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.

**1Q19**

Eucatex Group  
Presentation

May 16, 2019

**Net Revenue**

- 1Q19: R\$ 356.6 million, up 17.3%

**Recurring EBITDA**

- 1Q19: R\$ 66.6 million, growth of 29.3%

**Recurring EBITDA Margin**

- 1Q19: 18.7%, expansion of 1.7 pp

**Recurring Net Income**

- 1Q19: R\$ 17.6 million, up 237.8%

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

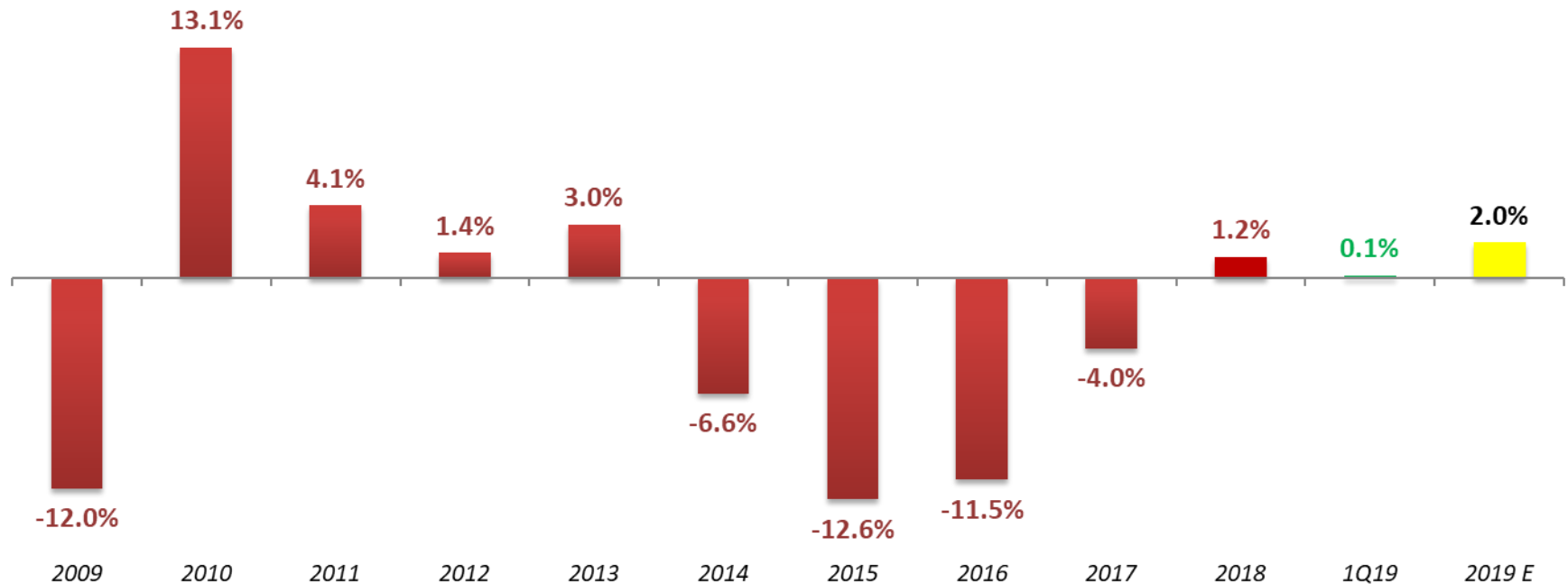
**Paints and Varnishes**  
36 million gallons



Cabo Sto.  
Agostinho/PE

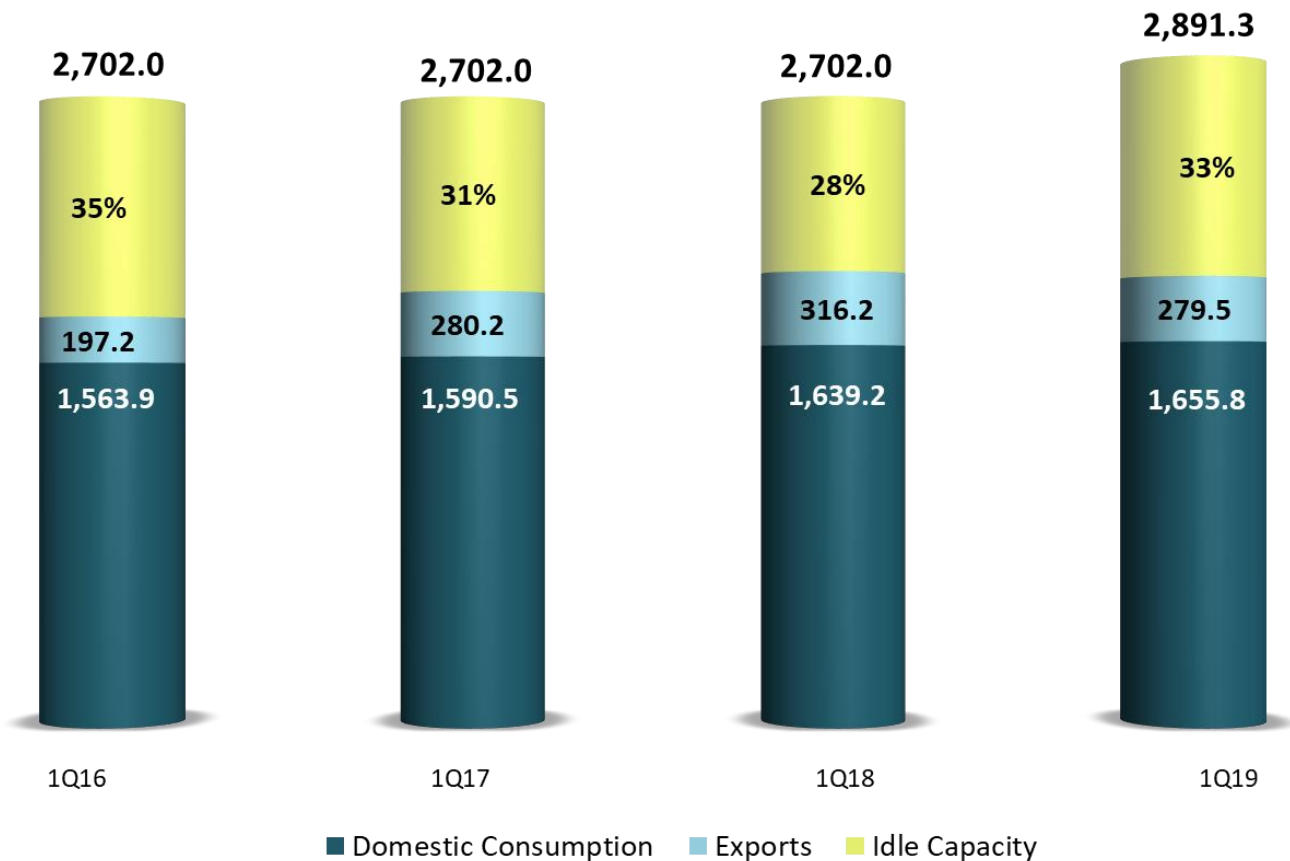
**PVA and Acrylic Resin and Acrylic Paint**  
3.6 million gallons

## ABRAMAT Index – Domestic Market



Between 2013 and 1Q19, the indicator is down 29.7%.

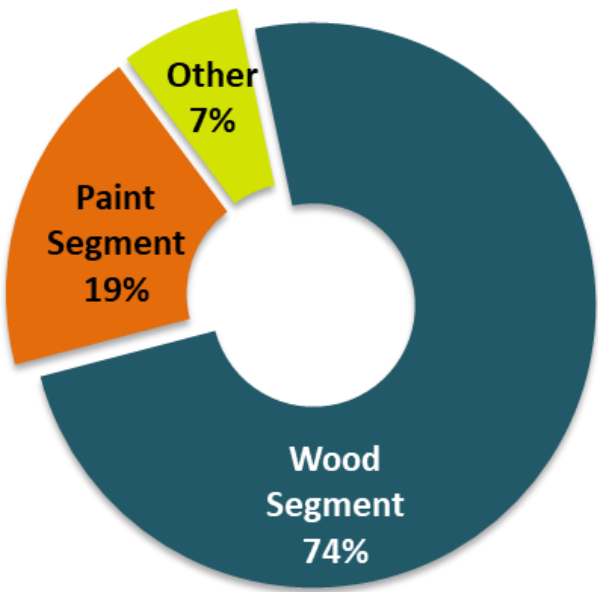
## Effective Installed Capacity (Fiberboard + MDF + MDP) vs. Production



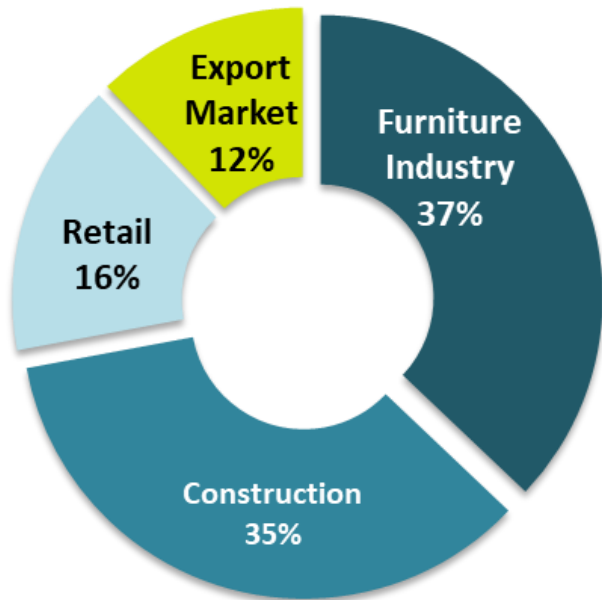
% Var. 1Q18 vs. 1Q19	
Total	
Total	-1.0%
Domestic Market	1.0%
Export Market	-11.6%

Net Revenue		
1Q18	1Q19	Var
R\$ 303.9 million	R\$ 356.6 million	17.3%

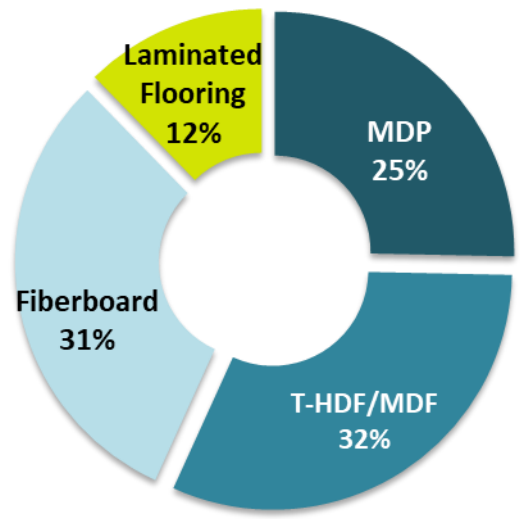
Distribution by Product - 1Q19



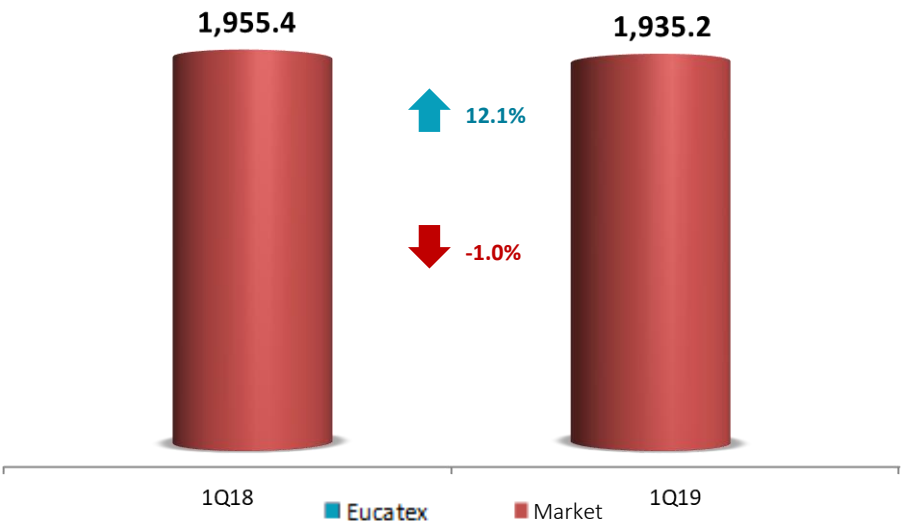
Distribution by Segment - 1Q19



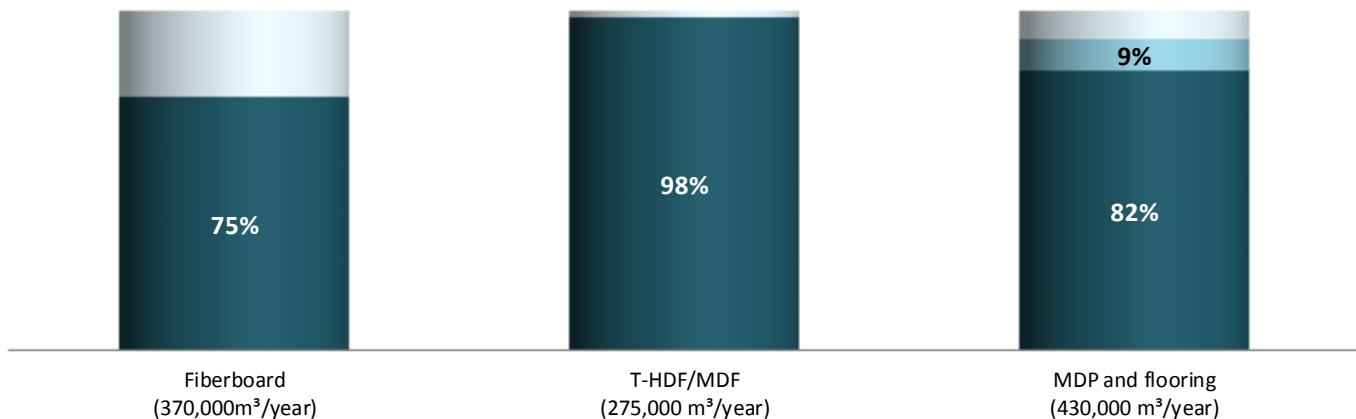
Net Revenue		
1Q18	1Q19	Var
R\$ 222.9 million	R\$ 264.8 million	18.8%



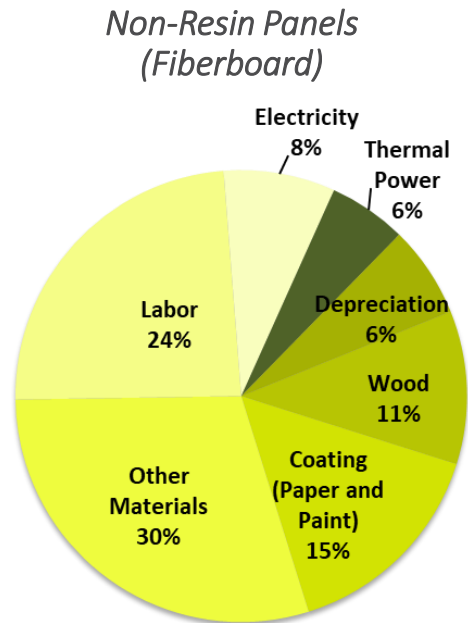
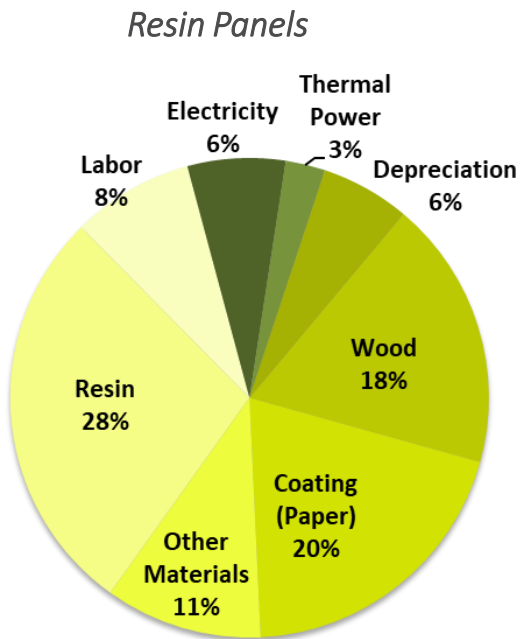
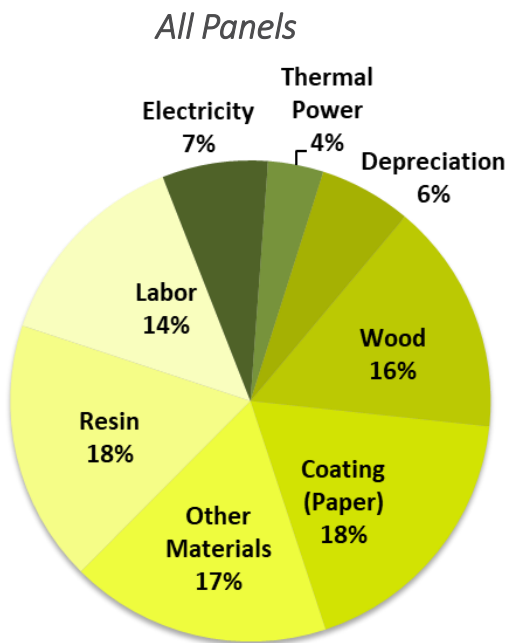
Total Market ('000 m<sup>3</sup>)  
DOMESTIC + EXPORT MARKETS



### Installed Capacity Utilization - 1Q19



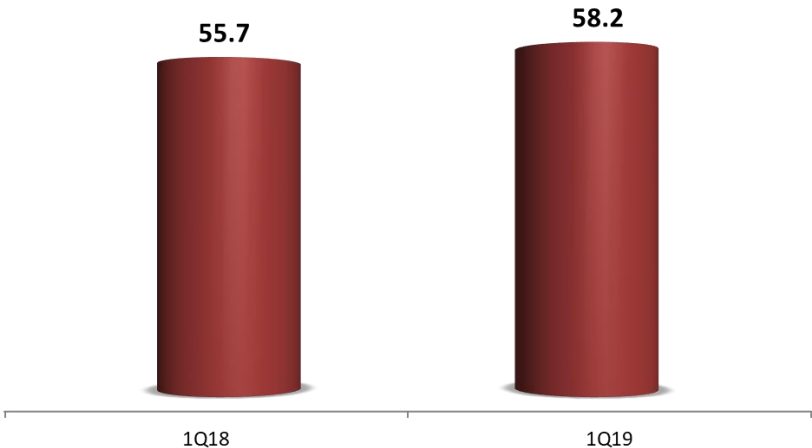
### Breakdown of Costs - 1Q19



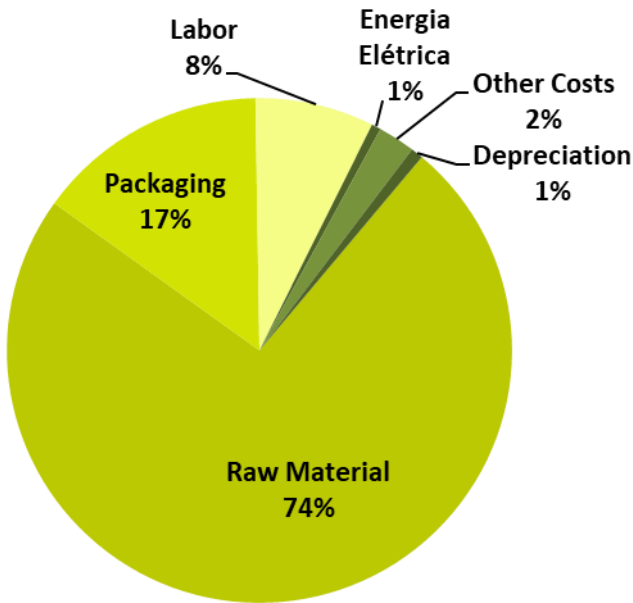


Net Revenue		
1Q18	1Q19	Var
R\$ 60.9 million	<b>R\$ 67.2 million</b>	<b>10.3%</b>

Market - Million Gallons



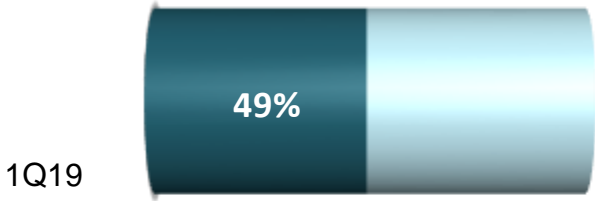
Breakdown of Costs - 1Q19



Variation	1Q19 vs. 1Q18
Eucatex	0.3%
Market	4.5%

Source: Eucatex

Installed Capacity Utilization

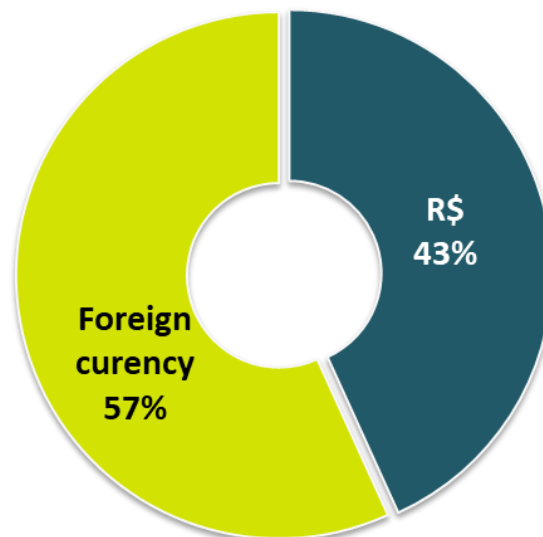
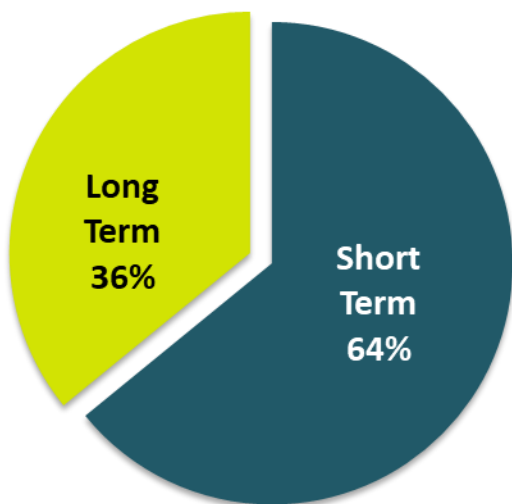


■ Total Capacity - 36 million gallons/year

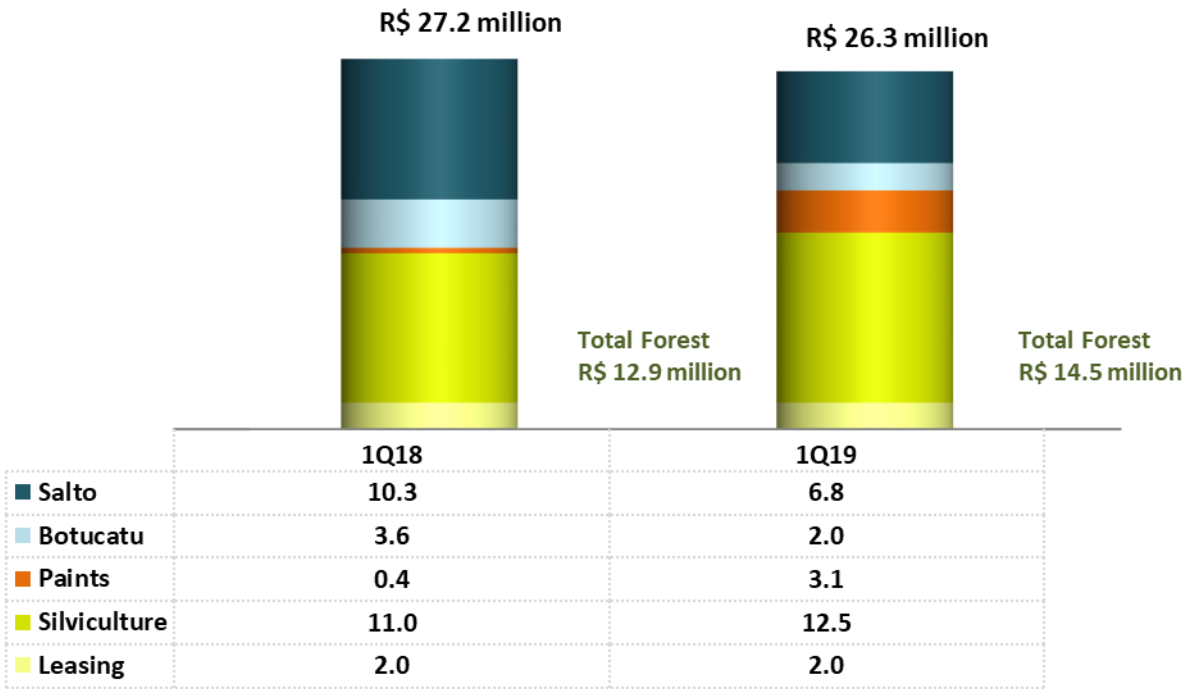
Highlights (R\$ million)	1Q19	V.A. %	1Q18	V.A. %	Var. (%)
<b>Net Revenue</b>	<b>356.6</b>	<b>100.0%</b>	<b>303.9</b>	<b>100.0%</b>	<b>17.3%</b>
Fair value of biological assets	(0.1)	0.0%	(0.6)	-0.2%	89.2%
Cost of products sold	(258.9)	-72.6%	(227.5)	-74.9%	13.8%
<b>Gross income</b>	<b>97.6</b>		<b>75.7</b>		<b>28.8%</b>
<b>Gross Margin (%)</b>	<b>27.4%</b>		<b>24.9%</b>		<b>2.5 p.p.</b>
Administrative expenses	(15.4)	-4.3%	(14.5)	-4.8%	6.3%
Selling expenses	(49.0)	-13.7%	(41.4)	-13.6%	18.3%
Other operating income and expenses	2.0	0.6%	(0.7)	-0.2%	397.3%
<b>EBITDA adjusted by non-cash events</b>	<b>60.4</b>	<b>16.9%</b>	<b>48.0</b>	<b>15.8%</b>	<b>25.7%</b>
<b>EBITDA Margin (%)</b>	<b>16.9%</b>		<b>15.8%</b>		<b>1.1 p.p.</b>
<b>Adjusted Recurring EBITDA</b>	<b>66.6</b>		<b>51.5</b>		<b>29.3%</b>
<b>Adjusted Recurring EBITDA Margin (%)</b>	<b>18.7%</b>		<b>17.0%</b>		<b>1.7 p.p.</b>
Net financial result	(14.2)	-4.0%	(11.3)	-3.7%	-25.1%
Non-recurring results	(6.2)	-1.8%	(3.5)	-1.1%	-79.2%
Income and social contribution taxes	(3.4)	-1.0%	(2.6)	-0.9%	30.0%
<b>Net Income</b>	<b>11.3</b>	<b>3.2%</b>	<b>1.7</b>	<b>0.6%</b>	<b>559.0%</b>
<b>Recurring Net Income</b>	<b>17.6</b>	<b>4.9%</b>	<b>5.2</b>	<b>1.7%</b>	<b>237.8%</b>

Debt (R\$ Million)	1Q19	2018	Var. (%)
Short Term Debt	287.2	287.0	0.1%
Long Term Debt	160.8	156.5	2.7%
<b>Gross Debt</b>	<b>448.0</b>	<b>443.5</b>	<b>1.0%</b>
Cash and Cash Equivalents	12.3	27.5	-55.3%
<b>Net Debt</b>	<b>435.8</b>	<b>416.1</b>	<b>4.7%</b>
% Short Term Debt	64%	65%	-1 p.p.
<b>Net Debt/EBITDA (Rec. LTM)</b>	<b>1.8</b>	<b>1.8</b>	<b>-2.6%</b>
<b>Net Debt/EBITDA (Rec. Annualized)</b>	<b>1.6</b>	<b>1.8</b>	<b>-9.7%</b>

Debt Profile – 1Q19

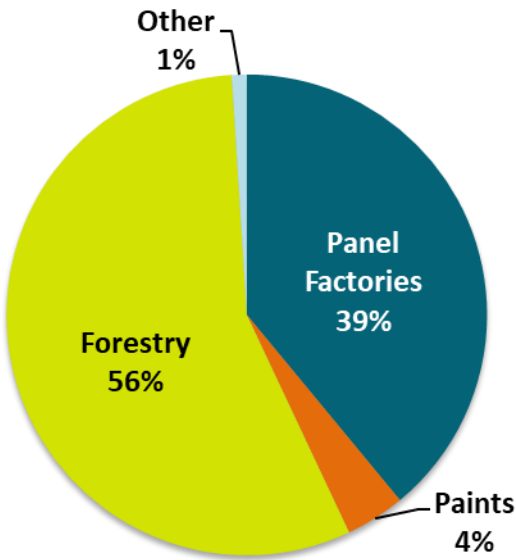


### Investments Made

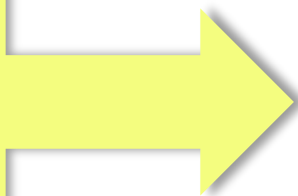


### Planned for 2019

**R\$ 119 million**

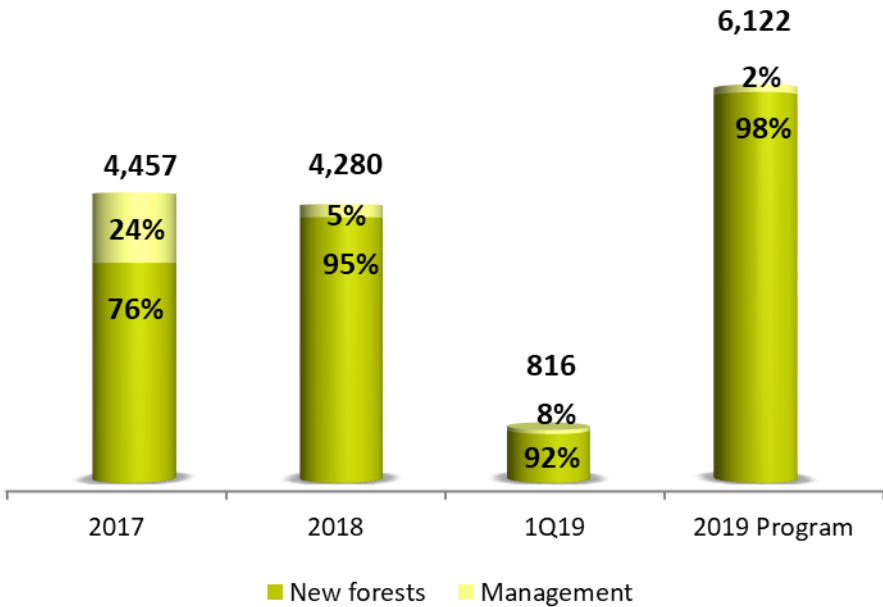


**75 farms**  
for eucalyptus plantation,  
totaling  
**45,800 hectares**



Average Radius	
Salto	Botucatu
178 km	60 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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