

Press Release – 18 January 2013

World's largest trade fair for paper and office supplies

## Portucel Soporcel group with a strong presence at Paperworld 2013

- **Groups' own brands represent currently more than 60% of sheeted sales**
- **With FSC® (Forest Stewardship Council) seal of approval**

The Portucel Soporcel group, the leading European manufacturer of UWF printing and writing papers, is once again exhibiting its wares at Paperworld, the world's largest trade fair for paper and office supplies, where it will present the new *Explorer iLight 75g/m<sup>2</sup>*.

Our participation in the event, running from January 26 to 29, 2013 in Frankfurt, will turn the spotlight on the Group's various brands, which are leaders in today's market, noted for innovative features and environmental sustainability. Paperworld offers an important opportunity to bring the Group's own paper brands to the attention of its business partners from around the world. These brands are the result of a successful strategy of applied research, sophisticated technology and an imaginative marketing strategy based, amongst other things, on the design and development of premium products and mill brands, which today account for more than 60% of our sales of sheeted products, generating a higher level of value added.

At this year's Paperworld, the Group's stand located in Hall 3(3.1D10), will also present a technological breakthrough designed to illustrate how new information technologies and paper are complementary in their uses, applied in an artistic context.

### **Mill brands and new product take centre stage at Paperworld 2013**

For four days, the Group will exhibit its main paper brands - Navigator, Pioneer, Inacopia, Explorer, Target and Discovery - as well as its latest product: *Explorer iLight 75g/m<sup>2</sup>*.

Belonging to the Explorer range of office papers, *Explorer iLight 75g/m<sup>2</sup>* uses less raw materials to produce the same number of sheets, not just cutting down on the use of raw materials, but also reducing the costs for the user. Comparable in terms of printing quality and speed to other premium papers with a weight of 80 g/m<sup>2</sup> (the dominant grammage in the European market), *Explorer iLight* is FSC-certified and displays the

Ecolabel. The *Eucalyptus globulus* fibre from which the paper is produced assures premium quality, meaning it guarantees excellent performance in printing equipment.

Paperworld will also offer an opportunity to promote Navigator, the world's best-selling brand of premium office paper, which celebrated the 20<sup>th</sup> anniversary of its launch in 2012. Marketed to more than 90 countries, Navigator was identified as the most valuable mill brand in Europe by the Brand Equity Tracking Survey conducted by Opticom International Research, focussing on office paper.

### **Group expands market share in Europe**

In the first nine months of 2012, the Portucel Soporcel group's exports corresponded to 922 million euros, with turnover up by 1.2% on the same period in the previous year, at 1,109.5 million euros, figures that underline the resilience of our business model. The Group's business model for the paper industry, developed and perfected over more than two decades, has resulted in growing recognition for Portuguese paper in the toughest European markets. In what is often regarded as a commodity market, where technical and symbolic differentiation are extraordinarily difficult, the Group has earned price premiums of between 5 and 17% thanks to its innovation, to perception of the premium quality of its products, the level of service provided and the sale of almost two thirds of its output under its own brands. These features of its business attest to its vast expertise accrued in the design, development, production and marketing of products and brands. Equally important has been the innovative use of *Eucalyptus globulus*, combined with other carefully selected raw and subsidiary materials, and investment in state-of-the-art technology in mills which set international standards for the industry.

The Portucel Soporcel group sells its products to 120 countries over five continents, in an achievement which further underlines our leadership of the European UWF market and our status as a leading player at world level.

Special attention should also be drawn to the fact that, as well as meeting all the top quality standards, the Group's premium brands are now marketed with the FSC® (Forest Stewardship Council) seal of approval, reflecting the Group's commitment to responsible forest management, in keeping with international standards designed to safeguard the social, economic and environmental well-being of both present and future generations. FSC certification offers an additional guarantee in markets where increasingly stringent demands are made as to the source of raw materials, and is widely recognized around the world.

## About the Portucel Soporcel group

The Portucel Group is one of Portugal's strongest players on the international stage.

The new paper mill has had a significant impact on the Portuguese economy, positioning the Group as the leading European manufacturer of uncoated woodfree (UWF) printing and writing paper and the 6<sup>th</sup> largest producer in the world. This has placed Portugal at the top of the European ranking of countries manufacturing this type of paper. The Group is also Europe's leading manufacturer of bleached eucalyptus kraft pulp (BEKP), and one of the largest in the world.

The Portucel group is one of Portugal's three leading exporters, and possibly that generating the highest level of national value added. The Group accounts for 0.9% of Portugal's GDP, approximately 3% of the country's exports and 10% of containerized and conventional cargo exported through Portuguese ports.

As a vertically integrated forestry group with its own forestry research institute, it leads the world in the genetic improvement of the *Eucalyptus globulus*. It manages vast tracts of forest in Portugal certified under the FSC and PEFC systems, and boasts annual production capacity for 1.6 million tons of paper, 1.4 million tons of pulp (of which 1.1 million is integrated into paper) and power generation of 2.5 TWh, adding up to annual turnover approximately of approximately 1.5 billion euros.

Thanks to recent investment in doubling the production capacity of its nurseries, the Group now operates one of Europe's largest nurseries for forestry plants, with annual production capacity of approximately 12 million certified plants of various species, ready for use in renewing Portugal's woodlands.

The Group has successfully pursued a strategy of innovation and development of its own brands, which today account for 64% of sales of manufactured products. Special mention should be made of the Navigator brand, the world's best-selling product in the premium office paper segment.

The Group's sales are made to 120 countries over five continents, with Europe and the United States as the two main destinations.

The Group works hard to improve and protect Portugal's woodlands, running its own research programme and managing forestry holdings of approximately 120 thousand hectares. The Group's responsible management practices have been certified under the international FSC® and PEFC™ schemes (license nos. FSC C010852 and PEFC/13-23-001).

The Group is also a leading operator in the energy sector, as Portugal's chief producer of "green energy" from biomass, a renewable source.

In keeping with its strategy of international expansion, the Group is currently investing in a major vertically integrated forestry project in Mozambique, set to culminate in the construction of a cellulose pulp mill with annual capacity of 1.3 million tons.

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