

Portucel Group strengthens presence in Mozambique

As part of its strategy of exploring opportunities for growth and sustained value creation in the southern hemisphere, the Portucel Group has further strengthened its presence in Mozambique by obtaining a provisional Land Use Permit (DUAT) for an additional area of 182,886 hectares in Manica Province, issued by the Mozambican government (Council of Ministers Resolution of 19 December 2011). This new permit was granted under the agreement in principle reached between the Portucel Group and the Mozambican government in 2008, under which land use rights had already been granted for an area of 173,327 hectares in Zambezia Province. The Group now has at its disposal a total area of approximately 360,000 hectares for eucalyptus plantations and for commercial farming by its employees and local people.

The first phase of the Portucel Group's project in Mozambique is currently underway, involving trial plantations in the provinces of Zambezia and Manica. This is a crucial phase for selection of the best plant material and adapting it to each of the locations in view. More than 50 varieties from different origins are being tested in order to select the best plant stock in terms of potential yields.



This is a large-scale project, to be implemented over various phases, which will take place over the timeframe normal for this type of capital venture.

