

SUZANO PAPEL E CELULOSE S.A.
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Material Fact

São Paulo, September 03, 2010 - Suzano Papel e Celulose S.A. (Bovespa: SUZB5), complementing the Material Fact published on July 23, 2008 concerning the projects included in its new growth cycle, announces to shareholders and the general market updated data for its industrial and forestry investment projects:

Industrial project at the Maranhão and Piauí units:

After conducting studies and making advances in the basic engineering phase, the Maranhão and Piauí units will have production capacity of 1.4 million tons, reaching 1.5 million tons in the medium term, without any additional investments. In addition to increasing capacity, the new technologies will enable additional energy generation of 100 MW for sale at each unit, that was not anticipated.

Therefore, the estimated industrial investments at each new unit will be of approximately US\$2.3 billion.

Final approval by the Board of Directors on the industrial investments for the Maranhão and Piauí units will be made in the first halves of 2011 and 2012, respectively, after completion of detailed engineering phase and negotiations with main equipment suppliers.

Forestry base of the Maranhão and Piauí units:

Maranhão

The Maranhão project forestry base will comprise approximately 68% of Suzano's own plantations and 32% of eucalyptus plantations from the Vale Florestar Program that is being implemented by Vale in the state of Pará and from other local producers under forestry partnerships. A total of 154 thousand hectares of planted area will be required in order to meet wood needs of this industrial unit which operational startup is expected for 2013.

The most recent investment estimates in the forestry base for the Maranhão unit should reach approximately US\$575 million. Of the total amount to be invested, the Company has already invested US\$214 million since 2008. The change of these investments is mainly due to the following factors:

- the acquisition of land and expansion of forestry base to meet the additional industrial capacity to 1.5 million tons;
- the decrease in the share of wood supplied from the Vale Florestar Program compared to the initial estimate to reduce the average distance from forests to this unit. As a consequence, the share of Suzano's own planted area and of the associated investments in the forestry base will increase; and

- forestry investments associated with harvesting equipment and construction of a nursery.

Piauí

The forestry base to be implemented in the state of Piauí will comprise approximately 70% of Suzano's own plantations and 30% of other local producers under forestry partnerships. A total of 170 thousand planted hectares will be required in order to meet wood needs of this unit, which operational startup is expected for 2014.

The most recent investments estimates in the formation of the forestry base for the Piauí unit should reach approximately US\$710 million. Of the total amount to be invested, the Company has already invested US\$193 million since 2008. The change of these investments is mainly due to the following factors:

- the acquisition of land and expansion of forestry base to meet the additional industrial capacity to 1.5 million tons;
- the acquisition of land located closer to the industrial plant;
- the preparation of land and forestry base to substitute, in the medium term, forests located farther from the unit; and
- forestry investments regarding harvesting equipment and construction of a nursery.

Other projects announced in July/ 2008:

Regarding the other projects announced in July 2008: (i) the capacity expansion at the Mucuri unit; and (ii) the third pulp line in a location to be announced, the Company will continue analyzing the economic situation and the world pulp market, as well as the precedent conditions for implementing these projects, and the Board of Directors will decide opportunely on a new implementation schedule and the new operational startup date for these projects.

Assured benefits after update of the industrial and forestry investments:

- Higher production capacity: 200 thousand tons per unit;
- Additional 100 MW energy generation for sale at each unit;
- Higher dilution of industrial fixed costs; and
- Reduction of the average distance between the forest and the unit.

The current investment structures of the Maranhão and Piauí projects will substantially improve the returns of said projects.

The Company considers that these improvements derive from advances in discussions for the projects regarding technology and competitiveness and confirm its expansion strategy that will consolidate its position among the major pulp producers in the global market.

São Paulo, September 03, 2010

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