



Press Release

CONSOLIDATED RESULTS OF THE FIRST HALF-YEAR 2007

Limited Revision

**STRONG INCREASE OF THE OPERATING PROFITS FOLLOWING GOOD PERFORMANCES
OF ALL THE BUSINESSES**

The Board of Directors of the Sapec Group examined the half-yearly results
as of 30 June 2007.

CONSOLIDATED PROFITS

	30/06/2006 (in mill €)	30/06/2007 (in mill €)	Evolution %
Profits from ordinary activities	245.29	264.31	7.8%
Operating profit before taxes, financial charges and other costs	7.23	10.58	46.3%
Profit (loss) on financial instruments to cover cash flow	0.13	0.22	69.2%
Profit (loss) on sales of non-current assets	1.71	0.15	-91.2%
Financial expenses	- 3.91	-5.23	33.8%
Profit before tax	5.16	5.72	10.9%
Tax on the profits	- 1.16	-2.13	83.6%
Net profits for the period	3.99	3.59	-10.0%
Attributable to holders of capital belonging to the parent company	2.85	3.19	11.9%
EBITDA	14.51	16.28	12.2%
<u>Data per share €</u>			
Number of shares	1.355.000	1.355.000	
Earnings per share	2.95	2.65	-10.2%
EBITDA per share	10.71	12.01	12.2%

GENERAL COMMENTS

Most of our businesses were able to benefit from a favourable agricultural environment and in particular our Agro Commodities distribution activity, which was able to position itself well in the context of worldwide price increase in agriculture commodities.

Due too much sustained activity in the ports sector and the first results of the profit improvement plan implemented for the land sector, our logistic business has significantly seen its results progress.

The good performance of CITRI (environment) compensates the weak performance of the distribution activity for chemical products.

The production of hydraulic energy by Naturener in Spain was sustained throughout the first half-year of 2007 thanks to excellent rainfall.

All these elements together made it possible for the recurrent EBITDA of the Sapec Group to evolve by 20% in relation to the first half-year of 2006.

The global EBITDA of the group increased only 12% year to year, due to the fact that the capital gains registered in the first semester of 2006 had no correspondence in the first semester of 2007. We expect to register some € k 3.000 of capital gains on our Andalucía wind projects sold to Iberenova during the second half of 2007 (see comments below).

The deterioration of the financial charges is the result on the one hand of the increase in interest rates and on the other hand of the increase of the debt following an increase in working capital needs and the financing of the acquisitions in the energy sector.

During the first half year the consolidated net debt increased by 14.791 k€ of which 15.085 k€ were linked to Naturener's acquisitions in the wind energy sector in the USA and Canada.

Nevertheless these new activities do not affect the Profit and Lose Statement by the fact that the development costs were capitalized for 888 k€ in accordance with the IFRS rules.

The level of tax on the profits increased from 23% in 2006 to 37% in 2007. In effect, as of 30 June 2007, the contribution to the profit of the Spanish companies is greater than in 2006. While in Spain tax on company profits is significantly higher than in Portugal and the added value recorded in 2006 benefited from a reduced level of taxes (15% as opposed to 35%).

Naturener recently signed an agreement for the purchase of the wind power developer West WindEau in Canada (see comment below). This latest acquisition will allow Naturener to homogenise its project portfolio between 2008 and 2012 and make it possible to strengthen its Canadian team.

ANALYSIS OF THE SECTORS

Profits per Sector

	30/06/2006 (in mill €)	30/06/2007 (in Mill €)
<u>Crop Protection</u>		
Sales	35.207	39.374
EBITDA	4.419	4.168
<u>Crop Nutrition</u>		
Sales	10.184	12.288
EBITDA	0.567	0.935
<u>Chemical Distribution and Environment</u>		
Sales	17.753	18.739
EBITDA	1.997	2.113
<u>Agro Commodities Distribution (trading)</u>		
Sales	167.585	180.531
EBITDA	2.778	6.403
<u>Logistics</u>		
Sales	6.345	8.576
EBITDA	0.916	2.294
<u>Energy</u>		
Sales	4.569	6.004
EBITDA	4.357	3.285
Recurrent EBITDA	2.660	3.476
<u>Total for the Sectors</u>		
EBITDA	14.507	16.282
Recurrent EBITDA	12.793	16.134

COMMENTS ON THE SECTORS OF ACTIVITY

Crop Protection Sector

In general, the agricultural context is favourable and optimism reigns in the Iberian Peninsula, the climate conditions, the levels of prices for agricultural crops and the new markets that bio-fuels offer or may offer are the explanation for this.

The market as regards distribution sales grew from 5 to 7% and the retailers in this favourable context were able to clean-up their stocks accumulated since 2005.

In the Iberian Peninsula, our sales showed a greater growth than the market, and are in line with our objectives. We consequently are continuing to gain market share.

A) Development on the Portuguese market:

Sapac Agro Portugal has maintained its position as co-leader on the Portuguese market. Despite the favourable context and a slight increase in sales, the current profits for the first half-year are slightly below those of 2006.

The gross margin eroded slightly in relation to 2006, due to a slightly different sales mix. The payment delays did not worsen since the beginning of the year. Nevertheless they are still longer at the end of June than at the end of June 2006, penalizing the financial costs.

Selectis realised sales in the first half-year in line with its objectives and with an increase of 12.6% in relation to 2006.

The competitive pressure caused a slight reduction of the margins.

The structural costs and financial costs are in line with our forecasts.

B) Development on the Spanish market

Sapac Agro Spain saw a sales growth of 26% compared to 2006 and consequently increased its market share in Spain significantly.

The gross margin in relation to 2006 lost 2.4 points, but this situation should quickly return to normal. In effect, a series of products, soon to be excluded from the European catalogue, for which the sales permit expired at the end of June in Spain, were placed on the market at a significant discount in the second quarter by some suppliers and distributors in order to clear their stocks. This caused a sharp pressure on the prices for some categories of products.

Tradecorp, in plant protection, saw its sales increase by 27% in relation to 2006 and consequently could also significantly increase its market share in Spain.

Also in Spain, our structural costs and financial costs are in line with our forecasts.

Crop Nutrition Sector:

The total sales increased by 19%, or 17% in the Iberian Peninsula and 20% internationally. In relation to the objectives we have a slight drop in the Iberian Peninsula (-7%) which is compensated by a slight increase internationally.

A) Development on the Iberian market

At Tradecorp in Spain the progression of sales was 15% on a market that has not progressed and that according to some assessments has decreased by 5% in relation to 2006. In effect in the citrus fruit sector, large-scale consumers of this type of products are still experiencing a crisis.

Tradecorp thereby strengthened its position as leader in Spain in this sector; the commercial reorganisation in 2006 is yielding and has been assimilated well. The structural costs are in line with our forecasts as well as the related rotation of capital.

B) International Developments

Internationally, sales have developed by 20% in relation to 2006 and are generally in line with the objectives. The gross margin is maintained at the same percentage level as that of 2006 and this despite a rather unfavourable USD/€climate.

In Brazil the situation has improved well, a part of the commercial team was substituted and a new distribution network has been developed.

In Europe, growth came from an excellent spring campaign in Italy.

In the Middle East, growth is significant in Maghreb and in Egypt.

Growth is good also in Colombia, Ecuador and Peru.

The structural costs are in line with our forecasts as well as the related rotation of capital.

Chemicals Distribution and Environment

A) Distribution sector of chemical products

The distribution sector for chemical products, has experienced a difficult first half-year like 2006, a significant proportion of our customers are still debating the lack of economic activity and increasing liquidity problems.

Prudence was exercised on sales and pressure on the margins affected the results.

New projects and products are to be developed for this sector of activity.

B) Environment sector

The first half-year was good for the CITRI activity, which exceeded its objectives in both volumes and sales.

- The construction of the third cell started in August.
- The CIRVER project is under construction, which should take approximately 12 months.

Agro Commodities Distribution Sector

The cereal harvest in Spain and Portugal reached a record this year, which was not the case in Europe as a whole (average in France and England; very weak in Eastern Europe and the Ukraine). This situation as well as the extremely low world stocks and the increase of the demand to produce Bio-ethanol caused the sharp rise in prices for cereals worldwide.

A good forward-looking policy in the face of price increases and adequate management of the maritime freight, that remain high and volatile, explain the significant increase in the profits of Interpec during the first half-year.

Seteia, in Portugal, has experienced a normal year, slightly increased in comparison to the previous year.

Logistics Sector

A) The land sector

As a whole, sales of the land sector of the group are growing (+14%) and so is EBIT (-€106,000 as of 30/06/07 versus -€322,000 as of 30/06/06), due to measures implemented in the “profit improvement program”.

The Setúbal terminal was above its sales, margins and profit targets as of 30/06/07. The Lisbon terminal still has a slight loss (-€77,000 versus -€246,000 in the previous year), a net improvement despite the increased burden of the warehouse rents.

At the Valongo terminal, in the North, sales have increased (+12%), in particular in railway cargo handling, but the increase in costs (depreciation, operating costs and financial costs) due to the commencement of operations, at the end of 2006, is a burden on the profits which have decreased in relation to 30/06/06.

B) The ports sector

In the ports sector, the activity at the Sapeç quarry in Setúbal was substantial. The increase of clinker (+240,000 MT) and sugar (+81,000 MT) significantly contributed to the profit increase.

Energy Sector

The production of hydraulic energy by Naturener in Spain broke its historic record in April and this was sustained throughout the first half-year of 2007 due to excellent rainfall and the good operation of all our plants. As regards our average sales prices, there was a decrease of 14% in relation to the high levels of the first half-year of 2006.

The recurrent EBITDA increased by 26.7%, but the final profits have fallen in relation to those of 2006 due to the capital gains recorded on the sale of wind power projects in Spain in January 2006.

Real estate

No sales of real estate assets were realised during the first half-year.

RECENT EVENTS AND PROSPECTS FOR THE CURRENT FINANCIAL YEAR

Power,

The purchase of West WindEau in Canada was signed recently by Naturener. This “developer” provides a project for 200MW due for construction in 2009, another of 200MW for 2012 and two others for a total of 300MW for 2013/2014, all located in south eastern Alberta. The total amount of the purchase, including a success fee of 70%, is 15 M CAN\$, or around €0.5 M.

This latter acquisition allowed Naturener to homogenise its project portfolio between 2008 and 2012 at a rhythm to the order of 250 MW of construction per annum (USA and Canada) and makes it possible to strengthen its Canadian team, which has a portfolio of around 700MW of projects to develop until the 2012 horizon.

The operational and financial aspects of the different wind power projects continue to be analysed and developed by our teams, supported in this by external experts.

The photovoltaic project in Albacete is ready to be started; a Spanish expert in this sector has been hired to bring this project to a successful end, which will be constructed as a turnkey project on a “non recourse project finance” basis.

With regard to the sale of our wind power project to Ibernova we should be able to record this year the last segment of the capital gain for the projects in Andalusia for approximately €3M.

In relation to the projects in Castilla-Leon, the authorisation are developing well and we should be able to register approximately half of the €12M of capital gain in 2008, and the other half in 2009 or 2010.

Tharsis is continuing its policy of buying back shares from small shareholders wishing to leave.

Environment

The construction of the CIRVER (centre for processing dangerous industrial waste) project, in which Sapec has a 35% stake, began in July.

End of year perspectives.

All the indicators are favourable and the different activities should confirm the positive trends recorded in the first half-year during the second half-year.

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REVIEW REPORT OF THE AUDITOR ON THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION OF SAPEC S.A. AS OF JUNE 30, 2007

TO THE SHAREHOLDERS OF SAPEC S.A.

Introduction

We have reviewed the condensed consolidated financial statements of Sapec S.A. and its subsidiaries as of June 30, 2007, including the consolidated balance sheet, the related consolidated statements of income, changes in equity and cash flows for the six-month period then ended and the notes related thereto. The board of directors is responsible for the preparation and presentation of this interim financial information in accordance with IFRSs as adopted by the European Union applicable to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union applicable to interim financial reporting.

Brussels, September 12, 2007

MAZARS & GUERARD -Reviseurs d'Entreprises S.C.C.R.L

Auditor

Represented by

Xavier DOYEN