

1ST QUARTER 2016 REPORT

The Navigator Company, S.A.
Public Limited Company

Headquarters: Mitrena Apartado 55,
2901-861 · SETÚBAL · PORTUGAL
Corporate Entity: 503 025 798
Share Capital: €717 500 00
Registered at the Commercial
Register of Setúbal



THE
NAVIGATOR
C O M P A N Y

DIRECTORS' REPORT

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The Navigator Company

On 5 February 2016 the Portucel Soporcel Group changed its corporate brand to The Navigator Company. Inspired by their leading paper brand, this new identity represents the coming together of companies with a history dating back more than 60 years. The rebranding sets out to convey a contemporary image in tune with the reputation enjoyed by one of Portugal's largest business groups, with a strong international presence.

The 2016 1st Quarter accounts are the first to be reported using the new identity.

HIGHLIGHTS: 1ST QUARTER 2016 (VS. 1ST QUARTER 2015)

- Sound performance in the quarter, with turnover at € 384.6 million
- EBITDA up 14.9% to € 93.5 million, and EBITDA/Sales margin improves to 24.3%
- Very positive performance in paper business: Group breaks its own record for first quarter sales volume
- Lower electricity tariffs for sales to national grid bring down value of power sales
- Investment plan progressing as expected
- Financial costs reduced by € 6 million
- Net debt evolves as expected with Net Debt /EBITDA ratio kept within prudent levels
- Navigator's rating upgraded by Moody's to Ba2

1. SUMMARY OF LEADING INDICATORS – IFRS (UNAUDITED FIGURES)

	Q1	Q1	Variation	Q4	Variation
Million euros	2016	2015	%	2015	%
Total Sales	384.6	388.8	-1.1%	423.7	-9.2%
EBITDA ⁽¹⁾	93.5	81.4	14.9%	96.0	-2.6%
Operating profits (EBIT):	56.4	54.2	4.1%	75.1	-24.9%
Financial Results	- 2.7	- 8.7	-68.7%	- 5.4	-49.3%
Net Income	44.7	41.8	7.0%	54.5	-17.9%
Operating Cash Flow	81.8	69.0	18.6%	75.3	8.6%
Free Cash Flow⁽²⁾	18.0	51.7	-33.7	62.6	-44.5
Capital Expenditure	49.0	12.8	36.2	35.4	13.6
Interest-bearing Debt ⁽³⁾	636.4	282.2	354.2	654.5	-18.0
EBITDA / Sales	24.3%	20.9%	3.4 pp	22.7%	1.7 pp
ROS	11.6%	10.7%	0.9 pp	12.9%	-1.2 pp
ROE	14.5%	11.4%	3.1 pp	17.5%	-3.0 pp
ROCE	12.0%	12.4%	-0.4 pp	16.1%	-4.1 pp
Financial Autonomy	51.2%	55.0%	-3.8 pp	52.9%	-1.7 pp
Net Debt / EBITDA⁽⁴⁾	1.6	0.9		1.7	

(1) Operating profits + depreciation + provisions

(2) Var. Net debt + dividends + purchase of own shares

(3) Interest-bearing net debt – liquid assets

(4) EBITDA corresponding to last 12 months

2. ANALYSIS OF RESULTS

1st Quarter 2016 vs. 1st Quarter 2015

The Navigator Company recorded sound performance during the first quarter of 2016, with turnover totalling € 384.6 million. Despite positive performance in paper, pulp and tissue, the Group's turnover was negatively affected by a reduction in the value of power sales, caused by the revision of the national grid tariff for power from the Figueira da Foz cogeneration plant.

In the European uncoated woodfree (UWF) paper sector, production capacity contracted significantly (by around 7%), allowing an improvement in capacity utilization rates. At the same time, exports fell and imports into the European market increased, whilst estimates point to a reduction in apparent consumption of approximately 3%. In this context, the Group recorded sales of 378 thousand tons, its highest ever figure for the first quarter of the year, up by 4.6% on its sales volume in Q1 2015. The Pix A4-B copy index improved by 2.8%, and the Group's price in the European market rose in line with the index. As a result, paper sales totalled € 297 million euros in value, representing growth of 4.9%.

In bleached eucalyptus pulp (BEKP) business, the Navigator Company enjoyed strong performance in the first quarter of 2016, sustained by the sales volume and the average sales price, up respectively by 13% and 2% in relation to the first quarter of 2015. The increase in the sales volume was due essentially to the increased availability of pulp resulting from capacity expansion at the Cacia mill carried out in 2015. Pulp prices were higher than in the first quarter of 2015, despite the downward tendency observed globally since late 2015. Since the start of 2016, the PIX BHKP index has dropped 10% in USD and approximately 13% in Euros, with an even more significant downward adjustment in prices in the Asian market. Accordingly, pulp sales in the quarter grew by 15%, to a total of € 35 million.

In the power sector, maintenance operations and major repairs were completed on the pulp mill turbogenerators in Cacia and Setúbal during the first quarter of 2016. Planned maintenance operations were also carried out at the natural gas cogeneration plant at the Setúbal industrial complex. As from February, natural gas cogeneration has switched to an own-consumption only basis, reducing the volume of power sales to the national grid and also reducing purchases of electricity.

Falling Brent prices in recent months have influenced the price of power sales from the Setúbal gas co-generation plant and reduced purchase prices for natural gas for a range of users.

Total gross power generation in the first half of 2016 was accordingly down by 14.4% in relation to the same period in 2015. The volume of power sales (in MWh) fell by 25%, due in part to the switch to own-consumption at the Figueira da Foz gas co-generation plant. The two stand-alone biomass power plants recorded an increase in gross power output of 3.3%.

In the tissue sector, business progressed as expected, with growth of approximately 22% in the sales of products and goods from the Vila Velha de Ródão plant (in tons sold) in the first quarter of 2016, thanks to the expansion in production and converting capacity over the course of 2015. The increase in quantities sold, combined with a slight decline in the average sales price, resulted in tissue sales worth € 15.9 million.

On the cost side, a reduction in specific consumption of wood has made it possible to bring down production costs. Evolution of the wood supply mix, with larger percentages of wood sourced from the Portuguese market and of own wood, has made it possible to cut the overall cost of this raw material.

Improvements were also recorded in logistical costs for paper and pulp, thanks to falling oil prices and to efforts to improve and achieve efficiencies in the Group's export logistics.

In this scenario, consolidated EBITDA surged to € 93.5 million, up by approximately 15% on the first quarter of 2015 and pushing the margin up by 3.4 pp to 24.3%.

Attention should also be drawn to the negative impact on EBITDA of approximately € 2.7 million from application of the anti-dumping duty in the United States in the reporting quarter.

Operating cash flow stood at € 81.8 million, up by 18.6 % on the same period in 2015. Despite sound operational performance, free cash flow was brought down (to € 18 million, as compared to € 51.7 million), as a result of the higher level of capital expenditure and increased investment in working capital, especially in relation to stocks, reflecting a normal reaction after the sales effort at the end of the year. Operating income also rose by 4.1%, to a total of € 56.4

million. Depreciation in the quarter stood at € 36 million, up by € 2.9 million on the same quarter in 2015, as a result of the new capital projects.

Financial results in the period showed a clear improvement, with a loss of € 2.7 million, in contrast to a loss of € 8.7 million in the first quarter of 2015. This improvement was due fundamentally to a reduction in borrowing costs as a result of the Group's restructuring of its debt in the second half of 2015. In September, the Navigator Company redeemed Portucel Senior Notes 5.375% worth € 200 million, ahead of their maturity in 2020, and then issued new notes with the same value but a longer maturity, and a spread of 1.9%; the Group also renegotiated and extended the maturity of a commercial paper programme with a value of € 125 million, on more favourable market terms. Despite a drop in financial investment income as a result of lower liquidity, the net cost of financial operations fell by approximately € 3.1 million in the quarter. Foreign exchange income also performed well, improving by € 2.8 million in relation to the same period in the previous financial year.

As a result, consolidated net income for the period stood at € 44.7 million, up by 7.0% in relation to the first quarter of 2015.

1st Quarter 2016 vs. 4th Quarter 2015

Comparison with the final quarter of 2015 points to the seasonal fluctuations observed at the end and at the start of each year. Turnover in the first quarter of 2016 was down by 9.2% in relation to the figure recorded in the previous quarter, as a result of a reduction in the volume of pulp and paper sales, as well as lower pulp prices.

Despite setting a new record for the first quarter, the volume of paper sales was around 11% lower than in the 4th quarter of 2015. In terms of price, the tendency was positive, with the Group's average price rising by close to 1.9%. This figure reflects the latest price increase, implemented in early 2016.

In volume, pulp sales (BEKP) fell by 4.5% in relation to the 4th quarter, and the Group's average price was also lower, in line with the downwards tendency in the market.

In the power business, as reported above, application of the new tariff for power sales to the national grid from the Figueira da Foz natural gas co-generation plant lay behind the decision to switch to an own-consumption only basis, resulting in a reduction in sales to the national grid and also a reduction in the Group's overall average sales price.

In this context, EBITDA totalled € 93.5 million for the quarter, as compared to € 96.0 million in the fourth quarter, although the EBITDA / Sales margin improved to 24.3% from 22.7%.

3. MARKET ANALYSIS

3.1 UWF Paper

In late 2015, two units of significant size in the European market discontinued operations in the UWF market. This development pushed the capacity utilization rate to a high level at the same time as European exports fell sharply, optimising the sales mix of European manufacturers. Another consequence of the reduction in capacity was an increase in imports, especially from Asia. Despite difficulties in reliably measuring the evolution of consumption, estimates point to a drop in apparent consumption in Europe of around 3%, clearly smaller than the year-on-year reduction in the number of working days in Europe.

In this context, market prices in Europe continued to rise, in line with the trend which started in 2015, and the Navigator Company put up its standard prices in Europe during the period.

In the US, apparent consumption of UWF paper rose by 1.2% up to February, with a very significant drop in imports, down by around 16%, as a result of anti-dumping measures imposed on Chinese, Australian, Brazilian and Portuguese manufacturers. Even so, the capacity utilization rate stood at 92%, with no significant change from the figure recorded in the previous year.

In this context, the Group recorded in the first quarter of 2016 its highest ever figure for the volume of paper sales, up by around 5% on 2015, on the strength of continued expansion into new geographical regions and improved penetration in Latin America, the Middle East and Africa. Sales in Europe were up by 3% on 2015, supported by the Group's mill brands and premium products, widely recognised for their quality in European markets.

As a result, the Group continued to operate, as usual, at 100% of its capacity, with order books at fairly comfortable levels. Special attention should be drawn to the performance of the Soporset brand over the period, with significant growth in the European printing market.

3.2 BEKP Pulp

The sharp slowdown in BEKP purchases by Chinese buyers continued into early 2016, with a significant impact on the balance of the international market. The global capacity utilization rate in BEKP dropped from 91% in 2015 to 85% in the first quarter of 2016. As a result, the benchmark price in the industry opened the year at a high level but then started on a downwards course, and has dropped around 10% in USD and 13% in EUR since the start of the year.

The Group's sales bucked this trend and totalled 65 thousand tons, 9% up on the same period in 2015; once again, the Group improved its position in the decorative and special papers segment, for which its market pulps are ideally suited.

3.3 Tissue

Demand for tissue paper in Western Europe started the year on an upwards course, growing by around 5% in relation to the first quarter of the previous period. This shows that demand growth is holding steady in relation to the overall figure of 4% recorded in 2015. The corresponding figures for growth in output in Western Europe are 4% and 3% (2016 versus 2015 and 2015 versus 2014 respectively).

The Group's tissue business grew by 17% in relation to the first quarter of 2015. Sales on the

Portuguese market stood at around € 10 million, accounting for 66% of total volume. Practically all the Group's other tissue sales were to Spain, totalling approximately € 5 million.

Although performance was clearly positive, the increase in capacity achieved in September 2015 means that 2016 will be a challenging year, in which the company's aim will be to move quickly to maximise the utilization rate of the production lines.

4. OPERATING INDICATORS

Pulp and paper

(in 000 tons)	Q1 2016	Q2 2015	%	Q4 2015	%
BEKP output	370	343	+8.1%	364	+1.6%
BEKP sales	65	57	+12.7%	68	-4.5%
UWF output	398	374	+6.2%	426	-6.7%
UWF sales	378	361	+4.6%	425	-11.2%
FOEX – BHKP Euros/ton	695	660	+5.2%	730	-4.8%
FOEX – A4- BCopy Euros/ton	836	814	+2.8%	832	+0.5%

Tissue

(in 000 tons)	Q1 2016	Q2 2015	%	Q4 2015	%
Reels Output	11	7	56%	11	0%
Output of finished goods	10	9	+16%	10	0%
Sales of reels and goods	2	0	na	1	na
Sales of finished products	10	9	9%	9	8%

Energy

(in 000 tons)	Q1 2016	Q2 2015	%	Q4 2015	%
Output (GWh)	508	594	-14%	507	0%
Sales (GWh)	390	518	-25%	413	-6%

5. STRATEGIC DEVELOPMENT

Over the course of the first quarter, the Group pressed ahead with developing the alternative areas for growth set out in its strategic plan. Investment totalled approximately € 49 million, including € 10 million in pulp, paper and tissue business, € 6 million on the project in Mozambique, and € 33 million on the pellets factory in the United States.

Tissue project

One year on from the acquisition of the former AMS (now Navigator Ródão), marking the Group's move into the tissue segment, with rated capacity of 6 thousand tons of reels and 64 thousand tons of converted products, the company has been successfully integrated into the wider Navigator Group in terms of its information, organisation, marketing, logistical, financial and human resources systems. Significant synergies have been achieved and have contributed to this quarter's results.

For the Cacia site, the Group has conditionally approved a project for a tissue production line, including conversion into final products, with rated annual capacity of 70 thousand tons. This project is budgeted at € 121 million and is expected to increase the Group's production capacity to 130 000 tons/year. The go-ahead for this project is dependent on the approval of state incentives. Preliminary studies on the paper machine are practically complete and work is nearing completion on the technical and business analysis for the converting facilities.

Pellets

Colombo Energy Inc. is the company soon to start operating the new pellets factory in the USA (in Greenwood, South Carolina). Construction is already at the final stage and contracts have been awarded for 96.5% of the capital investment of USD 116.5 million; 53 members of the planned workforce of 70 have already been recruited.

Work on fitting the equipment is due to be completed in May 2016, and commissioning and trials are set to start before the end of the same month, with production planned to start up in late July.

Mozambique

Planting work continued during the first quarter of 2016, using plants supplied by the Forestry Nurseries in Luá, the largest facility of its kind in Africa. A total of 2,200 hectares were planted in the reporting period.

The political and economic situation in the country is unstable, which presents additional challenges, in terms of the security of everyone involved and also the security of supplies of products needed for the project. Pressure on the Metical has resulted in inflation, a problem which became serious in 2015 and continues to get worse.

Efforts have continued to implement the company's Social Development Programme. This consists of investing in the communities living in the project area and is expected to make a significant contribution to improving the living conditions of all those involved.

6. COST CUTTING MEASURES

M² Programme

The M2 programme moved into its second phase in 2016. A total of around 100 initiatives are now under way, some of them new and others continuing from 2015, with an estimated impact on EBITDA in 2016 of approximately € 11 million, once again focussed primarily on manufacturing divisions.

A number of measures have been implemented during the first quarter of 2016 to stabilise and apply the programme more systematically. These included monthly progress meetings at Plant Management level, a new template for recording and monitoring the financial impact of measures and allocation of M2 coordination responsibilities to a specific member of management at each plant, who will coordinate the programme internally and liaise with central management.

“Navigator Lean System” Programme

The Lean programme completed the design stage in 2015 and efforts during the reporting period centred on finalising and validating needs assessments in the pilot areas, identifying a

catalogue of 70 operational improvement projects with an estimated impact on EBITDA of € 4.6 million, including € 1.2 million in 2016.

In keeping with the organisational strategy of rolling out new approaches, the operational model currently being piloted will be replicated initially in all other manufacturing divisions, with opportunity assessments scheduled for the end of this year. The first quarter also saw the start-up of the Lean Management training programme aimed at manufacturing and service personnel. This will create the skills base in waste reduction methods needed to consolidate the lean manufacturing strategy established.

7. FINANCIAL

At the end of the first quarter, the Group's net debt stood at € 636.4 million, down by € 18 million from year-end 2015, reflecting capital expenditure of € 49 million. Gross debt stood at € 693 million, down by € 34.1 in relation to the amount recorded at the end of the previous year. This reduction was due essentially to repayment of a loan of 15 million euros and a decrease in use of a commercial paper facility at the end of the quarter.

The Net Debt/EBITDA ratio stood at 1.6 at the end of March, as compared with 1.7 at the end of 2015; this level was in line with expectations, considering the investment plan currently being implemented.

After concluding a series of refinancing operations during the second half of 2015, the Group increased its interest rate exposure. This led it to negotiate a series of interest rate swaps, some of them in early 2016, and at the end of the 1st quarter it had 69% of its borrowing on a fixed rate basis, with an average total cost of gross borrowing of 2.58%.

After the close of the quarter, the Company announced the early repayment of the remainder of the Portucel Senior Notes 5.375% issue, maturing in 2020, with a value of 150 million euros. The notes will be repaid on 13 May 2013 by completing fresh financing operations, for which the contractual arrangements are currently being finalised and which reflect current market conditions, more favourable than those prevailing when the notes were issued. This operation will provide a saving, net of the redemption premium, of € 16 million over the next four years.

The Navigator Company estimates that the average cost of its borrowing after completing these transactions will be less than 2%.

In early March, Moody's upgraded the Group's long term rating from Ba3 to Ba2, classifying its outlook as stable. Explaining its decision, the rating agency pointed to Portucel's consistently sound performance over a period when prices have been extremely volatile and UWF consumption has declined, and also to the conservative financial profile the Group has maintained.

8. CAPITAL MARKETS

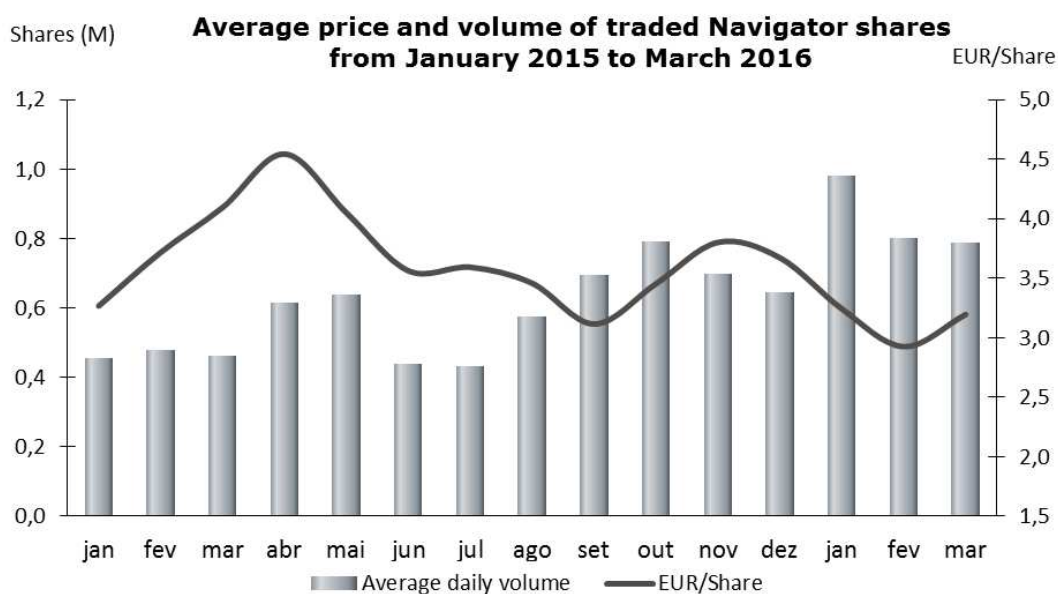
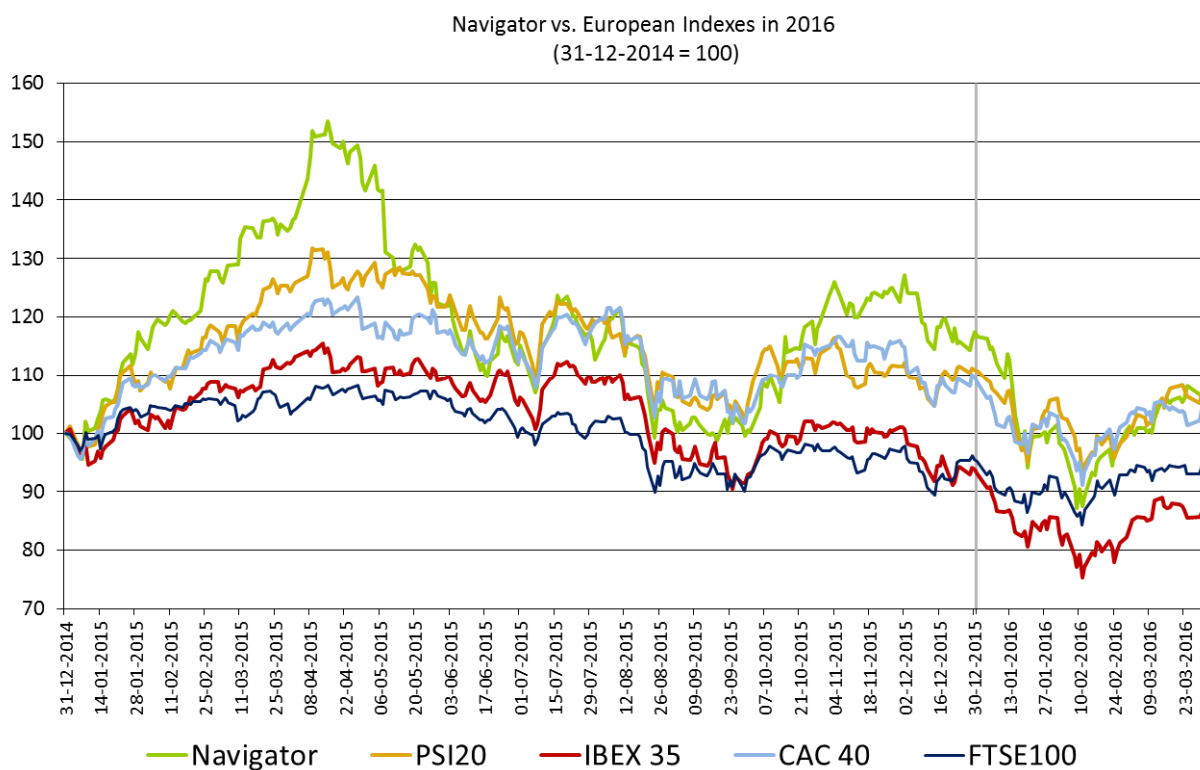
Equity markets around the world got off to a poor start, with the main indexes recording very sharp losses in January, which continued into the following month. Falling oil prices and fears of an economic slowdown in Asian countries were amongst the concerns that triggered the slump in share prices. The main stock markets rallied in March, as investors reacted positively to the announcement by the ECB of measures to stimulate the Euro Zone economy and inflation, and also to the publication of better than expected economic figures for the USA. But this recovery still fell short of reversing the losses recorded since the start of the year.

The European stock exchanges closed the quarter in negative territory, with Eurostoxx 50 down 10%, IBEX 35 down 8.6% and DAX down 7.2%. The Portuguese market index enjoyed a degree of buoyancy during the quarter, driven by banking sector shares, but also recorded an overall loss of 5.5%, reflecting the downwards revision of growth forecasts for the Portuguese economy and the revision by Fitch of its outlook rating for Portuguese debt, down from positive to stable.

Equities in the pulp and paper sector were hit very badly over the period, especially in the case of pulp manufacturer stocks, due to the more negative outlook for pulp prices.

In this environment, the Navigator Company's shares ended the quarter down 11%, recording their highest level on 4 January (3.59 €/share) and their lowest level on 9 February (2.687€/share). Average daily trading in the shares was significantly higher than the average for 2015 (up 48%), reflecting increased liquidity.

With the change of corporate name, and after approval at the General Meeting, shares will be trading with the new ticker - **NVG** - as from April 28th 2016.



9. OUTLOOK

The latest IMF and OECD projections have downgraded expectations of global growth in 2016 and 2017. The world economy continues to grow, but expansion is slower, and dependent on stimulus policies implemented in developed countries. The impact of a slowdown in China and other emerging countries in the world economy and the instability associated with the shift in monetary policy pursued by the US Federal Reserve are both factors generating instability. In the Euro Zone, positive factors can be observed, such as the accommodative policy pursued by the European Central Bank. However, the economic slowdown in emerging countries combined with other factors generating uncertainty, in particular political factors, could result in investment decisions being postponed, undermining growth.

In this setting, after the strong pressure on pulp prices in recent months, signs have started to emerge that the downward tendency is easing. Business has picked up in pulp purchases in China and other markets, suggesting that stocks of eucalyptus pulp may be at a low level and the spot price has bottomed out. At the same time, the price differential between short fibre pulp and long fibre pulp has started to widen again, and is once more close to the all-time record of 100 USD/ton. However, although the second quarter may bring a degree of improvement in pulp demand, supply is forecast to continue growing at a fast pace in 2016. Careful management of the introduction of new capacity in Latin America will be fundamental in maintaining balance in the pulp market.

In the Iberian tissue market, the second and third quarters are traditionally the months when consumption is highest, especially in the away-from-home segment, due to the high season in the tourist trade and restaurant/catering industry. Tendencies in the wider economy in Portugal and Spain, and their impact on consumption, will be crucial to successful performance in this sector.

In terms of paper, the European market is expected to continue to benefit throughout 2016 from the recent reduction and conversion of capacity at a number of manufacturing facilities in Europe. However, the impact of the anti-dumping proceedings brought by the US authorities has continued to disrupt the balance of supply and demand in a number of geographical regions, with increased pressure in Asia, Latin America, the Middle East and certain countries in

Africa. In Europe, the level of imports from the Asian markets has been increasing, and this may intensify the pressure of competition, and lead to increased discounting on prices.

In the United States, the closure of 340 thousand tons of uncoated paper capacity, announced for April, will have a positive impact on the market, and a price increase has already been announced for May. Exchange rate trends will of course be a crucial factor in determining the competitiveness of pulp and paper manufacturers.

After the close of the quarter, the Company's General Meeting, held on 19 April, approved payment of a 2015 dividend of € 114 million (0.1590€/share), as well as distribution of reserves of € 56 million (0.07810€/share).

Setúbal, April 28th 2016

10. FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

FOR THE THREE MONTH PERIODS ENDED 31ST MARCH 2016 AND 2015

Amounts in Euro	Notes	3 months 31-03-2016 (unaudited)	3 months 31-03-2015 (unaudited)
Revenues	3		
Sales		383,603,980	387,716,738
Services rendered		963,156	1,084,255
Other operating income			
Gains on the sale of non-current assets		95,062	4,488
Other operating income		6,175,301	2,335,034
Change in the fair value of biological assets	10	(271,889)	652,554
Costs			
Cost of inventories sold and consumed		(182,637,816)	(191,452,432)
Variation in production		16,887,070	20,047,396
Cost of materials and services consumed		(92,297,938)	(100,669,053)
Payroll costs		(35,363,220)	(33,754,762)
Other costs and losses		(3,650,348)	(4,590,183)
Provisions	17	(1,117,864)	5,906,473
Depreciation, amortization and impairment losses		(35,980,113)	(33,083,703)
Operating results		56,405,381	54,196,807
Net financial results	4	(2,715,629)	(8,687,762)
Profit before tax		53,689,752	45,509,045
Income tax	5	(9,066,576)	(3,718,632)
Net Income		44,623,176	41,790,413
Non-controlling interests		96,915	(5,092)
Net profit for the period		44,720,091	41,785,321
Earnings per share			
Basic earnings per share, Eur	6	0.062	0.058
Diluted earnings per share, Eur	6	0.062	0.058

The notes on pages 23 to 50 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAS OF 31ST MARCH 2016 AND 31ST DECEMBER 2015

Amounts in Euro	Notes	31-03-2016 (unaudited)	31-12-2015
ASSETS			
Non-Current Assets			
Goodwill		377,339,466	377,339,466
Other intangible assets	8	6,365,081	4,931,507
Plant, property and equipment	9	1,331,388,014	1,320,799,086
Investment properties		426,838	426,838
Biological assets	10	116,725,038	116,996,927
Available-for-sale financial assets	11	260,486	229,136
Deferred tax assets	15	54,615,374	50,934,325
		1,887,120,297	1,871,657,286
Current Assets			
Inventories		231,899,105	212,554,956
Receivable and other current assets	12	232,211,873	215,370,516
State and other public entities	13	56,543,163	57,642,795
Cash and cash equivalents	18	56,580,163	72,657,585
		577,234,304	558,225,851
Total Assets		2,464,354,601	2,429,883,137
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	14	767,500,000	767,500,000
Treasury shares	14	(96,974,466)	(96,974,466)
Fair value reserves		(4,665,982)	(1,869,064)
Other reserves		91,781,112	91,781,112
Currency translation reserves		7,396,774	5,688,140
Retained earnings		442,056,147	273,081,975
Net profit for the period		44,720,091	196,404,220
Early Earnings		-	(29,971,019)
		1,251,813,674	1,205,640,898
Non-controlling interests		8,425,701	8,622,303
		1,260,239,376	1,214,263,201
Non-current liabilities			
Deferred taxes liabilities	15	87,398,447	88,296,253
Post-retirement benefits	16	-	-
Provisions	17	54,521,726	59,205,593
Interest-bearing liabilities	18	521,820,243	686,570,753
Other non-current liabilities	18	38,746,912	38,538,726
		702,487,328	872,611,325
Current liabilities			
Interest-bearing liabilities	18	171,208,161	40,578,590
Payables and other current liabilities	19	245,573,319	225,084,110
State and other public entities	13	84,846,418	77,345,911
		501,627,898	343,008,611
Total liabilities		1,204,115,226	1,215,619,936
Total equity and liabilities		2,464,354,601	2,429,883,137

The notes on pages 23 to 50 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE CONSOLIDATED INCOMEFOR THE THREE MONTH PERIODS ENDED 31ST MARCH 2016 AND 2015

Amounts in Euro	3 months 31-03-2016 (unaudited)	3 months 31-03-2015 (unaudited)
Net profit for the period	44,623,176	41,790,413
Items that can be reclassified subsequently to profit or loss		
Fair value in derivative financial instruments	(3,857,818)	(8,084,885)
Currency translation differences	1,708,634	1,202,184
Tax on items above when applicable	1,060,900	1,812,362
	(1,088,284)	(5,070,339)
Items that will not be reclassified subsequently to profit or loss		
Share of other comprehensive income of associates	2,457,255	4,537
Actuarial gains / (losses)	367,060	(9,712,676)
Tax on items above when applicable	(186,430)	58,358
	2,637,885	(9,649,781)
	1,549,601	(14,720,120)
Total recognized income and expense for the period	46,172,777	27,070,292
Attributable to:		
Portucel's shareholders	46,172,777	27,070,847
Non-controlling interests	(196,602)	(555)
	45,976,175	27,070,292

The notes on pages 23 to 50 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITYFOR THE THREE MONTH PERIODS ENDED 31ST MARCH 2016 AND 2015

Amounts in Euro	1 st January 2016	Gains/losses recognized in the period	Transactions with Non-controlling interests	Dividends paid and reserves distributed (Note 25)	Early Earnings	Application of prior year's net profit (Note 25)	31 st March 2016
Share capital	767,500,000	-	-	-	-	-	767,500,000
Treasury shares	(96,974,466)	-	-	-	-	-	(96,974,466)
Fair value reserves	(1,869,064)	(2,796,918)	-	-	-	-	(4,665,982)
Other reserves	91,781,112	-	-	-	-	-	91,781,112
Translation reserves	5,688,140	1,708,634	-	-	-	-	7,396,774
Retained earnings	273,081,975	2,540,970	-	-	(29,971,019)	196,404,220	442,056,147
Net profit for the period	196,404,220	44,720,091	-	-	-	(196,404,220)	44,720,091
Early Earnings	(29,971,019)	-	-	-	29,971,019	-	-
Total	1,205,640,898	46,172,777	-	-	-	-	1,251,813,674
Non Controlling Interests	8,622,303	(196,602)	-	-	-	-	8,425,701
Total	1,214,263,201	45,976,175	-	-	-	-	1,260,239,375

Amounts in Euro	1 st January 2015	Gains/losses recognized in the period	Transactions with Non-controlling interests	Dividends paid and reserves distributed (Note 25)	Early Earnings	Application of prior year's net profit (Note 25)	31 st March 2015
Share capital	767,500,000	-	-	-	-	-	767,500,000
Treasury shares	(96,974,466)	-	-	-	-	-	(96,974,466)
Fair value reserves	(2,329,120)	(6,272,524)	-	-	-	-	(8,601,644)
Other reserves	83,644,527	-	-	-	-	-	83,644,527
Translation reserves	724,832	1,202,184	-	-	-	-	1,927,016
Retained earnings	519,395,217	(9,644,134)	-	-	-	181,466,696	691,217,779
Net profit for the period	181,466,696	41,785,321	-	-	-	(181,466,696)	41,785,321
Total	1,453,427,686	27,070,847	-	-	-	-	1,480,498,533
Non Controlling Interests	235,253	(555)	-	-	-	-	234,698
Total	1,453,662,938	27,070,292	-	-	-	-	1,480,733,231

The notes on pages 23 to 50 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWSFOR THE THREE MONTH PERIODS ENDED 31ST MARCH 2016 AND 2015

Amounts in Euro	Notes	31-03-2016 (unaudited)	31-03-2015 (unaudited)
OPERATING ACTIVITIES			
Receipts from customers		407,476,759	403,669,845
Payments to suppliers		345,108,162	329,686,825
Payments to personnel		22,062,827	21,791,138
Cash flow from operations		40,305,770	52,191,882
Income tax received / (paid)		-	1,198,870
Other receipts / (payments) relating to operating activities		6,322,471	(30,926,219)
Cash flow from operating activities (1)		46,628,241	22,464,533
INVESTING ACTIVITIES			
Inflows			
Interest and similar income		651,475	1,168,476
Inflows from investment activities (A)		651,475	1,168,476
Outflows			
Tangible assets		26,240,968	11,015,450
Outflows from investment activities (B)		26,240,968	11,015,450
Cash flows from investment activities (2 = A - B)		(25,589,493)	(9,846,974)
FINANCING ACTIVITIES			
Inflows			
Borrowings		135,000,000	-
Interest and similar income		-	-
Inflows from financing activities (C)		135,000,000	-
Outflows			
Borrowings		168,673,116	160,000,000
Interest and similar costs		3,443,054	2,355,099
Dividends paid and distributed reserves	7	-	-
Outflows from financing activities (D)		172,116,170	162,355,099
Cash flows from financing activities (3 = C - D)		(37,116,170)	(162,355,099)
CHANGES IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		(16,077,422)	(149,737,540)
CHANGES IN THE CONSOLIDATION SCOPE		-	9,739,020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		72,657,585	499,552,853
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	18	56,580,163	359,554,333

The notes on pages 23 to 50 are an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 31st MARCH 2016 AND 2015

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

The Navigator Group ("Group") comprises The Navigator Company, S.A. (formerly Portucel, S.A.) and its subsidiaries.

The Group was created in the mid 1950's, when a group of technicians from "Companhia Portuguesa de Celulose de Cacia" made this company the first in the world to produce bleached eucalyptus sulphate pulp.

In 1976 Portucel EP was created as a result of the nationalization of all of Portugal's cellulose industry. As such, Portucel – Empresa de Celulose e Papel de Portugal, E.P. resulted from the merger with CPC – Companhia de Celulose, S.A.R.L. (Cacia), Socel – Sociedade Industrial de Celulose, S.A.R.L. (Setúbal), Celtejo – Celulose do Tejo, S.A.R.L. (Vila Velha de Ródão), Celnorte – Celulose do Norte, S.A.R.L. (Viana do Castelo) and Celuloses do Guadiana, S.A.R.L. (Mourão), being converted into a mainly public anonymous society by Decree- Law No. 405/90, of 21st December.

Years after, as a result of the restructuring of Portucel – Empresa de Celulose e Papel de Portugal, S.A., which was redenominated to Portucel, SGPS, S.A., towards to its privatization, Portucel S.A. was created, on 31st May 1993, through Decree-law 39/93, with the former assets of the two main companies, based in Cacia and Setúbal.

In 1995, the company was reprivatized, and became a publicly traded company.

Aiming to restructure the paper industry in Portugal, Portucel, S.A. acquired Papeis Inapa, S.A. (Setúbal) in 2000 and Soporcel – Sociedade Portuguesa de Papel, S.A. (Figueira da Foz) in 2001. Those key strategic decisions resulted in the Portucel Group (currently The Navigator Company Group), which is the largest European and one of the world's largest producers of bleached pulp. It is also the biggest European producer of uncoated wood-free paper.

In June 2003, the Portuguese State sold a 30% stake of Portucel's equity, which was acquired by Semapa Group. In September 2003, Semapa launched a public acquisition offer tending to assure the Group's control, which was accomplished by guaranteeing a 67.1% stake of Portucel's equity.

In November 2006, the Portuguese State concluded the third and final stage of the sale of Portucel, S.A., by moving Parpublica SGPS, S.A. (formerly Portucel SGPS, S.A.) sell the remaining 25.72% it still held.

From 2009 to July 2015, more than 75% of the company's share equity was held directly and indirectly by Semapa - Sociedade de Investimento e Gestão SGPS, S.A. (excluding treasury shares) having the percentage of voting rights been reduced to 70% following the conclusion of the offer for the acquisition, in the form of an exchange offer, of the ordinary shares of Semapa, SGPS, S.A., in July 2015.

In February 2015, the Group started its activity in the Tissue segment with the acquisition of Navigator Tissue Ródão, S.A. (ex-AMS- BR Star Paper, S.A.) a company that holds and explores a tissue paper mill, located in Vila Velha de Ródão.

The Group's main business is the production and sale of writing and printing paper and related products as well as tissue, and it is present in the whole value added chain, from research and development of forestry and agricultural production, to the purchase of wood and the

production and sale of bleached *eucalyptus* kraft pulp – BEKP and electric and thermal energy, as well as its commercialization.

On February 6th 2016, the Portucel Group changed its corporate brand to The Navigator Company. This new corporate identity represents the union of companies with a history of more than 60 years, aiming to give the Group a more appealing and modern image.

Following this event, and after approval in the General Shareholder's Meeting, held on April 19th 2016, Portucel S.A. changed its designation to The Navigator Company, S.A..

The Navigator Company, S.A. (hereafter referred to as the Company or Navigator) is a publicly traded company with its share capital represented by nominal shares.

Head Office: Mitrena, 2901-861 Setúbal

Share Capital: Euros 767,500,000

Registration No: 503 025 798

These consolidated financial statements were approved by the Board of Directors on the 27th of April 2016.

The Group's senior management, who are also the members of the Board of Directors that 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 PREPARATION

The Group's consolidated financial statements for the three period ended 31st March 2016 have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting.

The accompanying consolidated financial statements were prepared on a going concern basis from the accounting books and records of the companies included in the consolidation (Note 23), and under the historic cost convention, except for biological assets, available for sale financial assets and derivative financial instruments, which are recorded at fair value (Notes 20 and 10).

2. SUMMARY OF THE PRINCIPAL ACCOUNTING POLICIES

The accounting policies used in interim consolidated financial statements are those used to prepare the financial statements for the year ended on the 31st December 2015, and are described in the respective notes.

2.1 New standards, changes and interpretations of existing standards

The application of the interpretations and amendments to the standards mentioned below, are mandatory by the European Union, for the financial years beginning on or after 1 January 2015:

Standards that became effective, on or after 1 February 2015	Effective Date *
Annual improvements to IFRSs 2010 - 2012	1 February 2015
IAS 19 – Employee benefits	1 February 2015
IAS 16 e IAS 38 – Acceptable methods of depreciation / amortisation	1 January 2016
IAS 16 e IAS 41 – Agriculture: bearer plants	1 January 2016
IFRS 11 – Joint arrangements	1 January 2016
IAS 1 – Presentation of financial statements	1 January 2016
IAS 27 – Separate financial statements	1 January 2016
Annual improvements to IFRSs 2012 - 2014	1 January 2016

* Periods beginning on or after

The application of the standards did not have any significant impact on the consolidated financial statements of the Group.

New standards and interpretations not mandatory:

There are new standards, interpretations and amendments of existing standards that, despite having already been published, are only mandatory for the periods starting after 1st January 2016 and which the Group decided not to early-adopt in the current period, as follows:

Standards and effective changes, on or after 1 January 2016, not yet endorsed by EU	Effective Date *
Amendments to IFRS 10, 12 and IAS 28: Investments - applying consolidation exception	1 January 2016
IFRS 9 – Financial instruments	1 January 2018
IFRS 15 – Revenue from contracts with customers	1 January 2018

* Periods beginning on or after

Up to the date of issuing this report, the Group had not yet concluded the estimate of the effects of changes arising from the adoption of these standards, for which it decided not to early-adopt them. However, no material effect is expected in the financial statements as a result of their adoption.

3. SEGMENT INFORMATION

In accordance to the approach defined in IFRS 8, operational segments should be identified based in the way internal financial information is organized and reported to the management. An operating segment is defined by IFRS 8 as a component of the Group:

- (i) that engages in business activities from which it may earn revenues and incur expenses;
- (ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- (iii) for which discrete financial information is available.

The Executive Committee is the ultimate operating decision maker, analysing periodic reports with operational information on segments, using them to monitor the operating performance of its businesses, as well as to decide on the best allocation of resources.

Segment information is presented for business segments identified by the Group, namely:

- Pulp to market;
- UWF Paper;
- Tissue; and
- Other.

In 2015, the business segments identified were:

- Forestry;
- Pulp *stand alone*;
- Integrated Pulp and Paper;
- Energy;
- Other.

In 2016, forestry and energy segments have been included in Other.

Revenues, assets and liabilities of each segment correspond to those directly allocated to them, as well as to those that can be reasonably attributed to those segments.

Financial data by operational segment for the periods ended 31 March 2016 and 2015 is shown as follows:

	3 months 31-03-2016					
	PULP TO MARKET	UWF PAPER	TISSUE	OTHER	ELIMINATIONS/ UNALLOCATED	TOTAL
REVENUE						
Sales and services - external	36,041,064	325,684,230	15,842,531	6,999,311	-	384,567,136
Sales and services - intersegment	-	-	-	92,269,584	(92,269,584)	-
Total revenue	36,041,064	325,684,230	15,842,531	99,268,895	(92,269,584)	384,567,136
Profit/(loss)						
Segmental Profit	3,040,643	47,684,495	352,746	5,327,497	-	56,405,381
Operating Profit	-	-	-	-	-	56,405,381
Financial costs- net	-	-	-	-	(2,715,629)	(2,715,629)
Income tax	-	-	-	-	(9,066,576)	(9,066,576)
Net profit before non-controlling interest	-	-	-	-	-	44,623,176
Non-controlling interest	-	-	-	-	96,915	96,915
Net profit	-	-	-	-	-	44,720,091
Other Information						
Capital expenditure	1,400,626	10,164,851	79,513	34,733,528	-	46,378,517
Depreciation and impairment	(2,593,100)	(26,605,019)	(2,398,872)	(4,383,122)	-	(35,980,113)
Provisions	-	-	-	-	(1,117,864)	(1,117,864)
Other Informations						
Segment assets	155,266,160	1,553,508,680	97,098,680	658,251,945	-	2,464,125,465
Financial investments	-	229,136	-	-	-	229,136
Total assets	155,266,160	1,553,737,816	97,098,680	658,251,945	-	2,464,354,601
Segment liabilities	44,024,739	238,154,977	36,221,579	885,713,931	-	1,204,115,226
Total liabilities	44,024,739	238,154,977	36,221,579	885,713,931	-	1,204,115,226

The capital expenditure in the "Other" segment includes Euro 33,590,660 related to the "pellets" factory investment located in the United States of America.

In general, all major assets of the business segments are located in Portugal, USA and Mozambique.

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	3 months 31-03-2015					
	PULP TO MARKET	UWF PAPER	TISSUE	OTHER	ELIMINATIONS/ UNALLOCATED	TOTAL
REVENUE						
Sales and services - external	30,928,268	333,607,663	13,567,000	10,698,062	-	388,800,993
Sales and services - intersegment	-	-	-	147,033,748	(147,033,748)	-
Total revenue	30,928,268	333,607,663	13,567,000	157,731,810	(147,033,748)	388,800,993
Profit/(loss)						
Segmental Profit	5,707,660	39,166,400	891,317	8,431,430	-	54,196,807
Operating Profit	-	-	-	-	-	54,196,807
Financial costs- net	-	-	-	-	(8,687,762)	(8,687,762)
Income tax	-	-	-	-	(3,718,632)	(3,718,632)
Net profit before non-controlling interest	-	-	-	-	-	41,790,413
Non-controlling interest	-	-	-	-	(5,092)	(5,092)
Net profit	-	-	-	-	-	41,785,321
Other Information						
Capital expenditure	8,300,113	2,335,906	21,050	3,070,301	-	13,727,370
Depreciation and impairment	(968,736)	(29,136,950)	(905,699)	(2,072,318)	-	(33,083,703)
Provisions	-	-	-	-	5,906,473	5,906,473
Other Informations						
Segment assets	126,344,960	1,883,651,535	74,428,762	607,976,628	-	2,692,401,885
Financial investments	-	229,136	-	-	-	229,136
Total assets	126,344,960	1,883,880,671	74,428,762	607,976,628	-	2,692,631,021
Segment liabilities	28,881,282	316,479,712	56,356,420	810,180,376	-	1,211,897,790
Total liabilities	28,881,282	316,479,712	56,356,420	810,180,376	-	1,211,897,790

4. NET FINANCIAL RESULTS

Financial results are detailed as follows for the three month periods ended 31 March 2016 and 2015:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Interest paid on borrowings	(3,673,284)	(7,387,657)
Interest earned on investments	651,479	897,301
Exchange rate differences	(962,477)	314,392
Gains / (losses) on financial instruments - trading (Note 31)	2,256,677	(698,574)
Gains / (losses) on financial instruments - hedging (Note 31)	(376,603)	(1,374,596)
Guarantees and bank charges	(682,668)	(607,959)
Compensatory interest	147,874	64,886
Other financial income / (expenses)	(76,627)	104,445
	(2,715,629)	(8,687,762)

During the second half of 2015, The Navigator Company went through a debt restructuring, hiring new lines of financing and renegotiating the terms and conditions of existing debt. The Group renegotiated an existing commercial paper line of Euro 125,000,000, extending its maturity and reducing the related financing costs, and proceeded to the partial early repayment (Euro 200 million) of Portucel Senior Notes 5.375 % bonds. With these operations, the Group was able to significantly reduce its financing costs.

5. CORPORATE INCOME TAX

Income tax is detailed as follows for the three month periods ended 31 March 2016 and 2015:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Current tax	18,192,338	12,878,430
Provision / (reversal) for current tax	(5,438,520)	(5,866,085)
Deferred tax (Note 15)	(3,687,242)	(3,293,713)
	9,066,576	3,718,632

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The current income tax includes Euro 18,002,922 (31 March 2015: Euro 11,613,613) due to the liability generated under the aggregated income tax regime.

For the three month periods ended 31 March 2016 and 2015, the reconciliation of the effective income tax rate was as follows:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Profit before tax	53,689,752	45,509,045
Expected tax	21.00% 11,274,848	21.00% 9,556,899
Municipal surcharge	2.05% 1,099,387	1.55% 703,985
State surcharge	4.35% 2,337,113	2.69% 1,223,416
Differences (a)	1.53% 820,370	(13.53%) (6,157,668)
Impairment and reversal of provisions	(10.80%) (5,800,629)	(3.53%) (1,608,000)
Tax benefits	(1.24%) (664,513)	0.00% -
	16.89% 9,066,576	8.17% 3,718,632

(a) This amount is made up essentially of:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Capital gains / (losses) for tax purposes	3,535	-
Capital gains / (losses) for accounting purposes	(4,791)	-
Taxable provisions	1,118,830	(6,830,481)
Tax benefits	(70,396)	(174,237)
Effect of pension funds	690,792	-
Other	1,245,195	(15,386,804)
	2,983,164	(22,391,522)
Tax Effect (27,5%)	820,370	(6,157,668)

In July 2015, following the public exchange offer of ordinary shares of Semapa, SGPS, S.A. with shares of The Navigator Company S.A (ex-Portucel, S.A.), Semapa ceased to have more than 75% interest in The Navigator Company, and therefore the necessary conditions for the maintenance of The Navigator Company and its subsidiaries within Semapa's fiscal group.

Therefore, Semapa group companies, including The Navigator Company group companies, have changed their fiscal period to the period starting on 1st July and ending on 30th June, following the disposed in the n^o 2 of article 8^o of the Portuguese Corporate Income Tax Code.

On July 1st 2015, a new fiscal group led by The Navigator Company, S.A. arose, comprising all the companies located in Portugal in which the Group holds an interest or voting rights of at least 75%, for more than a year.

6. EARNINGS PER SHARE

Earnings per share were determined as follows:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Profit attributable to the company's shareholders	44,720,091	41,785,321
Number of issued shares	767,500,000	767,500,000
Average of treasury shares	(50,489,973)	(50,489,973)
	717,010,027	717,010,027
Basic earnings per share, Eur	0.062	0.058
Diluted earnings per share, Eur	0.062	0.058



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Since there are no financial instruments convertible in Group shares, its earnings are undiluted.

The changes on the average number of treasury shares were as follows:

	3 months 31-03-2016		3 months 31-03-2015	
	Quantity	Accumulated Quantity	Quantity	Accumulated Quantity
Treasury shares held on 1 st January		50,489,973		50,489,973
Acquisitions				
January	-	50,489,973	-	50,489,973
February	-	50,489,973	-	50,489,973
March	-	50,489,973	-	50,489,973
Treasury shares held on 31st March		50,489,973		50,489,973
Average treasury shares held for the period		50,489,973		50,489,973

7. APPROPRIATION OF PREVIOUS YEARS' PROFIT

The appropriations made over the 2015 and 2014 net profits were as follows:

Amounts in Euro	2015	2014
Distribution of dividends (excluding treasury shares)	143,975,613	150,572,106
Legal reserves	7,927,924	8,136,585
Gratification	6,000,000	2,998,525
Other reserves	-	-
Net income from prior years	654,946	19,759,480
	158,558,483	181,466,696

The resolution for the appropriation of the 2015 net profit that passed at The Navigator Company's General Meeting held on 19th April 2016, was based on the net profit for the year as defined by the accounting principles generally accepted in Portugal (Portuguese GAAP). The difference in net profit between the two standards, totaling Euro 7,874,718 (2014: Euro 18,734,999) was transferred to retained earnings.

8. OTHER INTANGIBLE ASSETS

During 2016 and 2015, changes in other intangible assets were as follows:



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Amounts in Euro	Industrial property and other rights	CO2 emission allowances	Total
Acquisition Cost			
Amount as of 1st January 2015	59,979	3,416,269	3,476,248
Changes in the consolidation scope	-	245,541	245,541
Acquisitions	-	3,509,026	3,509,026
Disposals	-	-	-
Adjustments, transfers and write-off's	-	(11,595)	(11,595)
Amount as of 31st March 2015	59,979	7,159,241	7,219,220
Changes in the consolidation scope	-	42,735	42,735
Acquisitions	-	2,689,564	2,689,564
Disposals	-	-	-
Adjustments, transfers and write-off's	(58,879)	(4,934,534)	(4,993,413)
Amount as of 31st December 2015	1,100	4,957,006	4,958,106
Acquisitions	3,300	3,230,781	3,234,081
Disposals	-	-	-
Adjustments, transfers and write-off's	-	-	-
Amount as of 31st March 2016	4,400	8,187,788	8,192,188
Accumulated depreciation and impairment losses			
Amount as of 1st January 2015	(59,979)	-	(59,979)
Changes in the consolidation scope	-	-	-
Amortizations and impairment losses	-	-	-
Disposals	-	-	-
Adjustments, transfers and write-off's	-	-	-
Amount as of 31st March 2015	(59,979)	-	(59,979)
Changes in the consolidation scope	-	-	-
Amortizations and impairment losses	-	(144,997)	(144,997)
Disposals	-	-	-
Adjustments, transfers and write-off's	58,879	119,497	178,376
Amount as of 31st December 2015	(1,100)	(25,500)	(26,600)
Amortizations and impairment losses	(1,998)	(1,798,510)	(1,800,508)
Disposals	-	-	-
Adjustments, transfers and write-off's	-	-	-
Amount as of 31st March 2016	(3,098)	(1,824,010)	(1,827,108)
Net book value as of 1st January 2015	-	3,416,269	3,416,269
Net book value as of 31st March 2015	-	7,159,241	7,159,242
Net book value as of 31st December 2015	-	4,931,506	4,931,506
Net book value as of 31st March 2016	1,302	6,363,778	6,365,081

The acquisitions in the three month periods ended 31st March 2016 and 2015 are related to the award of CO2 emission rights allowances under CELE - 488,844 Ton and 498,008 Ton respectively, which are detailed by company as follows:

Award of CO2 emissions allowances	2016	2015
The Navigator Company	-	29,215
Navigator Paper Figueira	237,131	241,576
Navigator Pulp Figueira	808	823
Navigator Tissue Ródão	7,102	7,235
About the Future	125,763	128,121
Navigator Pulp Cacia	28,677	-
Navigator Paper Setúbal	89,363	91,038
	488,844	498,008

9. PROPERTY, PLANT & EQUIPMENT

During the three month periods ended 31st March 2016 and 31st March 2015, changes in tangible fixed assets, depreciations and impairment losses were as follows:



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Amount in Euro	Land	Building and other constructions	Equipments and other tangibles	Assets under construction	Total
Acquisition Cost					
Amount as of 1st January 2015	117,338,267	500,649,942	3,251,808,955	46,256,600	3,916,053,766
Change in the consolidation scope	349,744	12,131,326	39,374,625	6,425,600	58,281,295
Acquisitions	-	56,581	2,249,499	11,421,289	13,727,369
Disposals	-	-	(55,928)	-	(55,928)
Adjustments, transfers and write-off's	-	151,201	2,528,249	(2,639,109)	40,341
Amount as of 31st March 2015	117,688,011	512,989,050	3,295,905,400	61,464,380	3,988,046,839
Change in the consolidation scope	(217,533)	(2,495,605)	3,726,933	(1,102,838)	(89,043)
Acquisitions	2,813,659	-	(569,539)	132,484,482	134,728,602
Disposals	-	-	(85,484)	-	(85,484)
Adjustments, transfers and write-off's	(135,656)	10,611,140	104,624,521	(115,014,439)	85,566
Amount as of 31st December 2015	120,148,481	521,104,585	3,403,601,831	77,831,585	4,122,686,481
Acquisitions	-	-	2,729,052	43,649,466	46,378,517
Disposals	-	-	(216,795)	-	(216,795)
Adjustments, transfers and write-off's	(97)	97,569	7,451,264	(7,747,922)	(199,185)
Amount as of 31st March 2016	120,148,385	521,202,154	3,413,565,352	113,733,129	4,168,649,018
Accumulated depreciation and impairment losses					
Amount as of 1st January 2015	(18,232)	(337,474,955)	(2,328,209,063)	-	(2,665,702,251)
Change in the consolidation scope	-	(1,833,750)	(12,190,361)	-	(14,024,111)
Acquisitions	-	(2,500,719)	(29,503,303)	-	(32,004,022)
Disposals	-	-	37,112	-	37,112
Adjustments, transfers and write-off's	-	(45,639)	316,637	-	270,998
Amount as of 31st March 2015	(18,232)	(341,855,065)	(2,369,548,978)	-	(2,711,422,276)
Change in the consolidation scope	-	136,181	930,678	-	1,066,859
Acquisitions	(77,419)	(8,159,605)	(87,518,318)	-	(95,755,342)
Disposals	-	-	(42,575)	-	(42,575)
Adjustments, transfers and write-off's	-	4,572,231	(306,292)	-	4,265,939
Amount as of 31st December 2015	(95,652)	(345,306,258)	(2,456,485,485)	-	(2,801,887,394)
Acquisitions	-	(2,680,938)	(33,069,585)	-	(35,750,523)
Disposals	-	-	214,455	-	214,455
Adjustments, transfers and write-off's	-	12,756	149,703	-	162,459
Amount as of 31st March 2016	(95,652)	(347,974,440)	(2,489,190,912)	-	(2,837,261,004)
Net book value as of 1st January 2015	117,320,035	163,174,987	923,599,892	46,256,600	1,250,351,515
Net book value as of 31st March 2015	117,669,779	171,133,985	926,356,422	61,464,380	1,276,624,563
Net book value as of 31st December 2015	120,052,830	175,798,327	947,116,346	77,831,585	1,320,799,086
Net book value as of 31st March 2016	120,052,733	173,227,714	924,374,439	113,733,129	1,331,388,014

On 31st March 2016, assets under construction included Euro 507,172 (31st December 2015: Euro 15,833,210), related to advance payments and supplies of Property Plant and Equipment, under the scope of the investment projects being developed by the Group. These amounts are fully guaranteed by first demand bank guarantees, handed by the respective suppliers that are promoting the investments of the Group companies, in accordance with the implemented policies for the mitigation of credit risk.

Additionally this caption includes Euros 75,325,596 related to the investment in the new "pellets" plant located in the United States and Euro 33,993,442 related to investments in Mozambique.

On 31st March 2016, Land included Euro 93,368,168 of forest land where the Group has installed part of its forestry assets, the remainder being installed on leased land. It also includes Euro 1,609,030 of land in which will be built the new pellets plant in the USA, and Euro 3,652,351 of expenditure with land preparation in Mozambique, that is being depreciated through the period of the concession, as well as Euro 21,943,489 of land related to the industrial complexes of Cacia, Vila Velha de Ródão, Figueira da Foz and Setubal.

10. BIOLOGICAL ASSETS

During 2016 and 2015, changes in biological assets were as follows:



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Amounts in Euro	2016	2015
Amount as of 1st January	116,996,927	113,969,423
Logging in the period	(5,080,835)	(6,316,525)
Growth	3,756,430	4,472,840
New plantations (at cost)	451,382	566,783
Other changes in fair value	601,135	1,929,456
	(271,889)	652,554
Amount as of 31st March	116,725,038	114,621,977
Remaining Quarters		2,374,950
Amount as of 31st December		116,996,927

The amounts shown as growth correspond to forestry costs, costs of asset management and rents incurred in the period as follows:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Costs of asset management		
Forestry	366,394	596,652
Structure	691,893	805,687
Fixed and variable rents	2,698,143	3,070,501
	3,756,430	4,472,840

As of 31st March 2016 and 31st December 2015, biological assets were detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Eucalyptus (Portugal)	104,571,615	104,896,897
Pine (Portugal)	5,407,458	5,407,458
Cork (Portugal)	1,346,681	1,346,681
Other Species (Portugal)	128,000	74,606
Eucalyptus (Mozambique)	5,271,285	5,271,285
	116,725,038	116,996,927

This amounts result from the management expectation of extraction of related production detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Eucalyptus (Portugal) - m3 ssc'000	11,822	11,822
Pine - Wood - Ton '000	481	481
Pine - cones - Ton '000	n/a	n/a
Other species - @ '000	626	626
Eucalyptus (Mozambique) - m3 ssc'000 ⁽¹⁾	1,400	1,400

(1) Only evaluated in areas with a year or more by the end of 2014

Concerning Eucalyptus, the most relevant biological asset, for the three month periods ended 31st March 2016 and 2015 the Group extracted 137,693 m3ssc and 136.054 m3ssc of wood from its forests.

11. OTHER FINANCIAL ASSETS

11.1. Financial Assets at fair value through profit and loss

This caption includes the interest held by the Group in Liaison Technologies, originally acquired in 2005 by exchange of shares of Express Paper. Until 2012, the Group held a 1.52% interest, having disposed in 2013 a 0.85% interest with a gain of Euro 182,911. The Group intends to sell the remaining interest held in Liaison Technologies.



12. RECEIVABLES AND OTHER CURRENT ASSETS

As of 31st March 2016 and 31st December 2015, receivables and other current assets were detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Accounts receivable	188,004,314	182,136,452
Other accounts receivable	24,710,020	18,090,522
Derivative financial instruments (Note 20)	5,000,559	1,701,467
Accrued income	566,449	1,621,162
Deferred costs	13,930,531	11,820,913
	232,211,873	215,370,516

The receivables shown above are net of impairment losses.

On 31st March 2015 and 31st December 2015, other receivables are detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
UWF Paper	153,819,053	145,602,874
Tissue	16,024,675	15,875,615
Pulp to market	17,762,383	16,624,529
Other	398,203	4,033,433
	188,004,314	182,136,451

On 31st March 2016 and 31st December 2015, other receivables were detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Advances to employees	409,265	380,172
Advances to suppliers	5,610,453	240,453
Financial grants to receive	646,157	-
Tax Consolidation (Semapa)	-	1,212,515
Capital subscribers	5,713,991	5,713,991
Other	12,330,155	10,543,390
	24,710,020	18,090,522

In 2015 the Group was subject to an investigation of alleged dumping practices in UWF imports to the United States of America, having been imposed an anti-dumping provisional tax rate over those sales of 29.53%. On January 11th 2016, the US Department of Commerce has settled the final tax rate in 7.8%. Other debtors essentially include the receivable amount corresponding to the difference between the anti-dumping tax rates over paper sales to the United States.

Capital subscribers include the amount of Portucel Mozambique share equity that was subscribed by IFC - International Finance Corporation but not yet realized.

The amount shown as Advances to suppliers refers to advanced payments made to wood suppliers. As a way of ensuring the sustainability of the forest value chain to the industry, the Group advances payments to its suppliers upon presentation of guarantees, for the wood to be bought throughout the year. Those advances are settled as supplies are performed.

The movements in financial grants to receive were as follows:

Amounts in Euro	2016	2015
Amount as of 1 st January	-	-
Increase/(adjustment)	-	-
Assignments	646,157	14,113,127
Received in the year	-	(14,113,127)
Amount as of 31st March	646,157	-



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As of 31st March 2016 and 31st December 2015, accrued income and deferred costs were detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Accrued income		
Interest receivable	-	-
Other	566,449	1,621,162
	566,449	1,621,162
Deferred costs		
Pensions and other post-employment benefits (Note 16)	3,312,462	3,755,326
Rents	4,761,054	4,491,494
Insurance	5,630,421	485,663
Other	226,594	3,088,430
	13,930,531	11,820,913
	14,496,980	13,442,075

As of 31st March 2016 and 31st December 2015, there were overfunded plans, recognized as current assets, as they will allow the Group to reduce its future contributions and to finance those plans as a result of any changes in discount rate.

13. STATE AND OTHER PUBLIC ENTITIES

As of 31st March 2016 and 31st December 2015, there were no overdue debts to the State and other public entities. The balances related with these entities were as follows:

Current Assets

Amounts in Euro	31-03-2016	31-12-2015
State and other public entities		
Value added tax - refunds requested	49,695,363	46,758,171
Value added tax - to recover	6,847,800	10,884,624
	56,543,163	57,642,795

As at 31st March 2016, the outstanding VAT refunds requested comprised the following, by month and by company:

Amounts in Euro	Feb/2016	Mar/2016	Total
Navigator Fine Paper, S.A.	20,611,263	24,143,826	44,755,089
EMA Figueira da Foz - Engenharia e Manutenção Industrial, ACE	14,582	-	14,582
Bosques do Atlântico, S.L.	-	4,925,693	4,925,693
	20,625,845	29,069,518	49,695,363

Until the date of issuing this report, Euro 20,625,845 of the amounts to be received as of 31st March 2016, had already been received.

As at 31st December 2015, the outstanding VAT refunds requested comprised the following, by month and by company:

Amounts in Euro	Nov/2015	Dec/2015	Total
Navigator Fine Paper, S.A.	21,849,656	22,332,360	44,182,016
Bosques do Atlântico, S.L.	-	2,576,155	2,576,155
	21,849,656	24,908,515	46,758,171

All these amounts were received during the first quarter of 2016.



Current Liabilities

Amounts in Euro	31-03-2016	31-12-2015
State and other public entities		
Corporate income tax	47,432,490	31,065,030
Personal income tax - withheld on	1,982,951	2,003,600
Value added tax	31,358,543	34,227,978
Social security	2,327,232	2,059,064
Additional liabilities	1,675,017	8,044,968
Other	70,186	(54,730)
	84,846,418	77,345,911

As previously mentioned, since 2014 until June 2015, The Navigator Company and its subsidiaries were part of the fiscal group led by Semapa, SGPS, S.A. Therefore, although each group company calculates its income taxes as if it was taxed independently, the determined liabilities are recognized as due to the leader of the fiscal group, currently Semapa, SGPS, S.A., who will proceed with the overall computation and the settlement of the income tax.

From July 1st, 2015, the subsidiaries of The Navigator Company Group failed to integrate the fiscal group Semapa and have joined the fiscal group The Navigator Company.

Corporate income tax is detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Corporate income tax	18,192,338	65,212,803
Corporate income tax from 01/07/2015 to 31/12/2015	26,625,498	-
Payments on account of corporate income tax	(279,335)	(1,964,638)
Corporate income tax payable to corporate income tax group Leader (Semapa, SGPS)	-	(34,150,871)
Withholding tax	(20,318)	(6,762)
Responsibility with corporate income tax of societies not located in Portugal	2,914,306	1,974,498
	47,432,490	31,065,030

The changes in the provision for additional tax liabilities in 2016 and 2015 were as follows:

Amounts in Euro	2016	2015
Amount as of 1st January	8,044,968	44,041,599
Increase	-	-
Decrease	(6,369,952)	(1,608,000)
Amount as of 31st March	1,675,017	42,433,599
Remaining Quarters		(34,388,631)
Amount as of 31st December		8,044,968

On 31st March 2016 and 31st December 2015 the additional tax liabilities include interest on deferred payments and are detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Income tax Group	4,422,958	10,941,848
Other	(2,747,941)	(2,896,880)
	1,675,017	8,044,968

14. SHARE CAPITAL AND TREASURY SHARES

The Navigator Company is a public company with its shares quoted on the Euronext Lisbon.

As at 31st March 2015, Navigator's share capital was fully subscribed and paid for and it is represented by 767,500,000 shares with nominal value of 1 Euro each, of which 50,489,973 were



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held as treasury shares.

These shares were mainly acquired during 2008 and 2012, and the changes were as follows:

Amounts in Euro	2016		2015	
	Quantity	Amount	Quantity	Amount
Treasury shares held in January	50,489,973	96,974,466	50,489,973	96,974,466
Acquisitions				
January	-	-	-	-
February	-	-	-	-
March	-	-	-	-
	-	-	-	-
Treasury shares held in March	50,489,973	96,974,466	50,489,973	96,974,466
Remaining Quarters	-	-	-	-
Treasury shares held in December			50,489,973	96,974,466

The market value of the treasury shares held on 31st March 2016 amounted to Euro 161,567,914 (31st December 2015: Euro 181,763,903), corresponding to an unit value of Euro 3.20 (31st December 2015: Euro 3.60) and the market capitalization as at 31st March 2016 amounted to Euro 2,456,000,000 compared to an equity, net of non-controlling interests, of Euro 1,251,813,674.

As at 31st March 2016 and 31st December 2015, the shareholders with significant positions in the Company's capital were as follows:

Entity	31-03-2016		31-12-2015	
	Nr. of shares	% Entity	Nr. of shares	% Entity
Seinpar Investments, BV	241,583,015	31.48%	241,583,015	31.48%
Semapa, SGPS, S.A.	256,033,284	33.36%	340,571,392	44.37%
Other Semapa Group's entities	1,000	0.00%	2,000	0.00%
Treasury shares	50,489,973	6.58%	50,489,973	6.58%
Banco BPI Pensions	36,875,907	4.80%	-	0.00%
Norges Bank (the Central Bank of Norway)	25,360,219	3.30%	-	0.00%
Other shareholders	157,156,602	20.48%	134,853,620	17.57%
Total shares	767,500,000	100.00%	767,500,000	100.00%

Following the conclusion of the offer for the acquisition, in the form of an exchange offer, of the ordinary shares of Semapa, SGPS, S.A., registered in the Securities Market Commission and with the Offer period occurring between 6th July 2015 and 24th July 2015, Semapa delivered as compensation of the 24,864,477 own shares acquired, 84,539,108 shares of The Navigator Company. As a consequence of this exchange offer, Semapa reduced its attributable participation in The Navigator Company to 497,617,299 shares, representative of 64.836% of The Navigator Company's share capital and 69.402% of voting rights, of which 256,032,284 held by Semapa, SGPS, S.A..

15. DEFERRED TAXES

In 2016 and 2015, the changes in assets and liabilities as a result of deferred taxes were as follows:



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Amounts in Euro	1 st January 2016	Income Statement		Equity	Other Liabilities	Change in the consolidation scope	31 st March 2016
		Increases	Decreases				
Temporary differences originating deferred tax assets							
Taxed provisions	257,908	1,118,830	(3)	-	-	-	1,376,735
Adjustments in fixed assets	99,675,505	-	(5,521,882)	-	-	-	94,153,623
Financial instruments	2,263,058	-	-	5,525,492	-	-	7,788,550
Deferred accounting gains on inter-group transactions	25,439,698	13,652,312	-	-	-	-	39,092,010
Valuation of biological assets	1,275,824	-	(1,024,396)	-	-	-	251,429
Government grants - Investment incentives	10,766,964	-	(364,723)	-	-	-	10,402,241
	139,678,958	14,771,141	(6,911,004)	5,525,492	-	-	153,064,587
Temporary differences originating deferred tax liabilities							
Revaluation of fixed assets	(6,748,157)	-	22	-	-	-	(6,748,136)
Retirement benefits	(2,137,958)	-	1,012,317	(677,927)	-	-	(1,803,568)
Derivative financial Instruments at fair value	(234,446)	-	-	(1,667,674)	-	-	(1,902,121)
Government grants	(11,991,792)	-	-	62,332	-	-	(11,929,460)
Extension of useful lives of tangible fixed assets	(299,964,933)	-	4,535,669	-	-	-	(295,429,264)
	(321,077,287)	-	5,548,008	(2,283,269)	-	-	(317,812,548)
Amounts as presented on consolidated statement of financial position							
Deferred tax assets	38,411,713	4,062,064	(1,900,526)	1,519,510	-	-	42,092,762
Tax incentives for Investment	12,522,612	-	-	-	-	-	12,522,612
	50,934,325	4,062,064	(1,900,526)	1,519,510	-	-	54,615,374
Deferred tax liabilities	(88,296,253)	-	1,525,704	(627,899)	-	-	(87,398,447)
	(88,296,253)	-	1,525,704	(627,899)	-	-	(87,398,447)

Amounts in Euro	1 st January 2015	Income Statement		Equity	Other Liabilities	Change in the consolidation scope	31 st December 2015
		Increases	Decreases				
Temporary differences originating deferred tax assets							
Tax losses carried forward	1,155,104	-	(1,155,104)	-	-	-	-
Taxed provisions	6,079,638	-	(5,821,730)	-	-	-	257,908
Adjustments in fixed assets	42,172,563	69,095,053	(11,592,110)	-	-	-	99,675,505
Financial instruments	3,093,055	-	-	(829,997)	-	-	2,263,058
Deferred accounting gains on inter-group transactions	20,432,177	7,962,925	(2,955,405)	-	-	-	25,439,698
Valuation of biological assets	-	1,275,824	-	-	-	-	1,275,824
Government grants - Investment incentives	12,225,910	-	(1,458,946)	-	-	-	10,766,964
	85,158,448	78,333,803	(22,983,296)	(829,997)	-	-	139,678,958
Temporary differences originating deferred tax liabilities							
Revaluation of fixed assets	(7,462,129)	713,971	-	-	-	-	(6,748,157)
Retirement benefits	(1,110,760)	74,934	(7,929,697)	6,827,564	-	-	(2,137,958)
Derivative financial Instruments at fair value	(144,728)	-	-	(89,718)	-	-	(234,446)
Deferred accounting losses on inter-group transactions	(3,068,885)	(358,958)	3,747,934	(320,092)	-	-	-
Government grants	-	-	-	-	-	(11,991,792)	(11,991,792)
Extension of useful lives of tangible fixed assets	(336,438,878)	(25,094,311)	65,321,140	(3,752,884)	-	-	(299,964,933)
Valuation of biological assets	(477,515)	-	477,515	-	-	-	-
	(348,702,895)	(24,664,363)	61,616,893	2,664,870	-	(11,991,792)	(321,077,287)
Amounts as presented on consolidated statement of financial position							
Deferred tax assets	23,418,573	21,541,796	(6,320,406)	(228,249)	-	-	38,411,713
Tax incentives for Investment	-	-	(773,715)	-	13,296,327	-	12,522,612
	23,418,573	21,541,796	(7,094,121)	(228,249)	13,296,327	-	50,934,325
Deferred tax liabilities	(95,893,297)	(6,782,700)	16,944,647	732,839	-	(3,297,743)	(88,296,253)
	(95,893,297)	(6,782,700)	16,944,647	732,839	-	(3,297,743)	(88,296,253)

In the measurement of the deferred taxes as at 31st March 2015 and 31st December 2015, the corporate income tax rate used was 27.5%.

16. PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

16.1. Introduction

By the end of 2015, the defined benefit plan shown a deficit resulting, amongst other factors, from the changes on the actuarial and financial assumptions, namely from the review on the discount rates used in computing the actuarial liabilities.

Thus, in order to face that increase in the liabilities, the Group carried out additional contributions to the defined benefit plan in 2015.

The Group also holds liabilities related to post-employment defined benefit plans regarding the employees of The Navigator Company that choose not to accept the conversion to defined contribution plan, together with former employees, retirees or, when applicable, with granted rights.

As at 31st March 2016 and 2015 the coverage of the companies' liabilities by the assets of the funds was as follows:



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Amounts in Euro	31-03-2016	31-12-2015
Past service liabilities		
- Active Employees	58,105,846	59,309,768
- Former Employees	16,370,135	16,865,214
- Retired Employees	63,256,194	63,137,380
Market value of the pension funds	(141,044,636)	(143,067,688)
	(3,312,462)	(3,755,326)
Insufficient funds/ overfunding	(3,312,462)	(3,755,326)

As at 31st March 2016 the amount of assigned responsibilities to plans for post-employment benefits relating to two members of the Board of The Navigator Company Group amounted to Euro 1,099,186 (31st December 2015: Euro 1,697,024).

16.2. Assumptions used in the valuation of the liabilities

The actuarial studies carried out by an independent entity for the purpose of determining the accumulated liabilities as at 31st March 2016 and 31st December 2015 were based on the following assumptions:

	31-03-2016	31-12-2015	Real outcome	
			31-03-2016	31-12-2015
Disability Table	EKV 80	EKV 80	-	-
Mortality Table	TV 88/90	TV 88/90	-	-
Wage growth rate	1.00%	2.00%	1.00%	1.00%
Technical interest rate	2.50%	3.50%	-	-
Return rate on plan assets	2.50%	3.50%	2.40%	2.40%
Pensions growth rate	0.75%	0.75%	0.75%	0.75%

The discount rates used in this study were selected over the return rates of a bonds' portfolio, namely Markit iBoxx Eur Corporates AA 10+. From the portfolio, bonds with adequate maturity and rating were selected according to the amount and period cash outflows that will occur in regard to the payment of the benefits to employees.

The following table presents the five-year historical information on the present value of liabilities, the market value of the funds, non-financed liabilities and net actuarial gains/ (losses). This information from 31st December 2010 to 31st March 2016 was as follows:

Amounts in Euro	2010	2011	2012	2013	2014	2015	03_2016
Present value of liabilities	116,568,257	121,323,084	122,365,002	65,657,042	70,188,472	139,312,363	137,732,174
Fair value of plan assets	102,854,501	104,716,904	117,050,324	69,558,535	71,666,181	143,067,688	141,044,636
Surplus/(deficit)	(13,713,756)	(16,606,180)	(5,314,678)	3,901,493	1,477,709	3,755,326	3,312,462

16.3. Retirement and pension supplements

The movements in liabilities with retirement and pensions plans in 2016 and 2015 were as follows:

Amounts in Euro	2016	2015
Opening Balance	139,312,363	70,188,472
Changes in assumptions	238,289	12,775,869
Individual accounts	(1,990,100)	-
Curtailment	-	-
Costs recognised in the Income Statement	1,367,175	620,539
Pensions paid	(1,195,553)	(976,120)
As of 31st March	137,732,174	82,608,760
Remaining Quateres		56,703,603
As of 31st December		139,312,363

The funds set up to cover the above mentioned liabilities had the following movement in 2016 and 2015:



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Amounts in Euro	2016	2015
Opening Balance	143,067,688	71,666,181
Contributions made in the period	-	215,000
Expected return in the period	882,332	622,108
Actuarial gains/(losses) (difference between actual and expected returns)	291,568	3,063,192
Pensions paid	(1,195,553)	(976,120)
Other	(2,001,400)	-
As of 31st March	141,044,636	74,590,361
Remaining Quarters		68,477,327
As of 31st December		143,067,688

In the three month period ended 31st March 2016 and year ended 31st December 2015 the effect in the income statement of these plans was as follows:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015
Defined Benefit Plans		
Current services	525,401	23,587
Interest expenses	841,774	596,953
Return of the plan assets	(882,332)	(622,108)
Other	15,996	-
	500,840	(1,568)
Defined Contribution Plans		
Contribution to the plan	275,951	474,694
	275,951	474,694
Costs for the period	776,791	473,126

The costs with current services includes Euro 8,558 corresponding to 1 Board members (31st March 2015: Euro 43,080).

17. PROVISIONS

At 2016 and 2015, changes in provisions were as follows:

Amount in Euro	Legal Claims	Tax Claims	Other	Total
Amount as of 1st January 2015	2,943,470	24,107,664	14,097,671	41,148,805
Changes in the consolidation scope	-	-	-	-
Increases	13,191	-	(3,286,993)	(3,273,802)
Reversals	(52,236)	-	(2,580,434)	(2,632,670)
Transfers	-	(4,231,371)	-	(4,231,371)
Amount as of 31st March 2015	2,904,425	19,876,293	8,230,244	31,010,963
Changes in the consolidation scope	-	-	-	-
Increases	8,000	-	3,286,993	3,294,993
Reversals	0	-	(11,950,876)	(11,950,876)
Transfers	(286,376)	36,338,301	798,590	36,850,515
Amount as of 31st December 2015	2,626,049	56,214,594	364,951	59,205,593
Increases	-	-	1,118,830	1,118,830
Reversals	(965)	-	-	(965)
Transfers	(1,102)	(5,800,629)	-	(5,801,731)
Amount as of 31st March 2016	2,623,982	50,413,965	1,483,780	54,521,726

The amount shown as "Others" relates to provisions for multiple risks, which may originate cash outflows in the future.

The amount of provisions stated as "Tax claims" results from the Group's judgement at the date, about the potential disagreement with tax authorities, considering most recent updates about this events.



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18. INTEREST BEARING LIABILITIES AND OTHER LIABILITIES

18.1 Interest bearing liabilities

As at 31st March 2016 and 31st December 2015, non-current interest-bearing debt comprised the following:

31-03-2016							
Amount in Euro	Available Amount	Debt	Due Date	Interest Rate	Current	Non-Current	
Bond Loans							
Portucel Senior Notes 5.375% 2020	150,000,000	150,000,000	May 2016 *	Fixed Rate	150,000,000	-	
Portucel 2015-2023	200,000,000	200,000,000	September 2023	Variable Rate indexed to Euribor	-	200,000,000	
Commissions		(4,064,579)			(2,410,883)	(1,653,696)	
Bank Loans							
Bank Loan - AMS	17,875,002	17,875,002	July 2021	Variable Rate indexed to Euribor	3,249,996	14,625,006	
Bank Loan - AMS	3,666,667	3,666,667	July 2021	Variable Rate indexed to Euribor	666,667	3,000,000	
European Investment Bank							
BEI Ambiente A Loan	27,857,143	27,857,143	December 2018	Variable Rate indexed to Euribor	9,285,714	18,571,429	
BEI Ambiente B Loan	18,333,333	18,333,333	June 2021	Variable Rate indexed to Euribor	3,333,333	15,000,000	
BEI Energia Loan	63,750,000	63,750,000	December 2024	Variable Rate indexed to Euribor	7,083,333	56,666,667	
Commercial Paper							
Commercial Paper 125M	125,000,000	125,000,000	May 2020	Variable Rate indexed to Euribor	-	125,000,000	
Commercial Paper 75M	75,000,000	75,000,000	July 2020	Variable Rate indexed to Euribor	-	75,000,000	
Commercial Paper 50M	50,000,000	10,000,000	July 2020	Variable Rate indexed to Euribor	-	10,000,000	
Commissions		(487,045)				(487,045)	
Refundable Subsidies							
Refundable Subsidies		6,097,883				6,097,883	
Commissions							
		693,028,403			171,208,161	521,820,243	

31-12-2015							
Amount in Euro	Available Amount	Debt	Due Date	Interest Rate	Current	Non-Current	
Bond Loans							
Portucel Senior Notes 5.375% 2020	150,000,000	150,000,000	May 2016 *	Fixed Rate	-	150,000,000	
Portucel 2015-2023	200,000,000	200,000,000	September 2023	Variable Rate indexed to Euribor	-	200,000,000	
Commissions		(4,264,228)				(4,264,228)	
Bank Loans							
Bank Loan - AMS	19,423,085	19,423,085	July 2021	Variable Rate indexed to Euribor	3,249,996	16,173,089	
Bank Loan - AMS	3,833,333	3,833,333	July 2021	Variable Rate indexed to Euribor	666,667	3,166,667	
Bank Loan - AMS	1,959,546	1,959,546	January 2016	Variable Rate indexed to Euribor	1,959,546	-	
Bank Loan - 15M	15,000,000	15,000,000		Variable Rate indexed to Euribor	15,000,000	-	
European Investment Bank							
BEI Ambiente A Loan	27,857,143	27,857,143	December 2018	Variable Rate indexed to Euribor	9,285,714	18,571,429	
BEI Ambiente B Loan	18,333,333	18,333,333	June 2021	Variable Rate indexed to Euribor	3,333,333	15,000,000	
BEI Energia Loan	63,750,000	63,750,000	December 2024	Variable Rate indexed to Euribor	7,083,333	56,666,667	
Commercial Paper							
Commercial Paper 125M	125,000,000	125,000,000	May 2020	Variable Rate indexed to Euribor	-	125,000,000	
Commercial Paper 75M	75,000,000	75,000,000	July 2020	Variable Rate indexed to Euribor	-	75,000,000	
Commercial Paper 50M	50,000,000	25,000,000	July 2020	Variable Rate indexed to Euribor	-	25,000,000	
Commissions		(531,266)				(531,266)	
Refundable Subsidies							
Refundable Subsidies		6,788,396				6,788,396	
Commissions							
		727,149,343			40,578,590	686,570,753	

In September 2015, the Group proceeded to the partial early repayment of Portucel Senior Notes 5.375% bonds, in the amount of Euro 200 million. After the early repayment, this loan was reduced to Euro 150 million.

Simultaneously, the Group issued a new bond loan underwritten by two banks, also in the amount of Euro 200 million. This new issue, with an 8 year maturity, is indexed to the six months Euribor (with a 0% floor) plus a 1.9% spread. After the quarter end, the company announced the early repayment of the remaining loan in May 2016.

In March 2016, was contracted a new credit line with EIB related to the Cacia's expansion project. The amount of new funding is Euro 25 million. On 31st March the funding had not yet been disbursed.

On 31st March 2016 and 2015, the average cost of debt, considering both interest rate and annual fees was 2.3% and 2.4%, respectively.

The repayment terms related to non-current loans show the following maturity profile:



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Amount in Euro	31-03-2016	31-12-2015
Non-current		
1 to 2 years	24,672,514	23,619,051
2 to 3 years	27,684,303	23,619,048
3 to 4 years	14,333,334	14,333,334
4 to 5 years	224,333,334	389,333,334
More than 5 years	232,937,499	240,461,480
	523,960,984	691,366,247
Commissions	(2,140,741)	(4,795,494)
	521,820,243	686,570,753

As at 31st March 2016, in addition to the Commercial paper, the Group had available but unused credit lines amounting to Euro 160,450,714 (31st December 2015: Euro 145,450,714).

On 31st March 2016 and 31st December 2015, the Group's net debt was detailed as follows:

Amount in Euro	31-03-2016	31-12-2015
Interest-bearing liabilities		
Non-current	521,820,243	686,570,753
Current	171,208,161	40,578,590
	693,028,403	727,149,342
Cash and cash equivalents		
Cash	80,623	79,355
Short term bank deposits	18,294,233	35,024,398
Other applications	38,205,307	37,553,832
	56,580,163	72,657,585
Interest-bearing net debt	636,448,240	654,491,758

The Group has a strict policy regarding the approval of its financial counterparties, limiting its exposure in accordance to an individual risk analysis, with previously approved limits. It also has in place a diversification policy applied to the number of Group's counterparties. As such, as on 31st March 2016, the Group had no term deposit in financial institutions. The amount of Euro 38,205,307 under the heading of other cash and cash equivalents is invested in a portfolio of bonds from issuers with an adequate credit rating.

The evolution of the Group's net debt in the three month periods ended 31st March 2016 and 2015, was as follows:

Amounts in Euro	3 months 31-03-2016	3 months 31-03-2015	Remaining Quarters	12 months 2015
<i>As of 1st de January</i>	654,491,758	273,640,542	-	273,640,542
Changes in the consolidation scope	-	20,645,690	(3,499,089)	17,146,601
Expenses with the issue of bond loans	-	-	1,908,000	1,908,000
Interest paid	3,443,054	2,355,099	39,534,149	41,889,248
Interest received	(651,475)	(1,168,476)	(64,909)	(1,233,385)
Dividends paid and reserves distributed	-	-	440,459,260	440,459,260
Acquisition of treasury shares	-	-	-	-
Receipts related to investment activities	-	-	(14,113,127)	(14,113,127)
Payments related to acquisition of subsidiaries	-	-	40,949,794	40,949,794
Payments related to investment activities	26,240,968	11,015,450	142,834,525	153,849,975
Accumulated exchange rate differences	(447,825)	(1,783,996)	6,648,705	4,864,709
Dividend receipts	-	-	-	-
Net receipts of operating activities	(46,628,241)	(22,464,533)	(282,405,325)	(304,869,858)
Changes in Net Debt	(18,043,518)	8,599,234		380,851,216
	636,448,240	282,239,776		654,491,758

Also, the movements in the Group's net debt in the three months periods ended in 31st March 2016 and 2015 were as follows:



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Amount in Euro	31-03-2016	31-03-2015	Remaining Quarters	31-12-2015
Net profit for the year	44,623,176	41,790,413	154,975,109	196,765,522
Depreciation, amortization and impairment losses	35,980,113	33,083,703	88,632,232	121,715,935
Net changes in provisions	1,117,864	(5,906,473)	(8,655,882)	(14,562,355)
	81,721,154	68,967,643	234,951,459	303,919,102
Change in working capital	(7,966,323)	36,622,147	(70,442,101)	(33,819,954)
Variation in the consolidation scope		(19,589,407)	(262,425)	(19,851,832)
Acquisitions of tangible fixed assets	(44,770,427)	(59,332,620)	(132,685,893)	(192,018,513)
Dividends paid and reserves distributed	-	-	(440,459,260)	(440,459,260)
Acquisition of treasury shares	-	-	-	-
Net changes in post-employment benefits	(162,724)	(9,496,107)	11,261,302	1,765,195
Other changes in equity	1,452,686	(14,720,121)	19,014,119	4,293,998
Expenses with the issue of bond loans	2,654,752	576,263	1,110,465	1,686,728
Other	(14,885,599)	(11,627,032)	5,260,351	(6,366,681)
Changes in net debt (Free Cash Flow)	18,043,519	(8,599,234)	(372,251,982)	(380,851,216)

18.2 Other liabilities

On 31st March 2016 and 31st December 2015, the other non-current liabilities were as follows:

Amounts in Euro	31-03-2016	31-12-2015
Non-current		
Grants	35,664,097	37,215,981
Equipment	3,082,815	1,322,745
	38,746,912	38,538,726

The amount of grants corresponds to the investment grants received in order to support the investment projects carried out by the group in the past, with regard to its non-current component. From this amount, it is subject to conversion into non-repayable incentives Euros 6,947,450 for investment in the expansion of Cacia BEKP production unit Cacia. It is also subject to conversion into non-repayable incentives Euros 4,823,850 relating to the investment expansion of the Tissue paper production unit in Vila Velha de Ródão, which reduced the amount of goodwill recognized on the acquisition.

Finance leases – IFRIC 4

On 31st March 2016 and 31st December 2015, the Group showed the following equipment under finance lease plans recognized under IFRIC 4:

Amount in Euro	31-03-2016		
	Acquisition Value	Accumulated depreciation	Net book value
Equipments	14,000,000	(9,837,838)	4,162,162
	14,000,000	(9,837,838)	4,162,162
Amount in Euro	31-12-2015		
	Acquisition Value	Accumulated depreciation	Net book value
Equipments	14,000,000	(9,459,460)	4,540,540
	14,000,000	(9,459,460)	4,540,540

The non-current and current liabilities related to those equipment are recorded under "Other liabilities" and "Payables and other current liabilities", respectively, and are detailed as follows:

Amount in Euro	31-03-2016	31-12-2015
Non-current		
Equipment	3,082,815	1,322,745
Current (Note 19)	3,748,295	3,995,996
	6,831,110	5,318,741



19. PAYABLES AND OTHER CURRENT LIABILITIES

As at 31st March 2016 and 31st December 2015, Payables and other current liabilities were detailed as follows:

Amount in Euro	31-03-2016	31-12-2015
Accounts payable to suppliers	152,965,038	139,127,591
Accounts payable to fixed assets suppliers	4,713,447	2,945,204
Accounts payable to fixed assets suppliers - leases	3,748,295	3,995,996
Accounts payable - Related parties	908,570	1,192,990
Derivative financial instruments (Note 20)	5,604,771	646,872
Other creditors - CO2 emissions	5,422,481	6,855,147
Sales commissions	174,852	137,740
Other creditors	1,995,242	2,846,437
Accrued costs	61,568,488	61,100,959
Deferred income	8,472,135	6,235,175
	245,573,319	225,084,110

The current accounts payable balances were detailed as follows by business segment:

Amount in Euro	31-03-2016	31-12-2015
UWF Paper	104,434,686	93,581,883
Tissue	5,972,468	8,312,536
Pulp to Market	6,624,526	5,721,367
Other	37,933,358	31,511,806
	154,965,038	139,127,592

On 31st March 2016 and 31st December 2015, accrued costs and deferred income were detailed as follow:

Amount in Euro	31-03-2016	31-12-2015
Accrued costs		
Payroll expenses - Annual Performance Bonus	20,044,349	15,688,962
Payroll expenses - Other	22,061,667	18,855,256
Interests payable, including compensatory interest	8,202,058	8,533,687
Other	11,260,414	18,023,054
	61,568,488	61,100,959
Deferred income		
Government grants	6,274,879	6,274,879
Grants - CO2 emission licenses	2,154,008	(26,680)
Other	43,249	(13,024)
	8,472,135	6,235,175

As at 31st March 2016 and 31st December 2015, deferred income on government grants was detailed as follows:

Amount in Euro	31-13-2016	31-12-2015
AICEP investment contracts (Note 9)		
Portucel, S.A.	8,543,435	10,668,532
Navigator Pulp Cacia, S.A.	14,521,824	17,424,719
Navigator Pulp Setúbal, S.A.	761,596	1,456,647
Navigator Pulp Figueira, S.A.	8,943,728	10,767,344
Navigator Parques Industriais, S.A.	2,151,583	2,225,779
Navigator Paper Figueira, S.A.	204,101	564,192
	35,126,267	43,107,213
Other		
Raiz	9,128	72,883
Viveiros Aliança, SA	528,702	711,342
	537,830	784,225
	35,664,097	43,891,438

Moreover, the amount of Euros 18,359,405 related to the Navigator Tissue Ródão, S.A., deducted to the acquisition difference within the consolidation operations.

During 2016 and 2015, Grants – CO2 emissions had the following movements:



Amount in Euro	2016	2015
Grants - CO2 emissions		
Opening balance	-	-
Increase	4,280,610	3,197,487
Utilization	(2,123,366)	(584,582)
Balance as of 31st March	2,157,244	2,612,905
Remaining Quarters		(2,612,905)
Balance as of 31st December		-

This amount regards the CO2 emission allowances granted for free to several group companies (2016: 488,844 and 498,008 in 2015).

20. FINANCIAL ASSETS AND LIABILITIES

20.1. Financial instruments held for trading

On 31st March 2016 and 31st December 2015, the fair value of derivative financial instruments was as follows:

Amount in Euro	31-03-2016				31-12-2015
	Notional	Positive	Negative	Net	Net
Trading					
Exchange rate forwards	78,481,231	1,839,241	-	1,839,241	(417,437)
	78,481,231	1,839,241	-	1,839,241	(417,437)

The Group has a currency exposure on sales invoiced in foreign currencies, namely US dollars (USD) and pounds sterling (GBP). As the Group's financial statements are translated into Euro, it runs an economic risk on the conversion of these currency flows to the Euro. The Group is also obliged, albeit to a lesser degree, to make certain payments in those same currencies which, for currency exposure purposes, act as a natural hedge. Thus, the hedge is aimed at safeguarding the net value of items in the statement of financial position denominated in foreign currencies against the respective currency fluctuations.

The hedging instruments used in this operation are foreign exchange forward contracts covering the net exposure to the foreign currencies at the time the invoices are issued, for the same maturity dates and the same amounts of these documents in such a way as to fix the exchange rate associated with the sales. The nature of the risk hedged is change in the carrying amount of on sales and purchases expressed in foreign currencies due to foreign currency fluctuations. At the end of each month, customer and suppliers' balances expressed in foreign currency are updated, with the gain or loss offset against the fair value change of the forwards negotiated.

The net fair value of trading instruments – forwards – as at 31st March 2016 is Euro 1,839,241 (31st December 2015: Euro 417,437).

20.2. Derivative financial instruments designated as hedging instruments

As at 31st March 2016 and 31st December 2015, the fair value of derivative financial instruments designated as hedging instruments was as follows:



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Amount in Euro	31-03-2016				31-12-2015
	Notional	Positive	Negative	Net	Net
Hedging					
Interest Rates Swaps	325,000,000	-	(5,604,771)	(5,604,771)	870,373
Commercial Paper	125,000,000	-	(1,030,059)	(1,030,059)	55,042
Bond Loans	200,000,000	-	(4,574,712)	(4,574,712)	355,332
Hedges (net investment)	22,002,635	1,493,644	-	1,493,644	543,992
Hedges (future sales)*	175,800,000	1,667,674	-	1,667,674	
	522,802,635	3,161,318	(5,604,771)	(2,443,453)	1,414,365

* Amount in USD

Net investment

The Group hedges the economic risk associated with exposure to the exchange rate of its participation in PortucelSoporcel North America. For that purpose, the Group has entered into a foreign exchange forward maturing in May 2016, with a notional outstanding of USD 25,050,000.

This instrument is designated as a hedging of the investment in the North America subsidiary of the Group, with fair value changes recognized in comprehensive income.

Future sales – EUR/USD exchange rate risk

The Group makes use of derivative financial instruments in order to limit the net exchange risk arising from its sales and purchases denominated in USD.

In this context, throughout 2016, the Group signed a set of financial structures to cover part of the net exchange rate exposure of the sales denominated in USD for 2016. Derivative financial instruments entered were put options amounting to USD 175.8 million, which will reach their maturity on 31st January 2017.

Cash Flow Hedge – Interest rate risk

The Group hedges of future interest payments on commercial paper loans, through an interest rate swap, in which The Navigator Company pays a fixed rate and receives a variable rate. This instrument is designated as a cash flow hedge of the interest rate risk associated with the commercial paper programme and the bond loan. The credit risk is not part of the hedging relationship.

This hedge is designated for the entire life of the hedging instruments.

20.3. Credit and receivables

These amounts are initially recognized at fair value, and subsequently measured at amortized cost less any impairment losses identified during the course of the credit risk analysis of the credit portfolios held (Note 12).

20.4. Other financial liabilities

These items are recognized at their amortized cost, corresponding to the value of the respective cash flows discounted at the effective interest rate associated with each of the liabilities (Note 18).

20.5. Net gains on financial assets and liabilities

The effect in net income of the period of the financial assets and liabilities held is detailed as follows:



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Amounts in Euro	31-03-2016	31-03-2015
Gain/ (loss) on loans and receivables	(962,477)	314,392
Gains / (losses) on financial instruments - hedging	(376,603)	(1,374,596)
Gains / (losses) on financial instruments - trading	2,256,677	(698,574)
Interest Income:		
From deposits and other receivables	651,479	1,055,911
Interest expense:		
Financial liabilities measured at amortized cost	(3,673,284)	(7,546,267)
Other	(611,421)	(438,628)
	(2,715,629)	(8,687,762)

The fair value of derivative financial instruments is included in "Receivables and other current assets" (Note 12) and "Payables and other current liabilities" (Note 19).

The movement in the balances recognized in the statement of financial position (Notes 12 and 19) related with financial instruments was as follows:

	Change in fair value (Trading)	Change in fair value (Hedging)	Total
Amount as of 1st January 2015	(1,342,225)	(2,842,640)	(4,184,865)
Maturity (Note 10)	924,788	(7,954,725)	(7,029,937)
Increase/decrease in fair value	57,667	12,211,730	12,269,397
Amount as of 1st January 2016	(359,770)	1,414,365	1,054,596
Maturity (Note 10)	2,256,677	(376,603)	1,880,075
Increase/decrease in fair value	(673,481)	(3,481,215)	(4,154,696)
Amount as of 31st March 2016	1,223,427	(2,443,453)	(1,220,026)

On 31st March 2016 and 31st December 2015, the derivative financial instruments previously summarized had the following maturities:

		Nominal value	Maturity	Type	31-03-2016	31-12-2015
					Fair Value	Fair Value
Exchange rate forwards	USD	71,300,000	24-ago-16	Trading	1,294,576	(646,872)
	GBP	12,550,000	16-ago-16	Trading	544,665	229,435
Future purchase of CO2 emission licences	EUR	1,931,000	15-mar-18	Trading	(615,814)	57,667
					1,223,427	(359,770)
Foreign Exchange forwards - Net Equity	USD	25,050,000	27-mai-16	Hedging	1,493,644	543,992
Hedging for future sales	USD	175,800,000	31-dez-16	Hedging	1,667,674	-
Interest rate swap for commercial Paper issued	EUR	125,000,000	26-mai-20	Hedging	(1,030,059)	515,042
Interest rate swap for loans	EUR	200,000,000	22-set-23	Hedging	(4,574,712)	355,332
					(2,443,453)	1,414,365
					(1,220,026)	1,054,596

21. COMMITMENTS

21.1. Commitments in favour of third parties

As at 31st March 2016 and 31st December 2015, the Group had presented the following bank guarantees to the following entities:

Amounts in Euro	31-03-2016	31-12-2015
Customs clearance	2,901,165	2,723,960
Simria	338,829	327,775
IAPMEI	8,980,505	6,573,110
Other	622,257	605,540
	12,842,756	10,230,385

The guarantees in favour of IAPMEI were provided under the investment contracts celebrated between the Portuguese State and Navigator Pulp Cacia, S.A. (Euro 2,438,132) and Navigator Tissue Ródão, S.A. (Euro 6,542,373), as per the terms and conditions defined in the Payment Standard applicable to projects approved under QREN Incentive Systems.



21.2. Purchase commitments

In addition to the commitments described in the preceding Note, purchase commitments assumed with suppliers at 31st March 2016 amounted to Euro 17,050,613 and referred to capital expenditure on Property, plant and equipment. In 31st December 2015 these commitments amounted to Euro 23,107,821.

On 31th March 2016 and 31th December 2015, the commitments relating to 327 (2015:308) operating lease contracts comprised the following:

Amounts in Euro	31-03-2016	31-12-2015
Settlement date		
2016	1,188,801	1,506,712
2017	1,320,909	1,202,577
2018	934,908	810,035
2019	557,732	434,663
2020	125,643	52,956
	4,127,994	4,006,943

As at 31st March 2016 and 31st December 2015, the undiscounted commitments relating to 2,970 and 2,980 forestry land rents comprised the following:

Amounts in Euro	31-03-2016	31-12-2015
2016	3,251,977	4,583,742
2017	4,544,396	4,426,222
2018	4,363,270	4,149,697
2019	4,129,793	3,980,008
2020	3,807,418	3,657,728
Later	50,087,065	47,542,248
	70,183,918	68,339,646

22. CONTINGENT ASSETS

22.1. Tax matters

22.1.1. Paid and disputed settlements

At 31st March 2016 and 31st December 2015, the additional tax settlements paid and disputed by the Group, are detailed as follows:

Amounts in Euro	31-03-2016	31-12-2015
Aggregate corporate income tax 2005	10,394,386	10,394,386
Aggregate corporate income tax 2006	8,150,146	8,150,146
Aggregate corporate income tax - result of the income tax calculation - 2010	4,448,387	4,448,387
Aggregate corporate income tax - result of the income tax calculation - 2011	2,208,268	2,208,268
Aggregate corporate income tax 2012	6,876,545	-
	32,077,732	25,201,187



23. COMPANIES INCLUDED IN THE CONSOLIDATION

Company	Head office	Share equity owned		
		Directly	Indirectly	Total
Parent-Company:				
The Navigator Company, S. A.	Setúbal	-	-	-
Subsidiaries:				
Navigator Paper Figueira, S.A.	Figueira da Foz	100.00	-	100.00
Portucel Florestal, SA	Setúbal	100.00	-	100.00
Navigator Parques Industriais, SA	Setúbal	100.00	-	100.00
About the Balance - SGPS, SA	Lisboa	100.00	-	100.00
Navigator Tissue Rodão, SA	Vila Velha de Ródão	-	100.00	100.00
Navigator Tissue Cacia, SA	Aveiro	-	100.00	100.00
Navigator Internacional Holding SGPS SA	Setúbal	100.00	-	100.00
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Moçambique	20.05	60.15	80.20
Portucel Florestal Brasil - Gestão de Participações, Ltda	Brasil	25.00	75.00	100.00
Colombo Energy Inc.	EUA	-	100.00	100.00
Portucel Finance, Zoo	Polónia	25.00	75.00	100.00
Portucel Africa, SRL	Itália	-	100.00	100.00
Navigator Floresta, SGPS, SA	Setúbal	100.00	-	100.00
Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos, SA	Setúbal	-	100.00	100.00
Gavião - Sociedade de Caça e Turismo, S.A.	Setúbal	-	100.00	100.00
Navigator Forest Portugal, SA	Setúbal	-	100.00	100.00
Afocelca - Agrupamento complementar de empresas para protecção contra incêndios ACE	Portugal	-	64.80	64.80
Viveiros Aliança - Empresa Produtora de Plantas, SA	Palmela	-	100.00	100.00
Atlantic Forests, SA	Setúbal	-	100.00	100.00
Raiz - Instituto de Investigação da Floresta e Papel	Aveiro	-	94.00	94.00
Bosques do Atlantico, SL	Espanha	-	100.00	100.00
Navigator Pulp Holding ,SGPS, S.A.	Setúbal	100.00	-	100.00
Navigator Pulp Figueira, SA	Figueira da Foz	-	100.00	100.00
Navigator Pulp Setúbal, S.A.	Setúbal	-	100.00	100.00
Navigator Pulp Cacia, S.A.	Aveiro	-	100.00	100.00
Portucel International GmbH	Alemanha	-	100.00	100.00
Navigator Paper Holding ,SGPS, S.A.	Setúbal	100.00	-	100.00
About the Future - Empresa Produtora de Papel, SA	Setúbal	-	100.00	100.00
Navigator Paper Setúbal, S.A.	Setúbal	-	100.00	100.00
Portucel Soporcel North America Inc.	EUA	-	100.00	100.00
Navigator Sales & Marketing, SA	Bélgica	25.00	75.00	100.00
Navigator Lusa, Lda	Figueira da Foz	-	100.00	100.00
Navigator Fine Paper , S.A.	Setúbal	-	100.00	100.00
Navigator Switzerland Ltd.	Suiça	25.00	75.00	100.00
PortucelSoporcel Afrique du Nord	Marrocos	-	100.00	100.00
PortucelSoporcel España, SA	Espanha	-	100.00	100.00
PortucelSoporcel Netherlands, BV	Holanda	-	100.00	100.00
PortucelSoporcel France, EURL	França	-	100.00	100.00
PortucelSoporcel United Kingdom, Ltd	Reino Unido	-	100.00	100.00
PortucelSoporcel Italia, SRL	Itália	-	100.00	100.00
PortucelSoporcel Deutschland, GmbH	Alemanha	-	100.00	100.00
PortucelSoporcel Handels, GmbH	Austria	-	100.00	100.00
PortucelSoporcel Poland SP Z O	Polónia	-	100.00	100.00
PortucelSoporcel Eurasia	Turquia	-	100.00	100.00
PortucelSoporcel Russia, LLC	Russia	-	100.00	100.00
Navigator Biomass Energy ,SGPS, S.A.	Setúbal	100.00	-	100.00
Enerpulp – Cogeração Energética de Pasta, SA	Setúbal	-	100.00	100.00
Navigator Participações Holding ,SGPS, S.A.	Setúbal	100.00	-	100.00
Arboser – Serviços Agro-Industriais, SA	Setúbal	-	100.00	100.00
EMA21 - Engenharia e Manutenção Industrial Século XXI, SA	Setúbal	-	100.00	100.00
Erma Cacia - Engenharia e Manutenção Industrial, ACE	Aveiro	-	91.15	91.15
Erma Setúbal - Engenharia e Manutenção Industrial, ACE	Setúbal	-	92.56	92.56
Erma Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Figueira da Foz	-	91.47	91.47
Empremédia - Corretores de Seguros, SA	Lisboa	-	100.00	100.00
EucaliptusLand, SA	Setúbal	-	100.00	100.00
Headbox - Operação e Contolo Industrial, SA	Setúbal	-	100.00	100.00
Outpaper - Transformação, Corte e Embalagem de Papel, ACE	Figueira da Foz	-	50.00	50.00
Navigator Added Value, SA	Setúbal	-	100.00	100.00
Navigator Abastecimento de Madeira, ACE	Setúbal	-	100.00	100.00



BOARD OF DIRECTORS

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