DIVULGAÇÃO DOS RESULTADOS DO 1º SEMESTRE DE 2012

INTERIM RESULTS FOR THE 1ST FIRST HALF 2012

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PORTUCEL, S.A.

SOCIEDADE ABERTA

PUBLIC LIMITED COMPANY

SEDE: MITRENA, APARTADO 55, 2901-861 SETÚBAL I N.I.P.C. 503 025 798 - CAPITAL SOCIAL € 767 500 000 I MATRICULADA NA CONSERVATÓRIA DO REGISTO COMERCIAL DE SETÚBAL

HEADQUARTERS: MITRENA, APARTADO 55, 2901-861 SETÚBAL I CORPORATE ENTITY 503 025 798 - SHARE CAPITAL € 767,500,000 I REGISTERED AT THE COMMERCIAL REGISTER OF SETÚBAL

Highlights 1st Half 2012 (vs 1st Half 2011):

- Turnover of € 742.7 million
- Exports of € 618 million
- EBITDA of € 187.1 million
- Net profits of € 105.7 million
- Increase in the European paper market share
- Interest-bearing net debt down by € 59.8 million
- Net Debt / EBITDA ratio of 1.3

Leading indicators – IFRS

Million euros	H1 2012	H1 2011	% Change (5) H1 12/H1 11
Total sales	742.7	739.6	0.4%
EBITDA (1)	187.1	199.2	-6.1%
Operating profits	141.2	125.3	12.7%
Financial results	- 8.8	- 9.4	-7.0%
Net earnings	105.7	97.6	8.3%
Cash Flow (2)	151.6	171.5	-11.6%
Capex	11.9	10.0	1.9
Net debt (3)	488.4	548.2	-59.8
EBITDA / Sales (%)	25.2%	26.9%	-1,7 pp
ROS	14.2%	13.2%	+1,0 pp
ROE	14.8%	14.5%	+ 0,3 pp
ROCE	15.0%	12.9%	+2,1 pp
Equity ratio	50.3%	51.4%	-1,2 pp
Net Debt / EBITDA (4)	1.3	1.3	

	Q2 2012	Q1 2012	% Change (5) Q2 12/Q1 12
Total sales	389.7	353.0	10.4%
EBITDA (1)	93.5	93.6	0.0%
Operating profits	70.8	70.4	0.6%
Financial results	- 5.0	- 3.7	35.4%
Net earnings	53.4	52.3	2.2%
Cash Flow (2)	76.1	75.5	0.9%
Capex	5.8	6.1	-0.2
Net debt (3)	488.4	397.7	90.7
EBITDA / Sales (%)	24.0%	26.5%	-2,5 pp
ROS	13.7%	14.8%	-1,1 pp

(1) Operating results + depreciation + provisions
(2) Net profits + depreciation + provisions
(3) Includes market value of treasury stock
(4) EBITDA corresponds to the last 12 months
(5) Percentage variation corresponds to figures before rounding up/down

1. ANALYSIS OF RESULTS

1st Half 2012 vs 1st Half 2011

Turnover generated by the Portucel Group in the first half of 2012 stood at € 742.7 million, representing growth of 0.4% in relation to the first half of 2011, a particularly impressive achievement in the current economic climate. The growing volume of paper sales and excellent performance in energy operations were the factors which contributed positively to this growth.

Paper business over the first half performed well in relation to the same period in the previous year, thanks essentially to growth in the volume of paper sold. Despite contraction in apparent paper consumption in Europe of 3.5%, the Group has successfully maintained a strong level of performance in sales, which grew by approximately 3%. Paper prices held steady, with the benchmark index for the sector, Pix Copy B, edging down by an average of close to 0.5%.

Pulp sales were down by 18.2% on the 1st half of 2011. This was due in part to maintenance stoppages which took place at the Group's two production centres at the start of the year, and also to the fact that less pulp is available for sale, due to increased integration into paper. In terms of prices, the market benchmark index, the PIX BHKP, presented an upward trend over the first half, but the average level of 567 €/ton was still down by 7.6% on the figure of 614 €/ton recorded in the first half of 2011.

Indicators for the energy sector are also positive, with gross power output up to 936 GWh in the first half of 2012, a growth of almost 4% year on year, thanks to the good performance and stability of the Group's various power plants, despite the planned stoppages referred to above. Sales of electricity to the national grid totalled 843 GWh, representing growth of more than 5% in relation to the same period in the previous year.

Costs worsened in relation to the 1st half of 2011, mainly due to significant increases in power and natural gas prices, as well as in logistical costs, resulting in an overall rise in the factors of production.

In this context, consolidated EBITDA stood at € 187.1 million, down by 6.1% on the same period in the previous year and representing an EBITDA / Sales margin of 25.2%, down by 1.7 percentage points.

Operating results stood at € 141.2 million and compare favourably with the results for 2011, having been favourably influenced by the reversal of provisions of approximately € 6.5 million, as well as by a reduction in the value of depreciation over the period, due to the normal life cycle of the Group's main assets.

Financial results presented a negative figure of € 8.8 million, comparing favourably with the loss of € 9.4 million recorded in 2011. This improvement was due essentially to a reduction in the Group's net debt.

As a result, the consolidated net profit for the period stood at € 105.7 million, representing an improvement of 8.3% over the previous year.

2nd Quarter 2012 vs 1st Quarter 2012

Turnover in the second quarter compares very favourably with that of the first, up by 10.4%. This was due essentially to significant growth in volumes of paper sales, as well as in volumes and prices of pulp sales.

Paper sales in the second quarter grew by 10%, with the Group reaching again record sales and a significant increase in its European market share. The gain in market share was made possible by the risen output from the new paper mill in Setúbal, in line with the learning curve, and also by growing recognition and perception of the quality of the Group's brands.

Figures for BEKP pulp were similarly positive, with growth in market sales explained in part by the fact that sales in the first quarter were affected by the maintenance stoppages mentioned above. Average pulp prices also performed well, with the benchmark PIX BHKP Index rising by 12.5%.

Despite the positive operational performance, EBITDA for the quarter was hit by a number of non-recurrent factors, and accordingly held steady in relation to the previous quarter, at € 93.5 million, with an EBITDA / Sales margin of 24.0%.

Operating results were also stable in relation to the previous quarter, standing at € 70.8 million. Net profits totalled € 53.4 million, up by 2.2%.

2. MARKET ANALYSIS

2.1 UWF Paper

The first half of 2012 presented an estimated drop of 3.5% in apparent consumption of UWF, both in Europe and the US, although the reduction took place mostly in the first quarter, with consumption stabilizing in the last three months. Despite the difficult economic environment, visible in high and rising levels of unemployment, the demand for office paper once again proved significantly resilient, dropping by only 0.8% in relation to the same period in 2011. The impact of the reduction in capacity, due to closures by certain competitors in 2011, continued to have a positive effect on the market balance during the first half.

The strength of the US dollar against the Euro was another crucial factor in maintaining a balance on the European market, which was made less attractive to manufacturers in other geographical regions, at the same time as it improved the price in Euros of USD sales by European producers.

As a result, the industry as a whole operated at more than 93% of total capacity, and order books at European manufacturers fluctuated between 4 and 5 weeks, comfortable levels from a historic perspective.

The Portucel Group achieved a new quarterly record for production and for paper sales in euros, thanks to an all-time high in the volume of output placed over the quarters combined with rising average prices over the period.

The Group was able to expand its market share in Europe by 68 thousand tones, with particular success in cut-size products, where the market share grew by approximately 48 thousand tons. The total gain in market share in Europe from 2009 to the end of the first half of 2012 stands at more than 370 thousand tons.

The Group has pressed ahead with its strategy of diversifying its export destinations, following up on its success in recent years. With an established strong position and the advantages of proximity, Europe remains the Groups´main market, despite the sharp economic contraction being suffered by certain countries. This economic contraction has required the Group to increase its sales to more distant European markets, with the consequent negative impact on distribution costs.

Despite the adverse economic climate, the resulting strong pressure for quality downgrading in certain markets, falling consumption and the significant growth in the Group's capacity, the business model remains unscathed, with some 60% of total sales in premium products and Group brands.

The make-to-order operational model for the supply chain in the Group's paper business has allowed it to maintain a level of stocks of finished and intermediate products lower than that in comparable companies in the industry. This made it possible to reduce total stocks even further at the end of the period.

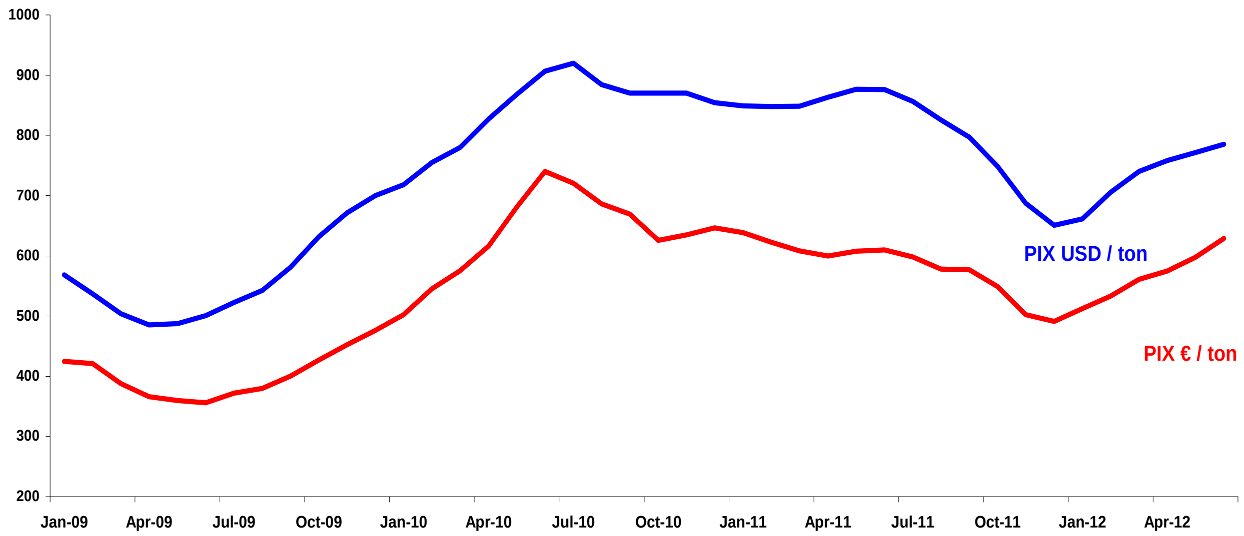
The main benchmark index for UWF paper prices in Europe (PIX A4 Copy-B) stabilized over the first half at the level recorded in the same period in 2011, whilst the Group's overall net price also stabilized at the level experienced in the 1st half of 2011.

2.2 PULP

The BEKP pulp market saw confirmation in the 2nd quarter of 2012 of the recovery in listed prices, which rose as high as USD 800 / ton CIF in May, confirming expectations in the industry which pointed to a turnaround in the market in December 2011.

However, this recovery in the pulp market has been based on the extraordinary performance of the Chinese market which, as has become customary in recent years, acted as a crucial factor on the demand side. Following on from 2011, which was the best year ever in terms of pulp imports, figures for the 1st half of 2012 point to a continuation of this trend, with the months of February and March setting new all-time highs for the volume of pulp imports.

Monthly evolution of Price PIX - BHKP



In contrast, the economic situation in the Euro Zone has caused not only a slowdown in the paper sector but also a certain amount of volatility on the foreign exchanges, generating instability in the industry.

The Group's BEKP pulp sales in the 1st half of 2012 were affected by a reduction in the quantity of pulp available for sale over the period, due to planned maintenance periods and increased integration into paper manufacture.

A breakdown of BEKP pulp sales by paper segment shows that the Group continues to strengthen its position in segments with higher value added, and in particular on the special papers segment, which accounted for 63% of all sales in quantity, as compared to a figure of 57% in the first half of 2011.

All pulp sales went to European markets, home to manufacturers of higher quality paper where technical demands are more stringent and where the intrinsic qualities of the E*ucalyptus globulus* pulp produced by the Group generate substantial added value.

3. DEVELOPMENT

In terms of its international development plans, the Group is pressing ahead with the work envisaged in its investment for Mozambique. It is currently developing a network of trial plantations, testing new materials and extending these trials, in order to validate the forestry models and connected logistical issues. Work is also proceeding on studies of alternative logistical solutions for incoming and outgoing products for the production of paper pulp and energy.

In forest activity in Portugal, work has proceeded as planned on forestation and protection of biodiversity, in addition to conclusion of a capital project worth € 2.5 million designed to modernize and double the capacity for producing cloned eucalyptus plants at the main nursery of the Group, located in Espirra. With this new capacity, the Group nurseries will produce 12 million plants a year, of which 6 million will be eucalyptus clones which incorporate the benefits of the genetic improvement programme pursued by Raiz, the Group's forest research institute. This will enable to offer forestry producers an increased number of improved and certified plants for forestry production in Portugal, with clear benefits for yields in the sector. The nurseries will also produce 4 million eucalyptus seminal plants, 940 thousand resinous plants (pine trees and cupressus), 560 thousand hardwoods (mainly cork, holmoak, and ash), 100 thousand plants of olive trees and 400 thousand ornamental plants.

In order to protect the country's woodlands, and in particular to combat the eucalyptus weevil, a pest that has affected the plantations of countless forest landowners, an integrated plan has been devised which includes the careful release of a natural predator to control the infestation.

In keeping with its policy of active engagement in preventing and fighting forest fires, the Portucel Group mobilizes a formidable array of resources during the peak danger season, coordinated by Afocelca, the forestry sector association in which it has a majority holding. This year's efforts have been entrusted to a team of more than 270 people with specific training in fighting forest fires, supported by an operational command centre and the following resources:

- 3 watch towers;

- 3 helicopters with a crew of 5 specialist forest fire fighters;

- 37 rapid response units, working with 4WD vehicles, each with a crew of 3 forest fire fighters and kits with 600 litres of water, designed for awareness raising, surveillance and initial fire fighting response;

- 17 semi-heavy fire engines, with 3 500 litres of water, each crewed by 6 fire fighters specialized in using manual fire fighting tools.

This policy has assured that the forests managed by the Group have recorded a rate of fire damage well below the national average, although it should be noted that the overwhelming majority of fires tackled are located on property not owned by the Group, where it supports the national fire fighting system.

In the field of forest certification, the Group has continued to implement and develop its forestry management system and has taken the first steps in the process of renewing its forest management certificates.

4. FINANCIAL

At 29 June 2012, interest-bearing net debt stood at € 488.4 million, up by € 65.5 million in relation to year-end 2011, due essentially to the payment in April of a dividend of € 164.7 million. Cash generation in the first half was also severely hampered by the stepping up of our policy for supporting raw material suppliers and by the disbursement of the final payments on capital projects from previous periods and by the adoption of payment policies to suppliers according to their needs.

Around 83% of the goods and services incorporated by the Group are sourced, produced and purchased in Portugal. Aware of its importance to some 5,500 Portuguese suppliers and service providers, the Company has altered its terms of payment to suppliers, in view of the great difficulties they have experienced in access to credit.

Financial autonomy stood at 50.3% at the end of June and the ratio of Net Debt to EBITDA remained at a fairly conservative level at 1.3.

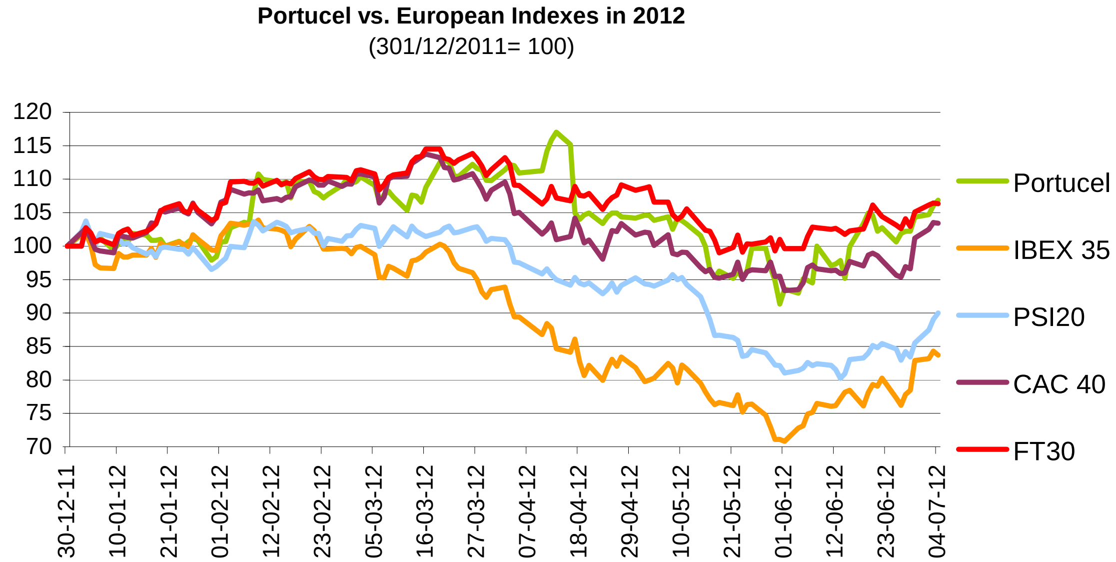
The Group's gross long term debt stood at € 357.5 million at 29 June 2012, with debt maturing in less than 1 year at € 411.8 million. With its excellent capacity to generate cash flow, liquid assets of € 190.5 million and credit facilities contracted of around € 80 million, the Group presents a level of liquidity which will allow it to honour its current liabilities without requiring significant recourse to the debt market.

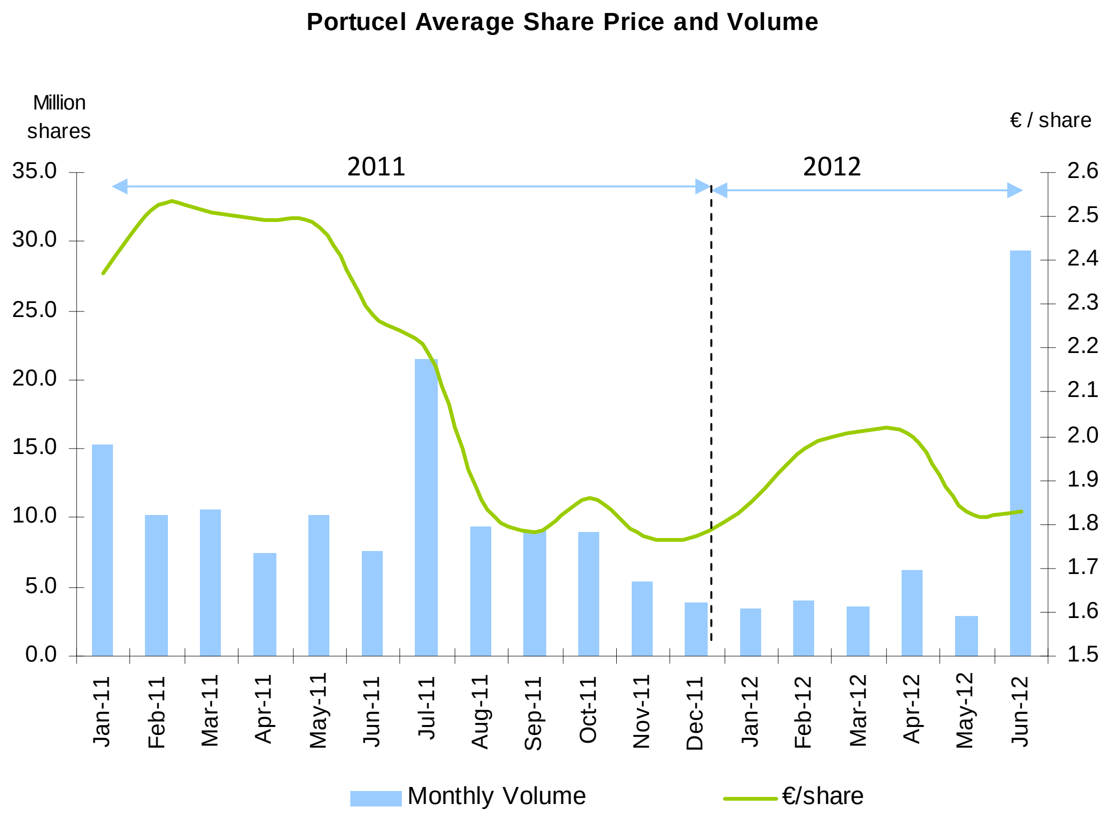
5. CAPITAL MARKETS

The second quarter was particularly negative in the capital markets: the leading European share indexes recorded significant losses, wiping out part of the gains built up in the first three months of the year. The Lisbon and Madrid stock exchanges presented the highest losses, in both quarterly and accrued terms, with the IBEX and the PSI20 dropping 17.1% and 14.5% over the first half. Other European markets performed better, ending the first half in positive territory.

Portucel shares were not immune to this context and fell by 5% in the 2nd quarter, still leaving an accrued gain of 4.4% for the first half. The second quarter was also very negative for pulp and paper companies, with the impact being felt across the industry.

On 28 June, Portucel purchased a bloc of 24.85 million own shares, representing 3.2% of its share capital. As a result of this transaction, Portucel now holds 47.36 million own shares, representing 6.17% of its share capital.


Portucel vs. European Indexes in 2012
(301/12/2011= 100)
120
115
110
105
100
95
90
85
80
75
70
30-12-11
10-01-12
21-01-12
01-02-12
12-02-12
23-02-12
05-03-12
16-03-12
27-03-12
07-04-12
18-04-12
29-04-12
10-05-12
21-05-12
01-06-12
12-06-12
23-06-12
04-07-12
Portucel
IBEX 35
PSI20
CAC 40
FT30


Portucel Average Share Price and Volume
Million shares
€ / share
2011
2012
35.0
30.0
25.0
20.0
15.0
10.0
5.0
0.0
2.6
2.5
2.4
2.3
2.2
2.1
2.0
1.9
1.8
1.7
1.6
1.5
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
Mar-12
Apr-12
May-12
Jun-12
Monthly Volume
€/share

6. OUTLOOK

Most available indicators point to a slowdown in the main world economies and to a continued climate of extreme uncertainty, although the dynamic varies widely between countries and regions. In the more developed economies, structural issues continue to hamper economic growth, whilst the emerging economies continue to enjoy a fairly high level of growth, although still subject to widespread cooling.

In line with the measures set out in the memorandum between Portugal, the European Union, the European Central Bank and the International Monetary Fund, the Portuguese Government has legislated to reduce the tariffs for electricity produced in co-generation facilities, from renewable and non-renewable sources. The Portucel Group has been affected by this change which, in the case of non-renewable co-generation, will take effect gradually, as it reaches the end of the guaranteed tariff period for each of its facilities. Further information has been requested from the authorities in the sector in order to gauge the precise extent to which these measures will affect the Group.

In the Euro Zone, economic growth remains limited by strong tensions in the sovereign debt market and the knock-on effect of a severe contraction in lending to individuals and businesses. Other factors holding back growth include the public spending cuts underway in most European countries and the high level of unemployment in the region. Even in Germany, until now the powerhouse of the region, the export sector is starting to feel the effects of the global slowdown, which means that some economic slowdown may also be expected.

In the US, although the economy is still expanding, estimates of growth are moderate, at slightly more than 2% according to most analysts. The leading business indicators in fact point to a degree of deceleration, caused by the influence of foreign markets and the continuing weakness of the labour market, with a consequent impact on internal consumption. Great uncertainties remains as to the fiscal policy for the coming years, which will have to include some degree of budgetary consolidation, and in relation to the political scenario after the presidential elections to be held this year.

A degree of cooling may also be observed in emerging markets, especially in China, as a result of lower demand from the developed economies.

Despite this difficult environment, the cut-size paper market in Europe has proved fairly resilient, with demand falling at a very moderate rate considering the present economic situation and in comparison with the performance of demand for consumer goods in general. This trend in demand, combined with the impact of the significant capacity closures which took place in 2011, whose full effects will only be felt in 2012, the strength of the dollar against the euro and the recovery in pulp prices, which should keep non-integrated manufacturers under strong pressure, are factors which may help to support the market over the course of 2012.

In the US, the economic outlook, increased consolidation in the sector, reflected in an improved capacity to adjust supply to demand, and the likely increase in paper consumption associated with the presidential campaign due to take place this year, could all help to keep the market buoyant.

Significantly, the Group continues to operate at full capacity, placing almost all its output on foreign markets, thanks to the strong perception of the quality of its value proposition, and the excellent penetration and awareness ratings enjoyed by its own brands.

Despite the economic slowdown in the region, the BEKP pulp market continues to be supported by strong demand from Asia, in particular from China, where demand has been stimulated by investment in non-integrated paper mills, especially for tissue paper. This positive performance in the Chinese market has served to offset a more recessionary situation in Europe and the US, meaning that expectations point to a certain balance being maintained in the market during 2012. Still, a worsening of business condition may also be expected in the 3rd quarter of the year, as this is traditionally a cooling-off period for the paper industry and consumption in the northern hemisphere, and also because of a possible destocking in the Chinese market. Nonetheless, the surge in supply to be expected as from the end of this year, as new capacity in Brazil and Uruguay comes on line, could disrupt the balance between supply and demand in subsequent years.

Setúbal, 19 July 2012