2015 Results Presentation
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FY 2015 – Higher paper and pulp prices and strong EBITDA

• Sales turnover up by 5.6% to €1 628 million with improvement in paper and pulp prices

• Strong EBITDA of €390 million, with clear improvement in margin EBITDA / Sales to 24 %

• Net favourable impact of EUR/USD exchange rate

• Capex of €152 million

• Successful entry in the tissue business

• Start-up of large scale forest plantations in Mozambique

• Pellets project developing as expected

• Restructuring and reduction of debt costs

• Cost reduction and efficiency programs

• High dividend yield
Significant turnover growth and diversification over the last years

- Since the last significant investment cycle in 2009, turnover increased by 49%, with consolidation of paper revenues and entrance in a new line of business.

Revenues by division 2009 vs 2015

- **2009**
  - Paper: €830 million
  - Energy: €162 million
  - Tissue: €86 million
  - Pulp stand alone: €198 million
  - Other: €51 million

- **2015**
  - Paper: €1,216 million
  - Energy: €140 million
  - Tissue: €198 million
  - Pulp stand alone: €51 million
  - Other: €49 million

49% growth from €1,095 million in 2009 to €1,628 million in 2015.
Positive price environment for pulp

- Revenues in the pulp business grew 23% YoY, due to the increase in pulp price and EURUSD exchange rate
- Portucel average price evolved in line with market benchmark
Group paper price evolved positively

- The industry benchmark for paper lost 0.7% YoY (828€ vs 822€/ton)

- Group average sale price evolved very positively, gaining approximately 5%

- Portucel implemented 3 price increases during 2015 (March, July and September), with another price increase also announced for February 2016

- Group increased paper sales to USD markets outside Europe to improve paper margin contribution:
  - 1.7% increase in volume to overseas markets and 14.5% increase in value
  - Presence in around 131 geographies

- Improvement in brand mix: sales of Navigator and Soporset continue to growth

Sales to other markets include Africa, Latin America, Middle East, Turkey, Asia, mainly in USD
Resilience in Uncoated Woodfree Demand

- World demand for UWF paper has shown significant resilience over the last 3 years
- European UWF demand has been stagnant since 2012, with Cut Size paper resilient since 2009
- Paper consumption in 2015 is estimated to have marginally decreased:
  - Europe: - 0.3%
  - US: - 0.4%
- Capacity adjustments are expected and operating rates forecasted to improve, namely in Europe
EBITDA of 390 M€: highest EBITDA in the last 5 years

- 2015 EBITDA of € 390 million, increasing 18.7%, with significant improvement in operating margin vs 2014
YoY growth in EBITDA sustained by high pulp and paper prices

- EBITDA increased + 61.6 million: very positive impact from pulp and paper prices; cost of wood and logistics and acquired tissue business also contributing positively

Personnel costs include non recurring costs with Pension Funds, Rejuvenation programme and estimated bonus for 2015;

Recurring personnel costs increased 0.5% YoY
Summary financials FY 2015

• Improvement in EBITDA / Sales margin
• Very strong ROCE 15.7% (vs. 12.4%)

### 2015 vs 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>% Change</th>
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<tbody>
<tr>
<td>Total Sales</td>
<td>1,628 M€</td>
<td></td>
<td>+5.6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>390 M€</td>
<td></td>
<td>+18.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>282 M€</td>
<td></td>
<td>+29.6%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>196 M€</td>
<td></td>
<td>+8.4%</td>
</tr>
<tr>
<td>Net Debt</td>
<td>654.5 M€</td>
<td></td>
<td>+381 Mln€</td>
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<tr>
<td>ROCE</td>
<td>15.7%</td>
<td></td>
<td>+3.3 pp</td>
</tr>
<tr>
<td>ROE</td>
<td>14.7%</td>
<td></td>
<td>+2.3 pp</td>
</tr>
<tr>
<td>EBITDA / Sales</td>
<td>24%</td>
<td></td>
<td>+2.7 pp</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>1.7 X</td>
<td></td>
<td>+0.8 X</td>
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</tbody>
</table>
Quarterly Financials 2015

- Q4 2015: highest quarter turnover
- Q4 EBITDA affected by specific items: pension funds and anti-dumping taxes
Good operating performance but limited free cash flow

- In spite of good operating performance, free cash flow was impacted by high level of capex and increase in working capital, namely due to variation in inventories and anti-dumping deposit.

<table>
<thead>
<tr>
<th>Values in million Euros</th>
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<tbody>
<tr>
<td>Cash Flow</td>
</tr>
<tr>
<td>CAPEX excluding tissue</td>
</tr>
<tr>
<td>AMS acquisition + Capex Tissue</td>
</tr>
<tr>
<td>Change in inventories</td>
</tr>
<tr>
<td>Deposit of Anti-dumping</td>
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<tr>
<td>Change in other assets/liabilities</td>
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<tr>
<td>Free Cash Flow</td>
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</tbody>
</table>

- Maintenance: 25 M€
- Development: 91 M€

Values in million Euros
Net debt increased as expected during 2015

- Net debt increased mainly due to dividend payment and capital expenditure
- Net debt / Ebitda still below industry average
New credit facilities and extension of maturity reduce cost of debt

- Redemption of the €350,000,000 5 3/8% 2020 Senior Secured Notes in the amount of 200 M€
- New bond issue in the amount of 200 M€ with maturity in 2023 with 1.9% spread
- Renegotiation and new Commercial Paper facilities in a global amount of €350 million, of which €125 million unused on 31/12/2015

**Maturity profile**

<table>
<thead>
<tr>
<th>Year</th>
<th>Bank loans</th>
<th>Bonds</th>
<th>USED Commercial Paper on 31/12/2015</th>
<th>UNUSED Commercial Paper</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>41</td>
<td>24</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td></td>
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<tr>
<td>2019</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>200</td>
<td>225</td>
<td>150</td>
<td>125</td>
</tr>
<tr>
<td>2021-2024</td>
<td>40</td>
<td></td>
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</tbody>
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**Cost of Debt**

- Before renegotiation: 4.2%
- Current: 2.5%
Increase efficiency and cost reduction initiatives

M2 Project – increase operating efficiency

- Launched in 2014 to promote the sustainable practices to increase productivity and reduction in operating costs
- During 2015, 96 initiatives were developed, within 26 areas, namely in the industrial areas
- Estimated impact of these initiatives in EBITDA in 2015 is approximately 13 M€

Lean Manufacturing Program

- Adoption of methods for pinpointing and eliminating waste as an integral part of the Group's corporate identity
- Long term aim: regroup organization around a more collaborative, multifunctional and multi-level culture, in which all employees take an active role in optimising flows and value added.
Portucel Shares: maintaining a high total shareholder return

- 5-year Total Shareholder Return of 31.4% per year (203.3% total);
- Market cap on Dec-2015: € 2.8 bln

Portucel vs. European Indexes in 2015
(31-12-2014 = 100)

Ex-dividend date 08/05/2015
Ex-dividend dates 18/12/2015, 23/12/2015

*Updated 31/12/2015; closing price of 3,596 €/share; source: Reuters
More diversified shareholder base since the exchange offer and reduction in participation by Semapa (which occurred in July 2015)

Shareholder Structure

Shareholders before the offer *
- 75.9%
- 6.6%
- 17.6%

Shareholders after the offer *
- 64.8%
- 6.6%
- 4.8%
- 3.3%
- 20.5%

Geographic Distribution of Current Shareholders**

- Portugal 38%
- USA 18%
- UK 12%
- Rest of Europe 7%
- Germany 4%
- Norway 21%

*Qualified holdings; ** excluding Semapa’s stake; rest of the world < 1%
Capex during 2015: 152 M€

**Current business**

- **Pulp and paper:** 67 M€
  - Pulp expansion at Cacia concluded, with start-up of new capacity at the end of June (€ 42 million)
  - General maintenance (€ 25 million)
  - Increase in tissue capacity at Vila Velha de Rodão almost concluded – expansion from 30,000 to 60,000 tons

- **Tissue:** 36 M€

**Future business**

- **Mozambique:** 18 M€
  - Construction of plant nursery in Mozambique, with production capacity of 12 million plants

- **Colombo:** € 32 M€
  - Main equipment ordered and start-up of civil works
Future business - Forest plantations in Mozambique accelerate growth

- Inauguration of nursery plant in Luá, with production capacity of 6 million plants; expansion of capacity of up to 12 million plants concluded, ramp-up until end of Q1 2016

- Additional 2 satellite nurseries being constructed with capacity of 2 millions plants each per year

- Team expansion: 240 full time workers and outsourcing of approximately 2,400 seasonal local workers

- Global increase in planted areas in Zambézia and Manica, currently totalling approximately 5.5 thousand ha

- Ongoing negotiation with potential equity partners
Future Business – Pellet mill construction underway

- Set up of the project team in Greenwood, South Carolina, with expatriate and local staff, totalling currently 27 workers
- Estimated 70 workers for start-up of operations
- Revised estimated capacity of 500,000 tons and final capex of USD 116.5 M
- Construction ending in April 2016 and start-up estimated in Q3 2016
- Long term take or pay contract for 40% of production
- Spot market for pellets pressured due to current oil market situation
• Conclusion of tissue expansion capacity at Vila Velha de Rodão (AMS) with additional 30,000 tons of jumbo reels

• Portucel approved the construction of an integrated tissue paper machine and 5 converting lines

• Total estimated capex of €120 million

• Final decision pending approval of financial and taxes incentives (June 2016)

• After conclusion, Portucel global tissue capacity will total 130,000 tons per year, of jumbo reels and of converting capacity
• Portucel presented strong operating results in 2015 and continues to work on its development and diversification projects, while also improving its efficiency

• Economic environment for 2016 will present additional challenges and exchange rates will continue to be crucial for producers profitability

• Pulp prices have registered some erosion in the past weeks and could be negatively impacted by turmoil in commodities and Asian markets

• Paper market could benefit from recent capacity reduction in Europe

• US anti-dumping measures have created some instability in different geographies, with more pressure from Asian producers in Europe and Latin America
The end