



Companhia Suzano de Papel e Celulose

Interim financial information

Nine-month period ended

September 30, 2003 (Unaudited)

(A translation of the original interim financial information in Portuguese, prepared in accordance with accounting practices adopted in Brazil and rules of the Brazilian Securities and Exchange Commission (CVM))



Companhia Suzano de Papel e Celulose

Interim financial information

Nine-month period ended September 30, 2003 (Unaudited)

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Management report

World Pulp Market

NORSCAN pulp inventories for September 2003 were at 1.68 million tons, which corresponded to 27 production days and represented a decline of 150,000 tons compared to August 2003 NORSCAN inventory levels. This reduction is greater than the historical average seasonal decline of 110,000 tons and reflects higher shipment and lower capacity utilization, which ended this quarter at 88%. During the third quarter of 2003, prices were initially lower and rebounded in September, as monthly NORSCAN inventory levels were consistently better than historical average seasonal figures. In North America, US\$20 higher eucalyptus pulp prices for October 2003 have already been announced.

Production and cash-cost

The Company produced 307.4 thousand tons of market pulp and 582.9 thousand tons of paper during the first nine months of 2003, compared to 311.3 thousand tons of market pulp and 568.4 thousand tons of paper produced during the same period in 2002. During the third quarter of 2003, the Company produced 106.4 thousand tons of market pulp and 200.6 thousand tons of paper, compared to 96.8 thousand tons of market pulp and 189.7 thousand tons of paper produced during the same quarter in 2002. Market pulp production cash-cost (unit production cost minus depreciation and amortization) was US\$ 157/ton during the third quarter of 2003 and US\$ 143/ton during the first nine months of 2003, due to the appreciation of the Real.

Net sales and sales volume

The reduction in average export prices during 3Q03, when presented in Reais, was caused mainly by the appreciation of the average exchange rate, which was R\$ 2.93 in 3Q03, as compared to R\$ 3.12 in 3Q02. In the Brazilian market, prices were higher as a result of the price recovery that began in the second half of 2002. Lower volumes in the domestic market are primarily attributable to the decline in domestic demand due to the slowdown in economic activity and the postponement of orders, which are usually placed during the third quarter, for printing and writing paper used to produce educational publications. Given its diversified product line and global customer base, the Company redirected sales to the export market.

Net sales were R\$ 593.1 million during 3Q03, representing a 6.3% increase when compared to net sales of R\$ 558.1 million during 3Q02. This increase is due to a 5.0% increase in average prices in Reais and to 1.2% higher sales volume. This quarter, exports represented 53.8% of the Company's net sales, as compared to 48.1% in 3Q02. In sales volume terms, exports accounted for 61.5% of total sales volume in 3Q03, as compared to 50.6% in 3Q02.

Net sales from exports increased by 18.7% and were R\$ 318.8 million this quarter, as compared to R\$ 268.7 million during 3Q02. This increase was the result of a 23.1% increase in export volume and of 3.6% lower average prices in Reais.

During 3Q03, Brazilian market sales were R\$ 274.3 million, representing a 5.2% decrease when compared to R\$ 289.4 million registered during 3Q02. This decrease reflects a 21.2% reduction in sales volume, partially offset by 20.2% higher average prices, when compared to 3Q02 prices.

Net sales were R\$ 1,826.7 million during the first nine months of 2003 (9m03), representing a 21.5% increase in comparison to the net sales of R\$ 1,503.2 million registered during the same period in 2002 (9m02). This increase was a result of 27.1% higher average prices, which more than offset the 4.4% decrease in sales volume. Exports represented 49.6% of the Company's net sales in 9m03 compared to 47.8% in 9m02. In terms of sales volume, exports accounted for 58.1% of the Company's total sales volume in 9m03 compared to 54.5% in 9m02.

Pulp net sales

In 3Q03, pulp net sales were 24.4% of total net sales, as compared to 22.8% in 3Q02.

Pulp net sales increased 14.1% to R\$ 145.0 million in 3Q03, from R\$ 127.1 million registered in 3Q02. This is due to a 23.1% increase in sales volume, which was partially offset by a 7.3% reduction in average prices. The reduction in average prices is primarily a consequence of the decrease in average international prices of pulp in 3Q03 and the appreciation of the real, partially offset by higher prices in the domestic market.

Paper net sales

In 3Q03, paper net sales were 75.6% of total net sales, as compared to 77.2% in 3Q02.

Paper net sales increased by 4.0% to R\$ 448.1 million in 3Q03, from R\$ 431.0 million in 3Q02. This was due to a 13.6% increase in average prices, despite a 8.4% decrease in sales volume. Higher average prices, when presented in Reais, reflect mainly the price recovery in the domestic market and a larger share of higher value-added products in the Company's sales mix. Sales volume was lower, primarily as a consequence of the lower economic activity during the period and of the postponement of orders for printing and writing paper to produce educational publications, that traditionally are placed during the third quarter.

Cost of goods sold

In 3Q03, unit cost of goods sold combined for both pulp and paper increased by 17.4% and reached R\$ 1,156.8/ton, as compared to R\$ 985.4/ton in 3Q02. This is primarily explained by higher labor and energy costs, and higher exports, which lead to higher logistics costs.

Gross profit

In 3Q03, gross profit was R\$ 254.2 million, 6.9% lower than the R\$ 272.9 million registered in 3Q02. As a result, gross margin declined to 42.9% in 3Q03 from 48.9% in 3Q02. The reduction in margin was influenced mainly by the lower domestic paper sales volume, where prices were higher and by the increase in unit costs of sales, as explained above.

Gross profits in 9m03 were R\$ 869.0 million, as compared with R\$ 664.4 million in 9m02. Despite the reduction in the quarterly gross margin, during the nine-month period there was an improvement in margins from 44.2% in 9m02 to 47.6% in 9m03.

Selling expenses

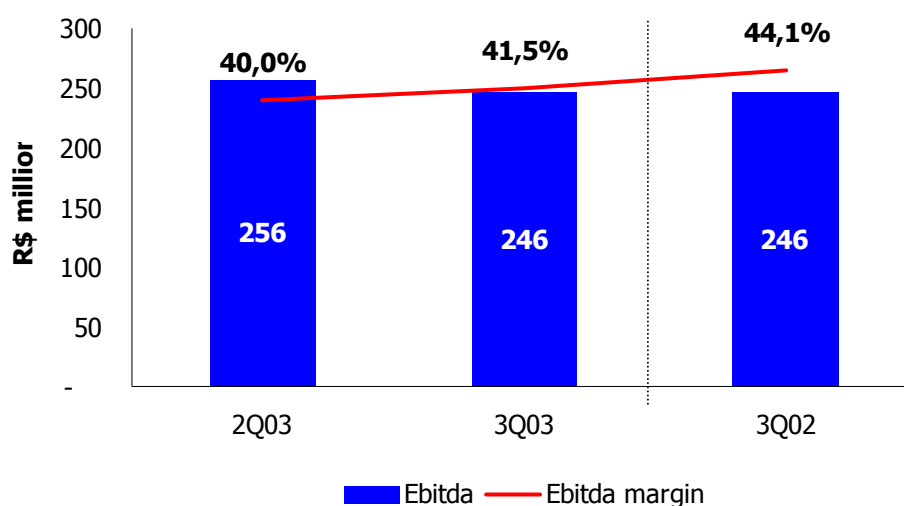
Selling expenses increased by 14.9% to R\$ 35.0 million in 3Q03, when compared to R\$ 30.4 million in 3Q02, mainly due to higher distribution expenses related with higher export volume.

General & Administrative (G&A) Expenses

In 3Q03, G&A expenses decreased 13.3% to R\$ 38.1 million, from R\$43.9 million in 3Q02. This reflects primarily the benefits of the Company's on-going cost reduction program.

EBITDA

In 3Q03, EBITDA decreased 0.1% to R\$ 246.0 million, from R\$ 246.3 million in 3Q02. Ebitda/Net Sales margin was 41.5% in 3Q03, compared to 44.1% in 3Q02, a 2.6 percentage points decrease mainly influenced by the reduction in gross margin, as explained above.



In 9m03, EBITDA increased 31.7% to R\$771.6 million, from R\$585.8 million in 9m02. Ebitda/Net Sales margin was 42.2% in 9m03, compared to 39.0% in 9m02, mainly influenced by the increase in average prices both in the export and the domestic markets.

Net financial expenses and exchange/Monetary variation

Net financial expenses were R\$ 41.1 million in 3Q03, as compared to R\$ 56.1 million in 3Q02, mainly due the effect of the Real appreciation on Company's US\$-denominated interest expenses.

Given the fluctuation of the Real during the period, net exchange variation expenses in 3Q03 were R\$ 34.3 million, when the exchange rate went from R\$ 2.872 on June 30, 2003 to R\$ 2.923 on September 30, 2003, as compared to R\$ 505.6 million in 3Q02, when the exchange rate went from R\$ 2.844 on June 30, 2002 to R\$ 3.895 on September 30, 2003.

Income Tax and Social Contribution

Income tax and social contribution expenses were R\$ 37.3 million in 3Q03, as compared to a tax credit of R\$ 244.6 million in 3Q02. This is related to the increase in taxable income, mainly attributable to the volatility of the Real, as explained above.

Net profit

As a result of the foregoing, net profit in 3Q03 was R\$ 80.4 million (R\$ 0.3108 per share), as compared to a net loss of R\$ 126.4 million (R\$ 0.4889 per share) in 3Q02.

In 9m03, net profit was R\$ 487.6 million (R\$ 1.8860 per Share), as compared to a loss of R\$ 153.8 million (R\$ 0.5947 per share) in 9m02.

Cash and indebtedness

At the end of the third quarter, net debt totaled R\$ 1,719.2 million or US\$588.1 million, At June 30, 2003, net debt was R\$ 1,633.9 million or US\$568.9 million. The increase in net debt is mainly explained by the increase in the Company's capital expenditures, as explained below, and the effect of the devaluation of the Real on the net US\$-denominated assets and liabilities, and the investments in working capital. The "Net debt/Annualized Nine-month Ebitda" ratio was 1.67x at September 30, 2003.

Given the effect of the Company's hedging transactions on its currency exposure, 77.8% of the gross indebtedness was in foreign currency and 22.2% was in Reais. Of the Company's total cash, 32.4% was invested in R\$-denominated securities and 67.6% was invested in US\$-linked securities.

Capital expenditures

During 9m03, capital expenditures were R\$ 362.5 million, 30.2% higher than the Company's capital expenditures of R\$ 278.5 million in 9m02. In 3Q03, capital expenditures were R\$ 145.8 million, and consisted of, among other things, investments in the following projects: (i) R\$ 73.5 million in the modernization and optimization program at the integrated pulp and paper plant in São Paulo (P&Q projects), (ii) R\$ 12.4 million in the optimization project for the Company's production facilities in Bahia, and (iii) R\$ 12.5 million in forest formation for the future expansion of the Company's production facilities in Bahia.



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Independent accountants' review report

The Board of Directors and Shareholders
Companhia Suzano de Papel e Celulose
São Paulo - SP

We have reviewed the interim financial information of Companhia Suzano de Papel e Celulose and the consolidated interim financial information for the Company and its subsidiaries for the nine-month period ended September 30, 2003, which comprise the balance sheet, the statement of income, management report and other relevant information, prepared in conformity with accounting practices adopted in Brazil.

Our review was performed in accordance with review standards established by IBRACON - the Brazilian Institute of Independent Auditors and the Federal Council of Accountancy, which comprised mainly: (a) inquiry and discussion with management responsible for the accounting, financial and operational areas of the Company and its subsidiaries, regarding the principal criteria adopted in the preparation of the interim financial information; and (b) review of post-balance sheet information and events which may have a material effect on the financial position and operations of the Company and its subsidiaries.

Based on our limited review, we are not aware of any material changes which should be made to the interim financial information described above for them to be in conformity with accounting practices adopted in Brazil and the regulations issued by the Brazilian Securities Commission (CVM), specifically applicable to the preparation of interim financial information.

October 20, 2003 (November 18, 2003 for the notes 4, 9, 11 and 13 reviewed to include additional information)

KPMG Auditores Independentes
CRC 2SP014428/O-6

José Luiz Ribeiro de Carvalho
Accountant CRC 1SP141128/O-2



Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Balance sheets

(Unaudited)

(In thousands of Brazilian Reais - R\$)

Assets	September 30, 2003	June 30, 2003
Current assets	<u>523,288</u>	<u>686,416</u>
Cash and cash equivalents	2,815	41,829
Interest earning bank deposits	62,464	206,776
Trade accounts receivable	181,614	194,933
Inventories	213,876	196,546
Dividends receivable	-	22
Other accounts receivable	9,112	7,478
Recoverable taxes	13,895	9,569
Deferred income and social contribution taxes	29,130	25,425
Prepaid expenses	10,382	3,838
Noncurrent assets	<u>136,823</u>	<u>127,432</u>
Recoverable taxes	19,716	16,664
Deferred income and social contribution taxes	70,115	73,369
Judicial deposits	8,932	8,811
Other accounts receivable	3,843	2,877
Related parties	34,217	25,711
Permanent assets	<u>3,335,866</u>	<u>3,201,314</u>
Investments	2,373,459	2,318,573
Property, plant and equipment	952,469	872,334
Deferred charges	<u>9,938</u>	<u>10,407</u>
Total assets	<u><u>3,995,977</u></u>	<u><u>4,015,162</u></u>

See the accountants' review report and accompanying notes to the interim financial information.

Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Balance sheets

(Unaudited)

(In thousands of Brazilian Reais - R\$)

	September 30, 2003	June 30, 2003
Liabilities and shareholders' equity		
Current liabilities	<u>710,136</u>	<u>811,419</u>
Loans and financing	542,244	609,585
Trade accounts payable	80,598	73,291
Taxes payable other than on income	8,420	8,298
Income and social contribution taxes	11,436	44,463
Dividends payable	176	176
Related parties	8,414	29,586
Accrued salaries and payroll taxes	34,535	28,260
Other accounts payable	24,313	17,760
Noncurrent liabilities	<u>989,991</u>	<u>985,301</u>
Loans and financing	880,067	865,610
Provision for contingencies	78,454	87,276
Related parties	3,046	3,036
Deferred income and social contribution taxes	28,424	29,379
Shareholders' equity	<u>2,295,850</u>	<u>2,218,442</u>
Share capital	1,137,737	1,137,737
Capital reserves	26,741	26,741
Revaluation reserves	36,135	37,989
Profit reserves	618,553	618,553
Accumulated profit	<u>476,684</u>	<u>397,422</u>
Total liabilities and shareholders' equity	<u><u>3,995,977</u></u>	<u><u>4,015,162</u></u>

See the accountants' review report and accompanying notes to the interim financial information.

Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Statements of income

(Unaudited)

(In thousands of Brazilian Reals - R\$, except profit per share)

	<u>Three-month period ended September 30,</u>		<u>Nine-month period ended September 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Net sales	335,455	334,862	1,028,225	854,272
Cost of goods sold	<u>(215,901)</u>	<u>(174,243)</u>	<u>(609,611)</u>	<u>(485,526)</u>
Gross profit	119,554	160,619	418,614	368,746
Selling expenses	(32,828)	(33,645)	(94,097)	(77,368)
General and administrative expenses	(22,417)	(26,503)	(95,830)	(79,876)
Financial income	10,301	32,391	1,651	50,768
Financial expenses	(62,213)	(654,610)	63,866	(1,015,962)
Other operating income	14,252	4,039	15,370	6,740
Other operating expenses	(10,422)	(7,890)	(31,266)	(21,138)
Interest on equity in subsidiaries and affiliates	<u>64,664</u>	<u>256,178</u>	<u>272,524</u>	<u>428,557</u>
Operating profit (loss)	80,891	(269,421)	550,832	(339,533)
Nonoperating income (expenses)	<u>2,715</u>	<u>(24,195)</u>	<u>20,609</u>	<u>(63,995)</u>
Profit (loss) before income and social contribution taxes	83,606	(293,616)	571,441	(403,528)
Income and social contribution taxes	<u>(6,198)</u>	<u>172,384</u>	<u>(100,341)</u>	<u>255,227</u>
Net profit (loss) for the period	<u>77,408</u>	<u>(121,232)</u>	<u>471,100</u>	<u>(148,301)</u>
Number of shares (thousands)	<u>258,517</u>	<u>254,551</u>	<u>258,517</u>	<u>254,551</u>
Net profit (loss) per share	<u>0.29943</u>	<u>(0.47626)</u>	<u>1.82232</u>	<u>(0.58260)</u>

See the accountants' review report and accompanying notes to the interim financial information.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

Nine-month period ended September 30, 2003 (Unaudited)

(In thousands of Brazilian Reais - R\$)

1 Operations

The main business of the Company and its subsidiaries is the production and sale, locally and abroad, of eucalyptus short fiber pulp and paper, as well as the development and maintenance of eucalyptus forests for own use and for sale.

2 Presentation of the interim financial information

The interim financial information were prepared in accordance with accounting practices derived from Brazilian Corporation Law and the rules of the Brazilian Securities Exchange Commission (CVM), which are consistent with those applied in the preparation of the financial statements for the year-ended December 31, 2002.

Description of significant accounting policies

- a. **Income statement** - Income and expenses are recognized on the accrual basis. Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is not recognized if there are significant uncertainties on its realization;
- b. **Foreign currency** - Monetary assets and liabilities in foreign currencies are translated into Reais at the exchange rate in effect at the balance sheet date. Resulting exchange gains or losses are recognized in the statements of income. For the foreign subsidiaries and affiliates, their assets and liabilities were translated into Reais at the foreign exchange rate ruling at the balance sheet date;
- c. **Financial instruments** - Financial instruments, such as swaps and future contracts, are recorded initially at cost and subsequently restated according to the contractual terms, to reflect amounts accrued through the balance sheet date. The utilization of derivative financial instruments is to minimize the risks on loans and financing in foreign currency. According to its policy, the Company does not hold or issue derivative financial instruments for trading purposes;

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

- d. Interest earning bank deposits** - Recorded at cost, plus income accrued to the balance sheet date, which does not exceed market value;
- e. Provision for doubtful accounts** - Recorded at amounts considered sufficient by management to cover any losses arising on collection of accounts receivable;
- f. Inventories** - Stated at the lower of average cost of acquisition or production, which does not exceed market value;
- g. Investments** - Investments in subsidiaries were valued using the equity method, and the others were recorded at cost less a provision for loss (when applicable);
- h. Property, plant and equipment** - Recorded at the cost of acquisition, formation or construction and revaluation (including interest and other financial charges). Depreciation is provided using the straight-line method based on the depreciation rate mentioned in Note 11. The reforestation is composed of the costs of acquisition, formation and conservation and depletion is calculated based on the harvests and the average cost of the forests;
- i. Deferred charges** - Recorded at purchase and formation cost, less amortization, which is calculated by the straight-line method over a maximum period of 10 years. In the consolidated interim financial information, goodwill is based on future economic benefits and is amortized over a 10-year period;
- j. Rights and obligations** - Price-level restated according to the exchange rates or indices and interest rates specified in the contracts in force, to reflect amounts accrued through the balance sheet date;
- k. Provisions** - Recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recorded considering the best estimates of the risk specific to the liability;

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

- l. Income and social contribution taxes** - Income and social contribution taxes on the profit for the period comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the balance sheet date, which are as follows:

- Income tax - Computed at the rate of 25% (15% on taxable income, plus an additional of 10%).
- Social contribution tax - Computed at the rate of 9% of adjusted taxable income.

The deferred tax assets resulting from tax loss carry forward, negative basis of social contribution and temporary differences were recorded in accordance with CVM Instruction 371 of June 27, 2002; and

- m. Revaluation reserves** - these reserves were established prior to 1986 through the revaluation of assets owned by the Company. They are recorded net of deferred taxes which are classified as noncurrent liabilities. The revaluation reserve is realized in proportion to the depreciation or disposal of the assets from which it was generated, net of related taxes, against retained earnings.

The Company is presenting the statements of cash flows for the Parent Company, prepared in accordance to NPC 20 - Statement of Cash Flows issued by IBRACON - Brazilian Institute of Independent Auditors and the statements of changes in financial position for the Parent Company and Consolidated, both prepared as additional information.

Certain information for the periods ended June 30, 2003 and September 30, 2002 were reclassified in order to conform with current interim financial information presentation.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

3 Consolidated interim financial information

The consolidated interim financial information includes the interim financial information of Companhia Suzano de Papel e Celulose and its direct and indirect subsidiaries, as shown below:

	September 30, 2003	June 30, 2003	September 30, 2002
Bahia Sul Celulose S.A.	93.92%	93.92%	93.88%
Bahia Sul América Inc.	100%	100%	100%
Bahia Sul International Trading Ltd.	100%	100%	100%
Suzanopar Investimentos Ltd.	100%	100%	100%
Suzanopar International S.A.	100%	100%	100%
CSPC Overseas Ltd.	100%	100%	100%
Comercial e Agrícola Paineiras Ltda.	100%	100%	100%
Nemo International	100%	100%	100%
Sun Paper and Board Limited	100%	100%	100%
Nemotrade Corporation	100%	100%	100%
Stenfar S.A. Indl. Coml. Imp. Exp.	100%	100%	100%

Description of main consolidation procedures

- a. Elimination of intercompany asset and liability account balances;
- b. Elimination of investment in the subsidiaries' capital, reserves and retained earnings;
- c. Elimination of intercompany revenue and expense balances and unearned income arising from intercompany transactions; and
- d. Identification of minority interests in the consolidated financial information.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

Reconciliation of the statements of income and shareholders' equity

	Net profit for the period			
	Three-month period ended September 30, 2003	Nine-month period ended September 30, 2003	Three-month period ended September 30, 2002	Nine-month period ended September 30, 2002
Consolidated	80,351	487,578	(126,384)	(153,751)
Elimination of unrealized (loss) income by the parent company in transactions with subsidiaries, net of income and social contribution taxes	(2,943)	(16,478)	5,152	5,450
Parent company	<u>77,408</u>	<u>471,100</u>	<u>(121,232)</u>	<u>(148,301)</u>
			Shareholders' equity	
			September 30, 2003	June 30, 2003
Consolidated			2,242,537	2,162,186
Elimination of unrealized income by the parent company in transactions with subsidiaries, net of income and social contribution tax			53,313	56,256
Parent company			<u>2,295,850</u>	<u>2,218,442</u>

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

4 Interest earning bank deposits

The interest earning bank deposits refer substantially to bank deposit certificates, remunerated at rates that vary from 99% to 102% of the Brazilian Interbank Deposit Certificate (CDI) rate, certificates of bank deposits with swap for US dollars, at an average rate of 3.54% per annum plus exchange variations of the US dollar, and financial investments abroad, remunerated at an average rate of 2.10% per annum plus exchange variation of the US dollar.

5 Trade accounts receivable

	<u>Parent Company</u>		<u>Consolidated</u>	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
Domestic customers	190,265	202,930	269,542	259,777
Foreign customers	162,582	119,575	321,043	280,149
Export bills discounted	(156,734)	(114,805)	(157,039)	(117,589)
Allowance for doubtful accounts	<u>(14,499)</u>	<u>(12,767)</u>	<u>(22,554)</u>	<u>(19,834)</u>
	<u>181,614</u>	<u>194,933</u>	<u>410,992</u>	<u>402,503</u>

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reals - R\$)

6 Inventories

	<u>Parent Company</u>		<u>Consolidated</u>	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
Finished goods	116,985	100,779	217,033	188,791
Work-in-process	10,001	14,438	12,046	16,385
Raw materials	30,749	29,790	50,150	48,243
Maintenance and other materials	<u>56,141</u>	<u>51,539</u>	<u>100,090</u>	<u>96,461</u>
	<u>213,876</u>	<u>196,546</u>	<u>379,319</u>	<u>349,880</u>

7 Credit from disposal of investments - Consolidated

In January 2003, the Company and its subsidiary Bahia Sul Celulose S.A. communicated to the shareholders and to the market its decision, jointly with Sonae, SGPS, SA (Sonae), to terminate the association that had been established in September 2001, through Sonae, Produtos e Derivados Florestais, SGPS, S.A. (SPDF), due to the non-verification of the conditions originally established for the maintenance of the association. Such association had the objective of acquiring control of Portucel - Empresa Produtora de Pasta e Papel S.A., through participation in the privatization process of the latter, in the modality then in progress.

On April 30, 2003, subsequently to the contractual withdraw option exercised by the Company, Sonae acquired the total interest held by the Company, through its subsidiary Bahia Sul International Trading Ltd., in SPDF, corresponding to 49.99% of the respective capital. The amount received by Bahia Sul International Trading Ltd. amounts to EURO 136.2 million (equivalent to R\$ 441 million).

During the third quarter of 2003, the subsidiary Bahia Sul Celulose S.A. performed a capital reduction of its wholly-owned subsidiary Bahia Sul International Trading Ltd., in the amount of US\$ 125.1 million (R\$ 370.3 million), in order to repatriate these funds to Brazil.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reals - R\$)

8 Recoverable taxes

	<u>Parent Company</u>		<u>Consolidated</u>	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
Recoverable social contribution tax	2,959	-	2,959	-
Withheld income tax on interest earning bank deposits	339	332	5,675	3,716
Value-Added tax on acquisition of property, plant and equipment	29,287	24,481	32,893	27,422
Other taxes and contributions	<u>1,026</u>	<u>1,420</u>	<u>1,026</u>	<u>2,648</u>
	<u>33,611</u>	<u>26,233</u>	<u>42,553</u>	<u>33,786</u>

9 Deferred income and social contribution taxes

The deferred income and social contribution taxes are recognized to reflect future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their book values.

The recorded deferred income and social contribution taxes are derived from:

	<u>Parent Company</u>		<u>Consolidated</u>	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
Assets				
Tax losses carry forward	23,873	26,503	125,767	149,419
Negative basis of social contribution	12,239	12,908	46,029	48,502
Temporary differences	63,133	59,383	109,297	108,368
- Provisions	43,011	41,866	89,175	90,851
- Goodwill amortization	<u>20,122</u>	<u>17,517</u>	<u>20,122</u>	<u>17,517</u>
	<u>99,245</u>	<u>98,794</u>	<u>281,093</u>	<u>306,289</u>

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

Liabilities	Parent Company		Consolidated	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
Accelerated depreciation	10,820	10,820	10,820	10,820
Revaluation reserve	17,368	18,323	17,368	18,323
Negative goodwill	<u>236</u>	<u>236</u>	<u>236</u>	<u>236</u>
	<u>28,424</u>	<u>29,379</u>	<u>28,424</u>	<u>29,379</u>

The Company presented, as of September 30, 2003, tax losses carry forward of R\$ 94,257 (R\$ 529,964 in the consolidated) and negative basis of social contribution of R\$ 134,756 (R\$ 525,085 in the consolidated).

The credits resulting from balances of tax loss carry forwards and negative basis of social contribution, in the consolidated, were offset by an allowance in the amount of R\$ 10,907 for both of the two taxes, representing protection related to possible future adverse events on the realization of these deferred assets.

In accordance with CVM Instruction 371, of June 27, 2002, the Company recognized tax credits on income tax loss carry-forwards and the negative basis of social contribution, based on its expectation of generating future taxable profits, supported by a technical valuation approved by management.

Based on this study of projections for taxable income, the Company estimates that it will recover the tax credits within the period established in the aforementioned CVM Instruction 371/2002, substantially, in the next 5 years, for the Parent Company and in the next 9 years at the consolidated level. In these projections, at the consolidated level, the incentive for reduction of income tax by 75%, by the subsidiary Bahia Sul Celulose S.A., is being taken into consideration.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

Below we present a summary with the expectation for utilization of the above described tax credits:

	<u>Parent Company</u>		<u>Consolidated</u>	
	September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
2003	5,900	8,900	16,468	31,353
2004	24,500	24,400	72,707	76,989
2005	29,500	29,500	54,684	52,127
2006	35,300	17,700	51,100	32,811
2007	4,045	18,294	13,518	27,187
2008 to 2010	-	-	28,098	27,923
2011 and 2012	-	-	<u>44,518</u>	<u>57,899</u>
	<u>99,245</u>	<u>98,794</u>	<u>281,093</u>	<u>306,289</u>

Income Tax - Reduction of 75% ADENE

The Subsidiary Bahia Sul Celulose was granted a tax rate reduction of 75% up to 2011 for pulp and up to 2012 for paper.

The income tax, resulting from this reduction, is not recorded as an expense in the statements of income. However, at the end of the year, and after net income is obtained, the reduction amount is recorded as a capital reserve, as a partial destination of the net income for the year, in order to comply with legal requirement of not distributing to the shareholders the obtained reduction. The reduction amount, for the nine-month period ended on September 30, 2003, is R\$ 58,254.

Income and social contribution taxes on foreign profits

The Company recorded a provision related to income and social contribution taxes on profits earned by its foreign subsidiaries, according to Provisional Measure no. 2158-34 of June 29, 2001, in the amount of R\$ 4,198 in the Parent Company, and R\$ 20,441 in the consolidated balance sheet. These amounts are presented as current liabilities at September 30, 2003.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

10 Investments

Parent Company	Percentage held	Investments		Equity interest	
		September 30, 2003	June 30, 2003	September 30, 2003	September 30, 2002
Subsidiaries					
Bahia Sul Celulose S.A.	93.92%	1,818,063	1,755,904	290,913	12,471
Suzanopar Investimentos Ltd.	100.00%	173,389	170,311	(15,468)	406,330
Nemo International	100.00%	17,173	15,966	(134)	7,645
Comercial e Agrícola Paineiras Ltda.	100.00%	<u>8,804</u>	<u>10,505</u>	<u>(2,349)</u>	<u>2,111</u>
		<u>2,017,429</u>	<u>1,952,686</u>	<u>272,962</u>	<u>428,557</u>
Associated Company					
Pakprint S.A.	10.00%	637	680	(438)	-
Other investments					
Other investments		23,453	22,845	-	-
Unamortized goodwill (1)		412,429	412,429	-	-
Goodwill amortization		<u>(80,489)</u>	<u>(70,067)</u>	<u>-</u>	<u>-</u>
		<u>355,393</u>	<u>365,207</u>	<u>-</u>	<u>-</u>
		<u>2,373,459</u>	<u>2,318,573</u>	<u>272,524</u>	<u>428,557</u>
Consolidated					
		<u>September 30, 2003</u>	<u>June 30, 2003</u>	<u>September 30, 2003</u>	<u>September 30, 2002</u>
Other investments		<u>39,865</u>	<u>34,793</u>	<u>(876)</u>	<u>-</u>
		<u>39,865</u>	<u>34,793</u>	<u>(876)</u>	<u>-</u>

(1) Refers mainly to the goodwill on the acquisition of share participation of Companhia Vale do Rio Doce in Bahia Sul Celulose S.A. and on the exchange of preferred shares issued by Bahia Sul for preferred shares issued by the Company, justified by the expected profitability of the operations, and amortized over a ten-year period.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

11 Property, plant and equipment

Parent Company

	Weighted average rate of depreciation	September 30, 2003			June 30, 2003
		Cost of acquisition	Depreciation	Net	Net
Buildings	4.38%	132,329	(80,219)	52,110	50,075
Machinery and equipment	6.36%	1,189,338	(771,478)	417,860	382,930
Others	18.53%	91,246	(52,430)	38,816	42,241
Land and farms		82,026	-	82,026	76,564
Timber resources		133,648	-	133,648	128,687
Construction-in-progress		<u>228,009</u>	<u>-</u>	<u>228,009</u>	<u>191,837</u>
		<u>1,856,596</u>	<u>(904,127)</u>	<u>952,469</u>	<u>872,334</u>

Consolidated

	Weighted average rate of depreciation	September 30, 2003			June 30, 2003
		Cost of acquisition	Depreciation	Net	Net
Buildings	3.26%	609,592	(248,774)	360,818	361,621
Machinery and equipment	4.05%	2,903,370	(1,292,002)	1,611,368	1,576,219
Others	18.44%	124,667	(73,813)	50,854	54,569
Land and farms		265,005	-	265,005	255,860
Timber resources		379,139	-	379,139	364,954
Construction-in-progress		<u>275,256</u>	<u>-</u>	<u>275,256</u>	<u>229,727</u>
		<u>4,557,029</u>	<u>(1,614,589)</u>	<u>2,942,440</u>	<u>2,842,950</u>

12 Deferred charges - Consolidated

	Set/2003					Jun/2003
	Goodwill	Software Implementation costs	Others	Amortization	Total	Total
Cia. Suzano de Papel e Celulose	331,940	9,227	2,247	(1,535)	341,879	352,769
Bahia Sul Celulose S.A.	-	23,799	-	(7,452)	16,347	16,869
Others	<u>-</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>	<u>26</u>
	<u>331,940</u>	<u>33,026</u>	<u>2,265</u>	<u>(8,987)</u>	<u>358,244</u>	<u>369,664</u>

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reals - R\$)

13 Loans and financing

	Index		Weighted average rate of interest	Parent Company		Consolidated	
				September 30, 2003	June 30, 2003	September 30, 2003	June 30, 2003
In Reais:							
BNDES - Finem	TJLP	(1)	10.15%	157,314	132,122	362,381	345,683
BNDES - Finem	Basket of currencies	(1)	11.53%	40,618	32,263	61,309	53,892
BNDES - Finame	TJLP	(1)	9.53%	37,363	39,163	42,305	44,218
BNDES - Automatic	TJLP	(1)	9.13%	4,691	5,021	5,805	6,321
Rural credit	-		8.75%	<u>4,207</u>	<u>4,118</u>	<u>4,207</u>	<u>4,118</u>
Working capital:							
Advances on export contracts	US\$	(3)	5.88%	1,003,343	1,043,972	1,846,214	1,906,620
Syndicated loan	US\$	(2)	3.78%	-	-	221,271	295,780
Resolution 63	US\$		12.41%	93,471	137,154	93,471	137,154
Credit line FMO	US\$		8.72%	38,114	40,741	38,114	40,741
Imports financing	US\$/YEN/EUR		3.66%	43,190	40,641	44,035	41,471
Others	US\$		6%	-	-	<u>11,090</u>	<u>4,992</u>
				<u>1,422,311</u>	<u>1,475,195</u>	<u>2,730,202</u>	<u>2,880,990</u>
Current liabilities				<u>542,244</u>	<u>609,585</u>	<u>1,403,719</u>	<u>1,171,472</u>
Noncurrent liabilities				<u>880,067</u>	<u>865,610</u>	<u>1,326,483</u>	<u>1,709,518</u>
The long-term portion of loans and financing mature as follows:							
2004				133,490	199,528	143,753	606,215
2005				409,915	376,970	619,816	583,333
2006				208,606	177,098	364,081	329,948
2007				39,092	30,891	64,270	55,528
2008 onward				<u>88,964</u>	<u>81,123</u>	<u>134,563</u>	<u>134,494</u>
				<u>880,067</u>	<u>865,610</u>	<u>1,326,483</u>	<u>1,709,518</u>

(1) Capitalization term that corresponds to the exceeding portion of 6% p.a. over the long-term interest rate (TJLP) published by the Brazilian Central Bank;

(2) In the beginning of July 2001, the wholly-owned subsidiary Bahia Sul International Trading contracted foreign financing in the amount of US\$ 100 million, for the acquisition of the totality of the eurobonds issued by Bahia Sul Celulose S.A. This Financing was contracted for a three-year period, which is the same period that the Eurobonds are due, for the cost of LIBOR plus 2.60% p.a. The Eurobonds will be held in trust by the aforementioned wholly-owned subsidiary until maturity in July, 2004.

(3) One of the contracts of this item foresees that in the hypothesis of nonattainment of a determined financial index there will be a restriction on the distribution of a dividend higher than the minimum obligatory dividend.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

14 Related parties

	Bahia Sul Celulose S.A.	Suzanopar Investimentos Ltda.	Nemo International	Comercial e Agrícola Paineiras Ltda.	Stenfar S.A. I.C.I. y E.	Total
Trade Account Receivables		140,464	1,673		5,574	147,711
Noncurrent assets	14,652	1,865		17,700		34,217
Current liabilities	7,802		375	237		8,414
Current and noncurrent loans and financing		73,295				73,295
Noncurrent liabilities		3,046				3,046
Net Sales (purchases)	(42,838)	251,361	1,742	(1,921)	19,755	228,099
Financial income (expenses)	(1,835)	(5,347)				(7,182)

The main balances of assets and liabilities on September 30, 2003, as well as the transactions, which influenced the income of the period, related to operations with related parties, result from transactions with the Company and its subsidiaries, which were performed in normal market conditions considering similar types of operations.

The Company entered into an export financing transaction in the amount equivalent to US\$ 200 million based on export receivables which are being transferred from its subsidiary Bahia Sul Celulose S.A.

According to the contractual terms, the Company had at September 30, 2003 a financial investment totaling R\$ 21.3 million to be used in the servicing of this transaction. This amount is classified in "Interest earning bank deposits".

During the nine-month period of 2003, the subsidiary Bahia Sul Celulose S.A. transferred exports to the Company in the amount of R\$ 109,112 that were exported simultaneously in the amount of R\$ 106,156. The net effect between the Company exports and the products transferred from its subsidiary company for R\$ 2,956 is shown as a financial expense, as this represents part of the cost of this financing.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

15 Provision for contingencies

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>September 30, 2003</u>	<u>June 30, 2003</u>	<u>September 30, 2003</u>	<u>June 30, 2003</u>
Tax and social security	65,194	71,424	103,161	104,299
Labor	<u>13,260</u>	<u>15,852</u>	<u>18,368</u>	<u>20,960</u>
	<u>78,454</u>	<u>87,276</u>	<u>121,529</u>	<u>125,259</u>

Provisions for contingencies were recorded to provide for possible losses in administrative and judicial claims related to fiscal, labor and social security matters, in amounts considered as sufficient by management, in accordance with the assessment of its lawyers and legal counsel.

16 Accounts payable - Land and forests - Consolidated

During 2002, the subsidiary Bahia Sul Celulose S.A. acquired land and eucalyptus forests planted on it, in the region of São Mateus - ES, payable in installments up till the end of 2007. The amounts related to this acquisition, presented as "other account payables" in current and noncurrent liabilities, at September 30, 2003, amount to R\$ 24,934 and R\$ 40,703, respectively (R\$ 31,518 and R\$ 44,635 at June 30, 2003).

17 Financial instruments

Considering the requirements of the Normative Instruction 235/95 from CVM, the Company performed an evaluation of its assets and liabilities as of September 30, 2003, concluding that the recorded amounts do not differ significantly from their market values.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

In order to reduce the effects of fluctuations of foreign exchange rate, the Company operated with financial instruments and, at September 30, 2003, there was an open swap position of dollar to CDI in the amount equivalent to US\$ 48.4 million, in the Parent Company and an open position in “currency terms - NDF” of US\$ 125.1 million in the consolidated position.

In order to minimize interest rate risks, the Company performed swap operations, fixing the interest rates on certain foreign currency loans at ceilings up to the limit of US\$ 93.7 million in the Parent Company and US\$ 213.7 million in the consolidated position.

18 Guarantees - Parent company

The guarantees provided by the parent company were the following:

	September 30, 2003	June 30, 2003
Bahia Sul Celulose S.A.		
BNDES	<u>3,725</u>	<u>7,345</u>

Shared guarantees with Suzano Petroquímica S.A.:

	September 30, 2003	June 30, 2003
Polibrasil Resinas S.A.		
Credit Line FMO	134,307	130,134
BNDES	<u>50,122</u>	<u>52,496</u>
	<u>184,429</u>	<u>182,630</u>

At September 30, 2003, the Company had outstanding “vendor” operations (bank loans to customers which are backed by a Company guarantee, in the event the customer defaults the bank on the due date) amounting to R\$ 44,202 (R\$ 31,704 at June 30, 2003).

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

19 Subsequent event

By means of a Relevant Fact, published on October 6, 2003, the Company communicated that its Parent Company Suzano Holding S/A and other shareholders intend to perform a secondary public offering of the Company's preferred shares, representative of approximately 8.7% and 14% of the total capital and of the total preferred shares, respectively and, also, a primary public distribution of up to 10 million preferred shares and 5 million common shares, the latter to be totally subscribed by Suzano Holding S/A. Likewise, the Company informed that the board of directors approved on that date the distribution of remuneration to the shareholders in the form of interest on capital, as provided for in article 9 of Law 9249/95. The distribution amounts to R\$ 55 million and is subject to withhold income tax, except for immune and exempted shareholders, and it should be paid out by the Company no later than December 19, 2003. As of December 15, 2003, the shares will be traded ex-interest. The amount of this interest on capital will be attributed to the compulsory dividend declared on income for the 2003 fiscal year. If the aforementioned offering is concluded no later than December 11, 2003, all the shares that are subscribed within of the offering will be entitled to this remuneration.

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reals - R\$)

Additional information

Statements of changes in financial position

	Parent company		Consolidated	
	Nine-month period ended September 30,		Nine-month period ended September 30,	
	2003	2002	2003	2002
Sources of funds				
From operations				
Net profit (loss) for the period	471,100	(148,301)	506,692	(137,363)
Items not affecting working capital				
Depreciation, depletion and amortization	60,972	48,846	132,466	117,121
Net book value of permanent assets disposed of	3,420	10,057	10,732	11,623
Deferred income and social contribution taxes	20,394	(151,340)	68,616	(228,384)
Interest on equity in subsidiaries and affiliates	(272,524)	(428,557)	876	-
Dividends from subsidiary	-	7,920	-	-
Amortization of goodwill	31,266	21,138	31,266	21,138
Provisions	15,228	65,346	22,183	1,126
Interest, exchange variation and monetary variation of noncurrent assets and liabilities	(139,699)	683,982	(286,203)	845,758
	190,157	109,091	486,628	631,019
From Shareholder's				
Integralization of capital	-	483,737	-	483,737
From third parties				
Noncurrent loans and financing	411,875	139,664	571,041	362,250
Noncurrent trade accounts payable	-	-	-	70,096
Capital reduction on subsidiary	653,309	-	-	-
Income tax incentive	-	462	-	462
Transfer of noncurrent assets	-	1,000	-	13,430
	1,065,184	141,126	571,041	446,238
Total sources	1,255,341	250,217	1,057,669	1,077,257
Application of funds				
Permanent assets				
Increase in investments	1,345	485,449	11,884	487,616
Increase in property, plant and equipment	264,723	122,011	362,507	278,484
Increase in deferred charges	1,987	4,022	3,558	6,632
	268,055	611,482	377,949	772,732
Noncurrent assets	23,550	6,191	31,254	15,247
Transference of noncurrent to current liabilities	334,180	281,214	962,396	388,722
Treasury shares	-	24	-	24
Total applications	625,785	898,911	1,371,599	1,176,725
Increase (decrease) in working capital	629,556	(648,694)	(313,930)	(99,468)
Changes in working capital				
Current assets	(146,507)	192,751	(817,677)	732,090
Current liabilities	776,063	(357,708)	503,747	(347,821)
Increase (decrease) in working capital	629,556	(164,957)	(313,930)	384,269

Companhia Suzano de Papel e Celulose

Notes to the interim financial information

(In thousands of Brazilian Reais - R\$)

Additional information - Parent Company

Statements of cash flows

	Parent company	
	Nine-month period ended September 30,	
	2003	2002
Cash flows from operating activity		
Net profit (loss) for the period	471,100	(148,301)
Adjustments to reconcile net income to cash generated by operating activities:		
Depreciation, depletion and amortization	60,972	48,846
Result on sale of fixed assets	(4,269)	(1,190)
Interest on equity in subsidiaries and affiliates	(272,524)	(428,557)
Amortization of goodwill	31,266	21,138
Dividends from subsidiary	-	7,920
Deferred income and social contribution taxes	13,334	(256,935)
Interest, exchange and monetary variation of assets and liabilities	(242,499)	945,313
Provisions	15,228	64,272
Changes in assets and liabilities		
Decrease (increase) in trade accounts receivable	26,980	(14,337)
(Increase) decrease in inventories	(71,134)	(18,548)
Decrease in other current and noncurrent assets	23,996	8,919
Increase in suppliers	20,094	11,734
Increase (decrease) in income and social contribution taxes	11,436	(20,037)
Increase (decrease) in other currents liabilities	42,502	(3,998)
Net cash from operating activities	<u>126,482</u>	<u>216,239</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment and deferred charges	(266,710)	(126,033)
Acquisition of investments	(1,345)	(487,954)
Capital reduction on subsidiary	653,309	-
Income tax incentive	-	2,967
Proceeds generated from sale of fixed assets	7,689	12,321
Net cash from (used in) investing activities	<u>392,943</u>	<u>(598,699)</u>
Cash flows from financing activities		
Capital Integralization	-	483,737
Dividends paid	(67,239)	(50,185)
Proceeds from loans and financing	557,854	383,150
Payments on loans and financing - Parent Company	(653,309)	-
Payments on loans and financing - Third parties	(505,643)	(362,177)
Treasury Shares	-	(24)
Net cash (used in) from financing activities	<u>(668,337)</u>	<u>454,501</u>
(Decrease) increase in cash and cash equivalents		
At the beginning of the year	214,191	20,416
At the end of the year	<u>65,279</u>	<u>92,457</u>
(Decrease) increase in cash and cash equivalents	<u>(148,912)</u>	<u>72,041</u>

Consolidated interim financial information

Consolidated balance sheets - Assets
Consolidated balance sheets -
Liabilities and shareholders' equity
Consolidated statements of income

Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Consolidated balance sheets

(Unaudited)

(In thousands of Brazilian Reals - R\$)

Assets	September 30, 2003	June 30, 2003
Current assets	<u>1,947,416</u>	<u>2,141,735</u>
Cash and cash equivalents	162,663	206,060
Interest earning bank deposits	848,363	1,041,043
Trade accounts receivable	410,992	402,503
Inventories	379,319	349,880
Dividends receivable	-	22
Other accounts receivable	21,259	22,349
Recoverable taxes	22,837	17,122
Deferred income and social contribution taxes	86,387	98,327
Prepaid expenses	15,596	4,429
Noncurrent assets	<u>280,115</u>	<u>282,100</u>
Recoverable taxes	19,716	16,664
Deferred income and social contribution taxes	194,706	207,962
Judicial deposits	23,015	22,340
Other accounts receivable	42,678	35,134
Permanent assets	<u>3,340,549</u>	<u>3,247,407</u>
Investments	39,865	34,793
Property, plant and equipment	2,942,440	2,842,950
Deferred charges	<u>358,244</u>	<u>369,664</u>
Total assets	<u><u>5,568,080</u></u>	<u><u>5,671,242</u></u>

See the accountants' review report and accompanying notes to the interim financial information.

Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Consolidated balance sheets

(Unaudited)

(In thousands of Brazilian Reais - R\$)

	September 30, 2003	June 30, 2003
Liabilities and shareholders' equity		
Current liabilities	<u>1,690,426</u>	<u>1,486,199</u>
Loans and financing	1,403,719	1,171,472
Trade accounts payable	122,789	119,355
Taxes payable other than on income	14,025	13,148
Income and social contribution taxes	30,261	65,732
Dividends payable	186	188
Accrued salaries and payroll taxes	53,605	42,337
Other accounts payable	65,841	73,967
Noncurrent liabilities	<u>1,517,139</u>	<u>1,908,791</u>
Loans and financing	1,326,483	1,709,518
Provision for contingencies	121,529	125,259
Other accounts payable	40,703	44,635
Deferred income and social contribution taxes	28,424	29,379
Minority interests	<u>117,978</u>	<u>114,066</u>
Shareholders' equity	<u>2,242,537</u>	<u>2,162,186</u>
Share capital	1,137,737	1,137,737
Capital reserves	26,741	26,741
Revaluation reserves	36,135	37,989
Profit reserves	548,762	548,762
Accumulated profit	<u>493,162</u>	<u>410,957</u>
Total liabilities and shareholders' equity	<u><u>5,568,080</u></u>	<u><u>5,671,242</u></u>

See the accountants' review report and accompanying notes to the interim financial information.

Companhia Suzano de Papel e Celulose

(A translation of the forms presented to CVM)

Consolidated statements of income

(Unaudited)

(In thousands of Brazilian Reais - R\$, except profit per share)

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2003	2002	2003	2002
Net sales	593,072	558,058	1,826,663	1,503,153
Cost of goods sold	<u>(338,876)</u>	<u>(285,122)</u>	<u>(957,677)</u>	<u>(838,752)</u>
Gross profit	254,196	272,936	868,986	664,401
Selling expenses	(34,973)	(30,435)	(100,163)	(88,701)
General and administrative expenses	(38,072)	(43,900)	(154,350)	(122,040)
Financial income	40,262	397,906	(36,485)	640,054
Financial expenses	(115,704)	(959,548)	163,988	(1,550,888)
Other operating income	18,784	9,160	24,678	15,043
Other operating expenses	(10,422)	(7,890)	(31,266)	(21,138)
Interest on equity in subsidiaries and affiliates	<u>(156)</u>	<u>824</u>	<u>(876)</u>	<u>-</u>
Operating profit (loss)	113,915	(360,947)	734,512	(463,269)
Nonoperating income (expenses)	<u>7,609</u>	<u>(3,224)</u>	<u>13,558</u>	<u>6,011</u>
Profit (loss) before income and social contribution taxes	121,524	(364,171)	748,070	(457,258)
Income and social contribution taxes	<u>(37,261)</u>	<u>244,635</u>	<u>(241,378)</u>	<u>319,895</u>
Profit (loss) before minority interest	84,263	(119,536)	506,692	(137,363)
Minority interest	<u>(3,912)</u>	<u>(6,848)</u>	<u>(19,114)</u>	<u>(16,388)</u>
Net profit (loss) for the period	<u>80,351</u>	<u>(126,384)</u>	<u>487,578</u>	<u>(153,751)</u>

See the accountants' review report and accompanying notes to the interim financial information.