

SUZANO PAPEL E CELULOSE S.A.

Brazilian Taxpayer ID (CNPJ/MF) No. 16.404.287/0001-55

Notice to the Market

Suzano Papel e Celulose S.A. (Bovespa: SUZB5) (“Company”), further to the Material Fact released on December 20, 2010, announces to shareholders and the market that the Board of Directors, convened at a meeting held on April 26, 2011, has recommended the approval at General Shareholders’ Meeting of a private issuance of compulsorily convertible debentures by the Company. The main characteristics of the issuance are as follows:

- **Aggregate Amount of the Issuance:** R\$1.2 billion;
- **Number of Debentures:** 1.2 million;
- **Series:** 1st Series - 401,819 debentures convertible into shares of common stock; 2nd Series - 798,181 debentures convertible into shares of preferred stock;
- **Maturity:** three (3) years from the issuance date, therefore on December 16, 2013;
- **Unit Nominal Value and Index:** R\$ 1,000.00, restated by the variation of the Extended Consumer Price Index (IPCA);
- **Yield:** 4.5% per *annum*;
- **Convertibility:** as from December 17, 2012 2nd Series Debentures may be converted, at discretion of debenture holders, into shares of preferred stock issued by the Company and 1st Series Debentures may be converted into shares of common stock issued by the Company;
- **Conversion price:** R\$ 17.39 (equivalent to the average price weighted for class “A” preferred stock issued by the Company, as determined on the basis of the 20 most recent trading sessions prior to December 15, 2010 (exclusive), plus a 12.5% premium), and, after (and including) January

1, 2011, for the effects of the conversion price dealt with in this item, the earnings declared per share shall be excluded from that amount of R\$ 17.39, as from the date of declaration, limited to the maximum accumulated amount of one Brazilian Real (R\$ 1.00) per share; and

- **Underwriting commitment by BNDES Participações S.A. - BNDESPAR (“BNDESPAR”):** up to 561,789 Debentures of the 2nd Series, equivalent to the maximum amount of R\$ 561,789,000.00.

All shareholders of record at the time of the General Shareholders’ Meeting that decides on the debenture issuance will be granted subscription privilege for debentures convertible into shares of the same kind and class of the ones held by the shareholder, considering the shareholder’s ownership interest in the capital stock of the Company.

The controlling shareholders shall exercise their preemptive rights to subscribe for all the debentures that they are entitled to acquire, and BNDES, under the abovementioned underwriting commitment it has taken, shall subscribe for the debentures that it is entitled to acquire in exercising preemptive rights, as well as for any debentures eventually unsubscribed by other shareholders of record.

For additional information about the debenture issuance, see the Management Proposal attached to the Call Notice for the Extraordinary General Shareholders’ Meeting to be held on May 12th, 2011, in accordance with Brazilian Securities Commission (CVM) Instruction 481/2009, Attachment 15, both available at the Company’s and CVM’s website.

São Paulo, April 27, 2011.

Antonio Maciel Neto

CEO and Investor Relations Officer