RESULTS

FIRST NINE MONTHS OF 2009

Semapa – Sociedade de Investimento e Gestão, SGPS, SA. Public Limited Company

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Corporate Person and Lisbon Companies Registry nr. 502 593 130 · Share capital 118.332.445 Euros

PRIVILEGED INFORMATION

PRESS RELEASE

RESULTS: FIRST NINE MONTHS OF 2009

Turnover: 1,050.8 million euros

Total EBITDA: 208.6 million euros

EBIT: 112.9 million euros

Net profit: 52.2 million euros

Leading Financial Indicators

IFRS - accrued amounts (million euros)	Sept 09	Sept 08	09/08 (Var.%)
Turnover	**1,050.8**	**1,089.2**	**-3.5%**
Other income	39.1	46.2	-15.4%
Costs and losses	(881.3)	(861.4)	-2.3%
Total EBITDA	**208.6**	**274.1**	**-23.9%**
Recurrent EBITDA	207.8	270.1	-23.1%
Depreciation and impairment losses	(106.2)	(96.3)	-10.2%
Provisions (increases and reversals)	10.5	2.8	279.0%
EBIT	112.9	180.5	-37.4%
Net financial profit	(22.9)	(36.2)	36.6%
Pre-tax profit	90.0	144.4	-37.6%
Tax on profits	(18.3)	(29.9)	38.8%
Retained profits for the period	71.7	114.5	-37.3%
Attributable to Semapa equity holders	**52.2**	**87.0**	**-39.9%**
Attributable to minority interests	19.5	27.5	-29.1%
Cash-flow	167.4	208.0	-19.5%
EBITDA margin (% Sales)	19.9%	25.2%	-5.3 p.p.
Recurrent EBITDA margin (% Sales)	19.8%	24.8%	5.0 p.p.
EBIT margin (% Sales)	10.7%	16.6%	5.8 p.p.
	30-09-2009	**31-12-2008**	**09/08 (Var.%)**
Total net assets	3,281.0	3,280.5	0.0%
Equity (before MI)	837.9	821.3	2.0%
Net debt	**1,116.7**	**1,016.5**	**9.9%**
Nr Employees	**5,186**	**5,033**	**153**

Notes:

- Total EBITDA = operating profit + depreciation and impairment losses + provisions – reversal of provisions
- Cash flow = Retained profits for the period + 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 – market value of treasury stock and other securities held

Segment Reporting (IFRS)

IFRS-accrued amounts (million euros)	Paper and Pulp	Cement	Enviornment	Holdings	Consolidated
Sales	**806.1**	**223.9**	**20.5**	**0.3**	**1,050.8**
Total EBITDA	**154.1**	**59.8**	**5.6**	**(10.9)**	**208.6**
Recurrent EBITDA	**154.1**	**59.7**	**5.6**	**(11.6)**	**207.8**
Depreciation and impairment losses	(88.3)	(16.5)	(1.3)	(0.1)	(106.2)
Provisions (increases and reversals)	10.1	(0.2)	(0.2)	0.8	10.5
EBIT	**75.8**	**43.1**	**4.1**	**(10.2)**	**112.9**
Net financial profit	(9.3)	(2.4)	(0.4)	(10.9)	(22.9)
Pre-tax profits	**66.5**	**40.8**	**3.8**	**(21.0)**	**90.0**
Tax on profits	(7.9)	(9.4)	(1.1)	(0.0)	(18.3)
Retained profits for the period	**58.7**	**31.4**	**2.7**	**(21.1)**	**71.7**
Attributable to Sermapa equity holders	**45.2**	**25.7**	**2.4**	**(21.1)**	**52.2**
Attributable to minority interests	13.5	5.7	0.3	-	19.5
Cash-flow	**137.0**	**48.0**	**4.2**	**(21.8)**	**167.4**
EBITDA margin (% Sales)	19.1%	26.7%	27.4%	-	19.9%
Recurrent EBITDA margin (% Sales)	19.1%	26.7%	27.4%	-	19.8%
EBIT margin (% Sales)	9.4%	19.3%	20.1%	-	10.7%
Net total assets	**2,477.5**	**490.2**	**28.9**	**284.5**	**3,281.0**
Net debt	**630.8**	**53.4**	**12.3**	**420.1**	**1,116.7**

Notes:

- Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments
- The 51% holding in Secil owned by the Semapa Group is consolidated by the proportional method

Introduction and Market Environment

During the first nine months of 2009, the macro economic environment placed severe constraints on the development of the industrial output. The economic recession was most acute during the first quarter of the year. Since then, economic indicators have stabilized, but still at levels lower than in pre-recession times.

The paper and pulp markets have been confronted with significant reductions in demand, both in Europe and the USA. In the paper market, structural overcapacity in Europe added pressure on prices, despite recent reductions in capacity.

In the pulp market, the closure of non-integrated paper capacity and tougher restrictions on coverage of credit risks were partly offset by growing demand from the Chinese market.

The construction industry and cement consumption have also recorded a sharp decline in most developed countries, including Portugal, the main market in which the Secil Group operates.

Operations in the environmental sector were hampered by a relative shortage of raw materials, given that the economic crisis has resulted in lower consumption levels for animal-based foodstuffs.

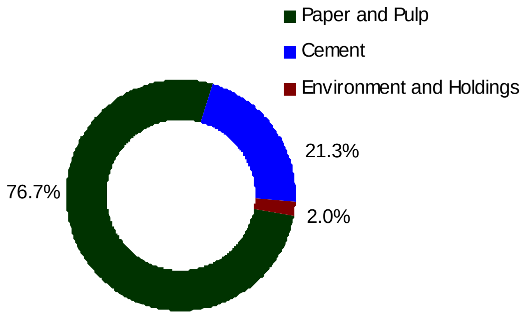
Despite this particularly adverse macro-economic and market environment, the Semapa Group has pushed ahead with its ambitious capital expenditure plan, contributing significantly to creating value for Portugal, including new jobs.

At the end of September 2009, the Semapa Group had a workforce of **5,186 employees**, up by 153 on the end of 2008.

The single most significant development was the start-up of Portucel's new paper mill, which took place successfully on 15 August, in line with the project schedule, and 19 months after the start of construction work. The new plant is now at the production phase.

Analysis of Results

The Semapa Group recorded a turnover of **1,050.8 million euros**, breaking down as follows into business areas:



In the Paper and Paper Pulp business area, paper sales performed particularly well in terms of quantity (up by 8.1% over the same period in the previous year), nevertheless offset by the decline in average sale prices of paper.

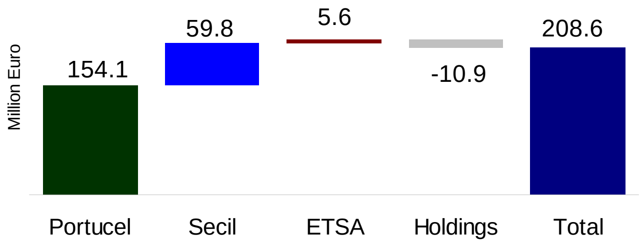
In terms of performance in pulp business, volume sales in the first 9 months of 2009 compare favourably with the same period in 2008, having grown by 1%. Whilst prices continue to edge upwards, pulp prices are still lower than those prevailing during the same period in 2008.

This resulted in sales standing at **806.1 million euros,** a decrease of 5.9% in turnover in comparison to accrued sales in September 2008.

Turnover in cement business totalled **438.9 million euros**, of which the Semapa Group appropriated **223.9 million euros**. This figure is 3.8% down on the same period in the previous year. Good performance in cement operations in Lebanon and Angola was insufficient to counterbalance poorer performance recorded by operations in Portugal and Tunisia.

In the environmental sector, where the Group operates through the ETSA Group, turnover stood at **20.5 million euros** for the period in analysis.

For the first 9 months of 2009, consolidated EBITDA totalled **208.6 million euros** (as compared to 274.1 million euros in the same period in 2008), breaking down as follows by business area:



EBITDA in Paper and Paper Pulp business stood at **154.1 million euros**, down by 29.6% in relation to the same period in the previous year.

From an operational perspective, the Portucel Group recorded a significant improvement in its production costs, owing to lower prices for timber and chemicals, especially during the third quarter of the year. Personnel costs also improved in relation to the first nine months of 2008, due essentially to a reduction in variable compensation.

It should be stressed that EBITDA in the 3rd quarter of 2009 was up by 32.4% on the preceding quarter, thanks in part to a reduction in variable production costs, namely timber costs and the price of chemicals.

In the cement sector, EBITDA stood at **117.2 million euros**, of which the Semapa Group appropriated **59.8 million euros.** This figure was down by approximately 4.9% on the same period in 2008.

Although operations in Lebanon and Tunisia recorded an improved performance, this was not enough to offset the poorer performance presented by cement business in Tunisia and the business units operating from Portugal:

- operations in Tunisia were particularly hard hit by increased thermal energy and electricity costs, not reflected in sale prices which continue to be controlled by the Tunisian government. On top of this, the Government imposed severe restrictions on exports, where higher margins can be achieved than on sales on the domestic market.

- the combined reduction in the average export price and in the quantities of cement and clinker placed on the market brought down the performance of operations in Portugal.

EBITDA in the environmental sector totalled **5.6 million euros**. In addition to a reduction in consumption levels of animal based products, the increased scarcity of raw materials was also due to changing consumer habits as a result of increased use of some of the raw materials collected in human foodstuffs.

In the third quarter of the year, Semapa Group's EBITDA margin improved by 5.9 percentage points in relation to figures recorded in the second quarter.

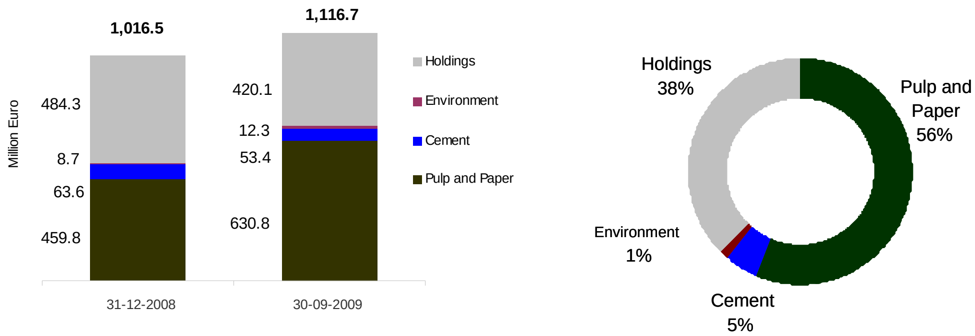
Accrued financial results through to September 2009 were up by 36.6% to **22.9 million euros**, despite an increase in net debt over year-end 2008 due to the ambitious investment plan underway. This improvement derived essentially from the following factors: (i) lower reference interest rates, (ii) increased mark to market of the financial investments, (iii) gains from interest rate hedges negotiated by the Group and (iv) reversal of interest allocated to previous periods by Portucel Group, in relation to prior period fiscal contingencies, with a value of 7.8 million euros.

Consolidated net profits attributable to Semapa equity holders totalled **52.2 million euros**, as compared with 87.0 million euros recorded in the same period of the previous year. This reduction was caused essentially by the drop in EBITDA and increased depreciation levels. Positive performance in financial and fiscal results was insufficient to offset the fall in operating profits.

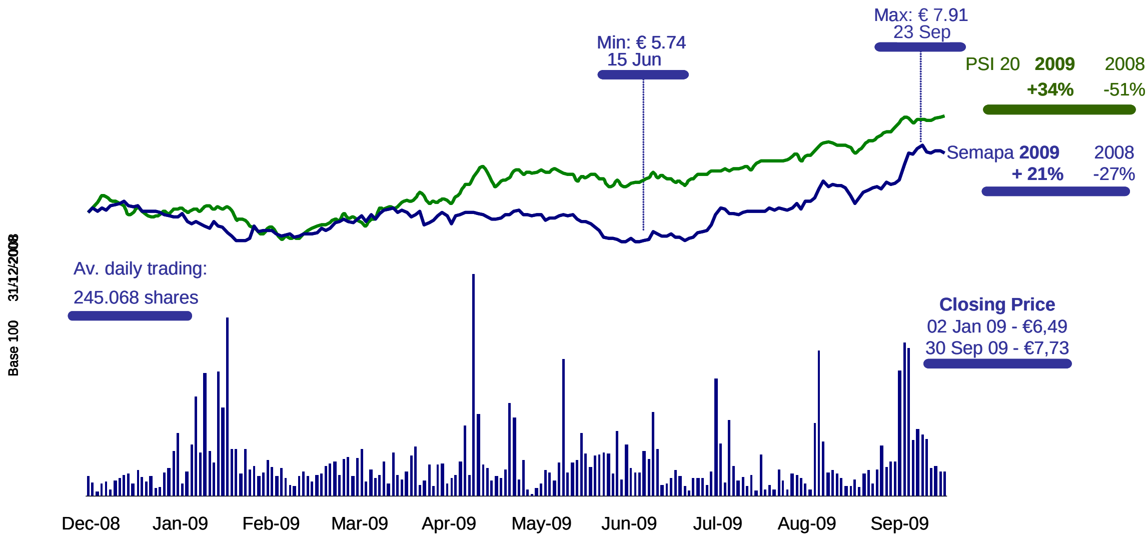
The Semapa Group is engaged in a plan of heavy capital expenditure, especially in its Paper and Paper Pulp business area, where investment totalled **352.2 million euros**, largely focused on completion of the new paper mill in Setúbal and projects in the energy sector.

At 30 September 2009, consolidated net debt stood at **1,116.7 million euros**, representing an increase of **100 million euros** over the figure recorded at year-end 2008. Taking into account the scale of the investment plan referred to above, the debt evolution still reflects the Semapa Group's outstanding capacity to generate cash flow from its operations, as well as its sound financial position.

Net Debt by Business Segment



The following graph shows the performance of Semapa shares during the first nine months of 2009:



During the first nine months of 2009, Semapa share price rose in value by 21%, whilst the PSI 20 index gained 34% over the same period.

It should be noted that Semapa share price depreciated less than the PSI 20 in 2008: down by 27% as against 51%.

Outlook

The short term macro-economic prospects are marked by a high degree of uncertainty, due to the continuing presence of several drivers which could potentially undermine an upturn in the global economy.

In the Paper and Paper Pulp business area, the paper pulp segment continues to face a difficult market environment, with a strong element of uncertainty persisting in the short term. The paper market has shown no signs of an upturn in demand and the European structural over-capacity, despite the recent closures, should keep prices under heavy pressure.

In the pulp market, despite a recovery experienced in the 2nd and 3rd quarters, allowing sales prices to rally, and with a further increase already expected for November, uncertainty still remains as to how long demand will hold out, especially from the Chinese market, currently the main driver of pulp consumption.

The weakening of the USD against the Euro is also a major concern for European producers, as well as the current restrictions on credit insurance.

Despite this negative environment, the Group has been operating at full capacity, increasing its paper sales and controlling its costs, which have evolved very favourably over the course of the year. The Group is therefore extremely confident as it faces the challenge of its new paper mill in Setúbal.

As far as the possibility of international expansion is concerned, the Portucel Group continues to look into a number of alternatives, especially in Latin America and Africa, regions highly suited to unique forestry operations.

The outlook for cement business is generally unfavourable. However Secil Group faces varying prospects in the different regions in which it operates due its geographical diversification. For Portugal, forecasts of construction activity remain negative, especially for the residential construction segment. The Tunisian, Lebanese and Angolan markets are expected to cool slightly in comparison with the previous year.

Demand for ETSA Group products (animal fats, meals and frozen products for pet food) will inevitably reflect the economic slowdown and falling levels of consumption.

In view of the above and the performance recorded through to September 2009, the Semapa Group’s results are expected to be lower than in the previous year, but still positive overall.

Lisbon, 27 October 2009

The Directors