



Earnings Conference Call

4Q18

Disclaimer



This communication contains certain statements that are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. Some of these forward-looking statements are identified with words like “believe,” “may,” “could,” “would,” “might,” “possible,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” “estimate”, “potential”, “outlook” or “continue,” the negative of these words, other terms of similar meaning or the use of future dates. Forward-looking statements in this communication include, without limitation, statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. Such statements are qualified by the inherent risks and uncertainties surrounding future expectations generally, and actual results could differ materially from those currently anticipated due to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations. Suzano does not undertake any obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as expressly required by law. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement.

NO OFFER OR SOLICITATION

This communication is for informational purposes only and is neither an offer to sell nor a solicitation of an offer to subscribe for or buy shares, nor is it a substitute for any offer materials that Suzano will, if required, file with the U.S. Securities and Exchange Commission (“SEC”). No offer of securities will be made in the United States except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended, or pursuant.

HIGHLIGHTS

2018 represents a *turning point* in *Suzano's* history



Fibria transaction was concluded successfully

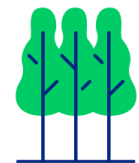


Net average pulp price: US\$ 745/t in 2018 (+25% vs. 2017)
US\$ 757/t at 4Q18 (+11% vs. 4Q17)

Net average paper price: R\$ 3,712/t in 2018 (+21% vs. 2017)
R\$ 3,901/t at 4Q18 (+25% vs. 4Q17)



Record Operational Cash Generation¹: R\$ 5.5 billion
Record Adjusted EBITDA² : R\$ 6.8 billion



Achievement of Investment Grade (BBB- / stable)

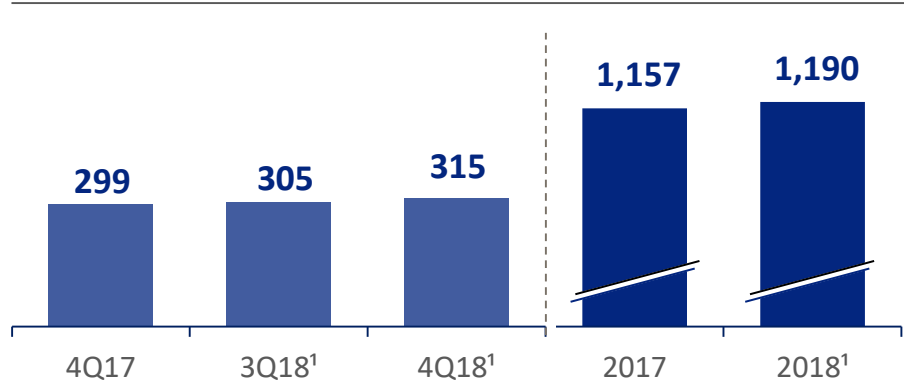
¹ Operating Cash Generation = Adjusted EBITDA less Sustaining CAPEX. | ² Adjusted for non-recurring factors.

Paper

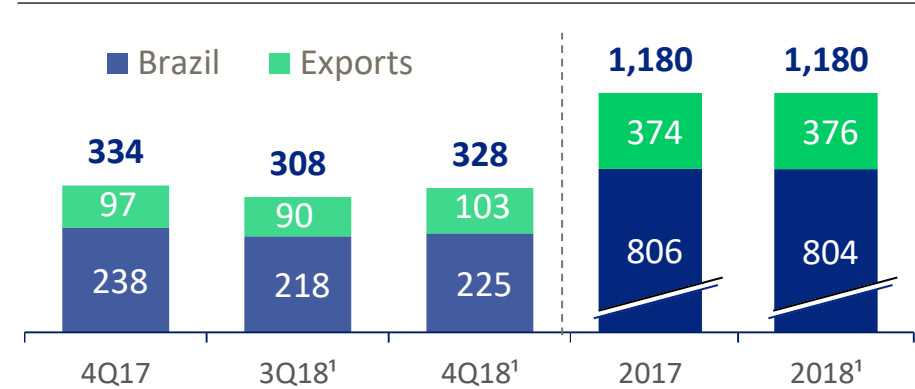
Continuous improvement in operational and sales performance



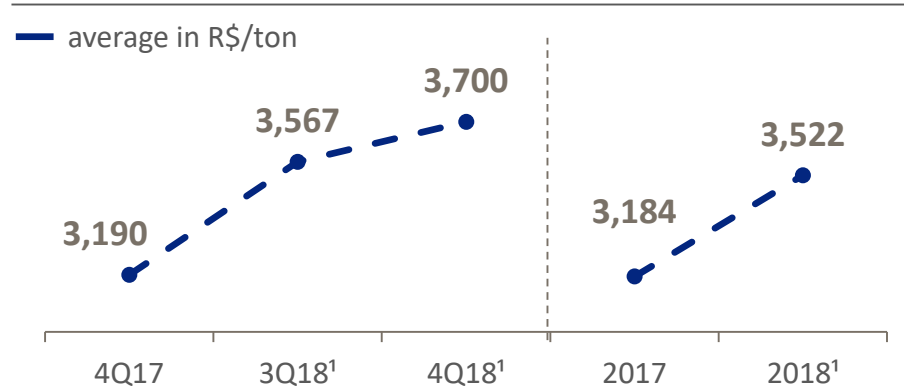
Paper Production ('000 ton)



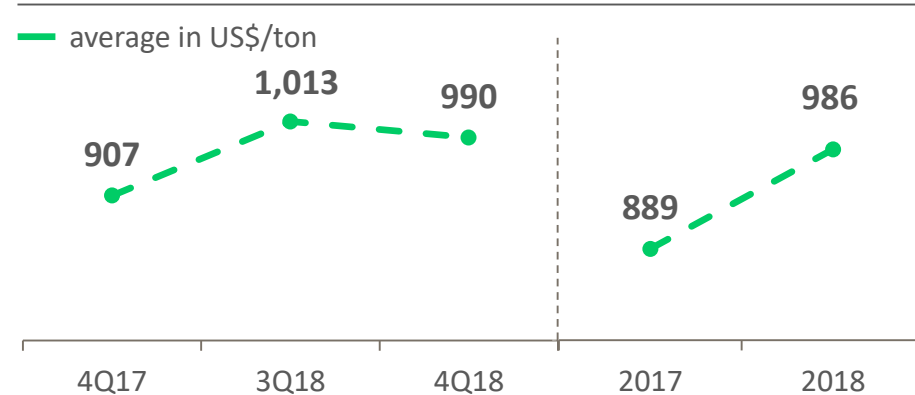
Paper Sales ('000 ton)



Suzano prices in Brazil (R\$/ton)



Suzano export prices (US\$/ton)



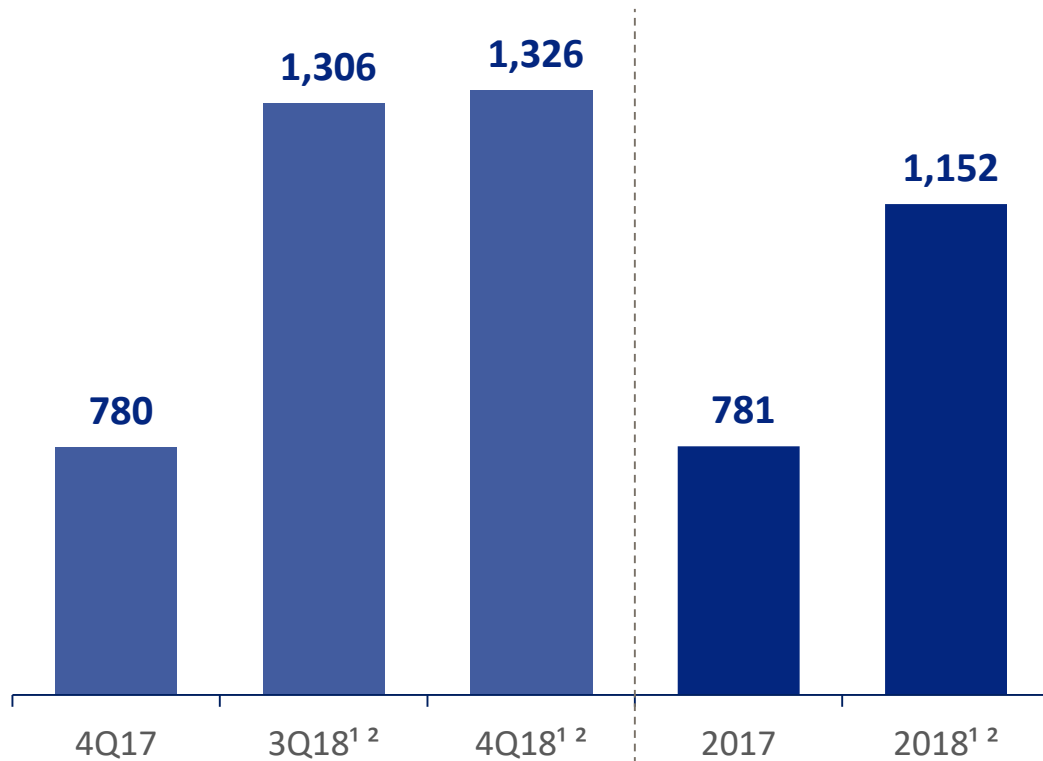
¹ Excludes consumer goods unit from 1Q18 onward.

Paper

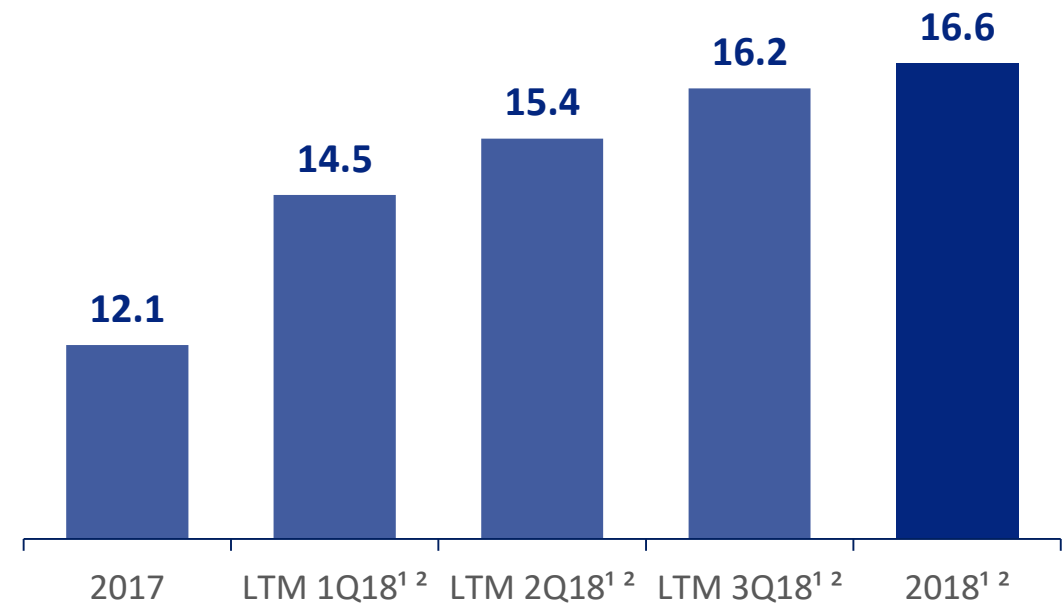
Operational evolution combined with price growth favored profitability



Paper Adjusted EBITDA (R\$/ton)



Paper ROIC (%)



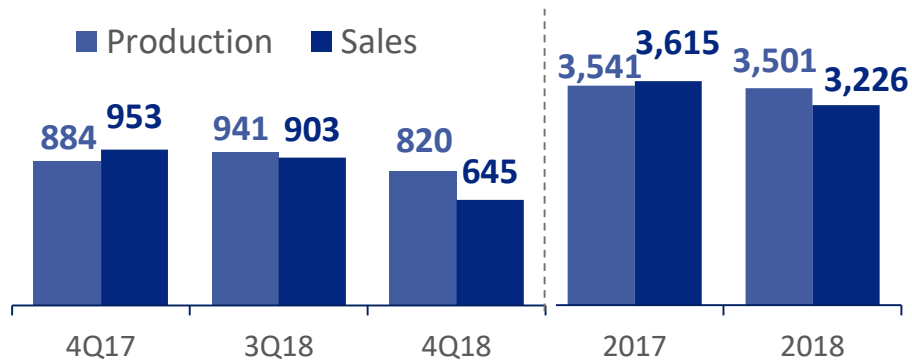
¹ Excludes consumer goods unit from 1Q18 onward. | ² Impact due to the Management's Long-Term Incentive: (i) 3Q18: -R\$ 67/ton in EBITDA; (ii) 4Q18: -R\$ 36/ton in EBITDA; (iii) LTM 1Q18: -0.1 p.p. on ROIC; (iv) LTM 2Q18: -0.8 p.p. on ROIC; (v) LTM 3Q18: -1.0 p.p. on ROIC and (vi) LTM 4Q18: -62/ton in EBITDA and -1.2 p.p. on ROIC. | LTM: last twelve months.

Pulp

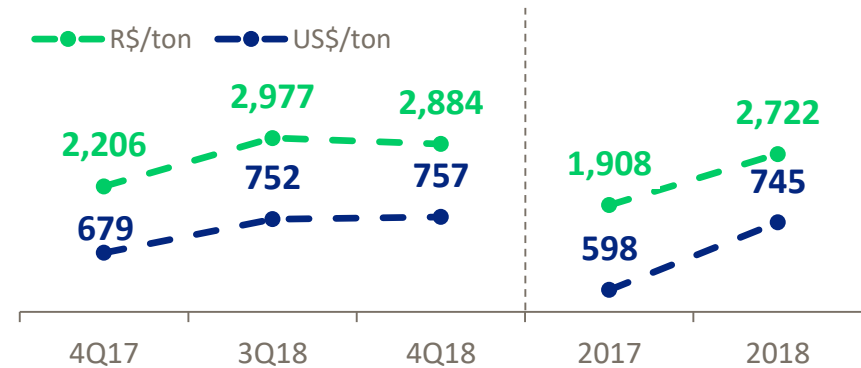
Results boosted by exogenous factors



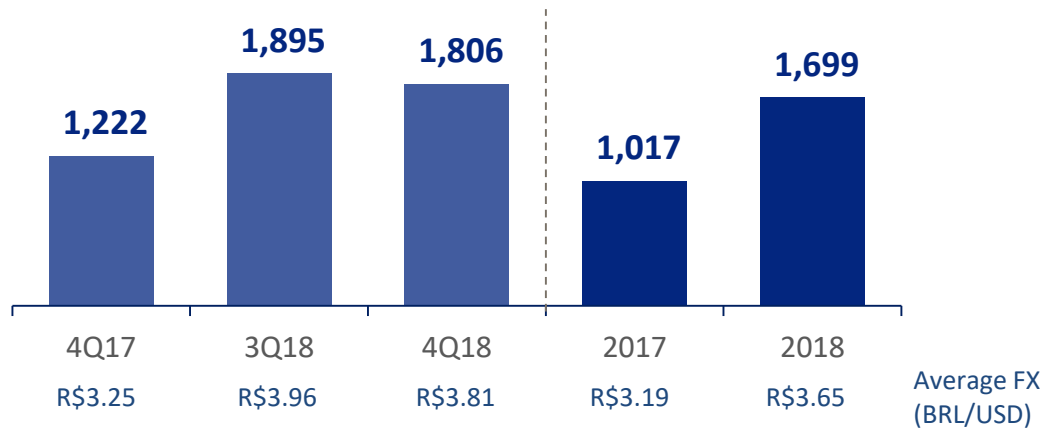
Pulp Production and Sales ('000 ton)



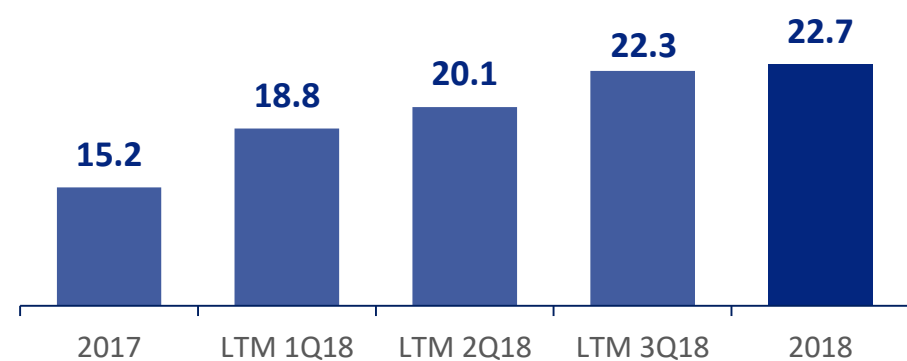
Average net pulp price (R\$/ton and US\$/ton)



Pulp Adjusted EBITDA (R\$/ton)



Pulp ROIC (%)



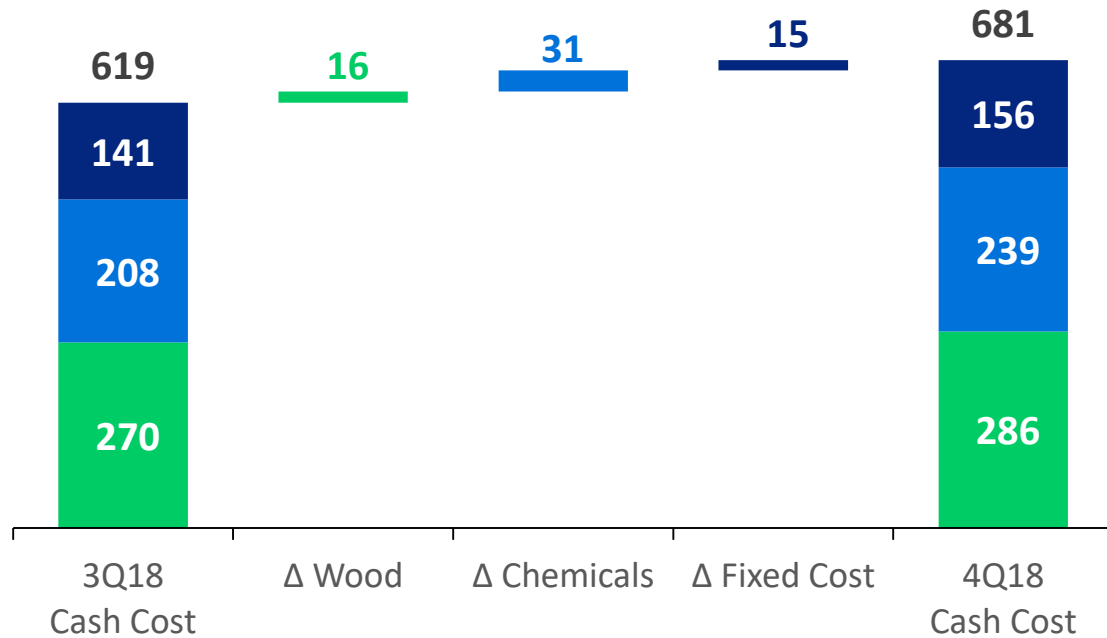
LTM: last twelve months.

Pulp

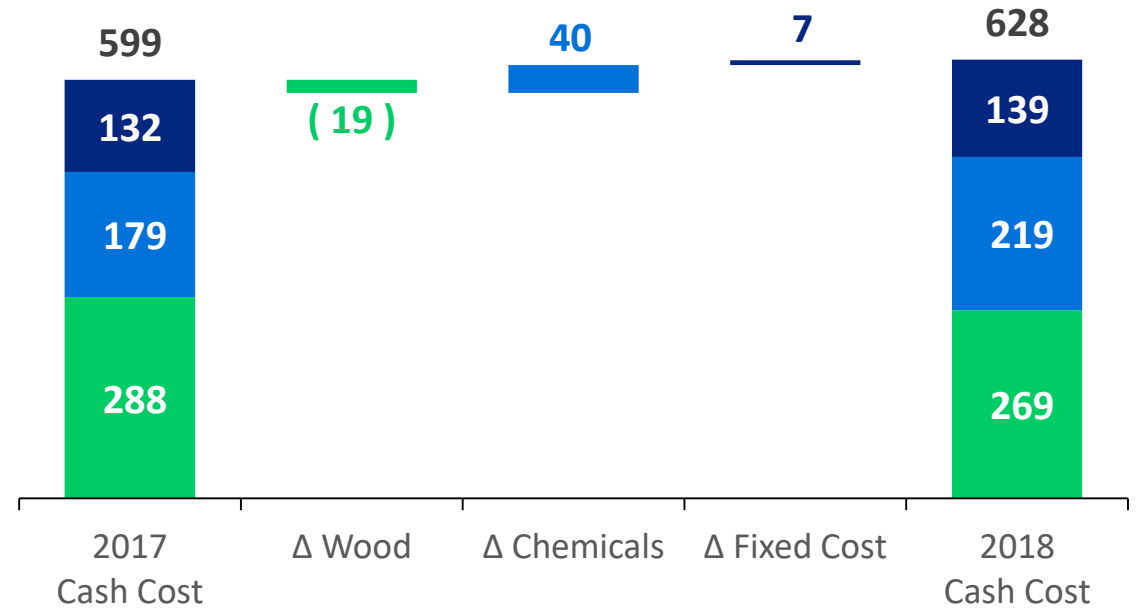
Input prices and exchange rate compresses cash cost together with lower volume production



Quarterly Pulp Cash Cost (excluding downtimes – R\$/ton)



LTM Pulp Cash Cost (excluding downtimes – R\$/ton)



■ Wood ■ Chemicals ■ Fixed Cost

Note: In line with market practice and for comparison purposes, the methodology for calculating the cash cost has been changed from 1Q18 onward and currently does not consider the depletion of wood from third-party suppliers.

Investments

Execution in line with the forecast



Capex (R\$ billion)	2017	2018	2018e²
Maintenance	1.1	1.3	1.2
Structural Competitiveness & Adjacent Business	0.7	0.6	0.6
Acquisition of Facepa	-	0.3	0.3
Acquisition of land and forests ¹	-	0.7	0.7
Total	1.8	2.8	2.7

¹ The 2nd tranche of the acquisition price will be paid in 2018 (50%) and 2019 (50%). ² Estimated CAPEX for 2018.

HIGHLIGHTS

Beginning of the construction of a future with greater capacity in *value generation*



Integrated management and single corporate office since January 14th



Drivers of the new culture already disseminated



Capture of synergies in process



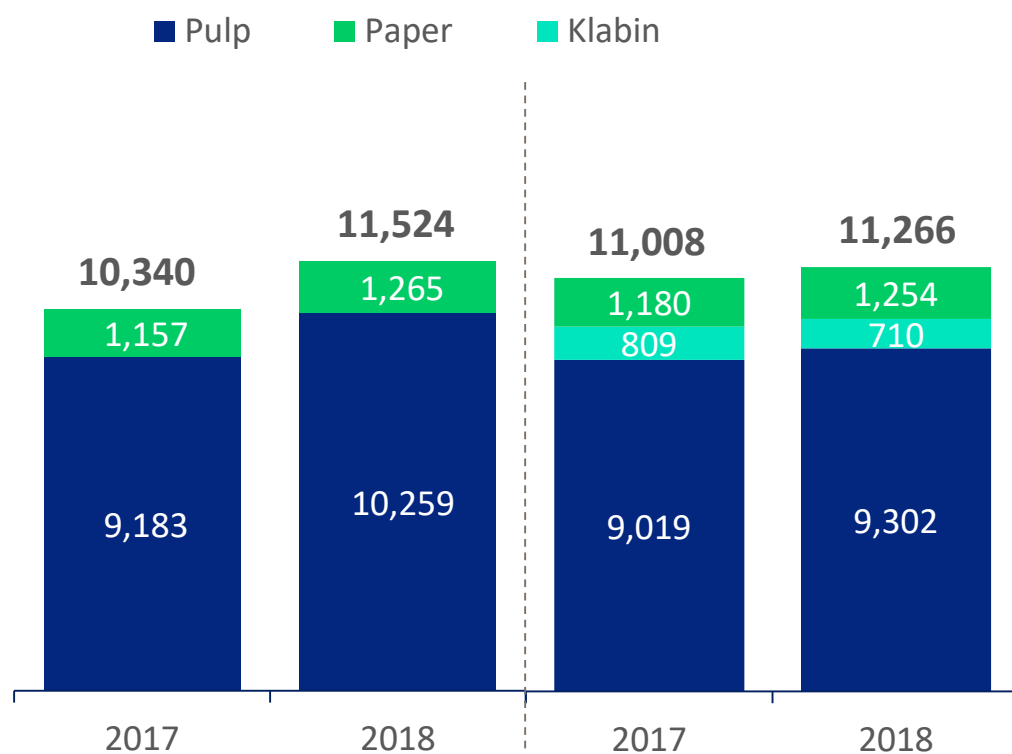
Corporate merger and integration of processes and systems in process

Pro Forma Performance¹

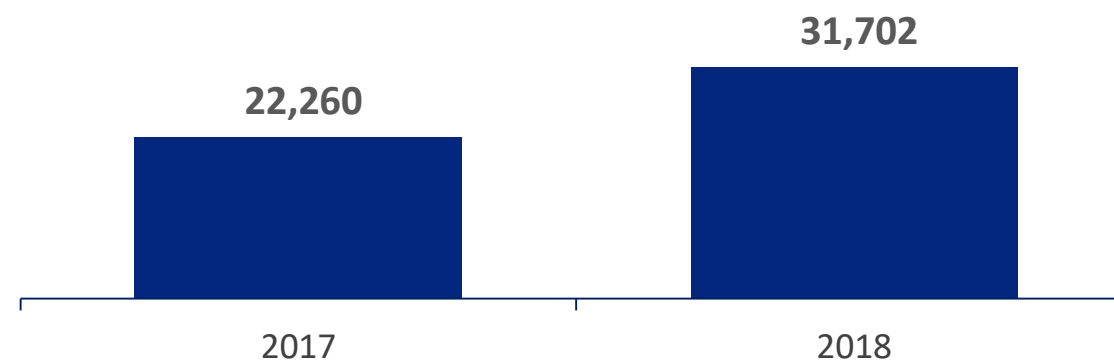
Revenue favored by higher volumes and prices



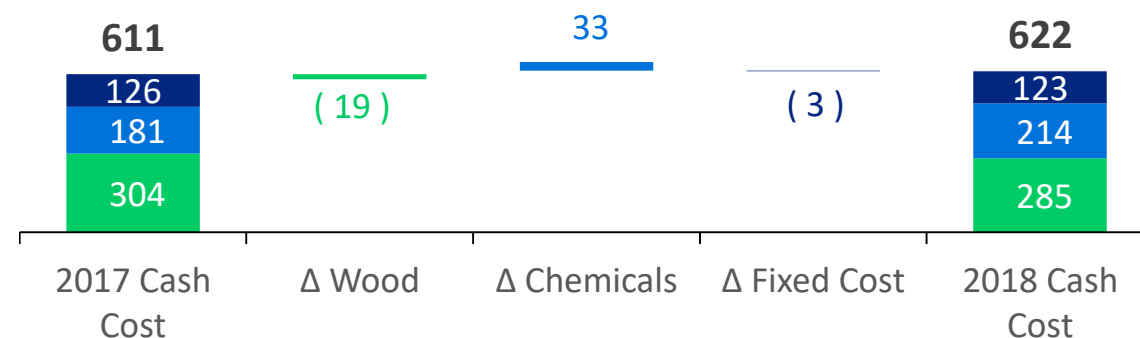
Production and Sales² ('000 ton)



Net Revenue (R\$ million)



Pulp Cash Cost (excluding downtimes - R\$/ton)

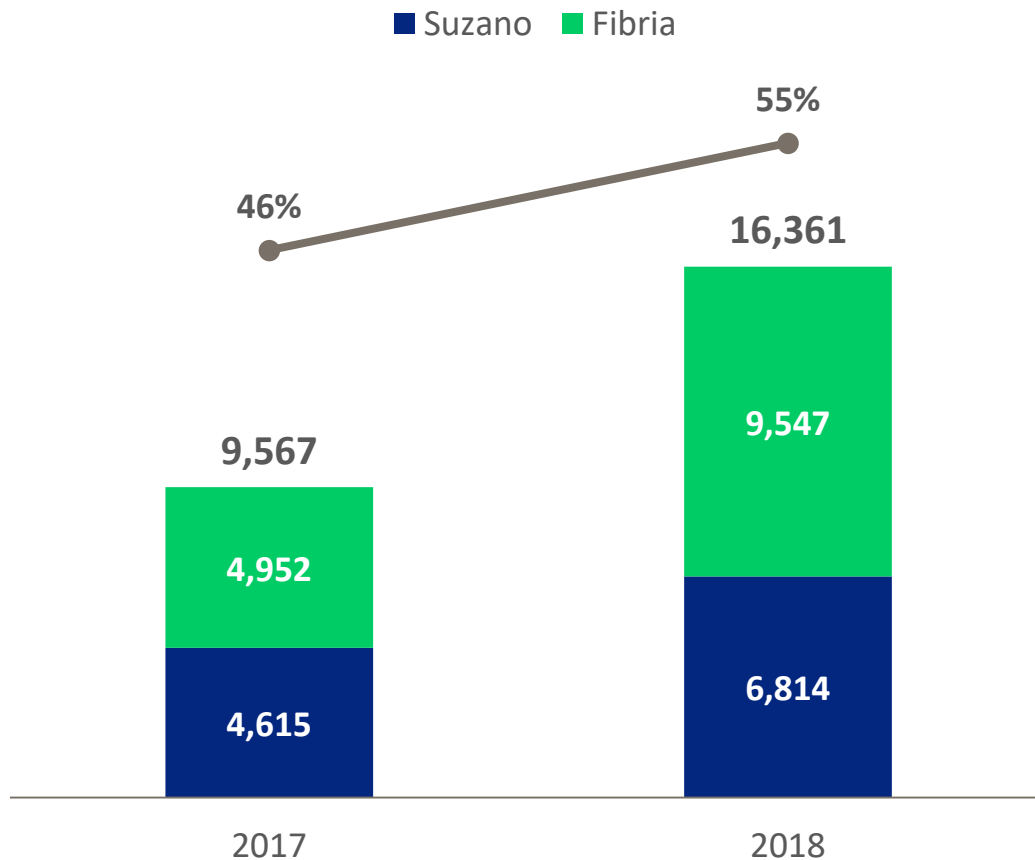


¹ Not audited. The data represents simple or weighted sum out of the main indicators of Suzano + Fibria. ² Includes sales from the commercial agreement with Klabin.

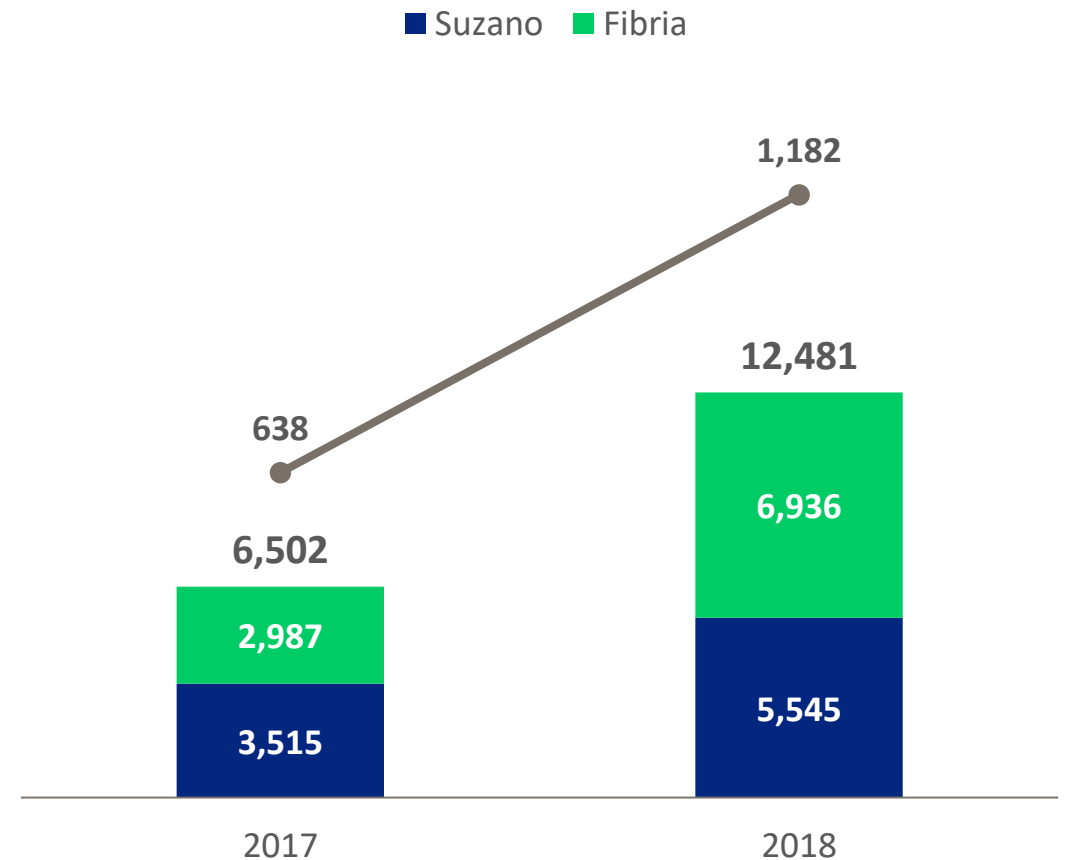
Pro Forma Performance¹ Record Adjusted EBITDA and Operational Cash Generation for both companies



Adjusted EBITDA² (R\$ million) and Margin² (%)



Operational Cash Generation³ (R\$ million and R\$/ton)

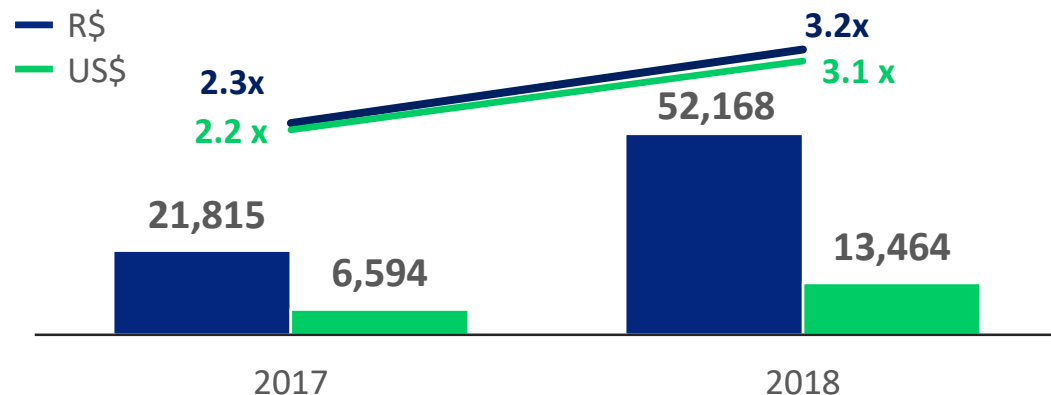


¹ Not audited. The data represents simple or weighted sum out of the main indicators of Suzano + Fibria. ² Excludes sales from the commercial agreement with Klabin. ³ Operational Cash Generation = Adjusted EBITDA less Sustaining CAPEX.

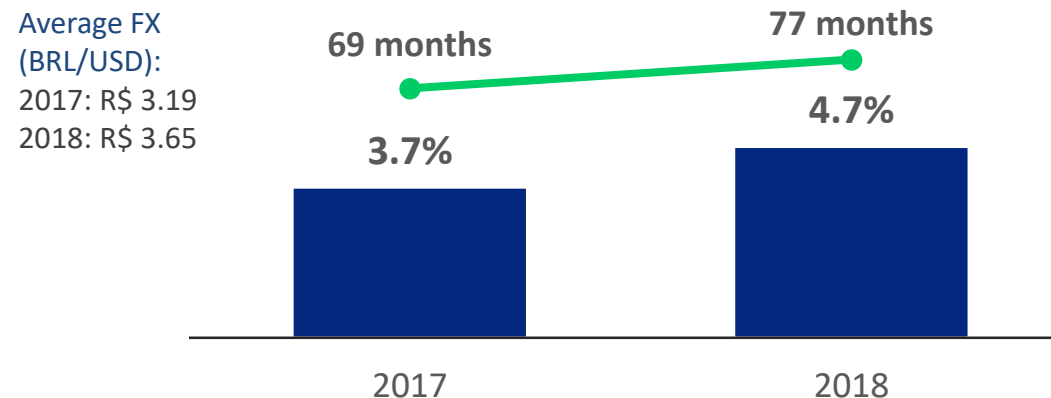
Adjusted Pro Forma Indebtedness¹ Long-term debt with competitive cost



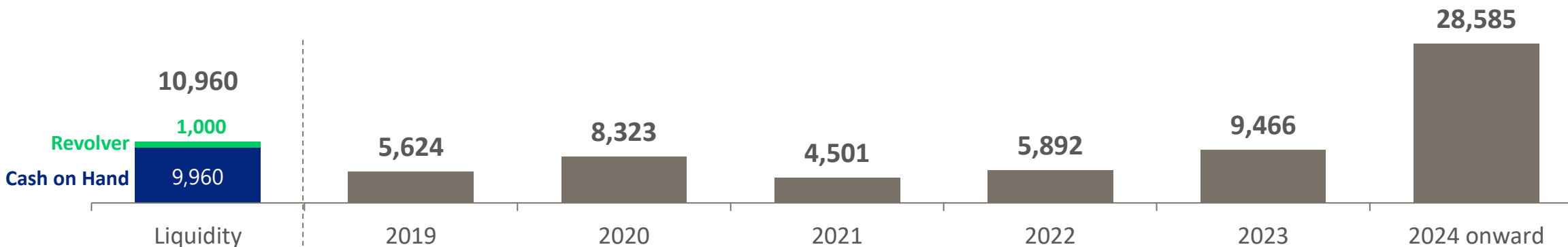
Net Debt² (million) and Leverage (in times)



Average Cost³ (US\$) and Debt Maturity (months)



Amortization Schedule² (R\$ million)



¹ Not audited. ² The gross and net debt considers: (i) the accounting position of Suzano and Fibria on 12/31/2018; (ii) less the transaction's Cash Installment payment (R\$ 27.8 billion); (iii) plus the cash raising and debt of re-tap of the 2029 Bond (PTAX of 3.6741 R\$/US\$ on 02/05/2019); (iv) plus the cash raising and debt of the 7th debenture issuance (R\$ 4.0 billion); (v) less the advance payment of Fibria's CRA (R\$ 879 million). ³ Average cost in US\$ based on market swap curve.



Thank you!

Investor Relations

www.suzano.com.br/ir

ri@suzano.com.br