

Directors' Report
Consolidated Financial Statements
First 9 Months of 2012

Directors' Report**CONTENTS**

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1 Group Business Highlights

The Semapa Group has recorded positive performance, with both turnover and net income improving in relation to the same period in 2011:

1st 9 Months 2012 million euros	Real* Sep 2011	Real* Sep 2012	Var. % Sep 12/11	Adjusted* Sep 2012	Var. % Sep 12/11
Turnover	1,321.1	1,443.7	9.3%	1330.3	0.7%
EBITDA	320.1	348.4	8.8%	304.5	-4.9%
EBITDA margin	24.2%	24.1%	-0.1 p.p.	22.89%	-1.3 p.p.
Net profit	90.0	110.5	22.8%	100.1	11.3%
Net Debt	913.1	1,538.9		959.7	

* unaudited figures

For the sake of comparability with the financial indicators from the same period in 2011, adjusted information has been included, consolidating Secil's accounts on a 51% proportional basis, in line with the method applied in the previous year, insofar that, as duly disclosed to the market, Semapa obtained 100% control of Secil during the first half of this year.

Business Indicators

<u>IFRS - accrued amounts (million euros)</u>	<u>9M 2012</u>	<u>9M 2011</u>	<u>Var. (%)</u>
Turnover	1,443.7	1,321.1	9.3%
Other income	71.6	33.0	116.6%
Costs and losses	(1,166.8)	(1,034.0)	-12.8%
Total EBITDA	348.4	320.1	8.8%
Recurrent EBITDA	321.5	320.1	0.4%
Depreciation and impairment losses	(123.1)	(122.4)	-0.6%
Provisions (increases and reversals)	4.4	(6.4)	169.0%
EBIT	229.7	191.2	20.2%
Net financial profit	(42.8)	(32.0)	-33.9%
Pre-tax profit	186.9	159.2	17.4%
Tax on profits	(40.7)	(36.0)	-13.2%
Retained profits for the period	146.2	123.2	18.6%
Attributable to Semapa equity holders	110.5	90.0	22.8%
Attributable to minority interests	35.7	33.3	7.2%
Cash-flow	264.9	252.1	5.1%
EBITDA margin (% Sales)	24.1%	24.2%	-0.1 p.p.
EBIT margin (% Sales)	15.9%	14.5%	1.4 p.p.
	30-09-2012	31-12-2011	Sep12 vs. Dec11
Equity (before MI)	784.0	1,048.8	-25.2%
Net debt	1,538.9	913.1	68.5%

Notes:

- Total EBITDA = operating profit + depreciation and impairment losses + provisions – reversal of provisions
- Cash flow = retained earnings + depreciation and impairment losses + provisions – reversal of provisions
- Net debt = non-current interest bearing debt (net of loan issue charges) + current interest-bearing debt (including debts to shareholders) – cash and cash equivalents – market value of own shares and other securities held
- Comparability is affected by: i) inclusion of 50% of the recently acquired operation in Brazil (Supremo SA), consolidated on a proportional basis, and by ii) full consolidation of Secil as from the end of March 2012 (100% integration of Secil in balance sheet items, as compared to 51% in the comparative figures for 31 December 2011; income accounts include 51% of Secil's results in the 1st quarter and 100% in the 2nd and 3rd quarters of 2012, as compared to 51% for the first nine months of 2011)

Segment Reporting (IFRS)

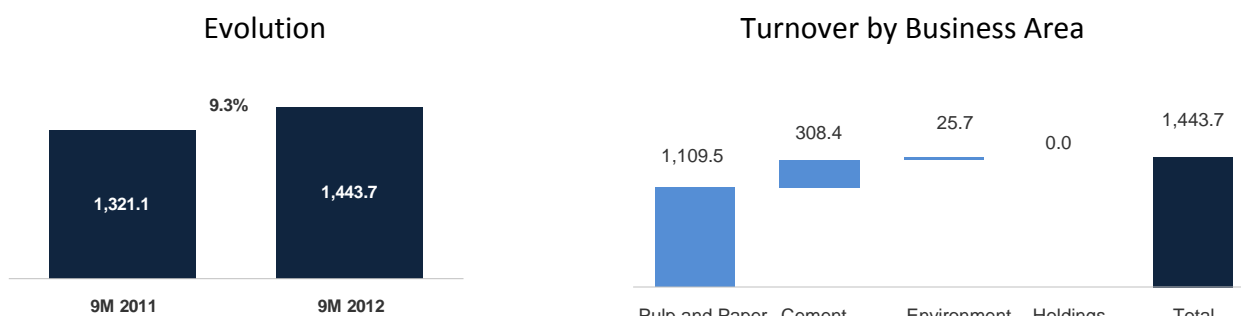
IFRS-accrued amounts (million euros)	Paper and Pulp	Cement	Environment	Holdings	Consolidated
Sales	1,109.5	308.4	25.7	(0.0)	1,443.7
Total EBITDA	282.8	44.2	6.9	14.5	348.4
Recurrent EBITDA	282.6	43.9	6.9	(11.8)	321.5
Depreciation and impairment losses	(90.3)	(30.5)	(2.1)	(0.2)	(123.1)
Provisions (increases and reversals)	9.5	0.3	(0.8)	(4.6)	4.4
EBIT	202.0	14.0	4.0	9.8	229.7
Net financial profit	(12.7)	(9.2)	(1.1)	(19.8)	(42.8)
Pre-tax profits	189.2	4.8	2.9	(10.0)	186.9
Tax on profits	(37.2)	(3.2)	(0.6)	0.3	(40.7)
Retained profits for period	152.0	1.6	2.2	(9.7)	146.2
Attributable to Semapa equity holders	120.6	(2.4)	2.1	(9.7)	110.5
Attributable to minority interests	31.4	4.1	0.1	-	35.7
Cash-flow	232.9	31.9	5.1	(5.0)	264.9
EBITDA margin (% Sales)	25.5%	14.3%	26.7%	-	24.1%
EBIT margin (% Sales)	18.2%	4.5%	15.6%	-	15.9%
Net debt	390.9	289.8	21.5	836.6	1,538.9

Notes:

- Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments
- The Cement Segment includes 51% of the Secil Group for the 1st quarter and 100% of for the 2nd and 3rd quarters of 2012 + 50% of the Supremo Group for the first nine months of 2012

Analysis of Results

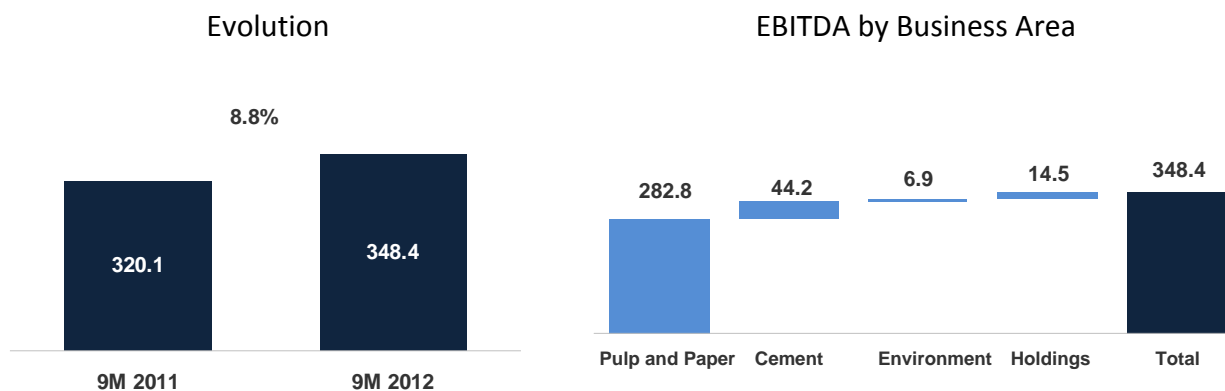
Exports and sales on foreign markets accounted for 76.3% of Consolidated Turnover



Figures in million euros

Consolidated turnover was up by 9.3% in relation to the same period in 2011, with 76.3% relating to foreign markets. Turnover contribution by business area is as follows:

- Pulp and Paper Area: 1,109.5 million euros, + 1.2% on the same period in 2011.
- Cement Area: 308.4 million euros, + 54,3% on the figure recorded in the same period in 2011 (reflecting the change which occurred in the first 9 months of 2012 and the incorporation of the Supremo Group in Semapa's consolidated accounts).
- Environment Area: 25.7 million euros, +2.2% on the same period in 2011.



Figures in million euros

Consolidated EBITDA totalled 348.4 million euros, 8.8% higher than the figure recorded in the first 9 months 2011. The EBITDA margin dropped by 0.1 p.p., standing at 24.1% for the first 9 months of 2012.

Financial results for the first 9 months of 2012 worsened by 10.8 million euros in relation to the same period in 2011, standing at -42.8 million euros.

Consolidated net income up to September 2012 totalled 110.5 million euros, representing an increase of 22.8% in relation to the same period in 2011.

At 30 September 2012, consolidated net debt stood at 1,538.9 million euros, representing an increase of 625.7 million euros over the figure recorded at year-end 2011, due essentially to the acquisition of 49% of Secil, of 50% of Supremo and other items that will be mentioned ahead.

2 Main Developments

- During the 1st quarter of 2012, the Semapa Group went ahead with acquisition of a 50% stake in Supremo Cimentos S.A., a cement manufacturer located in southern Brazil, in the state of Santa Catarina. The company operates an integrated clinker and cement mill in Pomerode, as well as aggregates and concrete operations. Supremo is currently implementing an expansion plan to increase its cement production capacity to close to one million seven hundred thousand tons. This holding has now been included in Semapa's consolidated accounts using the proportional method, with 14.9% held by Secil and 35.1% held indirectly by Semapa SGPS.
- In March, Semapa SGPS launched a bond issue, with financial settlement on 30 March 2012, providing it with gross funding of 300 million euros. The SEMAPA 2012-2015 issue has a maturity of 3 years and a flat rate of 6.85%.
- As from the same month, the holding in Secil has been included in Semapa's consolidated accounts on the full consolidation basis, as a result of the ending of the shareholders' agreement between Semapa and CRH and with the Semapa Group taking up control of the Secil Group.
- In April, the Semapa Group launched a bond issue in Brazil, through its wholly owned subsidiary NSOSPE. This is a 5-year floating rate issue with a total value of 128.1 million reais.
- In the same month, Portucel paid out dividends totalling 164.7 million euros.
- In May, the Semapa Group acquired the 49% holding in Secil owned by CRH, for a price of 574 million euros.
- In June, Semapa paid out dividends of 28.8 million euros.
- In the course of June, Portucel acquired a bloc of 24.85 million own shares, representing 3.2% of its capital. Portucel now owns 47.4 million shares, representing 6.17% of its capital.

3 Paper and Paper Pulp Business Area – PORTUCEL GROUP

3.1 Leading Business Indicators

IFRS - accrued amounts (million euros)	9M 2012	9M 2011	Var %
Sales	1,109.5	1,095.9	1.2%
Other income	19.0	13.8	37.6%
Costs and losses	(845.7)	(821.7)	-2.9%
EBITDA	282.8	288.0	-1.8%
Recurrent EBITDA	282.6	288.0	-1.9%
Depreciation and impairment losses	(90.3)	(104.4)	13.5%
Provisions (increases and reversals)	9.5	(4.4)	313.0%
EBIT	202.0	179.1	12.7%
Net financial profit	(12.7)	(14.4)	11.4%
Pre-tax profit	189.2	164.8	14.8%
Tax on profits	(37.2)	(28.8)	-29.0%
Retained profits for the period	152.0	135.9	11.8%
Attributable to Portucel equity holders *	152.1	136.0	11.8%
Attributable to minority interests (IM)	(0.0)	(0.0)	8.4%
Cash-Flow	232.9	244.8	-4.9%
EBITDA margin (%)	25.5%	26.3%	-3.0%
EBT margin (%)	18.2%	16.3%	11.4%
	30-09-2012	31-12-2011	Sep12 vs. Dec11
Equity (before MI)	1,295.1	1,353.0	-4.3%
Net debt	390.9	422.8	-7.5%

* of which 80.84% is attributable to Semapa

Note: Some of the indicators above differ from those presented separately by the Portucel Group, in view of consolidation adjustments made within Semapa as the holding company.

3.2 Business Overview: Portucel Group

Turnover generated by the Portucel Group in the first 9 months of 2012 stood at 1,109.5 million euros, representing growth of 1.2% in relation to the first 9 months of 2011. This growth was achieved on the strength of growing output and sales of uncoated woodfree (UWF) printing and writing paper, and excellent operational performance in the energy sector.

The international economic situation has directly contributed to increased unemployment and caused a downturn in paper consumption. Despite the difficulties this creates, the Group achieved extremely positive performance, with sales growing by approximately 3% in quantity. With the price of paper holding relatively steady, the value of paper sales increased by close to 3% in relation to the first nine months of 2011.

In bleached eucalyptus pulp (BEKP) business, turnover was down by 18%, due in part to the maintenance stoppage at the Setúbal industrial complex in September and also to the smaller volume of pulp available for sale on the market, as a result of increased paper output, incorporating larger quantities of pulp. In terms of prices, despite a positive trend observed over the year, the average pulp price was lower than for the first nine months of 2011, with the result that pulp sales recorded a reduction of 20% in value in comparison with the same period last year.

The energy sector performed well, with power sales to the national grid totalling 1,264 GWh, representing growth over the same period last year of 2.4%.

In this context, consolidated EBITDA stood at € 282.8 million, which represents a reduction of 1.8% and results in an EBITDA / Sales margin of 25.2%, down 0.8 percentage points on the margin recorded in 2011.

Operating results stood at 202.0 million and compare favourably with the same period in 2011, having been favourably influenced by the reversal of provisions of approximately 9.5 million euros, as well as by a reduction in the value of depreciation over the period, due to the normal life cycle of the Group's industrial assets.

The Group recorded a financial loss, but at 12.7 million euros it compares favourably with the loss of 14.4 million euros recorded in 2011. This improvement was due essentially to a reduction in the Group's net debt, and to a drop in the respective average borrowing cost, as a consequence of the downward trend in interest rates.

As a result, net income for the period stood at 152.1 million euros, representing an improvement of 11.8% over the same period in the previous year.

3.3 Business Overview

3.3.1 Market Analysis

The world market in printing paper has been severely hit by the harsh economic climate, which has necessarily undermined the main consumer markets for these products. The downturn was sharpest in European and North American markets.

Uncoated woodfree paper (**UWF**) – encompassing all of the Group's paper products – was naturally not immune to this situation, with consumption falling by around 4%, both in Europe and the United States. This performance was largely offset by livelier demand from emerging markets, with the result that the negative trend worldwide is estimated at half a percentage point. We should once again draw attention to the resilience of office paper consumption in Europe where, despite rising levels of unemployment and the pressure on companies to cut costs, the reduction in printing paper as a whole was lowest, at 1.6% in relation to the same period in 2011.

The capacity closures effected by a number of competitors in the sector in 2011, due to falling competitiveness, continued to have a beneficial effect on the market balance, and enabled the industry to operate at 92% of total capacity, both in Europe and the US, up from the figures recorded in 2011.

Accrued figures for the first nine months show that the Portucel group achieved new record sales. Net paper sale prices were up by 0.3%, in defiance of a reduction of 0.6% in the benchmark index for the sector, Copy B published by FOEX. This increase was due to improvement in the geographical sales mix and the positive foreign exchange effect.

The Group continued to improve its market penetration in Europe, winning new business in excess of 82 thousand tons and bringing its market share close to 17%.

The Group's mill brands are, of course, one of the central pillars of its commercial strategy. Its leading brand, Navigator, achieved new sales records around the world, growing by 3.5% over the same period in 2011.

After a first half during which prices rallied, the **BEKP pulp** market contracted during the 3rd quarter of 2012, bearing out expectations of a slowdown in the sector, due mainly to the seasonal drop in business in the summer in European markets and the high levels of stocks in the Chinese market.

China continues to be a crucial player in the world pulp market and, despite the slowdown experienced in the summer, it continued to present robust consumption over the course of 2012, with a high level of pulp imports, in line with the figures for 2011. The pulp market appears in fact to be benefitting again from renewed buying activity on the part of the Chinese market, reflected in a wave of announcements of price increases from October onwards, in all markets, for both long and short fibre pulp.

In contrast, the highly complicated economic situation in various Euro Zone countries has caused not only a slowdown in the paper industry but also a certain amount of volatility on the foreign exchanges, which has generated instability in the industry and is unpropitious for any increase in USD prices, such as those recorded in the recent past.

As already mentioned, the Group's BEKP pulp sales in the first 9 months of 2012 dropped by 20%, caused by a reduction in the quantity of pulp available for sale over the period, due to the maintenance stoppages and also to increased incorporation into paper manufacture.

A breakdown of BEKP pulp sales by paper segment shows that the Group strengthened its position in segments with higher value added, comprising the special papers segment, which accounted for 64% of all sales, as compared to a figure of 58% for the first nine months of 2011.

An analysis of sales by destinations shows that 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 eucalyptus globulus pulp produced by the Group are more properly valued.

3.3.2 Development

The Group has continued to advance with its investment project in Mozambique consisting, as mentioned in previous reports, of developing a forestry operation and constructing a pulp mill. This is a long term project which is still at an early stage, and efforts have so far focussed on field work to determine the most suitable eucalyptus varieties, to validate forestry models and to analyze logistical processes. This phase is expected to last a further 3 years, in order to conclude the plantation trials, to test new materials and upscale operations. Work is also proceeding on identifying alternatives for inbound logistics, for raw materials and other factors of production, as well as outbound logistics, for eucalyptus pulp.

In Portugal, the Group has followed up its investment in modernizing and doubling the capacity of its Espirra nurseries by concluding, in the third quarter, the first phase of the production season for cloned eucalyptus saplings, which will allow the Group, for the first time in its history, to produce around six million clones. This will make it possible to improve the use of the Group's plantations and to provide high-quality, certified genetic materials for Portuguese forestry, with significant benefits for the sector's yields.

With the conclusion of this capital project, the Group now owns the largest nurseries for certified forest plants in Europe, with annual production capacity of 12 million plants.

Another important objective in the Group's strategy is centred on certification of forestry management, and here too another important goal was achieved: the Group successfully renewed its forest management certification under the strict FSC and PEFC systems, bearing witness to its efforts and investment in implementing best forestry practise, biodiversity management plans and its plans for preventing and fighting forest fires.

Although this year's wildfire season is not yet officially over, the results are positive. The resources deployed to prevent and fight forest fires all operated correctly without any accidents, and despite the significantly adverse weather conditions observed, forest losses were kept to a low level. We should stress that the overwhelming majority of the incidents – 85% - to which our resources responded occurred on the property of third parties, illustrating the support provided to the national forest fire protection system. This summer season once again proved that professional and certified forest management is the best defence against the scourge of wildfires.

4 Cement and Derivatives Business Area – SECIL Group

As reported above, the Secil Group was included in Semapa's consolidated accounts on the full consolidation basis as from the end of March 2012.

The figures presented in this chapter include 100% of Secil's accounts after consolidation adjustments, but do not include the operations of the Supremo Group, as this is deemed to provide a clearer picture of the real course of affairs within Secil Group. We will present Supremo Group's main indicators separately.

4.1 Leading Business Indicators

IFRS - accrued amounts (million euros)	9M 2012	9M 2011	Var. (%)
Sales	349.7	392.0	-10.8%
Other income	27.7	37.1	-25.2%
Costs and losses	(328.1)	(350.3)	6.4%
EBITDA	49.4	78.7	-37.3%
Recurrent EBITDA	48.7	78.7	-38.1%
Depreciation and impairment losses	(35.3)	(31.8)	-11.0%
Provisions (increases and reversals)	0.2	(0.8)	126.5%
EBIT	14.3	46.1	-69.0%
Net financial profit	(8.3)	(3.7)	-124.4%
Pre-tax profit	6.0	42.4	-85.8%
Tax on profits	(3.6)	(14.0)	74.0%
Retained profits for the period	2.4	28.3	-91.6%
Attributable to Secil equity holders	(1.7)	23.2	-107.3%
Attributable to minority interests (IM)	4.1	5.1	-20.1%
Cash-flow	37.5	61.0	-38.6%
EBITDA Margin (%)	14.1%	20.1%	-29.7%
EBIT Margin (%)	4.1%	11.8%	-65.2%
	30-09-2012	31-12-2011	Sep12 vs. Dec11
Equity (before MI)	530.6	499.3	6.3%
Net debt	281.3	142.4	97.5%

The construction industry and cement consumption both continued on a downward course in Portugal, which is the Secil Group's principal market. During the 3rd quarter of the year, the construction sector in Portugal remained in decline and the extremely negative trend recorded in the 1st half deteriorated even further. In the period from January to August, output in the construction sector dropped by 15.9% (production index in construction and public works – INE October 2012). Demand for cement has continued to plummet, estimated to be down by around 28% in relation to the same period in 2011.

In this difficult setting, the Secil Group recorded turnover in the first 9 months of 2012 of 349.7 million euros. This performance represented a decline of 10.8% from the turnover recorded in the same period in 2011, reflecting weaker performance across all sales in the Portuguese market.

EBITDA stood at 49.4 million euros, down by approximately 37.3% in relation to the first 9 months of 2011. Despite the improvement in operational performance in the 3rd quarter, accrued figures for the first 9 months of 2012 point to a negative trend compared with the same period of the previous year due to the poorer performance in business segments located in Portugal (as a direct consequence of the severe crisis affecting the construction sector) and also, to a lesser extent, in the cement business units in Lebanon and Tunisia. Improved performance achieved by the cement business unit in Angola was not enough to offset poorer performance in other segments.

The EBITDA margin stood at 14.1% for the first 9 months of 2012, 6 p.p. down from the margin recorded in the same period in the previous year.

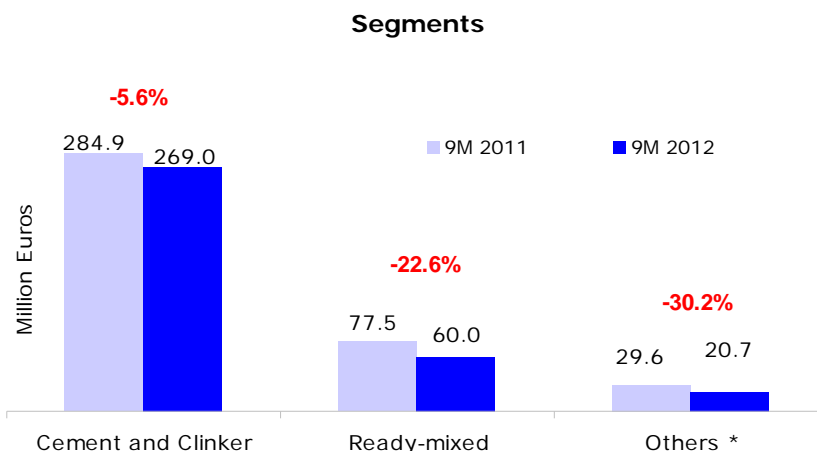
The Secil Group recorded a loss of 1.7 million euros for the period in question.

Capital expenditure in the period totalled approximately 43.2 million euros, of which 18.5 million euros related to operating investments, and 24.2 million euros to the acquisition from Semapa of a 15% stake in Supremo Cimentos.

At the end of the 3rd quarter of 2012, net debt stood at approximately 281.3 million euros. The increase in relation to the figure for year-end 2011 is due essentially to the investments made within the Group.

4.2 Business Overview

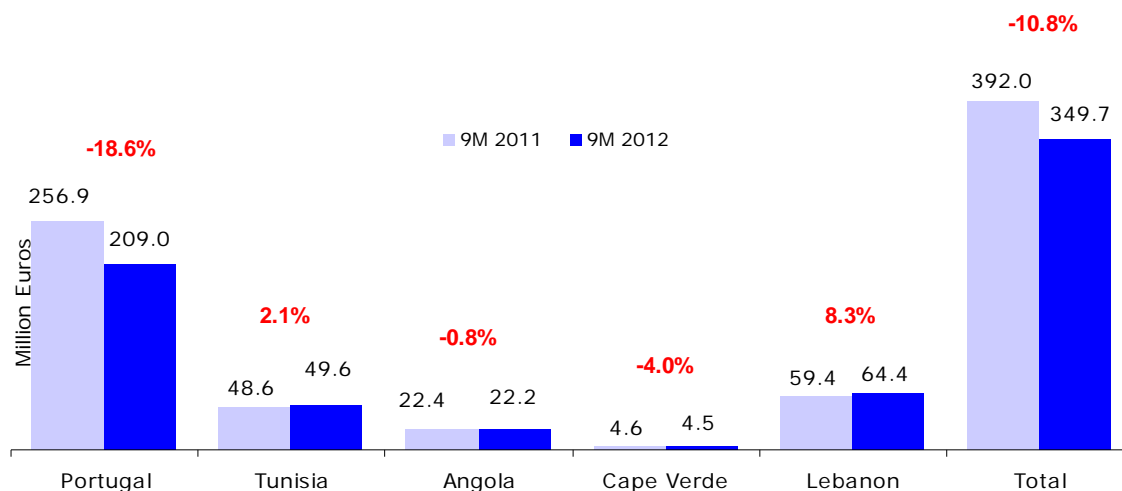
Turnover by Segment and Country



* includes Aggregates, Mortars and Pre-cast

Turnover in the cement and clinker segment declined by 5.6% in relation to the first 9 months of 2011, due to lower cement sales on the domestic market in Portugal. Business also contracted in all other segments in relation to the same period in 2011.

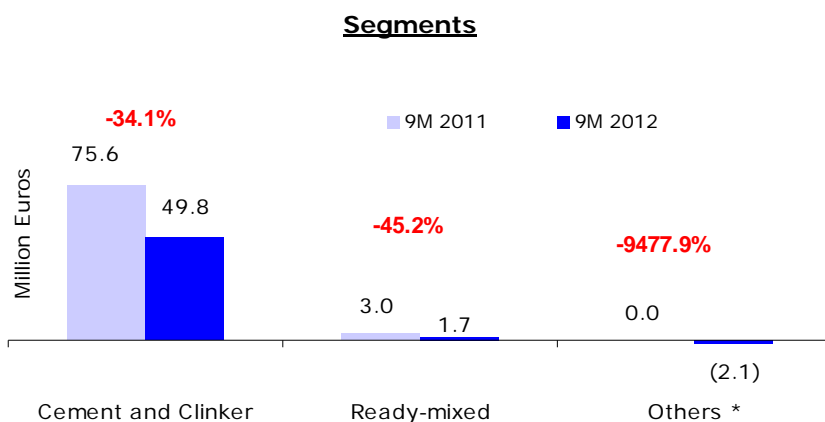
Geographical Region



Turnover from total operations outside Portugal and from exports by Portugal-based operations represented a larger share of the total: 40.2% in the first 9 months of 2012, as compared to 34.5% in the

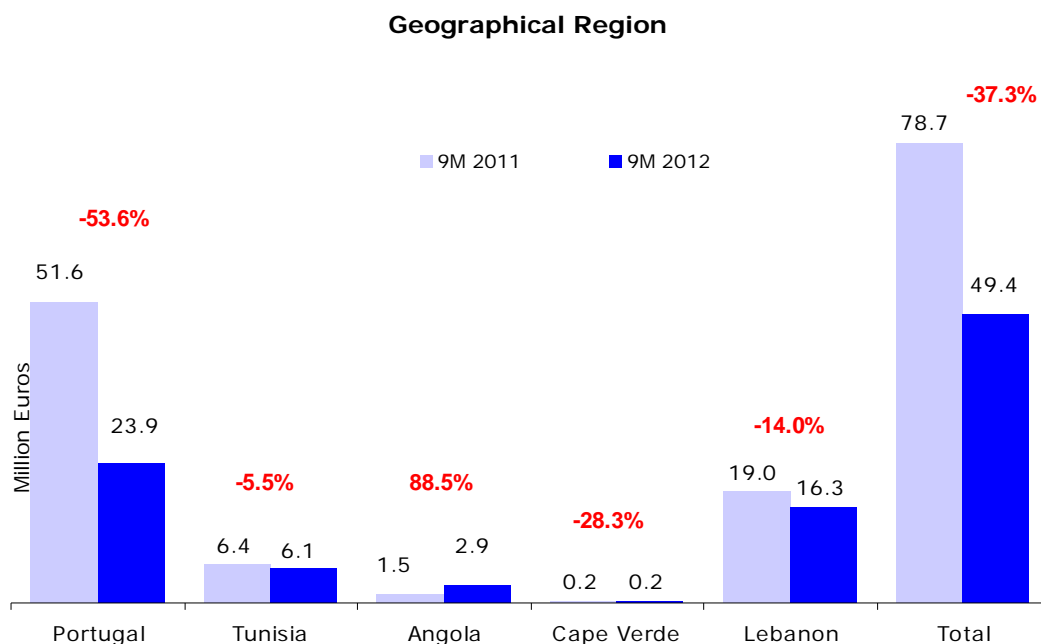
first 9 months of 2011.

Breakdown of EBITDA by Segment and Country



* includes Aggregates, Mortars and Pre-cast

Although in absolute terms turnover in the cement and clinker segment declined in relation to the accrued figure up to the 3rd quarter of 2011, sales in this segment accounted for a larger share of total business.



In terms of geographical breakdown, EBITDA was more widely dispersed than in the previous year, with operations outside Portugal accounting for approximately 51.5% of the Secil Group's total EBITDA, as

compared to the figure of 34.5% recorded in the first 9 months of 2011.

4.2.1 Portugal

During the 3rd quarter of the year, the construction sector in Portugal remained in decline and the negative trend recorded in the 1st half deteriorated even further. In the period from January to August, output in the construction sector dropped by 15.9% (production index in construction and public works – INE October 2012). Demand for cement has continued to plummet, estimated to be down by around 28% in relation to the same period in 2011.

In this particularly harsh environment, cement operations in Portugal recorded turnover of 141.2 million euros in the first 9 months of 2012, down by 13.1% on the same period in the previous year.

Attention should be drawn to the increase in export business, with sales up by 31.3% in relation to the same period in the previous year, partially offsetting a reduction of 27.9% in sales on the domestic market.

Turnover in non-cement business segments (concrete, aggregates, mortars, pre-cast and others) operating from Portugal stood at 67.8 million euros, down by 28.1% on the same period in the previous year.

EBITDA from cement operations based in Portugal stood at approximately 25.7 million euros, down by 48.4% on the same period in 2011.

This decline was due essentially to the following factors:

- i) an appreciable reduction in the average sales margin, due to decreased sales on the domestic market where prices and margins are higher than on the export market;
- ii) a hike in electricity costs in the order of 20%; in July, the Group obtained an additional interruptibility discount, backdated to January, which allowed it to soften the otherwise steep rise in power costs;
- iii) part of the CO₂ surpluses generated up to the 3rd quarter have been kept on the Group's books. Up to September 2012, CO₂ surpluses were sold with a value of 4.0 million euros, as compared to sales of 9.0 million euros in 2011.

Factors which had a positive impact on performance included continued tight control of production and

maintenance overheads, and also of distribution and structural costs. Secil has various projects under way, in particular in the cement, ready-mixed and aggregates segments, with a view to achieving significant savings by streamlining operations and resizing supporting departments in order to bring the company's structure into line with the new situation created by shrinking domestic demand.

Other business segments operating in Portugal generally recorded performance well down on 2011, due to the significant contraction of the construction market.

4.2.2 Tunisia

Tunisian society and the country's economy continue to feel the effects of the revolution of January 2011 and its aftermath. The general security situation continued to improve during the 3rd quarter. However, instability remains rife, meaning that the country's political, social and economic future is still highly uncertain.

Despite this situation, figures published by the IMF point to expected growth in the Tunisian economy of 2.7% in 2012, recovering from the negative growth of 1.8% recorded in 2011 (World Economic Outlook, IMF October 2012).

In Tunisia, the construction industry and demand for cement continued to grow at a healthy pace. Up to September, demand for cement increased by around 11% for the country as a whole and 7% for the southern region which is the natural market for Secil's operations.

In this context, the cement business unit in Tunisia recorded turnover of around 43.5 million euros, up by 2.8% on the figures for the first 9 months the previous year.

EBITDA from cement business stood at 5.2 million euros, down by approximately 6.7% in relation to the first 9 months of 2011. Despite this increase in turnover, a shortfall in clinker production meant that substantial quantities of clinker had to be imported at higher prices, in order to meet domestic demand.

In an important development, the new cement mill started up, increasing the plant's production capacity and preparing the company to resume regular cement exports to Libya.

Performance in ready-mixed improved slightly over the first 9 months of 2011, with EBITDA standing at 0.8 million euros.

4.2.3 Lebanon

According to the IMF, Lebanon's gross domestic product is expected to grow by 2% in 2012, up from the rate of 1.5% recorded in 2011 (World Economic Outlook, IMF October 2012).

Despite the forecast of modest growth for the economy as a whole, cement consumption can be expected to be slightly down on the previous year's level.

Over the period in question, turnover from cement operations in Lebanon stood at approximately 58.3 million euros, representing an increase of 8.7% over the same period in the previous year, due fundamentally to the strength of the dollar against the euro and an increase in average sale prices.

In Lebanon, EBITDA from the cement business unit totalled 16.0 million euros, down by 14.5% on the first 9 months of 2011, despite a significant improvement in the 3rd quarter of 2012 (up by 32.5%).

The decline in performance recorded in the first part of the year was due essentially to lengthy stoppages on production lines due to frequent power cuts and other technical problems. In order to respond to market demands, the company was obliged to buy in sizeable quantities of clinker and cement from other manufacturers, with a consequent loss of margin. At the same time, successive stoppages led to increased maintenance costs and added thermal fuel consumption due to kiln start-ups.

In the concrete segment, performance was positive and showed an improvement in comparison to the first 9 months of 2011. EBITDA stood at 0.36 million euros, up by 17.3%.

4.2.4 Angola

The Angolan economy continues to pick up speed, largely thanks to an upturn in the oil industry. According to figures issued by the IMF, gross domestic product is expected to grow by 6.8% in 2012, up from the rate of 3.9% recorded in 2011 (World Economic Outlook, IMF October 2012).

In line with the trend observed in 2011, the construction industry continues to record steady growth.

The cement business unit in Angola recorded performance slightly down on the same period in 2011, with turnover of approximately 22.2 million euros, due essentially to a reduction in cement sales in quantity (down by 17.0%), insofar as the average sales price rose over the period.

EBITDA from cement business stood at 2.9 million euros, up by approximately 88.5% in relation to the first 9 months of 2011. This improvement was achieved essentially on the strength of rising average sales prices and streamlining of costs.

5 Supremo Group

During the 1st quarter of 2012, the Semapa Group went ahead with acquisition of a 50% stake in Supremo Cimentos S.A., a cement manufacturer located in southern Brazil, in the state of Santa Catarina. The company operates an integrated clinker and cement mill in Pomerode, as well as aggregates and concrete operations. Supremo is currently implementing an expansion plan designed to increase its annual capacity for cement production to approximately one million seven hundred thousand tons.

This holding has therefore now been consolidated in Semapa's accounts on a proportional basis.

Leading business indicators over the first 9 months of 2012 on a 100% basis are as follows:

- Turnover of 33.4 million euros;
- EBITDA of 2.8 million euros;
- Net debt of 17.0 million euros.

6 Environment Business Area – ETSA GROUP

6.1 Leading Business Indicators

IFRS - accrued amounts (million euros)	9M 2012	9M 2011	Var. (%)
Sales	25.7	25.2	2.2%
Other income	1.4	0.1	1262.4%
Costs and losses	(20.3)	(18.8)	-8.2%
EBITDA	6.9	6.5	5.2%
Recurrent EBITDA	6.9	-	-
Depreciation and impairment losses	(2.1)	(1.7)	-24.6%
Provisions (increases and reversals)	(0.8)	(0.8)	3.9%
EBIT	4.0	4.0	-1.1%
Net financial profit	(1.2)	(0.7)	-67.9%
Pre-tax profit	2.8	3.3	-16.4%
Tax on profits	(0.6)	(0.7)	9.8%
Retained profits for the period	2.1	2.6	-18.1%
Attributable to ETSA equity holders *	2.1	2.6	-21.1%
Attributable to minority interests (MI)	0.1	(0.0)	604.9%
Cash-Flow	5.0	5.1	-1.7%
EBITDA margin (%)	26.7%	25.9%	3.0%
EBIT margin (%)	15.6%	16.1%	-3.2%
	30-09-2012	31-12-2011	Sep12 vs. Dec11
Equity (before MI)	54.7	52.6	3.9%
Net debt	21.5	22.7	-5.2%

* of which 96% is attributable to Semapa

Note: Some of the indicators above differ from those presented separately by the ETSA Group, in view of consolidation adjustments made within Semapa as the holding company

6.2 Business Overview: ETSA Group

The economic recession currently affecting Portugal and Spain has had a constraining effect on the ETSA Group's turnover, which in the first 9 months of 2012 totalled 25.7 million euros, up by approximately 2.2% on the figure recorded in the same period in 2011. The change in stocks for the same period stood at approximately 2.9 million euros, as compared to a negative figure of 0.3 million euros in the same period in the previous year, thanks to dynamic programming of sales and stocks.

As a result, at 30 September 2012, consolidated EBITDA totalled 6.9 million euros, representing growth of 5.2% over the same period in 2011, thanks essentially to (i) increased turnover and change in stocks and (ii) the pressure exerted throughout operations by cost control systems, despite the penalizing effect of soaring unit costs for the main energy needs.

The increase in depreciation was caused in the main by the volume of investment in April 2011, relating essentially to acquisition of assets from the operator Rogério Leal.

At the same time, as a result of the uncertainty surrounding an abattoir with which SEBOL established a commercial contract in late 2010, additional provisions have been recorded in the consolidated accounts with a value of 675 thousand euros, bolstering the provisions already made in 2011.

Financial charges increased significantly over the period, due to an increase in gross borrowing, as a result of the investments made in 2011 and the repricing of the respective main conditions.

As a result of these combined effects, net profits for the period stood at approximately 2.1 million euros, down by approximately 21.1% in relation to the same period in 2011.

At 30 September 2012, the ETSA Group recorded net debt of 21.5 million euros, representing a reduction of approximately 5.2%, or 1.2 million euros in relation to the net debt recorded at 31 December 2011.

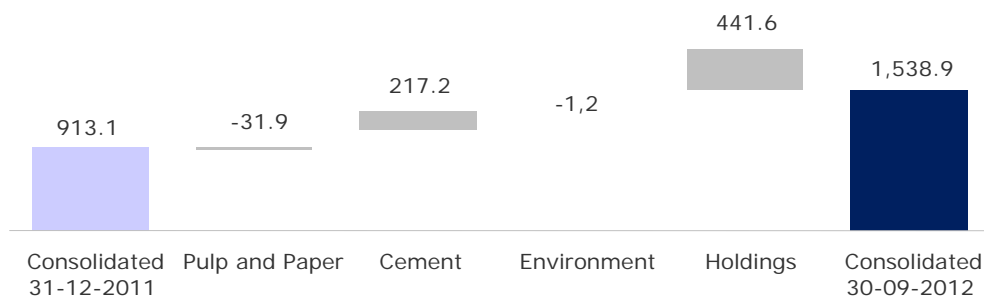
7 Semapa Group: Financial Area

7.1 Indebtedness

At 30 September 2012, consolidated net debt stood at 1,538.9 million euros, representing an increase of 625.7 million euros over the figure recorded at year-end 2011.

	Million Euros		
	30-09-2012	31-12-2011	Var
Pulp and Paper	390.9	422.8	-31.9
Cement	289.8	72.6	217.2
Environment	21.5	22.7	-1.2
Holdings	836.6	395.0	441.6
Total	1,538.9	913.1	625.7

Consolidated Net Debt



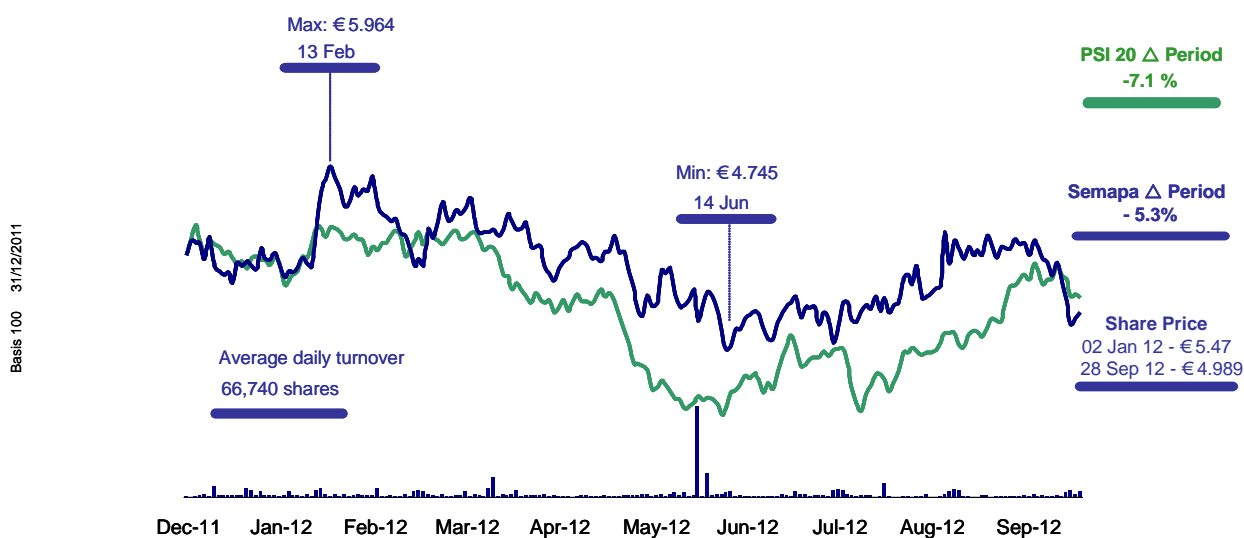
This increase was due essentially to a combination of effects:

- i) Cash flow generation was very significant in the paper and pulp segment: although Portucel paid out a total dividend of 164.7 million euros in April, its indebtedness has fallen by 31.9 million euros. It should also be noted that cash generation in the first nine months was also held in check by efforts to step up support to raw material suppliers, by disbursement of the final payments on capital projects from previous periods and the adoption of supplier payment practices which take into account the current difficulties they face in obtaining bank credit;
- ii) An increase of 217.2 million euros in the cement segment, due to incorporation of 49% of the net debt of the Secil Group and consolidation in the Semapa Group's accounts of 50% of Supremo's debt;

- iii) A reduction of 1.2 million euros in the Environment segment (ETSA Group);
- iv) An increase of 441.6 million euros at holding company level, due to acquisition of Supremo, acquisition of 49% of Secil, receipt of dividends from Portucel and payment of dividends to Semapa's shareholders.

7.2 Listed Share Prices

After a particularly poor second quarter, the leading European stock exchanges rallied over the course of the 3rd quarter. All the main markets recorded positive performance over this period, led by Frankfurt (up 12.5%), Lisbon (up 10.7%) and Madrid (up 8.5%). However, in the case of the Portuguese and Spanish stock exchanges, the recovery was not enough to offset the losses recorded in the first half of 2012.



Note: Closing prices

In this context, Semapa shares were down by 5.3%, still outperforming the PSI20 index for the period in question (down by 7.1%).

7.3 Net Profit for the first 9 months of 2012

Consolidated net income up to September 2012 totalled 110.5 million euros, representing an increase of 22.8% in relation to the same period in 2011. This was achieved thanks essentially to the following factors:

- An increase in EBITDA of approximately 28.3 million euros;
- An increase in depreciation and impairment losses of 0.7 million euros;
- An improvement in reserves of 10.9 million euros. In the same period in 2011, the provisions account presented a negative balance of 6.4 million euros, contrasting with a positive accrued figure for the first nine months of 2012 of 4.4 million euros;
- A worsening of financial results by 10.8 million euros in relation to the same period in 2011;
- An increase in taxes of 4.7 million euros;
- In line with the revised IFRS 3, Semapa recorded its holding in Secil (51%) at its fair value at the date of gaining control at the end of the first quarter, resulting in recognition in the consolidated net income for the period of a gain of 16.3 million euros.

Also in connection with the acquisition from CRH of its 49% holding in Secil, due to the differences between the IFRS and SNC rules, and to the revaluation of the recoverable value of this subsidiary, in the separate accounts, drawn up under the SNC rules, the difference determined between the acquisition value and the recoverable value was recorded in part under income for the period (221 million euros), as disclosed to the market at the time. As a result of this, the separate financial statements drawn up under the SNC rules show negative net income of 127 million euros for the period ended 30 September 2012.

8 Outlook

Most available economic indicators continue to 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 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.

In the US, the main economic indicators also point to a slowdown and great uncertainties remain 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 and a degree of difficulty faced by these markets in evolving from a model of growth sustained almost entirely by exports and public spending to one based on internal demand.

The way forward for the Portuguese economy remains wholly dependent on the process of economic and financial adjustment being undertaken under the aid programme agreed between the Portuguese State, the European Union and the International Monetary Fund.

Forecasts recently published by the Bank of Portugal confirm a reduction in GDP over 2012 in the order of 3%, as detailed in the Summer Economic Bulletin, issued in July this year.

Paper and Pulp

In this difficult setting, and despite the resilience shown by the cut-size **paper** market in Europe and the positive impact of capacity closures in 2011, as well as the positive evolution in the USD/Euro exchange rate, factors which together have helped to provide some support for the market this year, the outlook for the near future in the markets where the Group operates remains extremely uncertain.

The expected persistence of the economic downturn, with its inevitable impact on employment levels, will continue to drive down paper consumption in the more developed economies, in particular in Europe and the United States, the Group's main markets.

There is also growing uncertainty as to the future of the paper **pulp** market. Whilst the rally in pulp prices in 2012 was one of the factors that helped sustain paper prices, by maintaining strong pressure on non-integrated producers, the evolution of this market will be an important factor in the Group's future performance.

As already mentioned, the BEKP pulp market has been sustained by strong demand from Asian markets, in particular China, despite the economic slowdown observed in this region. This demand has been encouraged by capital projects for non-integrated paper manufacture, especially for tissue paper, and by the policy promoted by the Chinese government of closing obsolete production plants. This positive performance by the Chinese market has offset a more recessive environment in Europe and the US, and if this situation remains unchanged, it could continue to sustain the pulp market. At the same time, rising costs in the main BEKP producer countries, in particular Brazil, together with the high level of debt of certain manufacturers and the strong pressure to extract returns from capital-intensive projects currently underway, could come together to hold up prices.

The start-up of new pulp mills, expected shortly in Brazil and Uruguay, is a significant sign of the vitality of the sector, but will also serve as an important test of the market's capacity to absorb a substantial increase in the supply of BEKP pulp.

The Group's operations may in the short term be affected by the industrial unrest which has hit the port sector in Portugal, with damaging consequences for the country's industry, limiting exports or requiring companies to use more expensive logistical solutions.

Nonetheless, the Group enjoys a healthy order book and continues to operate at full capacity, placing nearly all its output on foreign markets, thanks to wide perception of the quality of its value proposition, excellent market penetration and awareness ratings for its own brands, and ongoing efforts to expand its markets.

Cement

The current economic climate remains unfavourable to Secil's main business activities, considering the geographical location of its main operations.

In **Portugal**, which is the Group's main market, the outlook remains particularly gloomy in the light of the measures set out in the 2013 State Budget, which will help drive down internal demand yet further, with the consequent negative effects for the economy in general, and for the construction sector in particular. The prospects are therefore not positive for the various segments operated by the Secil Group.

Accordingly, as already mentioned, Secil is implementing a broad array of measures to cut costs, in order to bring its operations in Portugal and the respective structure into line with the new reality created by the drastic reduction in demand. The first effects of these measures will be felt before the end of 2012.

In relation to **Tunisia**, instability remains rife, meaning that the country's political, social and economic future is still highly uncertain. Despite this situation, figures published by the IMF point to expected growth in the Tunisian economy of 2.7% in 2012, recovering from the negative growth of 1.8% recorded in 2011 (World Economic Outlook, IMF October 2012).

In **Lebanon**, economic growth is estimated at 3.0%, up from the figure of 1.5% in 2011 (World Economic Outlook, IMF October 2012).

The economy of **Angola** continues to pick up speed, largely thanks to an upturn in the oil industry. According to figures issued by the IMF, gross domestic product is expected to grow by 6.8% in 2012, up from the rate of 3.9% recorded in 2011 (World Economic Outlook, IMF October 2012).

The Group's investment in the acquisition of Supremo Cimentos and the construction of a new cement mill in **Brazil** will mean an increase in indebtedness. This will penalize financial results and consequently the Secil Group's net income until the start-up of the new plant.

Environment

In the current economic environment, in which a clear tendency towards a downturn in the European economy, especially visible in Portugal, is expected to lead to a sharp drop in internal consumption, no significant improvement is anticipated in the short term in the sector in which the ETSA Group operates, insofar as decreased consumption means a reduction in the level of animal slaughter, and consequently a reduction in the quantity of by-products generated and increased competition between operators.

The Group's prime objectives in the short term include: (i) concentrating on horizontal expansion of its markets, with estimates suggesting that exports will account for around one third of total turnover in

2012; and (ii) focusing on identifying fresh opportunities for vertical growth, paying particular attention to investment in improving operational efficiency, extracting maximum value from the channels operated and locking in the main conventional and alternative collection centres.

In the meantime, the Ministry of Agriculture, Sea, Environment and Territorial Planning is planning a new Open Tendering procedure, to run from 1 January 2013 to 31 December 2015, which will establish the new procedural system for providing integrated services in the collection and transport of animal carcasses for destruction (SIRCA).

It is ETSA's expectation that all the State's outstanding debts to it in relation to SIRCA will be settled by the end of the 2nd half of 2012. In effect, as may be understood, the mounting size of this debt and the severe cash restraints resulting from this will make it impossible to continue the daily management of operations if the debt is not settled in the near future.

Lisbon, 26 October 2012

The Board of Directors

Pedro Mendonça de Queiroz Pereira

Chairman

Maria Maude Mendonça de Queiroz Pereira Lagos

Director

José Alfredo de Almeida Honório

Director

Francisco José Melo e Castro Guedes

Director

José Miguel Pereira Gens Paredes

Director

Paulo Miguel Garcês Ventura

Director

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Director

Joaquim Martins Ferreira do Amaral

Director

António Pedro de Carvalho Viana-Baptista

Director

Vitor Manuel Galvão Rocha Novais Gonçalves

Director



INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
(Unaudited)

30 SEPTEMBER 2012

CONSOLIDATED SEPARATE INCOME STATEMENT FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2012 AND 2011

Amounts in Euro	Notes	9 M 2012	9 M 2011	3rd Q 2012 (unaudited)	3rd Q 2011 (unaudited)
Revenues					
Sales	4	1,411,089,716	1,296,310,931	482,365,548	427,991,837
Services rendered	4	32,578,618	24,748,612	13,911,359	9,117,339
Other income					
Gains on disposal of non-current assets	5	23,349,190	266,287	81,135	125,255
Other operating income	5	48,204,468	34,512,173	16,256,877	11,060,620
Change in fair value of biological assets		(1,564,107)	(734,579)	(1,409,810)	255,694
Costs, expenses and losses					
Cost of inventories sold and consumed	6	(551,296,242)	(489,408,501)	(179,606,597)	(168,382,418)
Variation in production	6	(6,353,450)	(32,144,606)	(4,698,646)	(2,565,214)
Cost of materials and services consumed	6	(412,068,607)	(341,167,476)	(144,997,928)	(119,205,008)
Payroll costs	6	(162,813,724)	(146,129,835)	(53,184,001)	(48,478,529)
Other costs and losses	6	(32,738,910)	(26,173,724)	(9,211,545)	(8,576,399)
Provisions	6	4,446,958	(6,449,159)	(716,204)	1,705,711
Depreciation, amortization and impairment losses	7	(123,126,878)	(122,449,334)	(43,960,354)	(35,897,739)
Operational results		229,707,032	191,180,789	74,829,834	67,151,149
Group share of (loss) / gains of associated companies		462,408	1,230,951	(43,132)	504,619
Net financial results	8	(43,297,714)	(33,227,688)	(20,299,707)	(13,969,153)
Profit before tax		186,871,726	159,184,052	54,486,995	53,686,615
Income tax	9	(40,684,115)	(35,954,124)	(13,870,303)	(13,033,654)
Net Income		146,187,611	123,229,928	40,616,692	40,652,961
Net profit for the period					
Attributable to Semapa shareholders		110,515,059	89,965,291	28,208,688	29,923,242
Attributable to non-controlling interests		35,672,552	33,264,637	12,408,004	10,729,719
Earnings per share					
Basic earnings per share, EUR	10	0.979	0.797	0.250	0.265
Diluted earnings per share, EUR	10	0.979	0.797	0.250	0.265

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2012 AND 31 DECEMBER 2011

Amounts in Euro	Notes	30-Sep-2012	31-Dec-2011
ASSETS			
Non-Current Assets			
Goodwill		322,302,924	332,849,940
Other intangible assets		323,670,771	162,158,991
Plant, property and equipment	11	2,387,267,127	2,045,745,274
Investment properties		1,462,373	830,412
Biological assets		109,205,198	110,769,306
Investment in associates	12	4,744,550	3,924,419
Financial assets at fair value through profit or loss	13	8,493,639	9,657,695
Available-for-sale financial assets		464,383	553,764
Deferred tax assets	17	71,283,948	61,643,040
Other non-current assets		3,155,593	1,606,107
		3,232,050,506	2,729,738,948
Current Assets			
Inventories		304,880,014	242,814,299
Receivable and other current assets	14	325,143,347	316,625,454
State and other public entities		76,714,952	65,364,536
Assets held for sale		19,290,398	15,315,760
Cash and cash equivalents		324,464,136	415,697,575
		1,050,492,847	1,055,817,624
Total Assets		4,282,543,353	3,785,556,572
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	15	118,332,445	118,332,445
Treasury shares	15	(47,164,986)	(47,164,986)
Share premiums		3,923,459	3,923,459
Translation reserves	16	(23,106,457)	(15,071,293)
Fair value reserves	16	(18,166,518)	(11,409,673)
Other reserves	16	953,599,979	858,223,719
Retained earnings		(313,930,336)	17,807,527
Retained earnings from the period		110,515,059	124,161,800
Consolidated shareholders' equity		784,002,645	1,048,802,998
Non-controlling interests		327,829,447	333,216,889
Total Equity		1,111,832,092	1,382,019,887
Non-current liabilities			
Deferred taxes liabilities	17	447,387,095	339,427,148
Pensions and other post-employment benefits		134,095,072	127,002,406
Provisions	18	42,369,603	35,905,280
Interest-bearing liabilities	19	1,507,385,391	1,156,533,619
Other non-current liabilities		15,164,094	18,175,624
		2,146,401,255	1,677,044,077
Current liabilities			
Interest-bearing liabilities	19	490,185,023	251,991,062
Payables and other current liabilities	20	404,094,380	371,566,104
State and other public entities		128,923,353	100,024,555
Liabilities held for sale		1,107,250	2,910,887
		1,024,310,006	726,492,608
Total liabilities		3,170,711,261	2,403,536,685
Total equity and liabilities		4,282,543,353	3,785,556,572

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2012 AND 2011

Amounts in Euro	9 M 2012	9 M 2011	3rd Q 2012 (unaudited)	3rd Q 2011 (unaudited)
Retained earnings for the period without non-controlling interests	146,187,611	123,229,928	40,616,692	40,652,961
Fair value of financial derivative instruments				
Changes in fair value	(7,085,021)	(636,034)	(3,929,897)	(5,685,159)
Tax on items above when applicable	472,288	(561,218)	441,417	(407,483)
Actuarial gains / (losses)				
Actuarial gains / (losses)	7,159,401	2,665,704	(408,913)	2,027,006
Tax on items above when applicable	(196,594)	33,152	-	(1,253,801)
Currency translation differences	(7,275,537)	(3,318,030)	(6,891,609)	7,840,679
Profit directly recognized in equity	(6,925,463)	(1,816,426)	(10,789,002)	2,521,242
Total recognized income and expense for the period	139,262,148	121,413,502	29,827,690	43,174,203
Attributable to:				
Semapa's shareholders	102,062,118	88,739,613	18,989,410	30,400,048
Non-controlling interests	37,200,030	32,673,889	10,838,280	12,774,155
	139,262,148	121,413,502	29,827,690	43,174,203

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 1 JANUARY 2012 TO 30 SEPTEMBER 2012 AND FROM 1 JANUARY 2011 TO 30 SEPTEMBER 2011

Amounts in euro	Share Capital	Treasury shares	Share premiums	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as of 1 January 2012	118,332,445	(47,164,986)	3,923,459	(11,409,673)	858,223,719	(15,071,293)	17,807,527	124,161,800	1,048,802,998	333,216,889	1,382,019,887
Application of prior year's net profit:											
- Transfer to reserves	-	-	-	-	95,376,260	-	-	(95,376,260)	-	-	-
- Paid Dividends	-	-	-	-	-	-	-	(28,785,540)	(28,785,540)	-	(28,785,540)
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(40,049,383)	(40,049,383)
Income and expenses recognized directly in equity *	-	-	-	(6,756,845)	-	(8,035,164)	6,339,068	-	(8,452,941)	1,527,478	(6,925,463)
Differences in non-controlling interests acquisitions	-	-	-	-	-	-	(338,039,310)	-	(338,039,310)	(44,061,730)	(382,101,040)
Changes in consolidation method	-	-	-	-	-	-	-	-	-	31,386,101	31,386,101
Assignment of Fair Value to non-controlling interests	-	-	-	-	-	-	-	-	-	10,201,119	10,201,119
Other movements	-	-	-	-	-	-	(37,621)	-	(37,621)	(63,579)	(101,200)
Net profit for the period	-	-	-	-	-	-	-	110,515,059	110,515,059	35,672,552	146,187,611
Equity as of 30 September 2012	118,332,445	(47,164,986)	3,923,459	(18,166,518)	953,599,979	(23,106,457)	(313,930,336)	110,515,059	784,002,645	327,829,447	1,111,832,092

* Net of deferred taxes

Amounts in euro	Share Capital	Treasury shares	Share premiums	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as of 1 January 2011	118,332,445	(47,164,986)	3,923,459	(5,621,595)	760,984,662	(15,078,437)	20,806,145	97,239,056	933,420,749	310,520,846	1,243,941,595
Application of prior year's net profit:											
- Transfer to reserves	-	-	-	-	97,239,056	-	-	(97,239,056)	-	-	-
- Dividends paid	-	-	-	-	-	-	-	-	-	-	-
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,184,064)	(4,184,064)
Income and expenses recognized directly in equity *	-	-	-	(1,575,225)	-	(2,601,588)	2,951,133	-	(1,225,680)	(590,746)	(1,816,426)
Differences in non-controlling interests acquisitions	-	-	-	-	-	-	(8,299,434)	-	(8,299,434)	(15,039,503)	(23,338,937)
Other movements	-	-	-	-	1	-	(4,572)	-	(4,571)	(6,276)	(10,847)
Net profit for the period	-	-	-	-	-	-	-	89,965,291	89,965,291	33,264,637	123,229,928
Equity as of 30 September 2011	118,332,445	(47,164,986)	3,923,459	(7,196,820)	858,223,719	(17,680,025)	15,453,272	89,965,291	1,013,856,355	323,964,894	1,337,821,249

* Net of deferred taxes

CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2012 AND 2011

Amounts in Euro	Note	9 months 30-Sep-2012 (unaudited)	9 months 30-Sep-2011 (unaudited)	3 rd Quarter 2012 (unaudited)	3 rd Quarter 2011 (unaudited)
OPERATING ACTIVITIES					
Payments from customers		1,611,245,718	1,408,345,612	587,955,655	477,437,252
Payments to suppliers		(1,239,924,406)	(1,105,109,455)	(406,577,359)	(379,002,759)
Payments to personnel		(125,969,384)	(86,196,423)	(44,617,254)	(26,392,610)
Cash flow from operations		245,351,928	217,039,734	136,761,042	72,041,883
Income tax received / (paid)		(31,845,044)	(33,641,551)	(7,166,962)	(14,277,660)
Other receipts / (payments) relating to operating activities		34,777,456	20,549,067	9,318,925	6,358,088
Cash flow from operating activities (1)		248,284,340	203,947,250	138,913,005	64,122,311
INVESTING ACTIVITIES					
Inflows					
Financial investments		316,359	2,370,275	18,905	90,630
Property, plant and equipment		869,588	102,220	(7,099)	53,920
Government Grants		32,526,671	5,498,195	-	90,000
Interest and similar income		11,260,798	7,101,046	2,726,395	1,931,440
Dividends		1,552,005	926,127	666,250	-
Other assets		126,272	-	6,272	-
		46,651,693	15,997,863	3,410,723	2,165,990
Outflows					
Financial investments		(698,600,049)	(41,080,415)	(38,354)	(34,077,718)
Cash and cash equivalents for perimeter variations		39,414,089	-	-	-
Property, plant and equipment		(58,613,537)	(44,137,106)	(30,044,815)	(6,722,734)
Other assets		(263,272)	-	-	-
		(718,062,769)	(85,217,521)	(30,083,169)	(40,800,452)
Cash flow from investing activities (2)		(671,411,076)	(69,219,658)	(26,672,446)	(38,634,462)
FINANCING ACTIVITIES					
Inflows					
Receipts relating to loans		2,785,469,506	1,113,751,342	867,398,668	394,819,685
		2,785,469,506	1,113,751,342	867,398,668	394,819,685
Outflows					
Payments relating to loans		(2,330,965,011)	(1,137,314,521)	(941,394,651)	(353,602,801)
Amortisation of financial leases		(817,906)	(669,209)	(482,345)	(292,580)
Interest and similar expenses		(54,324,441)	(29,088,646)	(13,352,722)	(7,031,947)
Dividends paid		(68,494,492)	(3,411,427)	(1,407,342)	133,561
Acquisition of treasury shares		-	(11,585,018)	-	(1,469,839)
		(2,454,601,850)	(1,182,068,821)	(956,637,060)	(362,263,606)
Cash flow from financing activities (3)		330,867,656	(68,317,479)	(89,238,392)	32,556,079
CHANGE IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		(92,259,080)	66,410,113	23,002,167	58,043,928
FOREIGN EXCHANGE DIFFERENCES		(299,233)	(304,554)	(849,155)	1,227,962
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		415,697,575	265,091,311	302,223,928	271,924,980
EFFECT OF NON-CURRENT ASSETS HELD FOR SALE		1,324,874	-	87,196	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		324,464,136	331,196,870	324,464,136	331,196,870

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2012

(In these notes, unless indicated otherwise, all amounts are expressed in Euro currency)

Group SEMAPA ("Group") comprises Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. ("Semapa") and subsidiaries. Semapa was incorporated on 21 June 1991 and has its main object the management of financial investments in other companies as an indirect form of carrying out its economic activity.

Head Office: Av. Fontes Pereira de Melo, 14, Lx
Share Capital: Euros 118,332,445
Registration No.: 502 593 130

Semapa leads an Enterprise Group with activities in three distinct business segments: pulp and paper, cements and related products, and environmental developed respectively under the edge of Portucel - Companhia Produtora de Pasta e Papel, S.A, Secil - Companhia Geral de Cal e Cimento, S.A. and ETSA – Investimentos, SGPS, S.A..

These interim consolidated financial statements were approved by the Board of Directors on 26 October 2012.

The Group's senior management, that is the members of the Board of Directors who sign this report, declare that, to the best of their knowledge, the information contained herein was prepared in conformity with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the companies included in the Group's consolidation scope.

1. Basis of presentation and additional disclosure

1.1 Basis of presentation

The interim consolidated financial statements for the nine months period ended 30 September 2012 were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting.

The accompanying interim consolidated financial statements were prepared on a going concern basis, from the accounting books and records of the companies included in consolidation (Note 24), and under the historic cost convention, except for derivative financial instruments and biological assets which are recorded at fair value.

The following notes were selected in order to allow a full understanding of the most significant changes on the consolidated financial position of the group as well as its performance since the last report was issued (31 December 2011).

1.2 Additional disclosures

Comparability

As duly communicated to the market, Semapa started to fully consolidate the subsidiary Secil from the end of March, based on the percentage of voting rights held by that subsidiary (51%).

Additionally, the Group acquired the remaining Secil's 49%, at 15 May 2012, starting to hold 99.99% of that subsidiary.

The comparative figure presented in these notes were not changed when compared to the disclosure made in fiscal year 2011, in which that subsidiary is presented in compliance with the proportional consolidation method, in accordance with the effective sharing of control existing at that date. Thus, the comparability of financial statements is affected by this fact.

2. Accounting policies

The accounting policies applied in the preparation of these interim consolidated financial statements are consistent to those used in the preparation of the financial statements as of 31 December 2011 and stated in the respective attached notes.

3. Important accounting estimates and judgments

The preparation of consolidated financial statements requires Group's management to make judgments and estimates that affect the amounts of revenues, costs, assets, liabilities and disclosures at balance sheet date.

These estimates are influenced by Group's management judgments, based on: (i) the best information and knowledge of present events and in certain cases on the reports of independent experts; and (ii) the actions which the Group considers it may have to take in the future. However, on the date on which the operations take place, the outcome could be quite different from those estimates.

4. Segment information

Segmental information is presented for identified business segments, namely Pulp and Paper, Cement and Derivatives, Environment and Holdings. Revenue, assets and liabilities of each segment correspond to those directly allocated to each segment, as well as to those that can be reasonably attributed to those segments.

The financial data by operating segment for the nine months period ended 30 September 2012 is shown as follows:

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Holdings	Consolidated
REVENUE					
Revenue	1,109,518,792	308,427,444	25,728,637	(6,539)	1,443,668,334
Operational results	201,956,549	13,985,496	4,002,039	9,762,948	229,707,032
Net financial results	(12,858,064)	(9,516,689)	(1,111,303)	(19,811,658)	(43,297,714)
Group share of (loss) / gains of associated companies	115,736	346,672	-	-	462,408
Income tax	(37,179,852)	(3,168,487)	(641,131)	305,355	(40,684,115)
Ordinary activities results	152,034,369	1,646,992	2,249,605	(9,743,355)	146,187,611
Non-controlling interest	(31,442,738)	(4,081,663)	(148,151)	-	(35,672,552)
Net profit for the year	120,591,631	(2,434,671)	2,101,454	(9,743,355)	110,515,059
OTHER INFORMATION					
Segment assets	2,700,646,418	1,353,514,308	96,330,623	132,052,004	4,282,543,353
Investments in associates	1,087,048	3,657,502	-	-	4,744,550
Total segmental liabilities	1,405,311,996	693,117,830	41,637,658	1,030,643,777	3,170,711,261
Depreciation, amortization and impairment losses	90,309,258	30,491,774	2,107,716	218,130	123,126,878
Provisions	9,462,026	288,088	(753,156)	(4,550,000)	4,446,958
Capital expenditures	25,565,512	31,544,171	3,333,375	91,226	60,534,284

The financial data by operating segment for the nine months period ended 30 September 2011 is shown as follows:

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Holdings	Consolidated
REVENUE					
Revenue	1,095,910,881	199,902,302	25,170,270	76,090	1,321,059,543
Operational results	179,133,896	23,489,336	4,045,209	(15,487,652)	191,180,789
Net financial results	(15,269,672)	(2,220,658)	(733,804)	(15,003,554)	(33,227,688)
Group share of (loss) / gains of associated companies	890,489	340,462	-	-	1,230,951
Income tax	(28,812,551)	(7,158,374)	(711,152)	727,953	(35,954,124)
Ordinary activities results	135,942,162	14,450,766	2,600,253	(29,763,253)	123,229,928
Non-controlling interest	(30,578,227)	(2,594,837)	(91,573)	-	(33,264,637)
Net profit for the year	105,363,935	11,855,929	2,508,680	(29,763,253)	89,965,291
OTHER INFORMATION					
Segment assets	2,716,626,100	556,932,196	94,527,596	328,773,382	3,696,859,274
Investments in associates	2,075,396	1,863,802	-	-	3,939,198
Total segmental liabilities	1,409,635,369	273,939,394	42,282,254	633,181,008	2,359,038,025
Depreciation, amortization and impairment losses	104,382,794	16,225,219	1,691,836	149,485	122,449,334
Provisions	4,443,178	426,714	784,268	794,999	6,449,159
Capital expenditures	24,939,525	20,573,783	7,112,573	736,103	53,361,984

It is noted that Cement and Derivatives segment, concerning the first nine months of 2012, is present by the proportional consolidation method (51%) regarding the period of January to March and fully consolidated from April to September (first semester 2011: consolidated by proportional method – 51%) (Note 1.2).

5. Other income

“Other income” is detailed as follows for the nine months period ended 30 September 2012 and 2011:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Grants - CO2 Emission allowances	18,778,145	20,093,790
Reversion of impairment	2,109,043	907,594
Gains on disposals of CO2 emission allowances	3,748,840	4,641,632
Supplementary income	5,323,472	135,899
Gains on disposals of non-current assets	23,349,190	266,287
Gains on inventories	731,984	417,957
Gains on current assets	160,408	72,865
Operating government grants	206,206	441,685
Own work capitalised	91,187	33,554
Revenues from waste management	531,788	637,050
Other operating income	16,523,395	7,130,147
	71,553,658	34,778,460

The caption “Gains on disposals of non-current assets” comprises:

i) Euro 16,759,370 related to the measurement at fair value in accordance with IFRS 3 revised, of the interest held by Semapa in Secil equity (51%) at fair value on the date in which the control was obtained; and

ii) Euro 6,000,000 regarding positive adjustments to the sale price of 49% of the interest held by Semapa on Secil, to Beton Catalan (CRH Group), held in 2004, only now paid by this entity to Semapa.

The caption “Supplementary Income” includes an amount of Euro 3,565,578 corresponding to the payment made by CRH to Semapa, in compliance with the arbitration award, which condemned the first to the reimbursement of certain expenses incurred by the second with arbitral proceedings.

6. Costs, expenses and losses

Costs are detailed as follows for the period ended 30 September 2012 and 2011:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Cost of sales and services rendered		
Cost of inventories sold and consumed	(551,296,242)	(489,408,501)
Cost of materials and services consumed	(412,068,607)	(341,167,476)
Variation in production	(6,353,450)	(32,144,606)
Payroll costs		
Statutory bodies	(9,660,521)	(13,186,988)
Other remunerations	(104,513,770)	(92,736,768)
Pension costs	(9,456,505)	(7,709,265)
Other payroll costs	(39,182,929)	(32,496,814)
	(162,813,724)	(146,129,835)
Other costs and losses		
Membership fees	(655,866)	(695,044)
Donations	(753,538)	(501,237)
Cost with emission allowances	(15,620,150)	(15,351,061)
Inventories and other receivables impairment	(2,650,210)	(1,590,408)
Losses on inventories	(2,407,245)	(62,772)
Indirect taxes	(5,830,004)	(5,281,334)
Losses on disposal of non-current assets	(1,627,989)	(120,647)
Other operating costs	(3,193,908)	(2,571,221)
	(32,738,910)	(26,173,724)
Provisions	4,446,958	(6,449,159)
Total of Costs, Expenses and Losses	(1,160,823,975)	(1,041,473,301)

7. Depreciation, amortization and impairment losses

As of 30 September 2012 and 2011, “Depreciation, amortization and impairment losses” were as follows:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Depreciation of property, plant and equipment		
Land	(2,575,439)	(833,844)
Buildings	(14,605,788)	(11,588,223)
Basic equipment and other tangible assets	(103,423,994)	(110,020,452)
Investment subsidies	(2,579,736)	-
	(123,184,957)	(122,442,519)
Amortization of intangible assets		
Industrial property and other rights	69,676	(6,815)
	69,676	(6,815)
Impairment losses in tangible assets		
Buildings	(11,597)	-
	(11,597)	-
	(123,126,878)	(122,449,334)

8. Net financial results

The caption “Net financial results” is detailed as follows for the period ended 30 September 2012 and 2011:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Interest paid on borrowings	(53,560,611)	(30,932,942)
Interest paid on loans from associated companies	197,063	53,886
Interest paid on loans from shareholders	(260,334)	(567,028)
Other interest earned	10,638,874	7,367,845
Compensatory interest	390,951	130,907
Fair value in available-for-sale financial assets	(88,875)	(116,508)
Financial assets at fair value through profit and loss	(915,668)	(1,818,988)
Gains / (losses) on financial instruments - hedging	(2,642,028)	(5,701,093)
Gains / (losses) on financial instruments - trading	3,336,640	(3,889,465)
Foreign exchange gains / (losses)	6,369,535	5,757,543
Other financial expenses	(7,499,584)	(4,198,461)
Other financial income	736,322	686,616
	(43,297,714)	(33,227,688)

The caption “Financial assets at fair value through profit and loss” regards gains and losses resulting from changes in fair value recorded in listed securities held by the Group as described in note 13.

Gains / (losses) on trading and hedging financial instruments comprise the results from the instruments detailed in note 21.

9. Income tax

The Groups Semapa, Portucel and Secil are subject to the special regime governing business groups comprising companies in which the shareholding is equal to or more than 90% and which meet the conditions laid down in articles 69 and following of the IRC Code.

Companies included within the consolidation scope of the group of companies subject to this regime calculate and recognize income tax (IRC) as though they were taxed on an individual basis.

Where there are gains on the use of this regime, these are recorded as a deduction for the parent company's tax.

Pursuant to prevailing legislation, the gains and losses relating to group and associated companies resulting from the application of the equity method are deducted from or added to, respectively, to the net income of the year for the purpose of calculating taxable income.

Dividends are considered when determining the taxable income in the year in which they are received, if the assets are held for less than one year or if investments represent less than 10% of the share capital.

In the nine months period ended on 30 September 2012 and 2011, the income tax detail is as follows:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Current tax	56,927,496	42,052,732
Provision for current tax	(5,009,477)	(3,967,252)
Deferred tax	(11,233,904)	(2,131,356)
	40,684,115	35,954,124

The reconciliation of the effective tax rate in the nine months period ended 30 September 2012 and 2011 is as follows:

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Profit before tax	186,871,726	159,184,052
Expected income tax	49,521,007	42,183,774
State Surcharge	9,393,731	4,779,381
Differences (a)	(3,814,475)	(2,785,319)
Prior year tax adjustments	595,904	374,965
Recoverable tax losses carried forward	(326,879)	-
Nonrecoverable tax losses	2,476,725	4,305,336
Impact of the change in the income tax rate	(1,127,635)	(793,345)
Provision for current tax	(5,009,477)	(3,967,252)
Tax benefits	(12,641,825)	(9,590,283)
Adjustments to taxable income	1,617,039	1,446,867
	40,684,115	35,954,124
Effective tax rate	21.77%	22.59%

(a) This amount is made up essentially of :

Effects arising from the application of the equity method	(346,672)	(340,462)
Capital gains / (losses) for tax purposes	(68,517)	(21,955,972)
Capital gains / (losses) for accounting purposes	(6,269,931)	(9,727,174)
Provisions not allowed for tax purposes	5,117,617	5,451,532
Tax benefits	(1,568,788)	(1,689,267)
Dividends received from non EU companies	3,124,787	4,289,063
Decrease in taxed provisions	(11,843,350)	(7,365,001)
Effect of pension funds	2,379,377	2,102,268
Others	(4,918,767)	18,724,376
	(14,394,245)	(10,510,637)
Tax effect (26,50%)	(3,814,475)	(2,785,319)

The annual tax returns in Portugal are subject to review and possible adjustment on the part of the tax authorities during a period of 4 years. However, where there are tax losses, these may be subject to review and additional assessment by the tax authorities for a longer period.

The other countries in which the Group carries on its operations, the periods differ (as a general rule, they are longer).

The Board of Directors has the opinion that any corrections to those tax returns as a result of assessments by the tax authorities will not have a material impact on the consolidated financial statements as at 30 September 2012. Additionally, the periods until 2009 have already been reviewed.

10. Earnings per Share

Since there are no convertible financial instruments over Semapa's shares, its earnings are undiluted.

Amounts in Euro	3rd Q 2012 (acumm.)	3rd Q 2011 (acumm.)
Profit attributable to Semapa's shareholders	110,515,059	89,965,291
Weighted average number of ordinary shares in issue	112,884,470	112,884,470
Basic earnings per share	0.979	0.797
Diluted earnings per share	0.979	0.797

The weighted average number of shares is shown after deducting 5,447,975 treasury shares owned by Semapa SGPS, S.A..

11. Property, plant and equipment

Over the nine months period ended 30 September 2012 and 2011, changes in “Property, plant and equipment”, as well as the respective depreciation and impairment losses, were as follows:

Amounts in Euro	Land	Buildings and other constructions	Equipments and others tangibles	Assets under construction	Total
Acquisition Cost					
Amount as of 1 January 2011	193,905,202	774,924,897	4,203,351,606	44,555,584	5,216,737,289
Changes in consolidation perimeter	6,845,798	1,637,084	6,043,446	(12,209)	14,514,119
Acquisitions	5,314,668	903,300	34,722,110	53,148,579	94,088,657
Disposals	(63,983)	(1,360,535)	(102,916,397)	(35,000)	(104,375,915)
Adjustments, transfers and write-off's	479,982	6,826,838	42,097,371	(49,802,450)	(398,259)
Exchange differences	87,934	621,739	1,742,847	244,734	2,697,254
Amount as of 31 December 2011	206,569,601	783,553,323	4,185,040,983	48,099,238	5,223,263,145
Changes in consolidation perimeter	130,388,492	193,864,753	631,079,995	25,412,856	980,746,097
Acquisitions	92,371	896,240	15,431,388	44,114,285	60,534,284
Disposals	(342,608)	-	(3,764,460)	(55,276)	(4,162,344)
Adjustments, transfers and write-off's	78,059,974	1,459,374	41,856,364	(46,325,994)	75,049,718
Exchange differences	(7,415,756)	(1,083,004)	(3,607,000)	(1,024,386)	(13,130,146)
Amount as of 30 September 2012	407,352,074	978,690,687	4,866,037,271	70,220,723	6,322,300,755
Accumulated depreciations and impairment losses					
Amount as of 1 January 2011	(17,214,485)	(423,721,456)	(2,662,492,521)	(102,292)	(3,103,530,754)
Changes in consolidation perimeter	(981,021)	(737,301)	(4,438,710)	-	(6,157,032)
Depreciations and impairment losses	(1,501,650)	(15,798,541)	(145,113,620)	-	(162,413,811)
Disposals	18,361	844,387	95,275,120	-	96,137,868
Adjustments, transfers and write-off's	-	4,151	(131,720)	-	(127,569)
Exchange differences	15,779	(332,688)	(1,109,664)	-	(1,426,573)
Amount as of 31 December 2011	(19,663,016)	(439,741,448)	(2,718,011,115)	(102,292)	(3,177,517,871)
Changes in consolidation perimeter	(18,299,215)	(143,286,863)	(478,181,894)	-	(639,767,971)
Depreciations and impairment losses	(2,444,241)	(14,838,545)	(105,995,280)	-	(123,278,066)
Disposals	1,980	(91)	3,745,248	-	3,747,137
Adjustments, transfers and write-off's	29,901	819,296	(1,741,914)	-	(892,717)
Exchange differences	368,371	140,556	1,098,925	-	1,607,852
Assets held for sale	-	409,228	658,780	-	1,068,008
Amount as of 30 September 2012	(40,006,220)	(596,907,094)	(3,299,086,029)	(102,292)	(3,935,033,628)
Net book value as of 1 January 2011	176,690,717	351,203,441	1,540,859,085	44,453,292	2,113,206,535
Net book value as of 31 December 2011	186,906,585	343,811,875	1,467,029,868	47,996,946	2,045,745,274
Net book value as of 30 September 2012	367,345,854	381,783,593	1,566,951,241	70,118,431	2,387,267,127

12. Investments in associates

The following movements were registered in this caption during the nine months period ended 30 September 2012 and the year ended 31 December 2011:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Opening balance	3,924,419	2,039,513
Changes in perimeter	2,014,093	-
Acquisitions	-	755,378
Appropriated net profit	462,410	1,088,356
Dividends received	(826,575)	-
Exchange differences	(38)	-
Other	(829,760)	41,172
	4,744,550	3,924,419

"Investments in associates" include goodwill amounting to Euro 2,227,750 of Setefrete, SGPS, SA..

As of 30 September 2012 and 31 December 2011, "Investments in associates", including goodwill, comprises:

Associated Companies	% Held	Book Value	
		30-Sep-2012	31-Dec-2011
Ave, S.A.	35.00%	203,890	-
Be-Power, Serv. e Equip., Lda	0.00%	-	119,179
Chryso - Aditivos de Portugal, S.A.	40.00%	-	11,431
J.M. Henriques, Lda.	100.00%	387,164	198,578
MC - Materiaux de Construction	49.36%	2,469	1,315
Setefrete, SGPS, S.A.	25.00%	3,063,979	1,815,259
Soporgen, S.A.	18.00%	1,087,048	1,778,657
		4,744,550	3,924,419

13. Financial assets at fair value through profit or loss

The following movements were registered in this caption during the nine months period ended 30 September 2012 and the year ended 31 December 2011:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Fair value at the beginning of the year	9,657,695	13,128,488
Acquisitions	18,293	575,985
Disposals	(266,681)	(2,431,955)
Changes in fair value	(915,668)	(1,614,823)
	8,493,639	9,657,695

As of 30 September 2012 and 31 December 2011, "Financial assets at fair value through profit or loss" comprised:

Amounts in Euro	Fair value	
	30-Sep-2012	31-Dec-2011
Shares of Banco Comercial Português, SA	-	253,012
Shares of EDP - Energias de Portugal, SA	8,446,381	9,375,718
Other	47,258	28,965
	8,493,639	9,657,695

14. Receivables and other current assets

As of 30 September 2012 and 31 December 2011, the caption "Receivables and other current assets" comprises:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Accounts receivable	265,923,674	250,887,700
Accounts receivable - related parties	4,984,384	355,435
Derivative financial instruments	3,110,484	802,997
Other receivables	22,793,912	47,967,340
Accrued income	10,078,858	2,160,514
Deferred costs	18,252,035	14,451,468
	325,143,347	316,625,454

Note: Values are presented net of impairment losses

As of 30 September 2012 and 31 December 2011, "Other receivables" were detailed as follows:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Others debtors		
Advance payments to suppliers	3,938,450	619,009
AICEP - Financial incentives to receive	614,365	32,877,046
IMT	154,170	78,626
Others	18,086,927	14,392,659
	22,793,912	47,967,340

As of 30 September 2012 and 31 December 2011, "Accrued income" and "Deferred costs", were detailed as follows:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Accrued Income		
Interest receivable	2,554,772	1,201,756
Discounts in acquisitions	-	223
Grants	1,632,000	-
Other	5,892,086	958,535
	10,078,858	2,160,514
Deferred costs		
Maintenance and repairs	212,654	52,576
Insurance	3,011,040	833,805
Rents and leases	522,876	109,763
Other	14,505,465	13,455,324
	18,252,035	14,451,468
	28,330,893	16,611,982

15. Share capital and treasury shares

At 31 March 2012 Semapa's share capital is fully subscribed and paid up, being represented by 118,332,445 shares with a unit nominal value of 1 Euro each.

As of 30 September 2012 and 31 December 2011 the shareholders with significant positions in the Company's capital were as follows:

Name	Nº of Shares	30-Sep-2012	%	31-Dec-2011
Longapar, SGPS, S.A.	21,505,400	18.17	18.17	
Sodim, SGPS, S.A.	15,657,505	13.23	15.92	
Cimo - Gestão de Participações, SGPS, S.A.	16,199,031	13.69	13.69	
Banco BPI, SA	12,009,004	10.15	10.15	
Bestinver Gestión, SGIC, S.A.	11,865,210	10.03	10.03	
Norges Bank (the Central Bank of Norway)	5,649,215	4.77	5.01	
Cimigest, SGPS, SA	3,185,019	2.69	0.00	
Sociedade Agrícola da Quinta da Vialonga, S.A.	625,199	0.53	0.53	
OEM - Organização de Empresas, SGPS, S.A.	535,000	0.45	0.45	
Treasury shares	5,447,975	4.60	4.60	
Other shareholders with less than 2% participation	25,653,887	21.68	21.44	
	118,332,445	100.00	100.00	

16. Reserves and retained earnings

As of 30 September 2012 and 31 December 2011, fair value reserve, currency translation reserve and other reserves comprises:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Fair value of available-for-sale financial assets	(16,884,776)	(10,127,931)
Control acquisition revaluation	(1,281,742)	(1,281,742)
Total of fair value reserves	(18,166,518)	(11,409,673)
Currency translation reserve	(23,106,457)	(15,071,293)
Legal Reserve	23,666,489	23,666,489
Others Reserves	929,933,490	834,557,229
Total of other reservers	953,599,979	858,223,718
Total reserves	912,327,004	831,742,752

Fair value of financial instruments

The negative amount of Euro 16,884,776, net of deferred tax, shown under the caption "Fair value of available-for-sale financial assets", relates to the appropriation of financial instruments classified as hedging, which, on 30 September 2012, were negatively valued at Euro 23,372,101 (Note 21).

Currency translation reserve

The negative figure of Euro 23,106,457 refers to the exchange differences appropriated by the Group, resulting from the financial statements translation of the companies operating outside the Euro zone, essentially Tunisia, Lebanon, Angola, USA (including hedge of net investment), United Kingdom and Brazil.

Legal reserve

Commercial company law prescribes that at least 5% of annual net income must be transferred to the legal reserve until this is equal to at least 20% of the issued capital, which is verified as of 30 September 2012.

This reserve cannot be distributed unless in the event of the company's winding up: however, it may be used to absorb losses after the other reserves have been exhausted or it can be incorporated into the issued capital.

Other reserves

Correspond to free reserves for distribution to shareholders, constituted through the appropriation of prior years' earnings.

Following the purchase of 2,720,000 treasury shares during 2007 and the acquisition in 2011 of 2,727,975 shares of the subsidiary Seminv Investimentos, SGPS, S.A., a reserve with the same amount has been made unavailable, in accordance with the applicable trade law. This reserve should be kept until the disposal of the shares.

Retained earnings

Additional stake acquisition on controlled entities

The Group records in this caption the excess over the group share of net assets in result of additional stake acquisition of already controlled entities.

As of 30 September 2012, the accumulated negative amount of these differences, regarding additional stake acquisition in subsidiary Portucel, S.A., amounts to Euro 70,719,499.

In the first nine months of 2012, the Group recorded under this caption a negative amount of Euro 335,355,970, corresponding to the difference found between the additional 49% stake acquired (on 15 May) on the fair value of identifiable assets acquired and assumed liabilities and its acquisition value.

This amount was determined as the difference between 49% of Secil share capital, with reference to the period immediately prior to the acquisition (April 30) in the amount of Euro 238,728,036, and the acquisition value of Euro 574,084,000.

Actuarial gains or losses

The differences between the assumptions used for the purpose of determining liabilities related to post-employment benefits and what effectively occurred are equally recorded under this caption (as well as changes made to those assumptions and the difference between the expected return on the assets of the funds and their actual yield).

In the first nine months of 2012, the group recorded actuarial gains amounting to Euro 6,962,807, net of deferred taxes.

17. Deferred taxes

The following movement took place in deferred tax assets and liabilities during the nine months period ended 30 September 2012:

Amounts in Euro	As of 1 January 2012	Exchange adjustement	Income Statement		Retained earnings	Transfers	Assets held for sale	Changes in perimeter	As of 30 September 2012
			Increases	Decreases					
Temporary differences originating deferred tax assets									
Tax losses carried forward	25,672,642	(10,143)	17,096,899	(3,004,327)	-	-	(393,088)	4,420,094	43,782,077
Taxed provisions	22,047,015	(87,371)	1,158,102	(989,573)	-	(8,431,370)	-	9,734,540	23,431,343
Fixed assets adjustments	103,087,110	-	763,860	(17,070,410)	-	272,269	-	-	87,052,829
Retirement benefits	3,290,146	(1,563)	388	(85,161)	(7,421)	19,900	-	36,836	3,253,125
Derivative Financial Instruments	2,869,071	-	(35,835)	-	392,989	-	-	-	3,226,225
Deferred accounting gains on inter-group transactions	19,740,576	-	9,814,995	(6,375,375)	-	1,226,914	-	801,464	25,208,574
Valuation of biological assets	(6,757,352)	-	3,179,439	(497,413)	-	7,454,166	-	-	3,378,840
Depreciation of assets recognised under IFRIC 4	139,499	-	724,350	(724,350)	-	(139,499)	-	-	-
Liabilities with retirement benefits	238,738	1,907	34,700	-	(244)	-	-	224,245	499,346
Liabilities with long service award	472,538	-	(591)	(238,075)	-	-	-	454,598	688,470
Retirement benefits not covered by an autonomous fund	4,093,269	-	-	(327,307)	(16,039)	(95,037)	-	3,872,659	7,527,545
Derecognition of government grants	2,484,317	-	-	(357,221)	-	-	-	2,144,001	4,271,097
Liabilities for healthcare benefits	6,222,648	-	78,607	-	(44,382)	-	-	6,159,335	12,416,208
Other temporary differences	4,344,490	25,447	202,298	(261,240)	-	-	-	4,078,898	8,389,893
	204,547,096	(71,723)	33,017,212	(31,024,565)	324,903	307,343	(393,088)	31,926,670	238,633,848
Temporary differences originating deferred tax liabilities									
Revaluation of fixed assets	(8,556,186)	6,112,218	-	3,390,692	-	-	-	(48,473,119)	(47,526,395)
Retirement benefits	(905,515)	-	(15,200)	21,067	(104,981)	-	-	-	(1,004,629)
Derivative Financial Instruments	(802,996)	-	-	-	(391,445)	-	-	(775,316)	(1,969,757)
Fair Value of fixed assets	(407,376,897)	-	-	11,453,662	-	-	-	-	(395,923,235)
Tax Benefits	(97,102,975)	-	-	32,067,918	-	-	-	-	(65,035,057)
Extension of the useful life of the tangible fixed assets	(46,650,817)	106,883	(13,321,338)	-	-	-	-	(1,867,841)	(61,733,113)
Deferred accounting losses on inter-group transactions	(221,190,211)	(169,639)	(3,179,438)	-	-	-	-	(5,034,647)	(229,573,935)
Deferred tax gains	(502,626)	-	-	41,350	-	-	-	(471,809)	(933,085)
Harmonisation of depreciation criteria	(89,374,110)	498,819	(4,616,173)	-	-	-	-	(72,865,767)	(166,357,231)
Fair Value of intangible assets	(151,488,000)	-	-	-	-	-	-	-	(151,488,000)
Subsidiaries fair value	(74,538,809)	882,798	-	2,258,830	-	-	(1,036,024)	(261,992,877)	(334,426,082)
Other temporary differences	(22,581,438)	-	-	5,111,138	-	(30,495)	-	(241,846)	(17,742,641)
	(1,121,070,579)	7,431,079	(21,132,149)	54,344,657	(496,426)	(30,495)	(1,036,024)	(391,723,222)	(1,473,713,159)
Deferred tax assets	61,643,040	(34,490)	9,585,266	(9,282,546)	44,403	(18,786)	(98,272)	9,445,333	71,283,948
Deferred tax liabilities	(339,427,148)	2,658,828	(5,519,442)	16,450,626	(331,416)	10,751	(273,510)	(120,955,784)	(447,387,095)

The following movement took place in the caption Deferred income tax assets and liabilities during the nine months period ended 30 September 2011:

Amounts in Euro	As of 1 January 2011	Exchange adjustement	Income Statement		Retained earnings	Transfers	Changes in perimeter	As of 30 September 2011
			Increases	Decreases				
Temporary differences originating deferred tax assets								
Tax losses carried forward	24,548,901	-	459,683	-	-	-	1,108,295	26,116,879
Taxed provisions	18,894,080	42,909	12,490,041	(4,459)	-	859,647	705,986	32,988,204
Fixed assets adjustments	52,279,176	-	58,663,212	-	-	-	-	110,942,388
Underfunding of the pension fund	3,545,766	(48)	144,655	-	128,221	-	-	3,818,594
Derivative Financial Instruments	1,229,620	-	37,298	-	2,315,350	-	-	3,582,268
Deferred accounting gains on inter-group transactions	10,150,996	-	228,040	(99,332)	-	-	-	10,279,704
Valuation of biological assets	1,017,572	-	-	(4,774,159)	-	-	-	(3,756,587)
Depreciation of assets recognised under IFRIC 4	3,771,050	-	-	(3,631,552)	-	-	-	139,498
Liabilities with retirement benefits	608,837	(660)	-	(428,072)	-	-	-	180,105
Liabilities with long service award	709,385	-	-	(162,535)	-	-	-	546,850
Retirement benefits not covered by an autonomous fund	4,928,036	-	-	(231,404)	(44,559)	-	-	4,652,073
Derecognition of government grants	2,677,172	-	-	(138,145)	-	(180,043)	-	2,358,983
Liabilities for healthcare benefits	6,370,842	-	-	(76,428)	32,613	180,043	-	6,507,070
Other temporary differences	3,083,210	(56,399)	46,652	(106,846)	-	(859,647)	870,468	2,977,438
	133,814,643	(14,198)	72,069,581	(9,652,931)	2,431,625	-	2,684,749	20,133,469
Temporary differences originating deferred tax liabilities								
Revaluation of fixed assets	(12,193,318)	-	-	1,598,495	-	-	(12,724)	(10,607,547)
Retirement benefits	(993,803)	-	-	4,052,327	(3,992,299)	-	-	(933,774)
Derivative Financial Instruments	(1,076,338)	-	-	-	(169,000)	-	-	(1,245,338)
Fair Value of fixed assets - Soporcel	(215,642,953)	-	(7,466,842)	-	-	-	-	(223,109,795)
Tax Benefits	(82,938,221)	-	-	62,087,932	-	-	-	(20,850,289)
Extension of the useful life of the tangible fixed assets	(121,524,198)	(3,285)	(43,376,912)	-	-	-	(21,630)	(164,926,025)
Deferred accounting losses on inter-group transactions	(110,051,533)	54,693	(88,350,971)	-	-	-	-	(198,347,811)
Deferred tax gains	(541,150)	-	-	71,830	-	-	(186,929)	(656,249)
Harmonisation of depreciation criteria	(85,191,788)	(23,558)	(3,802,065)	-	-	-	-	(89,017,411)
Fair Value of intangible assets	(151,488,000)	-	-	-	-	-	-	(151,488,000)
Fair Value of tangible assets - Portucel	(203,826,056)	-	-	11,453,662	-	-	-	(192,372,394)
Subsidiaries fair value	(71,061,523)	29,678	(117,953)	-	-	-	-	(71,149,798)
Valuation of biological assets	-	-	(357,996)	-	-	-	-	(357,996)
Other temporary differences	(33,462,200)	-	-	9,259,313	-	3,262,303	-	(20,940,584)
	(1,089,991,081)	57,528	(143,472,739)	88,523,560	(4,161,299)	3,262,303	(221,283)	(1,146,003,011)
Deferred tax assets	37,157,841	(1,363)	20,336,929	(2,446,482)	663,958	-	753,327	56,464,210
Deferred tax liabilities	(313,340,341)	12,703	(41,036,614)	25,277,523	(1,299,992)	864,510	(58,640)	(329,580,852)

18. Provisions

During the nine months period ended 30 September 2012 and the year ended 31 December 2011, changes in provisions were as follows:

Amounts in Euro	Legal claims	Environmental restoration	Others	Total
As of 1 January 2011	1,431,707	3,013,449	31,818,707	36,263,863
Changes in perimeter	-	319,789	646,952	966,741
Increases	383,361	-	20,826,465	21,209,826
Reversals	(460,842)	(74,983)	(21,991,897)	(22,527,722)
Direct utilizations	-	(21,002)	(210,586)	(231,588)
Exchange differences	-	-	22,512	22,512
Financial Discounts	-	201,648	-	201,648
As of 31 December 2011	1,354,226	3,438,901	31,112,153	35,905,280
Changes in perimeter	-	3,324,421	7,765,245	11,089,666
Increases	18,533	-	6,401,696	6,420,229
Reversals	(109,635)	(73,812)	(10,683,740)	(10,867,187)
Direct utilizations	-	(13,001)	(500,462)	(513,463)
Exchange differences	-	(261)	120,706	120,445
Financial Discounts	-	214,634	-	214,634
As of 30 September 2012	1,263,124	6,890,882	34,215,597	42,369,603

The amount shown as "Others" relates to a provision for risks with other public entities which may originate a cash outflow in the future.

19. Interest-bearing liabilities

As of 30 September 2012 and 31 December 2011, Group's net debt was as follows:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Interest-bearing liabilities		
Non-current	1,507,385,391	1,156,533,619
Current	490,185,023	251,991,062
	1,997,570,414	1,408,524,681
Cash and cash equivalents		
Cash	544,765	162,429
Short term bank deposits	24,014,168	13,178,828
Other	299,905,203	402,356,318
	324,464,136	415,697,575
Market Value	134,247,274	79,678,863
Interest-bearing net debt	1,538,859,004	913,148,243

Non-current interest-bearing liabilities

As of 30 September 2012 and December 2011, Non-current interest-bearing debt comprised the following:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Non-current		
Bond loans	765,000,000	645,400,000
Commercial paper	165,900,000	130,850,000
Bank Loans	575,061,045	377,135,697
Expenses incurred with bond loans issued	(11,249,078)	(4,263,641)
Interest-bearing bank debt	1,494,711,967	1,149,122,056
Financial leases	3,923,471	2,254,664
Other loans - QREN	8,749,953	5,156,899
Other interest-bearing debts	12,673,424	7,411,563
Non-current interest-bearing liabilities	1,507,385,391	1,156,533,619

During the first nine months of 2012, Semapa issued a bond loan with private placement, corresponding to EUR 300 million at a fixed rate of 6.85% with a 3 years maturity (2015).

Current interest-bearing liabilities

As of 30 September 2012 and 31 December 2011, current interest-bearing debt comprises the following:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Current		
Bond loans	350,000,000	150,000,000
Loans from financial institutions	118,377,532	91,124,219
Interest-bearing bank debt	468,377,532	241,124,219
Shareholders short term loans	5,125,620	10,065,242
Financial leases	1,303,501	772,932
Other loans - POE	-	28,669
Other loans - QREN	231,000	-
Other debts	15,147,370	-
Other interest-bearing debts	21,807,491	10,866,843
Current interest-bearing liabilities	490,185,023	251,991,062

20. Payables and other current liabilities

As of 30 September 2012 and 31 December 2011, "Payables and other current liabilities" were detailed as follows:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Accounts payable	188,094,258	172,515,118
Accounts payable to suppliers of fixed assets	7,936,385	39,001,432
Accounts payable to suppliers of fixed assets - Soporgen	3,782,448	4,584,418
Instituto do Ambiente	13,386,473	11,848,325
Derivative financial instruments	25,579,326	17,632,640
Other creditors	15,423,744	11,249,849
Related Parties	941,973	2,351,402
Accrued costs	87,408,408	56,969,220
Deferred income	61,541,365	55,413,700
	404,094,380	371,566,104

As of 30 September 2012 and 31 December 2011, "Accrued costs and deferred income" were detailed as follows:

Amounts in Euro	30-Sep-2012	31-Dec-2011
Accrued costs		
Insurance costs	83,016	132,122
Payroll expenses	47,726,875	41,897,400
Interests payable	20,903,514	7,567,001
Accrued energy costs	6,291,348	2,248,689
Transport cost	866,198	-
Expenditure on maintenance	297,319	-
Banking Services	137,997	3,144,231
Auditing	141,801	-
Informatics	222,199	-
Other	10,738,141	1,979,777
	87,408,408	56,969,220
Deferred income		
Government grants	50,882,930	54,170,529
Grants - CO2 Emission allowances	9,665,111	433,746
Others	993,324	809,425
	61,541,365	55,413,700

21. Derivative financial instruments

As of 30 September 2012 and 31 December 2011, "Fair value of derivative financial instruments" used for hedging and trading was as follows:

Amounts in Euro	Amount	Maturity	Positive	30-Sep-2012 Negative	31-Dec-2011 Net
Hedging					
Collar Interest rate (SWAPs)	225,000,000	2015	-	(16,717,391)	(10,933,729)
Coverage of Net Investment	193,733,550	2012	628,536	-	(614,563)
Currency forwards (future sales)	30,007,734	2012	7,884	-	(1,305,667)
Interest rate swaps (SWAPs)	40,000,000	2017	-	(5,679,564)	(2,168,762)
Interest rate swaps and currency BRI	24,827,439	2017	-	(3,147,414)	-
Operations on CO2 Licenses	2,176,000	2012	1,535,848	-	802,997
	515,744,723		2,172,268	(25,544,369)	(14,279,724)
Trade					
Currency forwards (EUR)	59,519,049	2013	938,216	(34,957)	(2,502,663)
Currency forwards (USD)	1,785,000	2012	-	-	(47,256)
	61,304,049		938,216	(34,957)	(2,549,919)
	577,048,772		3,110,484	(25,579,326)	(16,829,643)

22. Balances and transactions with related parties

As of 30 September 2012 and 31 December 2011, balances with related parties were as follows:

Amounts in Euro	Interest-bearing liabilities	
	30-Sep-2012	31-Dec-2011
Shareholders		
Cimo SGPS, SA	247,859	3,815,891
Longapar, SGPS, SA	4,877,761	6,249,351
	5,125,620	10,065,242

Amounts in Euro	30-Sep-2012		31-Dec-2011	
	Other Receivables	Other Payables	Other Receivables	Other Payables
Other related entities				
Ave-Gestão Ambiental, S.A.	1,845	630,314	17,434	261,466
Chryso Portugal, S.A.	-	276,996	38,683	204,362
Cofit Sicar	-	-	-	11,538
Inertogrande	-	-	102,146	-
J.M. Henriques, Lda.	-	-	55,254	-
Pedro Soveral	-	-	-	32,061
Ricardo Soveral	-	-	-	32,061
Secil Prebetão, S.A.	33,798	16,752	25,246	6,881
Secil Unicon - S.G.P.S., Lda	-	-	108,819	-
Seribo, S.A.	-	-	-	116,930
Setefrete - Soc. Tráfego Cargas, S.A.	-	12,943	-	337,208
Other related parties	4,948,741	4,968	7,853	-
Shareholders (Dividends allocated to non-controlling interest)	-	-	-	1,348,895
Total	4,984,384	941,973	355,435	2,351,402

For the nine months period ended 30 September 2012 and 31 December 2011 transactions with related parties were as follows:

Amounts in Euro	30-Sep-2012		31-Dec-2011	
	Service Purchase	Financial Losses	Service Purchase	Financial Losses
Shareholders				
Cimigest SGPS, SA	80,805	-	80,805	-
Cimo SGPS, SA	-	62,237	-	176,871
Longapar, SGPS, SA	-	198,097	-	371,658
Sonaca SGPS, SA	-	-	-	18,499
	80,805	260,334	80,805	567,028

Amounts in Euro	30-Sep-2012			
	Service Purchase	Services rendered	Operating Income	Financial Losses/ (Gains)
Subsidiaries shareholders and Joint ventures				
Ave-Gestão Ambiental, S.A.	2,361,063	13,500	132,974	-
Chryso Portugal, S.A.	462,166	-	-	-
Secil Prebetão, S.A.	43,142	413,151	1,773	-
Setefrete, S.A.	2,582,286	-	15,692	-
Viroc Portugal, S.A.	-	576,063	119,637	(79,917)
Others	-	4,441,288	88	(54,808)
	5,448,657	5,444,002	270,164	(134,725)

Amounts in Euro	31-Dec-2011			
	Service Purchase	Services rendered	Operating Income	Financial Losses/ (Gains)
Other related parties				
Chryso Portugal, S.A.	558,895	-	-	-
Secil Prebetão, S.A.	20,156	263,949	1,698	-
Setefrete, S.A.	948,033	-	5,346	-
Viroc Portugal, S.A.	63	417,977	37,093	(45,639)
Others	-	-	574	(3,029)
	1,527,147	681,926	44,711	(48,668)

23. Number of employees

As of 30 September 2012 and 31 December 2011, the number of employees in service for the Group's various companies per business segment, was as follows:

Segment	30-Sep-2012	31-Dec-2011	Var. 12/11
Pulp and Paper	2,284	2,290	(6)
Cement and derivatives	2,823	2,589	234
Environment	250	235	15
Holdings and Others	20	19	1
	5,377	5,133	244

24. Companies included in consolidation

Instrumental companies included in consolidation

		Direct and Indirect % of equity held by subsidiary Semapa		
Name	Head Office	Direct	Indirect	Total
Parent - company:				
Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.	Lisbon			
Subsidiaries				
ABOUTBALANCE, SGPS S.A.	Lisbon	100,00	-	100,00
Cimentospar - Participações Sociais, SGPS, Lda.	Lisbon	-	100,00	100,00
Great Earth, S.A.	Lisbon	100,00	-	100,00
INSPIREDPLACE, S.A.	Lisbon	100,00	-	100,00
Interholding Investments B.V. (ex Semapa Investments B.V.)	Amsterdam	100,00	-	100,00
NSOSPE - Empreendimentos e Participações, S.A.	Rio de Janeiro	100,00	-	100,00
Seinpar Investments, B.V.	Amsterdam	100,00	-	100,00
Seinpart, SGPS, S.A.	Lisbon	49,00	51,00	100,00
Semapa Inversiones S.L.	Madrid	100,00	-	100,00
Seminv, SGPS, S.A.	Lisbon	100,00	-	100,00

Subsidiary companies of sub-group ETSA – under full consolidation

Name	Head Office	Direct and indirect % of equity held by subsidiary ETSA			Equity % actually held by Semapa
		Direct	Indirect	Total	
Parent - company:					
ETSA - Investimentos, SGPS, S.A.	Loures	96.00	-	96.00	96.00
Subsidiaries					
ETSA, LOG, S.A.	Loures	100.00	-	100.00	96.00
ABAPOR – Comércio e Indústria de Carnes, S.A.	Coruche	100.00	-	100.00	96.00
SEBOL – Comércio e Indústria de Sebo, S.A.	Loures	100.00	-	100.00	96.00
ITS – Indústria Transformadora de Subprodutos Animais, S.A.	Coruche	100.00	-	100.00	96.00
BIOLOGICAL - Gestão de Resíduos Industriais, Lda.	Loures	95.00	5.00	100.00	96.00
AISIB – Aprovechamiento Integral de Subprodutos Ibéricos, S.A.	Mérida	100.00	-	100.00	96.00
Transportes Carvajal, S.L.	Huelva	-	80.00	80.00	76.80

Subsidiary companies of sub-group Portucel – under full consolidation

Name	Head Office	Direct and indirect % of equity held by subsidiary Portucel			Equity % actually held by Semapa
		Direct	Indirect	Total	
Portucel – Empresa Produtora de Pasta e Papel, SA	Setúbal	47,29	33,55	80,84	80,84
Subsidiaries:					-
Soporcel - Sociedade Portuguesa de Papel, SA	Figueira da Foz	100,00	-	100,00	80,84
PortucelSoporcel Floresta, SGPS, SA	Figueira da Foz	100,00	-	100,00	80,84
Soporcel Pulp - Sociedade Portuguesa de Celulose, SA	Figueira da Foz	100,00	-	100,00	80,84
Portucel Floresta – Empresa de Desenvolvimento Agro-Floresta, SA	Setúbal	100,00	-	100,00	80,84
CountryTarget SGPS SA	Setúbal	100,00	-	100,00	80,84
Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos, SA	Setúbal	-	100,00	100,00	80,84
PortucelSoporcel Floresta – Sociedade para o Desenvolvimento Agro-Floresta, SA	Setúbal	-	100,00	100,00	80,84
Afocelca - Agrupamento complementar de empresas para protecção contra incêndio:	Portugal	-	64,80	64,80	52,39
Enerforest - Empresa de Biomassa para Energia, SA	Setúbal	-	100,00	100,00	80,84
Atlantic Forests, SA	Setúbal	-	100,00	100,00	80,84
Viveiros Aliança - Empresa Produtora de Plantas, SA	Palmela	-	100,00	100,00	80,84
Aflomec - Empresa de Exploração Floresta, SA	Setúbal	-	100,00	100,00	80,84
Cofotrans - Empresa de Exploração Floresta, SA	Figueira da Foz	-	100,00	100,00	80,84
Raiz - Instituto de Investigação da Floresta e Papel	Aveiro	-	94,00	94,00	75,99
Bosques do Atlantico, SL	Spain	-	100,00	100,00	80,84
PortucelSoporcel Pulp SGPS, S.A.	Setúbal	100,00	-	100,00	80,84
CELSET - Celulose de Setúbal, S.A.	Setúbal	-	100,00	100,00	80,84
CELCA CIA - Celulose de Cacia, S.A.	Aveiro	-	100,00	100,00	80,84
Portucel International GmbH	Germany	-	100,00	100,00	80,84
PortucelSoporcel Papel, SGPS SA	Setúbal	100,00	-	100,00	80,84
Portucel Soporcel North America Inc.	USA	-	100,00	100,00	80,84
About the Future - Empresa Produtora de Papel, SA	Setúbal	-	100,00	100,00	80,84
Portucel Papel Setúbal, S.A.	Setúbal	-	100,00	100,00	80,84
PortucelSoporcel Sales & Marketing NV	Belgium	25,00	75,00	100,00	80,84
PortucelSoporcel Fine Paper , S.A.	Setúbal	-	100,00	100,00	80,84
PortucelSoporcel España, SA	Spain	-	100,00	100,00	80,84
PortucelSoporcel International, BV	Netherlands	-	100,00	100,00	80,84
PortucelSoporcel France, EURL	France	-	100,00	100,00	80,84
PortucelSoporcel United Kingdom, Ltd	UK	-	100,00	100,00	80,84
PortucelSoporcel Italia, SRL	Italy	-	100,00	100,00	80,84
PortucelSoporcel Lusa Unipessoal, Lda	Figueira da Foz	-	100,00	100,00	80,84
PortucelSoporcel Deutschland, GmbH	Germany	-	100,00	100,00	80,84
PortucelSoporcel Handels, GmbH	Austria	-	100,00	100,00	80,84
PortucelSoporcel Afrique du Nord	Marrocos	-	100,00	100,00	80,84
PortucelSoporcel Poland SP Z O	Poland	-	100,00	100,00	80,84
PortucelSoporcel Sw itzerland, Ltd	Sw itzerland	-	100,00	100,00	80,84
PortucelSoporcel Energia, SGPS SA	Setúbal	100,00	-	100,00	80,84
SPCG – Sociedade Portuguesa de Co-geração Eléctrica, SA	Setúbal	-	100,00	100,00	80,84
Enerpulp – Cogeração Energética de Pasta, SA	Setúbal	-	100,00	100,00	80,84
PortucelSoporcel Cogeração de Energia, SA	Setúbal	-	100,00	100,00	80,84
PortucelSoporcel Participações, SGPS SA	Setúbal	100,00	-	100,00	80,84
Arboser – Serviços Agro-Industriais, SA	Setúbal	-	100,00	100,00	80,84
Empremédia - Corretores de Seguros, SA	Lisbon	-	100,00	100,00	80,84
Socortel - Sociedade de Corte de Papel, SA	Figueira da Foz	-	100,00	100,00	80,84
Outpaper - Transformação, Corte e Embalagem de Papel, ACE	Figueira da Foz	-	50,00	50,00	40,42
Headbox - Operação e Contolo Industrial, SA	Setúbal	-	100,00	100,00	80,84
EMA21 - Engenharia e Manutenção Industrial Século XXI, SA	Setúbal	-	100,00	100,00	80,84
Ena Cacia - Engenharia e Manutenção Industrial, ACE	Aveiro	-	91,15	91,15	73,69
Ena Setúbal - Engenharia e Manutenção Industrial, ACE	Setúbal	-	92,56	92,56	74,83
Ena Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Figueira da Foz	-	91,47	91,47	73,95
EucaliptusLand, SA	-	-	100,00	100,00	80,84
PortucelSoporcel Serviços Partilhados, SA	Figueira da Foz	-	100,00	100,00	80,84
PortucelSoporcel Internacional SGPS SA	Setúbal	100,00	-	100,00	80,84
Portucel Moçambique - Sociedade de Desenvolvimento Floresta e Industrial, Lda	Moçambique	25,00	75,00	100,00	80,84
Portucel Floresta Brasil - Gestão de Participações, Ltda	Brazil	25,00	75,00	100,00	80,84
PortucelSoporcel Abastecimento de Madeiras, ACE	Setúbal	60,00	40,00	100,00	80,84

Subsidiary companies of sub-group Secil – under full consolidation

Name	Head Office	Direct and indirect % of equity held by subsidiary Secil			Equity % actually held by Semapa
		Direct	Indirect	Total	
Secil - Companhia Geral de Cal e Cimento, S.A.	Setúbal	10,859	89,139	99,998	99,998
Parcim Investments, B.V.	Amsterdam	100,00	-	100,00	99,998
Secilpar, SL	Madrid	-	100,00	100,00	99,998
Somera Trading Inc.	Panamá	-	100,00	100,00	99,998
Hew bol, S.G.P.S., Lda.	Funchal	-	100,00	100,00	99,998
Secil Cabo Verde Comércio e Serviços, Lda.	Praia	-	100,00	100,00	99,998
ICV - Inertes de Cabo Verde, Lda.	Praia	37,50	25,00	62,50	62,499
Florimar- Gestão e Participações, S.G.P.S., Lda.	Funchal	100,00	-	100,00	99,998
Seciment Investments, B.V.	Amsterdam	100,00	-	100,00	99,998
IB Participações e Serviços, Ltda.	Rio de Janeiro	-	99,97	99,97	99,968
Serife - Sociedade de Estudos e Realizações Industriais e de Fornecimento de	Lisbon	100,00	-	100,00	99,998
Silonor, S.A.	Dunkerque	100,00	-	100,00	99,998
Société des Ciments de Gabés	Tunis	98,72	-	98,72	98,716
Sud- Béton- Société de Fabrication de Béton du Sud	Tunis	-	98,72	98,72	98,716
Zarzis Béton	Tunis	-	98,72	98,72	98,716
Secil Angola, SARL	Luanda	100,00	-	100,00	99,998
Secil - Companhia de Cimento do Lobito, S.A.	Lobito	-	51,00	51,00	50,999
Secil, Betões e Inertes, S.G.P.S., S.A.	Setúbal	100,00	-	100,00	99,998
Unibetão - Indústrias de Betão Preparado, S.A.	Lisbon	-	100,00	100,00	99,998
Britobetão - Central de Betão, Lda.	Évora	-	91,00	91,00	90,998
Eurobetão - Betão Pronto, S.A.	Lisbon	-	100,00	100,00	99,998
Sicobetão - Fabricação de Betão, S.A.	Lisbon	-	100,00	100,00	99,998
Secil Britas, S.A.	Lisbon	-	100,00	100,00	99,998
Quimpedra - Secil Britas, Calcários e Derivados, Lda.	Lisbon	-	100,00	100,00	99,998
Colegra - Exploração de Pedreiras, S.A.	Lisbon	-	100,00	100,00	99,998
Lusoinertes, S.A.	Lisbon	-	100,00	100,00	99,998
Secil Martingança - Aglomerantes e Novos Materiais para a Construção, S.A.	Leiria	51,19	45,81	97,00	96,998
IRP - Industria de Rebocos de Portugal, S.A.	Santarém	-	97,00	97,00	96,998
Ciminpart - Investimentos e Participações, S.G.P.S., S.A.	Lisbon	100,00	0,00	100,00	99,998
Argibetão - Sociedade de Novos Produtos de Argila e Betão, S.A.	Lisbon	-	90,87	90,87	90,868
Cimentos Costa Verde - Comércio de Cimentos, S.A.	Lisbon	-	100,00	100,00	99,998
Solenreco-Produção e Comercialização de Combustíveis, Lda.	Porto	-	98,00	98,00	97,998
Valcem - Produtos Cimentícios, Lda.	Setúbal	50,00	50,00	100,00	99,998
Prescor Produção de Escórias Moidas, Lda.	Lisbon	-	100,00	100,00	99,998
CMP - Cimentos Maceira e Pataias, S.A.	Leiria	100,00	-	100,00	99,998
Cimentos de Sibline, S.A.L.	Beirute	28,64	22,41	51,05	51,049
Soime, S.A.L.	Beirute	-	51,05	51,05	51,049
Cimentos Madeira, Lda.	Funchal	57,14	-	57,14	57,142
Beto Madeira - Betões e Britas da Madeira, S.A.	Funchal	-	57,14	57,14	57,142
Promadeira - Sociedade Técnica de Construção da Ilha da Madeira, Lda.	Funchal	-	57,14	57,14	57,142
Brimade - Sociedade de Britas da Madeira, S.A.	Funchal	-	57,14	57,14	57,142
Madebritas - Sociedade de Britas da Madeira, Lda. (a)	Funchal	-	29,14	29,14	29,142
Pedra Regional - Industria Transformadora de Rochas Ornamentais, S.A. (a)	Funchal	-	29,14	29,14	29,142
Reficomb- Refinação e Comercialização de Combustíveis Derivados de Resíduos, S.A.	Setúbal	100,00	-	100,00	99,998
Uniconcreto - Betão Pronto, S.A.	Lisbon	100,00	-	100,00	99,998

(a) Companies hold 51% by Brimade, S.A. therefore under Group control

Companies included under proportional consolidation

Name	Head Office	Direct and indirect % of equity held on SUPREMO			Equity % actually held by Semapa
		Direct	Indirect	Total	
Parent - company:					
Supremo Cimentos, S.A.	Santa Catarina	35,00	15,00	50,00	50,00
Subsidiaries:					
Margem - Companhia de Mineração	Paraná	100,00	-	100,00	50,00
OP Beton Concreto e Engenharia, Ltda	Santa Catarina	100,00	-	100,00	50,00

BOARD OF DIRECTORS**President:**

Pedro Mendonça de Queiroz Pereira

Members:

Maria Maude Mendonça de Queiroz Pereira Lagos

José Alfredo de Almeida Honório

Francisco José Melo e Castro Guedes

José Miguel Pereira Gens Paredes

Paulo Miguel Garcês Ventura

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