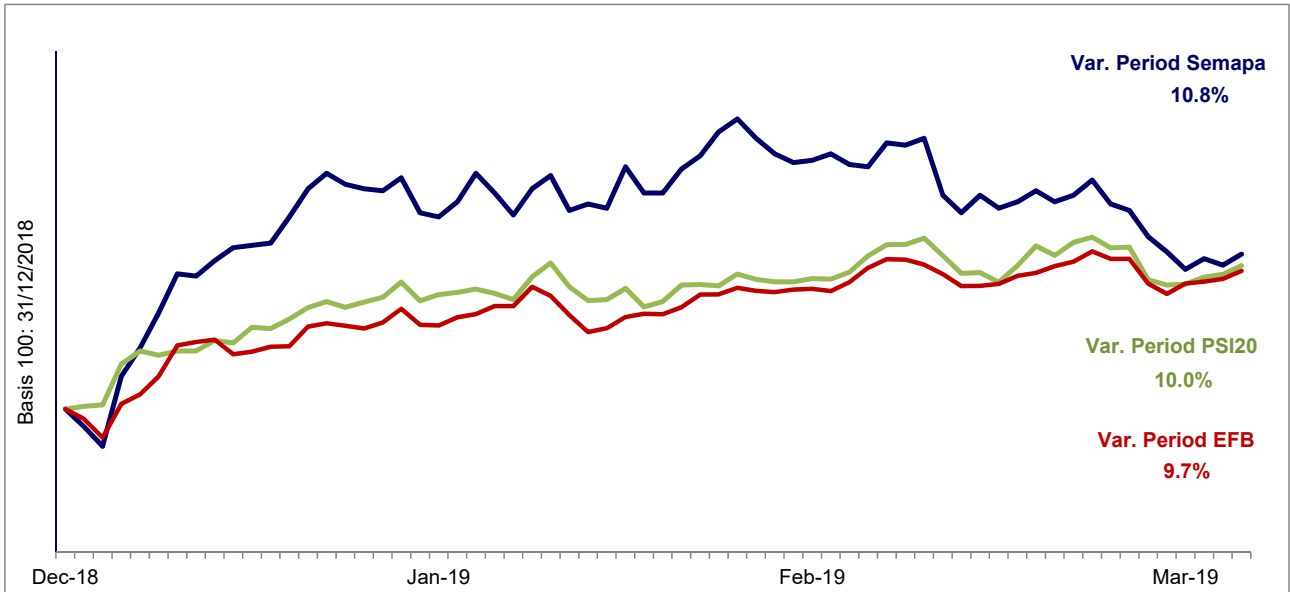
2. PERFORMANCE OF SEMAPA SHARES ON THE STOCK EXCHANGE

The end of 2018 was marked by losses in the stock exchanges, whilst the first months of 2019 brought a relative tranquillity to the financial markets. The markets reacted favourably to the easing of trade tensions between the USA and China, with the favourable news on the progress in the negotiations between the 2 countries, and the contents of the communications issued by the major central banks, especially by the Fed, which announced a hiatus in the rise of interest rates.

In this scenario of generalised calm, the main global indices moved in a positive direction, in some cases recording double-digit gains, namely in the main stock exchanges indexes of Milan, Paris and Lisbon. The Dow Jones index was no exception and rose by 11.2% in the first quarter of 2019.

In this context, the value of Semapa shares in the period increased 10.8%, in line with the PSI20 (+10.0%) and the EFB (+9.7%) average. Semapa share price recorded a minimum value on 3 January, and since then it has moved upwards, reaching a maximum value of 15.76 euros on 20 February.





EFB – Euronext Family Business Index

Note: Closing prices

3. PERFORMANCE OF BUSINESS SEGMENTS

BREAKDOWN BY BUSINESS SEGMENTS

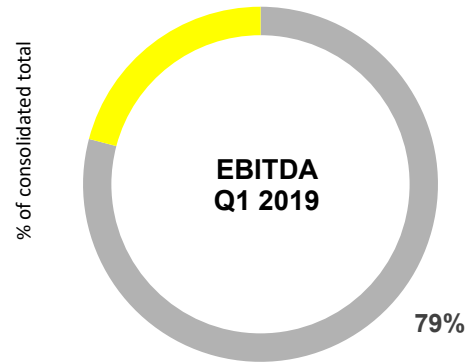
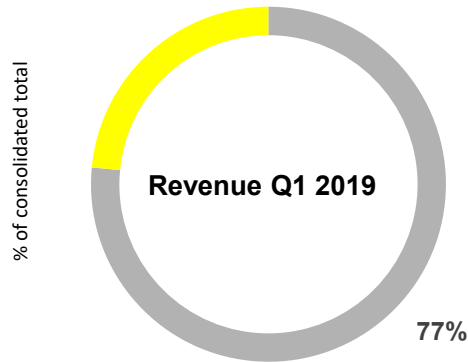
IFRS - accrued amounts (million euros)	Pulp and Paper		Cement		Environment		Holdings		Consolidated
	Q1 2019	19/18	Q1 2019	19/18	Q1 2019	19/18	Q1 2019	19/18	Q1 2019
Revenue	421.8	9.6%	123.6	4.5%	5.9	7.2%	-	-	551.3
EBITDA	104.9	-5.5%	26.5	48.7%	1.3	-18.9%	(0.0)	96.2%	132.6
EBITDA margin (%)	24.9%	-4.0 p.p.	21.4%	6.4 p.p.	21.1%	-6.8 p.p.			24.0%
Depreciation, amortisation and impairment losses	(41.2)	-9.4%	(15.7)	-29.6%	(0.8)	-3.8%	(0.1)	-63.8%	(57.8)
Provisions	(1.3)	-244.8%	1.4	249.3%	-	-	-	-	0.1
EBIT	62.3	-15.9%	12.1	99.9%	0.5	-38.9%	(0.1)	85.8%	74.9
EBIT margin (%)	14.8%	-4.5 p.p.	9.8%	4.7 p.p.	8.5%	-6.4 p.p.			13.6%
Net financial results	(3.9)	28.6%	(1.7)	81.8%	(0.1)	28.4%	(3.5)	6.6%	(9.2)
Profit before taxes	58.4	-14.9%	10.4	434.9%	0.4	-40.6%	(3.6)	19.3%	65.7
Income taxes	(11.9)	34.4%	(0.6)	-86.1%	0.1	133.3%	0.4	206.3%	(12.1)
Net profit for the period	46.5	-7.9%	9.8	385.5%	0.5	-11.8%	(3.2)	25.6%	53.6
Attributable to Semapa shareholders	32.3	-7.7%	10.1	349.4%	0.5	-11.8%	(3.2)	25.6%	39.7
Attributable to non-controlling interests (NCI)	14.2	-8.3%	(0.3)	-149.6%	0.0	-12.8%	-	-	13.9
Cash-flow	89.0	2.0%	24.2	191.6%	1.2	-2.9%	(3.2)	26.5%	111.3
Interest-bearing net debt	676.9		392.3		11.3		470.5		1,551.0
Lease liabilities (IFRS 16)	50.5		17.9		0.3		0.3		69.1
Total	727.4		410.2		11.7		470.8		1,620.0

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 09 May 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.

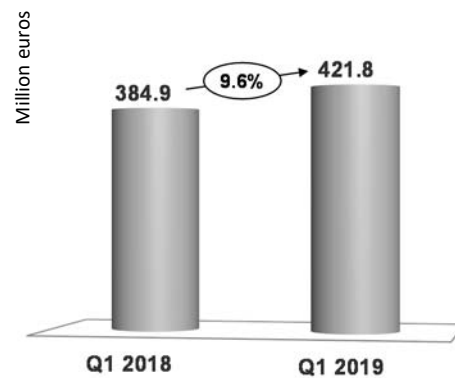
PULP AND PAPER



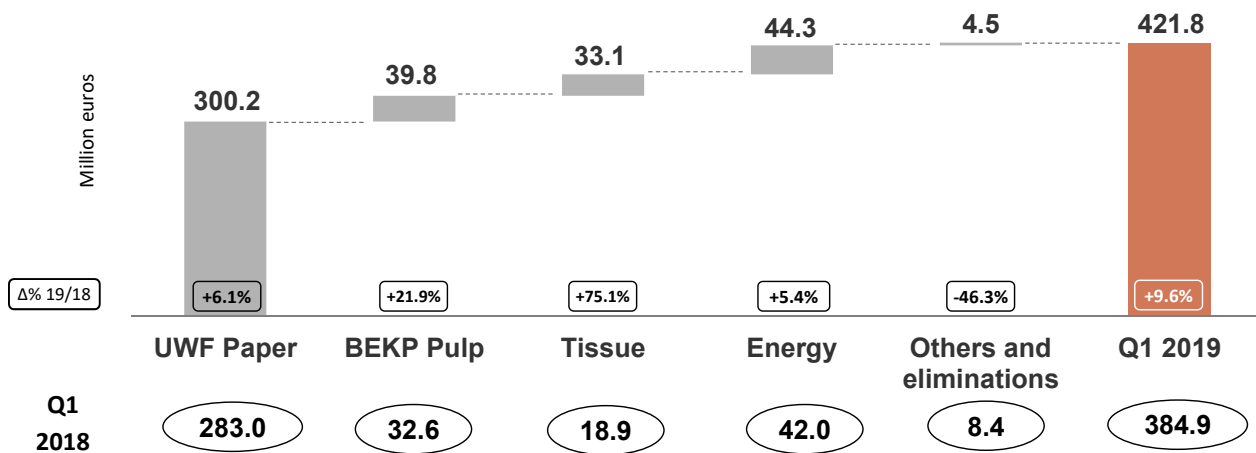
HIGHLIGHTS IN Q1 2019 (vs. 2018)

- Revenue evolved favourably in all segments, to 421.8 million euros (+9.6%).

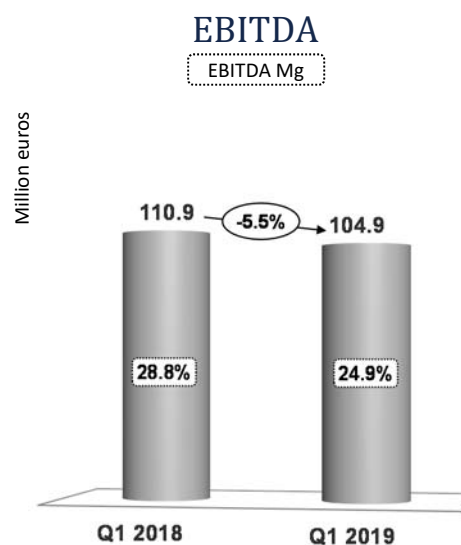
Revenue



REVENUE BREAKDOWN BY SEGMENT:



- EBITDA of 104.9 million euros, -5.5% in relation to the EBITDA in the first quarter of 2018, which included the impact of the sale of the pellets business by 9.4 million euros.
- Excluding this effect, EBITDA would have grown +3.3% compared to the recurrent value of the first quarter of 2018.



SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	421.8	384.9	9.6%
EBITDA	104.9	110.9	-5.5%
EBITDA margin (%)	24.9%	28.8%	-4.0 p.p.
Depreciation, amortisation and impairment losses	(41.2)	(37.7)	-9.4%
Provisions	(1.3)	0.9	-244.8%
EBIT	62.3	74.1	-15.9%
EBIT margin (%)	14.8%	19.3%	-4.5 p.p.
Net financial results	(3.9)	(5.5)	28.6%
Profit before taxes	58.4	68.6	-14.9%
Income taxes	(11.9)	(18.1)	34.4%
Net profit for the period	46.5	50.5	-7.9%
Attributable to Navigator shareholders	46.5	50.5	-7.9%
Attributable to non-controlling interests (NCI)	(0.0)	0.0	-417.3%
Cash-Flow	89.0	87.3	2.0%
	31/03/2019	31/12/2018	
Equity (before NCI)	1,023.2	989.3	
Interest-bearing net debt	676.9	683.0	
Lease liabilities (IFRS 16)	50.5	-	
Total	727.4	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	Q1 2019	Q1 2018	Var.
Pulp and Paper			
BEKP Output (pulp)	369.8	346.1	6.8%
BEKP Sales (pulp)	62.1	53.1	17.0%
UWF Output (paper)	363.9	385.8	-5.7%
UWF Sales (paper)	353.0	361.2	-2.3%
FOEX – BHKP Eur/t	872	824	5.8%
FOEX – A4- BCopy Eur/t	914	845	8.2%
Tissue			
Reels Output	26.4	14.1	86.7%
Output of finished products	18.0	13.6	32.2%
Sales of reels and goods	6.1	0.6	898.5%
Sales of finished products	17.6	12.8	37.1%
Total sales of tissue	23.7	13.4	76.2%

In the first quarter of 2019, the revenue of The Navigator Company totalled 421.8 million euros, up by 9.6% year on year. With sales of 300.2 million euros, the paper business segment accounted for 71.2% of revenue, energy accounted for 10.5% (44.3 million euros), pulp approximately 9.4% (39.8 million euros), and the tissue business 7.8% (33.1 million euros). There was a favourable evolution in the prices of UWF paper and BEKP pulp in the period compared to Q1 2018, and greater sales volumes of paper and pulp.

The production of **pulp** in Q1 2019 was around 370 thousand tonnes, a value that is 6.8% higher than that recorded in the same period of 2018, a period beset by restrictions in production, specifically due to various stoppages in Setúbal. The amount of pulp available for sale in 2019 was therefore greater than that of the previous year, but in line with the other previous first quarters, which resulted in a 17.0% increase in pulp sales to 62 thousand tonnes.

Over the course of the quarter, the reference selling price of pulp - BHKP PIX - in USD followed a trend of decline, and at the end of March it stood at 971 USD/t, a fall of about 5.2% in comparison with the year-end price of 1,024 USD/t. The average price of the index in the quarter was 991 USD/t, compared to 1,013 USD in Q1 2018, a decrease of 2.2%. However, the evolution in the EUR/USD exchange rate brought about a different evolution in the reference price of pulp in Euros, which evolved positively, with the average 2019 price being 872 €/t, vs. 824 €/t in 2018. Navigator 's average price evolved positively, above the PIX in Euros, if the sales of off-grade pulp associated with the start-up of the new capacity of Figueira da Foz are excluded, pulp sales reaching a value of approximately 39.8 million euros, a growth of 21.9%.

In the **paper** business, the sales of UWF totalled 353 thousand tonnes, an amount 2.3% lower year on year, basically due to deviations in production that resulted from the adjustments still underway in the production of heavyweights paper on paper machine 3 of Setúbal and a 4-day stoppage of production, due to the strike in January on paper machine 4 in Setúbal.

However, the favourable evolution of the selling price of paper allowed Navigator to register sales of 300.2 million euros, up by 6.1% year on year. In fact, the average reference price for paper UWF – A4 B-copy in Q1 was 8.2% above the average price year on year, evolving favourably over the course of the quarter. The average price of Navigator evolved above the index, driven by the implementation of price increases during 2018 and in the beginning of this year in Europe (which continued on throughout the quarter), and by the favourable evolution of the EUR/USD exchange rate.

In the **tissue** business, there was a significant increase of 76.2% in the volume sold, to 23.7 thousand tonnes, as a result of the start-up of the new tissue factory in Aveiro. Sales stood at 33.1 million euros, 75.1% above that in Q1 2018. This growth in volume represents two different evolutions in the business. On the one hand, the sales of finished product grew about 37.1% to 17.6 thousand tonnes, and on the other, Navigator recorded strong growth in the sales of reels (x9), totalling 6.1 thousand tonnes, which was practically inexistent last year.

Finished products and reels both recorded important increases in prices in comparison with Q1 2018, which were clearly necessary to compensate for the increased costs, especially for fibre/pulp, chemicals and energy. However, the faster growth of the reel 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 **energy** business, at the close of the first quarter of 2019, the sales of electrical energy totalled about 44.3 million euros, which represents an increase of 5.4% year on year. This amount is essentially a reflection of the increase in the Brent reference price, which was 25% above the previous year's price. Electricity production is in line with the 2018 figures, registering approximately 551 GWh in the first quarter of the year.

Within this context, EBITDA stood at 104.9 million euros, which compares with the recurring EBITDA of 101.5 million euros in Q1 2018, excluding the positive impact of 9.4 million euros related to the sale of the pellets business in the US and benefitting 2.1 million from the implementation of IFRS 16. The EBITDA margin in Q1 2019 was 24.9%, which compares with the recurring 26.4% margin in 2018.

It should be mentioned that the production costs were negatively influenced by approximately 11.6 million euros rise in the cost of energy due to higher prices for the acquisition of electricity and natural gas. Fibres continued to have a negative impact at around 6.9 million euros, basically due to the increase in the acquisition of long fibre (mainly due to the new capacity of tissue production at Aveiro) and the acquisition of short fibre at the Vila Velha de Ródão plant. Also significant was the increased costs for the acquisition of wood, which was mainly due to the greater share of certified wood acquired in the domestic wood market, which went from 34% to 49% of the total; the price increase for woodchips

on the international market; and the variation in the EUR/USD foreign exchange rate for wood purchases outside the Iberian Peninsula (an unfavourable variation from the point of view of wood supplies). In the fixed costs, the payroll expenses evolved favourably, but there was a negative evolution in the operating and maintenance costs.

Navigator actively pursued its M2 programme of cost reduction and operating excellency, recording a positive YoY impact of 2.9 million euros in EBITDA.

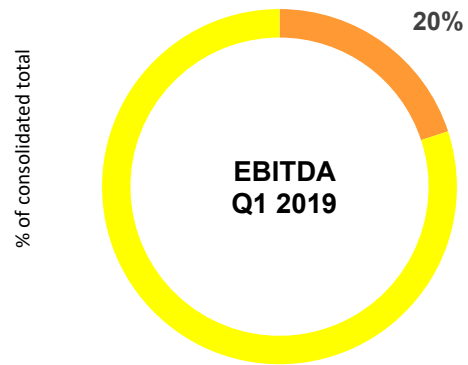
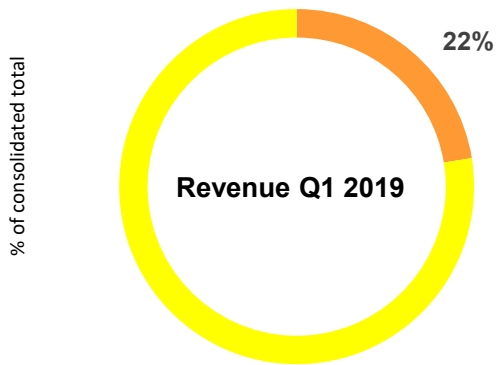
The impact of applying IFRS 16 was a decrease in costs with rents and leases in Supplies and Third-party Services by around 2.1 million euros and an increase in depreciations by about 1.9 million euros.

In Q1 2019, the financial results stood at negative figure of 3.9 million euros (vs. the negative 5.5 million euros in the same period of the previous year). There was a positive impact of 1.1 million euros resulting from the application of surplus liquidity and of 3.8 million euros deriving from the USD 45 million still to be received from the sale of the pellets business, in relation to which a reduction in net value vs. nominal value of 3.3 million euros was recorded last year. However, the foreign exchange revenue resulting from the hedge operations carried out by Navigator went in the opposite direction, with a negative evolution of 2.6 million euros (compared to a positive value at the start of 2018), and the implementation of the IFRS 16 had a negative impact of 0.4 million euros.

Net profit attributable to Navigator shareholders in the first quarter of 2019 totalled 46.5 million euros, i.e., a decrease of 7.9% vis-à-vis Q1 of 2018.

The overall investments of Navigator totalled 32.5 million euros in Q1 2019, of which approximately 19.2 million euros were invested in maintenance and current operations and 4.6 million euros were related to the conclusion of the new tissue factory at Aveiro. Investments during the quarter include a figure of 8.6 million euros allocated mainly to investments to improve the environmental and sustainability performance at Navigator's plants.

CEMENT AND OTHER BUILDING MATERIALS

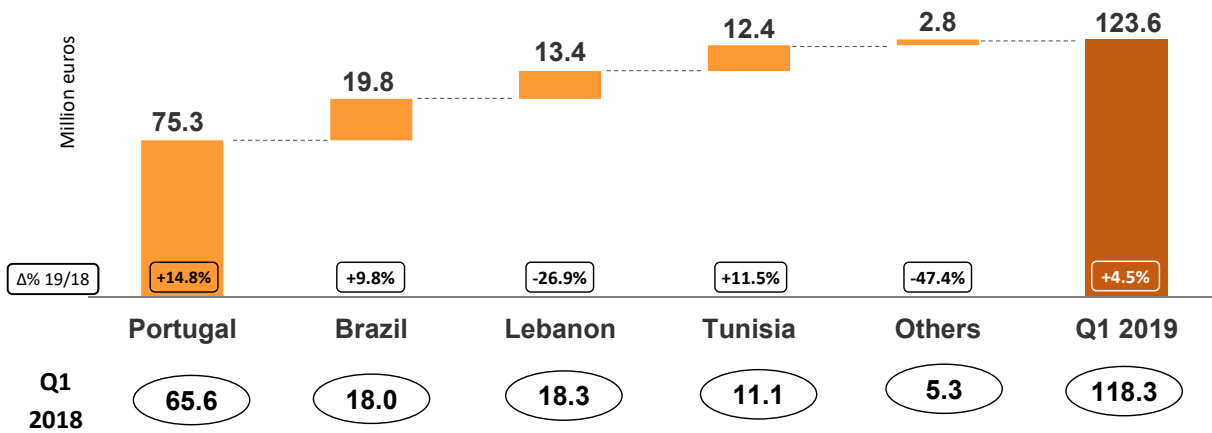


HIGHLIGHTS IN FIRST QUARTER OF 2019 (vs. 2018)

- Secil's accumulated revenue in March 2019 amounted to 123.6 million euros, 5.3 million euros (+4.5%) higher than that in the same period of the previous year. This increase was achieved despite the negative impact of around 3.6 million euros from the depreciation of some currencies against the euro in the countries where Secil operates.

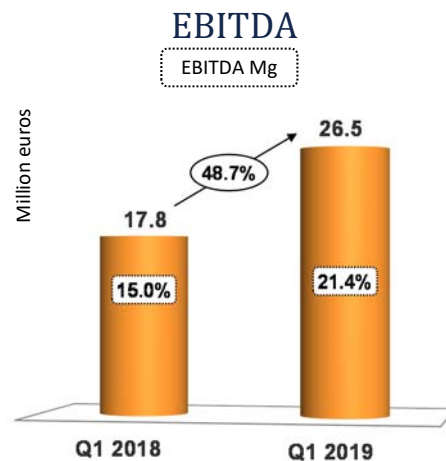


REVENUE BREAKDOWN BY COUNTRY:

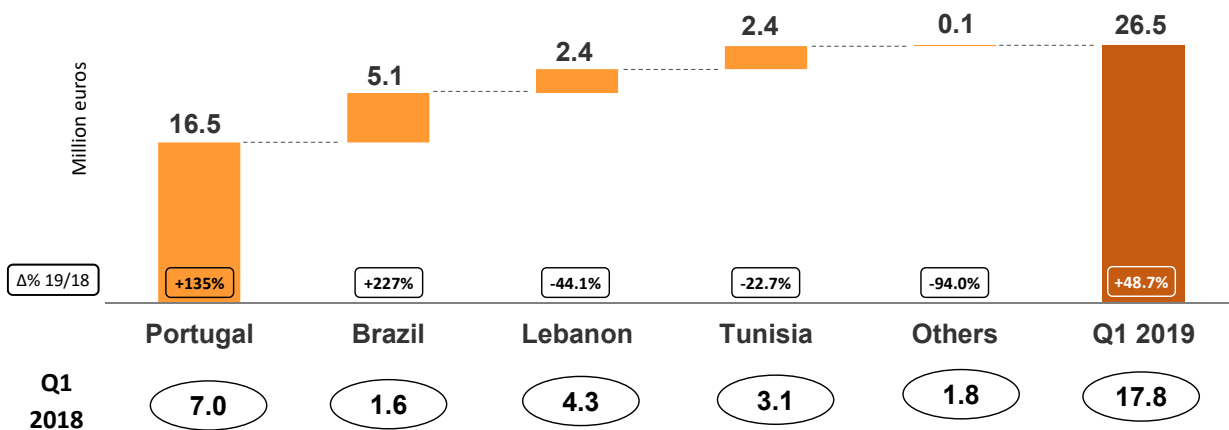


Note: Others includes Angola and Others

- EBITDA amounted to 26.5 million euros, which translated into an increase of around 8.7 million euros in relation to Q1 2018.
- Q1 2019 EBITDA benefits from the positive influence of 2.1 million Euros resulting from the implementation of IFRS 16.



EBITDA BREAKDOWN BY COUNTRY:



Note: Others includes Angola and Others

- Net financial profits amounted to -1.7 million euros, compared to -9.2 million euros in Q1 2018. This positive difference year on year is due to the exchange rate differences in accounts receivable and payable in foreign currency, earnings on financial instruments for exchange rate risk management, a decrease in financial costs due to the appreciation of the Brazilian real against the dollar, 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)	Q1 2019	Q1 2018	Var.
Revenue	123.6	118.3	4.5%
EBITDA	26.5	17.8	48.7%
EBITDA Margin (%)	21.4%	15.0%	6.4 p.p.
Depreciation, amortisation and impairment losses	(15.7)	(12.1)	-29.6%
Provisions	1.4	0.4	249.3%
EBIT	12.1	6.1	99.9%
EBIT Margin (%)	9.8%	5.1%	4.7 p.p.
Net financial results	(1.7)	(9.2)	81.8%
Profit before taxes	10.4	(3.1)	434.9%
Income taxes	(0.6)	(0.3)	-86.1%
Net profit for the period	9.8	(3.4)	385.5%
Attributable to Secil shareholders	10.1	(4.1)	349.4%
Attributable to non-controlling interests (NCI)	(0.3)	0.6	-149.7%
Cash-flow	24.2	8.3	191.6%
	31/03/2019	31/12/2018	
Equity (before NCI)	370.9	354.7	
Interest-bearing net debt	392.3	386.4	
Lease liabilities (IFRS 16)	17.9	-	
Total	410.2	386.4	

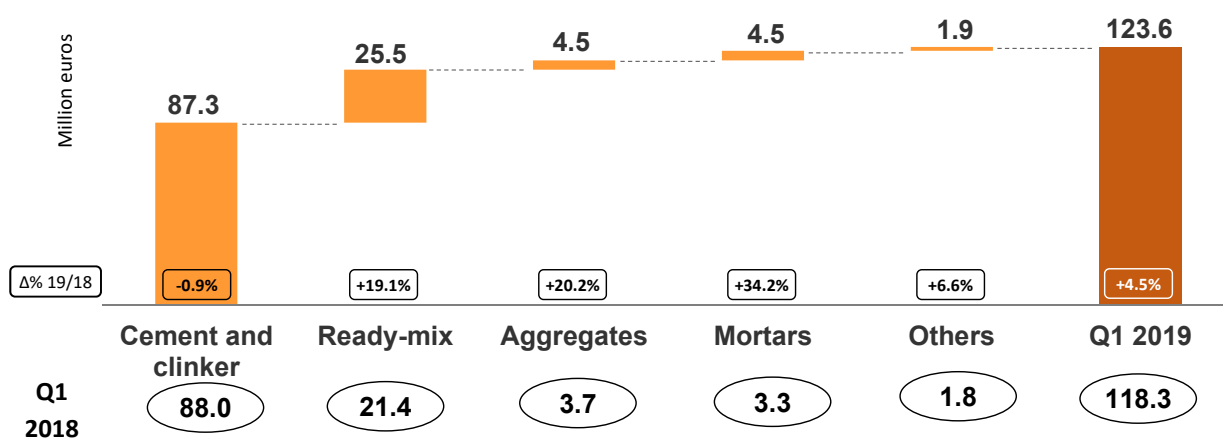
Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments. Revenue in 2018 and 2019 includes intra-group sales and may differ from those presented by each segment.

SUMMARY TABLE OF OPERATING INDICATORS

in 1 000 t	Q1 2019	Q1 2018	Var.
Annual cement production capacity	9,750	9,750	0.0%
Production			
Clinker	1,082	1,117	-3.1%
Cement	1,280	1,227	4.3%
Sales			
Grey cement	1,204	1,241	-3.0%
White cement	20	25	-18.9%
Clinker	106	180	-40.9%
Aggregates	802	722	11.1%
Precast	31	30	5.7%
Mortars	45	38	18.3%
Hydraulic lime	7	6	20.8%
Mortar fixative	5	5	-5.0%
in 1 000 m³			
Ready-mix	427	372	14.8%

Note: Volumes excluding inter-segment sales.

REVENUE BREAKDOWN BY SEGMENT:

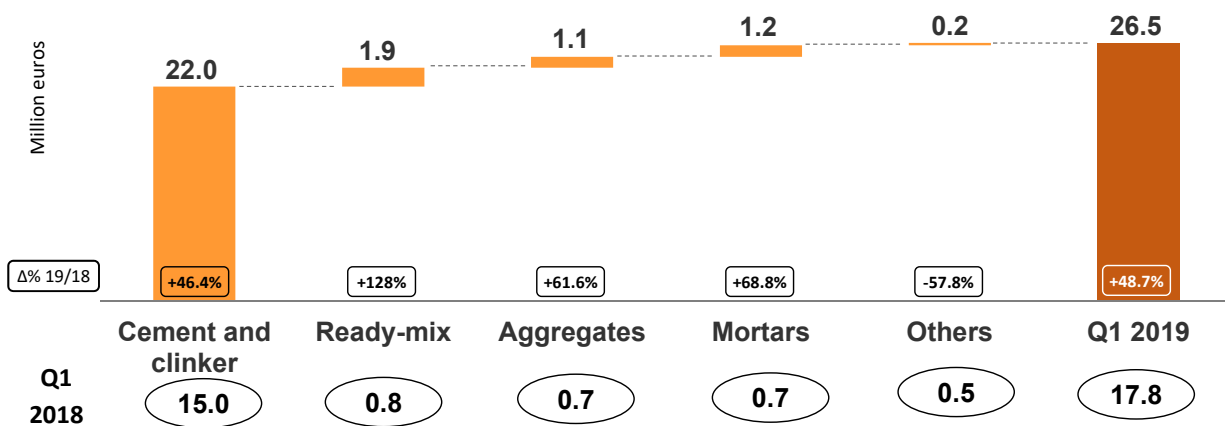


Note: Others includes Precast and Others.

Analysing by segment, the Cement and Clinker revenue dropped 0.9% compared with the 1st quarter of 2018, representing a smaller share of total operations (70.6% in Q1 2019 vs. 74.4% 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 14.8%, which resulted in a growth in Revenue of 19.1%.

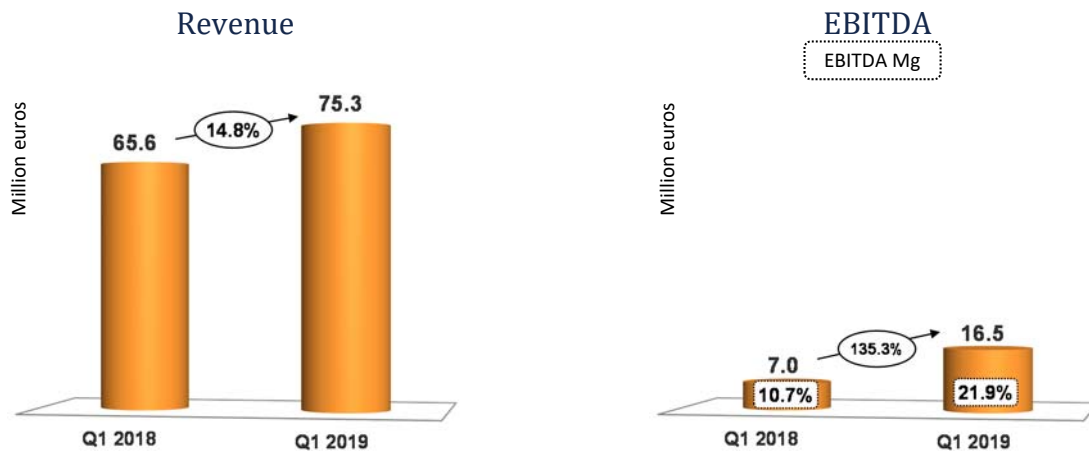
EBITDA BREAKDOWN BY SEGMENT:



Note: Others includes Precast and Others.

EBITDA from Cement and Clinker in Q1 2019 was up by 46.4% compared with the previous year, standing at 22.0 million euros. Ready-mix concrete EBITDA increased by 128% against the first quarter of the previous year.

PORTUGAL



In Portugal, the Construction sector business was positive in Q1 2019. FEPICOP forecasts point to a real growth of 4% in the sector in 2019, with particular relevance to growth in the residential construction sector (+7.5%).

The consumption of cement in Portugal was marked by positive monthly variations year on year in Q1 2019, compared to the same period of the previous year, due to the market dynamics and the good weather during the period. It is estimated that the market grew around 22% in 2019, year on year.

Revenue for overall operations in Portugal was up by 14.8% compared to the same period in 2018, totalling 75.3 million euros.

Revenue in the Cement and Clinker business unit in Portugal totalled 44.1 million euros, a 7.6% increase year on year, resulting from increased domestic sales, where the increase in quantities sold was accompanied by a modest rise in the average selling price.

In the foreign market, surplus supply in Europe, the Mediterranean and West Africa continued to drive strong competition. Total export revenue decreased approximately 5.9%. This evolution was due to a 25% drop in the quantities of cement and clinker sold (a decrease resulting from the high price of CO2 licences, costing around 22 euros in the period), partially compensated by the approximately 14% increase in sales volumes at the terminals owned by Secil and by the more favourable mix of sales of cement vs. clinker.

In the other business segments with operations based in Portugal (Ready-mix concrete, Aggregates, Mortars and Precast), accrued revenue in March 2019 amounted to 31.2 million euros, up by 26.9% year on year.

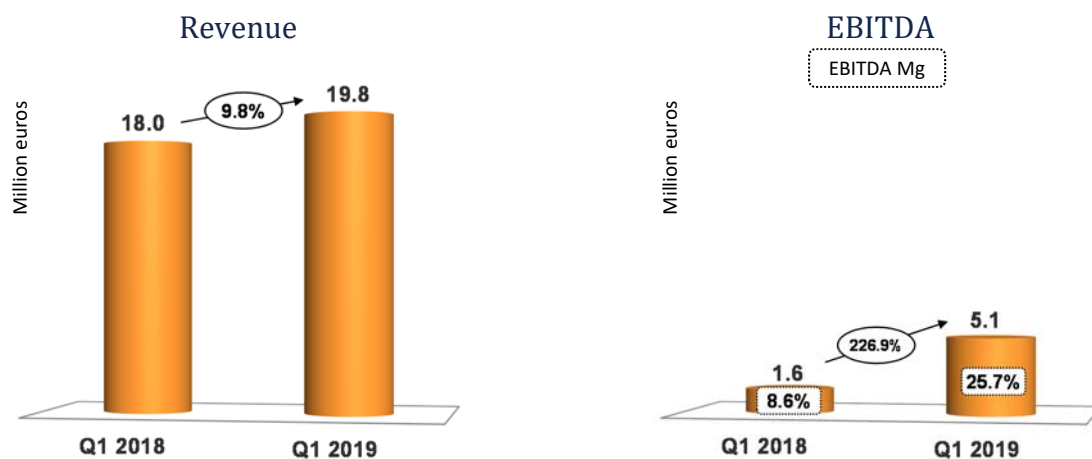
The increase took place in almost all areas of building materials, benefiting from greater building dynamics. The Concrete business unit recorded a 24.7% growth in volumes sold in the Portuguese market, and was positively influenced by sales of operations in Spain.

EBITDA of Portuguese operations increased by 135.3%, standing at 16.5 million euros vs. 7.0 million euros in the same period of the previous year.

The Cement business unit had an EBITDA of 12.2 million euros, higher than the year-on-year EBITDA recorded. In spite of the increase in variable costs, as a result of the rise in fossil fuel prices and electricity and the decrease in export sales, the higher sales volume in the domestic market and the sale of surplus CO2 licenses (amounting to 2.8 million euros in the period vs. 0.7 million euros year on year) pushed EBITDA above the levels of the same period in 2018.

The EBITDA of the building material business units amounted to 4.2 million euros, which compares to 2.1 million euros accumulated in March 2018. This increase was mainly due to the increase in amounts sold, despite the rise in variable production costs due to a lower availability of ash.

BRAZIL



It is estimated that growth in the cement market in Brazil was 1.3% in Q1 2019 with cement sales of producers in the southern region having increased by 3.2% compared to the same period of the previous year.

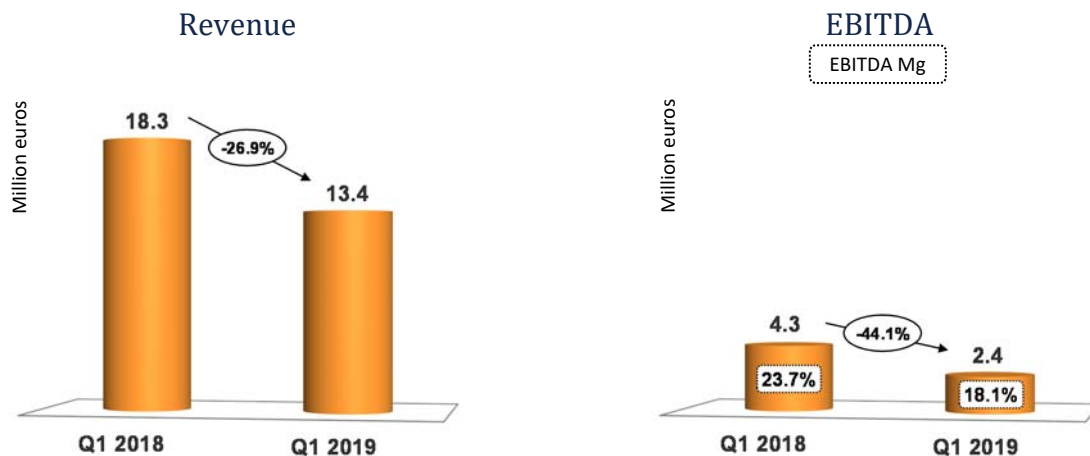
The revenue of combined operations stood at approximately 19.8 million euros, representing an increase of 9.8%, despite the depreciation of the Brazilian real against the euro, which had a negative impact of approximately 1.4 million euros. If the depreciation had not occurred, revenue would have been higher by 3.2 million euros.

Revenue of the Cement and Clinker business unit in Brazil registered growth of 14.1%, with a 17.8% increase in the amounts sold, year on year.

The increase in quantities sold was largely opposed by higher variable production costs, which increased by 19% and resulted from the increase in the costs of solid fuels and raw materials.

The EBITDA of activities in Brazil totalled 5.1 million euros, which compares with the 1.6 million euros recorded year on year. EBITDA of the period includes a gain of 3.4 million euros that resulted from Supremo having won a case heard in the Brazilian courts regarding the application of the PIS and Confins taxes on some sales. The corresponding gain was therefore recorded, corresponding to the refund of excess taxes paid, which will result from a deduction from future taxes owed.

LEBANON



In Lebanon, cement consumption in Q1 2019 is estimated to have been 35% lower, influenced by a long period of rains and a falling trend in the market due to the political and economic conditions in the country.

In the first quarter of 2019, revenue of combined operations in Lebanon decreased, comparing less favourably by 26.9% to the same period in the previous year, amounting to 13.4 million euros. This amount was positively affected by about 1 million euros due to the appreciation of the USD against the euro.

The Cement and Clinker revenue fell 27.9% year on year, basically influenced by the drop in quantities sold, a reflection of the downturn in the cement market. Sales prices in the local currency maintained levels similar to those in the Q1 2018.

Concrete revenue dropped 13.6% compared with the same period in 2018 to 1.1 million euros, as a result of the decrease of 17.5% in quantities sold and of 1% in sales prices. This decline in the amounts sold was due to the competition Secil faces in the areas where it operates and to the postponing of some projects in the order book.

EBITDA from operations in Lebanon stood at 2.4 million euros, down by 44.1% in relation to the same period of the previous year, mostly from the Cement unit. This decrease resulted mainly from the fall in quantities sold.

TUNISIA



In Tunisia, it is estimated that the domestic cement market shrank 7% 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 export market increased significantly the amounts sold, notwithstanding the constraints on the Libyan border and in obtaining foreign currency in the Libyan financial market.

Revenue for combined operations in Tunisia stood at approximately 12.4 million euros, up by 11.5% 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 29% increase.

The Cement and Clinker segment recorded revenue of 11.1 million euros, up by approximately 13.2%. In the domestic market, the amounts sold decreased around 7.9%. Most competitors increased sales prices in local currency by about 30%. 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.

Despite the limitations on exports mentioned above, it was possible to increase amounts sold by 13.2%, not only to the Libyan market, but also to other markets in West Africa, taking advantage of the existing production capacity.

Revenue in Concrete held steady in relation to the same period of the previous year.

In Q1 2019, EBITDA of activities in Tunisia stood at 2.4 million euros, representing a decrease of 22.7% in relation to the same period in 2018. This decrease is justified by the increased production costs, mainly for solid fuels, electricity and packaging, being partially offset by the increase in selling prices.

ANGOLA AND OTHERS

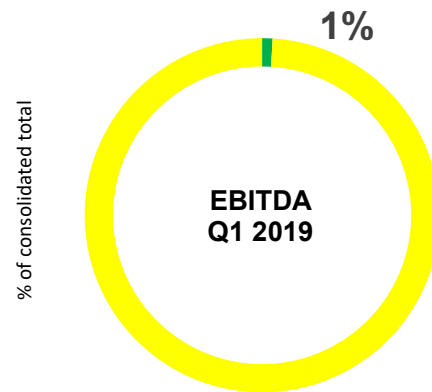
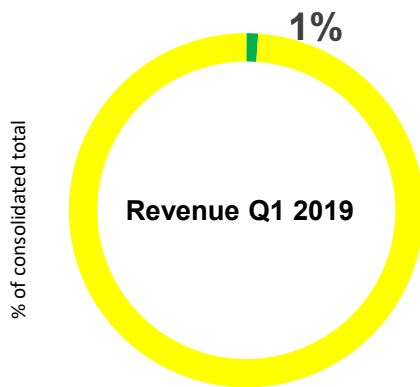
According to the latest figures available, the Angolan cement market was down by 34% compared to the same period in 2018.

Cement volumes sold fell 29.3% in comparison to sales in the 1st quarter of 2018, amounting to 28 thousand tonnes of cement sold. In a context of strong inflation and significant depreciation of the Kwanza vis-à-vis the Euro, Secil has been implementing a strict price policy that can help it tackle significant increase in costs in the national currency and those arising from necessary imports. Under these conditions, the price of cement in the local currency increased by about 5% year on year, partially offsetting the fall in quantities sold.

Consequently, revenue totalled 2.8 million euros, an amount below that which was recorded in the Q1 2018, being affected by the currency depreciation, which produced a negative effect of 1.2 million euros.

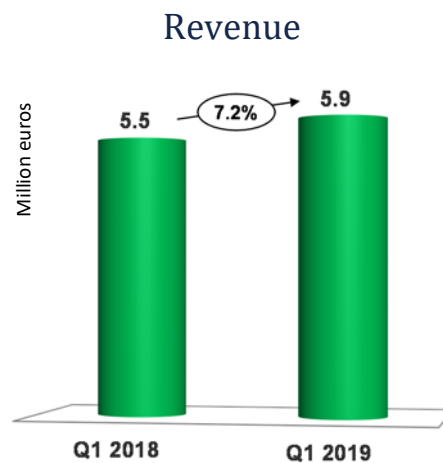
Accumulated EBITDA in March 2019 amounted to 0.1 million euros, significantly below the value in the same period of 2018. Expenses were substantially affected by the depreciation of the Kwanza vis-à-vis the Euro. Variable costs rose 66%, mostly due to the increase in acquisition costs of clinker in the international market. On the other hand, fixed costs decreased year on year, which clearly illustrates the unit's efforts to control costs, considering the inflation in Angola and the acquisition of some materials for upkeep that are strongly pegged to the exchange rate.

ENVIRONMENT

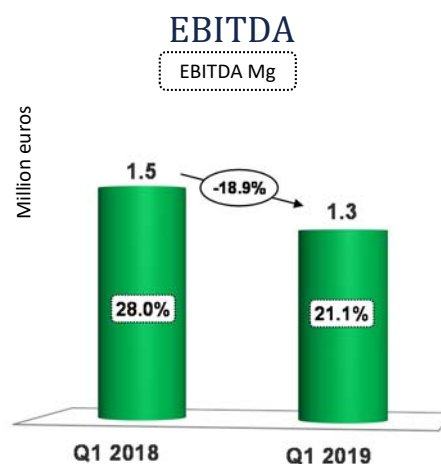


HIGHLIGHTS IN FIRST QUARTER OF 2019 (vs. 2018)

- ETSA recorded accrued revenue of about 5.9 million euros in March 2019, up by around 7.2% in comparison with the same period in 2018. This change is due to a 35.1% increase in sales, which was partially offset by a decrease of around 9.2% in consolidated services rendered.



- EBITDA totalled 1.3 million euros, down from the figure in the same period year on year, essentially due to a decrease in services rendered and in the collection of category 1 and 2 by-products.



SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	5.9	5.5	7.2%
EBITDA	1.3	1.5	-18.9%
EBITDA margin (%)	21.1%	28.0%	-6.8 p.p.
Depreciation, amortisation and impairment losses	(0.8)	(0.7)	-3.8%
Provisions	-	-	-
EBIT	0.5	0.8	-38.9%
EBIT margin (%)	8.5%	14.9%	-6.4 p.p.
Net financial results	(0.1)	(0.1)	28.4%
Profit before taxes	0.4	0.7	-40.6%
Income taxes	0.1	(0.2)	133.3%
Net profit for the period	0.5	0.5	-11.8%
Attributable to ETSA shareholders	0.5	0.5	-11.8%
Attributable to non-controlling interests (NCI)	-	-	-
Cash-Flow	1.2	1.3	-2.9%
	31/03/2019	31/12/2018	
Equity (before NCI)	71.2	70.7	
Interest-bearing net debt	11.3	11.0	
Lease liabilities (IFRS 16)	0.3	-	
Total	11.7	11.0	

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

ETSA recorded revenue of around 5.9 million euros in the period in analysis, which represented an increase of approximately 7.2% against the same period in 2018.

The main cause of this variation was the accumulation of (i) an increase in the average amounts sold of class 3 by around 24.3% year on year, (ii) an increase in the average sales price of class 3 meal by around 54.7% compared to the same period in 2018, (iii) a decrease in the average sales price of class 3 fat by approximately 22.2%, and (iv) a drop of 9.2% in consolidated services rendered, mainly due to the decrease in invoicing for animals collected under the SIRCA agreement.

EBITDA totalled approximately 1.3 million euros in the first quarter of 2019, representing a decline of about 18.9% in comparison with the same period of the previous year, in spite of the aforementioned increase in revenues. This lower number is mainly justified by (i) the drop in the collection of category 3 raw materials in Q1 2019, which had a negative effect on the amounts produced and, consequently, the dilution of the fixed production costs, and (ii) the drop in the collection of categories 1 and 2, and, consequently, the corresponding invoicing of services rendered.

The EBITDA margin stood at 21.1%, down by around 6.8 p.p. from the margin for the same period of 2018.

Net financial results improved by about 28.4%, in relation to the previous year, mostly due to the reduction in average debt, in spite of the difficulty in collecting the amounts invoiced to the Portuguese State.

The combined impact of these factors resulted in a Net Profit attributable to ETSA shareholders in Q1 2019 of approximately 0.5 million euros, down by around 11.8% year on year.

VENTURE CAPITAL

At the close of 2018, Semapa, through its subsidiary Semapa Next, entered into a partnership with the North American company Techstars, one of the largest accelerators of start-ups in the world, to support and accelerate start-ups with a base in Lisbon.

In the first quarter of this year, 10 start-ups were chosen in the sectors of industry, logistics and mobility, and tourism and leisure. This was followed by an intensive 13-week programme focused on the development and acceleration of the technological solutions that the start-ups are creating, empowered by access to entrepreneurs, specialists, mentors, investors and leading organisations of the Techstars and Semapa Group global networks.

4. OUTLOOK

PULP AND PAPER

Demand for market pulp is expected to revive in the upcoming quarters, more visible in the second semester, particularly in September, albeit much subject to global economic performance, to the sentiment of buyers in China, in response to government stimulus measures and the negotiations with the US. The supply reductions for the coming months, through the conversion of paper grade pulp and maintenance shutdowns and increases in tissue capacity between 2019 and 2020 will be two of the main factors of rebalancing of the market, especially, in 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 evolution in pulp prices can be expected, for both fibres, over the second half of 2019.

In terms of **paper**, various producers have announced the closing and/or conversion of Uncoated Woodfree capacity in Europe (-200 thousand tonnes/year), in Asia (-750 mil thousand tonnes/year) and in Latin America (-180 thousand tonnes/year), which, in the face of an improvement in global demand, will make it possible to guarantee a more balanced market and compensate for the new investments in Uncoated. In the US, there is also the expectation of a significant decrease in the supply, due to a major North American producer abandoning the UWF business.

In the **tissue** business, 2019 will be 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, plus improving the business margins resulting from the substantial rise in prices carried out.

For Q2, expanded stoppages for maintenance are planned for the pulp plants at Setúbal and Aveiro, as well as at the paper factories of Setúbal and Figueira da Foz.

The macroeconomic environment is a major factor of uncertainty. The global economic slowdown and the current international setting of policies favourable to protectionism (with the major collateral effects that may come from them) are factors that Navigator cannot help but view with concern.

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. Developments in the external environment may play a decisive part in growth; most international organisations monitoring the global economy now share a more positive global outlook.

The Bank of Portugal has a positive outlook for the Portuguese economy, estimating a 1.7% GDP growth 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, estimating a real increase of 4.0% in Sector activity in 2019.

Brazil is expected to grow 2.1% in 2019 (World Economic Outlook, IMF April 2019), which hints at an improvement in the conditions. The formation of the new Government creates an expectation of a stronger rebound in the economy. There are also high expectations on 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 during this year, which will largely be based on Public-Private Partnerships.

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

In **Lebanon**, according to the latest figures published by the IMF, the economy is thought to have grown 0.3% in real terms in 2018, with an expected growth in 2019 of 1.3% (World Economic Outlook, IMF, April 2019). Cement demand should decrease compared to 2018, considering the trends of recent years. 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. 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.

In **Tunisia**, according to the latest figures published by the IMF, real GDP grew 2.5% in 2018, a growth of 2.7% being forecast for 2019 (World Economic Outlook, IMF, April 2019). The level of competition 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** (World Economic Outlook, FMI April 2019) foresees a reversal of the recessionary trend of the last few years with a predicted economic growth of 0.4%. The Macroeconomic Stabilisation Programme (PEM), together with the National Development Plan (PDN) and, more recently, the Extended Fund Facility (EFF) signed by the Government of Angola and the IMF, in conjunction with the upward trend of oil prices on the international markets holds out the prospect of economic recovery in 2019, which will drive cement consumption up as 2019 progresses.

ENVIRONMENT

Considering the current framework of the sector operated by ETSA, improvement in the current conditions is expected, on the one hand due to larger outflow of proteins produced in Europe onto the Asian market and, on the other hand, to the upturn in business of European biodiesel producing companies.

In regard to the imports of biodiesel from Argentina, the application of customs barriers have been in effect in the EU since 28 February 2019. Such measures are expected to gradually restore biodiesel production levels in the EU and, consequently, result in an upturn in the level of demand for the corresponding raw materials.

ETSA's prime objectives in the short term include (i) concentrating on the horizontal expansion of its production and destination markets (exports accounted for around 63.0% of total accumulate sales on 31 March 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, 14 May 2019

BOARD OF DIRECTORS

CHAIRMAN:

HEINZ-PETER ELSTRODT

MEMBERS:

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JOSÉ MIGUEL PEREIRA GENS PAREDES

PAULO MIGUEL GARCÉS VENTURA

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

ANTÓNIO PEDRO DE CARVALHO VIANA BAPTISTA

CARLOS EDUARDO COELHO ALVES

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

FRANCISCO JOSÉ MELO E CASTRO GUEDES

JOSÉ ANTÔNIO DO PRADO FAY

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

VÍTOR MANUEL GALVÃO ROCHA NOVAIS GONÇALVES

VÍTOR PAULO PARANHOS PEREIRA

DEFINITIONS

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

EBIT = Operating profit

Operating profit = Earnings 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

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

PART 2

INTERIM CONSOLIDATED
FINANCIAL STATEMENTS

(UNAUDITED)

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019 AND 2018

Amounts in Euros	Notes	1st Q 2019 <i>Unaudited</i>	1st Q 2018 <i>Unaudited</i>
Revenues			
Sales	4	543,297,510	501,623,244
Services rendered	4	8,026,847	7,116,014
Other income			
Gains on disposal of non-current assets	5	160,050	17,199,398
Other operating income	5	24,762,141	9,465,640
Change in fair value of biological assets			
		(1,298,685)	1,215,853
Cost, expenses and losses			
Cost of inventories sold and consumed	6	(234,271,246)	(209,610,494)
Variation in production	6	25,116,659	21,426,684
Cost of services and materials consumed	6	(156,879,108)	(139,977,142)
Payroll costs	6	(62,101,707)	(65,322,115)
Other costs and losses	6	(14,250,143)	(13,539,886)
Provisions	6	92,224	1,285,818
Depreciation, amortisation and impairment losses			
	7	(57,792,092)	(50,582,311)
Operating results		74,862,450	80,300,703
Group share of (loss) / gains of associated companies and joint ventures		212,180	279,674
Net financial results	8	(9,407,811)	(18,841,992)
Profit before tax		65,666,819	61,738,385
Income tax expense		(12,084,779)	(18,510,660)
Net profit for the period		53,582,040	43,227,725
Net profit for the period			
Attributable to Semapa's Shareholders		39,720,606	27,157,246
Attributable to non - controlling interests		13,861,434	16,070,479
Earnings per share			
Basic earnings per share, Eur	10	0.493	0.337
Diluted earnings per share, Eur	10	0.493	0.337

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019 AND 2018

Amounts in Euros	1st Q 2019 <i>Unaudited</i>	1st Q 2018 <i>Unaudited</i>
Net profit for the period without non - controlling interests	53,582,040	43,227,725
Items that may subsequently be reclassified to the income statement		
Derivative financial instruments		
Fair value changes	(3,153,869)	1,110,551
Tax on items above	874,573	(305,402)
Currency translation differences	8,879,601	(22,236,893)
Other comprehensive income	3,405,926	(191,665)
Items that may not subsequently be reclassified to the income statement		
Remeasurements of post-employment benefits		
Remeasurements	(13,059,045)	(3,082,527)
Tax on items above	-	(10,037)
Other comprehensive income (net of taxes)	(3,052,814)	(24,715,973)
Total comprehensive income for the period	50,529,226	18,511,752
Attributable to:		
Semapa's Shareholders	40,939,063	8,489,748
Non - controlling interests	9,590,163	10,022,004
	50,529,226	18,511,752

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2019 AND 31 DECEMBER 2018

Amounts in Euros	Notes	31-03-2019	31-12-2018
		<i>Unaudited</i>	
ASSETS			
Non - current assets			
Goodwill		346,887,204	346,170,987
Other intangible assets	12	345,656,131	292,846,882
Property, plant and equipment	13	2,032,686,523	2,043,753,765
Lease assets	13	68,873,164	-
Biological assets		118,315,882	119,614,567
Investment in associates and joint ventures		4,765,584	4,714,744
Investment properties		375,482	383,513
Equity instruments		2,614,879	1,450,919
Other non-current assets	14	114,343,014	67,645,781
Deferred tax assets	18	110,273,393	108,061,925
		3,144,791,256	2,984,643,083
Current assets			
Inventories		346,795,676	313,911,463
Receivables and other current assets	15	382,066,847	404,133,382
State and other public entities		107,695,862	96,709,240
Income tax		1,452,452	1,091,659
Non-current assets held for sale		7,809,209	8,534,209
Cash and cash equivalents	20	281,633,427	183,248,977
		1,127,453,473	1,007,628,930
Total assets		4,272,244,729	3,992,272,013
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	16	81,270,000	81,270,000
Treasury shares	16	(7,101,790)	(6,740,954)
Translation reserve	17	(122,168,031)	(129,296,945)
Fair value reserves	17	(4,281,194)	(2,713,976)
Other reserves	17	796,784,857	796,784,857
Retained earnings		142,878,922	18,496,568
Profit for the period		39,720,606	132,554,337
Equity attributable to Semapa's shareholders		927,103,370	890,353,887
Non - controlling interests	11	377,348,247	367,236,794
Total equity		1,304,451,617	1,257,590,681
Non - current liabilities			
Deferred tax liabilities	18	236,724,017	235,715,323
Pensions and other post-employment benefits	19	23,721,524	10,777,902
Provisions		74,930,462	78,479,404
Interest-bearing liabilities	20	1,575,443,938	1,401,009,210
Lease Liabilities (IFRS 16)	20	56,812,667	-
Other non-current liabilities		78,215,892	82,324,405
		2,045,848,500	1,808,306,244
Current liabilities			
Interest-bearing liabilities	20	256,834,917	333,875,411
Lease Liabilities	20	12,548,833	-
Payables and other current liabilities	21	523,760,275	460,568,255
State and other public entities		77,326,780	95,094,042
Income tax		51,473,807	36,837,380
		921,944,612	926,375,088
Total liabilities		2,967,793,112	2,734,681,332
Total equity and liabilities		4,272,244,729	3,992,272,013

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 1 JANUARY 2019 TO 31 MARCH 2019 AND FROM 1 JANUARY 2018 TO 31 MARCH 2018

Amounts in Euros	Notes	Share Capital	Treasury Shares	Fair Value Reserves	Other Reserves	Translation Reserve	Retained Earnings	Profit for the period	Total	Non-controlling interests	Total
Equity as of 31 December 2018		81,270,000	(6,740,954)	(2,713,976)	796,784,857	(129,296,945)	18,496,568	132,554,337	890,353,887	367,236,794	1,257,590,681
Application of 2018 profit:											
- Transfer to other reserves		-	-	-	-	-	132,554,337	(132,554,337)	-	-	-
Acquisition of treasury shares	16	-	(360,836)	-	-	-	-	-	(360,836)	-	(360,836)
Other comprehensive income for the period*		-	-	(1,567,218)	-	7,128,914	(6,711,140)	-	(1,149,444)	(1,903,370)	(3,052,814)
Acquisitions/Disposals to non-controlling interests		-	-	-	-	-	(1,460,839)	-	(1,460,839)	(1,851,128)	(3,311,967)
Other movements		-	-	-	-	-	(4)	-	(4)	4,517	4,513
Net profit for the period		-	-	-	-	-	-	39,720,606	39,720,606	13,861,434	53,582,040
Equity as of 31 March 2019		81,270,000	(7,101,790)	(4,281,194)	796,784,857	(122,168,031)	142,878,922	39,720,606	927,103,370	377,348,247	1,304,451,617

* Net of deferred taxes

Amounts in Euros	Notes	Share Capital	Treasury Shares	Fair Value Reserves	Other Reserves	Translation Reserve	Retained Earnings	Profit for the period	Total	Non-controlling interests	Total
Equity as of 1 January 2018		81,270,000	(6,036,401)	(2,100,174)	717,616,946	(99,805,648)	28,359,635	124,093,467	843,397,825	378,547,431	1,221,945,256
Application of 2017 profit:											
- Transfer to other reserves		-	-	-	-	-	124,093,467	(124,093,467)	-	-	-
Other comprehensive income for the period*		-	-	535,181	-	(16,923,367)	(2,279,312)	-	(18,667,498)	(6,048,475)	(24,715,973)
Acquisitions/Disposals to non-controlling interests		-	-	-	-	-	617,002	-	617,002	(5,117,002)	(4,500,000)
Other movements		-	-	-	-	-	-	-	-	(212,247)	(212,247)
Net profit for the period		-	-	-	-	-	-	27,157,246	27,157,246	16,070,479	43,227,725
Equity as of 31 March 2018		81,270,000	(6,036,401)	(1,564,993)	717,616,946	(116,729,015)	150,790,792	27,157,246	852,504,575	383,240,186	1,235,744,761

* Net of deferred taxes

CONSOLIDATED CASH FLOW STATEMENT FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019 AND 2018

Amounts in Euros	Notes	1st Q 2019 <i>Unaudited</i>	1st Q 2018 <i>Unaudited</i>
OPERATING ACTIVITIES			
Receipts from customers		595,583,696	630,223,739
Payments to suppliers		(470,118,947)	(424,673,858)
Payments to employees		(40,750,345)	(40,883,597)
Cash flow from operations		<u>84,714,404</u>	<u>164,666,284</u>
Income tax received / (paid)		(4,873,579)	671,990
Other receipts / (payments) relating to operating activities		(20,412,321)	5,356,535
Cash flow from operating activities (1)		59,428,504	170,694,809
INVESTING ACTIVITIES			
Inflows			
Property, plant and equipment		225,001	125,694
Dividends		167,203	135,924
Other assets		227,993	-
		<u>620,197</u>	<u>261,618</u>
Outflows			
Financial investments		(4,606,020)	(4,500,000)
Cash and cash equivalents - changes in consolidation perimeter		63,748	-
Property, plant and equipment		(38,260,110)	(37,812,713)
		<u>(42,802,382)</u>	<u>(42,312,713)</u>
Cash flow from investing activities (2)		(42,182,185)	(42,051,095)
FINANCING ACTIVITIES			
Inflows			
Borrowings		711,643,173	787,777,539
		<u>711,643,173</u>	<u>787,777,539</u>
Outflows			
Borrowings		(615,854,885)	(821,139,384)
Amortisation of lease contracts		(1,586,439)	(191,194)
Interest and similar expenses		(12,745,036)	(12,055,995)
Dividends		(581,624)	(4,150,681)
Treasury shares acquisitions		(360,836)	-
		<u>(631,128,820)</u>	<u>(837,537,254)</u>
Cash flow from investing activities (3)		80,514,353	(49,759,715)
CHANGE IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		97,760,672	78,883,999
FOREIGN EXCHANGE GAINS / (LOSSES)		661,560	(1,984,612)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	20	183,248,978	243,187,261
IMPAIRMENT FROM THE IFRS 9 ADOPTION		(37,783)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	20	281,633,427	320,086,648

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SELECTED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF 31 MARCH 2019

(Translation of a report originally issued in Portuguese)

(In these notes, unless indicated otherwise, all amounts are expressed in Euro.)

The SEMAPA Group ("Group") comprises Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. ("Semapa") and its subsidiaries. Semapa was incorporated on the 21st of June of 1991 and has as its main business object the management of financial investments in other companies as an indirect form of carrying out economic activities.

Head Office: Av. Fontes Pereira de Melo, 14, 10^o Piso, Lisboa

Share Capital: Euros 81.270.000

VAT number: 502 593 130

Semapa leads an Enterprise Group with activities in three distinct business segments: Pulp and Paper, Cement and Derivatives, and Environment, developed respectively through its subsidiaries The Navigator Company, S.A., Secil - Companhia Geral de Cal e Cimento, S.A. and ETSA – Investimentos, SGPS, S.A..

These consolidated financial statements were approved by the Board of Directors on 14 May 2019.

The Group's Senior Management, that are the members of the Board of Directors who sign this report, declare that, to the best of their knowledge, the information contained herein was prepared in conformity with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the companies included in the Group's consolidation perimeter.

1. BASIS OF PREPARATION

The interim consolidated financial statements for the three months period ended 31 March 2019 were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting.

The accompanying interim consolidated financial statements were prepared on the going concern basis from the accounting books and records of the companies included in consolidation (Note 25), and under the historic cost convention, except for biological assets, available-for-sale financial assets, financial assets at fair value through profit or loss and derivative financial instruments which are recorded at fair value. Tangible assets acquired until 1 January 2004 have been recorded at revaluated cost.

The following notes were selected in order to allow a full understanding of the most significant changes on the consolidated financial position and performance of the group since the last annual report as of 31 December 2018.

2. ACCOUNTING POLICIES

The accounting policies applied in the preparation of these interim consolidated financial statements are consistent to those used in the preparation of the financial statements as of 31 December 2018, with special highlight to the beginning of application of the new standard IFRS 16 – Leases, in force since 1 January 2019, as follows:

IFRS 16

The Group adopted IFRS 16 - Leases as of 1 January 2019. The Group applied the simplified transition approach set forth in IFRS 16, paragraphs C3 (b), C7 and C8 and did not restate comparative figures for the period prior to the first adoption.

This standard sets the principles for recognition, measurement and presentation of leases, replacing IAS 17 - Leases and its interpretive guidance. The objective is to ensure that lessors and lessees report useful information to the users of the financial statements, namely on the effect that leases have on financial position, financial performance and cash flows.

Under this accounting standard, right-of-use assets, amounting to Euro 69 million, were measured by the amount of the lease liability on the adoption date of the standard. Subsequently, the assets right-of-use is depreciated in the shortest period between the useful life of the asset or the contract term. Financial liability considers interest based on the effective interest rate of the contract or the loan rate of the contracting entity. Lease payments are recorded as a decrease in liability.

The main impacts of the IFRS 16 application in the income statement were as follows: decrease in rent and lease amounts under supplies and services by approximately Euro 4.2 million, increase in the depreciation amount of approximately Euro 3.8 million and increase in the interest amount of Euro 0.4 million (see notes 7,8,17 and 20).

3. ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires that the Group's management performs judgments and estimates that affect the amount of revenue, costs, assets, liabilities and disclosures at the financial statements reporting date.

These estimates are influenced by the Group's management's judgments, based on: (i) the best information and knowledge of present events and in certain cases on the reports of independent experts; and (ii) the actions which the Group considers it may have to take in the future. However, on the date on which the operations are realized, the outcome can be different from those estimates.

4. SEGMENT REPORTING

Segmental information is presented in relation to the business segments identified, namely Pulp and Paper, Cement and Derivatives, Environment and Holdings. The earnings, assets and liabilities for each segment correspond to those which are directly attributed to them, as well as those which can be imputed to them on a reasonable basis.

The financial information by operating segment for the three months period of 2019 is shown as follows:

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Holdings	Within-Group Eliminations	Total
Turnover	421,835,168	123,627,345	5,924,581	3,826,789	(3,889,525)	551,324,358
Other Income	8,406,695	15,156,408	60,123	280	-	23,623,506
Consumed and sold Inventories	(193,920,298)	(39,214,385)	(1,136,563)	-	-	(234,271,246)
Services and materials consumed	(111,929,332)	(45,471,876)	(2,134,513)	(1,232,912)	3,889,525	(156,879,108)
Other expenses	(19,518,653)	(27,636,165)	(1,460,910)	(2,619,462)	-	(51,235,190)
Depreciation and Amortisation	(41,237,244)	(14,834,992)	(750,087)	(76,326)	-	(56,898,649)
Impairment Losses	-	(893,443)	-	-	-	(893,443)
Net provisions	(1,289,005)	1,381,229	-	-	-	92,224
Interest Expenses	(2,459,930)	(5,500,459)	(49,195)	(2,940,273)	-	(10,949,857)
Results of associated companies	(5,812)	217,992	-	-	-	212,180
Other financial gains and losses	(1,473,920)	3,613,424	(32,796)	(564,662)	-	1,542,046
Profit before tax	58,407,669	10,445,078	420,640	(3,606,566)	-	65,666,821
Income Tax	(11,903,692)	(607,592)	55,889	370,613	-	(12,084,782)
Profit for the period	46,503,977	9,837,486	476,529	(3,235,953)	-	53,582,039
Attributable to Shareholders	32,333,028	10,147,055	476,476	(3,235,953)	-	39,720,606
Non-controlled interests	14,170,949	(309,569)	54	-	-	13,861,434
OTHER INFORMATION (31-03-2019)						
Total Segment assets	2,743,203,001	1,444,442,286	82,008,147	25,580,165	(22,988,870)	4,272,244,729
Goodwill	122,907,528	187,556,742	36,422,934	-	-	346,887,204
Other intangible assets	164,734,890	180,921,241	-	-	-	345,656,131
Tangible Fixed Assets	1,324,582,038	680,726,914	26,380,974	996,597	-	2,032,686,523
Biological Assets	118,315,882	-	-	-	-	118,315,882
Deferred tax assets	72,496,966	37,478,008	298,419	-	-	110,273,393
Investment in associates	-	4,765,584	-	-	-	4,765,584
Cash and cash equivalents	175,542,299	105,711,667	251,719	127,742	-	281,633,427
Total segment liabilities	1,598,645,757	861,911,695	19,256,541	510,967,989	(22,988,870)	2,967,793,112
Interest-bearing Debt	852,420,818	497,666,889	11,597,320	478,385,380	(7,791,552)	1,832,278,855
Capital Expenditures	32,528,070	5,468,812	417,289	313,584	-	38,727,755

The financial information by operating segment for the three months period of 2018 is shown as follows:

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Holdings	Within-Group Eliminations	Total
Turnover	384,939,499	118,301,814	5,525,744	2,739,113	(2,766,911)	508,739,259
Other Income	20,887,202	6,829,874	162,692	1,604	(480)	27,880,892
Consumed and sold Inventories	(172,993,517)	(35,367,266)	(1,249,711)	-	-	(209,610,494)
Services and materials consumed	(96,196,092)	(43,554,325)	(2,170,250)	(823,866)	2,767,391	(139,977,142)
Other expenses	(25,713,902)	(28,410,472)	(723,628)	(2,587,315)	-	(57,435,317)
Depreciation and Amortisation	(37,679,317)	(12,244,954)	(722,552)	(46,599)	-	(50,693,422)
Impairment Losses	-	111,111	-	-	-	111,111
Net provisions	890,419	395,399	-	-	-	1,285,818
Interest Expenses	(2,636,366)	(4,725,949)	(76,952)	(3,082,867)	-	(10,522,134)
Results of associated companies	-	279,674	-	-	-	279,674
Other financial gains and losses	(2,879,923)	(4,733,922)	(37,496)	(668,516)	-	(8,319,857)
Profit before tax	68,618,003	(3,119,016)	707,847	(4,468,446)	-	61,738,388
Income Tax	(18,137,581)	(326,402)	(167,679)	121,002	-	(18,510,660)
Profit for the period	50,480,422	(3,445,418)	540,168	(4,347,444)	-	43,227,728
Attributable to Shareholders	35,033,637	(4,069,051)	540,107	(4,347,444)	-	27,157,249
Non-controlled interests	15,446,785	623,633	61	-	-	16,070,479

OTHER INFORMATION (31-03-2018)

Total Segment assets	2,557,150,559	1,349,743,204	84,316,098	20,360,971	(19,298,820)	3,992,272,012
Goodwill	122,907,528	186,840,525	36,422,934	-	-	346,170,987
Other intangible assets	154,374,251	138,472,631	-	-	-	292,846,882
Tangible Fixed Assets	1,335,242,225	681,103,638	26,685,129	722,773	-	2,043,753,765
Biological Assets	119,614,567	-	-	-	-	119,614,567
Deferred tax assets	71,006,775	36,765,411	289,739	-	-	108,061,925
Investment in associates	-	4,714,744	-	-	-	4,714,744
Cash and cash equivalents	80,859,784	99,443,113	2,751,882	194,198	-	183,248,977
Total segment liabilities	1,445,366,996	784,393,732	22,041,020	502,178,406	(19,298,822)	2,734,681,332
Interest-bearing Debt	763,830,678	485,805,619	13,755,439	472,692,952	(1,200,067)	1,734,884,621
Capital Expenditures	216,459,363	24,680,702	1,647,989	420,614	-	243,208,668

GEOGRAPHICAL SEGMENT

The revenue presented in the different business and geographical segments corresponds to revenue generated with external customers based on the final destiny of the products and services commercialised by the Group and is analysed as follows:

1st Q 2019	Pulp and paper	Cement and derivatives	Environment	Total Amount	Total %
Sales and services rendered					
Portugal	85,156,594	58,590,374	4,178,408	147,925,376	26.83%
Rest of Europe	214,804,868	8,361,439	1,437,368	224,603,675	40.74%
America	45,401,399	19,804,129	-	65,205,528	11.83%
Africa	44,692,168	23,168,133	-	67,860,301	12.31%
Asia	31,660,217	13,668,068	308,806	45,637,091	8.28%
Overseas	92,386	-	-	92,386	0.02%
	421,807,632	123,592,143	5,924,582	551,324,357	100%

1st Q 2018	Pulp and paper	Cement and derivatives	Environment	Total Amount	Total %
Sales and services rendered					
Portugal	68,537,780	47,995,826	4,655,688	121,189,294	23.82%
Rest of Europe	218,791,999	10,256,242	822,908	229,871,149	45.18%
America	35,198,615	19,496,747	-	54,695,362	10.75%
Africa	28,501,946	21,917,611	47,149	50,466,706	9.92%
Asia	33,693,163	18,607,587	-	52,300,750	10.28%
Overseas	215,997	-	-	215,997	0.04%
	384,939,500	118,274,013	5,525,745	508,739,258	100.00%

5. OTHER INCOME

As of 31 March 2019 and 2018, the caption other income comprises:

Amounts in Euro	1st Q 2019	1st Q 2018
Grants - CO ₂ emission allowances	8,728,235	4,480,588
PIS/COFINS Brasil Process	3,404,623	-
Compensation for insurance against damage	1,130,818	158,008
Reversal of impairment in current assets	1,800,032	1,092,963
Disposal of CO ₂ emission allowances	2,841,470	698,789
Inventory Gains	471,151	36,181
Gains on disposal of non-current assets	160,050	17,199,398
Operating subsidies	122,817	69,406
Own work capitalised	124,445	25,753
Recovery of uncollectibles	1,980	29,638
Supplementary income	54,611	282,035
Income from waste treatment	95,741	178,314
Gains on disposal of current assets	20,351	-
Scrap sales	-	380,352
Other operating income	5,965,867	2,033,613
	24,922,191	26,665,038

The amount presented in Grants – CO₂ emission allowances corresponds to the recognition of the grant from the licenses allocated for free.

The amount of Euro 3.4 million presented in the PIS / COFINS Brazil caption corresponds to the gain recognised by the Supremo subsidiary as a result of the Brazilian courts' decision not to subject the PIS and Confins taxes to the ICMS tax which is applied to sales. The gain corresponding to the refund of the tax paid in excess in previous years was recorded, and its refund will occur by deduction to taxes payable in the future.

In 2018, Gains on disposal of non-current assets includes the amount of EUR 15,765,258 regarding the gains obtained from the sale of the Pellets business, concluded in February 2019, by the subsidiary Navigator.

6. COST, EXPENSES AND LOSSES

As of 31 March 2019 and 2018, Costs, Expenses and Losses are detailed as follows:

Amounts in Euro	1st Q 2019	1st Q 2018
Cost of sales and services rendered		
Cost of inventories sold and consumed	(234,271,246)	(209,610,494)
Cost of services and materials consumed		
Energy and fluids	(50,628,076)	(39,216,639)
Inventory transportation	(43,865,786)	(38,737,906)
Specialised services	(27,736,988)	(23,993,359)
Repair and maintenance	(13,206,318)	(10,454,696)
Fees	(991,269)	(1,965,576)
Insurance	(4,080,288)	(4,357,475)
Subcontracts	(342,749)	(459,648)
Others	(16,027,634)	(20,791,843)
	(156,879,108)	(139,977,142)
Variation in production	25,116,659	21,426,684
Payroll costs		
Statutory bodies	(4,839,213)	(5,145,850)
Other remunerations	(42,852,003)	(42,192,574)
Pension costs	(643,524)	(2,115,574)
Other payroll costs	(13,766,967)	(15,868,117)
	(62,101,707)	(65,322,115)
Others costs and losses		
Membership fees	(619,719)	(322,390)
Donations	(611,886)	(177,583)
Cost with CO2 emission allowances	(9,844,837)	(4,900,699)
Impairment in inventories and receivables	(347,775)	(1,428,870)
Losses on inventories	(965,432)	(1,780,118)
Indirect taxes	(1,317,064)	(3,377,515)
Losses on disposal of non-current assets	(58,369)	(8,271)
Other operating costs	(485,061)	(1,544,440)
	(14,250,143)	(13,539,886)
Provisions	92,224	1,285,818
Total of Costs, Expenses and Losses	(442,293,321)	(405,737,135)

The increase in energy and fluids expenses was mainly due to the increase in the acquisition price of electricity and natural gas, compared to the same period of 2018.

7. DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

As of 31 March 2019 and 2018, Depreciation, amortisation and impairment losses are detailed as follows:

Amounts in Euro	1st Q 2019	1st Q 2018
Depreciation of property, plant and equipment		
Land	(1,072,215)	(1,149,865)
Environmental restoration and landscaping	(28,541)	(28,541)
Buildings	(4,995,238)	(4,804,698)
Basic equipment and other tangible assets	(48,520,686)	(46,997,121)
Government grants	1,209,749	1,615,288
	<u>(53,406,931)</u>	<u>(51,364,937)</u>
Impairment of property, plant and equipment (losses)/reversals		
Buildings	11,550	16,519
Basic equipment	95,007	94,592
	<u>106,557</u>	<u>111,111</u>
Depreciation of rights-of-use (IFRS 16)	<u>(3,839,324)</u>	<u>-</u>
Amortisation of intangible assets		
Industrial property and other rights	(3,275)	(4,992)
	<u>(3,275)</u>	<u>(4,992)</u>
Impairment in assets held for sale (losses)/reversals		
Impairment in lands, buildings and equipments	(1,000,000)	298,920
	<u>(1,000,000)</u>	<u>298,920</u>
Depreciation in investment properties	<u>(604)</u>	<u>(192)</u>
ICMS - Tax on movement of goods and services		
Tax included in depreciations (Brazil)	351,485	377,779
	<u>351,485</u>	<u>377,779</u>
	<u>(57,792,092)</u>	<u>(50,582,311)</u>

8. NET FINANCIAL RESULTS

As of 31 March 2019 and 2018, Net financial results are detailed as follows:

Amounts in Euro	1st Q 2019	1st Q 2018
Interest paid on other loans and borrowings	(10,949,857)	(10,502,607)
Interest paid on loans from shareholders	(1,631)	(5,475)
Other interest earned	3,471,680	879,125
Fair value of available for sale financial assets	34,805	-
Financial assets at fair value through profit and loss	-	(69)
Gains / (losses) on financial instruments - hedging	(1,445,303)	(1,116,138)
Gains / (losses) on financial instruments - trading	802,775	414,782
Foreign exchange gains / (losses)	1,398,092	(2,555,781)
Expenses with loans issuing and other comissions	(2,418,106)	(2,190,040)
Environmental and landscape recovery	(90,606)	(73,620)
(Costs)/gains with compensatory interest	18,656	(229,823)
Other financial expenses	(15,444)	(3,463,487)
Lease interests IFRS 16	(444,462)	-
Other financial income	231,590	1,141
	(9,407,811)	(18,841,992)

In the three-month period of 2019, compared to the same period last year, financial results were positively impacted by Euro 3.8 million, due to the resulting effects from the USD 45 million still pending receivable from the sale of the pellets business. Last year, the amount of Euros 3,273,536 was recognised in Other expenses and financial losses, resulting from the difference between the nominal value and the present value of the amount receivable, and which, in the period, recorded an interest and unwinding of Euro 0.5 million recognised, respectively, in the captions Interest earned on financial investments and Other financial income.

9. INCOME TAX

Semapa SGPS, S.A. is the dominant company of the group subject to the special regime governing business groups comprising companies in which the shareholding is equal to or more than 75% and which meet the conditions laid down in articles 69 and following of the Corporate Income Tax Code. Thus, the tax business group comprises the subsidiaries Secil, S.A. and ETSA Investimentos, SGPS, S.A., and corresponding subsidiaries that comply with the referred conditions.

As of 31 March 2019 and 2018, Income tax expense is analysed as follows:

Amounts in Euro	1st Q 2019	1st Q 2018
Current tax	(16,629,661)	(20,920,721)
Provisions for current tax	2,325,221	(22,851,426)
Deferred tax	2,219,661	25,261,487
	(12,084,779)	(18,510,660)

The reconciliation of the effective tax rate in the first three months of 2019 and 2018 is as follows:

Amounts in Euro	1st Q 2019	1st Q 2018
Profit before tax	65,666,819	61,738,385
Expected income tax	14,775,034	13,891,137
State surcharge	3,057,622	3,715,278
Differences (a)	(2,627,002)	(1,617,509)
Prior year tax adjustments	(247,763)	(132,243)
Recoverable tax losses carried forward	(689,963)	(163,597)
Non recoverable tax losses	430,041	2,997,636
Provision for current tax	-	450,637
Reversal of provisions	(194,562)	-
Impact of the change in the income tax rate	(310,601)	(628,394)
Tax benefits	(164,464)	-
Other	(1,943,563)	(2,285)
	12,084,779	18,510,660
Effective tax rate	18.40%	29.98%

(a) This amount is made up essentially of :	1st Q 2019	1st Q 2018
Effects arising from the application of the equity method	(217,992)	(279,674)
Capital gains/(losses) for tax purposes	25,390	38,816,632
Capital (gains)/losses for accounting purposes	91,640	(75,037,277)
Impairments and taxed provisions	113,185	27,517,582
Tax benefits	(741,107)	(356,382)
Reversal of impairments and taxed provisions	(12,527,939)	(55,817)
Intra-group earning's subject to taxation	1,116,658	774,556
Employees benefits	1,953	1,524,352
Other	462,649	(92,902)
	(11,675,563)	(7,188,930)
Tax effect (22.5%)	(2,627,002)	(1,617,509)

In Portugal, the annual tax returns are subject to review and potential adjustment by tax authorities for a period up to 4 years. However, if tax losses are determined, these may be subject to review by the tax authorities for a longer period. In other countries where the Group operates, these periods are different and, in most cases, longer.

The Board of Directors believes that any reviews/ inspections by tax authorities will not have a material impact on the interim consolidated financial statements as of 31 March 2019. The income tax returns up to 2014, inclusive, in Navigator, Secil and Semapa have already been reviewed.

10. EARNINGS PER SHARE

There are no convertible financial instruments over Semapa's shares, so there is no dilution of earnings.

Amounts in Euro	1st Q 2019	1st Q 2018
Profit attributable to Semapa's shareholders	39,720,606	27,157,246
Total number of shares issued	81,270,000	81,270,000
Average number of own shares in the portfolio	(667,801)	(586,329)
Weighted average number of ordinary shares	80,602,199	80,683,671
Total number of treasury shares in portfolio as of 31-03	668,540	586,329
Basic earnings per share	0.493	0.337
Diluted earnings per share	0.493	0.337

11. NON-CONTROLLING INTERESTS

For the three months period ended 31 March 2019 and 2018, the movement in the Non-controlling interests, by operating segments, including its attributable net profit for the period, was as follows:

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Total
Balance as of 1 January 2018	305,905,214	72,634,539	7,678	378,547,431
Acquisitions / (Disposals)	(760,918)	(5,250,304)	-	(6,011,222)
Dividends	(61,197,407)	(10,180,618)	-	(71,378,025)
Currency translation reserve	(2,021,055)	4,365,953	-	2,344,898
Financial instruments	(799,559)	(3)	-	(799,562)
Actuarial gains and losses	(3,876,220)	(141)	-	(3,876,361)
Other movements in equity	(207,190)	(3)	-	(207,193)
Profit for the period	65,497,980	3,118,621	227	68,616,828
Balance as of 31 December 2018	302,540,845	64,688,044	7,905	367,236,794
Acquisitions / (Disposals)	(1,851,128)	-	-	(1,851,128)
Currency translation reserve	477,490	1,273,197	-	1,750,687
Financial instruments	(712,078)	-	-	(712,078)
Actuarial gains and losses	(2,941,979)	-	-	(2,941,979)
Other movements in equity	4,511	6	-	4,517
Profit for the period	14,170,949	(309,567)	52	13,861,434
Balance as of 31 March 2019	311,688,610	65,651,680	7,957	377,348,247

The decrease in Non-controlling interests from the Pulp and paper segment, in the first quarter of 2019 was related to the acquisition of 880,882 treasury shares by the subsidiary The Navigator Company, S.A.

12. OTHER INTANGIBLE ASSETS

For the three months period ended 31 March 2019 and during the year 2018, the movement in Other intangible assets, was as follows:

Amounts in Euro	Brands	Expenditures on research and development	Industrial properties and other rights	CO2 emission allowances	Assets under construction	Total
Acquisition cost						
Balance as of 1 January 2018	280,219,221	11,737	6,270	17,292,462	11,501	297,541,191
Acquisition / attributions	-	-	165	26,554,702	3,512	26,558,379
Disposals	-	-	-	(4,035,273)	-	(4,035,273)
Adjustments, transfers and write-off's	-	-	8,201	(13,150,999)	(11,501)	(13,154,299)
Exchange rate adjustment	(2,251,900)	-	-	-	-	(2,251,900)
Balance as of 31 December 2018	277,967,321	11,737	14,636	26,660,892	3,512	304,658,098
Acquisition / attributions	-	-	-	53,442,604	-	53,442,604
Disposals	-	-	-	(1,481,260)	-	(1,481,260)
Adjustments, transfers and write-off's	254,511	-	-	-	-	254,511
Exchange rate adjustment	1,041,197	-	-	-	-	1,041,197
Balance as of 31 March 2019	279,263,029	11,737	14,636	78,622,236	3,512	357,915,150
Accumulated amortisation and impairment losses						
Balance as of 1 January 2018	(7,461,039)	(10,844)	(3,850)	(1)	-	(7,475,734)
Amortisation and impairment losses	(3,948,929)	-	(765)	-	-	(3,949,694)
Adjustments , transfers and write-off	-	-	3,098	-	-	3,098
Exchange rate adjustment	(388,886)	-	-	-	-	(388,886)
Balance as of 31 December 2018	(11,798,854)	(10,844)	(1,517)	(1)	-	(11,811,216)
Amortisation and impairment losses	-	-	(3,275)	-	-	(3,275)
Adjustments , transfers and write-off	(254,511)	-	-	-	-	(254,511)
Exchange rate adjustment	(190,017)	-	-	-	-	(190,017)
Balance as of 31 March 2019	(12,243,382)	(10,844)	(4,792)	(1)	-	(12,259,019)
Net book value as of 1 January 2018	272,758,182	893	2,420	17,292,461	11,501	290,065,457
Net book value as of 31 December 2018	266,168,467	893	13,119	26,660,891	3,512	292,846,882
Net book value as of 31 March 2019	267,019,647	893	9,844	78,622,235	3,512	345,656,131

13. PROPERTY, PLANT AND EQUIPMENT AND LEASE ASSETS

Property, plant and equipment

For the three months period ended 31 March 2019 and during the year 2018, the movement in Property, plant and equipment, as well as on the respective depreciation and impairment losses accounts, was as follows:

Amounts in Euro	Land	Buildings and other constructions	Equipments and other tangibles	Asset under construction	Total
Acquisition Cost					
Balance on 1 January 2018	427,482,528	1,098,096,993	5,273,048,751	184,682,977	6,983,311,249
Acquisition	819,863	220,679	13,225,958	228,942,168	243,208,668
Disposals	(3,661,595)	(1,128,772)	(6,342,591)	-	(11,132,958)
Adjustments, transfers and write-offs	1,808,890	29,231,593	230,637,654	(273,387,181)	(11,709,044)
Exchange rate adjustments	(11,645,264)	(11,763,100)	(33,818,103)	(2,830,373)	(60,056,840)
Balance on 31 December 2018	414,804,422	1,114,657,393	5,476,751,669	137,407,591	7,143,621,075
Acquisition	405,222	46,631	3,667,197	34,608,705	38,727,755
Disposals	(245,593)	(137,128)	(788,339)	-	(1,171,060)
Adjustments, transfers and write-offs	(2,300,494)	1,403,984	14,554,409	(16,202,875)	(2,544,976)
Exchange rate adjustments	2,302,559	2,691,529	8,780,013	250,195	14,024,296
Balance on 31 March 2019	414,966,116	1,118,662,409	5,502,964,949	156,063,616	7,192,657,090
Accumulated depreciation and impairment losses					
Balance on 1 January 2018	(71,128,144)	(694,508,103)	(4,095,887,504)	(57,183,287)	(4,918,707,038)
Depreciation and impairment losses	(4,559,244)	(19,063,714)	(194,317,828)	974,095	(216,966,691)
Disposals	-	707,921	4,067,910	-	4,775,831
Impairment losses	-	-	-	(1,950,000)	(1,950,000)
Adjustments, transfers and write-offs	216,556	586,749	1,351,102	9,759,089	11,913,496
Exchange rate adjustments	2,263,725	2,879,477	14,760,443	1,163,447	21,067,092
Balance on 31 December 2018	(73,207,107)	(709,397,670)	(4,270,025,877)	(47,236,656)	(5,099,867,310)
Depreciation and impairment losses	(1,072,215)	(4,985,636)	(48,287,021)	-	(54,344,872)
Disposals	-	60,508	753,064	-	813,572
Adjustments, transfers and write-offs	(1,718)	170,068	408	-	168,758
Exchange rate adjustments	(506,726)	(1,027,916)	(5,221,246)	15,173	(6,740,715)
Balance on 31 March 2019	(74,787,766)	(715,180,646)	(4,322,780,672)	(47,221,483)	(5,159,970,567)
Net book value as of 1 January 2018	356,354,384	403,588,890	1,177,161,247	127,499,690	2,064,604,211
Net book value as of 31 December 2018	341,597,315	405,259,723	1,206,725,792	90,170,935	2,043,753,765
Net book value as of 31 March 2019	340,178,350	403,481,763	1,180,184,277	108,842,133	2,032,686,523

Lease assets (IFRS 16)

For the three months period ended 31 March 2019, the movement in Lease assets, due to the application of IFRS 16, as well as on the respective depreciation and impairment losses accounts, was as follows:

Amounts in Euro	Industrial properties and other rights	Land	Buildings and other constructions	Equipments and other tangibles	Total
Acquisition Cost					
Balance on 1 January 2019	-	-	-	-	-
Initial recognition - IFRS 16	5,153,005	48,103,828	8,039,931	10,790,799	72,087,563
Acquisition	-	9,601	192,447	472,939	674,987
Adjustments, transfers and write-offs	-	(1,272)	(8,023)	(9,127)	(18,422)
Exchange rate adjustments	-	(8,091)	(74)	(39,298)	(47,463)
Balance on 31 March 2019	5,153,005	48,104,066	8,224,281	11,215,313	72,696,665
Accumulated depreciation and impairment losses					
Balance on 1 January 2019	-	-	-	-	-
Depreciation and impairment losses	(505,036)	(1,154,823)	(545,458)	(1,634,007)	(3,839,324)
Adjustments, transfers and write-offs	-	1,272	8,023	101	9,396
Exchange rate adjustments	-	205	(389)	6,611	6,427
Balance on 31 March 2019	(505,036)	(1,153,346)	(537,824)	(1,627,295)	(3,823,501)
Net book value as of 31 March 2019	4,647,969	46,950,720	7,686,457	9,588,018	68,873,164

14. OTHER NON-CURRENT ASSETS

Other non-current assets, as of 31 March 2019 and 31 December 2018, is analysed as follows:

Amounts in Euro	2019	2018
Other non-current assets		
<i>Enviva Pellets Greenwood, LLC (EUA)</i>	32,126,681	33,448,788
<i>Department of Commerce (EUA)</i>	25,629,469	25,597,410
Other receivables - AICEP Grants	42,166,636	-
Other receivables	6,835,038	3,562,812
Deposits and pledges to third parties	4,065,622	4,065,622
FCT	298,110	296,324
Land	2,522,026	-
Other	699,432	674,825
	114,343,014	67,645,781

In 2015, the Navigator Group was investigated concerning alleged dumping practices in UWF paper exports into the United States of America. Last October, a definitive rate of 1.75% was applied for the revision period from August 2015 to February 2017. Therefore, the Group is entitled to a reimbursement of Euro 25,629,469, as a result of the higher rates, of 29.53% and 7.8%, applied in previous years for that same period.

The amount receivable from AICEP relates to the allocation of financial incentives to the Navigator subsidiary, with special highlight to the financial incentive negotiated with AICEP - Agency for Investment and Foreign Trade of Portugal, for the construction of the new Tissue plant in Aveiro. This incentive, in the form of a reimbursable incentive, includes a grace period of two years, without payment of interest, up to the maximum amount of EUR 42,166,636, corresponding to 35% of the amount of expenses considered as eligible, being reclassified from Other receivables to Non-current assets (Note 15).

Enviva reflects the present value of the amount receivable from the sale of the pellets business (USD 45 million) by the subsidiary Navigator. The nominal amount receivable shall bear interest at the rate of 2.5%.

15. RECEIVABLES AND OTHER CURRENT ASSETS

As of 31 March 2019 and 31 December 2018, Receivables and other current assets comprised:

Amounts in Euro	31-03-2019	31-12-2018
Trade receivables	299,880,790	293,835,762
Accounts receivable - related parties (Note 23)	507,820	559,493
Derivative financial instruments	3,066,177	1,722,253
Other receivables	39,811,280	74,003,177
Accrued income	17,008,803	20,883,159
Deferred costs	21,791,977	13,129,538
	382,066,847	404,133,382

Note: The presented amounts are net of impairment losses.

As of 31 March 2019 and 31 December 2018, Other receivables comprised:

Amounts in Euro	31-03-2019	31-12-2018
Other receivables		
Advance payments to suppliers	7,984,642	1,955,401
Advance payments to personnel	720,456	1,092,367
Price adjustment Acquisition of Supremo Cimentos	1,370,160	1,350,588
Financial incentives to be received	9,209,460	51,271,101
Collateral provided to other parties	5,176,335	5,571,124
Other	15,350,227	12,762,596
	39,811,280	74,003,177

The amount shown as Advance payments to suppliers mainly refers to advanced payments made to wood suppliers. Over the years and as a way of ensuring the sustainability of the forest value chain to the industry, the Navigator Group provides financing to its wood suppliers through advance payments upon presentation of guarantees, regarding the wood to be bought throughout the year. Those advances are settled as supplies are delivered to the Group.

The decrease in Financial incentives to be received relates to the transfer of the financial incentive negotiated between Navigator and AICEP - Agency for Investment and Foreign Trade of Portugal, for the construction of the new Tissue plant in Aveiro, into Other non-current assets.

As of 31 March 2019, the balance of financial incentives to be received also includes the granting of financial incentives under several research and development projects from the subsidiary Navigator, namely the Inpactus project (EUR 5,585,300) and others (EUR 3,519,165). The Group expects that all the conditions precedent to its receipt are guaranteed.

The balance Price Adjustment — Acquisition of Supremo Cimentos, in 2016, relates to the price adjustment determined between the parties in the context of the purchase agreement of this subsidiary.

As of 31 March 2019 and 31 December 2018, the items of Accrued income and Deferred costs are detailed as follows:

Amounts in Euro	31-03-2019	31-12-2018
Accrued income		
Interest receivable	778,596	2,481,626
Energy Sales	15,369,275	15,981,121
Others	860,932	2,420,412
	17,008,803	20,883,159
Deferred costs		
Insurance	10,040,312	2,749,436
Rents and leases	5,275,888	4,312,477
Other	6,475,777	6,067,625
	21,791,977	13,129,538
	38,800,780	34,012,697

16. SHARE CAPITAL AND TREASURY SHARES

As of 31 March 2019 and 31 December 2018, Semapa's share capital was fully subscribed and paid up, represented by 81,270,000 shares with no nominal value.

The legal persons that held relevant positions in the Company's share capital are detailed as follows:

Name	31-03-2019		31-12-2018	
	Number of shares	%	Number of shares	%
Cimo - Gestão de Participações, SGPS, S.A.	38,959,431	47.94	38,959,431	47.94
Sodim, SGPS, S.A.	15,252,726	18.77	15,252,726	18.77
Bestinver Gestión, SGIIC, S.A.	7,166,756	8.82	7,166,756	8.82
Cimigest, SGPS, S.A.	3,185,019	3.92	3,185,019	3.92
Santander Asset Management España, S.A.	-	-	1,981,216	2.44
Norges Bank (the Central Bank of Norway)	1,699,613	2.09	1,699,613	2.09
Sociedade Agrícola da Quinta da Vialonga, S.A.	625,199	0.77	625,199	0.77
Treasury shares	668,540	0.82	640,666	0.79
Other shareholders with less than 2% participation	13,712,716	16.87	11,759,374	14.47
	81,270,000	100.00	81,270,000	100.00

During the first quarter of 2019, Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. acquired 27,874 treasury shares in the amount of EUR 360,836 and, as of 31 March 2019, held 668,540 treasury shares (31 December 2018: 640,666 treasury shares), with a global acquisition amount of EUR 7,701,790.

17. RESERVES AND RETAINED EARNINGS

As of 31 March 2019 and 31 December 2018, the captions Fair value reserve, Translation reserve and Other reserves comprised:

Amounts in Euro	31-03-2019	31-12-2018
Fair value reserve of financial instruments	(4,281,194)	(2,713,976)
Translation reserve	(122,168,031)	(129,296,945)
Legal reserve	16,695,625	16,695,625
Other reserves	780,089,232	780,089,232
Reserves	670,335,632	664,773,936

18. DEFERRED TAXES

For the three months period ended 31 March 2019, the movement in Deferred tax assets and liabilities, was as follows:

Amounts in Euro	As of 1 January 2019	Exchange adjustment	Income statement		Equity	Other	As of 31 March 2019
			Increases	Decreases			
Temporary differences originating deferred tax assets							
Tax losses carried forward	74,310,650	982,945	4,294,784	-	-	-	79,588,379
Taxed provisions	19,057,416	154,209	109,789	774,961	-	-	20,096,375
Harmonisation of depreciation criteria	108,230,103	-	769,925	(9,448,465)	-	(1,000,000)	98,551,564
Pensions and other post-employment benefits	4,230,997	850	993	(78,037)	-	-	4,154,803
Financial instruments	7,805,701	-	-	-	3,180,263	-	10,985,964
Deferred accounting gains on inter-group transactions	41,418,523	(197)	11,176,199	(1,463,952)	-	-	51,130,573
Government grants	4,305,779	-	-	(135,388)	-	-	4,170,391
Fair values of business combinations	1,596,394	30,539	-	-	-	-	1,626,933
Conventional capital remuneration	9,240,000	-	6,160,000	-	(2,520,000)	-	12,880,000
Other temporary differences	12,124,135	259,406	(3,121,793)	(764)	-	-	9,260,984
	282,319,699	1,427,752	19,389,897	(10,351,644)	660,263	(1,000,000)	292,445,967
Temporary differences originating deferred tax liabilities							
Fixed tangible asset revaluation	(46,092,976)	(641,258)	-	113,546	-	-	(46,620,688)
Pensions and other post-employment benefits	(1,302,868)	(1,064)	(9,768)	-	-	-	(1,313,700)
Financial instruments	894,942	590	661,783	-	-	-	1,557,315
Tax incentives	(7,439,158)	-	-	281,746	(1,293,278)	-	(8,450,690)
Harmonisation of depreciation criteria	(357,205,626)	(1,090,716)	(8,615,428)	3,584,523	-	-	(363,327,247)
Deferred accounting losses on inter-group transactions	(10,502,587)	-	-	7,751	-	-	(10,494,836)
Valuation of growing forests	(13,969,979)	-	-	80,716	-	-	(13,889,263)
Fair value of intangible assets - brands	(251,627,510)	4,260,423	(5,427,704)	-	-	-	(252,794,791)
Fair value of tangible assets	(96,233,491)	-	-	3,817,887	-	-	(92,415,604)
Fair value of business combinations	(77,672,116)	(6,299,816)	-	7,203,359	-	-	(76,768,573)
Other temporary differences	(1,577,326)	(4,158)	-	672,885	-	-	(908,599)
	(862,728,695)	(3,775,999)	(13,391,117)	15,762,413	(1,293,278)	-	(865,426,676)
Deferred tax assets	108,061,925	445,562	5,373,156	(3,513,822)	181,572	(275,000)	110,273,393
Deferred tax liabilities	(235,715,323)	(1,013,370)	(953,898)	1,314,225	(355,651)	-	(236,724,017)

19. PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

As of 31 March 2019 and 31 December 2018, the net liabilities reflected in the Consolidated Statement of financial position are detailed as follows:

31 march 2019	Pulp and Paper	Cement and derivatives	Holdings	Total
Future Group liabilities	18,732,304	-	-	18,732,304
Group liabilities for past services				
Active	57,373,503	124,756	-	57,498,259
Former employees	21,042,206	-	-	21,042,206
Retired employees	76,040,531	20,809,676	1,089,219	97,939,426
Market value of the pension funds	(152,809,726)	(18,598,775)	-	(171,408,501)
Equity	-	142,667	-	142,667
Insurance policies	-	(173,804)	-	(173,804)
Reserve account*	-	(569,904)	-	(569,904)
Unfunded pensions liabilities	20,378,818	1,734,616	1,089,219	23,202,653
Other unfunded liabilities				
Healthcare assistance	-	43,164	-	43,164
Retirement and death liabilities	-	89,851	-	89,851
Long-service award liabilities	-	385,856	-	385,856
Total net liabilities	20,378,818	2,253,487	1,089,219	23,721,524

* overfunding due to the change to a defined contribution plan

31 december 2018	Pulp and Paper	Cement and derivatives	Holdings	Total
Group liabilities for past services				
Active	57,373,503	124,756	-	57,498,259
Former employees	21,042,206	-	-	21,042,206
Retired employees	76,040,531	20,809,676	1,115,990	97,966,197
Market value of the pension funds	(147,131,961)	(18,476,437)	-	(165,608,398)
Equity	-	142,667	-	142,667
Insurance policies	-	(173,804)	-	(173,804)
Reserve account*	-	(608,096)	-	(608,096)
Unfunded pensions liabilities	7,324,279	1,818,762	1,115,990	10,259,031
Other unfunded liabilities				
Healthcare assistance	-	43,164	-	43,164
Retirement and death liabilities	-	89,851	-	89,851
Long-service award liabilities	-	385,856	-	385,856
Total net liabilities	7,324,279	2,337,633	1,115,990	10,777,902

* overfunding due to the change to a defined contribution plan

The increase in liabilities, as of 31 March 2019 is due to the recording of future liabilities, corresponding to rights acquired from defined benefit plans, existing in the subsidiary Navigator, in the amount of Euro 18,732,304, which were recognised against equity.

20. INTEREST-BEARING LIABILITIES

As of 31 March 2019 and 31 December 2018, the Group's interest-bearing net debt was as follows:

Amounts in Euro	31-03-2019	31-12-2018
Interest-bearing liabilities		
<i>Non-current</i>	1,575,443,938	1,401,009,210
<i>Current</i>	256,834,917	333,875,411
	1,832,278,855	1,734,884,621
Cash and cash equivalents		
Cash	280,391	189,067
Short term bank deposits	189,780,161	142,505,960
Other short term applications	93,593,728	42,537,016
Impairments from the application of IFRS 9	(2,020,853)	(1,983,066)
	281,633,427	183,248,977
Interest-bearing net debt (not including lease liabilities)	1,550,645,428	1,551,635,644
Lease liabilities IFRS 16	69,361,500	-
Interest-bearing net debt (including lease liabilities)	1,620,006,928	1,551,635,644

NON-CURRENT INTEREST-BEARING LIABILITIES

As of 31 March 2019 and 31 December 2018, non-current interest-bearing liabilities were as follows:

Amounts in Euro	31-03-2019	31-12-2018
Non-current		
Bond loans	856,714,286	761,000,000
Commercial paper	509,200,000	460,300,000
Bank loans	213,446,633	182,551,889
Expenses with loans issuing	(6,766,645)	(5,802,745)
Interest-bearing bank debt	1,572,594,274	1,398,049,144
Other interest-bearing debts	2,849,664	2,960,066
Other interest-bearing debts	2,849,664	2,960,066
Total non-current interest-bearing liabilities	1,575,443,938	1,401,009,210
Lease liabilities IFRS 16	56,812,667	-
Total non-current interest-bearing liabilities including lease liabilities	1,632,256,605	1,401,009,210

CURRENT INTEREST-BEARING LIABILITIES

As of 31 March 2019 and 31 December 2018, current interest-bearing liabilities were as follows:

Amounts in Euro	31-03-2019	31-12-2018
Current		
Bond loans	154,285,714	150,000,000
Commercial paper	-	100,000,000
Bank loans	98,349,131	81,564,826
Expenses with bond loans issuing	(1,329,347)	(1,354,927)
Interest-bearing bank debt	251,305,498	330,209,899
Shareholders short-term loans (Note 23)	5,081,066	3,209,343
Financial leases	448,353	456,169
Other interest-bearing debts	5,529,419	3,665,512
Current interest-bearing liabilities	256,834,917	333,875,411
Lease liabilities IFRS 16	12,548,833	-
Current interest-bearing liabilities including lease liabilities	269,383,750	333,875,411

21. PAYABLES AND OTHER LIABILITIES

As of 31 March 2019 and 31 December 2018, Payables and other current liabilities comprised:

Amounts in Euro	31-03-2019	31-12-2018
Suppliers	259,039,375	253,885,230
Suppliers of fixed assets	10,406,078	12,025,809
Instituto do Ambiente	32,890,698	23,147,741
Derivative financial instruments	7,973,070	5,159,766
Other creditors	14,470,881	18,617,163
Related parties (Note 23)	2,499,385	2,489,285
Accrued costs	114,773,913	107,157,249
Deferred income	81,706,875	38,086,012
	523,760,275	460,568,255

As of 31 March 2019 and 31 December 2018, Accrued costs and Deferred income comprised:

Amounts in Euro	31-03-2019	31-12-2018
Accrued costs		
Payroll costs	68,404,756	59,441,770
Interest payable	10,788,107	8,435,734
Bonus payable to suppliers	4,191,397	8,340,388
Rent-related Liabilities	9,020,626	8,624,589
DGAV - Interest	1,205,682	1,166,337
Accrual of expenses with energy	2,835,595	1,550,256
Hydric resources rate	2,366,366	2,414,504
Consulting fees	3,063,973	2,293,205
Bank services	39,955	478,977
Insurance	259,012	279,982
Transportation Services	211,178	141,535
IT Services	116,413	164,056
Audit fees	79,169	114,531
Other	12,191,684	13,711,385
	114,773,913	107,157,249
Deferred income		
Government grants	14,606,538	14,594,285
Grants - CO2 emission allowances	55,145,595	11,912,488
Other incentives	7,408,335	7,654,439
Other deferred income - ISP	4,546,407	3,924,800
	81,706,875	38,086,012

22. DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 March 2019 and 31 December 2018, the fair value of derivative financial instruments (hedging and trading) are detailed as follows:

Amounts in Euro	Amount	Currency	Maturity	31-03-2019			31-12-2018
				Positive	Negative	Net	Net
Hedging							
Exchange rate forwards (future sales)	284,166,667	USD	2020	394,232	(492,515)	(98,283)	(117,912)
Exchange rate forwards (future sales)	101,000,000	GBP	2020	184,658	(767,564)	(582,906)	323,965
Interest rate swaps (SWAP's)	430,000,000	Euro	2025	16,257	(5,791,198)	(5,774,941)	(5,024,761)
Non Deliverable Forward (NDF)	10,564,866	BRL	2019	85,652	-	85,652	(17,093)
				680,799	(7,051,277)	(6,370,478)	(4,835,801)
Trading							
Exchange rate forwards	61,700,000	USD	2019	-	(593,811)	(593,811)	113,278
Exchange rate forwards	12,150,000	GBP	2019	-	(259,838)	(259,838)	28,582
Cross currency interest rate swap	41,139,298	USD	2019	2,022,960	-	2,022,960	483,666
Interest rate swaps (SWAP's)	15,900,000	USD	2019	-	-	-	623,793
Non Deliverable Forward (NDF)	10,000,000	Euro	2020	362,418	(68,144)	294,274	148,969
				2,385,378	(921,793)	1,463,585	1,398,288
				3,066,177	(7,973,070)	(4,906,893)	(3,437,513)

23. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

As of 31 March 2019 and 31 December 2018, related parties and shareholders balances are detailed as follows:

Amounts in Euro	31-03-2019			31-12-2018		
	Other receivables	Other payables	Interest-bearing liabilities	Other receivables	Other payables	Interest-bearing liabilities
Shareholders						
Sodim, SGPS, S.A.	547	-	-	520	-	-
Cimigest, SGPS, S.A.	-	-	-	5,691	-	-
Cimo SGPS, S.A.	-	1,160	5,081,066	-	-	3,209,343
Other related entities						
Hotel Ritz, S.A.	-	4,761	-	-	-	-
Sonagi, SGPS, S.A.	-	101,562	-	295	-	-
Soc. Agrícola Herdade dos Fidalgos, Lda.	-	1,607	-	-	-	-
Ave-Gestão Ambiental, S.A.	114,460	232,948	-	109,264	202,631	-
Cotif Sicar	-	8,462	-	-	78,294	-
Enermontijo, S.A.	46,094	39,123	-	65,477	20,430	-
Inertogrande	216,990	-	-	214,674	-	-
J.M.J. Henriques, Lda.	129,729	-	-	127,533	-	-
Grupo Setefrete - Soc. Tráfego Cargas, S.A.	-	612,789	-	36,039	187,913	-
Minority shareholders of Ciment de Sibline*	-	1,473,044	-	-	1,980,168	-
Other subsidiaries shareholders	-	23,929	-	-	19,849	-
Total	507,820	2,499,385	5,081,066	559,493	2,489,285	3,209,343

* Assigned dividends which are awaiting settlement

For the three months periods ended 31 March 2019 and 2018, transactions between related parties were as follows:

Amounts in Euro	1st Q 2019				1st Q 2018			
	Purchase of Services	Sales and services rendered	Other operating income	Financial income/(expenses)	Purchase of Services	Sales and services rendered	Other operating income	Financial income/(expenses)
Shareholders								
Cimigest SGPS, S.A.	(26,935)	-	-	-	(26,935)	-	-	-
Cimo SGPS, S.A.	-	-	-	(1,631)	-	-	-	(5,429)
Longapar, SGPS, S.A.	-	-	-	-	-	-	-	(46)
	(26,935)	-	-	(1,631)	(26,935)	-	-	(5,475)
Other related entities								
Sonagi - Imobiliária, S.A. (former Cimilonga, S.A.)	(223,674)	-	-	-	(249,807)	-	47	-
Hotel Ritz, S.A.	(13,506)	-	-	-	(31,575)	-	-	-
Soc. Agrícola Herdade dos Fidalgos, Lda.	-	-	-	-	(1,739)	-	-	-
Sonagi, SGPS, S.A.	-	-	-	-	-	-	461	-
Refundos, SGFII, S.A.	(141,715)	-	-	-	(100,016)	-	-	-
Enermontijo, S.A.	(131,015)	136,961	-	-	(101,878)	66,809	-	-
Enerpar, SGPS, S.A.	-	-	-	-	(17,401)	-	-	-
Ave-Gestão Ambiental, S.A.	(543,830)	8,375	16,154	-	(497,150)	11,749	113,929	-
Setefrete, S.A.	(457,758)	-	-	-	(862,450)	-	37,011	-
Bestweb, Lda.	(5,506)	-	-	-	(8,301)	-	-	-
CLA - Caldas, Lopes, Almeida & Associados	(9,000)	-	-	-	(6,000)	-	-	-
Others	(1,177)	-	-	-	-	-	-	-
	(1,527,180)	145,336	16,154	-	(1,876,317)	78,558	151,448	-

24. NUMBER OF EMPLOYEES

As of 31 March 2019 and 31 December 2018, the number of Employees working for the Group's various companies, was of 6,007 and 6,054, respectively.

25. COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

Name	Head Office	Direct and indirect % of equity held by Semapa			
		Direct	Indirect	31-03-2019	31-12-2018
Parent - company					
Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.	Lisbon				
Subsidiaries					
Seinpar Investments, B.V.	Amsterdam	100.00	-	100.00	100.00
Semapa Inversiones S.L.	Madrid	100.00	-	100.00	100.00
Celcimo S.L.	Madrid	-	100.00	100.00	100.00
Semapa Next, S.A.	Lisbon	100.00	-	100.00	100.00
Aphelion, S.A.	Lisbon	100.00	-	100.00	100.00

SUBSIDIARY COMPANIES OF SUB-GROUP ETSA

Name	Head Office	Direct and indirect % of equity held in ETSA			% shares held by Semapa	
		Direct	Indirect	Total	31-03-2019	31-12-2018
Parent - company:						
ETSA - Investimentos, SGPS, S.A.	Loures	99.99	-	99.99	99.99	99.99
Subsidiaries:						
ETSA LOG,S.A.	Loures	100.00	-	100.00	100.00	100.00
SEBOL – Comércio e Indústria de Sebo, S.A.	Loures	100.00	-	100.00	100.00	100.00
ITS – Indústria Transformadora de Subprodutos Animais, S.A.	Coruche	100.00	-	100.00	100.00	100.00
ABAPOR – Comércio e Indústria de Carnes, S.A.	Coruche	100.00	-	100.00	100.00	100.00
BIOLOGICAL - Gestão de Resíduos Industriais, Lda.	Loures	100.00	-	100.00	100.00	100.00
AISIB – Aprovechamiento Integral de Subprodutos Ibéricos, S.A.	Spain	100.00	-	100.00	100.00	100.00

SUBSIDIARY COMPANIES OF SUB-GROUP NAVIGATOR

Name	Head Office	Direct and indirect % equity held in Navigator			% of shares held by Semapa	
		Direct	Indirect	Total	31-03-2019	31-12-2018
Parent - company:						
The Navigator Company, S.A.	Setúbal	35.77	33.75	69.52	69.52	69.44
Subsidiaries:						
Navigator Paper Figueira, S.A.	Figueira da Foz	100.00	-	100.00	69.52	69.44
Pulpchem Logistics, A.C.E.	Figueira da Foz	50.00	-	50.00	34.76	-
Navigator Parques Industriais, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Navigator Products & Technology, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Raiz - Instituto de Investigação da Floresta e Papel	Aveiro	97.00	-	97.00	67.44	67.35
Enerpulp – Cogeração Energética de Pasta, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Navigator Pulp Figueira, S.A.	Figueira da Foz	100.00	-	100.00	69.52	69.44
Navigator Pulp Setúbal, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Navigator Pulp Cacia, S.A.	Aveiro	100.00	-	100.00	69.52	69.44
Navigator International GmbH	Germany	100.00	-	100.00	69.52	69.44
Navigator Tissue Cacia, S.A.	Aveiro	100.00	-	100.00	69.52	69.44
Navigator Tissue Ródão, S.A.	Vila Velha de Ródão	-	100.00	100.00	69.52	69.44
Navigator Tissue Ibérica, S.A.	Spain	-	100.00	100.00	69.52	69.44
Navigator Internacional Holding SGPS, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Mozambique	20.05	60.15	80.20	55.76	55.69
Navigator Financial Services Sp. Z o.o.	Poland	25.00	75.00	100.00	69.52	69.44
Navigator Forest Portugal, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Gavião - Sociedade de Caça e Turismo, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Afocelca - Agrupamento complementar de empresas para protecção contra incêndios, ACE	Portugal	-	64.80	64.80	45.05	45.00
Viveiros Aliança - Empresa Produtora de Plantas, S.A.	Palmela	-	100.00	100.00	69.52	69.44
Atlantic Forests, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Bosques do Atlantico, SL	Spain	-	100.00	100.00	69.52	69.44
About the Future - Empresa Produtora de Papel, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Navigator Fine Paper, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Navigator North America Inc.	USA	-	100.00	100.00	69.52	69.44
Navigator Africa, SRL	Italy	-	100.00	100.00	69.52	69.44
Navigator Participações Holding, SGPS, S.A.	Setúbal	100.00	-	100.00	69.52	69.44
Arboser – Serviços Agro-Industriais, S.A. a)	Setúbal	-	-	-	-	69.44
EMA21 - Engenharia e Manutenção Industrial Século XXI, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Ema Cacia - Engenharia e Manutenção Industrial, ACE	Aveiro	-	95.00	95.00	66.05	65.97
Ema Setúbal - Engenharia e Manutenção Industrial, ACE	Setúbal	-	89.91	89.91	62.51	62.43
Ema Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Figueira da Foz	-	90.72	90.72	63.07	62.99
Empremédia - Corretores de Seguros, S.A.	Lisbon	-	100.00	100.00	69.52	69.44
EucaliptusLand, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Navigator Added Value, S.A.	Setúbal	-	100.00	100.00	69.52	69.44
Navigator Paper World, S.A.	Setúbal	100.00	-	100.00	69.52	-
Navigator Afrique du Nord	Morocco	-	100.00	100.00	69.52	69.44
Navigator España, S.A.	Spain	-	100.00	100.00	69.52	69.44
Navigator Netherlands, BV	Holand	-	100.00	100.00	69.52	69.44
Navigator France, EURL	France	-	100.00	100.00	69.52	69.44
Navigator Paper Company UK, Ltd	United Kingdom	-	100.00	100.00	69.52	69.44
Navigator Italia, SRL	Italy	-	100.00	100.00	69.52	69.44
Navigator Deutschland, GmbH	Germany	-	100.00	100.00	69.52	69.44
Navigator Paper Austria, GmbH	Austria	-	100.00	100.00	69.52	69.44
Navigator Paper Poland SP Z o o	Poland	-	100.00	100.00	69.52	69.44
Navigator Eurasia	Turkey	-	100.00	100.00	69.52	69.44
Navigator Rus Company, LLC	Russia	-	100.00	100.00	69.52	69.44
Navigator Paper Mexico	Mexico	-	100.00	100.00	69.52	69.44
Navigator Middle East Trading DMCC	Dubai	-	100.00	100.00	69.52	69.44
Navigator Abastecimento de Madeira, ACE	Setúbal	97.00	3.00	100.00	69.52	69.44

a) Incorporated by merger in Navigator pulp Figueira

SUBSIDIARY COMPANIES OF SUB-GROUP SECIL

Name	Head Office	Direct and indirect % of equity held in SECIL			% shares held by Semapa	
		Direct	Indirect	Total	31-03-2019	31-12-2018
Parent - company:						
Secil - Companhia Geral de Cal e Cimento, S.A.	Setúbal	99.998	-	99.998	99.998	99.998
Subsidiaries:						
Hewbol, S.G.P.S., Lda.	Funchal	100.00	-	100.00	99.998	99.998
Secil Cabo Verde Comércio e Serviços, Lda.	Praia	99.80	0.20	100.00	99.998	99.998
ICV - Inertes de Cabo Verde, Lda.	Praia	37.50	25.00	62.50	62.499	62.499
Florimar- Gestão e Participações, S.G.P.S., Lda.	Funchal	100.00	-	100.00	99.998	99.998
Sociedade de Inertes, Lda	Nacala	-	-	-	-	99.998
Secil Cement, B.V. (ex Seciment Investments, B.V.)	Termeuzen	100.00	-	100.00	99.998	99.998
Serife - Sociedade de Estudos e Realizações Industriais e de Fornecimento de Equipam	Lisbon	100.00	-	100.00	99.998	99.998
Silonor, S.A.	Dunkerque	100.00	-	100.00	99.998	99.998
Société des Ciments de Gabés	Tunis	98.72	-	98.72	98.716	98.716
Sud- Béton- Société de Fabrication de Béton du Sud	Tunis	-	98.72	98.72	98.716	98.716
Zarzis Béton	Tunis	-	98.52	98.52	98.519	98.519
Secil Angola, SARL	Luanda	100.00	-	100.00	99.998	99.998
Secil - Companhia de Cimento do Lobito, S.A.	Lobito	-	51.00	51.00	50.999	50.999
Unibetão - Indústrias de Betão Preparado, S.A.	Lisbon	100.00	-	100.00	99.998	99.998
Secil Britas, S.A.	Lisbon	100.00	-	100.00	99.998	99.998
Secil Martingança - Aglomerantes e Novos Materiais para a Construção, S.A.	Leiria	100.00	-	100.00	99.998	99.998
IRP - Indústria de Rebocos de Portugal, S.A.	Santarém	-	75.00	75.00	74.998	74.998
Allmicroalgae - Natural products, S.A.	Leiria	100.00	-	100.00	99.998	99.998
Argibetão - Sociedade de Novos Produtos de Argila e Betão, S.A.	Lisbon	99.53	-	99.53	99.528	99.528
Ciminpart - Investimentos e Participações, S.G.P.S., S.A.	Lisbon	100.00	-	100.00	99.998	99.998
ALLMA - Microalgas, Lda.	Leiria	-	70.00	70.00	69.999	69.999
Secil Brasil Participações, S.A.	Rio de Janeiro	-	100.00	100.00	99.998	99.998
Supremo Cimentos, SA	Santa Catarina	-	100.00	100.00	99.998	99.998
Margem - Companhia de Mineração, SA	Paraná	-	100.00	100.00	99.998	99.998
Secil Brands - Marketing, Publicidade, Gestão e Desenvolvimento de Marcas, Lda.	Lisbon	100.00	-	100.00	99.998	99.998
CMP - Cimentos Maceira e Pataias, S.A.	Leiria	100.00	-	100.00	99.998	99.998
Ciments de Sibline, S.A.L.	Beirut	28.64	22.41	51.05	51.049	51.049
Soime, S.A.L.	Beirut	-	51.05	51.05	51.049	51.049
Cimentos Madeira, Lda.	Funchal	100.00	-	100.00	99.998	99.998
Beto Madeira - Betões e Britas da Madeira, S.A.	Funchal	-	100.00	100.00	99.998	99.998
Brimade - Sociedade de Britas da Madeira, S.A.	Funchal	-	100.00	100.00	99.998	99.998
Madebritas - Sociedade de Britas da Madeira, Lda.	Funchal	-	51.00	51.00	50.999	50.999
SPB, SGPS, Lda.	Setúbal	100.00	-	100.00	99.998	99.998
Secil Prébetão, S.A.	Montijo	-	100.00	100.00	99.998	99.998
Cementos Secil, SLU	Madrid	100.00	-	100.00	99.998	99.998

26. SUBSEQUENT EVENTS

The subsidiary The Navigator Company, S.A. was notified on 7 May 2019 by the United States Department of Commerce that the provisional anti-dumping rate to be retroactively applied to sales of paper to the United States, for the period from March 2017 to February 2018 (the "second period of review") was of 5.96%, at the upper limit of the Company's estimates, being duly recognised in the financial statements for the period.

27. EXPLANATION ADDED FOR TRANSLATION

These financial statements are a free translation of the financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of discrepancies, the Portuguese language version prevails.

BOARD OF DIRECTORS

CHAIRMAN:

HEINZ-PETER ELSTRODT

MEMBERS:

JOÃO NUNO DE SOTTOMAYOR PINTO DE CASTELLO BRANCO

JOSÉ MIGUEL PEREIRA GENS PAREDES

PAULO MIGUEL GARCÉS VENTURA

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

ANTÓNIO PEDRO DE CARVALHO VIANA BAPTISTA

CARLOS EDUARDO COELHO ALVES

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

FRANCISCO JOSÉ MELO E CASTRO GUEDES

JOSÉ ANTÓNIO DO PRADO FAY

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

VÍTOR MANUEL GALVÃO ROCHA NOVAIS GONÇALVES

VÍTOR PAULO PARANHOS PEREIRA