



eucatex



Eucatex Group Presentation

2Q16 Earnings

August 11, 2016



Highlights

Net Revenue

2Q16: R\$ 280.4 million, up 5.9%

6M16: R\$ 555.7 million, up 2.4%

Recurring EBITDA

2Q16: R\$ 51.3 million, up 3.2%

6M16: R\$ 91.4 million, down 6.2%

Recurring EBITDA Margin

2Q16: 18.3%, contraction of 0.5 pp

6M16: 16.5%, contraction of 1.5 pp

Recurring Net Income

2Q16: R\$ 19.7 million, growth of 83.7%

6M16: R\$ 30.7 million, growth of 105.4%

Exports

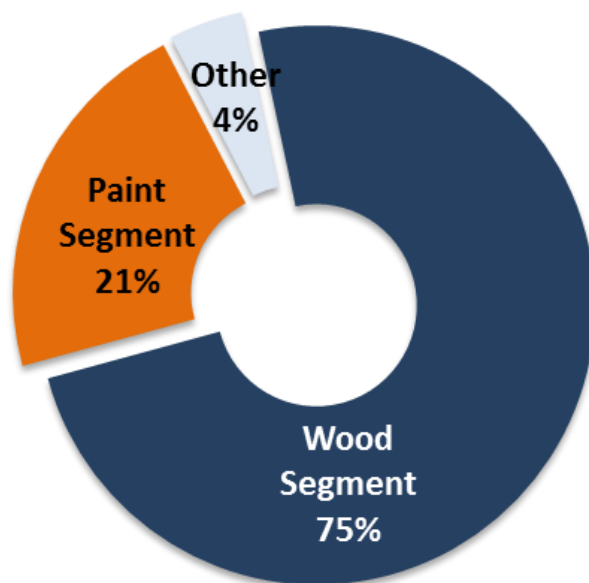
2Q16: Increase of 26.7% in Volume and of 14.2% in Net Revenue

6M16: Increase of 40.1% in Volume and of 30.6% in Net Revenue

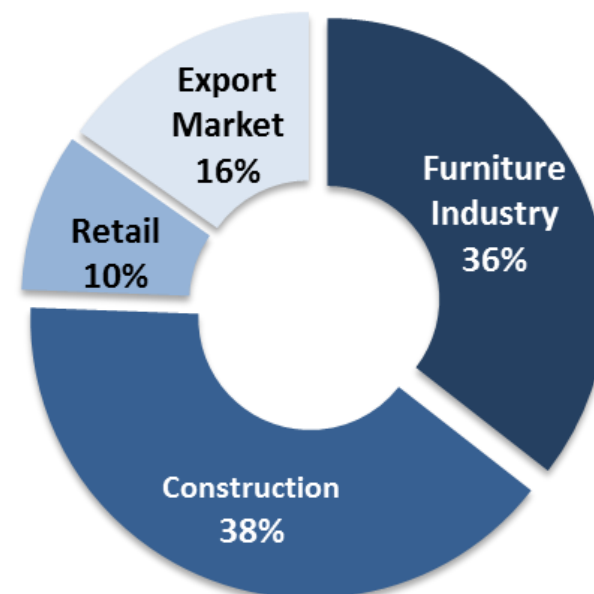


Net Revenue					
2Q15	2Q16	Var	6M15	6M16	Var
R\$ 264.8 million	R\$ 280.4 million	5.9%	R\$ 542.8 million	R\$ 555.7 million	2.4%

Distribution by Product



Distribution by Segment

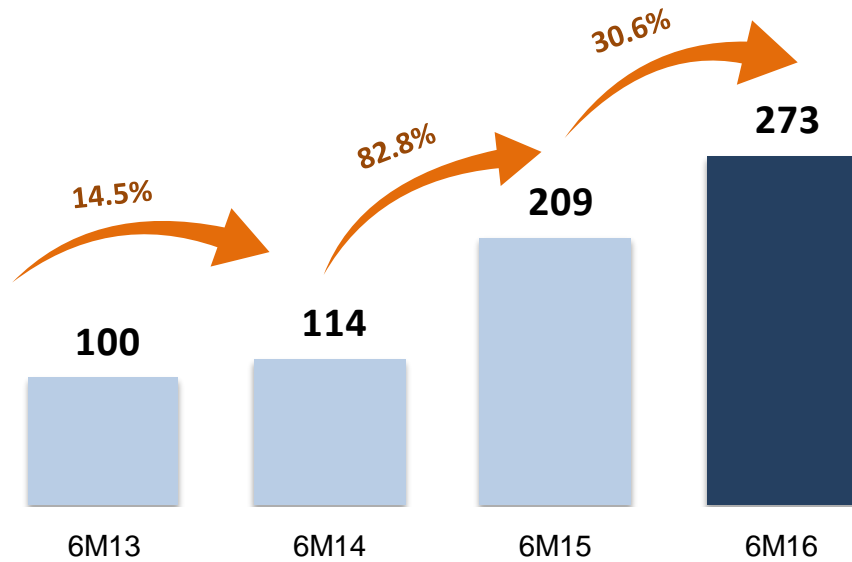




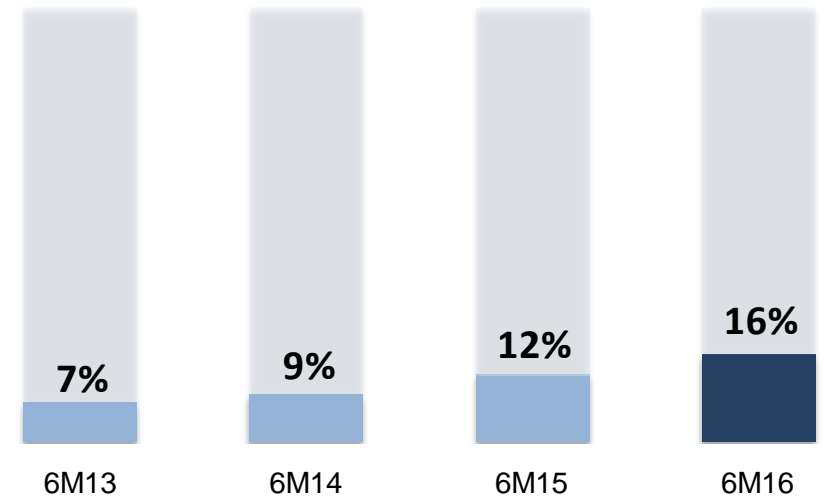
Export Performance – 6M

Net Revenue – Base 100 - 2013

CAGR: + 39.8%



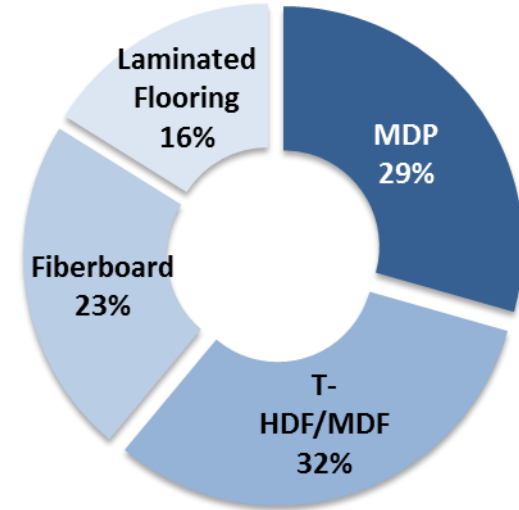
Share of Total Net Revenue



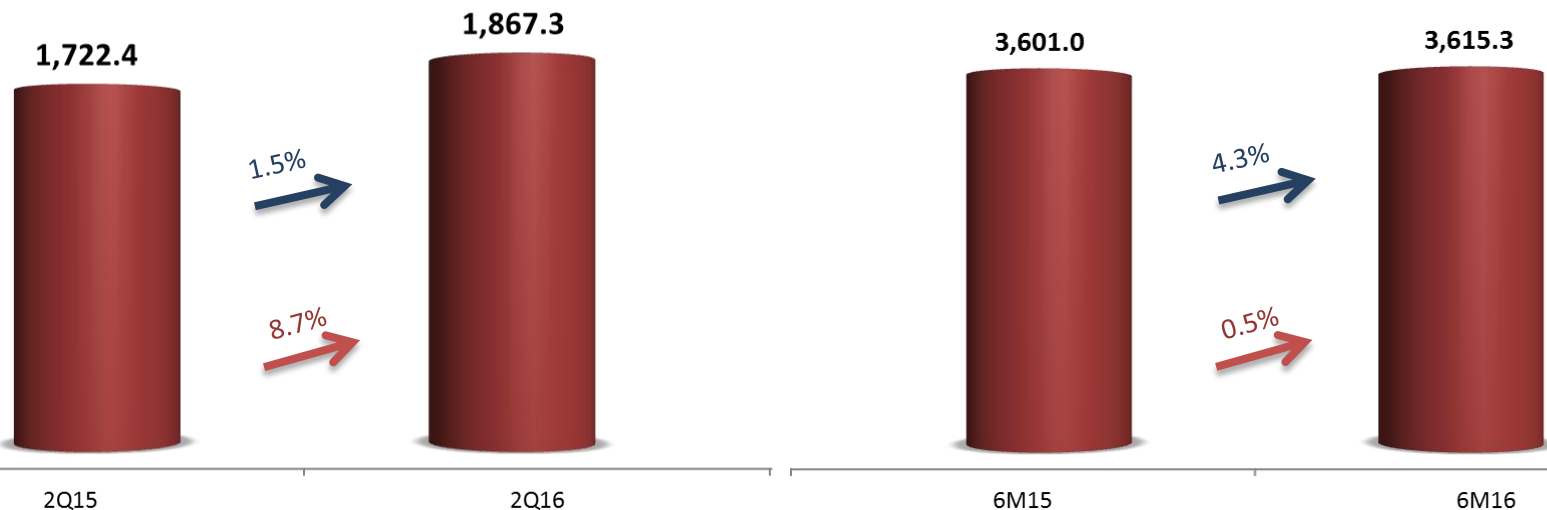


Net Revenue

2Q15	2Q16	Var
R\$ 206.4 million	R\$ 207.8 million	0.7%
6M15	6M16	Var
R\$ 414.3 million	R\$ 414.0 million	0.0%

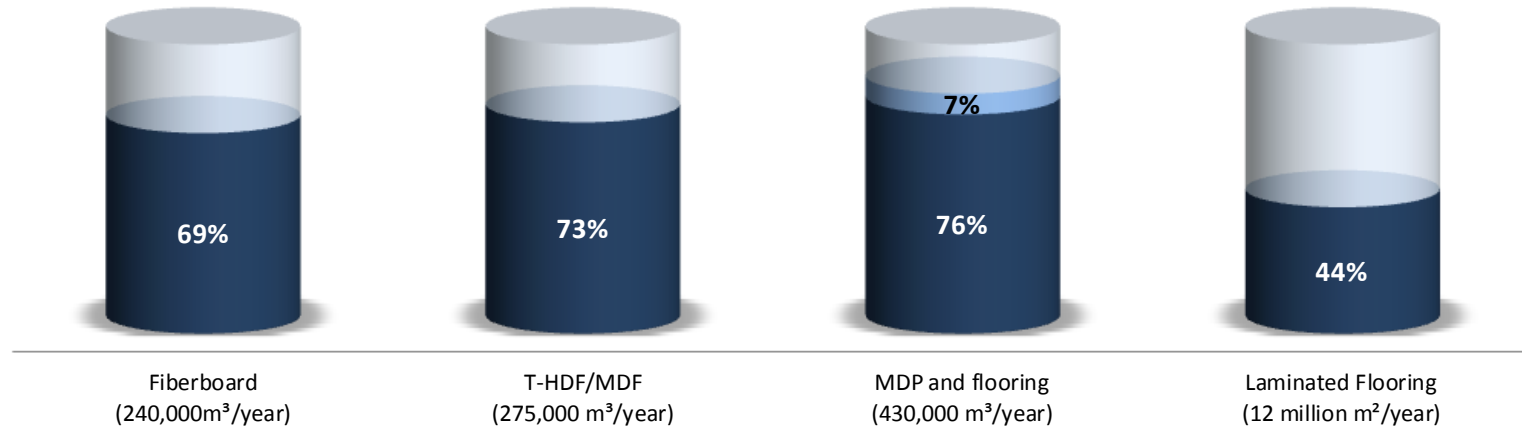


Total Market ('000 m³) DOMESTIC + EXPORT MARKET

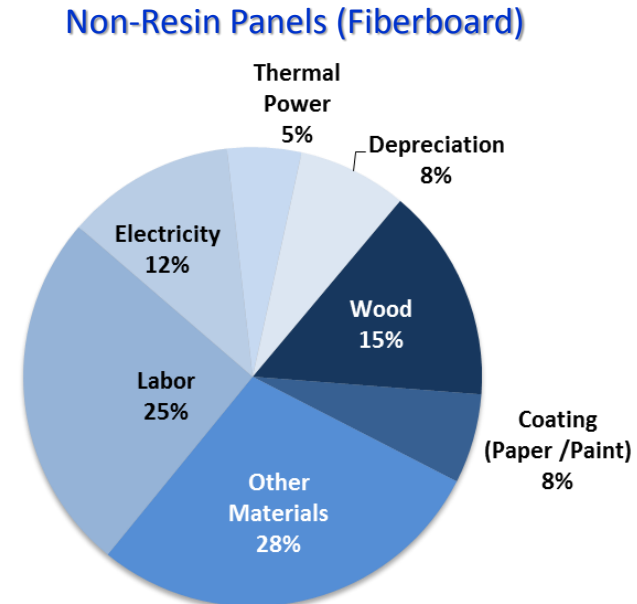
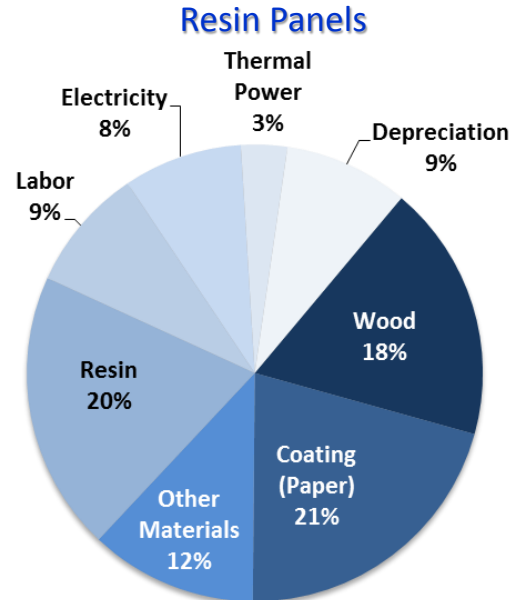
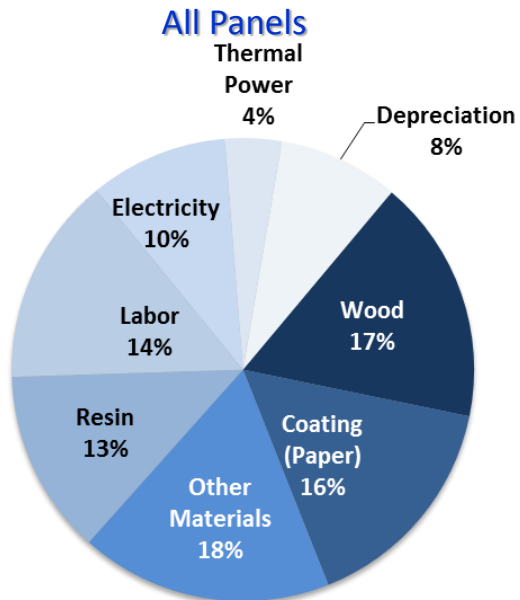




Installed Capacity Utilization – 2Q16



Breakdown of Costs – 2Q16

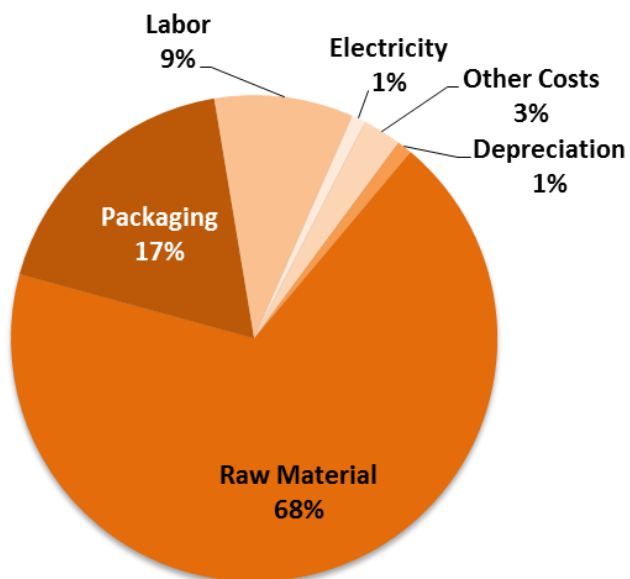




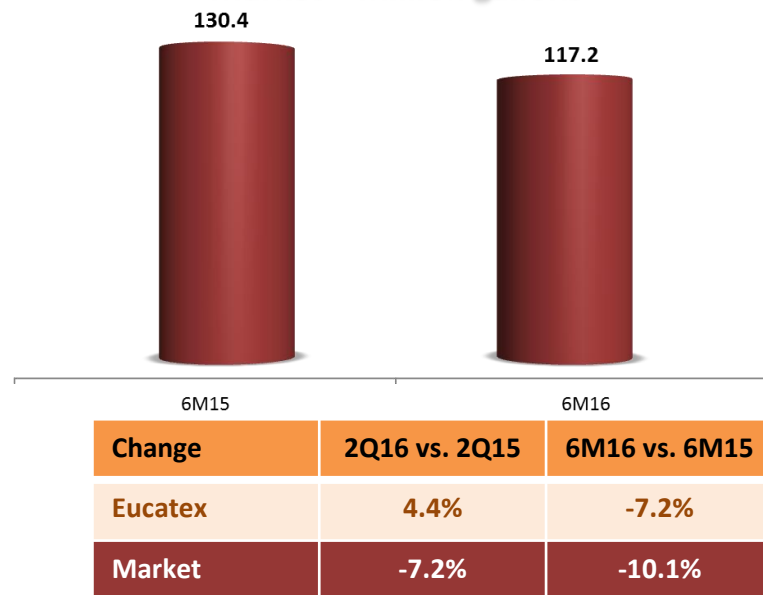
Net Revenue

2Q15	2Q16	Var
R\$ 55.2 million	R\$ 60.6 million	9.8%
6M15	6M16	Var
R\$ 118.1 million	R\$ 118.0 million	-0.1%

Breakdown of Costs – 2Q16

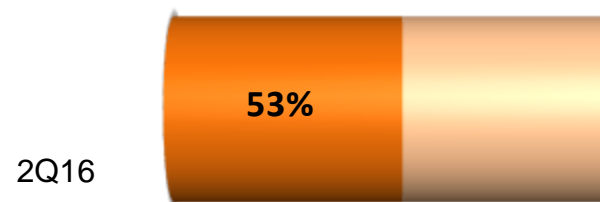


Market – million gallons



Source: Eucatex

Installed Capacity Utilization



▪ Total Capacity - 36 million gallons / year

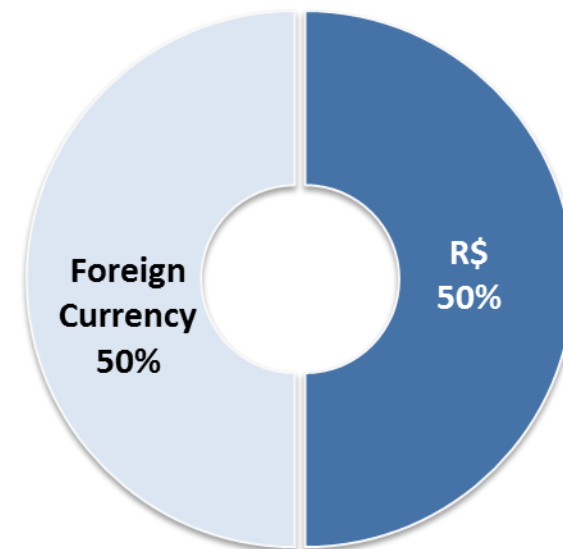
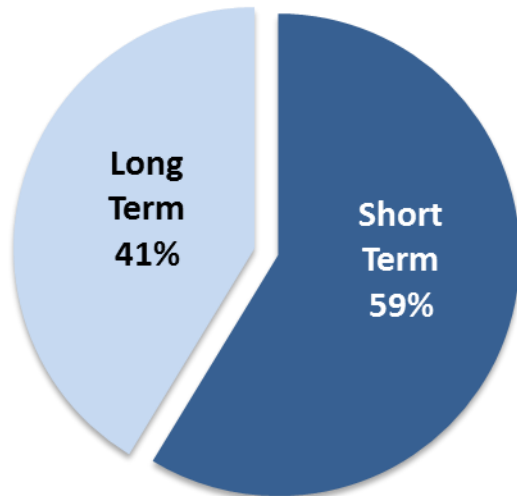


Highlights (R\$ million)	2Q16	V.A. %	2Q15	V.A. %	Var. (%)	6M16	V.A. %	6M15	V.A. %	Var. (%)
Net Revenue	280.4	100.0%	264.8	100.0%	5.9%	555.7	100.0%	542.8	100.0%	2.4%
Fair value of biological assets	6.9	2.5%	5.5	2.1%	25.7%	14.4	2.6%	19.6	3.6%	-26.6%
Cost of products sold	(206.0)	-73.5%	(192.9)	-72.9%	6.8%	(415.7)	-74.8%	(399.5)	-73.6%	4.1%
Gross income	81.4		77.4		5.1%	154.3		162.8		-5.2%
Gross Margin (%)	29.0%		29.2%		-0,2 p.p.	27.8%		30.0%		-2,2 p.p.
Administrative expenses	(14.1)	-5.0%	(14.5)	-5.5%	-2.7%	(28.6)	-5.2%	(28.2)	-5.2%	1.3%
Selling expenses	(43.1)	-15.4%	(39.9)	-15.1%	8.0%	(85.0)	-15.3%	(80.6)	-14.8%	5.5%
Other operating income and expenses	1.0	0.3%	0.8	0.3%	16.3%	(0.7)	-0.1%	0.8	0.1%	-192.4%
EBITDA adjusted by non-cash events	45.4	16.2%	46.4	17.5%	-2.3%	79.0	14.2%	92.2	17.0%	-14.3%
EBITDA Margin (%)	16.2%		17.5%		-1,4 p.p.	14.2%		17.0%		-2,8 p.p.
Adjusted Recurring EBITDA	51.3		49.7		3.2%	91.4		97.5		-6.2%
Adjusted Recurring EBITDA Margin (%)	18.3%		18.8%		-0,5 p.p.	16.5%		18.0%		-1,5 p.p.
Net financial result	(1.7)	-0.6%	(9.8)	-3.7%	82.2%	(6.2)	-1.1%	(44.7)	-8.2%	86.2%
Non-recurring results	(5.9)	-2.1%	(3.2)	-1.2%	-82.7%	(12.4)	-2.2%	(5.3)	-1.0%	-134.7%
Income and social contribution taxes	(3.6)	-1.3%	(3.3)	-1.2%	9.7%	(3.1)	-0.6%	4.9	0.9%	162.9%
Net Income	13.8	4.9%	7.5	2.8%	84.1%	18.3	3.3%	9.7	1.8%	89.3%
Recurring Net Income	19.7	7.0%	10.7	4.1%	83.7%	30.7	5.5%	15.0	2.8%	105.4%



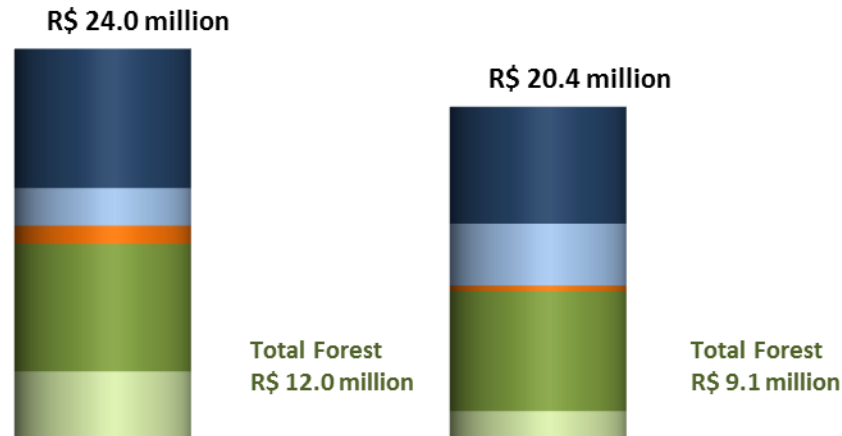
Debt (R\$ Million)	6M16	2015	Var. (%)	6M15	Var. (%)
Short Term Debt	195.1	210.6	-7.4%	175.6	11.1%
Long Term Debt	137.3	140.9	-2.6%	159.5	-14.0%
Gross Debt	332.4	351.5	-5.4%	335.1	-0.8%
Cash and Cash Equivalents	25.6	17.6	45.6%	23.9	7.3%
Net Debt	306.8	333.9	-8.1%	311.3	-1.4%
% Short Term Debt	59%	60%	-1,2 p.p.	52%	12.0%
Net Debt/EBITDA	1.7	1.7	-1.2%	1.6	7.1%

Debt Profile





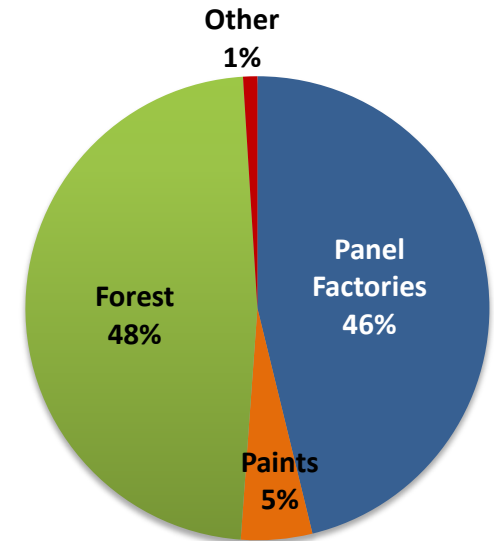
Investments Made



	2Q15	2Q16
Salto	8.5	7.2
Botucatu	2.3	3.8
Paints	1.1	0.3
Silviculture	7.8	7.3
Leasing	4.2	1.8

Planned for 2016

R\$80 million





79 farms with
planted
eucalyptus
forests, totaling
46,300
hectares

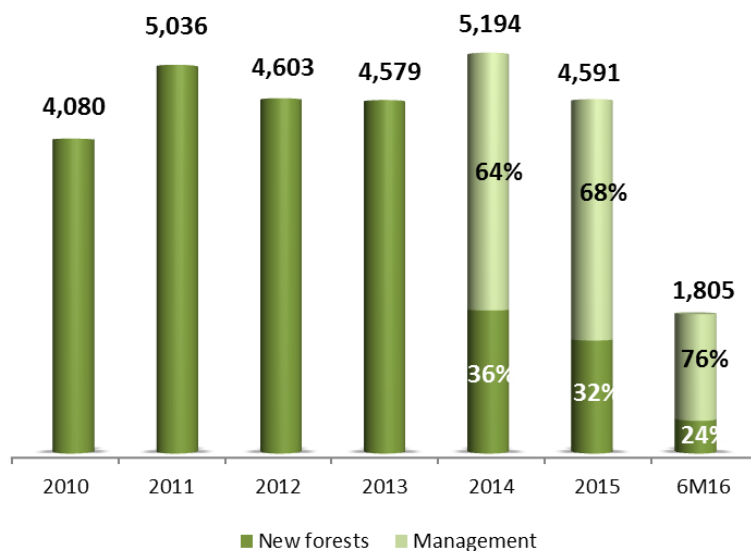
Average Radius

Salto	Botucatu
182 km	38 Km

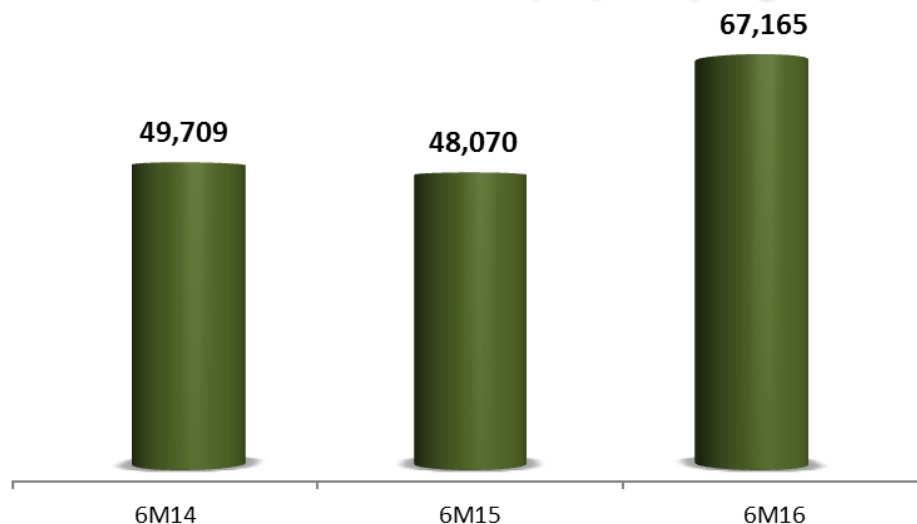
Total Processing Capacity - Recycling

Ton/Year	Equivalent to	
	Trees	Forests
240,000 ton	2 million / year	1,500 ha

Newly Planted Forests and Seedling Management (hectares)



Processed Volume (ton) - Recycling



Gains in Wood Purchases – Recycling – 6M16

Wood Market *	Recycled	Variation	Consump. Dry Ton	Gain
R\$210.60 ton/dry	R\$125.49 ton/dry	R\$85.11 ton/dry	57,090	R\$4,859 thousand

* Wood chips - CIF





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