

PORTUCEL

Empresa Produtora de Pasta e Papel, S.A.

Public Limited Company

Registered under n.º. 05888/20001204 at the Setúbal Companies Registry
Share Capital: € 767 500 000 | Corp. Person n.º. 503 025 798

Interim Information

3Q 2009

(UNAUDITED)





DIRECTORS' REPORT

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Significant growth in results in third quarter 2009

The Group recorded highly positive performance in the quarter, with results showing significant growth over the previous quarter:

- EBITDA: +32.4%,
- Operating profit: +24.1%,
- Net profit: +32.0%.

Financial Highlights – IFRS

	9 Months 2009	9 Months 2008	% Change ⁽⁵⁾
Million euros			
Total sales	806,1	856,5	-5,9%
EBITDA ⁽¹⁾	154,1	218,8	-29,6%
Operating profits	94,5	159,7	-40,8%
Financial results	- 9,3	- 12,3	-24,3%
Net earnings	72,5	117,3	-38,2%
Cash Flow ⁽²⁾	132,1	176,5	-25,2%
Capex	352,2	171,0	105,9%
Net debt ⁽³⁾	630,8	457,4	37,9%
EBITDA / Sales (%)	19,1%	25,5%	
ROS	9,0%	13,7%	
Equity ratio	50,3%	49,7%	
Net Debt / EBITDA ⁽⁴⁾	3,0	1,5	
	Q3 2009	Q2 2009	% Change ⁽⁵⁾
Million euros			
Total sales	268,6	273,7	-1,9%
EBITDA ⁽¹⁾	55,0	41,6	32,4%
Operating profits	30,5	24,5	24,1%
Financial results	- 1,1	- 2,4	-55,3%
Net earnings	25,4	19,2	32,0%
Cash Flow ⁽²⁾	49,9	36,2	37,8%
Capex	103,7	136,5	-24,0%
Net debt ⁽³⁾	630,8	617,7	2,1%
EBITDA / Sales	20,5%	15,2%	
ROS	9,4%	7,0%	

(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



RESULTS IN DETAIL

3rd Quarter 2009 vs. 2nd Quarter 2009

The Group recorded highly positive performance in the quarter, with results showing significant growth over the previous quarter:

- EBITDA: +32.4%,
- Operating profit: +24.1%,
- Net profit: +32.0%.

These results were achieved despite the continued harsh environment in the main markets in which the Group operates. Demand in the paper market remained sluggish and prices declined significantly.

Turnover for the quarter was negatively impacted by market environment, recording a small decline of 1.9% in relation to the second quarter of 2009, and totalling € 268.6 million. This reduction was due essentially to the decrease in the volume of pulp sales in the 3rd quarter, caused by increased integration of pulp in paper, as well as a drop in paper prices.

It should be stressed that the Group placed an extremely significant volume of paper on the market, representing an increase of approximately 4% in relation to the volume sold in the 2nd quarter. These sales correspond to 100% use of production capacity, contrasting very positively with the panorama in the industry in general, with mills running well below capacity and some companies closing down operations.

The start-up of the new Setúbal Paper Mill on 15 August was without doubt the most significant development in the Group's operations during the quarter, representing a decisive landmark in its growth. On this date, the mill started production trials, in preparation for commercial operation, successfully completing the full programme of tests.

Increased integration of pulp in paper output, combined with extremely low pulp stocks, limited pulp sales to



the market. At the end of September, pulp stocks stood at around 10 days, lower than at the end of the 2nd quarter. The increase of 12.1% in the average pulp price fell short of offsetting the reduction in the volume of sales, with the value of sales falling by 17.7%.

Sales in the energy, forestry and other sectors all presented growth over the previous quarter, contributing to the Group's strong overall performance in the period.

We should also stress the improvement in production costs, and especially in the variable costs for pulp production, which came down by approximately 14% in relation to the 2nd quarter. This reduction in costs was due essentially to lower costs for raw materials, with prices moving over the year towards more sustainable levels, after the highly inflated levels experienced in 2007 and 2008.

In this context, EBITDA stood at € 55.0 million, representing an increase of 32.4% over the EBITDA recorded in the previous quarter. The EBITDA / Sales margin improved considerably, standing at 20.5%.

Net financial costs for the quarter stood at € 1.1 million, representing an improvement on the previous quarter, thanks essentially to positive results on a set of foreign exchange hedges negotiated by the Group.

Consolidated net profits for the third quarter of 2009 totalled € 25.9 million, corresponding to a 32% growth in relation to the previous quarter.

9 months of 2009 vs. 9 months of 2008

Overall sales in the first nine months of 2009 totalled € 806.1 million, breaking down as follows:

UWF Paper	76%
BEKP Pulp	16%
Energy, forestry products and other	8%



Paper output was up by 1.6% whilst pulp production decreased by 4.3% in relation to the same period in the previous year, due essentially to the annual maintenance stoppage, which this year took place in June, instead of in the 4th quarter as in 2008.

In terms of paper sales in quantity, the Group's performance over the first nine months of 2009 was also clearly positive, with growth of 8.1% in the volume of paper placed on the market in relation to the previous year.

Paper prices in Europe continued to present a downwards tendency, with the benchmark index for the gross price of cut-size in Europe (Foex – copy B) down by approximately 4.5% year on year. The Group's average sales price in Europe evolved better than the benchmark index.

The Group's sales have been hit by the current drastic restrictions on credit insurance for exports, leading insurance companies to reduce substantially the limits of the cover provided. Since the Group's policy is to minimize exposure to client credit risks, priority has been given to reduce the average collection period, by offering additional discounts or even by reducing sales to customers with a risk profile considered inappropriate.

In terms of performance in pulp business, quantities sold in the first nine months of 2009 compare favourably with the same period in 2008, up by 1%. Prices tended to rise from late June onwards, and the Group's average price has evolved in line with the market benchmark – the average PIX for hardwood pulp in euros. Although now tending to recover, the Pix level in the period is still well below the average price recorded in the same period in 2008.

From an operational perspective, the Group presented a significant improvement in its variable production costs. Personnel costs were also reduced in relation to the first nine months of 2008, due essentially to a reduction in the estimated value of variable pay components.



Despite an increase in logistical activities for paper dispatch, the Group recorded a substantial reduction in logistical costs, down by 6.7% in relation to the same period in 2008, thanks to a series of measures geared to optimizing paper distribution.

In this context, consolidated EBITDA for the first nine months of 2009 totalled € 154.1 million, which gave an EBITDA / Sales margin of 19.1%, revealing an improvement of 0.7 pp in relation to the margin recorded in the first half.

Financial results for the period showed an improvement in relation to the same period in 2008, despite an increase of € 173.4 million in net debt. This positive performance is explained essentially by reversal in the allocation to periods of interest on prior period fiscal contingencies, which failed to materialize, totalling around € 7.8 million for the period.

The net profit for the period benefited from a decrease in corporation tax, due to a reduction in the effective tax rate, caused by reversal of tax provisions for prior periods which were no longer necessary.

As a result, consolidated net profit for the period stood at € 72.5 million, down by 38.2% on the same period in 2008.

Development

Capital expenditure over the first nine months of 2009 totalled € 352.2 million, in line with the Group's development plan. Investment in the new Setúbal Paper Mill accounted for 68.9% of this amount, and naturally represented the bulk of expenditure. Current investment in the energy sector represented 25.7% of that amount.



The new paper mill

As reported above, the new paper mill successfully started up on 15 August, according to schedule and 19 months after the start of construction work. The paper machine has revealed production capacity above initial expectations. The learning curve was as planned, with a production speed during the first 45 days, after the start of production trials, corresponding to 75% of the design maximum.

The new paper machine has an annual production capacity of 500 thousand tons. With a length of 200 metres, the machine has a maximum speed of 1800 metres per minute and a sheet width of 11.1 metres, making it the largest and most sophisticated paper machine in the world for the production of uncoated printing and writing paper.

The processing area is equipped with three printing format paper cutting machines and three cutting machines for office paper. Two of these, with the capacity to produce 16 reams simultaneously, are the largest ever made.

The paper reel store, wholly automated, is 93.2 m long and 28.4 m wide, with capacity for 6000 reels, corresponding to 12 days' output. It caters for an inflow of 186 reels/hour and an outflow of 164 reels/hour.

The paper pallets warehouse is also robot operated and managed by computer, occupying an area measuring 122 m in length and 28.4 m in height, with capacity for 32,000 pallets and a pallet inflow and outflow of 215 pallets/hour and 320 pallets/hour respectively.

The new mill has a container park with an area of 35,000 m², with capacity for 1,000 containers, fitted with 20 loading platforms and a double track rail branch line with a length of 465 metres, providing a highly flexible, large capacity logistical platform.



Financial

At 30 September 2009, interest-bearing net debt stood at € 630.8 million, up by € 171.2 million over the start of the year, due to the payment of dividends and payments associated with the investment plan.

The debt/equity ratio stood at 50.3% and the ratio of net debt / EBITDA stood at 3.0.

It is important to note that, although it has already executed a substantial portion of its capital expenditure plan, which will only start to provide significant returns from 2010 onwards, the Group continues to enjoy a stable financial situation.

MARKET ANALYSIS

In pulp business, the continued influence of a set of factors disrupting the market over the year, specifically the gloomy economic environment, the closure of non-integrated paper production capacity and significantly more restrictive terms for coverage of credit risks, was partially offset by the extremely positive performance of the Chinese market, the only major market where demand was higher than in the previous year.

This situation has been reflected in stock levels – at manufacturers, consumers and European ports – which have fallen significantly in recent months. As already stated, the Group's stock levels have accompanied this trend, standing at only 10 days, below the current industry average.

In paper business, in the context of a 15% reduction in apparent consumption in Europe and in the US in the nine months through to September, the Group has continued to record highly positive performance, operating at full capacity and recording an overall year-on-year increase of 8.1% in sales, which has boosted its European market share by 60,000 tons.

As reported above, European paper prices were eroded over the first nine months of the year, with the

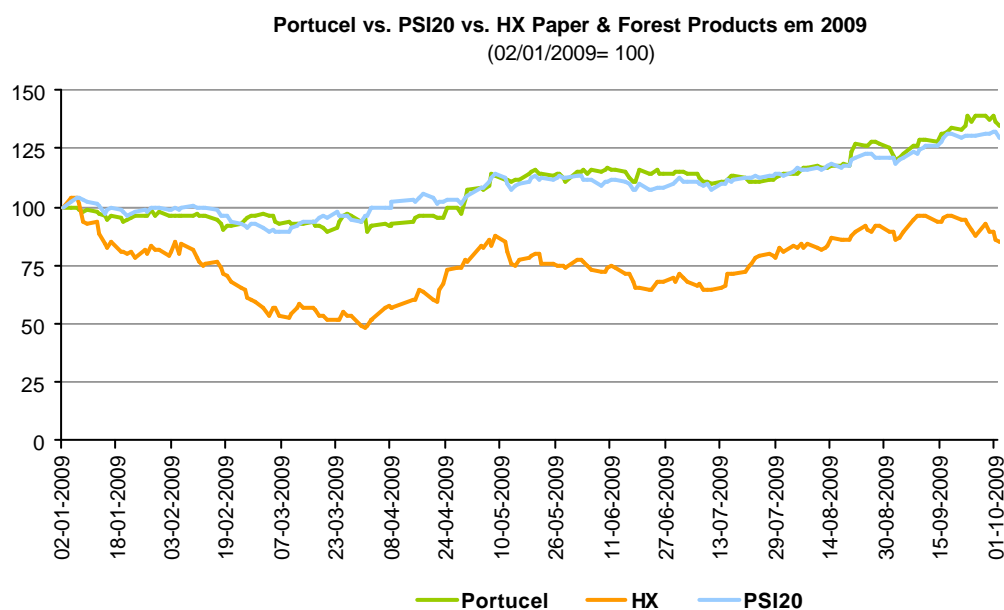


benchmark index for the gross cut size price in Europe (Foex – copy B) slipping 4.5% in relation to the same period in 2008. The gross price of cut-size paper sold by the Group in Europe performed less negatively than the index, and the drop in the price of premium products, which represent the most significant portion of the Group’s cut-size mix, was below average.

CAPITAL MARKETS

Portucel shares closed the month of September at € 2.10/share, up by 20.1% over the end of June and presenting a gain of 38.9% since the beginning of the year. The gain recorded since the start of the year compares favourably with the increase of 31.9% recorded by the PSI 20 index over the same period.

The 38.9% gain in Portucel shares over the first nine months of 2009 also compares favourably with the stock exchange performance of the main European companies in the sector. The HX index – the Helsinki Paper & Forest Products Index – recorded a loss of 10.1% over the first nine months of 2009, although it is now pulling back from some of the losses suffered in the first half of the year.





SUSTAINABILITY

Environmental Sustainability

All Group plants maintained or improved their good levels of environmental performance in the third quarter of 2009.

At the Cacia mill, with conversion to fluidized bed technology for the biomass boiler, starting up in March, significant improvements have been achieved in atmospheric emissions, thanks to significant reduction in consumption of fossil fuels, resulting in lower CO₂ emissions.

In the field of management systems, external audits were carried out in the third quarter of the quality, environment and safety management systems at the Setúbal industrial complex, also taking in the operations of the company *About the Future*. The respective certificates have been issued, attesting to the commitment made by the Portucel Soporcel Group to assuring the trust of its customers, to preservation of the environment and to the safety of its workforce.

Forestry Certification

In its continuing commitment to certification, the Group's efforts were rewarded when it obtained certification of woodland assets under its management under the PEFC - *Programme for the Endorsement of Forest Certification Schemes*. This achievement comes on top of the certification granted in December 2007 by the FSC – *Forest Stewardship Council* and represents another leap forwards in the Group's operations in this field, adding further weight to its presence in the international market, subject to increasingly tough requirements as to the sourcing of raw materials.

The certification, achieved by the Group during the third quarter, is the first license to use the PEFC trademark for forest management in Portugal, corresponding to an area of more than 118 thousand hectares managed by the Portucel Group in accordance with pan-European standards for sustainable forest management. The



PEFC has certified not only eucalyptus timber for pulp and paper production, the Group's core business, but also pine timber, cork and pine cones, also produced by the Group.

The Group also successfully obtained FSC certification in the third quarter for the cork produced in the woodlands under its management, confirming the quality of its management in the production of this important forestry product, of which the Group is a major national producer.

The road to forest certification, already successfully taken by the Group, needs to be followed urgently by all forest producers in Portugal. It is the only way to increase the return from their activities and simultaneously assure a sustainable production sale.

Fire prevention and fire-fighting

In terms of forest fires and areas burned in the properties managed by the Group, performance in 2009 was in line with the good results achieved in previous year, especially in 2007 and 2008. Although the forested area which burned in 2009 was six times larger than in the previous year, little more than 400 hectares of the Group's woodlands were affected, 300 of which corresponded to eucalyptus plantations.

The Group is therefore reaping the rewards of its great efforts in recent years in the fields of prevention and fighting of wildfires. Approximately 60% of the resources allocated have been earmarked for prevention, and the remaining 40% channelled to supporting fire fighting activities.

The Portucel Group is by far the private entity which allocates the most resources in Portugal to this important aspect of forestry protection.

The 2009 campaign involved more than 300 people, coordinated from an operational headquarters working round the clock, and a vast array of physical resources including 4 helicopters transporting special brigades, 6 watch towers, 35 light vehicles for primary intervention and 16 semi-heavy vehicles, with their respective



teams of firemen, in addition to 40 employees in member companies mobilized in vehicles equipped with kits containing 600 litres of water.

For the third year running, the Portucel Soporcel Group put its weight behind Movimento ECO – Industry against Fires. This is a private sector organization launched in 2007 as a partnership between companies/brands, the Ministry of Internal Administration and the Ministry of Agriculture, Rural Development and Fisheries. The organization's main goal is to inform the public and to change attitudes in the area of forest fire prevention and fire fighting.

OUTLOOK

The paper pulp sector continues to experience adverse market conditions, caused by the continuing international economic crisis, with a strong degree of uncertainty in the short term. The paper market has showed no signs of an upturn in demand and the structural over-capacity which still exists in Europe, despite a number of recent closures, should keep prices under heavy pressure.

In the pulp market, despite a recovery experienced in the 2nd and 3rd quarters, allowing sales prices to rally, and with a further increase already expected for November, uncertainty still remains as to how long demand will hold out, especially from the Chinese market, the main engine driving pulp consumption at present.

The weakening of the USD against the Euro is also a major concern for European producers, as are the current restrictions on credit insurance.

Despite this negative environment, the Group has recorded highly positive performance, operating at full capacity, increasing its paper sales and controlling its costs, which have evolved very favourably over the course of the year. The Group is therefore extremely confident as it faces the challenge of starting operation of the new paper mill in Setúbal.



This confidence is based on a series of competitive advantages developed by the Group, which involve the use of high quality natural resources, a base of highly efficient large-scale industrial assets, a successful strategy of distinctive products and innovative branding, allowing it to sell its products to more countries and to bolster its position in markets where it is already established.

Capital expenditure projects are continuing in the field of energy and will allow the Group to produce approximately 5% of all the power generated in Portugal, most of it from renewable resources – forestry biomass and operating by-products. The new natural gas co-generation plant started up in parallel with the new Setúbal paper mill, and two new biomass plants are set to start up in early 2010, with the new turbine for the Figueira da Foz cogeneration plant due to start operating during the second half of next year. These investments also represent a firm commitment to sustainable growth by the Group.

The Group continues to study opportunities for international expansion in Latin America and Africa, which involve very demanding investments, in both financial and technical terms, requiring extensive and complex conditions to assure their feasibility.

Setúbal, 27 October 2009

Board of Directors

Pedro Mendonça de Queiroz Pereira

President

José Alfredo de Almeida Honório

Member



Manuel Soares Ferreira Regalado

Member

Adriano Augusto da Silva Silveira

Member

António José Pereira Redondo

Member

José Fernando Morais Carreira Araújo

Member

Luis Alberto Caldeira Deslandes

Member

Manuel Maria Pimenta Gil Mata

Member

Francisco José Melo e Castro Guedes

Member

CONSOLIDATED SEPARATE INCOME STATEMENT

NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

Amounts in Euros	Notes	9 months 30-09-2009 (unaudited)	9 months 30-09-2008 (unaudited)	3rd Quarter 2009 (unaudited)	3rd Quarter 2008 (unaudited)
Revenues	3				
Sales		803,323,338	852,634,052	267,475,923	261,117,161
Services rendered		2,801,960	3,837,039	1,144,922	857,699
Other operating Income					
Gains on the sale of non-current assets		2,926,945	6,129,421	21,163	2,586,325
Other operating income		21,969,162	10,798,123	7,916,779	2,205,103
Change in fair value of biological assets	10	998,454	1,585,406	183,961	409,342
Costs					
Inventories sold and consumed		(366,178,574)	(374,272,286)	(121,734,236)	(126,022,663)
Increase/(decrease) in inventories (finished products)		(12,962,623)	22,397,220	8,791,343	25,077,525
Third party supplies and services		(209,090,967)	(211,015,191)	(75,216,991)	(73,389,248)
Payroll costs		(81,135,849)	(86,316,559)	(30,587,356)	(24,274,447)
Other operating costs		(8,544,765)	(6,950,545)	(2,973,328)	199,533
Provisions (net)		10,050,771	2,978,937	916,728	2,998,107
Depreciation, amortization and impairment losses		(69,659,955)	(62,150,683)	(25,474,027)	(19,333,968)
Operating Profit		94,497,897	159,654,934	30,464,881	52,430,469
Share of results of associated companies and joint ventures		-	-	-	-
Financial costs - net	4	(9,300,037)	(12,285,885)	(1,087,842)	(1,622,036)
Profit before income tax		85,197,860	147,369,049	29,377,039	50,808,433
Income tax	5	(12,800,186)	(30,074,397)	(4,050,803)	(9,409,336)
Profit after income tax		72,397,674	117,294,652	25,326,236	41,399,097
Non-controlling interests		61,859	31,104	28,999	(553)
Net profit for the period		72,459,533	117,325,756	25,355,235	41,398,544
Earning per Share					
Basic earnings per share, Euros	6	0.096	0.153	0.034	0.054
Diluted earnings per share, Euros	6	0.096	0.155	0.034	0.056

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

Amounts in Euros	Notes	30-09-2009 (unaudited)	31-12-2008
ASSETS			
Non-current assets			
Goodwill		376,756,384	376,756,384
Other intangible assets	8	2,412,711	4,601,021
Property, plant and equipment	9	1,506,406,029	1,220,047,686
Biological assets	10	123,825,504	122,827,050
Available-for-sale financial assets		130,074	130,074
Deferred tax assets	14	12,420,590	17,486,496
		2,021,951,292	1,741,848,711
Current assets			
Inventories		188,777,477	240,317,883
Receivables and other current assets	11	127,826,110	199,553,225
State and other public entities	12	29,190,856	47,069,862
Cash and cash equivalents	17	90,294,987	222,548,686
		436,089,430	709,489,656
Total assets		2,458,040,722	2,451,338,367
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	767,500,000	767,500,000
Treasury shares	13	(26,787,706)	(24,431,056)
Fair value reserve		1,077,217	5,244,545
Other reserves		42,330,224	89,928,852
Currency translation reserve		207,101	261,006
Retained earnings: prior years		380,907,630	276,449,376
Net profit for the period		72,459,533	131,074,223
		1,237,693,999	1,246,026,946
Non-controlling interests		184,001	231,358
Total equity		1,237,878,000	1,246,258,304
Non-current liabilities			
Deferred tax liabilities	14	123,519,501	126,837,529
Post-employment benefit liabilities	15	23,826,399	24,500,548
Provisions	16	35,573,691	45,624,461
Interest-bearing liabilities	17	446,471,359	686,887,139
Other liabilities	17	15,040,973	17,522,406
		644,431,923	901,372,083
Current liabilities			
Interest-bearing liabilities	17	306,250,000	16,094,889
Payables and other current liabilities	18	233,131,018	248,701,554
State and other public entities	12	36,349,781	38,911,537
		575,730,799	303,707,980
Total liabilities		1,220,162,722	1,205,080,063
Total equity and liabilities		2,458,040,722	2,451,338,367

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2009 AND 2008

Amounts in Euros	9 months 30-09-2009 (unaudited)	9 months 30-09-2008 (unaudited)	3rd Quarter 2009 (unaudited)	3rd Quarter 2008 (unaudited)
Net profit for the period before non-controlling interests	72,397,674	117,294,652	25,326,236	41,399,097
Fair value of derivative financial instruments	(5,669,835)	(5,019,816)	(995,659)	(4,550,609)
Currency translation reserve	(53,905)	6,992	(42,565)	85,404
Actuarial gains and losses	4,826,469	(9,944,366)	4,917,897	(2,253,029)
Tax effect on items above when applicable	1,482,735	3,849,375	231,885	1,790,822
Net profit/(loss) directly recognised in equity	585,464	(11,107,815)	4,111,558	(4,927,412)
Total recognised income and expense for the period	72,983,138	106,186,837	29,437,794	36,471,685
Attributable to:				
Portucel's shareholders	73,030,495	106,226,919	29,453,473	36,476,468
Non-controlling interests	(47,357)	(40,082)	(15,680)	(4,783)
	72,983,138	106,186,837	29,437,793	36,471,685

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2009 AND 2008

Amounts in Euros	December 31, 2008	Gains/losses recognised in the period	Dividends paid	Treasury shares acquisition	Application of the prior year net profit	September 30, 2009
Share capital	767,500,000	-	-	-	-	767,500,000
Treasury shares	(24,431,056)	-	-	(2,356,650)	-	(26,787,706)
Fair value reserve	5,244,545	(4,167,328)	-	-	-	1,077,217
Other reserves	89,928,852	-	-	-	(47,598,628)	42,330,224
Currency translation reserve	261,006	(53,905)	-	-	-	207,101
Retained earnings: prior years	276,449,376	4,792,195	(79,006,792)	-	178,672,851	380,907,630
Net profit for the period	131,074,223	72,459,533	-	-	(131,074,223)	72,459,533
Total	1,246,026,946	73,030,495	(79,006,792)	(2,356,650)	-	1,237,693,999
Non-controlling interests	231,358	(47,357)	-	-	-	184,001
Total	1,246,258,304	72,983,138	(79,006,792)	(2,356,650)	-	1,237,878,000

Amounts in Euros	December 31, 2007	Gains/losses recognised in the period	Dividends paid	Treasury shares acquisition	Application of the prior year net profit	September 30, 2008
Share capital	767,500,000	-	-	-	-	767,500,000
Treasury shares	(53,679)	-	-	(17,165,307)	-	(17,218,986)
Fair value reserve	7,755,024	(3,689,574)	-	-	-	4,065,450
Other reserves	80,732,063	-	-	-	9,196,789	89,928,852
Currency translation reserve	37,234	6,992	-	-	-	44,226
Retained earnings: prior years	166,084,377	(7,573,467)	(26,662,818)	-	144,755,273	276,603,365
Net profit for the period	153,952,062	117,325,756	-	-	(153,952,062)	117,325,756
Total	1,176,007,081	106,069,707	(26,662,818)	(17,165,307)	-	1,238,248,663
Non-controlling interests	237,401	(40,082)	-	-	-	197,319
Total	1,176,244,482	106,029,625	(26,662,818)	(17,165,307)	-	1,238,445,982

CONSOLIDATED CASH FLOW STATEMENT

NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2009 AND 2008

Amounts in Euros	Notes	9 months 30-09-09	9 months 30-09-08	3rd Quarter 2009	3rd Quarter 2008
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
OPERATING ACTIVITIES					
Received from customers		913,703,331	863,945,475	341,429,638	232,482,090
Payments to suppliers		683,828,669	741,041,137	203,834,859	213,262,326
Payments to employees		<u>59,968,806</u>	<u>66,693,877</u>	<u>17,456,217</u>	<u>11,095,294</u>
Cash flow generated from operations		<u>169,905,856</u>	<u>56,210,461</u>	<u>120,138,562</u>	<u>8,124,470</u>
(Payments)/receipts of income tax		(26,680,074)	(39,390,131)	(27,721,592)	(19,760,706)
Other (payments)/receipts from operating activities		<u>70,692,295</u>	<u>56,633,212</u>	<u>33,573,029</u>	<u>21,361,869</u>
Cash flows from operating activities (1)		<u>213,918,077</u>	<u>73,453,542</u>	<u>125,989,999</u>	<u>9,725,633</u>
INVESTMENT ACTIVITIES					
Receipts relating to:					
Tangible assets		-	42,118	-	462
Intangible assets (CO2 licenses)		5,522,900	-	-	-
Investment grants received		6,009,539	22,128,224	-	9,239,308
Interest and similar income		<u>9,216,174</u>	<u>13,803,895</u>	<u>2,503,085</u>	<u>5,024,034</u>
Receipts from investment activities (A)		<u>20,748,613</u>	<u>35,974,237</u>	<u>2,503,085</u>	<u>14,263,804</u>
Payments relating to:					
Tangible assets		317,467,468	144,484,108	137,034,360	56,969,863
Intangible assets		<u>-</u>	<u>434,579</u>	<u>-</u>	<u>434,579</u>
Payments relating to investment activities (B)		<u>317,467,468</u>	<u>144,918,687</u>	<u>137,034,360</u>	<u>57,404,442</u>
Cash flows from investment activities (2 = A - B)		<u>(296,718,855)</u>	<u>(108,944,450)</u>	<u>(134,531,275)</u>	<u>(43,140,638)</u>
FINANCING ACTIVITIES					
Receipts relating to:					
Borrowings		65,000,000	31,926,000	-	-
Receipts from financing activities (C)		<u>65,000,000</u>	<u>31,926,000</u>	<u>-</u>	<u>-</u>
Payments relating to:					
Borrowings		6,250,000	31,665,577	3,125,000	3,065,000
Lease contracts		-	139,525	-	47,740
Interest and similar expense		26,839,479	35,942,993	9,635,253	13,786,217
Treasury shares		2,356,650	17,165,307	-	3,416,912
Dividends		<u>79,006,792</u>	<u>26,662,818</u>	<u>-</u>	<u>-</u>
Payments relating to financing activities (D)		<u>114,452,921</u>	<u>111,576,220</u>	<u>12,760,253</u>	<u>20,315,869</u>
Cash flows from financing activities (3 = C - D)		<u>(49,452,921)</u>	<u>(79,650,220)</u>	<u>(12,760,253)</u>	<u>(20,315,869)</u>
CHANGES IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		(132,253,699)	(115,141,128)	(21,301,529)	(53,730,874)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		222,548,686	385,164,849	111,596,517	323,754,595
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	17	<u>90,294,987</u>	<u>270,023,721</u>	<u>90,294,988</u>	<u>270,023,721</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

(Amounts are expressed in euros unless indicated otherwise)

The Portucel Soporcel Group or the Group comprises Portucel – Empresa Produtora de Pasta e Papel, SA (hereafter referred to as the Company or Portucel) and its subsidiaries. Portucel is a public company with the capital represented by shares and was incorporated on May 31, 1993, in accordance with Decree-Law no. 39/93, February 13, following the restructuring of Portucel – Empresa de Celulose e Papel de Portugal, SA.

Registered Office: Mitrena, 2901-861 Setúbal
Share Capital: €767,500,000
ID number: 503 025 798

The main business of the Group is the production and sale of writing and printing paper and related products, and it is present in all of the value added chain from research and development to forestry and agricultural production, the purchase of wood and the production and sale of bleached eucalyptus kraft pulp – BEKP and electric and thermal energy.

The consolidated financial statements were approved by the Board of Directors on October 27, 2009.

The Board of Directors that signed this report, declares that based on their knowledge, the information presented on it was prepared in conformity with applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the consolidated companies.

1. Basis of presentation

The interim consolidated financial statements for the nine-month period ended September 30, 2009 were prepared in accordance with the IAS 34 – Interim Financial Reporting.

The attached consolidated financial statements were prepared on a going concern basis, from the accounting books and records of the companies included in the consolidation (Note 22), and based on the historic cost convention, except for derivative financial instruments and biological assets that are presented at fair value (Notes 19 and 10).

2. Main Accounting Policies

The accounting policies applied in the preparation of these interim consolidated financial statements are consistent with the ones used on the financial statements for the year ended December 31, 2008 and described in the respective notes.

3. Segment report

Segment information is shown in relation to the identified business segments, namely Forest, Industry and Energy. The revenues, assets and liabilities of each segment correspond to those directly allocated to them, as well as to those that can be reasonably attributed to those segments.

The financial data by operational segment for the nine-month period ended at September 30, 2009 and 2008 is shown as follows:

	9 months 30-09-2009				
	FOREST	INDUSTRY	ENERGY	ELIMINATIONS/ NOT ALLOCATED	TOTAL
REVENUES					
Sales and services rendered - external	8.283.319	737.551.020	56.321.237	3.969.722	806.125.298
Sales and services rendered - intersegmental	90.908.780	165.420.390	41.233.495	(297.562.665)	-
Total revenue	99.192.099	902.971.410	97.554.732	(293.592.943)	806.125.298
Segmental profit	10.857.976	84.413.529	2.518.868	(3.292.476)	94.497.897
Financial costs - net	-	-	-	(9.300.037)	(9.300.037)
Income tax	-	-	-	(12.800.186)	(12.800.186)
Net income before non-controlling interests	-	-	-	-	72.397.674
Non-controlling interests	-	-	-	61.859	61.859
Net profit	-	-	-	-	72.459.533
OTHER INFORMATION					
Segment assets	193.395.149	2.041.850.252	90.758.814	131.906.433	2.457.910.648
Financial investments	-	-	-	130.074	130.074
Total assets	193.395.149	2.041.850.252	90.758.814	132.036.507	2.458.040.722
Segment liabilities	6.572.100	1.196.543.502	16.773.277	273.843	1.220.162.722
Total liabilities	6.572.100	1.196.543.502	16.773.277	273.843	1.220.162.722
Capital expenditure	1.788.543	322.339.836	36.872.574	-	361.000.953
Depreciation	555.365	68.671.401	433.189	-	69.659.955
Provisions	-	-	-	(10.050.771)	(10.050.771)
9 months 30-09-2008					
	FOREST	INDUSTRY	ENERGY	ELIMINATIONS/ NOT ALLOCATED	TOTAL
REVENUES					
Sales and services rendered - external	5.666.591	790.985.266	59.819.234	-	856.471.091
Sales and services rendered - intersegmental	98.853.869	252.244.412	36.175.835	(387.274.116)	-
Total revenue	104.520.460	1.043.229.678	95.995.069	(387.274.116)	856.471.091
Segmental profit	7.037.551	157.732.783	5.313.622	(10.429.022)	159.654.934
Financial costs - net	-	-	-	(12.285.885)	(12.285.885)
Income tax	-	-	-	(30.074.397)	(30.074.397)
Net income before non-controlling interests	-	-	-	-	117.294.652
Non-controlling interests	-	-	-	31.104	31.104
Net profit	-	-	-	-	117.325.756
OTHER INFORMATION					
Segment assets	179.747.778	1.913.151.758	59.110.512	337.435.823	2.489.445.871
Financial investments	-	-	-	130.074	130.074
Total assets	179.747.778	1.913.151.758	59.110.512	337.565.897	2.489.575.945
Segment liabilities	78.574.933	1.165.076.411	6.190.748	1.287.671	1.251.129.763
Total liabilities	78.574.933	1.165.076.411	6.190.748	1.287.671	1.251.129.763
Capital expenditure	4.887.222	150.509.851	25.676.377	-	181.073.450
Depreciation	694.174	59.846.607	1.609.902	-	62.150.683
Provisions	-	-	-	(2.978.937)	(2.978.937)

4. Financial costs - net

Financial costs are detailed as follows for the nine-month period ended at September 30, 2009 and 2008:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Interest paid on loans	(22,807,413)	(33,295,000)
Interests earned	2,322,854	13,750,937
Foreign exchange differences	1,325,050	2,949,175
Gains/(losses) on financial instruments - trading	(1,776,671)	(2,922,552)
Gains/(losses) on financial instruments - hedging	4,115,050	9,881,278
Accrued contracting fee on options	-	(1,732,000)
Interest on deferred payments	7,817,966	(790,015)
Other financial costs	(296,873)	(127,707)
	(9,300,037)	(12,285,885)

5. Income Tax

Income tax is detailed as follows for the nine-month period ended September 30, 2009 and 2008:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Current income tax (Note 12)	12,625,492	39,529,753
Provision for current tax (reversals)	(3,055,918)	(26,868,282)
Deferred tax	3,230,612	17,412,926
	12,800,186	30,074,397

The provision for current tax is detailed as follows:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
(Excess)/shortage the income tax estimate	(1,694,760)	(5,637,968)
Change in the estimate for additional payments	(3,158,536)	(17,587,010)
Others	1,797,378	(3,643,304)
	(3,055,918)	(26,868,282)

In the nine-month period ended September 30, 2009 and 2008, the reconciliation of the effective income tax rate was as follows:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Profit before tax	85,197,860	147,369,049
Expected income tax	26.50% 22,577,433	26.50% 39,052,798
Differences (a)	-8.03% (6,837,983)	7.97% 11,745,341
Tax rate effect	4.84% 4,120,000	5.82% 8,580,000
Tax provision	-3.59% (3,055,918)	-18.23% (26,868,282)
Tax benefits	-4.70% (4,003,346)	-1.65% (2,435,460)
	15.02% 12,800,186	20.41% 30,074,397

(a) This amount is made up essentially of:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Capital gains/(losses) for tax purposes	262,307	44,449
Capital gains/(losses) for accounting purposes	(140,875)	(97,614)
Taxable provisions	(8,159,922)	26,597,134
Tax benefits	(358,126)	(171,202)
Compensatory interest	(7,938,991)	1,168,575
Pension funds	4,148,458	279,199
Other	(13,616,558)	16,501,498
	(25,803,707)	44,322,040
Tax effect 26.50%	(6,837,982)	11,745,341

In Portugal, the annual income tax returns are subject to review and potential adjustment by the tax authorities for a period of up to 4 years. However, if tax losses are utilised, these may be subject to review by the tax authorities for a period of up to 6 years.

In other countries where the Group operates, these periods are different and, in most cases, higher.

The Board of Directors believes that any reviews/inspections by the tax authorities will not have a material effect on the consolidated financial statements as of September 30, 2009. The income tax returns of Portucel and Soporcel up to 2005 have already been reviewed and the review of the income tax returns for the years 2006 and 2007 are currently underway.

6. Earnings per share

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Profit attributed to the Company's shareholders	72,459,533	117,325,756
Total number of shares issued	767,500,000	767,500,000
Treasury shares - period average	(14,693,182)	(971,712)
	752,806,818	766,528,288
Basic earnings per share	0.096	0.153
Diluted earnings per share	0.096	0.153

7. Application of the net profit of the preceding year and retained earnings

Amounts in Euros	2008	2007
Distribution of dividends	79,006,792	80,383,583
Legal reserve	5,335,628	6,193,742
Retained earnings: prior years	46,731,803	67,374,737
	131,074,223	153,952,062

The resolution for the application of the 2008 net profit, passed at Portucel's General Meeting held on March 6, 2009, was based on the net profit for the year as defined by the accounting principles generally accepted in Portugal (Portuguese GAAP). The difference in net profit between the two standards, totalling €24,361,661 (2007: €30,077,228) was transferred to retained earnings.

On April 6, 2009, a dividend of €0.105 per share was distributed, totalling €80,585,500. This amount includes the dividends of €1,578,708 attributed to the subsidiary Portucel Florestal SA, that owns the shares which are disclosed as treasury shares in these consolidated financial statements (Note 6).

8. Other intangible assets

Over the nine-month period ended September 30, 2009, and during the year ended December 31, 2008, the changes in other intangible assets were as follows.

Amounts in Euros	Industrial property and other rights	CO2 emission licenses	Total
Acquisition costs			
Amount as of January 1, 2008	4,161,829	5,580	4,167,409
Acquisitions	-	12,176,954	12,176,954
Disposals	-	(12,176,954)	(12,176,954)
Adjustments, transfers and write-off's	(2,265,551)	(5,580)	(2,271,131)
Amount as of September 30, 2008	1,896,278	-	1,896,278
Acquisitions	-	3,651,700	3,651,700
Amount as of December 31, 2008	1,896,278	3,651,700	5,547,978
Acquisitions	-	6,181,410	6,181,410
Disposals	-	(6,343,800)	(6,343,800)
Adjustments, transfers and write-off's	-	(1,677,607)	(1,677,607)
Amount as of September 30, 2009	1,896,278	1,811,703	3,707,981
Accumulated depreciation and impairment losses			
Amount as of January 1, 2008	(2,748,088)	-	(2,748,088)
Amortization and impairment losses	(348,315)	-	(348,315)
Adjustments, transfers and write-off's	2,265,551	-	2,265,551
Amount as of September 30, 2008	(830,852)	-	(830,852)
Amortization and impairment losses	(116,105)	-	(116,105)
Amount as of December 31, 2008	(946,957)	-	(946,957)
Amortization and impairment losses	(348,313)	-	(348,313)
Amount as of September 30, 2009	(1,295,270)	-	(1,295,270)
Net book value as of January 1, 2008	1,413,741	5,580	1,419,321
Net book value as of September 30, 2008	1,065,426	-	1,065,426
Net book value as of December 31, 2008	949,321	3,651,700	4,601,021
Net book value as of September 30, 2009	601,008	1,811,703	2,412,711

9. Property, Plant and Equipment

Over the nine-month period ended September 30, 2009, and during the year ended December 31, 2008, the changes in Property, plant and equipment, as well as the respective depreciation and impairment losses, were as follows:

Amounts in Euros	Land	Buildings and other constructions	Equipment and other tangibles	Construction in progress	Total
Acquisition costs					
Amount as of January 1, 2008	100,525,221	386,388,999	2,561,531,294	41,427,010	3,089,872,524
Acquisitions	-	144,960	4,495,421	176,433,069	181,073,450
Disposals	-	-	(1,358,538)	-	(1,358,538)
Adjustments, transfers and write-off's	(42,495)	68,083	4,636,670	(4,906,615)	(244,357)
Amount as of September 30, 2008	100,482,726	386,602,042	2,569,304,847	212,953,464	3,269,343,079
Acquisitions	2,844,334	64,393	15,018,433	60,967,778	78,894,938
Disposals	-	(200)	(3,040,987)	-	(3,041,187)
Adjustments, transfers and write-off's	(352,049)	336,593	2,950,389	(3,124,220)	(189,287)
Amount as of December 31, 2008	102,975,011	387,002,828	2,584,232,682	270,797,022	3,345,007,543
Acquisitions	3,217,023	250,635	10,875,892	346,657,403	361,000,953
Disposals	-	(143,350)	(2,058,898)	-	(2,202,248)
Adjustments, transfers and write-off's	(41,991)	821,108	5,570,401	(6,438,633)	(89,115)
Amount as of September 30, 2009	106,150,043	387,931,221	2,598,620,077	611,015,792	3,703,717,133
Accumulated depreciation and impairment losses					
Amount as of January 1, 2008	(294,203)	(242,831,905)	(1,793,514,340)	-	(2,036,640,448)
Depreciation and impairment losses	(17,663)	(13,048,467)	(53,131,595)	-	(66,197,725)
Disposals	-	-	1,358,538	-	1,358,538
Adjustments, transfers and write-off's	-	11,106	11,357	-	22,463
Amount as of September 30, 2008	(311,866)	(255,869,266)	(1,845,276,040)	-	(2,101,457,172)
Depreciation and impairment losses	17,663	(4,193,480)	(22,333,214)	-	(26,509,031)
Disposals	-	200	2,986,487	-	2,986,687
Adjustments, transfers and write-off's	294,203	(305,309)	30,765	-	19,659
Amount as of December 31, 2008	-	(260,367,855)	(1,864,592,002)	-	(2,124,959,857)
Depreciation and impairment losses	-	(12,853,101)	(61,063,113)	-	(73,916,214)
Disposals	-	114,035	1,451,687	-	1,565,722
Adjustments, transfers and write-off's	-	-	(755)	-	(755)
Amount as of September 30, 2009	-	(273,106,921)	(1,924,204,183)	-	(2,197,311,104)
Net book value as of January 1, 2008	100,231,018	143,557,094	768,016,954	41,427,010	1,053,232,076
Net book value as of September 30, 2008	100,170,860	130,732,776	724,028,807	212,953,464	1,167,885,907
Net book value as of December 31, 2008	102,975,011	126,634,973	719,640,680	270,797,022	1,220,047,686
Net book value as of September 30, 2009	106,150,043	114,824,300	674,415,894	611,015,792	1,506,406,029

As of September 30, 2009 Construction in progress included €105,986,143, related to advance payments and supplies of Property Plant and Equipment, obtained under the scope of the investment projects being developed by the Group. These amounts are fully guaranteed by first demand bank guarantees, handed by the respective suppliers that are promoting the investments of the Group companies, in accordance with the implemented policy for the mitigation of credit risk.

10. Biological assets

During the nine-month period ended September 30, 2009 and in the year ended December 31, 2008, changes in biological assets were as follows:

Amounts in Euros	9 months 2009	12 months 2008
Amount as of January 1	122,827,050	122,924,753
Changes in fair value		
Logging in the period	(14,266,221)	(19,481,000)
Growth	10,273,379	13,697,838
New plantations	1,344,846	1,509,033
Other changes in fair value	3,646,450	4,176,426
Total changes in fair value	998,454	(97,703)
Value as at September 30 / December 31	123,825,504	122,827,050

The amounts shown as other changes in fair value correspond to changes (positive or negative) in the estimated volume of future wood harvests due to: new plantations, increase or decrease in the forest management efficiency and write-downs as a result of fires.

11. Receivables and other current assets

As of September 30, 2009 and December 31, 2008, Receivables and other current assets were detailed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Trade debtors	107,236,017	168,852,263
Other receivables	11,545,164	16,921,497
Derivative financial instruments (Note 19)	5,546,831	9,998,120
Accrued income	257,444	1,535,066
Deferred costs	3,240,654	2,246,279
	127,826,110	199,553,225

The receivables showed above are net of respective accumulated impairment losses of €1,299,341 in September 30, 2009 and €1,531,558 in December 31, 2008.

As of September 30, 2009 and December 31, 2008 Other Receivables were analysed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Shareholders and associated companies		
Related companies	319,992	322,735
	319,992	322,735
Others		
Advances to employees	74,885	158,216
AICEP - Investment grants receivable	9,831,244	15,840,784
Other debtors	1,319,043	599,762
	11,225,172	16,598,762
	11,545,164	16,921,497

As of September 30, 2009 and December 31, 2008 Accrued income and Deferred costs were analysed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Accrued income		
Discounts in purchases	120,786	114,766
Interest receivable	12,515	1,048,149
Grants (Raiz)	-	352,069
Other	124,143	20,082
	257,444	1,535,066
Deferred costs		
Prepayments of insurance premiums	1,898,075	-
Prepayments regarding the acquisition of timber	626,068	1,284,036
Other	716,511	962,243
	3,240,654	2,246,279
	3,498,098	3,781,345

12. State and other public entities

As of September 30, 2009 and December 31, 2008, there were no overdue debts to the State and other public entities. Balances with these entities were as follows:

Current assets

Amounts in Euros	30-09-2009	31-12-2008
State and other public entities		
Value added tax - refunds requested	27,257,121	36,905,938
Value added tax - To recover	1,933,735	7,591,222
Corporate income tax - IRC	-	2,572,702
	29,190,856	47,069,862

On September 30, 2009 and December 31, 2008, the outstanding VAT refunds requested comprised the following, by month and by company:

Amounts in Euros	Jun/09	Jul/09	Aug/09	Sep/09	Total
Enerpulp	782,146	895,351	886,386	834,466	3,398,350
Portucel	3,586,893	5,295,259	2,303,380	1,807,434	12,992,966
Soporcel	-	-	2,658,169	2,187,126	4,845,295
About The Future	1,024,640	1,750,876	1,167,073	2,077,921	6,020,510
	5,393,680	7,941,486	7,015,008	6,906,947	27,257,121

Amounts in Euros	Mar/2008	Jul/2008	Aug/2008	Sep/2008	Oct/2008	Nov/2008	Dec/2008	Total
Enerpulp	-	-	1,018,776	784,091	581,313	675,444	875,654	3,935,279
Portucel	-	-	-	-	6,983,818	4,165,523	6,972,737	18,122,078
Soporcel	-	-	-	-	2,932,859	3,258,595	6,428,028	12,619,482
About The Future	-	2,147,033	-	-	-	-	-	2,147,033
Viveiros Aliança	-	-	-	-	-	-	71,416	71,416
Technipapel	10,651	-	-	-	-	-	-	10,651
	10,651	2,147,033	1,018,776	784,091	10,487,980	8,099,562	14,347,835	36,905,938

Up to the date of completing this report, €6,944,189 had already been received concerning the outstanding VAT as of September 30, 2009.

Current liabilities

Amounts in Euros	30-09-2009	31-12-2008
State and other public entities		
Corporate income tax	2,461,957	-
Personal income tax - Withheld on salaries	994,488	1,205,070
Value added tax	2,386,264	3,472,637
Social security	2,038,779	1,940,774
Additional tax assessments	28,434,003	31,592,539
Others	34,290	700,517
	36,349,781	38,911,537

Changes in provisions for additional tax assessments over the nine-month period ended September 30, 2009 and the year ended December 31, 2008, were as follows:

Amounts in Euros	9 months	
	30-09-2009	2008
At January 1	31,592,539	47,681,236
Increase	4,435,518	10,041,442
Decrease	(7,594,054)	(26,130,139)
At September 30 / December 31	28,434,003	31,592,539

The additional tax assessments values include the compensatory interest.

On September 30, 2009 and December 31, 2008, the additional tax assessments were detailed as follows:

Amounts in Euros	30-09-2009	30-12-2008
Additional tax assessment 2005 - Portucel - IRC (RETGS)	11,641,948	10,060,358
IRC 2006 (RETGS)	9,056,518	8,888,581
Additional tax assessment 2003 - Portucel - IRC (RETGS)	-	3,000,333
Additional tax assessment 2005 - Soporcel - IRC	-	2,007,911
IRC 2006/2007 - Portucel	94,134	122,984
Others	7,641,403	7,512,372
	28,434,003	31,592,539

13. Share capital and treasury shares

Portucel is a public company with its shares quoted on the Euronext Lisbon.

As of September 30, 2009, Portucel's share capital was fully subscribed and paid for; it is represented by 767,500,000 shares with nominal value of €1 each, of which 15,054,358 are held as treasury shares as shown below:

	2009		2008	
	Quant.	Accumul.	Quant.	Accumul.
Treasury Shares held in January 1		13,406,947		60,500
Acquisitions				
January	633,818	14,040,765	1,650,000	1,710,500
February	943,657	14,984,422	1,150,161	2,860,661
March	69,936	15,054,358	2,841,699	5,702,360
April	-	15,054,358	-	5,702,360
May	-	15,054,358	-	5,702,360
June	-	15,054,358	1,269,360	6,971,720
July	-	15,054,358	1,773,692	8,745,412
August	-	15,054,358	-	8,745,412
September	-	15,054,358	-	8,745,412
Treasury shares held in September 30	1,647,411	15,054,358	8,684,912	8,745,412
4th Quarter			4,661,535	13,406,947

During the nine-month period ended September 30, 2009 the Group acquired Portucel's shares in the stock exchange for €2,356,633 with an average price of €1.431 as detailed below:

Amounts in Euros	Quantity	Amount
January	633,818	913,170
February	943,657	1,342,513
March	69,936	100,950
	1,647,411	2,356,633

As of September 30, 2009, the shareholders with significant positions in the Company's capital were as follows:

Entities	Nr. of shares	% of Equity
Seinpar BV	241,583,015	31.48%
Seinpart SGPS	230,839,400	30.08%
Semapa, SGPS	96,865,223	12.62%
Other entities from the Semapa Group	9,686,818	1.26%
Bestinver Gestión, SA SGIIC	15,443,547	2.01%
Treasury shares	15,054,358	1.96%
Other shareholders	158,027,639	20.59%
Total shares	767,500,000	100.00%

As of December 31, 2008, the shareholders with significant positions in the Company's capital were as follows:

Entities	Nr. of shares	% of Equity
Seinpar Investments, BV	250,483,015	32.64%
Seinpart - Participações, SGPS, S.A.	230,839,400	30.08%
Semapa, SGPS, S.A. (including call options)	87,583,223	11.41%
Other entities from the Semapa Group	9,686,818	1.26%
Bestinver Gestión, SA SGIIC	15,443,547	2.01%
Treasury shares	13,406,947	1.75%
Other shareholders	160,057,050	20.85%
Total shares	767,500,000	100.00%

As of September 30, 2009 the shares representing the share capital were quoted at €2.098 each. This corresponds to a market value of €1,610,215,000.

14. Deferred Taxes

In the nine-month period ended September 30, 2009 and in the year ended December 31, 2008, changes in assets and liabilities as a result of deferred taxes were as follows:

Amounts in Euros	January 1, 2009	Income statement		Equity	September 30, 2009				
		Increases	Decreases						
Temporary differences originating deferred tax assets									
Tax losses carried forward	56.498	-	-	-	56.498				
Taxable provisions	11.367.863	122.518	(6.161.834)	-	5.328.547				
Tangible fixed assets adjustments	13.149.229	9.082.443	(2.305.287)	-	19.926.385				
Retirement benefit obligations	2.509.658	-	-	-	2.509.658				
Margin stocks included in inter-group sales	7.594.094	-	(3.062.305)	-	4.531.789				
Forests valuation	15.681.948	-	(4.836.660)	-	10.845.288				
Depreciation of assets booked under IFRIC 4	3.842.014	-	(170.027)	-	3.671.987				
Investment tax benefits	11.785.472	-	(11.785.472)	-	-				
	65.986.776	9.204.961	(28.321.585)	-	46.870.152				
Temporary differences originating deferred tax liabilities									
Revaluation of fixed assets	(28.751.256)	-	4.331.154	-	(24.420.102)				
Retirement benefit obligations	(905.943)	(19.649)	-	(74.612)	(1.000.204)				
Derivative financial instruments - fair value	(7.135.436)	-	-	5.669.835	(1.465.601)				
Fair value of tangible fixed assets	(239.782.448)	-	-	-	(239.782.448)				
Tax benefits	(1.181.592)	(16.321.103)	-	-	(17.502.695)				
Extension of the useful life of tangible fixed assets	(118.800.677)	(11.976.651)	-	-	(130.777.328)				
Deferred losses in inter-group transactions	(82.074.832)	(7.008.772)	38.446.771	-	(50.636.833)				
Other items of deferred tax	-	(526.111)	-	-	(526.111)				
	(478.632.184)	(35.852.286)	42.777.925	5.595.223	(466.111.322)				
Amounts shown on the statement of financial position									
Deferred tax assets	17.486.496	2.439.315	(7.505.220)	-	12.420.590				
Deferred tax liabilities	(126.837.529)	(9.500.856)	11.336.150	1.482.734	(123.519.501)				
Taxable provisions	3.060.748	766.309	(2.689.174)	-	1.137.883	10.326.748	(96.768)	-	11.367.863
Tangible fixed assets adjustments	3.209.851	11.099.345	(3.665.493)	-	10.643.703	2.570.852	(65.326)	-	13.149.229
Retirement benefit obligations	16.984.612	3.453.752	-	9.277.140	29.715.505	(3.449.766)	(23.037.756)	(718.324)	2.509.658
Margin stocks included in inter-group sales	2.394.419	4.774.053	-	-	7.168.472	425.623	-	-	7.594.094
Forests valuation	43.885.262	483.427	(30.663.050)	-	13.705.638	1.136.859	839.451	-	15.681.948
Depreciation of assets booked under IFRIC 4	3.921.015	-	(59.250)	-	3.861.764	-	(19.750)	-	3.842.014
Investment tax benefits	14.522.414	7.876.028	(10.749.594)	-	11.648.847	136.624	-	-	11.785.472
	88.778.075	28.452.914	(48.626.316)	9.277.140	77.881.812	11.203.438	(22.380.149)	(718.324)	65.986.776
Temporary differences originating deferred tax liabilities									
Revaluation of fixed assets	(23.990.540)	(7.271.430)	1.883.035	-	(29.378.935)	-	627.678	-	(28.751.256)
Retirement benefit obligations	(1.187.614)	(39.820)	5.414	228.988	(993.032)	(29.235)	(5.414)	121.738	(905.943)
Derivative financial instruments	(10.551.043)	-	-	5.019.816	(5.531.228)	-	-	(1.604.208)	(7.135.436)
Fair value of tangible fixed assets	(243.288.481)	-	2.629.525	-	(240.658.956)	-	876.508	-	(239.782.448)
Tax benefits	-	-	-	-	-	(1.181.592)	-	-	(1.181.592)
Extension of the useful life of tangible fixed assets	(90.156.785)	(22.513.489)	-	-	(112.670.274)	(6.130.402)	-	-	(118.800.676)
Deferred losses in inter-group transactions	(53.151.223)	(38.022.978)	12.896.850	-	(78.277.351)	(2.615.898)	(1.181.582)	-	(82.074.832)
Other items of deferred tax	(4.897.143)	-	4.897.143	-	-	-	-	-	-
	(427.222.829)	(67.847.717)	22.311.967	5.248.803	(467.509.777)	(9.957.128)	317.190	(1.482.470)	(478.632.185)
Amounts shown on the statement of financial position									
Deferred tax assets	23.526.190	7.540.022	(12.885.974)	2.458.442	20.638.680	2.968.911	(5.930.740)	(190.356)	17.486.495
Deferred tax liabilities	(113.214.050)	(17.979.645)	5.912.671	1.390.933	(123.890.091)	(2.638.639)	84.055	(392.855)	(126.837.529)

15. Post employment benefit liabilities

15.1 Introduction

As of September 30, 2009, and December 31, 2008, the coverage of the companies' liabilities by the assets of the funds was as follows:

Amounts in Euros	30-09-2009	31-12-2008
Past services liabilities		
- Active employees	104,739,251	101,086,113
- Early retirement	345,242	651,276
- Retired employees	41,754,512	39,021,853
Market value of the pension funds	(125,522,235)	(118,768,323)
	21,316,770	21,990,919
Retirement bonus liability	2,509,629	2,509,629
Unfunded liabilities	23,826,399	24,500,548

15.2 Assumptions used in the valuation of the liabilities

The actuarial studies carried out by an independent entity for the purpose of determining the accumulated liabilities as of September 30, 2009, and December 31, 2008 were based on the following assumptions:

	30-09-2009	31-12-2008
Disability table	EKV 80	EKV 80
Mortality table	TV 88/90	TV 88/90
Future salary increases	2.50%	2.50%
Discount rate	5.50%	5.50%
Future pension increases	2.25%	2.25%

15.3 Retirement and pension supplements

The movements in liabilities with retirement and pension plans in the nine-month period ended September 30, 2009 and in the year ended December 31, 2008 were as follows:

Amounts in Euros	30-09-2009	31-12-2008
Liabilities at the beginning of the period	140,759,242	138,472,987
Changes in assumptions	-	(6,585,731)
Costs recognized in the income statement	8,843,618	11,404,065
Pensions paid	(2,116,846)	(2,786,516)
Actuarial gains/losses	(647,009)	254,437
Total liabilities at the end of the period	146,839,005	140,759,242

The funds set up to cover the above-mentioned liabilities had the following movement in the nine-month period ended September 30, 2009 and in the year ended December 31, 2008

Amounts in Euros	30-09-2009	31-12-2008
Amount at the beginning of the period	118,768,323	124,711,410
Contributions made in the period	-	6,807,000
Expected return in the period	4,695,032	6,471,796
Actuarial gains/losses (differential between the actual and the expected return)	4,175,726	(16,435,367)
Pensions paid	(2,116,846)	(2,786,516)
Total assets at the end of the period	125,522,235	118,768,323

The details of the fund's assets as at September 30, 2009 and December 31, 2008 were as follows:

Amounts in Euros	30-09-2009	30-12-2008
Bonds	76,521,026	32,320,360
Shares	27,582,034	21,821,769
Liquidity	21,161,783	46,695,363
Real estate	157,334	13,232
Other short-term applications	64,462	420,666
Index Linked Bonds	34,596	28,341
Public Debt	-	17,468,592
	125,521,235	118,768,324

In the nine-month period ended September 30, 2009 and 2008 the effect in the income statement of these plans was as follows:

Amounts in Euros	9 months 30-09-2009	9 months 30-09-2008
Current services cost	2,937,567	2,996,463
Interest expenses	5,906,051	5,556,692
Return of the plan assets	(4,695,032)	(4,853,953)
Actuarial gains/losses	(128)	(14,762)
	4,148,458	3,684,440
Other costs with pensions (outside Portugal)	217,243	228,954
Costs for the period	4,365,701	3,913,394

Current services cost included €16,780 related with the retirement supplement of three members of the Board (September 30, 2008: €18,446).

15.4 Retirement bonus

Some of the Group's companies assumed the liability of the payment of a retirement bonus, equal to nine months of salary, if the employee retires at the regular age of retirement (65 years). The movements in this liability were as follows:

Amounts in Euros	30-09-2009	31-12-2008
Liabilities at the beginning of the period	2,509,629	2,547,555
Costs recognised in the income statement	-	94,625
Actuarial gains	-	(132,551)
Liabilities at the end of the period	2,509,629	2,509,629

16. Provisions

In the nine-month period ended September 30, 2009 and in the year ended December 31, 2008 changes in provisions were as follows:

Amounts in Euros	Legal claims	Tax claims	Others	Total
Balance as of January 1, 2008	363,442	31,397,391	6,173,842	37,934,675
Increases	22,496	-	1,043,398	1,065,894
Decreases	(365,207)	(3,591,529)	(171,409)	(4,128,145)
Balance as of September 30, 2008	20,731	27,805,862	7,045,831	34,872,424
Increases	1,896,359	-	34,495,149	36,391,508
Decreases	-	(19,562,470)	(227,001)	(19,789,471)
Released	-	(5,850,000)	-	(5,850,000)
Balance as of January 1, 2009	1,917,090	2,393,392	41,313,979	45,624,461
Increases	22,414	-	122,516	144,930
Released	(69,977)	(2,393,392)	(7,732,332)	(10,195,701)
Balance as of September 30, 2009	1,869,527	-	33,704,163	35,573,690

On December 31, 2008, the provisions for tax claims included VAT contingencies outside of Portugal, which have been closed in the period.

In addition, Other provisions are mainly related to liabilities with the State and other public entities.

17. Interest-bearing liabilities

As of September 30, 2009 and December 31, 2008, non-current interest-bearing debt comprised the following:

Amounts in Euros	30-09-2009	31-12-2008
Non-current		
Bond loans	375,000,000	675,000,000
Bank loans	74,375,000	15,625,000
	449,375,000	690,625,000
Expenses with the issue of bond loans	(2,855,070)	(3,673,218)
Expenses with the issue of other loans	(48,571)	(64,643)
	(2,903,641)	(3,737,861)
	446,471,359	686,887,139

As of September 30, 2009 and December 31, 2008, current interest-bearing debt was as follows:

Amounts in Euros	30-09-2009	31-12-2008
Current		
Bond loans	300,000,000	-
Bank loans - short-term	6,250,000	16,094,889
	306,250,000	16,094,889

As of September 30, 2009 and December 31, 2008, the Group's net debt was as follows:

Amounts in Euros	30-09-2009	31-12-2008
Interest-bearing liabilities		
Non-current	446,471,359	686,887,139
Current	306,250,000	16,094,889
	752,721,359	702,982,028
Cash and cash equivalents		
Cash in hand	43,640	45,756
Short-term bank deposits	10,201,347	4,652,930
Other treasury applications	80,050,000	217,850,000
	90,294,987	222,548,686
Treasury shares at their market value	31,584,043	20,767,361
Interest-bearing net debt	630,842,329	459,665,981

As of September 30, 2009 and December 31, 2008, the interest-bearing liabilities of the Group comprised the following:

Amounts in Euros	30-09-2009		
	Non-current	Current	Total
Bond loans	372,144,930	300,000,000	672,144,930
Bank loans	74,326,429	6,250,000	80,576,429
	446,471,359	306,250,000	752,721,359
Amounts in Euros	31-12-2008		
	Non-current	Current	Total
Bond loan	671,326,782	-	671,326,782
Bank loans	15,560,357	16,094,889	31,655,246
	686,887,139	16,094,889	702,982,028

In the nine-month period ended September 30, 2009 and in the year ended December 31, 2008, changes in the Group's interest-bearing debt were as follows:

Amounts in Euros	9 months 2009	12 months 2008
January 1	459,665,981	367,568,836
Variation in the value of the treasury shares	(13,173,332)	(45,009,823)
Interest paid	26,839,479	49,372,007
Dividends paid	79,006,792	26,662,818
Receipts relating to investment activities	(18,608,078)	(17,009,809)
Interests received	(6,437,904)	(19,653,170)
Payments relating to investment activities	317,467,468	237,272,896
Dividends received	-	(160,000)
Net receipts from operational activities	(213,918,077)	(139,377,774)
September 30/December 31	630,842,329	459,665,981

The repayment terms related to the medium and long-term loans show the following maturity profile:

Amounts in Euros	30-09-2009	31-12-2008
Non-current		
1 to 2 years	28,125,000	331,250,000
2 to 3 years	6,250,000	6,250,000
3 to 4 years	160,833,333	153,125,000
4 to 5 years	210,833,333	200,000,000
More than 5 years	43,333,333	-
	449,375,000	690,625,000

As of September 30, 2009 and December 31, 2008 the Group has the following equipments under finance lease plans:

Amounts in Euros	30-09-2009		
	Acquisition cost	Accumulated depreciation	Net book value
Soporgem equipment	44,003,950	28,602,567	15,401,383
	44,003,950	28,602,567	15,401,383
Amounts in Euros	31-12-2008		
	Acquisition cost	Accumulated depreciation	Net book value
Soporgem equipment	44,003,950	26,402,370	17,601,580
	44,003,950	26,402,370	17,601,580

The liability related to the Soporgem equipment was detailed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Non-current	15,040,973	17,522,406
Current (Note 18)	755,890	760,891
	15,796,863	18,283,297

As of September 30, 2009, the Group had contracted credit facilities, available but not used totalling €171,660,714.

18. Payables and other current liabilities

As of September 30, 2009 and December 31, 2008, Payables and other current liabilities were detailed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Accounts payable to trade creditors	136,391,461	144,478,471
Derivative financial instruments (Note 19)	3,039,326	44,110
Other creditors - CO2 emission licences	2,738,734	3,734,916
Commissions for paper sales	1,569,889	2,269,194
Accrued costs	44,303,335	50,135,903
Deferred income	45,088,273	48,038,960
	233,131,018	248,701,554

As of September 30, 2009 and December 31, 2008
Accrued costs and Deferred income were detailed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Accrued costs		
Payroll costs	19,291,558	20,759,687
Interest payable, including compensatory interest	6,453,509	18,506,401
Energy and maintenance costs	11,661,111	4,165,176
Acquisitions of timber	927,833	2,365,789
Other	5,969,324	4,338,850
	44,303,335	50,135,903
Deferred income		
Government grants	43,061,833	48,038,831
Grants - CO2 emission licences	1,581,051	-
Other	445,389	129
	45,088,273	48,038,960

During the nine-month period ended September 30, 2009 and the year ended December 31, 2008, Grants – CO2 emission licences had the following movements:

Amounts in Euros	2009	2008
Grants - CO2 emission licences		
Opening balance	-	2,479
Increase	6,181,410	12,176,954
Decrease	(4,600,359)	(12,179,433)
Balance as of September 30 / December 31	1,581,051	-

As of September 30, 2009 the CO2 licences were quoted at €13.36 per ton (EUA). Therefore, the market value of the CO2 emission licences consumed as at September 30, 2009 amounted to €2,738,734.

19. Derivative financial instruments

As of September 30, 2009 and December 31, 2008, the details of the fair value of the derivative financial instruments were as follows:

Amounts in Euros	30-09-2009			31-12-2008	
	Notional	Positive	Negative	Net	Net
Hedging instruments					
Interest Rate Swaps	225,000,000	-	(3,039,326)	(3,039,326)	(44,110)
Hedging (sales and pulp price)	41,828,860	4,504,927	-	4,504,927	7,179,545
	266,828,860	4,504,927	(3,039,326)	1,465,601	7,135,435
Trading instruments					
Foreign exchange forwards	37,210,251	1,041,904	-	1,041,904	2,818,575
	37,210,251	1,041,904	-	1,041,904	2,818,575
	304,039,111	5,546,831	(3,039,326)	2,507,505	9,954,010

The fair value of the derivative financial instruments is included in Receivables and other current assets (Note 11) and Payables and other current liabilities (Note 18).

The movement in the balances recognised in the statement of financial position (Notes 11 and 18) relating to financial instruments was as follows:

	Fair value variations (Trading)	Fair value variations (Hedging)	Total
Opening balance	2,818,575	7,135,435	9,954,010
Maturity	(1,776,671)	1,547,241	(229,430)
Decreases in fair value	-	(7,217,075)	(7,217,075)
Closing balance	1,041,904	1,465,601	2,507,505

As of September 30, 2009 the derivative financial instruments previously summarized present the following maturities:

		30-09-2009			31-12-2008	
		Nominal Value	Maturity	Type	Fair Value	Fair Value
Foreign exchange forwards	USD	8,889,000	09-Nov-09	Trading	38,250	475,594
	GBP	3,300,000	13-Nov-09	Trading	142,190	1,512,929
	GBP	1,620,000	11-Jan-10	Trading	53,954	293,177
	USD	37,675,000	26-Jan-10	Trading	807,510	536,875
					1,041,904	2,818,575
Foreign exchange options	USD	61,250,000	31-Dec-09	Hedging	4,504,927	7,179,545
Interest rate hedges	EUR	150,000,000	29-Mar-10	Hedging	(1,566,648)	2,193
Interest rate hedges	EUR	75,000,000	27-Oct-10	Hedging	(1,472,678)	(46,303)
					1,465,601	7,135,435
					2,507,505	9,954,010

20. Commitments

20.1 Commitments towards third parties

As of September 30, 2009 and December 31, 2008, commitments assumed by the Group were as follows:

Amounts in Euros	30-09-2009	31-12-2008
Guarantees in favour of associated companies		
Guarantees		
Soporgen, S.A.	444,444	666,667
	444,444	666,667
Guarantees in favour of third parties		
Guarantees		
DGCI - Portuguese tax authorities	17,117,821	2,460,914
VAT refunds requested / wood custom clearance	3,330,746	6,856,909
IAPMEI /AICEP	524,745	524,745
Simria	514,361	514,361
Other	1,158,275	564,093
	22,645,948	10,921,022
	23,090,392	11,587,689

The guarantees granted to the Portuguese Tax Authorities (DGCI) are detailed as follows:

Amounts in Euros	30-09-2009	31-12-2008
Income Tax 2005 - Additional Tax assessments	14,656,907	-
Aggregated Income tax 2003	1,032,317	1,032,317
Income Tax 2007 - Municipal surcharge	852,727	852,727
Stamp duty 2004	575,870	575,870
	17,117,821	2,460,914

20.2 Purchase commitments

Purchase commitments assumed with suppliers at September 30, 2009 totalled €281,037,978 and referred to capital expenditure on plant and equipment (total commitments at December 31, 2008: €132,267,344).

As of September 30, 2009 and December 31, 2008, the commitments relating to operating lease contracts comprised the following:

Amounts in Euros	30-09-2009	31-12-2008
Due date		
2009	358,082	1,422,132
2010	1,372,092	1,154,285
2011	1,015,557	752,497
2012	540,632	273,934
2013	109,119	-
	3,395,482	3,602,848

21. Contingent Liabilities

As at September 30, 2009, the process of liquidation and dissolution of the Group's subsidiary Portucel Brazil was nearing completion. The consolidated statement of financial position included the identified and quantifiable liabilities which resulted from this process. The Group could have additional costs with the conclusion of these procedures. However, these additional costs are not estimated to be material.

22. Consolidated companies

Company	Head office	Percentage of capital held by Group companies		
		Directly	Indirectly	Total
Parent Company:				
Portucel – Empresa Produtora de Pasta e Papel, S.A.	Setúbal	-	-	-
Subsidiaries:				
Soporcel - Sociedade Portuguesa de Papel, S.A.	Figueira da Foz	100.00	-	100.00
Tecnipapel – Sociedade de Transformação e Distribuição de Papel, Lda	Setúbal	56.00	44.00	100.00
Soporcel España, S.A.	Spain	-	100.00	100.00
Soporcel International, BV	Netherlands	-	100.00	100.00
Soporcel France, EURL	France	-	100.00	100.00
Soporcel United Kingdom, Ltd	United Kingdom	-	100.00	100.00
Soporcel Italia, SRL	Italy	-	100.00	100.00
Soporcel 2000 - Serviços Comerciais de Papel, Soc. Unipessoal, Lda	Figueira da Foz	-	100.00	100.00
Soporcel North America Inc.	USA	-	100.00	100.00
Soporcel Deutschland, GmbH	Germany	-	100.00	100.00
Soporcel Handels, GmbH	Austria	-	100.00	100.00
Portucel Florestal – Empresa de Desenvolvimento Agro-Florestal, S.A.	Setúbal	-	100.00	100.00
Aliança Florestal – Sociedade para o Desenvolvimento Agro-Florestal, S.A.	Setúbal	-	100.00	100.00
Arboser – Serviços Agro-Industriais, S.A.	Setúbal	-	100.00	100.00
Enerforest - Empresa de Biomassa para Energia, S.A.	Setúbal	-	100.00	100.00
Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos, S.A.	Setúbal	-	100.00	100.00
Viveiros Aliança - Empresa Produtora de Plantas, S.A.	Palmela	-	100.00	100.00
Aflomec - Empresa de Exploração Florestal, S.A.	Setúbal	-	100.00	100.00
Cofotrans - Empresa de Exploração Florestal, S.A.	Figueira da Foz	-	100.00	100.00
SPCG – Sociedade Portuguesa de Co-Geração Eléctrica, S.A.	Setúbal	100.00	-	100.00
Enerpulp – Cogeração Energética de Pasta, S.A.	Setúbal	-	100.00	100.00
Empremédia - Corretores de Seguros, Lda	Lisbon	-	100.00	100.00
Socortel - Sociedade de Corte de Papel, S.A.	Figueira da Foz	-	100.00	100.00
PortucelSoporcel Papel - Sales e Marketing, ACE	Figueira da Foz	50.00	50.00	100.00
Cutpaper - Transformação, Corte e Embalagem de Papel, ACE	Figueira da Foz	-	50.00	50.00
Raiz - Instituto de Investigação da Floresta e Papel	Eixo	43.00	51.00	94.00
PortucelSoporcel Floresta, SGPS, S.A.	Figueira da Foz	50.00	50.00	100.00
About the Future - Empresa Produtora de Papel, S.A.	Setúbal	0.01	99.99	100.00
Headbox - Operação e Contolo Industrial, S.A.	Setúbal	-	100.00	100.00
EMA21 - Engenharia e Manutenção Industrial Século XXI, S.A.	Setúbal	-	100.00	100.00
Ema Cacia - Engenharia e Manutenção Industrial, ACE	Cacia	-	91.15	91.15
Ema Setúbal - Engenharia e Manutenção Industrial, ACE	Setúbal	-	92.56	92.56
Ema Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Figueira da Foz	-	91.47	91.47
ImpactValue - SGPS, S.A.	Setúbal	100.00	-	100.00
PortucelSoporcel Papel, SGPS S.A.	Setúbal	100.00	-	100.00
PortucelSoporcel Energia, SGPS S.A.	Setúbal	100.00	-	100.00
PortucelSoporcel Participações, SGPS S.A.	Setúbal	100.00	-	100.00
PortucelSoporcel Cogeração de Energia, S.A.	Setúbal	-	100.00	100.00
Atlantic Forests, S.A.	Setúbal	-	100.00	100.00
Portucel International GmbH	Germany	100.00	-	100.00
Afocelca - Agrupamento complementar de empresas para protecção contra incendios ACE	Portugal	-	64.80	64.80
Bosques do Atlantico, SL	Spain	-	100.00	100.00
PortucelSoporcel Sales & Marketing NV	Belgium	25.00	75.00	100.00
Portucel Papel Setúbal, S.A. *	Setúbal	-	100.00	100.00
PortucelSoporcel Pulp SGPS, S.A. *	Setúbal	100.00	-	100.00
EPFF - Empresa de Pasta de Figueira da Foz, S.A. *	Figueira da Foz	-	100.00	100.00
CELSET - Celulose de Setúbal, S.A. *	Setúbal	-	100.00	100.00
CELCACIA - Celulose de Cacia, S.A. *	Cacia	-	100.00	100.00
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Mozambique	-	100.00	100.00

* Companies incorporated in March 2009

23. Subsequent events

As of October 14, 2009 the Group have formalised the incorporation of its subsidiary Portucel Florestal Brasil – Gestão de Participações, Ltda., which will lead the Group's investments in that country.

Reformulation of the retirement and survival pension supplement plan - Portucel

During the period, Portucel, SA presented its employees a proposal for an amendment to the pension plan presently in force, moving from a defined benefit plan to a defined contribution plan. This proposal was approved by the majority of the employees. Therefore, the necessary contacts with the regulatory authorities will be made to formalize this modification.

24. Explanation of English translation

The accompanying financial statements are a free translation of the financial statements originally issued in Portuguese language. In the event of discrepancies between the English and Portuguese versions, the Portuguese version prevails.

Board Meeting Members:

Pedro Mendonça de Queiroz Pereira
Chairman

José Alfredo de Almeida Honório

Manuel Soares Ferreira Regalado

Adriano Augusto da Silva Silveira

António José Pereira Redondo

José Fernando Morais Carreira de Araújo

Luis Alberto Caldeira Deslandes

Manuel Maria Pimenta Gil Mata

Francisco José Melo e Castro Guedes