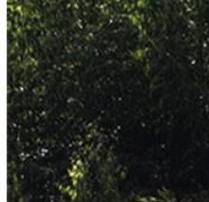




# Material Fact



## SUZANO PAPEL E CELULOSE S.A.

Publicly Held Company

Corporate Taxpayer ID (CNPJ/MF): 16.404.287/0001-55

Company Registry (NIRE): 29.3.0001633-1

**São Paulo, June 26, 2018** – Suzano Papel e Celulose S.A. (“Suzano” or “Company”) (B3 | SUZB3), complementing the Material Fact notice published on March 16, 2018, hereby informs its shareholders and the market that its Board of Directors, at a meeting held on June 26, 2018, approved, in connection with the transaction to combine the operations and shareholder bases of the Company and Fibria Celulose S.A. (“Fibria”) through corporate reorganization under the terms described in aforementioned Material Fact notice (“Transaction”), the issuance of debentures of the Company with the following characteristics:

- Issue amount: R\$ 4,681,100,000.00 (four billion six hundred and eighty-one million and one hundred thousand Brazilian reais)
- Date of issue: June 29, 2018
- Maturity: eight (8) years from the issue date
- Yield: 112.50% of CDI
- Use of proceeds: the net proceeds will be fully used to pay the Cash Portion of the acquisition of all the common shares of Fibria

For the full amount of the issuance described above, the Company has already contracted the respective hedge in U.S. dollar at the cost of 5.74% p.a.

The use of other forms of financing instead of the firm commitments mentioned in the Material Fact notice of March 16, 2018, is in line with the Company's strategy of constantly seeking opportunities that offer structures and costs better suited and compatible with the management of its debt and its market positioning, and enhance the Company's position in terms of its capacity to pay the Cash Portion of the Transaction.

The closing of the aforementioned Transaction is still subject to the fulfillment of other conditions precedent usual for this type of transaction, including the approval by certain antitrust authorities in Brazil and abroad. Until the date of the implementation of the transaction, the companies will continue to carry out their activities in the ordinary course of business and will remain operating independently.

São Paulo, June 26, 2018.

**Marcelo Feriozzi Bacci**  
Chief Financial and Investor Relations Officer