

SUZANO BAHIA SUL PAPEL E CELULOSE S.A.

Publicly held Company
CNPJ/MF nº 16.404.287/0001-55
NIRE 29.300.016.331

**MINUTES OF
EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS**

DATE, TIME AND PLACE: May 24, 2006, at 10 a.m., at the head office of Suzano Bahia Sul Papel e Celulose S.A. (“the Company”), at Avenida Tancredo Neves 274, Centro Empresarial Iguatemi II, Block B, Suites 121/123, Pituba, Salvador, Bahia, Brazil.

CONVOCATION: By publication in the newspapers *Diário Oficial do Estado da Bahia* (on May 6, 9 and 10), *A Tarde* (on May 6, 7 and 8) and *Gazeta Mercantil* (on May 8, 9 and 10), 2006.

PRESENT: Stockholders representing more than two thirds of the voting capital and holders of preferred shares without the right to vote, as per the signatures in the Stockholders’ Attendance Book. Also present were representatives of the valuing companies, Unibanco – União de Bancos Brasileiros S.A. (“Unibanco”), KPMG Corporate Finance Ltda. (“KPMG”), Ernst & Young Auditores Independentes S/S (“Ernst & Young”) and Directa Auditores (“Directa”); and Mr. Rubens Barletta, a member of the Company’s Audit Board, and Mr. Bernardo Szpigel, one of the Company’s Executive Officers.

MEETING COMMITTEE: Mr. Mauro E. Guizeline, Chairman; Mr. Luiz Cesar Pizzotti, Secretary.

AGENDA:

- (a) to decide on the “Protocol and Justification of Absorption of Shares and Total Split”, entered into on July 20, 2005 and amended on May 4, 2006 by the Company, Ripasa Participações S.A. (“Ripar”), Votorantim Celulose e Papel S.A. (“VCP”) and Ripasa S.A. Celulose e Papel, specifically in relation to the total split of Ripar, and the vesting of its equity in the Company and VCP, in equal parts, with the consequent extinction of Ripar (“the Total Split of Ripar”);
- (b) to decide on ratification of the contracting of specialized companies to prepare valuation opinions on the companies involved in the Total Split of Ripar;
- (c) to decide on the valuation opinions referred to in (b) above; and
- (d) to decide on the proposal by the Company’s management for carrying out of the Total Split of Ripar and the receipt, by the Company, of a portion equivalent to half of the assets and liabilities of Ripar, with a consequent increase in the Company’s capital and change in Clause 5 of its Bylaws.

READING OF DOCUMENTS, PREPARATION OF THE MINUTES AND RECEIPT OF DOCUMENTS: (a) The reading of documents related to the matters to be decided by the Extraordinary General Meeting of Stockholders was dispensed

with by unanimous decision of the stockholders present having the right to vote, since the stockholders are fully aware of them, namely: **(i)** the Convocation Announcement; **(ii)** Protocol and Justification of Absorption of Shares and Total Split (“the Protocol”) and its respective appendixes, entered into on July 20, 2005 and amended on May 4, 2006, between the managements of the Company, Ripar, VCP and Ripasa; **(iii)** Opinion valuing the Company, VCP and Ripasa at economic value based on future profitability by the present value of discounted cash flow method (“the Economic Value Valuations”); **(iv)** Opinions valuing the stockholders’ equity of the Company, VCP and Ripasa at market prices, in accordance with Article 264 of Law 6404/76 (“the Market Price Valuations”); and **(v)** Opinions valuing the Company, VCP and Ripar at book value (“the Book Value Valuations”), the respective copies of which have been authenticated by the Meeting Committee, and are filed at the company’s head office; and **(b)** the preparation of these minutes in the form of a summary version was authorized in accordance with Article 130, Paragraph 1, of Law 6404/76.

DECISIONS: After discussion on the matters contained in the Agenda, the stockholders decided the following by unanimous decision of those present:

(a) to approve the Protocol, in relation specifically to the Total Split of Ripar, this decision having been taken after prior issuance of an opinion in favor by the Audit Board and approval by the Company’s Board of Directors;

(b) to ratify the contracting of the following valuation companies, for the purposes of the Total Split of Ripar: **(i)** Unibanco, for preparation of the Economic Value Valuations of the Company, Ripasa and VCP; **(ii)** KPMG, for the preparation of the Market Price Valuations of the Company, Ripasa and VCP; and **(iii)** Ernst & Young and Directa, for the preparation of the Book Value Valuations of the Company and Ripar, respectively;

(c) to approve the Economic Value Valuations, the Market Price Valuations and the Book Value Valuations mentioned in item **(b)**;

(d) to approve the proposal of the Company’s management, in the terms expressed in the Protocol, for the Total Split of Ripar, with the vesting of its assets and liabilities in the Company and VCP, in equal parts, in the form specified in the Protocol, and with the consequent extinction of Ripar;

(d.1) to accept the vesting in the Company of half of such assets and liabilities of Ripar as exceed the stake which the Company currently owns, in the amount of R\$ 573,629,269.83, this being the amount found in the Book Value Valuation of Ripar, prepared on the basis of the Balance Sheet of Ripar raised on April 30, 2006, issued by Directa, and adjusted in accordance with the incorporation of shares of Ripasa by Ripar, decided in General Meetings of Stockholders held on May 23, 2006;

(d.2) to approve, arising from the total split of Ripar, an increase in the company’s capital in the amount of R\$ 573,629,269.83, represented by the issuance of 5,428,955 new common shares and 23,552,795 new class A preferred shares, without the right to vote, all nominal, of the book-entry type, and without par value, which shall be subscribed by Ripar, in the name of the non-controlling stockholders, and paid up by allocation of half of that part of the stockholders’ equity of Ripar that exceeds the stake in Ripar that the Company currently owns;

(d.3) to record that, as stated in the Protocol, the ratio of substitution of shares, established on the bases of the Economic Value Valuations, is: 1 (one) common share issued by Ripar for 0.0167 common share issued by the Company and 1 (one) preferred share in Ripar for 0.0167 Class “A” preferred shares in the Company. The

new common and class “A” preferred shares to be issued by the Company as a result of the Total Split of Ripar, based on the substitution ratio above mentioned, shall be attributed to the non-controlling stockholders of Ripar, in the proportion of the stockholding interests currently held by said stockholders in Ripar, and shall have the right to dividends and other proceeds in cash in relation to the 2006 business year. As part of this substitution, the stockholders whose positions contain fractions of shares shall receive shares from the Company’s controlling stockholder, in the form of donation, so as to result in the next immediately subsequent whole number of shares; **(d.4)** arising from these previous decisions, to approve the change in the head paragraph of Article 5 of the Company’s Bylaws, to read as follows:

Article 5:

The subscribed registered capital is *2,053,619,595,25 (two billion, fifty three million, six hundred and nineteen thousand, five hundred and ninety five Reais and twenty five cents)*, fully paid up and divided into *314,428,263 (three hundred fourteen million, four hundred and twenty eight thousand, two hundred and sixty three)* shares without par value, of which *107,803,413 (one hundred and seven million, eight hundred and three thousand, four hundred and thirteen)* are nominal common shares, *205,083,971 (two hundred and five million, eighty three thousand, nine hundred and seventy one)* are class “A” book-entry preferred shares, and *1,540,879 (one million, five hundred and forty thousand, eight hundred and seventy nine)* are class “B” book-entry preferred shares.

CLOSING: There being no further business, the publication of these minutes with omission of the signatures of the stockholders was authorized under Article 130, Paragraph 2, of Law 6404/76. The terms of these minutes were approved, and signed by the stockholders present. Salvador, May 24 2006.

Mauro E. Guizeline
President

Luiz Cesar Pizzotti
Secretary

IPLF HOLDING S.A
p.p. Mauro E. Guizeline

SUZANO HOLDING S.A
p.p. Luiz Cesar Pizzotti