EUCATEX reports 1Q09 results: Gross revenue of R$ 189.4 million, EBITDA of R$ 30.9 million, EBITDA margin of 20.2%

São Paulo, May 13, 2009. Eucatex (Bovespa: EUCA3 and EUCA4; Bloomberg: EUCA3 BZ and EUCA4 BZ), one of the largest manufacturers of hardboard and medium density particleboard (MDP) in Brazil, with operations also in the segments of paint and varnish, laminate flooring, partitions, profiles, doors, roofing, mineral products and agricultural substrate, announces its results for the first quarter of 2009 (1Q09). Except where stated otherwise, the financial and operating information herein is audited and presented on a consolidated basis in Brazilian real (R$), in accordance with Brazilian Corporate Law, and all comparisons refer to the first quarter of 2008 (1Q08).

Highlights

- **Gross Revenue** came to **R$ 189.4 million** in the quarter, **10.9%** higher than in 1Q08 and 12.5% lower than in 4Q08.
- Domestic wood panel sales contracted by 8.6% on 1Q08, while **Export Revenue increased by more than 170%.** Meanwhile, the **Paint** segment registered **growth of 11.6%**.
- **Gross Margin** stood at **38.1%** in **1Q09**, expanding by 5.0 p.p. from the same quarter last year.
- **EBITDA and EBITDA Margin** in 1Q09 were **R$ 30.9 million and 20,2%**, respectively, declining by 14,2% and 0,5 p.p. in relation to 1Q08.

4Q08 Highlights (R$ MM)	*1Q09*	*1Q08*	Var. (%)
Net Revenue	*152.8*	*174.3*	-12.3%
Gross Profit	*58.2*	*57.7*	0.7%
Gross Margin (%)	*38.1%*	*33.1%*	*4.9 p.p.*
EBITDA	*30.9*	*36.1*	-14.2%
EBITDA Margin (%)	*20.2%*	*20.7%*	*-0.5 p.p.*
Net Income	*8.2*	*18.9*	-56.3%
Net Debt	*81.1*	*80.9*	0.3%
Net Debt / EBITDA (LTM)	*0.7*	*0.6*	16.9%

Economic Scenario

The global economic crisis that hit Brazil in the last quarter of 2008 had a direct impact on the Company's operational sectors in the first quarter of 2009. According to estimates from the Brazilian Association of Coating Manufacturers (ABRAFATI), sales volume in the MDP industry contracted by 19.5%, while the paint segment shrank by 8%. Virtually all sectors of the economy have been affected by the crisis. This deceleration in economic activity was driven by the natural contraction in demand, as well as by the destocking trend and the uncertainties that this economic environment brought to the real economy, especially in terms of credit.

The suspension of operations intensified in December and January. However, since then, some positive signals have been observed in the broader economy as well as in the sectors in which the company operates.

Initiatives by governments, mainly the U.S. and European government, such as the massive injection of funds into the economy, the nationalization of financial institutions, the acquisition of toxic assets and the guarantee that no banks would fail, helped calm the real economy.

In Brazil, the reduction in the basic interest rate, tax relief in certain sectors such as construction (which directly or indirectly represents approximately 90% of the company's revenue) and efforts to increase liquidity in the economy, produced positive results, which were felt at the end of the first quarter of this year.

Although it is still early to know how long the crisis will last, the market is already working with a scenario of GDP growth of near zero this year, with positive growth returning only in 2010. However, sectors related to construction should benefit from the government program to stimulate the construction of 1 million homes.

In addition to enjoying the benefits of these measures to boost the building industry, the Company has allocated a larger share of its production to the export market, given its well developed base in the United States, where, because of its service, it enjoys competitive advantages and therefore better business opportunities. In the domestic market, the Company expects that its market share in the construction and furniture industries, where it offers exclusive and competitive products, will prevent the impact on its business from reaching the same intensity as in the broader economy.

2005 - 100 base

Sales Volume (Domestic Market)	1Q09	1Q08	Var. (%)	4T08	Var. (%)
Hardboard (MI)	124	124	-0.5%	106	16.6%
Hardboard (ME)	64	28	133.4%	72	-10.7%
Laminate Flooring	112	144	-22.4%	146	-23.4%
Paint	278	292	-4.8%	222	24.8%

Despite the worsening of the crisis, the company's sales volume in 1Q09 remained stable or declined by less than the overall domestic market. The exception was Laminate Flooring, which registered sharp falls in sales volume in comparison to both 1Q08 and 4Q08.

MDP domestic volume remained stable in relation to 1Q08, but posted growth of 16.6% over 4Q08.

MDP sales continued to present a favorable mix, with coated products accounting for 96% of 1Q09 sales, which is virtually in line with 1Q08. The Lacca product accounted for 29% of total sales, reflecting the excellent acceptance in the market of a unique product in terms of technology and quality. Investments made in both the low pressure finishing (BP) segment and in finish foil (FF) products have helped the Company boost sales of these products. In the coming months, Eucatex plans to launch products in both the BP and FF lines, which should strengthen its leadership position in the coated products market.

Hardboard exports expanded by 133% year on year, which is in line with the company's strategy to increase the share of the export market in its total sales.

The Laminate Flooring segment contracted by approximately 30% in January. However, this pace of deceleration has slowed so that market forecasts for growth in 2009 remain at around 6%. As in other sectors of the economy, there was a strong destocking trend in the laminate flooring industry, and by the end of the first quarter the situation was proving less critical.

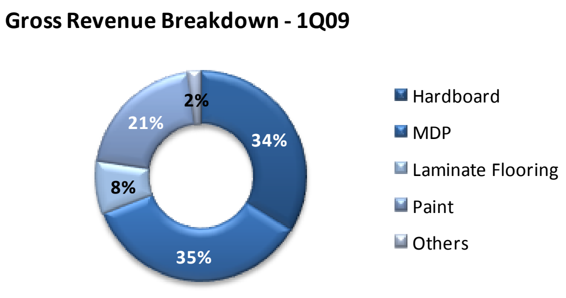
The Paint business contracted by 4.8% versus 1Q08, despite the market share gains in the period. In relation to 4Q08, the paint segment expanded by 24.8% from the previous quarter, boding well for future growth.

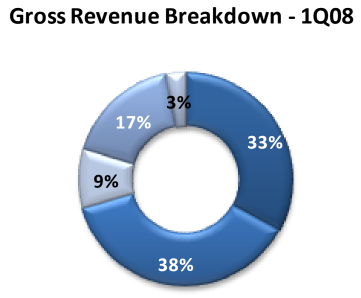
Note that in 1Q08, the Company's wood panel sales came to R$11 million, an event that did not repeat in 1Q09.

Financial Performance

Gross Revenue

Gross Revenue Breakdown (R$ MM)	1Q09	1Q08	Var. (%)	4Q08	Var. (%)
Hardboard	63.8	66.4	-3.9%	70.4	-9.4%
MDP	67.2	76.0	-11.5%	70.4	-4.5%
Laminate Flooring	15.6	18.1	-13.6%	21.6	-27.5%
Wood Segment	*146.6*	*160.4*	*-8.6%*	*162.3*	*-9.7%*
Paint Segment	*39.1*	*35.0*	*11.6%*	*42.7*	*-8.5%*
Others	3.8	17.2	-78.1%	11.4	-67.0%
Gross Revenue	**189.4**	**212.6**	**-10.9%**	**216.4**	**-12.5%**





Gross revenue declined by 10.9% year-on-year to R$ 189.4 million in 1Q09. Nevertheless, revenue from exports and the paint segment registered positive growth, even with the lower volumes in the period.

Cost of Goods Sold (COGS)

COGS fell by 18.8% in relation to 1Q08, due to the reduction in sales volume as well as to the lower prices of certain raw materials and the declines in fixed costs. Expenses decreased by approximately 12% year on year. With the arrival of the crisis, the company adopted a program to cut expenses that involved all levels of its organization, which generated positive results.

Gross Profit and Gross Margin

Despite the reduction in net revenue of 12.3% in relation to 1Q08 and of 12.7% compared to 4Q08, gross profit grew by 0.7% and 0.4% over the same periods, respectively, totaling R$ 58.2 million in the quarter.

Gross margin expanded by 5.0 p.p. year on year, from 33.1% in 1Q08 to 38.1% in 1Q09, driven by the reductions in fixed and raw material costs, as mentioned previously.

Operating Expenses

Operating Expenses Distribution	1Q09	1Q08	Var. (%)	4Q08	Var. (%)
Sales	(22.6)	(21.9)	3.0%	(23.5)	-3.8%
General and Administration	(10.2)	(10.2)	-0.3%	(11.4)	-10.1%
Others Operating Revenues and Expenses	(5.4)	(0.5)	888.6%	49.3	-110.9%
Total Operating Expenses	**(38.2)**	**(32.7)**	**16.7%**	**14.4**	**-365.1%**
% Net Income	***-25.0%***	***-18.8%***	**-6.2 p.p.**	***8.2%***	**-33.2 p.p.**

Selling expenses increased by approximately 3% year on year. This was basically due to the higher sales to the export market, which has higher variable expenses than the domestic market. The reduction in expenses in relation to 4Q08 was basically due to the measures implemented to rationalize processes.

Administrative expenses decreased by 0.3% year on year and by 10.1% in relation to 4Q08, also due to the rationalization measures.

EBITDA and EBITDA margin

EBITDA Reconciliation (R$ MM)	1Q09	1Q08	Var. (%)
Net income (Loss)	8.2	18.9	-56.3%
Deferred Income and Social Distribution Taxe	1.7	6.2	-72.2%
Net Financial Income	10.0	7.4	34.6%
Depreciation and Amortization	11.0	11.1	-0.6%
Non-Recurring Income		(7.5)	
EBITDA	**30.9**	**36.1**	**-14.2%**
EBITDA Margin	**20.2%**	**20.7%**	**-0.5 p.p.**

EBITDA was R$ 30.9 million in the quarter, 14.2% lower than in 1Q08, Impacted by the lower revenue in the quarter.

EBITDA margin narrowed was 20.2%, a decline of 0.5 p.p. in relation to 1Q08.

Net Income

Net income was R$ 8.2 million in the quarter, 56.3% lower year on year, due to the following events: a) the proceeds from the sale of a farm in 1Q08, which did not recur in 1Q09; b) the higher financial expenses; c) the lower operating income.

Debt

The Company's debt at the end of the 1Q09 was equivalent to 0.7x EBITDA through 1Q09. Note that the company's long-term debt will be paid within the next nine years.

Debt (R$ Million)	1Q09	1Q08	Var. (%)
Short Term Debt	28.9	14.5	99.3%
Long Term Debt	57.6	68.1	-15.4%
Gross Debt	**86.4**	**82.6**	**4.7%**
Cash and Cash Equivalents	5.3	1.6	224.8%
Net Debt	**81.1**	**80.9**	**0.3%**
% Short Term Debt	*33%*	*18%*	*+15.0 p.p.*
Net Casth (Debt)/EBITDA	0.7	0.6	

Capex

The Company's investments in 1Q09 include:

- the new T-HDF/MDF line, with operational startup expected in late 2009. When it reaches full capacity, the line could boost the company's operations by R$ 250 million in gross revenue and R$ 90 million in cash flow, based on current prices and costs;
- the new saturation machine, which will enable cost reductions in the entire flooring and accessories line, as well as in products for the furniture industry;
- the expansion in capacity and the debottlenecking of the MDP line; and
- the expansion in capacity and the debottlenecking of the MDP line; and the planting of 1,100 hectares of forests.

Sustainability

Eucatex's forest sustainability, including the operations of its new T-HDF line project, is assured by 44,000 hectares of forests, all located in São Paulo state.

Eucatex is widely recognized for its sustainable development initiatives, being the first company in the industry to obtain ISO 9001 certification, in 2000. The company also holds ISO 14001 certification and the Green Seal awarded by the Forest Stewardship Council (FSC), which certifies that its forests are managed according to rigorous environmental, social and economic standards.

Eucatex also pioneered the implementation of the first wood recycling line on an industrial scale in South America. Its state-of-the-art equipment enables materials obtained within a 150 kilometer radius from the Salto unit in São Paulo to be used as the raw material for the production of boards and also as biomass for firing its boilers. When the line reaches its full processing capacity of 20,000 metric tons per month (which otherwise would have ended up in city landfills), the Company will achieve annual savings equivalent to R$ 20 million from the acquisition of land properties alone.

Stock Performance

The price of Eucatex's preferred stock (EUCA4) listed on the São Paulo Stock Exchange (BOVESPA) closed 1Q09 at R$ 2.50. Based on the 1Q09 closing price, Eucatex's market value was R$ 232 million, equivalent to 1.9 times annualized EBITDA.

Human Resources

Personnel expenses in 1Q09 totaled R$ 24.9 million, of which R$12.3 million were wages, R$ 7.6 million were payroll charges and around R$ 5.0 million were spent on medical and dental plans, transport, meals, training, and occupational health and safety actions for the Company's 2,190 employees and their dependents.

Relationship with Independent Auditors

As approved by the Company's Board of Directors, since May 12, 2008, Terco Grant Thornton Auditores has been the firm responsible for auditing Eucatex's financial statements, substituting Boucinhas & Campos e Soteconti Auditores Independentes S/C, in accordance with Article 13 of CVM Instruction 308/99, which stipulates that an independent auditor cannot provide auditing services to the same client for more than five consecutive years.

The Eucatex Group's policy for the services of independent auditors that are not related to the external auditing of its financial statements is based on professional independence principles, which provide that an auditor should not examine its own work, perform managerial functions or practice law on behalf of clients.

In 1Q09, the Eucatex Group did not contract any other services other than the auditing services of Terco Grant Thornton Auditores Independentes.

About Eucatex

Eucatex S.A. Ind. e Com. (Bovespa: EUCA3 and EUCA4), which completed 57 years of operations in 2008, is one of Brazil's largest manufacturers of flooring, partitions, profiles, doors, roofing, MDP, hardboard, agricultural substrate, mineral products and paints and varnishes. With **2,190** employees, the Company exports to more than 30 countries and has four modern plants located in the cities of Botucatu, Salto and Paulínia in the inland region of São Paulo state. In September 2007, the Company successfully concluded a reorganization of its ownership structure, and is now poised to begin a new cycle of growth. For more information, please visit the website www.eucatex.com.br/ir

This release contains forward-looking statements relating 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 changes in market conditions, competitive pressures, the performance of the Brazilian and international economies and the industry, among other factors, as well as the risks stated in Eucatex´s disclosure documents, and therefore are subject to change without prior notice.

Income Statement

(R$ '000)	1Q09	1Q08	Var. (%)
Gross Revenue	**189.4**	**212.6**	**-10.9%**
Sales taxes and Deductions	(36.6)	(38.3)	-4.4%
Net Revenues	**152.8**	**174.3**	**-12.3%**
Cost of Goods Sold	(94.7)	(116.5)	-18.8%
Gross Profit	**58.2**	**57.7**	**0.7%**
Operating Expenses			
Sales	(22.6)	(21.9)	3.0%
General and Administration	(10.2)	(10.2)	-0.3%
Other Operational Costs	(5.4)	(0.5)	-891.5%
Operational (loss) Income	**(38.2)**	**(32.7)**	**16.7%**
Operational Result	**20.0**	**25.0**	**-20.3%**
Financial (Expense) Income	(10.0)	(7.4)	-34.6%
Financial (Expense) Income	-	7.5	-100.0%
Operational Result	**10.0**	**25.1**	**-60.2%**
Taxes	(1.7)	(6.2)	72.2%
Net (Loss) Income	8.2	18.9	-56.3%
Net Margin	**5.4%**	**10.8%**	***-5.4 p.p.***

Balance Sheet (R$ '000)	1Q09	1Q08	Var. (%)
ASSETS			
Non- Current Assets			
Cash and Cash Equivalents	5.3	1.6	224.8%
Clients	117.5	117.5	0.0%
Inventories	93.5	74.2	26.0%
Taxes Recoverable	19.1	10.6	79.8%
Other Credits	5.9	45.1	-86.8%
Deferred Expenses	1.4	1.2	18.4%
Non- Current Assets	**242.8**	**250.3**	**-3.0%**
Long- Term Assets			
Clients	1.0	-	0.0%
Assets for Sale	10.7	1.9	463.6%
Taxes Recoverable	7.8	5.4	44.1%
Judicial Deposits	5.8	10.3	-43.5%
Other Credits	15.5	15.6	-0.6%
	40.9	**33.3**	**22.9%**
Investments			
Other Investments	0.9	0.9	0.0%
Fixed Assets	868.1	770.0	12.7%
Intangible	1.1	5.4	-79.9%
Deferred Assets	-	-	0.0%
	870.1	**776.3**	**12.1%**
Permanent Assets	**911.0**	**809.5**	**12.5%**
Total Assets	**1,153.7**	**1,059.8**	**8.9%**
LIABILITIES			
Current Liabilities			
Loans and Financing	28.9	14.5	99.3%
Accounts Payable to Suppliers	46.3	42.2	9.6%
Salaries	12.1	11.8	1.9%
Tax, Accrued Expenses and Payroll	18.9	11.3	67.9%
Tax Installments	11.2	10.6	5.9%
Deferred Taxes	0.7	1.4	-49.2%
Advances from Clients	2.8	-	0.0%
Accounts Payable	12.0	13.4	-10.6%
Current Liabilities	**132.8**	**105.2**	**26.2%**
Non- Current Liabilities			
Non- Current Liabilities			
Loans and Financings	57.6	68.1	-15.4%
Tax Installments	79.4	85.5	-7.2%
Deferred Taxes	21.1	22.2	-4.6%
Accounts Payable	28.1	-	0.0%
Provisions for Contingencies	295.4	284.8	3.7%
Non- Current Liabilities	**481.5**	**460.6**	**4.5%**
Non Controling Stockholders	**-**	**0.3**	**-100.0%**
Shareholder's Equity			
Capital	488.2	488.2	0.0%
Treasury Stock	(0.8)	(0.8)	0.0%
Capital Reserve	270.3	285.4	-5.3%
Accrued Losses	(218.2)	(279.0)	-21.8%
	539.5	**493.8**	**9.2%**
Total Liabilities	**1,153.7**	**1,059.8**	**8.9%**

Cash Flow (R$ 000)	1Q09	1Q08
Net Income before Income Tax and Social Contribution Tax	**10.0**	**25.1**
Adjustments to Reconcile Net Income and Operating Cash Flow		
Depreciation and Amortizations	11.0	11.1
Residual Value of Fixed Assets Sold	1.4	18.1
Interest and Net Monetary and Exchange Variations	0.4	0.5
Monetary Restatement of Taxes	9.1	6.9
Income and Social Contribution Taxes	(1.7)	(6.2)
Provisions/(reversal) for Tax Contingencies	6.4	4.7
Adjustment to present value – tax recoverable	(0.1)	-
Others	(0.1)	(0.1)
Decrease (Increase) in Current and Non-Current Assets		
Accounts Receivable from Clients	6.1	(4.4)
Inventories	(11.8)	(5.2)
Taxes Recoverable	(2.4)	4.3
Deferred Expenses	(0.9)	0.7
Judicial Deposits	(0.4)	0.2
Other Credits	9.4	(43.5)
(Decrease) Increase in Liabilities and Non-Current Assets		
Suppliers	(8.3)	5.8
Labor and Tax Liabilities	0.3	2.5
Tax Installments	(1.8)	4.0
Advances from Clients	(0.7)	-
Provision for Contingencies	(1.1)	(3.4)
Other Liabilities	1.9	(0.6)
Net Cash Flow from Operating Activities	**26.8**	**20.5**
Income Tax and Social Contribution Tax Paid	(1.4)	(2.5)
Net Cash Flow from (Used in) Operations	**25.4**	**18.0**
Cash Flow from Investing Activities		
Increase in Fixed Assets	(23.6)	(21.0)
Net Cash Flow from Investing Activities	**(23.6)**	**(21.0)**
Cash Flow from Financing Activities		
Amortization of Loans	(14.7)	(12.8)
Inflow of Loans	7.3	6.5
Net Cash Flow from Financing Activities	**(7.5)**	**(6.3)**
Increase (Reduction) in Net Cash and Cash Equivalents	**(5.7)**	**(9.4)**
Cash and Cash Equivalents		
Beginning of period	11.0	11.0
End of period	5.3	1.6
	(5.7)	**(9.4)**