

SEMAPA - Sociedade de Investimento e Gestão, SGPS, S.A.
Public Limited Company

Registered Office: Av. Fontes Pereira de Melo, nº 14, 10º, Lisboa
Share Capital: 118.332.445 Euros
Corporate Person and Lisbon Companies Registry nr.: 502593130

PRIVILEGED INFORMATION

PRESS RELEASE

INFORMATION ON 2008 RESULTS

The financial year of 2008 was marked by a global economic recession and by uncertainty as to its scale and duration.

In this context, Semapa recorded a positive performance, reflected in **consolidated net profits attributable to Semapa equity holders of 106.3 million euros** and **EPS (earnings per share) of 90 cents**.

Total EBITDA and **recurrent EBITDA** stood at **356.2** and **339.7** million euros respectively, whilst **net debt**, at **1,086.0** million euros, was up by 22.3% on year-end 2007, reflecting the capital expenditure projects underway within the Group.

The Group's business activities in 2008 consisted not only of consolidating its operations in its two leading industrial sectors – **Paper and Pulp and Cement and Derivatives**, but also of taking up a position in the new and emerging **Environmental** sector, which is experiencing robust growth, through acquisition of the **ETSA Group**.

Despite the adverse economic climate, the Group's workforce grew by **291 employees** due to inclusion of the ETSA Group in the consolidated accounts and the recruitment of new staff by the Portucel Soporcel Group.

Semapa has decided to include the ETSA Group in its Holdings segment considering that (i) it is included in the Semapa Group's consolidated financial statements as from 1 October 2008 (reflecting the date of the acquisition) and (ii) due to its current size in comparison with the Semapa Group's two other business areas – Paper and Paper Pulp and Cement and Derivatives.

Leading Business Indicators (IFRS)

IFRS (figures in million euros)	Dec 08	Dec 07	Δ% 08/07
Sales	1.441,7	1.435,4	0,4%
Other income	82,4	55,1	49,5%
Costs and losses	(1.167,9)	(1.057,8)	-10,4%
Total EBITDA	356,2	432,7	-17,7%
Recurrent EBITDA	339,7	406,1	-16,4%
Depreciation and impairment losses	(124,2)	(116,8)	-6,3%
Provisions (increase and reversal)	(15,1)	(12,5)	-20,7%
EBIT	216,9	303,3	-28,5%
Net financial profit	(55,7)	(58,0)	3,8%
Pre-tax profit	161,2	245,3	-34,3%
Tax on profits	(23,8)	(83,8)	71,6%
Retained profits for the period	137,4	161,5	-14,9%
Attributable to Semapa equity holders	106,3	122,0	-12,8%
Attributable to minority interests	31,0	39,5	-21,5%
Cash flow	276,7	290,9	-4,9%
EBITDA Margin (% sales)	24,7%	30,1%	
Recurrent EBITDA margin (% sales)	23,6%	28,3%	
EBIT margin (% sales)	15,0%	21,1%	
Total net assets	3.280,5	3.257,1	0,7%
Equity (before MI)	821,3	745,8	10,1%
Net debt	1.086,0	887,9	22,3%

Notes:

- Total EBITDA = operating profit + depreciation and impairment losses + provisions – reversal of 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; in line with IFRS rules
- Cash flow = retained earnings + depreciation and impairment losses + provisions – reversal of provisions
- The Semapa Group's 51% holding in Secil is consolidated by the proportional method

Contribution by Business Segment (IFRS)

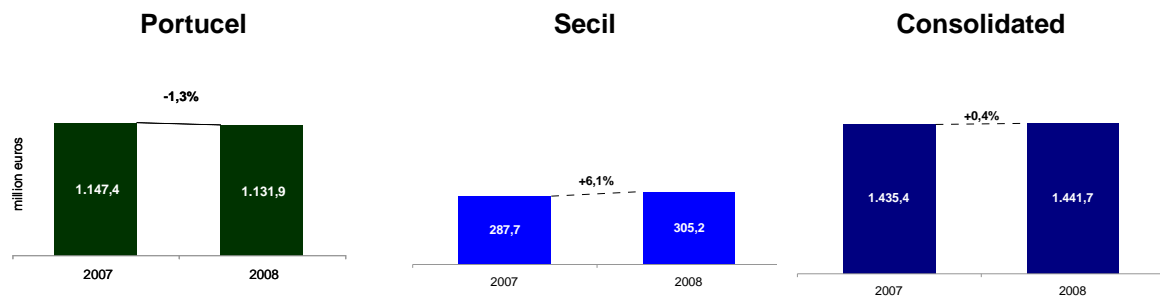
(Figures in million euros)	Paper and Pulp	Cement	Holdings and Environment	Consolidated
Sales	1.131,9	305,2	4,6	1.441,7
Total EBITDA	271,7	80,0	4,5	356,2
Recurrent EBITDA	271,7	79,7	(11,6)	339,7
Depreciation and impairment losses	(101,9)	(21,6)	(0,6)	(124,2)
Provisions (increase and reversal)	(13,5)	(1,1)	(0,5)	(15,1)
EBIT	156,3	57,2	3,4	216,9
Net financial profit	(19,6)	(3,5)	(32,7)	(55,7)
Pre-tax profit	136,6	53,8	(29,2)	161,2
Tax on profits	(23,8)	(12,5)	12,6	(23,8)
Retained profits for the period	112,8	41,2	(16,6)	137,4
Attributable to Semapa equity holders	85,7	37,4	(16,8)	106,3
Attributable to minority interests	27,1	3,9	0,1	31,0
Cash flow	228,3	64,0	(15,6)	276,7
EBITDA margin (% sales)	24,0%	26,2%	-	24,7%
Recurrent EBITDA margin (% Sales)	24,0%	26,1%	-	23,6%
EBIT margin (% sales)	13,8%	18,8%	-	15,0%
Total net assets	2.489,4	492,7	298,4	3.280,5
Net debt	480,4	63,6	541,9	1.086,0

Notes:

- Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.
- The amounts stated in the Consolidated Income Statement in relation to the ETSA Group, included in the Holdings and Environment Segment, refer to the period from October to December 2008, as the Group was acquired on 15 October 2008.

Consolidated Sales: 1,441.7 million euros

The figure of **1,441.7 million euros** represents a growth of **2.1 million euros** over the financial year of 2007. This was achieved thanks to the following contributions:



- Paper and Pulp (PORTUCEL SOPORCEL Group)

The Portucel Soporcel Group sales contribution in 2008 totalled **1,131.9 million euros**, representing a decline of 1.3% on the previous year. This reduction was due essentially to the cooling of world demand in the pulp and paper markets and a general drop of around 30% in prices for eucalyptus pulp (BEKP) during the third quarter of 2008.

Despite this difficult environment, total paper sales remained at almost the same level as in 2007, given that the reduction of 1.3% in volume was practically offset by an increase in the average sales price (+ 1.2%).

The total value of sales in this segment represented approximately 71% of the total turnover of the Portucel Soporcel Group.

In the pulp sector, the value of sales was down by 5.5% on the previous year, as a result of the combined effect of a 6.6% reduction in the quantity sold and an increase of 1.2% in the average price.

Pulp business contributed 21% of the total turnover of the Portucel Soporcel Group.

The remaining 8% of the sales recorded by the Portucel Soporcel Group were generated in the energy and other services sector.

- Cement and Derivatives (SECIL Group)

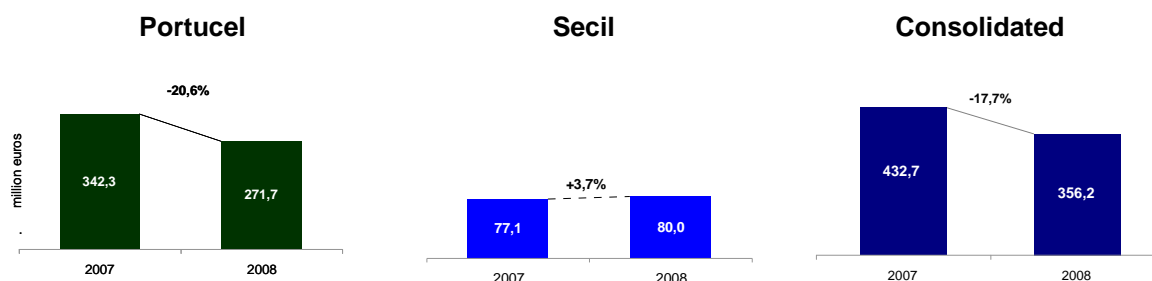
The accrued contribution by the Secil Group in 2008 stood at **305.2 million euros**, representing an increase of 6.1% on the previous year, due fundamentally to the performance of cement business in Portugal, Tunisia and Angola.

We should note that cement consumption in the Portuguese market declined by 7.5% in relation to 2007, due to the prolonged recession in the civil construction sector, dating back to 2002, which has been most severe in the residential sector.

- Holdings and Environment (Semapa SGPS, instrumental sub-holdings and the ETSA Group)

The accrued turnover contributed by the Holdings and Environmental sector stood at **4.6 million euros** due to inclusion in the Semapa Group's consolidated accounts of the financial statements of the ETSA Group for the last three months of the year.

Consolidated EBITDA: 356.2 million euros, of which 339.7 million euros is recurrent



- Paper and Pulp (PORTUCEL SOPORCEL Group)

The Portucel Soporcel Group contributed **271.1 million euros** to total EBITDA, down by 20.6% in relation to 2007. In addition to the cooling of world demand in the paper and pulp markets, as referred to above, the results of the Portucel Soporcel Group was hit hard by persistently high costs for raw materials (eucalyptus timber rose in price by more than 30% in the Portuguese market and prices rises for chemicals were in the order of 10%), other fuels and logistical operations.

- Cement and Derivatives (SECIL Group)

The Secil Group contributed total EBITDA of **80.0 million euros**, up by 3.7% on the previous financial year, thanks to good performance in cement business in Portugal and Angola, despite a difficult business environment in which the Secil Group was faced with severe increases in the cost of thermal fuels and in sea and road freights.

Recurrent EBITDA stood at **79.7 million euros**, corresponding to year-on-year growth of 3.7%.

- Holdings and ETSA Group (Semapa SGPS, instrumental sub-holdings and Environment)

Total accrued EBITDA stood at **4.5 million euros**, down on the previous year by 66.0%.

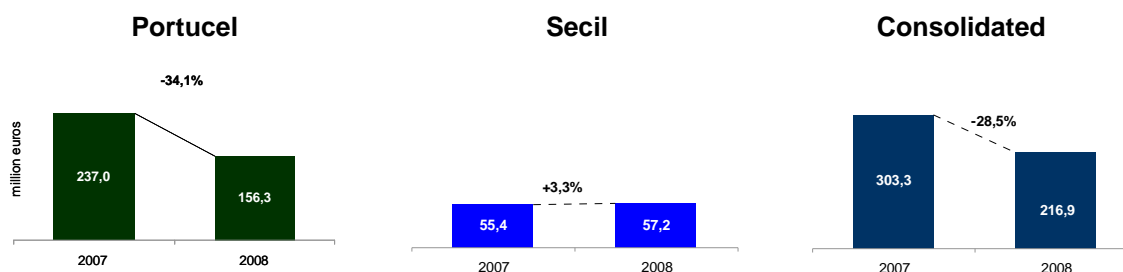
This reduction in total accrued EBITDA may be explained by the fact that, in 2008, total EBITDA was positively affected by contractual adjustments between the shareholders in Secil (CRH and Semapa), with a value of 16.1 million euros, whilst in 2007 EBITDA had been positively influenced by the capital gain recorded on disposal of shares in EDP, with a value of 26.2 million euros.

Recurrent EBITDA was negative, at **- 11.6 million euros**, reflecting the cost structure of Semapa and its instrumental sub-holdings (- 12.8 million euros) and the recurrent EBITDA generated in the last three months of 2008 by the ETSA Group (+ 1.2 million euros).

Consolidated EBITDA Margin: 24.7%

- Paper and Pulp (PORTUCEL SOPORCEL Group): margin of 24.0%, down by 5.8 percentage points from the previous year.
- Cement and Derivatives (SECIL Group): margin of 26.2%, i.e. slightly lower than in 2007 (26.8%).

Consolidated EBIT: 216.9 million euros



- Paper and Pulp (PORTUCEL SOPORCEL Group)

Total accrued EBIT stood at **156.3 million euros**, representing a reduction of 34% in relation to the figures recorded in 2007. This decline in operating results was due in part to an increase in amortization and depreciation, as a result of construction of the new paper mill.

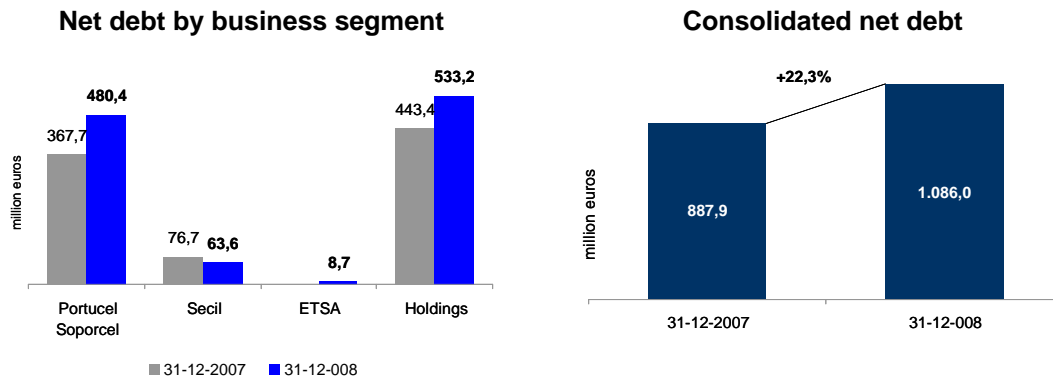
- Cement and Derivatives (SECIL Group)

The Secil Group contributed EBIT of **57.2 million euros**, representing an increase of 3.3% over the accrued figures at December 2007. The reasons set out for the evolution in EBITDA also serve to explain the variation recorded in EBIT.

- Holdings and Environment (Semapa SGPS, instrumental sub-holdings and Environment)

Total accrued EBIT stood at **3.4 million euros**, representing a reduction of 68.5% in relation to the figure recorded in 2007.

Net debt: 1,086.0 million euros



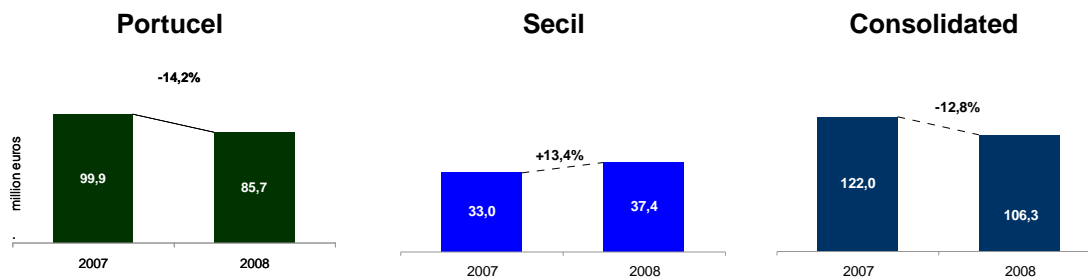
The SEMAPA Group's net borrowing increased by **198.1 million euros** in relation to year-end 2007, reflecting the pace of capital expenditure projects underway within the Group and without undermining the Group's financial soundness.

- Paper and Pulp (PORTUCEL SOPORCEL Group): increase of **112.7 million euros** over year-end 2007. Considering that Portucel distributed dividends during the first half of 2008 of 26.9 million euros, and invested a total of 246.9 million euros in fixed assets, the current level of indebtedness bears witness to the Group's robust capacity to generate cash flow.
- Cement and Derivatives (SECIL Group): the contribution to net debt stood at **63.6 million euros**, down by 13.1 million euros on the figure recorded at 31 December 2007. This improvement also reflects Secil's capacity to generate cash flow, given that its capital expenditure in 2008 totalled 18.6 million euros and the company distributed dividends of 37.5 million euros (19.0 million euros in relation to 2007 and 18.5 million relating to the financial year of 2008).
- Holdings and Environment (Semapa SGPS, instrumental sub-holdings and ETSA Group): at year-end 2008, net debt totalled **541.9 million euros**, up by 98.5 million euros on the end of 2007. This increase in net indebtedness reflected essentially (i) the payment of dividends, (ii) financial charges and overheads, (iii) acquisition of the ETSA Group, (iv) incorporation of the ETSA Group's net debt in the Semapa Group's consolidated accounts and (v) financial investments.

Financial Results: (55.7) million euros

- Paper and Pulp (PORTUCEL SOPORCEL Group): financial results improved over the previous year, with a net loss of **19.6 million euros** as compared with - 27.5 million euros, thanks in part to exchange rate and interest rate hedges taken out by the Group. Financial results had been hit in 2007 by the recording of interest on fiscal contingencies of 10.4 million euros, for the period from 1998 to 2003.
- Cement and Derivatives (SECIL Group): Secil's stood at - **3.5 million euros**, representing a reduction of 3.6 million euros in relation to year-end 2007.
- Holdings and Environment (Semapa SGPS, instrumental sub-holdings and ETSA Group): a financial loss of **32.7 million euros**, approximately 9.3 million euros higher than the figure recorded at 31 December of the previous year, in view of the average increase in indebtedness and the increase in average benchmark interest rates during 2008.

Consolidated Net Profits after Minority Interests: 106.3 million euros



Consolidated net profits before minority interests stood at **137.4 million euros**, of which **106.3 million euros** was attributable to Semapa equity holders, representing a reduction of 12.8% in relation to the previous period.

- Paper and Pulp (PORTUCEL SOPORCEL Group): a contribution of **85.7 million euros**, as compared with 99.9 million euros in 2007. This variation was due to the reduction in EBITDA, despite the year-on-year improvement in financial results and fiscal performance.
- Cement and Derivatives (SECIL Group): Secil's contribution stood at **37.4 million euros**, representing an improvement of 13% over the figure recorded in 2007, due essentially to growth in EBITDA and improved financial results.
- Holdings and Environment (Semapa SGPS, instrumental sub-holdings and ETSA Group): a negative contribution of **16.8 million euros**, as compared with a negative contribution of 10.9 million euros in 2007, due largely to the non-recurrent gain of 26.5 million euros realized on the disposal of shares in EDP in 2007, as compared with the sum of 16.1 million euros for the contractual adjustments established between the shareholders in Secil (CRH and Semapa) in 2008, and to the increase in annual financial charges in relation to those recorded in 2007.

Prospects for 2009

The prospects for the wider economy in 2009 reflect a high level of uncertainty as to the scale and duration of the current downwards phase in the economic cycle, not only in the euro zone and the main advanced economies but also in emerging markets, which have shown greater signs of weakness than expected.

All these factors have added to the accustomed uncertainty as to evolution in exchange rates.

Given that the economic environment appears largely unfavourable, the Semapa Group's results are not expected to be immune to the consequent adverse effects.

PORTUCEL SOPORCEL GROUP

In the case of the Portucel Soporcel Group, demand for UWF paper is expected to continue to decline in mature markets and to slow in emerging markets; this trend will be only partially attenuated by a net reduction in capacity, due to the close of less efficient plant.

The EUR/USD exchange rate will also be crucial to performance in this segment, not only because of substantial paper sales already realized in dollars, but also because the evolution of this rate could also significantly affect import and export flows in Europe.

In the pulp market, a difficult year is expected. The effect of adverse economic climate will be exacerbated by changes in the actual structure of the industry, which has already led to a significant adjustment in sales prices for pulp.

SECIL GROUP

The Secil Group's performance will unavoidably reflect the poor prospects for the construction and public works sector in the various markets in which it operates. In Portugal, the various segments in which the Group is engaged are expected to record a worsening in performance in 2009.

In Tunisia, cement consumption is expected to grow at below 2008 levels. Any improvement in profits will nonetheless continue to be constrained by the attitude of the Tunisian Government to price deregulation in the sector.

In Lebanon, political stability permitting, the market is expected to grow, albeit at a more moderate pace than in 2008.

In Angola, the prospects for growth in the cement market remain favourable, both for the country as a whole and for the southern region, which is Secil-Lobito's natural market.

Subsequent Developments

- Acquisition of approximately 1.6 million own shares by the Portucel Soporcel, representing 0.20% of the share capital of Portucel SA.
- Semapa SL has been notified of the decision of the court (of first instance) on the matter of fact in the action brought against several companies in the Teixeira Duarte, BCP and Lafarge Groups, in relation to breach of the obligation to launch a compulsory takeover bid for shares in Cimpor. The ruling was unfavourable to Semapa's interests.
- When a 49% stake in Secil was sold to Beton Catalan (CRH Group) in 2004, it was agreed that the sale price could vary in line with the occurrence of certain future events from which the Group might derive economic benefits as a result of facts predating the sale.

One of the matters under consideration had to do with the process for compensation of Secil from the Angolan State, as disclosed in previous reports. Secil had owned a number of assets in Angola which were nationalized between 1975 and 1987. In 1996, the Angolan State recognized that Secil had a credit of approximately USD 50 million, which sum was subsequently paid by allocation to the Secil Group of Angolan treasury bills, maturing in 2008 and 2009.

The factors constraining recognition of this benefit deriving from the compensation process referred to above have been resolved and agreement has been reached on payment of a sum of approximately USD 18 million euros by Beton Catalan (CRH Group) to Semapa, corresponding to 49% of part of the debt of USD 50 million, less expenses and costs incurred.

- Similarly pending resolution at the date of the sale was the question of the fiscal credit for international expansion, with a value of 5,985,575 euros, for which Secil applied with regard to the acquisition in 2000 of Société des Ciments de Gabès, and which was refused by the Portuguese tax authorities. In the course of 2008, the Administrative-Fiscal Court of Almada ruled in favour of an action brought by Secil and the Portuguese tax authorities have already reimbursed the benefit for the financial years of 2000, 2001, 2002 and 2004, with reimbursement still outstanding for the financial years of 2003 and 2005 only. It was also agreed between the parties that 49% of this benefit would be returned by Beton Catalan to Semapa.

In view of the above, in the course of 2008 Semapa recalculated the capital gain on the sale of 49% of the share capital of Secil, positively influencing the results in 16.1 million euros, as it had done in 2006 and 2007, so as to reflect these two situations. The respective payments were made in early 2009.

Lisbon, 10 March 2009

The Directors