Presentation of Results

1st Quarter 2019

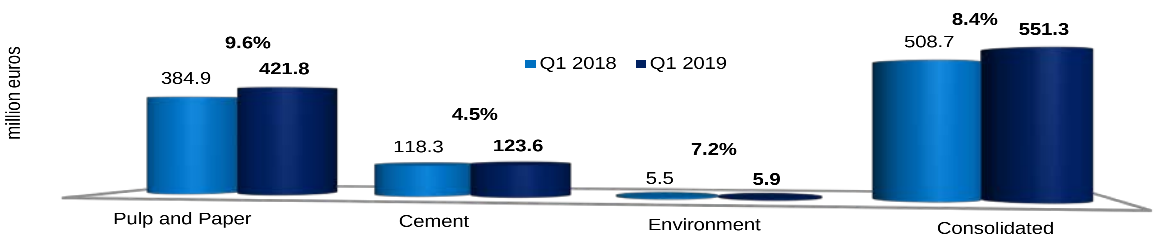
(translation from the original text in Portuguese)

Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.
Public Limited Company
Av. Fontes Pereira de Melo, nº 14, 10º, 1050-121 Lisboa
Companies Registry and Corporate Person no.: 502 593 130
Share Capital: 81.270.000 euros
ISIN: PTSEM0AM0004
LEI: 549300HNGOW85KIOH584
Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)

1. SEMAPA'S PERFORMANCE

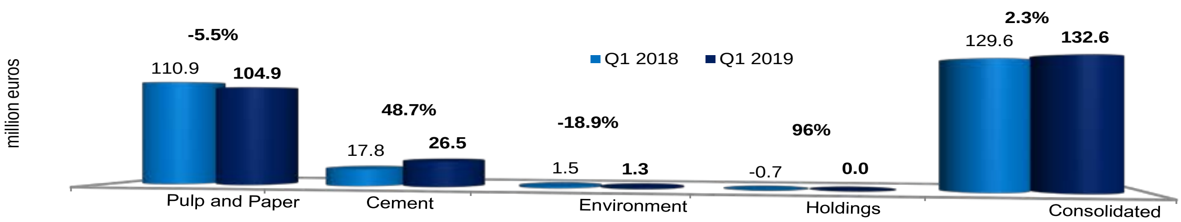
REVENUE

In the first quarter of 2019 the Semapa Group recorded consolidated revenue of 551.3 million euros, an increase of 8.4% from the same period in the previous year. Exports and foreign sales amounted to 403.4 million euros, accounting for 73.2% of revenue.



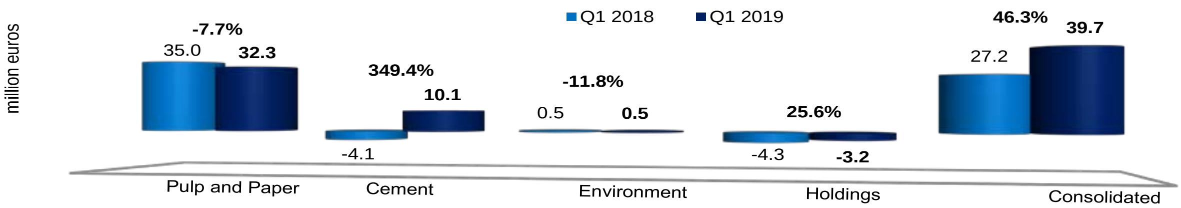
EBITDA

EBITDA for the first quarter of 2019 grew by 2.3% in relation to the same period in the previous year, standing at 132.6 million euros. The consolidated EBITDA margin stood at 24.0%, -1.4 p.p. bellow the one recorded in the first quarter of 2018.



NET PROFITS ATTRIBUTABLE TO SEMAPA SHAREHOLDERS

Profits before taxes increased 6.4% and net profit attributable to Semapa shareholders stood at 39.7 million euros, up by 46.3% in relation to the same period in the previous year.

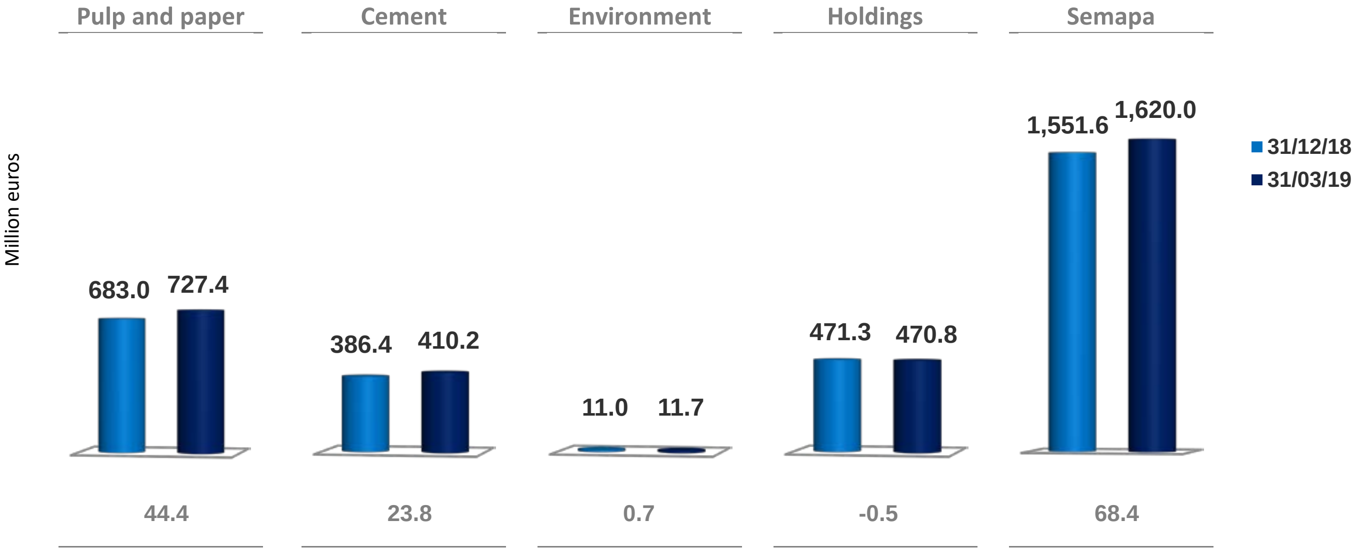


The Net Profit evolution is explained essentially by the combined effect of the following factors:

- An increase in EBITDA of approximately 3.0 million euros, Secil being mainly responsible for this growth. Excluding the impact of 9.4 million euros from the sale of the pellets business by Navigator that was recorded in the first quarter of 2018, the EBITDA would have increased by 12.4 million euros;
- An increase in depreciation, amortisation, impairment losses and provisions of 8.4 million euros (IFRS 16 impact and the beginning of depreciation of new Navigator investments);
- An improvement of net financial results by about 9.4 million euros, in relation to the previous year;
- Decrease of about 6.4 million euros in income taxes.

NET DEBT

On 1 January 2019 the Group adopted Accounting Standard IFRS 16, although the 2018 results were not restated. As a result of the implementation of the standard Net Debt increased 69.4 million euros (lease liabilities), against fixed assets, which were amortised against the corresponding cost recognized in External Supplies and Services.



On 31 March 2019, consolidated net debt stood at 1,620.0 million euros, representing an increase of 68.4 million euros over the figure recorded at year-end 2018. Excluding the effect of IFRS 16, net debt would have been 1,550.6 million euros, below the figure at the end of 2018. Such changes are positively influenced by the generation of operating cash flow and:

- Pulp and paper: +44.4 million euros, including investments of about 32.5 million euros, of which 4.6 million euros are own shares acquisition. The cash flow was impacted by the significant amount of investment in working capital, specifically due to (i) a significant rise in the balance receivable from the State in 2019, as a result of the deferral of VAT reimbursements, seeing that the receipt of debts owed by the State for two months (corresponding to January and February), totalling 45.1 million euros, only occurred in April, payments that in

2018 had already been made during the 1st quarter; (ii) the increase of 27.4 million euros in the amount of inventory of tissue, in particular, due to the development of new business, and of stocks of finished and intermediate products in Pulp, Tissue and UWF, in order to improve customer service and through initiatives of controlling the supply. Additionally, the impact of implementing IFRS 16 was 50.5 million euros;

- Cement: +23.8 million euros, which includes investments of 5.5 million euros and investment in working capital of approximately 14.5 million euros, mostly due to the increase in accounts receivable in Portugal due rising revenues. Furthermore, the impact of the implementation of IFRS 16 was 17.9 million euros;
- Environment: +0.7 million euros, mainly arising from difficulty in collecting the amounts billed to the Government. The impact of implementing IFRS was 0.3 million euros; and,
- Holdings: -0.5 million euros;

LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	**551.3**	**508.7**	**8.4%**
EBITDA	**132.6**	**129.6**	**2.3%**
EBITDA margin (%)	24.0%	25.5%	-1.4 p.p.
Depreciation, amortisation and impairment losses	(57.8)	(50.6)	-14.3%
Provisions	0.1	1.3	-92.8%
EBIT	**74.9**	**80.3**	**-6.8%**
EBIT margin (%)	13.6%	15.8%	-2.2 p.p.
Net financial results	(9.2)	(18.6)	50.5%
Profit before taxes	**65.7**	**61.7**	**6.4%**
Income taxes	(12.1)	(18.5)	34.7%
Net profit for the period	53.6	43.2	24.0%
Attributable to Semapa shareholders	**39.7**	**27.2**	**46.3%**
Attributable to non-controlling interests (NCI)	13.9	16.1	-13.7%
Cash-flow	111.3	92.5	20.3%
	31/03/2019	**31/12/2018**	**Mar19 vs. Dec18**
Equity (before NCI)	927.9	890.4	4.2%
Interest-bearing net debt	**1,551.0**	**1,551.6**	**0.0%**
Lease liabilities (IFRS 16)	69.1	0.0	-
Total	**1,620.0**	**1,551.6**	**4.4%**

LEADING OPERATING INDICATORS

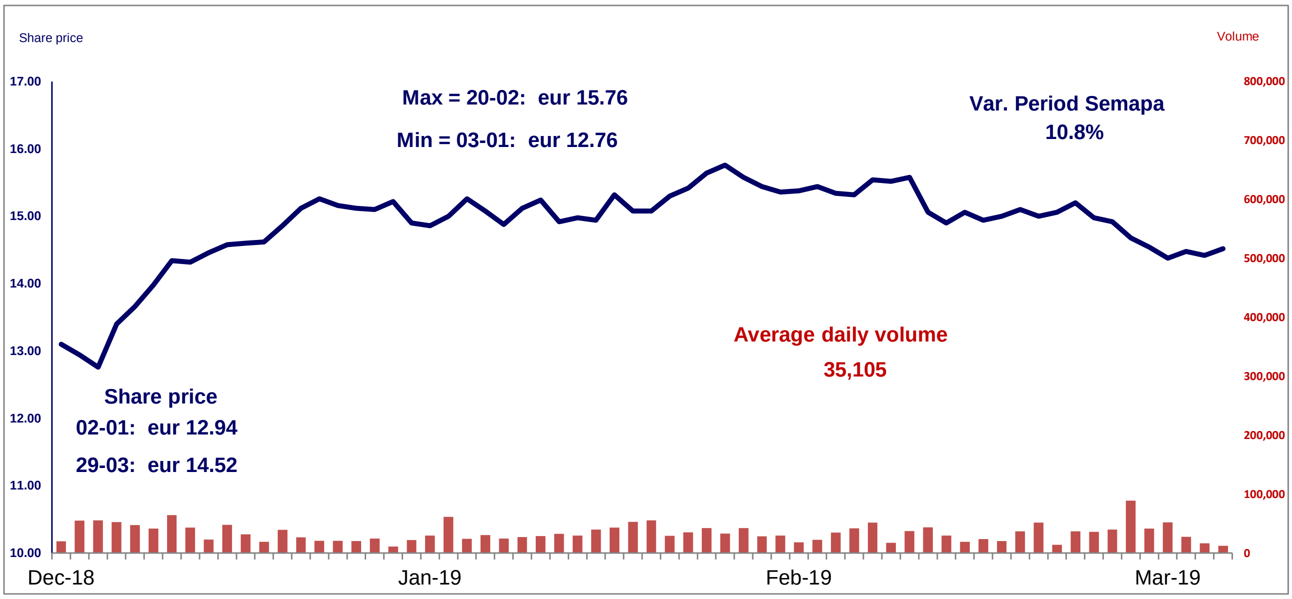
	Unit	Q1 2019	Q1 2018	Var.
Pulp and Paper				
BEKP Sales (pulp)	1 000 t	62.1	53.1	17.0%
UWF Sales (paper)	1 000 t	353.0	361.2	-2.3%
Total sales of tissue	1 000 t	23.7	13.4	76.2%
Cement				
Sales of Grey cement	1 000 t	1,204	1,241	-3.0%
Sales of Ready-mix	1 000 m3	427	372	14.8%
Environment				
Collection of raw materials - Animal waste	1 000 t	28.5	30.4	-6.5%

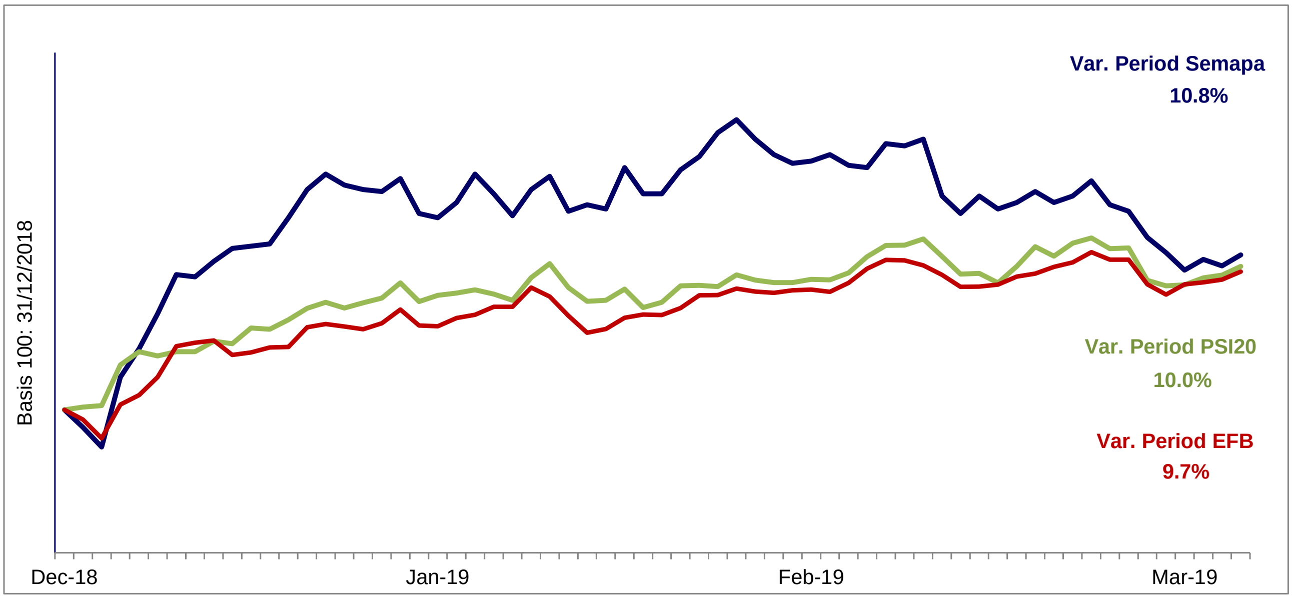
2. PERFORMANCE OF SEMAPA SHARES ON THE STOCK EXCHANGE

The end of 2018 was marked by losses in the stock exchanges, whilst the first months of 2019 brought a relative tranquillity to the financial markets. The markets reacted favourably to the easing of trade tensions between the USA and China, with the favourable news on the progress in the negotiations between the 2 countries, and the contents of the communications issued by the major central banks, especially by the Fed, which announced a hiatus in the rise of interest rates.

In this scenario of generalised calm, the main global indices moved in a positive direction, in some cases recording double-digit gains, namely in the main stock exchanges indexes of Milan, Paris and Lisbon. The Dow Jones index was no exception and rose by 11.2% in the first quarter of 2019.

In this context, the value of Semapa shares in the period increased 10.8%, in line with the PSI20 (+10.0%) and the EFB (+9.7%) average. Semapa share price recorded a minimum value on 3 January, and since then it has moved upwards, reaching a maximum value of 15.76 euros on 20 February.





EFB – Euronext Family Business Index

Note: Closing prices

3. PERFORMANCE OF BUSINESS SEGMENTS

BREAKDOWN BY BUSINESS SEGMENTS

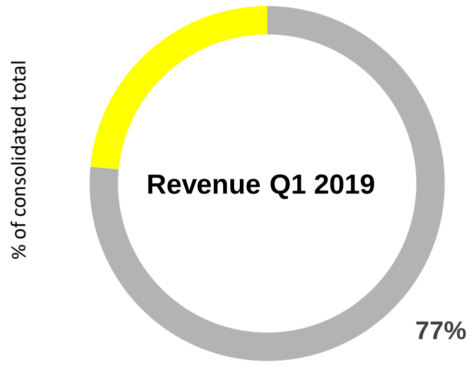
IFRS - accrued amounts (million euros)	Pulp and Paper		Cement		Environment		Holdings		Consolidated
	Q1 2019	19/18	Q1 2019	19/18	Q1 2019	19/18	Q1 2019	19/18	Q1 2019
Revenue	**421.8**	**9.6%**	**123.6**	**4.5%**	**5.9**	**7.2%**	**-**	**-**	**551.3**
EBITDA	**104.9**	**-5.5%**	**26.5**	**48.7%**	**1.3**	**-18.9%**	**(0.0)**	**96.2%**	**132.6**
EBITDA margin (%)	24.9%	-4.0 p.p.	21.4%	6.4 p.p.	21.1%	-6.8 p.p.			24.0%
Depreciation, amortisation and impairment losses	(41.2)	-9.4%	(15.7)	-29.6%	(0.8)	-3.8%	(0.1)	-63.8%	(57.8)
Provisions	(1.3)	-244.8%	1.4	249.3%	-	-	-	-	0.1
EBIT	**62.3**	**-15.9%**	**12.1**	**99.9%**	**0.5**	**-38.9%**	**(0.1)**	**85.8%**	**74.9**
EBIT margin (%)	14.8%	-4.5 p.p.	9.8%	4.7 p.p.	8.5%	-6.4 p.p.			13.6%
Net financial results	(3.9)	28.6%	(1.7)	81.8%	(0.1)	28.4%	(3.5)	6.6%	(9.2)
Profit before taxes	**58.4**	**-14.9%**	**10.4**	**434.9%**	**0.4**	**-40.6%**	**(3.6)**	**19.3%**	**65.7**
Income taxes	(11.9)	34.4%	(0.6)	-86.1%	0.1	133.3%	0.4	206.3%	(12.1)
Net profit for the period	46.5	-7.9%	9.8	385.5%	0.5	-11.8%	(3.2)	25.6%	53.6
Attributable to Semapa shareholders	**32.3**	**-7.7%**	**10.1**	**349.4%**	**0.5**	**-11.8%**	**(3.2)**	**25.6%**	**39.7**
Attributable to non-controlling interests (NCI)	14.2	-8.3%	(0.3)	-149.6%	0.0	-12.8%	-	-	13.9
Cash-flow	89.0	2.0%	24.2	191.6%	1.2	-2.9%	(3.2)	26.5%	111.3
Interest-bearing net debt	**676.9**		**392.3**		**11.3**		**470.5**		**1,551.0**
Lease liabilities (IFRS 16)	**50.5**		**17.9**		**0.3**		**0.3**		**69.1**
Total	**727.4**		**410.2**		**11.7**		**470.8**		**1,620.0**

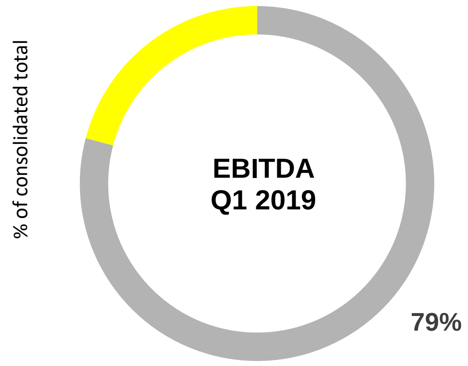
Notes:

- For the purpose of calculating the change in net debt the values of 31.12.2018 are used.
- Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

The Navigator Company ("Navigator") published its results on 09 May 2019, so only the highlights of that report will be presented herein. Secil and ETSA, which are not listed, did not publish their results. Therefore, their operations are described in more detail.

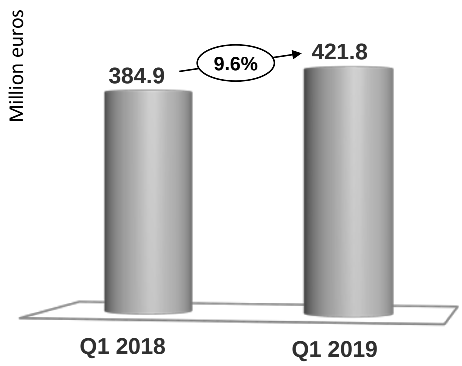
PULP AND PAPER



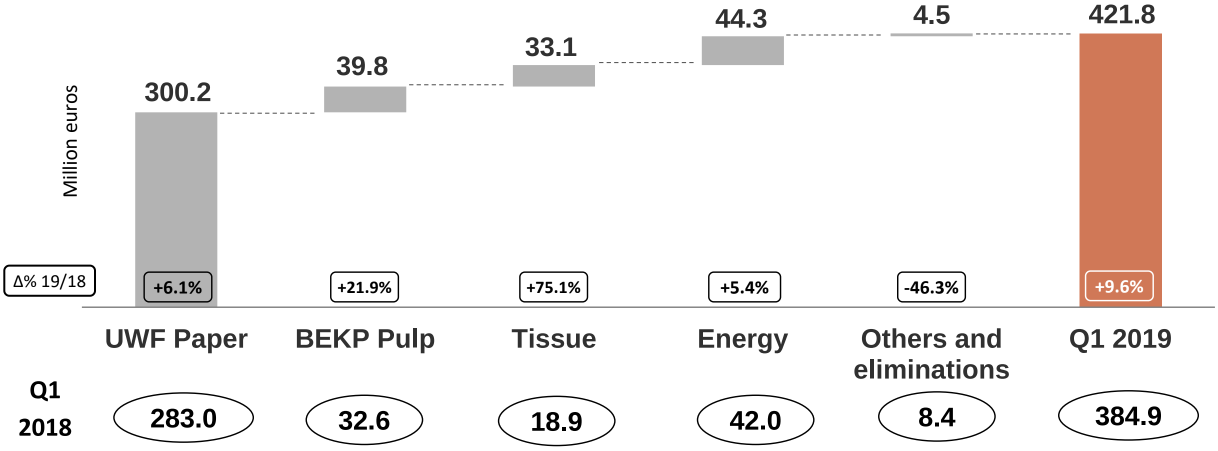


HIGHLIGHTS IN Q1 2019 (VS. 2018)

- Revenue evolved favourably in all segments, to 421.8 million euros (+9.6%).

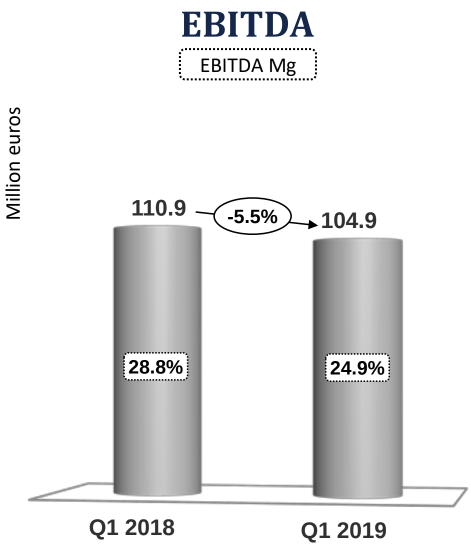


REVENUE BREAKDOWN BY SEGMENT:



- EBITDA of 104.9 million euros, -5.5% in relation to the EBITDA in the first quarter of 2018, which included the impact of the sale of the pellets business by 9.4 million euros.

- Excluding this effect, EBITDA would have grown +3.3% compared to the recurrent value of the first quarter of 2018.



SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	**421.8**	**384.9**	**9.6%**
EBITDA	**104.9**	**110.9**	**-5.5%**
EBITDA margin (%)	24.9%	28.8%	-4.0 p.p.
Depreciation, amortisation and impairment losses	(41.2)	(37.7)	-9.4%
Provisions	(1.3)	0.9	-244.8%
EBIT	**62.3**	**74.1**	**-15.9%**
EBIT margin (%)	14.8%	19.3%	-4.5 p.p.
Net financial results	(3.9)	(5.5)	28.6%
Profit before taxes	**58.4**	**68.6**	**-14.9%**
Income taxes	(11.9)	(18.1)	34.4%
Net profit for the period	46.5	50.5	-7.9%
Attributable to Navigator shareholders	**46.5**	**50.5**	**-7.9%**
Attributable to non-controlling interests (NCI)	(0.0)	0.0	-417.3%
Cash-Flow	**89.0**	**87.3**	**2.0%**
	31/03/2019	**31/12/2018**	
Equity (before NCI)	1,023.2	989.3	
Interest-bearing net debt	**676.9**	**683.0**	
Lease liabilities (IFRS 16)	50.5	-	
Total	**727.4**	**683.0**	

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

SUMMARY TABLE OF OPERATING INDICATORS

in 1 000 t	Q1 2019	Q1 2018	Var.
Pulp and Paper			
BEKP Output (pulp)	369.8	346.1	6.8%
BEKP Sales (pulp)	62.1	53.1	17.0%
UWF Output (paper)	363.9	385.8	-5.7%
UWF Sales (paper)	353.0	361.2	-2.3%
FOEX – BHKP Eur/t	872	824	5.8%
FOEX – A4- BCopy Eur/t	914	845	8.2%
Tissue			
Reels Output	26.4	14.1	86.7%
Output of finished products	18.0	13.6	32.2%
Sales of reels and goods	6.1	0.6	898.5%
Sales of finished products	17.6	12.8	37.1%
Total sales of tissue	23.7	13.4	76.2%

In the first quarter of 2019, the revenue of The Navigator Company totalled 421.8 million euros, up by 9.6% year on year. With sales of 300.2 million euros, the paper business segment accounted for 71.2% of revenue, energy accounted for 10.5% (44.3 million euros), pulp approximately 9.4% (39.8 million euros), and the tissue business 7.8% (33.1 million euros). There was a favourable evolution in the prices of UWF paper and BEKP pulp in the period compared to Q1 2018, and greater sales volumes of paper and pulp.

The production of **pulp** in Q1 2019 was around 370 thousand tonnes, a value that is 6.8% higher than that recorded in the same period of 2018, a period beset by restrictions in production, specifically due to various stoppages in Setúbal. The amount of pulp available for sale in 2019 was therefore greater than that of the previous year, but in line with the other previous first quarters, which resulted in a 17.0% increase in pulp sales to 62 thousand tonnes.

Over the course of the quarter, the reference selling price of pulp - BHKP PIX - in USD followed a trend of decline, and at the end of March it stood at 971 USD/t, a fall of about 5.2% in comparison with the year-end price of 1,024 USD/t. The average price of the index in the quarter was 991 USD/t, compared to 1,013 USD in Q1 2018, a decrease of 2.2%. However, the evolution in the EUR/USD exchange rate brought about a different evolution in the reference price of pulp in Euros, which evolved positively, with the average 2019 price being 872 €/t, vs. 824 €/t in 2018. Navigator 's average price evolved positively, above the PIX in Euros, if the sales of off-grade pulp associated with the start-up of the new capacity of Figueira da Foz are excluded, pulp sales reaching a value of approximately 39.8 million euros, a growth of 21.9%.

In the **paper** business, the sales of UWF totalled 353 thousand tonnes, an amount 2.3% lower year on year, basically due to deviations in production that resulted from the adjustments still underway in the production of heavyweights paper on paper machine 3 of Setúbal and a 4-day stoppage of production, due to the strike in January on paper machine 4 in Setúbal.

However, the favourable evolution of the selling price of paper allowed Navigator to register sales of 300.2 million euros, up by 6.1% year on year. In fact, the average reference price for paper UWF – A4 B-copy in Q1 was 8.2% above the average price year on year, evolving favourably over the course of the quarter. The average price of Navigator evolved above the index, driven by the implementation of price increases during 2018 and in the beginning of this year in Europe (which continued on throughout the quarter), and by the favourable evolution of the EUR/USD exchange rate.

In the **tissue** business, there was a significant increase of 76.2% in the volume sold, to 23.7 thousand tonnes, as a result of the start-up of the new tissue factory in Aveiro. Sales stood at 33.1 million euros, 75.1% above that in Q1 2018. This growth in volume represents two different evolutions in the business. On the one hand, the sales of finished product grew about 37.1% to 17.6 thousand tonnes, and on the other, Navigator recorded strong growth in the sales of reels (x9), totalling 6.1 thousand tonnes, which was practically inexistent last year.

Finished products and reels both recorded important increases in prices in comparison with Q1 2018, which were clearly necessary to compensate for the increased costs, especially for fibre/pulp, chemicals and energy. However, the faster growth of the reel business, typical in the initial production phase of a new tissue factory, altered the mix of products sold, impacting the average sales price.

In the **energy** business, at the close of the first quarter of 2019, the sales of electrical energy totalled about 44.3 million euros, which represents an increase of 5.4% year on year. This amount is essentially a reflection of the increase in the Brent reference price, which was 25% above the previous year's price. Electricity production is in line with the 2018 figures, registering approximately 551 GWh in the first quarter of the year.

Within this context, EBITDA stood at 104.9 million euros, which compares with the recurring EBITDA of 101.5 million euros in Q1 2018, excluding the positive impact of 9.4 million euros related to the sale of the pellets business in the US and benefitting 2.1 million from the implementation of IFRS 16. The EBITDA margin in Q1 2019 was 24.9%, which compares with the recurring 26.4% margin in 2018.

It should be mentioned that the production costs were negatively influenced by approximately 11.6 million euros rise in the cost of energy due to higher prices for the acquisition of electricity and natural gas. Fibres continued to have a negative impact at around 6.9 million euros, basically due to the increase in the acquisition of long fibre (mainly due to the new capacity of tissue production at Aveiro) and the acquisition of short fibre at the Vila Velha de Ródão plant. Also significant was the increased costs for the acquisition of wood, which was mainly due to the greater share of certified wood acquired in the domestic wood market, which went from 34% to 49% of the total; the price increase for woodchips on the international market; and the variation in the EUR/USD foreign exchange rate for wood purchases outside the Iberian Peninsula (an unfavourable variation from the point of view of wood supplies). In the fixed costs, the payroll expenses evolved favourably, but there was a negative evolution in the operating and maintenance costs.

Navigator actively pursued its M2 programme of cost reduction and operating excellency, recording a positive YoY impact of 2.9 million euros in EBITDA.

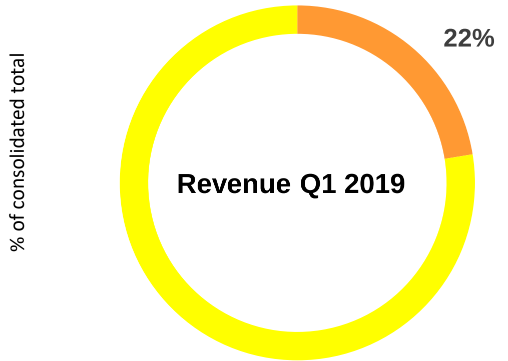
The impact of applying IFRS 16 was a decrease in costs with rents and leases in Supplies and Third-party Services by around 2.1 million euros and an increase in depreciations by about 1.9 million euros.

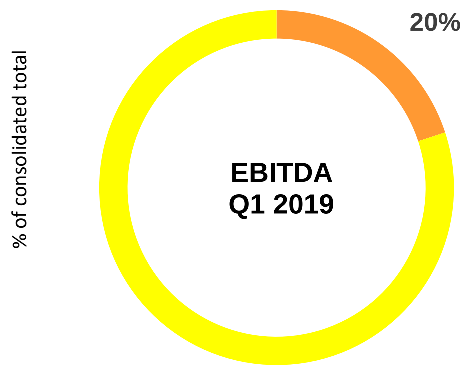
In Q1 2019, the financial results stood at negative figure of 3.9 million euros (vs. the negative 5.5 million euros in the same period of the previous year). There was a positive impact of 1.1 million euros resulting from the application of surplus liquidity and of 3.8 million euros deriving from the USD 45 million still to be received from the sale of the pellets business, in relation to which a reduction in net value vs. nominal value of 3.3 million euros was recorded last year. However, the foreign exchange revenue resulting from the hedge operations carried out by Navigator went in the opposite direction, with a negative evolution of 2.6 million euros (compared to a positive value at the start of 2018), and the implementation of the IFRS 16 had a negative impact of 0.4 million euros.

Net profit attributable to Navigator shareholders in the first quarter of 2019 totalled 46.5 million euros, i.e., a decrease of 7.9% vis-à-vis Q1 of 2018.

The overall investments of Navigator totalled 32.5 million euros in Q1 2019, of which approximately 19.2 million euros were invested in maintenance and current operations and 4.6 million euros were related to the conclusion of the new tissue factory at Aveiro. Investments during the quarter include a figure of 8.6 million euros allocated mainly to investments to improve the environmental and sustainability performance at Navigator’s plants.

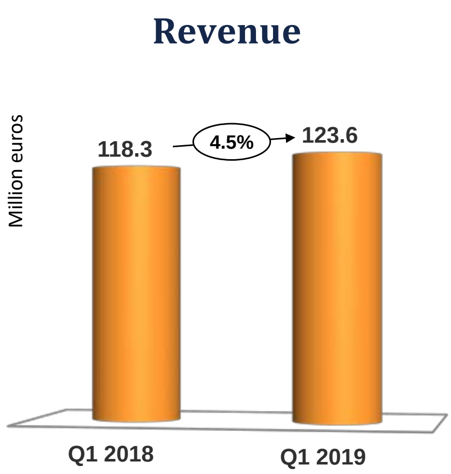
CEMENT AND OTHER BUILDING MATERIALS



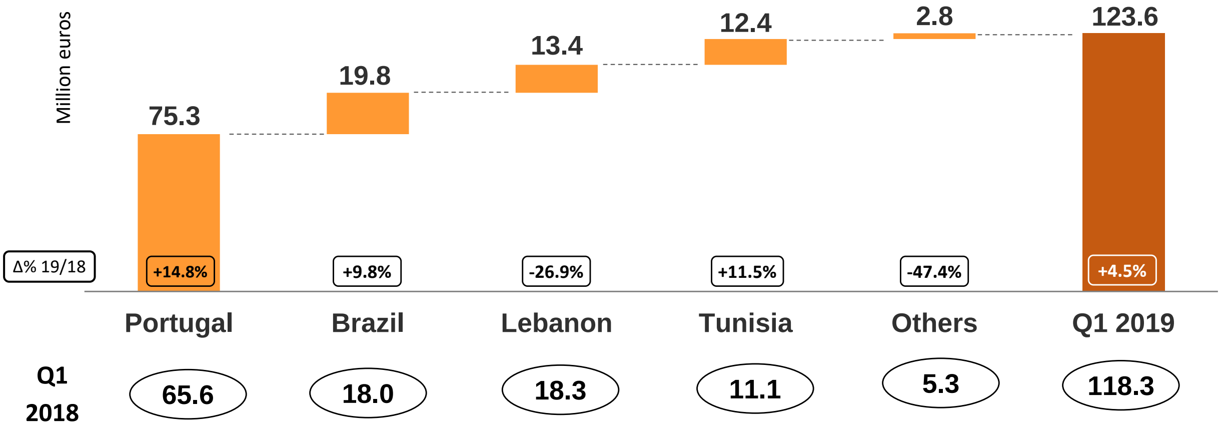


HIGHLIGHTS IN FIRST QUARTER OF 2019 (VS. 2018)

- Secil's accumulated revenue in March 2019 amounted to 123.6 million euros, 5.3 million euros (+4.5%) higher than that in the same period of the previous year. This increase was achieved despite the negative impact of around 3.6 million euros from the depreciation of some currencies against the euro in the countries where Secil operates.

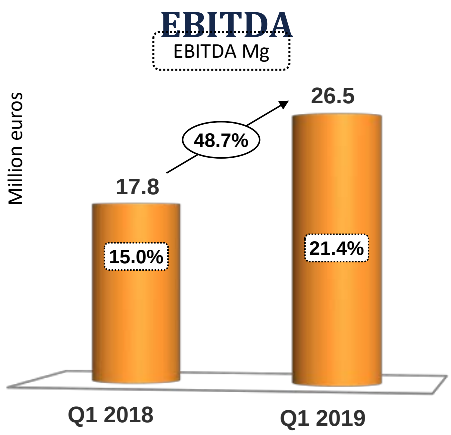


REVENUE BREAKDOWN BY COUNTRY:

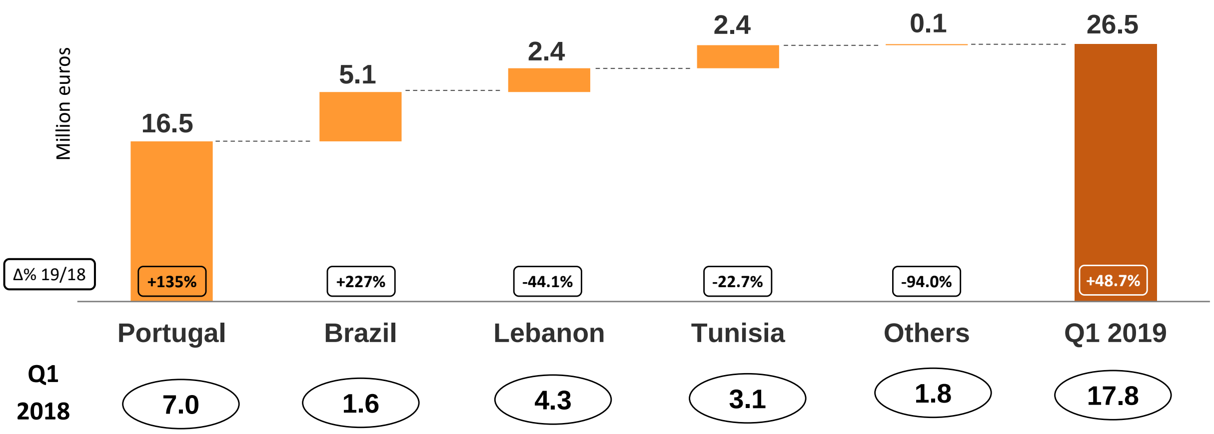


Note: Others includes Angola and Others

- EBITDA amounted to 26.5 million euros, which translated into an increase of around 8.7 million euros in relation to Q1 2018.
- Q1 2019 EBITDA benefits from the positive influence of 2.1 million Euros resulting from the implementation of IFRS 16.



EBITDA BREAKDOWN BY COUNTRY:



Note: Others includes Angola and Others

- Net financial profits amounted to -1.7 million euros, compared to -9.2 million euros in Q1 2018. This positive difference year on year is due to the exchange rate differences in accounts receivable and payable in foreign currency, earnings on financial instruments for exchange rate risk management, a decrease in financial costs due to the appreciation of the Brazilian real against the dollar, and also to the revenues received with the monetary correction from tax credits on sales in Brazil.

SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	**123.6**	**118.3**	**4.5%**
EBITDA	**26.5**	**17.8**	**48.7%**
EBITDA Margin (%)	21.4%	15.0%	6.4 p.p.
Depreciation, amortisation and impairment losses	(15.7)	(12.1)	-29.6%
Provisions	1.4	0.4	249.3%
EBIT	**12.1**	**6.1**	**99.9%**
EBIT Margin (%)	9.8%	5.1%	4.7 p.p.
Net financial results	(1.7)	(9.2)	81.8%
Profit before taxes	**10.4**	**(3.1)**	**434.9%**
Income taxes	(0.6)	(0.3)	-86.1%
Net profit for the period	9.8	(3.4)	385.5%
Attributable to Secil shareholders	**10.1**	**(4.1)**	**349.4%**
Attributable to non-controlling interests (NCI)	(0.3)	0.6	-149.7%
Cash-flow	**24.2**	**8.3**	**191.6%**
	31/03/2019	**31/12/2018**	
Equity (before NCI)	370.9	354.7	
Interest-bearing net debt	**392.3**	**386.4**	
Lease liabilities (IFRS 16)	17.9	-	
Total	**410.2**	**386.4**	

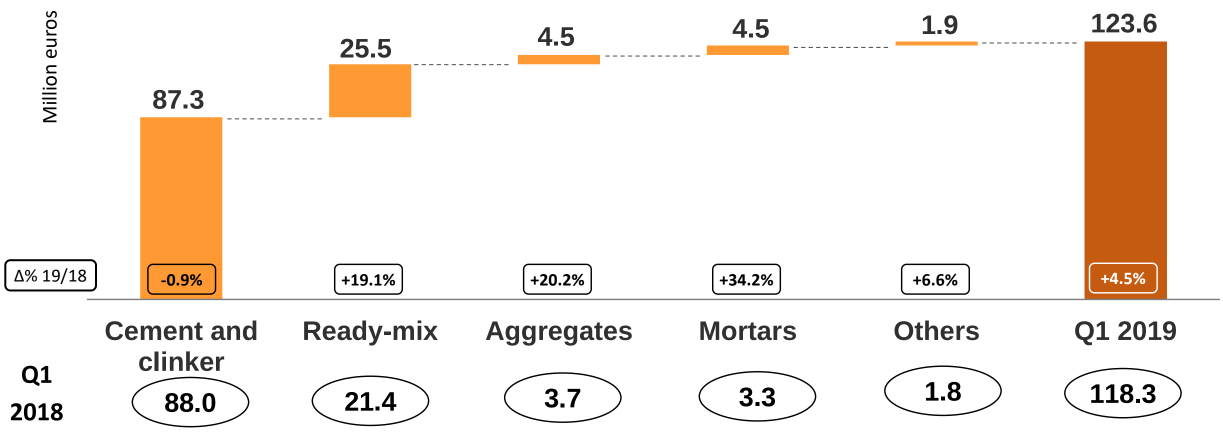
Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments. Revenue in 2018 and 2019 includes intra-group sales and may differ from those presented by each segment.

SUMMARY TABLE OF OPERATING INDICATORS

in 1 000 t	Q1 2019	Q1 2018	Var.
Annual cement production capacity	9,750	9,750	0.0%
Production			
Clinker	1,082	1,117	-3.1%
Cement	1,280	1,227	4.3%
Sales			
Grey cement	1,204	1,241	-3.0%
White cement	20	25	-18.9%
Clinker	106	180	-40.9%
Aggregates	802	722	11.1%
Precast	31	30	5.7%
Mortars	45	38	18.3%
Hydraulic lime	7	6	20.8%
Mortar fixative	5	5	-5.0%
in 1 000 m3			
Ready-mix	427	372	14.8%

Note: Volumes excluding inter-segment sales.

REVENUE BREAKDOWN BY SEGMENT:

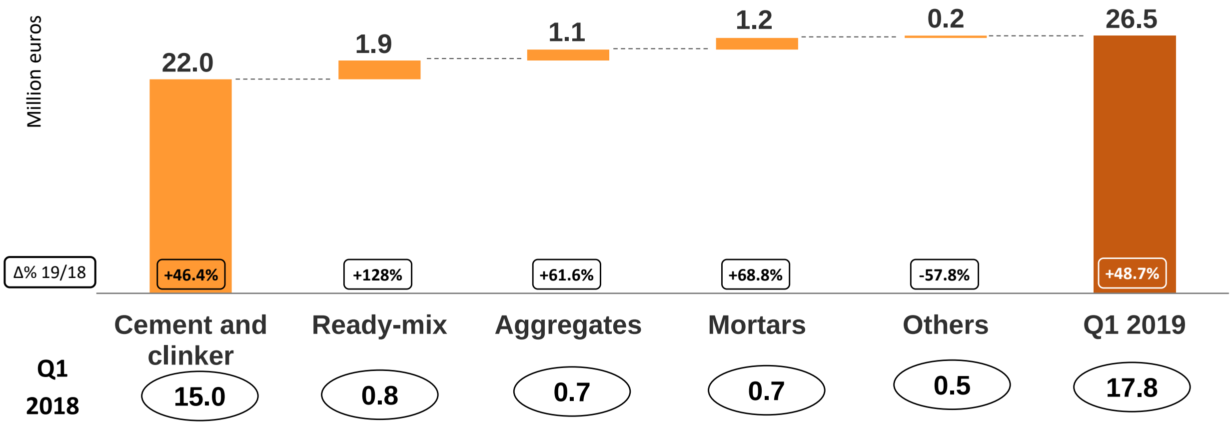


Note: Others includes Precast and Others.

Analysing by segment, the Cement and Clinker revenue dropped 0.9% compared with the 1st quarter of 2018, representing a smaller share of total operations (70.6% in Q1 2019 vs. 74.4% in the same period in 2018). This decrease is the result of lower volumes sold and the depreciation of some of the local currencies vis-a-vis the euro.

Ready-mix concrete volumes sold increased 14.8%, which resulted in a growth in Revenue of 19.1%.

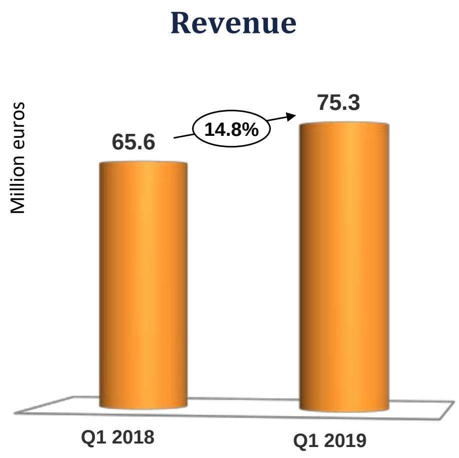
EBITDA BREAKDOWN BY SEGMENT:

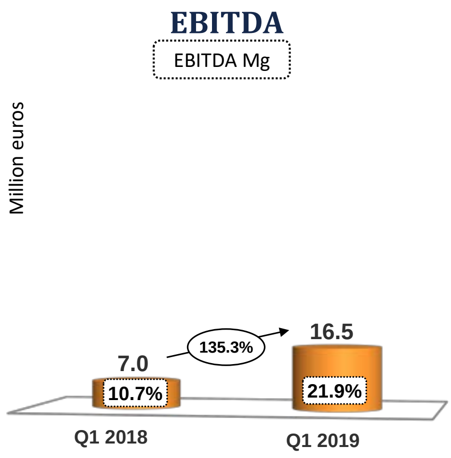


Note: Others includes Precast and Others.

EBITDA from Cement and Clinker in Q1 2019 was up by 46.4% compared with the previous year, standing at 22.0 million euros. Ready-mix concrete EBITDA increased by 128% against the first quarter of the previous year.

PORTUGAL





In Portugal, the Construction sector business was positive in Q1 2019. FEPICOP forecasts point to a real growth of 4% in the sector in 2019, with particular relevance to growth in the residential construction sector (+7.5%).

The consumption of cement in Portugal was marked by positive monthly variations year on year in Q1 2019, compared to the same period of the previous year, due to the market dynamics and the good weather during the period. It is estimated that the market grew around 22% in 2019, year on year.

Revenue for overall operations in Portugal was up by 14.8% compared to the same period in 2018, totalling 75.3 million euros.

Revenue in the Cement and Clinker business unit in Portugal totalled 44.1 million euros, a 7.6% increase year on year, resulting from increased domestic sales, where the increase in quantities sold was accompanied by a modest rise in the average selling price.

In the foreign market, surplus supply in Europe, the Mediterranean and West Africa continued to drive strong competition. Total export revenue decreased approximately 5.9%. This evolution was due to a 25% drop in the quantities of cement and clinker sold (a decrease resulting from the high price of CO2 licences, costing around 22 euros in the period), partially compensated by the approximately 14% increase in sales volumes at the terminals owned by Secil and by the more favourable mix of sales of cement vs. clinker.

In the other business segments with operations based in Portugal (Ready-mix concrete, Aggregates, Mortars and Precast), accrued revenue in March 2019 amounted to 31.2 million euros, up by 26.9% year on year.

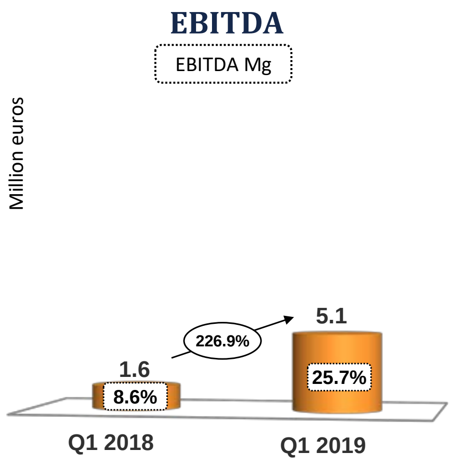
The increase took place in almost all areas of building materials, benefiting from greater building dynamics. The Concrete business unit recorded a 24.7% growth in volumes sold in the Portuguese market, and was positively influenced by sales of operations in Spain.

EBITDA of Portuguese operations increased by 135.3%, standing at 16.5 million euros vs. 7.0 million euros in the same period of the previous year.

The Cement business unit had an EBITDA of 12.2 million euros, higher than the year-on-year EBITDA recorded. In spite of the increase in variable costs, as a result of the rise in fossil fuel prices and electricity and the decrease in export sales, the higher sales volume in the domestic market and the sale of surplus CO2 licenses (amounting to 2.8 million euros in the period vs. 0.7 million euros year on year) pushed EBITDA above the levels of the same period in 2018.

The EBITDA of the building material business units amounted to 4.2 million euros, which compares to 2.1 million euros accumulated in March 2018. This increase was mainly due to the increase in amounts sold, despite the rise in variable production costs due to a lower availability of ash.

BRAZIL



It is estimated that growth in the cement market in Brazil was 1.3% in Q1 2019 with cement sales of producers in the southern region having increased by 3.2% compared to the same period of the previous year.

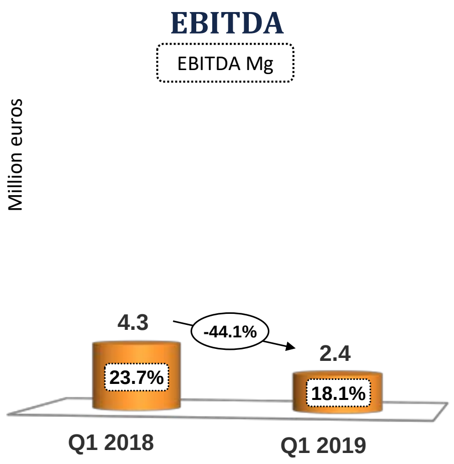
The revenue of combined operations stood at approximately 19.8 million euros, representing an increase of 9.8%, despite the depreciation of the Brazilian real against the euro, which had a negative impact of approximately 1.4 million euros. If the depreciation had not occurred, revenue would have been higher by 3.2 million euros.

Revenue of the Cement and Clinker business unit in Brazil registered growth of 14.1%, with a 17.8% increase in the amounts sold, year on year.

The increase in quantities sold was largely opposed by higher variable production costs, which increased by 19% and resulted from the increase in the costs of solid fuels and raw materials.

The EBITDA of activities in Brazil totalled 5.1 million euros, which compares with the 1.6 million euros recorded year on year. EBITDA of the period includes a gain of 3.4 million euros that resulted from Supremo having won a case heard in the Brazilian courts regarding the application of the PIS and Confins taxes on some sales. The corresponding gain was therefore recorded, corresponding to the refund of excess taxes paid, which will result from a deduction from future taxes owed.

LEBANON



In Lebanon, cement consumption in Q1 2019 is estimated to have been 35% lower, influenced by a long period of rains and a falling trend in the market due to the political and economic conditions in the country.

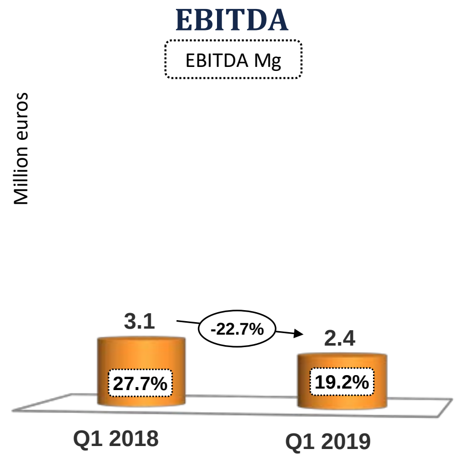
In the first quarter of 2019, revenue of combined operations in Lebanon decreased, comparing less favourably by 26.9% to the same period in the previous year, amounting to 13.4 million euros. This amount was positively affected by about 1 million euros due to the appreciation of the USD against the euro.

The Cement and Clinker revenue fell 27.9% year on year, basically influenced by the drop in quantities sold, a reflection of the downturn in the cement market. Sales prices in the local currency maintained levels similar to those in the Q1 2018.

Concrete revenue dropped 13.6% compared with the same period in 2018 to 1.1 million euros, as a result of the decrease of 17.5% in quantities sold and of 1% in sales prices. This decline in the amounts sold was due to the competition Secil faces in the areas where it operates and to the postponing of some projects in the order book.

EBITDA from operations in Lebanon stood at 2.4 million euros, down by 44.1% in relation to the same period of the previous year, mostly from the Cement unit. This decrease resulted mainly from the fall in quantities sold.

TUNISIA



In Tunisia, it is estimated that the domestic cement market shrank 7% year on year. The cement market is still subject to strong competition, due to excess production capacity. However, in 2019 sales prices increased, driven by the overall increase in the purchase prices of relevant materials with a significant weight in the price structure of cement producers.

The cement export market increased significantly the amounts sold, notwithstanding the constraints on the Libyan border and in obtaining foreign currency in the Libyan financial market.

Revenue for combined operations in Tunisia stood at approximately 12.4 million euros, up by 11.5% on a year-on-year basis. In the absence of the negative effect of the depreciation of the Tunisian Dinar against the Euro, there would have been a 29% increase.

The Cement and Clinker segment recorded revenue of 11.1 million euros, up by approximately 13.2%. In the domestic market, the amounts sold decreased around 7.9%. Most competitors increased sales prices in local currency by about 30%. The increase in fuel prices and electrical power year on year, and the overall rise in prices in Tunisia justified an increase in cement prices by the local producers.

Despite the limitations on exports mentioned above, it was possible to increase amounts sold by 13.2%, not only to the Libyan market, but also to other markets in West Africa, taking advantage of the existing production capacity.

Revenue in Concrete held steady in relation to the same period of the previous year.

In Q1 2019, EBITDA of activities in Tunisia stood at 2.4 million euros, representing a decrease of 22.7% in relation to the same period in 2018. This decrease is justified by the increased production costs, mainly for solid fuels, electricity and packaging, being partially offset by the increase in selling prices.

ANGOLA AND OTHERS

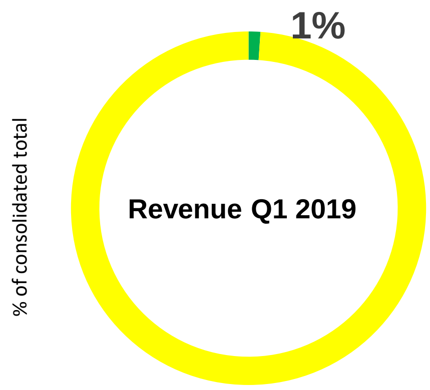
According to the latest figures available, the Angolan cement market was down by 34% compared to the same period in 2018.

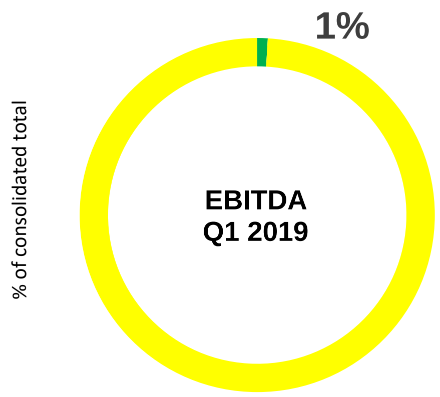
Cement volumes sold fell 29.3% in comparison to sales in the 1st quarter of 2018, amounting to 28 thousand tonnes of cement sold. In a context of strong inflation and significant depreciation of the Kwanza vis-à-vis the Euro, Secil has been implementing a strict price policy that can help it tackle significant increase in costs in the national currency and those arising from necessary imports. Under these conditions, the price of cement in the local currency increased by about 5% year on year, partially offsetting the fall in quantities sold.

Consequently, revenue totalled 2.8 million euros, an amount below that which was recorded in the Q1 2018, being affected by the currency depreciation, which produced a negative effect of 1.2 million euros.

Accumulated EBITDA in March 2019 amounted to 0.1 million euros, significantly below the value in the same period of 2018. Expenses were substantially affected by the depreciation of the Kwanza vis-à-vis the Euro. Variable costs rose 66%, mostly due to the increase in acquisition costs of clinker in the international market. On the other hand, fixed costs decreased year on year, which clearly illustrates the unit's efforts to control costs, considering the inflation in Angola and the acquisition of some materials for upkeep that are strongly pegged to the exchange rate.

ENVIRONMENT

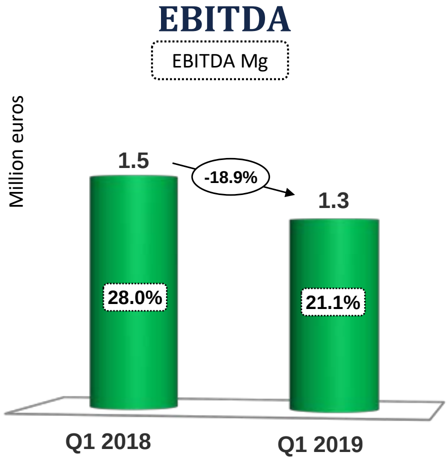




HIGHLIGHTS IN FIRST QUARTER OF 2019 (VS. 2018)

- ETSA recorded accrued revenue of about 5.9 million euros in March 2019, up by around 7.2% in comparison with the same period in 2018. This change is due to a 35.1% increase in sales, which was partially offset by a decrease of around 9.2% in consolidated services rendered.

- EBITDA totalled 1.3 million euros, down from the figure in the same period year on year, essentially due to a decrease in services rendered and in the collection of category 1 and 2 by-products.



SUMMARY TABLE OF FINANCIAL INDICATORS

IFRS - accrued amounts (million euros)	Q1 2019	Q1 2018	Var.
Revenue	**5.9**	**5.5**	**7.2%**
EBITDA	**1.3**	**1.5**	**-18.9%**
EBITDA margin (%)	21.1%	28.0%	-6.8 p.p.
Depreciation, amortisation and impairment losses	(0.8)	(0.7)	-3.8%
Provisions	-	-	-
EBIT	**0.5**	**0.8**	**-38.9%**
EBIT margin (%)	8.5%	14.9%	-6.4 p.p.
Net financial results	(0.1)	(0.1)	28.4%
Profit before taxes	**0.4**	**0.7**	**-40.6%**
Income taxes	0.1	(0.2)	133.3%
Net profit for the period	0.5	0.5	-11.8%
Attributable to ETSA shareholders	**0.5**	**0.5**	**-11.8%**
Attributable to non-controlling interests (NCI)	-	-	-
Cash-Flow	**1.2**	**1.3**	**-2.9%**
	31/03/2019	**31/12/2018**	
Equity (before NCI)	71.2	70.7	
Interest-bearing net debt	**11.3**	**11.0**	
Lease liabilities (IFRS 16)	0.3	-	
Total	**11.7**	**11.0**	

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

ETSA recorded revenue of around 5.9 million euros in the period in analysis, which represented an increase of approximately 7.2% against the same period in 2018.

The main cause of this variation was the accumulation of (i) an increase in the average amounts sold of class 3 by around 24.3% year on year, (ii) an increase in the average sales price of class 3 meal by around 54.7% compared to the same period in 2018, (iii) a decrease in the average sales price of class 3 fat by approximately 22.2%, and (iv) a drop of 9.2% in consolidated services rendered, mainly due to the decrease in invoicing for animals collected under the SIRCA agreement.

EBITDA totalled approximately 1.3 million euros in the first quarter of 2019, representing a decline of about 18.9% in comparison with the same period of the previous year, in spite of the aforementioned increase in revenues. This lower number is mainly justified by (i) the drop in the collection of category 3 raw materials in Q1 2019, which had a negative effect on the amounts produced and, consequently, the dilution of the fixed production costs, and (ii) the drop in the collection of categories 1 and 2, and, consequently, the corresponding invoicing of services rendered.

The EBITDA margin stood at 21.1%, down by around 6.8 p.p. from the margin for the same period of 2018.

Net financial results improved by about 28.4%, in relation to the previous year, mostly due to the reduction in average debt, in spite of the difficulty in collecting the amounts invoiced to the Portuguese State.

The combined impact of these factors resulted in a Net Profit attributable to ETSA shareholders in Q1 2019 of approximately 0.5 million euros, down by around 11.8% year on year.

VENTURE CAPITAL

At the close of 2018, Semapa, through its subsidiary Semapa Next, entered into a partnership with the North American company Techstars, one of the largest accelerators of start-ups in the world, to support and accelerate start-ups with a base in Lisbon.

In the first quarter of this year, 10 start-ups were chosen in the sectors of industry, logistics and mobility, and tourism and leisure. This was followed by an intensive 13-week programme focused on the development and acceleration of the technological solutions that the start-ups are creating, empowered by access to entrepreneurs, specialists, mentors, investors and leading organisations of the Techstars and Semapa Group global networks.

4. OUTLOOK

PULP AND PAPER

Demand for market pulp is expected to revive in the upcoming quarters, more visible in the second semester, particularly in September, albeit much subject to global economic performance, to the sentiment of buyers in China, in response to government stimulus measures and the negotiations with the US. The supply reductions for the coming months, through the conversion of paper grade pulp and maintenance shutdowns and increases in tissue capacity between 2019 and 2020 will be two of the main factors of rebalancing of the market, especially, in demand for short fibre pulp. With a slight upturn in demand and the absence of any significant increases in supply until the second half of 2021, a moderate upward evolution in pulp prices can be expected, for both fibres, over the second half of 2019.

In terms of **paper**, various producers have announced the closing and/or conversion of Uncoated Woodfree capacity in Europe (-200 thousand tonnes/year), in Asia (-750 mil thousand tonnes/year) and in Latin America (-180 thousand tonnes/year), which, in the face of an improvement in global demand, will make it possible to guarantee a more balanced market and compensate for the new investments in Uncoated. In the US, there is also the expectation of a significant decrease in the supply, due to a major North American producer abandoning the UWF business.

In the **tissue** business, 2019 will be a year of consolidation of the recent investments, with reflections at the level of increased global sales, the goal being to achieve important gains from the sales of finished product as the industrial operation matures and the market shares are strengthened, plus improving the business margins resulting from the substantial rise in prices carried out.

For Q2, expanded stoppages for maintenance are planned for the pulp plants at Setúbal and Aveiro, as well as at the paper factories of Setúbal and Figueira da Foz.

The macroeconomic environment is a major factor of uncertainty. The global economic slowdown and the current international setting of policies favourable to protectionism (with the major collateral effects that may come from them) are factors that Navigator cannot help but view with concern.

CEMENT AND OTHER BUILDING MATERIALS

Expectations for 2019 are positive for **Portugal**. The macroeconomic indicators point to growth, but at a slower pace than in the previous year. Developments in the external environment may play a decisive part in growth; most international organisations monitoring the global economy now share a more positive global outlook.

The Bank of Portugal has a positive outlook for the Portuguese economy, estimating a 1.7% GDP growth in 2019. Following production growth of 3.5% in the Construction sector in 2018, forecasts point to a slight increase in the pace of production, estimating a real increase of 4.0% in Sector activity in 2019.

Brazil is expected to grow 2.1% in 2019 (World Economic Outlook, IMF April 2019), which hints at an improvement in the conditions. The formation of the new Government creates an expectation of a stronger rebound in the economy. There are also high expectations on the Government’s infrastructure and privatisation programme, which may give a strong impulse to the construction sector. Therefore, the construction sector is expected to benefit from this programme during this year, which will largely be based on Public-Private Partnerships.

SNIC - National Cement Industry Union - expects a growth in the cement market of around 3% in 2019, which will represent the first positive development in over 4 years. Domestically, the Company’s restructuring process will continue, with the implementation of operating efficiency enhancement and cost reduction projects.

In **Lebanon**, according to the latest figures published by the IMF, the economy is thought to have grown 0.3% in real terms in 2018, with an expected growth in 2019 of 1.3% (World Economic Outlook, IMF, April 2019). Cement demand should decrease compared to 2018, considering the trends of recent years. The undertaking of reforms and the receiving of funds associated with the CEDRE programme may bring about an improvement in the country’s economic situation, but this depends on the carrying out of economic and financial reforms in regard to the sustainability of the public accounts. Possible developments in the Syrian conflict and the situation of Syrian refugees in Lebanon will produce a macroeconomic and market effect which cannot be anticipated at this stage. The current challenging competitive environment is expected to continue throughout the rest of the year.

In **Tunisia**, according to the latest figures published by the IMF, real GDP grew 2.5% in 2018, a growth of 2.7% being forecast for 2019 (World Economic Outlook, IMF, April 2019). The level of competition should remain strong, due to the excess supply in the country. However, the increase in sales prices seen at the close of 2018 and early 2019 makes it possible to expect positive trends in 2019. Tunisia is in a difficult financial situation, social instability may worsen as a result of reforms that the Government is forced to implement. Taxes and duties are expected to increase and the current political/economic situation will probably continue.

The outlook for **Angola** (World Economic Outlook, FMI April 2019) foresees a reversal of the recessionary trend of the last few years with a predicted economic growth of 0.4%. The Macroeconomic Stabilisation Programme (PEM), together with the National Development Plan (PDN) and, more recently, the Extended Fund Facility (EFF) signed by the Government of Angola and the IMF, in conjunction with the upward trend of oil prices on the international markets holds out the prospect of economic recovery in 2019, which will drive cement consumption up as 2019 progresses.

ENVIRONMENT

Considering the current framework of the sector operated by ETSA, improvement in the current conditions is expected, on the one hand due to larger outflow of proteins produced in Europe onto the Asian market and, on the other hand, to the upturn in business of European biodiesel producing companies.

In regard to the imports of biodiesel from Argentina, the application of customs barriers have been in effect in the EU since 28 February 2019. Such measures are expected to gradually restore biodiesel production levels in the EU and, consequently, result in an upturn in the level of demand for the corresponding raw materials.

ETSA's prime objectives in the short term include (i) concentrating on the horizontal expansion of its production and destination markets (exports accounted for around 63.0% of total accumulate sales on 31 March 2019), (ii) identifying new opportunities for vertical growth, channelling its investments to improving operational efficiency, extracting maximum value from the channels operated and retaining the loyalty of the main conventional and alternative collection centres, (iii) the gradual and progressive recovery of balanced sales margins in the market, and (iv) focus on sustained innovation and research and development addressed at ensuring new profit thresholds for the business.

Lisbon, 14 May 2019

The Board of Directors

FINANCIAL TIMETABLE

Date	Event
26 July 2019	Presentation of Results of the 1st Half of 2019
31 October 2019	Presentation of Results of the 3rd Quarter of 2019

DEFINITIONS

EBITDA = EBIT + Depreciation, amortisation and impairment losses + Provisions

EBIT = Operating profit

Operating profit = Earnings before taxes, financial results and results of associates and joint ventures as presented in the Income Statement in IFRS format

EBITDA LTM = EBITDA in the last twelve months

Cash-flow = Net profit for the period + Depreciation, amortisation and impairment losses + 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

DISCLAIMER

This document contains statements that relate to the future and are subject to risks and uncertainties that can lead to actual results differing from those provided in these statements. Such risks and uncertainties are due to factors beyond Semapa's control and predictability, such as macroeconomic conditions, credit markets, currency fluctuations and legislative and regulatory changes. Statements about the future made in this document concern only the document and on the date of its publication, therefore Semapa does not assume any obligation to update them.

This presentation of results is a translation of a text originally issued in Portuguese. In the event of discrepancies the Portuguese language version prevails.