



SUZANO
PAPEL E CELULOSE

2Q08 Consolidated Results
July 24th, 2008

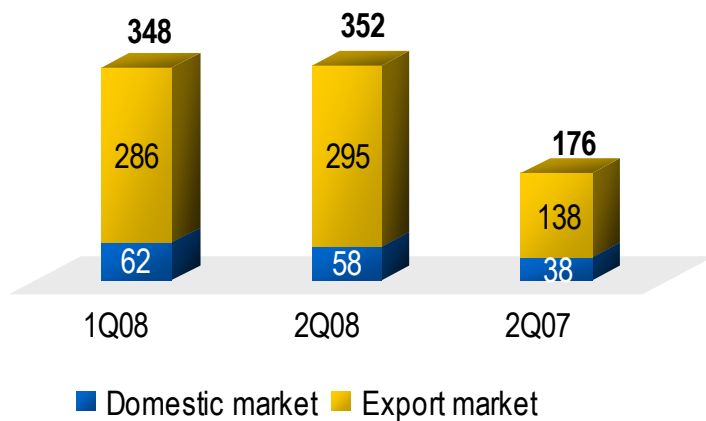




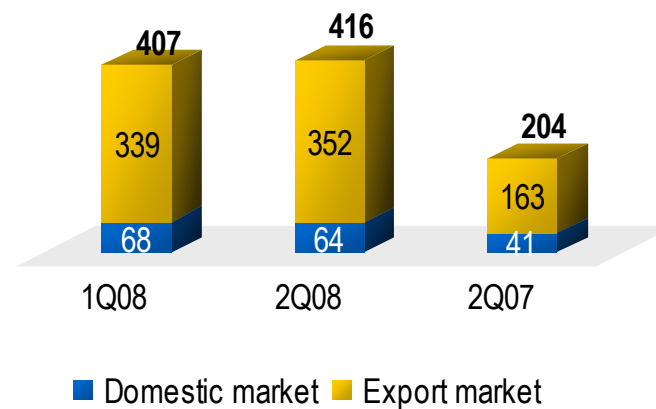
1. Eucalyptus pulp price increased to US\$ 840 / t (CIF Europe) in April; in June, new increase of US\$ 30 / t in Asia;
2. Hardwood inventories reached 34 days of supply in May, compared to 35 days in March 2008;
3. Real appreciates 9,9% in the quarter;
4. Record production of 681 thousand tons of pulp and paper;
5. Line 2 at Mucuri concludes learning curve;
6. EBITDA record of R\$ 354 million; EBITDA margin 35.2%;
7. Net income of R\$ 186 million, 44% higher than 1Q08 despite the non-recurring financial expense of R\$ 111 million for the repurchase of controlling stock from Ripasa's former shareholders;
8. Cash cost of pulp reduced to R\$ 424 / ton;
9. Net Debt / EBITDA ratio drops to 3.19 in June;
10. Announced today the new growth cycle for 2008 / 2015.

- **4.8%** demand growth in 1S08, compared to 1S07 (PPPC);
- Capacity closures of approximately **1 million** tons in 2Q08, constraints in **supply** and low **inventories**.
- Net pulp price in the export market in 2Q08 was **US\$ 721/t**, compared to **US\$ 681/t** in 1Q08, and **US\$ 594/t** in 2Q07;
- **Record** production : **400 tsd tons** of market pulp in 2Q08;
- **Sales volume** increased more than **100%** in 1S08, compared to the same period of previous year.

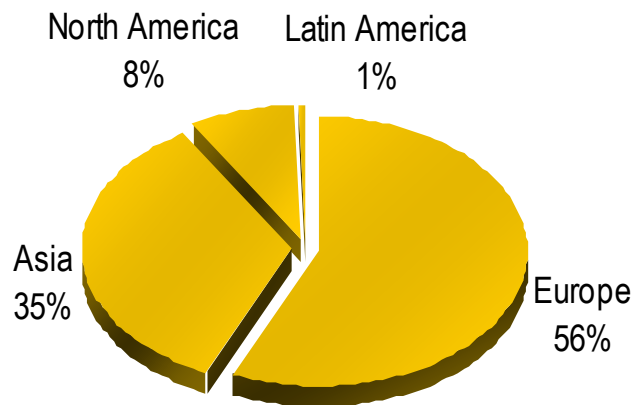
Pulp sales volume (thousand tons)



Pulp net sales (R\$ million)



**Pulp Exports 2Q08
(participation in sales volume)**

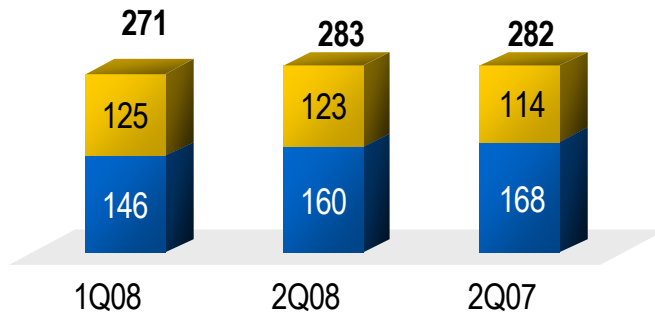


- Energy and chemicals cost pressure **has driven increase** to international market prices. Paper net price in international market increased by **US\$ 41 / t** compared to 1Q08 and **US\$ 104 / t** compared to 2Q07, compensating Real appreciation in these periods.
- Spread between price of uncoated woodfree in reels and pulp list price in Europe reached **US\$ 206 / t** in 2Q08, slightly below the average spread of the past 10 years. (**US\$ 209 / t**).
- Significant **demand growth** in the domestic market.

	2Q08 x 1Q08	2Q08 x 2T07
Uncoated	4%	2%
Coated	14%	19%
Cartonboard	3%	6%

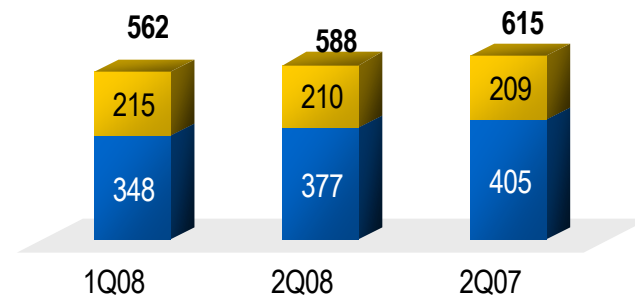
- In 2Q08, average paper price in the domestic market dropped **0.8%**, compared to 1Q08;
- Total sales volume of 283 thousand ton in 2Q08, **4.5%** higher than 1Q08;

Paper sales volume (thousand tons)



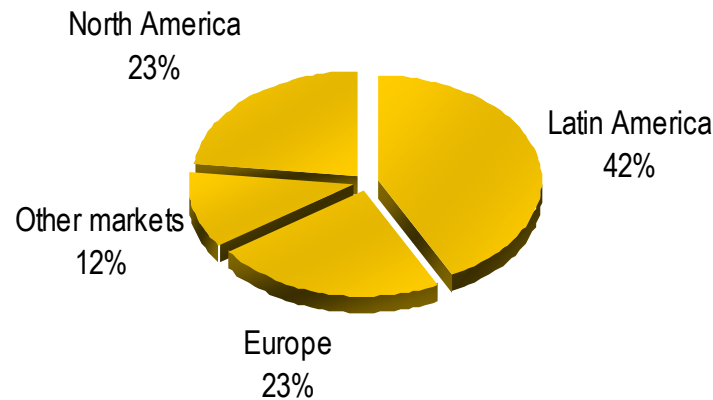
■ Domestic market ■ Export market

Paper Net Sales (R\$ million)



■ Domestic market ■ Export market

Paper Exports 2Q08
(sales volume)



	1Q08	2Q08	2Q07	% 2Q08/1Q08	% 2Q08/2Q07
Sales volume (000 tons)	619	635	458	2.7%	38.8%
Paper volume domestic market (000 tons)	146	160	168	9.4%	-4.8%
Pulp volume export market (000 tons)	286	295	138	2.9%	113.5%
Net revenue - R\$ million	970	1,004	821	3.5%	22.3%
Net income - R\$ million	129	186	172	44.3%	7.8%
Cash-cost (R\$/tons)	488	424	446	-13.1%	-4.9%
EBITDA - R\$ million	341	354	279	3.7%	26.7%
EBITDA - US\$ million	196	214	141	8.9%	51.6%
EBITDA margin	35.2%	35.2%	34.0%	0.2%	3.6%
Exchange Rate	1.74	1.66	1.98	-4.8%	-16.5%
Net debt / EBITDA (LTM)	3.48	3.19	3.73	-8.3%	-14.5%



	6M08	6M07	% 6M08/6M07
Sales volume (000 tons)	1.254	897	39,7%
Paper volume domestic market (000 tons)	306	317	-3,5%
Pulp volume export market (000 tons)	581	277	109,5%
Net revenue - R\$ million	1.974	1.630	21,1%
Net income - R\$ million	314	278	12,9%
EBITDA - R\$ million	695	554	25,4%
EBITDA - US\$ million	410	271	51,2%
EBITDA margin	35,2%	34,0%	1,2 p.p.
Exchange Rate	1,70	2,05	-17,0%
Net debt / EBITDA (LTM)	3,19	3,73	-14,5%





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