

4Q08 Conference Call

April 2, 2009



Respeito ao meio ambiente
é a nossa matéria prima.

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This presentation includes forward-looking statements that are subject to risks and uncertainties based on the beliefs and assumptions of the management of Eucatex S.A. Indústria e Comércio, and on information currently available to the Company.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur.

Investors should understand that overall economic conditions, industry conditions and other operating factors may affect the company's future results and may lead to results that differ materially from those expressed in such forward-looking statements.

» Financial results

- **Gross revenue** came to R\$ 216.4 million in the 4Q08, versus R\$ 202.7 million in the 4Q07, up 6.8%, and R\$ 865.5 million in 2008, 13.1% higher than in 2007;
- **Gross margin** of 32.3% in 2008, 0.6 p.p. up on the 31.7% recorded in 2007;
- **EBITDA** was R\$ 181.1 million in 2008, 60.1% higher than 2007; excluding non-recurring adjustments of tax provisions, EBITDA was R\$ 130.4 million, representing growth of 15.2% over 2007;
- **EBITDA Margin** before non-recurring adjustments of tax provisions, grew by 0.5 p.p. in 2008.

» Sales growth

- Excellent sales performance in the Paint and Laminate Flooring segments in 2008 , with growth of **30% and 17%** respectively, in relation to 2007.

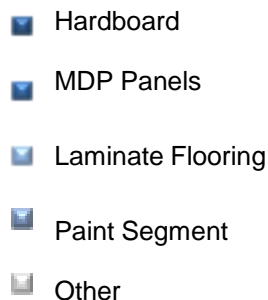
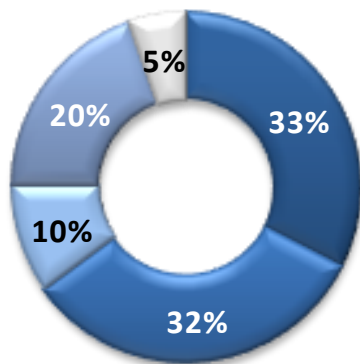
» Construction of new T-HDF/MDF line

- The line should go operational at the end of 2009, increasing the Group's gross revenue by R\$ 250 million and cash flow by R\$ 90 million when it reaches its full annual capacity.

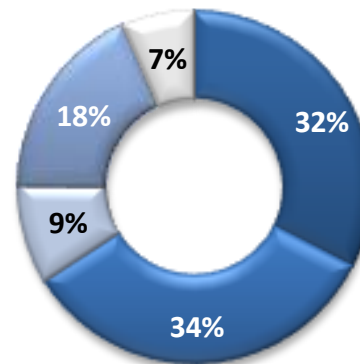
» Highlights

- Eucatex's paints segment represented 20% of revenue in the 4Q08, compared with 18% in the 4Q07.
- Lower share of MDP panels in revenue due to the 15-day stoppage at the Botucatu Unit.

Gross Revenue Breakdown – 4Q08



Gross Revenue Breakdown – 4Q07



4Q07



4Q08



» The first and largest unit of the Eucatex Group.

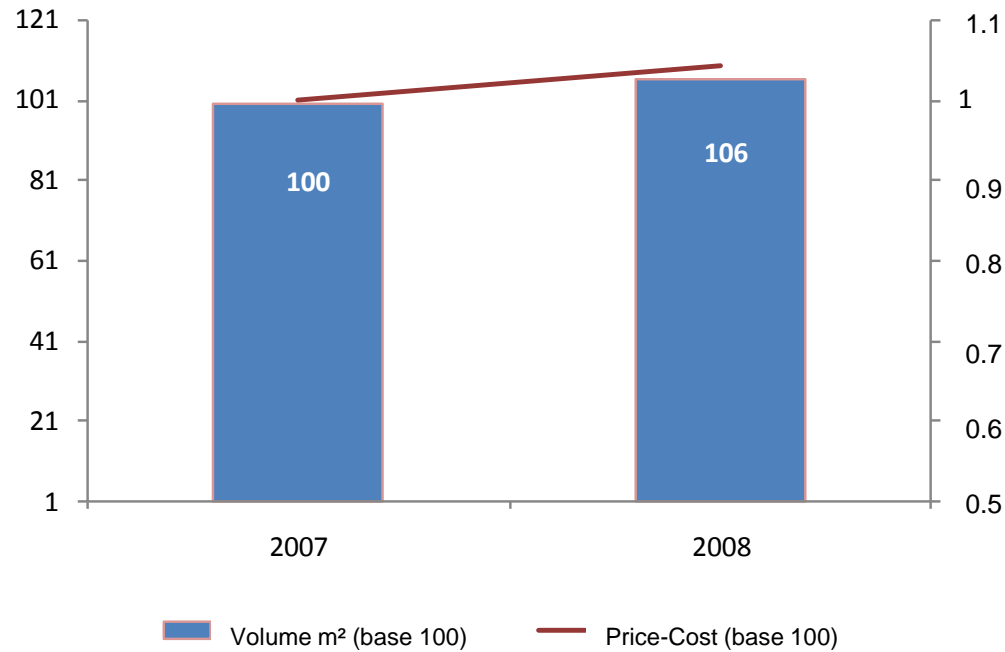
- Location: Salto-SP
- Area: Land – 540,000 m² / Built area – 153,000 m²
- Gross Revenue in 2008: R\$ 285 million (20 % from exports to over 25 countries)
- Number of employees: 808

» Main products and installed capacity in the year:

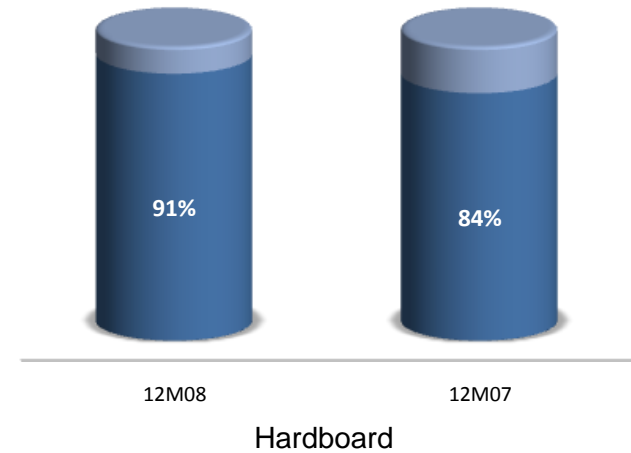
- | | |
|--------------------|---------------------------|
| ▪ Hardboard | 240,000 m ³ |
| ▪ Panels and Doors | 1,800,000 pc |
| ▪ Paint Capacity | 50,000,000 m ² |



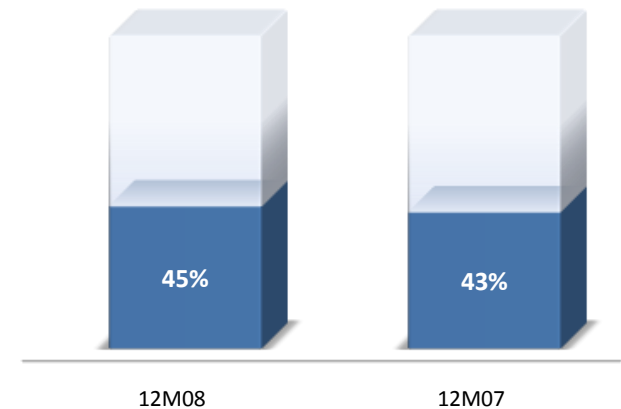
Price vs. Cost - Hardboard



Installed Capacity Used



Market Share (Domestic Market)



The only plant in Latin America capable of laminating paper during the production of MDP panels.

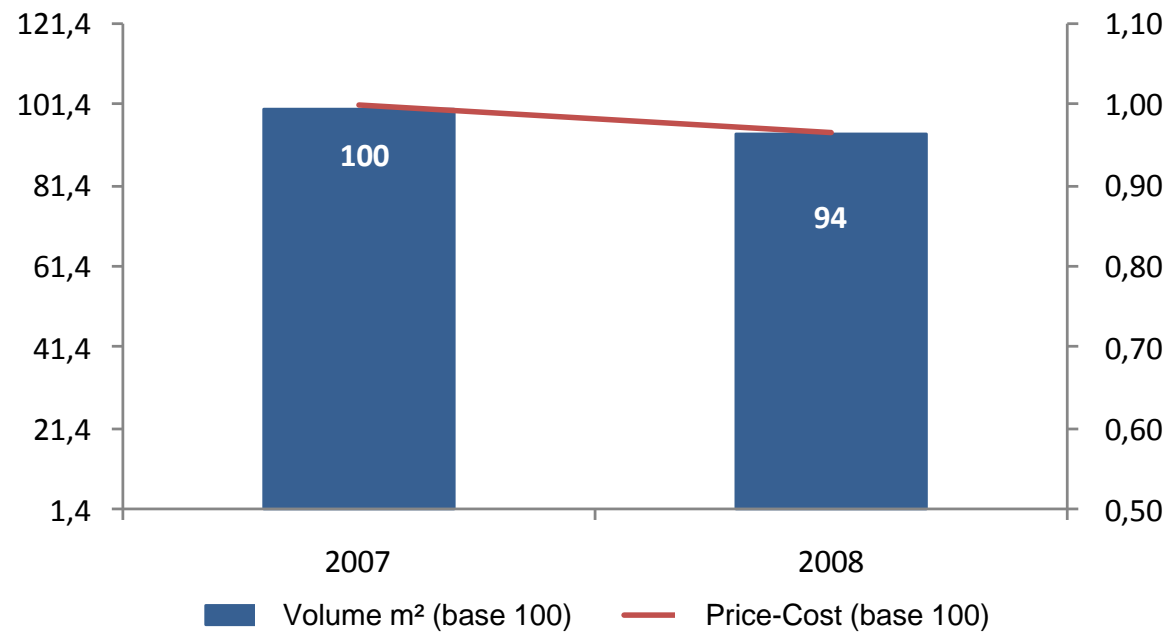
- Location: Botucatu-SP
- Area: Land 372,000 m²/ Built area: 62,000m²
- Gross Revenue in 2008: R\$ 359 million
- Number of Employees: 368

Main products and installed capacities in the year:

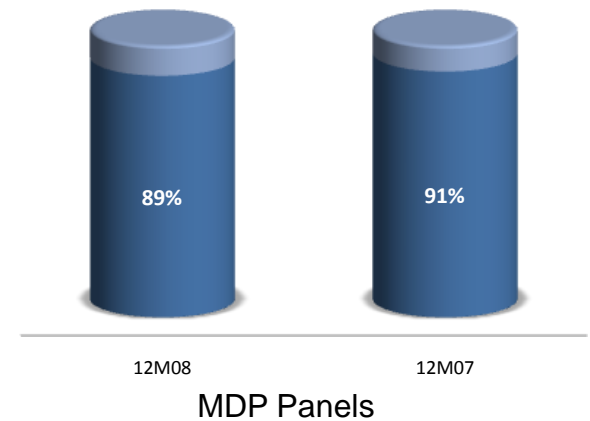
- MDP 430,000 m³
- Flooring 7,200,000 m²
- Low pressure finishing (BP) and Lacca 20,000,000 m²



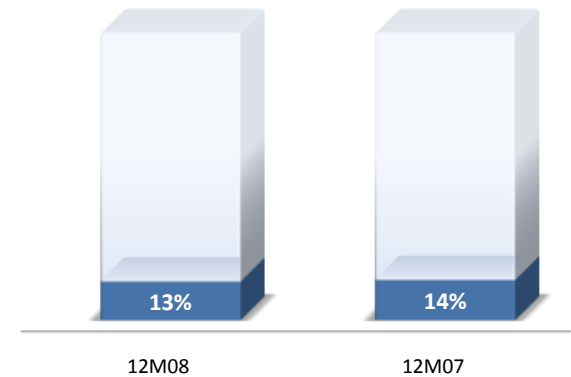
Analysis of Volume and Price vs. Cost - MDP



Installed Capacity Used

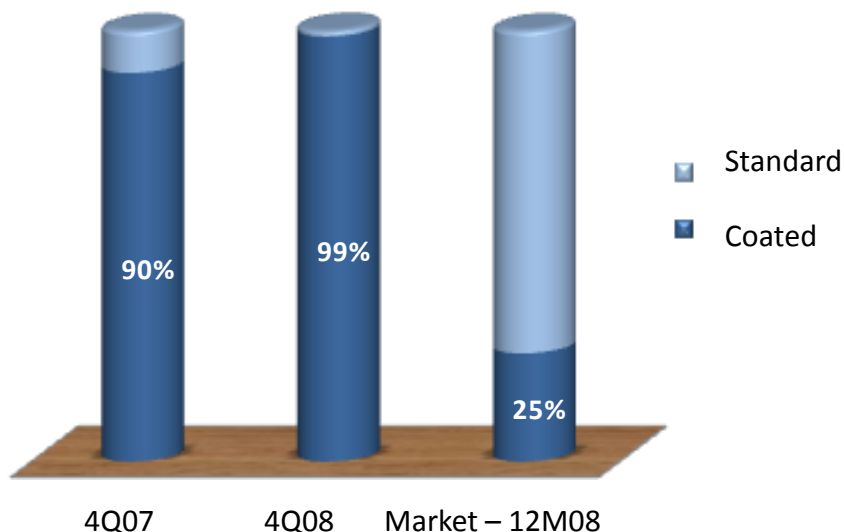


Market Share



- » Eucatex's sales mix has larger market share of coated products in relation to market peers;
- » In the 4Q08, **coated products**, which have higher value added, represented **98%** of the MDP produced; and
- » Lacca accounted for 24% of MDP sales in 2008.

Share of coated MDP
EUCATEX

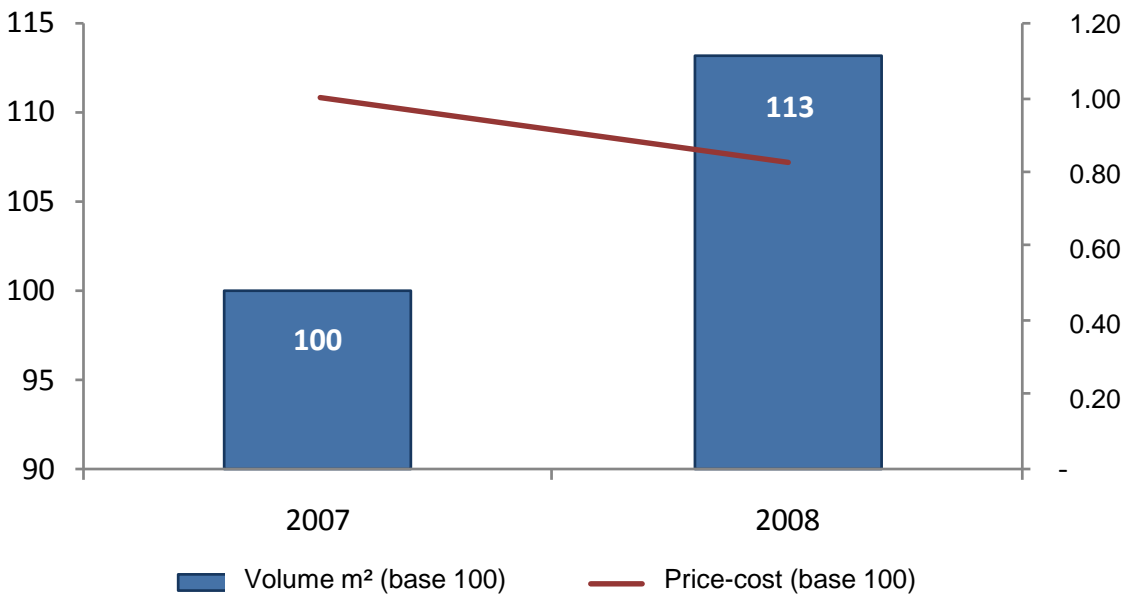


(*) Source: ABIPA and Companies

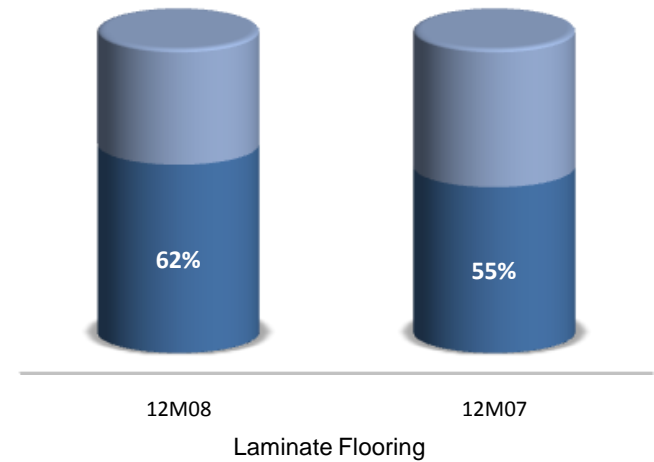


- » The company offers differentiated products such as Eucatop and Lacca.

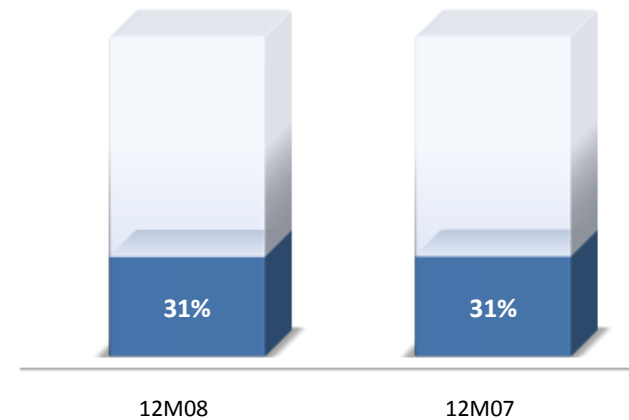
Analysis of Volume and Price vs. Cost - Flooring



Installed Capacity Used



Market Share



Inaugurated in 1994, this unit is one of the most modern in Latin America, thanks to its state-of-the art equipment and high-tech laboratory.

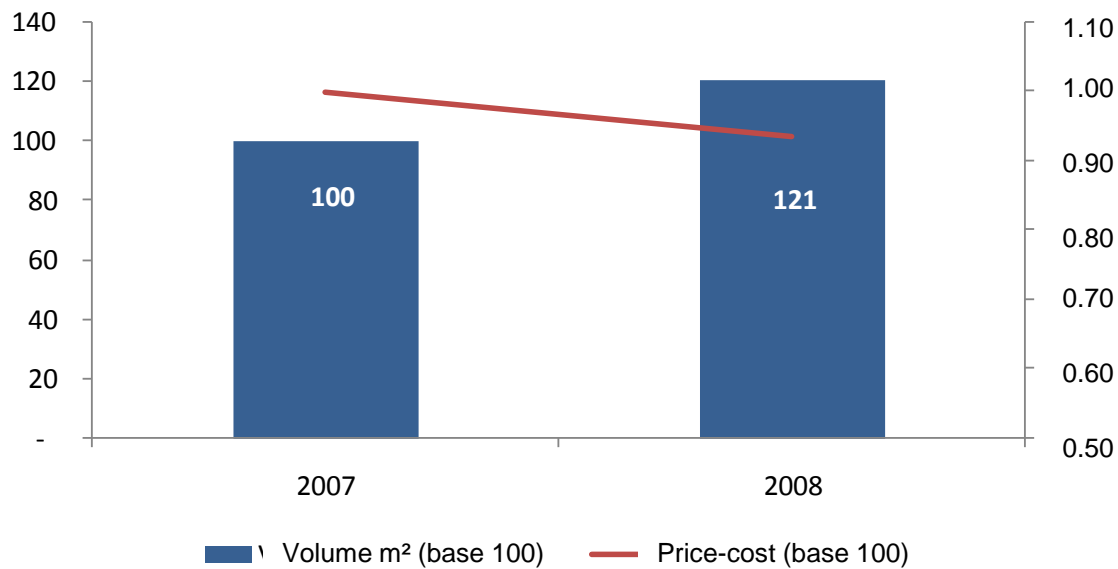
- Location: Salto-SP
- Area: Land: 960,000 m² / Built area: 36,000 m²
- Gross Revenue in 2008: R\$ 153 million
- Number of Employees: 199

Installed capacity in the year:

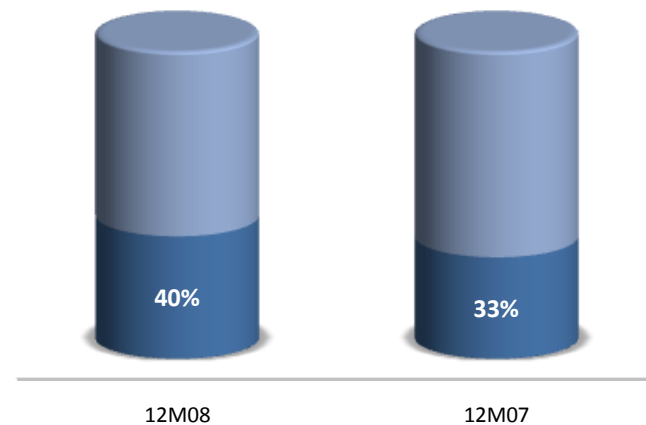
- Capacity: 36 million gallons/year



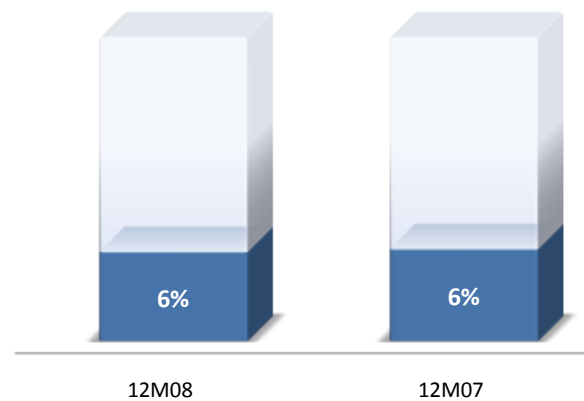
Analysis of Volume and Price vs. Cost - Paint



Installed Capacity Used



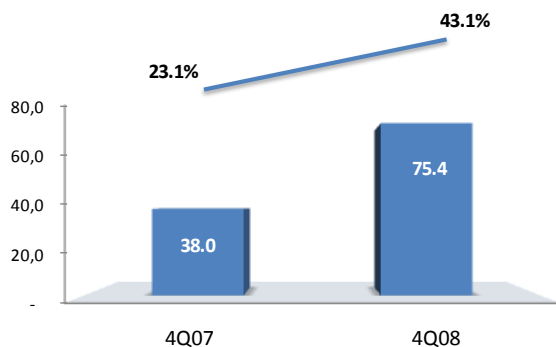
Market Share (*)



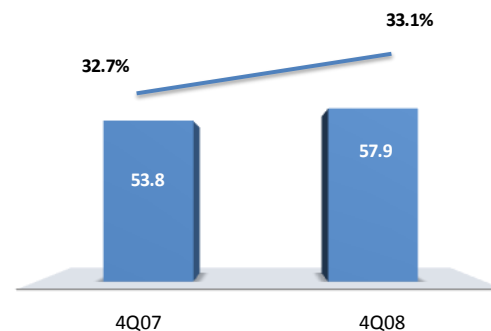
Financial Highlights

Highlights 4Q08 (R\$ MM)	4Q08	4Q07	Var. (%)	12M08	12M07	Var. (%)
Net Revenue	175.0	164.4	6.4%	700.9	623.5	12.4%
<i>Cost of Good Sold</i>	<i>(117.1)</i>	<i>(110.6)</i>	<i>n.m</i>	<i>(474.6)</i>	<i>(425.9)</i>	<i>n.m</i>
<i>Gross Income</i>	<i>57.9</i>	<i>53.8</i>	<i>7.6%</i>	<i>226.4</i>	<i>197.6</i>	<i>14.6%</i>
Gross Margin (%)	33.1%	32.7%	+0,4 p.p.	32.3%	31.7%	+0,6 p.p.
<i>Adm. And Comercial Expenses</i>	<i>(34.9)</i>	<i>(32.8)</i>	<i>n.m</i>	<i>(138.9)</i>	<i>(125.7)</i>	<i>n.m</i>
<i>Others Operational Costs</i>	<i>41.8</i>	<i>5.3</i>	<i>795.8%</i>	<i>49.5</i>	<i>(1.3)</i>	<i>n.m</i>
EBITDA	75.4	38.0	98.6%	181.1	113.1	60.1%
Margin EBITDA (%)	43.1%	23.1%	+20,0 p.p.	25.8%	18.1%	+7,7 p.p.
<i>Net Financial Income</i>	<i>(27.5)</i>	<i>0.6</i>	<i>n.m</i>	<i>(64.0)</i>	<i>(1.6)</i>	<i>n.m</i>
<i>Non Operating Income</i>	<i>37.4</i>	<i>26.9</i>	<i>39.1%</i>	<i>72.9</i>	<i>69.1</i>	<i>5.6%</i>
<i>Taxes</i>	<i>(9.7)</i>	<i>(0.2)</i>	<i>n.m</i>	<i>(13.6)</i>	<i>(0.2)</i>	<i>n.m</i>
Net Income	27.7	26.6	3.9%	59.3	68.9	-13.8%

EBITDA(R\$ MM) and EBITDA Margin (%)



Gross Income (R\$ MM) and Gross Margin (%)





	R\$ '000
Monetary Variation - Taxes	30.290
Monetary and Exchange Variation	29.757
Interest on Loans and Financing	7.757
Bank Expenses and Commissions	2.560
Others	(6.408)
TOTAL FINANCIAL EXPENSES	63.955

» Forests

- The Company has 57 eucalyptus farms, totaling 44,000 hectares
- Average Radius - Salto – 122 km
- Average Radius - Botucatu – 60 km
- New Forests Planted in 2007 – 5,400 ha*
- New Forests Planted in 2008 – 4,500 ha*
- Forests with ISO 14001 certification and Green Seal granted by FSC

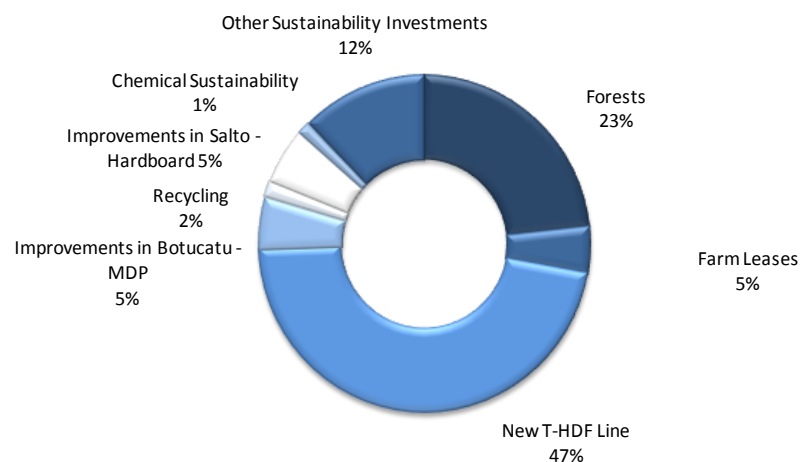
* ha = hectare

» Wood Recycling Project

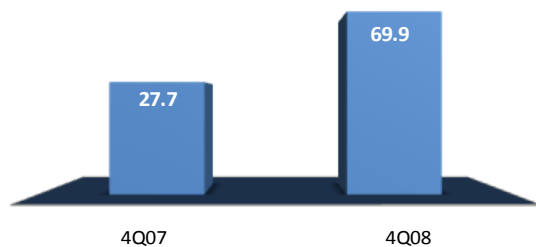
- Average Scrap Collection Radius – 150 km
- Volume Processed in 2008 – 88,000 tonnes
- This annualized volume would represent 900 hectares of forests, or an investment of R\$ 10 million per year in land alone.

Guaranteed sustainability and possibility of new projects.

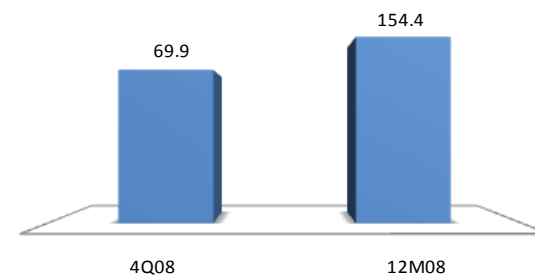
Investments - R\$ Million	12M08
New T-HDF Line	72.0
Forests	36.0
Other Sustainability Investments	19.0
Improvements in Salto - Hardboard	8.3
Improvements in Botucatu - MDP	7.7
Farm Leases	7.0
Recycling	2.4
Chemical Sustainability	2.0
Total	154.4



Capex (R\$ MM)



Capex (R\$ MM)



- » The line is scheduled to commence operations by the end of 2009.

T-HDF: Product similar to MDF, but with superior density and quality.

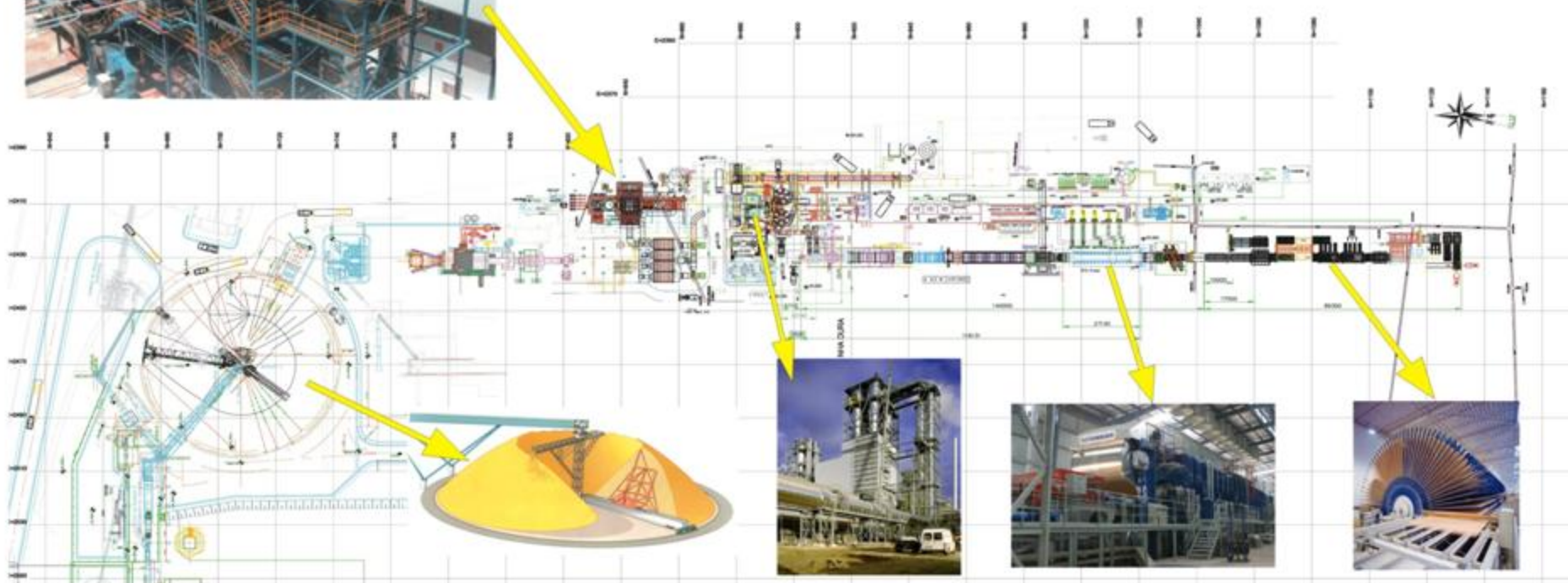
New T-HDF Line	
Installed Capacity Growth (in m ²)	110 million m ² / year
Installed Capacity Growth (in m ³)	275 thousand m ³ / year
Additional Gross Revenue	R\$ 250 million
EBITDA	R\$ 90 million

**EBITDA
Margin** **50 %**



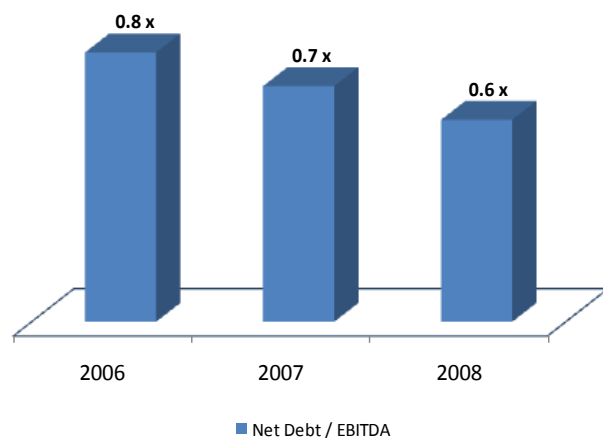
Blueprint of the new T-HDF unit (Thin High Density Fiberboard)

Salto - SP

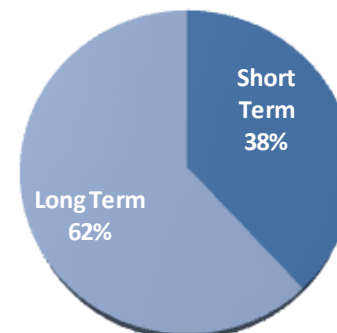


Debt (R\$ Million)	4Q08	4Q07	Var. (%)
Short Term Debt	35.7	20.1	77.5%
Long Term Debt	57.8	68.3	-15.3%
Gross Debt	93.5	88.4	5.8%
Cash and Cash Equivalents	11.0	11.0	0.1%
Net Debt	82.5	77.4	6.6%
<i>% Short Term Debt</i>	<i>38%</i>	<i>23%</i>	<i>+15.0 p.p.</i>
Net Cash (Debt)/EBITDA	0.6	0.7	-8.0%

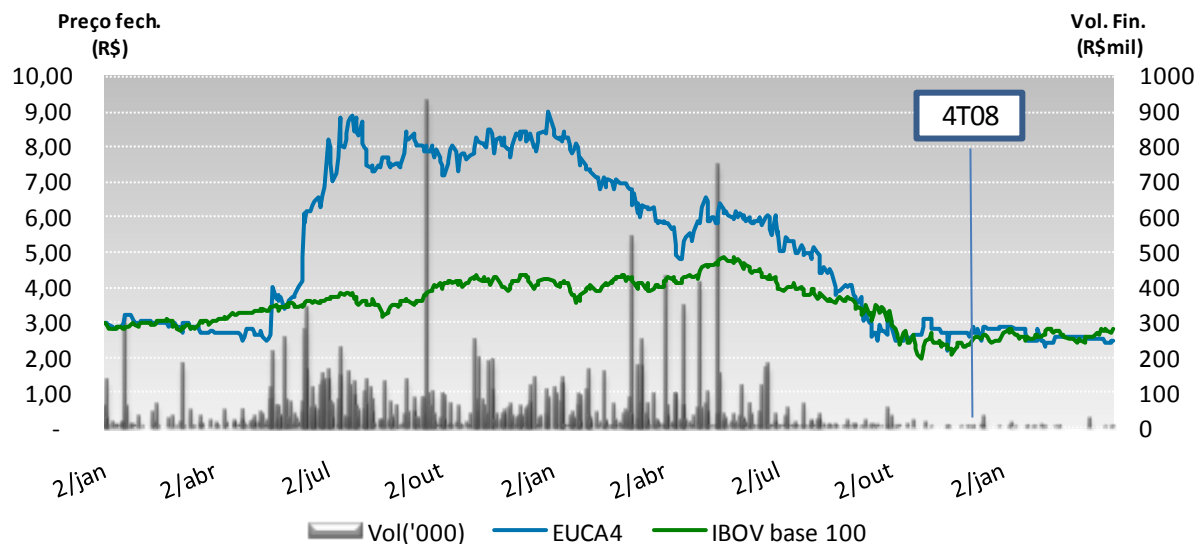
Net Debt vs Ebtida



Debt Profile
4Q08



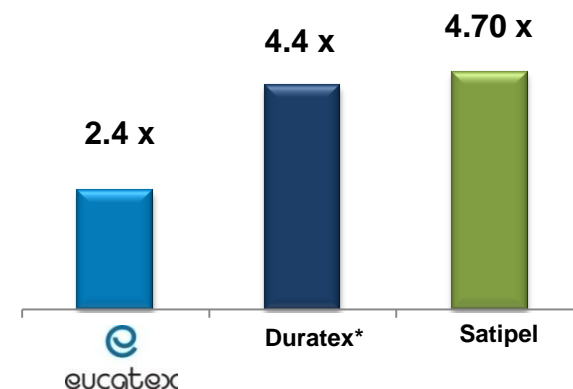
EUCA4 vs. IBOV



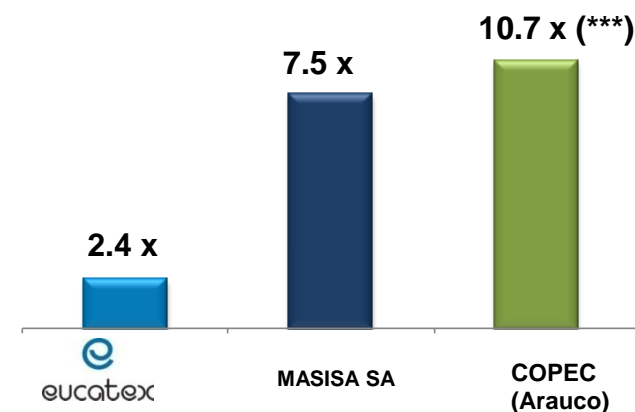
» Price of **EUCA4** on December 31, 2008: R\$ 2.90

» Variation between January 1, 2007 and April 1, 2009:
EUCA4: -16.7% IBOV: -8%

EV/EBITDA* Ratio EUCATEX x Brazilian Peers



EV/EBITDA** Ratio EUCATEX x International Peers



- » **New T-HDF/MDF line** – strategically differentiated from competition;
- » **Exports** – traditional exporter of thin boards, with own office in the USA;
- » **Differentiated electric and thermal power costs**: electric energy purchase agreement till 2012 (including for the new T-HDF line) and self-sufficiency in biomass for thermal power generation through its pioneer recycling project;
- » **Forest self-sustainability** guaranteed by 44,000 hectares of forest area with ISO 14001 certification and Green Seal granted by FSC;
- » Paint segment with **above-market growth rates** and installed capacity to sustain this growth;
- » Concluding phase of real estate properties launched between 2006 and 2008, provides excellent prospects for the markets where we operate; and
- » **Higher share appreciation potential** (EV/EBITDA) compared to peers.

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