LANÇÁMOS AS BASES DE UMA NOVA FASE DE CRESCIMENTO SUSTENTADO PELA AMBIÇÃO DE FAZER MAIS E MELHOR.

A NOSSA MARCA NO FUTURO.

WE HAVE LAID THE FOUNDATIONS FOR A NEW PHASE OF GROWTH, SUSTAINED BY OUR AMBITION TO ACHIEVE MORE.

OUR IMPRINT ON THE FUTURE.

DIVULGAÇÃO RESULTADOS DO 1º TRIMESTRE DE 2015

INTERIM RESULTS 1ST QUARTER OF 2015

PORTUCEL, S.A.

SOCIEDADE ABERTA

Sede: Mitrena, Apartado 55, 2901-861 Setúbal - Portugal
N.I.P.C. 503 025 798 - Capital Social €767 500 000
Matriculada na Conservatória do Registo Comercial de Setúbal

PUBLIC LIMITED COMPANY

Headquarters: Mitrena, Apartado 55, 2901-861 Setúbal - Portugal
Corporate Entity 503 025 798 - Share Capital €767 500 000
Registered at the Commercial Register of Setúbal

Highlights: 1st Quarter 2015 (vs. 1st Quarter 2014):

- Turnover up 6.4% to € 388.8 million
- Integration of AMS' tissue business
- Pulp and paper prices perform well
- Strategic projects move ahead
- Net debt / EBITDA ratio remains at 0.9

Leading Indicators – IFRS

(unaudited)

Million euros	Q1 2015	Q1 2014	Q4 2014	% Change (6) Q1 15/Q1 14	% Change (6) Q1 15/Q4 14
Total sales	388.8	365.4	404.3	6.4%	-3.8%
EBITDA (1)	81.4	78.0	89.8	4.4%	-9.3%
Operating profits	54.2	51.9	54.2	4.4%	-0.1%
Financial results	- 8.7	- 7.3	- 9.5	19.6%	-8.6%
Net earnings	41.8	40.8	48.4	2.3%	-13.6%
Cash flow	69.0	66.9	83.9	3.1%	-17.8%
Adjusted Free Cash Flow (2)(3)	51.7	57.8	38.0	-6.0	13.7
Capex	12.8	1.3	36.5	11.5	-23.7
Net debt (4)	282.2	251.6	273.6	30.6	8.6
EBITDA / Sales (%)	20.9%	21.3%	22.2%		
ROS	10.7%	11.2%	12.0%		
ROE	11.4%	11.0%	13.5%		
ROCE	12.4%	11.6%	12.6%		
Equity ratio	55.2%	52.9%	53.7%		
Net Debt / EBITDA (5)	0.9	0.7	0.8		

(1) Operating profits + depreciation + provisions
(2) Free Cash Flow comparable with 1Q14, adjusted with VAT figures received after closing of 1Q2015, relating to December 2014 and January 2015
(3) Var. Net debt + dividends + share buyback
(4) Interest-bearing net debt – liquid assets
(5) EBITDA corresponding to last 12 months
(6) Percentage variation corresponds to figures not rounded up/down

1. ANALYSIS OF RESULTS

1st Quarter 2015 vs. 1st Quarter 2014

The first quarter of 2015 brought a positive combination of rising paper pulp prices and significant variations in exchange rates, as the dollar rose strongly against the euro. In this environment, the Portucel Group recorded turnover of € 388.8 million, representing growth of 6.4% in relation to the same period in 2014. It should be stressed that the figure for turnover includes sales of 14.5 million by AMS, the tissue manufacturer recently acquired by Portucel, which will now be included in the results presented by the Group.

After achieving it highest ever sales in the final quarter of 2014, operational performance in the UWF paper (uncoated woodfree printing and writing paper) was more moderate in the first three months of 2015, as may be expected at this time of year and due to restocking needs. When compared with the same period in 2014, the first quarter of 2015 saw a reduction of 4.6% in apparent UWF consumption in Europe. Against this background, the Group recorded a drop of 1.8% in its sales volume, but this decrease was more than offset by positive performance in the Group's average sales price, with paper sales growing in value by around 1.5%. The positive performance in the average price was sustained by the strength of the dollar against the euro and the changing geographical mix of sales, with the growth of exports to countries outside Europe. As a result, the Group recorded an increase of 3.3% in its average sales price, in clear contrast to the European benchmark index, PIX A4-Copy B, which fell by 1%.

Performance in Bleached Eucalyptus Kraft Pulp (BEKP) business was rather more robust, reflecting a combination of favourable factors which included strong demand in the Chinese market, maintenance stoppages by a number of pulp manufacturers and a slowdown in the rate at which new capacity has come into operation. This market situation made it possible for the upward trend in prices observed in the previous quarter to continue, and the average of the PIX BHKP benchmark index in USD was up by around 2%, which the foreign exchange effect amplified into growth of 17.8% in the benchmark price in euros. This evolution in pulp prices allowed for an increase of 12.7% in the value of sales, despite a drop of around 5% in the quantity sold, due essentially to decreased availability of market pulp, as a result of planned maintenance stoppages at the Group's mills. Cacia and Figueira da Foz mills experienced longer stoppages than in the first quarter of 2014, particularly Cacia, due to early stage preparation works related to the ongoing capacity expansion.

Maintenance stoppages in the first quarter of 2015 also had an impact on output and sales of electricity. One of the turbo-generators at the Cacia mill was also due for a service in the period, leading to a lengthy stoppage with a significant impact on the energy balance at this unit. Even so, gross output was up by 1% on the same period in 2014, whilst power sales to the national grid were down by 3.5%.

In terms of production factors, wood costs were in line with the same period in the previous year and failed to present the improvement initially expected. Supply mix was marked by a strong concentration of imports in this period, pushing up the average price of wood consumed in the first quarter, also because these are USD-denominated imports.

Attention should also be drawn to an increase of approximately € 2.8 million in personnel costs, reflecting the rejuvenation programme launched in the second half of 2014 and currently being implemented in the Group.

In this scenario, consolidated EBITDA stood at € 81.4 million, including € 2.0 million in relation to AMS, up by 4.4%. The EBITDA / Sales margin stood at 20.9%. Cash flow reached € 69 million, a 3.1% increase quarter on quarter.

Operating income grew in line with EBITDA, up by 4.4% at € 54.2 million.

The Group recorded a financial loss of € 8.7 million euros, as compared with a loss of € 7.3 million recorded in the first quarter of 2014. Despite a reduction over the quarter in net borrowing costs, the Group recorded a loss of € 1.3 million on exchange rate hedges contracted for 2015. The underlying derivatives have been negotiated with the aim of reducing the impact of foreign exchange rates on Group's results and reflect the strong valuation of the dollar occurred during the quarter..

As a result, consolidated net income for the period stood at € 41.8 million, representing growth of 2.3% in relation to the same period in 2014.

1st Quarter 2015 vs. 4th Quarter 2014

When compared with the final quarter of 2014, Group turnover was down by approximately 3.8%, in line with results recorded in previous years and explained primarily by the large volume of paper sales in the fourth quarter, due to typical seasonal factors. The amount of paper available for sale was also limited by the effort to restock paper inventories, which stood at a low level at the end of 2014.

The volume of paper sales was down by around 13.4%, although the Group's average sales price performed well, up by around 5%. As already reported, the strong dollar and growing sales to USD-denominated markets outside Europe were key factors in achieving this result. Accordingly, the value of paper sales was down by around 9% on the previous quarter.

Pulp sales (BEKP) rose by 2.8% in relation to the previous quarter, and the Group's average price performed very favourably, in line with the FOEX BHKP index in euros, up by 12.3%. These factors made for growth of 15.4% in the value of pulp sales.

Against this background, quarterly EBITDA was down by 9.3% against the previous period, and EBITDA/Sales margin also dropped by 1.3 percentage points, from 22.2% to 20.9%.

Operating income held steady in relation to the final quarter of 2014, at € 54.2 million.

2. MARKET ANALYSIS

2.1 UWF Paper

Apparent UWF consumption Europe was down by 4.6% in the first quarter of 2015 in relation to the same period in the previous year. The weakness of the euro against the dollar drove the European industry to look for more profitable opportunities, increasing exports and consequently reducing the volume dispatched to the European market. At the same time, the European industry has been put under growing pressure from production costs, in particular pulp, for which the international market price is set in dollars. Prices rose by more than € 70 from the fourth quarter of 2014 to the first quarter of 2015, largely due to foreign exchange trends. This situation had a dramatic impact on the European industry, as around 40% of production is not integrated, and is currently operating at below optimum efficiency.

In Europe, the capacity utilization rate stood at approximately 96%, in line with the figure recorded in the same period in the previous year, while Portucel operated, as usual, at 100% capacity. Order books in the industry in late March 2015 were at levels similar to those seen in the same period in 2014, and up by 5.3% from the end of February. In this context, in the first quarter of 2015 the main benchmark index for UWF paper in Europe (PIX A4- Copy B) was down by 1.0% on the same quarter in 2014.

In the US, another key market for the Group's sales strategy, apparent consumption of UWF paper was down by 5.0%, and by 3.4% in the case of cut-size. The leading price index for the sector (Risi 20lb A4) fell by 0.5% in the first quarter of 2015 in relation to the same period in the previous year.

In this context, the Group achieved growth in sales to export markets, up by 9.6% on the same period in 2014, with continued expansion into new regions and growing penetration in Latin America and the Middle East. Sales in Europe were consequently down, as a result of slowing consumption and the search for higher returns in USD-denominated markets. The Navigator brand recorded solid performance, with growth of 9% around the world and 2% in Europe, maintaining levels of growth, penetration and brand recognition unrivalled in the industry.

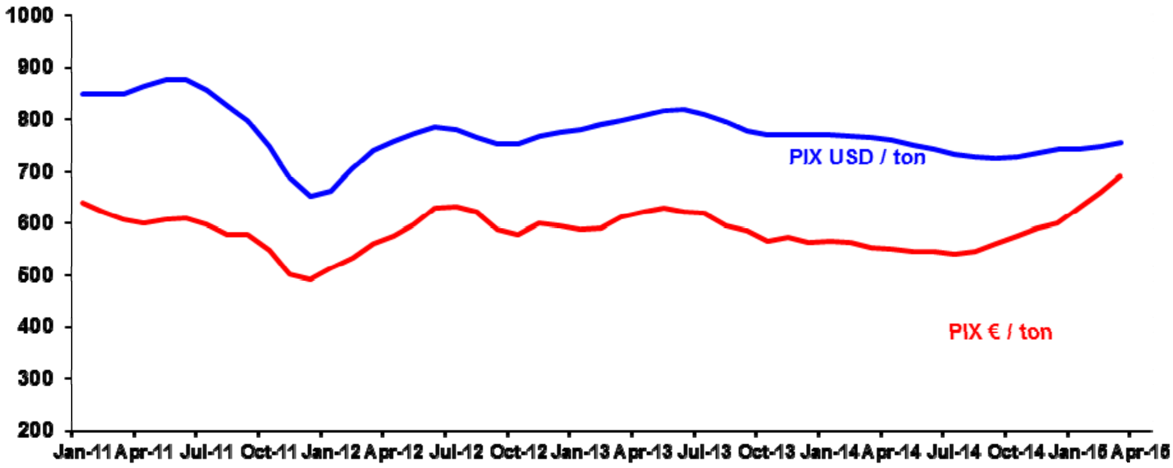
It should also be noted that Portucel informed its clients of an increase in its UWF paper price, to be implemented as from late March, sustained on the reasons described above, relating to the strong pressure in industry's production costs.

2.2 BEKP Pulp

As was to be expected, the recovery which started in the fourth quarter of 2014 continued into the first quarter of 2015, thanks to a combination of various factors: a pause in the launch of additional capacity, a reduction in supply due to the traditional maintenance stoppages at this time of the year and strong demand, especially from the Chinese market.

In this market environment prices continued to rise, and the average of the PIX benchmark index increased from USD 735 in the final quarter of the previous year, to USD 749 in the quarter in question, and a further price increase has been announced as from 1 April, positioning BEKP pulp on the European markets at USD 790. In euros, due to the currency's weakness against the dollar, the price increase was even more significant, as can be seen from the following graphs, rising from € 588 in the fourth quarter of 2014 to € 660 in the quarter now ended.

PIX BHKP Europe - Monthly Evolution



As reported above, the Chinese market remains the main driving force behind demand. Data from PPPC W-20 related to pulp sales up until March 2015 shows a global increase of 11.6%, with the growth of 32.3% in eucalyptus pulp standing out. January 2015 was the best month ever in terms of total pulp imports into China, at 1 630 million tons, breaking the previous record set in December 2014.

The Group's BEKP pulp sales totalled approximately 57 thousand tons in the first quarter of 2015, with an improved position in the decor and specialities segments, which accounted for more than 70% of the total sales volume in the period.

All the Group's pulp sales were to European markets, home to manufacturers of higher quality paper where technical demands are more stringent and where the intrinsic qualities of the eucalyptus globulus pulp are appreciated for their capacity to generate substantial added value.

Summary of operating indicators

Pulp and Paper

(000 tons)	1st Quarter 2015	1st Quarter 2014	%	4th Quarter 2014	%
BEKP Output	342	345	-0.8%	355	-3.5%
BEKP Sales	57	60	-4.9%	55	2.8%
UWF Output	374	387	-3.4%	390	-3.9%
UWF Sales	361	365	-1.2%	417	-13.4%
Foex – BHKP Euros /ton	660	561	17.8%	588	12.3%
Foex – A4-B copy Euros / ton	814	832	-2.2%	822	-1.0%

Energy

(000 tons)	1st Quarter 2015	1st Quarter 2014	%	4th Quarter 2014	%
Output (GWh)	594	588	1.0%	609	-2.6%
Sales (GWh)	518	537	-3.5%	557	-7.0%

3. STRATEGIC DEVELOPMENT

Having announced its strategic development plan at the start of 2015, the Group concentrated on seeing through its various projects, intensifying work on projects already under way and pursuing with the new operations.

Capacity expansion at Cacia

The Cacia mill is currently expanding its capacity: civil construction work has continued and a significant proportion of the new equipment has been delivered on schedule. The new facilities are due to be connected to the main plant in June, during a production stoppage of around 3 weeks, with production restarting in July.

Mozambique

In Mozambique, and particularly in Zambézia, the year started with extreme weather conditions, causing floods with devastating effects for the economy. In the wake of these events, expectations of growth in Mozambican GDP were revised downwards to around 6.5% and 7%.

In the region where Portucel Moçambique is setting up its operations, a number of bridges and roads collapsed, interrupting communications along essential routes. Despite the extremely adverse conditions, Portucel Moçambique has made every endeavour to work around the difficulties, which has allowed it to press ahead with operations, albeit at a slower pace, but with the keen expectation that it will be able to return to the rate of progress required to achieve its ambitious targets.

The company was able to plant a total of 300 hectares and to reach agreement with local communities on the location of a further 11 000 hectares for new plantations, whilst work continued on the construction the new plant nursery facility in Luá (Socone) in Zambézia province, due to be fully operational in the second quarter.

In an important development, the Environmental and Social Impact Assessment Reports for the provinces of Zambézia and Manica were approved, allowing permits to be issued for implementing the plantation plan submitted.

Likewise significant was the signing of a further agreement with the International Finance Corporation (IFC), a World Bank organisation and holder of a 20% stake in Portucel Moçambique, for consultancy services on implementation and drafting of the Social Development Plan for local communities in the Portucel Mozçambique project areas.

New business areas

AMS

In the tissue segment, following Portucel's acquisition of AMS BR – Star Paper S.A., the relevant applications were made to the regulatory and administrative authorities, in particular the Competition Authority, which, as of the date of publication of this press release, has formally indicated that it has no objection to the transaction. At the same time, work has started on integrating the company in the Portucel Group in corporate and operational terms, with a special focus on optimising processes and unified management of AMS' business, as well as identification of potential synergies and savings for the two entities together. The plan for doubling tissue production capacity has proceeded on schedule, and the work is due for completion in the third quarter of this year.

Tissue Cacia

As announced in conjunction with the 2014 results, organic growth in the tissue segment will be achieved by applying a business model based on direct integration of pulp into tissue manufacture, and by locating the converting lines close to the destination markets. The Cacia site is well placed to develop tissue production capacity and preparatory work proceeded during the quarter, including preliminary feasibility studies, due for completion in July 2015.

Pellets

The project for a new pellets factory in the US took major strides forward during the quarter. A project team has been set up in Greenwood, South Carolina, led by Group managers and supported by staff recruited locally. A contract was awarded for the 1st phase of the civil construction works, which started up on 3 February 2015. Tendering procedures for the main equipment was also concluded, representing around 90% of the value of the main plant. The end of March saw the Groundbreaking ceremony, marking the start of construction work on the new factory.

4. FINANCIAL

At 31 March 2015, interest bearing debt totalled € 282.2 million, including €26.5 million of debt from AMS. The Group's gross long term debt stood at € 482.1 million, and its debt maturing in less than one year at € 159.7 million. Over the course of the quarter, Portucel repaid two bond issues, which matured in February and March, with a total value of € 160 million.

In comparable terms, adjusted free cash flow in the period was € 51.7 million. Adjusted amount includes VAT rebates, for December and January, that were received during the first three months of 2014 but which in 2015 occurred after the end of Q1. The adjusted amount is € 39 million.

At the end of March, the equity ratio stood at 55.2% and the Net debt / EBITDA ratio was 0.9, pointing to sound financial health, and amongst the best levels for companies in this industry.

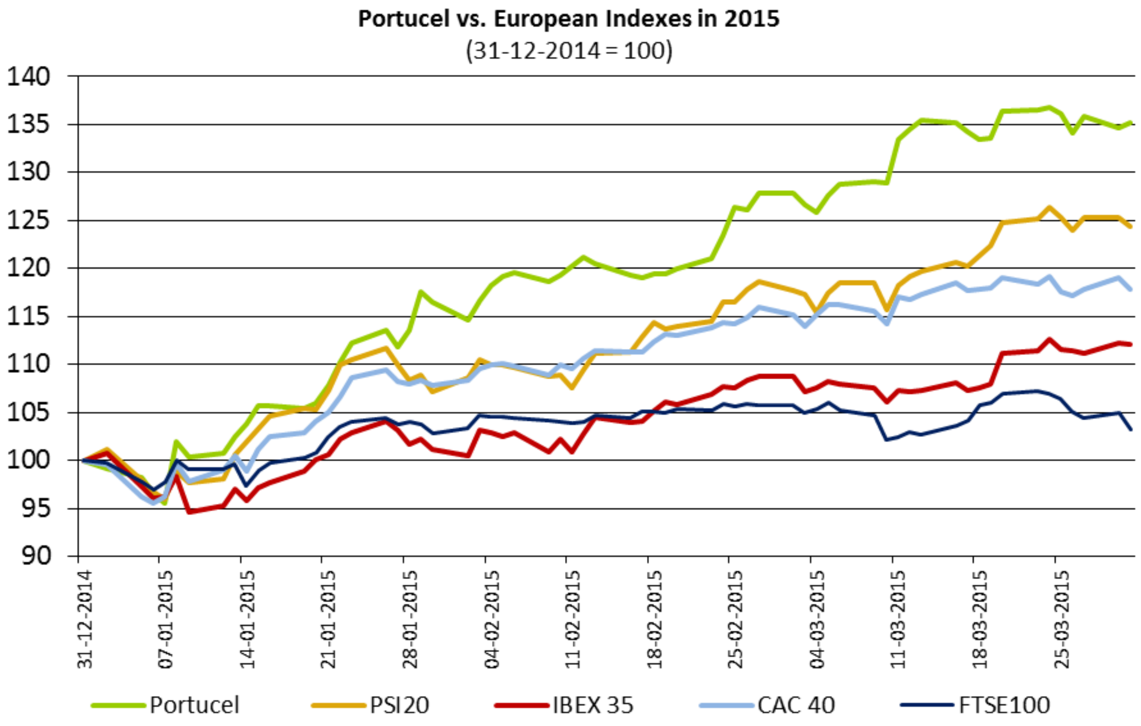
5. CAPITAL MARKETS

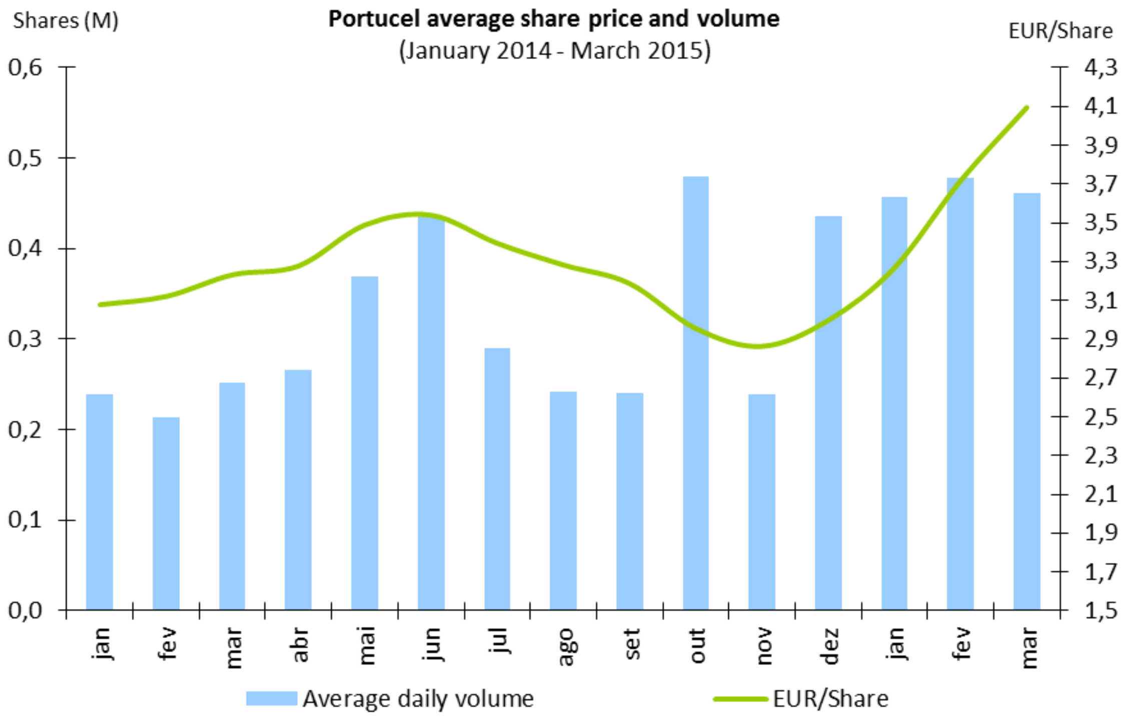
Most equity markets presented positive trends in the first quarter of 2015. European stock exchanges in particular recorded significant gains, on the strength of improved expectations for economic growth in Europe, the ECB's programme of quantitative easing and the sharp depreciation of the euro against other currencies, in particular the US dollar.

In this context, the PSI 20 rose by around 24%, in line with the German index, representing the best quarterly gains in the last 17 years. The Euronext 100 and CAC 40 indexes also closed the period with significant growth, both up by more than 17%. The US stock markets presented more moderate performance, although staying near record levels.

Paper and pulp companies also recorded outstanding performance on the stock markets in the first quarter, especially in the case of European and Latin American pulp manufacturers, whose share prices reflected rising prices and expectations of the positive impact of exchange rate trends on their results.

Portucel's shares also enjoyed excellent gains, rising by around 35% in relation to the start of the year and closing the quarter at a price of 4.169€/share. Shares recorded a high of 4.22€ on 24 March, up from a low point for the period of 2.946 €/share at the very start of 2015.





6. OUTLOOK

As already mentioned, the evolution of the Euro/Dollar exchange rate in 2015 has been a crucial factor in making European countries more competitive. For exporting companies in particular, the strength of the dollar against the euro in recent months has made USD-denominated sales to countries outside the Euro Zone increasingly attractive.

The pulp sector is currently experiencing a positive momentum, with prices, already at high levels, expected to evolve positively in the months ahead. Robust demand, in particular from the Chinese market, careful management of new capacity entering the market, and also the tendency in the USD/Euro exchange rate are all factors which are expected to benefit pulp manufacturers. However, uncertainty still remains as to the impact on the market of new pulp capacity starting up in Brazil, in May, with meaningful impact as of September.

Expectations regarding the tissue paper segment remain positive, with interesting levels of growth in the emerging economies such as China, Turkey and Latin America, which should help to maintain a dynamic pulp market. With pulp prices remaining high, tissue producers will naturally experience some pressure on margins.

For the UWF paper market the prospects are more moderate, although it may benefit from the reduction and conversion of capacity at a number of production units in Europe, the impact of which is expected to be felt in the second half 2015. In addition, as mentioned above, the current level of the EUR/USD exchange rate will form an obstacle to imports into Europe, and will help exports from European countries.

However, attention should be drawn to the great difficulties currently faced by the non-integrated paper industry. The differential between pulp and paper prices is at an all-time low, which has driven down the margins of paper manufacturers to unsustainable levels. The increase in paper prices announced at the end of the first quarter, with effects being felt from the second quarter onwards, was justified by the strong pressure exerted by production costs, in particular for pulp. In spite of this first increase, the pressure on margins continues and, due to the difficult situation of the paper industry, especially of a significant number of non-integrated manufacturers, may lead to a further price increase in the short term.

In what regards the anti-dumping complaint filed with the International Trade Commission on January 2015 by several US pulp and paper producers against a number of countries, including Australia, Brazil, China, Indonesia and Portugal, the suit was carried over to the US Department of Commerce. It is currently still in the information gathering stage and an extension of the deadline to reply has been granted. Confident of the good practices that characterize its activities, the Group has fully cooperated with the competent authorities. A decision is not expected before the end of August.

Setúbal, 29 April 2015

Subsequent developments:

The proposals for approval at the Annual General Meeting of 29 April 2015 were published on April 7. Income distribution amount is € 150.6 million and the majority shareholder proposed an additional reserves distribution of € 159.9 million, totalling € 310.5 million. This amounts to a gross dividend per share of € 0.433 and represents an increase of about 55% over the amount distributed in the previous year.

7. FINANCIAL CONSOLIDATED STATEMENTS

Consolidated Income Statement (31 March 2014)

Amounts in Euro	1st Quarter 2015	1st Quarter 2014
	Unaudited	**Unaudited**
Revenues		
Sales	387 716 738	363 231 095
Services rendered	1 084 255	2 104 258
Other operating income		
Gains on the sale of non-current assets	4 488	100
Other operating income	2 335 034	2 037 373
Change in the fair value of biological assets	652 554	1 201 551
Change in the fair value of financial investments	-	-
Costs		
Cost of inventories sold and consumed	-191 452 432	-173 616 304
Variation in production	20 047 396	15 139 497
Cost of materials and services consumed	-100 669 053	-96 928 350
Payroll costs	-33 754 762	-30 097 581
Other costs and losses	-4 590 183	-5 118 406
Provisions	5 906 473	-54 145
Depreciation, amortization and impairment losses	-33 083 703	-26 009 654
Operational results	**54 196 807**	**51 889 433**
Group share of (loss) / gains of associated companies and JV		
Net financial results	-8 687 762	-7 264 374
Profit before tax	**45 509 045**	**44 625 059**
Income tax	-3 718 632	-3 784 119
Net Income	**41 790 413**	**40 840 940**
Non-controlling interests	-4 068	-3 369
Net profit for the period	**41 786 345**	**40 837 571**

Consolidated Statement of Financial Position (31 March 2014)

Amounts in Euro	31-Mar-2015	31-Dec-2014
ASSETS	**Unaudited**	
Non-Current Assets		
Goodwill	398 116 770	376 756 383
Other intangible assets	7 159 242	3 416 269
Plant, property and equipment	1 276 624 563	1 250 351 511
Biological assets	114 621 977	113 969 423
Financial assets available for sale	229 136	229 136
Investment in associates	-	-
Other assets	-	-
Deferred tax assets	24 720 853	23 418 573
	1 821 472 543	**1 768 141 295**
Current Assets		
Inventories	213 951 432	188 859 834
Receivable and other current assets	202 762 412	188 808 093
State and other public entities	89 054 750	62 929 572
Cash and cash equivalents	359 554 333	499 552 853
	865 322 928	**940 150 351**
Total Assets	**2 686 795 470**	**2 708 291 646**
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	767 500 000	767 500 000
Treasury shares	-96 974 466	-96 974 466
Fair value reserves	-8 601 644	-2 492 240
Legal reserves	83 644 527	83 644 527
Translation reserves	1 927 016	724 832
Other reserves	691 217 779	519 395 217
Net profit for the period	41 786 345	181 466 696
	1 480 499 557	**1 453 264 566**
Non-controlling interests	233 674	235 253
	1 480 733 231	**1 453 499 819**
Non-current liabilities		
Deferred taxes liabilities	91 574 873	95 893 297
Pensions and other post-employment benefits	8 018 398	163 119
Provisions	31 010 963	41 148 805
Interest-bearing liabilities	482 091 727	468 458 255
Other non-current liabilities	39 953 962	38 551 650
	652 649 923	**644 215 127**
Current liabilities		
Interest-bearing liabilities	159 702 381	304 735 140
Payables and other current liabilities	321 078 560	211 924 917
State and other public entities	72 631 376	93 916 644
	553 412 316	**610 576 701**
Total liabilities	**1 206 062 240**	**1 254 791 827**
Total equity and liabilities	**2 686 795 470**	**2 708 291 646**