



1Q18

# Eucatex Group Presentation

May 9, 2018

 **Net Revenue**

- 1Q18: R\$303.9 million, 7.3% higher

 **Recurring EBITDA**

- 1Q18: R\$51.5 million, an increase of 13.9%

 **Recurring EBITDA Margin**

- 1Q18: 17.0%, up 1.0 p.p.

 **Recurring Net Income**

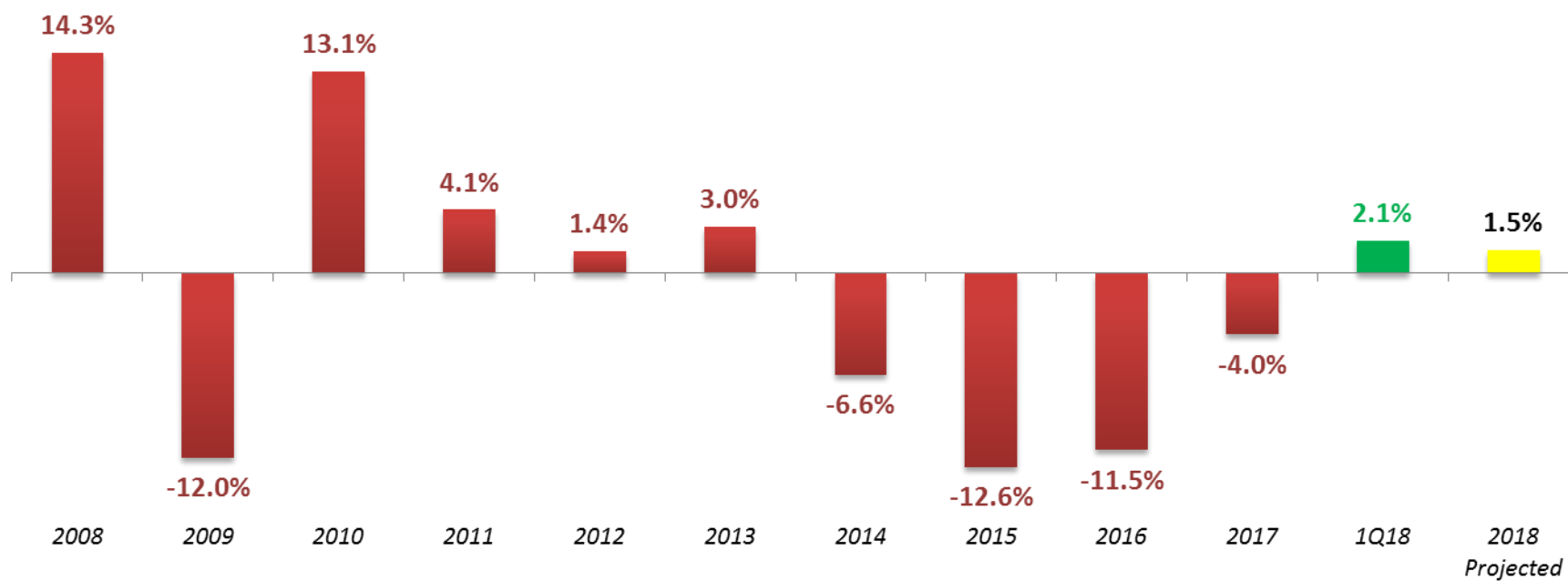
- 1Q18: R\$5.2 million, down 46.6%

 **Material Fact - Exchange of Assets between Eucatex and Duratex**

- Submitted to CADE for approval



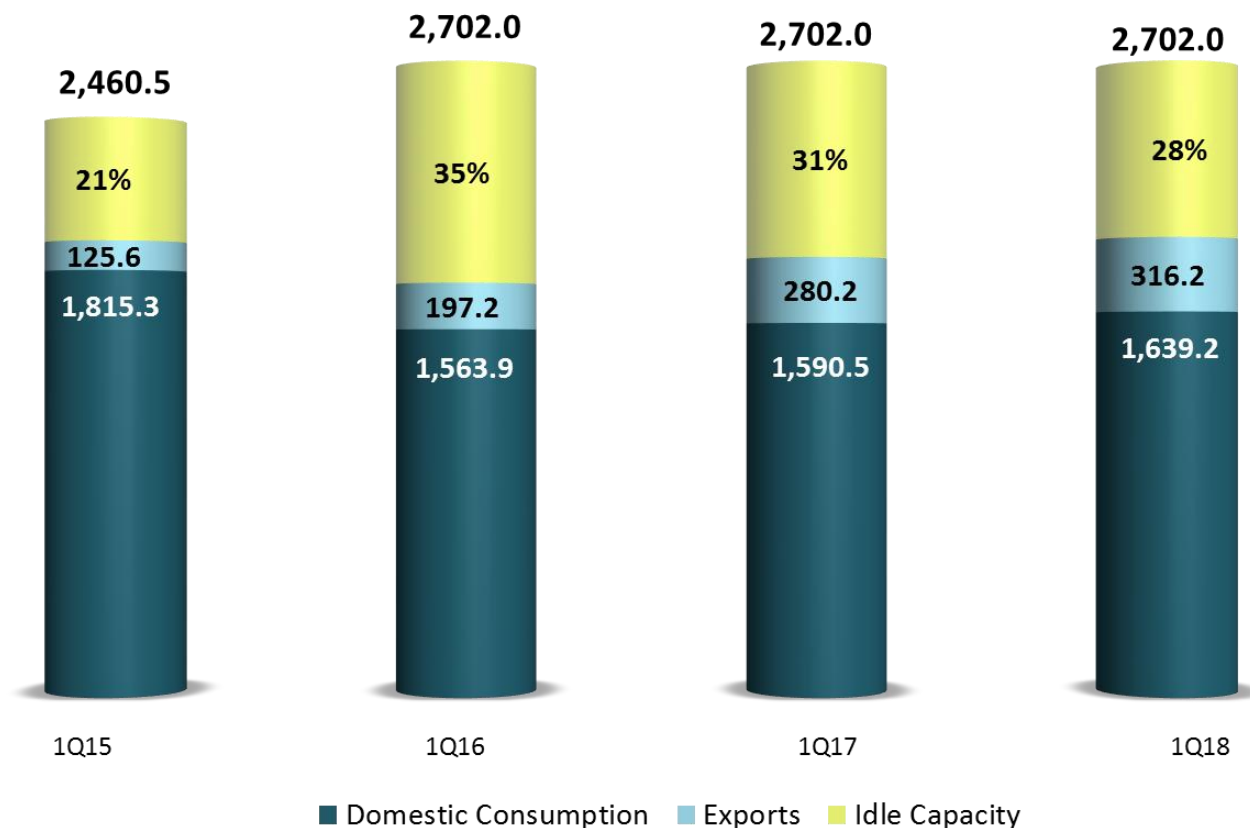
## ABRAMAT Index - Domestic Market



From 2013 to 1Q18, the index accumulated a fall of 29.2%.



## Effective Installed Capacity (Fiberboard + MDF + MDP) vs. Production

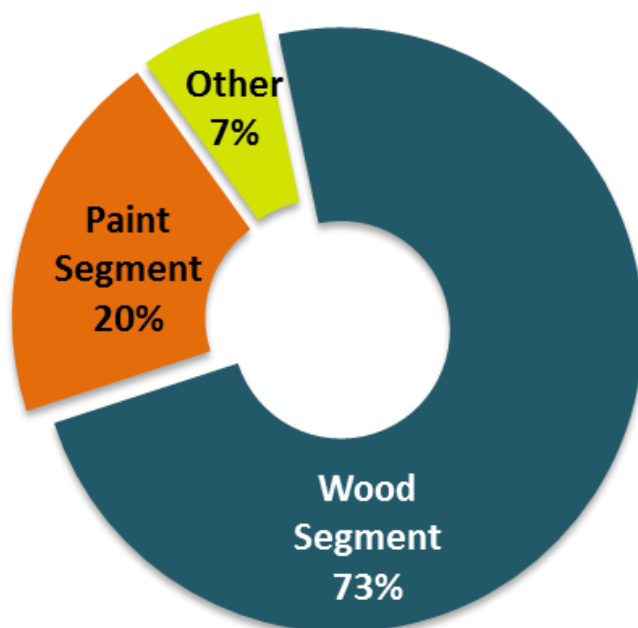


% Variation 1Q17 x 1Q18				
	Fiberboard	MDP	MDF	Total
Total	-1.2%	10.9%	0.7%	4.5%
Domestic Market	-17.9%	9.2%	-0.1%	3.1%
Exports	31.4%	23.2%	4.9%	12.9%

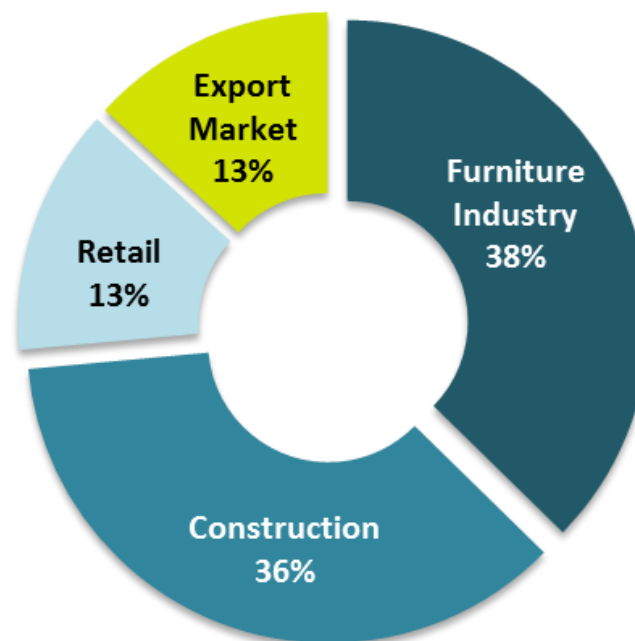


Net Revenue		
1Q17	1Q18	Var
R\$283.1 million	R\$303.9 million	7.3%

Distribution by Product - 1Q18

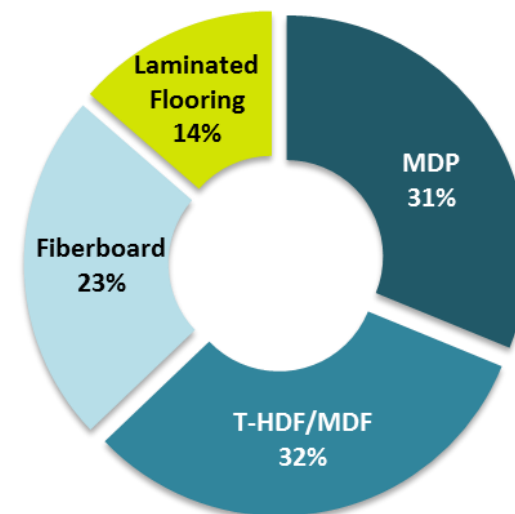


Distribution by Segment - 1Q18

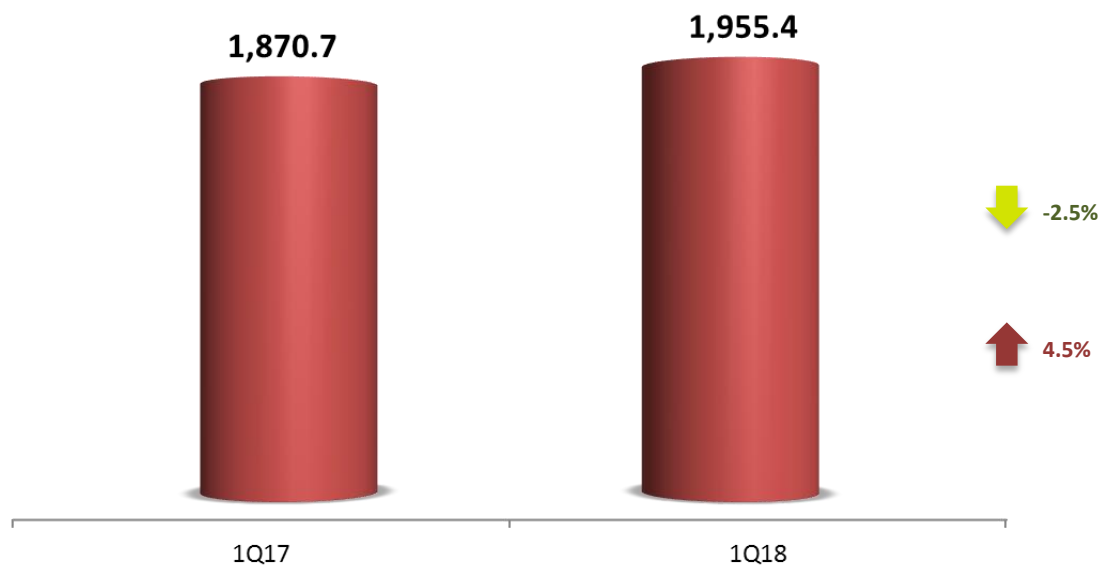




Net Revenue		
1Q17	1Q18	Var
R\$204.7 million	R\$222.9 million	8.9%

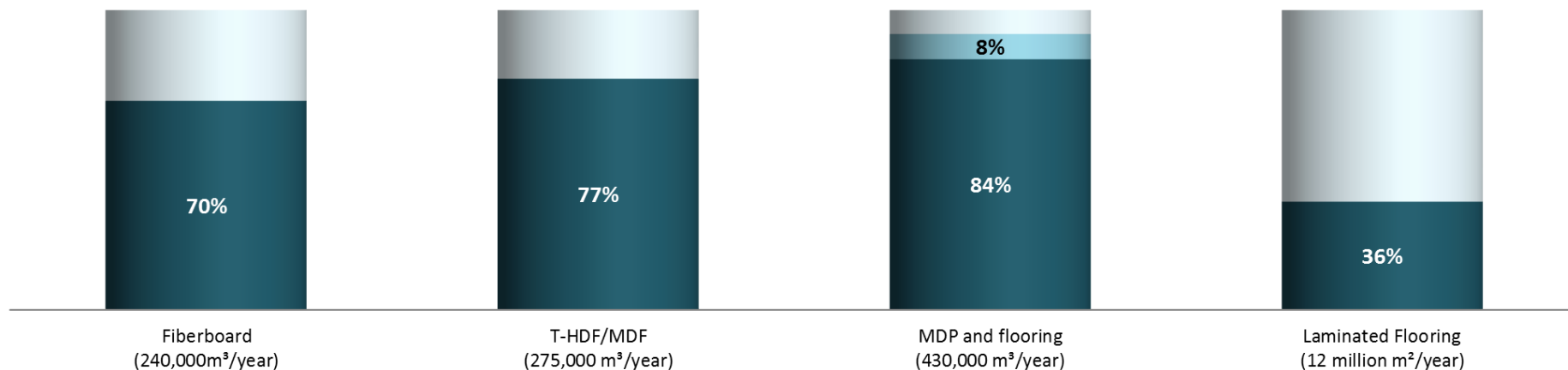


**Total Market ('000 m<sup>3</sup>)**  
**DOMESTIC + EXPORT MARKETS**



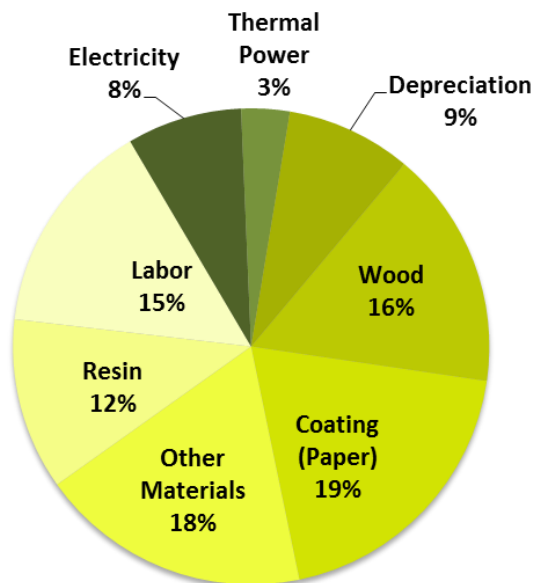


## Installed Capacity Utilization - 1Q18

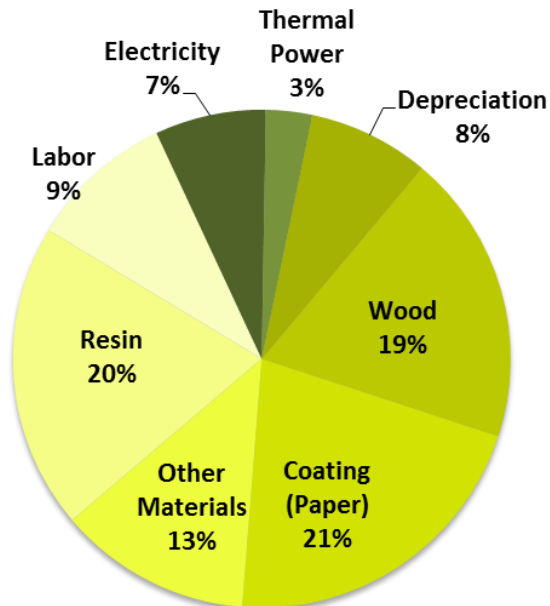


## Breakdown of Costs - 1Q18

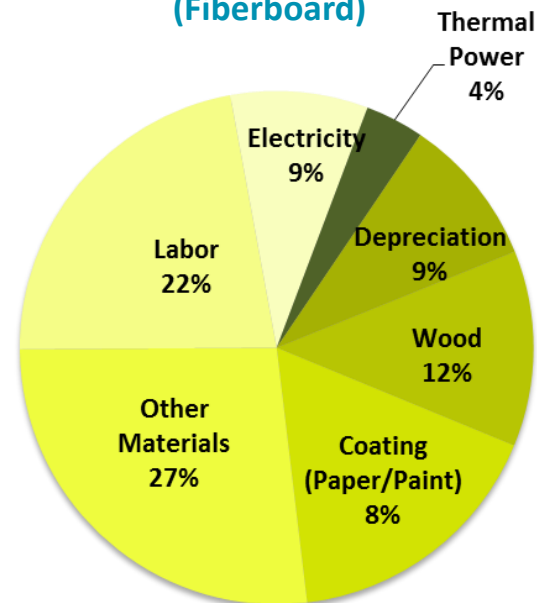
### All Panels



### Resin Panels



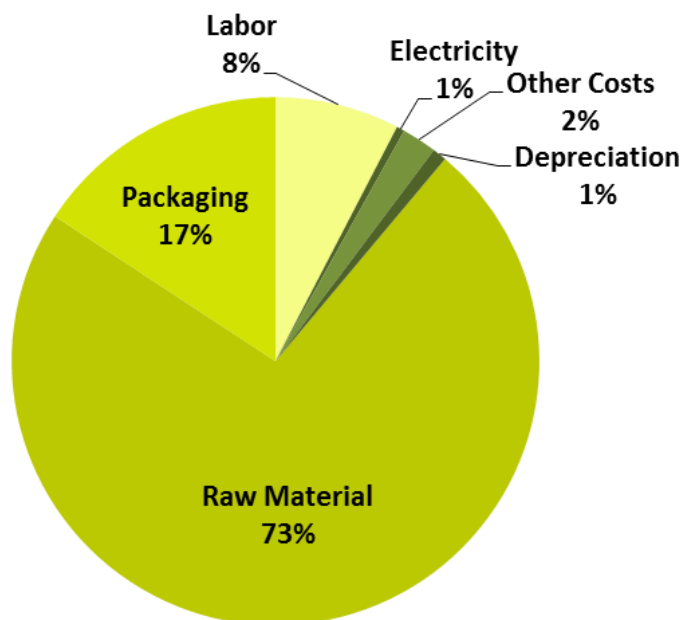
### Non-Resin Panels (Fiberboard)



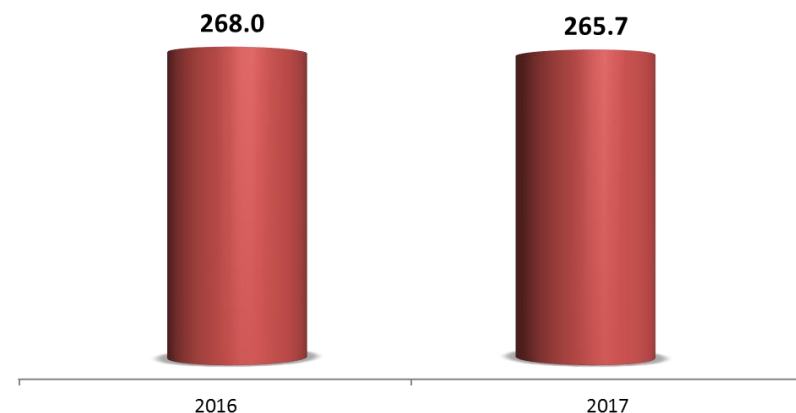


Net Revenue		
1Q17	1Q18	Var
R\$59.4 million	R\$60.9 million	2.6%

## Breakdown of Costs - 1Q18



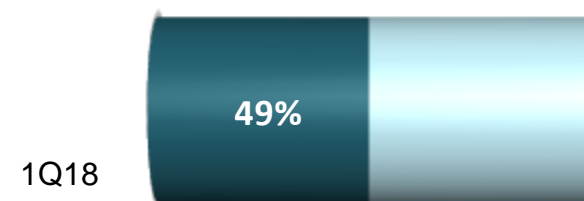
## Market - Million Gallons



Variation	1Q18 vs. 1Q17
Eucatex	2.4%
Market	-2.6%

Source: Eucatex

## Installed Capacity Utilization

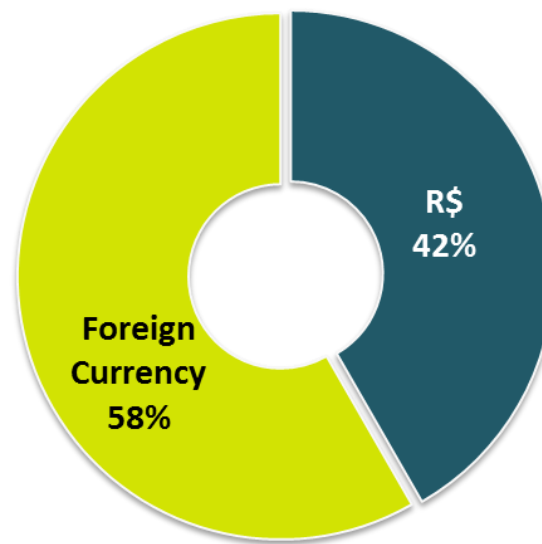
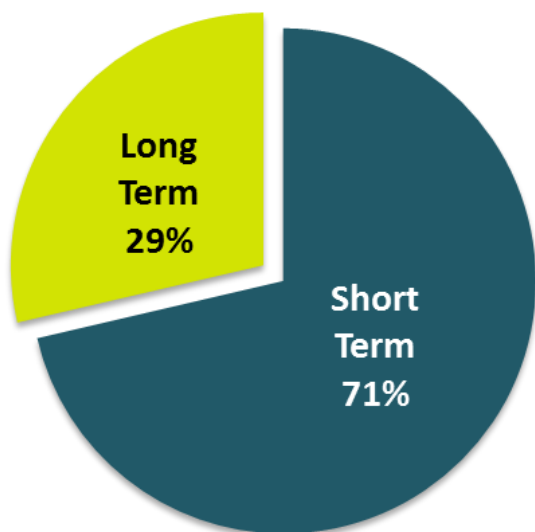


- Total Capacity - 36 million gallons/year

Highlights (R\$ million)	1Q18	V.A. %	1Q17	V.A. %	Var. (%)
<b>Net Revenue</b>	<b>303.9</b>	<b>100.0%</b>	<b>283.1</b>	<b>100.0%</b>	<b>7.3%</b>
Fair value of biological assets	(0.6)	-0.2%	4.5	1.6%	-114.2%
Cost of products sold	(227.5)	-74.9%	(215.4)	-76.1%	5.6%
<b>Gross income</b>	<b>75.7</b>		<b>72.2</b>		<b>5.0%</b>
<b>Gross Margin (%)</b>	<b>24.9%</b>		<b>25.5%</b>		<b>-0.6 p.p.</b>
Administrative expenses	(14.5)	-4.8%	(14.0)	-4.9%	3.6%
Selling expenses	(41.4)	-13.6%	(38.5)	-13.6%	7.6%
Other operating income and expenses	(0.7)	-0.2%	(0.5)	-0.2%	-35.4%
<b>EBITDA adjusted by non-cash events</b>	<b>48.0</b>	<b>15.8%</b>	<b>42.0</b>	<b>14.9%</b>	<b>14.3%</b>
<b>EBITDA Margin (%)</b>	<b>15.8%</b>		<b>14.9%</b>		<b>1 p.p.</b>
<b>Adjusted Recurring EBITDA</b>	<b>51.5</b>		<b>45.3</b>		<b>13.9%</b>
<b>Adjusted Recurring EBITDA Margin (%)</b>	<b>17.0%</b>		<b>16.0%</b>		<b>1 p.p.</b>
Net financial result	(11.3)	-3.7%	(8.3)	-2.9%	-36.6%
Non-recurring results	(3.5)	-1.1%	(3.2)	-1.1%	-8.3%
Income and social contribution taxes	(2.6)	-0.9%	(1.3)	-0.4%	109.7%
<b>Net Income</b>	<b>1.7</b>	<b>0.6%</b>	<b>6.5</b>	<b>2.3%</b>	<b>-73.7%</b>
<b>Recurring Net Income</b>	<b>5.2</b>	<b>1.7%</b>	<b>9.8</b>	<b>3.4%</b>	<b>-46.6%</b>

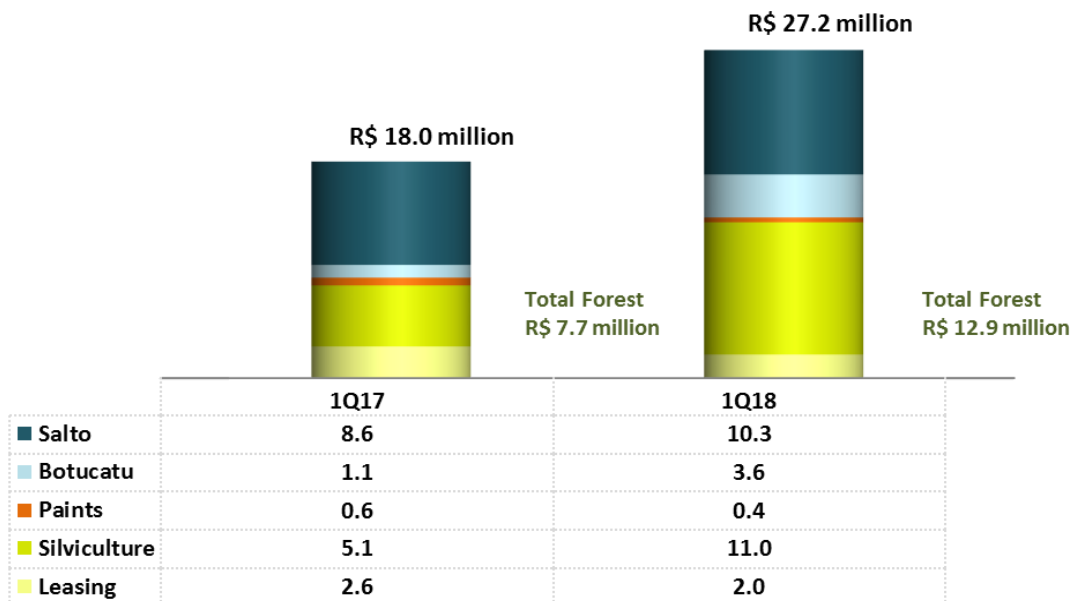
Debt (R\$ Million)	1Q18	2017	Var. (%)	1Q17	Var. (%)
Short Term Debt	251.9	245.2	2.7%	232.4	8.4%
Long Term Debt	101.1	106.1	-4.7%	121.5	-16.8%
<b>Gross Debt</b>	<b>353.0</b>	<b>351.3</b>	<b>0.5%</b>	<b>353.9</b>	<b>-0.3%</b>
Cash and Cash Equivalents	21.7	20.3	6.7%	26.5	-18.1%
<b>Net Debt</b>	<b>331.3</b>	<b>331.0</b>	<b>0.1%</b>	<b>327.4</b>	<b>1.2%</b>
% Short Term Debt	71%	70%	1 p.p.	66%	5 p.p.
<b>Net Debt/EBITDA</b>	<b>1.6</b>	<b>1.6</b>	<b>2.7%</b>	<b>1.9</b>	<b>-17.5%</b>

### Debt Profile



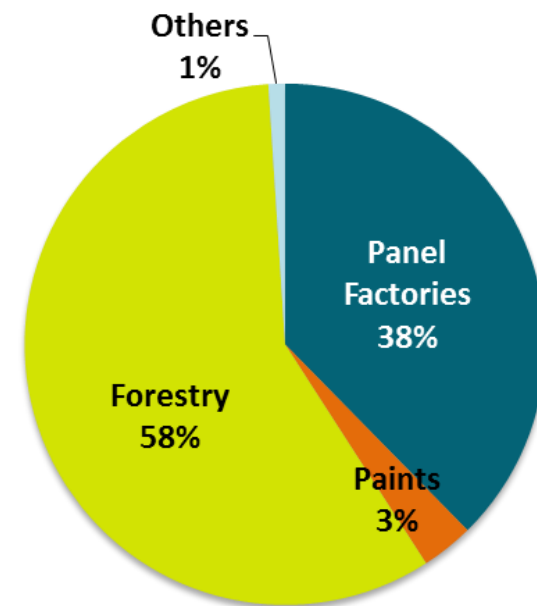


## Investments Made



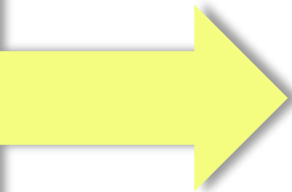
## Planned for 2018

**R\$96 million**



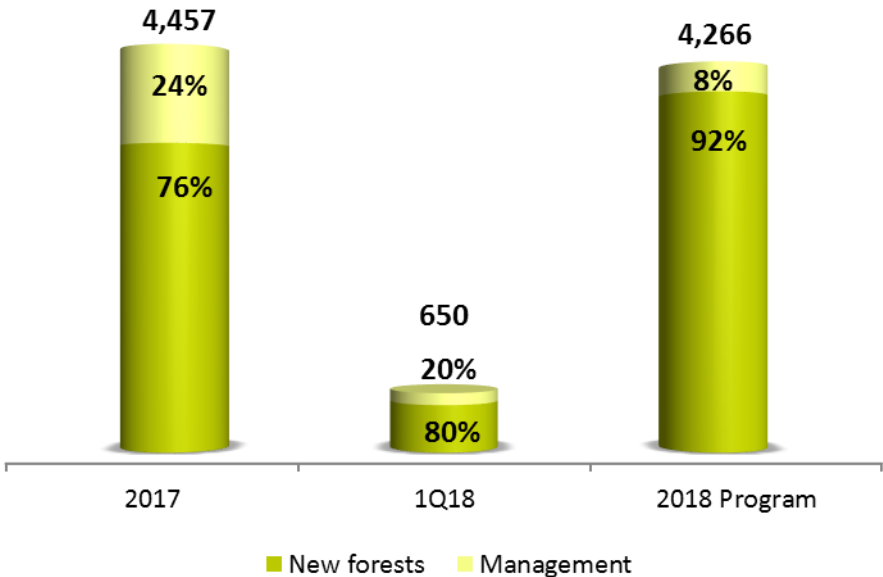


**75 farms**  
for eucalyptus plantation,  
totaling  
**45,800 hectares**



Average Radius	
Salto	Botucatu
102 km	82 km

Newly Planted Forests and Seedling Management (ha)





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