



eucatec

4Q13 Results

February 20, 2014

4Q13 General Highlights

- ▶ **Net Revenue** – R\$ 293.1 million, up 10.7%
- ▶ **Recurring EBITDA** – R\$ 56.7 million, up 10.7%
- ▶ **EBITDA Margin** – 19.4%, stable.
- ▶ **Recurring Net Income** – R\$ 24.6 million, up 73.2%



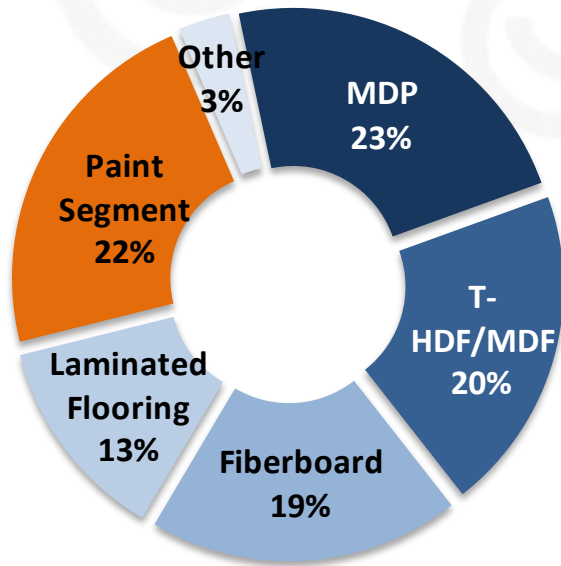
- ▶ Founded in 1951
- ▶ Segments: Furniture, Retail, Construction and Exports
- ▶ Subsidiary in Atlanta, USA
- ▶ 76 eucalyptus farms totaling 46,000 hectares
- ▶ Number of employees – 2,490



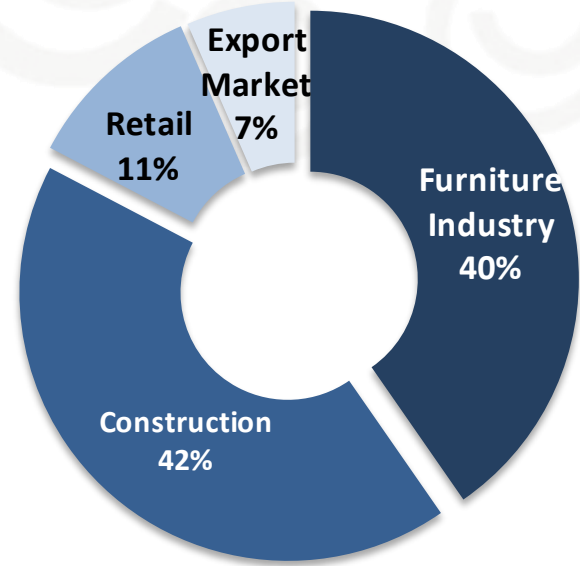
Unit	Location	Employees	Products and Annual Capacity	Coating Capacity
FIBERBOARD	Salto/SP	839	Fiberboard 240,000 m ³ Wall Partitions and Doors 4.8 million	Paint 80 million m ² Paper Printing 45 million m ²
T-HDF/MDF	Salto/SP	166	T-HDF/MDF 275,000 m ³	Lacquer 10 million m ²
MDP AND LAMINATED FLOORING	Botucatu/SP	442	MDP 430,000 m ³ Laminated Flooring 12 million m ²	Finish Foil, BP and Lacquer 40 million m ²
PAINTS AND VARNISHES	Salto/SP	227	Paints and Varnishes 36 million gallons	
SEEDLING NURSERY	Bofete/SP	157	Seedlings 10 million	

Operating Data – Net Revenue

By Product



By Segment

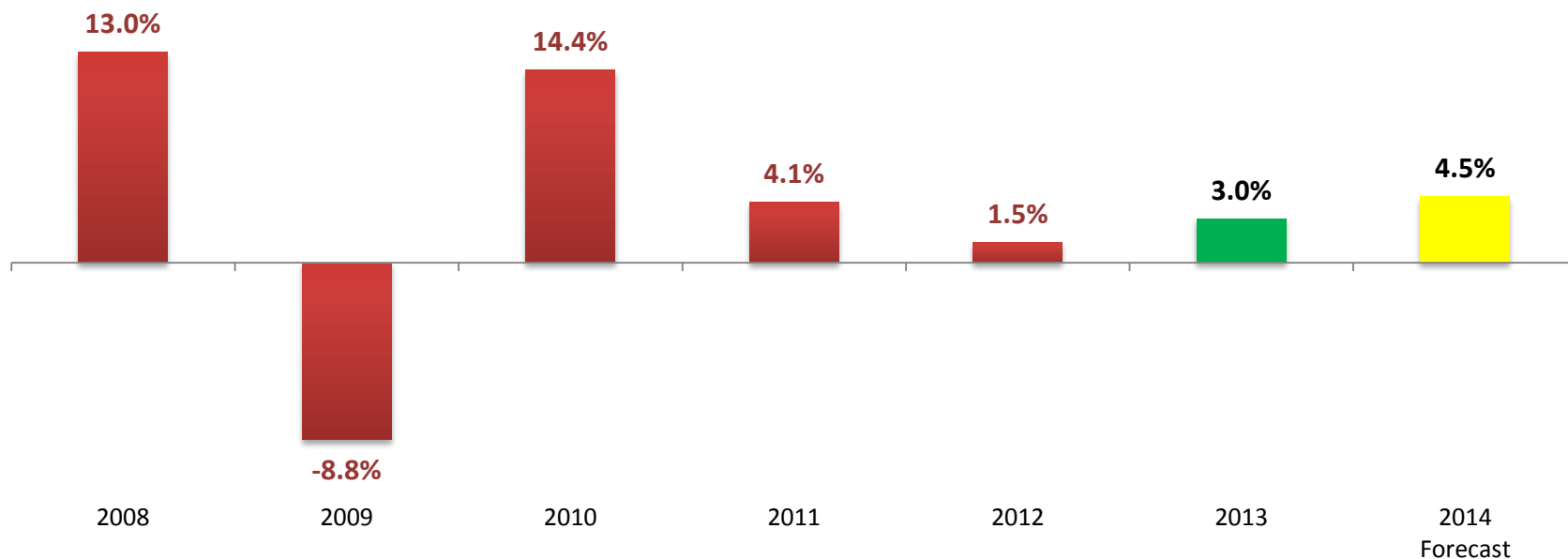


Brazilian Construction Materials Industry Association (ABRAMAT) Outlook for 2014

✓ Growth of 4.5% in 2014.

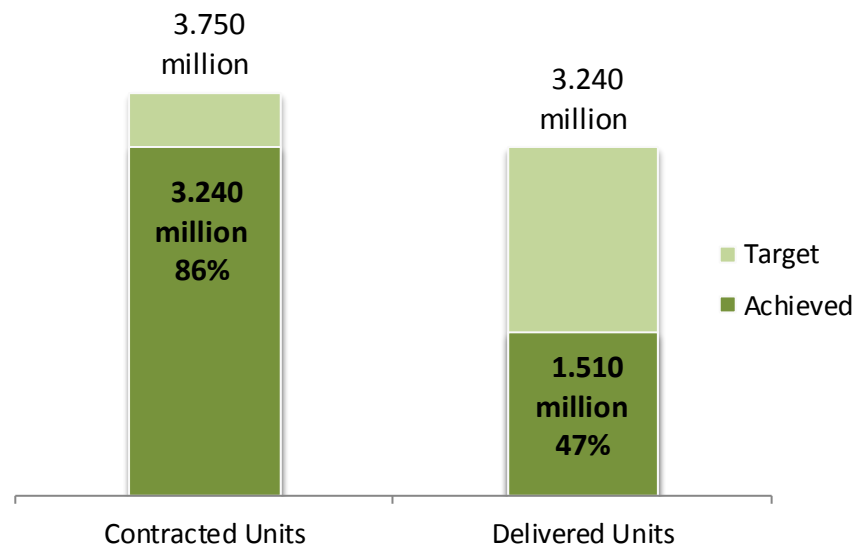
- ➔ Growth above GDP;
- ➔ Upturn in real estate market;
- ➔ 73% of companies in the sector will maintain their investment plans until year-end 2014; and
- ➔ Indicators remain positive: Real Wage Bill and Unmarked Credit to Individuals.

ABRAMAT Index – Domestic Market



Minha Casa Minha Vida Housing Program

- ✓ Target of 3.75 million homes by 2014
- ✓ Household income of up to R\$ 5,000.00
- ✓ 3.2 million homes contracted – 86% of target achieved
- ✓ 1.5 million homes delivered – 47% of contracted homes
- ✓ Investments of R\$ 198 billion by 2013



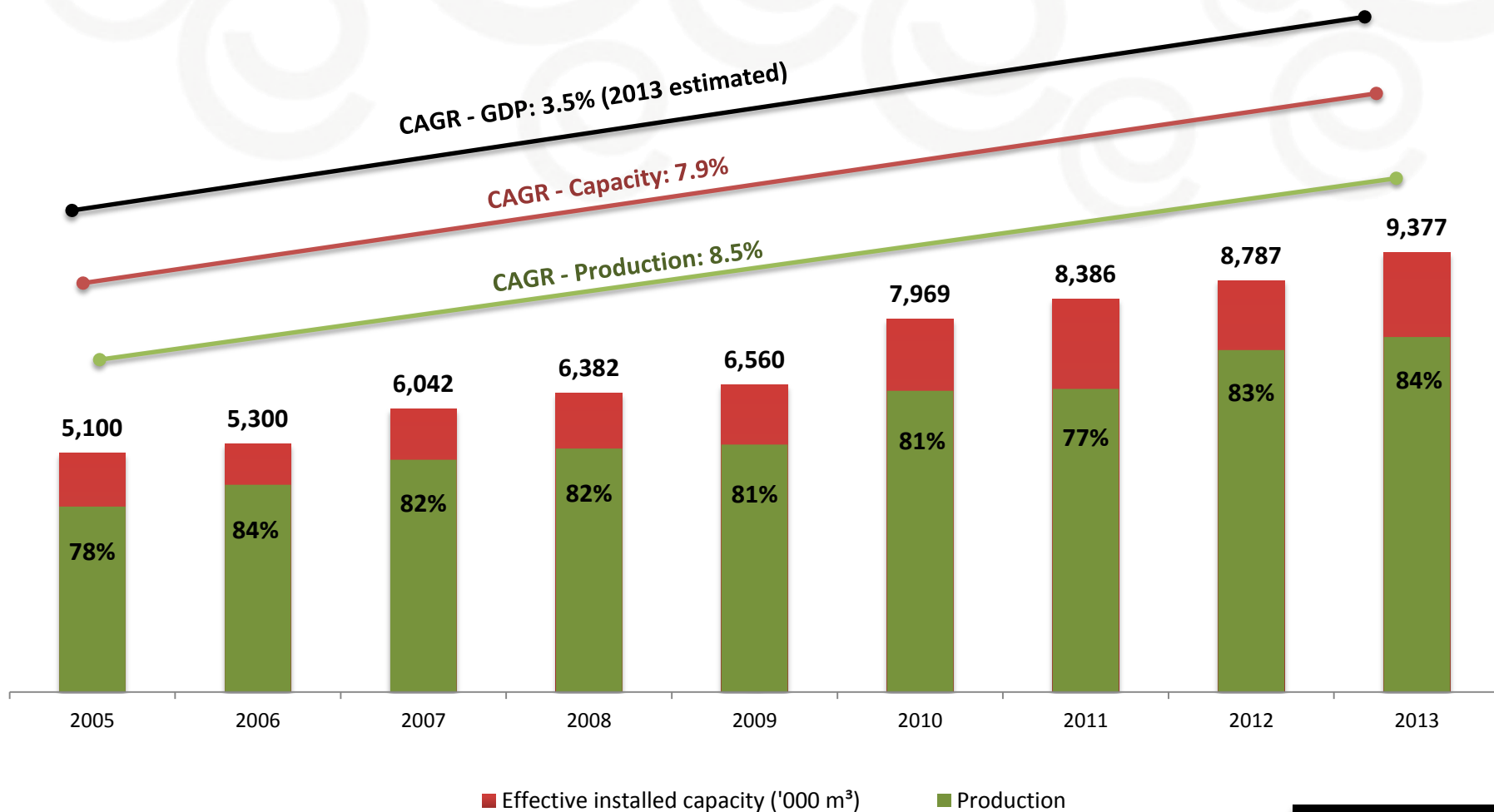
Source: CEF

Other Indicators

- ✓ SBPE – For 2014, estimated +9.1% in units and +20.8% in value (R\$)
- ✓ Resumption of real estate launches in 2014

Source: Tendências Consultoria

Effective Installed Capacity (Fiberboard + MDF + MDP) X Production



GDP Estimate
(Tendências Consultoria)

2013 - 2.2%
2014 - 2.1%

Minha Casa Melhor Program

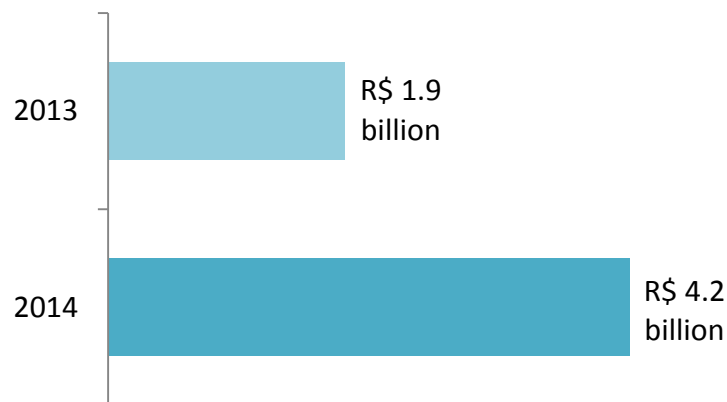
CURRENT LIST

– After revision in October 2013

- ✓ Launched in **June 2013**
- ✓ Target: **3.75 million families**
- ✓ Credit card with limit of **R\$ 5,000.00** for **Purchases of Furniture and Home Appliances**
- ✓ Potential Financed Volume – **R\$ 18.7 billion** (equivalent to **25% of the gross revenue** of the **furniture and home appliances sector in 2012**)
- ✓ According to **Tendências Consultoria**, with the launch of the program, **sales of furniture and home appliances should grow 7.0% in 2014**

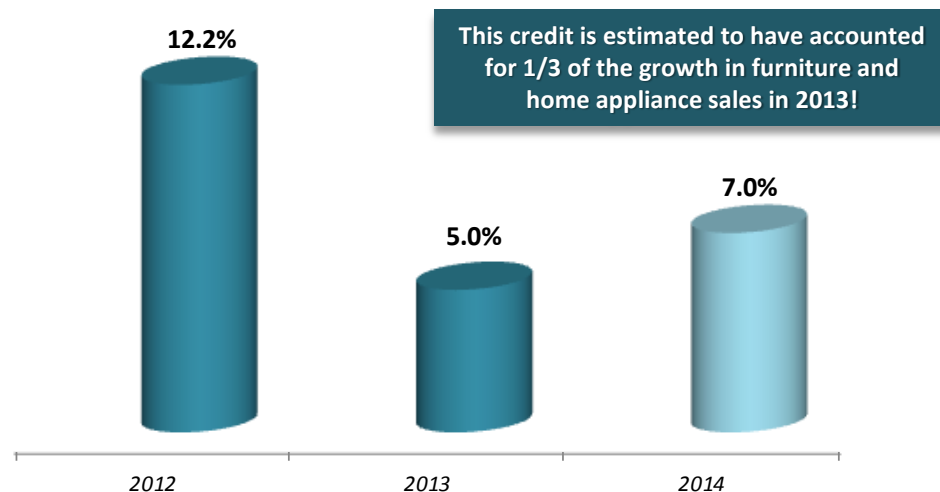
FURNITURE	MAX. RETAIL PRICE
Wardrobe	R\$ 700.00
Double bed or bunk bed (with or without mattress) or double bed box	R\$ 500.00
Single bed or cot (with or without mattress) or single bed box	R\$ 400.00
Table with chairs	R\$ 400.00
Kitchen furniture	R\$ 600.00
Shelving and racks	R\$ 350.00
Couch	R\$ 600.00

Estimate of Funds Injected by the Program into the Retail Sector



Source: Tendências Consultoria

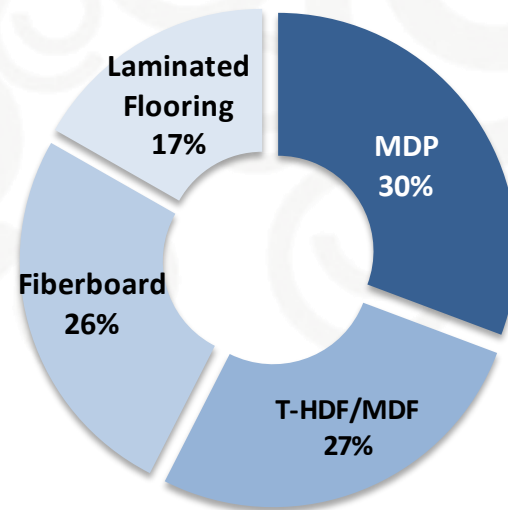
Sales of Furniture and Home Appliances



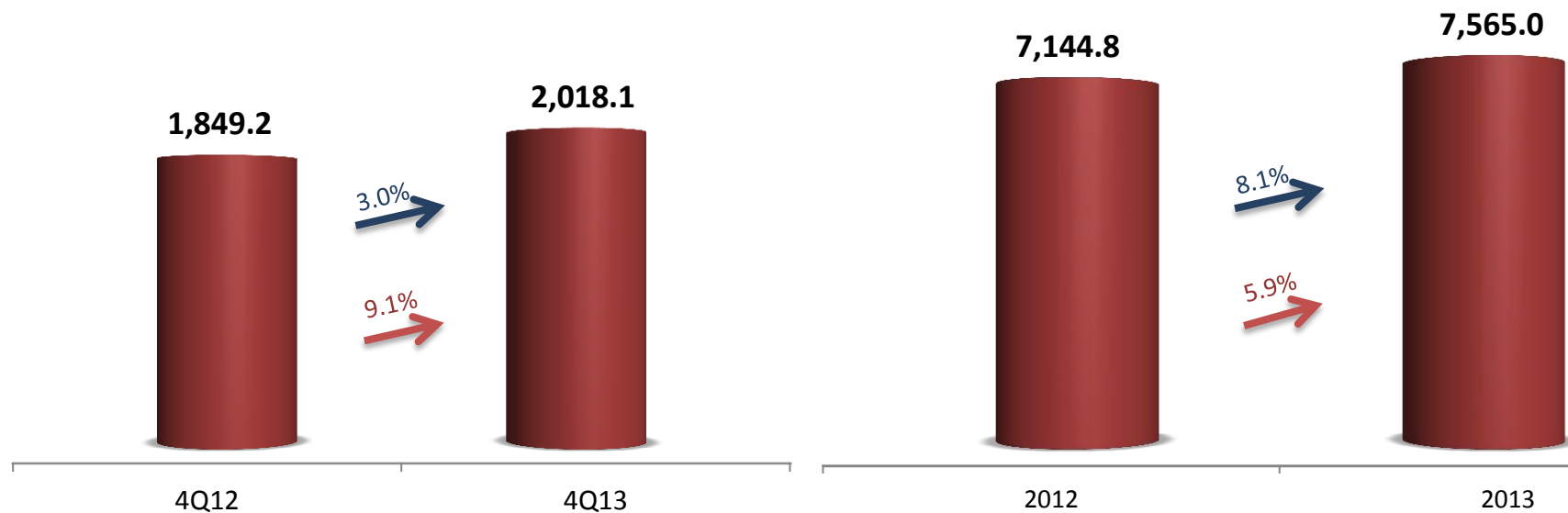
Wood Segment

Net Revenue

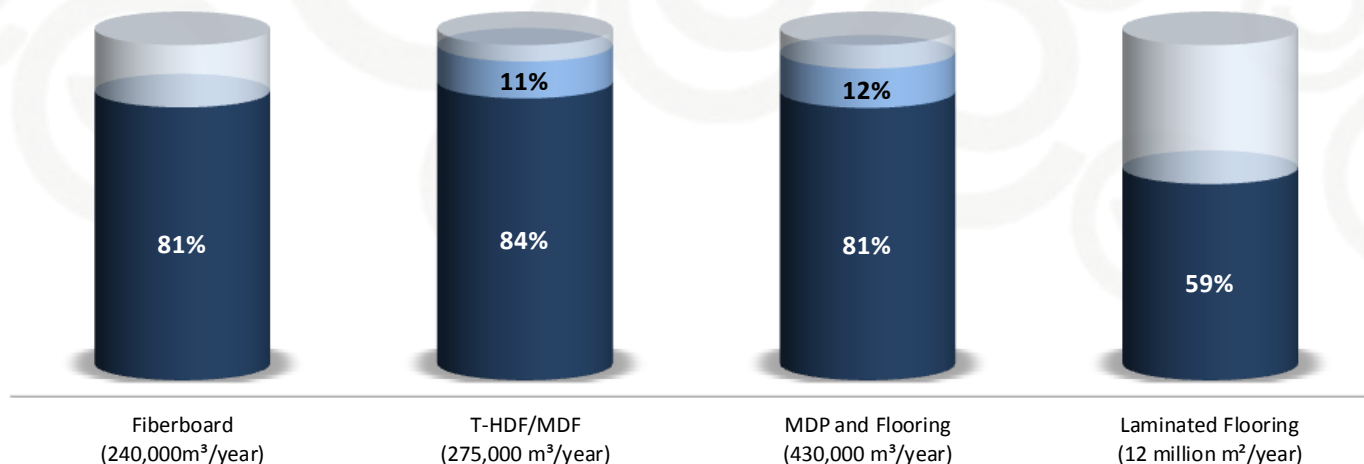
4Q12	4Q13	Var
R\$ 202.3 million	R\$ 218.2 million	7.9%



Total Market ('000 m³)

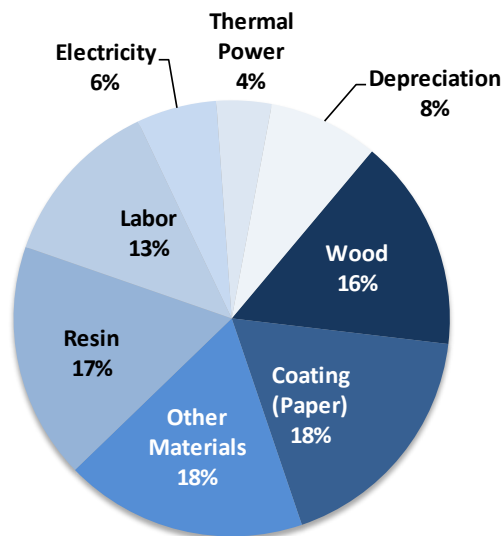


Installed Capacity Utilization – 4Q13

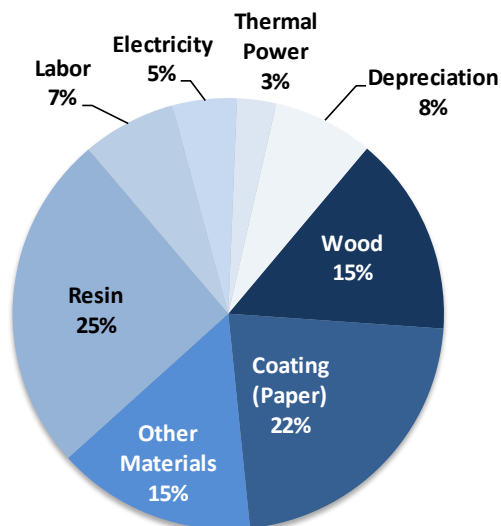


Breakdown of Costs – 4Q13

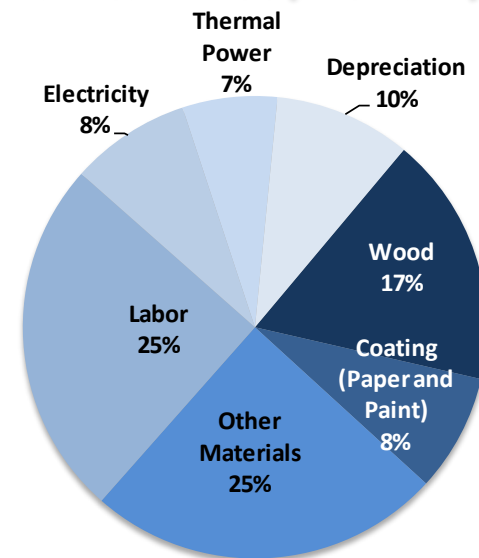
All Panels



Resin Panels



Non-Resin Panels (Fiberboard)



Net Revenue		
4Q12	4Q13	Var
R\$ 55.4 million	R\$ 65.7 million	18.8%

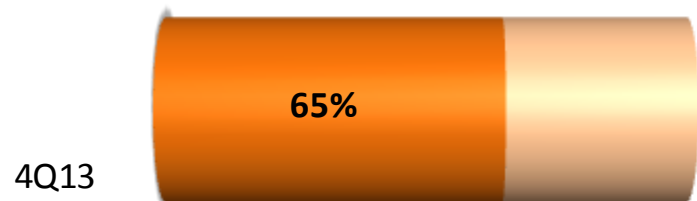


Source: Eucatex

■ Eucatex

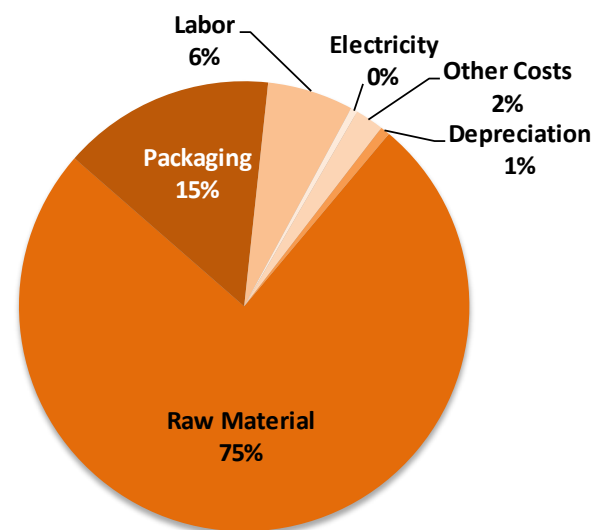
■ Market

Installed Capacity Utilization

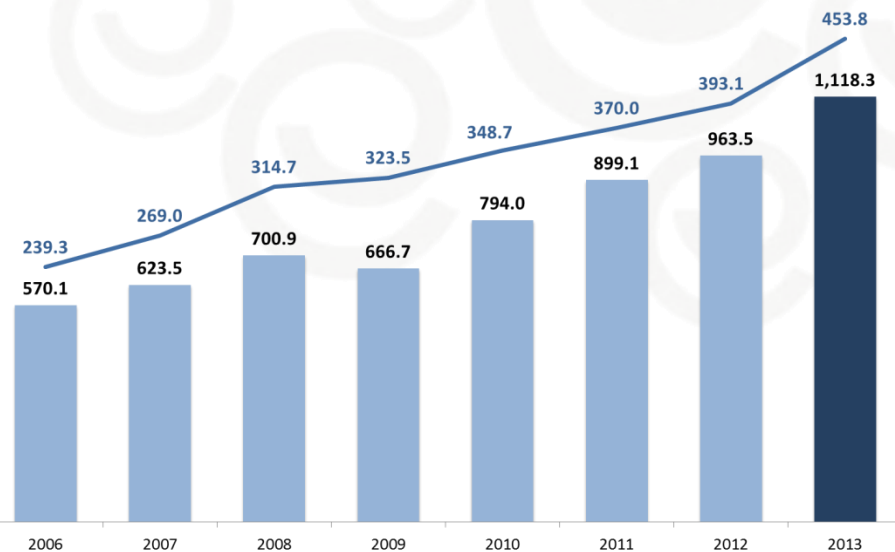


- Total Capacity - 36 million gallons / year

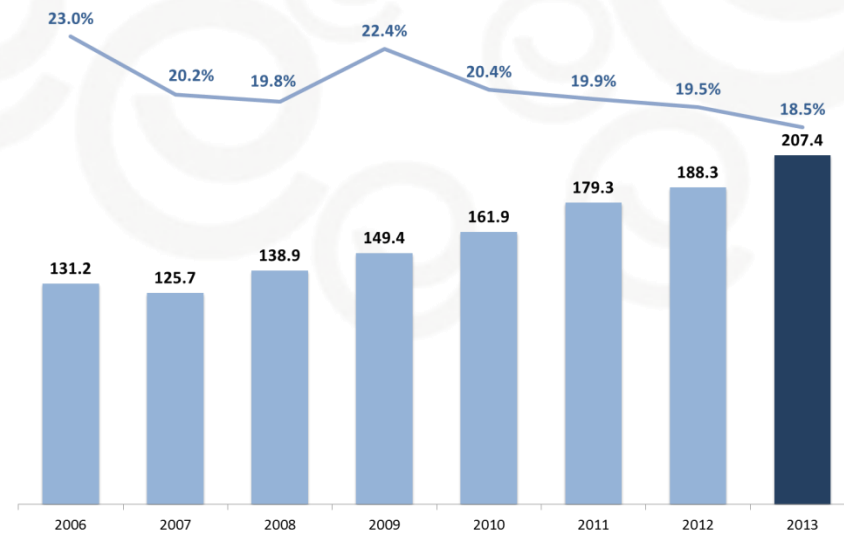
Breakdown of Costs – 4Q13



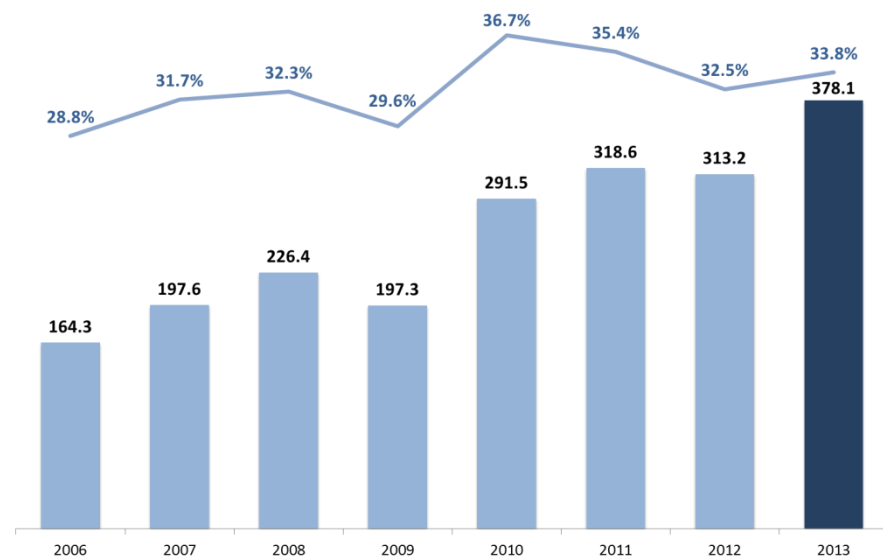
Net Revenue / Employee (R\$)



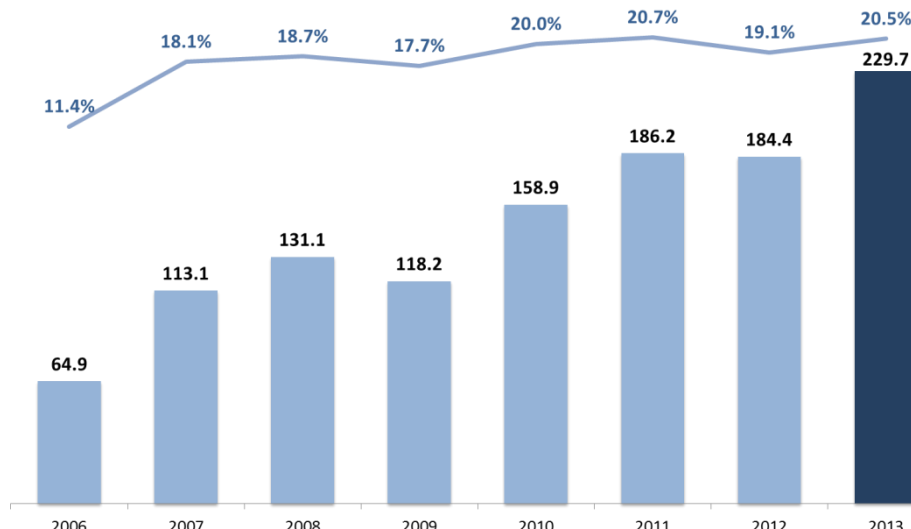
SG&A (R\$ million) and SG&A / Net Revenue (%)



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



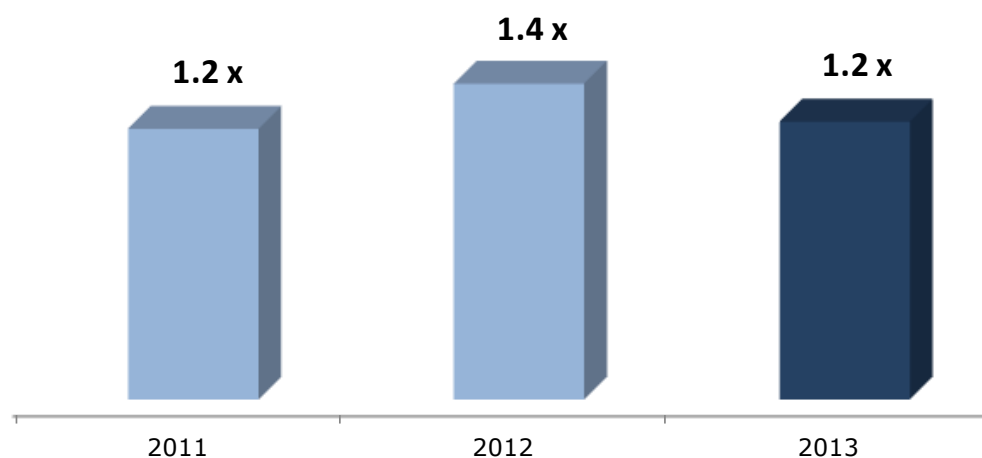
EBITDA (R\$ million) and EBITDA Margin (%)



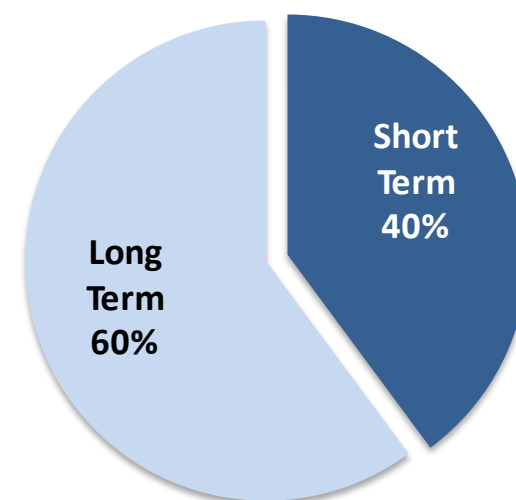
Highlights (R\$ million)	4Q13	V.A. %	4Q12	V.A %	Var. (%)	2013	V.A. %	2012	V.A. %	Var. (%)
Net Revenue	293.1	100.0%	264.8	100.0%	10.7%	1,118.3	100.0%	963.5	100.0%	16.1%
Fair value of biological assets	16.2	5.5%	9.9	3.7%	63.7%	49.1	4.4%	41.8	4.3%	17.5%
Cost of goods sold	(207.2)	-70.7%	(191.8)	-72.4%	8.0%	(789.3)	-70.6%	(692.1)	-71.8%	14.1%
Gross income	102.2	34.9%	82.9	31.3%	23.2%	378.1	33.8%	313.2	32.5%	20.7%
Gross Margin (%)	34.9%		31.3%		3.5 p.p.	33.8%		32.5%		1.3 p.p.
Administrative expenses	(14.6)	-5.0%	(14.6)	-5.5%	0.5%	(52.8)	-4.7%	(50.9)	-5.3%	3.8%
Selling expenses	(41.3)	-14.1%	(36.7)	-13.9%	12.4%	(154.6)	-13.8%	(137.4)	-14.3%	12.5%
Other operating income and expenses	(3.5)	-1.2%	1.3	0.5%	-367.7%	(8.6)	-0.8%	1.3	0.1%	-750.4%
EBITDA adjusted by non-cash events	40.7	13.9%	71.6	27.0%	-43.2%	227.5	20.3%	230.9	24.0%	-1.4%
EBITDA Margin (%)	13.9%		27.0%		-13.2 p.p.	20.3%		24.0%		-3.6 p.p.
Adjusted Recurring EBITDA	56.7	19.4%	51.2	19.3%	10.7%	229.7	20.5%	184.4	19.1%	24.6%
Adjusted Recurring EBITDA Margin (%)	19.4%		19.3%		0 p.p.	20.5%		19.1%		1.4 p.p.
Net financial result	(16.0)	-5.5%	(13.0)	-4.9%	-23.1%	(57.5)	-5.1%	(58.7)	-6.1%	2.1%
Non-recurring results	(16.1)	-5.5%	20.3	7.7%	-179.0%	(2.2)	-0.2%	46.5	4.8%	-104.7%
Income and social contribution taxes	(2.1)	-0.7%	(5.7)	-2.2%	-62.7%	(13.4)	-1.2%	(25.6)	-2.7%	-47.6%
Net Income	8.5	2.9%	34.5	13.0%	-75.3%	88.9	7.9%	88.4	9.2%	0.5%
Recurring Net Income	24.6	8.4%	14.2	5.4%	73.2%	91.1	8.1%	41.9	4.3%	117.5%

Debt (R\$ Million)	2013	2012	Var. (%)
Short Term Debt	121.1	147.1	-17.7%
Long Term Debt	182.7	126.9	44.0%
Gross Debt	303.8	274.0	10.9%
Cash and Cash Equivalents	20.7	6.9	200.5%
Net Debt	283.1	267.1	6.0%
% Short Term Debt	40%	54%	-13.8 p.p.
Net Cash (Debt)/EBITDA	1.2	1.4	-15.0%

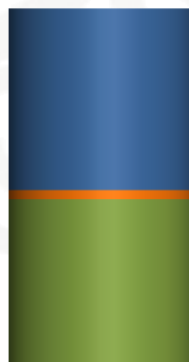
Net Debt / EBITDA



Debt Profile



R\$ 108.7 million



R\$ 100.7 million



	Actual 2013	Forecast 2014
■ Panel Factories	55.1	46.5
■ Paints	2.7	5.0
■ Forest	50.9	48.2
■ Other	-	1.0



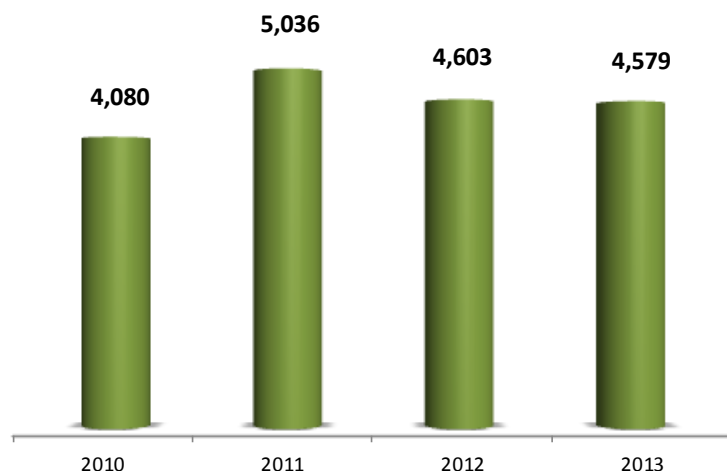
76 farms with
eucalyptus
Plantations,
totaling
46,000
hectares

Average Radius	
Salto	Botucatu
168 km	41 Km

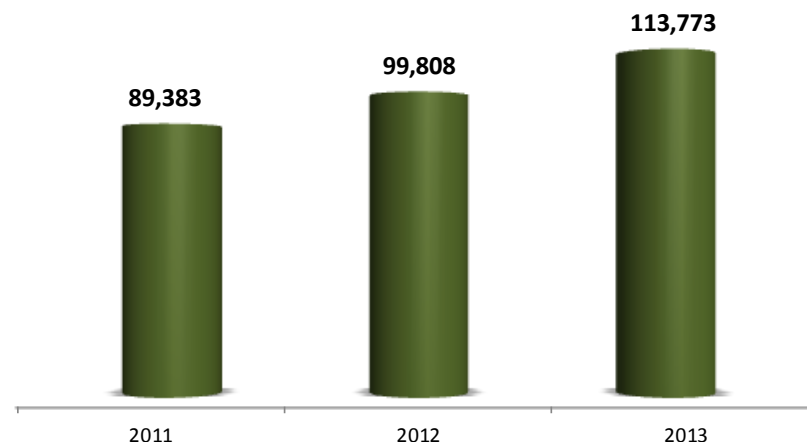
Total Processing Capacity - Recycling

Ton/Year	Equivalent to	
	Trees	Forests
240,000 ton	2 million / year	1,500 hectares

Newly Planted Forests (hectares)



Volume Processed (ton) - Recycling



Gains in Wood Purchases – Recycling

Wood Market *	Recycled	Variation	Consump. Dry Ton	Gain
R\$ 210.60 ton/dry	R\$ 141.99 ton/dry	R\$ 68.61 ton/dry	96,707	R\$ 6,635 thousand

* Wood chips - CIF

IR Contacts

José Antonio G. de Carvalho

Executive VP and IRO

Waneska Bandeira

Investor Relations

(55 11) 3049-2473

ri@eucatex.com.br

www.eucatex.com.br/ri

