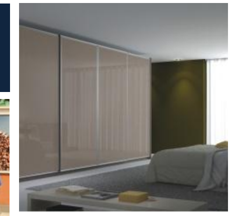










Eucatex Group

APIMEC 2012

March 8, 2012

Eucatex Group

- Founded in 1951
- 4 production units in the state of São Paulo
- Segments – furniture industry, resale, civil construction and exports
- Subsidiary in Atlanta – USA
- 73 eucalyptus plantations – total of 45,800 hectares
- Number of employees – 2,430

Gross Revenue					
4Q10	**4Q11**	*%*	2010	**2011**	*%*
R$267.3 million	**R$286.1 million**	*7.1%*	R$988.1 million	**R$1,108.3 million**	*12.2%*




Production Units

Fiberboard Unit

- Location – Salto-SP
- Number of employees – 771
- Hardboard – 240,000 m³
- Fiberboards and doors – 4.8 million pieces
- Painting capacity – 80 million m²
- Paper printing – 45 million m²/year

T-HDF / MDF Unit

- Location – Salto-SP
- Number of employees– 184
- T-HDF/MDF – 275,000 m³

MDP and Laminated Flooring Unit

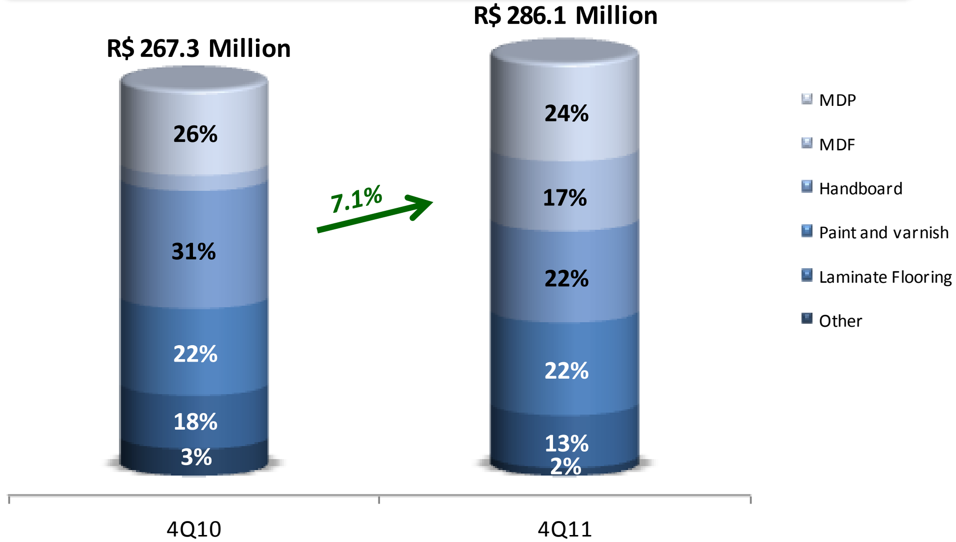
- Location – Botucatu-SP
- Number of employees – 438
- MDP – 430,000 m³
- Flooring – 6 million m²
- Finish Foil, BP and Lacca finishing – 40 million m²

Paint and Varnish Unit

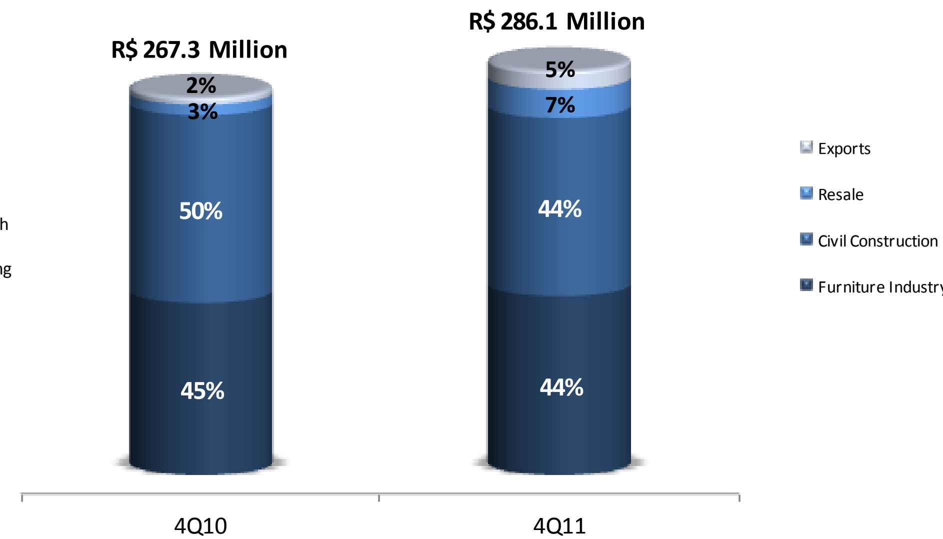
- Location – Salto-SP
- Number of employees – 230
- Paint and varnish – 36 million gallons/year

Operating Data

Breakdown by Product

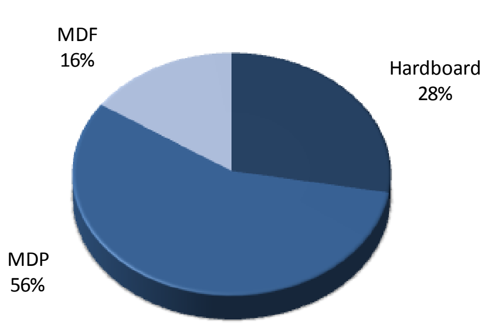


Breakdown by Segment

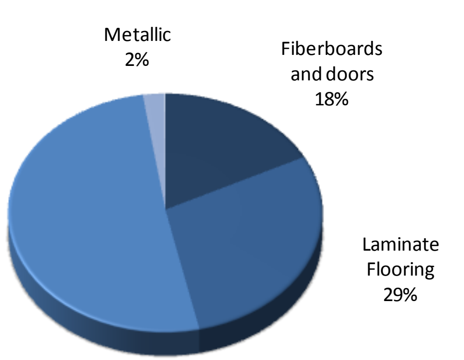


Breakdown by Segment/Product

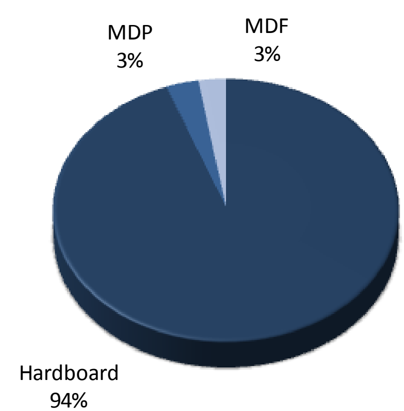
Furniture Industry



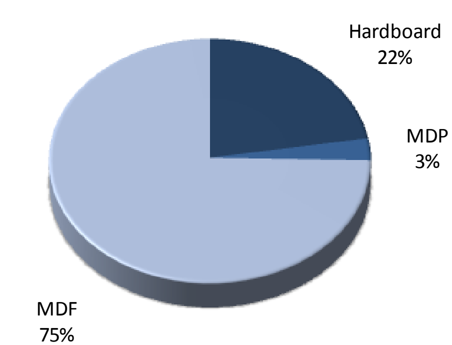
Civil Construction



Exports



Resale



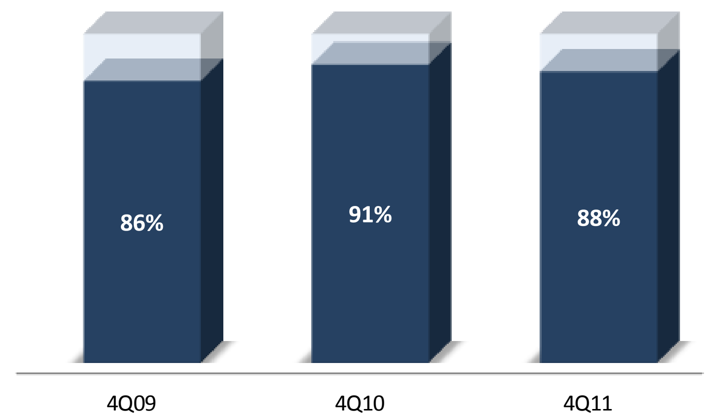
Fiberboard

Gross Revenue					
4Q10	**4Q11**	*%*	2010	**2011**	*%*
R$81.5 million	**R$63.3 million**	*-22.3%*	R$298.5 million	**R$237.8 million**	*-20.3%*

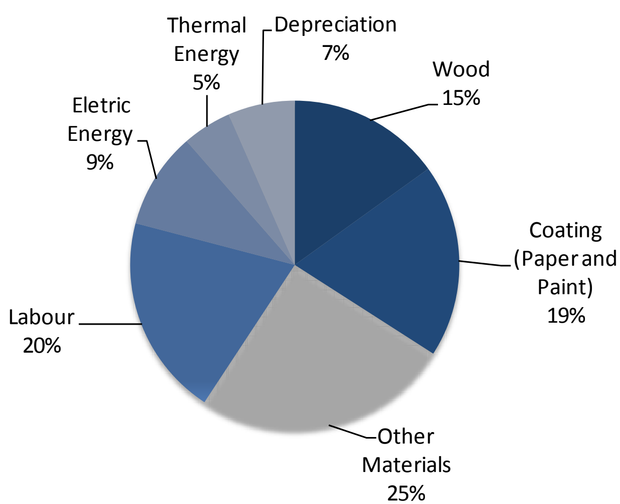
Market Share					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
55%	**48%**	*-7 p.p.*	54%	**48%**	*-6 p.p.*

Capacity Utilization

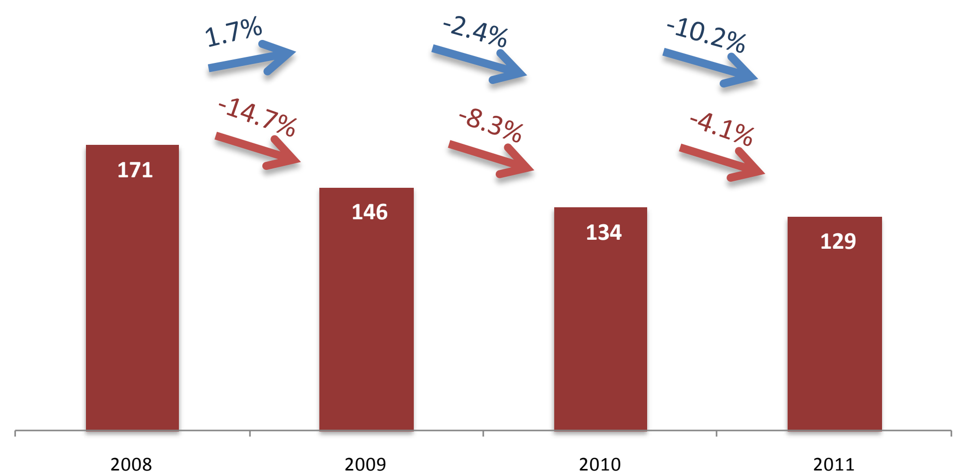
- Total capacity – 240,000 m³/year



Breakdown of Costs



Market (million m²)



Source: ABIPA ■ Eucatex ■ Market

T-HDF / MDF

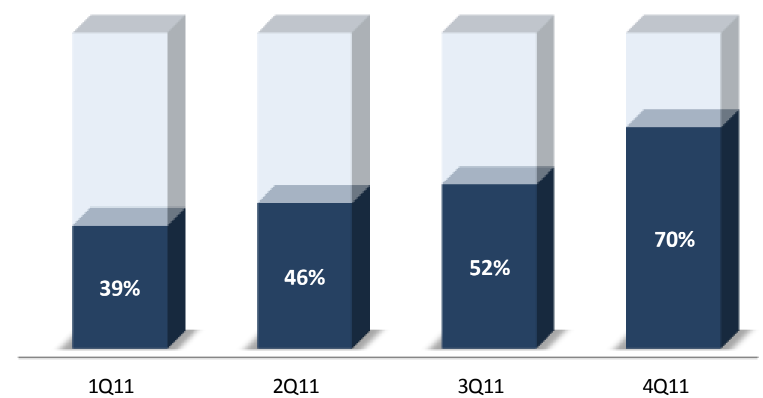
Gross Revenue					
4Q10	**4Q11**	*%*	2010	**2011**	*%*
R$10.7 million	**R$48.4 million**	*883.6%*	R$19.0 million	**R$186.4 million**	*350.7%*

Market Share – MDF					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
0%	**2%**	*2 p.p.*	0%	**2%**	*2 p.p.*

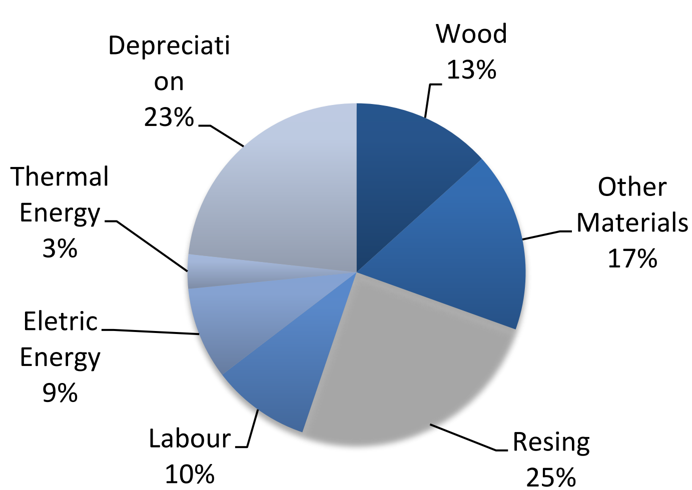
Market Share – T-HDF					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
0%	**22%**	*22 p.p.*	0%	**18%**	*18 p.p.*

Capacity Utilization

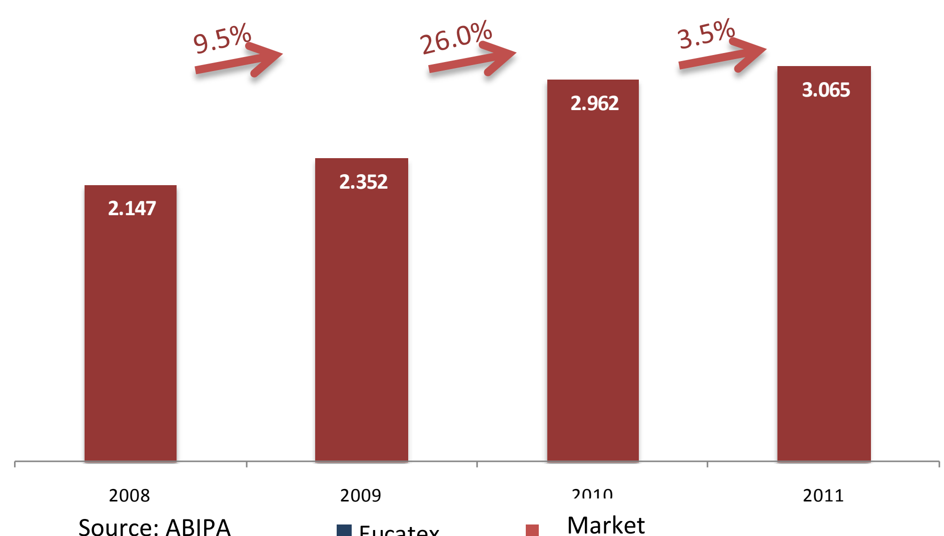
- Total capacity – 275,000 m³/year



Breakdown of Costs



T-HDF + MDF Market (thousand m³)



Source: ABIPA

MDP

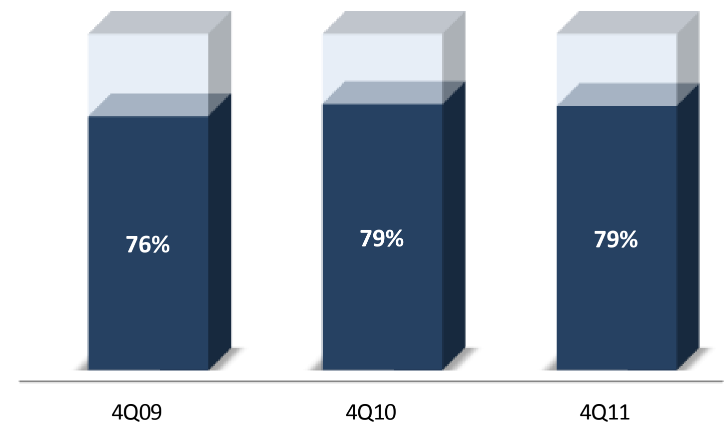
Gross Revenue					
4Q10	**4Q11**	*%*	2010	**2011**	*%*
R$59.4 million	**R$68.4 million**	*15.1%*	R$266.4 million	**R$273.1 million**	*2.5%*

Market Share					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
11%	**11%**	-	11%	**11%**	-

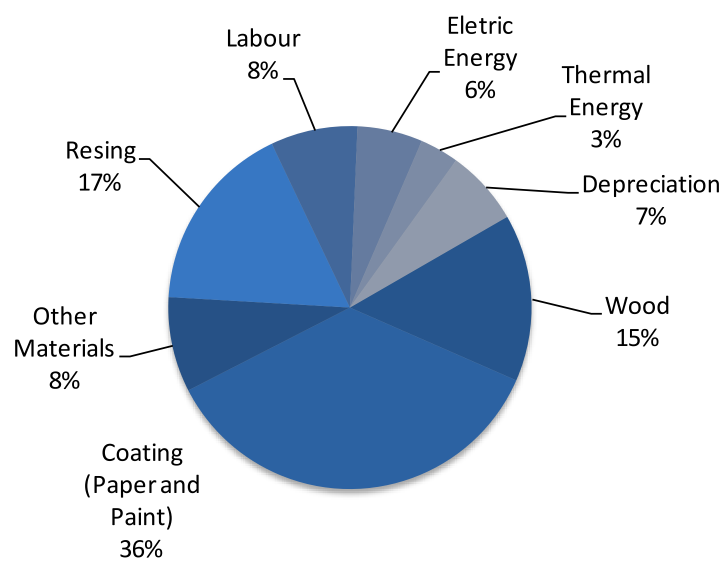
% of Coated						
	4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
Eucatex	99%	**100%**	*1pp*	97%	**97%**	-
Market	19%	**23%**	*4 p.p.*	22%	**21%**	*-1 p.p.*

Capacity Utilization

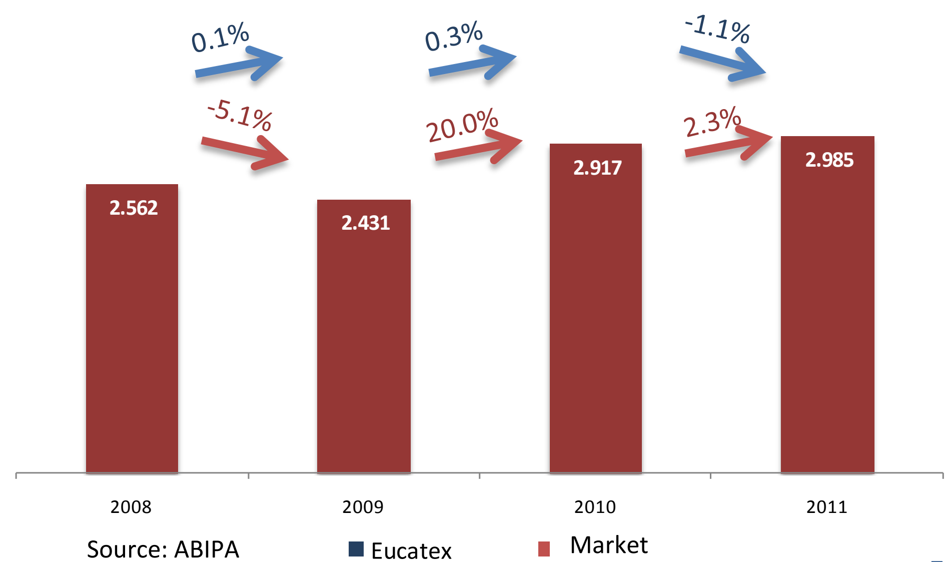
- Capacity – 430,000 m³/year



Breakdown of Costs



Market (thousand m³)



Source: ABIPA

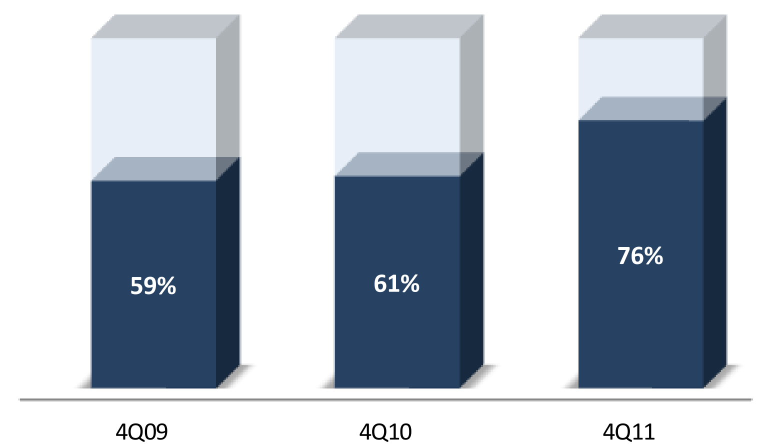
Laminated Flooring

Gross Revenue					
4Q10	**4Q11**	*%*	2010	**2011**	*%*
R$37.0 million	**R$36.4 million**	*-1.7%*	R$119.2 million	**R$132.3 million**	*11%*

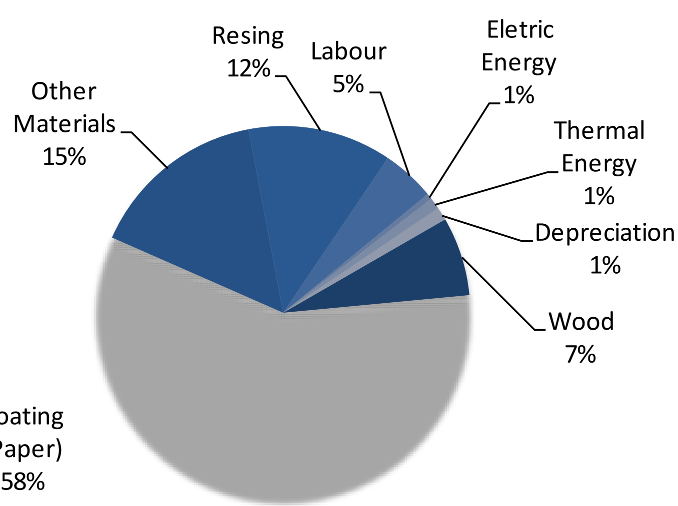
Market Share					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
41%	**38%**	*-3 p.p.*	38%	**38%**	-

Capacity Utilization

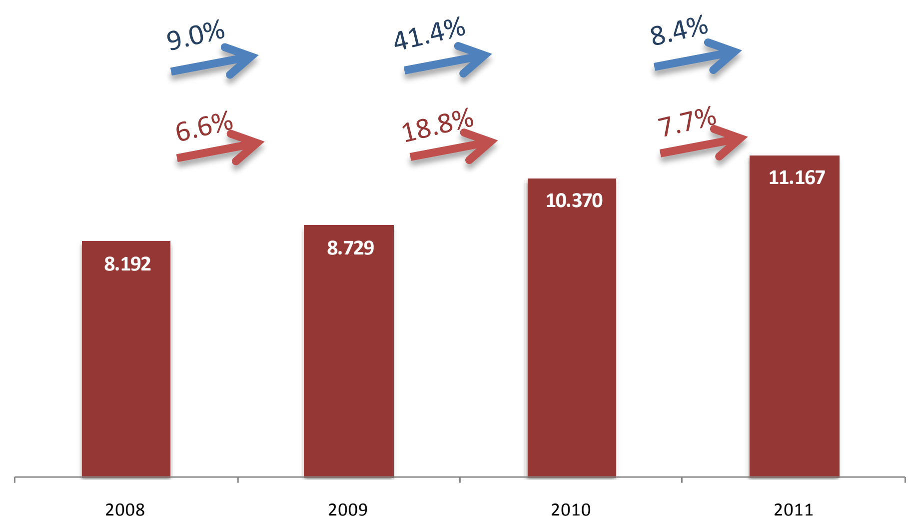
- Total capacity – 6 million m² /year



Breakdown of Costs



Market (thousand m²)



Source: ABIPLAR

Paint and Varnish

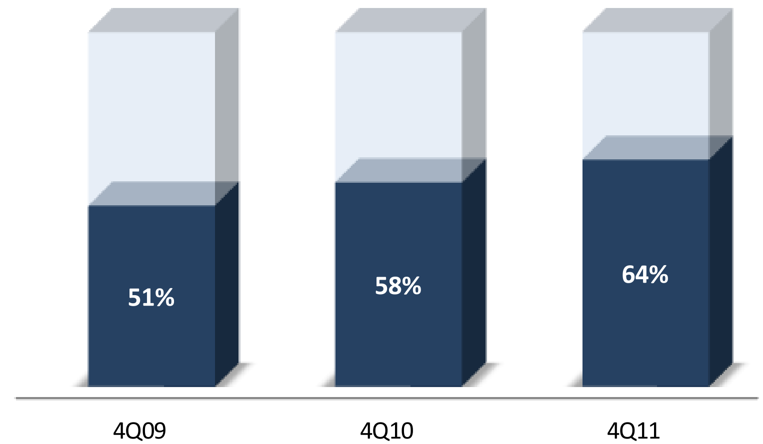
Gross Revenue					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
R$60.1 million	**R$64.2 million**	*6.8%*	R$216.3 million	**R$236.9 million**	*9.5%*

Market Share *					
4Q10	**4Q11**	*Var.*	2010	**2011**	*Var.*
7%	**7%**	-	8%	**8%**	-

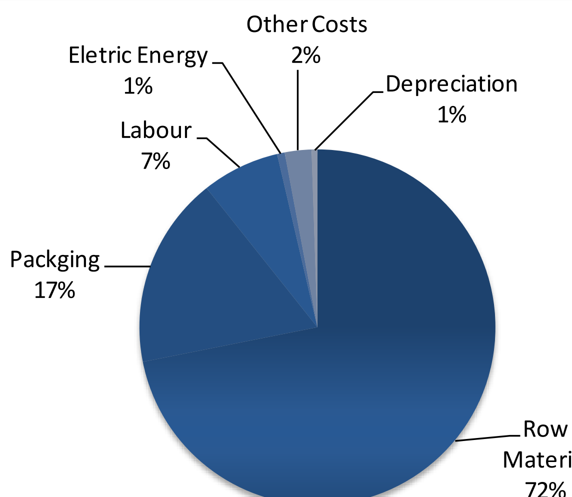
* Eucatex estimate

Capacity Utilization

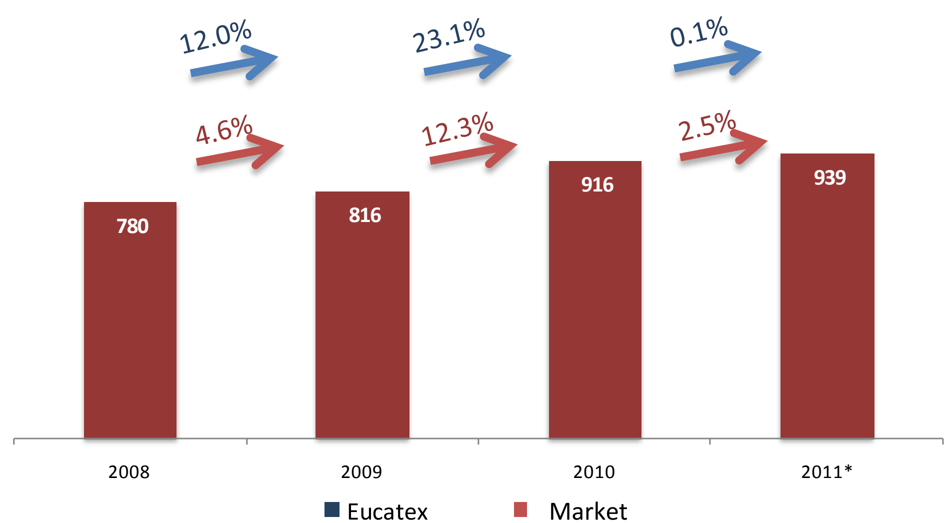
- Total capacity – 36 million gallons/ year



Breakdown of Costs



Market (million gallons)



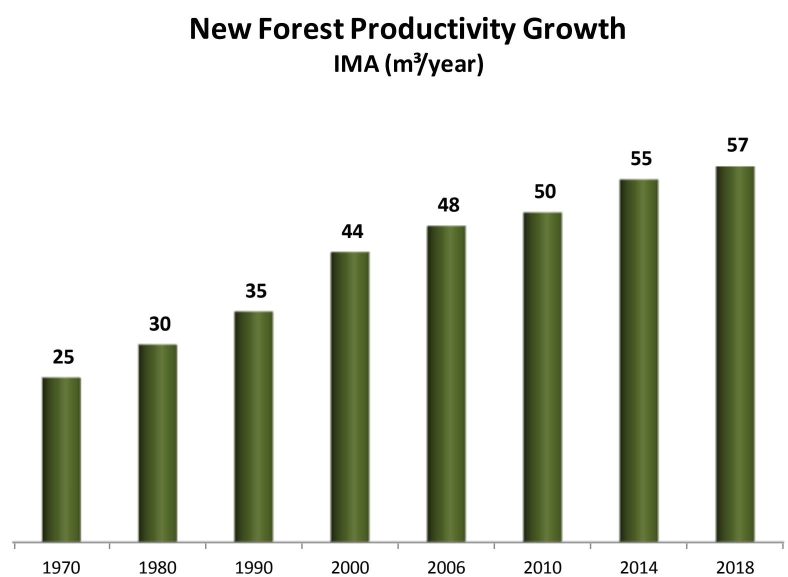
Source: ABRAFATI and * Eucatex Estimate

Sustainability

73 eucalyptus plantations, totaling 45,800 hectares

Average Radius	
Salto	Botucatu
94 km	38 Km

Newly Planted Forests				
2007	2008	2009	2010	2011
5,400 ha	4,500 ha	2,040 ha	4,080 ha	5,036 ha



New Mechanized Harvesting System

- *Substitution of chainsaws;*
- *Increased productivity;*
- *Decreased raw material costs; and*
- *Benefits for the environment and surrounding rural communities by decreasing impacts of activities.*

Eucatex reaffirms its Green Seal certification and celebrates its employees' commitment to sustainability.

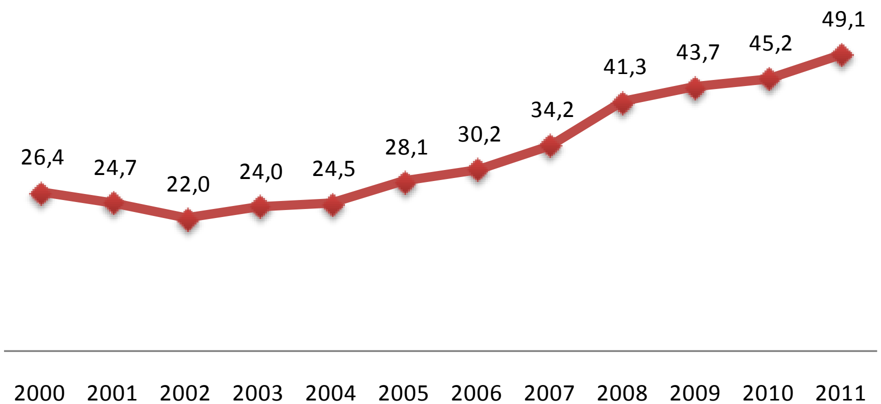
Recycling Unit – Guaranteed Sustainability and Possibility to Develop New Products

Total Processing Capacity			Processed Volume in Metric Tons		
Ton/Year	Equal to		2009	2010	2011
	Trees	Forests			
240,000 tons	2 million/ year	1,500 ha	109,000 tons	101,000 tons	89,400 tons

Gains in the Purchase of Wood				
Market Wood*	Recycled	Variation	Consumption - dry metric tons	Gain
R$210.60 ton/dry	R$13353 ton/dry	R$77.07 ton/dry	56,950	R$5,021,200

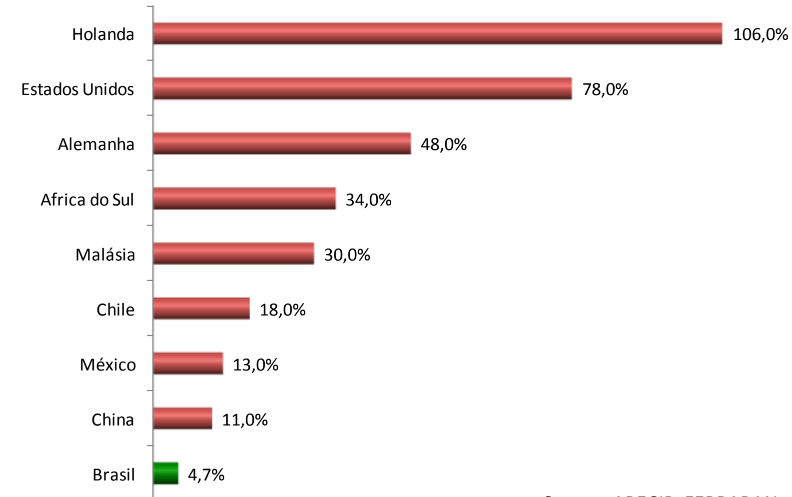
* Chip Production Volume

Evolution of Real Estate Credit as a % of GDP



Fonte: Bacen

Real Estate Credit as a % of GDP



Source: ABECIP, FEBRABAN e BACEN

Analysis of Real Estate Credit

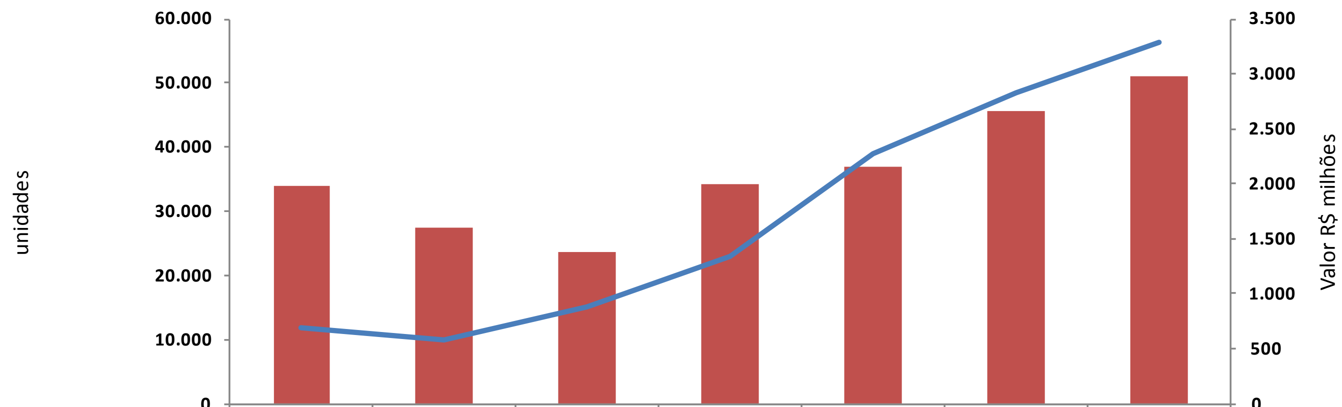
- The rate of demographic growth will decrease in the next 12 years , from 1.3% to 0.6% p.a., however, the number of people over 26 years of age, as a percentage of the total population, should increase from 55% to 63%. As a result, the rate of family growth in this period should be approximately 3 times greater than the rate of population growth.
- Between 2000 and 2010, the number of households in Brazil increased from 45 million to 56 million, up by 1.1 million per year. An FGV survey shows that between 2010 and 2022, Brazil should see average household growth of 1.9 million per year; [1]
- Real estate credit in Brazil, which accounted for 4.7% of GDP in 2011, should reach 11% in 2014.[2]

Sources: [1] Secovi - 2. ABECIP SEMINAR – Overview of Real Estate Market Opportunities and Challenges

[2] Brazilian Central Bank and Abecip (Brazilian Association of Real Estate Credit and Savings Entities)

Indicators

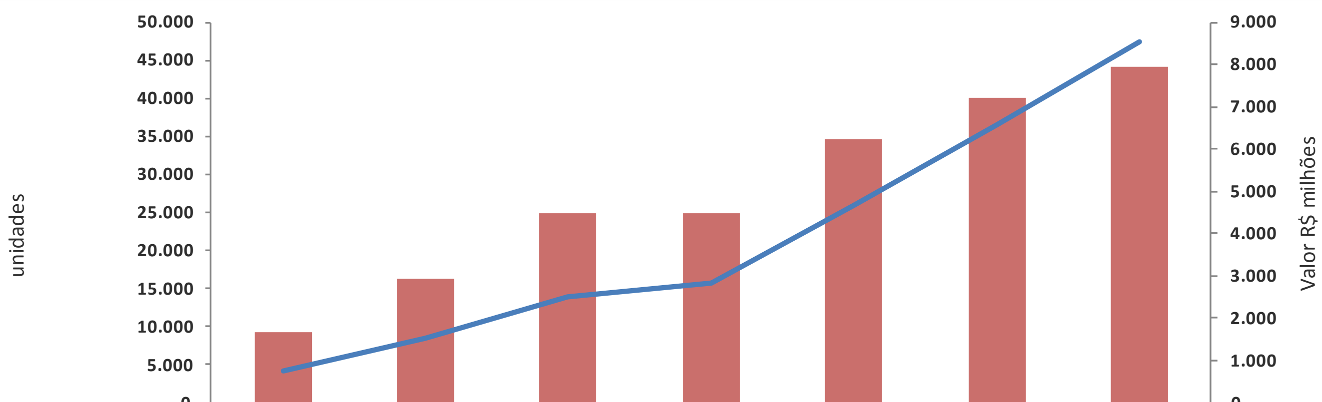
Real Estate Financing Granted (FGTS)



	2006	2007	2008	2009	2010	2011	2012
Unidades - FGTS	33.993	27.493	23.550	34.200	37.040	45.490	51.011
R$ milhões - FGTS	696	577	880	1.334	2.270	2.830	3.288

Source: CEF e CBIC

Real Estate Financing Granted (SBPE)

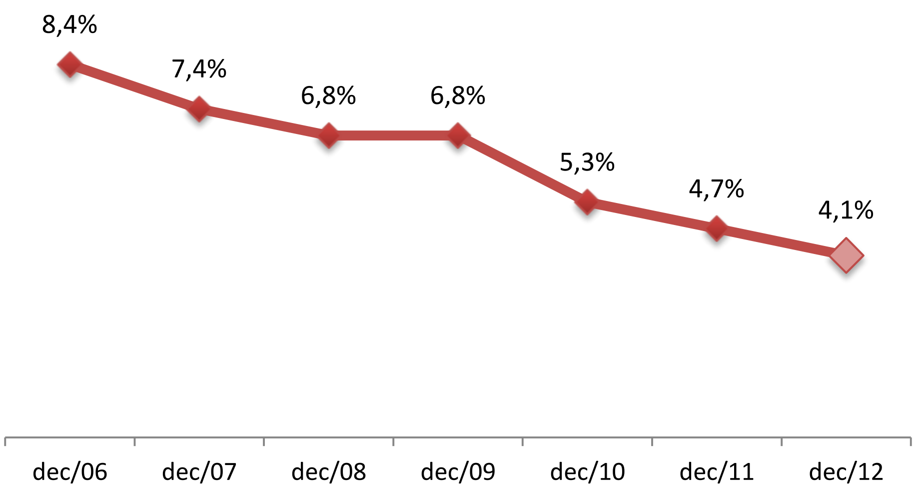


	2006	2007	2008	2009	2010	2011	2012
Unidades - SBPE	9.332	16.238	24.874	24.814	34.696	40.052	44.057
R$ milhões - SBPE	771	1.521	2.498	2.832	4.666	6.568	8.515

Font: CEF e CBIC

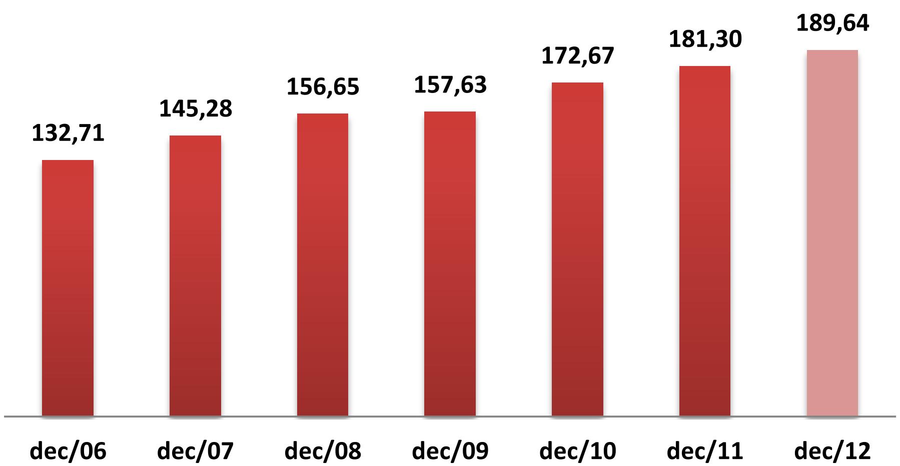
Indicators

Unemployment Rate



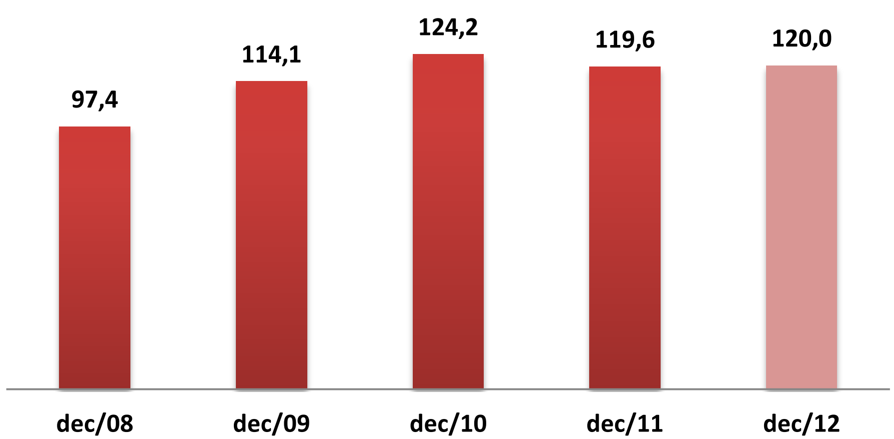
Source: IBGE

Real Wage Bill (2005 Index=Base 100)



Source: IBGE

Consumer Confidence Index



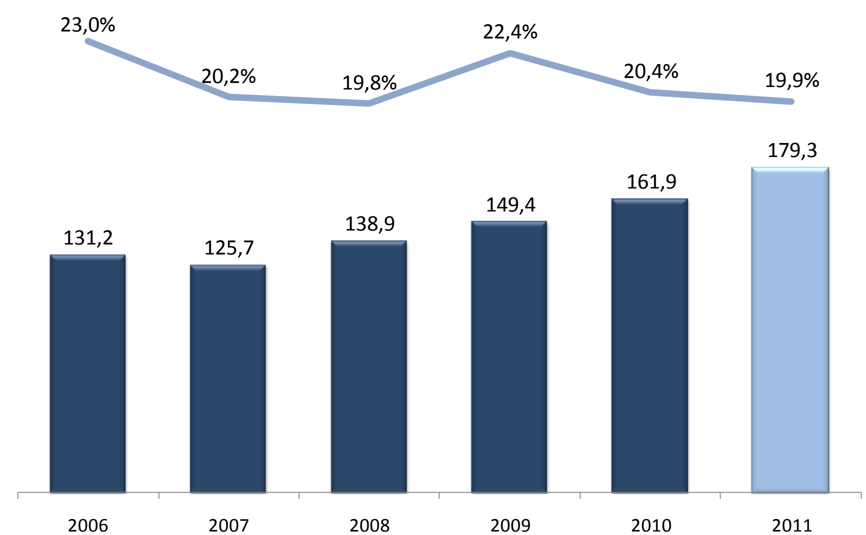
Source: FGV

eucatex

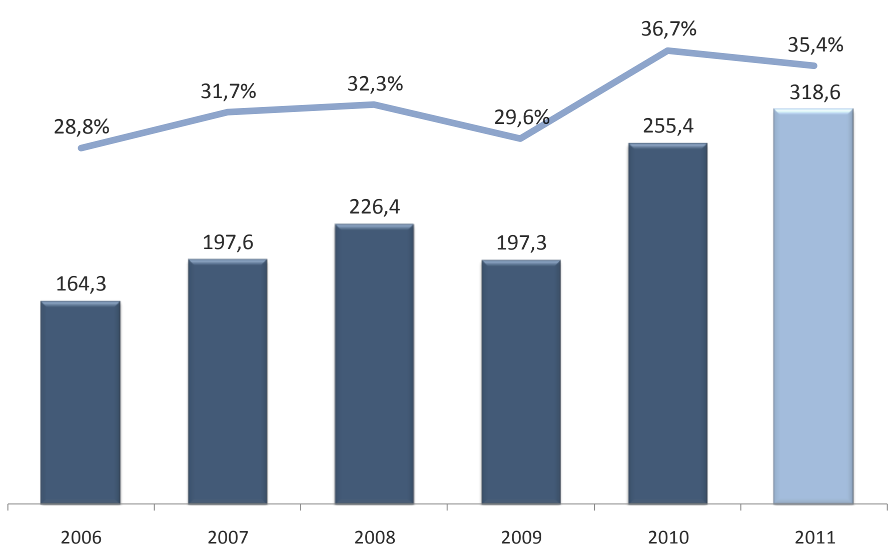
Financial Data

Net Revenue / Employee (R$)

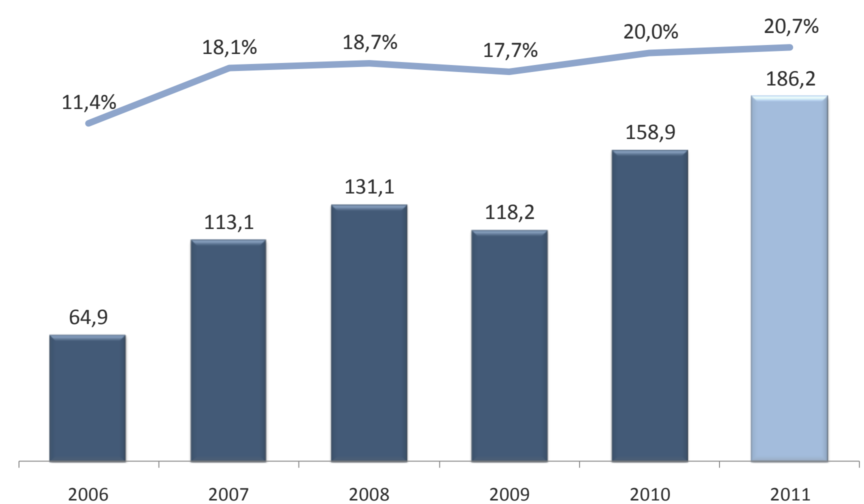
SG&A (R$ million) and SG&A / Net Revenue (%)



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



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



Financial Data

Highlights (R$ MM)	4Q11	A.V. %	4Q10	A.V. %	Var. (%)	2011	A.V. %	2010	A.V. %	Var. (%)
Net Revenues	**232.5**	***100.0%***	**214.3**	***100.0%***	***8.5%***	**899.1**	***100.0%***	**794.0**	***100.0%***	***13.2%***
Cost of Goods Sold	11.7	*5.0%*	9.9	*4.6%*	*-17.9%*	43.6	*4.9%*	36.1	*4.5%*	*-20.9%*
Gross Profit	(160.8)	*-69.2%*	(147.3)	*-68.7%*	*9.2%*	(624.2)	*-69.4%*	(538.6)	*-67.8%*	*15.9%*
Operating Expenses	**83.4**	***35.9%***	**76.9**	***35.9%***	***8.4%***	**318.6**	***35.4%***	**291.5**	***36.7%***	***9.3%***
Gross Margin (%)	***35.9%***		***35.9%***		***0 p.p.***	***35.4%***		***36.7%***		***-1.3 p.p.***
Administrative Expenses	(13.4)	*-5.7%*	(12.5)	*-5.9%*	*6.6%*	(48.8)	*-5.4%*	(44.3)	*-5.6%*	*10.1%*
Comercial Expenses	(35.1)	*-15.1%*	(32.7)	*-15.3%*	*7.4%*	(130.5)	*-14.5%*	(117.7)	*-14.8%*	*10.9%*
Others Operational Costs	(0.7)	*-0.3%*	1.3	*0.6%*	*-157.6%*	(7.0)	*-0.8%*	(11.0)	*-1.4%*	*-36.5%*
EBITDA	**55.9**	***24.1%***	**35.7**	***16.7%***	***56.5%***	**210.4**	***23.4%***	**208.8**	***26.3%***	***0.8%***
EBITDA Margin (%)	***24.1%***		***16.7%***		***7.4 p.p.***	***23.4%***		***26.3%***		***-2.9 p.p.***
Recurring EBITDA	**46.0**	***19.8%***	**43.3**	***20.2%***	***6.2%***	**186.2**	***20.7%***	**158.9**	***20.0%***	***17.2%***
EBITDA Margin (%)	***19.8%***		***20.2%***		***-0.4 p.p.***	***20.7%***		***20.0%***		***0.7 p.p.***
Net Financial Results	(9.4)	*-4.0%*	(11.5)	*-5.4%*	*-18.7%*	(58.8)	*-6.5%*	(32.8)	*-4.1%*	*-79.1%*
Non-Recurring Results	9.9	*4.3%*	(7.6)	*-3.5%*	*230.1%*	24.3	*2.7%*	49.9	*6.3%*	*-51.4%*
Provisions for taxes	2.6	*1.1%*	6.1	*2.8%*	*57.9%*	(9.7)	*-1.1%*	(15.7)	*-2.0%*	*38.5%*
Net Icome	**37.2**	***16.0%***	**19.9**	***9.3%***	***86.9%***	**88.2**	***9.8%***	**120.0**	***15.1%***	***-26.5%***

Highlights and Comments

- Net revenue reached R$899.1 million in 2011, up by 13.2% on 2010;
- EBITDA of R$186.2 million in 2011, up by 17.2% on the 2010 total of R$158.9 million. The EBITDA margin stood at 20.7% in 2011, expanding 0.7 p.p. from 20.0% in 2010;
- Selling and administrative expenses corresponded to 19.9% of net operating revenue in 2011, down by 1.1 p.p. from 21.0% in 2010; and
- Under "Non-Recurring Results," in 2011, the Company recorded the reversal of tax contingencies in the amount of R$24.3 million and in 2010, the sale of the Santa Luzia farm, in the city of Itu/SP, in the amount of R$49.9 million.

CAPEX

Investments Planned for 2011

New Laminated Flooring Line – Botucatu/SP	
Capacity	Forecast
500,000 m² / month	1Q12

Paint Line – Salto/SP	
Capacity	Forecast
2.4 million m² / month	Installed!

Low Pressure Press Line – Salto/SP	
Capacity	Forecast
600,000 m² / month	Installed!

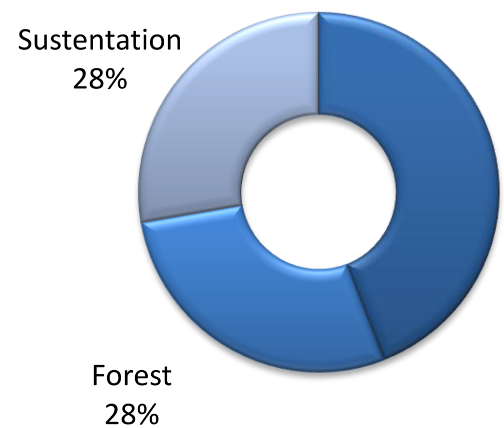
Doors and Fiberboards Line – Salto/SP	
Capacity	Forecast
300,000 pieces / month	1Q12

New Paint Plant – Ribeirão/PE	
Capacity	Forecast
444,000 gallons / month	3Q12

- Expansion of Recycled Material Cleaning Capacity of the Recycling Line
- Additional Equipment for T-HDF/MDF
- Forest and Production Sustainability

Investments in 2011

	R$ Million	%
1Q11	37.3	25%
2Q11	37.5	26%
3Q11	44.2	30%
4Q11	27.6	19%
Total	**146.7**	

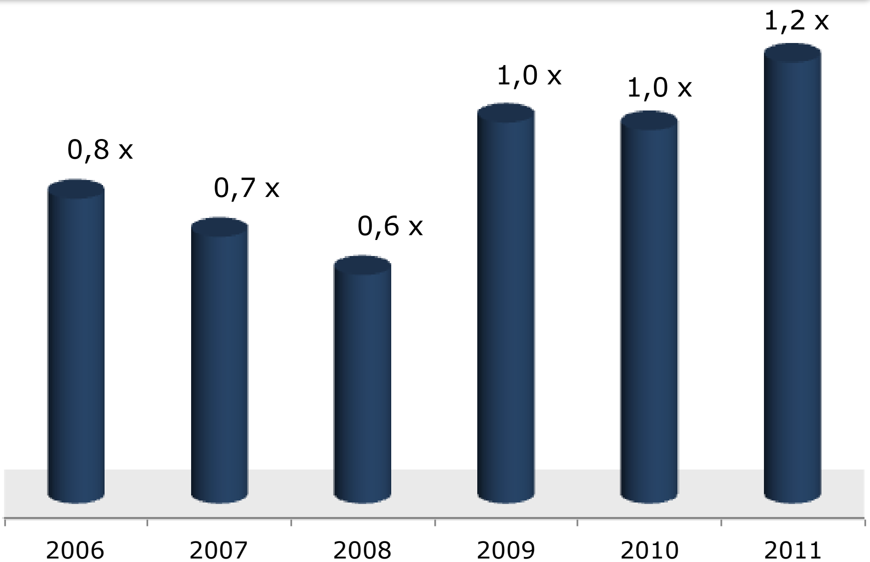


2012 CAPEX
R$90 million

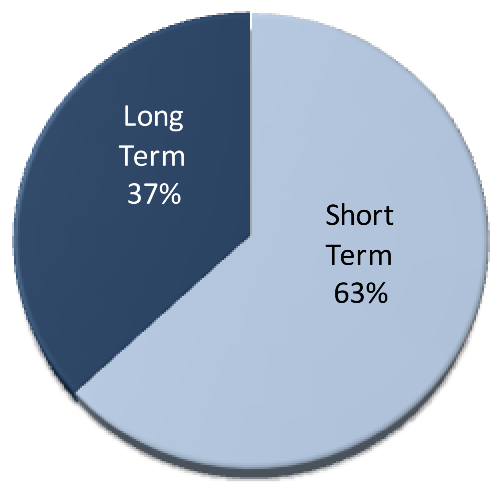
Debt

Debt (R$ Million)	2011	2010	Var. (%)
Short Term Debt	146.7	100.7	45.6%
Long Term Debt	85.9	60.4	42.1%
Gross Debt	**232.6**	**161.2**	**44.3%**
Cash and Cash Equivalents	17.0	7.8	117.2%
Net Debt	**215.5**	**153.3**	**40.6%**
% Short Term Debt	*63%*	*62%*	*0.6 p.p.*
Net Casth (Debt)/EBITDA	**1.2**	**1.0**	**20.0%**

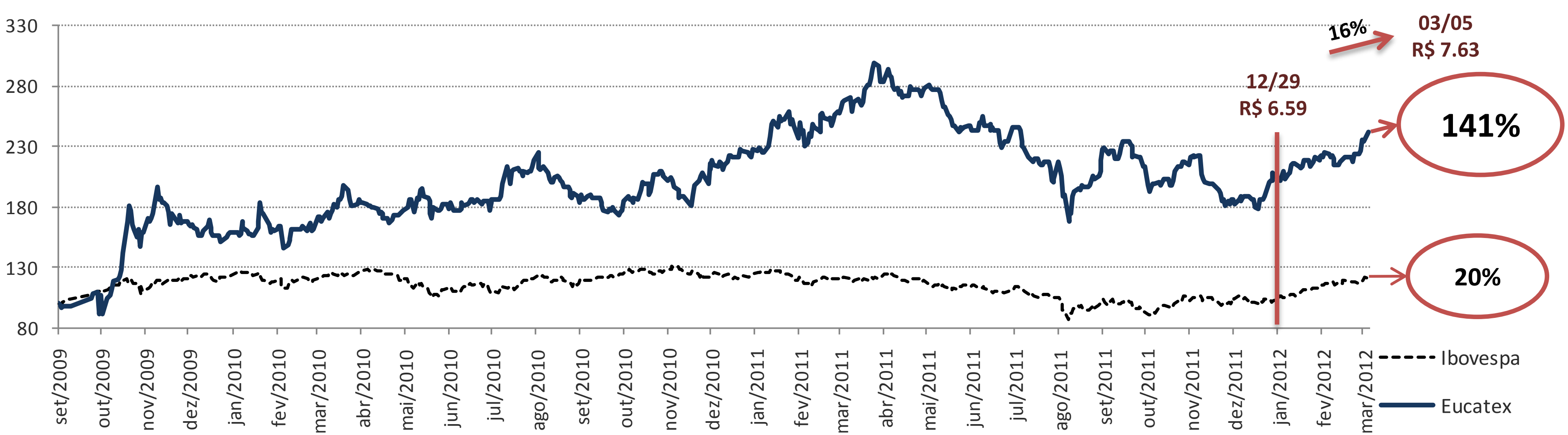
Net Debt x EBITDA



Debt Profile



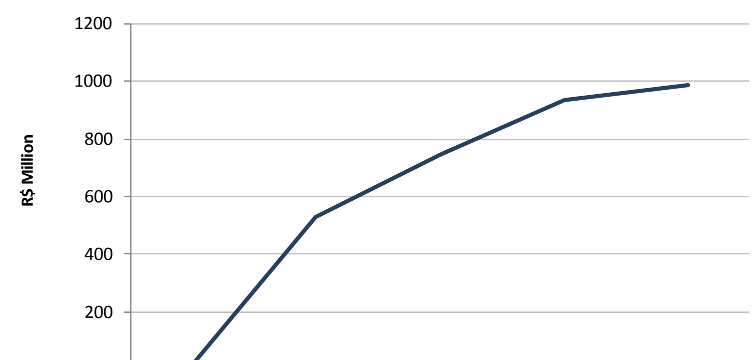
EUCA4 x IBOVESPA (Base 100)



Ratios

Market Value / Book Value per Share	0.6
Market Cap / EBITDA	3.3
EV / EBITDA	4.4
SE	6.9

Shareholders' Equity Trends



	sep/06	dez/08	dez/09	dez/10	set/11
Shareholders Equity R$ million	13.7	531.3	746.9	936.9	985.9
Book Valueper Share R$	0.15	5.75	8.08	10.14	10.67

NÍVEL 1 BM&FBOVESPA

Índice de Ações com Governança Corporativa Diferenciada IGC

3rd APIMEC-SP

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Disclaimer

This presentation includes forward-looking statements concerning the business prospects, projections and operating and financial targets of Eucatex S.A. Indústria e Comércio, which are based on the beliefs and assumptions of management and on the information currently available to the Company.

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

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