A large, stylized graphic of two overlapping leaves, one blue and one yellow, is positioned on the left side of the slide, partially overlapping the yellow background bar.

**2Q19**

Eucatex Group  
Presentation

August 16, 2019

**Net Revenue**

- 2Q19: R\$ 373.0 million, up em 23.5%
- 1H19: R\$ 729.5 million, up 20.4%

**Recurring EBITDA**

- 2Q19: R\$ 71.7 million, growing 32.1%
- 1H19: R\$ 138.3 million, growing 30.7%

**Recurring EBITDA Margin**

- 2Q19: 19.2%, expansion of 1.2 pp
- 1H19: 19.0%, expansion of 1.5 pp

**Recurring Net Income**

- 2Q19: R\$ 23.4 million, up 524.1%
- 1H19: R\$ 41.0 million, up 13.628.5%

Expected Net Revenue growth of, approximately, **20%** in the **Total Revenue** of the **Eucatex Group**

eucatex

## MDP and Laminated Flooring



Botucatu/SP

**MDP**  
430,000 m<sup>3</sup>  
**Laminated Flooring**  
12 million m<sup>2</sup>

**Finish Foil, BP and Lacca**  
50 million m<sup>2</sup>

## T-HDF/MDF



Salto/SP

**T-HDF/MDF**  
275,000 m<sup>3</sup>

**Lacca and BP**  
16 million m<sup>2</sup>

## Fiberboard



Salto/SP



Botucatu/SP

**Hardboard**  
370,000 m<sup>3</sup>  
**Panels and Doors**  
4.8 million

**Paint**  
101 million m<sup>2</sup>  
**Paper Printer**  
96 million m<sup>2</sup>

## Seedling Nursery



Bofete/SP

**Seedlings**  
10 million

## Paints and Varnishes



Salto/SP

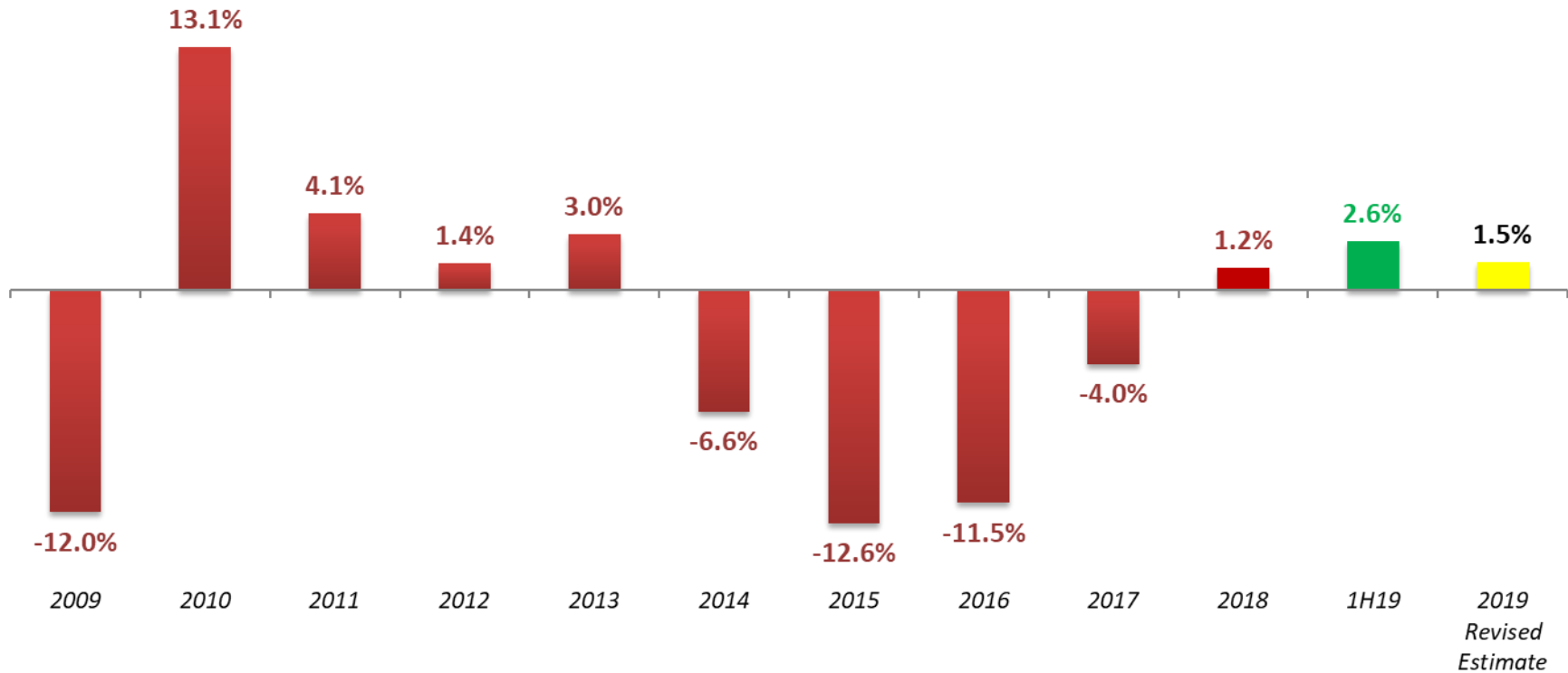
**Paints and Varnishes**  
36 million gallons



Cabo Sto.  
Agostinho/PE

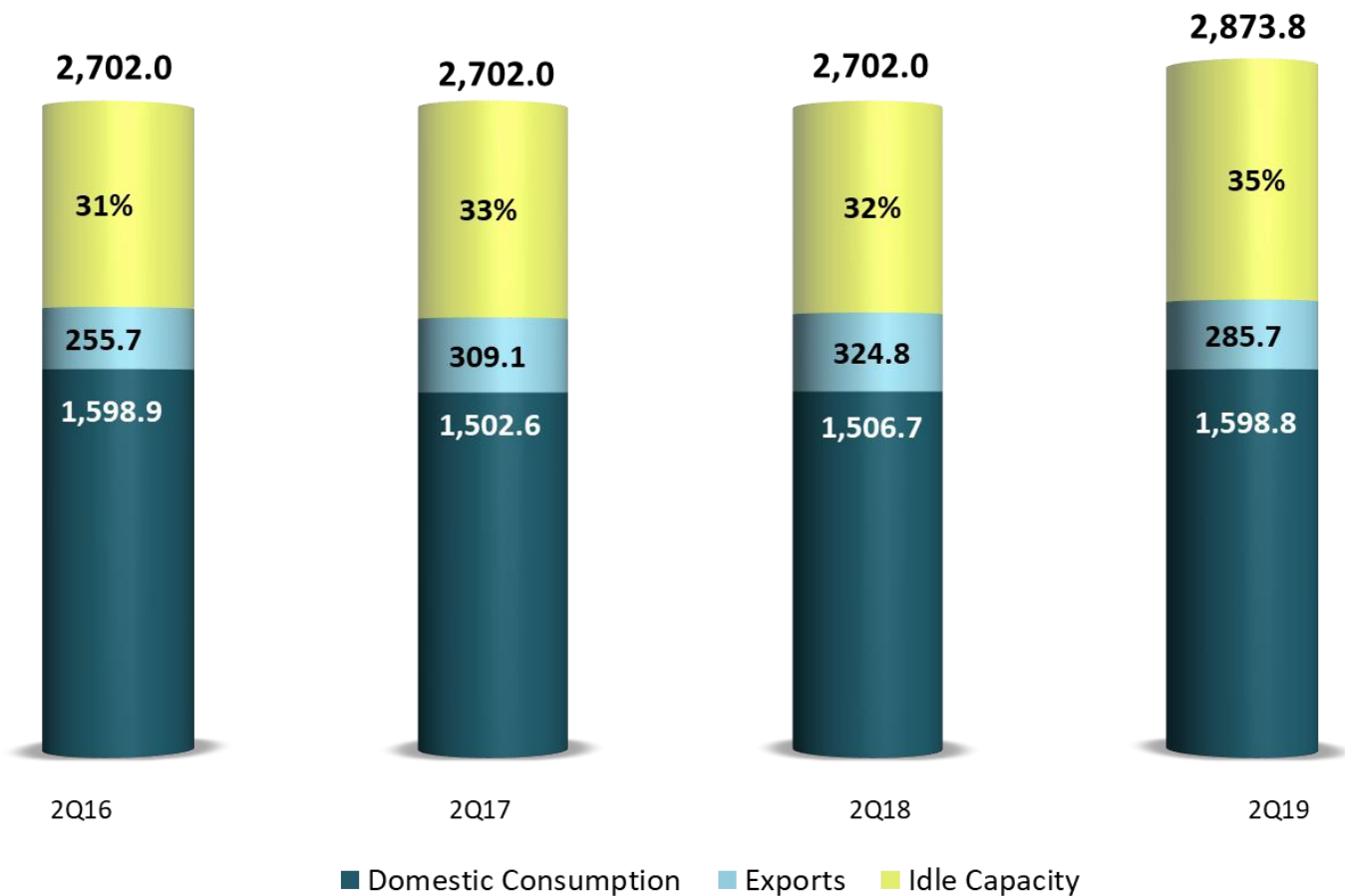
**PVA and Acrylic Resin and Acrylic Paint**  
3.6 million gallons

### ABRAMAT Index – Domestic Market



Between 2013 and 1H19, the indicator is down 28.0%.

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

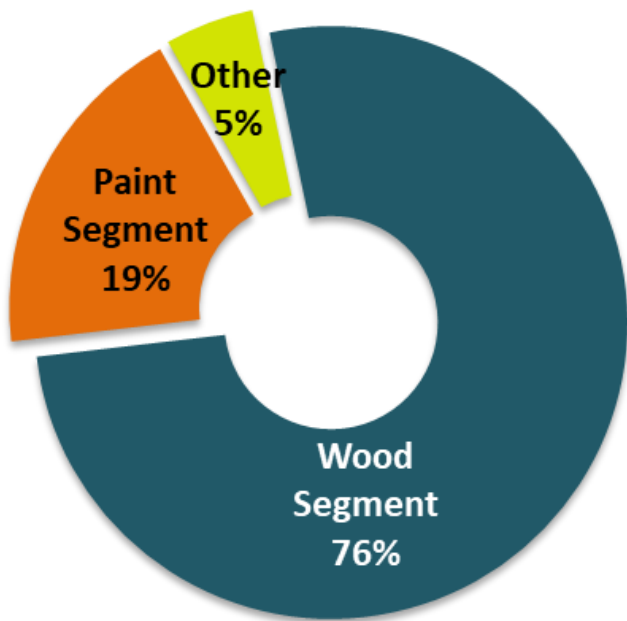


% Var. 2Q18 vs. 2Q19	
Total	
Total	2.9%
Domestic Market	6.1%
Export Market	-12.0%

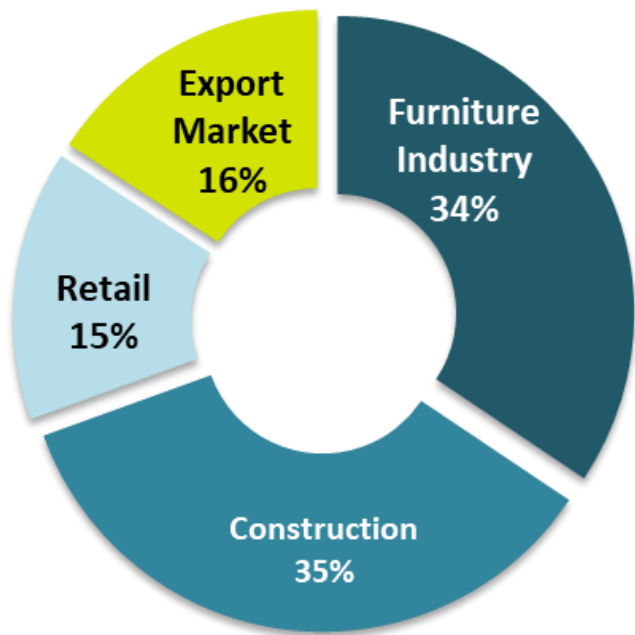
% Var. 1H18 vs. 1H19	
Total	
Total	1.2%
Domestic Market	3.5%
Export Market	-10.2%

Net Revenue					
2Q18	2Q19	Var	1H18	1H19	Var
R\$ 302.0 million	R\$ 373.0 million	23.5%	R\$ 605.8 million	R\$ 729.5 million	20.4%

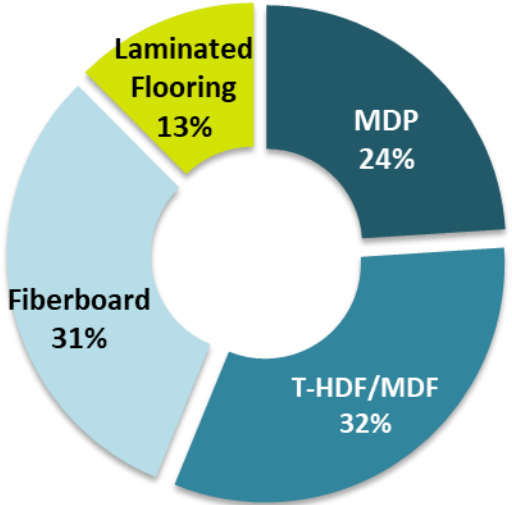
Distribution by Product - 2Q19



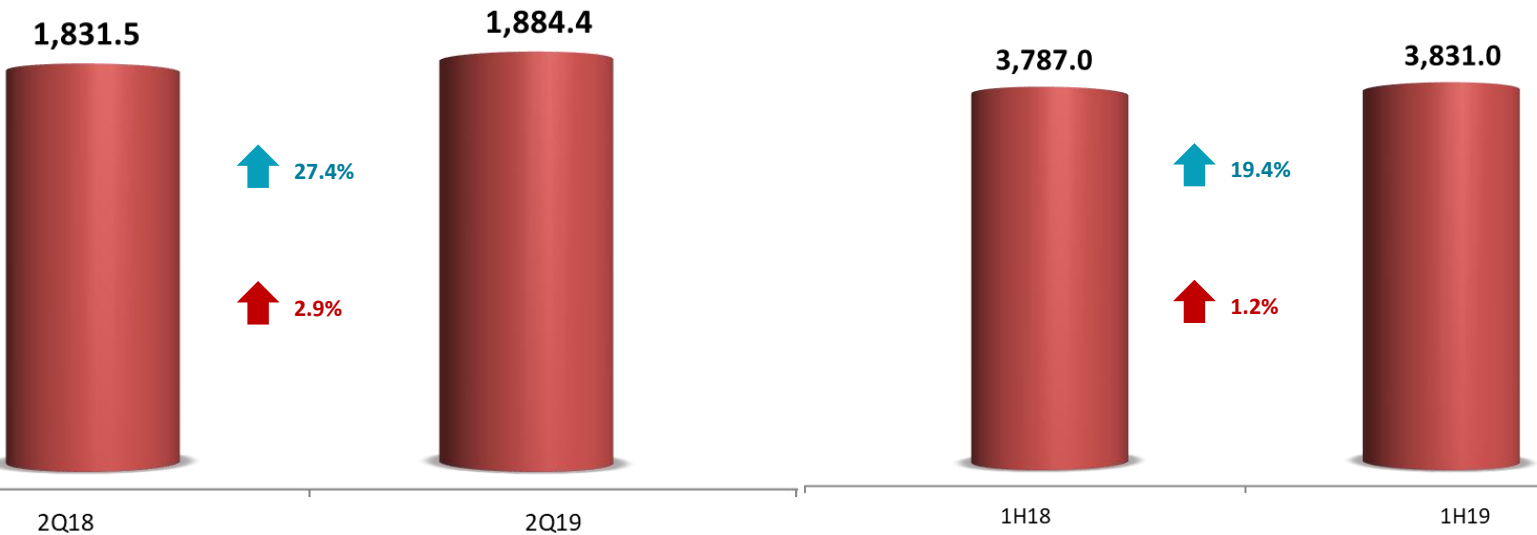
Distribution by Segment - 2Q19



Net Revenue		
2Q18	2Q19	Var
R\$ 219.6 million	R\$ 285.3 million	29.9%
1H18	1H19	Var
R\$ 443.1 million	R\$ 550.1 million	24.1%

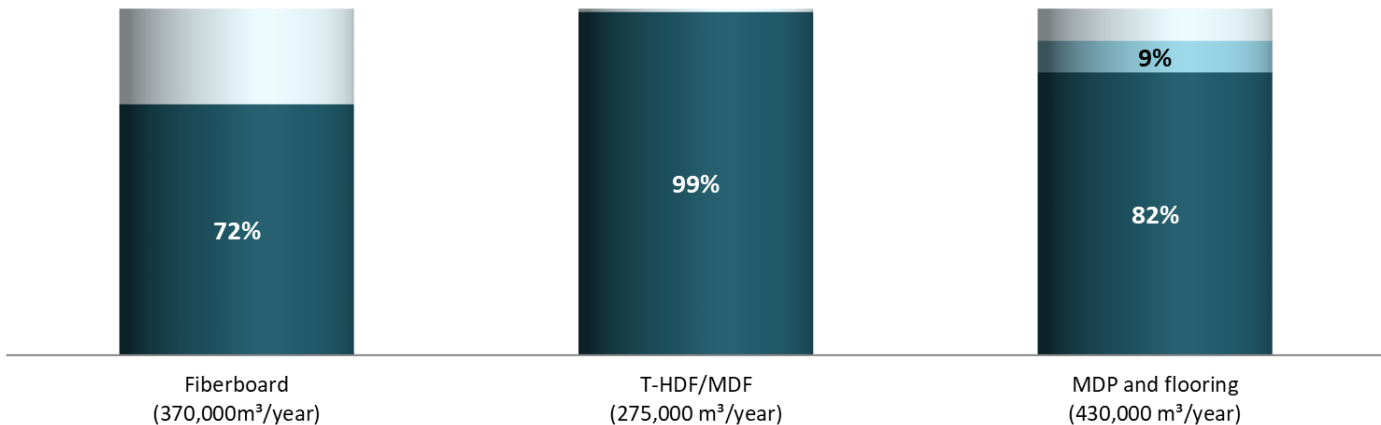


Total Market ('000 m³)  
DOMESTIC + EXPORT MARKETS



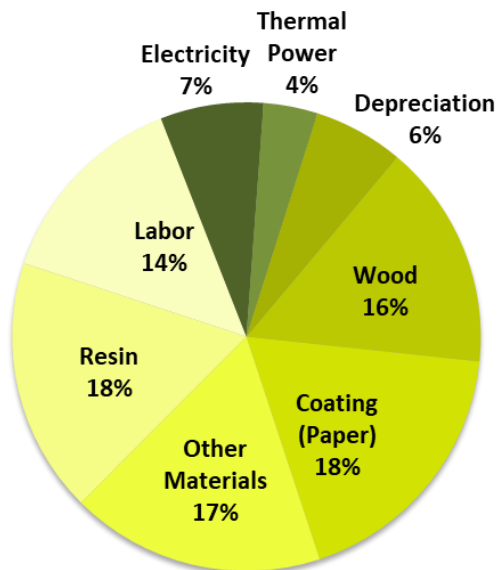
Source: IBÁ

## Installed Capacity Utilization - 2Q19

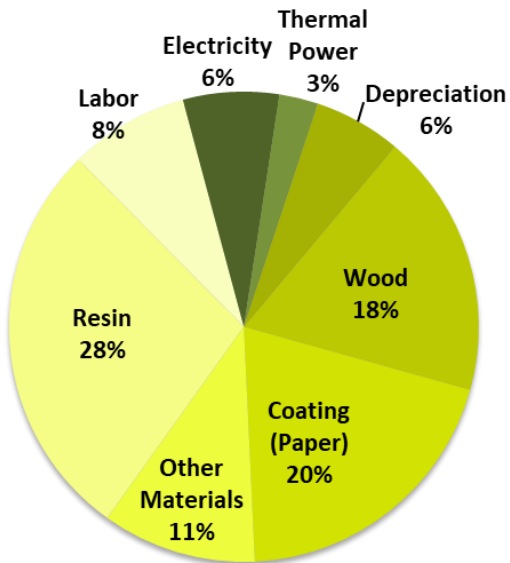


## Breakdown of Costs - 2Q19

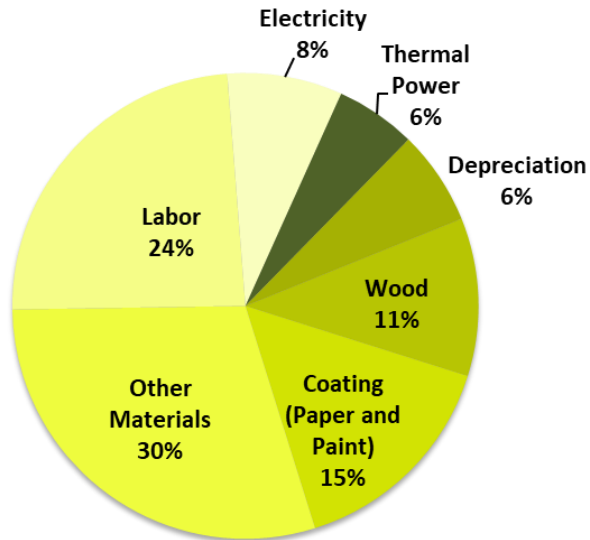
*All Panels*



*Resin Panels*

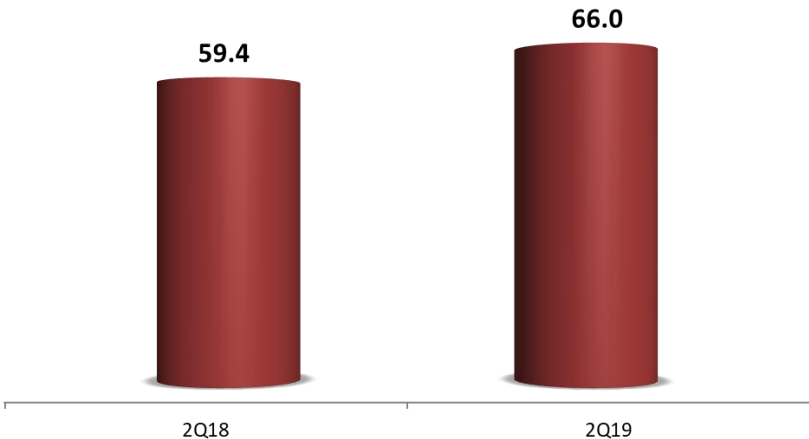


*Non-Resin Panels (Fiberboard)*

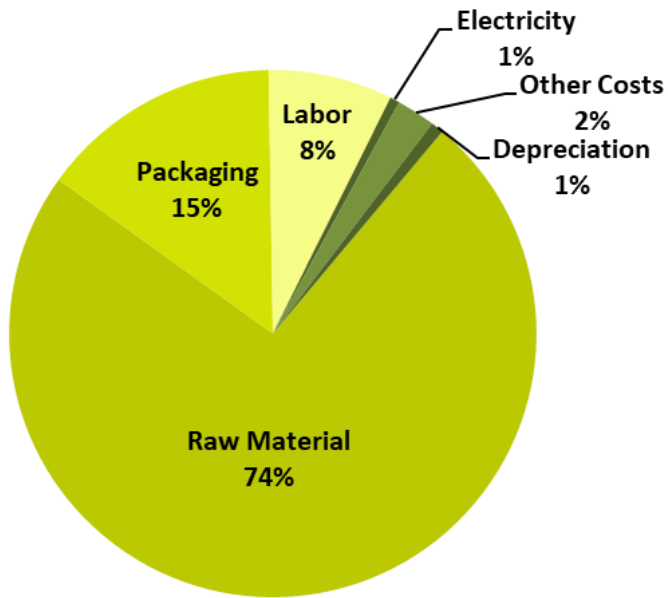


Net Revenue		
2Q18	2Q19	Var
R\$ 63.8 million	<b>R\$ 69.6 million</b>	<b>9.1%</b>
1H18	1H19	Var
R\$ 124.7 million	<b>R\$ 136.8 million</b>	<b>9.7%</b>

Market - Million Gallons



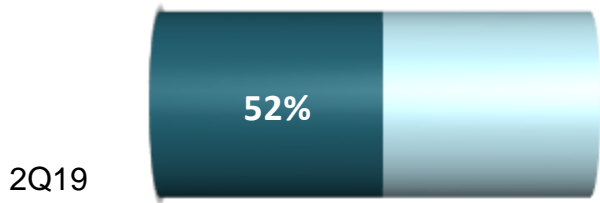
Breakdown of Costs - 2Q19



Variation	2Q19 vs. 2Q18	1H19 vs. 1H18
Eucatex	1.4%	0.9%
Market	11.1%	7.9%

Source: Eucatex

Installed Capacity Utilization

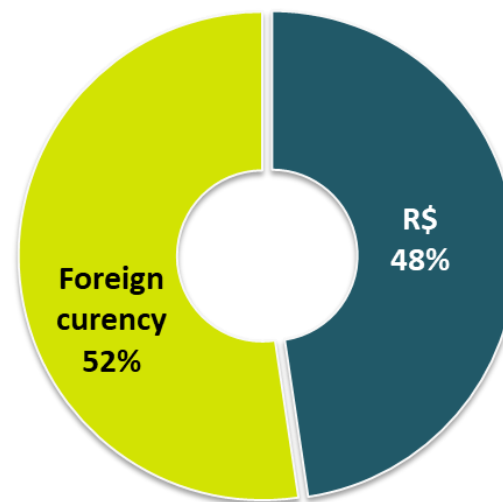
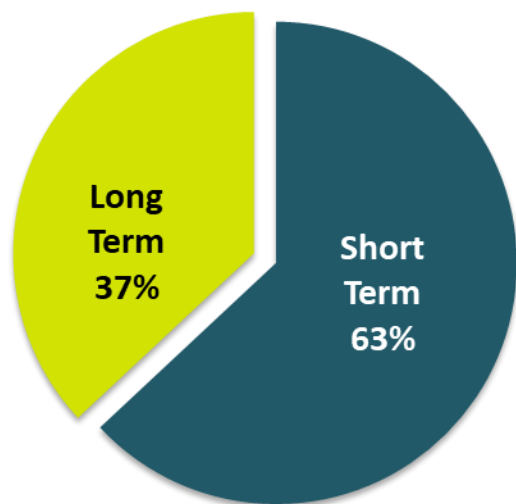


▪ Total Capacity - 36 million gallons/year

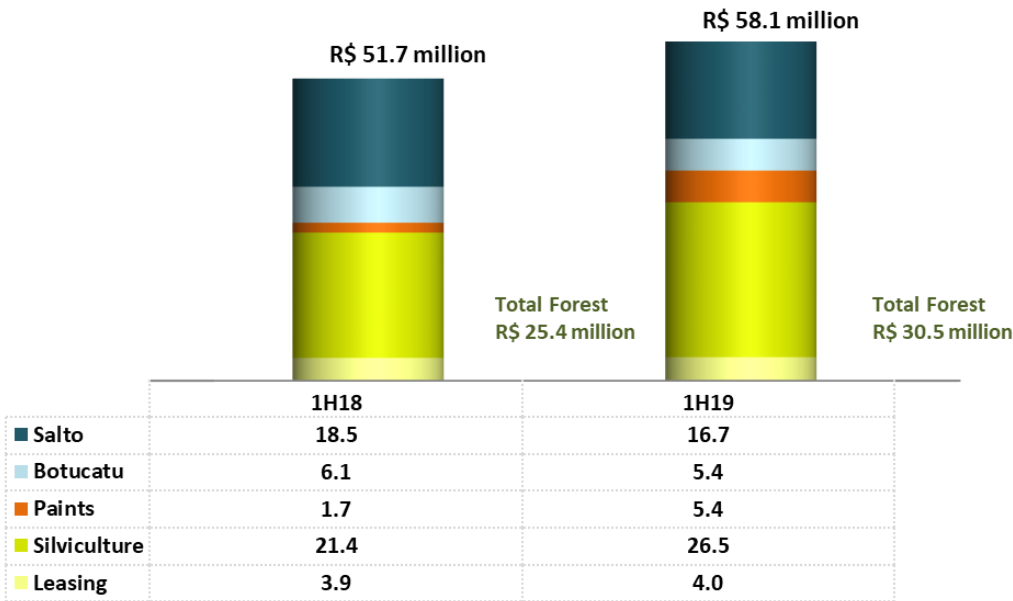
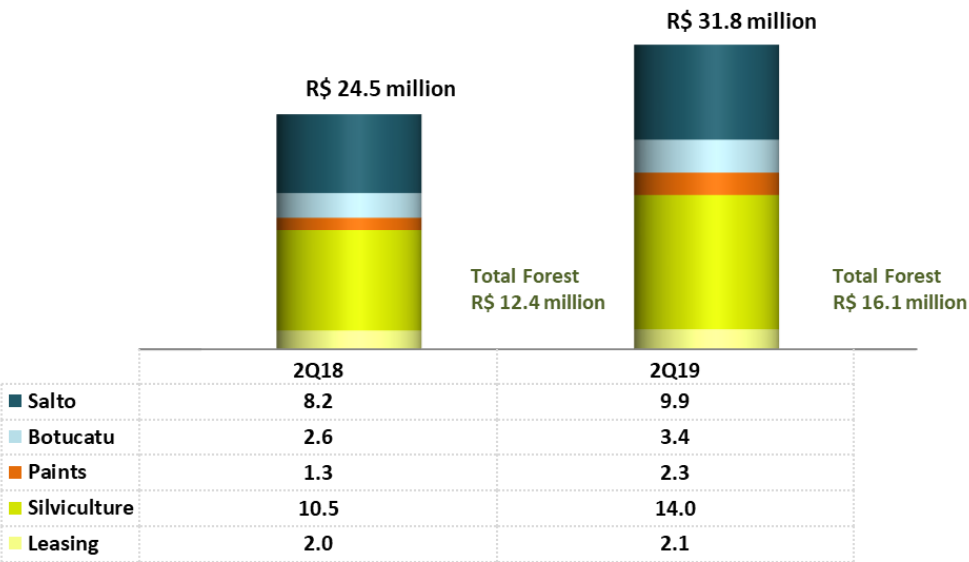
Highlights (R\$ million)	2Q19	V.A. %	2Q18	V.A. %	Var. (%)	1H19	V.A. %	1H18	V.A. %	Var. (%)
<b>Net Revenue</b>	<b>373.0</b>	<b>100.0%</b>	<b>302.0</b>	<b>100.0%</b>	<b>23.5%</b>	<b>729.5</b>	<b>100.0%</b>	<b>605.8</b>	<b>100.0%</b>	<b>20.4%</b>
Fair value of biological assets	0.3	0.1%	0.7	0.2%	-59.0%	0.2	0.0%	0.1	0.0%	187.8%
Cost of products sold	(270.4)	-72.5%	(224.9)	-74.5%	20.2%	(529.3)	-72.5%	(452.4)	-74.7%	17.0%
<b>Gross income</b>	<b>102.9</b>		<b>77.8</b>		<b>32.3%</b>	<b>200.5</b>		<b>153.5</b>		<b>30.6%</b>
<b>Gross Margin (%)</b>	<b>27.6%</b>		<b>25.8%</b>		<b>1.8 p.p.</b>	<b>27.5%</b>		<b>25.3%</b>		<b>2.2 p.p.</b>
Administrative expenses	(16.5)	-4.4%	(13.9)	-4.6%	19.0%	(31.9)	-4.4%	(28.4)	-4.7%	12.5%
Selling expenses	(50.0)	-13.4%	(39.8)	-13.2%	25.6%	(99.0)	-13.6%	(81.2)	-13.4%	21.8%
Other operating income and expenses	0.6	0.2%	(0.6)	-0.2%	200.9%	2.6	0.4%	(1.2)	-0.2%	-307.0%
<b>EBITDA adjusted by non-cash events</b>	<b>62.6</b>	<b>16.8%</b>	<b>48.1</b>	<b>15.9%</b>	<b>30.0%</b>	<b>122.9</b>	<b>16.8%</b>	<b>96.2</b>	<b>15.9%</b>	<b>27.8%</b>
<b>EBITDA Margin (%)</b>	<b>16.8%</b>		<b>15.9%</b>		<b>0.9 p.p.</b>	<b>16.8%</b>		<b>15.9%</b>		<b>0.9 p.p.</b>
<b>Adjusted Recurring EBITDA</b>	<b>71.7</b>		<b>54.3</b>		<b>32.1%</b>	<b>138.3</b>		<b>105.8</b>		<b>30.7%</b>
<b>Adjusted Recurring EBITDA Margin (%)</b>	<b>19.2%</b>		<b>18.0%</b>		<b>1.2 p.p.</b>	<b>19.0%</b>		<b>17.5%</b>		<b>1.5 p.p.</b>
Net financial result	(11.8)	-3.2%	(35.4)	-11.7%	66.6%	(26.0)	-3.6%	(46.7)	-7.7%	44.4%
Non-recurring results	(9.2)	-2.5%	(6.1)	-2.0%	-49.2%	(15.4)	-2.1%	(9.6)	-1.6%	-60.1%
Income and social contribution taxes	(1.7)	-0.5%	6.4	2.1%	-127.4%	(5.2)	-0.7%	3.8	0.6%	238.1%
<b>Net Income (Loss)</b>	<b>14.2</b>	<b>3.8%</b>	<b>(11.6)</b>	<b>-3.9%</b>	<b>222.0%</b>	<b>25.6</b>	<b>3.5%</b>	<b>(9.9)</b>	<b>-1.6%</b>	<b>357.5%</b>
<b>Recurring Net Income (Loss)</b>	<b>23.4</b>	<b>6.3%</b>	<b>(5.5)</b>	<b>-1.8%</b>	<b>524.1%</b>	<b>41.0</b>	<b>5.6%</b>	<b>(0.3)</b>	<b>0.0%</b>	<b>13628.5%</b>

Debt (R\$ Million)	1H19	1Q19	Var. (%)
Short Term Debt	274.0	287.2	-4.6%
Long Term Debt	160.5	160.8	-0.2%
<b>Gross Debt</b>	<b>434.5</b>	<b>448.0</b>	<b>-3.0%</b>
Cash and Cash Equivalents	13.1	12.3	6.5%
<b>Net Debt</b>	<b>421.4</b>	<b>435.8</b>	<b>-3.3%</b>
% Short Term Debt	63%	64%	-1 p.p.
Net Debt/EBITDA (Rec. LTM)	1.6	1.8	-10.1%
Net Debt/EBITDA (Rec. Annualized)	1.5	1.8	-14.4%

Debt Profile – 1H19

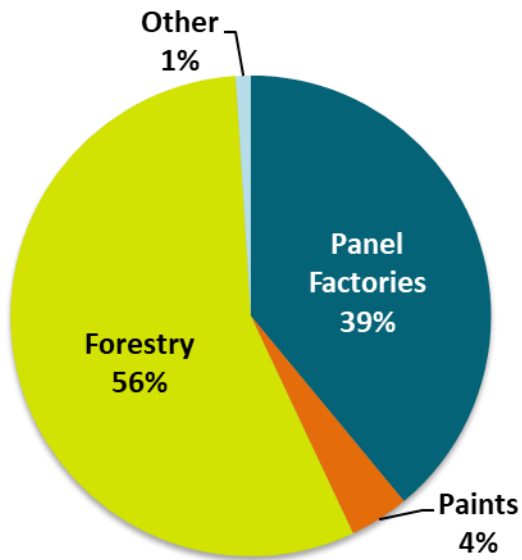


# Investments Made



## Planned for 2019

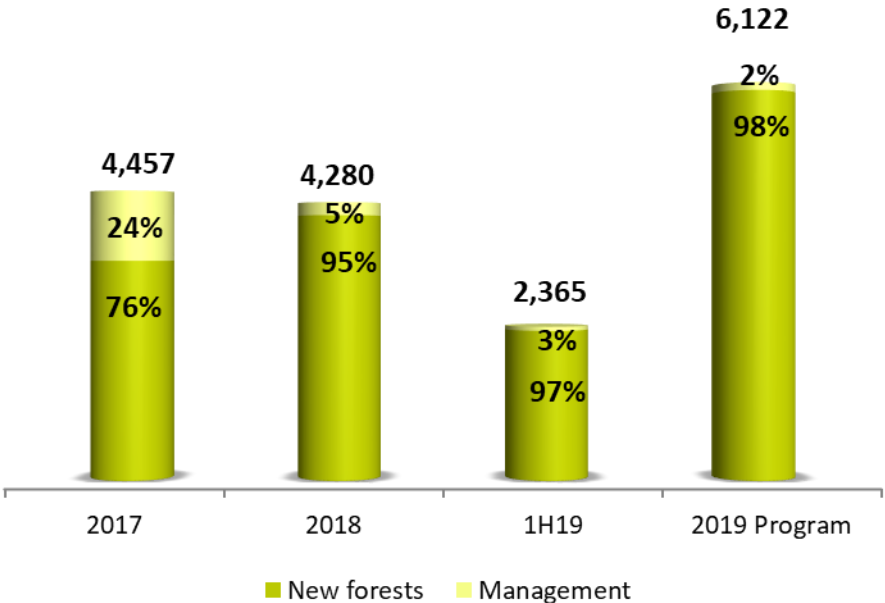
**R\$ 119 million**



**76 farms**  
for eucalyptus plantation,  
totaling  
**48,600 hectares**

Average Radius	
Salto	Botucatu
175 km	58 Km

Newly Planted Forests and Seedling Management (ha)





**José Antonio G. de Carvalho**  
*Executive Vice-President and IRO*

**Sergio Henrique Ribeiro**  
*Controller*

**Waneska Bandeira**  
*Investor Relations*

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