REPORT 1H09

www.ence.es

"Make the forest grow and grow along with it"

HIGHLIGHTS 1H09

ACCOUNTING OF CORPORATE OPERATIONS

Following the agreement[1] for the sale of the Uruguayan companies of the ENCE Group to the companies Stora Enso Oy and Celulosa Arauco y Constitución S.A, ENCE provisioned an amount of € 71.4 M after taxes on 30 June 2009 to account for the lower value of assets. This amount is registered under the item "*Result of the valuation of non-current activities classed as available for sale and not included in the interrupted activities*" and does not involve a cash payment.

Due to this operation and in accordance with the current accounting regulations, the accounting items corresponding to the business in Uruguay have been reclassified registering one single amount as the net result after taxes corresponding to the sold line of business. The same reclassification was also carried out in the balance sheet of the company.

For comparative purposes the figures in this report were updated applying the mentioned reclassification of the results published by the company in the same period of 2008.

---

[1] Agreement from 17 May 2009 for the sale in cash of 100% of the shares and interests of Grupo Empresarial ENCE, S.A in the Uruguayan companies Eufores, S.A., Celulosa y Energía Punta Pereira, S.A. and Zona Franca Punta Pereira, S.A. for an amount of U$D 340 M.

The operation includes the transmission of approximately 140,000 ha of forest in Uruguay and the industrial project for the construction of a cellulose plant in Punta Pereira (Colonia). ENCE keeps 30,000 ha of plantations in the Atlantic region, as well as the industrial facilities for chipping and export of wood in Peñarol (Montevidedeo) in its property.

HIGHLIGHTS 1H09

DEVELOPMENT OF THE BUSINESS

The results of the first half of the year are still affected by the weakness of the pulp market, which has shown its impact in the lower prices, the consumption of the wood in stock at a higher price, which is a result of the accumulated purchases in the second half of 2008, and by the lowered industrial production due to the capacity expansions and the technical maintenance shutdowns, in particular in the factory in Navia. These operating trends were complemented by the non-cash extraordinary effects of the allocation of provisions for inventories (wood and finished product) in an environment of weaker market prices and the accounting impact related to the sale of the assets in Uruguay.

From an operating point of view, the start-up of production in Navia at levels close to its nominal capacity in the next quarters and the reduced cost of wood after the price decreases executed since the end of 2008, will allow the company to adapt its structure of production to current market environment, which is beginning to show signs of a significant recovery.

✓ **The Group has decided to bring forward its technical maintenance shutdowns** to the first months of the year under an active management policy aiming at adapting production and cutting down stocks, in the context of current market price environment.

✓ **As a consequence, net sales amounted to €226.8M** between January and June 2009, which is **32% less than the figure registered in the first half of 2008**, driven by **revenues from the sale of cellulose amounting to €154.4M** in 1H09, 37% down compared to the same period in 1H08. The negative evolution of the average price for cellulose in 1S09, (31% lower average price than in 1H08) and lower cumulative sales volume (-9% up to 482,000 tons) are the factors behind this trend.

✓ The Navia mill **currently operates at about 80 to 85% of its nominal production capacity** of 500,000 tons of cellulose per year and 550,000 MWh of renewable energy with biomass, which **duplicates the energy production of the factory.** This expansion will yield positive results in the coming quarters.

✓ **Increase of income from the sale of electricity by 1%** up to **€54.6M between January and June** despite the extraordinary shutdown to expand the factory in Navia already mentioned and the lower production in Pontevedra and Huelva, as a consequence of their scheduled stoppage for maintenance.

✓ **Eliminating the effect of hedging and extraordinary items the EBITDA of the semester reached -€14M** caused by the rapid fall of the cellulose prices and the lower sales volume to adapt production to the current market environment (-16.6% up to 428,000 tons).

Net losses for the first half of 2009 amounted to €123.7M. This result was affected by the allocation of a **provision of 71.4 M after taxes** for the deterioration of the estimated value of the assets sold in Uruguay, as well as the value adjustments of the stock of raw material and finished products amounting to €13.0M after taxes.

- ✓ In the context of the current market, the ENCE Group is intensifying its efforts to shorten the start-up to full capacity of the carried out projects for expansion with the objective to reduce the consumption of the factory and to **accelerate the start of production of the new capacities in particular for the production of pulp with regard to the Navia mill, and for the generation of energy both in Navia and Huelva**.

These investments, already committed and fully financed, which will allow to increase the renewable energy production significantly, have been complemented by the **strengthening of cost cutting programmes, particularly for wood, and reinforcing the management of net working capital**, especially for the reduction of purchases and stocks.

In cumulative terms, the adoption of this measures, whose economic impact will be materialised in the coming quarters, will **push the cash cost down in the next three quarters, to reach levels in the range of €280-300/tn in 4Q09.**

MARKET DEVELOPMENT

PULP

The strong drop in the cellulose market continued its negative trend in the first four months of 2009.

Nonetheless, the weak demand in the more developed economies, the markets that make up approximately 60% of the cellulose consumption, the accumulated excess of the pulp stock, especially during the 4Q08, the rapid price drop that is similar to previous cycles, the massive entrance of new low-cost capacities in the southern hemisphere in the last two years and the subsequent loss of competitiveness of western products are all factors accelerating **the process of restructuring of the sector.**

In the first half of this year the succession of extraordinary shutdowns and closures of capacity in the old and less efficient factories in northern Europe, the Nordic countries, in Canada and the United States have resulted in an **adjustment of bleached pulp offered on the market** by nearly 10% of the existing worldwide capacity.

This reduced offer together with the solid **growth of demand in China** with an accumulated growth of 68% for the year allows a gradual reduction of the pulp inventory, whose decrease was especially noticeable in the months of May and June, which was partly due to the traditional seasonal variations in spring. **The stocks** of pulp producers reached 29 days in June, which is a decrease of 17 days compared to the level in January 2009, when they reached 49 days of supply; **this decrease consolidates the standard range of supply in days.**

The weakening of the dollar and **a more pronounced balanced between available offer and demand** fosters the **slow recovery of cellulose prices** whose development already shows a change similar to those of other equally cyclical raw materials.

In this context of recuperation, pulp prices experienced **a general increase in all markets**; for example the price of eucalyptus pulp **in Europe has risen by 10.4%** after it hit the bottom in April, and it has now reached a price of $530/tons from 1 July 2009. The Short Fibre **in China has risen by 25%** since its lowest level of the year and the prices for **Long Fibre has risen by between 7 to 15%** depending on the type of pulp.

This adjustment of prices will consolidate as the levels of confidence and consumption strengthens once governments have taken new macroeconomic measures. The fiscal subsidies in the North American industry and the fact that new production capacities have entered the market in the southern hemisphere and on the Iberian Peninsula will logically have an impact on the industry and may therefore slow down this recovery process in this sector.

The **announcement that the prices of Long Fibre is going to rise** above 700 U$D/t **anticipates a certain stability of the recovery** in the industry whose sustainability will be conditioned by the development of the demand in China in the second half of this year and the expected reactivation of the economy in the United States and in Europe.

WOOD

The market of eucalyptus wood on the Iberian Peninsula is still showing a **lessening tension in the first half of 2009** due to the continuous progressive decrease of the prices that started at the end of 2008. The **deceleration of the wood industry**, in particular in the real estate and the sawmill sectors, together with the contraction of consumption caused by the weakness of the paper market and the availability of inventory has put pressure on the wood prices. This trend could be softened in the last months of 2009 due to an increased consumption of wood pulp derived from the expansion of the capacity in Portugal and Navia.

In this context, ENCE has actively managed its supply chain; it has lowered the prices **in an environment of decreased market purchases**, which allowed reducing the stock of wood by about 150,000 m³ since December 2008. In the first half of this year, consumption of the accumulated wood stock bought at the higher prices of the second half of last year has continued.

On the other hand, the company **maintains its long-term investment policy to maximise its self-sufficiency** by means of amplifying its forest assets on the Iberian Peninsula, boosting its R&D programs and applying state-of-the-art forestry techniques. **The investment in the management of the forestry assets** of the company in the first six months of 2009 amounted to **€24.1M.** This investment allowed the **plantation of 4,603 ha, the acquisition of 1,828 ha, the acquisition of 51 ha and the transformation of 951 ha of plantations into clonal masses** with an increased of productivity of about 15%.

Additionally, and **in relation with energy crops,** approximately **497 ha** were planted in the first half of 2009 and a new **536 ha** were bought **for the production of energy crops to be used by the company´s energy generating facilities with biomass.**

COMMENTS 1H09

KEY FIGURES IN THE BALANCE SHEET AND RESULTS OF THE ENCE GROUP ACCORDING TO N.I.I.F.

ENCE Group Balance Sheet and Profit and Loss Statement (000eur)

(Data in thousands of euros) (Half-yearly figures not audited))	1H08	1H09	VAR in % 1H09/1H08
SALES	332,086	226,805	-31.7%
EBITDA sg IAS*	59,026	(29,857)	-150.6%
EBIT sg IAS*	36,794	(51,930)	-241.1%
% sales	11.1%	-22.9%	
% net assets	6.4%	-8.4%	
Exchange rate differences	(4,566)	(379)	-91.7%
Other financial assets	(16,366)	(18,087)	10.5%
FINANCIAL RESULT	(20,932)	(18,466)	-11.8%
Income from non-current assets Held the sale	12,057	(74,680)	-719.4%
TAXES AND MINORITIES INTERESTS	(7,794)	21,414	-374.7%
NET RESULT AFTER TAX	20,125	(123,662)	-714.5%
% of Shareholders Equity	5.4%	-41.1%	
RESULTS PER SHARE (in euros)**	0.12	(0.71)	-714.5%
Dividend paid per share (in euros)**	0.14	0.00	
INVESTMENT	136,111	101,744	-25.2%
FIXED ASSETS	735,113	906,023	23.2%
SHORT-TERM HEDGING	0	0	0.0%
CASH AND BANK ACCOUNTS	26,675	6,268	-76.5%
NET ASSETS AVAILABLE FOR SALE	261,053	231,994	-11.1%
OTHER CURRENT ASSETS	118,868	93,952	-21.0%
NET ASSETS	1,141,709	1,238,236	8.5%
SHAREHOLDERS EQUITY (+outside shareholders)	740,810	601,116	-18.9%
No. of shares at end of period (in thousands)	174,900	174,900	0.0%
SUBSIDIES	7,000	8,491	21.3%
% Shareholders Equity+Subsidies on fixed assets	101.7%	67.3%	
DEFERRED TAX LIABILITIES	19,190	24,980	30.2%
PROVISIONS	24,596	16,699	-32.1%
LONG-TERM DEBT	164,302	377,482	129.7%
SHORT-TERM DEBT	178,799	165,162	-7.6%
Net financial debt	316,426	536,377	69.5%
% Net financial debt/Shareholders Equity	42.7%	89.2%	

(*) EBIT and EBITDA in IAS include the exchange differences of the hedging programme.

(Data in thousand euros) (Half-yearly figures not audited)	1H 2008	1H 2009	var accum 1H09/08
Pulp sales	245,865	154,366	-37.2%
Electricity sales	54,280	54,641	0.7%
Forestry sales	31,941	17,798	-44.3%
SALES	332,086	226,805	-31.7%
% pulp out of total	74.0%	68.1%	

Total turnover of the ENCE Group in the first half of 2009 was €226.8M, 32.0% below last year comparable figure, mainly due to the lower production and sale of pulp in an unfavourable market environment, in which the average sale price has dropped by nearly 31% compared to 1H08.

The income from the sale of pulp came to 68% of the consolidated turnover and **amounted to €154.4M, a decrease of 37%** compared to the first half of 2008. In addition to the weakness of the international commodity markets, there was a lower production volume (-16.6%) in the first six months of the business year, which was particularly noticeable after the shutdown to expand the factory in Navia. The company has also decided to bring forward the technical maintenance shutdowns of its factories one by one in order to limit the consumption of wood in the framework of actively managing wood prices and reducing stocks, thus adapting the level of production to the lower demand on the market.

After the mill in Navia was started up in March, **the plant reached 80% of its nominal capacity in June. It is expected that the mill will reach its optimum level of production during the third quarter.** The production capacity of this facility amounts to 500,000 tons per year of cellulose at a cost lower than €300/t and a generation of 550,000 MWh of renewable energy with biomass, a figure that equals **twice the energy capacity of the factory** before the expansion works.

In the first half of this year **482.180 tons of pulp** were sold, 9% less than the figure registered for in 1H08, driven by lower demand (-19% in Europe) and BEKP reference prices placed at the lowest part of the cycle with an average market price of U$D513/t in this period compared to U$D811/t in the first half of 2008, equalling a decrease of 37%. The movement in the exchange rate limited this decrease to **-28% in euros**, with the equivalent average index settling at €385/t compared to €531/t (source: Foex).

The sale of electric energy went up to €54.6M in 1H09, 1% above the figure registered for the same period in 2008, despite of the more reduced generation of energy compared to nominal capacities during first quarter caused by the extraordinary shutdowns for expansion and maintenance work on the factories. The company sold nearly 535,700 MWh of renewable energy in the period from January to June 2009, 3.4% more than the equivalent figure for 1H08, which helps recovering the lower production in the first quarter of the year, which was 5.8% below the figure in the first quarter of 2008. With homogenous technical shutdowns the production of energy would have been around 700,000 MWh.

The income from the sale of forestry products and services amounted to €17.8M in this period, which represents a decrease of 44% compared to 1H08 caused by less shipments of chips from Uruguay due to the reduced production of cellulose in the last months, as well as less activities in the area of forestry consultancy due to the current economic environment.

With respect to the cost structure, the operating costs (supply, personnel and other operating costs) **amounted to €271.0M** in the first six months of the year, which is equal to **an annual decrease of 5%.** The drop of the supply costs due to less activity of the Group caused by the shutdowns of the factories and the new improvement of energy efficiency are the two factors explaining this trend.

Furthermore, the company is implementing a number of lines of action to manage its wood supply chain, whose market price inertia creates an imbalance with respect to the drop of cellulose prices; the lower **price of current wood supply will have a positive impact on the cost structure in the coming quarters**.

Lastly, in line with the efforts to drive costs down, other operating expenses derived from the execution of running optimisation programmes went down by 14% compared to the first half of 2008.

Due to the drop of the pulp price, the Group allocated Value Adjustment provisions for both raw material and finished product amounting to €18.6M.

As a result of the sales agreement for assets in Uruguay, the company also allocated a provision for the deterioration of the value of such assets equal to a gross amount of €90.4M.

The **EBITDA** corresponding to 1H09 (**eliminating the extraordinary effects of the hedging program and the provisions and extraordinary items)** was **-€14M**, a result of the contraction of the cellulose business in the current economic environment, the low market prices and the decreased production of pulp and energy in the factories due to technical shutdowns for expansion and maintenance, all these factors have reduced the margin per ton of produced pulp temporarily.

The **EBIT** for the first quarter of this year (eliminating the extraordinary effects of the hedging program, provisions and extraordinary items) reached -€36.1M.

After discounting the financial results and taxes, the company had a **net loss of €123.7M.** With the exclusion of the provisions to correct the value of the raw material and the finished product, as well as the provisions for the deterioration of the assets related to the sale agreement in Uruguay, the net result would have amounted to -€39.3M.

The investments the company committed to in previous years amounted to €101.7M, which is 25% less than those registered in the first half of 2008. 76% of the investment efforts corresponds to **industrial investments** in connection with the project of expansion and modernisation of the factory in Navia. The forestry investments amounted to €24.1M derived from plantation and acquisition of new forestry hectares, and the transformation of 951 ha of plantations into clonal masses, which increased the productivity by about 15%.

In turn, the investment in working capital went down by €25M with respect to the end of the same period of the previous year.

In terms of debt, **net financial debt came to €536.4M** on 30/06/09.

COMMENTS BY ACTIVITY

Figures by Business (Figures in thousand of euros)	1H 2008	1H 2009	VAR 1H09/1H08
PULP SOLD (000 t.)	530.10	482.18	-9.0%
PULP PRODUCED (000 t)	513.47	428.16	-16.6%
ELECTRICITY PRODUCTION (000 MWh)	626.2	648.5	3.6%
ELECTRICITY SALES (MWh)	518.3	535.7	3.4%
% sales over production	82.8%	82.6%	
INDUSTRIAL INVESTMENT	98,704	77,618	-21.4%
FINAL NUMBER OF EMPLOYEES (persons)	852	848	
WOOD SALES (000 m^3)	1,806.9	1,407.2	-22.1%
% by Latin American subsidiaries	24.6%	16.0%	
BIOMASS SALES (000 t)	43.3	114.2	163.7%
FOREST HECTARES (ha)			
- For pulp	9,770	4,603	-52.9%
% by Latin American subsidiaries	82.0%	79.3%	
- For energy crops	2,393	497	-79.2%
FOREST INVESTMENT	37,407	24,126	-35.5%
FINAL NUMBER OF FOREST EMPLOYEES (persons)	1,000	882	

With regard to **pulp production and marketing,** volumes sold in1H09 were below 1H08 figure by slightly less than 48,000 tons, owed to the reduced tonnage available following the shutdowns for the expansion of the factory in Navia and the maintenance work on the factories in Pontevedra and Huelva. Inventories of finished products were reduced by 54,152 tons in the first six months of this year. In terms of capacity, **the company produced 428,160 tons** of pulp, which is a 16.6% decrease compared to the equivalent period:

- ✓ In the factory in Huelva, production reached 156.491 tons, which is 11.8% less than in 1H09; this was caused by the maintenance shutdown and since May by the adjustment of production to the lower demand of the market.
- ✓ In the factory in Pontevedra, production totalled 192.402 tons, which is equal to a 4% increase due to the maintenance shutdown carried out in March 2008, which took longer than normal as improvements were introduced to parts of the facilities.
- ✓ The production at the factory in Navia came to 79.267 tons, which is 170% higher than the production figure in 1Q09. This reflects a better learning curve of the factory after it increased production, having the goal to **move capacity up by 200,000 tons of pulp and 400,000 MWh**

of green energy. The factory is currently producing at 80 to 85% of its nominal design capacity.

With respect to the **energy activity**, 648,500 MWh were produced, which is an increase of 3.6% compared to the same period of the previous year, a figure that makes up for the lower production in the first quarter of 2009 when the energy generation facility of the industrial facilities in Navia and Pontevedra had their respective shutdowns.

With regard to **forestry activity** 1,407,200 m^3 under-bark of wood were marketed in the first half of 2009, which equals a 94% supply to cellulose plants. In the same period the **plantation of 4,603 ha, the acquisition of 1,828 ha, the acquisition of 51 ha and the transformation of 951 ha of plantations into clonal masses** were carried out, which lead to an increased productivity of about 15%.

Additionally, and **with regard to energy crops,** approximately **497 ha** were planted and nearly **536 ha** acquired for the **production of energy crops** in the first half 2009. Furthermore, 114,000 tons of forestry biomass were marketed, 99% of which were used to supply the energy production facilities of the group.

ANNEX 1

FINANCIAL STATEMENT OF ACCOUNTS ACCORDING TO I.F.R.S.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

ASSETS (thousands of euros)	30/06/2009	31/12/2008
I Tangible fixed assets	**723,265**	**834,642**
Land and Buildings	287,096	421,669
Plant and Machinery	803,507	692,141
Other fixed Assets	26,303	28,554
Advances and Tangible Fixed Assets in Progress	205,365	299,916
Provisions and depreciation	(599,006)	(607,637)
II Property Investments	**3,479**	**3,525**
III Issue rights	**1,051**	**0**
IV Intangible assets	**4,016**	**21,110**
1 Intangible goods and rights	24,519	42,064
2 Provisions and amortisations	(20,503)	(20,954)
V Non-current Financial Assets	**1,504**	**1,559**
Long-term portfolio	1,042	1,022
Other long-term credits	1,101	1,177
Provisions	(639)	(639)
Derivative financial instruments	0	0
Long-term hedges	0	0
VI Biological assets	**151,792**	**255,481**
Forest cover	221,633	347,632
Forest reserve depletion	(69,841)	(92,151)
VII Deferred tax assets	**20,916**	**17,272**
VIII Other non-current assets	**0**	**0**
NON CURRENT ASSETS	**906,023**	**1.133,590**
I Stock	**100,832**	**158,504**
II Trade debtors and other accounts receivable	**73,972**	**120,286**
Sales and Services Clients	72,653	103,941
Other Debtors	3,394	19,404
Provisions	(2,075)	(3,059)
III Financial investments for Short-Term Hedging	**5,140**	**4,949**
IV Assets for taxes on current earnings	**33,375**	**28,334**
V Other current assets	**2,697**	**2,644**
VI Temporary financial investments	**4,307**	**6,768**
VII Cash	**2,581**	**5,262**
Subtotal current Assets	**222,905**	**326,748**
VIII Non-current assets classed as kept for sale and Interrupted activities	**272,840**	**1,554**
CURRENT ASSETS	**495,745**	**328,302**
TOTAL ASSETS	**1,401,768**	**1,461,892**

LIABILITIES (thousand of euros)	30/06/2009	31/12/2008
I Subscribed capital	157,410	157,410
II Share Premium	199,058	199,058
III Other Reserves	224,838	229,740
Distributable Reserves	153,254	152,180
Non-distributable Reserves	30,270	31,482
Adjustments to net worth by valuation (hedges and floors)	41,315	46,078
IV Reserves calculated by Global or Proportional Method	149,131	138,794
V Results of previous years pending distribution	(4,712)	560
VI Consolidated Profit and losses	(123,662)	4,742
VII Interim Dividend	0	0
VIII Conversion Differences	(0)	(740)
IX Own shares	(948)	0
NET WORTH ALLOCATED TO PARENT COMPANY NET WORTH INSTRUMENT HOLDERS	**601,116**	**729,564**
X Minority interests	0	0
NET WORTH	**601,116**	**729,564**
I Bond and other issues	0	0
II Debts to Credit Entities	365,402	250,610
III Financial instruments for Long-Term Hedging	44,307	27,427
IV Other Financial Liabilities	12,080	11,314
V Deferred Tax Liabilities	24,980	26,215
VI Provisions for risks and expenses	16,699	22,061
VII Income to be distributed over several years	8,491	3,160
VIII Other non-current liabilities	0	0
NON-CURRENT LIABILITIES	**471,959**	**340,788**
I Bond and other issues	0	0
II Debts to credit Entities	165,162	215,140
III Trade Creditors	101,145	126,130
IV Other Non-Trade Debts	23,145	42,633
V Financial instruments for Short-Term Hedging	150	1,380
VI Short-term provisions	290	(0)
VII Liabilities for taxes on current earnings	5,853	5,822
VIII Other current liabilities	(7,898)	434
Subtotal current liabilities	**287,848**	**391,540**
IX Liabilities classed as kept for sale and interrupted activities	**40,846**	**0**
CURRENT LIABILITIES	**328,694**	**391,540**
TOTAL LIABILITIES	**1,401,768**	**1,461,892**

PROFIT AND LOSS STATEMENT (thousands of euros)	30/06/2009	30/06/2008
REVENUE		
Total Net Turnover	226,805	332,086
Increase in stocks of finished products	(15,865)	(1,350)
Work performed by the Group on fixed assets	22,657	15,890
Other operating revenue	930	4,485
Earnings from hedge transactions	3,685	(7,652)
Capital subisidy transferred to results for the year	149	857
Capital subsidy transferred to results for the year-ISSUE RIGHTS	4,203	3,828
EXPENDITURE		
Supplies	(169,886)	(176,813)
Payroll costs	(37,965)	(38,685)
Depreciation of fixed assets	(22,072)	(22,233)
Change in trading provisions	(567)	69
Other operating expenses	(59,563)	(69,862)
Other operating expenses -ISSUE RIGHTS	(3,388)	(3,828)
Change in provisions for fixed assets	(1,051)	0
I. OPERATING RESULT	**(51,930)**	**36,794**
Revenue from equity interests	0	0
Other financial revenue	3,094	3,710
Financial expenses	(21,181)	(20,077)
Exchange rate differences (net)	(379)	(4,566)
I. FINANCIAL RESULTS	**(18,466)**	**(20,932)**
Income from the valuation fo non-currente assets classified as held for Sale not included within uninterrupted activities (net)		
III. PRE- TAX RESULTS FROM CONTINUING ACTIVTIES	**(70,396)**	**15,861**
Corporation Tax	21,414	(7,794)
IV. RESULT FOR THE FINANCIAL YEAR FROM CONTINUING ACTIVITIES	**(48,982)**	**8,067**
Result allocated to outside shareholders	(74,680)	12,057
V. RESULT OF THE YEAR	**(123,662)**	**20,125**
Result attributable to external partners		
VI. RESULT ALLOCATED TO PARENT COMPANY SHAREHOLDERS		
EQUITY OF THE PARENT COMPANY OF THE CONTINUED ACTIVITIES	**(123,662)**	**20,125**

ANNEX 2

MAIN IMPORTANT EVENTS OF THE YEAR

29/06/2009

✓ The Company sends out the agreements made at the General Shareholders´ Meeting in Madrid on 29 June 2009.

27/05/2009

✓ The Company sends out the additional agenda for the General Shareholders Meeting including the full text of the proposed agreements.

18/05/2009

✓ The Company sends out the Quarterly Report of the Results of the first quarter 2009.

18/05/2009

✓ The Company informs about the agreement reached with Stora Enso Oyj y Celulosa Arauco y Constitución S.A. on the cash sale of 100% of the shares and interests of ENCE in the Uruguayan companies Eufores, S.A., Celulosa y Energía Punta Pereira, S.A. and Zona Franca Punta Pereira, S.A.

5/02/2009

✓ The Group signs an agreement to renew the corporate financing contracts signed on 2 April 2008 closing a corporate financing structure for an amount of €350M assigned for industrial investment in Spain and the needs of circulating assets of the Company.

20/01/2009

✓ The Company announces the decision to analyse various alternative strategy to execute the project in Uruguay.

ANNEX 3

COMPLEMENTARY INFORMATION

End of the Half Year Report of ENCE 1H09