



## 2Q22 Earnings Release

Eucatex (B3: EUCA3 and EUCA4), one of the largest manufacturers of panels in Brazil, with operations also in the paint, varnish, laminated flooring, partitions and doors segments, announces today its results for the 2<sup>nd</sup> quarter of 2022 (2Q22). The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS). Except where stated otherwise, the amounts are in millions of Brazilian real (R\$ million) and comparisons are with the same period the previous year.

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**Public Meeting**  
(Portuguese only)

**August 16, 2022**  
11 a.m. (Brasília)

[www.eucatex.com.br/ri](http://www.eucatex.com.br/ri)

*English transcript will be available after the event*

## Highlights

### 2Q22

- Net Revenue of R\$ 600.9 million (+8.0%)
- Recurring EBITDA of R\$ 118.7 million (-10.8%), with Margin of 19.7%
- Recurring Net Income of R\$ 40.4 million (-57.0%)

### 1H22

- Net Revenue of R\$ 1,198.7 million (+10.4%)
- Recurring EBITDA of R\$ 241.9 million (-6.9%), with Margin of 20.2%
- Recurring Net Income of R\$ 126.4 million (-17.6%)

Amounts in R\$ million	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
Net Revenue	600.9	556.3	8.0%	1,198.7	1,085.8	10.4%
Gross Profit	188.8	204.0	-7.5%	398.2	388.5	2.5%
Gross Margin (%)	31.4%	36.7%	-5.3 p.p.	33.2%	35.8%	-2.6 p.p.
EBITDA adjusted by non-cash events	125.8	210.9	-40.4%	240.4	340.9	-29.5%
EBITDA Margin (%)	20.9%	37.9%	-17 p.p.	20.1%	31.4%	-11.3 p.p.
Net Income (Loss)	45.1	167.5	-73.1%	130.4	229.1	-43.1%
<b>Recurring Net Income (Loss)</b>	<b>40.4</b>	<b>94.0</b>	<b>-57.0%</b>	<b>126.4</b>	<b>153.5</b>	<b>-17.6%</b>
Net Debt	485.5	380.8	27.5%	485.5	380.8	27.5%
Net Debt / EBITDA (LTM)	0.9	0.8	19.9%	0.9	0.8	19.9%
<b>Recurring Adjusted EBITDA</b>	<b>118.7</b>	<b>133.0</b>	<b>-10.8%</b>	<b>241.9</b>	<b>259.8</b>	<b>-6.9%</b>
<b>Recurring Adjusted EBITDA Margin</b>	<b>19.7%</b>	<b>23.9%</b>	<b>-4.2 p.p.</b>	<b>20.2%</b>	<b>23.9%</b>	<b>-3.7 p.p.</b>

## Management Comments

In 2Q22, we noticed the continued upward trend in inflation and its impact on purchasing power and on the consumer and business confidence indices. The continuation of the war in Ukraine and the effects of COVID-19 in China, which disrupted several supply chains, have been still felt in commodity prices and the Company's costs. The appreciation of the Brazilian real during the period helped mitigate this effect.

The Brazilian Central Bank continues to adjust the monetary policy, with interest rates reaching 13.75% and should remain there or close to that for a long time, which should reflect in economic activity as a whole.

Domestic market figures in the Company's main businesses in 2Q22 are still below that registered in 2021, due to the sharp decline in domestic demand and the difficulties in passing on costs to product prices, notably freight costs, which were highly pressured in the year due to higher fuel prices. As for international freight, the lack of containers and high sea freight prices continued to have a negative impact on the entire export operation in 2Q22. There was an accumulation of materials in transit, which affected revenue from exports, as well as delay in the arrival of materials, which resulted in inventories building up and hampering distribution. As a result, ENA, Company's subsidiary in Atlanta, USA, which had been already witnessing a decline in demand there, is stuck with inventory above desirable levels, which should be adjusted in the coming quarters.

Regarding the markets where the Company operates, the ABRAMAT (Brazilian Construction Materials Industry Association) index, which measures the performance of construction materials industries, ended 1H22 down 9.5%.

Indicators for the panels market, which includes MDF/HDF/MDP/Fiberboard sales, according to IBA (Brazilian Tree Industry) figures and the Company's estimates, point to a 14.2% drop in the domestic market but 45.4% growth in the export market in relation to 2Q21.

## Operating Performance and Results

Sales volume in the Company's Wood segment, considering both domestic and export markets, increased 4.9% in 2Q22 compared to the same period last year. Performance in the quarter was impacted by the decline in domestic sales (-6.1%) and growth in exports (45.7%).

In the Domestic Market, activities at both furniture production and dealers remained lower than the previous quarter, reflecting the effects of the monetary tightening policy and the decrease in the real income of workers by 7.2% in the last 12 months, even though unemployment rate fell to 9.8%, the lowest level since 2015 (source: National Household Sample Survey – PNAD). The second half of the year is seasonally better in terms of consumption, which should improve utilization rate across the sector.

The growth in exports partially reflects higher shipments during the period resulting from agreements signed and the contracting of spot freight for exports not shipped in 1Q22.

The Paints Market contracted 1.6% in 2Q22 and 5.8%, in 1H22, according to data from the ABRAFATI (Brazilian Paint Manufacturers Association). The Paint market remains extremely competitive and the Company was still unable to pass on last year's costs to prices. However, the trend points to stability in costs, which is positive for the industry.

Operating Performance  
basis 100 - 2005

Physical Sales	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
Wood Panels (DM)	124	132	-6.1%	124	138	-9.6%
Wood Panels (EM)	326	224	45.7%	280	233	19.9%
Paints	417	359	16.1%	427	411	3.8%

DM - Domestic Market / EM - Export Market

## Net Revenue

Net Revenue Breakdown (R\$ million)	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
Wood Segment	462.6	463.9	-0.3%	938.8	893.5	5.1%
Paint Segment	135.0	94.0	43.7%	250.3	193.6	29.3%
Other (*)	3.4	(1.6)	-319.6%	9.6	(1.4)	-807.6%
<b>Net Revenue</b>	<b>600.9</b>	<b>556.3</b>	<b>8.0%</b>	<b>1,198.7</b>	<b>1,085.8</b>	<b>10.4%</b>

(\*) Metal profiles, land and energy sales

Total net revenue in 2Q22 was R\$ 600.9 million, compared to R\$556.3 million in 2Q21, up 8.0%.

In the Wood Segment, revenue decreased 0.3% in the quarter, reflecting an average increase of 8.8% in prices and the increase in volume during the period. In 1H22, revenue grew 5.1%.

In 2Q22, the Paint segment increased its share of Net Revenue by 43.7% in relation to the same period the previous year, due to the increase of 23% in sales prices on average, which offset, albeit partially, the increase in costs. In 1H22, growth was 29.3%.

## Recurring Cost of Goods Sold (COGS)

COGS increased 15.3% in 2Q22 compared to 2Q21. 2Q22 was also affected by the increase in commodity and wood prices and in logistics costs. Any stabilization or decline in commodity prices may benefit the Company, since the main inputs are influenced by these prices. On the other hand, the memory of inflation tends to pressure costs as collective bargaining agreements and energy prices are adjusted based on past inflation rates.

## Fair Value of Biological Assets

In 2Q22, the fair value of biological assets was R\$13.9 million, affected by the expansion of planted areas in the quarter and by the changes in the assumptions used, such as costs, prices and fees. Wood prices remain under pressure and supply, especially in the Company's area of interest, is scarce. The trend points to further increase in wood prices.

## Recurring Gross Profit and Gross Margin

Gross Profit was R\$188.8 million in 2Q22, as against R\$204.0 million in 2Q21, a decrease of 7.5%, reflecting the increase in the costs of raw materials and other inputs that were not passed on fully to prices.

## Recurring Operating Expenses

Breakdown of Expenses (R\$ million)	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
General and Administrative	(20.6)	(19.5)	5.8%	(41.1)	(39.0)	5.3%
Selling	(79.3)	(68.4)	16.0%	(153.9)	(135.8)	13.3%
<b>Total Operating Expenses</b>	<b>(99.9)</b>	<b>(87.9)</b>	<b>13.7%</b>	<b>(195.0)</b>	<b>(174.9)</b>	<b>11.5%</b>
<b>% Net Revenue</b>	<b>16.6%</b>	<b>15.8%</b>	<b>0.8 p.p.</b>	<b>16.3%</b>	<b>16.1%</b>	<b>0.2 p.p.</b>
Other Operating Income and Expenses	1.2	0.4	196.3%	1.1	5.0	-78.2%

In 2Q22, operating expenses corresponded to 16.6% of Net Revenue, increasing 0.8 p.p. In nominal terms, operating expenses increased 13.7% in 2Q22 compared to 2Q21. This reflects mainly the increase in export logistics costs and the impact of salary adjustments resulting from collective bargaining agreements.

## Recurring EBITDA and EBITDA Margin

As a result of the above, Recurring EBITDA totaled R\$118.7 million, down 10.8% from 2Q21. Recurring EBITDA Margin in 2Q22 reached 19.7%, decreasing 4.2 p.p. from the same period last year.

EBITDA Reconciliation (R\$ million)	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
Net Income (Loss)	45.1	167.5	-73.1%	130.4	229.1	-43.1%
Income Tax and Social Contribution	26.9	58.1	-53.6%	45.9	78.6	-41.6%
Net Financial Income (Loss)	25.1	2.3	1015.0%	26.5	(7.9)	-433.7%
<b>EBIT</b>	<b>97.1</b>	<b>227.8</b>	<b>-57.4%</b>	<b>202.8</b>	<b>299.7</b>	<b>-32.3%</b>
Depreciation and Amortization	42.6	33.7	26.2%	80.0	70.3	13.9%
<b>EBITDA under CVM instr. 527/12</b>	<b>139.7</b>	<b>261.6</b>	<b>-46.6%</b>	<b>282.8</b>	<b>370.0</b>	<b>-23.6%</b>
<b>EBITDA Margin</b>	<b>23.2%</b>	<b>47.0%</b>	<b>-23.8 p.p.</b>	<b>23.6%</b>	<b>34.1%</b>	<b>-10.5 p.p.</b>
<b>Non-cash adjustments</b>						
Fair value variation in biological assets	(13.9)	(17.3)	-19.4%	(42.4)	(29.2)	45.6%
<b>EBITDA adjusted by non-cash events</b>	<b>125.8</b>	<b>244.3</b>	<b>-48.5%</b>	<b>240.4</b>	<b>340.9</b>	<b>-29.5%</b>
<b>Non-recurring operational events</b>	<b>(7.1)</b>	<b>(111.3)</b>	<b>-93.6%</b>	<b>1.5</b>	<b>(81.1)</b>	<b>-101.9%</b>
<b>Recurring adjusted EBITDA</b>	<b>118.7</b>	<b>133.0</b>	<b>-10.8%</b>	<b>241.9</b>	<b>259.8</b>	<b>-6.9%</b>
<b>Adjusted recurring EBITDA Margin</b>	<b>19.7%</b>	<b>23.9%</b>	<b>-4.2 p.p.</b>	<b>20.2%</b>	<b>23.9%</b>	<b>-3.7 p.p.</b>

## Recurring Net Income

Recurring Net Income in 2Q22, excluding the effect of non-recurring expenses and net of income tax, totaled R\$40.4 million.

Non-recurring events in 2Q22 included: 1) expenses of R\$3.0 million related to labor lawsuits and terminations; and 2) additional revenue of R\$10.0 million from the lawsuit on the exclusion of ICMS from the PIS/COFINS calculation base, net of legal fees.

## Debt

The Company's net debt at the end of 1H22 was R\$485.5 million and was equivalent to 0.9 times its annualized recurring EBITDA.

Debt (R\$ Million)	1H22	1H22	Var. (%)	2021	Var. (%)
Short-Term Debt	246.8	204.9	20.4%	230.5	7.1%
Long-Term Debt	306.6	287.3	6.7%	291.4	5.2%
<b>Gross Debt</b>	<b>553.3</b>	<b>492.2</b>	<b>12.4%</b>	<b>521.9</b>	<b>6.0%</b>
Cash and Cash Equivalents	67.9	71.9	-5.7%	141.1	-51.9%
<b>Net Debt</b>	<b>485.5</b>	<b>420.3</b>	<b>15.5%</b>	<b>380.8</b>	<b>27.5%</b>
% Short-Term Debt	45%	42%	3 p.p.	44%	1 p.p.
<b>Net Debt/Recurring EBITDA</b>	<b>0.9</b>	<b>0.8</b>	<b>18.6%</b>	<b>0.7</b>	<b>32.4%</b>

## Investments

Investments in 2Q22 totaled R\$61.3 million and were allocated to maintaining the Company's industrial and, chiefly, forest operations. For 2022, investments of around R\$248.0 million are planned, an increase of 19.5% from 2021, due to the significant increase in the plantation of new forests and the increase in prices of imported parts and services.



## Sustainability

Eucatex's forest sustainability is assured by 44,100 hectares of forests, all located in the state of São Paulo.

The Company is recognized for its sustainable development practices and was the first in the industry to obtain the ISO 9001 certification, in 2000. It also holds the ISO 14001 certification and the Green Seal awarded by the Forest Stewardship Council (FSC), which certifies that its forests are managed in accordance with rigorous environmental, social and economic standards.

In another pioneering initiative, Eucatex became the first in the industry in South America to build a woodchip recycling line on an industrial scale. Its state-of-the-art equipment enables materials obtained within a radius of approximately 120 kilometers from the Salto (São Paulo) unit to be used as raw material for producing panels and as biomass for firing its boilers. Its total processing capacity is 240,000 metric tons/year, which is equivalent to approximately 2 million trees, 470,000 m<sup>3</sup> of standing timber or 1,500 hectares of planted forests. Investments in land and planting to maintain this volume of wood, considering a seven-year cycle, would be around R\$200 million. Not only does it generate cost benefits, but recycling woodchips also prevents this material from being deposited in local landfills.

## Capital Markets

Eucatex's common and preferred shares, listed on the B3 under the tickers EUCA3 and EUCA4, closed 1H21 quoted at R\$12.87 and R\$7.96, respectively. The Company's market capitalization at the end of the period was R\$890.7 million, around 44% of its book value.

## About Eucatex

Eucatex S.A. Indústria e Comércio completed 70 years in 2021 and is one of Brazil's largest manufacturers of flooring, wall partitions, doors, MDP/MDF/T-HDF panels, fiberboard, and paints and varnishes. It operates six plants in Botucatu and Salto (both in São Paulo) and Cabo de Santo Agostinho (Pernambuco), employing 2,928 people. Its products are exported to more than 37 countries. For more information, visit [www.eucatex.com.br/ri](http://www.eucatex.com.br/ri).

*This document contains forward-looking statements related to the business prospects, estimates of operating and financial results, and those related to the growth prospects of Eucatex. These are merely projections and as such are based exclusively on the expectations of Eucatex management concerning the future of the business. These forward-looking*

*statements substantially depend on market conditions, the performance of the Brazilian economy, the sector and the international markets and therefore are subject to change without prior notice.*

**Audit**

*The policy of the Eucatex Group regarding services provided by its independent auditors that are not related to the external audit of its financial statements is based on the principles of maintaining professional independence. These principles are based on the premise that the auditor must not examine their own work, perform managerial functions or practice law on behalf of clients. In 2Q22, the Eucatex Group did not engage Mazars Auditores Independentes SS for services other than audit. Our independent auditors did not audit the operational and financial indicators.*



## Income Statement

Income Statement (R\$ million)	2Q22	2Q21	Var. (%)	1H22	1H21	Var. (%)
<b>Gross Revenue</b>	<b>708.8</b>	<b>656.3</b>	<b>8.0%</b>	<b>1,410.2</b>	<b>1,282.5</b>	<b>10.0%</b>
Sales Taxes	(107.9)	(100.1)	7.8%	(211.4)	(196.8)	7.5%
<b>Net Revenue</b>	<b>600.9</b>	<b>556.3</b>	<b>8.0%</b>	<b>1,198.7</b>	<b>1,085.8</b>	<b>10.4%</b>
Fair Value Variation in Biological Assets	13.9	17.3	-19.4%	42.4	29.2	45.6%
Cost of Goods Sold	(426.1)	(369.5)	15.3%	(843.0)	(726.4)	16.0%
<b>Gross Profit</b>	<b>188.8</b>	<b>204.0</b>	<b>-7.5%</b>	<b>398.2</b>	<b>388.5</b>	<b>2.5%</b>
<b>% Gross Margin</b>	<b>31.4%</b>	<b>36.7%</b>	<b>-5.3 p.p.</b>	<b>33.2%</b>	<b>35.8%</b>	<b>-2.6 p.p.</b>
Selling Expenses	(79.3)	(68.4)	16.0%	(153.9)	(135.8)	13.3%
General and Administrative Expenses	(17.9)	(17.1)	4.8%	(36.0)	(34.9)	3.3%
Management Compensation	(2.7)	(2.4)	13.4%	(5.1)	(4.2)	22.6%
Other Operating Income / (Expenses)	1.2	0.4	196.3%	1.1	5.0	78.2%
<b>Operating Income (Expenses)</b>	<b>(98.8)</b>	<b>(87.5)</b>	<b>12.9%</b>	<b>(193.9)</b>	<b>(169.9)</b>	<b>14.1%</b>
<b>Net Income before Financial Result</b>	<b>90.0</b>	<b>116.6</b>	<b>-22.8%</b>	<b>204.3</b>	<b>218.6</b>	<b>-6.5%</b>
Financial Income (Expense)	(25.1)	(2.3)	-1015.0%	(34.0)	(25.5)	-33.5%
Non-recurring Income (Expense)	7.1	111.3	-93.6%	6.1	114.5	-94.7%
<b>Net Income after Financial Result</b>	<b>72.0</b>	<b>225.6</b>	<b>-68.1%</b>	<b>176.3</b>	<b>307.7</b>	<b>-42.7%</b>
Provision for Income Tax and Soc. Contr.	(26.9)	(58.1)	-53.6%	(45.9)	(78.6)	-41.6%
<b>Net Income (Loss) before Non-Controlling Interest</b>	<b>45.1</b>	<b>167.5</b>	<b>-73.1%</b>	<b>130.5</b>	<b>229.1</b>	<b>-43.1%</b>
Non-controlling Interest	(0.0)	(0.0)	1675.7%	(0.0)	(0.0)	230.1%
<b>Net Income (Loss) from the Period</b>	<b>45.1</b>	<b>167.5</b>	<b>-73.1%</b>	<b>130.4</b>	<b>229.1</b>	<b>-43.1%</b>
<b>Net Margin</b>	<b>7.5%</b>	<b>30.1%</b>	<b>-22.6 p.p.</b>	<b>10.9%</b>	<b>21.1%</b>	<b>-10.2 p.p.</b>

\* Values of items: Cost of Goods Sold, Selling Expenses, General and Administrative Expenses, and Other Operating Expenses /Income are net of non-recurring expenses.

## Balance Sheet

Balance Sheet (R\$ '000)	1H22	2021	Var. (%)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	17.7	44.8	-60.6%
Marketable Securities	50.2	96.3	-47.8%
Trade Accounts Receivable	523.4	545.7	-4.1%
Inventories	537.7	434.0	23.9%
Taxes Recoverable	107.7	121.3	-11.2%
Prepaid Expenses	16.9	15.6	8.7%
Other receivables	2.8	3.2	-14.1%
<b>Total Current Assets</b>	<b>1,256.5</b>	<b>1,260.9</b>	<b>-0.3%</b>
<b>Non-Current Assets</b>			
<b>Long-Term Assets</b>			
Trade Accounts Receivable	22.8	22.1	3.3%
Taxes Recoverable	128.8	140.9	-8.6%
Deferred income tax and social contribution	68.8	64.8	6.1%
Assets held for sale	0.1	0.2	-5.7%
Investment properties	23.8	24.0	-0.7%
Judicial Deposits	46.4	46.4	-0.1%
Other receivables	11.1	11.1	0.0%
<b>Total Long-Term Assets</b>	<b>301.8</b>	<b>309.5</b>	<b>-2.5%</b>
Investments	-	-	0.0%
Biological Assets	709.9	644.1	10.2%
Fixed Assets	1,262.1	1,243.9	1.5%
Intangible Assets	16.2	16.5	-2.2%
<b>Total Permanent Assets</b>	<b>1,988.2</b>	<b>1,904.6</b>	<b>9.5%</b>
<b>Total Non-Current Assets</b>	<b>2,290.0</b>	<b>2,214.0</b>	<b>3.4%</b>
<b>Total Assets</b>	<b>3,546.5</b>	<b>3,474.9</b>	<b>2.1%</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade Accounts Payable	247.0	283.0	-12.7%
Loans and Financing	246.8	230.5	7.1%
Labor Liabilities	40.6	37.5	8.1%
Tax Liabilities	38.7	45.4	-14.6%
Related Parties	-	-	0.0%
Tax Installments	33.4	30.8	8.2%
Advances from Clients	28.7	28.1	2.3%
Dividends and Interest on Equity Payable	60.5	60.5	0.0%
Accounts Payable	45.4	72.7	-37.5%
Lease Liabilities	26.3	34.7	-24.3%
<b>Total Current Liabilities</b>	<b>767.3</b>	<b>823.1</b>	<b>-6.8%</b>
<b>Non-Current Liabilities</b>			
Loans and Financing	306.6	291.4	5.2%
Trade Accounts Payable	0.5	8.0	-93.9%
Tax Installments	40.2	54.1	-25.7%
Deferred Income tax and Soc. Contr.	121.3	121.9	-0.5%
Provision for Contingencies	78.2	78.2	0.0%
Related Parties	-	-	0.0%
Lease Liabilities	217.8	210.2	3.6%
<b>Total Non-Current Liabilities</b>	<b>764.6</b>	<b>763.7</b>	<b>0.1%</b>
<b>Shareholders' Equity</b>			
Capital	851.9	851.9	0.0%
Revaluation Reserves	182.7	182.7	0.0%
Profit Reserve	885.6	755.2	17.3%
Asset Valuation Adjustment	89.8	89.8	0.0%
Other Comprehensive Income	7.7	11.5	-33.5%
Treasury Stock	(2.9)	(2.9)	0.0%
Accrued Earnings	-	-	0.0%
<b>Total Shareholders' Equity</b>	<b>2,014.7</b>	<b>1,888.1</b>	<b>6.7%</b>
Non-controlling Interest	(0.1)	(0.1)	15.6%
<b>Total Shareholders' Equity &amp; Non-controlling Interest</b>	<b>2,014.6</b>	<b>1,888.0</b>	<b>6.7%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,546.5</b>	<b>3,474.9</b>	<b>2.1%</b>

## Cash Flow

Operating Cash Flow (RS '000)	1H22	1H21
<b>Net Income (Loss) before Income Tax and Social Contribution</b>	<b>130.5</b>	<b>229.1</b>
<b>Adjustments to reconcile the result to cash and cash equivalents generated by operating activities</b>		
Depreciation and Amortizations	49.8	47.8
Exhaustion of Biological Assets	35.9	29.2
Write-off of Investments	0.2	0.0
Fair Value Variation in Biological Assets	(42.4)	(29.2)
Interest, Monetary and Exchange Variations, net	9.8	(6.4)
Income Tax and Social Contribution	50.4	77.2
Provision for Tax Gains	-	(102.4)
Income and Social Contribution Taxes - Deferred	(4.5)	1.3
Other Provisions	4.7	39.1
<b>Changes in operating assets and liabilities</b>		
Marketable Securities	46.1	11.6
Trade Accounts Receivable	17.3	(39.5)
Inventories	(103.7)	(66.6)
Recoverable Taxes	25.7	(7.1)
Deferred Expenses	(1.4)	(0.3)
Judicial Deposits	0.0	(0.4)
Other Receivables	0.5	(1.8)
Trade Accounts Payable	(43.5)	20.5
Labor and Tax Liabilities	(58.4)	(65.6)
Tax Installments	(13.4)	(13.9)
Advances from Clients	0.6	13.8
Accounts payable	(28.1)	38.7
<b>Net Cash Flow from Operating Activities</b>	<b>76.1</b>	<b>175.3</b>
<b>Cash Flow from Investing Activities</b>		
Capital Decrease in Subsidiaries	-	-
Addition to Fixed Assets	(67.6)	(51.6)
Addition to Biological Assets	(59.3)	(43.5)
<b>Net cash used in investing activities</b>	<b>(126.9)</b>	<b>(95.2)</b>
<b>Cash Flow from Financing Activities</b>		
Amortization of Loans and Financing	(115.8)	(162.4)
Amortization of Leases	-	(18.8)
New Loans and Financing	139.4	122.1
Amortization of Loans with Related Parties	-	(1.8)
New Loans with Related Parties	-	-
<b>Net Cash Used in Financing Activities</b>	<b>23.6</b>	<b>(61.0)</b>
<b>Increase (Reduction) in Net Cash and Cash Equivalents</b>	<b>(27.2)</b>	<b>19.2</b>
<b>Cash and Cash Equivalents</b>		
Opening Balance of Cash and Cash Equivalents	44.8	7.1
Closing Balance of Cash and Cash Equivalents	17.7	26.2
<b>Increase (Reduction) in Net Cash and Cash Equivalents</b>	<b>(27.2)</b>	<b>19.2</b>