

Suzano Papel e Celulose S.A.

**Quarterly Financial Information
(ITR) March 31, 2015**

(A free translation of the original financial statement in Portuguese,
prepared in accordance with the accounting practices adopted in Brazil)



KPMG Auditores Independentes

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Report on the quarterly financial information (ITR) review

To the Directors and Managers of
Suzano Papel e Celulose S.A.
Salvador - BA

Introduction

We have reviewed the individual and consolidated interim financial information of Suzano Papel e Celulose S.A., included in the Quarterly Financial Information (ITR) referring to the quarter ended March 31, 2015, comprising the balance sheet as of March 31, 2015 and the statements of income and comprehensive income, the statement of changes in equity and cash flow statement for the three-month period then ended, including the explanatory notes.

The management of the Company is responsible for the preparation and fair presentation of these individual interim financial information in accordance with Committee for Accounting Pronouncements CPC 21 (R1) – Interim Financial Information and the consolidated interim financial information in accordance with CPC 21 (R1) and the international standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board – IASB, and presented in a manner consistent with the rules of the Brazilian Securities and Exchange Commission applicable to the preparation of Quarterly Financial Information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Brazilian and International Standards on interim financial information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the financial interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the Quarterly Financial Information described above are not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, as issued by IASB applicable to the preparation of Quarterly Financial Information – ITR and presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission.



Other matters

Statements of value added

We also reviewed the individual and consolidated statements of value added (DVA), for the three-month period ended on March 31, 2015, prepared under management's responsibility, for which the disclosure in the interim information is required in accordance with the rules issued by the Brazilian Securities and Exchange Commission applicable to the preparation of Quarterly Financial Information and considered additional information for IFRS which does not require this disclosure. These statements were submitted to the same review procedures previously described and, based on our review, nothing has come to our attention that would lead us to believe that they have not been fairly stated, in all its material respects, in accordance with the individual and consolidated Quarterly Financial Information taken as whole.

São Paulo, May 07, 2015

KPMG Auditores Independentes

CRC 2SP014428/0-6

Original report in Portuguese signed by

Carla Bellangero

Accountant CRC 1SP196751/O-4

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Company Information / Capital Breakdown

Number of Shares (in thousands)	Current Quarter 3/31/2015
Paid-in Capital	
Common	371,149
Preferred	736,590
Total	1,107,739
Treasury Shares	
Common	6,786
Preferred	12,555
Total	19,341

Company Information / Cash Dividends

Event	Approval	Type	Date of Payment	Type of Share	Class of Share	Amount per Share (R\$/share)
Annual and Extraordinary Shareholders' Meeting	4/30/2014	Dividend	5/12/2014	Common		0.10545
Annual and Extraordinary Shareholders' Meeting	4/30/2014	Dividend	5/12/2014	Preferred	Class A Preferred	0.11600
Annual and Extraordinary Shareholders' Meeting	4/30/2014	Dividend	5/12/2014	Preferred	Class B Preferred	0.34523

Individual Financial Statements / Balance Sheet - Assets**R\$ (in thousands)**

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
1	Total Assets	28,368,310	27,864,146
1.01	Current Assets	7,197,093	6,658,482
1.01.01	Cash and Cash Equivalents	2,538,738	2,615,579
1.01.03	Receivables	3,115,452	2,602,814
1.01.03.01	Trade	3,115,452	2,602,814
1.01.04	Inventories	891,002	819,472
1.01.06	Recoverable Taxes	484,087	473,673
1.01.06.01	Current Recoverable Taxes	484,087	473,673
1.01.06.01.01	Recoverable Income and Social Contribution Taxes	145,239	125,312
1.01.06.01.02	Other Recoverable Taxes	338,848	348,361
1.01.07	Prepaid Expenses	13,847	17,328
1.01.08	Other Current Assets	153,967	129,616
1.01.08.01	Non-Current Assets Held for Sale	71,895	0
1.01.08.03	Other	82,072	129,616
1.01.08.03.01	Unrealized Derivatives Gains	35,410	30,219
1.01.08.03.02	Other Accounts Receivable	42,185	78,047
1.01.08.03.04	Receivables from Properties and Forests Sold	3,146	3,654
1.01.08.03.05	Advance to Suppliers - Development Program	434	9,711
1.01.08.03.06	Receivables from Subsidiaries	897	7,985
1.02	Non-Current Assets	21,171,217	21,205,664
1.02.01	Long-Term Assets	4,706,567	4,594,981
1.02.01.05	Biological Assets	3,827,782	3,743,131
1.02.01.08	Receivables from Related Parties	3,680	3,680
1.02.01.09	Other Non-Current Assets	875,105	848,170
1.02.01.09.04	Other Recoverable Taxes	499,472	481,626
1.02.01.09.05	Advance to Suppliers - Development Program	254,733	247,779
1.02.01.09.06	Other Receivables	64,880	65,113
1.02.01.09.08	Judicial Deposits	56,020	53,652
1.02.02	Investments	343,299	331,658
1.02.02.01	Equity Interest	343,299	331,658
1.02.02.01.02	Interest in Subsidiaries	343,299	331,658
1.02.03	Property, Plant and Equipment	16,022,824	16,156,629
1.02.03.01	Operational Property, Plant and Equipment	15,641,106	15,731,808
1.02.03.02	Leased Property, Plant and Equipment	19,547	21,844
1.02.03.03	Construction in Progress	362,171	402,977
1.02.04	Intangible Assets	98,527	122,396
1.02.04.01	Intangible Assets	98,527	122,396
1.02.04.01.02	Goodwill	45,445	79,492
1.02.04.01.03	Other Intangible Assets	53,082	42,904

Individual Financial Statements / Balance Sheet – Liabilities**R\$ (in thousands)**

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
2	Total Liabilities	28,368,310	27,864,146
2.01	Current Liabilities	3,238,092	2,980,063
2.01.01	Payroll and Related Charges	104,508	138,219
2.01.01.01	Payroll Charges Liabilities	13,502	14,198
2.01.01.02	Labor Liabilities	91,006	124,021
2.01.02	Trade Accounts Payable	540,667	729,312
2.01.02.01	Domestic Suppliers	495,764	701,760
2.01.02.02	Foreign Suppliers	44,903	27,552
2.01.03	Tax Liabilities	42,548	48,843
2.01.03.01	Federal Tax Liabilities	37,976	36,877
2.01.03.02	State Tax Liabilities	654	7,956
2.01.03.03	Municipal Tax Liabilities	3,918	4,010
2.01.04	Loans and Financing	2,095,846	1,751,040
2.01.04.01	Loans and Financing	2,095,846	1,751,040
2.01.04.01.01	In Domestic Currency	1,122,194	957,298
2.01.04.01.02	In Foreign Currency	973,652	793,742
2.01.05	Other Liabilities	454,523	312,649
2.01.05.01	Related Party Liabilities	36,158	61,140
2.01.05.02	Other	418,365	251,509
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	114	114
2.01.05.02.04	Unrealized Derivative Losses	177,008	26,664
2.01.05.02.05	Accounts Payable	145,041	147,402
2.01.05.02.06	Debt from Acquisition of Assets	90,276	71,503
2.01.05.02.08	Advance from Customers	5,926	5,826
2.02	Non-Current Liabilities	15,574,817	14,568,951
2.02.01	Loans and Financing	11,125,509	10,276,504
2.02.01.01	Loans and Financing	11,125,509	10,276,504
2.02.01.01.01	In Domestic Currency	5,196,010	5,304,489
2.02.01.01.02	In Foreign Currency	5,929,499	4,972,015
2.02.02	Other Liabilities	2,825,334	2,333,587
2.02.02.01	Related Party Liabilities	2,036,183	1,685,927
2.02.02.01.02	Debts with Subsidiaries	2,036,183	1,685,927
2.02.02.02	Other	789,151	647,660
2.02.02.02.03	Unrealized Derivative Losses	177,812	100,004
2.02.02.02.04	Accounts Payable	12,756	18,035
2.02.02.02.05	Debt from Acquisition of Assets	598,583	529,621
2.02.03	Deferred Taxes	950,360	1,357,977
2.02.03.01	Deferred Income and Social Contribution Taxes	950,360	1,357,977
2.02.04	Provisions	673,614	600,883
2.02.04.01	Provisions for Tax, Pension, Labor and Civil Claims	220,864	211,883
2.02.04.02	Other Provisions	452,750	389,000
2.02.04.02.04	Provision for Actuarial Liabilities	281,447	277,463
2.02.04.02.05	Share-Based Payments	29,173	27,619
2.02.04.02.06	Provision for Losses of Investments in Subsidiaries	142,130	83,918
2.03	Equity	9,555,401	10,315,132
2.03.01	Paid-in Capital	6,241,753	6,241,753

Individual Financial Statements / Balance Sheet – Liabilities

R\$ (in thousands)

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
2.03.02	Capital Reserves	-207,791	-217,912
2.03.02.04	Granted Options	21,192	25,939
2.03.02.05	Treasury Shares	-288,858	-303,726
2.03.02.07	Tax Incentives	75,317	75,317
2.03.02.09	Costs with Share Issue	-15,442	-15,442
2.03.04	Income Reserve	1,852,294	1,852,294
2.03.04.01	Legal Reserve	231,926	231,926
2.03.04.08	Additional Dividend Proposed	150,000	150,000
2.03.04.11	Reserve to Increase Capital	1,470,368	1,470,368
2.03.05	Retained Earnings/Accumulated Losses	-749,392	0
2.03.06	Equity Valuation Adjustment	2,517,150	2,530,217
2.03.08	Other Comprehensive Income (Loss)	-98,613	-91,220

Individual Financial Statements / Statement of Income**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
3.01	Income from the Sale of Goods and/or Services Rendered	2,129,629	1,391,628
3.02	Cost of Goods Sold and/or Services Rendered	-1,261,662	-969,182
3.03	Gross Profit	867,967	422,446
3.04	Operating Expense/Income	-349,230	-190,300
3.04.01	Selling Expenses	-205,732	-119,177
3.04.02	General and Administrative Expenses	-92,724	-80,431
3.04.04	Other Operating Income	2,759	31,500
3.04.05	Other Operating Expenses	-13,353	-29,404
3.04.06	Equity Pick-up in Subsidiaries and Affiliates	-40,180	7,212
3.05	Earnings Before Financial Result and Taxes	518,737	232,146
3.06	Financial Income (Expenses)	-1,688,813	56,653
3.06.01	Financial Income	75,345	257,088
3.06.02	Financial Expenses	-1,764,158	-200,435
3.07	Earnings Before Income Taxes	-1,170,076	288,799
3.08	Income and Social Contribution Taxes	407,617	-87,754
3.08.01	Current	0	-19,479
3.08.02	Deferred	407,617	-68,275
3.09	Net Income/(Loss) from Continued Operations	-762,459	201,045
3.11	Net Income for the Period	-762,459	201,045
3.99	Earnings per Share - (Reais/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common	-0.65721	0.17359
3.99.01.02	Class A Preferred	-0.72293	0.19095
3.99.01.03	Class B Preferred	-0.70968	0.19355
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common	-0.65511	0.17359
3.99.02.02	Class A Preferred	-0.72062	0.19005
3.99.02.03	Class B Preferred	-0.70968	0.19355

Individual Financial Statements / Statement of Comprehensive Income

R\$ (in thousands)

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
4.01	Net Income for the Period	-762,459	201,045
4.02	Other Comprehensive Income (Loss)	-7,393	2,166
4.02.01	Exchange Variation on Foreign Investments	-7,393	2,166
4.03	Comprehensive Income for the Period	-769,852	203,211

Individual Financial Statements / Statement of Cash Flows – Indirect Method**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
6.01	Net Cash from Operating Activities	253,966	-307,371
6.01.01	Cash Generated in Operations	1,183,995	698,656
6.01.01.01	Net income (Loss) for the Period	-762,459	201,045
6.01.01.02	Depreciation, Depletion and Amortization	351,873	254,318
6.01.01.03	Income from Sale of Permanent Assets	-1,391	38
6.01.01.04	Equity Pick-up in Subsidiaries and Affiliates	40,180	-7,212
6.01.01.05	Exchange and Monetary Variations, Net	1,418,491	-111,041
6.01.01.06	Interest Expenses, Net	283,243	222,970
6.01.01.07	Deferred Income and Social Contr. Tax (Income) Expenses	-407,617	68,275
6.01.01.08	Addition to Actuarial Liabilities	7,757	7,366
6.01.01.09	Addition to (Reversal of) Provision for Contingencies	3,714	-667
6.01.01.10	Addition to Provision for Share-Based Payments	7,511	5,500
6.01.01.11	Net Derivative Losses (Gains)	221,831	-3,332
6.01.01.15	Additional Provision for Doubtful Accounts, Net	2,452	3,382
6.01.01.16	Reversal of Provision for Inventory Losses and Write-Offs	-887	-1,136
6.01.01.17	Reversal of Provision for Deduction	-301	-995
6.01.01.19	Provision for Losses with Fixed Assets and Write-Offs	8,780	23,897
6.01.01.20	Other Provisions	10,818	36,248
6.01.02	Changes in Assets and Liabilities	-930,029	-1,006,027
6.01.02.01	Increase in Receivables	-261,583	-93,218
6.01.02.02	Increase in Inventories	-84,271	-180,387
6.01.02.03	Reduction (Increase) in Recoverable Taxes	18,145	-45,073
6.01.02.04	Reduction (Increase) in Other Current and Non-Current Assets	11,558	-25,424
6.01.02.06	Reduction in Trade Accounts Payable	-269,730	-383,816
6.01.02.07	(Reduction) Increase in other Current and Non-Current Liabilities	-12,957	39,613
6.01.02.08	Payment of Interest	-233,084	-209,931
6.01.02.09	Payment of Other Taxes and Contributions	-89,995	-93,223
6.01.02.10	Payment of Income and Social Contribution Taxes	-8,112	-14,568
6.02	Net Cash used in Investment Activities	-272,739	-348,249
6.02.01	Additions to Property, Plant and Equipment	-32,759	-192,980
6.02.02	Additions to Biological Assets	-239,126	-152,130
6.02.04	Additions to Intangible Assets	-235	-3,496
6.02.05	Income (Loss) from the Sale of Assets	-619	357
6.03	Net Cash Provided by (Used in) Financing Activities	-58,068	136,937
6.03.01	Funding	245,136	255,711
6.03.02	Settlement of Derivative Operations	-1,130	-1,508
6.03.03	Payment of Loans and Debentures	-310,588	-125,780
6.03.04	Dividends of Treasury Shares	8,514	8,514
6.05	Increase (Decrease) of Cash and Cash Equivalents	-76,841	-518,683
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	2,615,579	2,648,159
6.05.02	Cash and Cash Equivalents at the End of the Period	2,538,738	2,129,476

Individual Financial Statements / Statement of Changes in Equity – 1/1/2015 to 3/31/2015**R\$ (in thousands)**

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings	Other Comprehensive Income	Equity
5.01	Opening Balances	6,241,753	-217,912	1,852,294	0	2,438,997	10,315,132
5.03	Adjusted Opening Balances	6,241,753	-217,912	1,852,294	0	2,438,997	10,315,132
5.04	Equity Transactions with Shareholders	0	10,121	0	0	0	10,121
5.04.03	Recognized Granted Options	0	-4,747	0	0	0	-4,747
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	14,868	0	0	0	14,868
5.05	Total Comprehensive Income/(Loss)	0	0	0	-762,459	-7,393	-769,852
5.05.01	Net Income for the Period	0	0	0	-762,459	0	-762,459
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	-7,393	-7,393
5.05.02.06	Exchange Variation on Investees	0	0	0	0	-7,393	-7,393
5.06	Internal Changes in Equity	0	0	0	13,067	-13,067	0
5.06.05	Partial Realization of Attributed Cost Adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	13,067	-13,067	0
5.07	Closing Balances	6,241,753	-207,791	1,852,294	-749,392	2,418,537	9,555,401

Individual Financial Statements / Statement of Changes in Equity– 1/1/2014 to 3/31/2014**R\$ (in thousands)**

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings	Other Comprehensive Income	Equity
5.01	Opening Balances	6,241,753	-235,998	2,187,427	0	2,494,057	10,687,239
5.03	Adjusted Opening Balances	6,241,753	-235,998	2,187,427	0	2,494,057	10,687,239
5.04	Equity Transactions with Shareholders	0	13,088	0	0	0	13,088
5.04.03	Recognized Granted Options	0	4,574	0	0	0	4,574
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	8,514	0	0	0	8,514
5.05	Total Comprehensive Income/(Loss)	0	0	0	201,045	2,166	203,211
5.05.01	Net Income for the Period	0	0	0	201,045	0	201,045
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	2,166	2,166
5.05.02.06	Exchange Variation on Investees	0	0	0	0	2,166	2,166
5.06	Internal Changes in Equity	0	0	0	11,155	-11,155	0
5.06.05	Partial Realization of Attributed Cost adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	11,155	-11,155	0
5.07	Closing Balances	6,241,753	-222,910	2,187,427	212,200	2,485,068	10,903,538

Individual Financial Statements / Statement of Added Value**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
7.01	Income	2,431,500	2,019,926
7.01.01	Sale of Goods, Products and Services	2,341,201	1,601,247
7.01.02	Other Income	6,479	35,747
7.01.03	Income from Construction of Own Assets	86,272	386,314
7.01.04	Reversal of/Allowance for Doubtful Accounts	-2,452	-3,382
7.02	Input Acquired from Third Parties	-1,314,620	-1,314,351
7.02.01	Cost of Products Sold and Services Rendered	-995,058	-520,534
7.02.02	Supplies, Electricity, Outsourced Services and Others	-319,562	-793,817
7.03	Gross Added Value	1,116,880	705,575
7.04	Retentions	-351,873	-254,318
7.04.01	Depreciation, Amortization and Depletion	-351,873	-254,318
7.05	Net Added Value Produced	765,007	451,257
7.06	Added Value from Transfers	449,114	666,697
7.06.01	Equity Pick-up in Subsidiaries and Affiliates	-40,180	7,212
7.06.02	Financial Income	489,294	659,485
7.07	Total Added Value to Distribute	1,214,121	1,117,954
7.08	Distribution of Added Value	1,214,121	1,117,954
7.08.01	Personnel	216,182	193,569
7.08.01.01	Direct Compensation	174,971	159,266
7.08.01.02	Benefits	31,265	26,179
7.08.01.03	F.G.T.S. (Government Severance Indemnity Fund for Employees)	9,946	8,124
7.08.02	Taxes, Fees and Contributions	-439,986	63,914
7.08.02.01	Federal	-405,846	71,896
7.08.02.02	State	-35,301	-8,414
7.08.02.03	Municipal	1,161	432
7.08.03	Value Distributed to Providers of Capital	2,200,384	659,426
7.08.03.01	Interest Rates	2,185,067	638,946
7.08.03.02	Rentals	15,317	20,480
7.08.04	Value Distributed to Shareholders	-762,459	201,045
7.08.04.03	Accumulated Losses/Retained Earnings for the Period	-762,459	201,045

Consolidated Financial Statements / Balance Sheet – Assets**R\$ (in thousands)**

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
1	Total Assets	28,614,704	28,119,456
1.01	Current Assets	7,115,668	6,609,424
1.01.01	Cash and Cash Equivalents	3,867,968	3,686,115
1.01.03	Receivables	1,358,834	1,207,398
1.01.03.01	Trade	1,358,834	1,207,398
1.01.04	Inventories	1,200,399	1,077,081
1.01.06	Recoverable Taxes	489,161	475,632
1.01.06.01	Current Recoverable Taxes	489,161	475,632
1.01.06.01.01	Recoverable Income and Social Contribution Taxes	147,430	125,425
1.01.06.01.02	Other Recoverable Taxes	341,731	350,207
1.01.07	Prepaid Expenses	15,356	18,325
1.01.08	Other Current Assets	183,950	144,873
1.01.08.01	Non-Current Assets Held for Sale	71,895	0
1.01.08.03	Other	112,055	144,873
1.01.08.03.01	Unrealized Derivatives Gains	47,249	39,266
1.01.08.03.02	Other Accounts Receivable	61,226	92,242
1.01.08.03.04	Receivables from Properties and Forests Sold	3,146	3,654
1.01.08.03.05	Advance to Suppliers - Development Program	434	9,711
1.02	Non-Current Assets	21,499,036	21,510,032
1.02.01	Long-Term Assets	4,650,613	4,536,709
1.02.01.05	Biological Assets	3,739,013	3,659,421
1.02.01.06	Deferred Taxes	2,122	1,143
1.02.01.06.01	Deferred Income and Social Contribution Taxes	2,122	1,143
1.02.01.09	Other Non-Current Assets	909,478	876,145
1.02.01.09.03	Unrealized Derivatives Gains	27,158	20,826
1.02.01.09.04	Other Recoverable Taxes	499,472	481,626
1.02.01.09.05	Advance to Suppliers - Development Program	254,733	247,779
1.02.01.09.06	Other Receivables	66,424	66,415
1.02.01.09.08	Judicial Deposits	61,691	59,499
1.02.03	Property, Plant and Equipment	16,548,655	16,681,253
1.02.03.01	Operational Property, Plant and Equipment	16,166,937	16,256,432
1.02.03.02	Leased Property, Plant and Equipment	19,547	21,844
1.02.03.03	Construction in Progress	362,171	402,977
1.02.04	Intangible Assets	299,768	292,070
1.02.04.01	Intangible Assets	299,768	292,070
1.02.04.01.02	Goodwill	45,445	79,492
1.02.04.01.03	Other Intangible Assets	254,323	212,578

Consolidated Financial Statements / Balance Sheet – Liabilities**R\$ (in thousands)**

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
2	Total Liabilities	28,614,704	28,119,456
2.01	Current Liabilities	3,361,525	3,067,645
2.01.01	Payroll and Related Charges	107,768	141,489
2.01.01.01	Payroll Charges Liabilities	13,509	14,204
2.01.01.02	Labor Liabilities	94,259	127,285
2.01.02	Trade Accounts Payable	568,368	753,099
2.01.02.01	Domestic Suppliers	500,918	708,070
2.01.02.02	Foreign Suppliers	67,450	45,029
2.01.03	Tax Liabilities	50,083	54,525
2.01.03.01	Federal Tax Liabilities	40,783	39,363
2.01.03.02	State Tax Liabilities	736	8,040
2.01.03.03	Municipal Tax Liabilities	8,564	7,122
2.01.04	Loans and Financing	2,119,262	1,795,355
2.01.04.01	Loans and Financing	2,119,262	1,795,355
2.01.04.01.01	In Domestic Currency	1,122,195	957,298
2.01.04.01.02	In Foreign Currency	997,067	838,057
2.01.05	Other Liabilities	516,044	323,177
2.01.05.02	Other	516,044	323,177
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	114	114
2.01.05.02.04	Unrealized Derivative Losses	177,379	27,152
2.01.05.02.05	Accounts Payable	226,472	208,997
2.01.05.02.06	Debt from Acquisition of Assets	98,047	79,092
2.01.05.02.08	Advance from Customers	14,032	7,822
2.02	Non-Current Liabilities	15,697,778	14,736,679
2.02.01	Loans and Financing	13,178,065	11,965,230
2.02.01.01	Loans and Financing	13,178,065	11,965,230
2.02.01.01.01	In Domestic Currency	5,207,711	5,304,489
2.02.01.01.02	In Foreign Currency	7,970,354	6,660,741
2.02.02	Other Liabilities	913,134	768,592
2.02.02.02	Other	913,134	768,592
2.02.02.02.03	Unrealized Derivative Losses	177,812	100,116
2.02.02.02.04	Accounts Payable	32,480	32,878
2.02.02.02.05	Debt from Acquisition of Assets	702,842	635,598
2.02.03	Deferred Taxes	1,071,618	1,479,235
2.02.03.01	Deferred Income and Social Contribution Taxes	1,071,618	1,479,235
2.02.04	Provisions	534,961	523,622
2.02.04.01	Provisions for Tax, Pension, Labor and Civil Claims	224,341	218,540
2.02.04.02	Other Provisions	310,620	305,082
2.02.04.02.04	Provision for Actuarial Liabilities	281,447	277,463
2.02.04.02.05	Share-Based Payment	29,173	27,619
2.03	Consolidated Equity	9,555,401	10,315,132
2.03.01	Paid-in Capital	6,241,753	6,241,753
2.03.02	Capital Reserves	-207,791	-217,912
2.03.02.04	Granted Options	21,192	25,939
2.03.02.05	Treasury Shares	-288,858	-303,726
2.03.02.07	Tax Incentives	75,317	75,317

Consolidated Financial Statements / Balance Sheet – Liabilities

R\$ (in thousands)

Code	Description	Current quarter 3/31/2015	Previous year 12/31/2014
2.03.02.09	Costs with Share Issue	-15,442	-15,442
2.03.04	Income Reserve	1,852,294	1,852,294
2.03.04.01	Legal Reserve	231,926	231,926
2.03.04.08	Additional Dividend Proposed	150,000	150,000
2.03.04.11	Reserve to Increase Capital	1,470,368	1,470,368
2.03.05	Retained Earnings/Accumulated Losses	-749,392	0
2.03.06	Equity Valuation Adjustment	2,517,150	2,530,217
2.03.08	Other Comprehensive Income (Loss)	-98,613	-91,220

Consolidated Financial Statements / Statement of Income**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
3.01	Income from the Sale of Goods and/or Services Rendered	2,147,378	1,399,616
3.02	Cost of Goods Sold and/or Services Rendered	-1,388,491	-1,009,873
3.03	Gross Profit	758,887	389,743
3.04	Operating Expense/Income	-190,142	-147,871
3.04.01	Selling Expenses	-80,695	-64,147
3.04.02	General and Administrative Expenses	-101,631	-88,508
3.04.04	Other Operating Income	5,536	32,688
3.04.05	Other Operating Expenses	-13,352	-27,904
3.05	Earnings Before Financial Result and Taxes	568,745	241,872
3.06	Financial Income (Expenses)	-1,736,459	50,237
3.06.01	Financial Income	76,737	258,530
3.06.02	Financial Expenses	-1,813,196	-208,293
3.07	Earnings Before Income Taxes	-1,167,714	292,109
3.08	Income and Social Contribution Taxes	405,255	-91,064
3.08.01	Current	-2,362	-22,789
3.08.02	Deferred	407,617	-68,275
3.09	Net Income/(Loss) from Continued Operations	-762,459	201,045
3.11	Consolidated Net Income for the Period	-762,459	201,045
3.11.01	Attributable to Controlling Shareholders	-762,459	201,045
3.99	Earnings per Share - (Reais/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common	0.65721	0.17359
3.99.01.02	Class A Preferred	0.72293	0.19095
3.99.01.03	Class B Preferred	0.70968	0.19355
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common	0.65511	0.17359
3.99.02.02	Class A Preferred	0.72062	0.19005
3.99.02.03	Class B Preferred	0.70968	0.19355

Consolidated Financial Statements/ Statement of Comprehensive Income

R\$ (in thousands)

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
4.01	Consolidated Net Income for the Period	-762,459	201,045
4.02	Other Comprehensive Income (Loss)	-7,393	2,166
4.02.01	Exchange Variation on Foreign Investments	-7,393	2,166
4.03	Consolidated Comprehensive Income for the Period	-769,852	203,211
4.03.01	Attributable to the Partners of the Parent Company	-769,852	203,211

Consolidated Financial Statements / Statement of Cash Flows – Indirect Method**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
6.01	Net Cash from Operating Activities	277,644	-44,367
6.01.01	Cash Generated in Operations	916,056	756,581
6.01.01.01	Net Income (Loss) for the Period	-762,459	201,045
6.01.01.02	Depreciation, Depletion and Amortization	355,467	257,485
6.01.01.03	Income from Sale of Permanent Assets	-1,376	38
6.01.01.05	Exchange and Monetary Variations, Net	1,178,649	-64,294
6.01.01.06	Interest Expenses, Net	287,259	226,861
6.01.01.07	Deferred Income and Social Contr. Tax (Income) Expenses	-407,617	68,275
6.01.01.08	Addition to Actuarial Liabilities	7,757	7,366
6.01.01.09	(Reversal of) Addition to Provision for Contingencies	2,378	-667
6.01.01.10	Share-Based Payment Expenses	7,511	5,500
6.01.01.11	Derivative (Gains) Losses, Net	217,059	-5,068
6.01.01.15	Additional Provision for Doubtful Accounts, Net	2,452	3,457
6.01.01.16	Reversal of Provision for Inventory Losses	-887	-1,136
6.01.01.17	(Reversal of) Provision for Deduction	10,681	-2,999
6.01.01.19	Provision for Losses with Fixed Assets and Write-Offs	8,780	23,897
6.01.01.20	Other Provisions	10,402	36,821
6.01.02	Changes in Assets and Liabilities	-638,412	-800,948
6.01.02.01	Reduction in Receivables	96,359	165,677
6.01.02.02	Increase in Inventories	-136,059	-217,184
6.01.02.03	Reduction (Increase) in Recoverable Taxes	15,030	-44,151
6.01.02.04	Reduction (Increase) in Other Current and Non-Current Assets	-27,904	-29,020
6.01.02.06	Reduction in Trade Accounts Payable	-251,979	-387,190
6.01.02.07	Increase in Other Current and Non-Current Liabilities	13,292	39,009
6.01.02.08	Payment of Interest	-237,975	-214,326
6.01.02.09	Payment of Other Taxes and Contributions	-101,064	-97,794
6.01.02.10	Payment of Income and Social Contribution Taxes	-8,112	-15,969
6.02	Net Cash used in Investment Activities	-269,212	-343,274
6.02.01	Additions to Property, Plant and Equipment	-34,291	-192,888
6.02.02	Additions to Biological Assets	-234,067	-147,247
6.02.04	Additions to Intangible Assets	-235	-3,496
6.02.05	Income (Loss) from the Sale of Assets	-619	357
6.03	Net Cash Provided by (Used in) Financing Activities	-49,221	138,252
6.03.01	Funding	256,136	255,711
6.03.02	Settlement of Derivative Operations	-3,283	-193
6.03.03	Payment of Loans	-310,588	-125,780
6.03.04	(Dividends) Acquisition of Own Shares	8,514	8,514
6.04	Exchange Variation on Cash and Cash Equivalents	222,642	-43,035
6.05	Increase (Decrease) of Cash and Cash Equivalents	181,853	-292,424
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	3,686,115	3,689,640
6.05.02	Cash and Cash Equivalents at the End of the Period	3,867,968	3,397,216

Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2015 to 3/31/2015**R\$ (in thousands)**

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Non-Controlling Interest	Consolidated Equity
5.01	Opening Balances	6,241,753	-217,912	1,852,294	0	2,438,997	10,315,132	0	10,315,132
5.03	Adjusted Opening Balances	6,241,753	-217,912	1,852,294	0	2,438,997	10,315,132	0	10,315,132
5.04	Equity Transactions with Shareholders	0	10,121	0	0	0	10,121	0	10,121
5.04.03	Recognized Granted Options	0	-4,747	0	0	0	-4,747	0	-4,747
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	14,868	0	0	0	14,868	0	14,868
5.05	Total Comprehensive Income/(Loss)	0	0	0	-762,459	-7,393	-769,852	0	-769,852
5.05.01	Net Income for the Period	0	0	0	-762,459	0	-762,459	0	-762,459
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	-7,393	-7,393	0	-7,393
5.05.02.06	Exchange Variation on Investees	0	0	0	0	-7,393	-7,393	0	-7,393
5.06	Internal Changes in Equity	0	0	0	13,067	-13,067	0	0	0
5.06.05	Partial Realization of Attributed Cost Adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	13,067	-13,067	0	0	0
5.07	Closing Balances	6,241,753	-207,791	1,852,294	-749,392	2,418,537	9,555,401	0	9,555,401

Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2014 to 3/31/2014**R\$ (in thousands)**

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Non-Controlling Interest	Consolidated Equity
5.01	Opening Balances	6,241,753	-235,998	2,187,427	0	2,494,057	10,687,239	0	10,687,239
5.03	Adjusted Opening Balances	6,241,753	-235,998	2,187,427	0	2,494,057	10,687,239	0	10,687,239
5.04	Equity Transactions with Shareholders	0	13,088	0	0	0	13,088	0	13,088
5.04.03	Recognized Granted Options	0	4,574	0	0	0	4,574	0	4,574
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	8,514	0	0	0	8,514	0	8,514
5.05	Total Comprehensive Income/(Loss)	0	0	0	201,045	2,166	203,211	0	203,211
5.05.01	Net Income for the Period	0	0	0	201,045	0	201,045	0	201,045
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	2,166	2,166	0	2,166
5.05.02.06	Exchange Variation on Investees	0	0	0	0	2,166	2,166	0	2,166
5.06	Internal Changes in Equity	0	0	0	11,155	-11,155	0	0	0
5.06.05	Partial of Attributed Cost adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	11,155	-11,155	0	0	0
5.07	Closing Balances	6,241,753	-222,910	2,187,427	212,200	2,485,068	10,903,538	0	10,903,538

Consolidated Financial Statements / Statement of Value Added**R\$ (in thousands)**

Code	Description	Year-to-date 1/1/2015 to 3/31/2015	Previous year 1/1/2014 to 3/31/2014
7.01	Income	2,454,627	2,032,208
7.01.01	Sale of Goods, Products and Services	2,361,550	1,610,916
7.01.02	Other Income	9,257	38,435
7.01.03	Income from Construction of Own Assets	86,272	386,314
7.01.04	Reversal of/Allowance for Doubtful Accounts	-2,452	-3,457
7.02	Input Acquired from Third Parties	-1,332,571	-1,300,808
7.02.01	Cost of Products Sold and Services Rendered	-995,058	-520,534
7.02.02	Supplies, Electricity, Outsourced Services and Others	-337,513	-780,274
7.03	Gross Added Value	1,122,056	731,400
7.04	Retentions	-355,467	-257,485
7.04.01	Depreciation, Amortization and Depletion	-355,467	-257,485
7.05	Net Added Value Produced	766,589	473,915
7.06	Added Value from Transfers	430,976	704,464
7.06.02	Financial Income	430,976	704,464
7.07	Total Added Value to Distribute	1,197,565	1,178,379
7.08	Distribution of Added Value	1,197,565	1,178,379
7.08.01	Personnel	220,062	196,609
7.08.01.01	Direct Compensation	178,325	161,839
7.08.01.02	Benefits	31,791	26,646
7.08.01.03	F.G.T.S. (Government Severance Indemnity Fund for Employees)	9,946	8,124
7.08.02	Taxes, Fees and Contributions	-443,234	69,469
7.08.02.01	Federal	-409,094	77,451
7.08.02.02	State	-35,301	-8,414
7.08.02.03	Municipal	1,161	432
7.08.03	Value Distributed to Providers of Capital	2,183,196	711,256
7.08.03.01	Interest Rates	2,167,435	690,341
7.08.03.02	Rentals	15,761	20,915
7.08.04	Value Distributed to Shareholders	-762,459	201,045
7.08.04.03	Accumulated Losses/Retained Earnings for the Period	-762,459	201,045

Comments on the Performance

Suzano Pulp and Paper (Bovespa: SUZB5), one of the largest integrated pulp and paper producers in Latin America, announces today its consolidated results for the first quarter of 2015 (1Q15). 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 the 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 and average quotes in Brazilian real and U.S. dollar, were not reviewed by our independent auditors.

1Q15 Highlights

- Record-high adjusted EBITDA of R\$932 million (+91% vs. 1Q14) and adjusted EBITDA margin of 43.4% (+8.4 p.p. vs. 1Q14)
- Increase of 84% in pulp sales volume compared to 1Q14, due to the Maranhão Unit operating at full capacity
- Operations at the Imperatriz Unit contributed to an 11% reduction in cash cost from 1Q14
- Selling, general and administrative expenses (SG&A) as a ratio of net revenue of 8.5%, down from 10.9% in 1Q14
- Net loss of R\$762 million due to the effects of exchange variation on the mark-to-market adjustments of the portion of debt in foreign currency, with cash effects limited to debt maturities or amortizations.
- Solid financial liquidity: cash balance of R\$3.9 billion
- Lower leverage: 3.9x Net Debt/Adjusted EBITDA
- Approval of higher-yielding genetically modified eucalyptus for commercial use

R\$ million, except where otherwise indicated	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Net Revenue	2,147	1,400	53.4%	2,177	-1.3%
Exports	1,476	742	99.0%	1,323	11.6%
Domestic Market	671	658	2.0%	854	-21.4%
Adjusted EBITDA ¹	932	489	90.5%	826	12.8%
Adjusted EBITDA Margin (%) ¹	43.4%	35.0%	8.4 p.p.	38.0%	5.5 p.p.
Net Financial Results	(1,736)	50	n.a.	(737)	135.6%
Net Income	(762)	201	n.a.	(197)	286.3%
Net Debt/EBITDA (x)	4.0x	4.6x	-0.6x	4.1x	-0.1x
Net Debt/Adjusted EBITDA ¹ (x)	3.9x	4.8x	-0.9x	4.1x	-0.2x
Operational Data ('000 tons)					
Sales	1,115	754	47.9%	1,203	-7.4%
Market Pulp	857	465	84.2%	829	3.4%
Paper	258	289	-10.7%	375	-31.1%
Production	1,102	923	19.4%	1,143	-3.6%
Market Pulp	796	602	32.2%	822	-3.1%
Paper	306	321	-4.6%	322	-4.9%

Note: ⁽¹⁾ Excludes non-recurring items.

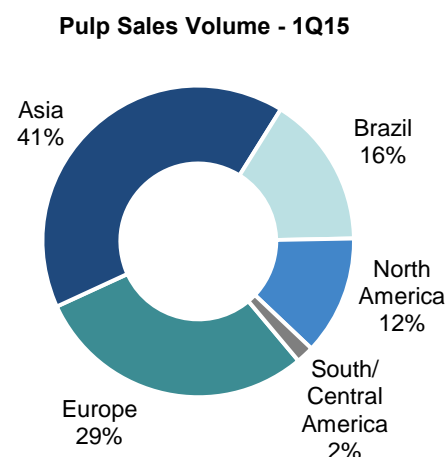
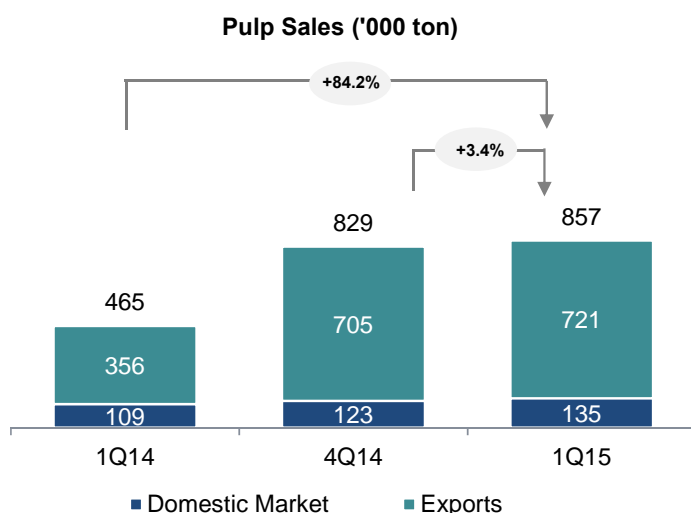
Comments on the Performance

Economic and Financial Performance

Pulp

Pulp shipments in 1Q15 amounted to 11.4 million tons, increasing 6.4% on 1Q14, driven by the 18.2% growth in eucalyptus fiber shipments to 4.4 million tons, according to the Pulp and Paper Products Council (PPPC), with Asia the fastest-growing region. World pulp inventories ended March at 36 days of production and at a level that sustains the list prices announced by Suzano Pulp and Paper and implemented in May: US\$680/ton in Asia, US\$790/ton in Europe and US\$900/ton in North America.

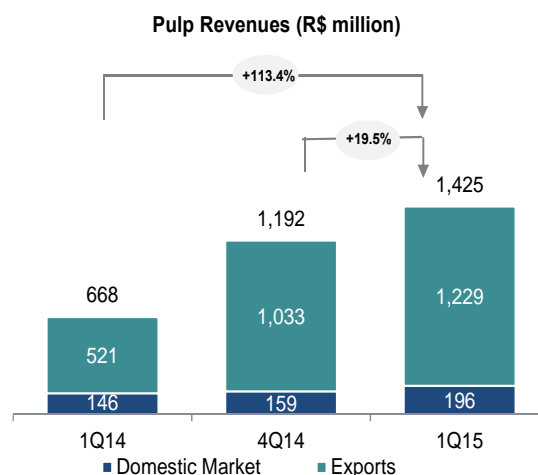
Suzano sold 857 thousand tons of market pulp in 1Q15. The main sales destinations were Asia (40.8%), Europe (29.2%) and Brazil (15.8%).



The growth in net revenue from pulp sales of 113.4% in 1Q15 compared to 1Q14 is explained by the sales volume growth resulting from the Imperatriz Unit operating at full capacity and by the BRL depreciation in the period. Compared to 4Q14, the 19.5% increase is explained by the higher average price implemented in 1Q15 and by the BRL depreciation.

The average net pulp price in USD (domestic and export markets) in 1Q15 was US\$581/ton, down US\$27/ton (-4.4%) from 1Q14. Compared to 4Q14, the average net pulp price in USD increased by US\$16/ton (+2.8%).

The average net price in BRL stood at R\$1,663/ton in the quarter, increasing 15.8% from 1Q14 and 15.6% from 4Q14, while the currency in relation to the USD depreciated 21.1% from 1Q14 and 12.5% from 4Q14.



Paper

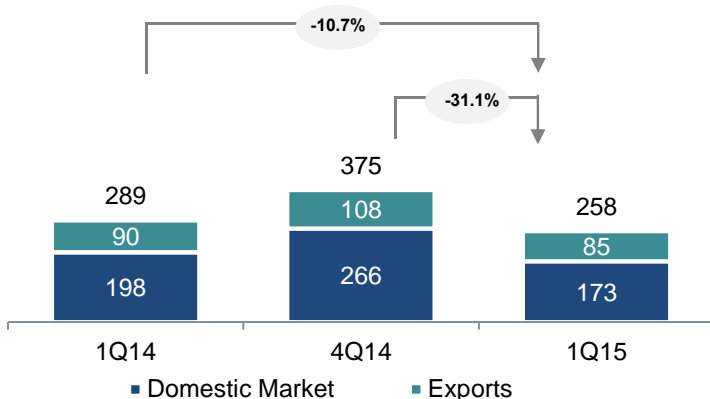
Data from Brazil's Forestry Industry Association (Ibá) indicates that domestic sales of Printing & Writing Paper (mechanical and wood-free) and Paperboard contracted by 13.5% in 1Q15 compared to 1Q14. The Printing & Writing Paper (mechanical and wood-free) segment decreased by 15.1%, while the Paperboard segmented declined by 8.7%.

Imports of Printing & Writing Paper (mechanical and wood-free) and Paperboard in 1Q15 fell by 9.5% from the same quarter last year.

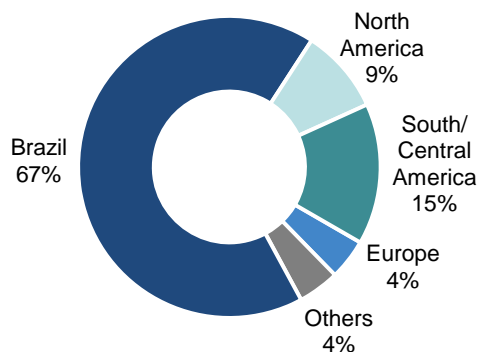
Comments on the Performance

Suzano's paper sales amounted to 258 thousand tons in 1Q15, affected by weak demand from Brazil's paper market in the period. South America (including Brazil) and Central America accounted for 82.1% of the Company's sales in the quarter.

Paper Sales Volume ('000 ton)



Paper Sales Volume - 1Q15

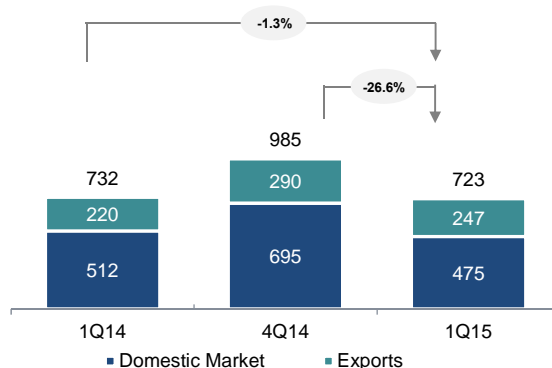


The 1.3% decrease in net revenue from paper sales in 1Q15 compared to 1Q14 was mainly due to the lower sales volumes, which was offset by the higher average net paper price in the period. Compared to 4Q14, the 26.6% decrease is explained by seasonality.

The average net paper price (domestic market and exports) in 1Q15 was R\$2,801/ton, increasing 10.6% from 1Q14 and 6.5% from 4Q14.

The average net price in USD of paper exported in 1Q15 was US\$1,015/ton, down 1.5% and 3.4% from the average net price in 1Q14 and 4Q14, respectively.

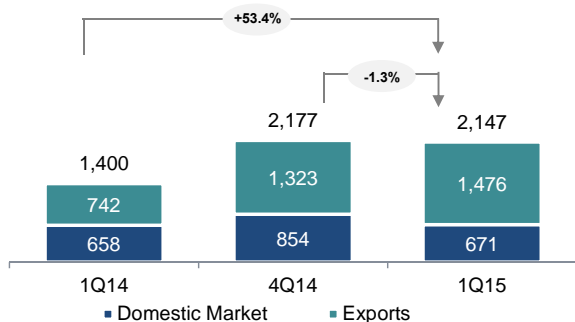
Paper Revenues (R\$ million)



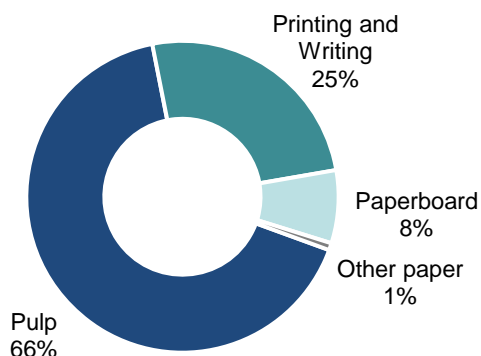
Net Revenue

Suzano's net revenue amounted to R\$2,147 million in 1Q15. Pulp and paper shipments in the quarter amounted to 1,115 thousand tons, increasing 47.9% from 1Q14 and decreasing 7.4% from 4Q14.

Net Revenue (R\$ million)



Net Revenue Breakdown - 1Q15



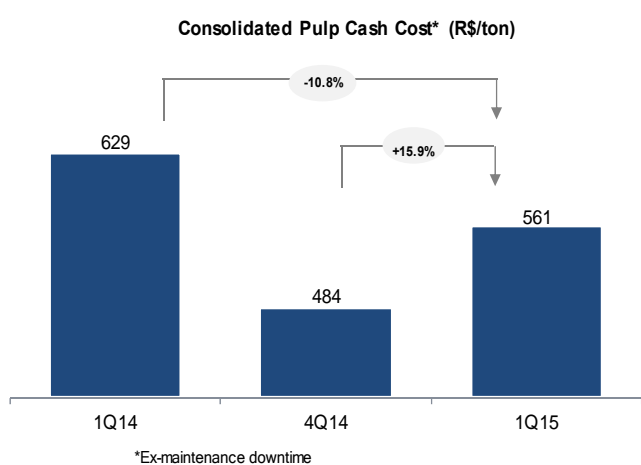
Note: Other Papers = paper produced by other manufacturers sold by the distributor

Comments on the Performance

Compared to 1Q14, the performance of total net revenue is explained by the 84.2% increase in pulp sales volume due to the Maranhão Unit operating at full capacity and to the higher average net prices in BRL of pulp (+15.8%) and paper (+10.6%).

Production and Costs

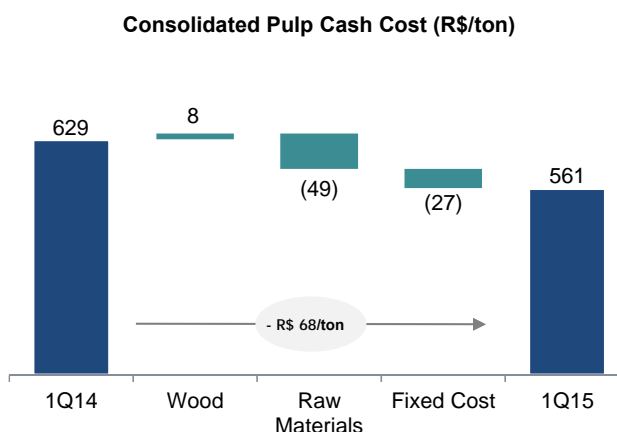
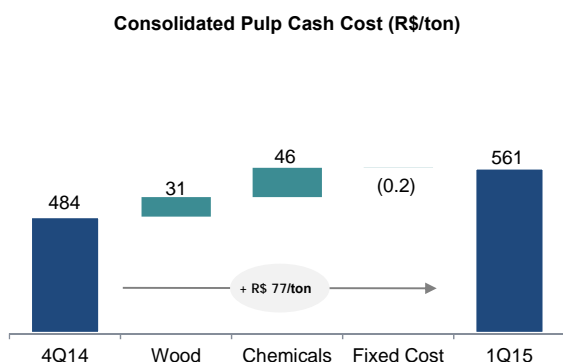
Production ('000 tons)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Market Pulp	796	602	32.2%	822	-3.1%
Paper	306	321	-4.6%	322	-4.9%
TOTAL	1,102	923	19.4%	1,143	-3.6%



Market pulp production volume in 1Q15 reflects the Imperatriz Unit operating at full capacity.

The consolidated cash cost of market pulp production was R\$561/ton in 1Q15. The 10.8% decrease in comparison with 1Q14 is explained by the Maranhão Unit, which is the most cost-competitive.

Compared to 4Q14, the increase in cash cost is explained by the maintenance downtime at the Imperatriz plant, which reduced the amount of energy available for sale, and by the higher wood costs resulting from the increased share and average distance of third-party wood in the supply mix.



In 1Q15, Suzano carried out scheduled maintenance downtime at the Imperatriz Unit. Cash cost including downtime was R\$590/ton in the quarter. The estimated schedule of maintenance downtimes in 2015 is as follows: Suzano Unit and Line 2 at the Mucuri Unit in 2Q15; Line 1 at the Mucuri Unit and Limeira Unit in 4Q15.

Comments on the Performance

Cost of goods sold (COGS) in 1Q15 amounted to R\$1,388 million, increasing 37.5% from 1Q14 and decreasing 9.6% from 4Q14. The increase compared to 1Q14 reflects the higher volume and effects from local-currency depreciation, which were offset by better logistics and energy costs. Compared to 4Q14, the decrease in COGS is explained by the lower volume.

Average unit cost of goods sold in 1Q15 was R\$1,246/ton, decreasing 7.0% and 2.4% from 1Q14 and 4Q14, respectively.

Operating Expenses

Expenses (R\$ '000)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Sales Expenses	80,695	64,147	25.8%	88,323	-8.6%
General and Administrative Expenses	101,631	88,508	14.8%	121,168	-16.1%
Total Expenses	182,326	152,655	19.4%	209,491	-13.0%
Total Expenses / Net Revenue	8.5%	10.9%	-2.4p.p.	9.6%	-1.1p.p.

Selling expenses as a ratio of net revenue stood at 3.8%, decreasing 0.8 p.p. from 1Q14 and 0.3 p.p. from 4Q14.

Administrative expenses as a ratio of net revenue stood at 4.7% in 1Q15, decreasing 0.8 p.p. and 1.6 p.p. from 1Q14 and 4Q14, respectively.

The reduction in selling, general and administrative expenses as a ratio of net revenue was mainly due to the dilution of expenses with the additional sales volume from the Imperatriz Unit and to the implementation of the cost-cutting initiatives established in the matrix budget process.

EBITDA

The main factors impacting EBITDA and operating margins in 1Q15 compared to 1Q14 were:

Positive

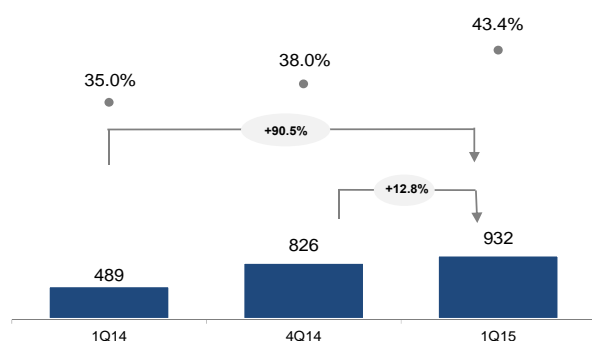
- 84.2% increase in pulp sales volume
- 10.6% increase in the average net paper price
- Energy profile
- Lower SG&A expenses as a ratio of net revenue (see the item “Operating Expenses” for details)
- 21.1% depreciation in the BRL against the USD

Negative

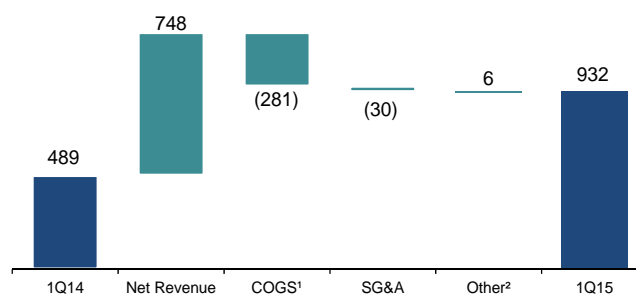
- 4.4% decrease in the average net pulp price in USD
- Higher wood costs

Comments on the Performance

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



Adjusted EBITDA Composition (R\$ million)



Note: ¹Includes depreciation, amortization and depletion; ² includes other operating revenue/expenses and adjustments in non-recurring items.

Financial Income (Expenses)

Financial Expenses (R\$ '000)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Net Financial Expenses	(233,246)	(146,449)	59.3%	(221,903)	5.1%
Financial Expenses	(309,983)	(208,293)	48.8%	(301,792)	2.7%
Financial Revenues	76,737	61,844	24.1%	79,889	-3.9%
Exchange Rate Variation	(1,286,154)	191,618	n.a.	(489,432)	162.8%
Net proceeds generated by derivatives	(217,059)	5,068	n.a.	(25,561)	749.2%
Net Financial Result	(1,736,459)	50,237	n.a.	(736,896)	135.6%

The net financial expense was R\$1,736 million in 1Q15, compared to the expense of R\$737 million in 4Q14 and income of R\$50 million in 1Q14. Compared to 1Q14, the 59.3% increase in the net financial expense is explained by the end of interest capitalization from the Maranhão Project, new funding transactions, the higher SELIC and TJLP rates, and the effect of exchange variation on the interest of foreign-currency debt in the period.

Monetary and exchange variation generated a negative impact of R\$1,286 million in the quarter, due to the impact on the balance sheet exposure from the 20.8% local-currency depreciation between the start (R\$2.66/US\$) and end (R\$3.21/US\$) of the quarter, with a negative accounting effect from the mark-to-market adjustments of the portion of debt in foreign currency, with cash effects limited to debt maturities or amortizations.

On March 31th, 2015, the net principal of operations contracted for the future sale of U.S. dollars via conventional Non-Deliverable Forwards (NDF) was US\$405 million. The maturities of these NDFs are distributed between April 2015 and January 2016 in order to secure attractive operating margins for a portion of sales over the course of this period.

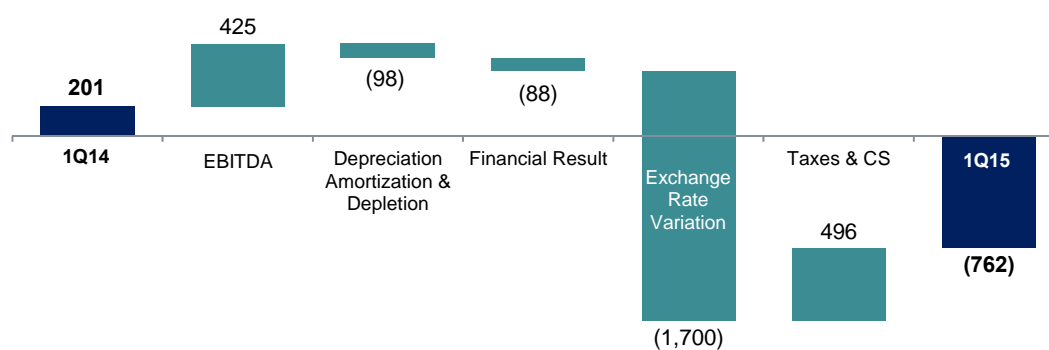
In addition, the Company uses swap contracts to exchange floating interest rates (LIBOR) for fixed interest rates in USD and a percentage of the variation in the CDI rate for USD, as well as contracts to lock in pulp prices, which reduce the effects of these variations on the Company's cash flow. Local-currency depreciation also was a determinant factor in the R\$217 million loss from derivative transactions. Note that the cash effects of these operations occur only on the respective maturity dates, when the contracts generate cash expenditures or receivables for the Company, depending on the case.

Comments on the Performance

Net Income (Loss)

The Company recorded a net loss of R\$762 million in 1Q15, compared to the net income of R\$201 million in 1Q14 and the net loss of R\$197 million in 4Q14.

Net Income Composition (R\$ million)



Debt

Debt (R\$ million)	03/31/2015	12/31/2014	Δ Q-o-Q	03/31/2014	Δ Y-o-Y
Local Currency	6,330	6,262	1.1%	5,667	11.7%
Short Term	1,122	957	17.2%	538	108.6%
Long Term	5,208	5,304	-1.8%	5,130	1.5%
Foreign Currency	8,967	7,499	19.6%	7,094	26.4%
Short Term	997	838	19.0%	539	85.0%
Long Term	7,970	6,661	19.7%	6,555	21.6%
Gross Debt	15,297	13,761	11.2%	12,761	19.9%
(-) Cash	3,868	3,686	4.9%	3,397	13.9%
Net Debt	11,429	10,074	13.4%	9,364	22.1%
Net Debt / EBITDA (x)	4.0x	4.1x	0.0x	4.6x	-0.6x
Net Debt / Adjusted EBITDA ¹ (x)	3.9x	4.1x	-0.2x	4.8x	-0.9x

Note: ¹ Excludes non-recurring items

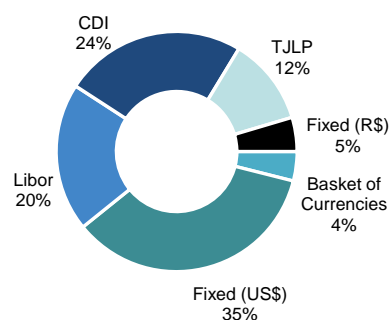
Comments on the Performance

Gross debt on March 31st, 2015 stood at R\$15.3 billion, of which 58.6% was denominated in foreign currency and 41.4% in local currency. The percentage of debt denominated in foreign currency, considering the adjustment for derivatives, was 60.8%. Suzano contracts foreign-denominated debt as a natural hedge, since a significant portion of its revenue is derived from exports. This structural exposure allows it to contract export financing in USD and to match financing payments with receivable flows from sales.

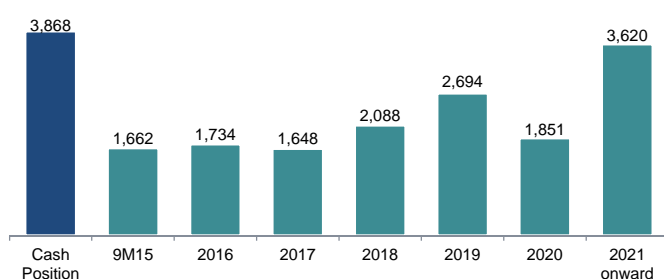
Gross debt on March 31st, 2015 was composed of 86.1% long-term maturities and 13.9% short-term maturities. In March 2015, the average cost of debt was 11.4% p.a. in BRL, or 90.8% of the CDI (10.5% p.a., or 91.2% of CDI in December 2014), and 4.7% p.a. in USD (stable vs. December 2014). The average maturity of consolidated debt ended the quarter at 3.8 years (vs. 3.95 years in December 2014).

Net debt ended the quarter at R\$11.4 billion (US\$3.6 billion), compared to R\$10.1 billion (US\$3.8 billion) on December 31st, 2014. Net debt in foreign currency, considering the adjustment for derivatives, accounted for 70% of total net debt on March 31st, 2015. The net debt/Adjusted EBITDA ratio stood at 3.9x.

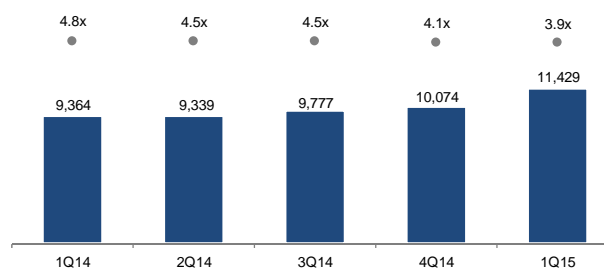
Index Exposure - 03/31/2015



Amortization Schedule (R\$ million)



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



Note: Net Debt / Adjusted EBITDA does not include non-recurring items.

Capital Expenditure

Capex (R\$ '000)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Sustain	223,309	194,600	14.8%	320,966	-30.4%
Retrofitting	191,616	484,222	-60.4%	126,487	51.5%
Other	8,435	7,376	14.4%	12,598	-33.0%
TOTAL	423,359	686,198	-38.3%	460,051	-8.0%

The investments in retrofitting include projects to reduce the Company's structural costs.

Dividends

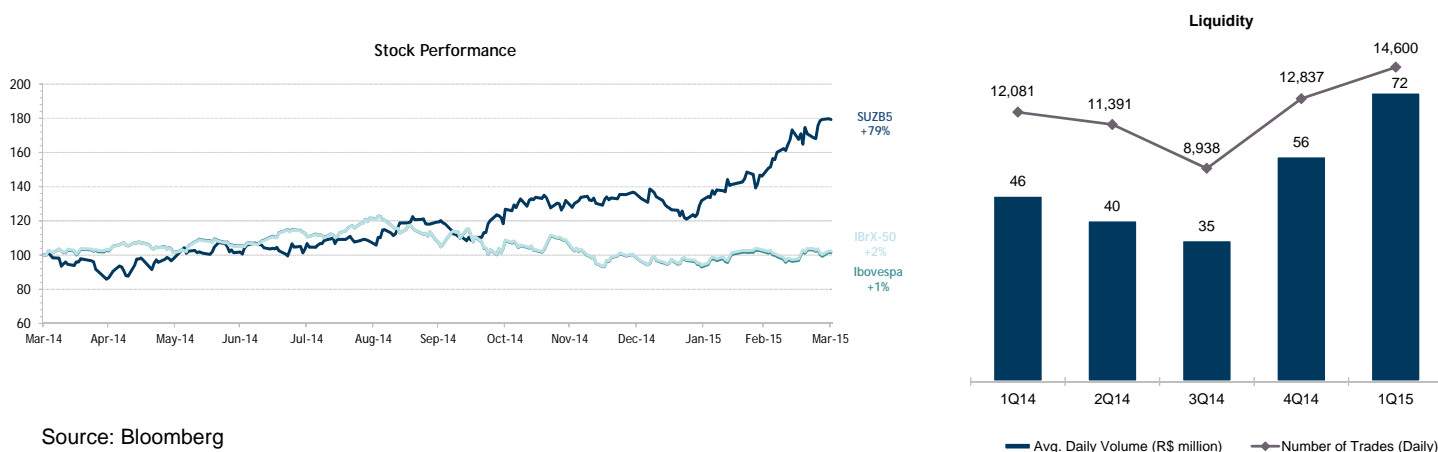
In accordance with governing law, Suzano's bylaws establish a minimum mandatory dividend of 25% of adjusted net income for the fiscal year. The amount attributed to the class "A" and "B" preferred shares is 10% higher than that attributed to the common shares.

Comments on the Performance

The Annual and Extraordinary Shareholders' Meeting of April 30th, 2015 approved the payment of dividends in the amount of R\$150 million, to be distributed to shareholders as follows: R\$0.12922 to the common shares; R\$0.14214 to the class "A" preferred shares; and R\$0.34409 to the class "B" preferred shares. The dividends will be paid on May 11th, 2015, based on shareholders of record on April 30th, 2015.

Capital Markets

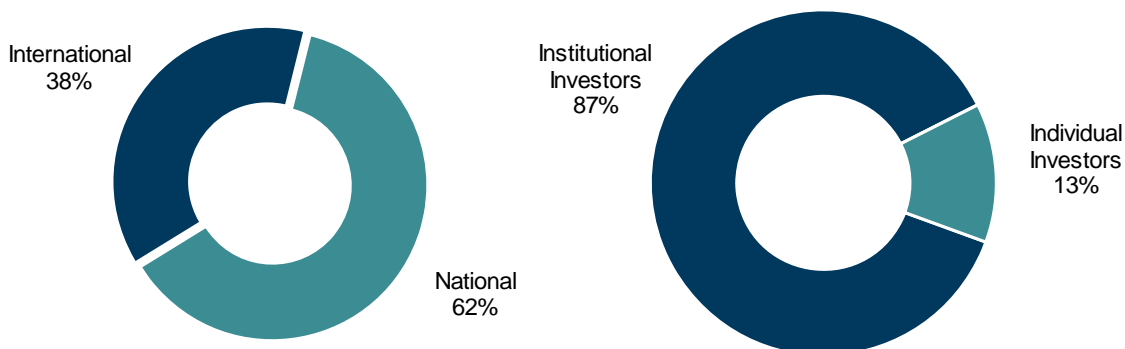
On March 31st, 2015, Suzano preferred stock (SUZB5) was quoted at R\$14.79/share. The Company's stock is listed on the Level 1 corporate governance segment of the São Paulo Stock Exchange (BM&FBovespa) and is a component of the Bovespa Index (Ibovespa) and the Brazil Index (IBrX-50).



Source: Bloomberg

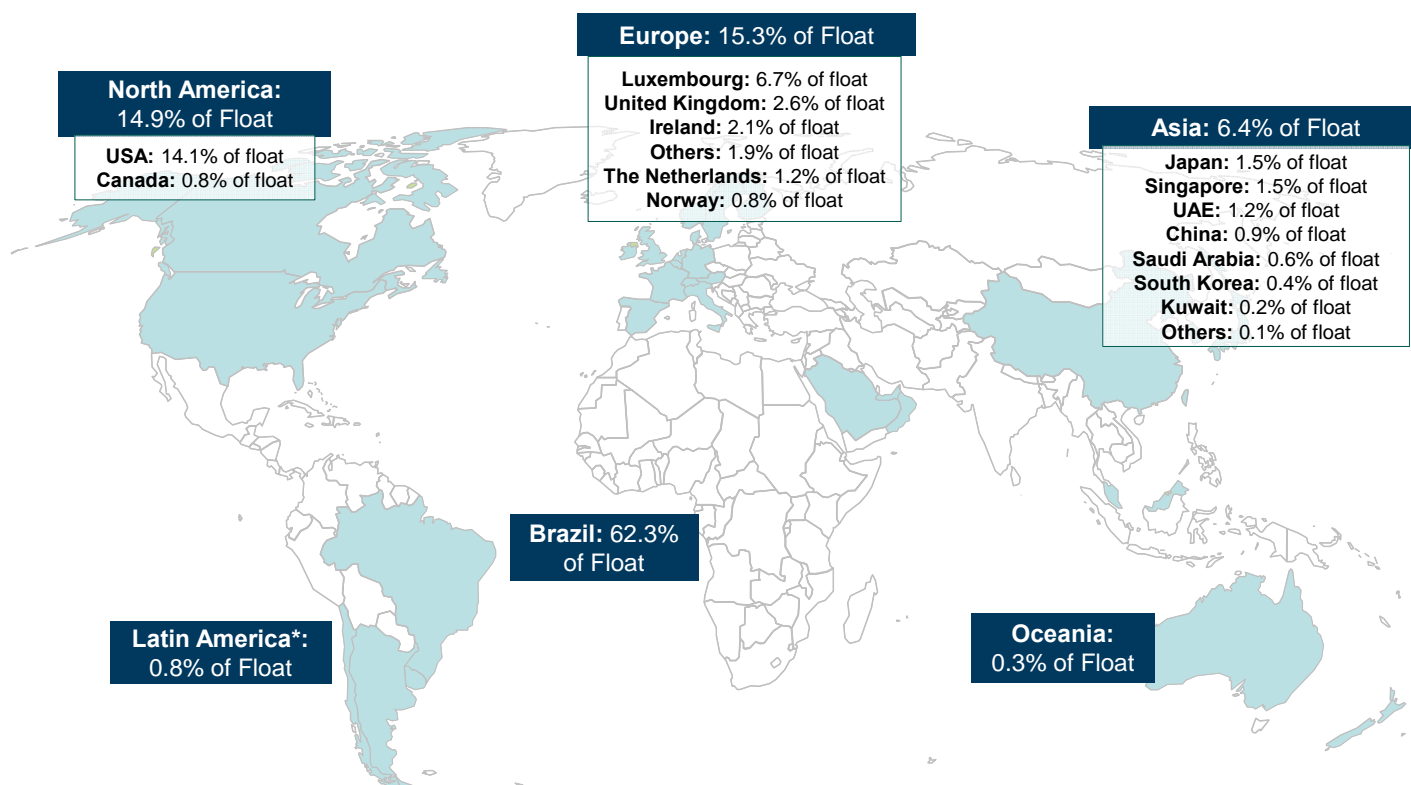
On March 31st, 2015, the Company's capital stock was represented by 371,148,532 common shares (SUZB3) and 736,590,145 preferred shares (SUZB5 and SUZB6), for a total of 1,107,738,677 shares traded on the São Paulo Stock Exchange (BM&FBovespa), of which 19,340,881 were treasury shares (6,786,194 common shares and 12,554,687 preferred shares). Suzano's market capitalization stood at R\$16.4 billion on March 31st, 2015. In 1Q15, the free-float stood at 45.5% of the total capital.

Free Float Distribution on 3/31/2015



Comments on the Performance

Free-Float Distribution on 3/31/2015



*Latin America ex-Brazil

Events in the Period

Association with IBEMA Participações

On March 18th, 2015, the Board of Directors approved an operation with IBEMA PARTICIPAÇÕES S.A., in which Suzano will come to hold 49.9% of the capital of Ibema. The Operation will involve the sale to Ibema of the Embu Unit of Suzano for R\$50.0 million, which will be paid through the settlement of the debt held by Suzano assumed by Ibema in the same amount. Suzano will also make a capital injection at Ibema in the amount of R\$8.0 million. The Operation will be carried out in stages and its consummation is subject to the fulfillment of conditions precedent typical to transactions of this kind and to approval by Brazil's antitrust agency CADE (*Conselho Administrativo de Defesa Econômica*) and other regulatory agencies. The Material Fact notice is available on the website of the CVM, the *Valor* news portal (www.valor.com.br/fatosrelevantes) and on the Company's IR website (www.suzano.com.br/ir).

Comments on the Performance

Subsequent Events

Approval of genetically modified eucalyptus for commercial use

On April 9, 2015, the National Biosafety Technical Commission (CTNBio) approved the use of higher-yielding genetically modified eucalyptus in commercial activities. The Material Fact notice is available on the website of the CVM, the *Valor* news portal (www.valor.com.br/fatosrelevantes) and on the Company's IR website (www.suzano.com.br/ir).

Divestment of equity interest

On April 22nd, 2015, BNDES Participações – BNDESPAR informed the Company that it sold 36,759,361 class "A" preferred shares in the period from October 2nd, 2014 to April 20th, 2015. BNDESPAR now holds 83,638,335 class "A" preferred shares, or 7.6% of all shares issued by Suzano Pulp and Paper. The Notice to the Market is available on the website of the Securities and Exchange Commission of Brazil (CVM) and on the Company's Investor Relations website (www.suzano.com.br/ir).

Annual and Extraordinary Shareholders' Meeting

The Annual and Extraordinary Shareholders' Meeting of Suzano Pulp and Paper was held on April 30th, 2015. The minutes of the meeting are available on the website of the CVM and on the Company's IR website (www.suzano.com.br/ir).

Corporate Information

Suzano Pulp and Paper, which registered annual net revenue of R\$7.3 billion in 2014, is one of the largest vertically integrated producers of paper and eucalyptus pulp in Latin America, with annual production capacity of 3.4 million tons of market pulp and 1.3 million tons of paper. Suzano Pulp and Paper offers a broad range of pulp and paper products for the domestic and export markets, and is the leader in key market segments in Brazil through its 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. Such statements are subject to known and unknown risks and uncertainties that could cause the expectations expressed to not materialize or the actual results to differ materially from the expected results. 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.

Comments on the Performance

Attachment I

Operating Data

Sales volume (tons)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Exports	806,378	446,575	80.6%	813,835	-0.9%
Pulp	721,287	356,088	102.6%	705,365	2.3%
Paper	85,091	90,486	-6.0%	108,470	-21.6%
Paperboard	15,202	20,650	-26.4%	18,539	-18.0%
Printing & Writing	69,889	69,836	0.1%	89,931	-22.3%
Domestic Market	308,398	307,413	0.3%	389,457	-20.8%
Pulp	135,466	108,961	24.3%	123,409	9.8%
Paper	172,932	198,452	-12.9%	266,048	-35.0%
Paperboard	32,519	37,788	-13.9%	43,773	-25.7%
Printing & Writing	135,034	155,826	-13.3%	216,963	-37.8%
Other Paper	5,378	4,838	11.2%	5,312	1.2%
Total	1,114,776	753,987	47.9%	1,203,292	-7.4%
Pulp	856,753	465,049	84.2%	828,774	3.4%
Paper	258,022	288,938	-10.7%	374,518	-31.1%
Paperboard	47,721	58,438	-18.3%	62,312	-23.4%
Printing & Writing	204,923	225,663	-9.2%	306,894	-33.2%
Other Paper	5,378	4,838	11.2%	5,312	1.2%

Revenue breakdown (R\$ '000)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Exports	1,476,251	741,846	99.0%	1,322,974	11.6%
Pulp	1,229,008	521,467	135.7%	1,032,828	19.0%
Paper	247,243	220,379	12.2%	290,146	-14.8%
Domestic Market	671,127	657,770	2.0%	853,557	-21.4%
Pulp	195,675	146,119	33.9%	158,908	23.1%
Paper	475,452	511,651	-7.1%	694,649	-31.6%
Total	2,147,378	1,399,616	53.4%	2,176,531	-1.3%
Pulp	1,424,683	667,586	113.4%	1,191,736	19.5%
Paper	722,695	732,030	-1.3%	984,795	-26.6%

Average net price (R\$/ton)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Exports	1,831	1,661	10.2%	1,626	12.6%
Pulp	1,704	1,464	16.4%	1,464	16.4%
Paper	2,906	2,435	19.3%	2,675	8.6%
Domestic Market	2,176	2,140	1.7%	2,192	-0.7%
Pulp	1,444	1,341	7.7%	1,288	12.2%
Paper	2,749	2,578	6.6%	2,611	5.3%
Total	1,926	1,856	3.8%	1,809	6.5%
Pulp	1,663	1,436	15.8%	1,438	15.6%
Paper	2,801	2,534	10.6%	2,630	6.5%

Note: "Other Paper" = paper from other manufacturers sold by SPP-KSR.

Comments on the Performance

Attachment II

Consolidated Income Statement

CONSOLIDATED FINANCIAL STATEMENT					
(R\$ '000)	1Q15	1Q14	Δ Y-o-Y	4Q14	Δ Q-o-Q
Net Revenue	2,147,378	1,399,616	53.4%	2,176,531	-1.3%
Cost of Goods Sold	(1,388,491)	(1,009,873)	37.5%	(1,535,783)	-9.6%
Gross Profit	758,887	389,743	94.7%	640,748	18.4%
Selling Expenses	(80,695)	(64,147)	25.8%	(88,323)	-8.6%
General and Administrative Expenses	(101,631)	(88,508)	14.8%	(121,168)	-16.1%
Other Operating Income (Expenses)	(7,816)	4,784	n.a.	6,854	n.a.
EBIT	568,745	241,872	135.1%	438,111	29.8%
Depreciation, Amortization & Depletion	355,467	257,485	38.1%	372,592	-4.6%
EBITDA	924,212	499,357	85.1%	810,703	14.0%
<i>EBITDA Margin (%)</i>	<i>43.0%</i>	<i>35.7%</i>	<i>7.4 p.p</i>	<i>37.2%</i>	<i>5.8 p.p</i>
Adjusted EBITDA	932,278	489,454	90.5%	826,213	12.8%
<i>Adjusted EBITDA Margin (%)</i>	<i>43.4%</i>	<i>35.0%</i>	<i>8.4 p.p</i>	<i>38.0%</i>	<i>5.5 p.p</i>
Net Financial Result	(1,736,459)	50,237	n.a.	(736,896)	135.6%
Financial Expenses	(309,983)	(208,293)	48.8%	(301,792)	2.7%
Financial Revenues	76,737	61,844	24.1%	79,889	-3.9%
Exchange Rate Variation	(1,286,154)	191,618	n.a.	(489,432)	162.8%
Net Proceeds Generated by Derivatives	(217,059)	5,068	n.a.	(25,561)	749.2%
Earnings Before Taxes	(1,167,714)	292,109	n.a.	(298,785)	290.8%
Income and Social Contribution Taxes	405,255	(91,064)	n.a.	101,433	299.5%
Net Income (Loss)	(762,459)	201,045	n.a.	(197,352)	286.3%

Comments on the Performance

Attachment III

Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET (R\$'000)					
ASSETS	03/31/2015	12/31/2014	LIABILITIES	03/31/2015	12/31/2014
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and Cash Equivalent	3,867,968	3,686,115	Salaries and Payroll Taxes	107,768	141,489
Accounts Receivable	1,358,834	1,207,398	Accounts Payable	568,368	753,099
Inventories	1,200,399	1,077,081	Tax Liabilities	50,083	54,525
Recoverable Taxes	489,161	475,632	Loans and Financing	2,119,262	1,795,355
Prepaid Expenses	15,356	18,325	Other Payable	417,997	244,085
Advances to suppliers	434	9,711	Debt on Asset Acquisition	98,047	79,092
Other Current Assets	183,516	135,162	TOTAL CURRENT LIABILITIES	3,361,525	3,067,645
TOTAL CURRENT ASSETS	7,115,668	6,609,424			
			NON CURRENT LIABILITIES		
			Loans and Financing	13,178,065	11,965,230
			Other Liabilities	210,292	132,994
			Debt on Asset Acquisition	702,842	635,598
			Deferred Taxes	1,071,618	1,479,235
			Provision	534,961	523,622
			TOTAL NON CURRENT LIABILITIES	15,697,778	14,736,679
NON CURRENT ASSETS			SHAREHOLDERS EQUITY		
Biological Assets	3,739,013	3,659,421	Share Capital	6,241,753	6,241,753
Deferred Taxes	2,122	1,143	Capital Reserve	(207,791)	(217,912)
Other Receivable Taxes	499,472	481,626	Profit Reserve	1,852,294	1,852,294
Advances to Suppliers	254,733	247,779	Acumulated Profit	(749,392)	-
Judicial Deposits	61,691	59,499	Equity Valuation Adjustment	2,517,150	2,530,217
Other Accounts Receivable	93,582	87,241	Other Comprehensive Income (Loss)	(98,613)	(91,220)
Property, Plant and Equipment	16,548,655	16,681,253	TOTAL EQUITY	9,555,401	10,315,132
Intangible	299,768	292,070	TOTAL LIABILITIES + EQUITY	28,614,704	28,119,456
TOTAL NON CURRENT ASSETS	21,499,036	21,510,032			
TOTAL ASSETS	28,614,704	28,119,456			

Comments on the Performance

Attachment IV

Consolidated Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT		
(R\$ '000)	1Q15	1Q14
Cash Flow from Operating Activities		
Net Income (Loss)	(762,459)	201,045
Depreciation, Amortization & Depletion	355,467	257,485
Result on Sale of Non-Current and Biological Assets	(1,376)	38
Provision for Losses with Fixed Assets and Write-Offs	8,780	23,897
Exchange and Monetary Variation, Net	1,178,649	(64,294)
Net Interest Expenses	287,259	226,861
Deferred Income (Expenses) and Social Contribution Taxes	(407,617)	68,275
Interest and (Gains) on Actuarial Liabilities	7,757	7,366
Addition to Provision (Reversion) for Contingencies	2,378	(667)
Share based Payment Plan Expenses	7,511	5,500
Derivatives (Losses) Gains	217,059	(5,068)
Additional Provision for Doubtful Credits, Net	2,452	3,457
(Reversion) Provision for discounts	10,681	(2,999)
Provision for inventory losses	(887)	(1,136)
Other Provisions	10,402	36,821
Reduction in Receivables	96,359	165,677
Increase in Inventories	(136,059)	(217,184)
Reduction (Increase) in Recoverable Taxes	15,030	(44,151)
Reduction (Increase) in Other Current and Non-Current Assets	(27,904)	(29,020)
Reduction in Trade Accounts Payable	(251,979)	(387,190)
Increase in Other Current and Non-Current Liabilities	13,292	39,009
Interest Payments	(237,975)	(214,326)
Other Taxes and Contributions Payments	(101,064)	(97,794)
Income Tax and Social Contributions Payments	(8,112)	(15,969)
Net cash from operating activities	277,644	(44,367)
Cash Flow from Investing Activities		
Acquisition of Property, Plant and Equipment, Intangible and Biological Assets	(268,593)	(343,631)
Asset Sales	(619)	357
Net cash generated in investing activities	(269,212)	(343,274)
Cash Flow from Financing Activities		
Loans Raised	256,136	255,711
Net Proceeds Generated by Derivatives	(3,283)	(193)
Loans Payment	(310,588)	(125,780)
Dividends (Acquisition) of Own Shares	8,514	8,514
Net cash from financing activities	(49,221)	138,252
Effects of Exchange Rate Variation in Cash and Cash Equivalents	222,642	(43,035)
Increase (decrease) in Cash	181,853	(292,424)
Cash in the beginning of the period	3,686,115	3,689,640
Cash in the end of the period	3,867,968	3,397,216
Statement of Increase (decrease) in Cash	181,853	(292,424)

Comments on the Performance

Attachment V

EBITDA

R\$ thousand, except where otherwise indicated	1Q15	1Q14
Net Income (Loss)	(762,459)	201,045
Net Financial Result	1,736,459	(50,237)
Income and Social Contribution Taxes	(405,255)	91,064
EBIT	568,745	241,872
Depreciation, Amortization and Depletion	355,467	257,485
EBITDA ⁽¹⁾	924,212	499,357
EBITDA Margin	43.0%	35.7%
Commercial Agreement with Suppliers	-	(31,500)
Provision for Losses with Fixed Assets and Write-Offs	7,594	22,132
Fire in the warehouse of Itaqui	500	-
Others	(28)	(535)
Adjusted EBITDA	932,278	489,454
Adjusted EBITDA Margin	43.4%	35.0%

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

Reconciliation of Consolidated EBITDA	1Q15	1Q14
EBITDA	924,212	499,357
Depreciation, Amortization and Depletion	355,467	257,485
Operating Results before Financial Results and Taxes ⁽²⁾	568,745	241,872

⁽²⁾ Accounting Measurement released on the Consolidated Financial Statements.

Notes to the Financial Statements

*** All amounts are in thousands of Brazilian real, unless otherwise stated ***

1 Company Information

Suzano Papel e Celulose S.A. (hereinafter referred to as the "Company") is a corporation with head office in the city of Salvador, state of Bahia, which, together with its subsidiaries (hereinafter referred to as "Consolidated") has six industrial units in Brazil: one each in Bahia and Maranhão and four in São Paulo. These industrial units produce hardwood pulp from eucalyptus, paper and electricity.

Pulp and paper are sold in the international market directly by the Company, as well as through its direct and indirect subsidiaries and sales offices in Argentina, China, the United States, England and Switzerland.

The Company's corporate purpose also includes the commercial operation of eucalyptus forest for its own use and for sale to third parties, the operation of port terminals, and the holding of interest, as partner or shareholder, in any other company or project.

The Company is controlled by Suzano Holding S.A., which holds a 95.5% interest in the common shares of its capital stock.

The issue of these quarterly information statements was approved by the Company's Board of Directors on May 7, 2015.

1.1 Major events in the three-month period ended March 31, 2015

a) Operational Events

- i. Operation with Ibema Participações S.A. ("Ibemapar") and Ibema Companhia Brasileira de Papel ("Ibema")

On March 18, 2015, the Company released a Notice to the Market announcing that its Board of Directors had approved an operation with Ibemapar and Ibema, in which Suzano will become holder of a 49.90% interest in the shares of Ibema's capital. Suzano's interest in the capital will be 38% until the complete exclusion of the assets not related to the paperboard operation.

Said Operation will involve the sale, to Ibema, of Suzano's paperboard plant located in the city of Embu in São Paulo, for R\$50,000, to be paid through settlement of Suzano's debt assumed by Ibema for the same amount. Suzano will also make a capital contribution of R\$8,000 in Ibema.

On March 31, 2015, the amount of R\$71,895 recorded under Non-Current Assets Held for Sale is composed of: a) Inventories of R\$13,395; b) net Property, Plant and Equipment of R\$24,426; and c) Intangible Assets (Goodwill) of R\$34,073. The remaining balance of booked Goodwill, which has not been amortized in the accounting records since the adoption of International Financial Reporting Standards (IFRS), although it is fully used for tax purposes, will be written off as profit or loss when the transaction is concluded.

The Operation will be carried out in stages, and its consummation is subject to fulfillment of the usual conditions precedent and approval by Brazil's antitrust agency CADE (*Conselho Administrativo de Defesa Econômica*) and other

Notes to the Financial Statements

regulatory agencies. After all such conditions precedent are met and the Operation is effectively consummated, Ibema will have two production units – one in Turvo, Paraná, and another in Embu, São Paulo – with annual paperboard production capacity of 140,000 tons, and a professional and independent management team, while control over it will be shared by Suzano and Ibemapar.

2 Presentation of the Quarterly information and Critical Accounting Practices

2.1 Presentation of the quarterly information

2.1.1 Preparation basis and presentation

The Company's individual and consolidated quarterly information statements for the periods ended March 31, 2015 and 2014 were prepared and are presented in accordance with technical pronouncement CPC 21 (R1) Interim Statements and in accordance with international standard IAS 34, following the provisions in Central Bank Circular/CVM/SNC/SEP 003/2011 dated April 28, 2011.

The individual and consolidated quarterly information statements were prepared and are presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting practices adopted in Brazil (BR GAAP).

The revision of Technical Pronouncements no. 07 (approved in December 2014) amended CPC 35, CPC 37 and CPC 18, and authorized the use of the equity method in the separate quarterly information statements prepared under IFRS, thus eliminating this difference between BR GAAP and IFRS.

The preparation of these quarterly information statements requires the use of certain critical estimates and judgment on the part of Management for the application of certain accounting practices. Areas involving a high level of judgment or complexity, or areas in which the assumptions and estimates are relevant for preparing quarterly information statements are described in Note 3.

2.1.2 Consolidated quarterly information statements

The consolidated quarterly information statements include direct and indirect subsidiaries, jointly-controlled companies, in addition to exclusive investment funds (Note 5).

The reference date of the subsidiaries' quarterly information statements included in the consolidation coincides with those of the Company, except for Futuragene PLC, whose reference date is February 28, 2015, and which has no material impact on the consolidated figures.

2.1.3 Foreign currency translation

The Company's functional currency is the Brazilian Real (BRL), same currency of presentation of the subsidiaries' quarterly information. The quarterly information of each subsidiary, which also serves as base for evaluating of investments

Notes to the Financial Statements

through the equity method of accounting, is prepared based on each entity's functional currency.

Monetary assets and liabilities denominated in foreign currency are translated into the Brazilian real (BRL) using the exchange rate effective on the respective balance sheets dates. Gains and losses resulting from the adjustment of these assets and liabilities, verified between the exchange rate effective on the date of transaction and end of years are recognized as financial income or expenses in the income statement.

Concerning foreign subsidiaries, their monetary assets and liabilities are translated from their functional currency to Brazilian Reais, using the exchange rates of balance sheets closing dates and respective revenues and expenses accounts are translated by the monthly average rates of the years. Concerning non-monetary assets and liabilities, they are translated from their functional currency to Brazilian Reais by exchange rate of the accounting transaction date (historical rate). These subsidiaries are measured under the equity accounting method, whose results are recognized at the proportion of the Company's investments.

The exchange rates applied when translating the quarterly information statements of foreign subsidiaries into the reporting currency of the quarterly information statements are the following:

Currency	Name	Country	Subsidiary	Final rate		Average rate	
				3/31/2015	12/31/2014	3/31/2015	3/31/2014
USD	U.S. Dollar	United States	Suzano Trading Suzano America	3.2080	2.6562	2.8634	2.3261
GBP	Pound Sterling	United Kingdom	FuturaGene Sun Paper	4.7642	4.1405	4.3344	3.8649
CHF	Swiss Franc	Switzerland	Suzano Europa	3.3031	2.6836	3.0090	2.6430
EUR	Euro	European Union	Bahia Sul Holdings	3.4457	3.2270	3.2172	3.2185
ARS	Argentine Peso	Argentina	Stenfar	0.3636	0.3172	0.3278	0.2903

2.1.4 Presentation of information by operating segment

The information was prepared and is presented in a way consistent with the internal information provided to the executive officers for decision-making. Management defined Pulp and Paper as the Group's operational segments.

2.1.5 Statements of added value

The Company prepared individual and consolidated statements of added value (DVA), pursuant to technical pronouncement CPC 9 – Statement of Added Value, which are presented together with the quarterly information statements under BR GAAP applicable to publicly held companies, while they represent additional financial information under IFRS.

2.2 Critical accounting practices

This quarterly information and the financial statements for the fiscal year ended December 31, 2014 were prepared using consistent accounting practices and should be considered jointly for an adequate understanding of the restated information at March 31, 2015.

Notes to the Financial Statements

2.3 Reclassifications

On December 31, 2014, the amount of R\$66,157 was reclassified from Trade Receivables to Other Accounts Receivable in current assets, related to amounts receivable from electricity sales to be billed.

3 Critical accounting estimates and assumptions

The quarterly information and the annual financial statements for the fiscal year ended December 31, 2014 were prepared using reliable critical accounting estimates and assumptions and should be read jointly in order to provide a proper understanding of the information updated through March 31, 2015.

4 Financial instruments

4.1 Management of financial risks

a. Overview

In the three-month period ended March 31, 2015, there were no significant changes in the financial risk management policies and procedures compared to those reported in Note 4 to the financial statements of December 31, 2014. The main financial risks considered by Management are:

- Credit risk;
- Liquidity risk;
- Currency risk;
- Market risk and risk of changes in raw material prices;
- Interest rate risk; and
- Capital risk.

The Company does not adopt hedge accounting. Therefore, all results (gains and losses) from derivative operations (settled and outstanding) are fully recognized in the Parent company and subsidiaries statements of income, as presented in Note 24.

b. Valuation

All operations with financial instruments are recognized in the Company's quarterly information statements, as shown below. No reclassifications between categories were made during the period.

Notes to the Financial Statements

	Note	Parent Company		Consolidated	
		3/31/2015	12/31/2014	3/31/2015	12/31/2014
Assets					
Fair value through profit or loss					
Cash and banks	5	27,072	18,114	1,343,857	1,076,067
Financial investments	5	2,222,072	2,135,112	2,234,517	2,147,695
Exclusive Fund	5	289,594	462,353	289,594	462,353
Unrealized gains from derivative operations	4	35,410	30,219	74,407	60,092
Loans and receivables					
Trade accounts receivable	6	3,115,452	2,602,814	1,358,834	1,207,398
		5,689,600	5,314,769	5,301,209	5,019,762
Liabilities					
Liabilities through amortizable cost					
Trade accounts payable		540,667	729,312	568,368	753,099
Loans and financing	16	13,221,355	12,027,544	15,297,327	13,760,585
Loans with related parties	10	2,058,779	1,729,398	-	-
Debt from acquisition of asset	20	688,859	601,124	800,889	714,690
Fair value through profit or loss					
Unrealized losses from derivative operations	4	354,820	126,668	355,191	127,268
		16,864,480	15,214,046	17,021,775	15,355,642

4.2 Fair value versus book value

In the period ended March 31, 2015, there were no significant changes to the criteria used to determine the market value of assets or financial instruments compared to those reported in Note 4 to the financial statements of December 31, 2014.

A comparison between the fair value and book value of outstanding financial instruments is shown below:

	Consolidated			
	3/31/2015		12/31/2014	
	Book Value	Fair Value	Book Value	Fair Value
Assets				
Cash and cash equivalents	3,867,968	3,867,968	3,686,115	3,686,115
Unrealized gains from derivative operations (current and non-current)	74,407	74,407	60,092	60,092
Trade accounts receivable	1,358,834	1,358,834	1,207,398	1,207,398
	5,301,209	5,301,209	5,019,762	5,019,762
Liabilities				
Trade accounts payable	568,368	568,368	753,099	753,099
Loans and financing (current and non-current)	15,297,327	16,725,279	13,760,585	14,651,963
Debt from acquisition of assets	800,889	1,009,837	714,690	782,112
Unrealized losses from derivative operations (current and non-current)	355,191	355,191	127,268	127,268
	17,021,775	18,658,675	15,355,642	16,314,442

Notes to the Financial Statements

4.3 Credit risk

The book value of financial assets representing the maximum exposure to credit risk on the date of the financial statements was as follows:

	Note	Parent Company		Consolidated	
		3/31/2015	12/31/2014	3/31/2015	12/31/2014
Assets					
Cash and banks	5	27,072	18,114	1,343,857	1,076,067
Financial Investments	5	2,222,072	2,135,112	2,234,517	2,147,695
Exclusive Fund	5	289,594	462,353	289,594	462,353
Trade accounts receivable	6	3,115,452	2,602,814	1,358,834	1,207,398
Unrealized gains from derivative operations	4	35,410	30,219	74,407	60,092
Total		5,689,600	5,314,769	5,301,209	5,019,762

4.4 Liquidity risk

The following tables show the maturities of financial liabilities settled with cash, including the estimated payment of interest and exchange variation. The amounts disclosed below refer to contracted cash flows not discounted at future value and, therefore, may not be reconciled with the amounts disclosed in the balance sheet.

		3/31/2015				
Consolidated	Note	Future Value	Up to 1 year	1 - 2 years	2 - 5 years	More than 5 years
Liabilities						
Loans and financing	16	22,770,207	2,923,830	2,733,121	9,364,808	7,748,448
Trade accounts payable		568,368	568,368	-	-	-
Debt from acquisition of assets		1,009,837	101,394	100,818	298,719	508,906
Derivatives payable ⁽¹⁾	4	322,704	113,279	4,416	205,009	-
Other accounts payable		258,952	226,471	32,481	-	-
		24,930,068	3,933,342	2,870,836	9,868,536	8,257,354

		12/31/2014				
Consolidated	Note	Future Value	Up to 1 year	1 - 2 years	2 - 5 years	More than 5 years
Liabilities						
Loans and financing	16	21,512,473	2,524,312	2,470,045	8,966,098	7,552,018
Trade accounts payable		753,099	753,099	-	-	-
Debt from acquisition of assets		1,045,564	104,624	103,936	307,408	529,596
Derivatives payable ⁽¹⁾	4	69,028	15,810	4,332	48,885	-
Other accounts payable		241,875	208,997	32,878	-	-
		23,622,038	3,606,843	2,611,192	9,322,390	8,081,614

The cash flows included in the maturity analyses of the Company are not expected to occur prior to the established term or in amounts that are materially different from those presented.

The following table shows the maturity of derivative operations:

		3/31/2015					
Consolidated Derivatives	Book value / Fair Value	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 2 years	2 - 5 years
Assets ⁽¹⁾	49,169	2,151	5,214	848	3,682	24,518	12,756
Liabilities ⁽¹⁾	329,953	2,423	4,408	29,426	104,889	4,252	184,555
	(280,784)	(272)	806	(28,578)	(101,207)	20,266	(171,799)

Notes to the Financial Statements

- (1) The classification between assets and liabilities of derivative operations differs from the amounts presented in the balance sheet as it considers as assets or liabilities all payment flows classified as gains and losses in the long term.

4.5 Market risk

On March 31, 2015, the net principal of operations contracted for forward sale of U.S. dollar through Non Deliverable Forwards (“NDFs”) was US\$404.7 million. Their maturities are distributed between April 2015 and January 2016 in order to lock-in the operating margins of a minority portion of sales over this period. The cash effect of these operations occurs only on their maturity dates, when they generate cash disbursements or inflows, depending on the case.

In addition to currency hedge operations, swap contracts are also contracted that exchange floating interest rates for fixed rates in order to reduce the effects from interest rate variation on the amount of debt, as well as swap contracts that exchange various interest rates for inflation rates in order to minimize the mismatch between the various financial assets and liabilities. On March 31, 2015, the Company had outstanding (i) US\$99.3 million in swaps to lock-in LIBOR in financing contracts, (ii) US\$440 million in swaps of currency coupon for 3-month fixed LIBOR; and (iii) US\$150 million in CDI to 6-month Libor swaps.

4.6 Market risk – exchange rate

The following table shows the net exposure in foreign currency:

Consolidated	3/31/2015 (in R\$ thousand)					12/31/2014 (in R\$ thousand)				
	USD	GBP	CHF	ARS	Total	USD	GBP	CHF	ARS	Total
Trade accounts receivable	363,747	-	400,774	36,524	801,045	263,904	-	290,781	29,119	583,804
Trade accounts payable	47,142	480	1,888	17,940	67,450	32,119	610	922	11,378	45,029
Loans and financing	8,967,421	-	-	-	8,967,421	7,498,798	-	-	-	7,498,798
Debt from acquisition of assets	372,283	-	-	-	372,283	333,302	-	-	-	333,302
Derivative NDF	1,498,264	-	-	21,494	1,519,758	1,246,050	-	-	12,219	1,258,269
Derivative Swap	1,505,365	-	-	-	1,505,365	1,352,679	-	-	-	1,352,679

Sensitivity analyses – Foreign exchange exposure

For the purpose of analyzing the sensitivity to market risks, the Company jointly analyzes the long and short positions in foreign currency, using as the probable scenario the amounts already booked.

The other scenarios were created considering the depreciation and appreciation of the Brazilian real against other currencies at the rates of 25% and 50%.

Notes to the Financial Statements

The following table presents the potential impacts on results assuming these scenarios:

	3/31/2015				
	Probable	Appreciation (Δ of 25%)	Appreciation (Δ of 50%)	Depreciation (Δ of 25%)	Depreciation (Δ of 50%)
Consolidated BRL x USD					
Loans and financing	(8,967,421)	(2,241,855)	(4,483,710)	2,241,855	4,483,710
Trade accounts receivable	363,747	90,937	181,873	(90,937)	(181,873)
Trade accounts payable	(47,142)	(11,785)	(23,571)	11,785	23,571
Derivative Swap	(158,804)	(143,380)	(276,606)	123,071	256,297
Derivative Convertibility	37,826	9,456	18,913	(9,456)	(18,913)
Derivative NDF	(161,942)	(320,117)	(640,235)	320,117	640,235
Derivative Pulp	966	241	483	(241)	(483)
Derivative Oil	1,337	334	669	(334)	(669)
Debt from acquisition of assets	(372,283)	(93,071)	(186,142)	93,071	186,142
TOTAL	(9,303,716)	(2,709,240)	(5,408,326)	2,688,931	5,388,017

	3/31/2015				
	Probable	Appreciation (Δ of 25%)	Appreciation (Δ of 50%)	Depreciation (Δ of 25%)	Depreciation (Δ of 50%)
Consolidated ARS x BRL					
Trade accounts receivable	36,524	9,131	18,262	(9,131)	(18,262)
Trade accounts payable	(17,940)	(4,485)	(8,970)	4,485	8,970
Derivative NDF	(166)	(4,055)	(6,980)	4,387	7,312
TOTAL	18,418	591	2,312	(259)	(1,980)

	3/31/2015				
	Probable	Appreciation (Δ of 25%)	Appreciation (Δ of 50%)	Depreciation (Δ of 25%)	Depreciation (Δ of 50%)
Consolidated CHF x BRL					
Trade accounts receivable	400,774	100,193	200,387	(100,193)	(200,387)
Trade accounts payable	(1,888)	(472)	(944)	472	944
TOTAL	398,886	99,721	199,443	(99,721)	(199,443)

	3/31/2015				
	Probable	Appreciation (Δ of 25%)	Appreciation (Δ of 50%)	Depreciation (Δ of 25%)	Depreciation (Δ of 50%)
Consolidated GBP x BRL					
Trade accounts payable	(480)	(120)	(240)	120	240
TOTAL	(480)	(120)	(240)	120	240

4.7 Market risk – interest rates

On March 31, 2015, the exposure of financial instruments pegged to the Interbank Certificate of Deposit (“CDI”) rate was R\$3,808,505 (R\$3,699,801 on December 31, 2014).

Sensitivity analysis – Exposure to interest rates

For the sensitivity analysis of operations impacted by the rates: CDI, Libor, U.S. dollar Coupon and Pulp Coupon, the Company adopted as the probable scenario the amounts already booked. On March 31, 2015, the other scenarios were developed considering positive and negative variations of 25% and 50% in the market interest rates.

Notes to the Financial Statements

The following table shows the potential impacts on the results in the event of these scenarios:

	3/31/2015				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Dec. (Δ of 25%)	Dec. (Δ of 50%)
Consolidated Pre					
Loans and financing	(3,808,505)	(952,126)	(1,904,252)	952,126	1,904,252
Debt from acquisition of assets	(637,554)	(159,388)	(318,777)	159,388	318,777
Derivative Swap	(141,639)	(6,173)	(2,568)	(14,569)	(19,484)
Derivative NDF	(162,110)	(19,186)	(37,492)	20,136	41,301
TOTAL	(4,749,808)	(1,136,873)	(2,263,089)	1,117,081	2,244,846
Consolidated Libor					
Derivative Swap	(17,164)	(13,105)	(16,034)	(7,184)	(4,192)
Derivative Convertibility	37,825	(102)	(203)	103	207
Derivative Pulp	966	(21)	(42)	21	42
Derivative Oil	1,337	(18)	(35)	18	35
TOTAL	22,964	(13,246)	(16,314)	(7,042)	(3,908)
Consolidated Dollar Coupon					
Derivative NDF	(162,108)	4,237	8,443	(4,267)	(8,566)
Derivative Swap	(141,640)	1,095	11,834	(21,952)	(34,342)
TOTAL	(303,748)	5,332	20,277	(26,219)	(42,908)
Consolidated Commodities Coupon					
Derivative Pulp	966	561	1,104	(579)	(1,177)
Derivative Oil	1,337	(55)	(205)	(45)	(165)
TOTAL	2,303	506	899	(624)	(1,342)
Consolidated ARS Coupon					
Derivative NDF	(166)	75	151	(75)	(149)
TOTAL	(166)	75	151	(75)	(149)

4.8 Market risk – commodity prices

On March 31, 2015, the exposure of contracts pegged to pulp commodity prices totals R\$47,158 (R\$50,760 on December 31, 2014). In January 2015, the Company contracted hedge instruments against oil prices, and on March 31, 2015, the exposure to these instruments was R\$35,852.

Sensitivity analysis – Exposure to commodity prices

For the sensitivity analysis of operations pegged to commodity prices, the Company adopted as the probable scenario the amounts already booked. On March 31, 2015, the other scenarios were developed considering positive and negative variations of 25% and 50% in the market prices of commodities.

The following table shows the potential impacts on the results in the event of these scenarios:

	3/31/2015				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Dec. (Δ of 25%)	Dec. (Δ of 50%)
Consolidated Commodities					
Derivative Pulp	966	(10,560)	(22,086)	12,492	24,018
Derivative Oil	1,337	11,285	19,896	(5,937)	(14,548)
TOTAL	2,303	725	(2,190)	6,555	9,470

Notes to the Financial Statements

4.9 Outstanding derivatives

On March 31, 2015 and December 31, 2014, the consolidated positions of outstanding derivatives, grouped by asset or index, with all trading on the over-the-counter market, are presented below:

Description	Maturities	Notional value on		Fair value on		Equity balances on			
		3/31/2015	12/31/2014	3/31/2015	12/31/2014	3/31/2015		12/31/2014	
						Payable	Receivable	Payable	Receivable
Foreign Currency Swaps									
Long Position - US\$ Libor	4/1/2015 to 11/4/2019	318,405	263,637	310,569	257,028	-	-	-	-
Short Position - US\$ Fixed Rate		318,405	263,637	(327,733)	(269,768)	-	-	-	-
SubTotal				(17,164)	(12,740)	17,164	-	12,740	-
Value at Risk (VaR) (1)				110	343				
Index and Rate Swaps									
Long Position - R\$ % DI (2)	4/1/2015 to 12/5/2018	331,335	331,335	363,946	353,480	-	-	-	-
Short Position - US\$ Libor (2)		481,200	398,430	(505,586)	(416,130)	-	-	-	-
SubTotal				(141,640)	(62,650)	141,640	-	126,339	63,690
Value at Risk (VaR) (1)				7,098	6,228				
Currency Swap - NDF									
Long Position in R\$ x US\$	4/1/2015 to 1/8/2016	48,120	79,686	9,041	3,277	-	9,041	-	3,277
Short Position in R\$ x US\$		1,346,397	1,166,364	(170,983)	(24,232)	170,983	-	24,455	224
Long Position in US\$ x ARS		21,494	12,219	(166)	(278)	166	-	278	-
SubTotal		1,416,011	1,258,269	(162,108)	(21,232)	171,149	9,041	24,733	3,501
Value at Risk (VaR) (1)				21,401	16,719				
Commodity Swap									
Short Position in Pulp BHKP	4/1/2015 to 1/8/2016	47,158	50,760	966	(116)	-	-	-	-
Long Position in Oil		35,852	-	1,337	-	-	-	-	-
SubTotal		83,010	50,760	2,303	(116)	-	2,303	321	205
Value at Risk (VaR) (1)				1,530	152				
Other									
Long Position - Currency Coupon	4/1/2015 to 1/3/2018	1,411,520	690,612	2,598,500	2,314,902	-	-	-	-
Short Position - US\$ Fixed Libor		1,411,520	690,612	(2,560,675)	(2,285,339)	-	-	-	-
SubTotal				37,825	29,562	-	37,825	-	29,562
Value at Risk (VaR) (1)				4,542	510				
Total results in swaps		3,710,146	2,661,708	(280,784)	(67,176)	329,953	49,169	164,134	96,958

(1) VaR with 1-day holding period, with a confidence level of 95%

(2) Through one day gain or loss, the fair value upon contracting (R\$12,243) was considered as acquisition cost, without any direct impact on mark-to-market adjustment of the derivative portfolio. Cost will be recognized proportionally to the term of the operation, until the entire amount is recognized at maturity. On 3/31/2015 the amount to be recognized was R\$10,155.

Notes to the Financial Statements

On March 31, 2015 and December 31, 2014, the same consolidated positions, grouped by counterparty, are presented below:

Description	Notional value on		Fair value on		Equity balances on			
	3/31/2015	12/31/2014	3/31/2015	12/31/2014	3/31/2015		12/31/2014	
					Payable	Receivable	Payable	Receivable
Foreign Currency Swaps								
<i>Counterparties</i>								
BTG Pactual	203,833	168,773	(9,702)	(7,295)	-	-	-	-
Santander	57,286	47,432	(3,691)	(2,695)	-	-	-	-
Standard Chartered	57,286	47,432	(3,771)	(2,750)	-	-	-	-
SubTotal			(17,164)	(12,740)	17,164	-	12,740	-
Index and Rate Swaps								
<i>Counterparty</i>								
Bradesco	481,200	398,430	(141,640)	(62,650)	-	-	-	-
SubTotal			(141,640)	(62,650)	141,640	-	126,339	63,690
Currency Swap - NDF								
<i>Counterparties</i>								
Long Position in R\$ x US\$								
Itaú BBA	-	39,843	-	1,639	-	-	-	1,639
Votorantim	48,120	39,843	9,041	1,639	-	9,041	-	1,639
Short Position in R\$ x US\$								
Itaú BBA	80,200	79,686	(10,191)	(1,431)	10,191	-	1,431	-
Standard Chartered	64,160	-	(4,559)	-	4,559	-	-	-
Votorantim	560,437	515,595	(68,669)	(13,580)	68,669	-	13,686	107
Santander	641,600	571,083	(87,564)	(9,220)	87,564	-	9,338	117
Long Position in US\$ x ARS								
Standard Chartered	21,494	12,219	(166)	(278)	166	-	278	-
SubTotal			(162,108)	(21,232)	171,149	9,041	24,733	3,501
Commodity Swap - Oil								
<i>Counterparty</i>								
Standard Chartered	35,852	-	1,337	-	-	-	-	-
SubTotal			1,337	-	-	1,337	-	-
Commodity Swap - Pulp								
<i>Counterparty</i>								
Standard Chartered	47,158	50,760	966	(116)	-	-	-	-
SubTotal			966	(116)	-	966	321	205
Other								
<i>Counterparty</i>								
JP Morgan	1,411,520	690,612	37,825	29,562	-	-	-	-
SubTotal			37,825	29,562	-	37,825	-	29,562
Total results in swaps	3,710,146	2,661,708	(280,784)	(67,176)	329,953	49,169	164,134	96,958

Notes to the Financial Statements**4.10 Settled derivatives**

In the three-month periods ended March 31, 2015 and 2014, the accumulated positions of settled derivatives, grouped by asset or index, with all trading on the over-the-counter market were as follows:

Description	Maturities	Three-month period ended			
		Notional value on		Fair value (settlement value) accumulated on	
		3/31/2015	3/31/2014	3/31/2015	3/31/2014
Foreign Currency Swaps					
Long Position - US\$ Libor	2014: Jan/14 to Mar/14	-	14,144	-	(113)
Short Position - US\$ Fixed Rate	2015: Jan/15 to Mar/15	-	14,144	-	-
SubTotal				-	(113)
Currency Swap					
Short Position in R\$ x US\$	2014: Jan/14 to Mar/14	121,181	15,343	(253)	(1,395)
Long Position in R\$ x US\$	2015: Jan/15 to Mar/15	40,394	-	1,640	-
Long Position in US\$ x ARS		45,125	-	(675)	-
SubTotal				711	(1,395)
Commodity Swap					
Short Position in Pulp BHKP	2014: Jan/14 to Mar/14	12,484	15,343	(164)	(351)
Long Position in Oil	2015: Jan/15 to Mar/15	3,580	-	192	-
SubTotal				28	(351)
Other					
Long Position - Currency Coupon	2014: Jan/14 to Mar/14	161,574	135,780	2,544	1,665
Short Position - US\$ Fixed Libor	2015: Jan/15 to Mar/15	161,574	135,780	-	-
SubTotal				2,544	1,665
Total results in swaps				3,283	(193)

4.11 Capital management

The main objective of Suzano's capital management is to ensure it maintains a solid credit rating and debt ratios in order to support its operations and maximize shareholder value. The Company manages its capital structure and makes adjustments based on changes in economic conditions.

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Loans and financing	13,221,355	12,027,544	15,297,327	13,760,585
(-) Cash and cash equivalents	(2,538,738)	(2,615,579)	(3,867,968)	(3,686,115)
Net debt	10,682,617	9,411,965	11,429,359	10,074,470
Shareholders' equity	9,555,401	10,315,132	9,555,401	10,315,132
Shareholders' equity and net debt	20,238,018	19,727,097	20,984,760	20,389,602

Notes to the Financial Statements**4.12 Fair value hierarchy**

The financial instruments calculated at fair value, are presented in accordance with the levels defined below:

- Level 1 – Prices quoted (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than the prices quoted in active markets included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for assets or liabilities that are not based on observable market variables (unobservable inputs).

	Consolidated			
	Fair value on 3/31/2015	Level 1	Level 2	Level 3
Assets				
Cash and banks	1,343,857	1,343,857	-	-
Financial Investments	2,234,517	-	2,234,517	-
Exclusive Fund Paperfect	289,594	-	289,594	-
Derivatives ⁽¹⁾	110,029	-	107,521	2,508
		<u>1,343,857</u>	<u>2,631,632</u>	<u>2,508</u>
Liabilities				
Derivatives	390,813	-	390,608	205
		<u>-</u>	<u>390,608</u>	<u>205</u>

	Consolidated			
	Fair value on 12/31/2014	Level 1	Level 2	Level 3
Assets				
Cash and banks	1,076,067	1,076,067	-	-
Financial Investments	2,147,695	-	2,147,695	-
Exclusive Fund Paperfect	462,353	-	462,353	-
Derivatives	96,958	-	96,753	205
		<u>1,076,067</u>	<u>2,706,801</u>	<u>205</u>
Liabilities				
Derivatives	164,134	-	163,813	321
		<u>-</u>	<u>163,813</u>	<u>321</u>

⁽¹⁾ The classification between assets and liabilities of derivative operations differs from the amounts presented in the balance sheet as it considers as assets or liabilities all payment flows classified as gains and losses in the long term.

4.13 Guarantees

On March 31, 2015, the Company had guarantees pegged to consolidated accounts receivable operations related to exports amounting to US\$147.9 million, equivalent to R\$474,436 on this date.

Notes to the Financial Statements

5 Cash and Cash Equivalents

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Cash and banks				
In Brazil	27,072	18,114	32,132	25,122
Abroad	-	-	1,311,725	1,050,945
	27,072	18,114	1,343,857	1,076,067
Financial investments				
In Brazil	2,203,292	2,122,431	2,215,737	2,135,014
Abroad	18,780	12,681	18,780	12,681
	2,222,072	2,135,112	2,234,517	2,147,695
Exclusive funds	289,594	462,353	289,594	462,353
	2,538,738	2,615,579	3,867,968	3,686,115

On March 31, 2015 and December 31, 2014, these consolidated investments and funds yielded interest at rates varying between 90.0% and 110.0% of the CDI, except for an amount of R\$24 of total consolidated cash (R\$383 on December 31, 2014) in Repurchase Commitments, which are investments with daily liquidity, yielding 75% of the CDI.

The investment in the balanced fund enjoys daily liquidity and is diversified between bank Certificates of Deposit (“CDB”), repurchase agreements and Financial Bills. The fund is managed by Banco BTG Pactual S/A (“Banco BTG”), whose portfolio is as follows:

	Parent Company and Consolidated	
	3/31/2015	12/31/2014
Investment Fund Paperfect		
Investment CDB	7,159	58,000
Repurchase agreements	170,088	405,228
Investment fund ⁽¹⁾	113,323	-
Deductions ⁽²⁾	(976)	(875)
	289,594	462,353

⁽¹⁾ Includes investments in CDB, Repurchase Agreements and Financial Bills.

⁽²⁾ Includes expenses with auditing, administration fee and withholding income tax.

Notes to the Financial Statements

6 Trade Accounts Receivable**6.1. Breakdown of balances**

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Domestic clients				
Third parties	574,281	625,625	575,454	626,799
Subsidiaries	6	758	-	-
Related Parties ⁽¹⁾	9,597	22,209	9,597	22,209
Foreign clients				
Third parties	37,713	21,072	797,567	580,934
Subsidiaries	2,520,982	1,958,428	-	-
Related Parties ⁽¹⁾	-	-	3,862	3,204
Allowance for doubtful accounts	(27,127)	(25,278)	(27,646)	(25,748)
	<u>3,115,452</u>	<u>2,602,814</u>	<u>1,358,834</u>	<u>1,207,398</u>

⁽¹⁾ See Note 10.

6.2. Analysis of maturities

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Amounts overdue:				
Up to two months	34,773	13,330	54,256	63,677
Two to six months	5,425	4,143	4,469	3,737
Over six months	33,155	37,726	37,659	41,293
	<u>73,353</u>	<u>55,198</u>	<u>96,383</u>	<u>108,706</u>

6.3. Changes in provision for losses in the period

	Parent Company		Consolidated	
	3/31/2015	Three-month period ended 3/31/2014	3/31/2015	3/31/2014
Opening balance	(25,278)	(16,074)	(25,748)	(18,170)
Credits accrued in the period	(2,525)	(3,387)	(2,525)	(3,462)
Credits recovered in the period	73	5	73	5
Credits definitively written-off from position	603	100	603	100
Foreign exchange variation	-	-	(49)	217
Closing balance	<u>(27,127)</u>	<u>(19,356)</u>	<u>(27,646)</u>	<u>(21,310)</u>

Notes to the Financial Statements

7 Inventories

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Finished goods				
Pulp				
Domestic	42,289	92,210	42,289	92,210
Foreign	-	-	222,850	183,923
Paper				
Domestic	275,050	197,591	275,050	197,591
Foreign	-	-	78,156	65,179
Work in process	45,950	33,721	45,950	33,721
Raw materials	351,032	329,356	351,032	329,356
Maintenance and other materials	176,681	166,594	185,072	175,101
	891,002	819,472	1,200,399	1,077,081

On March 31, 2015, the Parent Company and Consolidated balances of inventories are net of provision for losses amounting to R\$28,240, of which: i) finished goods totaled R\$659; ii) raw materials totaled R\$8,438; iii) maintenance materials totaled R\$19,143 (R\$29,029 on December 31, 2014, of which i) finished goods totaled R\$928; ii) raw materials totaled R\$8,111; iii) materials in production totaled R\$84; and iv) maintenance materials totaled R\$19,906).

No inventory items were given as collateral for or guarantee of liabilities for the periods presented.

8 Recoverable taxes

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
IRPJ and CSLL - advances and withheld taxes	145,239	125,312	147,431	125,425
PIS and COFINS - on acquisition of fixed assets ⁽¹⁾	92,816	100,376	92,816	100,376
PIS and COFINS - other operations ⁽²⁾	380,960	405,184	380,960	405,185
ICMS - on acquisition of fixed assets ⁽¹⁾	72,147	75,157	72,147	75,157
ICMS - other operations ⁽²⁾	181,816	165,638	184,527	167,403
Other taxes and contributions	122,657	92,965	122,828	93,045
Provision for losses of ICMS credits	(12,076)	(9,333)	(12,076)	(9,333)
	983,559	955,299	988,633	957,258
Total current assets	484,087	473,673	489,161	475,632
Total non-current assets	499,472	481,626	499,472	481,626

(1) Credits whose realization is linked to the depreciation period of the corresponding asset.

(2) Credits available for immediate realization.

8.1 Income tax and social contribution on net income

Represents IRPJ and CSLL credits paid by estimate during the period whose adjusted calculation base at the end of the fiscal year was a tax loss, taxes withheld on financial investments and restatement based on the Selic rate. The credits are used to offset other federal taxes due and withholding taxes payable.

Notes to the Financial Statements

8.2 Social integration program (“PIS”) and Contribution for social security financing (“COFINS”)

The amounts refer substantially to the credits from inputs and services acquired for product manufacturing, the sale of which were not taxed upon billing, as they were exported, and on the acquisition of property, plant and equipment and services related to the Imperatriz/MA industrial unit, whose tax credit will be based on the depreciation term of these assets. The Company will realize these credits with debits deriving from business activities and through other federal tax carryforwards.

8.3 State value-added tax on goods and services (“ICMS”)

On March 31, 2015, the amounts of R\$73,418 and R\$102,272 of the Mucuri – BA and Imperatriz – MA units, respectively (R\$77,772 and R\$82,398, respectively, on December 31, 2014) were chiefly due to the non-utilization of credits in outflows of tax-exempted pulp and paper exports.

To realize the credits, the Company requested that the Bahia and the Maranhão State Treasury Departments inspect and ratify these credits. In Bahia, the ratified amount of R\$58,350 may be used for the offsetting authorized by the Bahia State ICMS (State VAT) Regulations or traded in the active market, for which the average discount considered is approximately 12% over the credit amount. The Company recorded a provision for the partial loss of these ICMS credits of Bahia and Maranhão in the amount of R\$8,810 and R\$3,266, respectively (R\$9,333 for Bahia on December 31, 2014).

9 Timber Development Program

On March 31, 2015, the balance of advances of financial resources and inputs for timber development amounted to R\$255,167, classified under current and non-current assets (R\$257,490 on December 31, 2014).

This development program is a system whereby independent producers plant eucalyptus at their own farms in order to supply the agricultural product (timber) to the Company, with these advances not subject to valuation by fair value.

Notes to the Financial Statements

10 Related parties

10.1 Equity balances and transactions in the fiscal year ended March 31, 2015

Transactions	Nature of the main operation	ASSETS		LIABILITIES		RESULT				
		Current	Non-current	Current	Non-current and Equity	Income (expenses)				
With subsidiaries										
Suzano Trading	Sale of pulp and paper	2,498,930	(2)	-	22,596	(1)	2,036,183	(1)	1,015,125	(2)
Paineiras	Land lease	-	-	-	-	-	-	-	(1,252)	
Paineiras Logística	AFCI and Commissioning of road transport	897	-	3,680	(3)	9,933	-	-	(55,506)	
Stenfar	Sale of paper	22,058	(2)	-	3,629	-	-	-	17,540	(2)
Ondurman	Land lease	-	-	-	-	-	-	-	(3,806)	
Amulya	Land lease	-	-	-	-	-	-	-	(2,689)	
		2,521,885		3,680		36,158		2,036,183		969,412
With related parties										
Suzano Holding S.A.	Guarantees and administrative expenses	97	-	-	2,767	-	-	-	(9,923)	
IPLF Holding S.A.	Shared expenses	-	-	-	-	-	-	-	6	
Central	Sale of paper	9,500	-	-	9,238	(4)	-	-	6,702	(2)
Nemonorte	Real-estate consulting services	-	-	-	-	-	-	-	(68)	
Mabex	Aircraft services	-	-	-	-	-	-	-	(10)	
Lazam - MDS	Insurance consulting and advisory services	-	-	-	-	-	-	-	(81)	
Ecofuturo	Social services	-	-	-	-	-	-	-	(872)	
Bexma	Administrative expenses	-	-	-	-	-	-	-	40	
Shareholders	Dividends and interest on equity	-	-	-	114	-	-	-	-	
		9,597		-		12,119		-		(4,207)
Between related parties										
Stenfar	Shared expenses	3,862	-	-	-	-	-	-	654	
IPLF Holding S.A.	Shared expenses	-	-	-	3,862	-	-	-	(654)	
		3,862		-		3,862		-		-
		2,535,344		3,680		62,139		2,036,183		965,205

10.2 Equity balances on December 31, 2014 and transactions in the three-month period ended March 31, 2014

Transactions	Nature of the main operation	ASSETS		LIABILITIES		RESULT				
		Current	Non-current	Current	Non-current and Equity	Income (expenses)				
With subsidiaries										
Suzano Trading	Sale of pulp and paper	1,945,222	(2)	-	43,471	(1)	1,685,927	(1)	612,296	(2)
Paineiras	Land lease	741	-	-	403	-	-	-	(1,700)	
Paineiras Logística	AFCI and Commissioning of road transport	7,130	-	3,680	(3)	17,229	-	-	(13,817)	
Stenfar	Sale of paper	14,062	(2)	-	37	-	-	-	15,859	(2)
Ondurman	Land lease	-	-	-	-	-	-	-	(3,676)	
Amulya	Land lease	-	-	-	-	-	-	-	(2,559)	
Futuragene	Shared expenses	16	(5)	-	-	-	-	-	5	(5)
		1,967,171		3,680		61,140		1,685,927		606,408
With related parties										
Suzano Holding S.A.	Guarantees and administrative expenses	-	-	-	2,686	-	-	-	(8,454)	
Central	Sale of paper	22,209	-	-	21,494	(4)	-	-	12,708	(2)
Nemonorte	Real-estate consulting services	-	-	-	-	-	-	-	(65)	
Mabex	Aircraft services	-	-	-	-	-	-	-	(52)	
Lazam - MDS	Insurance consulting and advisory services	-	-	-	27	-	-	-	(81)	
Ecofuturo	Social services	-	-	-	-	-	-	-	(881)	
Bexma	Administrative expenses	-	-	-	-	-	-	-	36	
Shareholders	Dividends and interest on equity	-	-	-	114	-	-	-	-	
		22,209		-		24,321		-		3,211
Between related parties										
Stenfar	Shared expenses	3,204	-	-	-	-	-	-	(188)	
IPLF Holding S.A.	Shared expenses	-	-	-	3,204	-	-	-	188	
		3,204		-		3,204		-		-
		1,992,584		3,680		88,664		1,685,927		609,619

(1) Refer mainly to the “2021 Notes” and import financing contracted by the subsidiary Suzano Trading and transferred to the Company in export prepayment operations, at the rates and terms shown in Note 16.

(2) Pulp and paper sales operations;

(3) Advance for future capital increase “(AFCI)”.

(4) Vendor operations classified as loans and financing (Note 16)

(5) Includes telephone, facilities and administrative expenses.

Legend of company names:

Amulya Empreendimentos Imobiliários Ltda. (“Amulya”)

Bexma Comercial Ltda. (“Bexma”)

Central Distribuidora de Papéis Ltda. (“Central”)

Notes to the Financial Statements

Comercial e Agrícola Paineiras Ltda. (“Paineiras”)
 Futuragene Brasil Tecnologia Ltda. (“Futuragene”)
 Instituto Ecofuturo – Futuro para o Desenvolvimento Sustentável (“Ecofuturo”)
 Lazam MDS Corretora e Adm. Seguros S.A. (“Lazam-MDS”)
 Mabex Representações e Participações Ltda. (“Mabex”)
 Nemonorte Imóveis e Participações Ltda. (“Nemonorte”)
 Ondurman Empreendimentos Imobiliários Ltda. (“Ondurman”)
 Paineiras Logística e Transportes Ltda. (“Paineiras Logística”)
 Stenfar S.A Indl. Coml. Imp. Y. Exp. (“Stenfar”)

Transactions with subsidiaries and related parties are recorded under the following items in the balance sheet:

	Note	Parent Company		Consolidated	
		3/31/2015	12/31/2014	3/31/2015	12/31/2014
Balance receivable					
Trade accounts receivable	6	2,530,585	1,981,395	13,459	25,413
Receivables from subsidiaries - current		897	7,985	-	-
Receivables from subsidiaries - non-current		3,680	3,680	-	-
		<u>2,535,162</u>	<u>1,993,060</u>	<u>13,459</u>	<u>25,413</u>
Balance payable					
Dividends and Interest on Equity payable		(114)	(114)	(114)	(114)
Loans and financing	16	(9,238)	(22,504)	(9,238)	(22,504)
Trade accounts payable		(2,767)	(1,703)	(2,767)	(1,703)
Obligations with related parties - current		(36,158)	(61,140)	-	-
Obligations with related parties - non-current		(2,036,183)	(1,685,927)	-	-
		<u>(2,084,460)</u>	<u>(1,771,388)</u>	<u>(12,119)</u>	<u>(24,322)</u>
		<u>450,702</u>	<u>221,672</u>	<u>1,340</u>	<u>1,091</u>

10.3 Management compensation

On March 31, 2015, expenses related to the compensation of key management personnel, which include the Board of Directors, Fiscal Council and Board of Executive Officers, in addition to certain executives, recognized in the statement of income for the period amounted to R\$36,905 at the Parent Company and Consolidated (R\$32,817 and R\$32,822 on March 31, 2014, respectively).

	Parent Company		Consolidated	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Short-term benefits				
Salary or compensation	4,262	5,892	4,262	5,897
Direct and Indirect Benefits	1,453	486	1,453	486
Bonus	5,351	5,270	5,351	5,270
	<u>11,066</u>	<u>11,648</u>	<u>11,066</u>	<u>11,653</u>
Long-term benefits				
Share-based compensation	25,839	21,169	25,839	21,169
	<u>25,839</u>	<u>21,169</u>	<u>25,839</u>	<u>21,169</u>
Total	<u>36,905</u>	<u>32,817</u>	<u>36,905</u>	<u>32,822</u>

Notes to the Financial Statements

Short-term benefits include fixed compensation (salaries and fees, vacation, mandatory “13th salary” bonus), and payroll charges (company share of contributions to social security – INSS) and variable compensation such as profit sharing, bonus and benefits (company car, health plan, meal voucher, grocery voucher, life insurance and private pension plan).

Long-term benefits include the Stock Option Plan and Phantom Shares for executives and key management members, in accordance with the specific regulations (see Note 19).

11 Biological Assets

Biological assets are reforested eucalyptus forests in the growth phase, used to supply wood to pulp plants. The summarized changes in the balances of biological assets in the respective periods are shown below:

	<u>Parent Company</u>	<u>Consolidated</u>
Balance on December 31, 2013	3,023,522	2,965,872
Additions ⁽¹⁾	762,745	743,551
Merger VFSA	428,785	428,785
Merger SER	6,866	-
Depletion in the year	(455,385)	(455,385)
Gain on fair value adjustment	12,847	12,847
Other write-offs ⁽²⁾	(36,249)	(36,249)
Balance on December 31, 2014	<u>3,743,131</u>	<u>3,659,421</u>
Additions ⁽¹⁾	239,126	234,067
Depletion in the year	(147,855)	(147,855)
Other write-offs	(6,620)	(6,620)
Balance on March 31, 2015	<u>3,827,782</u>	<u>3,739,013</u>

- 1) The costs with land leasing incurred at subsidiaries were eliminated for the consolidated figures.
2) On December 31, 2014, the amount of R\$27,505 related to damages (fire/theft).

The fair value of biological assets is calculated on an annual basis, as reported in Note 11 to the Company's annual financial statements. There were no events in this period that indicate material changes in the balances of such assets.

12 Deferred income tax and social contribution taxes

The Company, based on expected generation of future taxable income as determined by a technical study approved by Management, recognized deferred tax assets over temporary differences, income and social contribution tax loss carryforwards, which do not expire.

Deferred income and social contribution taxes are originated as follows:

Notes to the Financial Statements

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Non-current assets				
Income tax				
Credits over tax losses	832,160	614,987	834,282	616,130
Credits over temporary differences:				
- Credits over provisions	239,071	196,000	239,071	196,000
Credits over effects of Law 11,941/09 and IFRS	175,963	151,273	175,963	151,273
	1,247,194	962,260	1,249,316	963,403
Social contribution				
Credits over social contribution tax loss carryforwards	182,933	103,357	182,933	103,357
Credits over temporary differences:				
- Credits over provisions	86,066	70,308	86,066	70,308
Credits over effects of Law 11,941/09 and IFRS	63,347	54,457	63,347	54,457
	332,346	228,122	332,346	228,122
Total non-current assets:	1,579,540	1,190,382	1,581,662	1,191,525
Non-current liabilities				
Income tax				
Debits over accelerated depreciation	605,282	609,854	605,282	609,854
Debits over goodwill amortization	124,138	123,569	124,138	123,569
Debits over effects of Law 11,941/09 and IFRS	1,291,022	1,301,802	1,380,182	1,390,962
	2,020,442	2,035,225	2,109,602	2,124,385
Social contribution				
Debits over goodwill amortization	44,690	44,485	44,690	44,485
Debits over effects of Law 11,941/09 and IFRS	464,768	468,649	496,866	500,747
	509,458	513,134	541,556	545,232
Total non-current liabilities	2,529,900	2,548,359	2,651,158	2,669,617
Total non-current assets, net	-	-	2,122	1,143
Total non-current liabilities, net	950,360	1,357,977	1,071,618	1,479,235
	950,360	1,357,977	1,069,496	1,478,092

Notes to the Financial Statements

The breakdown of accumulated tax losses and social contribution tax loss carryforwards is shown below:

	Parent Company		Consolidated	
	3/31/2015	12/31/2014	3/31/2015	12/31/2014
Tax losses	3,328,641	2,459,946	3,337,129	2,464,518
Social contribution tax loss carryforward	2,032,587	1,148,406	2,032,587	1,148,406

12.1 Reconciliation of the effects of income tax and social contribution on profit or loss

	Parent Company		Consolidated	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Net income (loss) before income and social contribution taxes	(1,170,076)	288,799	(1,167,714)	292,109
Exclusion of equity accounting result	40,180	(7,212)	-	-
Net income (loss) after excluding equity accounting results	(1,129,896)	281,587	(1,167,714)	292,109
Income and social contribution taxes at the nominal rate of 34%	384,165	(95,740)	397,023	(99,317)
Adjustment for accounting of tax rate:				
Exchange effect of translating foreign subsidiaries' financial statements	-	-	(24,779)	401
Tax effects over adjustments to Law 11,941/09 and IFRS	(1,587)	(53)	-	-
Tax incentive - Reduction SUDENE	-	8,584	-	8,584
Reintegra Credit	9,936	-	9,936	-
Other	15,103	(545)	23,075	(732)
Income Tax				
Current	-	(6,236)	(2,045)	(8,995)
Deferred	299,718	(55,994)	299,718	(55,994)
	299,718	(62,230)	297,673	(64,989)
Social Contribution				
Current	-	(13,243)	(317)	(13,794)
Deferred	107,899	(12,281)	107,899	(12,281)
	107,899	(25,524)	107,582	(26,075)
Income and social contribution taxes income recorded as profit or loss in the years	407,617	(87,754)	405,255	(91,064)
<i>Effective income and social contribution expense tax rate</i>	-	31.2%	-	31.2%

On March 31, 2015, the Company recorded tax losses; therefore, there is no effective rate for these periods.

12.2 Tax incentives

The Company has tax incentives for a 75% reduction in the income tax until calendar year 2018, calculated based on the exploration profit proportional to the net revenues from pulp at the subsidized unit in Mucuri/BA. The result obtained from this tax benefit is the reduction in income tax expense and, during the distribution of profits from the year, the amount reduced from the expense is allocated to the capital reserve account, pursuant to law. In the fiscal years ended December 31, 2014 and 2013, the Company recorded tax losses and hence did not use said benefit.

The industrial unit at Mucuri/BA is located in an under-developed micro-region in an area under the supervision of SUDENE, the agency for the development of northeast Brazil. Hence, it has the benefit of accelerated depreciation incentive for tax purposes, which involves full depreciation of property, plant and equipment since the start-up of the unit. The accelerated depreciation incentive represents the deferred payment of Income Tax (IRPJ) and is not applicable to Social Contribution on net Income (CSLL). This tax benefit is controlled in the Taxable Income Control Register

Notes to the Financial Statements

(LALUR) and hence does not affect depreciation expenses recorded for such assets in subsequent years.

13 Investments

Subsidiaries	Information on Subsidiaries on 3/31/2015					Equity Accounting		Investments and (Provision) for Investment Losses	
	Equity Interest %	Balance sheet			Result in the three-month period ended 3/31/2015	Three-month period ended		3/31/2015	12/31/2014
		Assets	Current and Non-Current Liabilities	Adjusted Equity		3/31/2015	3/31/2014		
Subsidiaries and direct joint ventures									
Asapir	50.00%	16,142	10,446	5,696	4,490	2,245	(66)	2,848	(397)
Paineiras (b)	100.00%	402,237	121,462	258,040	2,052	800	(1,325)	258,040	257,240
Suzano Trading (a)	100.00%	4,661,324	4,606,799	54,525	7,949	18,053	(25,396)	54,522	43,861
Sun Paper (a)	100.00%	5,711	652	5,059	74	726	161	5,059	4,333
SER (c)	-	-	-	-	-	-	(773)	-	-
Paineiras Logística	99.99%	13,113	13,035	78	(702)	(702)	6,866	77	779
Aanisan (c)	-	-	-	-	-	-	(1)	-	-
Stenfar (a)/(b)	68.58%	91,594	56,955	23,343	(1,097)	(3,475)	(2,351)	12,469	15,943
Suzano America (a)/(b)	100.00%	328,998	294,233	(40,518)	781	(22,929)	5,608	(40,518)	(17,589)
Bahia Sul Holdings (a)	100.00%	52	11	41	(2)	4	-	41	38
Suzano Europa (a)/(b)	100.00%	694,266	647,505	(51,374)	1,878	(33,352)	26,215	(51,373)	(18,021)
Ondurman (b)	100.00%	80,340	60,905	(50,240)	1,477	(2,329)	(2,393)	(50,239)	(47,911)
Amulya (b)	99.99%	62,144	51,901	10,243	779	779	667	10,243	9,464
						(40,180)	7,212	201,169	247,740
Total investments								343,299	331,658
Total provisions for losses								(142,130)	(83,918)
Indirect subsidiaries									
Futuragene PLC. (a)	100.00%	83,592	21,646	61,946	(4,427)	(28,339)	(9,925)	61,946	35,564
Stenfar (a)/(b)	31.42%	91,594	56,955	23,343	(1,097)	1,633	771	10,874	9,797
SER	-	-	-	-	-	-	(1)	-	-
Amulya (b)	0.01%	62,144	51,901	10,243	779	-	1	-	-
						(26,706)	(9,154)	72,820	45,361

(a) The equity accounting of these foreign direct and indirect subsidiaries includes an exchange variation gain amounting to R\$28,159 (loss of R\$7,239 on March 31, 2014).

(b) The shareholders' equity of these subsidiaries considers the elimination of the unrealized profits.

13.1. Changes in investments

	Parent Company	
	3/31/2015	12/31/2014
Opening balance	247,740	260,993
Equity accounting and foreign exchange variation	(40,180)	(17,180)
Exchange variation in investees (other comprehensive income)	(7,393)	(3,561)
Acquisition of Vale Florestar ^(a)	-	482,846
Capital increase ^(b)	1,002	46,277
Merger of subsidiary Vale Florestar ^(a)	-	(480,552)
Merger of subsidiary SER	-	(41,083)
Closing balance	201,169	247,740

a) In August, 2014, the Company acquired full control of the shares of Vale Florestar Fundo de Investimento (VFFIP) and of the shares of Vale Florestar S.A. (VFSA). In September 2014, VFFIP was dissolved in advance and the subsidiary VFSA was merged into the Company.

b) In 2015, capital increase in the subsidiary Asapir. In 2014, capital increases of R\$725, R\$35,250, R\$700, R\$7,500, R\$1,534, R\$1,000 and R\$66 in the subsidiaries Amulya, SER, Ondurman, Paineiras, Paineiras Logística, Asapir and Bahia Sul Holding, respectively. At Paineiras, capital reduction of R\$498.

Notes to the Financial Statements

14 Property, Plant and Equipment

						Parent Company	
						Total property, plant and equipment	
		Buildings	Machinery and equipment	Other assets	Lands and farms	Work in progress	
Annual average depreciation rate		4.29%	5.61%	16.81%	-	-	
Cost							
Balance on December 31, 2013		1,733,606	10,229,985	169,106	3,778,037	4,879,093	20,789,827
Transfers	(c)	782,054	4,349,797	21,914	19,326	(5,161,872)	11,219
Additions	(b)	92	128,343	40,452	619	649,612	819,118
Merger VFSA		24,949	29	1,024	-	-	26,002
Merger SER		-	-	-	34,035	-	34,035
Write-offs	(a)	(14,943)	(68,310)	(1,699)	(9,158)	-	(94,110)
Interest capitalization		-	-	-	-	36,144	36,144
Balances on December 31, 2014		2,525,758	14,639,844	230,797	3,822,859	402,977	21,622,235
Transfers	(d)	17,124	(5,729)	(2,317)	8,435	(133,728)	(116,215)
Additions		(200)	16,603	602	-	85,992	102,997
Write-offs		(983)	(6,884)	(60)	(42)	-	(7,969)
Interest capitalization		-	-	-	-	6,930	6,930
Balances on March 31, 2015		2,541,699	14,643,834	229,022	3,831,252	362,171	21,607,978
Depreciation							
Balances on December 31, 2013		(546,097)	(4,119,215)	(130,927)	-	-	(4,796,239)
Transfers	(c)	11,479	(12,643)	850	-	-	(314)
Write-offs	(a)	2,165	46,585	966	-	-	49,716
Depreciation		(77,100)	(625,470)	(16,199)	-	-	(718,769)
Balance on December 31, 2014		(609,553)	(4,710,743)	(145,310)	-	-	(5,465,606)
Transfers	(d)	10,129	64,471	3,350	-	-	77,950
Write-offs		854	3,622	39	-	-	4,515
Depreciation		(20,202)	(177,307)	(4,504)	-	-	(202,013)
Balances on March 31, 2015		(618,772)	(4,819,957)	(146,425)	-	-	(5,585,154)
Residual value							
Balances on March 31, 2015		1,922,927	9,823,877	82,597	3,831,252	362,171	16,022,824
Balances on December 31, 2014		1,916,205	9,929,101	85,487	3,822,859	402,977	16,156,629
						Consolidated	
		Buildings	Machinery and equipment	Other assets	Lands and farms	Work in progress	Total property, plant and equipment
Annual average depreciation rate		4.29%	5.61%	16.81%	-	-	-
Cost							
Balance on December 31, 2013		1,739,914	10,234,476	177,483	4,327,559	4,879,093	21,358,525
Transfers	(c)	782,490	4,350,253	22,065	19,339	(5,162,925)	11,221
Additions	(b)	108	129,603	40,582	1,205	650,666	822,164
Merger VFSA		24,949	29	1,024	-	-	26,002
Write-offs	(a)	(20,396)	(68,310)	(1,699)	(9,936)	-	(100,341)
Interest capitalization		-	-	-	-	36,144	36,144
Balances on December 31, 2014		2,527,065	14,646,051	239,455	4,338,167	402,977	22,153,715
Transfers	(d)	17,787	(4,917)	(2,138)	8,435	(135,382)	(116,215)
Additions		(156)	15,537	1,228	274	87,646	104,529
Write-offs		(983)	(6,884)	(75)	(42)	-	(7,984)
Interest capitalization		-	-	-	-	6,930	6,930
Balances on March 31, 2015		2,543,713	14,649,787	238,470	4,346,834	362,171	22,140,975
Depreciation							
Balance on December 31, 2013		(552,032)	(4,121,257)	(133,529)	-	-	(4,806,818)
Transfers	(c)	11,479	(12,643)	851	-	-	(313)
Write-offs	(a)	7,618	46,585	966	-	-	55,169
Depreciation		(77,273)	(626,387)	(16,840)	-	-	(720,500)
Balance on December 31, 2014		(610,208)	(4,713,702)	(148,552)	-	-	(5,472,462)
Transfers	(d)	10,129	64,471	3,350	-	-	77,950
Write-offs		854	3,622	39	-	-	4,515
Depreciation		(20,222)	(177,426)	(4,675)	-	-	(202,323)
Balance on March 31, 2015		(619,447)	(4,823,035)	(149,838)	-	-	(5,592,320)
Residual value							
Balances on March 31, 2015		1,924,266	9,826,752	88,632	4,346,834	362,171	16,548,655
Balances on December 31, 2014		1,916,857	9,932,349	90,903	4,338,167	402,977	16,681,253

a) In addition to disposals, write-offs include obsolescence and scrapping.

b) Additions to Works in Progress mainly refer to the construction of the pulp plant in the state of Maranhão.

Notes to the Financial Statements

- c) Composed substantially of transfers related to the construction of the pulp plant in Maranhão, the balance relates to the transfer to intangible assets.
- d) Refers substantially to the transfer of the Embu Unit to non-recurrent assets held for sale. The remaining balance refers to the transfer to intangible assets.

Machinery and equipment include amounts recognized as financial leasing outlined in Note 16.2.

On December 31, 2014, the Company conducted the annual asset impairment testing and no evidence of impairment was identified.

14.1 Assets given as collateral

On March 31, 2015, the Company and its subsidiaries had property, plant and equipment given as collateral in loan operations and lawsuits amounting to R\$11,124,171 (R\$11,772,855 on December 31, 2014).

14.2 Capitalized expenses

In the three-month period ended March 31, 2015, interests were capitalized in the amount of R\$6,930 referring to the investments to implement the new digester system at the Suzano unit (the amount of R\$36,144 on December 31, 2014 refers to funds used to invest in the construction of the Maranhão plant).

15 Intangible Assets

15.1 Goodwill

The Company maintains goodwill not subject to amortization on investments in Vale Florestar and Paineiras Logística in the amounts of R\$45,435 and R\$10, respectively.

The amount of R\$34,047 refers to the investment in B.L.D.S.P.E. Celulose e Papel S.A. (a subsidiary merged), which was transferred to Non-current assets held for sale (Note 1.1).

Notes to the Financial Statements

15.2 Intangible assets with determined useful life

	Useful life (years)	Book Cost	Accumulated Amortization	Exchange Rate Variation	Parent Company and Consolidated	
					Residual Values	
					31/03/2015	12/31/2014
KSR^(a)						
Customer relationship	5	22,617	(18,471)	-	4,146	5,278
Other intangible assets					-	-
Trademarks and Patents	10	1,176	(760)	-	416	441
Software	5	69,617	(21,097)	-	48,520	37,185
Balance Parent Company		93,410	(40,328)	-	53,082	42,904
Futuragene						
R&D Agreements	18.8	153,316 (a)	(67,492)	111,893	197,717	166,649
Other License Agreements	11.8	3,436 (a)	(2,420)	2,508	3,524	3,024
Other intangible assets						
Software	5	24	(24)	-	-	1
Consolidated Balance		250,186	(110,264)	114,401	254,323	212,578

- a) Amount translated at the original U.S. dollar exchange rate on the date of calculation of the gain from allocation of the price paid.

In the three-month period ended March 31, 2015, the amounts of R\$4,102 in the Parent Company and R\$19,225 in the Consolidated were amortized (R\$2,948 and R\$4,267, respectively, in the three-month period ended March 31, 2014).

On March 31, 2015, no evidence of impairment was identified.

16 Loans and Financing

Index	Annual average interest rate on 3/31/2015	Maturity	Parent Company		Consolidated		
			3/31/2015	12/31/2014	3/31/2015	12/31/2014	
Property, plant and equipment:							
BNDES - Finem	Fixed rate /TJLP (1) (2)	7.45%	2015 to 2024	1,760,450	1,784,305	1,772,151	1,784,305
BNDES - Finem	Currency basket / US\$ (2)	5.78%	2015 to 2022	3,102,588	2,614,936	3,102,588	2,614,936
BNDES - Finame	Fixed rate /TJLP (1) (2)	4.68%	2015 to 2024	24,560	25,425	24,560	25,425
FNE - BNB	Fixed rate (2)	8.50%	2015 to 2017	52,877	57,441	52,877	57,441
FINEP	Fixed rate (2)	4.30%	2015 to 2020	47,761	50,823	47,761	50,823
Rural credit	Fixed rate	5.50%	2015	171,795	169,511	171,795	169,511
Financial lease	CDI / US\$		2015 to 2022	29,650	25,450	29,650	25,450
Export Credit Agency - ECA	US\$ (2) (3)	1.93%	2015 to 2022	1,511,685	1,229,931	1,511,685	1,229,931
Working capital:							
Export financing	US\$ (4)	4.01%	2015 to 2022	2,260,103	1,896,408	2,260,103	1,896,408
Export credit note	CDI / Fixed rate (5)	13.56%	2015 to 2021	4,056,054	4,070,046	4,056,054	4,070,046
Senior Notes	US\$ / Fixed rate (6)	5.88%	2021	-	-	2,063,505	1,732,670
Trade notes discount-Vendor			2015	32,622	54,312	32,622	54,312
Loan Banco do Brasil	CDI (7)	12.08%	2015 to 2016	170,033	46,175	170,033	46,175
Other			2015	1,177	2,781	1,943	3,152
				13,221,355	12,027,544	15,297,327	13,760,585
Current (including interests payable)				2,095,846	1,751,040	2,119,262	1,795,355
Non-current				11,125,509	10,276,504	13,178,065	11,965,230
Non-current loans and financing mature as follows:							
2016				1,277,123	1,467,241	1,277,123	1,467,241
2017				1,648,131	1,462,111	1,648,131	1,462,111
2018				2,088,259	1,825,255	2,088,259	1,825,255
2019				2,693,680	2,502,531	2,693,680	2,502,531
2020				1,850,729	1,679,431	1,850,729	1,679,431
2021				1,259,164	1,107,811	3,311,020	2,796,537
2022				291,657	225,025	291,657	225,025
2023 onwards				16,766	7,099	17,466	7,099
				11,125,509	10,276,504	13,178,065	11,965,230

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- 1) Term of capitalization corresponds to those exceeding 6% of the Long-Term Interest Rate (“TJLP”) published by the Central Bank of Brazil;
- 2) Loans and financing are secured, depending on the agreement, by (i) plant mortgages; (ii) rural properties; (iii) fiduciary sale of the asset being financed; (iv) guarantee from shareholders, and (v) bank guarantee.
- 3) In October 2006, the Company contracted a US\$150 million loan agreement with BNP Paribas and Société Générale, in the proportion of 50% each, to finance imported equipment for the Mucuri/BA unit. In May 2013, the Company obtained funds through two import financing operations (ECA – Export Credit Agency) for equipment to be installed in the future pulp producing unit in Maranhão. The total amount contracted is equivalent to US\$535 million, for a term of up to 9.5 years, from AB Svensk Exportkredit, BNP Paribas, through its subsidiary Fortis Bank SA/NV, Nordea Bank Finland Plc, Nordea Bank AB and Société Générale, with guarantee furnished by the Export Credit Agencies FINNVERA and EKN. All the agreements establish covenants regarding the maintenance of determined levels of leverage, which are verified for compliance after 60 and 120 days of the closing of the months of June and December of each fiscal year, respectively. As of December 2014, the Company met all the established levels. The next scrutiny will be based on the results of June 2015.
- 4) In the period from January to March 2015, no new Export Financing operation was contracted, and the variation is justified by the appreciation of the U.S. dollar against the Brazilian real (R\$/US\$ 2.6562 in December 2014 and R\$/US\$ 3.2080 in March 2015).
- 5) In the period from January to March 2015, no new Export Credit Note (“NCE”) operation was contracted, and the balance was virtually stable compared to the previous year (-0.3%).
- 6) In September 2010, the Company, through its subsidiary Suzano Trading, placed in the international market US\$650 million in Senior Notes due on January 23, 2021, with semiannual interest payments of 5.875% p.a. and return for investors of 6.125% p.a. The Company is guarantor of the issue, which corresponds to a senior obligation without security interest of the issuer or the Company and is entitled to the same rights as other obligations of similar nature of these companies. Between September 2013 and July 2014, the Company, through its international subsidiary Suzano Trading, repurchased US\$4.3 million of principal amount of the Senior Notes issued.
- 7) In March 2015, the Company contracted two Bank Credit Note (“CCB”) operations in the amount of R\$123 million and maturity in 1 year

16.1 Changes in loans and financing

	Parent Company		Consolidated	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Opening balance	12,027,544	11,205,065	13,760,585	12,743,329
Funding	245,136	255,711	256,136	255,711
Recognized interest	235,973	180,107	263,960	201,472
Exchange variation	1,201,627	(192,105)	1,554,433	(247,696)
Settlement of principal	(310,588)	(125,780)	(310,588)	(125,780)
Settlement of interest	(184,876)	(164,781)	(234,934)	(210,000)
Funding costs	-	(1,134)	-	(1,134)
Amortization of funding costs	6,539	12,025	7,735	13,036
	13,221,355	11,169,108	15,297,327	12,628,938

16.2 Financial lease agreements

The financial lease agreements under which the Company and its subsidiaries undertake the risks and benefits inherent to ownership are classified as financial lease agreements.

Notes to the Financial Statements

The Company has financial lease agreements related to equipment used in the pulp industrial process. These agreements are denominated in U.S. dollar or the CDI overnight rate and contain purchase option clauses for these assets upon the expiration of the lease term, which varies from 8 to 15 years, for a price substantially lower than their fair value. Management intends to exercise the purchase options on the dates estimated in each agreement.

The amounts booked as property, plant and equipment, net of depreciation, and the present value of mandatory installments of the agreement (financing) corresponding to these assets are stated below:

	Parent Company and Consolidated	
	3/31/2015	12/31/2014
Machinery and equipment	153,072	153,072
(-) Accumulated depreciation	(133,525)	(131,228)
Property, plant and equipment, net	19,547	21,844
Present value of mandatory installments (financing):		
Less than 1 year	4,493	3,758
From 1 to 5 years	21,046	17,470
Over 5 years	4,111	4,222
Total present value of mandatory installments (financing)	29,650	25,450
Financial charges to be recognized in the future	3,484	5,100
Total mandatory installments at the expiration of agreements	33,134	30,550

16.3 Transaction costs and premiums of securities issues

On March 31, 2015, the balances of funding costs to be apportioned to consolidated profit or loss are as follows:

Nature	Total cost	Amortization	Exch. Rate Variation	Consolidated	
				Balance to be amortized	
				3/31/2015	12/31/2014
Senior Notes	29,284	(24,900)	26,166	30,550	26,382
NCE	58,402	(22,188)	-	36,213	38,194
Prepayment	20,531	(19,132)	-	1,400	1,479
Import (ECA)	101,152	(35,280)	-	65,872	70,350
Rural credit	94	(94)	-	-	-
Total	209,463	(101,594)	26,166	134,035	136,405

The total cost of Senior Notes was converted into Real at the USD rate on the funding date (US\$ 1.6942), and amortizations, on the respective dates, were converted at the closing USD rate. The total ECA cost includes expenses related to insurance premiums, fees and rates.

Notes to the Financial Statements

17 Provision for Contingencies**17.1 Changes in provisions for contingencies**

Parent Company						
	Balance on 12/31/2014	New lawsuits	Reversals	Monetary variation	Settlement of lawsuits	Balance on 3/31/2015
Tax and social security	174,755	6,232	(4,675)	4,266	-	180,578
Labor	34,533	2,086	-	2,521	(1,520)	37,620
Civil	2,595	71	-	-	-	2,666
	<u>211,883</u>	<u>8,389</u>	<u>(4,675)</u>	<u>6,787</u>	<u>(1,520)</u>	<u>220,864</u>
Consolidated						
	Balance on 12/31/2014	New lawsuits	Reversals	Monetary variation	Settlement of lawsuits	Balance on 3/31/2015
Tax and social security	174,755	6,232	(4,675)	4,266	-	180,578
Labor	41,190	2,086	(1,336)	1,326	(2,169)	41,097
Civil	2,595	71	-	-	-	2,666
	<u>218,540</u>	<u>8,389</u>	<u>(6,011)</u>	<u>5,592</u>	<u>(2,169)</u>	<u>224,341</u>

17.2 Tax and Social Security Suits and Proceedings

The company is a defendant in approximately 260 administrative and legal proceedings on tax and social security issues that discuss matters related to various taxes such as PIS, COFINS, IPI, ICMS, corporate income tax and social security contribution, which are provisioned for when the probability of loss is deemed as probable by the Company's external legal advisors and by the Management.

The Company adhered to the REFIS tax installment program – Law 11,941/09 for certain proceedings, amounting to nearly R\$12,964, which is duly provisioned for, and interest and fines will be paid through the use of tax loss and social contribution tax loss carryforwards.

The Company is a defendant in proceedings whose probability of loss is deemed as possible, amounting to around R\$341,634, for which a provision of R\$28,456 was accrued.

On March 31, 2015, the Company holds R\$37,308 in judicial deposits related to these proceedings (R\$37,096 on December 31, 2014).

17.3 Labor claims

On March 31, 2015, the Company was a defendant in approximately 1,840 labor claims, which are provisioned for when the probability of loss is deemed as probable by the Company's external legal advisors and by the Management.

In general, labor claims are related primarily to matters frequently contested by employees in industrial companies, such as wages and severance payments, in addition to suits filed by employees of outsourced service providers of the Company. For proceedings whose outlook of loss is deemed probable, the Company has provisions amounting to R\$30,698.

Notes to the Financial Statements

In addition, the Company is a defendant in proceedings whose probability of loss is deemed as possible, in the approximate amount of R\$34,662, for which a provision of R\$10,399 is accrued.

On March 31, 2015, the Company holds R\$24,271 in judicial deposits related to these proceedings (R\$22,291 on December 31, 2014).

17.4 Civil claims

On March 31, 2015, the Company is a defendant in approximately 220 civil claims, which are provisioned for when the probability of loss is deemed as probable by the Company's external legal advisors and by the Management.

Civil proceedings are related primarily to payment of damages, such as those resulting from work-related injuries, possessory action, environmental claims and others. For proceedings whose outlook of loss is deemed probable, the Company has provisions amounting to R\$2,626.

In addition, the Company is a defendant in proceedings whose probability of loss is deemed as possible, in the approximate amount of R\$131, for which a provision of R\$40 is constituted.

On March 31, 2015, the Company holds R\$112 in judicial deposits related to these proceedings (R\$112 on December 31, 2014).

18 Actuarial Liabilities

On March 31, 2015, there were no changes to the defined-benefit plans and there were no significant changes to the sensitivity analysis compared to those reported in Note 18 to the financial statements of December 31, 2014. The actuarial study is revised on an annual basis and will be disclosed in the financial statements of December 31, 2015.

On March 31, 2015, the amount of the future liabilities of these benefits was R\$281,477 (R\$277,463 on December 31, 2014).

The key economic and biometric assumptions used in the calculations off health and life insurance are shown below:

Discount rate - health plan	6.15% p.a.
Discount rate - life insurance	6.15% p.a.
Medical cost growth rate above basic inflation	3.0% p.a.
Economic inflation	5.0% p.a.
General mortality biometric table	AT-2000
Biometric table of mortality of disabled persons	IAPB 57

Notes to the Financial Statements

The changes in the actuarial liabilities are shown below:

Parent Company and Consolidated

Opening balance on 12/31/2013	255,138
Interest on actuarial liability	31,539
Actuarial loss	5,271
Benefits paid in the year	(14,485)
Closing balance on 12/31/2014	<u>277,463</u>
Interest on actuarial liability	<u>7,757</u>
Benefits paid in the year	<u>(3,773)</u>
Closing balance on 3/31/2015	<u>281,447</u>

19 Share-Based Payments

In the period ended March 31, 2015, the Company has two (2) share-based compensation Plans: i) Share-based payment in cash; and ii) Share-based payment or alternatively in cash (Stock option plan of Class A preferred shares). These plans did not undergo any changes in their characteristics and measurement criteria since the financial statements of December 31, 2014 (Note 19). On March 31, 2015, there are 10,645 thousand Class “A” preferred shares in held in treasury to guarantee the options granted by the Plan.

On April 1, 2014 The Company granted the Share Appreciation Rights (SAR) Program 2014 of phantom options, exclusively for new inclusions as of that date. In this program, participants should invest 5% of the total amount corresponding to the number of options at the grant date and 20% after three years to acquire the option. The amount will be calculated based on the average quote of the 90 previous trading sessions starting from the closing quote on the last business day of the month prior to the month of the grant.

This program has a vesting period of 3 years and term of 5 years from the grant date. The calculation of the amount to be paid by the beneficiary upon exercising the options will also be based on the average stock price in the 90 previous trading sessions as from the last day of the month prior to the exercise date.

On March 1, 2015, the Company granted the Program “Deferral 2014”, related to the complement of the additional bonus for 2014. The grace period and maturity of the plan to exercise the shares will occur on March 31, 2018 and 2019

The abovementioned installments will only be due if the executive is an employee of the Company on the payment date. In case of termination of the employment by initiative of the Company or by initiative of the executive, before the abovementioned periods are completed, the executive will not be entitled to receive all outstanding incentives.

The installments of this program will be adjusted by the variation in the price of the Company’s shares (SUZB5) between the granting and the payment period. On dates when the SUZB5 stock is not traded, the quote of the previous trading session will be considered.

Price per Share: the share price will be calculated based on the average quote of the 90 previous trading sessions starting from the closing quote on the last business day of the month prior to the month of the grant.

Notes to the Financial Statements

Options granted and subscribed to by the beneficiaries will not entitle their holders to dividends.

For plans with grants until 2013, the same conditions set for previous programs remain valid until the settlement date.

19.1 Changes to long-term incentive plans

i. Phantom shares

Parent Company and Consolidated

Program	Grant Date	Fair value on the grant date	Fair value at the end of the period	1 st exercise date	2 nd exercise date	Available at the beginning of the period	Granted in the Period	Exercised	Exercised due to dismissal	Transfer	Abandoned/ Prescribed	Abandoned/ Prescribed due to dismissal	3/31/2015		
													Available at the end of the period	Weighted average price of exercised shares	
ILP 2008 (PN) Mar-09	3/1/2009	R\$ 15.11	R\$ 11.69	3/1/2012	3/1/2015	43,549	-	43,549	-	-	-	-	-	-	10.80
ILP 2009 A - Mar08	3/1/2008	R\$ 34.74	R\$ 11.69	3/1/2013	3/1/2016	8,474	-	-	-	-	-	-	8,474	-	-
ILP 2008 A - Mar08 / Mar12	3/1/2008	R\$ 34.74	R\$ 11.69	3/1/2012	3/1/2015	6,347	-	6,347	-	-	-	-	-	-	10.80
ILP 2009 - Mar09 / Mar12	3/1/2009	R\$ 15.11	R\$ 11.69	3/1/2012	3/1/2015	9,838	-	-	-	-	-	-	-	-	10.80
ILP 2009 M - Sep09 / Sep12	9/1/2009	R\$ 15.11	R\$ 11.69	9/1/2012	9/1/2015	20,446	-	1,240	-	-	-	-	-	19,206	10.80
ILP 2010	3/1/2010	R\$ 23.86	R\$ 11.69	3/1/2013	3/1/2016	123,511	-	4,297	-	-	-	-	-	119,214	10.80
ILP 2011	3/1/2011	R\$ 18.64	R\$ 11.69	3/1/2014	3/1/2017	46,853	-	-	-	-	-	-	-	46,853	-
ILP 2012	3/1/2012	R\$ 7.49	R\$ 11.69	3/1/2015	3/1/2018	778,405	-	197,171	-	-	-	-	-	581,234	10.80
ILP 2011 (F)	3/1/2011	R\$ 18.64	R\$ 11.69	3/1/2014	3/1/2017	7,159	-	-	-	-	-	-	-	7,159	-
ILP 2012 (PE)	9/30/2012	R\$ 9.00	R\$ 11.69	9/30/2015	9/30/2018	35,225	-	-	-	-	-	-	-	35,225	-
ILP 2013	3/1/2013	R\$ 6.58	R\$ 11.69	3/1/2016	3/1/2019	1,017,117	-	-	-	-	-	-	-	1,017,117	-
Programa Especial 2012a	12/21/2012	R\$ 5.55	R\$ 11.69	3/31/2015	3/31/2015	70,000	-	70,000	-	-	-	-	-	-	10.80
Programa Especial 2012b	12/21/2012	R\$ 5.55	R\$ 11.69	6/30/2014	6/30/2014	30,000	-	-	-	-	20,077	-	-	-	10.80
Programa Especial 2012b	12/21/2012	R\$ 5.55	R\$ 11.69	3/31/2015	3/31/2015	30,000	-	22,317	-	-	7,683	-	-	-	10.80
Programa Especial 2012b	12/21/2012	R\$ 5.55	R\$ 11.69	3/31/2015	3/31/2015	40,000	-	-	-	-	-	-	-	-	10.80
Programa Especial 2012c	12/21/2012	R\$ 5.55	R\$ 11.69	3/31/2015	3/31/2015	80,000	-	80,000	-	-	-	-	-	-	10.80
Programa Especial 2012c	12/21/2012	R\$ 5.55	R\$ 11.69	3/31/2016	3/31/2016	140,000	-	-	-	-	-	-	-	140,000	-
SAR 2014	4/1/2014	R\$ 8.93	R\$ 11.50	4/1/2017	4/1/2019	943,967	-	-	-	-	-	-	-	943,967	-
Deferral 2014	3/1/2015	R\$ 10.80	R\$ 11.69	3/1/2015	3/1/2018	-	287,691	-	-	-	-	-	-	287,691	-
Deferral 2014	3/1/2015	R\$ 10.80	R\$ 11.69	3/1/2015	3/1/2019	-	287,691	-	-	-	-	-	-	287,691	-
TOTAL						3,430,891	575,382	484,682	-	-	27,760	-	3,493,831	10.80	

Parent Company and Consolidated

Program	Grant Date	Fair value on the grant date	Fair value at the end of the period	1 st exercise date	2 nd exercise date	Available at the beginning of the period	Granted in the Period	Exercised	Exercised due to dismissal	Transfer ⁽¹⁾	Abandoned/ Prescribed due to dismissal	12/31/2014			
												Available at the end of the period	Weighted average price of exercised shares		
ILP 2007 (PN)	3/1/2008	R\$ 34.74	R\$ 9.00	3/1/2011	3/1/2014	13,043	-	13,043	-	-	-	-	-	9.00	
ILP 2008 (PN) Mar-09	3/1/2009	R\$ 15.11	R\$ 10.08	3/1/2012	3/1/2015	55,769	-	12,220	-	-	-	-	-	43,549	9.00
ILP 2009 A - Mar08	3/1/2008	R\$ 34.74	R\$ 10.08	3/1/2013	3/1/2016	11,663	-	3,189	-	-	-	-	-	8,474	9.00
ILP 2008 A - Mar08 / Mar12	3/1/2008	R\$ 34.74	R\$ 10.08	3/1/2012	3/1/2015	11,663	-	5,316	-	-	-	-	-	6,347	9.00
ILP 2008 - Jan09 / Sep12 (ii)	1/1/2009	R\$ 18.01	R\$ 10.08	3/1/2012	3/1/2015	16,502	-	16,502	-	-	-	-	-	-	9.00
ILP 2007 (PE)	8/1/2008	R\$ 34.74	R\$ 10.08	9/1/2014	9/1/2014	10,125	-	-	-	-	-	-	-	-	9.00
ILP 2007 (PN) - PA	3/1/2008	R\$ 43.38	R\$ 9.00	3/1/2011	3/1/2014	2,837	-	2,837	-	-	-	-	-	-	9.00
ILP 2009 - Mar09 / Mar12	3/1/2009	R\$ 15.11	R\$ 10.08	3/1/2012	3/1/2015	14,724	-	4,886	-	-	-	-	-	9,838	9.00
ILP 2009 M - Sep09 / Sep12	9/1/2009	R\$ 15.11	R\$ 10.08	9/1/2012	9/1/2015	27,055	-	6,609	-	-	-	-	-	20,446	9.00
ILP 2010	3/1/2010	R\$ 23.86	R\$ 10.08	3/1/2013	3/1/2016	50,836	-	18,354	-	91,029	-	-	-	123,511	9.00
ILP 2011	3/1/2011	R\$ 18.64	R\$ 10.08	3/1/2014	3/1/2017	322,580	-	247,957	-	27,770	-	-	-	46,853	9.00
ILP 2012	3/1/2012	R\$ 7.49	R\$ 10.08	3/1/2015	3/1/2018	859,609	-	-	-	75,820	89,360	94,744	-	778,405	9.00
ILP 2011 (F)	3/1/2011	R\$ 18.64	R\$ 10.08	3/1/2014	3/1/2017	7,159	-	-	-	-	-	-	-	7,159	-
ILP 2009 (J)	9/1/2010	R\$ 17.25	R\$ 10.08	9/1/2013	9/1/2016	3,441	-	3,441	-	-	-	-	-	-	9.00
ILP 2012 (PE)	9/30/2012	R\$ 9.00	R\$ 10.08	9/30/2015	9/30/2018	35,225	-	-	-	-	-	-	-	35,225	-
ILP 2013	3/1/2013	R\$ 6.58	R\$ 10.08	3/1/2016	3/1/2019	1,082,186	-	-	-	57,203	117,059	124,925	1,017,117	8.97	
Programa Especial 2012a ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2014	3/31/2014	70,000	-	-	-	-	-	-	-	-	9.00
Programa Especial 2012a ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2015	3/31/2015	70,000	-	-	-	-	-	-	-	-	9.00
Programa Especial 2012b ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	6/30/2014	6/30/2014	30,000	-	-	-	-	-	-	-	-	9.00
Programa Especial 2012b ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2014	3/31/2014	40,000	-	40,000	-	-	-	-	-	-	9.00
Programa Especial 2012b ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2015	3/31/2015	30,000	-	-	-	-	-	-	-	30,000	-
Programa Especial 2012b ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2015	3/31/2015	40,000	-	-	-	-	-	-	-	40,000	-
Programa Especial 2012c ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2014	3/31/2014	60,000	-	60,000	-	-	-	-	-	-	9.00
Programa Especial 2012c ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2015	3/31/2015	80,000	-	-	-	-	-	-	-	80,000	-
Programa Especial 2012c ⁽²⁾	12/21/2012	R\$ 5.55	R\$ 10.08	3/31/2016	3/31/2016	140,000	-	-	-	-	-	-	-	140,000	-
SAR 2014	4/1/2014	R\$ 8.93	R\$ 8.16	4/1/2017	4/1/2019	-	958,889	-	-	-	-	-	14,922	943,967	-
TOTAL						3,084,417	958,889	514,479	160,793	297,448	234,591	3,430,891	9.00		

(1) Shares received due to transfer of employees from Futuragene and Suzano Holding to Suzano Papel e Celulose SA.

(2) Programa ILP Especial I was renamed Programa Especial 2012a and Programa ILP Especial II was renamed Programa Especial 2012b and Programa Especial 2012c.

ii. Class "A" preferred shares stock option

Notes to the Financial Statements

Parent Company and Consolidated
3/31/2015

Program	Granted series	Grant date	1 st exercise date	2 nd exercise date and expiration	Prices	Number of Shares				
					On the grant date	Granted	Exercised	Not exercised due to dismissal	Expired	Total in effect on 3/31/2015
Program 2	Series I	8/11/2010	8/1/2013	12/31/2015	5.97	80,000	-	-	-	80,000
	Series II	8/11/2010	8/1/2014	12/31/2015	5.97	80,000	-	-	-	80,000
	Series III	8/11/2010	8/1/2015	12/31/2015	5.97	240,000	-	-	-	240,000
Program 3	Series I	1/18/2013	1/18/2015	4/18/2015	3.53	1,800,000	1,800,000	-	-	-
	Series II	1/18/2013	1/18/2016	4/18/2016	3.71	1,800,000	1,800,000	-	-	-
	Series III	1/18/2013	1/18/2018	4/18/2018	3.91	1,800,000	-	-	-	1,800,000
	Series IV	1/18/2013	1/18/2019	4/18/2019	3.96	1,800,000	-	-	-	1,800,000
	Series V	1/18/2013	1/18/2020	4/18/2020	3.99	1,800,000	-	-	-	1,800,000
Total						9,400,000	3,600,000	-	-	5,800,000

19.2 Recognition and measurement of the fair value of share-based payments

i. Phantom shares plan

Since the Plan is settled in cash, Suzano has to revise the fair value of the phantom shares at every reporting date. This value is then multiplied by the Total Shareholder Return (TRS) in the period (which varies between 75% and 125%, depending on the performance of SUZB5 in relation to its peers in Brazil).

ii. Stock option plan

To measure the fair value of the Class A preferred shares stock options of Program 2 and Program 3, the Company used, respectively, the mathematical model of approximation for options Bjerksund & Stensland, and the Binomial model, which considers the dividends distribution rate and the following mathematical assumptions:

Description of assumptions	Indexes		
	Options		
	Program II	Program III	SAR 2014
Calculation Model	Bjerksund-Stensland	Binomial	Monte Carlo Simulation
Asset base price ⁽¹⁾	R\$ 7.02/ share	R\$ 7.73/ share	R\$ 8.93/ share
Expectation of volatility ⁽²⁾	40.02% p.a.	40.47% p.a.	36.82 % p.a.
Phantom stocks/options average life expectancy ⁽³⁾	2.59 years	Equal to option life	Equal to option life
Dividends expectancy ⁽⁴⁾	3.49% p.a.	3.49% p.a.	2.94% p.a.
Risk-free weighted average interest rate ⁽⁵⁾	average of 8.02%	average of 8.99%	average of 11.90%

(1) The asset base price was defined considering the arithmetic average of the closing price of the last 90 trading sessions for SUZB5 share;

(2) The expectation of volatility was calculated for each exercise date, taking into account the remaining time to complete the vesting period, as well as the historical volatility of returns, considering a standard deviation of 745 observations of returns for the SAR program;

(3) The expectation of average life of phantom stocks and stock options was defined by the remaining term until the limit exercise date;

(4) The expectation of dividends was defined based on historical earnings per share of the Company;

(5) Risk-free weighted average interest rate used was the BRL yield curve (DI expectation) observed on the open market, which is the best comparison basis with the Brazilian market risk-free interest rates. The rate used for each exercise date changes according to the vesting period.

The amounts corresponding to the services received and recognized in the quarterly information statements are presented below:

Notes to the Financial Statements

	Parent Company and Consolidated			
	Liabilities and Shareholders' equity		Profit or loss	
	3/31/2015	12/31/2014	3/31/2015	3/31/2014
Non-current liabilities				
Provision for phantom stocks plan	29,173	27,619	(5,904)	(926)
Shareholders' equity				
Stock option reserve	21,192	25,939	(1,607)	(4,574)
Profit or loss			(7,511)	(5,500)

20 Debts Related to Asset Acquisitions

On March 31, 2015, these debts totaled R\$688,859 in the Parent Company and R\$800,889 in the Consolidated, and are classified under Current and Non-current liabilities (R\$601,124 and R\$714,690 on December 31, 2014, respectively).

20.1 Real Estate Receivables Certificates (“CRI”)

The Company and its subsidiaries carried out transactions involving the acquisition of land and reforestation through CRI. On March 31, 2015, the debts related to the acquisition of land, farms, reforestation and houses under construction in Maranhão totaled R\$61,151 in the Parent Company and R\$173,181 in the Consolidated, presented under Debt from Acquisition of Assets in Current and Non-Current Liabilities (R\$58,159 and R\$171,725, respectively, on December 31, 2014).

20.2 Acquisition of Vale Florestar Fundo de Investimento em Participações (“VFFIP”)

On August 8, 2014, the acquisition of VFFIP was concluded for the sum of R\$528,941, with a down payment of R\$44,998 on the contract date. The outstanding balance of R\$483,943 will be paid in 10 to 15 years, of which R\$195,551 is restated at the variation of the Broad Consumer Price Index (“IPCA”), and R\$288,392 is restated at the variation of the U.S. dollar exchange rate, plus usual market interest rates.

The main asset held by VFFIP was the shares in Vale Florestar S/A (“VFSA”) which owned eucalyptus forests in Pará.

On March 31, 2015, the total restated outstanding balance is R\$627,708 at the Parent Company and Consolidated, recorded under Debt from Acquisition of Assets in Current and Non-Current Liabilities. (R\$542,965 on December 31, 2014).

21 Shareholders' Equity**21.1 Authorized capital**

By resolution of the Board of Directors or Shareholders' Meeting, the capital may be increased, independent of an amendment to the Bylaws, up to the limit of 260,040 thousand common shares, 517,080 thousand class “A” preferred shares and 3,000 thousand class “B” preferred shares, all exclusively book-entry shares.

Notes to the Financial Statements**21.2 Capital stock**

On March 31, 2015, the capital stock of the Company was R\$6,241,753, divided into 1,107,739 thousand shares without par value, of which 371,149 thousand are registered common shares, 734,649 thousand are class A preferred shares and 1,941 thousand are Class B preferred shares. A total of 19,341 thousand shares are held in treasury, of which 6,786 thousand are common shares, 10,645 thousand are class A preferred shares, and 1,910 thousand are class B preferred shares.

The composition of the capital stock is presented below:

SHAREHOLDER	COMMON SHARES		CLASS A PREFERRED SHARES		CLASS B PREFERRED SHARES		TOTAL SHARES	
	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
Suzano Holding S.A.	354,349,459	95.47	3,245,073	0.44	17,698	0.91	357,612,230	32.28
Controlling Shareholders and Management	10,009,122	2.70	217,213,860	29.57	950	0.05	227,223,932	20.51
Sub Total	364,358,581	98.17	220,458,933	30.01	18,648	0.96	584,836,162	52.80
Treasury	6,786,194	1.83	10,644,988	1.45	1,909,699	98.40	19,340,881	1.75
BNDESPAR	-	-	93,817,596	12.77	-	-	93,817,596	8.47
Other shareholders	3,757	0.00	409,727,809	55.77	12,472	0.64	409,744,038	36.99
TOTAL	371,148,532	100.00	734,649,326	100.00	1,940,819	100.00	1,107,738,677	100.00

On March 31, 2015, SUZB5 preferred stock ended the period quoted at R\$14.79 (R\$11.25 on December 31, 2014).

21.3 Reserves**i. Profit reserve**

The Reserve for Capital Increase is composed of 90% of the remaining balance of net income for the year, after dividends and legal reserve, and aims to ensure the Company adequate operational conditions.

The Special Statutory Reserve includes the remaining 10% of the remaining balance of net income for the year and aims to ensure the distribution of dividends.

ii. Capital reserve

The Capital Reserve is composed of the balances of the tax incentive reserve, the stock option reserve, the treasury shares and the costs directly attributable to the Share Offering, which are primarily composed of the expenses with the fees and commissions charged by legal counsel, consultants and auditors.

Notes to the Financial Statements**21.4 Treasury shares**

	Number of shares			Total	R\$ ('000)	Average (R\$)
	Common	Pref. A	Pref. B			
Balance on 12/31/2013	6,786,194	14,244,988	1,909,699	22,940,881	312,240	13.61
Shares purchased	-	(1,800,000)	-	(1,800,000)	(8,514)	4.73
Balance on 12/31/2014	6,786,194	12,444,988	1,909,699	21,140,881	303,726	14.37
Shares sold ⁽¹⁾	-	(1,800,000)	-	(1,800,000)	(14,868)	8.26
Balance on 3/31/2015	6,786,194	10,644,988	1,909,699	19,340,881	288,858	14.94

⁽¹⁾ Treasury shares used to meet the share-based compensation plan (Note 19).

21.5 Equity valuation adjustment and other comprehensive income**i. Equity Valuation Adjustment**

The Company recorded under "Other Comprehensive Income" the corresponding entries of deemed cost adjustments upon the adoption of the IFRS on January 1, 2009. This reserve changes as a result of the realization of items in property, plant and equipment as well as other offsetting entries arising from the adoption of IFRS.

ii. Other Comprehensive Income (Loss)

The Company recorded under this balance sheet item the corresponding entries to Exchange Variation on investees abroad, gains or losses from the restatement of actuarial liabilities and the income (loss) from the conversion of debentures of the 5th issue into shares for Related Parties, net of deferred income and social contribution taxes.

21.6 Earnings (losses) per share**Basic**

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average common shares issued during the period, excluding the common shares acquired by the Company and held as treasury shares.

	3/31/2015			
	Common	Class A Preferred	Class B Preferred	Total
Loss attributed to shareholders	(239,463)	(522,973)	(22)	(762,459)
Weighted average number of shares in the period	371,149	734,649	1,941	1,107,739
Weighted average treasury shares	(6,786)	(11,245)	(1,910)	(19,941)
Weighted average number of outstanding shares	364,363	723,404	31	1,087,798
Basic loss per share	(0.65721)	(0.72293)	(0.70968)	

	3/31/2014			
	Common	Class A Preferred	Class B Preferred	Total
Earnings attributed to shareholders	63,250	137,789	6	201,045
Weighted average number of shares in the period	371,149	734,649	1,941	1,107,739
Weighted average treasury shares	(6,786)	(13,045)	(1,910)	(21,741)
Weighted average number of outstanding shares	364,363	721,604	31	1,085,998
Basic earnings per share	0.17359	0.19095	0.19355	

Notes to the Financial Statements**Diluted**

Diluted earnings per share is calculated by adjusting the weighted average of outstanding preferred and common shares assuming the conversion of all preferred and common shares that would cause dilution. The Company presents two categories of potential shares that would cause dilution: call options exercisable at the discretion of the holder and debentures convertible into common and preferred shares.

				3/31/2015
	Common	Class A Preferred	Class B Preferred	Total
Loss attributed to shareholders	(238,697)	(523,740)	(22)	(762,459)
Weighted average number of outstanding shares	364,363	723,404	31	1,087,798
Adjustment by stock options	-	3,384	-	3,384
Weighted average number of shares (diluted)	364,363	726,788	31	1,091,182
Diluted loss per share	(0.65511)	(0.72062)	(0.70968)	

				3/31/2014
	Common	Class A Preferred	Class B Preferred	Total
Earnings attributed to shareholders	63,249	137,790	6	201,045
Weighted average number of outstanding shares	364,363	721,604	31	1,085,998
Adjustment by stock options	-	3,420	-	3,420
Weighted average number of shares (diluted)	364,363	725,024	31	1,089,418
Diluted earnings per share	0.17359	0.19005	0.19355	

21.7 Dividends

Date of Approval AGO/E	Total amount (R\$ '000)	Amount per share			Record date	Payment date
		Common	Pref. A	Pref. B		
4/30/2014	122,000	R\$ 0.10545	R\$ 0.11600	R\$ 0.34523	5/2/2014	5/12/2014

22 Other Operating Income, Net

	Parent Company		Consolidated	
	Three-month period ended			
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Income (loss) from sale of other products	1,368	(2,468)	4,160	1,188
Income (loss) from sale of fixed and biological assets	1,391	(38)	1,376	(38)
Provision for loss with fixed assets and write-offs	(8,780)	(23,897)	(8,780)	(23,897)
Commercial agreement with Suppliers ⁽¹⁾	-	31,500	-	31,500
Amortization of intangible assets	(1,131)	(1,131)	(4,417)	(3,843)
Other operating income (expenses), net	(3,442)	(1,870)	(155)	(126)
Total other operating income	2,759	31,500	5,536	32,688
Total other operating expenses	(13,353)	(29,404)	(13,352)	(27,904)
Other operating income (expenses), net	(10,594)	2,096	(7,816)	4,784

- 1) Refers to a commercial agreement with a former supplier of the Company, due to credits outstanding from the commercial relationship.

Notes to the Financial Statements

23 Operating lease agreements

The Company maintains operating lease agreements related to the lease of areas, offices, properties, a call center, hardware equipment and installation services, whose agreements were executed in Brazilian real and Management has no intention of buying the assets at the end of the agreement, and the term of the agreements are not equivalent to a significant portion of the useful life of assets.

Operating lease payments are recognized as operating expenses in the Company's income statement.

Description	Installment amount R\$ (thousand)	Index	Maturity
Administrative offices and deposits	1 to 952	IGP-M and IPCA/IBGE	5/1/2015 to 1/27/2024
Call center and licenses	61 to 207	IGP-DI	5/19/2015 to 9/30/2017
Hardware equipment	2 to 21	IGP-M	5/21/2015 to 4/16/2016

The minimum payments of maturing operating were as follows:

	<u>3/31/2015</u>
Less than 1 year	13,583
From 1 year to 3 years	16,221
From 3 years to 5 years	19,021
Total installments due	<u>48,825</u>

24 Net Financial Result

	Parent Company		Consolidated	
	3/31/2015	Three-month period ended 3/31/2014	3/31/2015	3/31/2014
Interest income	70,088	54,346	70,839	54,756
Other financial income	5,257	4,127	5,898	7,088
Total financial income	<u>75,345</u>	58,473	<u>76,737</u>	61,844
Interest expenses	(293,415)	(198,194)	(298,715)	(203,175)
Other financial expenses	(9,708)	(2,241)	(11,268)	(5,118)
Total financial expenses	<u>(303,123)</u>	(200,435)	<u>(309,983)</u>	(208,293)
Monetary and exchange variations on loans and financing	(1,549,711)	251,619	(1,526,188)	252,771
Monetary and exchange variations on other assets and liabilities	310,507	(56,336)	240,034	(61,153)
Monetary and exchange variation, net	<u>(1,239,204)</u>	195,283	<u>(1,286,154)</u>	191,618
Derivative gains	11,283	4,365	25,033	9,697
Derivate losses	(233,114)	(1,033)	(242,092)	(4,629)
Net derivative income (loss)	<u>(221,831)</u>	3,332	<u>(217,059)</u>	5,068
Financial income	<u>75,345</u>	257,088	<u>76,737</u>	258,530
Financial expenses	<u>(1,764,158)</u>	(200,435)	<u>(1,813,196)</u>	(208,293)
Net financial income (expenses)	<u>(1,688,813)</u>	56,653	<u>(1,736,459)</u>	50,237

Notes to the Financial Statements

25 Net Revenue

	Parent Company		Consolidated	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Gross sales revenue	2,358,982	1,622,199	2,379,589	1,633,177
Deductions				
Sales taxes (a)	(211,572)	(209,619)	(214,172)	(211,300)
Returns and cancelations	(15,191)	(16,834)	(15,449)	(18,143)
Discounts and rebates	(2,590)	(4,118)	(2,590)	(4,118)
Net Revenue	2,129,629	1,391,628	2,147,378	1,399,616

- a) Includes the social contribution paid to Brazil's National Institute of Social Security (INSS), instituted by Law 12,715/12 and Decree 7,828/12 corresponding to 1% of gross revenue, valid through indefinitely, as per the change published in Law 13,043 of November 13, 2014.

26 Information by Segment

26.1 Operating segment

The information presented under "Not Segmented" is related to expenses not directly attributed to the Pulp and Paper segments, such as, expenses with information technology, net financial result, administrative expenses and other.

	3/31/2015				3/31/2014				Consolidated
	Pulp	Paper	Not segmented	Total	Pulp	Paper	Not segmented	Total	
	Net revenue	1,424,683	722,695	-	2,147,378	667,586	732,030	-	1,399,616
Net financial income (loss)	-	-	(1,736,459)	(1,736,459)	-	-	50,237	50,237	
Other operating income, net	-	-	(7,816)	(7,816)	-	-	4,784	4,784	
Operating income (loss)	456,237	120,324	(1,744,275)	(1,167,714)	74,101	162,987	55,021	292,109	
Total assets	13,649,173	4,813,932	10,151,599	28,614,704	13,444,974	4,878,378	9,796,104	28,119,456	

26.2 Information on geographic areas

	3/31/2015			3/31/2014			Consolidated
	Pulp	Paper	Total	Pulp	Paper	Total	
	Net revenue	1,424,683	722,695	2,147,378	667,586	732,030	1,399,616
Domestic market	195,675	475,452	671,127	146,119	511,651	657,770	
Foreign market	1,229,008	247,243	1,476,251	521,467	220,379	741,846	
Asia	596,908	15,069	611,977	191,403	5,236	196,639	
Europe	422,847	29,817	452,664	234,845	31,762	266,607	
North America	181,690	70,567	252,257	85,682	76,451	162,133	
South and Central America	27,563	120,997	148,560	9,537	102,637	112,174	
Africa	-	10,793	10,793	-	4,293	4,293	

Notes to the Financial Statements

27 Expenses by Nature

	Parent Company		Consolidated	
	3/31/2015	3/31/2014	3/31/2015	3/31/2014
Cost of Product Sold				
Personnel expenses	112,903	93,981	112,903	93,981
Variable cost	709,382	505,610	691,700	499,560
Logistics cost	53,806	23,752	217,838	95,749
Depreciation, depletion and amortization	320,717	243,740	320,717	243,740
Other costs	64,854	102,099	45,333	76,843
	<u>1,261,662</u>	<u>969,182</u>	<u>1,388,491</u>	<u>1,009,873</u>
Selling expenses				
Personnel expenses	14,112	12,627	21,265	18,300
Services	11,357	7,718	10,975	9,268
Logistics cost	172,452	91,937	42,053	29,501
Depreciation and amortization	761	621	856	710
Other expenses ⁽¹⁾	7,050	6,274	5,546	6,368
	<u>205,732</u>	<u>119,177</u>	<u>80,695</u>	<u>64,147</u>
Administrative expenses				
Personnel expenses	58,795	53,848	61,484	56,123
Services	17,065	11,891	20,077	14,224
Depreciation and amortization	4,784	2,963	5,052	3,307
Other expenses ⁽²⁾	12,080	11,729	15,017	14,854
	<u>92,724</u>	<u>80,431</u>	<u>101,631</u>	<u>88,508</u>
	<u>1,560,118</u>	<u>1,168,790</u>	<u>1,570,817</u>	<u>1,162,528</u>

(1) Includes provision for doubtful accounts, insurance, materials (use and consumption), expenses with travel, accommodation, participation in trade fairs and events.

(2) Includes corporate expenses, insurance, materials (use and consumption), social projects and donations, expenses with travel and accommodation.

28 Insurance Coverage

In order to protect its assets and liabilities, the Company takes insurance cover for risks that, may lead to losses that significantly impact the assets and/or results of the Company.

Some of the main insurance types contracted by the Company are:

- **Operating Risks:** Coverage against material damage caused to buildings, machinery and equipment, furniture and fixtures caused by fire, lightning and explosion, removal of debris, flooding, breakdown of machinery and electrical damage, as well as Loss of Gross Revenue caused by the interruption of production arising from material damages. On March 31, 2015, in the Parent Company, the insured amount was R\$17,813,510 and the maximum limit of damages is R\$3,747,500.

Notes to the Financial Statements

- **Directors and Officers Liability (D&O):** Coverage taken to protect the civil liability of Executives against losses and damages arising from their activities as Directors, Executive Officers and Managers of the Company. On March 31, 2015, in the Consolidated, the insured amount was R\$70,000.
- **Civil and General Liability:** To reimburse the company for damages arising from final and unappealable court decisions or agreements previously approved and authorized by the insurance company caused by involuntary damages, whether material and/or physical, to third parties as a result of the industrial and/or commercial activities, including accidental pollution. The insurance also covers, among other things, the liability of the employer, contingent vehicles, and products within Brazil. On March 31, 2015, in the Consolidated, the insured amount was R\$10,000.

29 Subsequent events

On April 30, 2015, the Annual Shareholders Meeting approved the Management proposal for distribution of dividends to shareholders in the amount of R\$150,000, to be allocated towards the Income Reserves, as follows: R\$ 0.1292 per common share; R\$ 0.14214 per class A preferred share; and R\$ 0.34409 per class B preferred share. The dividends will be paid (credit to account) to shareholders of record on this date, within ten (10) days from the date of the Meeting. Shares will be traded “ex-rights” starting May 4, 2015.