

3Q13 Results

November 7, 2013



eucatex

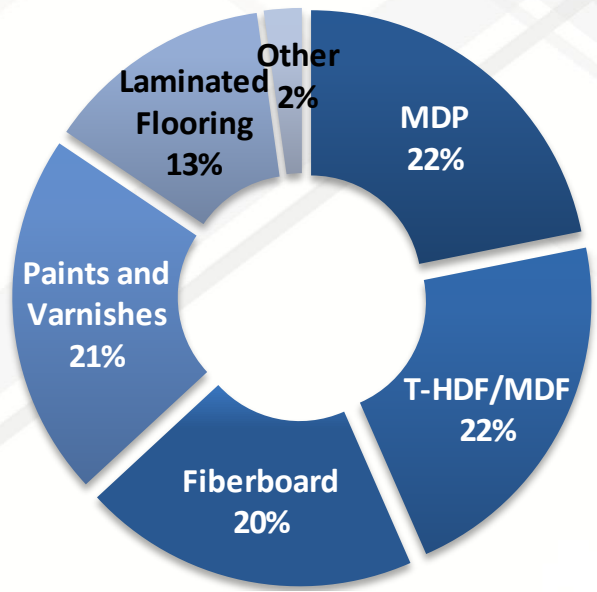


3Q13 General Highlights

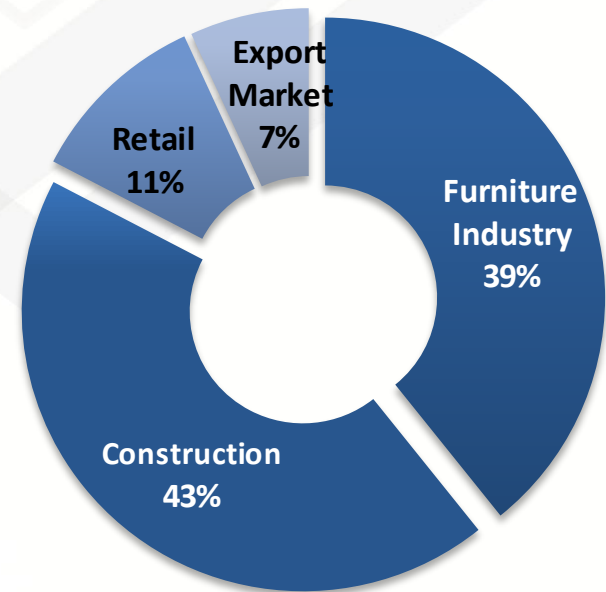
- ▶ **Net Revenue** - R\$ 292.9 million, up 17.5%
- ▶ **Recurring EBITDA** - R\$ 60.7 million, up 22.9%
- ▶ **EBITDA Margin** - 20.7%, up 0.9 p.p.
- ▶ **Net Income** - R\$ 35.1 million, up 45.1%



By Product



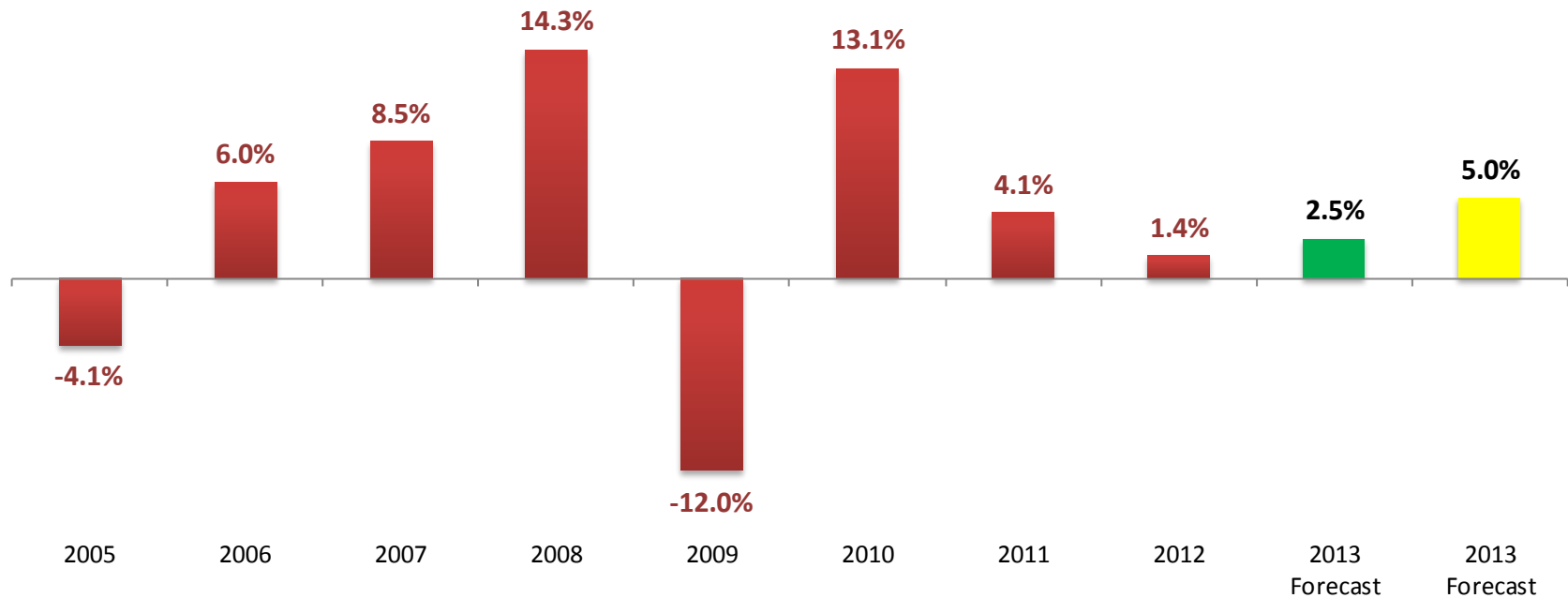
By Segment



ABRAMAT Outlook for 2013

- ✓ Growth of 2.5% in 2013 and 4.0% to 5.0% in 2014.
- ➔ Growth above GDP;
- ➔ Upturn in real estate market;
- ➔ 71% of companies in the sector will maintain their investment plans for 2014; and
- ➔ Still positive indicators: Real Wage Bill and Free Credit to Individuals.

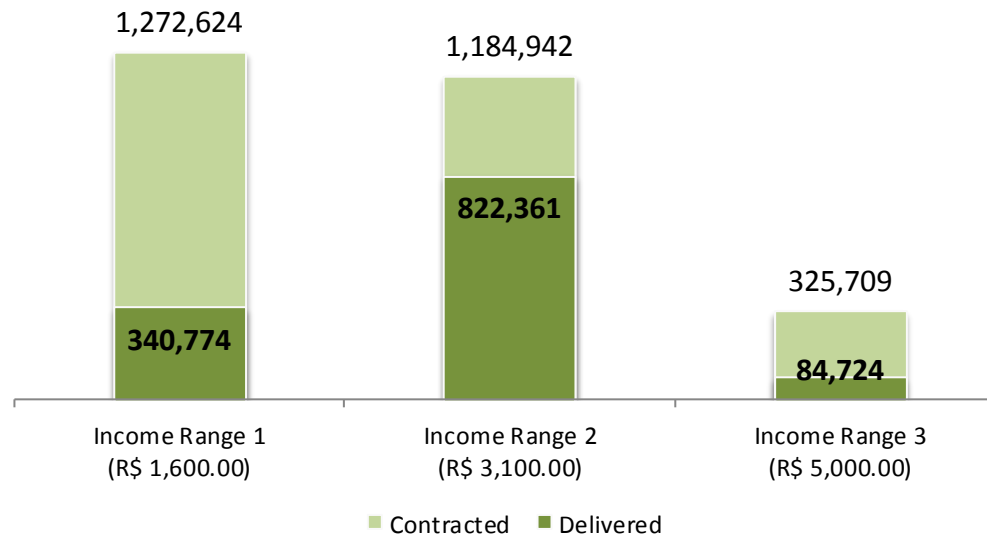
ABRAMAT Index - Domestic Market



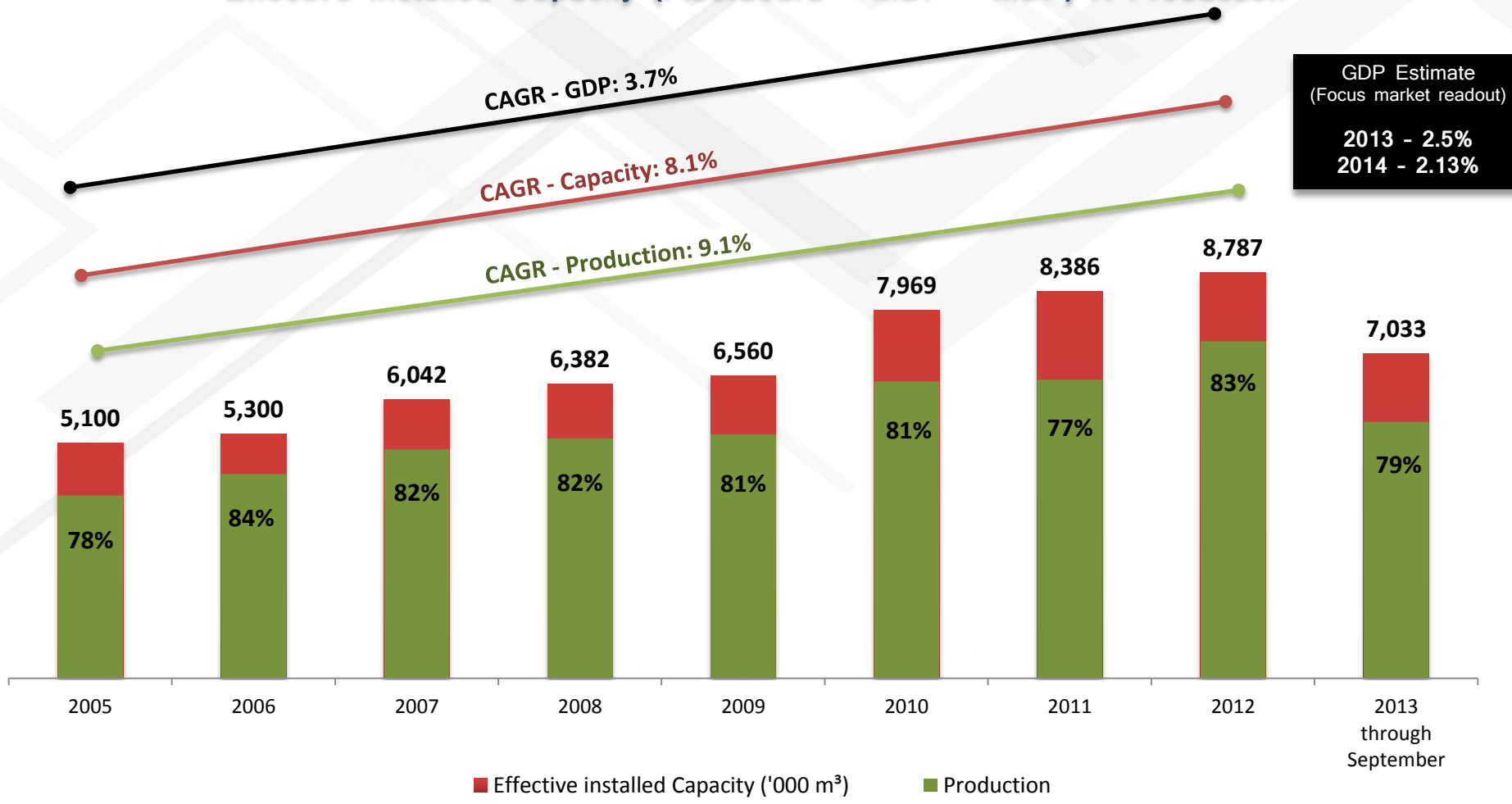
MINHA CASA MINHA VIDA Housing Program

- ✓ Target of 3.75 million houses by 2014
- ✓ Household income of up to R\$ 5,000.00
- ✓ 2.8 million houses contracted and investments of R\$ 177.5 billion - 75% of the target met
 - ➔ 1st Phase - 1 million houses
 - ➔ 2nd Phase - 1.7 million houses

45% of Contracted Houses have been Delivered - 1,247,859



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



2013 Capacity
9,377,000 m³

- ✓ 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**, the program should help **sales of furniture and home appliances grow 5.7% in 2013 and 7.0% in 2014**

Estimated Funds Injected by the Program into the Retail Sector



Source: Tendências Consultoria

Initial list of items that could be purchased

FURNITURE	MAX. RETAIL PRICE
Wardrobe	R\$ 380.00
Double bed (with or without mattress)	R\$ 370.00
Single bed (with or without mattress)	R\$ 320.00
Table with chairs	R\$ 300.00
Couch	R\$ 370.00

CURRENT LIST - After revision in October 2013

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

Net Revenue

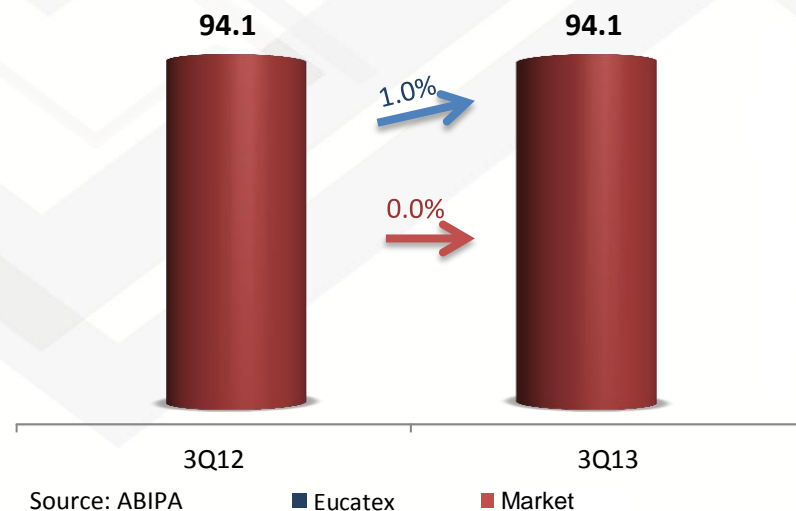
3Q12	3Q13	Var
R\$ 50.2 million	R\$ 57.6 million	14.8%

Installed Capacity Utilization

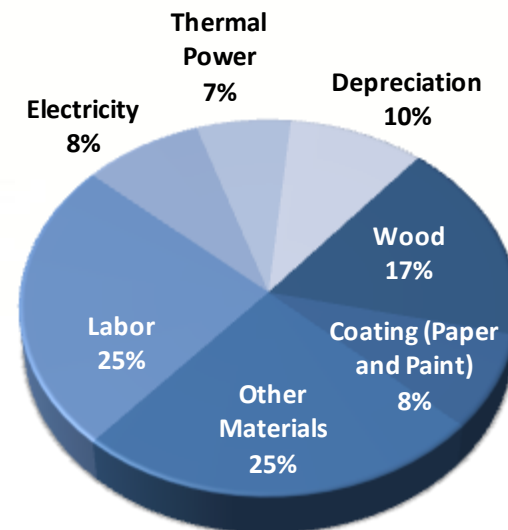


- Total Capacity - 240,000 m³ / year

Total Market ('000 m³)



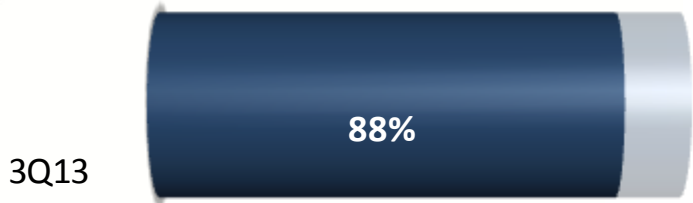
Breakdown of Costs



Net Revenue

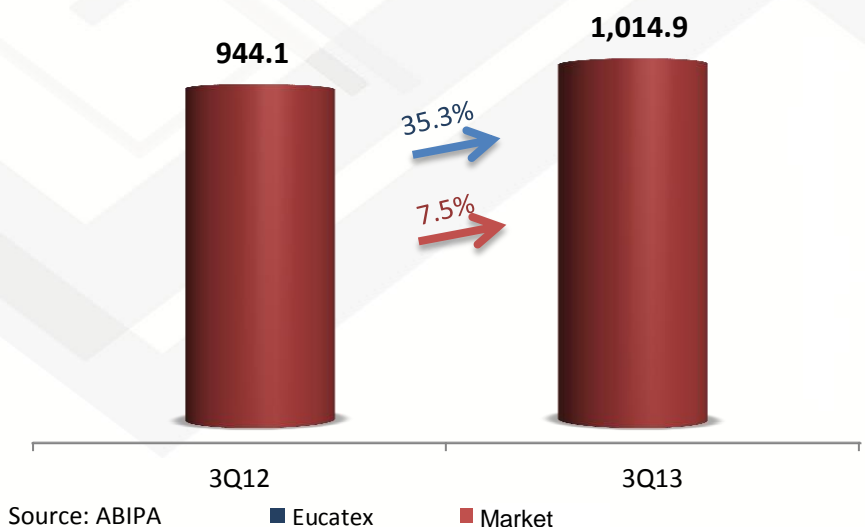
3Q12	3Q13	Var
R\$ 49.1 million	R\$ 63.2 million	28.8%

Installed Capacity Utilization

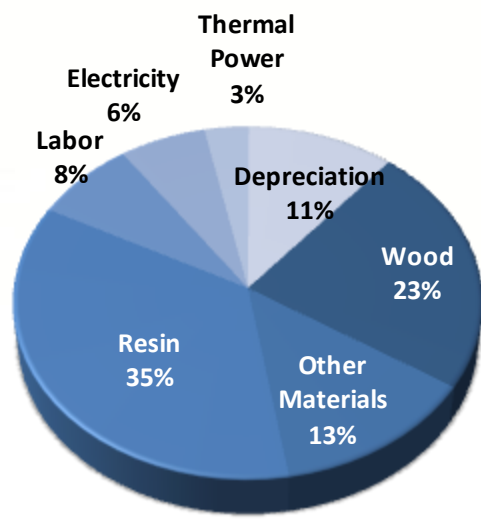


■ Total Capacity - 275,000 m³ / year

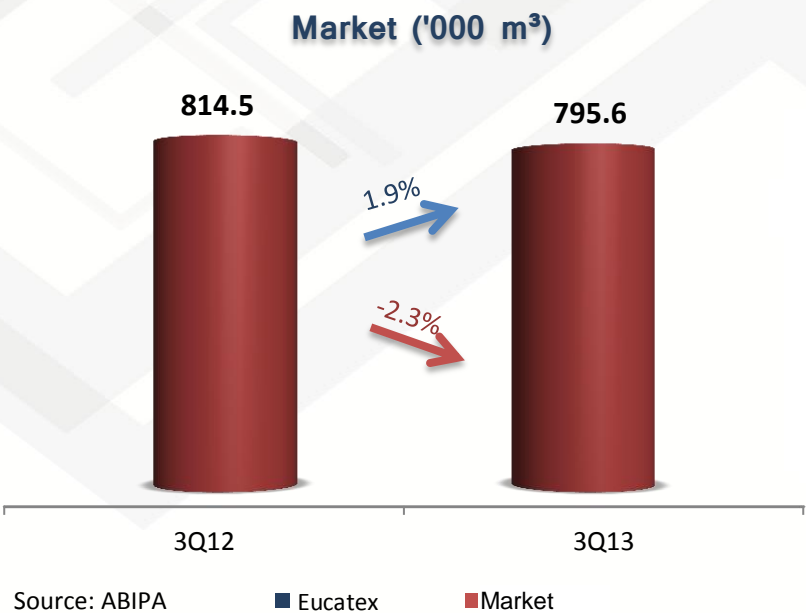
T-HDF + MDF Market ('000 m³)



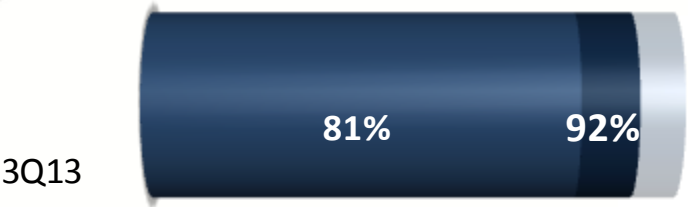
Breakdown of Costs



Net Revenue		
3Q12	3Q13	Var
R\$ 57.8 million	R\$ 64.0 million	10.6%

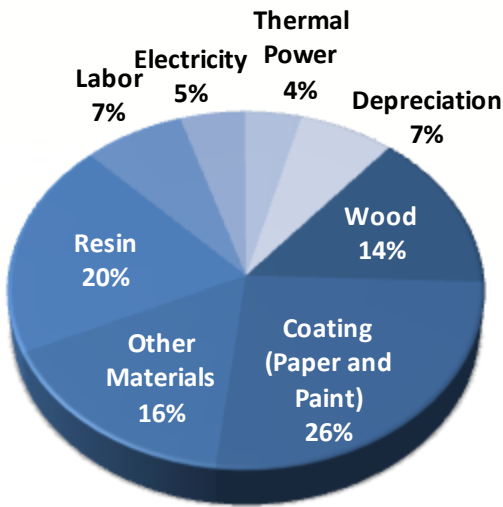


Installed Capacity Utilization



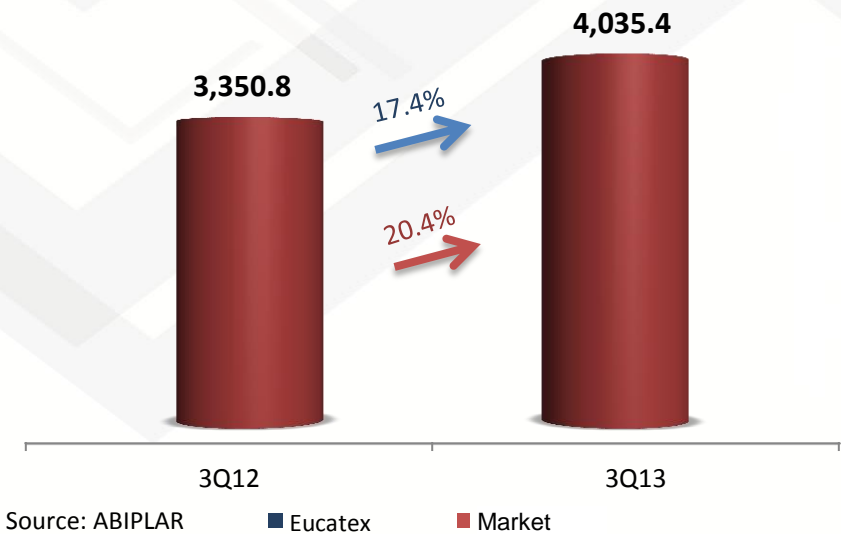
- Capacity - 430,000 m³ / year

Breakdown of Costs



Laminated Flooring

Market ('000 m²)

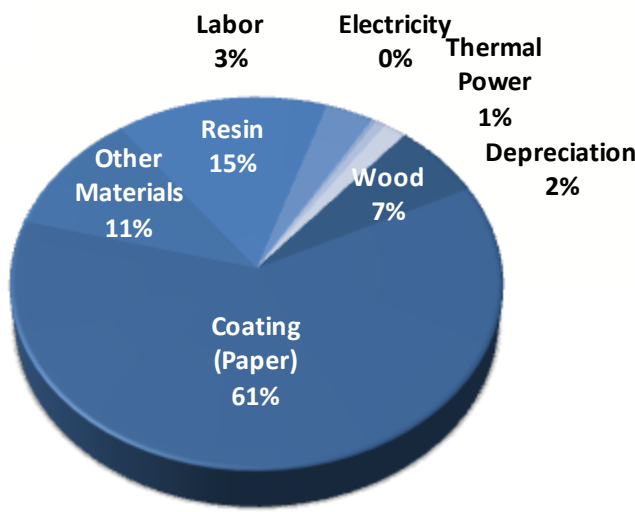


Installed Capacity Utilization



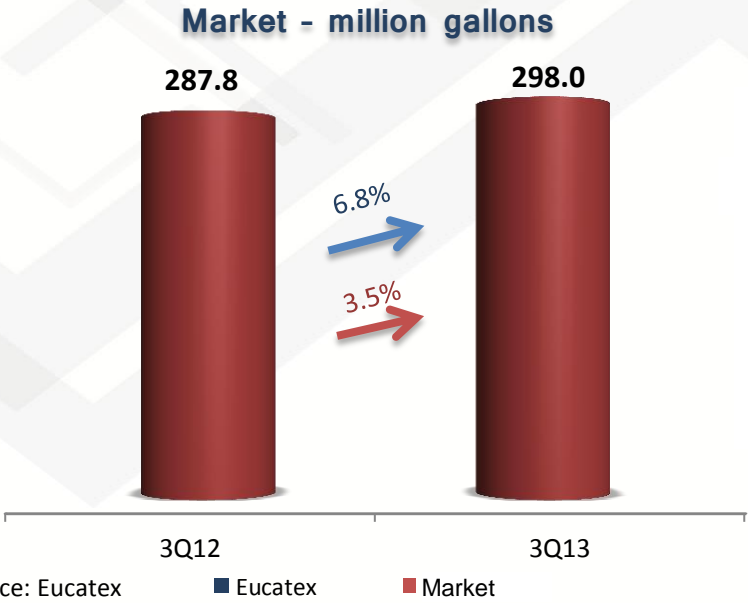
▪ Total Capacity - 12 million m² / year

Breakdown of Costs

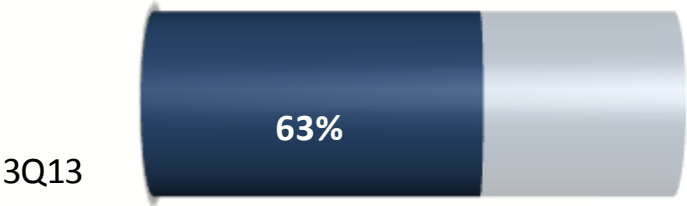


Paints and Varnishes

Net Revenue		
3Q12	3Q13	Var
R\$ 54.3 million	R\$ 62.5 million	15.0%

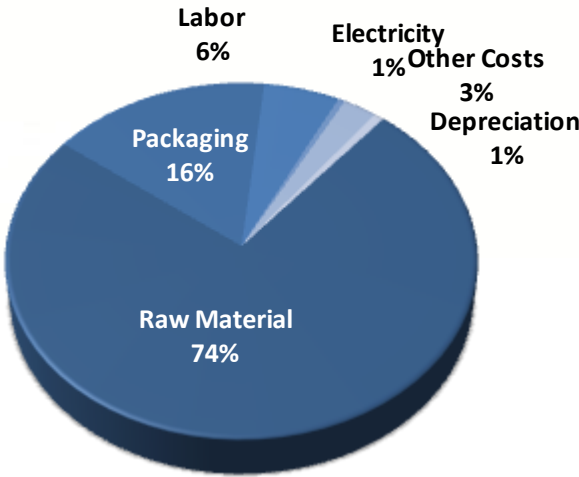


Installed Capacity Utilization



- Total Capacity - 36 million gallons / year

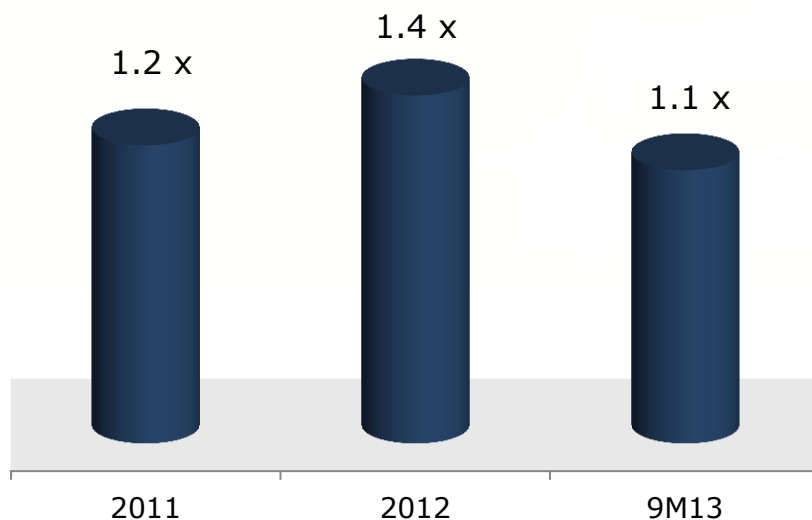
Breakdown of Costs



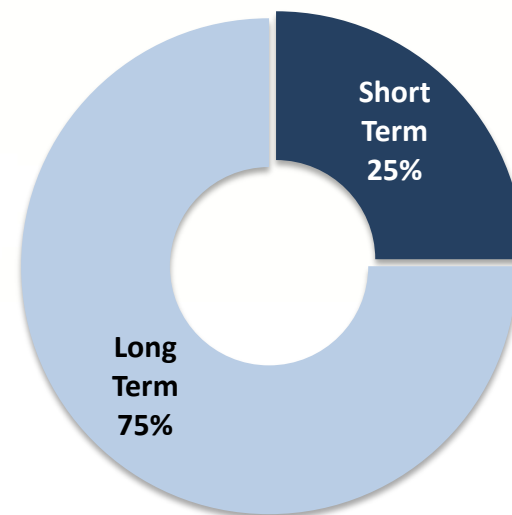
Highlights (R\$ million)	3Q13	V.A. %	3Q12	V.A. %	Var. (%)	9M13	V.A. %	9M12	V.A. %	Var. (%)
Net Revenue	292.9	100.0%	249.2	100.0%	17.5%	825.1	100.0%	698.7	100.0%	18.1%
Fair value of biological assets	10.6	3.6%	9.7	3.9%	-8.7%	32.9	4.0%	31.9	4.6%	-3.1%
Cost of products sold	(206.0)	-70.3%	(177.7)	-71.3%	15.9%	(582.2)	-70.6%	(500.3)	-71.6%	16.4%
Gross income	97.4	33.3%	81.2	32.6%	20.0%	275.9	33.4%	230.3	33.0%	19.8%
Gross Margin (%)	33.3%		32.6%		0.7 p.p.	33.4%		33.0%		0.5 p.p.
Administrative expenses	(12.5)	-4.3%	(12.6)	-5.1%	-0.5%	(38.2)	-4.6%	(36.3)	-5.2%	5.0%
Selling expenses	(40.8)	-13.9%	(32.9)	-13.2%	24.1%	(113.4)	-13.7%	(100.7)	-14.4%	12.6%
Other operating income and expenses	(2.1)	-0.7%	(1.4)	-0.5%	-53.2%	(5.1)	-0.6%	0.0	0.0%	-44602.5%
EBITDA adjusted by non-cash events	55.9	19.1%	62.1	24.9%	-10.0%	172.2	20.9%	161.3	23.1%	6.7%
EBITDA Margin (%)	19.1%		24.9%		-5.8 p.p.	20.9%		23.1%		-2.2 p.p.
Adjusted Recurring EBITDA	60.7	20.7%	49.4	19.8%	22.9%	173.0	21.0%	135.2	19.3%	28.0%
Adjusted Recurring EBITDA Margin (%)	20.7%		19.8%		0.9 p.p.	21.0%		19.3%		1.6 p.p.
Net financial result	1.5	0.5%	(11.6)	-4.7%	112.8%	(26.8)	-3.3%	(45.7)	-6.5%	41.3%
Non-recurring results	(4.8)	-1.7%	12.7	5.1%	-138.2%	(0.8)	-0.1%	26.2	3.7%	-103.0%
Income and social contribution taxes	(3.5)	-1.2%	(11.3)	-4.5%	-69.3%	(11.3)	-1.4%	(19.9)	-2.9%	-43.3%
Net Income	35.1	12.0%	24.2	9.7%	45.1%	80.3	9.7%	53.9	7.7%	49.0%

Debt (R\$ Million)	9M13	9M12	Var. (%)	2012	Var. (%)
Short Term Debt	137.5	132.0	4.1%	146.9	-6.4%
Long Term Debt	129.4	135.8	-4.7%	126.9	2.0%
Gross Debt	266.9	267.8	-0.3%	273.8	-2.5%
Cash and Cash Equivalents	12.1	7.3	65.9%	6.9	74.9%
Net Debt	254.8	260.5	-2.2%	266.9	-4.5%
% Short Term Debt	52%	49%	2.2 p.p.	54%	-4.0%
Net Debt/EBITDA	1.1	1.3	-16.2%	1.4	-23.7%

Net Debt / EBITDA

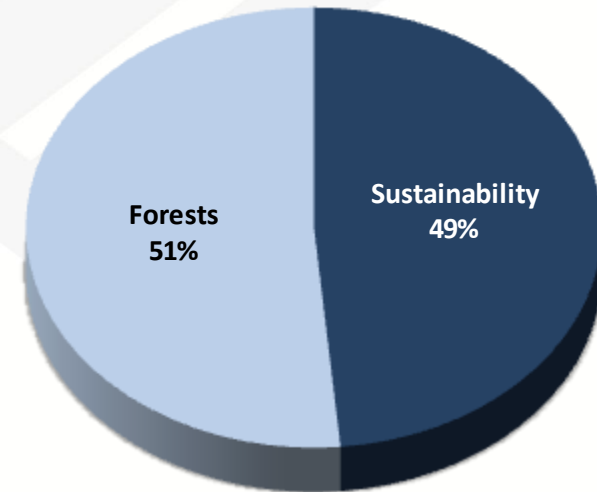


Debt Profile after Lengthening



Capex in 3Q13

R\$ 27.2 million



Ancillary equipment for T-HDF/MDF

Sustainability - Production

Sustainability - Forests

Capex for 2013
R\$ 100 million

74 farms with
eucalyptus
plantations totaling
45,800 hectares

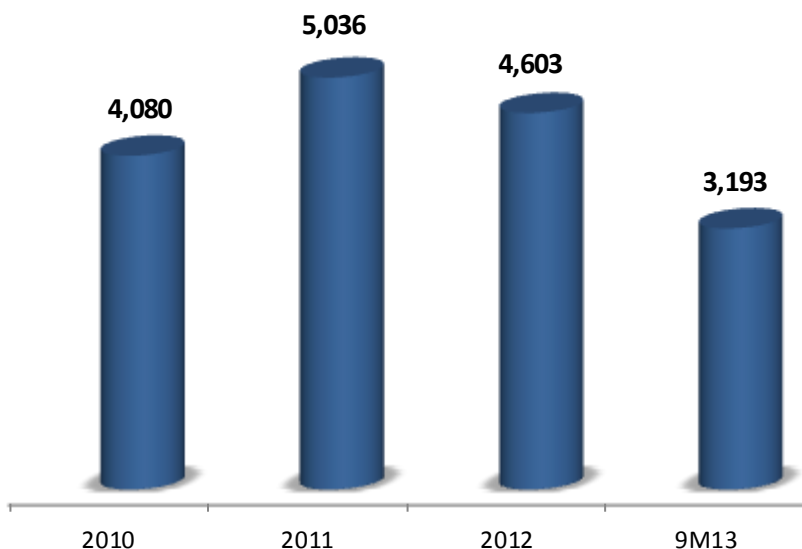
Average Radius

Salto	Botucatu
161 km	31 Km

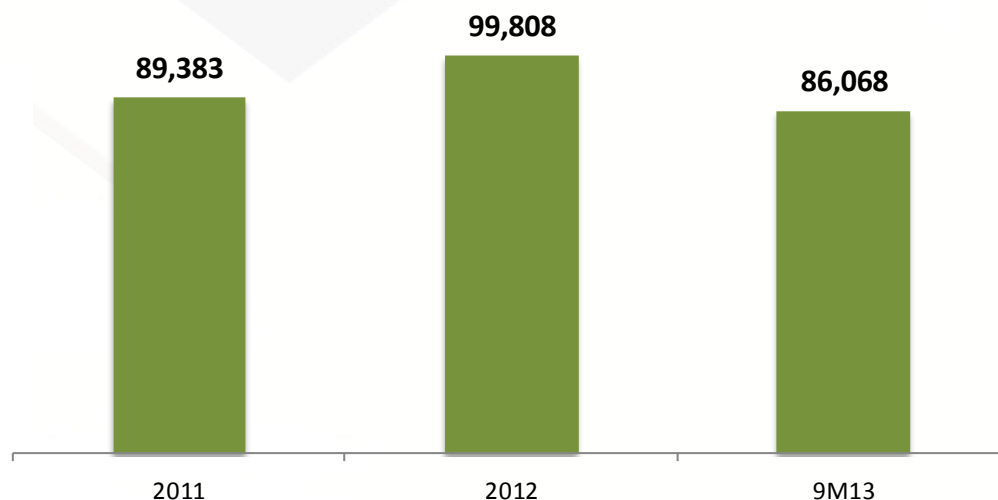
Total Processing Capacity - Recycling

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\$ 149.12 ton/dry	R\$ 61.48 ton/dry	73,157	R\$ 4,497.57 thousand

* Wood chips - CIF

IR Contacts

José Antonio G. de Carvalho
Executive VP and IRO

Sergio Henrique Ribeiro
Controller

Waneska Bandeira
Investor Relations

(55 11) 3049-2473

ri@eucatex.com.br

www.eucatex.com.br/ri

