



# 1Q13 Earnings Release



São Paulo, May 10, 2013. Suzano Papel e Celulose – (Bovespa: SUZB5), one of the largest integrated pulp and paper producers in Latin America, announces today its consolidated results for the first quarter of 2013 (1Q13). The consolidated interim financial statements were prepared in accordance with the standards of the Securities and Exchange Commission of Brazil (CVM) and the Accounting Pronouncements Committee (CPC) and comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB). The operational and financial information is presented based on consolidated figures and in Brazilian real. Note that figures may present discrepancies due to rounding. Non-financial data, such as volume, quantity, average price, average quotes and EBITDA in Brazilian real and U.S. dollar, were not examined by our independent auditors.

## Increase of 37.4% in EBITDA vs. 1Q12 due to higher prices of pulp and paper and SG&A reduction

### Highlights

- Growth of 37.4% in EBITDA and 4.9 p.p. in EBITDA margin vs. 1Q12
- Gradual increase in pulp prices in USD (+3.1% vs. 4Q12 and +11.1% vs. 1Q12)
- Higher share of domestic market in paper sales mix: 68% in 1Q13 vs. 62% in 1Q12
- Cash cost higher than structural cost (+12.4% vs. 4Q12 and +9.9% vs. 1Q12), impacted by nonrecurring items due to the general maintenance downtime on Line 2 of the Mucuri Unit
- Reduction in SG&A expenses (-23.9% vs. 4Q12 and -4.4% vs. 1Q12)
- Maranhão Project advancing on schedule and announced budget
- Solid financial liquidity: cash of R\$ 4.3 billion
- Leverage stable at 5.0x net debt/EBITDA

R\$ million, except where otherwise indicated	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Net Revenue	1,174	1,038	13.2%	1,470	-20.2%
Exports	622	545	14.1%	753	-17.4%
Domestic Market	552	492	12.1%	717	-23.0%
EBITDA	327	238	37.4%	404	-19.0%
EBITDA Margin (%)	27.9%	23.0%	4.9 p.p.	27.5%	0.4 p.p.
Net Financial Results	(80)	0	n.a.	(156)	48.6%
Net Income	42	72	-41.6%	34	23.4%
Net Debt / EBITDA (x)	5.0x	4.8x	0.2x	5.0x	0.0x
<b>Operational Data (kton)</b>					
Sales	711	725	-2.0%	872	-18.4%
Market Pulp	441	448	-1.5%	504	-12.4%
Paper	269	277	-2.6%	367	-26.7%
Production	767	765	0.3%	870	-11.8%
Market Pulp	444	453	-2.1%	533	-16.7%
Paper	324	311	4.0%	337	-4.0%

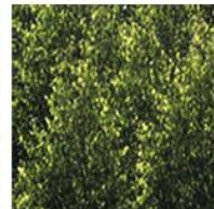
Conference Call & Webcast on May, 10, 2013

In Portuguese with simultaneous translation into English

Portuguese: 10:30 a.m. BRT Time  
 Dial-in: +55 (11) 4688-6361  
 +55 (11) 4706-0951  
 Dial-in English: +1 (786) 924-6977

IR Contacts:  
 Alberto Monteiro  
 Tiago Fernandes  
 Michelle Corda  
 Paola Falleiros  
 Rafael Ferraris

Telephone:  
 +55 (11) 3503-9061  
 E-mail: [ri@suzano.com.br](mailto:ri@suzano.com.br)  
 IR Website:  
[www.suzano.com.br/ir](http://www.suzano.com.br/ir)



## Market Overview

### Pulp

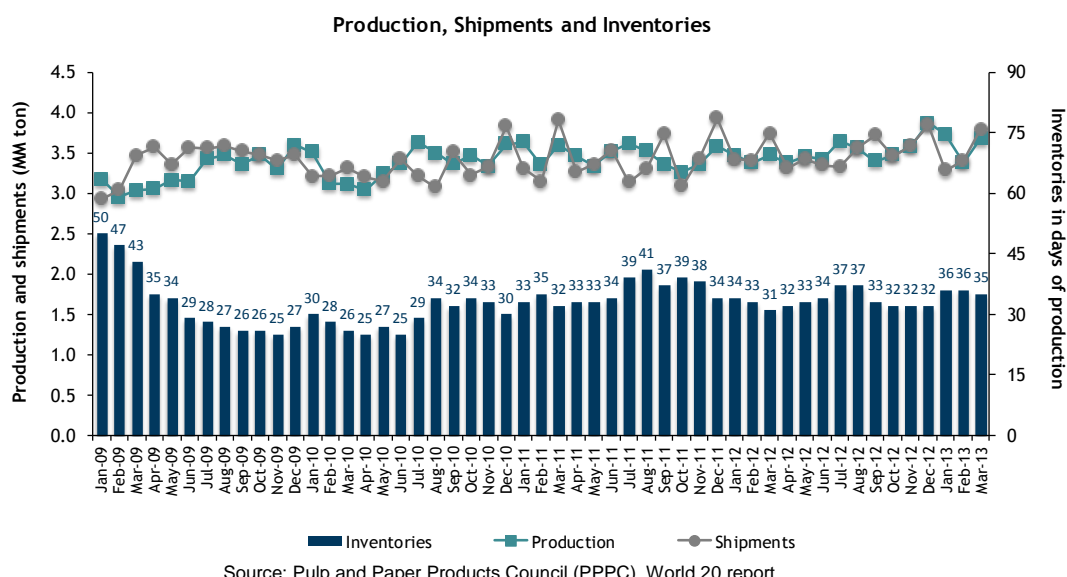
#### Strong demand supports implementation of price increases during 1Q13

According to PPPC, global hardwood and softwood pulp shipments amounted to 10.5 million tons in 1Q13, down 3.6% from 4Q12 and stable compared to 1Q12. The reduction in shipments compared to the prior quarter is explained by seasonality.

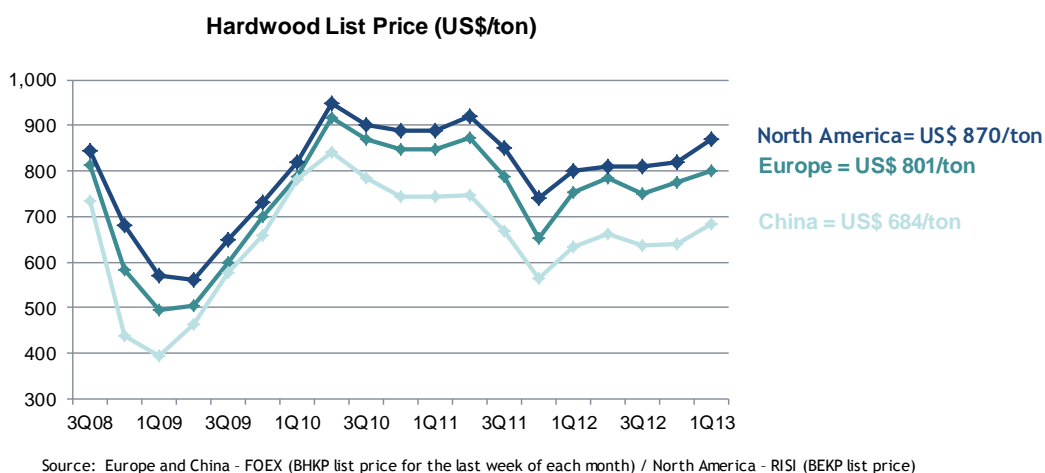
Market pulp estimated production was 10.8 million tons in 1Q13, down 1.0% from 4Q12 and up 4.5% from 1Q12.

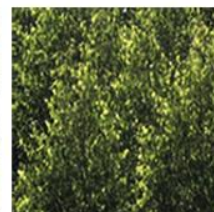
Temporary downtimes at pulp plants in the Northern Hemisphere historically occur during the second quarter of the year, which suggests the market should be balanced next quarter. Furthermore, the addition of new paper capacity, especially in Asia, the conversions to dissolving pulp and the closing of existing capacity point to supply and demand fundamentals that should support a favorable scenario for 2013.

In March 2013, global pulp inventories stood at 35 days of production (41 days for hardwood pulp and 29 days for softwood pulp), which is in line with the historical average.



At the end of 1Q13, hardwood pulp prices were on average US\$40/ton higher than at the close of 4Q12 and US\$56/ton higher than at the close of 1Q12. (Source: FOEX and RISI).





Based on the market perception, Suzano announced price increases for January, March and May 2013. The price list announced for May is US\$850 in Europe, US\$750 in China and US\$900 in North America.

## Paper

### Domestic demand for printing and writing paper and paperboard grew 3.0% in 1Q13 compared to 1Q12

According to the Brazilian Association of Pulp and Paper Producers (Bracelpa), domestic demand (domestic sales + imports) for printing and writing paper (“woodfree”) in 1Q13 grew by 3.5% on the year-ago quarter and decreased by 20.6% on 4Q12. Meanwhile, domestic demand for paperboard grew by 1.5% compared to 1Q12 and fell by 3.6% from the previous quarter.

The variation in printing and writing paper, as well as in paperboard, compared to 4Q12 is explained by seasonality.

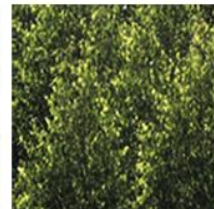
Brazilian Demand (tons)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Paperboard	140,560	138,437	1.5%	145,857	-3.6%
Printing & Writing	421,977	407,891	3.5%	531,595	-20.6%
Coated	131,523	144,308	-8.9%	154,169	-14.7%
Uncoated	290,454	263,583	10.2%	377,426	-23.0%
<b>TOTAL</b>	<b>562,537</b>	<b>546,328</b>	<b>3.0%</b>	<b>677,452</b>	<b>-17.0%</b>

Source: Brazilian Association of Pulp and Paper Producers – Bracelpa (data considers the Common Mercosul Nomenclature - NCM - for the products manufactured by Suzano)

The share of imports in domestic demand for printing and writing paper in 1Q13 contracted 1.7 p.p. from 1Q12 and expanded 3.2 p.p. from 4Q12. Meanwhile, for paperboard, the share of imports in domestic demand decreased 1.3 p.p. from 1Q12 and increased 2.9 p.p. from 4Q12.

Imports share in the domestic market	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Paperboard	8.2%	9.5%	-1.3 p.p.	5.3%	2.9 p.p.
Printing & Writing	22.3%	24.0%	-1.7 p.p.	19.1%	3.2 p.p.
Coated	60.0%	57.2%	2.7 p.p.	54.7%	5.3 p.p.
Uncoated	5.2%	5.8%	-0.6 p.p.	4.5%	0.7 p.p.
<b>Total</b>	<b>18.8%</b>	<b>20.3%</b>	<b>-1.6 p.p.</b>	<b>16.1%</b>	<b>2.7 p.p.</b>

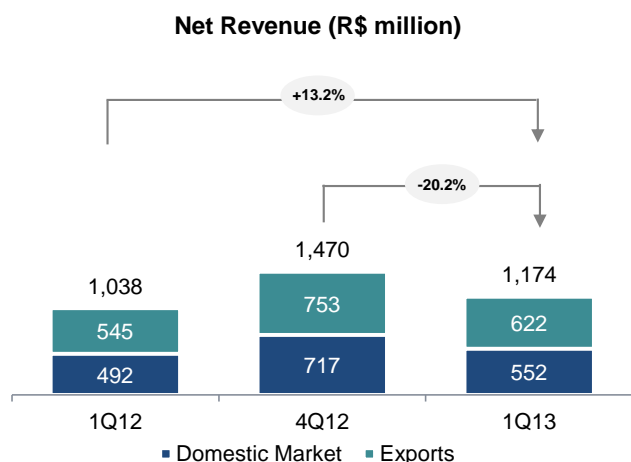
Source: Brazilian Association of Pulp and Paper Producers – Bracelpa (data considers the Common Mercosul Nomenclature - NCM - for the products manufactured by Suzano)



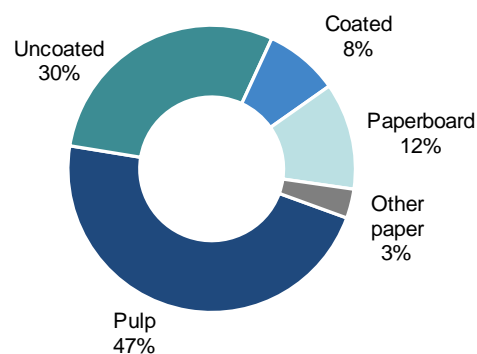
## Economic and Financial Performance

### Net Revenue

Suzano's net revenue amounted to R\$1,174.1 million in 1Q13. Pulp and paper shipments in the quarter amounted to 710,828 tons, decreasing 18.4% and 2.0% compared to 4Q12 and 1Q12, respectively.



### Net Revenue Breakdown - 1Q13



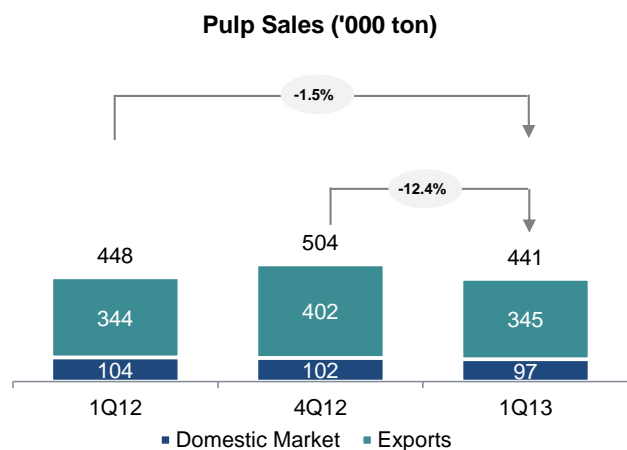
Note: Other Paper = paper from other manufacturers sold by SPP and KSR

Total net revenue in the quarter, compared to 1Q12, was mainly influenced by the following factors:

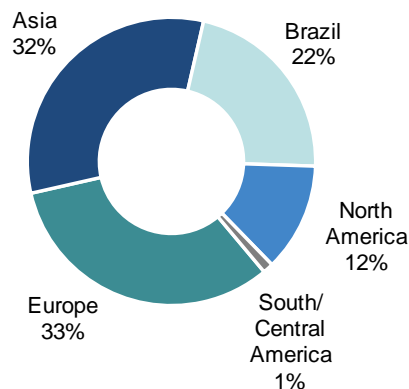
- Reduction of 2.0% in the sales volume of pulp and paper;
- Share of domestic sales in the paper sales mix: 68.2% in 1Q13, compared to 61.6% in 1Q12;
- Increase of 11.1% in average net pulp price in USD compared to 1Q12;
- Increase of 8.1% in average net paper price in BRL compared to 1Q12; and
- Variation in the Brazilian real against the USD: depreciation (average exchange rate in period) of 12.9% in the quarter compared to 1Q12, which affected export revenue.

### Pulp Business Unit

The Company sold 441,378 tons of market pulp in 1Q13. The main sales destinations were Europe (32.6%), Asia (32.1%) and Brazil (21.9%).



### Pulp Sales Volume- 1Q13



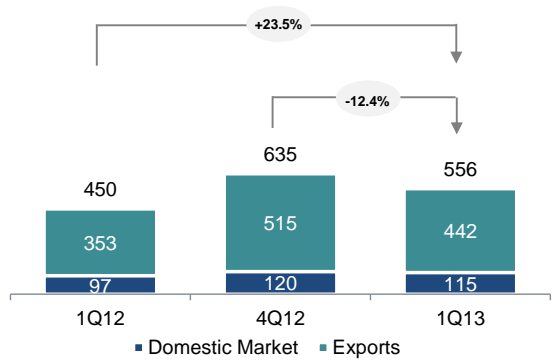


Net revenue from pulp sales amounted to R\$556.3 million in 1Q13. The 23.5% increase compared to 1Q12 is explained by the higher pulp price in USD and weaker Brazilian real in the period. The 12.4% reduction compared to 4Q12 is explained by the lower shipments due to seasonality.

The average net pulp price in USD (domestic and export markets) was US\$631.6/ton in 1Q13, increasing US\$63/ton (11.1%) from 1Q12 and US\$19/ton (3.1%) from 4Q12. Suzano is gradually implementing the announced price increases. In March, the average net pulp price in USD was US\$635.6/ton.

The average net price in BRL stood at R\$1,260.4/ton, 25.4% higher than in 1Q12 and stable in relation to 4Q12, while the BRL depreciated 12.9% in relation to 1Q12 and appreciated 3.0% in relation to 4Q12. Excluding the impact of the charge related to the Social Security payroll tax relief, which is due on gross revenues, the increase in the average net pulp price would have been 25.8% vs. 1Q12 and 0.3% vs. 4Q12.

**Pulp Revenues (R\$ million)**



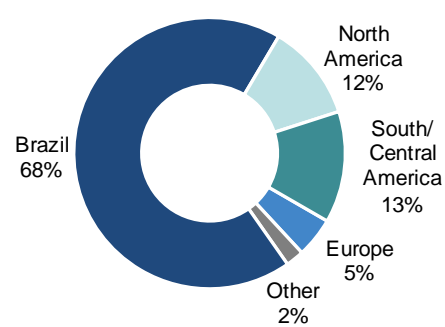
**Paper Business Unit**

Suzano's paper sales amounted to 269,450 tons in 1Q13. Brazil accounted for 68.2% of total sales in 1Q13, compared to 61.6% in 1Q12 and 70.7% in 4Q12. South America (including Brazil) and Central America, Suzano's core markets, accounted for 81.5% of the Company's sales in the quarter.

**Paper Sales Volume ('000 ton)**



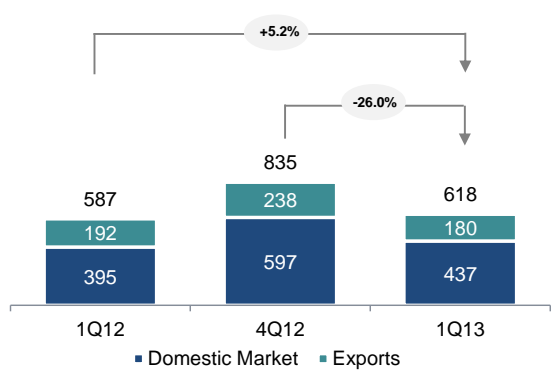
**Paper Sales Volume - 1Q13**



Net revenue from paper sales amounted to R\$617.8 million in 1Q13. This performance was due to higher average net paper price in the quarter compared to 1Q12. The decrease of 26.0% compared to 4Q12 reflects the lower sales volume due to seasonality.

The average net paper price (domestic market and exports) in 1Q13 was R\$ 2,292.7 ton, 8.1% higher than 1Q12 and 0.8% higher than 4Q12. Excluding the impact of the charge related to the Social Security payroll tax relief, which is due on gross revenues, the increase in the average net price of paper would have been 9.0% vs. 1Q12 and 1.7% vs. 4Q12.

**Paper Revenues (R\$ million)**





Suzano maintained its leadership in Brazil's **printing & writing paper** segment in the quarter, with **domestic** sales volume of 139,117 tons. Printing and writing paper sales volume was 10.3% higher than in 1Q12 and 32.7% lower than in 4Q12.

## Production and Costs

Production ('000 tons)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Market Pulp	444	453	-2.1%	533	-16.7%
Paper	324	311	4.0%	337	-4.0%
Paperboard	63	62	0.7%	64	-1.9%
Coated	52	48	8.9%	64	-17.6%
Uncoated	208	201	3.8%	209	-0.5%
<b>TOTAL</b>	<b>767</b>	<b>765</b>	<b>0.3%</b>	<b>870</b>	<b>-11.8%</b>

The total production of pulp and paper in comparison with 1Q12 remained stable. In 1Q13 Suzano carried out scheduled maintenance shutdown on Line 2 of the Mucuri Unit and in 1Q12 an unscheduled downtime on the same Line.

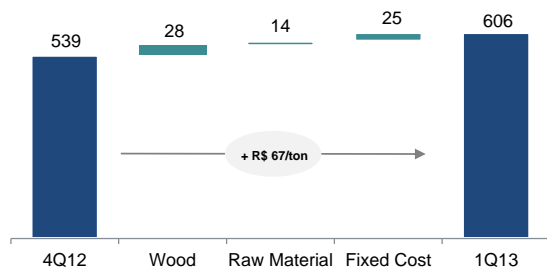
In 1Q13, the cash cost of market pulp production, excluding the costs related to depletion of the forestry base and scheduled maintenance shutdown, was R\$606/ton. The cost increase vs. 1Q12 is mainly a result of the increase in wood costs caused primarily by the longer average distance and the increased use of third-party wood in the supply matrix.

Compared to 4Q12, besides the higher wood cost, the increase reflects the higher fixed costs due to the lower production volume in the quarter; and the increased consumption of inputs due to the resumption of production following the scheduled maintenance downtime.

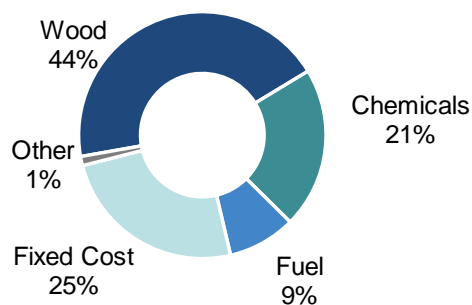
Consolidated Pulp Cash Cost (R\$/ton)



Consolidated Pulp Cash Cost (R\$/ton)

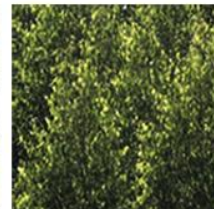


Cash Cost Breakdown - 1Q13



Suzano carried out scheduled maintenance downtime on Line 2 of the Mucuri Unit during 1Q13. The maintenance downtime impacted unit cash cost by R\$56/ton, which in turn increased cash cost with downtime to R\$662/ton. The schedule of maintenance downtime at other units is as follows: Suzano unit in 2Q13; Line 1 of the Mucuri Unit and Limeira Unit in 3Q13.

Cost of goods sold (COGS) in 1Q13 totaled R\$889.9 million. The increase vs. 1Q12 was 4.4%, below the inflation in the period (IPCA in the last 12 months of 6.6%). The increase in COGS is an effect of the maintenance downtime, and also an increase in the cost of wood and raw material. Compared to 4Q12, COGS decreased 16.1% due to the lower volume of sales in 1Q13, partially offset by the cost of the maintenance downtime, increase in the cost of wood, and fixed cost.



The average unit cost of goods sold in 1Q13 was R\$1,251.9/ton, 2.8% and 6.5% higher than in 4Q12 and 1Q12, respectively.

## Operating Expenses / Revenues

Expenses (R\$ '000)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Sales Expenses	53,959	54,896	-1.7%	67,496	-20.1%
General and Administrative Expenses	87,436	93,013	-6.0%	118,421	-26.2%
<b>Total Expenses</b>	<b>141,395</b>	<b>147,909</b>	<b>-4.4%</b>	<b>185,917</b>	<b>-23.9%</b>
Total Expenses / Net Revenue	12.0%	14.3%	-2.2 p.p.	12.6%	-0.6 p.p.

The 1.7% reduction in **selling expenses** compared to 1Q12 basically reflects the lower personnel expenses. The 20.1% reduction in 1Q13 from the prior quarter was mainly due to lower expenses with (i) logistics due to the decline in sales volume between the quarters; (ii) personnel; (iii) marketing; and (iv) bad debt reserve.

**Administrative expenses** in 1Q13 was 6.0% lower in comparison to 1Q12, explained by reductions in (i) personnel expenses, including the reduction in payroll taxes, and (ii) outsourced services. The 26.2% reduction compared to 4Q12 was due to lower expenses with (i) personnel and the reduction in payroll taxes; (ii) outsourced services, such as consulting and advisory services; and (iii) donations and social and environmental projects.

## EBITDA

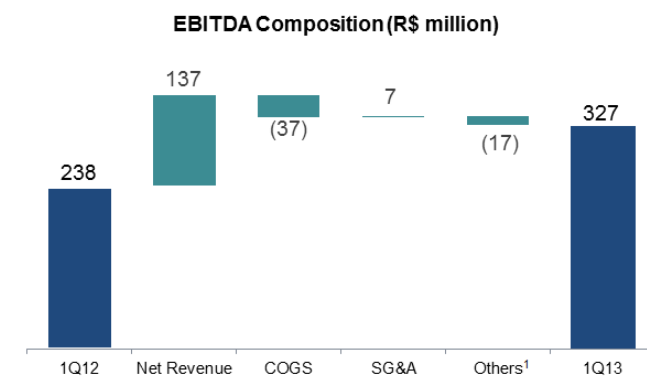
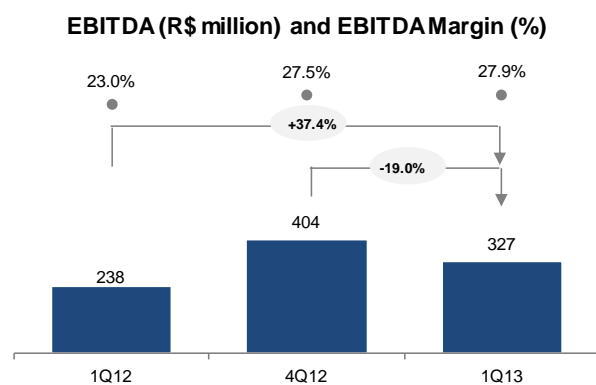
Cash generation, as measured by EBITDA, amounted to R\$327.3 million in 1Q13, with EBITDA margin of 27.9%. The main factors impacting EBITDA and operating margins in 1Q13 compared to 1Q12 were:

### Positive

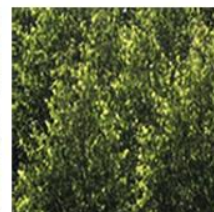
- Increase in average net pulp and paper prices in BRL;
- Depreciation of the Real against the U.S. Dollar, which impacts revenue from exports;
- Increase in paper sales in the domestic market; and
- Reduction of SG&A.

### Negative

- Increase in COGS, as explained on page 6; and
- Reduction in sales volume of pulp and exported paper.



Note: <sup>1</sup> includes other operating income / expense, depreciation, depletion and amortization



## Financial Income (Expenses)

Financial Expenses (R\$ '000)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Financial Expenses	(195,699)	(150,414)	30.1%	(185,051)	5.8%
Financial Revenues	72,136	70,279	2.6%	66,183	9.0%
<b>Net Financial Expenses</b>	<b>(123,563)</b>	<b>(80,135)</b>	<b>54.2%</b>	<b>(118,868)</b>	<b>3.9%</b>
Exchange Rate Variation	43,536	80,223	-45.7%	(36,951)	n.a.
<b>Net Financial Result</b>	<b>(80,027)</b>	<b>88</b>	<b>n.a.</b>	<b>(155,819)</b>	<b>48.6%</b>

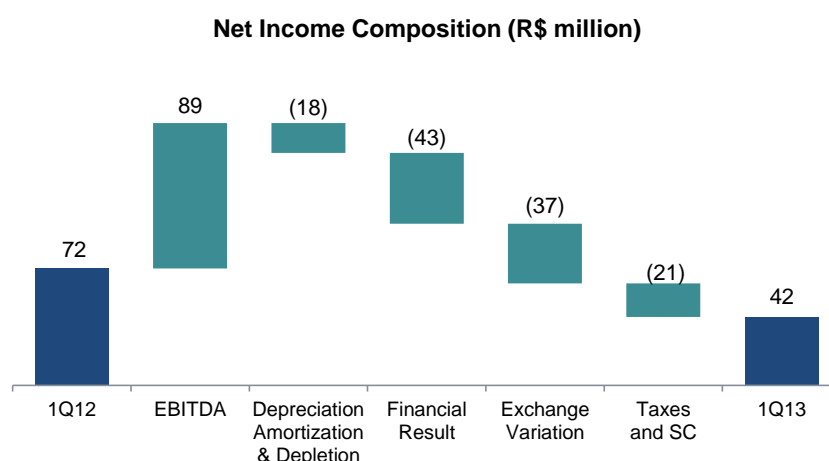
Net financial expenses were R\$123.6 million in 1Q13, compared to R\$118.9 million in 4Q12 and R\$80.1 million in 1Q12. This quarter, net financial expenses were impacted mainly by interest from Export Credit Notes of R\$72.9 million, compared to R\$45.2 million and R\$27.5 million in 4Q12 and 1Q12, respectively.

In 1Q13, the Company's results were positively impacted by monetary and foreign exchange variations of R\$43.5 million due to the impact of the 1.5% BRL depreciation against the USD on the exposure of the balance sheet between the beginning (R\$2.04/US\$) and the closing (R\$2.01/US\$) of the quarter, with cash effects limited to debt maturities and amortizations.

On March 31<sup>st</sup>, 2013, the net principal of operations contracted for the future sale of U.S. Dollars via conventional Non-Deliverable Forwards (NDFs) was US\$73.7 million. The maturities are distributed between April 2013 and January 2016 in order to secure attractive operating margins for a minor portion of sales over the course of this period. The cash effects of these operations occur only on the respective maturity date, when the contracts generate cash expenditures or receivables for the Company, depending on the case. In addition, the Company uses swap contracts to exchange floating interest rates for fixed interest rates as well as contracts to hedge pulp prices, which reduce the effects of potential variations on the Company's cash flow.

## Net Income

The Company recorded net income of R\$41.9 million in 1Q13, compared to net income of R\$71.8 million in 1Q12 and R\$34.0 million in 4Q12. In addition to the operating factors that affected EBITDA between 1Q13 and 1Q12, net income was also impacted negatively by (i) the financial result, (ii) exchange variation in the period, (iii) income and social contribution taxes and (iii) depreciation, amortization and depletion.







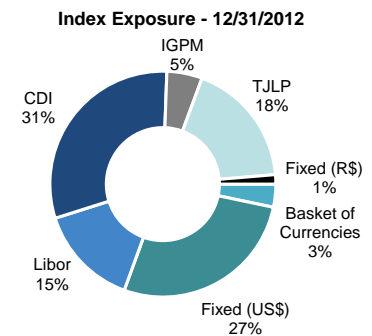
## Debt

Debt (R\$ million)	03/31/2013	12/31/2012	Δ Q-o-Q	03/31/2012	Δ Y-o-Y
Local Currency	6,118	5,879	4.1%	4,682	30.7%
Short Term	1,100	1,141	-3.6%	1,172	-6.1%
Long Term	5,018	4,738	5.9%	3,510	43.0%
Foreign Currency	5,007	4,840	3.5%	4,626	8.2%
Short Term	293	480	-39.0%	1,429	-79.5%
Long Term	4,714	4,360	8.1%	3,197	47.5%
Gross Debt	11,125	10,719	3.8%	9,308	19.5%
(-) Cash	4,331	4,338	-0.2%	3,572	21.2%
Net Debt	6,794	6,381	6.5%	5,736	18.5%
Net Debt / EBITDA (x)	5.0x	5.0x	0.0x	4.8x	0.2x

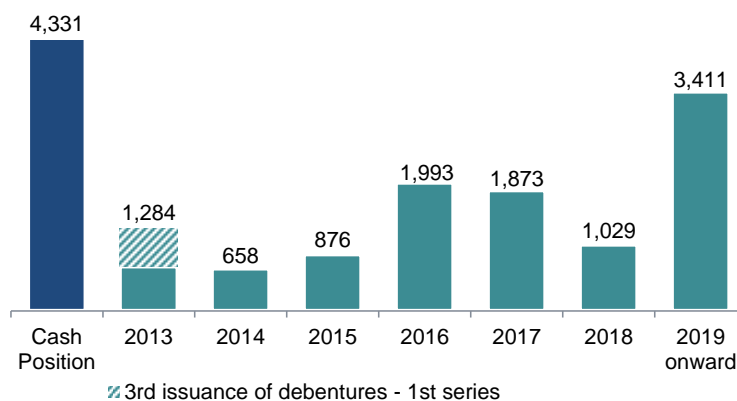
Gross debt on March 31<sup>st</sup>, 2013 amounted to R\$11.1 billion, of which 45.0% was denominated in foreign currency and 55.0% in local currency. Suzano contracts foreign-denominated debt as a natural hedge, since approximately 50% of its revenue comes from exports. This structural exposure allows it to contract export financing in USD and to match financing payments with receivable flows from sales.

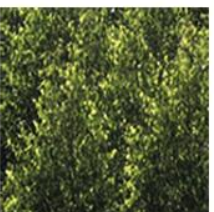
The increase in gross debt in 1Q13 compared to 4Q12 was mainly due to the contracting of new financing lines in the period. The Company carried out one export financing operation involving export credit notes (NCEs) amounting to R\$190 million and received BNDES disbursements of approximately R\$606 million.

Gross debt on March 31<sup>st</sup>, 2013 was composed of 87.5% long-term maturities and 12.5% short-term maturities. Suzano has focused its efforts on obtaining lines with longer terms and attractive costs as well as on obtaining project finance with favorable terms and conditions, such as grace periods and gradual amortization aligned with the cash flow of the projects. In March 2013, the average cost of debt in Brazilian real was 8.7% p.a. and in U.S. dollar was 5.6% p.a. The average maturity of consolidated debt ended the quarter at 4.5 years.

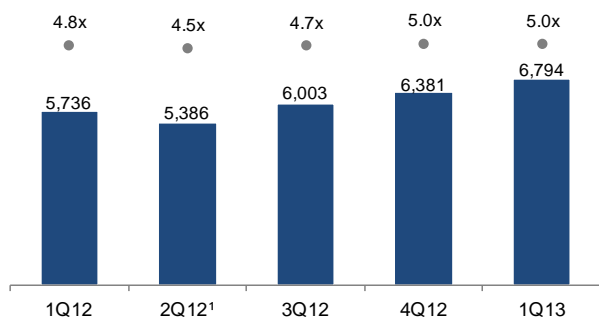


**Amortization Schedule (R\$ million)**





Net Debt (R\$ million) and Net Debt/ EBITDA (x)



The net debt/EBITDA ratio was stable at 5.0x compared to the previous quarter, due to: (i) the increase of R\$89.1 million in EBITDA in the last 12 months through March 31<sup>st</sup>, 2013 compared to EBITDA in 2012; (ii) the optimization of working capital; and (iii) the management of capex for the Maranhão project without compromising the progress of construction.

<sup>1</sup> 2Q12 proforma Net Debt and Net Debt/EBITDA includes the equity offering funding

## Investments

Capex (R\$ '000)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Sustain	117,663	98,633	19.3%	121,657	-3.3%
Industrial	30,661	24,747	23.9%	32,329	-5.2%
Forestry	87,002	73,886	17.8%	89,328	-2.6%
Expansion	620,633	293,740	111.3%	538,382	15.3%
Other	14,745	1,762	736.8%	12,072	22.1%
<b>TOTAL</b>	<b>753,041</b>	<b>394,135</b>	<b>91.1%</b>	<b>672,111</b>	<b>12.0%</b>

The increase in investments compared to 1Q12 and 4Q12 is mainly related to the investment in building the new plant in Maranhão.

Total capex for 2013 is estimated at R\$3.0 billion, with R\$2.3 billion for the Maranhão Project, R\$558 million for operational maintenance and R\$148 million for operational improvements.

## Maranhão Unit

Suzano continues to invest in its Maranhão production unit, one of the most modern pulp plants in the world, with eucalyptus market pulp capacity of 1.5 million tons/year and surplus power generation of 100MW. The plant's startup is scheduled for the fourth quarter of 2013.

The construction of the Maranhão Pulp Unit has about 12,000 people working on forest formation and on the construction of the industrial facilities. In March 2013, construction reached 79% completion.





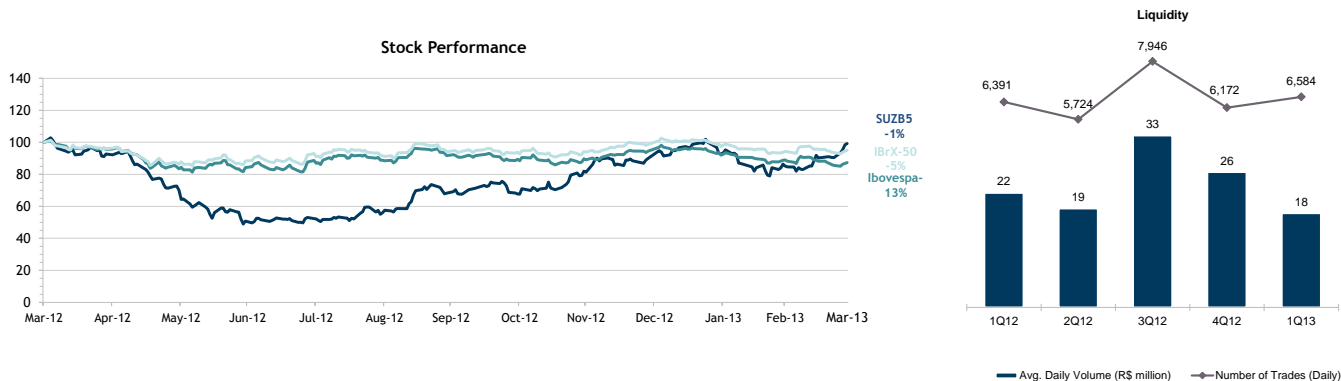
## Dividends

In accordance with governing law, Suzano's bylaws establish a minimum mandatory dividend of 25% of adjusted net income for the fiscal year. The amount attributed to the class A and B preferred shares is 10% higher than that attributed to the common shares.

The Annual and Extraordinary Shareholders' Meeting of April 30<sup>th</sup>, 2013 approved the payment of dividends amounting to R\$100 million, to be distributed to shareholders as follows: R\$0.08655 to the common shares entitled to full dividends; R\$0.09521 to the class "A" preferred shares entitled to full dividends; R\$0.34519 to the class "B" preferred shares entitled to full dividends; R\$0.03984 to the common shares entitled to "pro-rata" dividends issued on July 16<sup>th</sup>, 2012; and R\$0.04669 to the class "A" preferred shares entitled to "pro-rata" dividends issued on July 5<sup>th</sup>, 2012. The dividends will be paid to shareholders on May 10<sup>th</sup>, 2013.

## Capital Markets

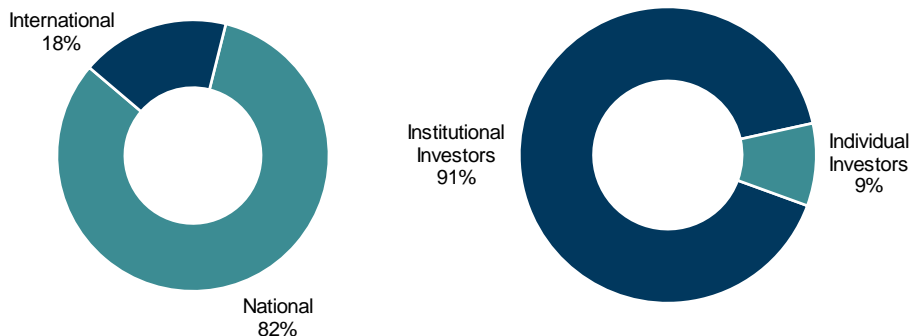
Suzano's preferred shares (SUZB5) ended March quoted at R\$7.75. The Company's stock is listed on the Level 1 corporate governance segment of the BM&FBovespa and is a component of the Bovespa Index (Ibovespa) and the IBrX-50 index. That stock was also included as a component of the Corporate Sustainability Index (ISE) for the eighth straight year.



Source: Bloomberg

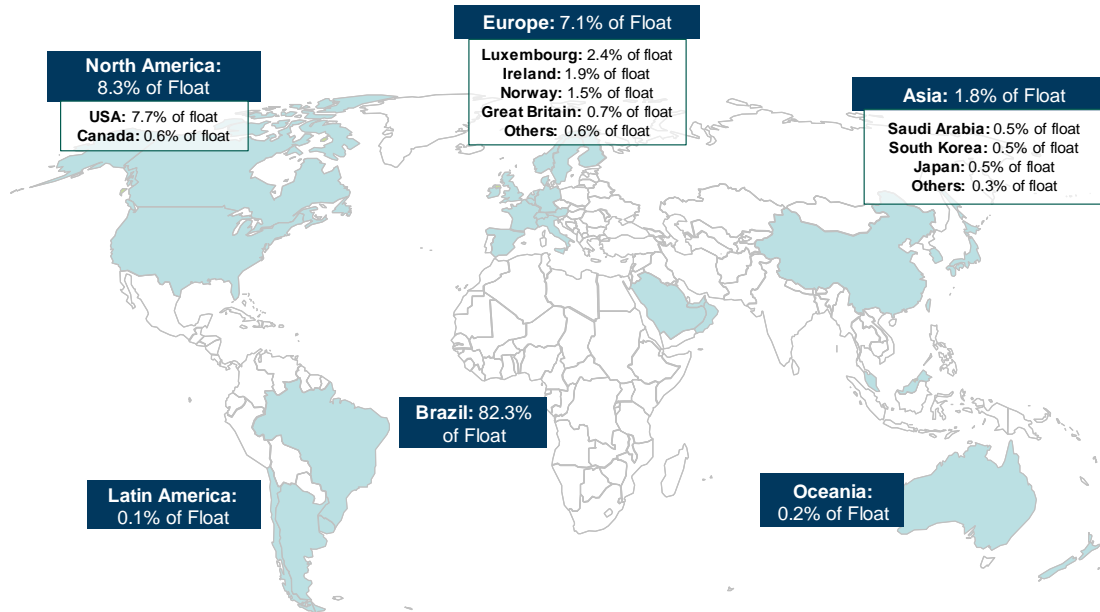
On March 31<sup>st</sup>, 2013, the Company's capital stock was represented by 371,128,064 common shares (SUZB3) and 736,549,249 preferred shares (SUZB5 and SUZB6), for a total of 1,107,677,313 shares traded on the São Paulo Stock Exchange (BM&FBovespa), of which 22,940,881 were treasury shares (6,786,194 common shares and 16,154,687 preferred shares). Suzano's Market capitalization stood at R\$8.6 billion on March 31<sup>st</sup>, 2013. In 1Q13, the free float stood at 41.6% of the total capital.

### Free Float Distribution on 03/31/2013





## Distribution of Free Float on 03/31/2013



## Events in the Period

### Suspension of the Piauí and Suzano Renewable Energy Projects

Suzano decided to suspend indefinitely the installation of the wood-pellet production unit (Suzano Renewable Energy) and the pulp production unit in the state of Piauí (Piauí Project).

These measures are aligned with the Company's objective of focusing on its current operations to improve productivity and consequently reduce costs and on concluding the installation of the Maranhão Unit under the previously established conditions.

The resumption of these projects is subject to macroeconomic conditions and the Company's debt level.

### Suzano enters into final agreement for the sale of Capim Branco

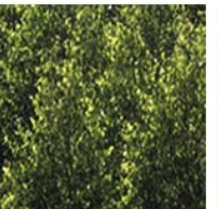
On March 12<sup>th</sup>, 2013, Suzano entered into with Vale S.A. ("Vale") and Cemig Capim Branco Energia S.A. ("Cemig") the final agreement for the sale of its interest, held through its subsidiary, in the Capim Branco Energia Consortium. The established price, subject to potential adjustments, is three hundred and twenty million Brazilian real (R\$320,000,000.00).

### Stock Buyback Program

On February 21<sup>st</sup>, 2013, the Program was concluded with repurchases amounting to 12.0 million class A shares for R\$84.8 million.

The Buyback Program was approved by the Board of Directors of the Company on November 22<sup>nd</sup>, 2012, with a maximum acquisition term of 90 days as from said date and the acquisition of up to 12.0 million preferred shares.

The shares acquired under the Share Buyback Program will be held in treasury to cover the exercise of stock options by the beneficiaries of the stock option plan, as well as to offset the long-term incentive plan of the Company.



## Subsequent Events

### Payment of Dividends

The Annual and Extraordinary Shareholders' Meeting of April 30<sup>th</sup>, 2013 approved the payment of dividends amounting to R\$100 million, to be distributed to shareholders as follows: R\$0.08655 to the common shares entitled to full dividends; R\$0.09521 to the class "A" preferred shares entitled to full dividends; R\$0.34519 to the class "B" preferred shares entitled to full dividends; R\$0.03984 to the common shares entitled to "pro-rata" dividends issued on July 16<sup>th</sup>, 2012; and R\$0.04669 to the class "A" preferred shares entitled to "pro-rata" dividends issued on July 5<sup>th</sup>, 2012. The dividends will be paid to shareholders on May 10<sup>th</sup>, 2013.

### Annual and Extraordinary General Shareholders' Meeting

The Annual and Extraordinary General Shareholders' Meeting of Suzano Pulp and Paper was held on April, 30<sup>th</sup>, 2013. The minutes are available on the websites of the CVM and the Company ([www.suzano.com.br/ir](http://www.suzano.com.br/ir)).

### Exercise of the right to redeem the Debentures of the 1<sup>st</sup> series of the 3<sup>rd</sup> issue

Suzano exercised its right to redeem and subsequently settle all Debentures of the 1<sup>st</sup> series of the 3<sup>rd</sup> issuance. The payment of the amounts owed was effected on April 9<sup>th</sup>, 2013, and the normal procedures established in the Indenture were adopted. The amounts paid were R\$1,784.23 per debenture, of which R\$1,780.97 is related to the principal and R\$3.27 to the interest, which totals R\$ 594.2 million paid.

### Fulfillment of conditions precedent for the divestment of Capim Branco

All conditions precedent for the transaction have been met, including approval by the Brazilian Antitrust Agency (CADE) and consent by the National Electric Power Agency (ANEEL), with the transaction in the final stages of conclusion.

## Upcoming Events

Suzano will hold a conference call to present its 1Q13 results:

**Date:** May 10<sup>th</sup>, 2013 (Friday)

**In Portuguese with simultaneous translation into English**

**Time:** 10:30 a.m. (Brasília)

9:30 a.m. (EDT – New York)

**Dial-in (Portuguese):** +55 (11) 4688-6361 or +55 (11) 4706-0951

**Dial-in (English):** +1 (786) 924-6977

**Code:** Suzano

Please connect 10 minutes before the conference call is scheduled to begin.

The conference call will feature a slide presentation and be transmitted simultaneously via webcast. The links to the slideshow and webcast will be available on the Company's Investor Relations website ([www.suzano.com.br/ir](http://www.suzano.com.br/ir)).

If you are unable to participate, the webcast link will be available for future consultation on the Company's Investor Relations website.

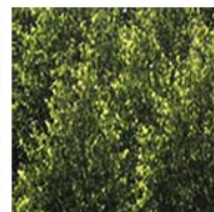


## Corporate Information

Suzano Papel e Celulose S.A., with annual revenue of R\$5.2 billion in 2012, is one of Latin America's largest vertically integrated producers of paper and eucalyptus pulp, with an annual production capacity of 1.3 million tons of paper and 1.9 million tons of market pulp. It offers a broad range of pulp and paper products for the domestic and export markets, with leadership positions in key Brazilian segments, and has four product lines: (i) eucalyptus pulp; (ii) uncoated printing and writing paper; (iii) coated printing and writing paper; and iv) paperboard.

### **Forward-looking statements**

*This release may contain forward-looking statements. These statements are subject to known and unknown risks and uncertainties that can lead such expectations to not materialize or to differ materially from expectations. These risks include: changes in future demand for the Company's products, changes in factors affecting domestic and international product prices, changes in the cost structure, changes in the seasonal patterns of markets, changes in prices charged by competitors, foreign exchange variations, changes in the political or economic situation of Brazil, and changes in emerging and international markets.*



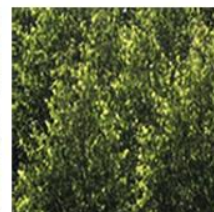
## Attachment I

### Operating Data

Sales volume (tons)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
<b>Exports</b>	<b>430,136</b>	<b>450,588</b>	<b>-4.5%</b>	<b>509,682</b>	<b>-15.6%</b>
Pulp	344,560	344,387	0.1%	402,208	-14.3%
Paper	85,576	106,201	-19.4%	107,474	-20.4%
Paperboard	22,132	22,964	-3.6%	30,106	-26.5%
Printing & Writing	63,444	83,236	-23.8%	77,367	-18.0%
Coated	931	1,509	-38.3%	1,010	-7.8%
Uncoated	62,512	81,727	-23.5%	76,357	-18.1%
Other Paper	-	-	n.a.	-	n.a.
<b>Domestic Market</b>	<b>280,692</b>	<b>274,412</b>	<b>2.3%</b>	<b>361,820</b>	<b>-22.4%</b>
Pulp	96,818	103,888	-6.8%	101,868	-5.0%
Paper	183,874	170,524	7.8%	259,953	-29.3%
Paperboard	34,251	33,840	1.2%	39,312	-12.9%
Printing & Writing	139,117	126,132	10.3%	206,658	-32.7%
Coated	43,276	40,951	5.7%	59,126	-26.8%
Uncoated	95,841	85,181	12.5%	147,532	-35.0%
Other Paper	10,506	10,552	-0.4%	13,983	-24.9%
<b>Total</b>	<b>710,828</b>	<b>724,999</b>	<b>-2.0%</b>	<b>871,502</b>	<b>-18.4%</b>
Pulp	441,378	448,274	-1.5%	504,076	-12.4%
Paper	269,450	276,725	-2.6%	367,426	-26.7%
Paperboard	56,383	56,805	-0.7%	69,418	-18.8%
Printing & Writing	202,561	209,368	-3.3%	284,025	-28.7%
Coated	44,207	42,460	4.1%	60,136	-26.5%
Uncoated	158,354	166,909	-5.1%	223,890	-29.3%
Other Paper	10,506	10,552	-0.4%	13,983	-24.9%

Revenue breakdown (R\$ '000)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
<b>Exports</b>	<b>622,210</b>	<b>545,166</b>	<b>14.1%</b>	<b>753,425</b>	<b>-17.4%</b>
Pulp	441,720	353,022	25.1%	515,061	-14.2%
Paper	180,490	192,144	-6.1%	238,364	-24.3%
Paperboard	47,336	41,890	13.0%	64,423	-26.5%
Printing & Writing	133,154	150,254	-11.4%	173,941	-23.4%
Coated	2,748	3,538	-22.3%	2,825	-2.7%
Uncoated	130,406	146,716	-11.1%	171,116	-23.8%
Other Paper	-	-	n.a.	-	n.a.
<b>Domestic Market</b>	<b>551,883</b>	<b>492,410</b>	<b>12.1%</b>	<b>717,011</b>	<b>-23.0%</b>
Pulp	114,607	97,475	17.6%	120,023	-4.5%
Paper	437,276	394,935	10.7%	596,988	-26.8%
Paperboard	95,153	91,137	4.4%	109,375	-13.0%
Printing & Writing	312,415	273,120	14.4%	448,721	-30.4%
Coated	96,099	83,299	15.4%	130,407	-26.3%
Uncoated	216,316	189,821	14.0%	318,314	-32.0%
Other Paper	29,708	30,678	-3.2%	38,892	-23.6%
<b>Total</b>	<b>1,174,093</b>	<b>1,037,576</b>	<b>13.2%</b>	<b>1,470,436</b>	<b>-20.2%</b>
Pulp	556,327	450,497	23.5%	635,084	-12.4%
Paper	617,769	587,079	5.2%	835,352	-26.0%
Paperboard	142,489	133,027	7.1%	173,798	-18.0%
Printing & Writing	445,569	423,374	5.2%	622,662	-28.4%
Coated	98,847	86,837	13.8%	133,232	-25.8%
Uncoated	346,722	336,537	3.0%	489,430	-29.2%
Other Paper	29,708	30,678	-3.2%	38,892	-23.6%

Note: "Other Papers" = paper from other suppliers sold by SPP and KSR

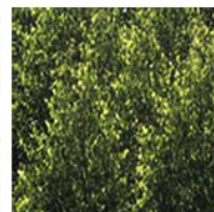


### Operating Data (continued)

Average net price (R\$/ton)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
<b>Exports</b>	<b>1,447</b>	<b>1,210</b>	<b>19.6%</b>	<b>1,478</b>	<b>-2.1%</b>
Pulp	1,282	1,025	25.1%	1,281	0.1%
Paper	2,109	1,809	16.6%	2,218	-4.9%
Paperboard	2,139	1,824	17.2%	2,140	-0.1%
Printing & Writing	2,099	1,805	16.3%	2,248	-6.6%
Coated	2,950	2,345	25.8%	2,797	5.5%
Uncoated	2,086	1,795	16.2%	2,241	-6.9%
Other Paper	-	-	n.a.	-	n.a.
<b>Domestic Market</b>	<b>1,966</b>	<b>1,794</b>	<b>9.6%</b>	<b>1,982</b>	<b>-0.8%</b>
Pulp	1,184	938	26.2%	1,178	0.5%
Paper	2,378	2,316	2.7%	2,297	3.6%
Paperboard	2,778	2,693	3.2%	2,782	-0.1%
Printing & Writing	2,246	2,165	3.7%	2,171	3.4%
Coated	2,221	2,034	9.2%	2,206	0.7%
Uncoated	2,257	2,228	1.3%	2,158	4.6%
Other Paper	2,828	2,907	-2.7%	2,781	1.7%
<b>Total</b>	<b>1,652</b>	<b>1,431</b>	<b>15.4%</b>	<b>1,687</b>	<b>-2.1%</b>
Pulp	1,260	1,005	25.4%	1,260	0.0%
Paper	2,293	2,122	8.1%	2,274	0.8%
Paperboard	2,527	2,342	7.9%	2,504	0.9%
Printing & Writing	2,200	2,022	8.8%	2,192	0.3%
Coated	2,236	2,045	9.3%	2,216	0.9%
Uncoated	2,190	2,016	8.6%	2,186	0.2%
Other Paper	2,828	2,907	-2.7%	2,781	1.7%

Note: "Other Papers" = paper from other suppliers sold by SPP and KSR



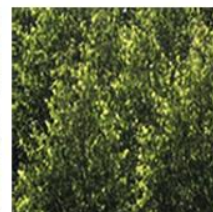


## Attachment II

### Consolidated Income Statement

CONSOLIDATED FINANCIAL STATEMENT					
(R\$ '000)	1Q13	1Q12	Δ Y-o-Y	4Q12	Δ Q-o-Q
Net Revenue	1,174,093	1,037,576	13.2%	1,470,436	-20.2%
Cost of Goods Sold	(889,860)	(852,592)	4.4%	(1,061,007)	-16.1%
Gross Profit	284,233	184,984	53.7%	409,429	-30.6%
Selling Expenses	(53,959)	(54,896)	-1.7%	(67,496)	-20.1%
General and Administrative Expenses	(87,436)	(93,013)	-6.0%	(118,421)	-26.2%
Other Operating Income	(703)	34,191	n.a.	(5,650)	-87.6%
EBIT	142,135	71,266	99.4%	217,862	-34.8%
Depreciation, Amortization & Depletion	185,121	166,927	10.9%	186,167	-0.6%
EBITDA	327,256	238,193	37.4%	404,029	-19.0%
<i>EBITDA Margin (%)</i>	<i>27.9%</i>	<i>23.0%</i>	<i>4.9 p.p</i>	<i>27.5%</i>	<i>0.4 p.p</i>
Net Financial Result	(80,027)	88	n.a.	(155,819)	48.6%
Financial Expenses	(195,699)	(150,414)	30.1%	(185,051)	5.8%
Financial Revenues	72,136	70,279	2.6%	66,183	9.0%
Exchange Rate Variation	43,536	80,223	-45.7%	(36,951)	n.a.
Earnings Before Taxes	62,108	71,354	-13.0%	62,043	0.1%
Income and Social Contribution Taxes	(20,160)	476	n.a.	(28,059)	-28.2%
Net Income	41,948	71,830	-41.6%	33,984	23.4%

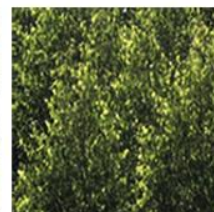
\*Adjustment in the depletion accounting methodology, to reflect the advances to third parties



## Attachment III

### Consolidated Balance Sheet

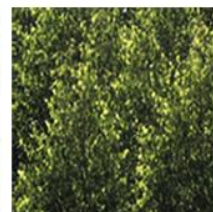
<b>CONSOLIDATED BALANCE SHEET (R\$'000)</b>					
<b>ASSETS</b>	<b>03/31/2013</b>	<b>12/31/2012</b>	<b>LIABILITIES</b>	<b>03/31/2013</b>	<b>12/31/2012</b>
<b><u>CURRENT ASSETS</u></b>			<b><u>CURRENT LIABILITIES</u></b>		
Cash and Cash Equivalent	4,330,943	4,337,608	Salaries and Payroll Taxes	105,828	129,816
Accounts Receivable	864,284	1,102,676	Trade Accounts Payable	856,222	875,648
Inventories	840,494	683,750	Tax Liabilities	49,007	45,443
Recoverable Taxes	294,213	268,438	Loans and Financing	787,191	1,034,647
Prepaid Expenses	12,271	7,957	Debentures	606,002	587,270
Non Current Assets on Sale	186,709	186,898	Taxes Payable	168,366	183,036
Advances to suppliers	46,021	31,878	<b>TOTAL CURRENT LIABILITIES</b>	<b>2,572,616</b>	<b>2,855,860</b>
Other Current Assets	74,530	67,754			
<b>TOTAL CURRENT ASSETS</b>	<b>6,649,465</b>	<b>6,686,959</b>	<b><u>NON CURRENT LIABILITIES</u></b>		
			Loans and Financing	9,619,151	8,982,628
<b><u>NON CURRENT ASSETS</u></b>			Debentures	112,978	114,559
Biological Assets	2,705,833	2,643,940	Other Liabilities	26,335	29,916
Deffered Securities	802	813	Debt on Land and Reforestation Purchase	171,249	170,941
Prepaid Expenses	6,505	10,359	Deffered Securities	1,696,789	1,684,903
Other Receivable Taxes	253,599	235,438	Provision	509,125	512,552
Advances to Suppliers	257,689	261,895	<b>TOTAL NON CURRENT LIABILITIES</b>	<b>12,135,627</b>	<b>11,495,499</b>
Receivable Credits	56,721	56,721	<b><u>SHAREHOLDERS EQUITY</u></b>		
Judicial Deposits	56,603	54,881	Share Capital	6,240,709	6,240,709
Other Non-current Assets	48,517	41,870	Capital Reserve	(248,176)	(211,459)
Property, Plant and Equipment	15,471,195	15,147,822	Profit Reserve	2,469,809	2,469,809
Intangible	209,115	212,739	Acumulated Profit	51,106	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>19,066,579</b>	<b>18,666,478</b>	Equity Valuation Adjustment	2,494,353	2,503,019
<b>TOTAL ASSETS</b>	<b>25,716,044</b>	<b>25,353,437</b>	<b>TOTAL EQUITY</b>	<b>11,007,801</b>	<b>11,002,078</b>
			<b>TOTAL LIABILITIES + EQUITY</b>	<b>25,716,044</b>	<b>25,353,437</b>



## Attachment IV

### Consolidated Cash Flow Statement

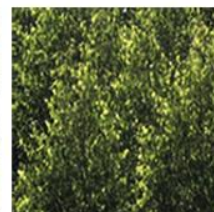
<b>CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER</b>		
<b>(R\$ '000)</b>	<b>1Q13</b>	<b>1Q12</b>
<b>Cash Flows from Operating Activities</b>		
Net Income	41,948	71,830
Depreciation, Amortization & Depletion	185,121	166,927
Result on Sale of Property, Plant, Equipment and Biological Assets	(3,736)	(29,647)
Exchange and Monetary Variation	(55,276)	(90,385)
Interest Expenses	195,925	137,415
Derivatives Variation	(15,425)	1,165
Deferred Income and Social Contribution Taxes	11,885	6,459
Interest on Actuarial Liabilities	6,008	5,834
Contingencies	1,627	1,031
Share based Payment Plan Expenses	(126)	925
Provision for Doubtful Credits	(103)	897
Reversion of Provision for discounts	(2,675)	(29,314)
Provision for inventory losses	-	(2,491)
Other Provisions	23,616	(52,919)
Accounts Receivable Variation	238,816	189,150
Inventories Variation	(149,630)	(103,670)
Recoverable Taxes Variation	(58,688)	(46,442)
(Increase) in Other Current and Non-Current Liabilities	(23,655)	(41,730)
Variation in Trade Accounts Payable	(189,007)	(9,872)
Other Current and Non-Current Assets Variation	53,055	128,951
Interest Payments	(192,209)	(67,938)
Other Taxes and Contributions Payments	(74,278)	(73,857)
Income Tax and Social Contributions Payments	(28,735)	(7,471)
<b>Net cash from operating activities</b>	<b>(35,542)</b>	<b>154,848</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment, Intangible and Biological Assets	(401,246)	(394,135)
Asset Sale	4,658	38,674
Asset Sales Payment in Advance	1,462	-
<b>Net cash generated in investing activities</b>	<b>(395,126)</b>	<b>(355,461)</b>
<b>Cash Flows from Financing Activities</b>		
Loans Raised	796,028	898,726
Dividends and Interests on Equity Payment	-	(83,240)
Net proceeds Generated by Derivatives	(597)	(1,974)
Payment of Loans and Debentures	(318,883)	(308,103)
Acquisition of own shares	(38,718)	-
<b>Net cash from financing activities</b>	<b>437,830</b>	<b>505,409</b>
Effects of Exchange Rate Variation in Cash and Cash Equivalents	(13,827)	(6,723)
<b>Increase (decrease) in Cash</b>	<b>(6,665)</b>	<b>298,073</b>
Cash in the beginning of the period	4,337,608	3,273,938
Cash in the end of the period	4,330,943	3,572,011
<b>Statement of Increase (decrease) in Cash</b>	<b>(6,665)</b>	<b>298,073</b>



## Attachment V

### Consolidated Loans and Financing

(R\$ '000)	Index	Average annual interest rate in March/13	Consolidated	
			03/31/2013	12/31/2012
<b>Permanent</b>				
BNDES - Finem	TJLP	7.69%	1,969,641	1,888,985
BNDES - Finem	Basket of Currencies / US\$	6.81%	1,530,271	1,103,240
BNDES - Finame	Fixed Rate	4.50%	4,368	4,529
FNE - BNB	Fixed Rate	8.50%	89,274	93,800
FINEP	Fixed Rate	4.45%	54,824	56,555
Crédito Rural (Rural Credit)	Fixed Rate	5.50%	-	20,457
Leasing	CDI / US\$	7.08%	53,071	61,021
<b>Working Capital</b>				
Trade Finance (Exports)	US\$	4.66%	1,810,667	1,998,656
Trade Finance (Imports)	US\$	1.00%	146,690	148,371
Nordic Investment Bank	US\$	5.74%	67,785	68,488
Export Credit Note	CDI / Fixed Rate	7.98%	3,269,259	3,070,854
BNDES - EXIM	TJLP	9.05%	20,364	60,511
Senior Notes	Fixed Rate	5.88%	1,297,700	1,335,465
Trade Bill Discounting - Vendor			81,179	86,727
Others			11,249	19,616
<b>Current Liabilities (including interests)</b>			787,191	1,034,647
<b>Non Current Liabilities</b>			9,619,151	8,982,628

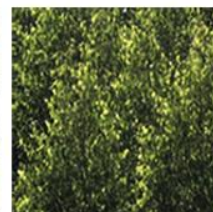


## Attachment VI

### Consolidated Debentures

Issuance	Series	Bonds	03/31/2013			12/31/2012		Index	Interest	Redemption
			Current	Non Current	Total	Total				
3 <sup>rd</sup>	1 <sup>st</sup>	333,000	601,988	-	601,988	585,969	IGP-M	10% *	4/1/14	
3 <sup>rd</sup>	2 <sup>nd</sup>	167,000	3,870	112,978	116,848	115,705	USD	9.85%	5/7/19	
5 <sup>th</sup>	1 <sup>st</sup>	293	48	-	48	52	IPCA	4.50%	12/16/13	
5 <sup>th</sup>	2 <sup>nd</sup>	585	96	-	96	103	IPCA	4.50%	12/16/13	
			606,002	112,978	718,980	701,829				

\* This instrument was issued at a discount of R\$38,728 fully incorporated into the amount of respective debentures, which changed the effective interest rate of the operation from 8% p.a. to 10% p.a.



## Attachment VII

### Adjusted EBITDA

R\$ thousand, except where otherwise indicated	1Q13	1Q12
Net Income	41,948	71,830
Net Financial Result	80,027	(88)
Income and Social Contribution Taxes	20,160	(476)
<b>EBIT</b>	<b>142,135</b>	<b>71,266</b>
Depreciation, Amortization and Depletion	185,121	166,927
<b>EBITDA <sup>(1)</sup></b>	<b>327,256</b>	<b>238,193</b>
<b>EBITDA Margin</b>	<b>27.9%</b>	<b>23.0%</b>
<b>Adjusted EBITDA</b>	<b>327,256</b>	<b>238,193</b>
<b>Adjusted EBITDA Margin</b>	<b>27.9%</b>	<b>23.0%</b>

<sup>(1)</sup> Company's EBITDA calculated according to CVM Instruction # 527, as of October, 04<sup>th</sup>, 2012.

Reconciliation of Adjusted EBITDA	1Q13	1Q12
EBITDA	327,256	238,193
Depreciation, Amortization and Depletion	185,121	166,927
<b>Operating Results before Financial Results and Taxes <sup>(2)</sup></b>	<b>142,135</b>	<b>71,266</b>

<sup>(2)</sup> Accounting Measurement released on the Consolidated Financial Statements.