

**THE NAVIGATOR COMPANY, S.A.**  
**Public Company**

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

**PRIVILEGED INFORMATION**

In accordance with and for the purposes of number 1 of article 17 of the Regulation (EU) number 596/2014 of the European Parliament and of the Council, of 16 April 2014, and of number 1 of article 248 of the Portuguese Securities Code and other applicable regulations, THE NAVIGATOR COMPANY, S.A. hereby informs that, after being informed by the US authorities on April 2018 that the provisional anti-dumping duty to be applied retroactively to paper sales to the United States for the period from August 2015 to February 2017 (“the first period of review”) was 0%, it has been notified by the United States Department of Commerce that the final duty on sales made during the first period of review would be 37.34%.

This process began in February 2015 followed by a provisory deposit rate of 29.53% assigned to Navigator in August 2015, based on a preliminary assessment. On the final assessment, dated January 2016, the rate was reduced to 7.8% by the correction of an identifiable clerical error, and that rate has been in force until today.

Navigator continues to defend that there are no grounds for applying measures of this type to its products sold in the United States and will appeal from this decision. As part of the appeal, Navigator will obtain an injunction that will stop Customs reflecting the new rate on the entries made during the first period of review. However, pending the results of the appeal, the new rate will be applied to all imports from the Company after the publication date - which is expected to be in one week’s time - and Navigator’s judicial challenge will also cover this measure.

This constitutes a considerable modification to the previous rate and, as there was no additional information requested from US authorities or any changes of circumstances, we believe this reflects a deliberate change in assumptions made by the Department of Commerce in order to increase the final duty on Navigator paper sales to the US, notwithstanding the fact that the Company has always cooperated with the US authorities. In particular, the Department of Commerce took an \$8 million total brokerage expense used in previous calculations and fictionally

expanded it to an almost \$70 million expense. This was achieved by the Department of Commerce allocating the highest per-unit brokerage expense reported in the Company's database, US\$0.3047/kg (which was the brokerage expense reported for one, single, sales observation) and then assigning this per-unit expense to more than 62.000 observations (with an average US\$0.04/kg) using an adverse inference method.

Navigator will use all legal available resources and is convinced that it will demonstrate before the US Courts that the above referred margin for that period is completely incorrect and, in such case, make the Department of Commerce reverse this administrative decision, that has an estimated impact (at the current exchange rate) of around € 66 million on EBITDA and €45 million on net profits for the current year.

The Company has been developing its business activity in the US over the last 18 years and the success of its strategy has been sustained by sales to the premium paper segment, with average prices more than 15% above the benchmark of the North American market. Navigator will continue to fight for the right of servicing its loyal US customers with the high quality brands they have increasingly demanded.

Lisbon, August 10, 2018

The Navigator Company