

inapa



Consolidated Results

March, 31st 2015

2015



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1. Highlights

Net Income increased 7.2% based on a strong cost management

Debt decreased € 30.4M maintaining downward trend

Generation of results

- Sales decrease 6.2% relatively to March 2014.
- Gross margin maintenance at 18.4%, remaining at the level of the same period.
- Operational costs before provisions reduced €1.8 M (-5.0%).
- Re-EBITDA of €7.2M, with margin of 3.2% .
- Financial costs were reduced by -11.6%.
- Net income increased 7.2% to EUR 1.6 million over the same period.

Financial strength

- Net debt decreased €30.4M comparing with March 2014 and €6.8M relatively to year end
- Working Capital decreased 20.5 million Euros relatively to March 2014 and decrease 3.0 million Euros relatively to December 2014.

Chart 1_ Main Consolidated Indicators

Million euros	Mar 15	Mar 14	Δ 15/14		
Tons ('000)	208	225	-7,8%		
Sales	226,3	241,3	-6,2%		
Gross margin	41,7	44,6	-6,4%		
Gross margin (%)	18,4%	18,5%	-0,1 pp		
Operating costs ¹	33,6	35,1	-4,2%		
Provisions	0,91	1,16	-21,2%		
Re-EBITDA	7,2	8,4	-13,7%		
Re-EBITDA margin (%)	3,2%	3,5%	-0,3 pp		
EBIT	5,8	6,6	-12,4%		
Net financial costs	3,8	4,3	-11,6%		
EBT	2,0	2,4	-14%		
Net income	1,6	1,5	7,2%		
	31-3-15	31-3-14	Δ 15/14	31-12-14	Δ 3 months
Net Debt ²	309,9	340,2	-8,9%	316,7	-2,2%
Working Capital	144,2	164,7	-12,4%	147,3	-2,1%

⁽¹⁾ Net of income from services and other income and excludes provisions ⁽²⁾ Includes securitization



2. Relevant facts

During 2015, the relevant facts to the business were:

19/3/2015 2014 Results announcement

To the report publication date the following events were recorded:

2/4/2015 Notice for General Meeting

6/4/2015 Rejection of suspension providence of the corporate resolution adopted at the General Meeting of August 6, 2014 filed by Nova Expressão, SGPS

28/4/2015 Ordinary General Meeting



3. Management report

3.1. Market analysis

During the first quarter of 2015 the Eurozone continued to register a favorable evolution of various indicators such as GDP and the consumer confidence index, signaling the maintenance of moderate economic recovery trend that was observed at the end of 2014. These expectations result from factors such as oil price fall and the ECB "quantitative easing" program. In addition, the depreciation of the Euro, the maintenance of low interest rates and the increase in disposable income, either in the business sector and consumers, led to an increase of investment and consumption. As risk factors, over political and geopolitical character than strictly economic character, we have the crisis in Greece and continued Ukraine-Russia conflict, posing as the main potential destabilizing for the maintenance of the economic recovery.

In this context, the paper market remains challenging. In production, the depreciation of the Euro against the dollar and the consequent pressure on pulp prices in the international market with greater impact in the paper manufacturers that don't have integrated production and, the still lingering over capacity production of coated paper with consequent pressure on prices and trading margin. In distribution, the recent insolvency situation of one relevant merchant will certainly contribute to the rationalization of capacity combined with the optimization effort of the settled structures / companies adapting them to market needs can contribute to a better performance of the respective players.

Despite the positive macroeconomic signs, during the first quarter of 2015 paper demand indicators in Europe presented a negative trend. Thus, with regard to the changing role for graphic arts and writing and printing, industry statistics show that in Europe the Coated wood-free and uncoated woodfree have undergone a decline over the same period of about 5%.

Also according to these statistics, paper sales volumes in the five most important Inapa European markets (Germany, France, Switzerland, Spain and Portugal) have decreased by around 4%. It should be noted that the two main markets of Inapa Group, Germany and France, were down about 5%. These data constitute the aggregates of coated and uncoated papers volume - totaling between 80 and 85% of marketed paper - not include the remaining subfamilies which includes specialties, cardboard, self-adhesive, among others.

3.2. Consolidated performance

The year 2015 confirmed the demand slowdown trend that occurred in the last quarter of 2014 which added to turmoil through exchange rate fluctuations and oil price fall. In this scenario, the demand for graphic paper and print overall maintained a regressive evolution, and more specifically, with impact on the behavior of consolidated sales of Inapa which



decreased over the same period, 6.2% in 2014, reaching 226 3 million euros. Paper sales fell 7.8% in volume and 7.6% in value.

The growth of complementary businesses of 3.3% offset the negative trend of the paper. The packaging business grew 2.5% while the visual communication sales increased 7.2%.

With regard to the market environment, we have seen a change in the business of one of the players with repercussions on the balance model between demand and supply in the main markets where Inapa is present which, together with the capacity on the side of producers and structural effects related to Digital Media, continues to generate a pressure in demand and consequently in sales and margins.

Chart 2_ Developments of the Paper, Packaging and Visual Communication Business

Million euros	Mar 15			Mar 14	
	Sales	Weight	Δ 14/13	Sales	Weight
Paper	194,1	85,8%	-7,6%	210,2	87,1%
Complementary business	32,2	14,2%	3,3%	31,2	12,9%
Packaging	16,9	7,5%	2,5%	16,5	6,8%
Visual communication	7,7	3,4%	7,2%	7,2	3,0%
Others ¹	7,6	3,3%	1,1%	7,5	3,1%
Total	226,3	100%	-6,2%	241,3	100%

Note: (1) Cross-selling with the paper business, office and graphic supplies

Despite the adverse market conditions described above, Inapa remained with a continuous commercial effort on margin defense also supported by improved sales mix, which allowed achieve a gross margin percentage of 18.4%, in line with the level recorded at the same period of 2014.

In the first three months, operational costs, due to the rigor on cost management and the positive impact of the organizational model adjustment, decreased 1.5 million Euros (minus 4.2%) over the same period of last year. This reduction is mainly due to lower personnel costs and administrative costs.

Provisions charges represented a ratio of 0.4% of sales, a decrease of 0.3 million euros compared to the same period last year. This positive trend is due to the maintenance of prudent lines of action on the client credit portfolio and a coordinated management with the Group's credit insurer, whose program is extended to Turkey since the last quarter of 2014.

The efficiency improving via gross margin defense policies and operating costs reduction together with the continued rigorous in the customers portfolio risk management, partially offset the losses of the activity decrease. In this context, to March, the Re-EBITDA was 7.2 million euros, 3.2% of sales.



The non-recurring charges of € 0.2 million reflect the reorganization effort and the current business process adjustment in France and in Germany.

Operating profit (EBIT) reach EUR 5.8 million, representing 2.6% of sales.

In particular it should be noted that whether the EBITDA margin, or EBIT, stood at the top levels of market benchmarks disclosed.

In the first three months of 2015, financial expenses decreased 11.6% compared to the same period of last year. This trend is due to the combined effect of the progressive reduction of debt and the decline in reference rates, which are at historical low levels.

Until March, the consolidated net income of Inapa increase 7.2%, to stand at € 1.6 million, compared with 1.5 million of 2014. This improvement is due to the margin maintenance effort alongside with the reduction in the level of operating costs as a result of restructuring carried out in 2014 and the decrease in depreciation and financial expenses.

The working capital showed an improvement of 12.4% compared to March of 2014, ie a reduction of 20.5 million Euros. This reflects the continued improvement in the management of working capital adjusted to the evolution of the business.

In the quarter under review Inapa-IPG successfully kept the Group's financial liabilities reduction policy, and the net debt at March 31, 2015 was of 309.9 million euros, down by 30.4 million euro compared to March 2014 and a reduction of 6.8 million euros compared to December 2014.

In order to align the debt maturity profile of the future generation of cash flow, it was possible to achieve with some of the main financing banks, renewal agreements and rescheduling of repayments plans with the non-current debt represented about 60% of the total debt gross at March 31, 2015 comparing with 45% a year earlier.

3.3. Performance of the Group Business Areas

The evolution of the complementary packaging business and visual communication growth confirms the adequacy of the diversification strategy designed by Inapa in 2007, while their weight in total sales increased to 14.2% compared to 12.9% in the same period, and their relative contribution to the generation of the Group operating profits (EBIT) was of 18%.



PAPER

In volume, sales in 1Q15 decreased by 7.8% comparing with 2014, to 208 thousand tons. In value, paper business sales add to 194.1 million euros. Despite the structural imbalances between demand and supply in the market persisting, Inapa was able to maintain the average selling price in line with the same period of 2014.

The cross-selling in the paper business, with the sale of packaging products and visual communication and graphic and office, showed an increase of 1.1% in the period, consolidating Inapa approach to the market.

The Group maintained a policy of defending margins, focused on improving profitability through product mix sold, and managed to maintain the margin of the paper business by about 16.6%, a reduction of 0.3 percentage points compared to the same period of last year.

Operating profit (EBIT) of this business amounted to 4.8 million Euros, representing 2.4% of sales. This progression is due to a rigorous management of fixed costs that allow to mitigate the decrease in sales.

PACKAGING

Packaging business in the total Inapa Group amounted to 19 million Euros. Excluding cross-selling stood at 16.9 million Euros, an increase of 2.5% relatively to 2014. In the quarter Inapa kept a sustainable growth evolution sustained in a bigger focus on big size customers and the extension to new geographical areas in markets where it already operates.

Operational results (EBIT), reached 1.0 million Euros, representing 5.7% of sales. As a consequence of the operational optimization performed in 2014 all geographies posted a positive evolution when compared to the same period of last year.

VISUAL COMMUNICATION

The business of visual communication posted total sales of 10.0 million Euros. Excluding cross-selling sales amounted to 7.7 million Euros, an increase of 7.2% compared to the same period in 2014. The maintenance of interest rates at historically low levels had a positive impact on the economies of the Eurozone and investment decisions leading to an increase in equipment sales and the inherent technical assistance services and selling replacement parts. The digital printing kept a positive trend.

Operating profit (EBIT) amounted to 0.1 million Euros, representing 1.0% of sales.



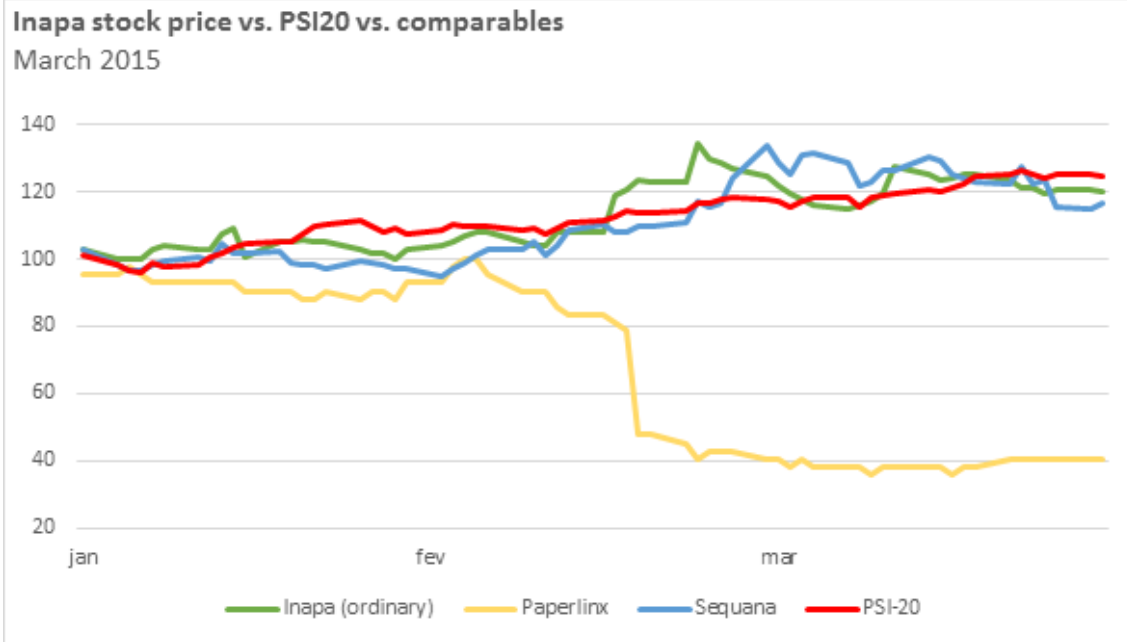
3.4. Future prospects

The evolution demand for graphic and print paper in the near future will be influenced by the performance of the economies where Inapa operates, in particular the European macroeconomic framework, along with the also persistent structural imbalances that exist in the sector. Regarding the European distribution market it is expected that some consolidation will occur as a result of the exit of one relevant player in some markets, particularly Germany, Spain, Belgium, and Luxembourg.

With regard to packaging business and visual communication it is foreseen the maintenance of the positive trend, based on organic growth through increased penetration in the markets where we operate and the strengthening of cross-selling. Within the objectives assumed in the Agenda 2020 strategic plan, Inapa keeps an effort in identifying investment opportunities that reveal growth prospects, profitability and value creation.

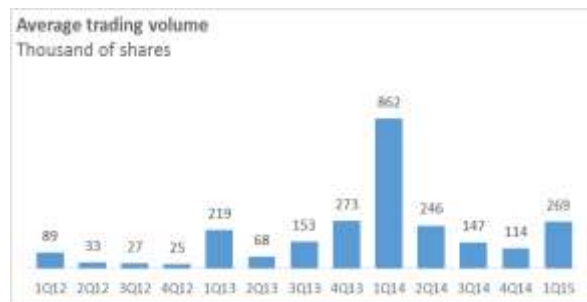
As a result of constant adjustment of the organizational model and business processes it is expected that operating costs will keep the downward trend already observed.

In terms of balance sheet, the Group will continue with the objective of reducing its debt ratio through optimization of working capital and cash-flow generated from the activity. The efforts to improve the maturity of debt ratio will continue in order to fit the generated pattern of funds released by the business.



At March 31 2015 the common shares recorded an increase of 20% regarding the end of 2014. The title has reversed the trend recorded in the last quarters of the previous year, closing the quarter with a price of 0.18 €, a similar trend registered by PSI-20. This evolution of Inapa shares was similar with the one registered by Sequana and better than Paperlinx, which saw its share price affected by the financial situation of the group in Europe.

Inapa trading volumes in the first quarter of the year increased, compared to the last quarters of 2014. The transactions were, on average, similar to the last quarter of both 2014 and 2013.



Preferred shares price at 31 March 2015 were 0.18€, the same price of its emission price (done in October 2011) and four cents below the year end quote. The liquidity of these titles is low, being traded 62.5 thousand shares on the first three months.



4. Interim Consolidated Accounts

INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED BALANCE SHEET MARCH 31, 2015

(Amounts in thousands of Euros)

	Notes	MARCH 31, 2015	*	MARCH 31, 2014
Tones *		207.795		225.374
Sales and Services rendered	3	228.534		244.006
Other income	3	5.906		5.940
Total Income		234.440		249.946
Cost of Sales		-186.716		-199.277
Personnel Cost		-19.057		-19.331
Other costs	5	-21.668		-23.100
		6.999		8.238
Depreciations and amortizations		-1.204		-1.613
Gains / (Losses) in associates		9		2
Net financial function	6	-3.774		-4.271
Net profit before income tax		2.030		2.356
Income tax	16	-463		-875
Net profit / (loss) for the period		1.567		1.481
Attributable to:				
Shareholders of the company		1.585		1.478
Non controlling interests		-18		2
Earnings per share on continuing operations				
Basic		0,003		0,010
Diluted		0,003		0,010

To be read in conjunction with the Notes of consolidated financial statements

* Non audited



INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AS AT MARCH 31ST, 2015

(Amounts in thousands of Euros)

	MARCH 31, 2015	MARCH 31, 2014
Net profit for the period before non controlling interests	1.567	1.481
Items that will not be reclassified to profit or loss		
Acturial gains / losses	-	-
Items that may be reclassified subsequently to profit or loss		
Change in value of available-for-sale financial assets	-	-
Currency conversion differences	1.763	-26
Rendimento reconhecido directamente no capital próprio	1.763	-26
Total comprehensive income for the period	3.330	1.455
Attributable to:		
Shareholders of the company	3.348	1.453
Non controlling interests	-18	2
	3.330	1.455

To be read in conjunction with the Notes of consolidated financial statements

* Non audited



INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED SEPARATE INCOME STATEMENT AS AT MARCH 31ST, 2015

(Amounts in thousands of Euros)

	Notes	MARCH 31, 2015	* DECEMBER 31, 2014
ASSETS			
Non-current assets			
Tangible fixed assets		86.312	86.487
Goodwill		164.522	164.520
Other intangible assets		114.724	114.725
Investments in associate companies		1.086	1.077
Available-for-sale financial assets	7	41	39
Other non-current assets	10	6.360	7.045
Deferred taxes assets	16	22.959	23.055
Total non-current assets		396.004	396.949
Current Assets			
Inventories		67.085	62.957
Trade receivables	10	148.647	134.705
Tax to be recovered		6.608	6.172
Available-for-sale financial assets	7	-	-
Other current assets	10	32.268	31.977
Cash and cash-equivalents	11	19.113	31.831
Total current assets		273.721	267.643
Total Assets		669.725	664.592
SHAREHOLDERS EQUITY			
Share capital	13	180.135	180.135
Share issue premium		450	450
Reserves		46.507	44.752
Retained earnings		-34.019	-36.097
Net profit for the period		1.585	2.078
		194.658	191.318
Non controlling interests		116	133
Total shareholders equity		194.774	191.452
LIABILITIES			
Non current Liabilities			
Loans	14	152.965	156.560
Financing associated to financial assets	14	40.696	44.878
Deferred tax liabilities	16	23.995	23.853
Provisions		397	344
Employees benefits		7.953	8.022
Other non-current liabilities		4.179	6.721
Total non-current liabilities		230.185	240.377
Current Liabilities			
Loans	14	135.322	147.101
Trade payables	15	71.513	50.409
Tax liabilities		15.524	12.617
Other current liabilities	15	22.407	22.636
Total current liabilities		244.766	232.763
Total shareholders capital and liabilities		669.725	664.592

To be read in conjunction with the Notes of consolidated financial statements

* Non audited



INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY AS AT MARCH 31ST, 2015 AND DECEMBER 31ST, 2014

(Amounts expressed in thousand of Euros)

	Atribuível aos detentores de capital próprio do Grupo					Total	Interesses não controlados	Total Capital Próprio
	Capital	Prémio de emissão de acções	Reserva de conversão cambial	Outras Reservas e Resultados transitados	Resultado líquido do período			
BALANCE AS AT JANUARY 1, 2014	204.176	450	4.612	-17.865	1.273	192.646	1.211	193.857
Total earnings and costs recognized in the period	-	-	191	-3.200	2.078	-931	-110	-1.041
Previous year net profit and loss result	-	-	-	731	-731	-	-	-
Changes in Capital	-	-	-	-	-542	-542	-102	-644
Dividends	-24.042	-	-	24.042	-	-	-	-
Other changes	-	-	-	143	-	143	-866	-723
Total of gains and losses of the period	-24.042	-	191	21.716	805	-1.330	-1.078	-2.408
BALANCE AS AT DECEMBER 31, 2014	180.135	450	4.803	3.851	2.078	191.318	133	191.452
BALANCE AS AT JANUARY 1, 2015	180.135	450	4.803	3.851	2.078	191.318	133	191.452
Total earnings and costs recognized in the period	-	-	1.784	-	1.585	3.369	-18	3.351
Previous year net profit and loss result	-	-	-	2.078	-2.078	-	-	-
Dividends	-	-	-	-	-	-	-	-
Other changes	-	-	-	-28	-	-28	-	-28
Total of gains and losses of the period	-	-	1.784	2.050	-493	3.341	-18	3.323
BALANCE AS AT MARCH 31, 2015	180.135	450	6.587	5.901	1.585	194.658	116	194.774

To be read in conjunction with the Notes of consolidated financial statements



INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED CASH FLOW STATEMENT AS AT MARCH 31ST, 2015

(Amounts expressed in thousand Euros) - direct method

	Notes	MARCH 31, 2015	MARCH 31, 2014
Cash flow generated from operating activities			
Cash receipts from customers		221.089	238.364
Payments to suppliers		-176.949	-192.540
Payments to personnel		-20.068	-20.076
Net cash from operational activities		24.072	25.748
Income taxes paid		-692	-582
Income taxes received		771	783
Other proceeds relating to operating activity		4.070	10.910
Other payments relating to operating activity		-13.661	-20.069
Net cash generated from operating activities	[1]	14.560	16.791
Cash flow from investing activities			
Proceeds from:			
Financial investments		-	-
Tangible fixed assets		150	345
Intangible assets		-	-
Interest and similar income		980	678
Dividends		-	-
		1.130	1.023
Payments in respect of:			
Financial investments		-263	-234
Tangible fixed assets		-826	-1.107
Intangible assets		-	-114
Advances from third-party expenses		-	-
Loans granted		-	-
		-1.089	-1.455
Net cash used in investing activities	[2]	41	-431
Cash flow from financing activities			
Proceeds from:			
Loans obtained		30.764	18.040
Capital increases, repayments and share premiums		-	-
Treasury placements		-	-
Changes in ownership interests		-	-
		30.764	18.040
Payments in respect of:			
Loans obtained		-40.471	-36.554
Amortization of financial leases		-320	-320
Interest and similar expenses		-4.419	-2.905
Dividends		-	-
		-45.210	-39.779
Net cash used in financing activities	[3]	-14.446	-21.739
Increase / (decrease) in cash and cash-equivalent ^[4]		155	-5.380
Effect of exchange differences		-54	28
		102	-5.352
Cash and cash-equivalents at the beginning of period		-55.744	-107.162
Cash and cash-equivalents at the end of period	11	-55.642	-112.514
		102	-5.352

To be read in conjunction with the Notes to the consolidated financial statements

* Non audited



INAPA - INVESTIMENTOS, PARTICIPAÇÕES E GESTÃO, S.A.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2015

(All amounts are expressed in thousands of Euros, unless otherwise specified)

1. INTRODUCTION

Inapa-Investimentos, Participações e Gestão, S.A. (Inapa -IPG) is the parent company of the Inapa Group, with the business purpose of owning and managing movable and fixed assets, holding shares in other companies, exploiting its own and third-party commercial and industrial establishments and providing support to companies in which it is a shareholder. Inapa - IPG is listed on the Euronext Lisbon stock exchange.

Head Office: Rua Braamcamp 40 - 9ºD, 1250-050 Lisboa, Portugal

Lisbon, Portugal

Share capital: 180,135,111.43 euros

N.I.P.C. (Corporate Tax Identification Number): 500 137 994

As a result of its development and internationalisation plan, the Inapa Group holds shares in the paper merchanting sector in several European countries, specifically (i) Inapa Deutschland, GmbH headquartered in Germany, which holds stakes in Papier Union, GmbH, which, in turn is the controlling shareholder of Inapa Packaging, GmbH, all of which are incorporated in the same country, (ii) Inapa France, S.A. and subsidiary companies, operating in France, (iii) Inapa Switzerland, a subsidiary controlled directly and indirectly through Inapa Deutschland, GmbH, which operates in the Swiss market, (iv) Inapa Portugal – Distribuição de Papel, S.A., the Portuguese company of the Group which has a stake in Inapa Angola- Distribuição de Papel, S.A. and Inapa Comunicação Visual, Lda,, (v) Inapa España Distribución Ibérica, S.A., operating in Spain, which has a participation in Surpapel SL (a company in the markets paper). and (vi) Europackging, SGPS, Lda, based in Portugal, that develops operations in Portugal and France through its subsidiaries (vii) one company located in the United Kingdom - Inapa Merchants Holding, Ltd, company without activity, (viii) Inapa Belgium and Inapa Luxembourg, operating in the Benelux market and Korda Kağıt Pazarlama ve Ticaret Anonim Şirketi, operating in the Turkish market.

These consolidated financial statements were approved by Inapa-IPG's Board of Directors of May 21, 2015. It is the opinion of the Board that these financial statements appropriately reflect the Group's operations and financial position.



2. ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements of the Inapa Group were prepared under the assumption that it will continue to operate and are based on the accounting books and records of the companies which comprise the Group. On the other hand, the interim financial statements for the nine months ending 31 March 2015 were prepared in compliance with the provisions of IAS 34 – Interim Financial Reporting and are published in conjunction with condensed Notes, on account of which they are to be perused in conjunction with the annual consolidated financial statements reported to financial year ended 31 December 2014.

The consolidated financial statements of the Inapa Group are also prepared in compliance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) subject to the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or its former representative, the Standing Interpretations Committee (SIC), as endorsed in the European Union.

Accounting policies

The accounting policies applied in compiling these interim consolidated financial statements are consistent with the policies adopted by the Inapa Group in preparing its annual consolidated financial statements reported to the financial year ended 31 December 2014 and are detailed in the Notes to those financial statements.

New standards, interpretations and amendments to standards

After 1 January 2015 the following standards, interpretations and amendments to existing standards came into effect following their publication by the IASB, by IFRIC and their adoption by the European Union:

- IFRS 9 (amendment): 'New requirements for the classification and measurement of financial assets';
- IFRS 9 (amendment): 'Review of the requirements for the classification and measurement of financial liabilities';
- IFRS 9, IFRS 7 and IAS 39 (amendment): 'Hedge accounting';
- IFRS9 (amendment): 'Requirements for recording financial instruments';
- IFRS 14 (new): 'Tariff deviations';
- IFRS 15 (new): 'Revenue from contracts with customers'
- IFRIC 21 (new), 'Government Taxes' (effective for annual periods beginning on or after June 1, 2014)

The beginning of these standards had no had no material impact on these financial statements.

IASB and IFRIC published new standards, amendments to existing standards and interpretations, the application of which is still not obligatory for the period beginning until 1



January 2015 as they have not been adopted by European Union. These standards are either not relevant in the context of the present financial statements or Inapa has opted not to adopt them before time:

- IAS 1 (amendment) - 'Disclosures review' (effective for annual periods beginning on or after July 1, 2016). This amendment is still subject to endorsement by the European Union.
- IAS 16 and IAS 38 (amendment) - Methods of calculating depreciation and depreciation allowed (effective for annual periods beginning on or after July 1, 2016). This amendment is still subject to endorsement by the European Union.
- IAS 16 and IAS 41 (amendment) - 'Agriculture: plants that produce consumable biological assets' (effective for annual periods beginning on or after July 1, 2016). This amendment is still subject to endorsement by the European Union;
- IAS 19 (amendment) - Defined benefit plans - Employee contributions' (effective for annual periods beginning on or after July 1, 2014). This amendment is still subject to endorsement by the European Union;
- IAS 27 (amendment) – 'Equity Method in separated Financial Statements' (effective for annual periods beginning on or after July 1, 2014). This amendment is still subject to endorsement by the European Union;
- IFRS 11 (amendment) – Accounting for the acquisition of an interest in a joint operation' (effective for annual periods beginning on or after July 1, 2016) .This is still subject to endorsement by the European Union;
- Changes to IFRS 10 and IAS 28 – 'Sale or assets contributions between an investor and its subsidiary or Joint-Venture' (effective for annual periods beginning on or after January 1, 2016) .This is still subject to endorsement by the European Union;
- Changes to IFRS 10, 12 and IAS 28 – 'Investment Entities: exemption of the Consolidation obligation' (effective for annual periods beginning on or after January 1, 2016). This standard is still subject to endorsement by the European Union;
- Improvements to standards 2010 - 2012, (applicable in general to periods beginning on or after July 1, 2014). These improvements are still subject to endorsement by the European Union. This cycle of improvement affects the following standards: IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38.
- Improvements to standards 2011 - 2013, (applicable in general to periods beginning on or after July 1, 2014). These improvements are still subject to endorsement by the European Union. This cycle affects the normative improvements following: IFRS 1, IFRS 3, IFRS 13 and IAS 40.
- Improvements to standards 2012 - 2014, (applicable in general to periods beginning on or after July 1, 2015). These improvements are still subject to endorsement by the European Union. This cycle affects the normative improvements following: IFRS 5, IFRS 7, IAS 9 and IAS 34.

In the preparation of these financial statements the Group has not early adopted any of these standards.

According to the analysis made by Inapa, does not expect that the implementation of the amendments and new standards referred to above, which are not yet mandatory for the periods beginning on January 1, 2015, has significant impact on the financial statements of the Group with its entry into force.



Estimates and material errors

No material errors or significant changes to accounting estimates relative to prior periods were recognised during the course of the first three months of 2015.

Estimates made in preparing the financial statements for the three months ended at March 31, 2015 have the same characteristics as in the preparation of financial statements for 2014.

Judgments and relevant assumptions

The preparation of financial statements was conducted in accordance with generally accepted accounting principles by use of estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses during the reporting period. It should be noted that although the estimates have been based on the best knowledge of the Board of Directors with respect to current events and actions, actual results may ultimately come to differ from them.

3. SALES AND SERVICE RENDERED AND OTHER INCOME

Sales and services rendered during the three months to 31 March 2015 and 31 March 2014 brake down as follows:

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Domestic market		
Goods sold	11,339	11,831
Service rendered	<u>51</u>	<u>106</u>
	<u>11,390</u>	<u>11,938</u>
Exports		
Goods sold	214,971	229,503
Service rendered	<u>2,173</u>	<u>2,566</u>
	<u>217,144</u>	<u>232,068</u>
Total	<u>228,534</u>	<u>244,006</u>

As at 31 March 2015 and 31 March 2014, Other income balance were brake down as follows:

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Supplementary income	175	155
Net cash discounts	2.132	2.532
Other income	<u>3.599</u>	<u>3.253</u>
	<u>5.906</u>	<u>5.940</u>

4. OPERATING SEGMENTS

The information in the report by segment is presented in accordance with the identified operating segments: paper supply, packaging and visual communication. Holdings that are not imputed to the identified businesses are recorded under Other operations.



The results for each segment correspond to those that are directly attributable and those for which there is reasonable basis for attribution. Inter-segmental transfers are carried out at market prices and are not materially significant.

The breakdown of financial information on March 31, 2015 and 2014 for operating segments is as follows:

	2015					2014						
	Paper	Packaging	Visual Communication	Other operations	on consolidated	Consolidated	Paper	Packaging	Visual Communication	Other operations	on consolidated	Consolidated
REVENUES												
External sales	201.688	16.890	7.732	-	-	226.310	217.642	16.479	7.212	1	-	241.334
Inter-segment sales	166	660	580	-	-1.406	-	260	560	1.053	-	-1.873	-
Other revenues	7.465	284	128	253	-	8.130	7.750	231	196	434	-	8.611
Total Revenues	209.319	17.834	8.440	253	-1.406	234.440	225.652	17.270	8.461	435	-1.873	249.946
RESULTS												
Segment results	4.792	955	77	-398	369	5.795	5.396	992	239	-811	809	6.624
Operacional results						5.795						6.624
Interest expenses	-2.609	-192	-87	-2.562	935	-4.515	-2.538	-160	-77	-2.776	797	-4.753
Interest income	1.580	-	33	182	-1.054	741	1.262	1	7	521	-1.310	481
Tax on profits						-463						-875
Income from ordinary activities						1.558						1.478
Gains/ (losses) in associated companies						9						2
Net profit / (loss) for the year						1.567						1.481
Attributable :												
Equity shareholders						1.585						1.478
Non controlling interests						-18						2

As at 31 March 2015 and 31 March 2014, paper sales per country where the Group operates were broken down as follows:

	Sales	
	March 31, 2015	March 31, 2014
Germany	102.368	116.549
France	42.929	50.517
Portugal	9.698	10.295
Others	46.693	40.281
	201.688	217.642

5. OTHER COSTS

As at the end of the three months period ended to 31 March 2015 and 31 March 2014, the Other costs were brake down as follows:

	March 31, 2015	March 31, 2014
General and Administrative expenses	-19,667	-20,685
Indirect taxes	-945	-1,058
Other costs	-146	-201
Impairment to current assets	-910	-1,156
	-21,668	-23,100



6. FINANCIAL FUNCTION

As at the end of the three months period ended to 31 March 2015 and 31 March 2014, financial function was broken down as follows:

	<u>March 31, 2014</u>	<u>March 31, 2014</u>
Financial income		
Interest received	149	11
Favourable FX differences	538	467
Other financial income and profits	53	4
	<u>741</u>	<u>481</u>
Financial costs		
Interest paid	-2.984	-3.336
Unfavourable FX differences	-460	-552
Other financial losses and costs	-1.071	-865
	<u>-4.515</u>	<u>-4.753</u>
Net financial results	<u>-3.774</u>	<u>-4.271</u>

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

As at 31 March 2015 and 31 March 2014, Available-for-sale financial assets were broken down as follows:

	<u>March 31, 2014</u>	<u>March 31, 2014</u>
Non current		
Other's	41	39
	<u>41</u>	<u>39</u>
Current		
Other's	-	-
	<u>-</u>	<u>-</u>

Changes in Available-for-sale financial assets during the nine month period to 31 March 2015 and the year 2014 were as follows:

Opening balance as at 1 January 2014	40
Aquisitions	-
Disposals	-1
Changes in fair value	-
Closing balance as at 31 December 2014	39
Aquisitions	2
Disposals	-
Changes in fair value	-
Closing balance as at 31 March 2015	41





8. COMPANIES INCLUDED IN THE CONSOLIDATED ACCOUNTS

As at 31 March 2015, the following subsidiary companies were consolidated on a full consolidation basis:

Subsidiary company name	Head Office	% Group holdings	Business operation	Direct holding company	Date of incorporation
Inapa-Portugal, SA	Rua das Cerejeiras, nº 5, Vale Flores São Pedro de Penaferrim 2710 Sintra	100.00	Paper Merchanting	Inapa – IPG, SA	1988
Inapa Distribución Ibérica, SA	c/ Delco Polígono Industrial Ciudad del Automóvil 28914 Leganés, Madrid	100.00	Paper Merchanting	Inapa – IPG, SA	December 1998
Inapa France, SA	91813 Corbeil Essones Cedex France	100.00	Paper Merchanting	Inapa – IPG, SA	May 1998
Inapa Packaging, S.A.	14, Impasse aux Moines 91410 Dourdon France	100.00	Packaging	Europackaging SGPS, Lda	January 2008
Inapa Belgique	Vaucampsan, 30 1654 Huizingen Belgium	99.94	Paper Merchanting	Inapa – IPG, SA	May 1998
Inapa Luxemburg	211, Rue des Romains. L. 8005 Bertrange Luxemburg	97.81	Paper Merchanting	Inapa Belgique	Maio 1998
Inapa Deutschland, GmbH	Osterbekstraße 90 20354 Hamburgo Alemanha	92.50	Holding	Inapa – IPG, SA	April 2000
Papier Union, GmbH	Osterbekstraße 90 20354 Hamburgo Alemanha	100.00	Paper Merchanting	Inapa Deutschland, GmbH	April 2000
Inapa Packaging, GmbH	Osterbekstraße 90 20354 Hamburgo Alemanha	100.00	Holding	Papier Union, GmbH	2006
Complott Papier Union, GmbH	Industriestrasse 40822 Mettmann Germany	100.00	Visual Communication	Papier Union, GmbH	January 2008
Inapa – Merchants, Holding, Ltd	Torrington House, 811 High Road Finchley N12 8JW United Kingdom	100.00	Holding	Inapa – IPG, SA	1995
Inapa Suisse	Althardstrasse 301 8105 Regensdorf – Switzerland	100.00	Paper Merchanting	Inapa-IPG,SA e Papier Union, GmbH	May 1998



Subsidiary company name	Head Office	% Group holdings	Business operation	Direct holding company	Date of incorporation
Europackaging SGPS, Lda	Rua Castilho 44- 3º 1250-071 Lisboa	100.00	Holding	Inapa – IPG, SA	October 2011
Edições Inapa, Lda	Rua Braamcamp 40 - 9ºD, 1250-050 Lisboa, Portugal	100,00	Editorial	Inapa – IPG, SA	November 2009
Inapa Angola – Distribuição de Papel, SA	Rua Amílcar Cabral nº 211 Edifício Amílcar Cabral nº 8º Luanda – Angola	100.00	Paper Merchanting	Inapa Portugal, SA	December 2009
Semaq Emballages, SA	Rue de Strasbourg – ZI de Bordeaux Fret França	100.00	Packaging	Inapa Packaging, S.A.	February 3013
Inapa Embalagem, Lda	Rua das Cerejeiras, nº 5, Vale Flores São Pedro de Penaferrim 2710 Sintra	100.00	Packaging	Europackaging, SGPS, Lda	March 3013
Inapa Shared Center, Lda	Rua das Cerejeiras, nº 5, Vale Flores São Pedro de Penaferrim 2710 Sintra	100.00	Shared services	Inapa Portugal, SA e Inapa – IPG, SA	July 3013
Da Hora Artigos de Embalagem, Lda	Urbanização das Minhoteiras, lote 3 – Crestins Maia 4470-592 Moreira Maia	100.00	Packaging	Inapa Embalagem, Lda	November 3013
Crediforma – Papelaria e Equipamento Técnico, Lda	Rua das Cerejeiras, nº 5, Vale Flores São Pedro de Penaferrim 2710 Sintra	100.00	Visual Communication I	Inapa Portugal SA	January 2014
KORDA Kağıt Pazarlama ve Ticaret Anonim Şirketi	Kasap Sokak. Konak Azer 34394 Istambul Turquia	100,00	Distribuição papel	Inapa-IPG, SA	setembro 2013
Trademal – Comércio, Indústria, Exportação e Importação de Produtos Sintéticos, S.A.	Rua da Industria, 9 Porto Salvo 2740 Oeiras Portugal	75.00	Embalagem	Inapa Embalagem, Lda.	setembro 2013

All balances and transactions with subsidiary companies were eliminated in consolidation process.

Were included in the consolidated financial statements by the equity method, under Investments in associated companies, the following companies:



<u>Associate company name</u>	<u>Shareholding company</u>	<u>% Holding</u>
Surpapel, SL	Inapa España Distribución Ibérica, SA	25,00
Inapa Logistics	Papier Union, Gmbh	100,00
Inapa Vertriebsgesellschaft	Papier Union, Gmbh	100,00

9. COMPANIES EXCLUDED FROM THE CONSOLIDATED ACCOUNTS

The companies listed in the following table were not consolidated on a full consolidation basis. The impact of their exclusion is deemed to be materially irrelevant. Megapapier was not consolidated on a full consolidation basis due to the fact that the Group intends to liquidate it and it was valued at nil.

<u>Company name</u>	<u>Head Office</u>	<u>Direct Shareholder</u>	<u>% holdings</u>
Megapapier - Mafipa Netherland BV	PO Box 1097 3430 BB Nieuwegein Holand	Inapa France, SA	100%
Inapa Logistics	Osterbekstraße 90 20354 Hamburgo Germany	Papier Union, GmbH	100%
Inapa Vertriebsgesellschaft GmbH	Osterbekstraße 90 20354 Hamburgo Germany	Papier Union, GmbH	100%

10. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

As at 31 March 2015 and 31 December 2014, Trade receivables were broken down as follows:

	<u>March 31, 2015</u>	<u>December 31, 2014</u>
Trade receivables		
Trade receivables -Current account	137,018	123,718
Trade receivables -Bills receivable	8,067	7,549
Doubtful debt	<u>25,732</u>	<u>25,056</u>
	170,817	156,323
Cumulative impairment losses	<u>-22,170</u>	<u>-21,618</u>
Trade receivables - net balance	<u>148,647</u>	<u>134,705</u>

As at 31 March 2015 and 31 December 2014, the balance of Other assets was broken down as follows:



	March 31, 2015	December 31, 2014
Other non current assets		
Other debtors	6,847	7,532
Accumulated impairment losses	-487	-487
	6,360	7,045
Other current assets		
Stockholdings and stockholders		
Advances to suppliers	446	518
Other debtors	18,302	13,795
Accumulated impairment losses	-634	-634
	17,668	13,161
Accrued income	10,259	16,023
Deferred costs	3,895	2,275
	32,268	31,977

11. CASH AND CASH-EQUIVALENT

The balance of Cash and cash-equivalent as at 31 March 2015 and 31 December 2014 and for the year of 2014 were broken down as follows:

	31 March 2015	31 December 2014	31 March 2014
Cash and cash-equivalent			
Banks	18,871	31,599	13,645
Cash	242	231	250
	19,113	31,831	13,895

Cash-flow Statement

For purposes of reconciliation to the Cash Flow Statement, Cash and cash-equivalent items are broken down as follows:

	31 March 2015	31 December 2014	31 March 2014
Cash and cash-equivalent			
Banks	18.871	31.599	13.645
Cash	242	231	250
Cash and cash-equivalent per balance sheet	19.113	31.830	13.895
Bank overdrafts	-74.755	-87.574	-126.410
Cash and Cash-equivalent per Cash-Flow statement	-55.642	-55.744	-112.514

The balance of Bank overdrafts includes creditor balances held on current accounts with financial institutions included in the balance of Loans (Note 14).



12. Impairment

During the three months ended in 31 March 2015, the recognised asset impairments were as follows:

	Goodwill	Other intangible assets	Inventories	Trade receivables	Other current assets	Total
Balance as at January 1, 2014	11.766	27.464	1.392	22.123	4.239	66.984
Increases	-	-	142	3.804	-	3.946
Utilisation	-	-	-163	-2.018	-3.118	-5.299
Reverseals	-	-	-69	-2.280	-	-2.349
Changes in the consolidation perimeter	-	-	-	-	-	-
Exchange rate differences	-	-	1	-11	-	-9
Balance as at December 31, 2014	11.766	27.464	1.303	21.618	1.122	63.273
Increases	-	-	49	910	-	959
Utilisation	-	-	-	-	-	-
Reverseals	-	-	-3	-465	-	-468
Changes in the consolidation perimeter	-	-	-	-	-	-
Exchange rate differences	-	-	38	107	-	145
Balance as at March 31, 2015	11.766	27.464	1.387	22.170	1.122	63.909

13. SHARE CAPITAL

At March 31, 2015 and December 31, 2014 share capital was represented by 450,980,441 shares, of which 150,000,000 shares have no par value ordinary nature and 300,980,441 preferred shares during 2014 began to have voting rights, certificated and bearer with no par value. Equity is fully subscribed and issued.

The preference shares confer the right to a preferential dividend of 5% of their issue price (0.18 euros per share), taken from the profits that, under applicable law, may be distributed to shareholders. In addition to the preferential dividend rights, preference shares confer all the rights attaching to ordinary shares, except the right to vote. The preferred dividend that is not paid in a year must be paid within the following three years, before dividends on these, as long as there are distributable profits. In the case of the priority dividend is not fully paid during two years, preference shares are to confer voting rights on the same terms that the ordinary shares and only lost it in the year following that in which the dividends have been paid priority.

On March 31, 2015, the Group does not own shares or have occurred any purchases during the year 2015 transactions of own shares.

The shareholder structure as of March 31, 2015, is as follows:



31 March 2015

Shareholder			Preferencial	% Preferencial	% Voting Rights
	Ordinary Shares	% of Ordinary Shares	Shares	Shares	
Parpública – Participações Públicas (SGPS), SA	49.084.738	32,72%	-	-	8,26%
Shares allocated to CGD	2.762	0,002%	148.888.866	49,47%	25,07%
Parcaixa - SGPS, S.A.	-	-	148.888.866	49,47%	25,07%
CGD Pensões - Sociedade Gestora de Fundos de Pensões, S.A.	1.262	0,001%	-	-	0,000%
Caixa - Banco de Investimento, S.A.	1.500	0,001%	-	-	0,000%
Shares allocated to MillenniumBCP	26.986.310	17,99%	121.559.194	40,39%	32,94%
Fundo de Pensões do Grupo Banco Comercial Português	16.491.898	10,99%	45.810.827	15,22%	13,81%
Banco Comercial Português	10.494.412	7,00%	75.748.367	25,17%	19,12%
Novo Banco, SA	-	-	27.556.665	9,16%	6,11%
Nova Expressão SGPS, SA	9.500.000	6,33%	-	-	2,11%
Total Qualified Shares	85.573.810	57,05%	298.004.725	99,01%	74,49%

31 December 2014

Shareholder			Preferencial	% Preferencial	% Voting Rights
	Ordinary Shares	% of Ordinary Shares	Shares	Shares	
Parpública – Participações Públicas (SGPS), SA	49.084.738	32,72%	-	-	8,26%
Shares allocated to CGD	2.762	0,002%	148.888.866	49,47%	25,07%
Parcaixa - SGPS, S.A.	-	-	148.888.866	49,47%	25,07%
CGD Pensões - Sociedade Gestora de Fundos de Pensões, S.A.	1.262	0,001%	-	-	0,000%
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Shares allocated to MillenniumBCP	26.986.310	17,99%	121.559.194	40,39%	32,94%
Fundo de Pensões do Grupo Banco Comercial Português	16.491.898	10,99%	45.810.827	15,22%	13,81%
Banco Comercial Português	10.494.412	7,00%	75.748.367	25,17%	19,12%
Novo Banco, SA	-	-	27.556.665	9,16%	6,11%
Nova Expressão SGPS, SA	9.500.000	6,33%	-	-	2,11%
Total Qualified Shares	85.573.810	57,05%	298.004.725	99,01%	74,49%



14. LOANS

As at 31 March 2015 and 31 December 2014, Loans balance is detailed as follows:

	31 March 2014	31 December 2014
Current debt		
° Bank loans		
° Bank loans and other current financial instruments	74,755	87,574
° Commercial paper, redeemable at its nominal value, renewable, with maturity within one year	33,997	33,854
° Medium and long-term financial instruments (portion maturity within 1 year)	16,881	15,916
° Other current financial loans	8,182	8,183
° Leasing	1,507	1,574
Total current debt	135,322	147,101
Non-current debt		
° Bank loans		
° Medium and long-term financial instruments	109,124	109,210
° Other loans	27,899	31,181
° Commercial Paper, reimbursed by nominal value	8,800	8,800
° Leasing	7,142	7,369
	152,965	156,560
° Financing associated to financial assets - securitisation	40,696	44,878
Total non-current debt	193,661	201,438
Total debt	328,983	348,539

As at 31 March 2015 the bank loans conditions are similar to the ones of 31 December 2014.

As at 31 March 2015 and 31 December 2014, the net balance of consolidated financial debt is broken down as follows:

	31 March 2015	31 December 2014
Loans		
Current	133.815	145.527
Non-current	145.823	149.191
	279.638	294.718
Loans associated to financial assets - securitization	40.696	44.878
Financial leases debt	8.649	8.942
	328.983	348.538
Cash and cash-equivalents	19.113	31.831
Negotiable financial assets (listed securities)	-	-
Available-for-sale financial assets (listed securities)	-	-
	19.113	31.831
	309.870	316.707



15. SUPPLIERS AND OTHER CURRENT AND NON CURRENT LIABILITIES

As at 31 March 2015 and 31 December 2014, the balances of Suppliers and of Other current liabilities were detailed down as follows:

	<u>31 March 2015</u>	<u>31 December 2014</u>
Suppliers		
Suppliers on current account	65,673	47,903
Trade bills account	424	394
Invoices pending reconciliation	5,416	2,112
	<u>71,513</u>	<u>50,409</u>
Other current liabilities		
Advances from clients	2,551	1,526
Fixed assets suppliers	-	-
Other creditors	10,564	10,550
Accruals and deferred items	9,293	10,560
	<u>22,407</u>	<u>22,636</u>

16. INCOME TAX

The amount of taxes in the Interim Consolidated Income Statement for the three months to 31 March 2015, amounting to a total of 463 thousand Euros, equates to the liability for current income tax for the nine months period in the amount of 237 thousand Euros plus the balance of negative changes in deferred tax, amounting to 226 thousand Euros.

The differential between the nominal tax rate (average rate of 30%) and the effective company income tax rate (IRC company tax) for the Group, as at 31 March, 2015, is detailed in the following table:

	<u>31 March 2015</u>
Net income before tax	2,042
Nominal company tax rate	<u>30%</u>
	-613
Income tax	<u>-463</u>
	<u>-150</u>
Permanent differences- Germany	55
Permanent differences- France	14
Permanent differences- Portugal	-323
Changes in taxes rates	202
Other	<u>-98</u>
	<u>-150</u>



Deferred tax

All instances where future taxation due may come to be significantly impacted are reported in the financial statements as at 31 March 2015 and 31 December 2014.

The following table reports changes in deferred tax assets and liabilities during the three months to 31 March 2015 and the financial year ended 31 December 2014:

	<u>01-01-2015</u>	<u>Changes in consolidation perimeter</u>	<u>Fair value reserves and other reserves</u>	<u>Net profit for the period</u>	<u>31-03-2015</u>
Deferred tax assets					
Taxable provisions	88	-	-	-	88
Reportable tax losses	19.293	-	-	26	19.319
Others	3.675	16	-	-138	3.553
	<u>23.055</u>	<u>-</u>	<u>-</u>	<u>-112</u>	<u>22.959</u>
Deferred tax liabilities					
Fixed assets revaluation	-8.259	-	-29	-29	-8.317
Depreciation	-14.583	-	-	-66	-14.649
Others	-1.011	-	-	-18	-1.029
	<u>-23.853</u>	<u>-</u>	<u>-29</u>	<u>-113</u>	<u>-23.995</u>
net deferred tax	<u>-799</u>	<u>-</u>	<u>-29</u>	<u>-226</u>	<u>-1.037</u>

	<u>01-01-2014</u>	<u>Changes in consolidation perimeter</u>	<u>Fair value reserves and other reserves</u>	<u>Net profit for the period</u>	<u>31-12-2014</u>
Deferred tax assets					
Taxable provisions	88	-	-	-	88
Reportable tax losses	18.614	-	-	679	19.293
Others	3.646	-	-	29	3.675
	<u>22.347</u>	<u>-</u>	<u>-</u>	<u>708</u>	<u>23.055</u>
Deferred tax liabilities					
Fixed assets revaluation	-8.172	6	-	-93	-8.259
Depreciation	-14.622	-	-	39	-14.583
Others	-1.059	-	-	48	-1.011
	<u>-23.853</u>	<u>6</u>	<u>-</u>	<u>-6</u>	<u>-23.853</u>
Net deferred tax	<u>-1.507</u>	<u>6</u>	<u>-</u>	<u>702</u>	<u>-799</u>

Deferred tax assets are recognised for tax losses insofar as the use of their respective fiscal benefits is likely due to expected future taxable profits. The Group recognised a balance of 19,319 thousand Euros in deferred tax assets reported to tax losses which may come to be deducted from future taxable profits, as detailed in the following Table:



Company name	Deferred tax balance	Due date
Inapa France	8,250	unlimited
Portuguese Group	515	2017
Inapa Distribución Ibérica	7,274	2021-2033
Inapa Belgique	2,022	unlimited
Inapa Suisse	925	2018-2021
Outros	333	
	19,319	

17. CONTINGENT LIABILITIES

On 1 August 2007, Papelaria Fernandes – Indústria e Comércio, SA filed a suit against Inapa – Investimentos, Participações e Gestão, SA and its subsidiaries Inaprest – Prestação de Serviços, Participações e Gestão, SA (a liquidated company) and Inapa Portugal – Distribuição de Papel, SA, petitioning the Court to, in short:

- Annul the following acts:
 - The signature of a Mercantile Notarial Bond, in June 2006, which was pledged as a counter-guarantee to letters of comfort issued by Inapa – Investimentos, Participações e Gestão, SA as security for credit facilities granted to that company by Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo;
 - The effectiveness of certain transactions processed in 1991 for purposes of concentrating paper merchanting business in SDP (currently Inapa Portugal) and envelope production and sales business in Papelaria Fernandes;
 - The purchase of the holdings of Papelaria Fernandes in the share capital of SDP (currently Inapa Portugal), in 1994; and
 - The credit compensation arrangements agreed to by Papelaria Fernandes and Inaprest, also in 1994.
- Find Inapa guilty and sentence it to:
 - Continue to honour the letters of comfort issued in favour of Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo;
 - Indemnify Papelaria Fernandes in the event of the aforementioned notarial bond being realised by the beneficiaries as a counter-guarantee to the said letters of comfort.



Since then, Papelaria Fernandes – Industria e Comércio, SA, has fully repaid the credit facilities obtained from Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo, on account of which:

- The letters of comfort issued by Inapa - IPG have ceased to serve their original purpose and have since been released by their respective beneficiaries;

- The Company has consequently notified Papelaria Fernandes – Indústria e Comércio, SA that the terms and conditions of the mercantile notarial bond it had issued in its favour no longer applied, constituting due cause for cancellation thereof.

The legal suit, which has been valued at 24,460 thousand Euros, was contested by Inapa - IPG and by its subsidiary Inapa Portugal – Distribuição de Papel, SA, and is pending decision by the Court on the effects of the dissolution / liquidation of Inaprest – Prestação de Serviços, Participações e Gestão, SA. The Group believes that no financial impact will arise from such decision and, therefore, has not raised provisions on that account.

19. SUBSEQUENT EVENTS

After 31 March 2015 and to the publication date Inapa Group has not verified any subsequent relevant events

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5. Mandatory information

5.1. Shares Held by Governing Bodies

Stakes held in the company by members of the Board of Directors and Statutory Auditor, in compliance with paragraph a) no. 1 of article 9.º of the CMVM Regulation no. 5/2008.

Board of Directors

Name	Ordinary Shares	Preferential Shares	Voting rights
Álvaro João Pinto Correia	0	0	0%
José Manuel Félix Morgado	189 117	0	0,047%
António José Gomes da Silva Albuquerque	0	0	0%
Jorge Manuel Viana de Azevedo Pinto Bravo	0	0	0%
Arndt Klippgen	0	0	0%
Emídio de Jesus Maria	0	0	0%
João Miguel Pacheco Sales Luís	0	0	0%
Gonçalo Faria Carvalho	0	0	0%

Chartered Accountant

Name	Ordinary Shares	Preferential Shares	Voting rights
PricewaterhouseCoopers & Associados, SROC, Lda, representada por: - José Pereira Alves – ROC efectivo	0	0	0%
José Manuel Henriques Bernardo, ROC suplente	0	0	0%

5.2. Managerial Transactions

In compliance with the content of paragraph a) no. 1 of article 9 of the CMVM Regulation no. 5/2008, Inapa informs that during 2015 there were no transactions registered by any of its Governing Bodies members.



5.3. Statement of conformity

In compliance with the content of nº 1, Paragraph c) of Article 246 of CVM, the members of the Board of Directors of Inapa – Investimentos, Participações e Gestão, SA hereby declare that, to the best of their knowledge, the information contained in the abridged consolidated financial statements reported to the three months ended on 31 March 2015 were elaborated in full conformance with the applicable accounting principles, providing a true and appropriate reflection of the assets and liabilities, financial standing, and results of the Company and its subsidiary and associate companies included in its consolidation perimeter and that its Interim Directors' Report faithfully reports on the performance of its statutory business and the set of companies included in its consolidated financial statements.

Lisbon, 21 May 2015

Álvaro João Pinto Correia

Chairman of the Board of Directors

José Manuel Félix Morgado

Vice-Chairman and Chairman of the Executive Committee of the Board of Directors

Arndt Klippgen

Director of the Board of Directors

António José Gomes da Silva Albuquerque

Director and member of the Executive Committee of the Board of Directors

Jorge Manuel Viana de Azevedo Pinto Bravo

Director and member of the Executive Committee of the Board of Directors

Emídio de Jesus Maria

Director and Chairman of the Audit Committee

João Miguel Pacheco Sales Luís

Director and member of the Audit Committee

Gonçalo Faria Carvalho

Director and member of the Audit Committee



6. Additional information

WARNING

This document contains information and future estimates based on current expectations and management opinions deemed reasonable. Future estimates must not be considered consolidated facts and are subject to several unpredictable factors that may have an impact on future results.

Despite the fact that said estimates represent current expectations, investors, analysts and all those who may make use of this document are warned that future information is subject to uncertain factors and risks, of which many are difficult to forecast. All readers are warned not to attribute inappropriate importance to future estimates and information. We exempt ourselves of any responsibilities concerning any future estimates or information.

Report available on Inapa's website
www.inapa.pt

Investor Relations

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Inapa is admitted to trading on the Euronext Stock Exchange. Information about the company may be checked under the tickers:

- Ordinary shares: INA
- Preferred shares: INAP

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Participações e Gestão, SA**
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