VIRÁMOS MAIS UMA PÁGINA DE SUCESSO NA NOSSA HISTÓRIA. **ESTE É O NOSSO PAPEL.**

WE HAVE COME TO A NEW SUCCESS CHAPTER IN OUR HISTORY.
OUR PAPER, OUR AMBITION.

DIVULGAÇÃO RESULTADOS DO ANO 2014

CONSOLIDATED ANNUAL RESULTS FOR 2014

PORTUCEL, S.A.
SOCIEDADE ABERTA
PUBLIC LIMITED COMPANY

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

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

Leading Indicators – IFRS (unaudited)

	Year 2014	Year 2013	Variation (4) 2014 / 2013
Million Euro			
Total Sales	**1 542.3**	**1 530.6**	**0.8%**
EBITDA (1)	**328.4**	**350.5**	**-6.3%**
Operating profits (EBIT)	**218.3**	**233.7**	**-6.6%**
Financial Results	**- 34.2**	**- 14.1**	**141.4%**
Net Income	**181.5**	**210.0**	**-13.6%**
Free Cash Flow (2)	**236.8**	**263.6**	**-10.2%**
Capital Expenditure	**50.3**	**16.9**	**33.4**
Interest-bearing Net Debt (3)	**273.6**	**307.0**	**-33.4**
EBITDA / Sales	**21.3%**	**22.9%**	
ROS	**11.8%**	**13.7%**	
ROE	**12.4%**	**14.2%**	
ROCE	**12.4%**	**12.9%**	
Financial Autonomy	**53.8%**	**52.5%**	
Net Debt / EBITDA	**0.8**	**0.9**	

	4th Quarter 2014	3rd Quarter 2014	Variation (4) Q4 14 / Q3 14
Million Euro			
Total Sales	**404.3**	**390.8**	**3.5%**
EBITDA (1)	**89.8**	**80.5**	**11.5%**
Operating profits (EBIT)	**54.2**	**51.8**	**4.7%**
Financial Results	**- 9.5**	**- 8.6**	**10.7%**
Net Income	**48.4**	**42.5**	**13.7%**
Capital Expenditure	**38.0**	**7.5**	**30.4**
Free Cash Flow (2)	**36.5**	**81.1**	**-55.0%**
Interest-bearing Net Debt (3)	**273.6**	**309.9**	**-36.3**
EBITDA / Sales	**22.2%**	**20.6%**	
ROS	**12.0%**	**10.9%**	

(1) Operating profits + depreciation + provisions
(2) Var. Net Debt + dividends + purchase own shares
(3) Interest-bearing debt – cash and cash equivalents
(4) Percentage variation corresponds to figures not rounded up/down

Highlights 2014

Operating highlights:

- Group achieves highest ever paper sales, at 1,564 million tons, up by 3%, with output at record levels
- Despite drop in benchmark prices for pulp and paper, turnover was higher than in 2013, totalling € 1,542.3 million
- Value of paper sales sustained by improvement to product mix, as sales of own brands and premium products grew
- Sales of Navigator paper in Europe up 6%, to new all-time high

Financial highlights:

- With free cash flow of € 236.8 million, the Group continues to demonstrate excellent cash generation capacity
- Net debt remains at very conservative levels, with a Net Debt / Ebitda ratio of 0.8
- High level of shareholder return with payment of dividends and reserves totalling € 200.8 million.

Other highlights

- Group joins FSC International and renews commitment to certified forestry, producing and selling 8.4 million certified plants
- IFC highlights the Group's sustainability practices in Mozambique, acknowledging that they set international standards
- With 1.35 million m^3 of FSC certified wood and approximately 660,000 m^3 of PEFC wood, certified wood supplied to Group plants breaks through the barrier of 2 million m^3

Highlights 4th Quarter 2014

- Quarterly volume of paper sales sets new Group record
- Turnover up 3.5% to € 404.3 million
- Improvement in Group's average sales prices for pulp and paper
- Positive price evolution boosts EBITDA and margin
- Start-up of project to expand capacity at Cacia mill
- Signing of a cooperation agreement under which IFC will take up 20% stake in Portucel Moçambique
- Group decides to go ahead with investment opportunity in the pellets industry in the US

Portucel in 2025 – Strategic Review

- After its heavy investment programme from 2005 to 2009, the Group has consolidated its leading position in the European uncoated woodfree paper market

- The current prospects for growth in the UWF market have pointed to the need for strategic review , to identify new avenues for development and a vision for the Group's positioning for 2025.

- Portucel is currently experiencing a new cycle of growth sustained by consolidating the projects currently under way and by moving into new business areas

- Moving into new businesses: decision to diversify into the tissue segment, through organic growth and acquisitions

- Organic growth: the business model will be based on direct incorporation of pulp into tissue production and location of the converting lines close to the destination markets, allowing Portucel to achieve clear competitive advantages and to position the Group as one of Europe's most competitive producers.

- Growth through acquisition: acquisition of AMS BR Star Paper S.A. ("AMS"), located in Vila Velha de Rodão, Portugal, which currently has production capacity of 30,000 tons of tissue paper and converting capacity of 50,000 tons, and with plans already under way to double its tissue production capacity. The total investment in AMS, including expenditure needed for its capacity expansionplan, will amount to around € 80 million.

- AMS recorded total turnover in 2014 of €51.3 million, normalized EBITDA of € 9.5 million, normalized Net Debt of € 20.6 million and equity (book value) of € 31.6 million.

- The construction of a pellets factory in the US is another investment opportunity which the Group will use to move into a rapidly growing segment, with the benefit of diversifying its industrial base. Total investment is estimated at USD 110 million, and construction work on the factory will start in 2015, due for completion in the third quarter of 2016.

- Consolidation of projects currently under way, in particular the expansion of pulp production capacity in Cacia and development of the integrated forestry, pulp and energy project in Mozambique.

1. Analysis of Results

2014 vs 2013

In 2014, in a context of falling pulp and paper prices, the Portucel Group recorded turnover of € 1,542 million, around 1% up on the previous year, on the strength of impressive growth in the volume of paper sales.

Operational performance in the uncoated woodfree paper (UWF) division was extremely positive, setting new records for sales, which stood at more than 1.564 million tons, up by 3%. Output also rose to an all-time high, totalling 1.560 million tons, representing an increase of 2.5% over 2013. The increased sales volume made it possible to achieve growth of 2.0% in the value of paper sales, despite poor performance in prices. The Group recorded a drop of 1.0% in the average sales price for paper, whilst still outperforming the benchmark index for the A4 B-copy market, which was down by around 2%. An improving product mix, reflecting growth of 2% in sales of own brands and premium products, was once again a differentiating factorfor the Group. Favourable trends in Euro exchange rates, in particular against sterling, also had a modest positive effect on the average sales price. The variation in the EUR/USD rate had a marginal impact on annual figures, reflected essentially in the average price for the 4th quarter.

In eucalyptus pulp business, as was expected in a year when significant new capacity came on to the market, pulp prices tended to fall, resulting in an average annual reduction in the PIX BHKP benchmark price index in euros of around 6%. However, market conditions began to show some improvement from September onwards, as demand for eucalyptus pulp rose overall and capacity was closed down. Pulp prices in euros also benefited from the strength of the USD towards the end of the year. In this environment, due also to increased incorporation of pulp into paper, the Group's volume of pulp sales was down by 9.4%. The reduction in the sales volume combined with lower prices resulted in a drop of around 17% in the value of pulp sales.

In the energy sector, output performed well, growing by 2.2% in 2014, to 2,392 GWh. The Group sold a total of 2,184 GWh to the national grid, resulting in power sales of € 235.6 million. The sales price was 1% lower than in 2013, due essentially to the reduction in the price index and changes to production profiles as a result of maintenance stoppages.

In this context, the lower sales prices for pulp and paper had a decisive impact on the generation of EBITDA. In 2014, EBITDA stood at € 328.4 million, as compared with € 350.5 million in 2013. The EBITDA / Sales margin stood at 21.3%, down by 1.6 percentage points.

Attention should be drawn to the favourable performance of certain cost items, notably chemicals and logistics. The improvement in logistical costs was all the more impressive considering the expansion of Group sales into new geographical markets. The Group also recorded a significant reduction in the purchase price for electricity, as a result of new purchasing negotiations, conducted on better terms in view of developments in the market. However, these improvements were not enough to offset rising costs for certain factors of production, in particular personnel and wood , despite improvements in the price of wood on the Portuguese market in the second half of 2014, a trend expected to continue into 2015. The increase in personnel costs was due essentially to the planned increase in the initial contribution under a Group's defined contribution pension plan.

Operating income totalled € 218.3 million, as compared with approximately € 233.7 million recorded in 2013.

The Group recorded a financial loss of € 34.2 million, which is significantly larger than in the previous year and is explained fundamentally by the increase in borrowing costs, after a high yield bond issue on the market in May 2013 and the substantial reduction in interest income from the investment of cash surpluses. It should be noted that the 2013 financial results had included a gain of approximately € 8.0 million euros in compensatory interest, as a result of benefits under the Special

Debt Recovery Scheme.

Net income stood at € 181.5 million, down by 13.6%. The effective tax rate was significantly lower than the tax rate for 2013, thanks to the release of provisions which proved unnecessary and the write-down of estimates, as well as a reduction in deferred tax liabilities due to the lower tax rate for 2015.

4th Quarter vs 3rd Quarter 2014

Turnover in the 4th quarter improved in relation to the previous quarter, growing by 3.5%, thanks to an increase in the volume of paper sales and rising pulp and paper prices.

UWF sales evolved positively over the 4th quarter, reaching a total of 417 thousand tons, the highest quarterly figure ever recorded. Compared with the same quarter in 2013, the volume of paper sales grew by an impressive 2.1%. The Group's average price improved by 2.3%, allowing the value of sales to grow by 5.3% to € 310.7 million. The strength of the dollar against the euro had a positive impact on the average sales price recorded in the 4th quarter. Paper output stood at approximately 390 thousand tons, 3.5% down on the 3rd quarter, meaning that the high sales volume resulted in an overall reduction in stock levels at the end of the year.

As already mentioned, there was an upturn in pulp business as from September, with the reference price reaching USD 742 at the end of the year, corresponding to € 600. This upturn reflected the improvement in the market and also favourable evolution of the EUR/USD exchange rate. However, increased integration of pulp in paper production, as well as planned production stoppages, resulted in a smaller quantity of pulp available for the market, and the sales volume dropped by 15.2%. The increase in the Group's average price helped to lessen the effect of the reduction in volume, and the value of sales fell by only 7.5%.

Energy output held steady at practically the same level as the previous quarter, and the value of energy sales rose by 1%, to € 61.2 million, the highest quarterly figure in recent years.

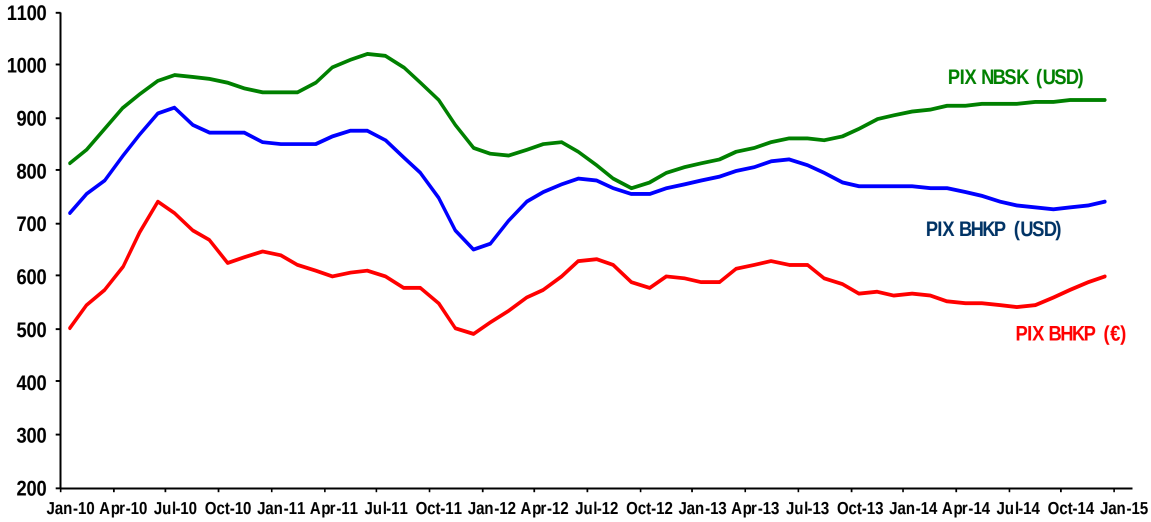
In this context, EBITDA performed well in the 4th quarter, up by 11.5% on the previous quarter at a total of € 89.8 million. This was higher than the EBITDA recorded in the last 4 quarters, as was the EBITDA/Sales margin, which stood at 22.2% for the quarter.

1. Market Analysis

a) Pulp Business

As already stated, an upturn was observed in the eucalyptus pulp market in the 4th quarter of 2014, ending the downward trend in prices which started in July 2013, reaching a low point in September 2014, when the monthly average PIX reference price stood at USD 725. As a result, the quarterly average PIX price rose from USD 729 in the 3rd quarter to USD 735 in the last quarter, ending the year at USD 742.

PIX Prices Europe - Monthly evolution



This improvement in prices was supported by an overall increase in demand for BEKP of 9% (20.5 million tons in 2014 vs. 18.8 million in 2013) and by the closure in October of one of the mills operated by ENCE in Spain, which removed approximately 410 thousand tons from the market. This gave BEKP manufacturers the opportunity to announce an increase of USD 20 across the board as from January 2015, positioning the BEKP price in European markets at USD 770.

At the same time, although the price differential between softwood and hardwood pulps in the PIX index has started to come down, after reaching an all-time high of USD 206 in September, it is still at a high enough level to encourage substitution between these two fibres, with a positive impact on the price of short fibre pulp.

The Chinese market remained the main driving force behind demand in 2014. According to PPPC W-100 data, total demand in this market stood at 16.1 million tons, up by 530 thousand tons (3.4%) in relation to the previous year. This increase in pulp demand was centred primarily on BEKP, for which demand rose by 626 thousand tons (11.6%), to over 6 million tons.

The Group's BEKP pulp sales in the 4th quarter of 2014 stood at 56 thousand tons, lower than in the previous quarter, but at the level which was expected, considering the schedule of maintenance stoppages at its mills. For the year as a whole, Group sales stood at approximately 260 thousand tons. This figures is lower than in 2013, but reflects incorporation of pulp in paper production.

BEKP pulp sales by paper segment show that the Group has strengthened its leadership position in the decorative and special papers segment, with its annual percentage of the sales volume in this segment, where value added is higher, rising to 61%.

An analysis of sales by geographical destination shows that the Portucel Group has successfully maintained its policy of selling primarily 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 generate substantial added value.

b) Paper business

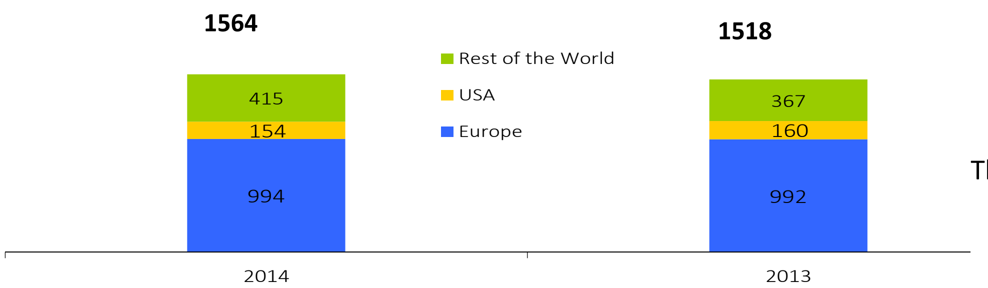
Overall, apparent UWF consumption in Europe grew by approximately 0.5% during 2014. This rise in apparent consumption was supported by supply from the European industry, in a year which showed a reduction in paper imports to Europe. Special attention should be drawn to the performance of UWF paper for the printing industry, where sales volumes grew after several years of decline.

The European industry recorded a capacity utilization rate of approximately 92%, two percentage points up from the same period in 2013. During 2014, order books in the UWF industry were stronger than in 2013, although they fell off towards the end of the third quarter. In this environment, the main benchmark index for UWF prices in Europe (PIX A4- B Copy) was down in 2014 by 2.3% in relation to the previous year.

The US experienced a sharp reduction in local UWF production capacity (down around 10% on 2013) and a strong increase in imports (22%), mostly from Asia, with imports growing from 13% to 17% as a proportion of total North American consumption. The expected upwards movement in prices never materialised, and the main benchmark index for the sector (Risi 20lb cut-size, 92 bright) rose by only 0.8% in relation to 2013.

In this context, the Group recorded its best ever paper sales in 2014, up by 3% on the previous year. This growth was achieved by extending geographical coverage and expanding the network of clients in our traditional markets.

Paper sales by market (000 tons)



The main engine of growth in the sales volume was once again the Group's premium product range, strengthening its position as the leading European manufacturer of UWF paper, especially in product segments offering higher value added. Significantly, the Group's own brands again recorded growth, with sales up by 2% worldwide and in Europe. Navigator continued to record impressive growth, up 4% around the world and 6% in Europe, achieving new levels of penetration and brand recognition, unrivalled in the industry.

Thanks to the perceived quality of its products and the success of its brands, the Group's prices outperformed the market by 1.3 percentage points in Europe, and 2.4 percentage points in the United States.

Summary of operating indicators

Pulp and paper

(in 000 tons)	4th Quarter 2014	3rd Quarter 2014	%	Year 2014	Year 2013	%
BEKP Output	355	361	-1.6%	1,418	1,424	-0.4%
BEKP Sales	56	66	-15.2%	257	284	-9.4%
UWF Output	390	404	-3.5%	1,559	1,521	+2.5%
UWF Sales	417	405	+2.9%	1,564	1,519	+3.0%
Foex – BHKP Euros /ton	588	549	+7.1%	561	597	-5.9%
Foex – A4-B copy Euros / ton	822	830	-0.9%	827	847	-2.3%

Energy

	4th Quarter 2014	3rd Quarter 2014	%	Ano 2014	Ano 2013	%
Output (GWh)	609	613	-0,6%	2,392	2,358	+2.2%
Sales (GWh)	557	558	-0,2%	2,184	2,154	+2.2%

2. Strategic development plan

After a period of heavy investment from 2005 to 2009, culminating in the construction of the new paper mill in Setúbal, the Group has for several years focused on consolidating its new position as Europe's leading manufacturer of uncoated woodfree paper.

In the meantime, changing patterns of economic growth and consumption around the world mean that the time has come for a fresh reflection on strategy. Faced with poor prospects for growth in the European UWF paper market in the years ahead, the Group has decided to look elsewhere for growth and to develop a plan for a new phase of development, whilst retaining strict concern for protecting its financial soundness and its ability to provide a return for shareholders.

The Portucel Group's plan for a new phase of growth is accordingly twofold: to consolidate the projects currently under way and to move into new business areas.

New business areas

Portucel has decided to diversify into tissue paper, with the aim of becoming one of the European leaders in this business. The Group is set to move into this segment by combining organic growth with the acquisition of existing capacity.

Organic growth will be achieved through a business model based on direct incorporation of pulp into tissue production and location of the processing lines close to the destination markets, allowing Portucel to achieve clear competitive advantages in industrial, logistical and commercial terms, and to position the Group as one of Europe's most competitive producers. Cacia presents a priori the suitable features for the installation of tissue production capacity. However, it should be stressed that the Group intends to maintain significant activity in the BEKP market until operations start in Mozambique, focusing on higher added value segments and exploring new pulp capacity expansion opportunities in the three factories.

At the same time, the acquisition of existing capacity will allow the Group to gain a rapid grasp of the new business dynamic and to benefit from an established client base. Portucel conducted an in-depth survery of the different assets available on the market, and has decided to acquire AMS BR Star Paper S.A. (“AMS”), the most efficient and profitable tissue paper manufacturer in the Iberian Peninsula, located in Vila Velha de Rodão, Portugal. With annual production capacity of 30,000 tons of tissue, and converting capacity of 50,000 tons, as well as a workforce of 146, this company is currently implementing a plan to double its production capacity for tissue papers, due for completion in September this year. The total investment in AMS, including expenditure needed for its capacity expansion plans, will total around € 80 million.

AMS recorded total turnover in 2014 of €51.3 million, normalized EBITDA of € 9.5 million, normalized Net Debt of € 20.6 million and equity (book value) of € 31.6 million.

In response to another business opportunity, the Group also announced at the end of 2014 its decision to invest in the construction of a pellets factory in the US. This project allows Portucel to draw on its experience of industrial processing and forestry products, whilst moving into a fast-growing sector which offers a renewable and sustainable alternative to the use of fossil fuels. The construction of this factory in the United States is also an opportunity for international expansion and diversification of Portucel's industrial base, significantly boosting its presence in a country which is a global leader in the forest-based products industry. Located in South Carolina, the pellets factory will have production capacity of 460 thousand tons, representing estimated investment of 110 million USD. Work will start on constructing the factory in 2015 and is scheduled for completion in the third quarter of 2016.

In order to reduce the risk on this investment, Portucel has negotiated fixed price supply contracts with aduration of 10 years, securing the sale of approximately 70% of the new factory's output.

Located in the Greenwood region, the industrial unit is competitively located with regard to the supply of forestry raw materials and energy.

Consolidation of projects currently under way

The project to expand pulp capacity in Cacia started up during the second half of 2014, with negotiation and award of the contracts for the main equipment and civil construction works. Production capacity is set to rise to between 350 and 360 thousand tons, making the unit significantly more competitive. The work is due for completion by the end of the 1st half of 2015. Investment in this project is estimated at 56.3 million.

Portucel also continues to make progress on its integrated forestry, cellulose pulp and energy project in Mozambique. Forestry operations are currently being intensified and the company is expanding its operational base in the country.

As mentioned above, the Group made a significant step forward in December 2014 when it signed an agreement with IFC (International Finance Corporation, a World Bank group company) under which the latter will take up a stake in Portucel Moçambique. This 20% holding may have a value of up to 30.4 million dollars at this initial phase. The financial agreement represents a further stage in IFC's involvement with the Mozambique project, as it has been providing consultancy services to the Group since 2013, on measures to improve the sustainability of forestry operations and the planning and development of projects to include local communities.

Another important development was the completion, in August, of the Social and Environmental Impact Study, which is important for accelerating the forestation process, in keeping with the high quality standards to which the Group aspires. Portucel Moçambique has implemented a public consultation process without precedent in the country, allowing it to present and discuss the project, along with with its benefits and impacts, with more than 20,000 people. The final public consultation procedure, as part of the Environment Impact Study, reached out to around 200 villages located in eight districts in the provinces of Manica and Zambezia, in addition to sessions in the provincial capitals and the national capital, Maputo.

Work also proceeded on building the first large-capacity nursery facility in Zambezia Province, which will be crucial for expanding the plantation areas.

In this context, capital expenditure in 2014 totalled € 50.3 million, of which approximately € 25 million related to the project in Mozambique and around € 10.0 million to expanding capacity in Cacia.

3. Debt

At 31 December 2014, the Group's net debt totalled € 273.6 million, down by € 33.4 million on year-end 2013. This reduction once again demonstrates Portucel's excellent capacity to generate cash flow, which in 2014 totalled € 236.8 million, in a year when Portucel distributed € 200.8 million in dividends and reserves and acquired own shares with a value of € 2.6 million.

Growth in working capital, due to a reduction in inventories and the customer balance, also contributed positively to this performance. At the end of the period, the Net Debt / Ebitda ratio stood at 0.8, in line with the figure recorded in the previous year, and significantly lower than the average for companies in the sector.

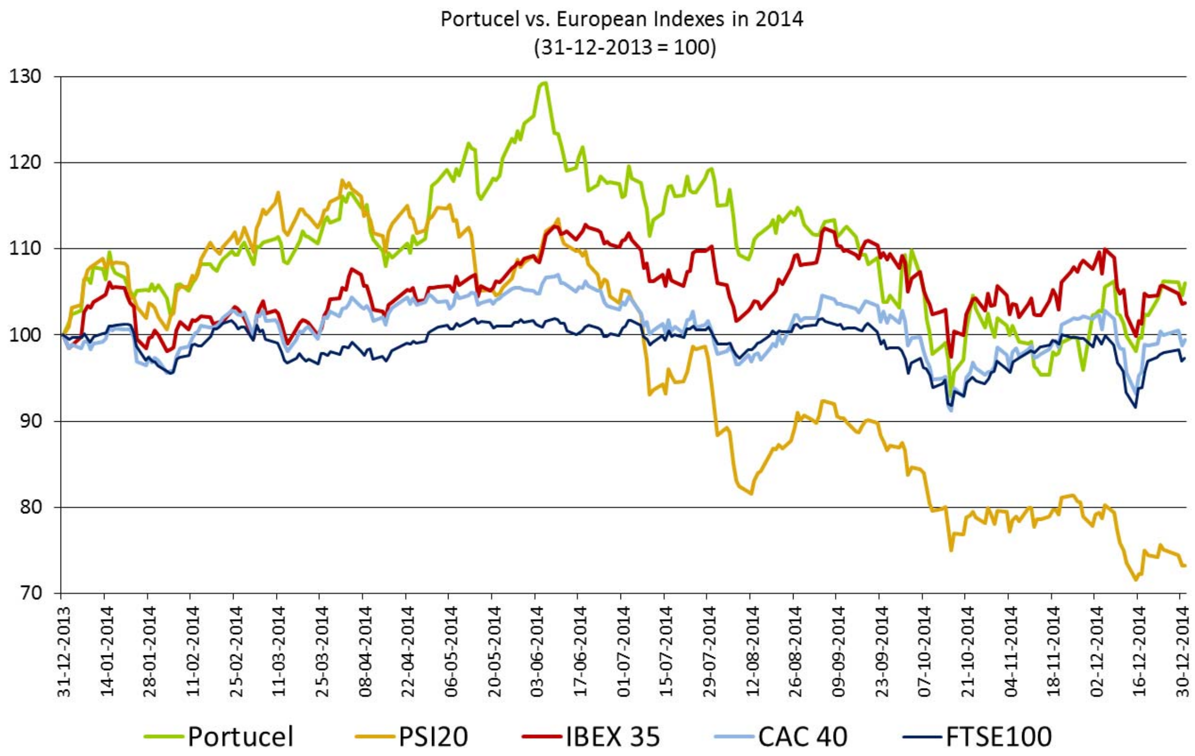
Gross debt stood at € 773.2 million, corresponding to € 304.7 million in short term debt and € 468.5 million in medium and long term debt. With cash and other liquid assets of € 499.5 million, the company continues to enjoy a comfortable level of liquidity. The financial autonomy ratio at the end of the period stood at 53.8%.

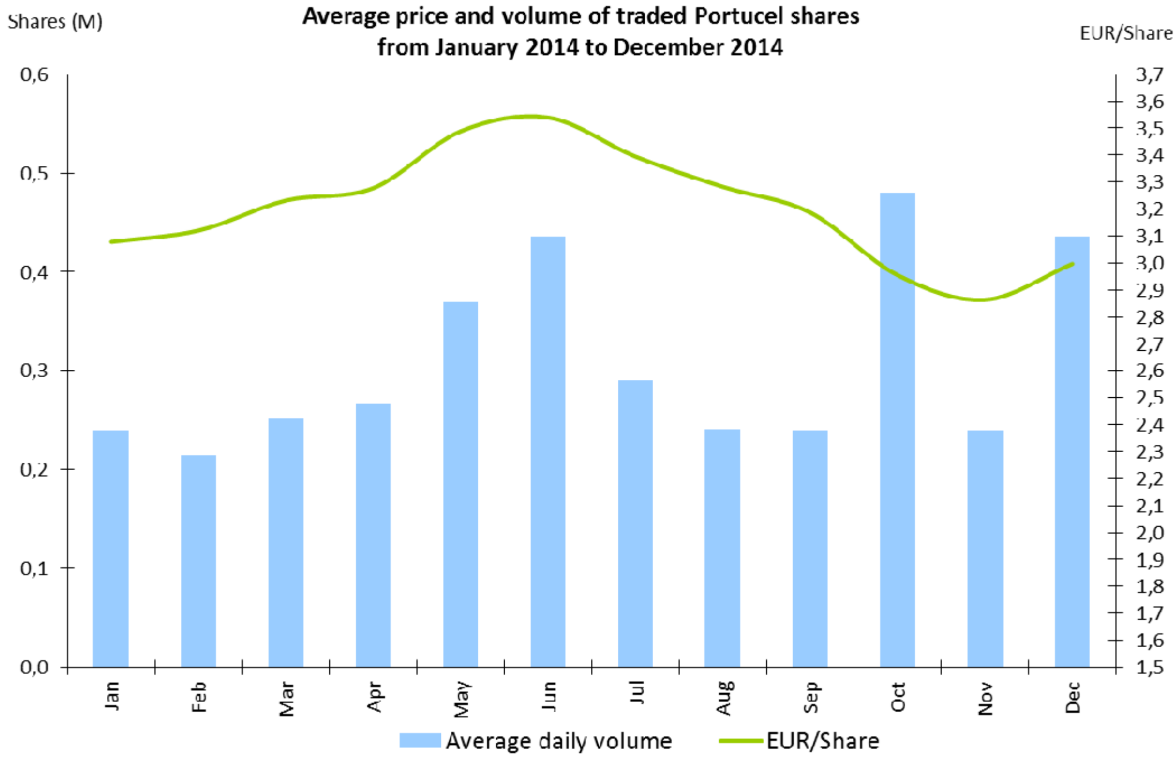
4. Capital Markets

The first half of 2014 was positive for most stock market indexes, but this trend went into reverse over the second half of the year. Worse than expected macroeconomic figures and geopolitical tensions were among the factors which had a negative effect on the markets. Of the European exchanges, the IBEX 35, Euronext 100 and Xetra Dax managed nonetheless to close the year in positive territory, although the PSI20 recorded sharp losses. The Portuguese market index recorded its third largest decline in value in its history in 2014 (only surpassed by the losses of 2008 and 2011), falling 27% in a year marked by the severe crisis in one of the country's leading financial groups, which contaminated other leading securities in the Portuguese market and led to removal from the index of two of its constituent issuers. Markets in the US recorded historic gains, with the main indexes recording extremely positive performance, especially in the technology sector, with the Nasdaq gaining around 18%.

In the pulp and paper sector, most companies performed poorly up to September, followed by an upturn in the final quarter, in response to improving expectations of market conditions. Exchange rate trends in late 2014, with the dollar rising against the euro, had a positive impact on the estimated results of European manufacturers, causing their share prices to rise. Brazilian companies also saw their listed prices increase significantly after the announcement of an increase in reference prices for BEKP pulp and strength of the dollar against the real.

In this environment, Portucel's shares recorded outstanding performance. During the first half of the year, share rose to high of 3.80 € and accumulated a gain of 18%. On 12 June, the Company paid out a gross dividend per share of 0.28 €, equivalent to a payout on consolidated net profits of 96%. However, over the course of the second half, the shares felt the negative impact of developments on the Portuguese market, dropping to a low of 2.7 €/share during October. In December the share price rallied again, and closed the year with a gain of 6%, at 3.09 €. The largest volume of trading was recorded over the final quarter of 2014.





5. Outlook

Projections for global economic growth in the next two years continue to be revised downwards, with the pace of growth expected to vary between the different economic blocs. Geopolitical instability in some regions, combined with recent trends in commodity prices, could have a negative impact on levels of growth in some of the emerging economic powers. In the US, a degree of optimism and signs of recovery can still be observed, whilst the main indicators for Euro Zone countries present contradictory tendencies. Doubts persist as to a sustained recovery, with internal demand and investment remaining sluggish, despite a modest upturn in consumer spending. The current level of the EUR/USD exchange rate and its evolution over 2015 will also be an important factor for the competitiveness of European countries, and will clearly benefit major exporters.

Although signs of uncertainty still persist around the world, the pulp and paper sector has proved resilient. Price trends at the end of the year point to a tendency for market conditions to improve, and increases in pulp prices are to be expected in the months ahead. The healthy level of demand, in particular in the Chinese market, careful management of new capacity entering the market, and also the evolution of the EUR/USD exchange rate which, as stated above, has already boosted pulp prices in euros, are factors which should benefit pulp manufacturers.

At the same time, expectations of 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.

The UWF paper market is also expected to benefit from this more positive environment, deriving further support from the decision of a number of manufacturers in Europe to reduce or convert capacity, the impact of which is expected to be felt in the second half 2015. In addition, the current level of the EUR/USD exchange rate will form an obstacle to imports into Europe, and will help exports from European countries.

The Group will continue to operate at 100% capacity, striving constantly to expand its markets and confident that the conditions are right in 2015 for prices to evolve more positively.

Subsequent developments:

On 21 January 2015, several US pulp and paper producers filed an anti-dumping complaint with the International Trade Commission in the USA against a number of countries, including Australia, Brazil, China, Indonesia and Portugal, with Portucel the only Portuguese company involved. Whilst it will of course refrain from commenting on the case, still at the preliminary investigation stage, the Group will cooperate fully with the US authorities. However, it should be noted that Portucel has conducted its commercial operations over the last fifteen years and that the success of its strategy has been based on sales in the premium paper segment, where both prices and quality standards are highest.

Setúbal, 10 February 2015

6. Financial consolidated statements

Consolidated Income Statement (31 December 2014)

Amounts in Euro	**2014**	**2013**	**4th Quarter 2014**	**4th Quarter 2014**
Revenues				
Sales	1.537.678.167	1.526.951.626	402.990.732	392.649.258
Services rendered	4.601.248	3.657.804	1.333.766	796.187
Other operating income				
Gains on the sale of non-current assets	408.792	1.033.762	271.041	390.603
Other operating income	30.650.502	17.786.057	25.283.793	5.737.086
Change in the fair value of biological assets	2.630.117	2.283.381	2.677.933	(10.676)
Change in the fair value of financial investments	-	144.728	-	-
Costs				
Cost of inventories sold and consumed	(675.102.529)	(659.833.383)	(167.629.346)	(164.705.590)
Variation in production	(13.785.825)	876.942	(26.196.684)	(7.371.013)
Cost of materials and services consumed	(423.025.068)	(415.261.449)	(111.778.948)	(110.090.560)
Payroll costs	(120.562.976)	(114.247.516)	(32.874.488)	(23.695.051)
Other costs and losses	(15.050.161)	(12.896.110)	(4.315.673)	(3.314.377)
Provisions	1.336.655	(13.964.192)	(5.523.082)	(14.166.000)
Depreciation, amortization and impairment losses	(111.502.345)	(102.820.792)	(30.001.772)	(26.177.996)
Operational results	**218.276.578**	**233.710.855**	**54.237.273**	**50.041.870**
Group share of (loss) / gains of associated companies and JV	-	-	-	-
Net financial results	(34.152.250)	(14.147.811)	(9.506.555)	1.530.811
Profit before tax	**184.124.328**	**219.563.044**	**44.730.718**	**51.572.681**
Income tax	(2.654.912)	(9.519.615)	3.622.884	8.747.075
Net Income	**181.469.417**	**210.043.429**	**48.353.602**	**60.319.756**
Non-controlling interests	(2.721)	(5.677)	6.947	(3.284)
Net profit for the period	**181.466.696**	**210.037.752**	**48.360.548**	**60.316.472**

Consolidated Statement of Financial Position (31 December 2014)

Amounts in Euro	31-Dec-2014	31-Dec-2013
ASSETS		
Non-Current Assets		
Goodwill	376.756.383	376.756.383
Other intangible assets	3.416.269	3.350.257
Plant, property and equipment	1.250.351.511	1.316.186.000
Biological assets	113.969.423	111.339.306
Financial assets available for sale	229.136	229.136
Investment in associates	-	-
Other assets	-	-
Deferred tax assets	23.418.573	30.726.594
	1.768.141.295	**1.838.587.676**
Current Assets		
Inventories	188.859.834	202.925.486
Receivable and other current assets	188.808.093	200.812.149
State and other public entities	62.929.572	53.050.496
Cash and cash equivalents	499.552.853	524.293.683
	940.150.351	**981.081.814**
Total Assets	**2.708.291.646**	**2.819.669.491**
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	767.500.000	767.500.000
Treasury shares	(96.974.466)	(94.305.175)
Fair value reserves	(2.329.120)	213.354
Legal reserves	83.644.527	75.265.842
Translation reserves	724.832	(1.296.817)
Other reserves	519.395.217	522.172.435
Net profit for the period	181.466.696	210.037.752
	1.453.427.686	**1.479.587.391**
Non-controlling interests	235.253	238.543
	1.453.662.938	**1.479.825.935**
Non-current liabilities		
Deferred taxes liabilities	95.893.297	99.279.735
Pensions and other post-employment benefits	-	-
Provisions	41.148.805	49.317.391
Interest-bearing liabilities	468.458.255	771.632.455
Other non-current liabilities	38.551.650	46.259.136
	644.052.007	**966.488.718**
Current liabilities		
Interest-bearing liabilities	304.735.140	59.702.381
Payables and other current liabilities	211.924.917	201.052.536
State and other public entities	93.916.644	112.599.923
	610.576.701	373.354.839
Total liabilities	**1.254.628.708**	**1.339.843.557**
Total equity and liabilities	**2.708.291.647**	**2.819.669.491**