



SUZANO
PULP AND PAPER

**1Q12 Results
Presentation**



General Notice

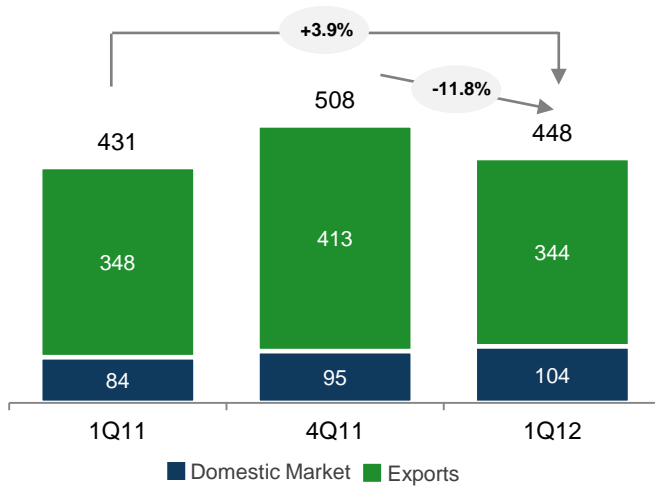
Certain statements in this presentation may constitute forward-looking statements. Such statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. These risks include changes in customer demand for the Company's products, changes in factors that affect the domestic prices for products, changes in costs' structure, seasonal fluctuations in customer orders, pricing actions by competitors, significant changes in the applicable rates of exchange of the Brazilian real against the US dollar, and general changes in the economic environment in Brazil, emerging markets or internationally.

- Total market pulp and paper production of 765 thousand tons.
- Total sales of market pulp and paper of 725 thousand tons.
- Higher average domestic paper prices vs 4Q11.
- Successive increases in pulp list prices (CIF Europe May/12: US\$ 800/ton)
- Global pulp inventories at 31 days of production (Mar/2012), below historical levels.
- Net revenue of R\$1,038 million in the quarter.
- EBITDA of R\$238 million in the quarter.
- Net profit of R\$ 72 million.
- Cash and cash equivalents of R\$3.6 billion
- Net debt/EBITDA of 4.8 x on March 31, 2012.
- Maranhão Pulp Mill construction at full speed.

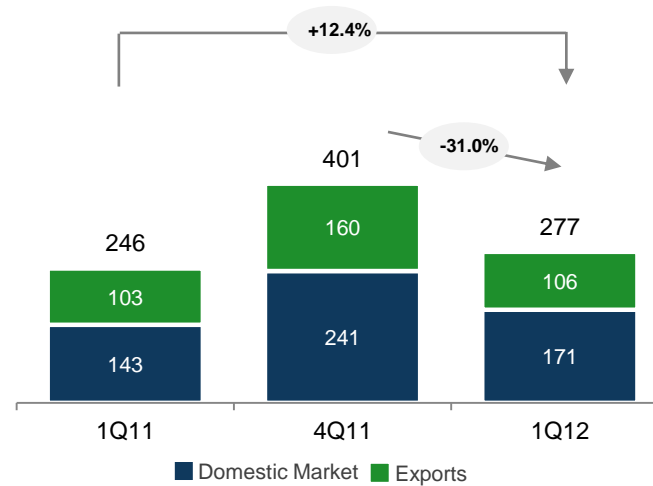
Sales Volume

Paper sales volume reflects industry seasonality. The highlight of the quarter was the share of domestic market in the paper sales mix: 62% (+1.5 p.p. vs 4Q11)

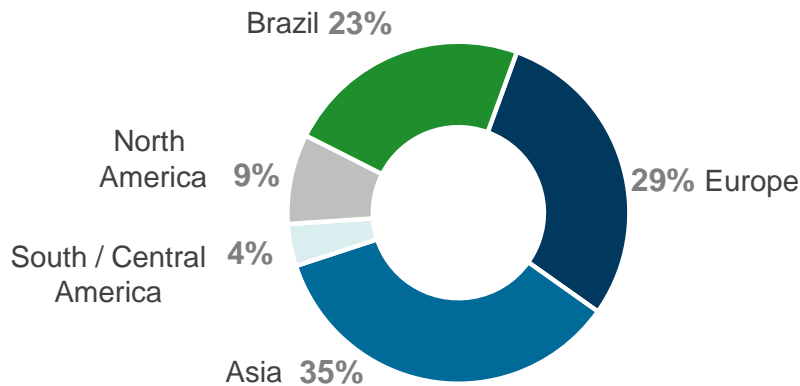
Pulp Sales Volume ('000 ton)



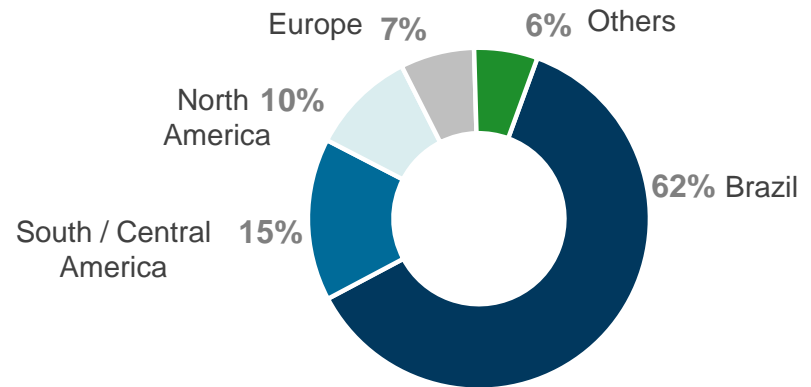
Paper Sales Volume ('000 ton)



Pulp Sales (ton)



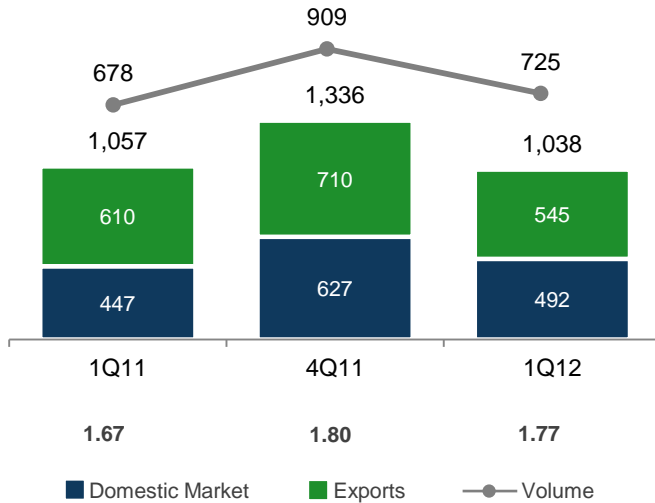
Paper Sales (ton)



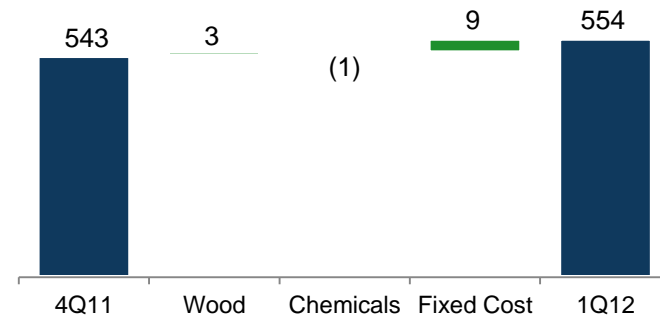
Consolidated Results

EBITDA Margin reduction of 10 p.p. vs 1Q11 mainly due to lower pulp price

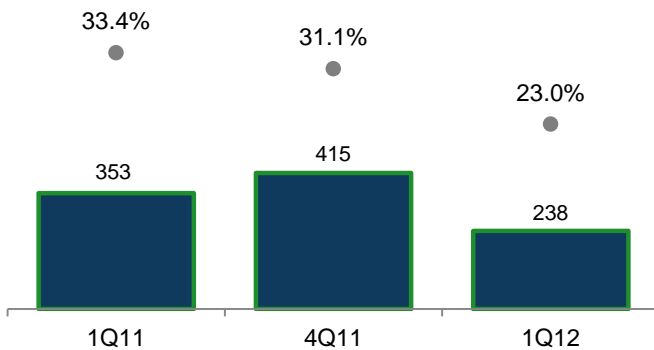
Net Revenue(R\$ million) and Volume ('000 ton)



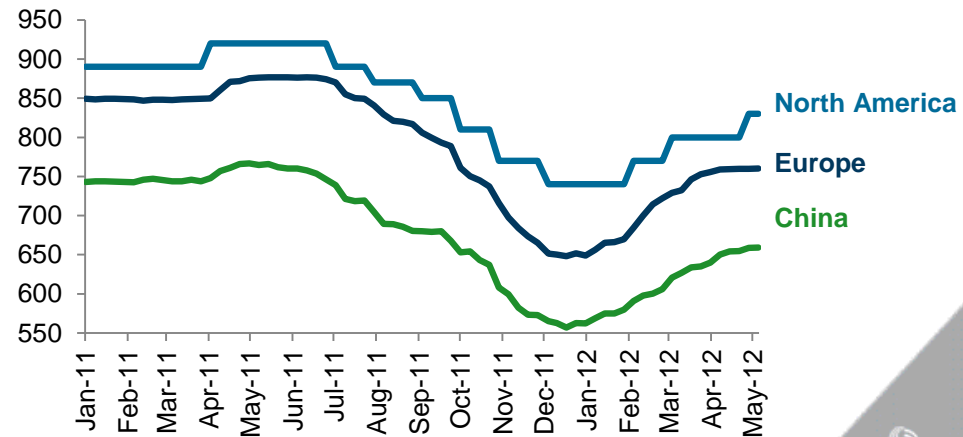
Cash Costs ex-Maintenance Downtime (R\$/ton)



EBITDA (R\$ million) and EBITDA Margin (%)



Pulp Price (US\$/ton)

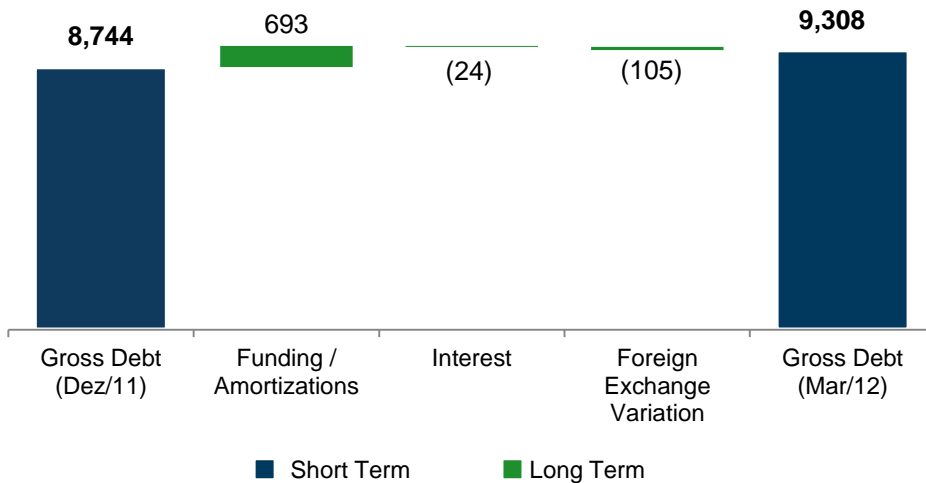


Source: FOEX

Debt

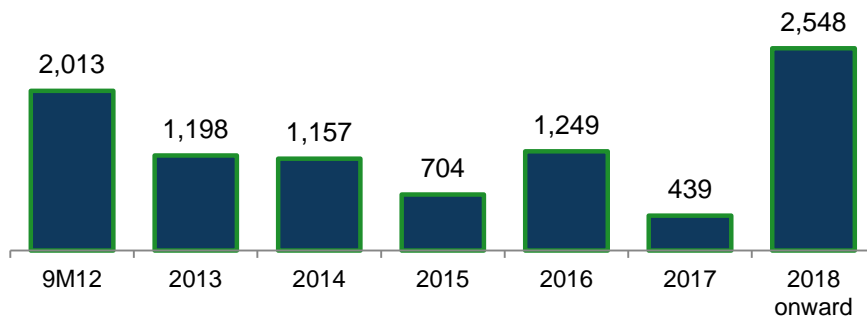
Conservative financial policy with long-term debt profile

Gross Debt (R\$ million)



- **Cash position: R\$ 3.6 billion (mar/12)**
- **Net debt / EBITDA: 4.8x (mar/12)**
- **Project finance: grace period and gradual amortization aligned with the project's cash flow**
- **The Company is working on initiatives to reduce leverage**

Amortization Schedule (R\$ million)

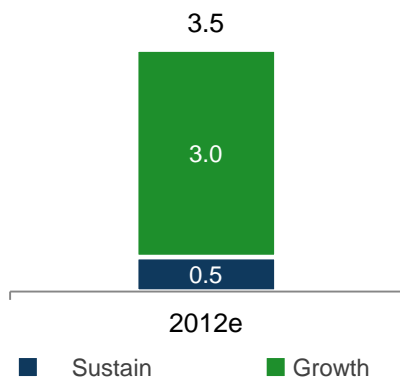


Capital Expenditure

The growth projects will be developed with discipline, respecting the financial balance of the Company

Capex (R\$ million)	1Q12	1Q11	Δ Y-o-Y	4Q11	Δ Q-o-Q
Sustain	99	113	-12.6%	166	-40.7%
Industrial	25	23	7.2%	58	-57.4%
Forestry	74	90	-17.7%	108	-31.8%
Growth	294	1,662	-82.3%	185	58.4%
Others	2	4	-59.9%	15	-88.5%
TOTAL	394	1,779	-77.9%	367	7.4%

Estimated Capex (R\$ billion)



Growth Capex for 2012e:

- Forestry and industrial investment in Maranhão
- Piauí forest investment reduced to the minimum amount necessary for sustain
- As for the Suzano Renewable Energy investment in 2012, Suzano Pulp and Paper will contribute existing land and forest

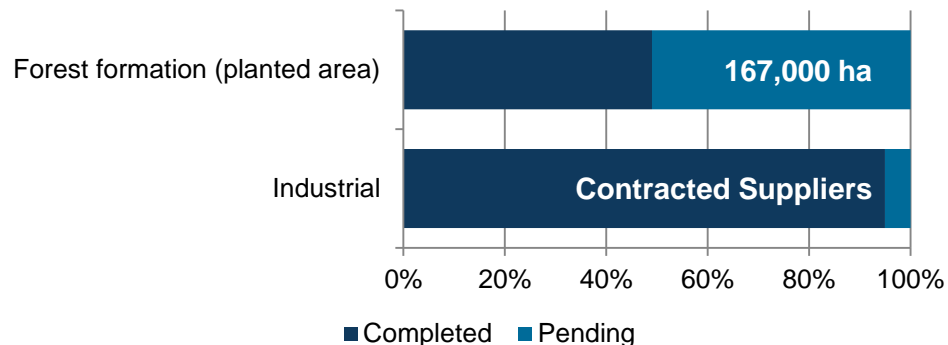
Note: Estimates do not include Suzano Renewable Energy. The investment will only happen after capital structure is defined.

Maranhão Project Status

Construction works with 95% of suppliers already contracted.



- **30%** of physical construction completed:
 - Earth moving works completed
 - 65% of physical infrastructure completed.
 - 38% of equipment manufacturing concluded.
 - Boiler foundations completed.
 - More than 90 containers with boiler metallic structures already delivered to the site.
- Around 5,400 people are working to create the forestry base and construct the Maranhão unit
- More than 3,000 people have graduated from the Capacitar training program.



Investor Relations

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