

# Suzano Papel e Celulose SA

**Report on the quarterly financial  
information (ITR) review**



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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, 2016, comprising the balance sheet as of March 31, 2016 and the statements of income and comprehensive income the threemonth period then ended, and 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, 2016, 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, April 26, 2016

KPMG Auditores Independentes  
CRC 2SP014428/O-6  
*Original report in Portuguese signed by*  
Carla Bellangero  
Accountant CRC 1SP196751/O-4

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## Company Information / Capital Breakdown

<b>Number of Shares (in thousands)</b>	<b>Current Quarter 3/31/2016</b>
<b>Paid-in Capital</b>	
Common	371,149
Preferred	736,590
<b>Total</b>	<b>1,107,739</b>
<b>Treasury Shares</b>	
Common	6,786
Preferred	10,755
<b>Total</b>	<b>17,541</b>

### 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	4/30/2015	Dividend	5/11/2015	Common		0.12922
Annual and Extraordinary Shareholders' Meeting	4/30/2015	Dividend	5/11/2015	Preferred	Class A Preferred	0.14214
Annual and Extraordinary Shareholders' Meeting	4/30/2015	Dividend	5/11/2015	Preferred	Class B Preferred	0.34409
Extraordinary Shareholders' Meeting	11/11/2015	Dividend	11/24/2015	Common		0.10337
Extraordinary Shareholders' Meeting	11/11/2015	Dividend	11/24/2015	Preferred	Class A Preferred	0.11370
Extraordinary Shareholders' Meeting	11/11/2015	Dividend	11/24/2015	Preferred	Class B Preferred	0.34408

**Parent Company Financial Statements / Balance Sheet - Assets****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Current quarter 3/31/2016</b>	<b>Previous year 12/31/2015</b>
1	Total Assets	28,466,777	27,995,553
1.01	Current Assets	7,255,283	6,714,790
1.01.01	Cash and Cash Equivalents	992,131	569,135
1.01.02	Financial investments	1,095,671	922,728
1.01.03	Receivables	3,175,059	3,521,841
1.01.03.01	Trade receivables	3,175,059	3,521,841
1.01.04	Inventories	1,053,083	895,663
1.01.06	Recoverable Taxes	617,498	586,716
1.01.06.01	Current Recoverable Taxes	617,498	586,716
1.01.06.01.01	Recoverable Income and Social Contribution Taxes	170,214	158,747
1.01.06.01.02	Other Recoverable Taxes	447,284	427,969
1.01.07	Prepaid Expenses	36,812	36,217
1.01.08	Other Current Assets	285,029	182,490
1.01.08.03	Other	285,029	182,490
1.01.08.03.01	Unrealized Derivatives Gains	215,764	40,440
1.01.08.03.02	Other Accounts Receivable	54,026	28,057
1.01.08.03.03	Receivables from Energy Sales	12,833	49,328
1.01.08.03.05	Advance to Suppliers - Development Program	406	565
1.01.08.03.06	Receivables from Subsidiaries	2,000	14,100
1.01.08.03.08	Assets Held for Sale	0	50,000
1.02	Non-Current Assets	21,211,494	21,280,763
1.02.01	Long-Term Assets	5,057,558	5,064,153
1.02.01.05	Biological Assets	4,307,470	4,234,664
1.02.01.08	Receivables from Related Parties	13,000	0
1.02.01.08.04	Receivables from Other Related Parties	13,000	0
1.02.01.09	Other Non-Current Assets	737,088	829,489
1.02.01.09.03	Unrealized Gains from Derivative Operations	0	11,284
1.02.01.09.04	Other Recoverable Taxes	343,538	433,070
1.02.01.09.05	Advance to Suppliers - Development Program	237,044	251,287
1.02.01.09.06	Other Receivables	100,697	77,808
1.02.01.09.08	Judicial Deposits	55,809	56,040
1.02.02	Investments	296,995	300,843
1.02.02.01	Equity Interest	296,995	300,843
1.02.02.01.02	Interest in Subsidiaries	291,844	300,843
1.02.02.01.04	Other Interest in Subsidiaries	5,151	0
1.02.03	Property, Plant and Equipment	15,750,390	15,817,652
1.02.03.01	Operational Property, Plant and Equipment	15,529,789	15,587,916
1.02.03.02	Leased Property, Plant and Equipment	12,660	13,230
1.02.03.03	Construction in Progress	207,941	216,506
1.02.04	Intangible Assets	106,551	98,115
1.02.04.01	Intangible Assets	106,551	98,115
1.02.04.01.02	Goodwill	45,445	45,445
1.02.04.01.03	Other Intangible Assets	61,106	52,670

**Parent Company Financial Statements / Balance Sheet - Liabilities****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Current quarter 3/31/2016</b>	<b>Previous year 12/31/2015</b>
2	Total Liabilities	28,466,777	27,995,553
2.01	Current Liabilities	3,354,351	3,201,724
2.01.01	Payroll and Related Charges	116,701	159,598
2.01.01.01	Payroll Charges Liabilities	19,809	22,255
2.01.01.02	Labor Liabilities	96,892	137,343
2.01.02	Trade Accounts Payable	493,374	540,096
2.01.02.01	Domestic Suppliers	433,201	511,233
2.01.02.02	Foreign Suppliers	60,173	28,863
2.01.03	Tax Liabilities	102,234	41,999
2.01.03.01	Federal Tax Liabilities	97,017	35,337
2.01.03.02	State Tax Liabilities	1,733	2,780
2.01.03.03	Municipal Tax Liabilities	3,484	3,882
2.01.04	Loans and Financing	2,248,299	1,939,391
2.01.04.01	Loans and Financing	2,248,299	1,939,391
2.01.04.01.01	In Domestic Currency	1,021,851	1,318,784
2.01.04.01.02	In Foreign Currency	1,226,448	620,607
2.01.05	Other Liabilities	393,743	520,640
2.01.05.01	Related Party Liabilities	50,270	109,952
2.01.05.02	Other	343,473	410,688
2.01.05.02.04	Unrealized Derivative Losses	141,801	184,669
2.01.05.02.05	Accounts Payable	104,828	127,858
2.01.05.02.06	Commitments from Acquisition of Assets	87,526	82,803
2.01.05.02.08	Advance from Customers	9,318	15,358
2.02	Non-Current Liabilities	14,797,693	15,601,748
2.02.01	Loans and Financing	7,386,162	8,062,950
2.02.01.01	Loans and Financing	7,386,162	8,062,950
2.02.01.01.01	In Domestic Currency	3,700,963	3,903,071
2.02.01.01.02	In Foreign Currency	3,685,199	4,159,879
2.02.02	Other Liabilities	5,232,363	5,816,743
2.02.02.01	Related Party Liabilities	4,394,240	4,821,230
2.02.02.01.02	Debts with Subsidiaries	4,394,240	4,821,230
2.02.02.02	Other	838,123	995,513
2.02.02.02.03	Unrealized Derivative Losses	219,573	345,152
2.02.02.02.04	Accounts Payable	12,756	16,302
2.02.02.02.05	Commitments from Acquisition of Assets	605,794	634,059
2.02.03	Deferred Taxes	1,337,757	916,631
2.02.03.01	Deferred Income and Social Contribution Taxes	1,337,757	916,631
2.02.04	Provisions	841,411	805,424
2.02.04.01	Provisions for Tax, Pension, Labor and Civil Claims	198,920	194,602
2.02.04.02	Other Provisions	642,491	610,822
2.02.04.02.04	Provision for Actuarial Liabilities	268,241	263,141
2.02.04.02.05	Share-Based Payments	18,468	42,722
2.02.04.02.06	Provision for Losses of Investments in Subsidiaries	355,782	304,959



## Parent Company Financial Statements / Balance Sheet - Liabilities

(In thousands of R\$)

Code	Description	Current quarter 3/31/2016	Previous year 12/31/2015
2.03	Equity	10,314,733	9,192,081
2.03.01	Paid-in Capital	6,241,753	6,241,753
2.03.02	Capital Reserves	-196,460	-205,892
2.03.02.04	Granted Options	17,330	23,091
2.03.02.05	Treasury Shares	-273,665	-288,858
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	706,137	706,137
2.03.04.01	Legal Reserve	231,926	231,926
2.03.04.08	Additional Dividend Proposed	300,000	300,000
2.03.04.11	Reserve to Increase Capital	174,211	174,211
2.03.05	Retained Earnings/Accumulated Losses	1,137,290	0
2.03.06	Equity Valuation Adjustment	2,468,444	2,481,076
2.03.08	Other Comprehensive Income (Loss)	-42,431	-30,993

**Parent Company Financial Statements / Statement of Income****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
3.01	Income from the Sale of Goods and/or Services Rendered	2,609,146	2,129,629
3.02	Cost of Goods Sold and/or Services Rendered	-1,315,123	-1,261,662
3.03	Gross Profit	1,294,023	867,967
3.04	Operating Expense/Income	-347,602	-349,230
3.04.01	Selling Expenses	-205,154	-205,732
3.04.02	General and Administrative Expenses	-85,938	-92,724
3.04.04	Other Operating Income	5,399	2,759
3.04.05	Other Operating Expenses	-8,677	-13,353
3.04.06	Equity Pick-up in Subsidiaries and Affiliates	-53,232	-40,180
3.05	Earnings Before Financial Result and Taxes	946,421	518,737
3.06	Financial Income (Expenses)	683,554	-1,688,813
3.06.01	Financial Income	956,314	75,345
3.06.02	Financial Expenses	-272,760	-1,764,158
3.07	Earnings Before Income Taxes	1,629,975	-1,170,076
3.08	Income and Social Contribution Taxes	-505,317	407,617
3.08.01	Current	-84,191	0
3.08.02	Deferred	-421,126	407,617
3.09	Net Income/(Loss) from Continuing Operations	1,124,658	-762,459
3.11	Net Income for the Period	1,124,658	-762,459
3.99	Earnings per Share - (Reais/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common	0.96776	-0.65721
3.99.01.02	Class A Preferred	1.06454	-0.72293
3.99.01.03	Class B Preferred	1.06452	-0.70968
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common	0.96441	-0.65511
3.99.02.02	Class A Preferred	1.06085	-0.72062
3.99.02.03	Class B Preferred	1.06452	-0.70968

## Parent Company Financial Statements / Statement of Comprehensive Income

(In thousands of R\$)

Code	Description	Year-to-date 1/1/2016 to 3/31/2016	Previous year 1/1/2015 to 3/31/2015
4.01	Net Income for the Period	1,124,658	-762,459
4.02	Other Comprehensive Income (Loss)	-11,438	-7,393
4.02.01	Exchange Variation on Translation of Financial Statements and Foreign Investments	-11,438	-7,393
4.03	Comprehensive Income for the Period	1,113,220	-769,852

**Parent Company Financial Statements / Statement of Cash Flows - Indirect Method****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
6.01	Net Cash from Operating Activities	989,117	389,239
6.01.01	Cash Generated in Operations	1,284,540	1,176,743
6.01.01.01	Net income (Loss) for the Period	1,124,658	-762,459
6.01.01.02	Depreciation, Depletion and Amortization	348,056	351,873
6.01.01.03	Income from Sale of Permanent Assets	-114	-1,391
6.01.01.04	Equity Pick-up in Subsidiaries and Affiliates	53,232	40,180
6.01.01.05	Exchange and Monetary Variations, Net	-625,371	1,418,491
6.01.01.06	Interest Expenses, Net	212,582	283,243
6.01.01.07	Deferred Income and Social Contr. Tax Expenses (Income)	421,126	-407,617
6.01.01.08	Interest on Actuarial Liabilities	8,575	7,757
6.01.01.09	(Reversal of) Provision for Contingencies	-2,071	3,714
6.01.01.10	(Reversal of) Provision for Share-Based Payments	-1,869	7,511
6.01.01.11	Net Derivative (Gains) Losses	-278,244	221,831
6.01.01.15	Addition to Provision for Doubtful Accounts, Net	314	2,452
6.01.01.16	Addition to (Reversal of) Provision for Losses with Inventory and Write-offs	720	-887
6.01.01.17	Addition to (Reversal of) Provision for Deduction	118	-301
6.01.01.19	Provision for Losses and Write-Offs with Property, Plant and Equipment and Biological Assets	5,419	8,780
6.01.01.20	Other Provisions	17,409	3,566
6.01.02	Changes in Assets and Liabilities	-295,423	-787,504
6.01.02.01	(Reduction) Increase in Receivables	78,648	-229,749
6.01.02.02	Increase in Inventories	-159,851	-84,271
6.01.02.03	Reduction in Recoverable Taxes	71,893	18,145
6.01.02.04	Reduction (Increase) in Other Current and Non-Current Assets	24,931	-23,644
6.01.02.06	Reduction in Trade Accounts Payable	-42,123	-128,829
6.01.02.07	Reduction in other Current and Non-Current Liabilities	66,327	-10,946
6.01.02.08	Payment of Interest	-192,099	-233,084
6.01.02.09	Payment of Other Taxes and Contributions	-126,569	-89,995
6.01.02.10	Payment of Income and Social Contribution Taxes	-8,372	-8,112
6.01.02.11	(Reduction) Increase in Related Parties	-8,208	2,981
6.02	Net Cash used in Investment Activities	-499,839	-269,371
6.02.01	Additions to Property, Plant and Equipment	-136,759	-32,759
6.02.02	Additions to Biological Assets	-221,298	-239,126
6.02.04	Additions to Intangible Assets	-3,683	-235
6.02.05	Amounts Received from the Sale of Assets	615	2,749
6.02.08	Financial Investments	-138,714	0
6.03	Net Cash Provided by (Used in) Financing Activities	-66,282	-196,709
6.03.01	Funding	651,983	322,304

**Parent Company Financial Statements / Statement of Cash Flows - Indirect Method**

**(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
6.03.02	Settlement of Derivative Operations	-54,243	1,130
6.03.03	Payment of Loans and Debentures	-672,536	-528,657
6.03.04	Dividends of Own Shares	8,514	8,514
6.05	Increase (Decrease) of Cash and Cash Equivalents	422,996	-76,841
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	569,135	2,615,579
6.05.02	Cash and Cash Equivalents at the End of the Period	992,131	2,538,738

**Parent Company Financial Statements / Statement of Changes in Equity - 1/1/2016 to 3/31/2016****(In thousands of R\$)**

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	-205,892	706,137	0	2,450,083	9,192,081
5.03	Adjusted Opening Balances	6,241,753	-205,892	706,137	0	2,450,083	9,192,081
5.04	Equity Transactions with Shareholders	0	9,432	0	0	0	9,432
5.04.03	Recognized Granted Options	0	-5,761	0	0	0	-5,761
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	15,193	0	0	0	15,193
5.05	Total Comprehensive Income/(Loss)	0	0	0	1,124,658	-11,438	1,113,220
5.05.01	Net Income for the Period	0	0	0	1,124,658	0	1,124,658
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	-11,438	-11,438
5.05.02.06	Exchange Variation on Translation of Financial Statements and Foreign Investments	0	0	0	0	-11,438	-11,438
5.06	Internal Changes in Equity	0	0	0	12,632	-12,632	0
5.06.05	Partial Realization of Attributed Cost Adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	12,632	-12,632	0
5.07	Closing Balances	6,241,753	-196,460	706,137	1,137,290	2,426,013	10,314,733

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

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 Translation of Financial Statements and Foreign Investments	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

**Parent Company Financial Statements / Statement of Value Added****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
7.01	Income	2,992,332	2,431,500
7.01.01	Sale of Goods, Products and Services	2,867,470	2,341,201
7.01.02	Other Income	6,293	6,479
7.01.03	Income from Construction of Own Assets	118,883	86,272
7.01.04	Reversal of/Allowance for Doubtful Accounts	-314	-2,452
7.02	Input Acquired from Third Parties	-1,371,807	-1,314,620
7.02.01	Cost of Products Sold and Services Rendered	-1,054,378	-995,058
7.02.02	Supplies, Electricity, Outsourced Services and Others	-317,429	-319,562
7.03	Gross Value Added	1,620,525	1,116,880
7.04	Retentions	-348,056	-351,873
7.04.01	Depreciation, Amortization and Depletion	-348,056	-351,873
7.05	Net Value Added Produced	1,272,469	765,007
7.06	Value Added from Transfers	-113,035	449,114
7.06.01	Equity Pick-up in Subsidiaries and Affiliates	-53,232	-40,180
7.06.02	Financial Income	-59,803	489,294
7.07	Total Value Added to Distribute	1,159,434	1,214,121
7.08	Distribution of Value Added	1,159,434	1,214,121
7.08.01	Personnel	218,919	216,182
7.08.01.01	Direct Compensation	174,020	174,971
7.08.01.02	Benefits	35,707	31,265
7.08.01.03	F.G.T.S. (Government Severance Indemnity Fund for Employees)	9,192	9,946
7.08.02	Taxes, Fees and Contributions	543,728	-439,986
7.08.02.01	Federal	565,817	-405,846
7.08.02.02	State	-23,353	-35,301
7.08.02.03	Municipal	1,264	1,161
7.08.03	Value Distributed to Providers of Capital	-727,871	2,200,384
7.08.03.01	Interest Rates	-743,357	2,185,067
7.08.03.02	Rentals	15,486	15,317
7.08.04	Value Distributed to Shareholders	1,124,658	-762,459
7.08.04.03	Accumulated Losses/Retained Earnings for the Period	1,124,658	-762,459



**Consolidated Financial Statements / Balance Sheet - Assets****(In thousands of R\$)**

Code	Description	Current quarter 3/31/2016	Previous year 12/31/2015
1	Total Assets	28,763,900	28,259,985
1.01	Current Assets	7,097,463	6,589,019
1.01.01	Cash and Cash Equivalents	1,698,089	1,477,246
1.01.02	Financial Investments	1,146,481	970,850
1.01.03	Receivables	1,761,955	1,885,960
1.01.03.01	Trade receivables	1,761,955	1,885,960
1.01.04	Inventories	1,398,133	1,315,996
1.01.06	Recoverable Taxes	645,705	596,936
1.01.06.01	Current Recoverable Taxes	645,705	596,936
1.01.06.01.01	Recoverable Income and Social Contribution Taxes	174,736	163,237
1.01.06.01.02	Other Recoverable Taxes	470,969	433,699
1.01.07	Prepaid Expenses	37,592	37,146
1.01.08	Other Current Assets	409,508	304,885
1.01.08.03	Other	409,508	304,885
1.01.08.03.01	Unrealized Derivatives Gains	335,895	158,930
1.01.08.03.02	Other Accounts Receivable	60,374	46,062
1.01.08.03.03	Receivables from Energy Sales	12,833	49,328
1.01.08.03.05	Advance to Suppliers - Development Program	406	565
1.01.08.03.08	Assets Held for Sale	0	50,000
1.02	Non-Current Assets	21,666,437	21,670,966
1.02.01	Long-Term Assets	5,070,113	4,995,107
1.02.01.05	Biological Assets	4,197,938	4,130,508
1.02.01.06	Deferred Taxes	2,354	2,583
1.02.01.06.01	Deferred Income and Social Contribution Taxes	2,354	2,583
1.02.01.08	Receivables from Related Parties	13,000	0
1.02.01.08.04	Receivables from Other Related Parties	13,000	0
1.02.01.09	Other Non-Current Assets	856,821	862,016
1.02.01.09.03	Unrealized Derivatives Gains	112,544	36,463
1.02.01.09.04	Other Recoverable Taxes	343,538	433,070
1.02.01.09.05	Advance to Suppliers - Development Program	237,044	251,287
1.02.01.09.06	Other Receivables	102,286	79,543
1.02.01.09.08	Judicial Deposits	61,409	61,653
1.02.02	Investments	5,151	0
1.02.02.01	Equity Interest	5,151	0
1.02.02.01.04	Other Interest in Subsidiaries	5,151	0
1.02.03	Property, Plant and Equipment	16,277,654	16,346,234
1.02.03.01	Operational Property, Plant and Equipment	16,057,053	16,116,498
1.02.03.02	Leased Property, Plant and Equipment	12,660	13,230
1.02.03.03	Construction in Progress	207,941	216,506
1.02.04	Intangible Assets	313,519	329,625
1.02.04.01	Intangible Assets	313,519	329,625
1.02.04.01.02	Goodwill	45,445	45,445
1.02.04.01.03	Other Intangible Assets	268,074	284,180

**Consolidated Financial Statements / Balance Sheet - Liabilities****(In thousands of R\$)**

Code	Description	Current quarter 3/31/2016	Previous year 12/31/2015
2	Total Liabilities	28,763,900	28,259,985
2.01	Current Liabilities	3,645,225	3,510,574
2.01.01	Payroll and Related Charges	120,877	164,782
2.01.01.01	Payroll Charges Liabilities	20,166	22,501
2.01.01.02	Labor Liabilities	100,711	142,281
2.01.02	Trade Accounts Payable	542,358	581,477
2.01.02.01	Domestic Suppliers	444,056	525,393
2.01.02.02	Foreign Suppliers	98,302	56,084
2.01.03	Tax Liabilities	129,816	56,285
2.01.03.01	Federal Tax Liabilities	112,678	38,941
2.01.03.02	State Tax Liabilities	11,728	11,317
2.01.03.03	Municipal Tax Liabilities	5,410	6,027
2.01.04	Loans and Financing	2,287,728	2,024,964
2.01.04.01	Loans and Financing	2,287,728	2,024,964
2.01.04.01.01	In Domestic Currency	1,021,994	1,318,815
2.01.04.01.02	In Foreign Currency	1,265,734	706,149
2.01.05	Other Liabilities	564,446	683,066
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	564,446	683,066
2.01.05.02.04	Unrealized Derivative Losses	248,387	281,317
2.01.05.02.05	Accounts Payable	203,423	278,365
2.01.05.02.06	Commitments from Acquisition of Assets	96,341	91,326
2.01.05.02.08	Advance from Customers	16,295	32,058
2.02	Non-Current Liabilities	14,803,942	15,557,330
2.02.01	Loans and Financing	11,794,111	12,892,378
2.02.01.01	Loans and Financing	11,794,111	12,892,378
2.02.01.01.01	In Domestic Currency	3,721,308	3,921,570
2.02.01.01.02	In Foreign Currency	8,072,803	8,970,808
2.02.02	Other Liabilities	1,061,280	1,122,641
2.02.02.02	Other	1,061,280	1,122,641
2.02.02.02.03	Unrealized Derivative Losses	336,329	353,814
2.02.02.02.04	Accounts Payable	21,494	35,289
2.02.02.02.05	Commitments from Acquisition of Assets	703,457	733,538
2.02.03	Deferred Taxes	1,459,015	1,037,889
2.02.03.01	Deferred Income and Social Contribution Taxes	1,459,015	1,037,889
2.02.04	Provisions	489,536	504,422
2.02.04.01	Provisions for Tax, Pension, Labor and Civil Claims	202,827	198,559
2.02.04.02	Other Provisions	286,709	305,863
2.02.04.02.04	Provision for Actuarial Liabilities	268,241	263,141
2.02.04.02.05	Share-Based Payment	18,468	42,722
2.03	Consolidated Equity	10,314,733	9,192,081
2.03.01	Paid-in Capital	6,241,753	6,241,753
2.03.02	Capital Reserves	-196,460	-205,892

## Consolidated Financial Statements / Balance Sheet - Liabilities

(In thousands of R\$)

Code	Description	Current quarter 3/31/2016	Previous year 12/31/2015
2.03.02.04	Granted Options	17,330	23,091
2.03.02.05	Treasury Shares	-273,665	-288,858
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	706,137	706,137
2.03.04.01	Legal Reserve	231,926	231,926
2.03.04.08	Additional Dividend Proposed	300,000	300,000
2.03.04.11	Reserve to Increase Capital	174,211	174,211
2.03.05	Retained Earnings/Accumulated Losses	1,137,290	0
2.03.06	Equity Valuation Adjustment	2,468,444	2,481,076
2.03.08	Other Comprehensive Income (Loss)	-42,431	-30,993

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

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
3.01	Income from the Sale of Goods and/or Services Rendered	2,708,332	2,147,378
3.02	Cost of Goods Sold and/or Services Rendered	-1,593,566	-1,388,491
3.03	Gross Profit	1,114,766	758,887
3.04	Operating Expense/Income	-203,360	-190,142
3.04.01	Selling Expenses	-103,468	-80,695
3.04.02	General and Administrative Expenses	-96,662	-101,631
3.04.04	Other Operating Income	10,278	5,536
3.04.05	Other Operating Expenses	-10,659	-13,352
3.04.06	Equity Pick-up in Subsidiaries and Affiliates	-2,849	0
3.05	Earnings Before Financial Result and Taxes	911,406	568,745
3.06	Financial Income (Expenses)	723,814	-1,736,459
3.06.01	Financial Income	1,006,634	76,737
3.06.02	Financial Expenses	-282,820	-1,813,196
3.07	Earnings Before Income Taxes	1,635,220	-1,167,714
3.08	Income and Social Contribution Taxes	-510,562	405,255
3.08.01	Current	-89,267	-2,362
3.08.02	Deferred	-421,295	407,617
3.09	Net Income/(Loss) from Continued Operations	1,124,658	-762,459
3.11	Consolidated Net Income for the Period	1,124,658	-762,459
3.11.01	Attributable to Controlling Shareholders	1,124,658	-762,459
3.99	Earnings per Share - (Reais/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common	0.96776	-0.65721
3.99.01.02	Class A Preferred	1.06454	-0.72293
3.99.01.03	Class B Preferred	1.06452	-0.70968
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common	0.96441	-0.65511
3.99.02.02	Class A Preferred	1.06085	-0.72062
3.99.02.03	Class B Preferred	1.06452	-0.70968

## Consolidated Financial Statements/ Statement of Comprehensive Income

(In thousands of R\$)

Code	Description	Year-to-date 1/1/2016 to 3/31/2016	Previous year 1/1/2015 to 3/31/2015
4.01	Consolidated Net Income for the Period	1,124,658	-762,459
4.02	Other Comprehensive Income (Loss)	-11,438	-7,393
4.02.01	Exchange Variation on Translation of Financial Statements and Foreign Investments	-11,438	-7,393
4.03	Consolidated Comprehensive Income for the Period	1,113,220	-769,852
4.03.01	Attributable to the Partners of the Parent Company	1,113,220	-769,852

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

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
6.01	Net Cash from Operating Activities	821,350	415,177
6.01.01	Cash Generated in Operations	1,236,853	911,064
6.01.01.01	Net Income (Loss) for the Period	1,124,658	-762,459
6.01.01.02	Depreciation, Depletion and Amortization	352,989	355,467
6.01.01.03	Income from Sale of Permanent Assets	-114	-1,376
6.01.01.04	Equity Pick-up in Subsidiaries and Affiliates	2,849	0
6.01.01.05	Exchange and Monetary Variations, Net	-596,501	1,180,909
6.01.01.06	Interest Expenses, Net	218,147	287,259
6.01.01.07	Deferred Income and Social Contr. Tax Expenses (Income)	421,295	-407,617
6.01.01.08	Addition to Actuarial Liabilities	8,575	7,757
6.01.01.09	(Reversal of) Provision for Contingencies	-1,939	2,378
6.01.01.10	(Reversal of) Provision for Share-Based Payments	-1,869	7,511
6.01.01.11	Derivative (Gains) Losses, Net	-259,679	217,059
6.01.01.15	Additional Provision for Doubtful Accounts, Net	786	2,452
6.01.01.16	Addition to (Reversal of) Provision for Losses with Inventory and Write-offs	720	-887
6.01.01.17	Addition to (Reversal of) Provision for Deduction	-56,262	10,681
6.01.01.19	Provision for Losses and Write-Offs with Property, Plant and Equipment and Biological Assets	5,419	8,780
6.01.01.20	Other Provisions	17,779	3,150
6.01.02	Changes in Assets and Liabilities	-415,503	-495,887
6.01.02.01	(Increase) Reduction in Receivables	-161,922	128,193
6.01.02.02	Increase in Inventories	-84,568	-136,059
6.01.02.03	Reduction in Recoverable Taxes	55,770	18,682
6.01.02.04	Reduction (Increase) in Other Current and Non-Current Assets	38,746	-63,106
6.01.02.06	Increase (Reduction) in Trade Accounts Payable	15,257	-111,078
6.01.02.07	(Reduction) Increase in Other Current and Non-Current Liabilities	18,478	18,284
6.01.02.08	Payment of Interest	-191,262	-237,975
6.01.02.09	Payment of Other Taxes and Contributions	-95,766	-101,064
6.01.02.10	Payment of Income and Social Contribution Taxes	-10,236	-11,764
6.02	Net Cash used in Investment Activities	-493,719	-265,844
6.02.01	Additions to Property, Plant and Equipment	-135,890	-34,291
6.02.02	Additions to Biological Assets	-215,922	-234,067
6.02.04	Additions to Intangible Assets	-3,683	-235
6.02.05	Amounts Received from the Sale of Assets	615	2,749
6.02.08	Financial Investments	-138,839	0
6.03	Net Cash Provided by (Used in) Financing Activities	-42,114	-190,122

**Consolidated Financial Statements / Statement of Cash Flows - Indirect Method**

(In thousands of R\$)

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
6.03.01	Funding	655,507	333,304
6.03.02	Settlement of Derivative Operations	-33,598	-3,283
6.03.03	Payment of Loans	-672,537	-528,657
6.03.04	Dividends of Own Shares	8,514	8,514
6.04	Exchange Variation on Cash and Cash Equivalents	-64,674	222,642
6.05	Increase (Decrease) of Cash and Cash Equivalents	220,843	181,853
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	1,477,246	3,686,115
6.05.02	Cash and Cash Equivalents at the End of the Period	1,698,089	3,867,968

**Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2016 to 3/31/2016**

(In thousands of R\$)

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	-205,892	706,137	0	2,450,083	9,192,081	0	9,192,081
5.03	Adjusted Opening Balances	6,241,753	-205,892	706,137	0	2,450,083	9,192,081	0	9,192,081
5.04	Equity Transactions with Shareholders	0	9,432	0	0	0	9,432	0	9,432
5.04.03	Recognized Granted Options	0	-5,761	0	0	0	-5,761	0	-5,761
5.04.08	Treasury Shares used to meet the Share-Based Payment	0	15,193	0	0	0	15,193	0	15,193
5.05	Total Comprehensive Income/(Loss)	0	0	0	1,124,658	-11,438	1,113,220	0	1,113,220
5.05.01	Net Income for the Period	0	0	0	1,124,658	0	1,124,658	0	1,124,658
5.05.02	Other Comprehensive Income (Loss)	0	0	0	0	-11,438	-11,438	0	-11,438
5.05.02.06	Exchange Variation on Translation of Financial Statements and Foreign Investments	0	0	0	0	-11,438	-11,438	0	-11,438
5.06	Internal Changes in Equity	0	0	0	12,632	-12,632	0	0	0
5.06.05	Partial Realization of Attributed Cost Adjustment Net of Deferred Income and Social Contribution Taxes	0	0	0	12,632	-12,632	0	0	0
5.07	Closing Balances	6,241,753	-196,460	706,137	1,137,290	2,426,013	10,314,733	0	10,314,733



**Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2015 to 3/31/2015**

(In thousands of R\$)

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 Translation of Financial Statements and Foreign Investments	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

**Notes to the Financial Statements****Consolidated Financial Statements / Statement of Value Added****(In thousands of R\$)**

<b>Code</b>	<b>Description</b>	<b>Year-to-date 1/1/2016 to 3/31/2016</b>	<b>Previous year 1/1/2015 to 3/31/2015</b>
7.01	Income	3,096,450	2,454,627
7.01.01	Sale of Goods, Products and Services	2,969,163	2,361,550
7.01.02	Other Income	9,190	9,257
7.01.03	Income from Construction of Own Assets	118,883	86,272
7.01.04	Reversal of/Allowance for Doubtful Accounts	-786	-2,452
7.02	Input Acquired from Third Parties	-1,441,863	-1,332,571
7.02.01	Cost of Products Sold and Services Rendered	-1,054,378	-995,058
7.02.02	Supplies, Electricity, Outsourced Services and Others	-387,485	-337,513
7.03	Gross Value Added	1,654,587	1,122,056
7.04	Retentions	-352,989	-355,467
7.04.01	Depreciation, Amortization and Depletion	-352,989	-355,467
7.05	Net Value Added Produced	1,301,598	766,589
7.06	Value Added from Transfers	-57,444	430,976
7.06.01	Equity Pick-up in Subsidiaries and Affiliates	-2,849	0
7.06.02	Financial Income	-54,595	430,976
7.07	Total Value Added to Distribute	1,244,154	1,197,565
7.08	Distribution of Value Added	1,244,154	1,197,565
7.08.01	Personnel	230,764	220,062
7.08.01.01	Direct Compensation	185,012	178,325
7.08.01.02	Benefits	36,560	31,791
7.08.01.03	F.G.T.S. (Government Severance Indemnity Fund for Employees)	9,192	9,946
7.08.02	Taxes, Fees and Contributions	540,044	-443,234
7.08.02.01	Federal	562,133	-409,094
7.08.02.02	State	-23,353	-35,301
7.08.02.03	Municipal	1,264	1,161
7.08.03	Value Distributed to Providers of Capital	-651,312	2,183,196
7.08.03.01	Interest Rates	-669,218	2,167,435
7.08.03.02	Rentals	17,906	15,761
7.08.04	Value Distributed to Shareholders	1,124,658	-762,459
7.08.04.03	Accumulated Losses/Retained Earnings for the Period	1,124,658	-762,459

## Comments on the Performance

### 1Q16 Results

São Paulo, April 27<sup>th</sup>, 2016. Suzano Papel e Celulose - (Bovespa:SUZB5), one of the largest integrated pulp and paper producers in Latin America, announces today its consolidated results for the first quarter of 2016 (1Q16). 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). Reclassifications in the quarterly and annual financial statements ended on December 31<sup>st</sup>, 2015 were made for better presentation and comparison with the financial statements ended on March 31<sup>st</sup>, 2016, as described in note 3 “Financial Instruments”. 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.

## Leverage ratio ends 1Q16 at 2.3x Net Debt/Adjusted EBITDA

### 1Q16 Highlights

- Record-high Operating Cash Generation<sup>1</sup> in LTM<sup>2</sup> of R\$3.7 billion. In 1Q16, Operating Cash Generation amounted to R\$902 million.
- Record-high Adjusted EBITDA in LTM<sup>2</sup> of R\$4.93 billion, with margin of 46%. In 1Q16, Adjusted EBITDA amounted to R\$1.27 billion, with margin of 47%.
- Record-high Net Revenue in LTM<sup>2</sup> of R\$10.8 billion. In 1Q16, Net Revenue amounted to R\$2.7 billion.
- Cash Cost declines in the quarter to R\$654/ton (-R\$ 52/ton vs. 4Q15).
- Sustainable results in paper segment: improvements in the Suzano’s go-to-market project in Brazil allow the Company to reach the final client, reduce logistics expenses and increase margin
- Liability Management: CRA<sup>3</sup> issuance (R\$600 million @ 98% of CDI).
- Lower average debt cost: 83.5% of CDI in BRL and 4.1% p.a. in USD.
- Investments continue to advance on schedule and on budget.

Note: <sup>1</sup> Operating cash generation corresponds to Adjusted EBITDA less Sustaining CAPEX; <sup>2</sup> Last 12 months ended on 3/31/2016; <sup>3</sup> Certificates of Agribusiness Receivables issued in April 2016

R\$ million, except where otherwise indicated	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Net Revenue	2,708	2,147	26.1%	2,709	0.0%
Exports	1,932	1,476	30.8%	1,842	4.9%
Domestic Market	777	671	15.7%	867	-10.4%
Adjusted EBITDA <sup>1</sup>	1,269	932	36.1%	1,226	3.5%
Adjusted EBITDA Margin (%) <sup>1</sup>	46.9%	43.4%	3.4 p.p.	45.3%	1.6 p.p.
Net Financial Results	724	(1,736)	n.a.	(135)	n.a.
Net Income	1,125	(762)	n.a.	341	230.2%
Operating Cash Generation	902	709	27.2%	954	-5.5%
Net Debt/EBITDA (x)	2.3x	4.0x	-1.7x	2.8x	-0.5x
Net Debt/Adjusted EBITDA <sup>1</sup> (x)	2.3x	4.0x	-1.7x	2.7x	-0.4x
<b>Operational Data ('000 tons)</b>					
Sales	1,180	1,115	5.9%	1,068	10.5%
Market Pulp	906	857	5.7%	740	22.3%
Paper	274	258	6.3%	327	-16.2%
Production	1,209	1,102	9.7%	1,127	7.3%
Market Pulp	912	796	14.6%	843	8.1%
Paper	297	306	-3.0%	283	4.9%

Note: <sup>(1)</sup> Excludes non-recurring items.

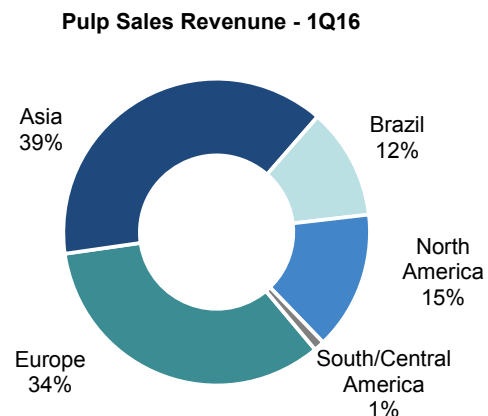
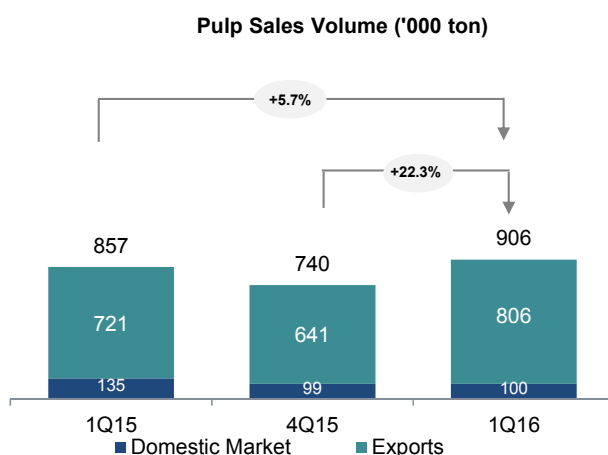
## Comments on the Performance

### Pulp Business Unit

Suzano sold 905.9 thousand tons of market pulp in 1Q16, which set a new sales record and represents increases of 22% compared to 4Q15 (+165 thousand tons) and 6% compared to 1Q15 (+49 thousand tons).

According to the Pulp and Paper Products Council (PPPC), pulp shipments in the first quarter of 2016 increased 460 thousand tons (+4.0%) compared to the same period last year, amounting to 11.8 million tons, led by shipments to China (+15.4%). Shipments of eucalyptus pulp increased 291 thousand tons (+6.6%), amounting to 4.6 million tons.

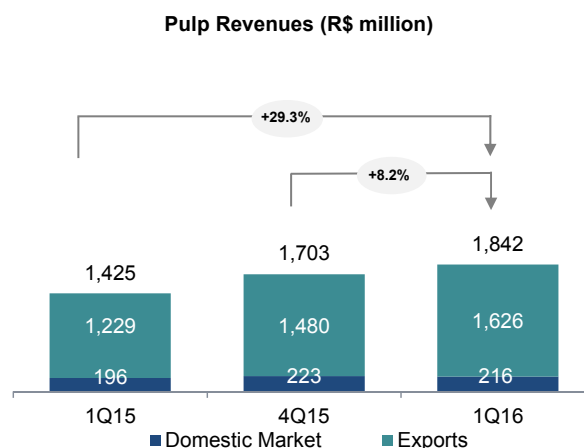
The pulp inventories reported by the PPPC ended March at 38 days, in line with the industry's seasonality.



The growth in pulp net revenue in 1Q16 compared to 4Q15 and 1Q15 was driven by the higher sales volumes.

The average net pulp price in 1Q16 was US\$520/ton, declining US\$79/ton (-13.1%) and US\$61/ton (-10.5%) from 4Q15 and 1Q15, respectively.

The average net price was R\$2,033/ton in 1Q16, down 11.6% from 4Q15, which is explained by the deterioration in list prices over the quarter. Compared to 1Q15, the 22.3% increase in the average net price in BRL reflects the currency's depreciation in the period.



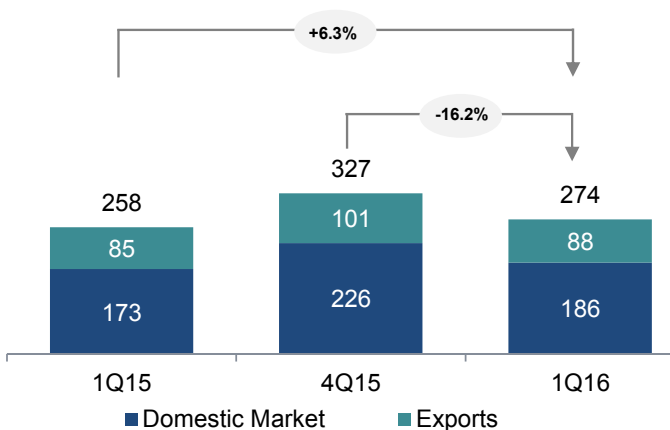
**Comments on the Performance**

**Paper Business Unit**

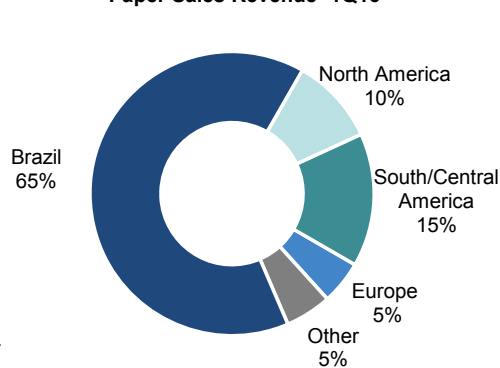
According to the Forestry Industry Association (Ibá), Brazilian demand for printing and writing paper and paperboard (domestic industry sales + imports) was down 5.8% in 1Q16 compared to 1Q15. Domestic sales of these lines increased 5.5%, while imports reduced 43.7%.

Suzano’s paper sales amounted to 274.3 thousand tons in 1Q16, increasing 6.3% compared to 1Q15, driven by the growth of 7.7% in domestic sales and 3.6% in export sales. The 16.2% decrease compared to 4Q15 is explained by the industry’s seasonality.

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

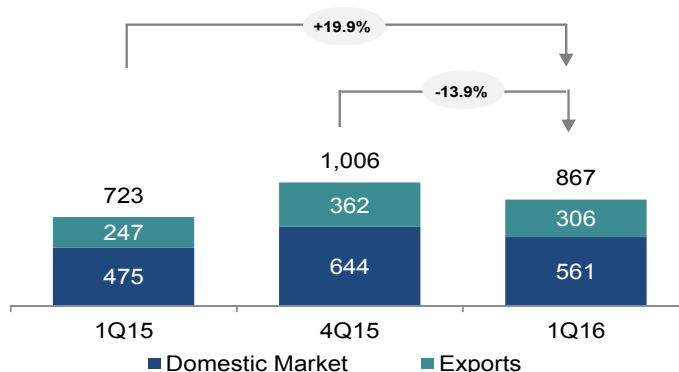


**Paper Sales Revenue- 1Q16**



The increase in paper net revenue in 1Q16 compared to 1Q15 is explained by the price increase announced and by the higher sales volume. The performance of paper net revenue in 1Q16 compared to 4Q15 is explained by seasonality, with weaker sales volumes and partially offset by higher paper prices in the domestic market.

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



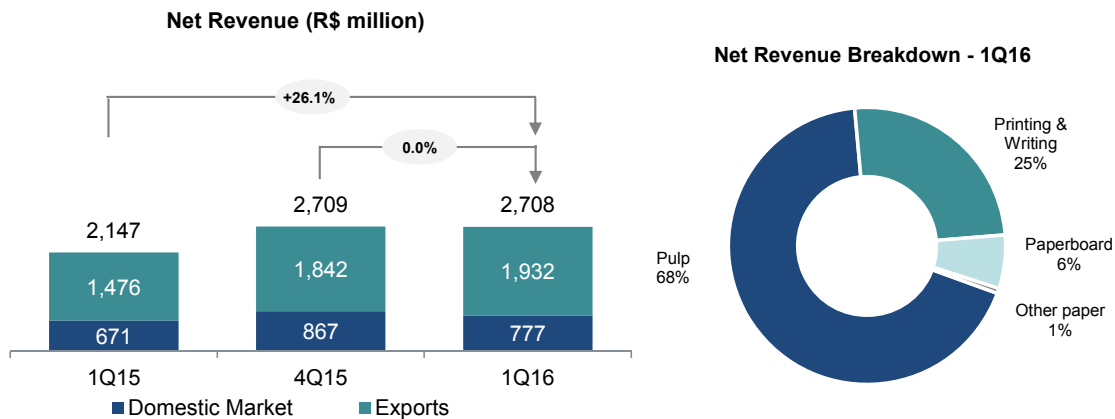
The average net paper price in the domestic market in 1Q16 was R\$3,012/ton, increasing 5.6% from 4Q15 and 9.5% from 1Q15.

The average net price of exported paper in 1Q16 was US\$888/ton, decreasing 4.6% from 4Q15 and 12.5% from 1Q15, respectively. In BRL, the price of exported paper in 1Q06 decreased 2.9% compared to 4Q15 and increased 19.4% compared to 1Q15 due to exchange rate in the period.

## Comments on the Performance

### Net Revenue

Suzano's net revenue in the quarter amounted to R\$2,708.3 million. Pulp and paper sales in the quarter amounted to 1,180.2 thousand tons, increasing 10.5% from 4Q15 and 5.9% from 1Q15.



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

The performance of consolidated net revenue compared to 1Q15 is explained by increase in pulp and paper sales, higher pulp price (with weaker BRL offsetting the lower list prices in USD), higher paper price in the domestic market and the depreciation of the BRL against the USD, which had a positive impact on export revenue. Compared to 4Q15, net revenue was flat: the lower paper sales volume due to seasonality and the deterioration in pulp list prices were offset by the growth in pulp sales volumes and the increase in the domestic paper price.

### Production and Costs

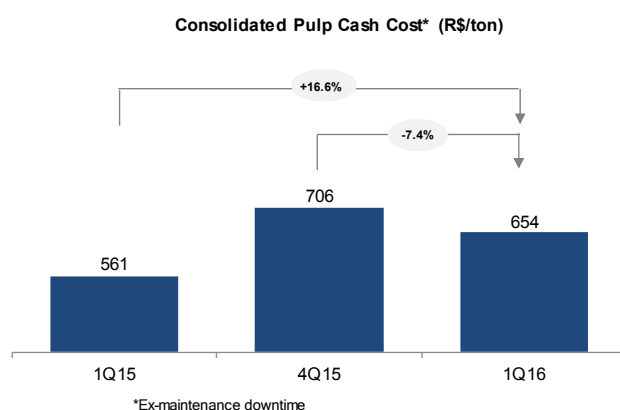
Production ('000 tons)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Market Pulp	912	796	14.6%	843	8.1%
Paper	297	306	-3.0%	283	4.9%
<b>TOTAL</b>	<b>1,209</b>	<b>1,102</b>	<b>9.7%</b>	<b>1,127</b>	<b>7.3%</b>

There were no maintenance downtimes in the first quarter of the year. Pulp production reached 912 thousand tons in 1Q16. The increase compared to the analyzed quarters is explained by the schedule of downtimes, as shown in the following table, and by the fluff pulp production at the Suzano mill. Paper production amounted to 297 thousand tons in 1Q16 and reflects, in addition to the downtime schedule and the fluff pulp production, the conclusion of the association with Ibema and the divestment of the Embu mill. A maintenance downtime is schedule for the Imperatriz Unit in 2Q16.

Unit	2014				2015				2016			
	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Imperatriz (MA) <sup>1</sup>												
Mucuri - Line 1 (BA)										no downtime		
Mucuri - Line 2 (BA)												
Suzano (SP)												
Limeira (SP)												

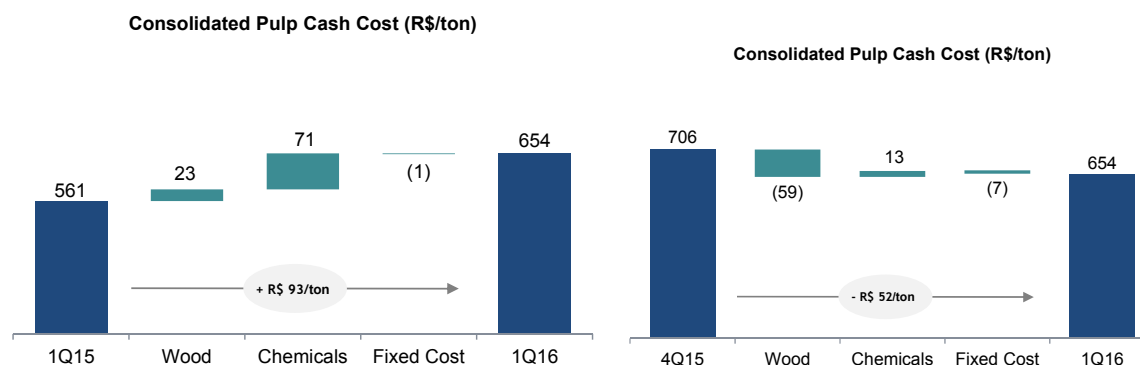
Note: There were no scheduled maintenance downtimes in the Imperatriz Unit in 2014, due to its ramp up

## Comments on the Performance



The consolidated market pulp production cash cost stood at R\$654/ton in 1Q16, increasing 16.6% from 1Q15, which is explained by the following factors: (i) lower revenue from energy sales due to lower spot prices; (ii) effects from exchange rate variation on raw materials linked to the USD; and (iii) increase in wood costs due to the higher share of third-party wood and the longer average distance in the supply mix at the Mucuri Unit. The reduction in cash cost compared to 4Q15 mainly reflects the

lower wood cost due to the shorter average supply distance at the Mucuri Unit and the greater dilution of fixed costs, which were partially offset by lower revenue from energy sales.



Cost of goods sold (COGS) in 1Q16 amounted to R\$1,593.6 million, increasing 14.8% from 1Q15, which is explained by the growth in pulp sales volume, the effect from exchange rate variation on raw materials linked to the USD and the reduced benefit from energy sales. Compared to 4Q15, COGS were flat, with the higher sales volume offset by lower wood costs, higher dilution of fixed costs and the lack of downtimes in 1Q16.

In 1Q16, average unit COGS was R\$1,350.3/ton, increasing 8.4% from 1Q15, although below inflation in the period (9.4%). Compared to 4Q15, average unit COGS decreased 9.5%, compared to the inflation of +2.6% in 1Q16.

## Operating Expenses

Expenses (R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Sales Expenses	103,468	80,695	28.2%	117,910	-12.2%
General and Administrative Expenses	96,662	101,631	-4.9%	134,843	-28.3%
<b>Total Expenses</b>	<b>200,130</b>	<b>182,326</b>	<b>9.8%</b>	<b>252,753</b>	<b>-20.8%</b>
Total Expenses / Sales Volume (R\$/ton)	170	164	3.7%	237	-28.4%

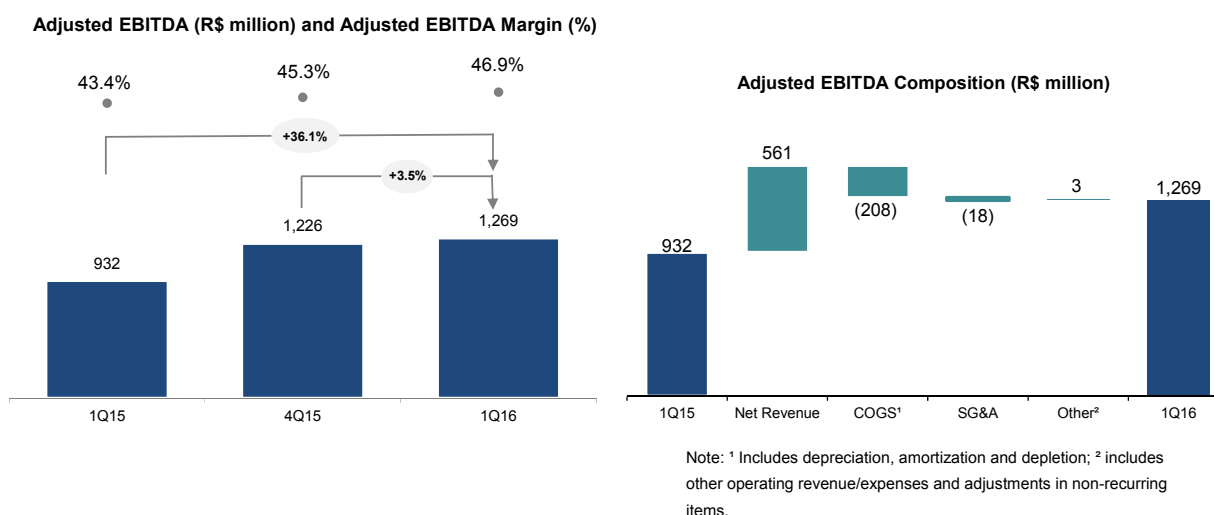
## Comments on the Performance

The variation in **selling expenses** between the analyzed quarters is mainly due to the change in sales volume and its impact on logistics expenses. **Administrative expenses** decreased in the analyzed periods, mainly due to the lower expenses with variable compensation.

SG&A expenses were R\$170/ton in 1Q16, 3.7% higher than 1Q15, although below inflation in the period (9.4%), and decreased 28.4% from 4Q15.

## EBITDA

Adjusted EBITDA amounted to R\$1.3 billion, with margin of 46.9%. The EBITDA and operating margins in 1Q16 compared to 1Q15 were positively impacted by the (i) depreciation in the BRL against the USD; (ii) higher pulp and paper sales volume; (iii) higher domestic paper price; (iv) energy matrix; and (v) lower SG&A expenses as a ratio of net revenue; and, negatively impacted by the (vi) lower pulp list prices; and (vii) higher wood costs. The Adjusted EBITDA composition is presented in attachment V.



## Financial Results

Financial Expenses (R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Net Financial Expenses	(234,045)	(233,246)	0.3%	(237,287)	-1.4%
Financial Expenses	(282,820)	(309,983)	-8.8%	(297,277)	-4.9%
Financial Revenues	48,775	76,737	-36.4%	59,990	-18.7%
Exchange Rate Variation	698,180	(1,286,154)	n.a.	70,041	896.8%
Net proceeds generated by derivatives	259,679	(217,059)	n.a.	32,058	710.0%
NDF	8,347	(140,840)	n.a.	54,947	-84.8%
Zero-Cost Collars	213,773	-	n.a.	3,606	5827.8%
Foreign-Currency Debt Hedge	62,340	(82,629)	n.a.	(18,885)	n.a.
Others <sup>1</sup>	(24,782)	6,411	n.a.	(7,610)	225.7%
<b>Net Financial Result</b>	<b>723,814</b>	<b>(1,736,459)</b>	<b>n.a.</b>	<b>(135,188)</b>	<b>n.a.</b>

Note: <sup>1</sup> Others includes currency Sw ap transactions, Libor and commodities



### Comments on the Performance

The net financial expense performance in 1Q16 compared to 1Q15 and 4Q15 is mainly explained by the effects from exchange rate variation on interest expenses from foreign-denominated debt in the period.

Monetary and exchange rate variation generated a positive impact of R\$698 million in the quarter, due to the impact on the balance sheet exposure from the 8.9% local-currency variation between the start (R\$3.90/US\$) and end (R\$3.56/US\$) of the quarter, with a positive 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 31, 2016, the value of the principal of operations involving forward dollar sales through Zero Cost Collars (ZCC) was US\$350 million, which maturities are distributed from October 2016 to January 2017 and were contracted in a range from R\$3.70 to R\$5.45. The current volatility in the BRL/USD exchange rate makes this the most adequate strategy for protecting the Company's cash flow. If, upon maturity, the exchange rate is within the contracted range, there are no cash inflows or outflows for Suzano. The positive impact of R\$214 million in 1Q16 is composed of a cash impact of R\$29 million and a noncash impact of R\$185 million related to the pricing of operations under the Black model.

Suzano calibrates its debt profile based on its proportion of dollarized revenue in order to obtain a natural hedge. The currency hedge positions for debt obligations generated a gain of R\$62 million.

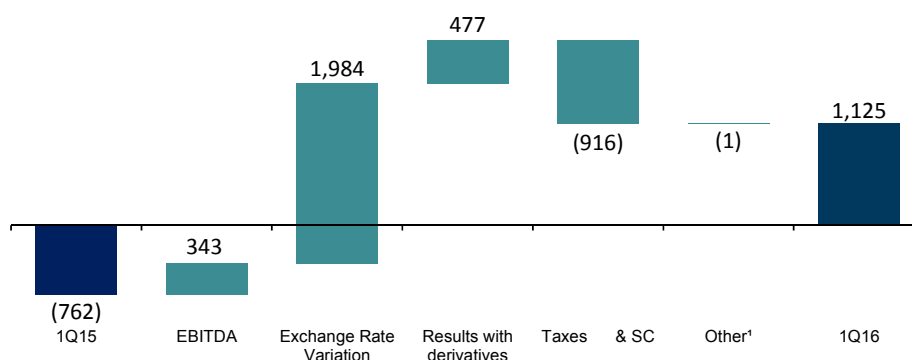
The Company also uses swap contracts to exchange floating interest rates (Libor) for fixed interest rates in USD as well as contracts to lock in bunker oil prices to mitigate the effects of these variations on its cash flow.

The Company posted net financial income of R\$724 million in 1Q16, compared to the financial expense of R\$135 million in 4Q15 and the net financial expense of R\$1.7 billion in 1Q15.

### Net Income (Loss)

The Company recorded net income of R\$1.1 billion in 1Q16, compared to the net loss of R\$762.5 million in 1Q15 and the net income of R\$340.7 million in 4Q15, which was mainly affected by the exchange variation in the period.

Net Income Composition (R\$ million)



Note<sup>1</sup>: includes other operational revenues/expenses, equity equivalence and financial result.

## Comments on the Performance

### Debt

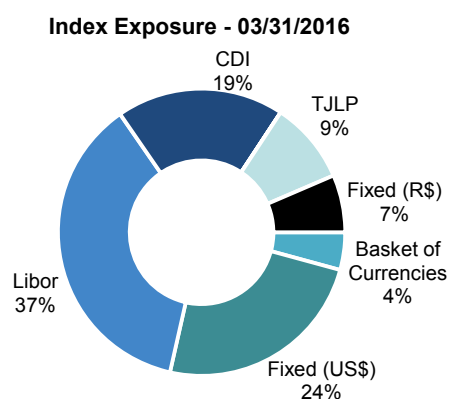
Debt (R\$ million)	03/31/2016	12/31/2015	Δ Q-o-Q	03/31/2015	Δ Y-o-Y
Local Currency	4,743	5,241	-9.5%	6,441	-26.4%
Short Term	1,022	1,319	-22.5%	1,233	-17.1%
Long Term	3,721	3,922	-5.1%	5,208	-28.6%
Foreign Currency	9,339	9,677	-3.5%	8,967	4.1%
Short Term	1,266	706	79.3%	997	27.0%
Long Term	8,073	8,971	-10.0%	7,970	1.3%
Gross Debt	14,082	14,917	-5.6%	15,408	-8.6%
(-) Cash	2,845	2,448	16.2%	3,868	-26.5%
Net Debt	11,237	12,469	-9.9%	11,540	-2.6%
Net Debt / EBITDA (x)	2.3x	2.8x	-0.4x	4.0x	-1.7x
Net Debt / Adjusted EBITDA <sup>1</sup> (x)	2.3x	2.7x	-0.4x	4.0x	-1.7x

Note: <sup>1</sup> Excludes non-recurring items

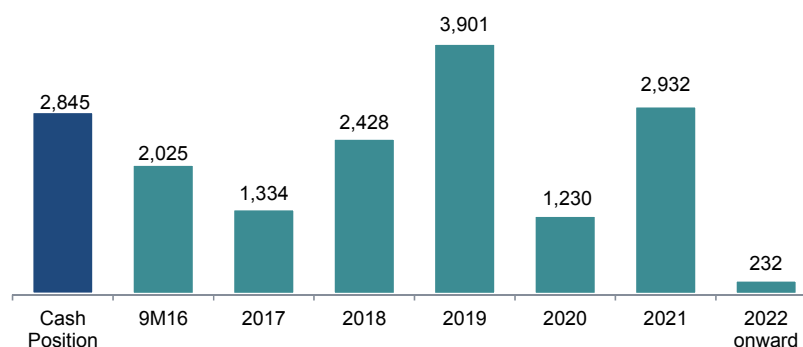
Gross debt stood at R\$14.1 billion on March 31<sup>st</sup>, 2016, of which 66.3% was denominated in foreign currency and 33.7% in local currency. The percentage of debt denominated in foreign currency, considering the adjustment for derivatives, was 64%. Suzano contracts foreign-denominated debt as 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 to match financing payments with receivable flows from sales.

As part of its ongoing efforts to deleverage and capture financial efficiency gains, the Company's liability management program made progress on three fronts: reducing debt costs, managing the average term and improving contractual flexibility. Gross debt on March 31<sup>st</sup>, 2016 was composed of 83.8% long-term maturities and 16.2% short-term maturities. In March 2016, the average cost of debt was 11.8% p.a. in BRL, or 83.5% of the CDI (vs. 11.9% p.a., or 84.4% of CDI in December 2015), and 4.1% p.a. in USD (vs. 4.2% p.a. in December 2015). The average term of consolidated debt ended the quarter at 3.0 years (vs. 3.3 years in December 2015).

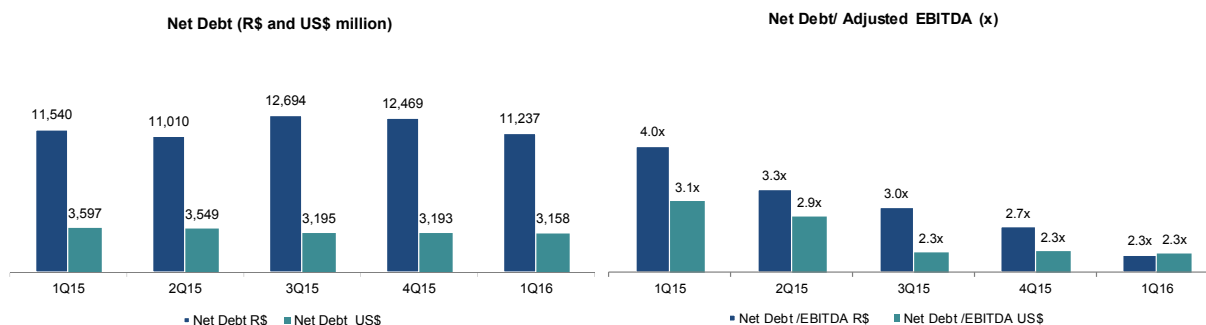
Net debt on March 31<sup>st</sup>, 2016 was R\$11.2 billion (US\$3.2 billion), compared to R\$12.5 billion (US\$3.2 billion) on December 31<sup>st</sup>, 2015. Net debt in foreign currency, considering the adjustment with derivatives, accounted for 75% of total net debt on March 31<sup>st</sup>, 2016. The net debt/Adjusted EBITDA ratio stood at 2.3x in BRL and 2.3x in USD at the end of the period.



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



## Comments on the Performance



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

Through these initiatives, Suzano actively and expressly demonstrates its firm commitment to sustainably deleverage its balance sheet and to adopt adequate and efficient structures and costs for its market positioning and operating and managerial capacity.

## Capital Expenditure

Capex (R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Sustain	367,109	223,309	64.4%	271,925	35.0%
Structural Competitiveness and Adjacent Business	127,551	85,553	49.1%	120,444	5.9%
Other	126,276	114,498	10.3%	23,005	448.9%
<b>TOTAL</b>	<b>620,936</b>	<b>423,359</b>	<b>46.7%</b>	<b>415,374</b>	<b>49.5%</b>

Investments amounted to R\$621 million in 1Q16, in line with the planning. Investments to sustain the industrial and forest operations amounted to R\$367 million. Investments in Structural Competitiveness and Adjacent Businesses projects amounted to R\$128 million and were mainly allocated to the projects 5.1, Tissue and Lignin. Investments in completing the Maranhão Project, retrofitting the wastewater treatment station at the Mucuri Unit and other projects amounted to R\$126 million in 1Q16. All of the announced projects are on schedule and on budget.

## Cash Generation

Cash Generation (R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Adjusted EBITDA	1,269,243	932,278	36.1%	1,226,206	3.5%
Sustain CAPEX	(367,109)	(223,309)	64.4%	(271,925)	35.0%
<b>Operating Cash Generation</b>	<b>902,134</b>	<b>708,969</b>	<b>27.2%</b>	<b>954,281</b>	<b>-5.5%</b>
Variation in Working Capital	85,203	443,722	-80.8%	144,362	-41.0%
<b>Cash Generation</b>	<b>816,931</b>	<b>265,247</b>	<b>208.0%</b>	<b>809,919</b>	<b>0.9%</b>

Suzano's operating cash generation (Adjusted EBITDA - Sustaining Capex) amounted to R\$902.1 million in 1Q16. Compared to 1Q15 and 4Q15, the variation is explained by the growth in sustaining capex, which was partially offset by the increase in EBITDA. Cash generation, including the variation in working capital, was R\$817 million in 1Q16.

**Comments on the Performance**

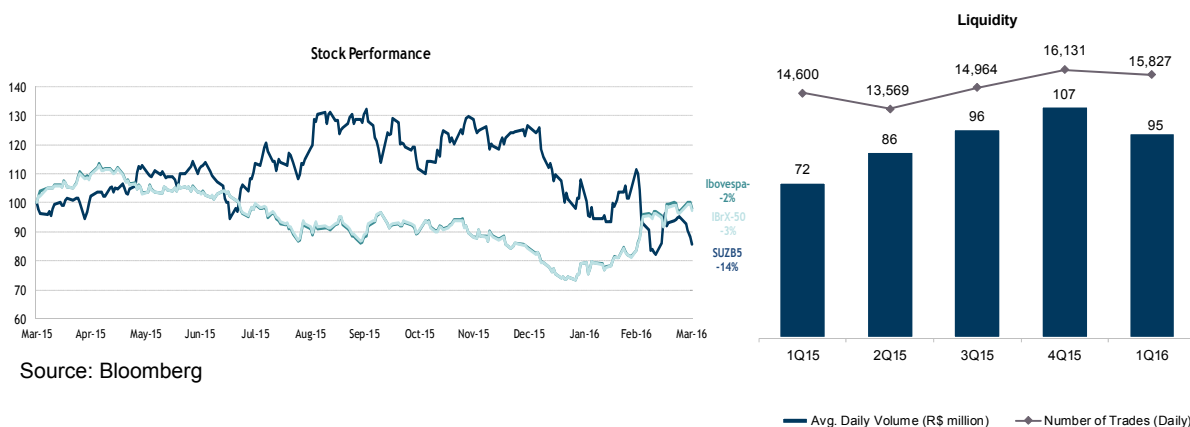
**Dividends**

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

The Annual and Extraordinary Shareholders' Meeting of April 25<sup>th</sup>, 2016 approved the payment of dividends in the amount of R\$300 million, to be distributed to shareholders as follows: R\$0.25800 per common share; R\$0.28380 per class "A" preferred share; and R\$0.34352 per class "B" preferred share. The dividends will be paid on May 4<sup>th</sup>, 2016 to shareholders of record on April 25<sup>th</sup>, 2016.

**Capital Markets**

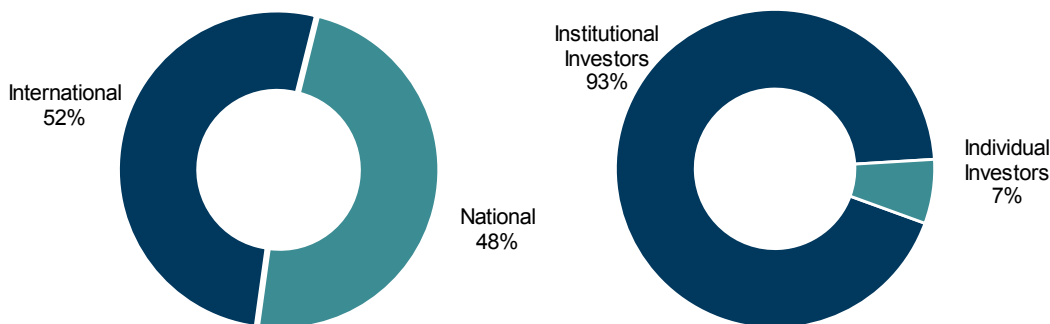
On March 31<sup>st</sup>, 2016, Suzano preferred stock (SUZB5) was quoted at R\$12.66/share. The Company’s stock is listed on the Level 1 corporate governance segment and is a component of the Bovespa Index (Ibovespa) and the Brazil Index (IBrX-50).



Source: Bloomberg

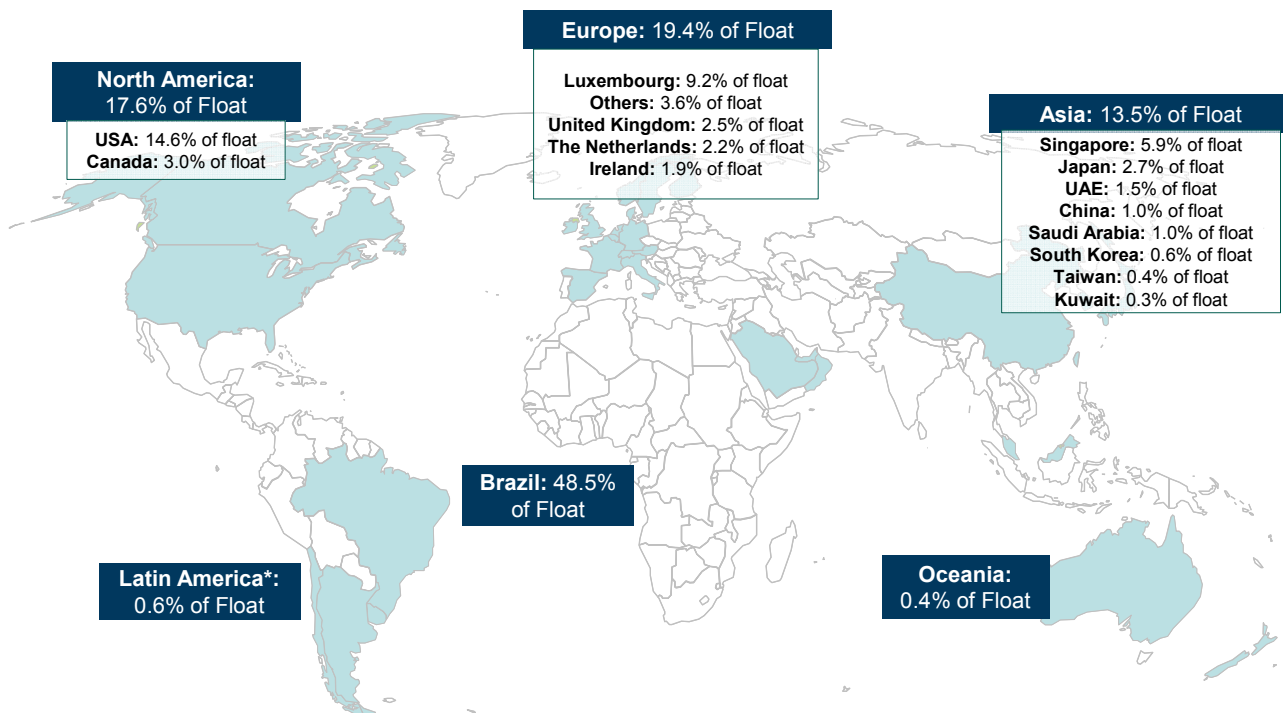
On March 31<sup>st</sup>, 2016, the Company’s capital stock was represented by 371,148,532 common shares (SUZB3) and 736,590,145 preferred shares (SUZB5 and SUZB6), for a total of 1,107,738,677 shares traded on the São Paulo Stock Exchange (BM&FBovespa), of which 17,540,890 were treasury shares, 6,786,194 common shares and 10,754,696 preferred shares. Suzano’s market capitalization was R\$14.1 billion on March 31<sup>st</sup>, 2016. In 1Q16, the free-float stood at 41.9% of the total capital.

**Free Float Distribution on 03/31/2016**



## Comments on the Performance

### Free-Float Distribution on 3/31/2016



\*Latin America ex-Brazil

## Events in the Period

### Conclusion of the transaction with Ibema

On January 4<sup>th</sup>, 2016, Suzano announced to its shareholders that, after all conditions precedent were met and approvals from all regulatory agencies were obtained, the transaction with Ibema was concluded. As from said date, Ibema became the owner of the unit in Embu, São Paulo and Ibemapar and Suzano became shareholders in Ibema at the initial ratio of 62% and 38% of its capital stock, respectively. The Notice to the Market is available on the Company's Investor Relations website ([www.suzano.com.br/ri](http://www.suzano.com.br/ri)).

### Change in the Board of Executive Officers

On January 8<sup>th</sup>, 2016, Suzano announced to the market the resignation of its Chief Operating Officer, Ernesto Pousada, effective on January 22<sup>nd</sup>. Walter Schalka, Chief Executive Officer, temporarily assumed responsibility for the Operations Department. The Notice to the Market and Minutes of the Management Meeting are available on the Company's IR website ([www.suzano.com.br/ri](http://www.suzano.com.br/ri)).

### Acquisition of Wood

On January 27<sup>th</sup>, 2016, Suzano announced to its shareholders that the Company acquired from Eco Brasil a total estimated volume of 7,500,000 cubic meters of standing eucalyptus forests in the state of Tocantins. The purpose of the transaction is to increase the supply of wood at the Imperatriz Unit to meet the demand from the expansion in pulp production at said unit. The Notice to the Market is available on the Company's Investor Relations website ([www.suzano.com.br/ri](http://www.suzano.com.br/ri)).

## **Comments on the Performance**

### **Positive decision in the dumping process**

On February 10<sup>th</sup>, 2016, Suzano announced to its shareholders that the International Trade Commission (ITC) ruled in favor of the dumping process filed against Australia, Brazil, China, Indonesia and Portugal, thereby ratifying the antidumping duty against cut uncoated paper (folio and cut size) imported from such countries. The duty applied for Suzano was 22.16%, however, on March, the ITC accepted the revision request with its technical department on the presented basis and applied a complementary decision, adjusting the duty to 22.37%. The Company will continue to export to the United States by paying said duty.

The process will be subjected to an annual review and Suzano believes it will be able to show over the course of the next review the inexistence of dumping practices in its sales of uncoated cut paper to the United States, which would lead to a review of any amounts paid until then. The Notice to the Market is available on the Company's Investor Relations website ([www.suzano.com.br/ri](http://www.suzano.com.br/ri)).

## **Subsequent Events**

### **Contracting of Export Credit Notes ("ECN")**

On April 13<sup>th</sup>, 2016, the Company, as part of its ongoing liability management program, approved the contracting of export credit notes ("ECN") in the amount of R\$600 million, which was linked to a securitization operation of Certificates of Agribusiness Receivables (CRA), at 98% of CDI, with semiannual interest payments and principal amortization bullet in April 2020.

### **Annual and Extraordinary Shareholders' Meeting**

The Annual and Extraordinary Shareholders' Meeting of Suzano Pulp and Paper was held on April 25<sup>th</sup>, 2016. The minutes of the meeting are available on the CVM's website and on the Company's IR website ([www.suzano.com.br/ri](http://www.suzano.com.br/ri)).

## Comments on the Performance

### Corporate Information

Suzano Pulp and Paper, which posted net revenue of R\$10.2 billion in 2015, 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 not to 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. The forward-looking statements were not reviewed by our independent auditors.*

## Comments on the Performance

## Attachment I

## Operating Data

Sales volume (tons)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
<b>Exports</b>	<b>893,871</b>	<b>806,378</b>	<b>10.9%</b>	<b>742,480</b>	<b>20.4%</b>
Pulp	805,746	721,287	11.7%	641,237	25.7%
Paper	88,125	85,091	3.6%	101,242	-13.0%
Paperboard	15,733	15,202	3.5%	16,638	-5.4%
Printing & Writing	72,393	69,889	3.6%	84,604	-14.4%
<b>Domestic Market</b>	<b>286,310</b>	<b>308,398</b>	<b>-7.2%</b>	<b>325,172</b>	<b>-12.0%</b>
Pulp	100,140	135,466	-26.1%	99,195	1.0%
Paper	186,170	172,932	7.7%	225,977	-17.6%
Paperboard	30,198	32,519	-7.1%	37,967	-20.5%
Printing & Writing	151,936	135,034	12.5%	182,436	-16.7%
Other Paper	4,035	5,378	-25.0%	5,574	-27.6%
<b>Total</b>	<b>1,180,181</b>	<b>1,114,776</b>	<b>5.9%</b>	<b>1,067,652</b>	<b>10.5%</b>
Pulp	905,886	856,753	5.7%	740,432	22.3%
Paper	274,295	258,022	6.3%	327,219	-16.2%
Paperboard	45,931	47,721	-3.8%	54,605	-15.9%
Printing & Writing	224,329	204,923	9.5%	267,040	-16.0%
Other Paper	4,035	5,378	-25.0%	5,574	-27.6%

Revenue breakdown (R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
<b>Exports</b>	<b>1,931,653</b>	<b>1,476,251</b>	<b>30.8%</b>	<b>1,842,271</b>	<b>4.9%</b>
Pulp	1,625,813	1,229,008	32.3%	1,480,264	9.8%
Paper	305,840	247,243	23.7%	362,007	-15.5%
<b>Domestic Market</b>	<b>776,679</b>	<b>671,127</b>	<b>15.7%</b>	<b>866,824</b>	<b>-10.4%</b>
Pulp	216,017	195,675	10.4%	222,620	-3.0%
Paper	560,662	475,452	17.9%	644,204	-13.0%
<b>Total</b>	<b>2,708,332</b>	<b>2,147,378</b>	<b>26.1%</b>	<b>2,709,095</b>	<b>0.0%</b>
Pulp	1,841,830	1,424,683	29.3%	1,702,884	8.2%
Paper	866,502	722,695	19.9%	1,006,211	-13.9%

Average net price (R\$/ton)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
<b>Exports</b>	<b>2,161</b>	<b>1,831</b>	<b>18.0%</b>	<b>2,481</b>	<b>-12.9%</b>
Pulp	2,018	1,704	18.4%	2,308	-12.6%
Paper	3,471	2,906	19.4%	3,576	-2.9%
<b>Domestic Market</b>	<b>2,713</b>	<b>2,176</b>	<b>24.7%</b>	<b>2,666</b>	<b>1.8%</b>
Pulp	2,157	1,444	49.3%	2,244	-3.9%
Paper	3,012	2,749	9.5%	2,851	5.6%
<b>Total</b>	<b>2,295</b>	<b>1,926</b>	<b>19.1%</b>	<b>2,537</b>	<b>-9.6%</b>
Pulp	2,033	1,663	22.3%	2,300	-11.6%
Paper	3,159	2,801	12.8%	3,075	2.7%

Note: "Other Paper" = paper from other manufacturers sold by the distributor.



## Comments on the Performance

## Attachment II

## Consolidated Income Statement

CONSOLIDATED FINANCIAL STATEMENT					
(R\$ '000)	1Q16	1Q15	Δ Y-o-Y	4Q15	Δ Q-o-Q
Net Revenue	2,708,332	2,147,378	26.1%	2,709,095	0.0%
Cost of Goods Sold	(1,593,566)	(1,388,491)	14.8%	(1,592,415)	0.1%
Gross Profit	1,114,766	758,887	46.9%	1,116,680	-0.2%
Selling Expenses	(103,468)	(80,695)	28.2%	(117,910)	-12.2%
General and Administrative Expenses	(96,662)	(101,631)	-4.9%	(134,843)	-28.3%
Other Operating Income (Expenses)	(381)	(7,816)	-95.1%	(88,298)	-99.6%
Equity Equivalence	(2,849)	-	n.a.	-	n.a.
EBIT	911,406	568,745	60.2%	775,629	17.5%
Depreciation, Amortization & Depletion	352,989	355,467	-0.7%	357,216	-1.2%
EBITDA	1,264,395	924,212	36.8%	1,132,845	11.6%
EBITDA Margin (%)	46.7%	43.0%	3.6 p.p.	41.8%	4.9 p.p.
Adjusted EBITDA	1,269,243	932,278	36.1%	1,226,206	3.5%
Adjusted EBITDA Margin (%)	46.9%	43.4%	3.4 p.p.	45.3%	1.6 p.p.
Net Financial Result	723,814	(1,736,459)	n.a.	(135,188)	n.a.
Financial Expenses	(282,820)	(309,983)	-8.8%	(297,277)	-4.9%
Financial Revenues	48,775	76,737	-36.4%	59,990	-18.7%
Exchange Rate Variation	698,180	(1,286,154)	n.a.	70,041	896.8%
Net Proceeds Generated by Derivatives	259,679	(217,059)	n.a.	32,058	710.0%
Earnings Before Taxes	1,635,220	(1,167,714)	n.a.	640,441	155.3%
Income and Social Contribution Taxes	(510,562)	405,255	n.a.	(299,791)	70.3%
Net Income (Loss)	1,124,658	(762,459)	n.a.	340,650	230.2%

## Comments on the Performance

## Attachment III

## Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET (R\$'000)					
ASSETS	03/31/2016	12/31/2015	LIABILITIES	03/31/2016	12/31/2015
<b><u>CURRENT ASSETS</u></b>			<b><u>CURRENT LIABILITIES</u></b>		
Cash and Cash Equivalent	1,698,089	1,477,246	Salaries and Payroll Taxes	120,877	164,782
Financial Applications	1,146,481	970,850	Accounts Payable	542,358	581,477
Accounts Receivable	1,761,955	1,885,960	Tax Liabilities	129,816	56,285
Inventories	1,398,133	1,315,996	Loans and Financing	2,287,728	2,024,964
Recoverable Taxes	645,705	596,936	Other Payable	564,446	683,066
Prepaid Expenses	37,592	37,146	<b>TOTAL CURRENT LIABILITIES</b>	<b>3,645,225</b>	<b>3,510,574</b>
Other Current Assets	409,508	304,885			
<b>TOTAL CURRENT ASSETS</b>	<b>7,097,463</b>	<b>6,589,019</b>	<b><u>NON CURRENT LIABILITIES</u></b>		
			Loans and Financing	11,794,111	12,892,378
			Other Liabilities	1,061,280	1,122,641
			Deferred Taxes	1,459,015	1,037,889
			Provision	489,536	504,422
			<b>TOTAL NON CURRENT LIABILITIES</b>	<b>14,803,942</b>	<b>15,557,330</b>
			<b><u>SHAREHOLDERS EQUITY</u></b>		
<b><u>NON CURRENT ASSETS</u></b>			Share Capital	6,241,753	6,241,753
Biological Assets	4,197,938	4,130,508	Capital Reserve	(196,460)	(205,892)
Other Accounts Receivable	872,175	864,599	Profit Reserve	706,137	706,137
Investments	5,151	-	Acumulated Profit	1,137,290	-
Property, Plant and Equipment	16,277,654	16,346,234	Equity Valuation Adjustment	2,468,444	2,481,076
Intangible	313,519	329,625	Other Comprehensive Income (Loss)	(42,431)	(30,993)
<b>TOTAL NON CURRENT ASSETS</b>	<b>21,666,437</b>	<b>21,670,966</b>	<b>TOTAL EQUITY</b>	<b>10,314,733</b>	<b>9,192,081</b>
<b>TOTAL ASSETS</b>	<b>28,763,900</b>	<b>28,259,985</b>	<b>TOTAL LIABILITIES + EQUITY</b>	<b>28,763,900</b>	<b>28,259,985</b>

## Comments on the Performance

## Attachment IV

## Consolidated Cash Flow Statement

<b>CONSOLIDATED CASH FLOW STATEMENT</b>		
(R\$ '000)	1Q16	1Q15
<b>Cash Flow from Operating Activities</b>		
Net Income (Loss)	1,124,658	(762,459)
Depreciation, Amortization & Depletion	352,989	355,467
Result on Sale of Non-Current and Biological Assets	(114)	(1,376)
Result on Equity Equivalence	2,849	-
Exchange and Monetary Variation, Net	(596,501)	1,180,909
Interest Expenses, Net	218,147	287,259
Deferred Expenses and Social Contribution Taxes	421,295	(407,617)
Interest on Actuarial Liabilities	8,575	7,757
(Reversion) Addition to Provision for Contingencies	(1,939)	2,378
Share based Payment Plan Addition to Provision	(1,869)	7,511
Losses (Gains) with Derivatives, Net	(259,679)	217,059
Additional Provision for Doubtful Credits, Net	786	2,452
Reversion for inventory losses	720	(887)
Provision (Reversion) for Losses	(56,262)	10,681
Provision for losses of Non-Current and Biological Assets	5,419	8,780
Addition to Other Provisions	17,779	3,150
(Increase) Reduction in Receivables	(161,922)	128,193
Increase in Inventories	(84,568)	(136,059)
Reduction in Recoverable Taxes	55,770	18,682
Reduction (Increase) in Other Current and Non-Current Assets	38,746	(63,106)
Increase (Reduction) in Suppliers	15,257	(111,078)
Increase in Other Current and Non-Current Liabilities	18,478	18,284
Interest Payments	(191,262)	(237,975)
Other Taxes and Contributions Payments	(95,766)	(101,064)
Income Tax and Social Contributions Payments	(10,236)	(11,764)
<b>Net cash from operating activities</b>	<b>821,350</b>	<b>415,177</b>
<b>Cash Flow from Investing Activities</b>		
Financial Applications	(138,839)	-
Acquisition of Property, Plant and Equipment, Intangible and Biological Assets	(355,495)	(268,593)
Upfront Receivables from Asset Sale	615	2,749
<b>Net cash from investing activities</b>	<b>(493,719)</b>	<b>(265,844)</b>
<b>Cash Flow from Financing Activities</b>		
Loans Raised	655,507	333,304
Proceeds Generated by Derivatives, Net	(33,598)	(3,283)
Payment of Loans	(672,537)	(528,657)
Dividends of Own Shares	8,514	8,514
<b>Net cash from financing activities</b>	<b>(42,114)</b>	<b>(190,122)</b>
Effects of Exchange Rate Variation in Cash and Cash Equivalents	(64,674)	222,642
<b>Increase in Cash</b>	<b>220,843</b>	<b>181,853</b>
Cash in the beginning of the period	1,477,246	3,686,115
Cash in the end of the period	1,698,089	3,867,968
<b>Statement of Increase in Cash</b>	<b>220,843</b>	<b>181,853</b>

## Comments on the Performance

## Attachment V

## EBITDA

R\$ thousand, except where otherwise indicated	1Q16	1Q15
Net Income	1,124,658	(762,459)
Net Financial Result	(723,814)	1,736,459
Income and Social Contribution Taxes	510,562	(405,255)
<b>EBIT</b>	<b>911,406</b>	<b>568,745</b>
Depreciation, Amortization and Depletion	352,989	355,467
<b>EBITDA <sup>(1)</sup></b>	<b>1,264,395</b>	<b>924,212</b>
<b>EBITDA Margin</b>	<b>46.7%</b>	<b>43.0%</b>
Provision (Reversion) for Losses with Fixed Assets, Write-Offs, Taxes, Doubtful Debtors and Labor Obligations	3,823	7,594
Fire in the warehouse of Itaqui	(3,004)	500
Equity Equivalence	2,849	-
Others	1,180	(28)
<b>Adjusted EBITDA</b>	<b>1,269,243</b>	<b>932,278</b>
<b>Adjusted EBITDA Margin</b>	<b>46.9%</b>	<b>43.4%</b>

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

Reconciliation of Consolidated EBITDA	1Q16	1Q15
EBITDA	1,264,395	924,212
Depreciation, Amortization and Depletion	352,989	355,467
<b>Operating Results before Financial Results and Taxes <sup>(2)</sup></b>	<b>911,406</b>	<b>568,745</b>

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

*\*\*\*In millions of Brazilian reais, unless otherwise stated\*\*\**

## 1 Company Information

Suzano Papel e Celulose S.A. (hereinafter referred to as the "Company" or "Suzano") 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 five industrial units in Brazil: one each in Bahia and Maranhão and three 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.

### 1.1 Major events in the three-month period ended March 31, 2016

#### a) Operational events

##### i) Acquisition of eucalyptus forests

On January 27, 2016, the Company entered into with Eco Brasil Florestas S.A. ("Eco Brasil") an instrument for acquisition of eucalyptus forests, through which Suzano acquired from Eco Brasil the estimated area of seven million and five hundred thousand (7,500,000) cubic meters of eucalyptus forests located in the state of Tocantins.

Wood Acquisition Operation aims to increase the wood supply to Imperatriz unit, to support the expansion of its pulp production. In the period ended March 31, 2016, the Company prepaid the amount of R\$30,000 recorded as other receivables under non-current assets.

##### ii) Revision of duties and affirmative decision in dumping process

On January 12, 2016, the U.S. Department of Commerce delivered a new decision revising the anti-dumping duty on Suzano from 33.09% to 22.16%, to be levied solely on sheet and cut size uncoated paper exported to the United States.

On February 9, 2016, the International Trade Commission ("ITC"), which is responsible for verifying if imports from countries under investigation are adversely affecting the U.S. market, provided final and affirmative decision on dumping process against Australia, Brazil, China, Indonesia and Portugal, ratifying the levy of anti-dumping duties on sales by such countries to the USA. ITC's decision maintained the 22.16% rate for the Company.

On March 3, 2016, ITC approved the request for review with its technical department on the bases presented and provided complementary decision that adjusts rate to 22.37% for the Company.

In any case, Suzano can request the annual revisions envisaged in applicable laws.

b) Corporate events

i) Operation with Ibema

On January 4, 2016, after all the conditions precedent were met and approvals from all regulatory agencies were obtained, the operation with Ibema and Ibemapar was concluded.

From that date, Ibema owns the unit in Embu, São Paulo, and Ibemapar and Suzano are shareholders of Ibema in the initial proportion of sixty-two percent (62%) and thirty-eight percent (38%), respectively, of its capital stock.

The control of the investee is shared, and this investment is classified as a joint arrangement, recognized at the acquisition cost of R\$8,000 (capital contribution) and evaluated through the equity method of accounting.

## 2 Presentation of the Quarterly Information

### 2.1 Preparation basis and presentation

The Company's parent company and consolidated quarterly information statements for the periods ended March 31, 2016 and 2015 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 parent company and consolidated quarterly information were prepared and are being presented in compliance 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 consolidated quarterly information include direct and indirect subsidiaries and joint operations and business, whose reporting dates coincide with those of the Company, except for Futuragene PLC, whose reference date is February 29, 2016, and which has no material impact on the consolidated figures.

The issue of the quarterly information was approved by the Company's Board of Directors on April 26, 2016. The economic group comprising direct and indirect subsidiaries and joint ventures included in the preparation of consolidated quarterly information is composed of the following entities:

	Type of interest	Interest in capital (%)	
		3/31/2016	12/31/2015
Amulya Empreendimentos Imobiliários Ltda. ("Amulya")	Direct	100,00%	100,00%
Asapir Produção Florestal e Comércio Ltda. ("Asapir")	Direct	50,00%	50,00%
Bahia Sul Holding GmbH ("BHOL")	Direct	100,00%	100,00%
Ondurman Empreendimentos Imobiliários Ltda. ("Ondurman")	Direct	100,00%	100,00%
Comercial e Agrícola Paineiras Ltda. ("Paineiras")	Direct	100,00%	100,00%
Stenfar S.A Indl. Coml. Imp. Y. Exp. ("Stenfar")	Direct / Indirect	100,00%	100,00%
Paineiras Logística e Transportes Ltda. ("Paineiras Logística")	Direct	100,00%	100,00%
Sun Paper and Board Limited ("Sun Paper")	Direct	100,00%	100,00%
Suzano Pulp and Paper America Inc. ("Suzano America")	Direct	100,00%	100,00%
Suzano Pulp and Paper Europe S.A. ("Suzano Europa")	Direct	100,00%	100,00%
Suzano Trading Ltd. ("Suzano Trading")	Direct	100,00%	100,00%
FuturaGene Ltd. ("Futuragene")	Indirect	100,00%	100,00%
Ibema Companhia Brasileira de Papel ("Ibema")	Direct Joint	38,00%	-

## 2.2 Functional currency and presentation currency

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 is also that used as basis of evaluation of investments by the equity accounting method, 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 periods 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 periods. 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).

Gains and losses from exchange variation on investments in foreign subsidiaries are measured under the equity accounting method, and gains and losses from exchange variation calculated in the process for consolidating the quarterly information (Cumulative Translation Adjustment ("CTA")) are recognized in other comprehensive income.

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

Currency	Name	Country	Subsidiary	Final rate		Average rate	
				3/31/2016	12/31/2015	3/31/2016	3/31/2015
USD	U.S. Dollar	United States	Suzano Trading Suzano America	3.5589	3.9048	3.9100	2.8634
GBP	Pound Sterling	United Kingdom	FuturaGene Sun Paper	5.1181	5.7881	5.5957	4.3344
CHF	Swiss Franc	Switzerland	Suzano Europa	3.7153	3.9284	3.9323	3.0090
EUR	Euro	European Union	Bahia Sul Holdings	4.0539	4.2504	4.3086	3.2172
ARS	Argentine Peso	Argentina	Stenfar	0.2438	0.3016	0.2668	0.3278

## 2.3 Use of estimates and judgments

When preparing this quarterly information, Management used judgments, estimates and assumptions to apply certain accounting policies and practices. Actual results may differ from such estimates. Estimates and assumptions are continuously revised and their effects are recognized prospectively.

The quarterly information and the annual financial statements for the fiscal year ended December 31, 2015 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, 2016.

## 2.4 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.

## 2.5 Statements of added value

The Company prepared parent company and consolidated statements of added value, which are presented together with the quarterly information under BR GAAP applicable to publicly held companies, while they represent additional financial information under IFRS.

## 3 Critical accounting practices

This quarterly information and the financial statements for the fiscal year ended December 31, 2015 were prepared using consistent accounting practices and should be considered jointly for an adequate understanding of the restated information at March 31, 2016.

The reclassifications in the comparative financial statements were conducted for better presentation and comparison with information for the period ended March 31, 2016. On December 31, 2015, the amount of R\$206,454 recorded in the balance sheet was reclassified from commercial transactions with suppliers to loans and financing, within current liabilities, related to confirming operations. On March 31, 2015, the amounts of R\$135,273 and R\$137,533 in the parent company and consolidated statement of cash flow, respectively, were reclassified among operating, investing and financing activities, mostly also related to confirming operations.



## 4 Financial instruments

### 4.1 Management of financial risks

#### a) Overview

In the three-month period ended March 31, 2016, 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, 2015. 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 Consolidated statements of income for the periods, as presented in Note 25.

#### b) Valuation

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

	Note	Parent Company		Consolidated	
		3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Assets</b>					
Fair value through profit or loss					
Cash and cash equivalents	5	992,131	569,135	1,698,089	1,477,246
Financial investments	6	1,095,671	922,728	1,146,481	970,850
Unrealized gains from derivative operations	4	215,764	51,724	448,439	195,393
Loans and receivables					
Trade accounts receivable	7	3,175,059	3,521,841	1,761,955	1,885,960
		<b>5,478,625</b>	<b>5,065,428</b>	<b>5,054,964</b>	<b>4,529,449</b>
<b>Liabilities</b>					
Liabilities through amortizable cost					
Trade accounts payable		493,374	540,096	542,358	581,477
Loans and financing	17	9,634,461	10,002,341	14,081,839	14,917,342
Loans with related parties	11	4,426,140	4,892,504	-	-
Commitments related to asset acquisitions	21	693,320	716,862	799,798	824,864
Fair value through profit or loss					
Unrealized losses from derivative operations	4	361,374	529,821	584,716	635,131
		<b>15,608,669</b>	<b>16,681,624</b>	<b>16,008,711</b>	<b>16,752,360</b>

### 4.2 Fair value versus book value

In the period ended March 31, 2016, 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, 2015.

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

	Consolidated			
	3/31/2016		12/31/2015	
	Book Value	Fair Value	Book Value	Fair Value
<b>Assets</b>				
Cash and cash equivalents	1,698,089	1,698,089	1,477,246	1,477,246
Financial investments	1,146,481	1,146,481	970,850	970,850
Unrealized gains from derivative operations (current and non-current)	448,439	448,439	195,393	195,393
Trade accounts receivable	1,761,955	1,761,955	1,885,960	1,885,960
	<b>5,054,964</b>	<b>5,054,964</b>	<b>4,529,449</b>	<b>4,529,449</b>
<b>Liabilities</b>				
Trade accounts payable	542,358	542,358	581,477	581,477
Loans and financing (current and non-current)	14,081,839	13,761,970	14,917,342	15,833,785
Commitments related to asset acquisitions	799,798	633,899	824,864	636,504
Unrealized losses from derivative operations (current and non-current)	584,716	584,716	635,131	635,131
	<b>16,008,711</b>	<b>15,522,943</b>	<b>16,958,814</b>	<b>17,686,897</b>

### 4.3 Credit risk

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

	Note	Parent Company		Consolidated	
		3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Assets</b>					
Cash and cash equivalents	5	992,131	569,135	1,698,089	1,477,246
Financial investments	6	1,095,671	922,728	1,146,481	970,850
Trade accounts receivable	7	3,175,059	3,521,841	1,761,955	1,885,960
Unrealized gains from derivative operations	4	215,764	51,724	448,439	195,393
<b>Total</b>		<b>5,478,625</b>	<b>5,065,428</b>	<b>5,054,964</b>	<b>4,529,449</b>

### 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.

		3/31/2016				
Consolidated	Note	Future Value	Up to 1 year	1 - 2 years	2 - 5 years	More than 5 years
<b>Liabilities</b>						
Loans and financing	17	16.495.486	2.382.909	2.018.710	11.232.868	860.998
Trade accounts payable		542.358	542.358			
Commitments related to asset acquisitions	21	872.492	93.694	92.983	273.445	412.370
Derivatives payable <sup>(a)</sup>	4	526.458	261.242	168.801	96.414	-
Other accounts payable		224.796	224.796			
		<u>18.661.590</u>	<u>3.504.999</u>	<u>2.280.494</u>	<u>11.602.727</u>	<u>1.273.368</u>
		12/31/2015				
Consolidated	Note	Future Value	Up to 1 year	1 - 2 years	2 - 5 years	More than 5 years
<b>Liabilities</b>						
Loans and financing	17	18.870.887	3.084.727	2.336.556	9.733.487	3.716.117
Trade accounts payable		581.477	581.477	-	-	-
Commitments related to asset acquisitions	21	882.051	109.948	106.316	286.358	379.429
Derivatives payable <sup>(a)</sup>	4	782.808	289.603	273.558	219.647	-
Other accounts payable		313.532	278.243	35.289	-	-
		<u>21.430.755</u>	<u>4.343.998</u>	<u>2.751.719</u>	<u>10.239.492</u>	<u>4.095.546</u>

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:

		3/31/2016						
Consolidated Derivatives		Future Value	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 2 years	2 - 5 years
Assets <sup>(a)</sup>		506,652	52,872	13,903	65,178	210,629	157,277	6,795
Liabilities <sup>(a)</sup>		526,458	28,602	12,654	87,447	132,539	168,801	96,414
		<u>(19,806)</u>	<u>24,270</u>	<u>1,249</u>	<u>(22,269)</u>	<u>78,090</u>	<u>(11,526)</u>	<u>(89,620)</u>

<sup>(a)</sup> The classification between assets and liabilities of derivative operations differs from the amounts presented in the balance sheet as it considers the future value.

#### 4.5 Market risk

On March 31, 2016, the net principal of operations contracted for Zero-Cost Collar is US\$350 million. Their maturities are distributed between October 2016 and January 2017, in addition to US\$8.9 million in oil bunker futures, 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 will generate cash disbursements or inflows, considering that the advantage of the Zero-Cost Collar is not having reimbursement or receipt of cash if exchange rate is within the contracted range.

In addition to currency hedge and commodity 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, 2016, the Company had outstanding (i) US\$150 million in CDI swaps for six-month LIBOR, (ii) US\$227 million in swaps of currency coupon for 3-month LIBOR; (iii) US\$72.8 million in LIBOR swap to U.S. dollar fixed rate; and (iv) US\$171 million in fixed interest rate swaps in U.S. dollar for the CDI.

## 4.6 Market risk - exchange rate

The following table shows the net exposure in foreign currency:

Consolidated	3/31/2016 (in R\$ thousand)					Total	12/31/2015 (in R\$ thousand)					Total
	USD	EUR	GBP	CHF	ARS		USD	EUR	GBP	CHF	ARS	
Cash and cash equivalents	501,599	58	57,817	159,360	7,617	726,451	783,430	63	25,721	89,902	30,714	929,830
Trade accounts receivable	1,086,785	19,626	12,455	-	31,611	1,150,477	1,164,345	4,962	15,075	-	28,320	1,212,702
Trade accounts payable	(71,745)	-	(1,547)	(2,880)	(22,130)	(98,302)	(39,050)	-	(608)	(2,380)	(14,046)	(56,084)
Loans and financing	(9,338,537)	-	-	-	-	(9,338,537)	(9,676,957)	-	-	-	-	(9,676,957)
Commitments related to asset acquisitions	(420,147)	-	-	-	-	(420,147)	(455,495)	-	-	-	-	(455,495)
Derivative Options	(3,558,900)	-	-	-	-	(3,558,900)	(1,952,400)	-	-	-	-	(1,952,400)
Derivative NDF	(1,134)	-	-	-	(34,165)	(35,299)	(360,305)	-	-	-	(72,532)	(432,837)
Derivative Swap	(189,437)	-	-	-	-	(189,437)	(227,785)	-	-	-	-	(227,785)
<b>TOTAL</b>	<b>(11,991,516)</b>	<b>19,684</b>	<b>68,725</b>	<b>156,480</b>	<b>(17,067)</b>	<b>(11,763,694)</b>	<b>(10,764,218)</b>	<b>5,025</b>	<b>40,188</b>	<b>87,522</b>	<b>(27,544)</b>	<b>(10,659,026)</b>

### Sensitivity analysis - 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%.

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

Consolidated USD x BRL	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Cash and cash equivalents	501.600	125.400	250.800	(125.400)	(250.800)
Loans and financing	(9.338.537)	(2.334.634)	(4.669.269)	2.334.634	4.669.269
Trade accounts receivable	1.086.785	271.696	543.392	(271.696)	(543.392)
Trade accounts payable	(71.746)	17.936	35.873	(17.936)	(35.873)
Derivative Swap	(188.361)	9.809	19.618	(9.809)	(19.618)
Derivative Options	62.697	(62.697)	(62.697)	(62.697)	(62.697)
Derivative Convertibility	1.764	(3.949)	(4.386)	(3.075)	(2.638)
Derivative NDF	1.397	(1.397)	(1.397)	(1.397)	(1.397)
Derivative Oil	601	150	301	(150)	(301)
Derivative Options Oil	(2.843)	(711)	(1.422)	711	1.422
Commitments related to asset acquisitions	(420.147)	(105.037)	(210.073)	105.037	210.073
<b>TOTAL</b>	<b>(8.366.790)</b>	<b>(2.083.432)</b>	<b>(4.099.259)</b>	<b>1.948.221</b>	<b>3.964.048</b>

Consolidated ARS x BRL	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Cash and cash equivalents	7.617	1.904	3.808	(1.904)	(3.808)
Trade accounts receivable	31.611	7.903	15.805	(7.903)	(15.805)
Trade accounts payable	(22.130)	(5.532)	(11.065)	5.532	11.065
Derivative NDF	7.931	1.983	3.966	(1.983)	(3.966)
<b>TOTAL</b>	<b>25.029</b>	<b>6.257</b>	<b>12.515</b>	<b>(6.257)</b>	<b>(12.515)</b>

Consolidated CHF x BRL	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Cash and cash equivalents	159.360	39.840	79.680	(39.840)	(79.680)
Trade accounts payable	(2.880)	(720)	(1.440)	720	1.440
<b>TOTAL</b>	<b>156.480</b>	<b>39.120</b>	<b>78.240</b>	<b>(39.120)</b>	<b>(78.240)</b>

Consolidated GBP x BRL	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Cash and cash equivalents	57.817	14.454	28.908	(14.454)	(28.908)
Trade accounts receivable	12.455	3.114	6.227	(3.114)	(6.227)
Trade accounts payable	(1.547)	(387)	(774)	387	774
<b>TOTAL</b>	<b>68.724</b>	<b>17.181</b>	<b>34.362</b>	<b>(17.181)</b>	<b>(34.362)</b>

Consolidated EUR x BRL	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Cash and cash equivalents	58	15	29	(15)	(29)
Trade accounts receivable	19.626	4.906	9.813	(4.906)	(9.813)
<b>TOTAL</b>	<b>5.025</b>	<b>1.256</b>	<b>2.512</b>	<b>(1.256)</b>	<b>(2.512)</b>

#### 4.7 Market risk - interest rates

On March 31, 2016, notional position in derivatives pegged to fixed rates totaled R\$2,092,115 (R\$2,242,867 on December 31, 2015).

##### Sensitivity analysis - exposure to interest rates

For the sensitivity analysis of operations impacted by the rates: Fixed, Libor, and U.S. dollar coupon, the Company adopted as the probable scenario the amounts already booked. On March 31, 2016, the other scenarios were developed considering positive and negative variations of 25% and 50% in the market interest rates.

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

	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr.(Δ of 25%)	Decr. (Δ of 50%)
<b>Consolidated Fixed</b>					
Derivative Swap	(188.361)	23.470	46.691	(23.729)	(47.727)
Derivative NDF	1.887	35	80	(55)	(99)
Derivative Options	62.697	(29.752)	(47.189)	5.967	24.345
<b>TOTAL</b>	<b>(123.775)</b>	<b>(6.247)</b>	<b>(417)</b>	<b>(17.816)</b>	<b>(23.480)</b>
<b>Consolidated Libor</b>					
Derivative Swap	(188.361)	(2.025)	(4.043)	2.033	4.074
<b>TOTAL</b>	<b>(188.361)</b>	<b>(2.025)</b>	<b>(4.043)</b>	<b>2.033</b>	<b>4.074</b>
<b>Consolidated Dollar Coupon</b>					
Derivative NDF	1.887	1.004	2.032	(1.011)	(1.999)
Derivative Options	62.697	(7.271)	(2.516)	(16.850)	(21.678)
Derivative Swap	(19.462)	-	-	-	-
<b>TOTAL</b>	<b>45.122</b>	<b>(6.267)</b>	<b>(484)</b>	<b>(17.861)</b>	<b>(23.677)</b>

#### 4.8 Market risk - commodity prices

On March 31, 2016, there was no exposure of contracts pegged to pulp commodity prices (R\$22,029 on December 31, 2015). On March 31, 2016, with regard to hedged freight costs, the Company's long position in oil bunker is R\$196,022 (R\$123,103 on December 31, 2015).

#### Sensitivity analysis - exposure to commodity prices

For the sensitivity analysis of operations pegged to commodity prices, the Company adopts as the probable scenario the amounts already booked. On March 31, 2016, the other scenarios were developed considering positive and negative variations of 25% and 50% in the market price of commodities.

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

Consolidated Commodities	3/31/2016				
	Probable	Incr. (Δ of 25%)	Incr. (Δ of 50%)	Decr. (Δ of 25%)	Decr. (Δ of 50%)
Derivative Oil	601	5.321	10.641	(5.321)	(10.641)
Derivative Options Oil	(2.843)	(711)	(1.422)	711	1.422
<b>TOTAL</b>	<b>(2.242)</b>	<b>4.610</b>	<b>9.219</b>	<b>(4.610)</b>	<b>(9.219)</b>

#### 4.9 Outstanding derivatives

On March 31, 2016 and December 31, 2015, 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			
		3/31/2016	12/31/2015	3/31/2016	12/31/2015	3/31/2016		12/31/2015	
						Payable	Receivable	Payable	Receivable
<b>Foreign Currency Swaps</b>									
Long Position - US\$ Libor		259.027	284.202	253.050	282.290	-	-	-	-
Short Position - US\$ Fixed Rate	4/1/2016 to 11/4/2019	259.027	284.202	(264.161)	(293.128)	-	-	-	-
Long Position - US\$ PRE		605.145		599.028		-	-	-	-
Short Position - R\$ % DI		609.615		(607.379)		-	-	-	-
Subtotal			-	(19.462)	(10.838)	19.462	368.977	10.838	-
<b>Index and Rate Swaps</b>									
Long Position - R\$ % DI (b)	4/1/2016 to 11/4/2019	331.335	331.335	368.977	360.911	-	-	-	-
Short Position - US\$ Libor (b)		533.835	585.720	(557.338)	(619.549)	-	-	-	-
Subtotal			-	(188.361)	(258.638)	557.338	368.977	258.638	-
<b>Currency Swaps - NDF</b>									
Long Position in R\$ x US\$	4/1/2016 to 11/4/2019	242.005	265.526	(32.483)	231	32.483	-	-	231
Short Position in R\$ x US\$		242.005	622.699	34.370	(81.676)	-	34.370	81.676	-
Long Position in US\$ x MXN		6.803		(491)		491	-	-	-
Short Position in US\$ x ARS		53.028	72.532	7.931	10.963	88	8.019	-	10.963
Subtotal		543.841	960.757	9.327	(70.483)	33.062	42.389	81.676	11.193
<b>Currency Swap</b>									
Short Position in R\$ x US\$	4/1/2016 to 1/2/2017	6.050.130	1.952.400	62.697	(121.955)	95.207	157.904	-	-
Long Position in R\$ x US\$								121.955	-
Subtotal		6.050.130	1.952.400	62.697	(121.955)	95.207	157.904	121.955	-
<b>Commodity Swaps</b>									
Short Position in Pulp BHKP	4/1/2016 to 11/4/2019	-	22.029	-	(548)	-	-	548	-
Long Position in Oil		79.108	88.095	601	(3.681)	734	1.336	3.681	-
Long Position in Oil (ZCC)		22.890	35.008	(2.843)	(4.449)	2.936	92	4.448	-
Subtotal		101.998	145.132	(2.242)	(8.677)	3.670	1.428	8.677	-
<b>Other</b>									
Long Position - Exchange Coupon	4/1/2016 to 11/4/2019	1.805.800	1.483.824	2.216.553	2.483.280	-	-	-	-
Short Position - US\$ Fixed Libor		1.535.499	1.483.824	(2.214.789)	(2.452.427)	-	-	-	-
Subtotal		1.535.499	-	1.764	30.853	2.214.789	2.216.553	-	30.853
<b>Total Result in Derivatives</b>		9.633.945	5.412.035	(136.277)	(439.738)	2.923.528	2.787.251	481.784	42.046
Value at Risk (VaR) <sup>(a)</sup>				51.590	140.290				

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

(b) Through one day gain or loss, the fair value contracting (R\$12,243) was considered a transaction cost, without any direct impact on mark-to-market adjustment of the derivative portfolio. Cost will be recognized proportionally to the term of operation, until the entire amount is recognized at maturity. On March 31, 2016 the amount to be recognized was R\$7,391

On March 31, 2016 and December 31, 2015, these consolidated positions, grouped by counterparty, are presented below:

Description	Notional value on		Fair value on		Equity balances on			
	3/31/2016	12/31/2015	3/31/2016	12/31/2015	3/31/2016		12/31/2015	
					Payable	Receivable	Payable	Receivable
<b>Foreign Currency Swaps</b>								
<b>Counterparties</b>								
BTG Pactual	157.344	172.636	(5.372)	(5.491)	5.372	-	5.491	-
Santander	295.441	55.783	(5.071)	(2.667)	5.071	-	2.667	-
Standard Chartered	50.842	55.783	(2.914)	(2.680)	2.914	-	2.680	-
Bradesco	365.015	-	(6.105)	-	6.105	-	-	-
SubTotal		-	(19.462)	(10.838)	19.462	-	10.838	-
<b>Index and Rate Swaps</b>								
<b>Counterparty</b>								
Bradesco	533.835	585.720	(188.361)	(258.638)	557.338	368.977	258.638	-
SubTotal		-	(188.361)	(258.638)	557.338	368.977	258.638	-
<b>Currency Swap - NDF</b>								
<b>Counterparties</b>								
<b>Long Position in R\$ x US\$</b>								
Itaú BBA	242.005	265.526	(32.483)	231	32.483	-	-	231
<b>Short Position in R\$ x US\$</b>								
Itaú BBA	242.005	265.526	34.370	(1.661)	-	34.370	1.661	-
Votorantim	-	181.456	-	(40.843)	-	-	40.843	-
Santander	-	175.716	-	(39.172)	-	-	39.172	-
<b>Long Position in US\$ x MXN</b>								
Standard Chartered	6.803	-	(491)	(1.431)	491	-	1.431	-
<b>Long Position in US\$ x ARS</b>								
Mercado Rofex	-	26.846	-	4.138	-	-	-	4.138
HSBC	9.253	-	120	-	-	120	-	-
Standard Chartered	-	-	-	-	-	-	-	-
Banco Patagonia	43.774	45.686	7.811	6.825	88	7.899	-	6.825
Subtotal		-	9.327	(70.483)	33.062	42.389	81.676	11.193
<b>Currency Options</b>								
<b>Short Position in R\$ x US\$</b>								
<b>Counterparties</b>								
Itaú BBA	1.512.532	732.150	11.160	(48.831)	33.285	44.445	48.832	-
Standard Chartered	355.890	195.240	1.498	(6.460)	0	1.498	6.460	-
JP Morgan	1.601.505	546.672	14.825	(28.156)	19.220	34.045	28.156	-
Votorantim	1.156.643	478.338	25.075	(38.507)	2.385	27.460	38.507	-
Santander	960.903	-	8.704	-	30.767	39.471	-	-
Bank of America	462.657	-	1.435	-	9.549	10.984	-	-
SubTotal		-	62.697	(121.955)	95.207	157.904	121.955	-
<b>Commodity Swap - Oil</b>								
<b>Counterparty</b>								
Standard Chartered	-	96.179	-	(2.910)	-	-	2.910	-
JP Morgan	79.108	9.677	601	(3.059)	734	1.336	3.059	-
Subtotal		-	601	(5.969)	734	1.336	5.969	-
<b>Commodity Options - Oil</b>								
<b>Counterparty</b>								
Standard Chartered	15.176	17.247	(1.881)	(2.160)	1.924	42	2.160	-
JP Morgan	7.714	-	(962)	-	1.012	50	-	-
Subtotal		-	(2.843)	(2.160)	2.936	92	2.160	-
<b>Commodity Swap - Pulp</b>								
<b>Counterparty</b>								
Standard Chartered	-	22.029	-	(548)	-	-	548	-
Subtotal		-	-	(548)	-	-	548	-
<b>Other</b>								
<b>Counterparty</b>								
JP Morgan	1.535.499	1.483.824	1.764	30.853	2.214.789	2.216.553	-	30.853
Subtotal		-	1.764	30.853	2.214.789	2.216.553	-	30.853
<b>Total results in Derivatives</b>	<b>9.633.945</b>	<b>5.412.035</b>	<b>(136.277)</b>	<b>(439.738)</b>	<b>2.923.528</b>	<b>2.787.251</b>	<b>481.784</b>	<b>42.046</b>

#### 4.10 Settled derivatives

In the three-month periods ended March 31, 2016 and 2015, 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 accumulated on		Fair value (settlement value) accumulated on	
		3/31/2016	3/31/2015	3/31/2016	3/31/2015
<b>Currency Swaps</b>					
Short Position in R\$ x US\$	2015: Jan/15 to Mar/15 2016: Jan/16 to Mar/16	-	121,181		(253)
Long Position in R\$ x US\$		369,536	40,394	(80,296)	1,640
Long Position in US\$ x MXN		743		(50)	
Long Position in US\$ x ARS		66,746	45,125	18,869	(675)
Subtotal			-		711
<b>Commodity Swap</b>					
Short Position in Pulp BHKP	2015: Jan/15 to Mar/15 2016: Jan/16 to Mar/16	5,979	12,484	(475)	(164)
Long Position in Oil		9,654	3,580	(4,441)	192
Short Position in Oil		2,250		-	
Subtotal			-		28
<b>Other</b>					
Long Position - Exchange Coupon	2015: Jan/15 to Mar/15 2016: Jan/16 to Mar/16	256,860	161,574	3,715	2,544
Short Position - US\$ Fixed Libor		256,860	161,574	-	-
Subtotal			-		2,544
<b>Total results in Swaps <sup>(a)</sup></b>			-	(62,678)	3,283

(a) On March 31, 2016, the Company received derivative premium totaling R\$29,096 from short positions not overdue and therefore not included in the table above.

#### 4.11 Capital management

The main objective of Suzano's capital management is to ensure it maintains a solid credit rating, in addition to mitigating risks that may affect capital availability in business development.

To achieve this, the Company monitors constantly significant indicators, such as: a) consolidated financial leverage index, which is the total net debt divided by adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA"); b) management of contractual financial covenants, maintaining safety margin to not exceed these covenants.

Management prioritizes new loans denominated in the same currency of its main cash generation source, in order to obtain a natural hedge in the long term for its cash flow.

Thus, the Company manages its capital structure and makes adjustments based on changes in economic conditions.



	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Loans and financing	9,634,461	10,002,341	14,081,839	14,917,342
(-) Cash and financial investments	(2,087,802)	(1,491,863)	(2,844,570)	(2,448,096)
Net debt	7,546,659	8,510,478	11,237,269	12,469,246
Shareholders' equity	10,314,733	9,192,081	10,314,733	9,192,081
Shareholders' equity and net debt	17,861,392	17,702,559	21,552,002	21,661,327

#### 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 3/31/2016	Level 1	Level 2	Level 3
<b>Assets</b>				
Cash and cash equivalents	1,698,089	699,734	998,355	-
Financial Investments	1,146,481	-	1,146,481	-
Derivatives <sup>(a)</sup>	466,530	-	465,102	1,428
		699,734	2,609,938	1,428
<b>Liabilities</b>				
Derivatives <sup>(a)</sup>	614,467	-	610,797	3,670
Loans and financing	14,081,839	-	14,081,839	-
Commitments related to asset acquisitions	799,798	-	799,798	-
		-	15,492,434	3,670

	Consolidated			
	Fair value on 12/31/2015	Level 1	Level 2	Level 3
<b>Assets</b>				
Cash and cash equivalents	1,477,246	948,144	529,102	-
Financial Investments	970,850	-	970,850	-
Derivatives <sup>(a)</sup>	42,046	-	41,964	82
		948,144	1,541,916	82
<b>Liabilities</b>				
Derivatives <sup>(a)</sup>	481,784	-	473,025	8,759
Loans and financing	15,627,331	-	15,627,331	-
Commitments related to asset acquisitions	636,504	-	636,504	-
		-	16,736,860	8,759

<sup>(a)</sup> 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, 2016, the Company had guarantees pegged to consolidated accounts receivable operations related to exports amounting to US\$282 million, equivalent to R\$1,003,262 on this date.

## 5 Cash and Cash Equivalents

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Cash and banks				
In Brazil	139,717	18,724	141,511	19,950
Abroad	-	-	699,734	900,565
	<u>139,717</u>	<u>18,724</u>	<u>841,245</u>	<u>920,515</u>
Financial investments				
In Brazil	825,697	521,146	830,127	527,466
Abroad	26,717	29,265	26,717	29,265
	<u>852,414</u>	<u>550,411</u>	<u>856,844</u>	<u>556,731</u>
	<u><u>992,131</u></u>	<u><u>569,135</u></u>	<u><u>1,698,089</u></u>	<u><u>1,477,246</u></u>

On March 31, 2016, these consolidated investments yielded interest at rates varying between 95% and 110% of the CDI (97% and 110% on December 31, 2015), except for financial investments amounting to R\$26 under repurchase agreements yielding 75% of the CDI (amount of R\$23 on December 31, 2015).

## 6 Financial Investments

	Average annual remuneration rate	Parent Company		Consolidated	
		3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Investment funds <sup>(a)</sup></b>					
Itaú Investment Grade	100.8%	434,156	572,468	455,063	606,221
Itaú Referenciado DI	100.9%	572,043	243,711	601,946	258,080
		<u>1,006,199</u>	<u>816,179</u>	<u>1,057,009</u>	<u>864,301</u>
<b>Financial investments</b>					
Bank Deposit Certificates	99.2%	89,472	106,549	89,472	106,549
		<u>89,472</u>	<u>106,549</u>	<u>89,472</u>	<u>106,549</u>
		<u><u>1,095,671</u></u>	<u><u>922,728</u></u>	<u><u>1,146,481</u></u>	<u><u>970,850</u></u>

<sup>(a)</sup> On March 31, 2016, the Consolidated column includes interest of Futuragene Brasil (2.6% of quotas), Paineiras (1.8% of quotas), Ondurman and Amulya (0.6% of total quotas) — 3.0% of quotas, 2.1% of quotas, and 0.5% of total quotas, respectively, on December 31, 2015 — in market investment fund.

On March 31, 2016, the Company has financial investments allocated to two investment funds administered by Banco Itaú backed by fixed-income funds for private credit and Bank Deposit Certificates (“CDB”).

Investment funds operate with daily liquidity, have a conservative profile and are available for sale. Investments in CDB are made only in high-grade, low-risk papers of financial institutions.

## 7 Trade Accounts Receivable

### 7.1 Breakdown of balances

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Domestic clients				
Third parties	598,940	701,367	598,946	701,368
Subsidiaries	7	6	-	-
Related Parties <sup>(a)</sup>	57,435	16,478	57,435	16,478
Foreign clients				
Third parties	26,435	26,096	1,147,844	1,209,368
Subsidiaries	2,537,143	2,822,481	-	-
Related Parties <sup>(a)</sup>	-	-	3,456	3,770
Allowance for doubtful accounts	(44,901)	(44,587)	(45,726)	(45,024)
	<u>3,175,059</u>	<u>3,521,841</u>	<u>1,761,955</u>	<u>1,885,960</u>

<sup>(a)</sup> See Note 11.

### 7.2 Analysis of maturities

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Amounts overdue:				
Up to two months	39,900	31,460	116,734	66,967
Two to six months	28,167	22,048	28,954	24,749
Over six months	45,552	36,791	47,335	37,089
	<u>113,619</u>	<u>90,299</u>	<u>193,023</u>	<u>128,805</u>

### 7.3 Changes in provision for losses in the period

	Parent Company		Consolidated	
	3/31/2016	Three-month period ended 3/31/2015	3/31/2016	3/31/2015
Opening balance	(44,587)	(25,278)	(45,024)	(25,748)
Credits accrued in the period	(1,307)	(2,525)	(1,779)	(2,525)
Credits recovered in the period	993	73	993	73
Credits definitively written-off from position	-	603	-	603
Foreign exchange variation	-	-	84	(49)
Closing balance	<u>(44,901)</u>	<u>(27,127)</u>	<u>(45,726)</u>	<u>(27,646)</u>

## 8 Inventories

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Finished goods				
Pulp				
Domestic	143,275	87,930	143,275	87,930
Foreign	-	-	255,511	341,856
Paper				
Domestic	225,992	168,382	225,992	168,382
Foreign	-	-	77,864	67,920
Work in process	65,286	45,616	65,286	45,616
Raw materials	396,942	404,975	396,942	404,975
Maintenance and other materials	221,588	188,760	233,263	199,317
	<b>1,053,083</b>	<b>895,663</b>	<b>1,398,133</b>	<b>1,315,996</b>

On March 31, 2016, the Parent Company and Consolidated balances of inventories are net of provision for losses amounting to R\$43,222, of which: i) finished goods totaled R\$685; ii) raw materials totaled R\$24,162; and iii) maintenance materials totaled R\$18,375 (R\$42,466 on December 31, 2015, of which: i) finished goods totaled R\$703; ii) raw materials totaled R\$23,502; and iii) maintenance materials totaled R\$18,261.

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

## 9 Recoverable taxes

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
IRPJ and CSLL - advances and withheld taxes	170,214	158,747	174,736	163,237
PIS and COFINS - on acquisition of fixed assets <sup>(a)</sup>	64,901	70,275	64,901	70,275
PIS and COFINS - other operations <sup>(b)</sup>	231,909	323,731	231,909	323,731
ICMS - on acquisition of fixed assets <sup>(a)</sup>	75,197	75,795	75,197	75,795
ICMS - other operations <sup>(b)</sup>	256,478	230,029	265,604	235,651
Other taxes and contributions <sup>(c)</sup>	171,349	169,207	185,908	169,315
Provision for losses of ICMS credits	(9,012)	(7,998)	(9,012)	(7,998)
	<b>961,036</b>	<b>1,019,786</b>	<b>989,243</b>	<b>1,030,006</b>
Total current assets	617,498	586,716	645,705	596,936
Total non-current assets	343,538	433,070	343,538	433,070

<sup>(a)</sup> Credits whose realization is linked to the depreciation period of the corresponding asset.

<sup>(b)</sup> Credits available for immediate realization.

<sup>(c)</sup> On March 31, 2016, includes the amount of R\$158,731 referring to credits of the Special Regime of Tax Refunds for Export Companies ("Reintegra"), in accordance with Law 13,043/2014 and Decrees 8,415 of February 27, 2015 and 8,543 of October 21, 2015 (on December 31, 2015, the amount was R\$157,021).

### **9.1 Income tax and social contribution on net income**

Represents IRPJ and CSLL credits paid by estimate during the year 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.

### **9.2 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 part of 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.

### **9.3 State value-added tax on goods and services (“ICMS”)**

On March 31, 2016, the credits of R\$82,794 and R\$141,176 of the Mucuri - BA and Imperatriz - MA units, respectively (R\$80,264 and R\$125,297, respectively, on December 31, 2015) were chiefly due to the non-utilization of credits in outflows of tax-exempted pulp and paper exports.

The Company requested that the Treasury Department of the States of Bahia and Maranhão inspect and ratify these credits for their realization. The amounts of R\$63,489 and R\$26,375 in Bahia and Maranhão, respectively, are ratified and may be used for the offsetting authorized by the ICMS (State VAT) Regulations or traded in the active market.

The Company recorded a provision for the partial loss of these ICMS credits of Maranhão in the amount of R\$9,012 (R\$7,988 on December 31, 2015).

## **10 Timber Development Program**

On March 31, 2016, the balance of advances of financial resources and inputs for timber development amounted to R\$237,450, classified under current and non-current assets (R\$251,852 on December 31, 2015).

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.

## 11 Related parties

### 11.1 Balances and transactions in the three-month period ended March 31, 2016

Transactions	Nature of the main operation	ASSETS		LIABILITIES		RESULT
		Current	Non-current	Current	Non-current	Income (expenses)
<b>With subsidiaries</b>						
Suzano Trading	Sale of pulp and paper	2,516,929 <sup>(b)</sup>	-	33,499 <sup>(a)</sup>	4,394,240 <sup>(a)</sup>	1,296,721 <sup>(b)</sup>
Paineiras	Land lease	-	-	417	-	(1,136)
Paineiras Logística	Commissioning of road transport	2,000	-	11,641	-	(55,280)
Stenfar	Sale of paper	20,215 <sup>(b)</sup>	-	4,713	-	20,318 <sup>(b)</sup>
Ondurman	Land lease	-	-	-	-	(3,743)
Amulya	Land lease	-	-	-	-	(2,504)
Futuragene	Shared expenses	6 <sup>(d)</sup>	-	-	-	-
		<b>2,539,150</b>	<b>-</b>	<b>50,270</b>	<b>4,394,240</b>	<b>1,254,376</b>
<b>With related parties</b>						
Suzano Holding S.A.	Guarantees and administrative expenses	-	-	330	-	(5,349)
IPLF Holding S.A.	Shared expenses	-	-	-	-	-
Central	Sale of paper	13,933 <sup>(b)</sup>	-	13,417 <sup>(c)</sup>	-	11,333 <sup>(b)</sup>
Nemonorte	Real-estate consulting services	-	-	-	-	(58)
Mabex	Aircraft services	-	-	-	-	-
Lazam - MDS	Insurance consulting and advisory services	-	-	-	-	(77)
Ecofuturo	Social services	-	-	2	-	(875)
Bexma	Administrative expenses	-	-	-	-	-
Ibema	Sale of pulp	43,502	13,000	527	-	31,920
Shareholders	Dividends and interest on equity	-	-	122	-	-
		<b>57,435</b>	<b>13,000</b>	<b>14,398</b>	<b>-</b>	<b>36,893</b>
<b>Between related parties</b>						
Stenfar	Shared expenses	3,456	-	-	-	(309)
IPLF Holding S.A.	Shared expenses	-	-	3,456	-	309
		<b>3,456</b>	<b>-</b>	<b>3,456</b>	<b>-</b>	<b>-</b>
		<b>2,600,041</b>	<b>13,000</b>	<b>68,124</b>	<b>4,394,240</b>	<b>1,291,269</b>

### 11.2 Balances in the three-month period ended December 31, 2015 and transactions in the three-month period ended March 31, 2015

Transactions	Nature of the main operation	ASSETS		LIABILITIES		RESULT
		Current	Non-current	Current	Non-current	Income (expenses)
<b>With subsidiaries</b>						
Suzano Trading	Sale of pulp and paper	2,786,432 <sup>(b)</sup>	-	72,033 <sup>(a)</sup>	4,821,230 <sup>(a)</sup>	1,015,125 <sup>(b)</sup>
Paineiras	Land lease	-	-	417	-	(1,252)
Paineiras Logística	Commissioning of road transport	14,100	-	29,928	-	(55,506)
Stenfar	Sale of paper	36,049 <sup>(b)</sup>	-	7,574	-	17,540 <sup>(b)</sup>
Ondurman	Land lease	-	-	-	-	(3,454)
Amulya	Land lease	-	-	-	-	(2,441)
Futuragene	Shared expenses	6 <sup>(d)</sup>	-	-	-	-
		<b>2,836,587</b>	<b>-</b>	<b>109,952</b>	<b>4,821,230</b>	<b>970,012</b>
<b>With related parties</b>						
Suzano Holding S.A.	Guarantees and administrative expenses	15	-	345	-	(9,923)
IPLF Holding S.A.	Shared expenses	2	-	-	-	6
Central	Sale of paper	16,461 <sup>(b)</sup>	-	15,493 <sup>(c)</sup>	-	6,702 <sup>(b)</sup>
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	-	-
		<b>16,478</b>	<b>-</b>	<b>15,952</b>	<b>-</b>	<b>(4,206)</b>
<b>Between related parties</b>						
Stenfar	Shared expenses	3,770	-	-	-	654
IPLF Holding S.A.	Shared expenses	-	-	3,770	-	(654)
		<b>3,770</b>	<b>-</b>	<b>3,770</b>	<b>-</b>	<b>-</b>
		<b>2,856,835</b>	<b>-</b>	<b>129,673</b>	<b>4,821,230</b>	<b>965,805</b>

(a) New loans through subsidiaries (Note 17, items f and h).

(b) Pulp and paper sales operations;

(c) Vendor operations classified as loans and financing (Note 17)

(d) Includes telephone, facilities and administrative expenses.

Legend of names of related parties:

Bexma Comercial Ltda. (“Bexma”)  
 Central Distribuidora de Papéis Ltda. (“Central”)  
 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”)

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

	Note	Parent Company		Consolidated	
		3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Balance receivable</b>					
Trade accounts receivable	7	2.594.585	2.838.967	60.891	20.248
Receivables from subsidiaries - current		2.000	14.100	-	-
Receivables with other related parties - non-current		13.000	-	13.000	-
		<u>2.609.585</u>	<u>2.853.067</u>	<u>73.891</u>	<u>20.248</u>
<b>Balance payable</b>					
Dividends and Interest on Equity payable		(122)	(114)	(122)	(114)
Loans and financing	17	(13.747)	(15.838)	(13.747)	(15.838)
Trade accounts payable		(529)	-	(529)	-
Obligations with related parties - current		(50.270)	(109.952)	-	-
Obligations with related parties - non-current		(4.394.240)	(4.821.230)	-	-
		<u>(4.458.908)</u>	<u>(4.947.134)</u>	<u>(14.398)</u>	<u>(15.952)</u>
		<u>(1.849.323)</u>	<u>(2.094.067)</u>	<u>59.493</u>	<u>4.296</u>

**11.3 Management compensation**

On March 31, 2016, 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\$36,255 at the Parent Company and on a consolidated basis (R\$36,905 at the Parent Company and on a consolidated basis on March 31, 2015).

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
<b>Short-term benefits</b>				
Salary or compensation	5,539	4,262	5,539	4,262
Direct and indirect benefits	489	1,453	489	1,453
Bonus	4,753	5,351	4,753	5,351
	<u>10,781</u>	<u>11,066</u>	<u>10,781</u>	<u>11,066</u>
<b>Long-term benefits</b>				
Share-based compensation	25,474	25,839	25,474	25,839
	<u>25,474</u>	<u>25,839</u>	<u>25,474</u>	<u>25,839</u>
<b>Total</b>	<u>36,255</u>	<u>36,905</u>	<u>36,255</u>	<u>36,905</u>

Short-term benefits include fixed compensation (salaries and fees, vacation, mandatory “13<sup>th</sup> 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 20).

## 12 Biological Assets

Biological assets are reforested eucalyptus forests in the growth phase, used to supply wood to pulp plants. The 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, 2014	3,743,131	3,659,421
Additions <sup>(a)</sup>	1,135,766	1,115,320
Depletion in the year	(602,418)	(602,418)
Gain on fair value adjustment	23,145	23,145
Other write-offs <sup>(b)</sup>	(64,960)	(64,960)
Balance on December 31, 2015	<u>4,234,664</u>	<u>4,130,508</u>
Additions <sup>(a)</sup>	<b>221,298</b>	<b>215,922</b>
Depletion in the period	<b>(144,127)</b>	<b>(144,127)</b>
Other write-offs <sup>(b)</sup>	<b>(4,365)</b>	<b>(4,365)</b>
Balance on December 31, 2016	<u><b>4,307,470</b></u>	<u><b>4,197,938</b></u>

(a) On March 31, 2016, the costs with land leasing totaling R\$5,376 (December 31, 2015 - R\$ 20,446) incurred at subsidiaries were eliminated for the consolidated figures.

(b) On March 31, 2016, the amount of R\$221 refers to sales made in the period, and R\$4,144 to other write-offs related to losses and claims (on December 31, 2015, the amounts were R\$18,303 and R\$46,657, respectively).

The fair value of biological assets is calculated on an annual basis, as reported in Note 12 to the Company's annual financial statements. There were no events in this period that indicate material changes in the balances of such assets.

## 13 Deferred income 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:



	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Non-current assets</b>				
Income tax				
Credits over tax losses	705,256	743,526	707,610	746,109
Credits over temporary differences:				
- Credits over provisions	226,023	265,286	226,023	265,286
Credits over effects of Law 11,941/09 and IFRS	225,936	255,633	225,936	255,633
	<b>1,157,215</b>	1,264,445	<b>1,159,569</b>	1,267,028
Social contribution				
Credits over social contribution tax loss carryforwards	118,256	153,973	118,256	153,973
Credits over temporary differences:				
- Credits over provisions	81,368	95,503	81,368	95,503
Credits over effects of Law 11,941/09 and IFRS	81,337	92,028	81,337	92,028
	<b>280,961</b>	341,504	<b>280,961</b>	341,504
<b>Total non-current assets:</b>	<b>1,438,176</b>	1,605,949	<b>1,440,530</b>	1,608,532
<b>Non-current liabilities</b>				
Income tax				
Debits over accelerated depreciation	807,359	604,209	807,359	604,209
Debits over goodwill amortization	117,903	117,334	117,903	117,334
Debits over effects of Law 11,941/09 and IFRS	1,329,577	1,293,234	1,418,737	1,382,394
	<b>2,254,839</b>	2,014,777	<b>2,343,999</b>	2,103,937
Social contribution				
Debits over goodwill amortization	42,445	42,240	42,445	42,240
Debits over effects of Law 11,941/09 and IFRS	478,649	465,563	510,747	497,661
	<b>521,094</b>	507,803	<b>553,192</b>	539,901
<b>Total non-current liabilities</b>	<b>2,775,933</b>	2,522,580	<b>2,897,191</b>	2,643,838
Total non-current assets, net	-	-	2,354	2,583
Total non-current liabilities, net	1,337,757	916,631	1,459,015	1,037,889
	<b>1,337,757</b>	916,631	<b>1,456,661</b>	1,035,306

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

	Parent Company		Consolidated	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
Tax losses	2.821.024	2.974.104	2.830.440	2.984.436
Social contribution tax loss carryforward	1.313.951	1.710.812	1.313.951	1.710.812

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

	Parent Company		Consolidated	
	3/31/2016	Three-month period ended 3/31/2015	3/31/2016	3/31/2015
Income (Loss) before income and social contribution taxes	1.629.975	(1.170.076)	1.635.220	(1.167.714)
Income and social contribution taxes at the nominal rate of 34%	(554.192)	397.826	(555.975)	397.023
Adjustment for accounting of tax rate:				
Tax effects of Law 11,941/09 and IFRS	8.485	(1.587)	-	-
Tax incentive - Reduction SUDENE <sup>(a)</sup>	89.225	-	89.225	-
Income and social contribution taxes on the result of equity interest	(42.735)	14.939	(23.669)	28.601
Profit or loss taxed at effective rates that differ from nominal rate	-	-	(3.462)	(3.165)
Reintegra credit	582	9.936	582	9.936
Other non-deductible effects	(6.682)	(13.497)	(17.263)	(27.140)
<b>Income tax</b>				
Current	(180)	-	(4.897)	(2.045)
Deferred	(347.294)	299.718	(347.463)	299.718
	(347.474)	299.718	(352.360)	297.673
<b>Social Contribution</b>				
Current	(84.011)	-	(84.370)	(317)
Deferred	(73.832)	107.899	(73.832)	107.899
	(157.843)	107.899	(158.202)	107.582
Income and social contribution taxes income recorded as profit or loss in the years	(505.317)	407.617	(510.562)	405.255
Effective rate of income and social contribution taxes recorded as profit or loss	31%	-	31%	-

(a) The Company used the benefit of reducing 75% calculated based on Exploration Profit of Mucuri/BA and Imperatriz/MA units.

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

Deferred income tax expense in the period is composed of: a) use of tax benefit of Stimulated Accelerated Depreciation (“DAI”), with deferred income tax totaling R\$203,151 and b) tax credits on use of tax losses and on temporary differences amounting to R\$144,312.

Deferred social contribution expenses is composed of: a) realization of tax credits on tax loss carryforwards amounting to R\$35,717; and b) realization of tax credits on temporary differences amounting to R\$38,115.

### 13.2 Tax incentives

The industrial units at Mucuri/BA and Imperatriz/MA are located in an area under the supervision of SUDENE, the agency for the development of northeast Brazil, and are benefitted by tax incentives for a 75% reduction in the income tax on the exploration profit and the DAI.

For Mucuri/BA unit, lines 1 and 2 have tax benefit for 75% of income tax on the exploration profit up to the calendar years 2024 and 2018, respectively. Imperatriz unit is benefitted from tax incentive until 2024. This tax incentive is calculated in profit or loss of stimulated operations calculated based on the exploration profit. The result obtained from this tax benefit is the reduction in income tax expense. The amount reduced from income tax is allocated to the capital reserve account, pursuant to law.

The benefit of DAI 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 part “B” of Tax Accounting Records (“ECF”) and hence does not affect depreciation expenses recorded for such assets in subsequent years.

At the Mucuri/BA unit, full depreciation of property, plant and equipment acquired for Line 2 took place with the operational start-up of the Line. For other items of property, plant and equipment of the units of Bahia and Maranhão, the tax incentive obtained, which applied to acquisitions taking place until December 2018, may be exercised up to 4 years after acquisition of the asset.

## 14 Investments

Subsidiaries	Information on Subsidiaries on 3/31/2016				Equity Accounting		Investments and (Provision) for Investment Losses	
	Balance sheet			Result in the three-month period ended 3/31/2016	3/31/2016	3/31/2015	3/31/2016	12/31/2015
	Assets	Current and Non-Current Liabilities	Adjusted Equity					
<b>Subsidiaries and direct joint ventures</b>								
Amulya	63,211	49,794	13,417	859	859	779	13,417	12,557
Asapir	14,628	12,256	2,372	(214)	(107)	2,245	1,185	1,293
Bahia Sul Holdings	56	-	56	(4)	(4)	4	56	63
Ondurman	(a) 83,237	57,503	(59,695)	1,856	(2,267)	(2,329)	(59,695)	(57,427)
Paineiras	(a) 404,453	121,516	255,189	1,559	305	800	255,190	255,559
Paineiras Logística	16,948	15,924	1,024	(5,416)	(5,416)	(702)	1,024	4,440
Stenfar	(a) 102,827	71,432	20,307	3,892	900	(3,475)	15,411	20,717
Sun Paper	6,251	692	5,559	73	67	726	5,559	6,214
Suzano America	(a) 421,187	378,842	(55,576)	1,044	2,716	(22,929)	(55,576)	(54,180)
Suzano Europa	(a) 3,246,793	3,184,595	(101,683)	2,557	50,294	(33,352)	(101,683)	(148,429)
Suzano Trading	7,085,445	7,224,019	(138,828)	(128,754)	(97,732)	18,053	(138,828)	(44,923)
Ibema	403,997	390,342	13,655	(7,497)	(2,847)	-	5,153	
					(53,232)	(40,180)	(58,787)	(4,116)
<b>Total investments</b>							296,995	300,843
<b>Total provisions for losses</b>							(355,782)	(304,959)
<b>Indirect subsidiaries</b>								
Futuragene Ltd.	93,092	32,259	60,833	3,243	(29,356)	(28,339)	60,833	36,310
Stenfar	(a) 102,827	71,432	20,307	3,892	373	1,633	3,139	3,440
					(28,983)	(26,706)	63,972	39,750

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

### 14.1 Changes in investments

	Parent Company	
	3/31/2016	12/31/2015
Opening balance	(4,116)	247,740
Equity accounting	(53,232)	(306,204)
Exchange variation in investees <sup>(a)</sup>	(11,438)	39,120
Capital increase <sup>(b)</sup>	2,000	8,550
Share acquisition <sup>(c)</sup>	8,000	6,679
Closing balance	<u>(58,786)</u>	<u>(4,116)</u>

(a) Includes exchange variation on translation of financial statements and foreign investments.

(b) During the first quarter of 2016, the Company increased capital stock in the amount of R\$2,000 in Paineiras Logística. See Note 1, b) i).



On December 31, 2015, the Company conducted the annual asset impairment testing and no evidence of impairment was identified.

### 15.1 Assets given as collateral

On March 31, 2016, the Company and its subsidiaries had property, plant and equipment given as collateral in loan operations and lawsuits amounting to R\$10,619,292 (R\$10,932,132 on December 31, 2015).

### 15.2 Capitalized expenses

In the period ended March 31, 2016, no expenses were capitalized. During 2015, interests were capitalized in the amount of R\$6,930 referring to the investments in the implementation of the new digester system of Suzano unit.

## 16 Intangible Assets

### 16.1 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.

### 16.2 Intangible assets with determined useful life

	Useful life (years)	Book Cost	Accumulated Amortization	Parent Company and Consolidated		
				Exchange Rate Variation	Residual Values	
				3/31/2016	12/31/2015	
<b>KSR <sup>(a)</sup></b>						
Customer relationship	5	22,617	(22,617)	-	-	754
<b>Other intangible assets</b>						
Trademarks and patents	10	1,420	(852)	-	568	347
Software	5	96,568	(36,030)	-	60,538	51,569
Other intangible assets		-	-	-	-	-
<b>Parent Company Balance</b>		<b>120,605</b>	<b>(59,499)</b>	<b>-</b>	<b>61,106</b>	<b>52,670</b>
<b>Futuragene</b>						
R&D Agreements	18.8	153,316 (a)	(90,641)	140,948	203,623	227,685
Other License Agreements	11.8	3,436 (a)	(3,250)	3,159	3,345	3,825
<b>Consolidated Balance</b>		<b>277,357</b>	<b>(153,390)</b>	<b>144,107</b>	<b>268,074</b>	<b>284,180</b>

- 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.

On March 31, 2016, the amounts of R\$4,942 in the Parent Company and R\$9,427 in the Consolidated were amortized (R\$18,332 and R\$33,627, respectively, on December 31, 2015).

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

## 17 Loans and Financing

Index	Annual average interest rate on 3/31/2016	Maturity	Parent Company		Consolidated		
			3/31/2016	12/31/2015	3/31/2016	12/31/2015	
Property, plant and equipment:							
BNDES - Finem	Fixed rate / TJLP (a) (b)	7.90%	2016 a 2024	1,275,821	1,335,246	1,296,308	1,353,777
BNDES - Finem	Currency basket / US\$ (b)	6.48%	2016 a 2022	600,324	675,576	600,324	675,576
BNDES - Finame	Fixed rate / TJLP (a)	4.67%	2016 a 2024	21,126	21,982	21,126	21,982
FNE - BNB	Fixed rate (b)	5.65%	2016 a 2024	196,228	200,794	196,228	200,794
FINEP	Fixed rate (b)	4.20%	2016 a 2020	46,277	49,948	46,277	49,948
Rural credit	Fixed rate	6.50%	2016	114,236	112,424	114,236	112,424
Financial lease	CDI / US\$		2016 a 2022	28,744	32,619	28,744	32,619
Export Credit Agency - ECA	US\$ (b) (c)	2.50%	2016 a 2022	1,438,964	1,571,288	1,438,964	1,571,288
				<b>3,721,720</b>	<b>3,999,877</b>	<b>3,742,207</b>	<b>4,018,408</b>
Working capital:							
Export financing	US\$ (d)	4.60%	2016 a 2022	2,844,108	2,501,592	2,844,108	2,501,592
Export credit note	CDI / Taxa fixa (e)	14.43%	2016 a 2021	3,022,197	3,077,244	3,022,197	3,077,244
Senior Notes	US\$ / Taxa fixa (f)	5.88%	2021	-	-	2,294,290	2,553,535
Trade notes discount-Vendor			2016	46,010	38,470	46,010	38,470
Bank Credit Note-CCB	CDI (g)		2016 a 2016	-	178,271	-	178,271
Syndicated Loan	Libor (h)	2.62%	2018 a 2020	-	-	2,124,524	2,329,362
Confirming operations			2016	-	206,454	-	206,454
Other			2016	426	433	8,503	14,006
				<b>5,912,741</b>	<b>6,002,464</b>	<b>10,339,632</b>	<b>10,898,934</b>
				<b>9,634,461</b>	<b>10,002,341</b>	<b>14,081,839</b>	<b>14,917,342</b>
<b>Current (including interest payable)</b>				<b>2,248,299</b>	<b>1,939,391</b>	<b>2,287,728</b>	<b>2,024,964</b>
<b>Non-current</b>				<b>7,386,162</b>	<b>8,062,950</b>	<b>11,794,111</b>	<b>12,892,378</b>
Non-current loans and financing mature as follows:							
2017				1,057,719	1,398,348	1,057,719	1,398,348
2018				1,717,164	1,822,151	2,432,124	2,605,788
2019				2,953,180	3,014,360	3,905,401	4,058,317
2020				801,228	852,056	1,261,279	1,354,486
2021				638,636	753,023	2,911,730	3,244,635
2022				142,127	147,265	145,308	149,942
2023 onwards				76,108	75,747	80,550	80,862
				<b>7,386,162</b>	<b>8,062,950</b>	<b>11,794,111</b>	<b>12,892,378</b>

- (a) Term of capitalization corresponds to those exceeding 6% of the Long-term interest rate ("TJLP") published by the Central Bank of Brazil;
- (b) 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.
- (c) 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. With regard to the results of June 2015, the Company met all the established levels. The next scrutiny will be based on the results of December 2015.
- (d) In the year from January to March 2016, no new Export Financing operation was contracted, and the variation is justified by the appreciation of the Brazilian real against the U.S. dollar (R\$/US\$ 3.9048 in December 2015 and R\$/US\$ 3.5589 in March 2016).
- (e) In April 2015, two Export Credit Notes (NCE) were issued under the compulsory modality in the amount of R\$100,000 each, maturing in August and December 2015. In June 2015, the Company contracted an NCE transaction of R\$675,000, guaranteed by an Agribusiness Receivables Certificate (CRA) and made available to the market at a cost of 101% of the CDI, while interest will be paid bi-annually and the principal in a single installment in 2019. In February 2016, the Company settled a NCE of R\$73,500, which would mature in March 2021.

- (f) 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.
- (g) In March 2015, the Company contracted two Bank Credit Note (“CCB”) operations in the amount of R\$123,000 and maturity in 1 year. In March 2016, Suzano settled in advance R\$31,000 relating to CCB of Vale Florestar.
- (h) In May 2015, the Company, through its subsidiary Suzano Pulp and Paper Europe, contracted a syndicated loan in the amount of US\$600 million, with payment of quarterly interest and amortization of the principal between May 2018 and May 2020. This loan has clauses establishing the maintenance of certain levels of leverage, which are verified and have compliance confirmed after 60 and 120 days from the end of June and December of each fiscal year, respectively. With regard to the results of June 2015, the Company met all the established levels. The next scrutiny will be based on the results of December 2015.

## 17.1 Changes in loans and financing

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
Opening balance	10,002,341	12,279,088	14,917,342	14,012,129
Funding	651,984	322,304	655,507	333,304
Recognized interest	184,326	235,973	240,689	263,960
Exchange variation	(430,880)	1,201,627	(870,823)	1,554,433
Settlement of principal	(672,536)	(528,657)	(672,536)	(528,657)
Settlement of interest	(108,137)	(184,876)	(198,598)	(234,934)
Funding costs	(3)	-	(3)	-
Amortization of funding costs	7,366	6,539	10,261	7,735
	<b>9,634,461</b>	<b>13,331,998</b>	<b>14,081,839</b>	<b>15,407,970</b>

## 17.2 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.

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:

	<b>Parent Company and Consolidated</b>	
	<b>3/31/2016</b>	<b>12/31/2015</b>
Machinery and equipment	<b>108,565</b>	108,565
(-) Accumulated depreciation	<b>(95,905)</b>	(95,335)
Property, plant and equipment, net	<b>12,660</b>	13,230
Present value of mandatory installments (financing):		
Less than 1 year	<b>5,092</b>	5,509
From 1 to 5 years	<b>23,652</b>	25,830
Over 5 years	-	1,280
Total present value of mandatory installments (financing)	<b>28,744</b>	32,619
Financial charges to be recognized in the future	<b>10,500</b>	6,911
Total mandatory installments at the expiration of agreements	<b>39,244</b>	39,530

### 17.3 Transaction costs and premiums of securities issues

On March 31, 2016, the balances of funding costs to be apportioned to consolidated profit or loss are as follows:

Nature	Total cost	Amortization	Exch. Rate Variation	<b>Consolidated</b>	
				<b>Balance to be amortized</b>	
				<b>3/31/2016</b>	<b>12/31/2015</b>
Senior Notes	29,284	(59,614)	58,398	<b>28,068</b>	32,394
NCE	73,405	(47,722)	-	<b>25,683</b>	28,983
Prepayment	1,636	(552)	-	<b>1,084</b>	1,163
Import (ECA)	101,736	(51,999)	-	<b>49,737</b>	53,679
Syndicated Loan	19,824	(4,621)	2,446	<b>17,649</b>	20,887
FNE	730	(111)	-	<b>619</b>	652
FINEM	42	-	-	<b>42</b>	-
Rural Credit	34	(28)	-	<b>6</b>	14
Total	<b>226,691</b>	<b>(164,647)</b>	<b>60,844</b>	<b>122,888</b>	137,772

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.

The total cost of the syndicated loan was converted into Real at the Swiss Franc rate on the funding date (CHF 3.3795), and amortizations were converted on the respective dates at the closing USD rate.



## 17.4 Confirming operations

On December 31, 2015, the Company entered into contracts with financial institutions to structure Confirming operations with its main suppliers. This type of operation does not change the commercial conditions or any other contractual aspects established.

In compliance with Official CVM Letter 01/2016 of February 18, 2016, the Company reclassified the amounts of these transactions on December 31, 2015 from commercial operations with suppliers to loans and financing.

In the period ended March 31, 2016, the Company does not have outstanding balances of this nature.

12/31/2015				
Operation amount	Financial cost	Net amount	Average rate p.m.	Maturity
206,454	15,624	190,830	1.1180%	1/6/2016

## 18 Provision for Contingencies

### 18.1 Changes in provisions for contingencies

	Parent Company					
	Balance on 12/31/2015	New lawsuits	Reversals	Monetary variation	Settlement of lawsuits	Balance on 3/31/2016
Tax and social security	167,185	6,329	(7,187)	7,182	(1)	173,508
Labor	25,428	362	(1,501)	681	(1,474)	23,496
Civil	1,989	-	(74)	1	-	1,916
	<u>194,602</u>	<u>6,691</u>	<u>(8,762)</u>	<u>7,864</u>	<u>(1,475)</u>	<u>198,920</u>
	<b>Consolidated</b>					
	Balance on 12/31/2015	New lawsuits	Reversals	Monetary variation	Settlement of lawsuits	Balance on 3/31/2016
Tax and social security	167,185	6,329	(7,187)	7,182	(1)	173,508
Labor	29,385	496	(1,503)	725	(1,700)	27,403
Civil	1,989	-	(74)	1	-	1,916
	<u>198,559</u>	<u>6,825</u>	<u>(8,764)</u>	<u>7,908</u>	<u>(1,701)</u>	<u>202,827</u>

### 18.2 Tax and Social Security Suits and Proceedings

The company is a defendant in approximately 264 administrative and legal proceedings on tax and social security issues that discuss matters related to various taxes such as PIS, COFINS, IPI, ICMS, ISS, corporate income tax/social contribution 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\$13,459 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\$266,575, for which no provision was accrued.

On March 31, 2016, the Company and its subsidiaries hold R\$38,124 in judicial deposits related to these proceedings (R\$37,869 on December 31, 2015).

### **18.3 Labor claims**

On March 31, 2016, the Company was a defendant in approximately 2,108 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 agribusiness companies, such as certain wages and/or severance payments, in addition to suits filed by outsourced employees of the Company.

The Company is a defendant in proceedings whose probability of loss is deemed as possible, in the approximate amount of R\$33,854, for which no provision was accrued.

On March 31, 2016, the Company and its subsidiaries hold R\$23,285 in judicial deposits related to these proceedings (R\$23,784 on December 31, 2015).

### **18.4 Civil claims**

On March 31, 2016, the Company is a defendant in approximately 252 civil claims.

Civil proceedings are related primarily to payment of damages, such as those resulting from contractual obligations, work-related injuries, possessory actions, environmental claims and others.

The Company is a defendant in proceedings whose probability of loss is deemed as possible, in the approximate amount of R\$3,885, for which no provision was constituted.

## **19 Actuarial Liabilities**

On March 31, 2016, 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 20 to the financial statements of December 31, 2015. The actuarial study is updated on an annual basis for disclosure in the financial statements of December 31, 2016.

On March 31, 2016, the amount of the future liabilities of these benefits was R\$268,241 (R\$263,141 on December 31, 2015).

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

Discount rate - health plan	<b>7.30% p.a.</b>
Discount rate - life insurance	<b>7.30% p.a.</b>
Medical cost growth rate above basic inflation	<b>3.0% p.a.</b>
Economic inflation	<b>5.70% p.a.</b>
Biometric table of general mortality	<b>AT-2000</b>
Biometric table of mortality of disabled persons	<b>IAPB 57</b>

The changes in the actuarial liabilities are shown below:

**Parent Company and Consolidated**

Opening balance on 12/31/2014	277,463
Interest on actuarial liability	33,629
Actuarial loss	(31,981)
Benefits paid in the year	(15,970)
Opening balance on 12/31/2015	<u>263,141</u>
Interest on actuarial liability	<b>8,575</b>
Benefits paid in the period	<b>(3,475)</b>
<b>Closing balance on 3/31/2016</b>	<b><u>268,241</u></b>

## 20 Share-Based Payments

In the period ended March 31, 2016, the Company has two (2) share-based compensation Plans: i) Share-based payment in cash; and ii) Payment in shares 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, 2015 (Note 21). On March 31, 2016, there were 8,845 thousand class A preferred treasury shares to guarantee the options granted by the Plan.

On March 1, 2016, the Company granted the Program “Deferral 2015”, related to the complement of the additional bonus for 2015. The grace period and maturity of the plan to exercise the shares will occur on March 1, 2019 and 2020.

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 is 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.

Shares and 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.

## 20.1 Changes to long-term incentive plans

### i. Phantom shares

Parent Company and Consolidated  
3/31/2016

Program	Grant Date	Fair value on the grant date	Fair value at the end of the period	1 <sup>st</sup> exercise date	2 <sup>nd</sup> 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	Available at the end of the period	Weighted average price of exercised shares
ILP 2009 A - Mar08	3/1/2008	RS 34.74	RS 15.96	3/1/2013	3/1/2016	7,259	-	7,259	-	-	-	-	-	16.93
ILP 2010	3/1/2010	RS 23.86	RS 15.96	3/1/2013	3/1/2016	18,362	-	18,362	-	-	-	-	-	16.93
ILP 2011	3/1/2011	RS 18.64	RS 15.96	3/1/2014	3/1/2017	43,175	-	27,039	-	-	-	-	16,136	16.93
ILP 2012	3/1/2012	RS 7.49	RS 15.96	3/1/2015	3/1/2018	157,838	-	72,209	12,755	-	-	-	72,874	17.32
ILP 2011 (F)	3/1/2011	RS 18.64	RS 15.96	3/1/2014	3/1/2017	7,159	-	-	-	-	-	-	7,159	-
ILP 2012 (PE)	9/30/2012	RS 9.00	RS 15.96	9/30/2015	9/30/2018	25,225	-	25,225	-	-	-	-	-	16.93
ILP 2013	3/1/2013	RS 6.58	RS 15.96	3/1/2016	3/1/2019	938,117	-	824,365	-	-	-	72,036	41,716	20.41
Programa Especial 2012c	12/21/2012	RS 5.55	RS 15.53	3/31/2016	3/31/2016	140,000	-	140,000	-	-	-	-	-	15.53
SAR 2014	4/1/2014	RS 8.93	RS 16.53	4/1/2017	4/1/2019	904,390	-	-	-	-	-	81,758	822,632	-
Deferral 2014	3/1/2015	RS 10.80	RS 15.96	3/1/2018	3/1/2018	270,106	-	-	-	-	-	21,107	248,999	-
Deferral 2014	3/1/2015	RS 10.80	RS 15.96	3/1/2019	3/1/2019	270,106	-	-	-	-	-	21,107	248,999	-
SAR 2015	4/1/2015	RS 11.69	RS 16.03	4/1/2018	4/1/2020	740,248	-	-	-	-	-	57,307	682,941	-
SAR 2015 - September	9/1/2015	RS 15.99	RS 15.11	9/1/2018	9/1/2020	4,340	-	-	-	-	-	-	4,340	-
ILP 2015	9/1/2015	RS 15.99	RS 15.96	9/1/2018	9/1/2021	43,778	-	-	-	-	-	-	43,778	-
Deferral 2015	3/1/2016	RS 16.93	RS 15.96	3/1/2019	3/1/2019	-	91,369	-	-	-	-	-	91,369	-
Deferral 2015	3/1/2016	RS 16.93	RS 15.96	3/1/2020	3/1/2020	-	91,369	-	-	-	-	-	91,369	-
<b>TOTAL</b>						<b>3,570,103</b>	<b>182,738</b>	<b>1,114,459</b>	<b>12,755</b>			<b>253,315</b>	<b>2,372,312</b>	<b>17.28</b>

Parent Company and Consolidated  
12/31/2015

Program	Grant Date	Fair value on the grant date	Fair value at the end of the period	1 <sup>st</sup> exercise date	2 <sup>nd</sup> 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	Available at the end of the period	Weighted average price of exercised shares
ILP 2008 (PN) Mar09	3/1/2009	RS 15.11	RS 18.11	3/1/2012	3/1/2015	43,549	-	43,549	-	-	-	-	-	17.30
ILP 2009 A - Mar08	3/1/2008	RS 34.74	RS 18.11	3/1/2013	3/1/2016	8,474	-	1,215	-	-	-	-	7,259	17.30
ILP 2009 A - Mar08 / Mar12	3/1/2008	RS 34.74	RS 18.11	3/1/2012	3/1/2015	6,347	-	6,347	-	-	-	-	-	17.30
ILP 2009 - Mar09 / Mar12	3/1/2009	RS 15.11	RS 18.11	3/1/2012	3/1/2015	9,838	-	9,838	-	-	-	-	-	17.30
ILP 2009 M - Sep09 / Sep12	9/1/2009	RS 15.11	RS 18.11	9/1/2012	9/1/2015	28,408	-	20,446	-	-	-	7,962	-	17.30
ILP 2010	3/1/2010	RS 23.86	RS 18.11	3/1/2013	3/1/2016	159,926	-	105,149	-	-	-	36,415	18,362	17.30
ILP 2011	3/1/2011	RS 18.64	RS 18.11	3/1/2014	3/1/2017	88,003	-	3,678	-	-	-	41,150	43,175	17.30
ILP 2012	3/1/2012	RS 7.49	RS 18.11	3/1/2015	3/1/2018	865,572	-	573,741	46,826	-	-	87,167	157,838	17.30
ILP 2011 (F)	3/1/2011	RS 18.64	RS 18.11	3/1/2014	3/1/2017	7,159	-	-	-	-	-	-	7,159	-
ILP 2012 (PE)	9/30/2012	RS 9.00	RS 18.11	9/30/2015	9/30/2018	35,225	-	10,000	-	-	-	-	25,225	17.30
ILP 2013	3/1/2013	RS 6.58	RS 22.64	3/1/2016	3/1/2019	1,159,918	-	-	44,104	-	-	76,400	101,297	17.30
Programa Especial 2012a	12/21/2012	RS 5.55	RS 15.53	6/30/2014	6/30/2014	70,000	-	70,000	-	-	-	-	-	17.30
Programa Especial 2012b	12/21/2012	RS 5.55	RS 15.53	3/31/2015	3/31/2015	30,000	-	9,923	-	-	20,077	-	-	17.30
Programa Especial 2012b	12/21/2012	RS 5.55	RS 15.53	3/31/2015	3/31/2015	30,000	-	22,317	-	-	7,683	-	-	17.30
Programa Especial 2012b	12/21/2012	RS 5.55	RS 15.53	3/31/2015	3/31/2015	40,000	-	40,000	-	-	-	-	-	17.30
Programa Especial 2012c	12/21/2012	RS 5.55	RS 15.53	3/31/2015	3/31/2015	80,000	-	80,000	-	-	-	-	-	17.30
Programa Especial 2012c	12/21/2012	RS 5.55	RS 15.53	3/31/2016	3/31/2016	140,000	-	-	-	-	-	-	140,000	-
SAR 2014	4/1/2014	RS 8.93	RS 19.05	4/1/2017	4/1/2019	997,617	-	-	-	-	-	93,227	904,390	-
Deferral 2014	3/1/2015	RS 10.80	RS 18.11	3/1/2018	3/1/2018	-	304,558	1,705	2,660	-	-	30,087	270,106	17.30
Deferral 2014	3/1/2015	RS 10.80	RS 18.11	3/1/2019	3/1/2019	-	304,558	1,705	2,660	-	-	30,087	270,106	17.30
SAR 2015	4/1/2015	RS 11.69	RS 18.16	4/1/2018	4/1/2020	747,600	-	-	-	-	-	7,352	740,248	-
SAR 2015 - September	9/1/2015	RS 15.99	RS 17.42	9/1/2018	9/1/2018	4,340	-	-	-	-	-	-	4,340	-
ILP 2015	9/1/2015	RS 15.99	RS 18.11	9/1/2018	9/1/2018	62,540	-	62,540	2,085	-	-	16,677	43,778	17.30
<b>TOTAL</b>						<b>3,800,036</b>	<b>1,423,596</b>	<b>999,613</b>	<b>98,335</b>			<b>281,590</b>	<b>273,991</b>	<b>3,570,103</b>

### ii. Class A preferred shares stock option

Parent Company and Consolidated  
3/31/2016

Program	Granted series	Grant date	1 <sup>st</sup> exercise date	2 <sup>nd</sup> exercise date and expiration	Prices On the grant date	Number of Shares				
						Granted	Exercised	Not exercised due to dismissal	Expired	Total in effect on 3/31/2016
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
<b>Total</b>						<b>9,000,000</b>	<b>5,400,000</b>	<b>-</b>	<b>-</b>	<b>3,600,000</b>

## 20.2 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 (“TSR”) 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 III	SAR 2014	SAR 2015
Calculation Model	Binomial	Monte Carlo Simulation	Monte Carlo Simulation
Asset base price <sup>(a)</sup> (per share)	R\$ 7.73	R\$ 15,96	R\$ 15,96
Expectation of volatility <sup>(b)</sup>	40.47% p.a.	36.82% p.a.	34.77% p.a.
Phantom stock/options average life expectancy <sup>(c)</sup>	Equal to option life	Equal to option life	Equal to option life
Dividends expectancy <sup>(d)</sup>	3.49% p.a.	2.94% p.a.	2.94% p.a.
Risk-free weighted average interest rate <sup>(e)</sup>	average of 8.99%	average of 11.90%	average of 12.83%

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

(b) 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;

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

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

(e) 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 are presented below:

	Parent Company and Consolidated			
	Liabilities and Shareholders' Equity		Profit or Loss	
	3/31/2016	12/31/2015	3/31/2016	12/31/2015
<b>Non-current liabilities</b>				
Provision for phantom stock plan	18.468	42.722	2.787	(5.904)
<b>Shareholders' equity</b>				
Stock option reserve	17.330	23.091	(918)	(1.607)
<b>Profit or loss</b>			<b>1.869</b>	<b>(7.511)</b>

## 21 Commitments Related to Asset Acquisitions

On March 31, 2016, these commitments totaled R\$693,320 in the Parent Company and R\$799,798 in the Consolidated, and are classified under current and non-current liabilities (R\$716,862 and R\$824,864, respectively, on December 31, 2015).

### 21.1 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, 2016, the commitments related to the acquisition of land, farms, reforestation and houses under construction in Maranhão totaled R\$62,172 in the Parent Company and R\$168,650 in the Consolidated, presented under Commitment from acquisition of assets in current and non-current liabilities (R\$59,483 and R\$167,485, respectively, on December 31, 2015).

### 21.2 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.

On March 31, 2016, the total restated outstanding balance is R\$631,148 at the Parent Company and Consolidated, recorded under Commitments from acquisition of assets in current and non-current liabilities (R\$657,379 on December 31, 2015).

## 22 Shareholders’ Equity

### 22.1 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.

### 22.2 Capital stock

On March 31, 2016, 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 17,541 thousand shares are held in treasury, of which 6,786 thousand are common shares, 8,845 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. Controlling Shareholders and Management	354,349,459	95.47	3,245,077	0.44	17,698	0.91	357,612,234	32.28
	10,012,879	2.70	258,024,704	35.12	3,883	0.20	268,041,466	24.20
<b>Subtotal</b>	<b>364,362,338</b>	<b>98.17</b>	<b>261,269,781</b>	<b>35.56</b>	<b>21,581</b>	<b>1.11</b>	<b>625,653,700</b>	<b>56.48</b>
Treasury	6,786,194	1.83	8,844,997	1.20	1,909,699	98.40	17,540,890	1.58
BNDESPAR	-	-	75,909,985	10.33	-	-	75,909,985	6.85
Other shareholders	-	-	388,624,563	52.91	9,539	0.49	388,634,102	35.09
<b>TOTAL</b>	<b>371,148,532</b>	<b>100.00</b>	<b>734,649,326</b>	<b>100.00</b>	<b>1,940,819</b>	<b>100.00</b>	<b>1,107,738,677</b>	<b>100.00</b>

On March 31, 2016, SUZB5 preferred stock ended the period quoted at R\$12.66 (R\$18.69 on December 31, 2015).

## 22.3 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.

## 22.4 Treasury shares

	Number of shares			Total	R\$ ('000)	Average price per (R\$)
	Common	Pref. A	Pref. B			
Balance on 12/31/2014	6.786.194	12.444.988	1.909.699	21.140.881	303.726	14,37
Shares sold <sup>(a)</sup>	-	(1.800.000)	-	(1.800.000)	(14.868)	8,26
Shares transferred <sup>(b)</sup>	-	9	-	9	-	-
Balance on 12/31/2015	6.786.194	10.644.997	1.909.699	19.340.890	288.858	14,94
Shares sold <sup>(a)</sup>	-	(1.800.000)	-	(1.800.000)	(15.193)	8,44
<b>Balance on 3/31/2016</b>	<b>6.786.194</b>	<b>8.844.997</b>	<b>1.909.699</b>	<b>17.540.890</b>	<b>273.665</b>	<b>15,60</b>

<sup>(a)</sup> Treasury shares used to meet the share-based compensation plan (Note 20).

<sup>(b)</sup> Reversal of loan by transfer of shares held by the Directors to Suzano Papel e Celulose.

## 22.5 Equity valuation adjustment and other comprehensive income

### i. Equity Valuation Adjustment

The Company recorded in this balance sheet's item 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 arising from conversion of quarterly information of subsidiaries located abroad, 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 5<sup>th</sup> issue into shares for Related Parties, net of deferred income and social contribution taxes.

## 22.6 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.

				3/31/2016
	Common	Class A Preferred	Class B Preferred	Total
Loss attributed to shareholders	352,616	772,008	33	1,124,658
Weighted average number of shares in the period	371,149	734,649	1,941	1,107,739
Weighted average treasury shares	(6,786)	(9,445)	(1,910)	(18,141)
Weighted average number of outstanding shares	364,363	725,204	31	1,089,598
<b>Basic earnings per share</b>	<b>0.96776</b>	<b>1.06454</b>	<b>1.06452</b>	

				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
<b>Basic loss per share</b>	<b>(0.65721)</b>	<b>(0.72293)</b>	<b>(0.70968)</b>	

### 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.



	3/31/2016			Total
	Common	Class A Preferred	Class B Preferred	
Loss attributed to shareholders	351,396	773,230	33	1,124,658
Weighted average number of outstanding shares	364,363	725,204	31	1,089,598
Adjustment by stock options	-	3,674	-	3,674
Weighted average number of shares (diluted)	364,363	728,878	31	1,093,272
<b>Diluted earnings per share</b>	<b>0.96441</b>	<b>1.06085</b>	<b>1.06452</b>	

	3/31/2015			Total
	Common	Class A Preferred	Class B Preferred	
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
<b>Diluted loss per share</b>	<b>(0.65511)</b>	<b>(0.72062)</b>	<b>(0.70968)</b>	

## 22.7 Dividends

Date of Approval AGO/E	Total amount (R\$ '000)	Amount per share			Shareholding position	Payment date
		Common	Pref. A	Pref. B		
4/30/2015	150,000	R\$0.12922	R\$0.14214	R\$0.34409	4/30/2015	5/11/2015
11/11/2015	120,000	R\$0.10337	R\$0.11370	R\$0.34408	11/12/2015	11/24/2015

On December 31, 2015, Company management proposes to pay dividends totaling R\$300,000 to be attributed to retained earnings reserve and considered and voted at the Annual and Extraordinary Shareholders' Meeting of April 25, 2016.

## 23 Other Operating Income, Net

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
Income (loss) from sale of other products	713	1,368	4,899	4,160
Income (loss) from sale of property, plant and equipment and biological assets	114	1,391	114	1,376
Provision for loss and write-offs of property, plant and equipment and biological assets <sup>(a)</sup>	(5,419)	(8,780)	(5,419)	(8,780)
Amortization of intangible assets	(754)	(1,131)	(5,240)	(4,417)
Lease of land with subsidiaries	(2,504)	(2,441)	-	-
Other operating income, net	4,572	(1,001)	5,265	(155)
Total other operating income	<b>5,399</b>	<b>2,759</b>	<b>10,278</b>	<b>5,536</b>
Total other operating expenses	<b>(8,677)</b>	<b>(13,353)</b>	<b>(10,659)</b>	<b>(13,352)</b>
Other operating income (expenses), net	<b>(3,278)</b>	<b>(10,594)</b>	<b>(381)</b>	<b>(7,816)</b>

<sup>(a)</sup> On March 31, 2016, the amount referred to R\$4,144 in write-offs related to losses and claims with biological assets and R\$1,275 with property, plant and equipment. On March 31, 2015, the amount referred to R\$5,514 in write-offs related to losses and claims with biological assets and R\$3,266 with property, plant and equipment.

## 24 Operating lease agreements

The Company maintains operating lease agreements related to the lease of areas, offices, properties, call centers, 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	Monthly installment amount R\$ ('000)	Index	Maturity
Administrative offices and deposits	1 to 1.092	IGP-M and IPCA/IBGE	5/2/2016 to 1/27/2024
Call center and licenses	18 to 233	IGP-DI	8/15/2016 to 9/30/2017
Hardware equipment	2 to 17	IGP-M	4/16/2016 to 6/1/2016

The minimum payments of maturing operating were as follows:

	<u>3/31/2016</u>
Less than 1 year	<b>23,237</b>
From 1 year to 3 years	<b>20,103</b>
From 3 years to 5 years	<b>21,220</b>
Total installments due	<b><u>64,560</u></b>

## 25 Net Financial Result

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
Interest income	37,570	70,088	38,877	70,839
Other financial income	7,808	5,257	9,898	5,898
Total financial income	<u>45,378</u>	75,345	<u>48,775</u>	76,737
Interest expenses	(261,035)	(293,415)	(267,013)	(298,715)
Other financial expenses	(11,725)	(9,708)	(15,807)	(11,268)
Total financial expenses	<u>(272,760)</u>	(303,123)	<u>(282,820)</u>	(309,983)
Monetary and exchange variations on loans and financing	856,664	(1,549,711)	889,026	(1,526,188)
Monetary and exchange variations on other assets and liabilities	(223,971)	310,507	(190,846)	240,034
Monetary and exchange variation, net	<u>632,693</u>	(1,239,204)	<u>698,180</u>	(1,286,154)
Derivative gains	154,346	11,283	313,202	25,033
Derivate losses	123,897	(233,114)	(53,523)	(242,092)
Net derivative income (loss)	<u>278,243</u>	(221,831)	<u>259,679</u>	(217,059)
Financial income	<u>956,314</u>	75,345	<u>1,006,634</u>	76,737
Financial expenses	<u>(272,760)</u>	(1,764,158)	<u>(282,820)</u>	(1,813,196)
Net financial income (expenses)	<b><u>683,554</u></b>	<b><u>(1,688,813)</u></b>	<b><u>723,814</u></b>	<b><u>(1,736,459)</u></b>

## 26 Net Revenue

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
<b>Gross sales revenue</b>	<b>2,883,055</b>	2,358,982	<b>2,988,361</b>	2,379,589
<b>Deductions</b>				
Sales taxes <sup>(a)</sup>	<b>(258,324)</b>	(211,572)	<b>(260,831)</b>	(214,172)
Returns and cancelations	<b>(13,316)</b>	(15,191)	<b>(16,929)</b>	(15,449)
Discounts and rebates	<b>(2,269)</b>	(2,590)	<b>(2,269)</b>	(2,590)
<b>Net Revenue</b>	<b>2,609,146</b>	2,129,629	<b>2,708,332</b>	2,147,378

<sup>(a)</sup> Includes 1% up to November 2015 and 2.5% as of December 2015 of gross domestic sales, relating to the social contribution paid to Brazil's National Institute of Social Security (INSS), valid indefinitely, as per Law 12,546/11, Article 8, Annex I and its amendments.

## 27 Information by Segment

### 27.1 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 others which are not allocated.

	Consolidated							
	3/31/2016				3/31/2015			
	Pulp	Paper	Not segmented <sup>(a)</sup>	Total	Pulp	Paper	Not segmented <sup>(a)</sup>	Total
Net revenue	1,841,830	866,502	-	2,708,332	1,424,683	722,695	-	2,147,378
Net financial income (loss)	-	-	723,814	723,814	-	-	(1,736,459)	(1,736,459)
Other operating income, net	-	-	(381)	(381)	-	-	(7,816)	(7,816)
Operating income (loss)	695,239	219,397	720,584	1,635,220	456,237	120,324	(1,744,275)	(1,167,714)
	3/31/2016				12/31/2015			
Total assets	13,909,100	4,859,487	9,995,314	28,763,900	13,984,101	4,990,287	9,285,597	28,259,985

<sup>(a)</sup> The Company does not manage this information by business segment, therefore allocating to the non-segmented flow.

### 27.2 Information on geographic areas

	Consolidated					
	3/31/2016			3/31/2015		
	Pulp	Paper	Total	Pulp	Paper	Total
Net revenue	1,841,830	866,502	2,708,332	1,424,683	722,695	2,147,378
Domestic market	216,017	560,662	776,679	195,675	475,452	671,127
Foreign market	1,625,813	305,840	1,931,653	1,229,008	247,243	1,476,251
Asia	712,810	15,079	727,889	596,908	15,069	611,977
Europe	623,475	43,020	666,495	422,847	29,817	452,664
North America	268,949	85,681	354,630	181,690	70,567	252,257
South and Central America	20,579	131,548	152,127	27,563	120,997	148,560
Africa	-	30,512	30,512	-	10,793	10,793

## 28 Expenses by Nature

	Parent Company		Consolidated	
	3/31/2016	3/31/2015	3/31/2016	3/31/2015
<b>Cost of Product Sold</b>				
Personnel expenses	120,224	112,903	120,224	112,903
Variable cost	739,346	709,382	768,853	691,700
Logistics cost	66,170	53,806	239,858	217,838
Depreciation, depletion and amortization	313,272	320,717	313,272	320,717
Other costs	76,111	64,854	151,359	45,333
	<b>1,315,123</b>	<b>1,261,662</b>	<b>1,593,566</b>	<b>1,388,491</b>
<b>Selling expenses</b>				
Personnel expenses	15,801	14,112	31,566	21,265
Services	3,752	11,357	10,618	10,975
Logistics cost	178,838	172,452	49,791	42,053
Depreciation and amortization	693	761	855	856
Other expenses <sup>(a)</sup>	6,070	7,050	10,638	5,546
	<b>205,154</b>	<b>205,732</b>	<b>103,468</b>	<b>80,695</b>
<b>Administrative expenses</b>				
Personnel expenses	48,415	58,795	52,756	61,484
Services	18,066	17,065	20,571	20,077
Depreciation and amortization	6,030	4,784	6,405	5,052
Other expenses <sup>(b)</sup>	13,427	12,080	16,930	15,017
	<b>85,938</b>	<b>92,724</b>	<b>96,662</b>	<b>101,631</b>
	<b>1,606,215</b>	<b>1,560,118</b>	<b>1,793,696</b>	<b>1,570,817</b>

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

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

## 29 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, 2016, in the Parent Company, the insured amount was R\$24,968,579 and the maximum limit of damages is R\$5,320,000.
- **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, 2016, in the Consolidated, the insured amount was R\$120,000.

- **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, 2016, in the Consolidated, the insured amount was R\$20,000.

## 30 Events after the reporting period

### Dividend payment

On April 25, 2016, the Annual Shareholders Meeting approved the Management proposal for distribution of dividends to shareholders in the amount of R\$300,000, to be allocated towards the Income Reserves, as follows: R\$ 0.25800 per common share; R\$ 0.28380 per class A preferred share; and R\$ 0.34352 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 April 26, 2016.

### NCE transaction

On April 13, 2016, to continue its liability management program, the Company entered into a NCE transaction of R\$600,000, guaranteed by a CRA, at cost of 98% of the CDI, while interest will be paid bi-annually and the principal in a single installment in April 2020.