Quarterly Report
3rd Quarter 2013

September 30th, 2013

CONTENTS

1. EXECUTIVE SUMMARY 9M13

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Pulp sales	153.3	158.9	(4%)	156.2	(2%)	462.8	436.6	6%
Electricity sales [(a)]	59.3	60.7	(2%)	51.6	15%	184.7	148.3	25%
Forestry sales and others	1.6	2.1	(23%)	3.1	(47%)	5.9	18.6	(68%)
Total sales	**214.3**	**221.7**	(3%)	**210.8**	2%	**653.4**	**603.4**	8%
Adjusted EBITDA	**41.9**	**54.0**	(22%)	**49.9**	(16%)	**140.1**	**128.2**	9%
EBITDA	**40.7**	**48.3**	(16%)	**38.3**	6%	**132.5**	**102.7**	29%
EBIT	**19.8**	**30.1**	(34%)	**23.8**	(17%)	**73.8**	**59.4**	24%
Net profit	**7.4**	**17.2**	(57%)	**12.8**	(42%)	**37.8**	**28.8**	31%
Net financial debt [(b)]	**99.2**	**87.8**	13%	**151.9**	(35%)	**99.2**	**151.9**	(35%)
Pulp sales (tons)	**320,425**	**315,568**	2%	**314,390**	2%	**948,473**	**915,165**	4%
Electricity sales (MWh)	**487,659**	**453,919**	7%	**400,443**	22%	**1,419,710**	**1,161,061**	22%
Net pulp sale price (€/ton)	**477**	**502**	(5%)	**498**	(4%)	**486**	**478**	2%
Average electricity sale price (€/MWh) [(c)]	**123**	**133**	(8%)	**129**	(5%)	**129**	**128**	1%
Cash cost (€/t) [(d)]	**378**	**355**	6%	**342**	11%	**364**	**341**	7%

(a) includes € 4.6M capitalized in 1Q13 for the sale of electricity produced at the new 50MW plant in Huelva before its reception
(b) additionally, existed €105 M of non-recourse debt linked to the "project finance" of the 50MW Huelva and 20MW Mérida biomass plants as of 30/09/13
(c) includes the operational of the new 50MW plant in Huelva before its reception
(d) excludes impact on Huelva 50MW plant as it is not linked to pulp production activity

- ✓ **Net profits for 9M13 stands at €38M,** up +31% compared to the same period in 2012**.**
- ✓ **Net financial debt reduced by -35% since September 2012 to an amount of €99M**, as a result of increased operating revenues (€137M) and the divestitures performed. The leverage ratio excluding non-recourse debt stood at 0.6x.
- ✓ **Adjusted EBITDA grew by +9% during 9M13 compared to the same period in 2012 to stand at €140M**, thanks to increases in production and pulp sale that have allowed Ence to benefit from a strong price environment, and the contribution of the new 50 MW biomass facility in Huelva since its handover in February. This has compensated the effects of the new energy taxes imposed since the beginning of the year and the loss of energy efficiency and reactive power allowances since 14 July with a better sales mix.
- ✓ **The impact of these regulatory changes has led to an increase in cash cost to €378/t in 3Q13. Excluding this impact in the quarter**, equivalent to €36/t, the **cash cost in 3Q13 would have stood at €342/t**, in line with 3Q12.
- ✓ **Pulp sales revenues increased by +6% in 9M13 on the same period last year**, supported by price increases and higher sales volumes. The strength of the market resulted in the announcement of **price increases as of October to $800/t**, with the average price till September 2013 to stand +7% higher than the average for the 9M12.
- ✓ **A +25% increase in electricity sales for this same period as compared to the 9M12**, thanks to a +22% increase in volume from the contribution of the new Huelva biomass facility and prices that were +1% higher as the result of a better generation mix after the incorporation of this new facility.
- ✓ **The 50 MW plant in Huelva, operating since February, generated around 287,000 MWh during the 9M13.** Thanks to the rapid implementation of the learning curve, the utilization ratio in the year has stayed above 90%, with production in 2013 34% higher than expected.

- ✓ **Ence has agreed its intention to sale 2,608 hectares in southern Portugal to an international forest fund in the amount of €11.2M.** The transaction, which is subject to formalize, would include other ancillary agreements, highlighting the acquisition by Ence of wood produced in those plantations over the next twenty years. The sale would be subject to customary conditions for this type of operation in the Portuguese market and it is expected to be completed during the last quarter. The book value of the assets is €13.9 M. The transaction is in line with the company's strategy of betting on a model of active forest management that allows to focus on the current forest assets, strategy initiated with the sale of assets in Uruguay in December 2012

Clarification on 3T13 results

The energy income figure and production cost ("cash cost") in the 3rd quarter of 2013 are calculated based on the rates, defined in Order IET/221/2013 and published in the Official State Gazette (BOE) of 16 February 2013, for electricity-generation facilities operating under the special regime, excluding compensation for efficiency and reactive energy as of 14 July 2013 (the date of the publication of RD-law 9/2013 on measures to guarantee the stability of the Electricity System). In addition, RD-law 9/2013 establishes the transitory application of said rates during the period between 14 July 2013 (date of the entry into force of the RD-law) and the date on which the new compensation system for production facilities operating with renewable energy sources, co-generation and waste enters into force. Parameters of rates calculation of the new compensation framework, which will be defined in Development Orders of the Royal Decree, have not been published to the issue date of the current report of results, therefore it is not possible to collect its potential impact on the financial statements at the end of September. After the entry into force of the new system, the rates paid during the transitory period can be adjusted retroactively from 14 July 2013, so the energy income and production cost ("cash cost") ultimately recorded in the period covered are subject to change after the publication of this report.

2. PULP BUSINESS

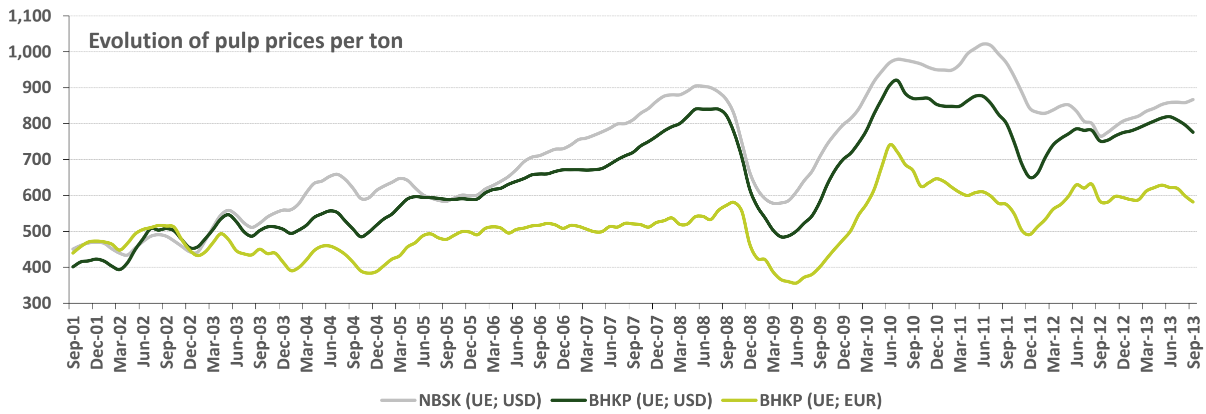
	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Huelva	95,321	83,436	14%	98,007	(3%)	275,840	261,522	5%
Pontevedra	106,196	111,542	(5%)	106,255	(0%)	314,089	306,581	2%
Navia	127,895	106,690	20%	125,587	2%	360,070	359,995	0%
Pulp production (tons)	**329,411**	**301,668**	9%	**329,849**	(0%)	**950,000**	**928,097**	2%
Huelva	90,280	83,306	8%	89,164	1%	277,236	255,188	9%
Pontevedra	105,002	115,901	(9%)	102,366	3%	313,770	300,820	4%
Navia	125,143	116,361	8%	122,860	2%	357,466	359,158	(0%)
Pulp sales (tons)	**320,425**	**315,568**	2%	**314,390**	2%	**948,473**	**915,165**	4%
BHKP ($/t)	**794**	**814**	(2%)	**766**	4%	**799**	**746**	7%
Average exchange rate ($/€)	**1.32**	**1.31**	1%	**1.25**	6%	**1.32**	**1.28**	3%
Net sale price (€/t)	**477**	**502**	(5%)	**498**	(4%)	**486**	**478**	2%
Pulp sales (€M)	**153.3**	**158.9**	(4%)	**156.2**	(2%)	**462.8**	**436.6**	6%

Pulp production increased by +2% in the 9M13 on the same period in 2012, which confirms positive growth in operational performance with a capacity usage rate of around 95% (or 96% if adjusted for maintenance-related downtime). Huelva and Navia mills scheduled their downtime during May and June, respectively, which explains the higher production in 3Q13 compared to 2Q13 (Pontevedra mill downtime was done in March). Sales volume grew by +4% compared the 9M12, with prices +7% higher than those of the previous year.

In terms of average revenues per ton, the average net sales price during this period was €486/t, a +2% increase over the 9M12. This was due to an increase in pulp prices, which was partly offset by the depreciation of the dollar.

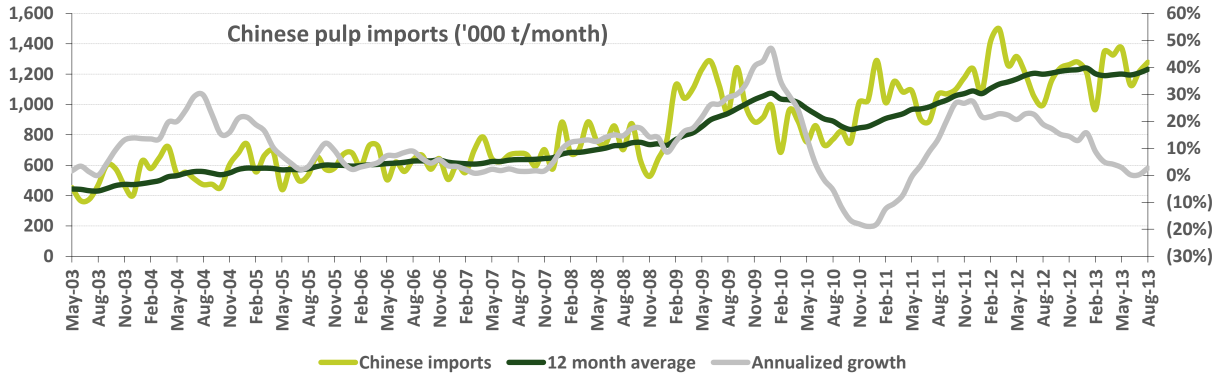
OVERVIEW ON PULP MARKET

Despite the uncertainty generated by the starting up of increased capacity in Brazil (the 1.5 million t/y Eldorado mill began its operations in November of 2012), prices have remained at levels close to $800/t. Part of this strong performance is due to limited growth in supply during the year, after closure of the Jari mill in Brazil in February (0.4 million t/y) and the Tofte mill in Norway in August (0.45 million t/y). Beginning in June, the seasonal drop in pulp demand caused increased downtime for maintenance at European paper mills in 3Q13, exerting downward pressure on pulp prices, which fell from $820/t in June to $768/t in 15 October, with prices recovering since then.



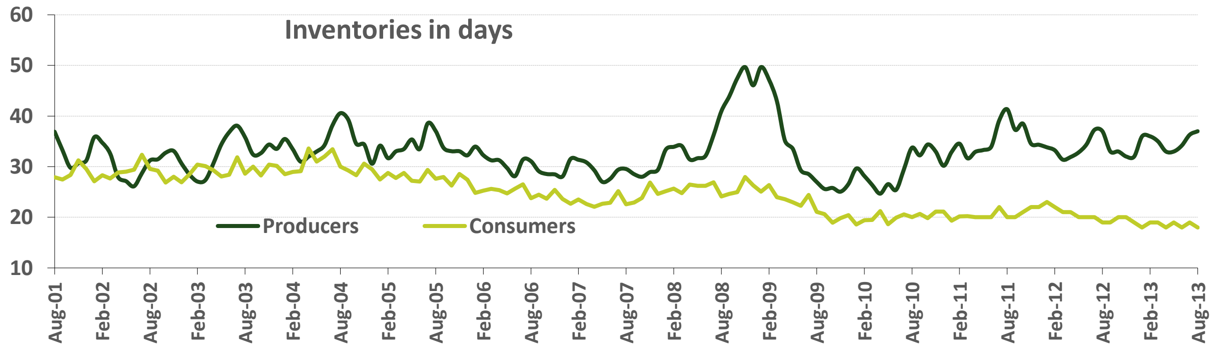
Source: FOEX

Demand has shown recovery globally, with an accumulated increase of +3.5% through the month of August. By region, demand from the U.S. increased by around +6.7% (PPPC), while European demand showed levels similar to those in 2012. However, demand from China showed a +6.6% increase at the end of August, an improvement over the demand growth in previous months. It is estimated that the growth trend in Chinese demand will continue to be a factor supporting price levels, based upon the growth of the country's economy, low levels of per capita consumption, and the entry of new capacities in tissue paper and writing paper.



Source: Hawkins Wright

Globally, producer inventories remain at average levels for a 37-day cycle, while consumer inventories have maintained historical minimum levels of 18 days at the end of August (PPPC). The situation is equally positive in Europe, where consumer inventories are holding at levels close to historical minimums of 19 days (Utipulp), while port inventories have dropped by -5% compared to the numbers recorded last year (Europulp).



Source: PPPC (W20 statistics)

These favourable market conditions, along with start-up delays at the 1.3 million t/y Montes del Plata mill in Uruguay (initially expected for the end of September), provided support for price increase announcement to $800/t from 1 October. This announcement comes in parallel with price increases that are also being implemented by long fibre producers (two consecutive increases since October), a move that has widened the price differential between long and short fibre above $110/t and should act as an additional support of short fibre (hardwood) prices in coming quarters. Low inventories at the global level along with lower speculative demand in 1H13 limited demand reductions during the quarter, and therefore price corrections as well. The postponement announced for the Montes del Plata project in Uruguay, as well as the needed learning curve after the expected start of production at the 1.5 million t/y Maranhao mill at the end of this year, will delay the increase in pulp supply until the second half of 2014. In a context of growing demand (+3.5% at the end of August 2013) along with a weaker dollar, these factors should favour a solid price environment in the coming quarters.

3. ENERGY BUSINESS

The evolution of the energy business during the 9M13 was principally impacted by the three regulatory changes approved and by the reception of the Huelva 50 MW plant in February. The impact of the Law 15/2012 (of 27 December) was primarily centred on costs, with the imposition of a 7% tax on generation and the "green cent" for auxiliary fuels (gas and fuel oil), which resulted in an increase in the company's cash costs. On the other hand, RD-law 2/2013 (of 1 February) affected revenues by changing the CPI used to update tariffs (which caused tariffs to remain the same in 2013) and by eliminating the option for sales at market prices plus premiums, leaving only the fixed tariff to set the remuneration. Finally, RD-law 9/2013 (from July 12) repealed the current regulatory framework in renewable and removed temporarily the payments for efficiency and reactive bonuses since its entry into force on 14 July. This regulatory development aims to define a new pricing framework to generate a pre-tax return of 7.5% for all renewable investments, calculated on investment and operating costs standards by technology.

In spite of the impact of this regulatory changes, the company's energy-based revenues for the 9M13 show a +25% increase thanks to the entry of the Huelva facility into operation and its contribution to the company's results since the beginning of February following its delivery by the contractor. Electricity sales in 3Q13 reflect a +7% increase from the previous quarter, almost entirely offset by falling average selling price due to the regulatory change.

ENERGY PRODUCTION AT PULP MILLS

	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Huelva	207,597	189,085	10%	209,336	(1%)	609,722	613,198	(1%)
Pontevedra	47,506	59,645	(20%)	60,224	(21%)	159,967	171,424	(7%)
Navia	144,255	113,049	28%	131,617	10%	385,951	385,032	0%
Electricity production (MWh)	**399,358**	**361,780**	10%	**401,177**	(0%)	**1,155,641**	**1,169,654**	(1%)
Biomass generation	126,375	110,078	15%	131,001	(4%)	358,912	387,303	(7%)
Biomass co-generation	168,386	157,661	7%	173,235	(3%)	492,589	492,263	0%
Gas natural co-generation	92,433	91,425	1%	96,207	(4%)	281,183	281,495	(0%)
Electricity sales (MWh) [(a)]	**387,195**	**359,164**	8%	**400,443**	(3%)	**1,132,685**	**1,161,061**	(2%)
Electricity consumption (MWh)	**185,741**	**178,048**	4%	**192,719**	(4%)	**549,375**	**546,718**	0%
Average pool price (€/MWh)	**50**	**34**	46%	**49**	1%	**41**	**49**	(15%)
Average sale price (€/MWh)	**114**	**128**	(11%)	**129**	(11%)	**123**	**128**	(4%)
Electricity sales (€M) [(b)]	**43.8**	**46.4**	(6%)	**51.6**	(15%)	**141.4**	**148.3**	(5%)

(a) adjusted by unbalances

(b) excludes sales from the new 50MW plant in Huelva

Revenues from the sale of energy generated by the pulp mills were in the amount of €141M in 9M13, down -5% compared to the 9M12. The impacts of the lower volumes caused by problems with Pontevedra turbines in September were increased by the loss of energy efficiency and reactive power bonuses since the middle of July, which has reduced the average price by -4% compared to 9M12, (-11% in 3Q13 vs 3Q12). Market prices for electricity have been about -15% below those recorded in 2012. This is due to high rainfall levels during the year, reversing this effect in 3Q13. This price drop had not an impact on sales prices since all of the turbines are selling at a fixed rate due to elimination of the variable option. However, it has favoured a reduction in costs related to electrical consumption at the mills.

ENERGY PRODUCTION AT INDEPENDENT ENERGY PLANTS

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Electricity sales (MWh)	**100,465**	**94,754**	6%	**-**	n.s.	**287,025**	**-**	n.s.
Average selling price (€/MWh)	**154.6**	**151.6**	2%	**-**	n.s.	**150.9**	**-**	n.s.
Sales [(a)]	15.5	14.4	8%	-	n.s.	43.3	-	n.s.
EBITDA	5.6	5.9	(5%)	-	n.s.	15.7	-	n.s.
Forest depletion (energy crops)	(1.1)	(1.3)	(17%)	-	n.s.	(3.8)	-	n.s.
EBITDA excluding forest depletion [(b)]	4.5	4.6	(2%)	-	n.s.	12.0	-	n.s.
Industrial depreciation	(2.7)	(2.7)	(2%)	-	n.s.	(7.1)	-	n.s.
EBIT	1.8	1.9	(2%)	-	n.s.	4.9	-	n.s.
Net profit	0.1	(0.4)	n.s.	-	n.s.	(0.0)	-	n.s.

(a) includes € 4.6M of capitalized sales in January previous the reception of the plant
(b) EBITDA ex-forestry depletion is in line with the criteria that was used to communicate EBITDA guidance for the plants

The reception of the 50 MW biomass power plant in Huelva took place in February. As in 4Q12, the operations for January were capitalised, including the €4.6M in sales corresponding to this month, which were capitalised as a negative entry under the work on fixed assets heading. EBITDA therefore reflects the company's operating profit/loss for the months of February through September, both inclusive. Electricity sales for the 9M13 were in the amount of 287 GWh, which represents a +34% increase for annual sales over the 287 GWh estimated for 2013, thanks to improved auto-consumption (close to 10% versus the expected 13%) and higher facility usage rates (greater than 90%).

In terms of EBITDA, the current margins place the annual figure close to €18M, which is in line with initial estimate despite the regulatory changes. This is due to improvements in industrial operations and the ability to manage supply costs.

4. FOREST ACTIVITY

	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Supply to the industrial process (m^3)	**973,901**	**897,877**	8%	**960,042**	1%	**2,824,832**	**2,693,517**	5%
Cost €/m^3	**70.7**	**70.1**	1%	**68.8**	3%	**70.2**	**69.7**	1%
Wood purchases per source								
Own wood	6%	6%		3%		6%	3%	
Direct acquisitions from land owners	29%	25%		29%		25%	29%	
Suppliers	58%	56%		62%		57%	57%	
Imported timber	6%	14%		7%		12%	12%	
Own hectares	51,680	51,703	(0%)	77,660	(33%)	51,680	77,660	(33%)
Third party hectares (consortia)	36,601	36,820	(1%)	37,831	(3%)	36,601	37,831	(3%)
Hectares managed by ownership (Ha)	**88,281**	**88,523**	(0%)	**115,491**	(24%)	**88,281**	**115,491**	(24%)
Hectares for pulp	70,749	70,616	0%	97,473	(27%)	70,749	97,473	(27%)
Hectares for energy crops	17,532	17,907	(2%)	18,018	(3%)	17,532	18,018	(3%)
Hectares managed by use (Ha)	**88,281**	**88,523**	(0%)	**115,491**	(24%)	**88,281**	**115,491**	(24%)

Wood consumption increased by +5% during the 9M13 due to increased pulp production and a slight increase in consumption per ton. Average wood cost has also increased by +1% due to a higher purchase of certified wood and a higher average distance of wood transportation tied to higher production at pulp mills. In terms of supply sources, the fall in imports in 3Q13 has offset the impact that elevated rainfall levels during the 1H13 have had on availability of domestic wood, with the accumulated weight of the wood imported during the year being similar to that seen for 2012.

No significant changes have occurred in terms of the number of hectares under management as Company’s efforts have been focused on reviewing of supply costs in relation to its own production as well as to outside suppliers. The objective has been to maintain profitability for the projects after the most recent regulatory changes versus acquisition of new land.

5. COMMENT ON THE RESULTS OF 9M13

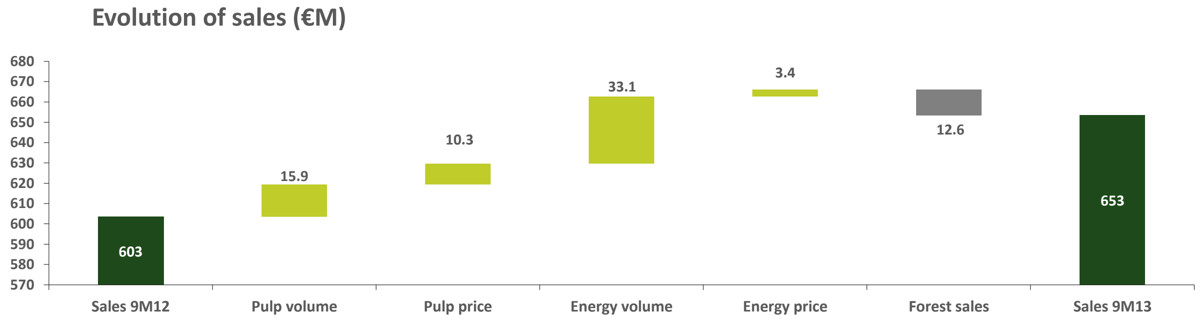
figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Pulp sales	153.3	158.9	(4%)	156.2	(2%)	462.8	436.6	6%
Electricity sales [a]	59.3	60.7	(2%)	51.6	15%	184.7	148.3	25%
Forestry sales and others	1.6	2.1	(23%)	3.1	(47%)	5.9	18.6	(68%)
Total net sales	**214.3**	**221.7**	(3%)	**210.8**	2%	**653.4**	**603.4**	8%
Cost of goods sold [b]	(103.1)	(107.7)	(4%)	(100.3)	3%	(316.7)	(299.7)	6%
Personnel expenses	(18.7)	(23.1)	(19%)	(20.8)	(10%)	(60.3)	(59.5)	1%
Other operating expenses	(51.7)	(42.7)	21%	(51.5)	0%	(143.8)	(141.6)	2%
EBITDA	**40.7**	**48.3**	(16%)	**38.3**	6%	**132.5**	**102.7**	29%
Forest depletion	(3.0)	(3.1)	(4%)	(1.2)	155%	(11.3)	(4.1)	173%
Rest of depreciations	(17.4)	(15.5)	12%	(14.4)	21%	(47.3)	(41.5)	14%
Provisions	(0.6)	0.5	n.s.	1.1	n.s.	(0.2)	2.4	n.s.
EBIT	**19.8**	**30.1**	(34%)	**23.8**	(17%)	**73.8**	**59.4**	24%
Financial result	(6.8)	(5.8)	17%	(4.6)	48%	(17.8)	(16.3)	9%
Non-Current Assets result classified as kept for Sale	(2.6)	-	n.s.	-	n.s.	(2.6)	-	n.s.
Profit before taxes	**10.4**	**24.3**	(57%)	**19.2**	(46%)	**53.5**	**43.1**	24%
Taxes	(3.0)	(7.1)	(58%)	(6.3)	(53%)	(15.7)	(14.3)	10%
Net profit	**7.4**	**17.2**	(57%)	**12.8**	(42%)	**37.8**	**28.8**	31%
Adjusted EBITDA	**41.9**	**54.0**	(22%)	**49.9**	(16%)	**140.1**	**128.2**	9%
Cash cost (€/t) [c]	**378.2**	**355.2**	6%	**341.7**	11%	**364.3**	**340.6**	7%

(a) includes € 4.6M of capitalized sales in January previous the reception of the plant
(b) supplies +/- change in stocks
(c) excludes impact on Huelva 50MW plant as it is not linked to pulp production activity

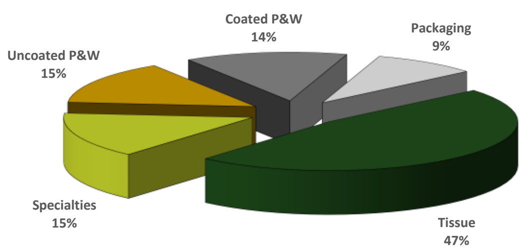
Sales revenues in the 9M13 were in the amount of €653M, +8% higher than those for the 9M12. Pulp sales for this period were in the amount of €463M, +6% above the figure for the 9M12 thanks to a +2% increase in net prices and a +4% increase in sales volumes.

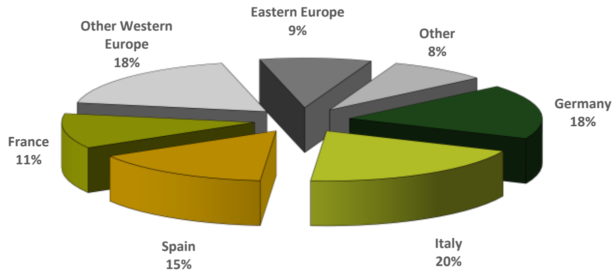
Energy sales for the 9M13 amounted to €185M, +25% greater than the 9M12 figure. This was due to increased production (+22% vs 9M12), a +1% increase in average sale price, and the results from start-up of the 50 MW plant in Huelva, which had a positive impact on MWh produced as well as on prices due to improvement of the mix.

Forestry sales amounted to €6M (down -68% vs 9M12), with this drop being due to reduced sales of forestry consultancy and services as well as to fewer wood sales to third parties. This was in keeping with a reduction of activity in the international wood markets as part of the change in the company's wood supply strategy, which is now focused on guaranteeing supply from local sources at lower costs.

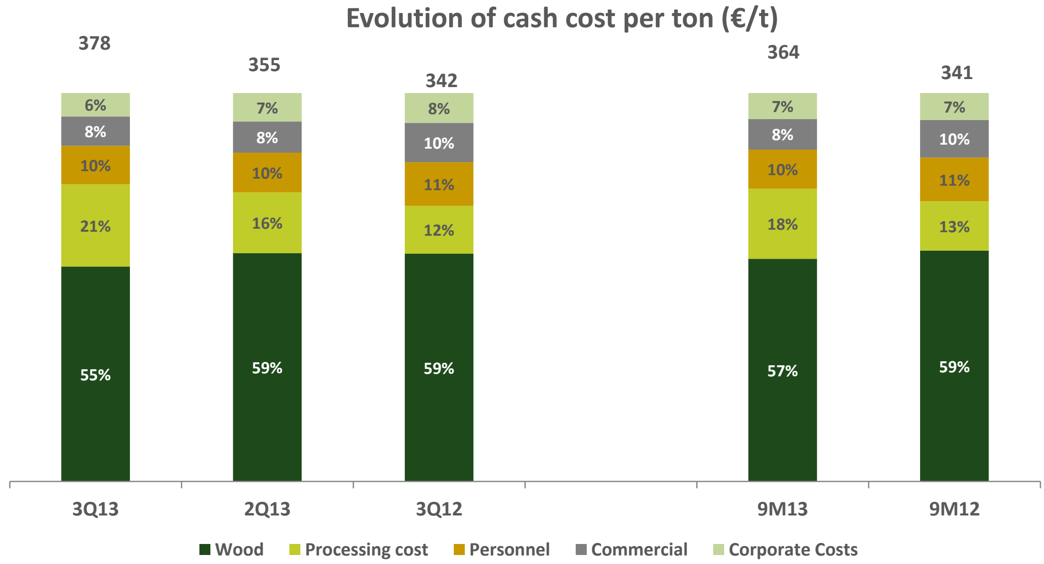


The distribution of sales by segment remained in line with previous quarters, with tissue being the principal paper segment. In terms of geography, sales in Spain increased to 15% from 14%. This was due to strong export figures for our Spanish paper mill clients, with a reduction of exports outside of Europe to 8% compared to 11% seen in the 9M12.

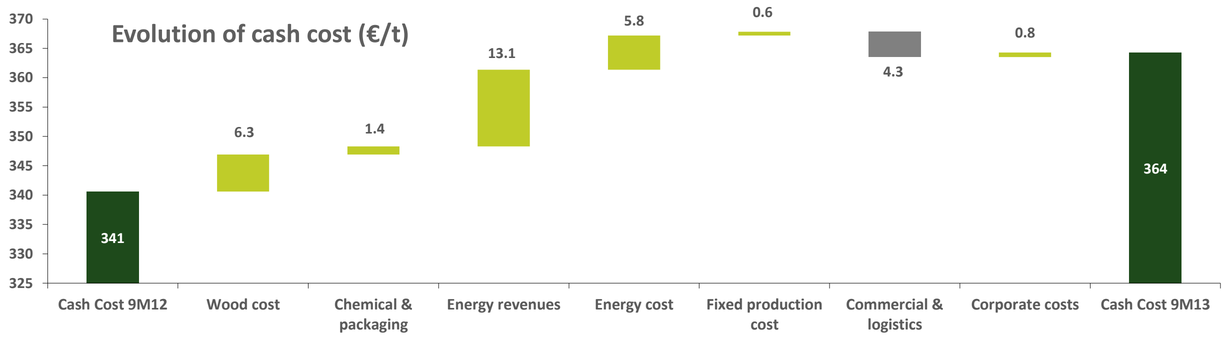




Cash costs grew to €364/t in 9M13, a +7% increase compared to the same period in 2012. This was due to the impact of energy reform, with the figure for 3Q13 showing a +6% increase versus 2Q13.



In the 9M13, the impact of the regulatory reforms implied a +€20/t increase in cash costs: +€10/t from the generation tax, +€3/t from the "green cent", +€6/t from the loss of energy efficiency and reactive power bonuses (+€16/t in 3Q13) and +€1/t due to the loss of pool price plus premium option (the calculation do not include the lowered tariff updates caused by the change in the benchmark CPI). Adjusted for this impact, costs would be €344/t, +1% higher than those for the 9M12.



Note: The increase in energy costs of +€5.8/t includes an increase of +€12.9/t due to new taxes; the increase in energy revenues includes an impact of +€7/t from the loss of energy efficiency and reactive power allowances and the loss of pool price plus premium option

As a result of the higher sales prices and volumes and despite the regulatory impacts, the adjusted EBITDA for the 9M13 is €140M, +9% higher than the 9M12 figure. Net of the impact of hedging, severance payments and provisions, EBITDA for the 9M12 amounted to €133M, a +29% increase over the 9M12. Currency hedging had a positive impact during the 9M13 and a negative impact during the 9M12, making easier the comparison between periods. Adjustments for 2Q13 include a €5M provision derived from the labour agreement for improving efficiency, which will materialize between 2013 and 2014 and which will involve an estimated annual savings close to €6M once implemented.

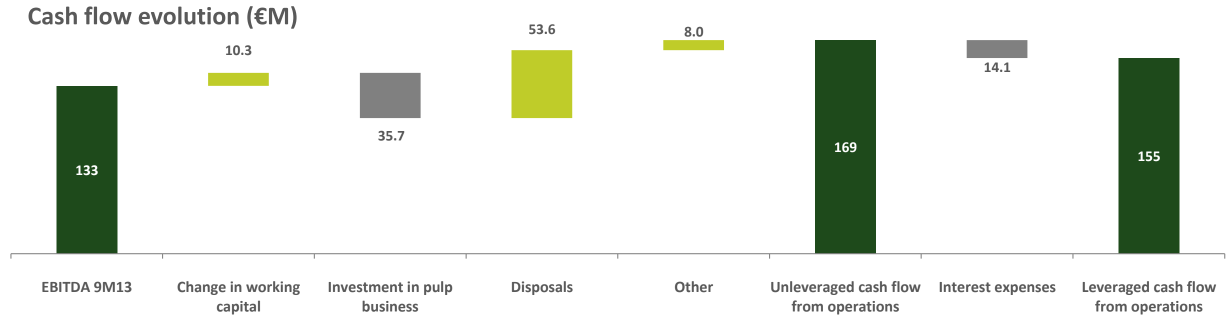
figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
EBITDA	**40.7**	**48.3**	(16%)	**38.3**	6%	**132.5**	**102.7**	29%
Hedging instruments: pulp and exchange rate	(2.4)	(2.9)	(16%)	9.4	n.s.	(8.7)	21.9	n.s.
Severance payments	0.0	5.4	(100%)	0.3	(93%)	5.9	1.6	270%
Provisions and others	2.3	0.5	326%	0.0	n.s.	2.9	(1.5)	n.s.
Other non-recurrent	1.3	2.7	(51%)	1.9	(31%)	7.5	3.5	114%
Adjusted EBITDA	**41.9**	**54.0**	(22%)	**49.9**	(16%)	**140.1**	**128.2**	9%

Excluding depreciation/amortisation, provisions, financial result and taxes, the company obtained net profits of +€38M for 9M13, a +31% increase compared to the same period in 2012.

6. LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW

The cash flow generated by operations during this period, including maintenance investments and closing of the sale of the Uruguay assets, amounted to +€169M. This strong generation of liquidity allows the company to tackle the payment of dividends and to finance its expansion investments planned during the year, while at the same time allowing reduction in the net levels of financial debt recorded at the end of last year.



Note: the variation in working capital includes €6.2M relating to inventory reductions tied to the Uruguayan sale.

The net cash flows from operating activities were +€137M for the 9M13, +39% higher than the 9M12 figure. This was due to higher pulp prices, increased electrical generation after the delivery of the Huelva biomass plant, and the positive impact of variation in working capital caused by reduction of inventories and reduction of accounts receivable.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Consolidated profit for the year before tax	**10.4**	**24.3**	**(57%)**	**19.2**	**(46%)**	**53.5**	**43.1**	**24%**
Depreciation and amortisation charge	20.4	18.7	9%	15.6	31%	58.5	45.6	28%
Finance income/costs	6.6	5.9	14%	3.6	82%	18.4	15.3	20%
Increase / decrease other deferred income/costs	8.4	1.9	344%	2.1	294%	14.6	(6.1)	n.s.
Adjustments of profit for the year-	**35.4**	**26.4**	**34%**	**21.4**	**66%**	**91.6**	**54.8**	**67%**
Trade and other receivables	(3.5)	7.1	n.s.	(17.5)	(80%)	21.5	4.3	407%
Current financial and other assets	(0.2)	0.9	n.s.	10.9	n.s.	(3.1)	13.6	n.s.
Current liabilities	(13.3)	(2.8)	381%	10.9	n.s.	(18.8)	(13.9)	35%
Inventories	(2.6)	5.9	n.s.	8.3	n.s.	10.6	12.6	(16%)
Changes in working capital-	**(19.6)**	**11.2**	**n.s.**	**12.5**	**n.s.**	**10.3**	**16.5**	**(38%)**
Interest paid / received	(9.6)	(1.7)	472%	(4.5)	113%	(12.7)	(15.2)	(17%)
Income tax recovered (paid)	(0.2)	(5.7)	(96%)	-	n.s.	(6.0)	(1.1)	468%
Other cash flows from operating activities-	**(9.9)**	**(7.4)**	**33%**	**(4.5)**	**119%**	**(18.6)**	**(16.2)**	**15%**
NET CASH FLOWS FROM OPERTATING ACTIVITIES	**16.4**	**54.5**	**(70%)**	**48.6**	**(66%)**	**136.7**	**98.2**	**39%**

The cash flows from investment activities were -€28M for the 9M13 versus -€59.3M for the previous period due to the closing of the sale of the Uruguay assets in March. Investments were +35% greater than the amount for the 9M12 due to major investments in biomass projects.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Property, plant and equipment	(29.3)	(26.1)	13%	(24.0)	22%	(82.0)	(60.3)	36%
Intangible assets	1.5	(2.2)	n.s.	-	n.s.	(0.7)	-	n.s.
Other financial assets	(0.1)	1.6	n.s.	(0.3)	(83%)	1.2	(0.3)	n.s.
Investments	**(27.9)**	**(26.7)**	**5%**	**(24.3)**	**15%**	**(81.5)**	**(60.6)**	**35%**
Disposals	**1.1**	**0.0**	**n.s.**	**1.1**	**(4%)**	**53.6**	**1.3**	**n.s.**
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(26.8)**	**(26.7)**	**1%**	**(23.2)**	**16%**	**(28.0)**	**(59.3)**	**(53%)**

In terms of cash flows for financial activities, an outlay of -€50M took place during the 9M13 through placing part of the company's treasury in deposits with terms of greater than three months in order to optimise financial income. A €250M bond placement in January was used to repay the existing debt, with the company's gross financial debt remaining at a similar level.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Proceeds and payments relating to equity instruments	**(5.0)**	**24.2**	**n.s.**	**(4.3)**	**16%**	**15.6**	**(11.3)**	**n.s.**
Debt instruments and held-for-trading liabilities (net)	(1.8)	(2.5)	(28%)	(3.7)	(51%)	239.5	-	n.s.
Increase/(decrease) in bank borrowings (net)	(0.4)	(0.5)	(12%)	(3.2)	(87%)	(231.4)	(3.2)	n.s.
Other financial liabilities	0.3	(0.4)	n.s.	(3.3)	n.s.	(12.0)	(3.3)	266%
Proceeds and payments relating to financial liability	**(1.9)**	**(3.3)**	**(43%)**	**(10.1)**	**(81%)**	**(3.9)**	**(6.4)**	**(39%)**
Dividends and returns on other equity instruments paid	**-**	**(16.2)**	**(100%)**	**(0.0)**	**(100%)**	**(16.2)**	**(16.5)**	**(2%)**
Translation differences	**(0.0)**	**(0.0)**	**(7%)**	**(0.1)**	**(70%)**	**(0.0)**	**0.0**	**n.s.**
Fixed-term deposit	-	(45.0)	(100%)	-	n.s.	(45.0)	-	n.s.
Other proceeds and payments from financing activities	**-**	**(45.0)**	**(100%)**	**-**	**n.s.**	**(45.0)**	**-**	**n.s.**
NET CASH FLOWS FROM FINANCING ACTIVITIES	**(7.0)**	**(40.3)**	**(83%)**	**(14.6)**	**(52%)**	**(49.5)**	**(34.2)**	**45%**

As a final result, a +€59M increase was produced during the 9M13 in the company's cash levels. The treasury is now recorded in the amount of €100M, which increases to €156M if the financial investments are taken into account.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**(17.4)**	**(12.5)**	**40%**	**10.8**	**n.s.**	**59.3**	**4.7**	**n.s.**

WORKING CAPITAL

Working capital for the 9M13 stood at +€47M, +€14M greater than the figure for the 9M12. This is principally due to a reduction in trade and other payables linked to the 20 MW facility being built in Mérida and is partially compensated by the reduction of stock.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Inventories	76.8	76.8	(0%)	93.4	(18%)	76.8	93.4	(18%)
Trade and other receivables	117.5	120.1	(2%)	117.7	(0%)	117.5	117.7	(0%)
Other current financial assets (a)	11.0	10.8	2%	9.5	15%	11.0	9.5	15%
Other accounts receivables from public authorities	24.0	20.0	20%	21.6	11%	24.0	21.6	11%
Other current assets	6.3	8.2	(23%)	4.7	33%	6.3	4.7	33%
Trade and other payables	(166.7)	(179.1)	(7%)	(198.0)	(16%)	(166.7)	(198.0)	(16%)
Corporate income tax payables	(10.9)	(7.8)	41%	(9.9)	10%	(10.9)	(9.9)	10%
Other accounts payable to public authorities	(11.0)	(11.4)	(3%)	(5.5)	98%	(11.0)	(5.5)	98%
Other current liabilities	(0.4)	(0.5)	(9%)	(0.5)	(12%)	(0.4)	(0.5)	(12%)
Working capital	**46.6**	**37.2**	25%	**33.0**	41%	**46.6**	**33.0**	41%
Change in WC as per cash flow statement	**(19.6)**	**11.2**	n.s.	**12.5**	n.s.	**10.3**	**16.5**	(38%)

(a) figures in 2Q13 and 3Q13 are adjusted by €45M of fixed-term deposit

CAPEX

For the 9M13, investments in the pulp business (industrial and forestry) amounted to €33M, +€15M above the figure for the 9M12. These investments were principally related to environmental upgrades for the mills. Investments related to expansion of biomass generation amounted to €46M, with the majority linked to construction of the facility in Mérida. After the delivery of the 50 MW plant in Huelva in February, the payment schedule linked to this industrial project was completed.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Maintenance	7.8	2.2	255%	0.1	n.s.	10.0	6.5	53%
Improvements in efficiency/production	4.2	2.1	98%	0.1	n.s.	6.3	1.2	439%
Environmental	(2.3)	10.3	n.s.	0.6	n.s.	8.0	1.1	n.s.
Industrial investment in pulp	**9.6**	**14.6**	(34%)	**0.8**	n.s.	**24.3**	**8.8**	176%
Plantation and maintenance activity	4.3	3.1	42%	2.0	115%	7.4	7.8	(5%)
Financial expenses	0.7	0.4	100%	0.4	93%	1.1	1.1	(4%)
Forest investment in pulp	**5.1**	**3.4**	48%	**2.4**	112%	**8.5**	**8.9**	(5%)
Industrial investment in biomass	**35.5**	**5.9**	n.s.	**21.1**	68%	**41.4**	**33.4**	24%
Forest investment in biomass	**4.4**	**0.0**	n.s.	**2.2**	98%	**4.5**	**10.7**	(58%)
Total investment	**54.6**	**24.0**	128%	**26.6**	106%	**78.6**	**61.8**	27%

7. FINANCIAL RESULT AND DEBT

FINANCIAL RESULT

Financial expenses (excluding capitalizations and including the settlement of the interest rate hedges) were close to €21M, in line with the figure for the 9M12. In terms of the profit/loss from hedges, cancellation of the IRS linked to the previous syndicated loan has allowed the payments linked to this instrument to be removed, as well as allocation of the profit/loss from changes in its value. The impacts of interest rate hedging for the year are limited to payment of the IRSs for Project Finance, without impacts derived from changes in its value since it is considered as consisting of hedging instruments.

figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Interest on bond	(4.5)	(4.5)	-	-	n.s.	(12.1)	-	n.s.
Interest on loans	(1.5)	(1.6)	(3%)	(3.7)	(58%)	(5.1)	(11.7)	(57%)
Interests on factoring and confirming	(0.8)	(0.6)	28%	(0.5)	65%	(1.8)	(1.2)	52%
Capitalization of financial expenses	1.0	1.3	(22%)	1.6	(35%)	3.5	4.6	(25%)
Financial expenses	**(5.8)**	**(5.4)**	7%	**(2.6)**	126%	**(15.5)**	**(8.3)**	87%
IRS settlement interest	(0.7)	(1.3)	(48%)	(2.9)	(75%)	(2.1)	(8.7)	(76%)
IRS adjustment in fair value	-	-	n.s.	1.5	(100%)	(1.0)	4.4	n.s.
Financial expenses for equity swap	0.6	1.1	(42%)	0.3	122%	2.1	(1.9)	n.s.
Result of hedging (IRS and equity swap)	**(0.1)**	**(0.3)**	(70%)	**(1.1)**	(92%)	**(1.0)**	**(6.2)**	(84%)
Net exchange differences	**(0.7)**	**(0.1)**	n.s.	**(0.6)**	24%	**1.1**	**(1.4)**	n.s.
Other financial expenses	**(0.7)**	**(0.7)**	(0%)	**(0.5)**	24%	**(3.9)**	**(1.0)**	278%
Financial income	**0.5**	**0.7**	(26%)	**0.2**	219%	**1.4**	**0.6**	151%
Financial result	**(6.8)**	**(5.8)**	17%	**(4.6)**	48%	**(17.8)**	**(16.3)**	9%
Interests on non recourse debt	(1.5)	(2.0)	(22%)	(0.0)	n.s.	(4.0)	(0.0)	n.s.
Financial result excluding project finance	**(5.3)**	**(3.8)**	37%	**(4.6)**	15%	**(13.8)**	**(16.3)**	(16%)

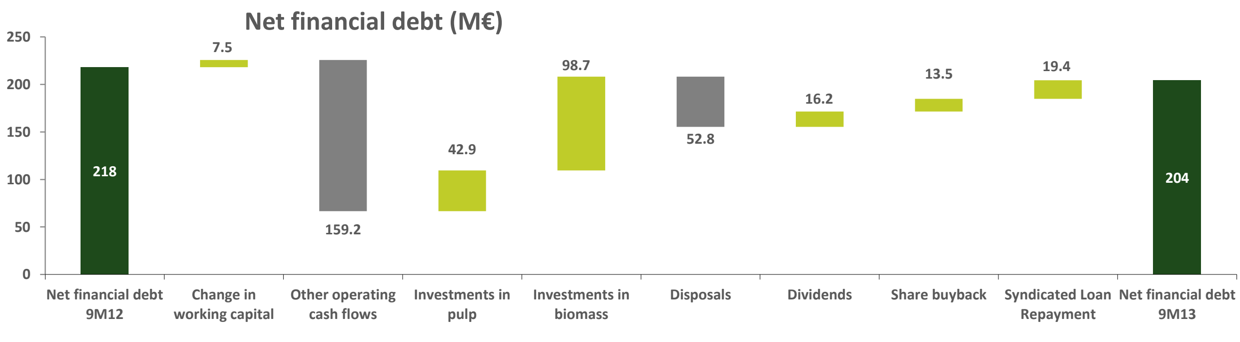
FINANCIAL DEBT

In terms of debt, the net financial debt with recourse at the end of the 9M13 was in the amount of €99M, a -35% decrease compared to the amount recorded for the 9M12. The total net financing debt was €204M, -6% less than recorded in the 9M12 after construction of the 20 MW plant in Mérida and completion of the 50 MW biomass project in Huelva.

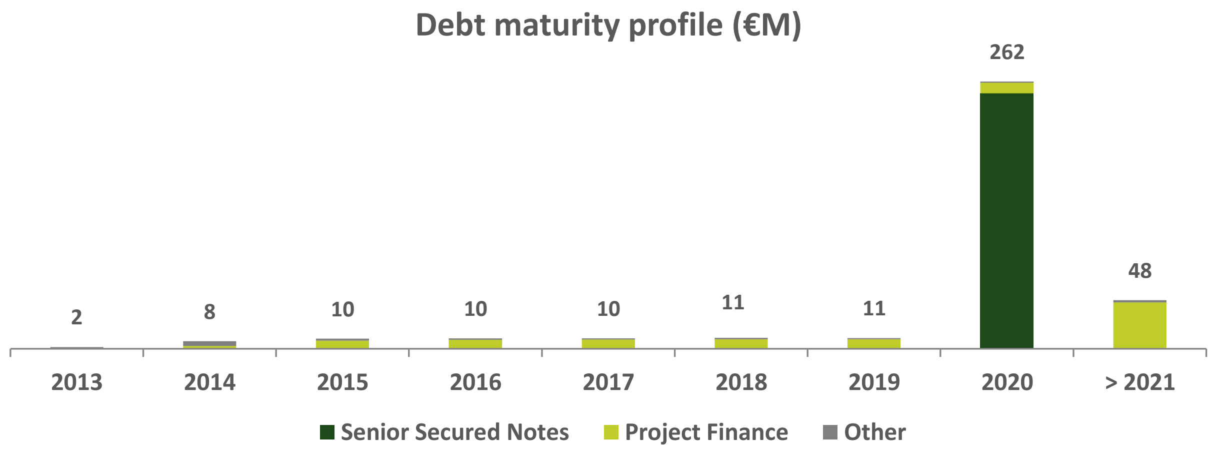
figures in €M	3Q13	2Q13	Δ%	3Q12	Δ%	9M13	9M12	Δ%
Bond	250.0	250.0	-	-	n.s.	250.0	-	n.s.
Bond - unamortized transaction costs	(9.7)	(9.4)	3%	-	n.s.	(9.7)	-	n.s.
Loans	0.8	0.9	(11%)	203.4	(100%)	0.8	203.4	(100%)
Loans - unamortized transaction costs	-	-	n.s.	-	n.s.	-	-	n.s.
Other financial liabilities	11.0	10.4	6%	8.4	31%	11.0	8.4	31%
Other financial liabilities - grant	(1.4)	(1.1)	25%	-	n.s.	(1.4)	-	n.s.
Long-term debt	**250.7**	**250.8**	(0%)	**211.7**	18%	**250.7**	**211.7**	18%
Bond - accrued interest	2.6	7.8	(67%)	-	n.s.	2.6	-	n.s.
Loans	0.4	0.4	-	25.3	(98%)	0.4	25.3	(98%)
Loans - unamortized transaction costs	-	-	n.s.	-	n.s.	-	-	n.s.
Loans - accrued interest	0.1	0.1	(44%)	-	n.s.	0.1	-	n.s.
Other financial liabilities	0.9	1.5	(41%)	0.7	33%	0.9	0.7	33%
Other financial liabilities - accrued interest	0.1	-	n.s.	-	n.s.	0.1	-	n.s.
Short-term debt	**4.0**	**9.8**	(59%)	**26.0**	(85%)	**4.0**	**26.0**	(85%)
Total gross financial debt	**254.7**	**260.5**	(2%)	**237.7**	7%	**254.7**	**237.7**	7%
Cash	99.5	116.9	(15%)	76.3	30%	99.5	76.3	30%
Short-term financial investments	56.0	55.8	0%	9.5	487%	56.0	9.5	487%
Total net financial debt with recourse	**99.2**	**87.8**	13%	**151.9**	(35%)	**99.2**	**151.9**	(35%)
Non recourse debt Long-term	103.7	103.7	-	64.7	60%	103.7	64.7	60%
Non recourse debt LT - unamortized transaction costs	(3.4)	(3.5)	(4%)	-	n.s.	(3.4)	-	n.s.
Non recourse debt Short-term	3.4	3.4	-	1.6	111%	3.4	1.6	111%
Non recourse debt ST - unamortized transaction costs	(0.5)	(0.5)	-	-	n.s.	(0.5)	-	n.s.
Non recourse debt ST - accrued interest	1.9	0.1	n.s.	-	n.s.	1.9	-	n.s.
Total net financial debt	**204.3**	**191.1**	7%	**218.2**	(6%)	**204.3**	**218.2**	(6%)

This reduction has taken place thanks to the strong generation of cash flow by pulp activities and by disposals, which were compensated to a large degree by investments in the biomass projects and dividends paid to shareholders. In March the sales transaction for assets in Uruguay was closed once approval was received from the Uruguayan authorities. This resulted in an input of €59M into the group's treasury.

The company also has factoring lines with an €83M limit, of which €32M have been drawn at the end of September 2013. In terms of liquidity, in addition to the company's cash position, there is a credit facility with a €90M limit, which remains undrawn at the end of this period.

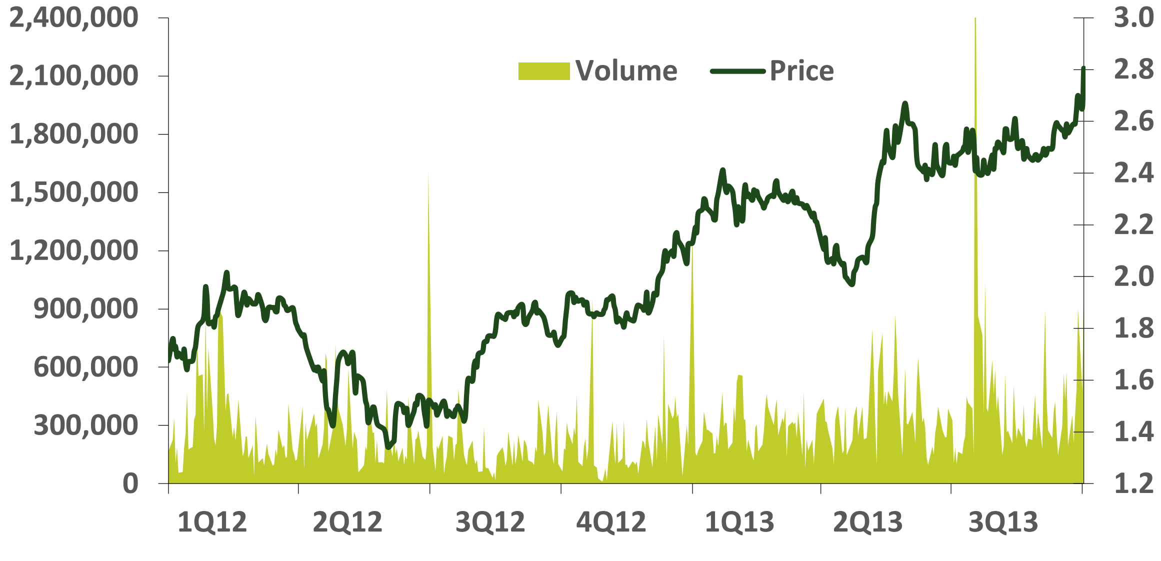


After the placement of a €250M bond and repayment of the existing debt (except for €11M, representing mainly reduced-interest loans from public entities), there are no significant debt payments falling due until 2020.


Debt maturity profile (€M)
262
48
2
8
10
10
10
11
11
2013
2014
2015
2016
2017
2018
2019
2020
> 2021
Senior Secured Notes
Project Finance
Other

8. ENCE ON THE STOCK MARKET

The share performance was positive in 9M13, up +9% and +11% on the Spanish and European market performances, respectively.



Source: Thomson Reuters

	1Q12	2Q11	3Q11	4Q12	1Q13	2Q13	3Q13
Average daily volume (shares)	283,924	270,690	190,820	226,282	283,963	347,171	446,481
Ence performance	7%	(15%)	14%	23%	4%	11%	8%
Ibex 35 performance	(7%)	(11%)	9%	6%	(3%)	(2%)	18%
Eurostoxx performance	7%	(9%)	8%	7%	(0%)	(1%)	11%

Note: the performance of Ence’s share price has been adjusted for the dividends of €0.07 per share paid on 8 May 2012 and the €0.07/share paid on 3 April 2013. No adjustment was made for the dividend in kind paid on 8 May 2012, 17 August 2012, and 11 April 2013, which entailed an additional profitability of 3.5%, 2.7% and 4%, respectively.

Ence's shares are listed on the IBEX Medium Cap, IBEX Top Dividendo, and FTSE4Good Ibex index.

In addition to its shares being traded on the stock markets, in January 2013 the company issued bonds in a total amount of €250M with a 7.25% return and a 7 year term. Occasionally, Ence will be able to repurchase these bonds on the secondary market. Any such purchase will take place in compliance with all applicable legal regulations and after consideration of the relevant factors, including the quoted price for the bond and our liquidity position.

9. HIGHLIGHTS OF 2013

Issuing of senior debt amounting to €250M

On January 25, Ence successfully issued senior secured notes for €250M aimed at qualified international investors, with 7.25% annual fixed interest, semi-annual coupon and maturing in 2020. Additionally, it contracted a senior loan facility with a limit of €90M, maturing in 2018. This issue made it possible to repay the existing corporate bank financing, expand the debt maturity profile, optimise the structure of its funds and increase its financial flexibility, at the same time as diversifying and internationalising the company's funding sources.

Acceptance of the Huelva biomass plant by the Electricity Grid

Transfer of ownership of the Huelva biomass plant was carried out on February 7, 2013 by OHL, the project contractor. Prior to this, on September 10, 2012, the connection of the 50 MW Huelva plant was completed, making it the largest biomass generating plant to provide power to the Spanish electricity grid, with a forecast annual production of the 337 million kWh. The start up of this plant represents an increase of nearly +30% in the company's installed power capacity for biomass energy production, to 230 MW.

Dividend of €0.07/share and one treasury share for every 25 held

On February 19, the board of directors approved the proposal to the general shareholders' meeting of a dividend payment of €0.07 per share against the 2012 operating results, as well as a stock dividend in treasury shares drawn down from the issue premium in the proportion of one treasury share for each 25 shares that the shareholder currently owns. The dividend was approved at the General Shareholders' Meeting held on 21 March 2013. At the date of approval, the two dividends amounted to a dividend yield of 7%.

Completion of the sale of assets in Uruguay

On December 15, 2012 Ence agreed to sell its assets in Uruguay to a North American institutional fund for $77.3M, allowing it to improve its financial strength. The assets consisted of 27,780 hectares of forestry land with eucalyptus plantations in south-eastern Uruguay, along with wood-chip and saw mill facilities. The sale of these assets took place after the implementation of a disintermediation strategy in the company's wood purchasing, replacing imported wood with wood from Northern Spain. The operation was completed on March 7, 2013 once authorisation was received from the Uruguayan forestry authorities.

Approval of the new Costs Law

On 9 May, the Spanish parliament approved the new Coasts Law, which enables the existing concessions on the coast to be extended and which affects, among others, Ence's Pontevedra plant. The maximum extension period will be 75 years. Based on use, the State may grant successive extensions until reaching the maximum period. It is foreseen that the regulation that will enact the new law, which must be approved by the Ministry of Agriculture, Food and Environment, will be approved in a period of six months. In order to grant an extension, a preliminary environmental report is required from the regional governments, although this will not be binding for the State.

Treasury share sale

On 13 June, 12,513,625 treasury shares were sold, representing 5% of share capital, for a total amount of €27,404,838.75, at a price of 2.19 Euros per share. The shares were acquired with a view to long-term permanence and stability in the Company's shareholder structure, purchased equally by Asúa Inversiones, S.L. and Fuente Salada, S.L.

Energy reform

On 12 July, Royal Decree-Law 9/2013 was approved, whereby urgent measures were adopted to guarantee the stability of the Spanish Electricity System, change the Electricity Industry Law and modify the remuneration system of the special system facilities. Among other measures, Royal Decree-Law 661/2007, which regulated the electricity production activity under the special system, and art. 4 of the Royal Decree-Law 6/2009, which created the pre-assignment register, were revoked. A new economic system was announced, which has yet to be implemented, whose objective is to guarantee that the renewable energy facilities obtain profitability of 7.5%, calculated before taxes, with reference to the costs and investment of a standard facility, during the whole of its regulatory useful life. With immediate impact, the efficiency and reactive Premium were eliminated until the approval of the new remuneration framework.

Personnel agreement to improve efficiency

The Group has reached an agreement with unions at the three mills in order to reduce by 86 people the number of employees through early retirements and redundancies. The Program, whose cost has been fully provisioned in 2Q13, will reduce the company personnel expenses by close to €6M, once fully implemented.

10. FINANCIAL STATEMENTS

Profit and Loss Account

figures in €M	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13
Total Net Turnover	**201.5**	**191.2**	**210.8**	**224.1**	**827.6**	**217.4**	**221.7**	**214.3**
Supplies	(100.9)	(96.1)	(105.4)	(105.7)	(408.0)	(106.4)	(103.5)	(108.3)
Change in stocks of finished products	(3.1)	0.7	5.1	(1.8)	0.8	0.5	(4.2)	5.2
Gross Margin	**97.5**	**95.7**	**110.5**	**116.6**	**420.4**	**111.5**	**114.0**	**111.2**
Works performed by the group on fixed assets	7.0	7.1	9.0	1.1	24.2	1.3	4.4	4.5
Other income	1.7	1.4	1.9	1.6	6.5	3.2	2.0	2.1
Result from hedging operations	(5.0)	(7.5)	(9.4)	(5.6)	(27.6)	3.4	2.9	2.4
Personnel	(18.9)	(19.9)	(20.8)	(22.6)	(82.1)	(18.6)	(23.1)	(18.7)
Other operating expenses	(51.5)	(43.1)	(53.1)	(54.4)	(202.1)	(57.3)	(52.0)	(60.8)
EBITDA	**30.7**	**33.7**	**38.3**	**36.7**	**139.3**	**43.5**	**48.3**	**40.7**
EBITDA margin	**15.2%**	**17.6%**	**18.1%**	**16.4%**	**16.8%**	**20.0%**	**21.8%**	**19.0%**
Depreciation of fixed assets	(15.5)	(14.6)	(15.6)	(17.8)	(63.4)	(19.5)	(18.7)	(20.4)
Impairment and result from sales of fixed assets	0.5	0.8	1.1	3.9	6.3	(0.1)	0.5	(0.6)
EBIT	**15.8**	**19.9**	**23.8**	**22.8**	**82.3**	**23.9**	**30.1**	**19.8**
EBIT margin	**7.8%**	**10.4%**	**11.3%**	**10.2%**	**9.9%**	**11.0%**	**13.6%**	**9.2%**
Financial income	0.2	0.2	0.2	0.2	0.7	0.2	0.7	0.5
Financial expenses	(6.0)	(6.1)	(4.7)	(2.5)	(19.4)	(5.5)	(6.5)	(7.3)
Non-Current Assets result classified as kept for Sale	-	-	-	(0.7)	(0.7)	-	-	(2.6)
Profit before tax	**10.0**	**13.9**	**19.2**	**19.9**	**63.0**	**18.7**	**24.3**	**10.4**
Corporate tax	(3.4)	(4.5)	(6.3)	(5.6)	(19.9)	(5.6)	(7.1)	(3.0)
Net profit	**6.6**	**9.4**	**12.8**	**14.2**	**43.0**	**13.1**	**17.2**	**7.4**

Balance Sheet

figures in €M	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13
Tangible fixed assets	951.6	906.4	931.8	947.2	947.2	956.6	960.1	955.0
Intangible fixed assets	12.0	5.9	5.7	21.6	21.6	21.4	20.3	20.1
Long- term financial assets	4.1	4.1	3.6	4.1	4.1	4.5	2.9	3.0
Other non-current assets	37.6	38.7	35.1	30.6	30.6	31.7	28.5	29.4
Total fixed assets	**1,005.4**	**955.2**	**976.2**	**1,003.5**	**1,003.5**	**1,014.2**	**1,011.8**	**1,007.4**
Inventories	111.4	101.9	93.4	87.6	87.6	86.4	76.8	76.8
Trade debtors and other accounts receivable	135.9	121.9	139.3	168.2	168.2	149.3	140.2	141.5
Cash and other short-term financial assets	77.1	87.9	85.8	47.8	47.8	141.1	172.7	155.5
Financial investments for short-term hedging	0.0	0.0	1.9	10.7	10.7	4.0	3.8	3.2
Other current assets	1.5	6.8	4.7	0.9	0.9	1.6	8.2	6.3
Non-Current Assets Classified as kept for Sale	19.8	68.4	68.3	59.3	59.3	0.7	0.7	11.2
Total current assets	**345.7**	**386.9**	**393.5**	**374.6**	**374.6**	**383.1**	**402.3**	**394.5**
Total assets	**1,351.1**	**1,342.0**	**1,369.7**	**1,378.0**	**1,378.0**	**1,397.3**	**1,414.2**	**1,401.9**
Equity	**729.0**	**717.8**	**735.2**	**724.7**	**724.7**	**715.0**	**758.8**	**760.1**
Long- term financial debt	277.9	282.1	276.4	318.9	318.9	353.3	351.0	351.1
Long-term provisions	20.8	13.8	12.4	13.3	13.3	13.6	12.8	16.0
Financial instruments for long-term hedging	24.4	32.0	32.5	16.6	16.6	13.9	9.1	9.0
Other non-current liabilities	51.9	50.9	49.9	51.8	51.8	50.9	46.3	45.1
Total non-current liabilities	**375.0**	**378.7**	**371.3**	**400.6**	**400.6**	**431.7**	**419.2**	**421.2**
Short-term financial debt	27.6	27.5	27.6	25.7	25.7	7.3	12.8	8.7
Trade creditors	163.1	166.6	198.0	184.7	184.7	192.0	179.1	166.7
Short-term provisions	8.2	10.9	8.9	8.5	8.5	8.1	8.6	8.3
Financial Instruments for short-term hedging	21.2	22.1	2.5	14.9	14.9	4.7	4.3	4.2
Other current liabilities	12.9	16.4	23.8	19.0	19.0	38.4	31.3	32.6
Non-Current liabilities classified as kept for Sale	14.0	2.2	2.4	-	-	-	-	-
Total current liabilities	**247.1**	**245.6**	**263.2**	**252.7**	**252.7**	**250.6**	**236.1**	**220.5**
Total liabilities	**1,351.1**	**1,342.0**	**1,369.7**	**1,378.0**	**1,378.0**	**1,397.3**	**1,414.2**	**1,401.9**

Cash Flow Statement

figures in €M	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13
Consolidated profit for the year before tax	**10.0**	**13.9**	**19.2**	**19.9**	**63.0**	**18.7**	**24.3**	**10.4**
Depreciation and amortisation charge	13.4	13.1	14.2	12.7	53.3	14.2	15.0	17.0
Exhaustion of forestry reserve	1.8	1.3	1.2	4.9	9.1	5.2	3.1	3.0
Amortisation of intangible assets	0.2	0.2	0.3	0.2	1.0	0.2	0.5	0.4
Gains/Losses on disposal of non-current assets	(0.7)	(0.8)	(1.1)	(0.3)	(3.0)	0.1	0.2	2.4
Finance costs	(0.4)	12.4	3.8	2.2	18.0	0.1	12.5	7.2
Finance income	5.6	(6.0)	(0.2)	(0.2)	(0.7)	5.8	(6.7)	(0.5)
Grants and subsidies transferred to profit and loss	(0.3)	(4.7)	1.8	1.9	(1.2)	(0.3)	(0.3)	(0.3)
Changes in provisions and other deferred expenses (net)	(0.1)	(1.6)	1.4	4.0	3.7	4.6	2.0	6.4
Adjustments of profit for the year	**19.6**	**13.9**	**21.4**	**25.3**	**80.1**	**29.8**	**26.4**	**35.4**
Trade and other receivables	(4.0)	25.8	(17.5)	(28.3)	(24.0)	18.0	7.1	(3.5)
Current financial and other assets	7.9	(5.1)	10.9	4.6	18.2	(3.8)	0.9	(0.2)
Current liabilities	(18.0)	(6.8)	10.9	0.1	(13.8)	(2.7)	(2.8)	(13.3)
Inventories	1.5	2.8	8.3	5.7	18.3	7.3	5.9	(2.6)
Changes in working capital	**(12.7)**	**16.7**	**12.5**	**(17.9)**	**(1.3)**	**18.8**	**11.2**	**(19.6)**
Interest paid	(5.0)	(6.1)	(4.6)	(5.8)	(21.5)	(1.6)	(2.4)	(10.1)
Interest received	0.3	0.2	0.1	0.2	0.7	0.2	0.7	0.5
Income tax recovered (paid)	-	(1.1)	-	(8.4)	(9.4)	-	(5.7)	(0.2)
Other cash flows from operating activities	**(4.8)**	**(7.0)**	**(4.5)**	**(14.0)**	**(30.2)**	**(1.4)**	**(7.4)**	**(9.9)**
NET CASH FLOWS FROM OPERATING ACTIVITIES	**12.2**	**37.5**	**48.6**	**13.4**	**111.6**	**65.9**	**54.5**	**16.4**
Property, plant and equipment	(17.2)	(19.1)	(24.0)	(44.1)	(104.4)	(26.6)	(26.1)	(29.3)
Intangible assets	-	-	-	(16.1)	(16.1)	-	(2.2)	1.5
Other financial assets	(0.1)	0.1	(0.3)	0.2	(0.2)	(0.3)	1.6	(0.1)
Investments	**(17.3)**	**(19.0)**	**(24.3)**	**(60.0)**	**(120.6)**	**(27.0)**	**(26.7)**	**(27.9)**
Property, plant and equipment	-	0.2	0.2	-	0.4	52.5	0.0	1.1
Other financial assets	-	-	0.9	(0.8)	0.2	-	-	-
Disposals	**-**	**0.2**	**1.1**	**(0.8)**	**0.5**	**52.5**	**0.0**	**1.1**
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(17.3)**	**(18.9)**	**(23.2)**	**(60.8)**	**(120.1)**	**25.5**	**(26.7)**	**(26.8)**
Purchase of treasury shares	(3.7)	(4.0)	(4.3)	(29.7)	(41.7)	(3.7)	(3.4)	(4.7)
Disposal of treasury shares	0.0	0.8	(0.0)	0.6	1.3	0.2	27.6	(0.3)
Proceeds and payments relating to equity instruments	**(3.7)**	**(3.3)**	**(4.3)**	**(29.1)**	**(40.4)**	**(3.6)**	**24.2**	**(5.0)**
Debt instruments and other held-for-trading liabilities (net)	-	3.7	(3.7)	-	-	243.8	(2.5)	(1.8)
Increase / (decrease) in bank borrowings (net)	0.3	(0.3)	(3.2)	40.6	37.4	(230.5)	(0.5)	(0.4)
Grants and subsidies received	-	-	-	-	-	-	(0.4)	0.3
Other financial liabilities	-	-	(3.3)	0.0	(3.3)	(12.0)	0.0	-
Proceeds and payments relating to financial liability instruments	**0.3**	**3.4**	**(10.1)**	**40.6**	**34.2**	**1.3**	**(3.3)**	**(1.9)**
Dividends	-	(16.5)	-	-	(16.5)	-	(16.2)	-
Dividends and returns on other equity instruments paid	**-**	**(16.5)**	**(0.0)**	**-**	**(16.5)**	**(0.0)**	**(16.2)**	**-**
Translation differences	**(0.2)**	**0.3**	**(0.1)**	**(0.2)**	**(0.2)**	**0.0**	**(0.0)**	**(0.0)**
Fixed-term deposit	-	-	-	-	-	-	(45.0)	-
Other proceeds and payments from financing activities	**-**	**-**	**-**	**-**	**-**	**-**	**(45.0)**	**-**
NET CASH FLOWS FROM FINANCING ACTIVITIES	**(3.6)**	**(16.1)**	**(14.6)**	**11.3**	**(22.9)**	**(2.2)**	**(40.3)**	**(7.0)**
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	**(8.7)**	**2.5**	**10.8**	**(36.1)**	**(31.4)**	**89.2**	**(12.5)**	**(17.4)**

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