




Earnings
Release
2Q20



Net Revenue

- 2Q20: R\$369.3 million, down 1.0%
- 1H20: R\$738.2 million, up 1.2%




Recurring EBITDA

- 2Q20: R\$64.5 million, down 10.1%
- 1H20: R\$131.7 million, down 4.8%



Recurring EBITDA Margin

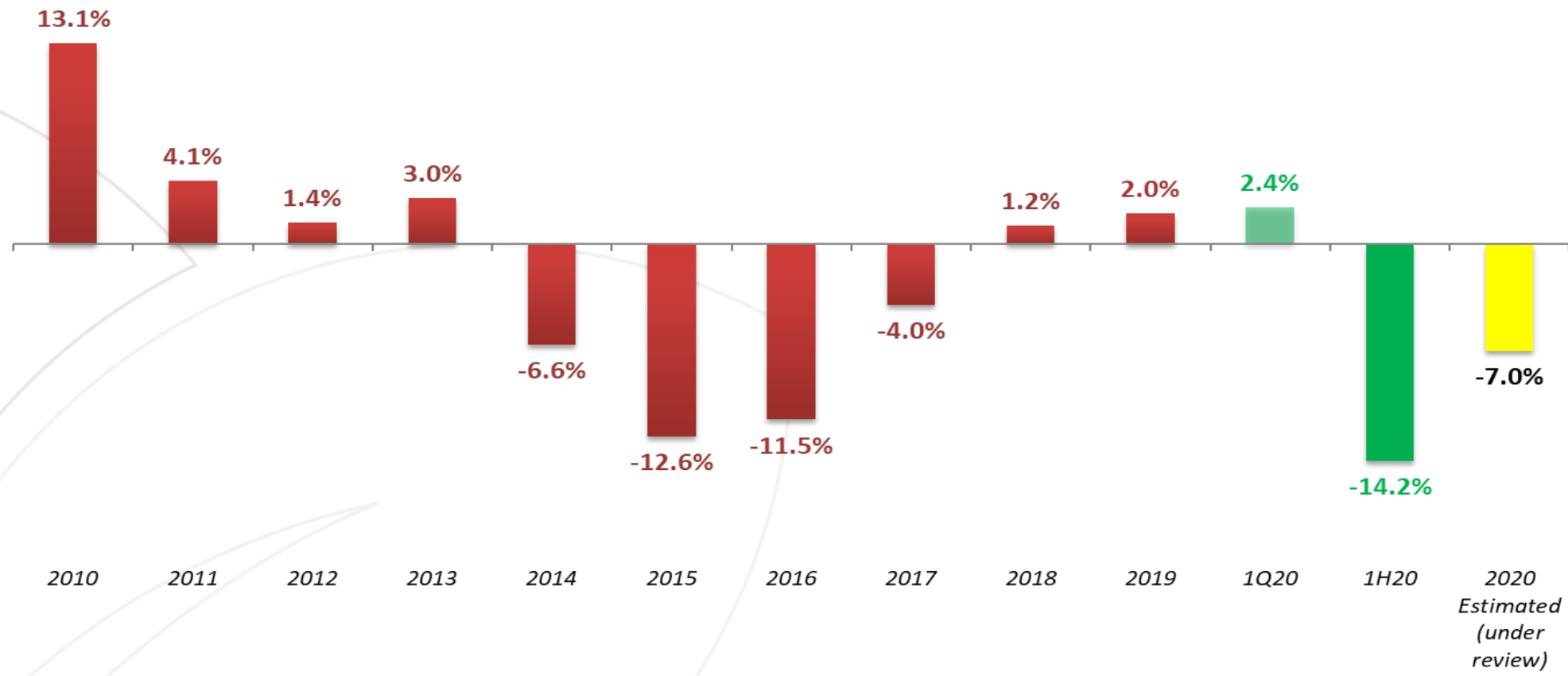
- 2Q20: 17.5%, down 1.7 p.p.
- 1H20: 17.8%, down 1.2 p.p.



Recurring Net Income

- 2Q20: R\$18.3 million, down 9.8%
- 1H20: R\$6.9 million, down 80.6%

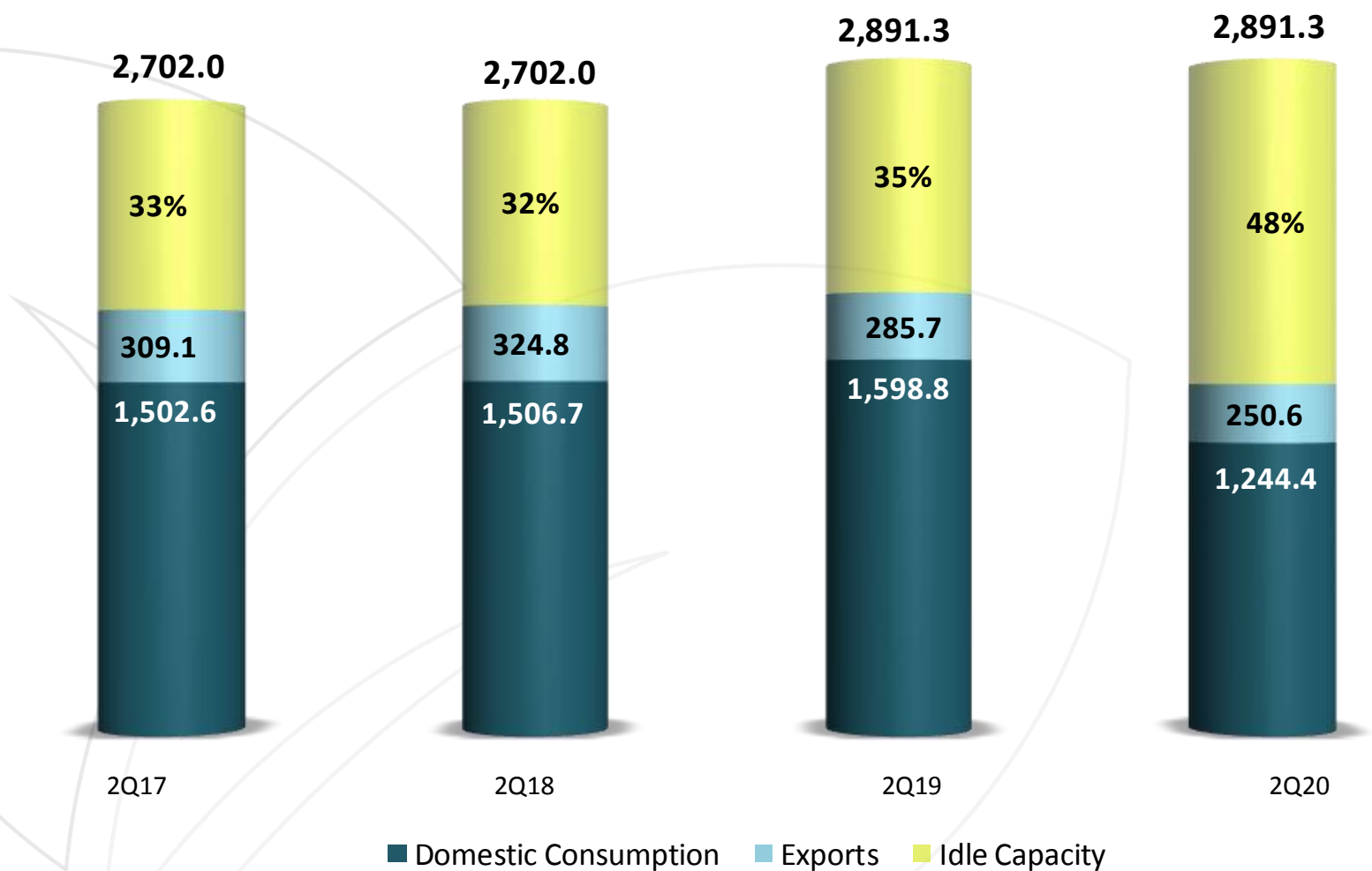
ABRAMAT Index - Domestic Market



From 2013 to 1H20, the index dropped 38.6%.

Source: ABRAMAT

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



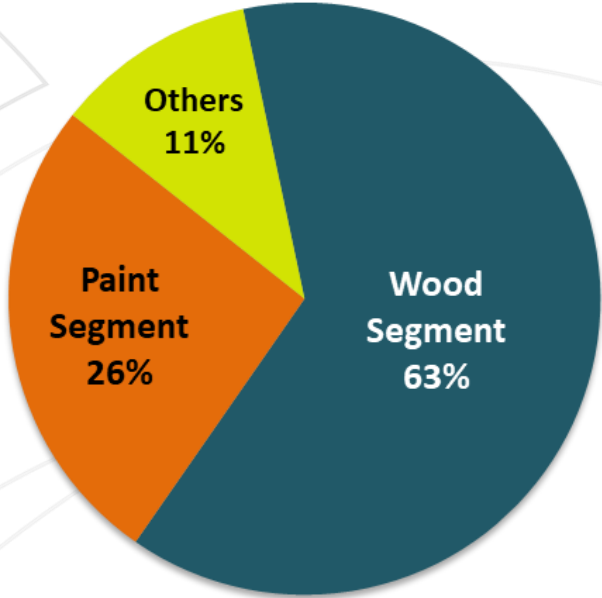
% Var. 2Q20 x 2Q19	
Total	
Total	-20.7%
Domestic Market	-22.2%
Export Market	-12.3%

2020 x 2019 Variation	April	May	June
Domestic Market	-57.4%	-29.2%	+19.8%
Exports Market	-21.3%	-13.0%	-5.7%
Total Market	-51.8%	-26.8%	+16.5%

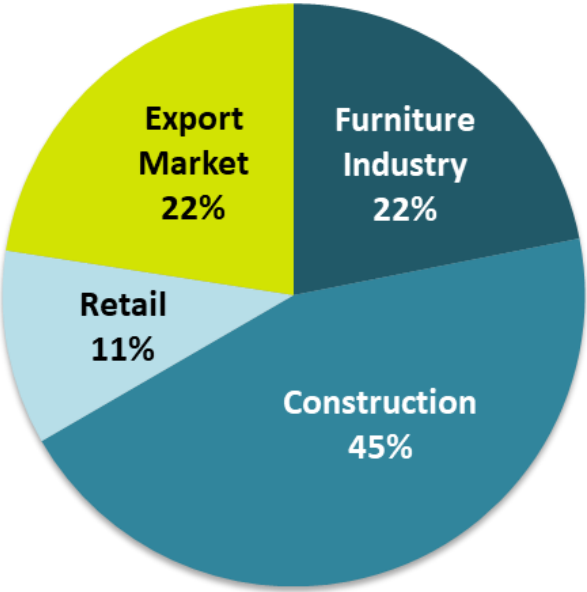
Source: Eucatex estimate

Net Revenue					
2Q19	2Q20	Var	1H19	1H20	Var
R\$373.0 million	R\$369.3 million	-1.0%	R\$729.5 million	R\$738.2 million	1.2%

Distribution by Product - 2Q20

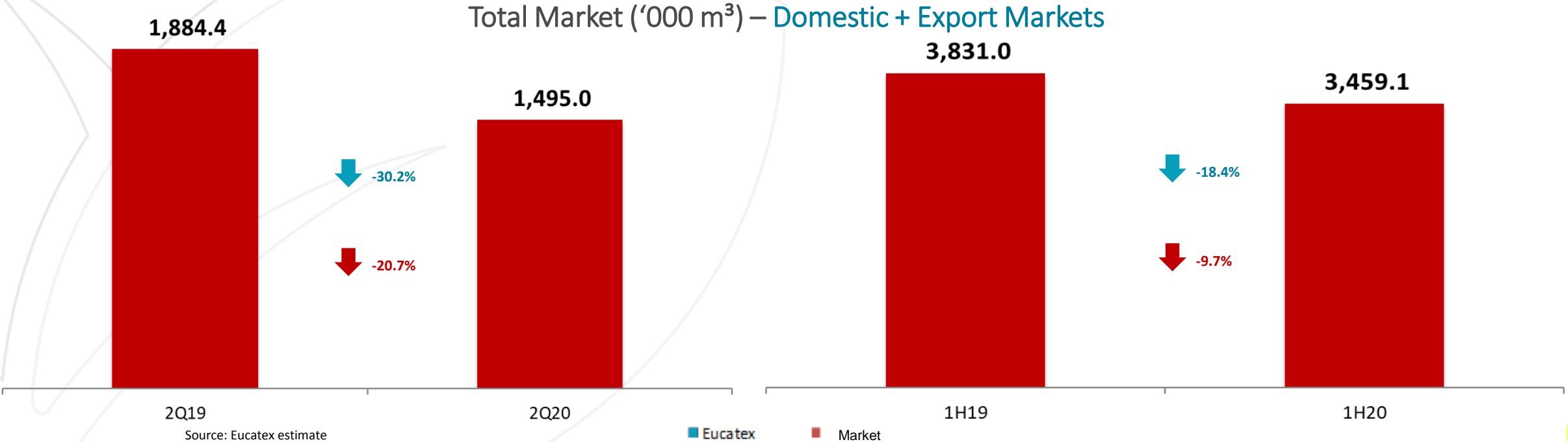
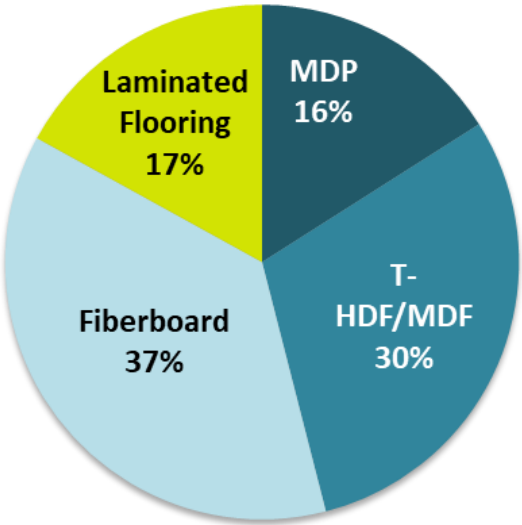


Distribution by Segment - 2Q20

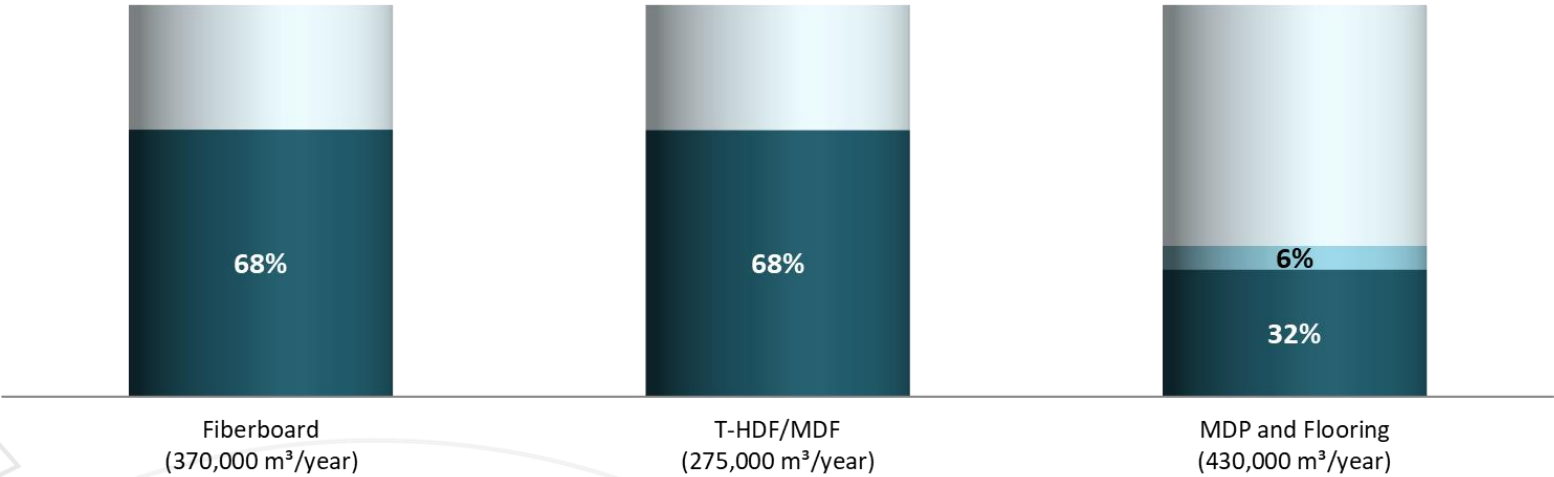


Eucatex has a diversified portfolio of products and operates in several segments, which has driven its significant growth over the years.

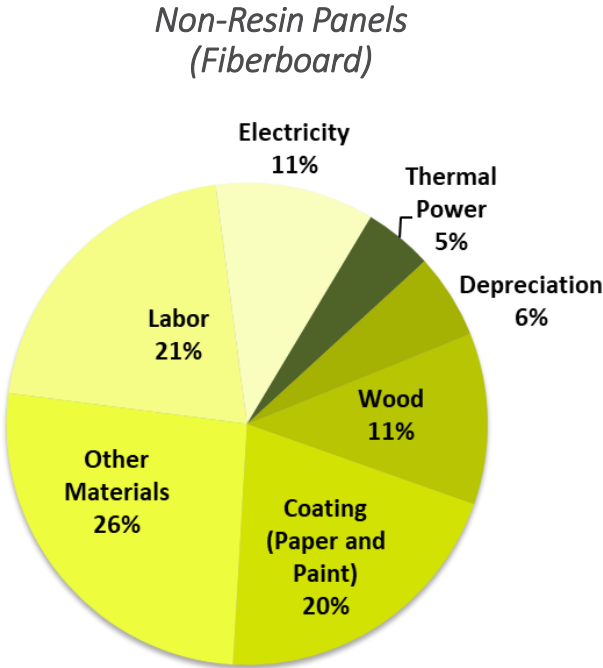
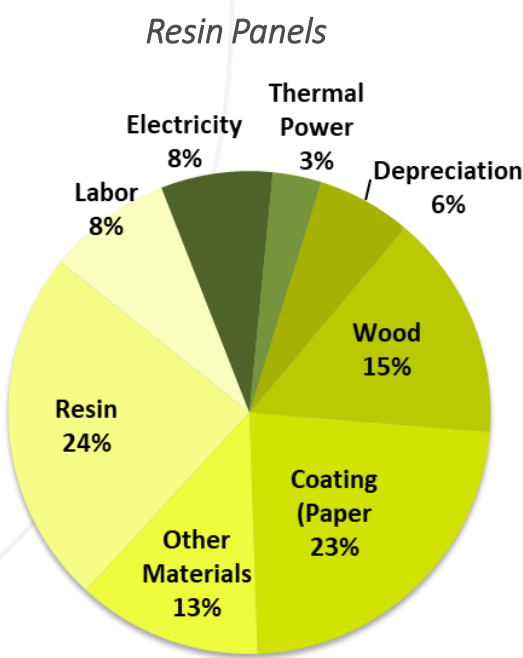
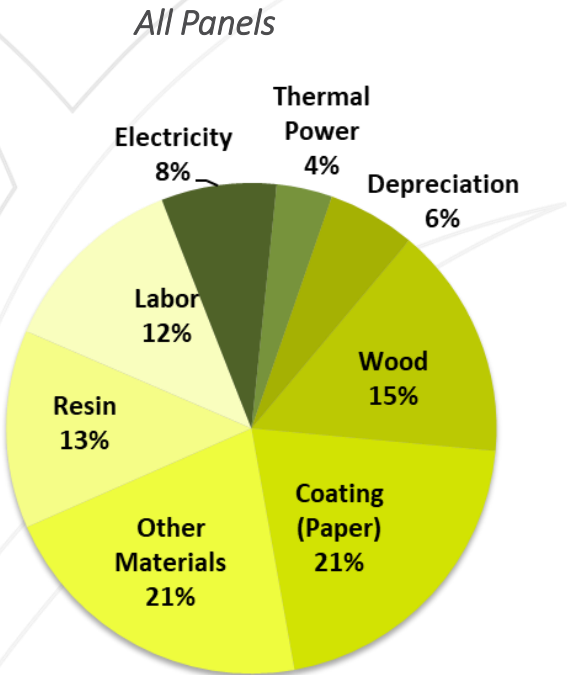
Net Revenue		
2Q19	2Q20	Var
R\$285.3 million	R\$231.0 million	-19.0%
1H19	1H20	Var
R\$550.1 million	R\$506.6 million	-7.9%



Installed Capacity Utilization - 2Q20

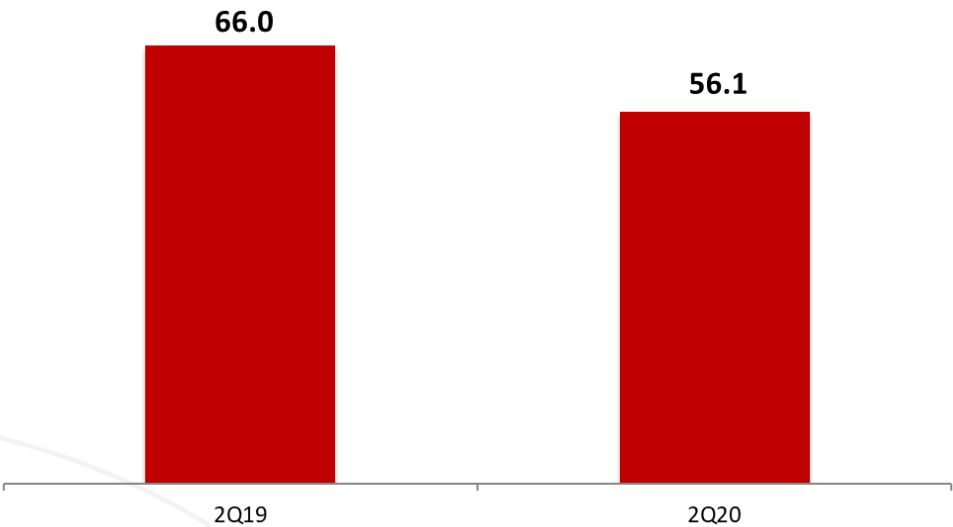


Breakdown of Costs - 2Q20



Net Revenue		
2Q19	2Q20	Var
R\$69.6 million	R\$97.0 million	39.4%
1H19	1H20	Var
R\$136.8 million	R\$161.9 million	18.4%

Market - Million Gallons

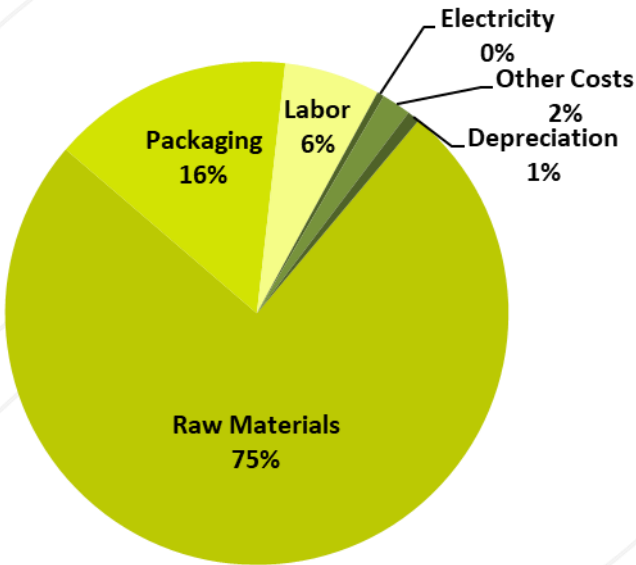


Variation	2Q20 x 2Q19
Eucatex	29.3%
Market	-15.0%

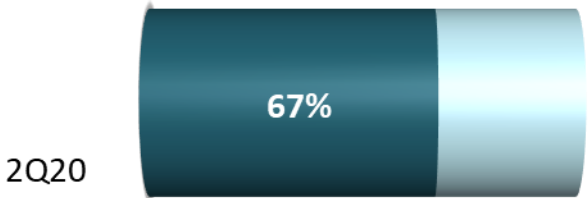
Variation	1H20 x 1H19
Eucatex	11.2%
Market	-11.7%

Source: Eucatex

Breakdown of Costs - 2Q20



Installed Capacity Utilization

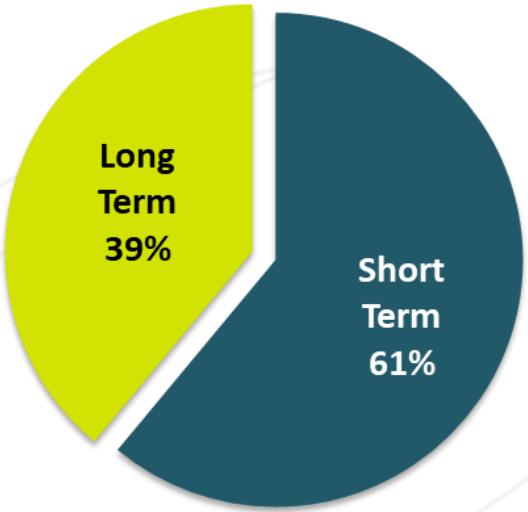


▪ Total Capacity - 36 million gallons / year

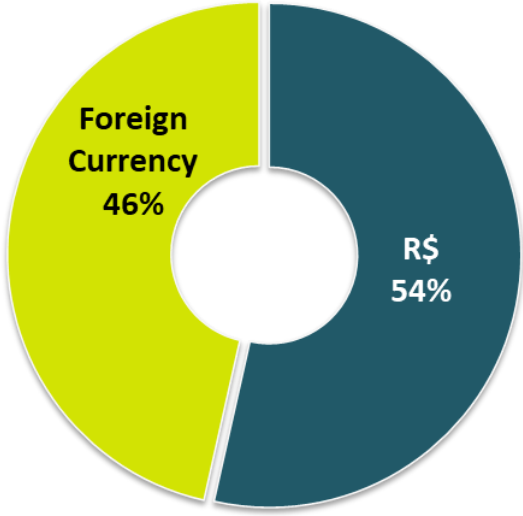
Highlights (RS million)	2Q20	V.A. %	2Q19	V.A. %	Var. (%)	1H20	V.A. %	1H19	V.A. %	Var. (%)
Net Revenue	369.3	100.0%	373.0	100.0%	-1.0%	738.2	100.0%	729.5	100.0%	1.2%
Fair value of biological assets	10.3	2.8%	0.3	0.1%	3393.3%	20.1	2.7%	0.2	0.0%	8834.9%
Cost of products sold	(266.2)	72.1%	(270.4)	72.5%	-1.5%	(535.7)	72.6%	(529.3)	72.5%	1.2%
Gross income	113.3		102.9		10.1%	222.6		200.5		11.0%
Gross Margin (%)	30.7%		27.6%		3 p.p.	30.2%		27.5%		2,7 p.p.
Administrative expenses	(14.5)	3.9%	(16.5)	4.4%	-12.3%	(31.1)	4.2%	(31.9)	4.4%	-2.5%
Selling expenses	(55.0)	14.9%	(50.0)	13.4%	9.9%	(106.4)	14.4%	(99.0)	13.6%	7.4%
Other operating income and expenses	(0.1)	0.0%	0.6	0.2%	-118.3%	1.8	0.2%	2.6	0.4%	-30.3%
Recurring EBITDA	64.5		71.7		-10.1%	131.7		138.3		-4.8%
EBITDA Margin (%)	17.5%		19.2%		-1,7 p.p.	17.8%		19.0%		-1,2 p.p.
Net financial result	(12.3)	3.3%	(11.8)	3.2%	-3.8%	(61.6)	8.3%	(26.0)	3.6%	-137.2%
Non-recurring results	(1.2)	0.3%	(9.2)	2.5%	86.8%	83.9	11.4%	(15.4)	2.1%	644.5%
Income and social contribution taxes	(12.8)	3.5%	(1.7)	0.5%	630.5%	(46.8)	6.3%	(5.2)	0.7%	804.5%
Net Income (Loss)	17.5	4.7%	14.2	3.8%	22.9%	62.3	8.4%	25.6	3.5%	143.8%
Recurring Net Income (Loss)	18.3	4.9%	20.3	5.4%	-9.8%	6.9	0.9%	35.7	4.9%	-80.6%

Debt (R\$ Million)	1H20	2019	Var. (%)	1H19	Var. (%)
Short Term Debt	298.9	240.2	24.4%	274.0	9.1%
Long Term Debt	190.8	193.0	-1.1%	160.5	18.8%
Gross Debt	489.6	433.2	13.0%	434.5	12.7%
Cash and Cash Equivalents	24.7	18.5	34.0%	13.1	89.1%
Net Debt	464.9	414.7	12.1%	421.4	10.3%
% Short Term Debt	61%	55%	7 p.p.	63%	-1 p.p.
Net Debt/Recurring EBITDA	1.7	1.5	11.4%	1.6	3.7%

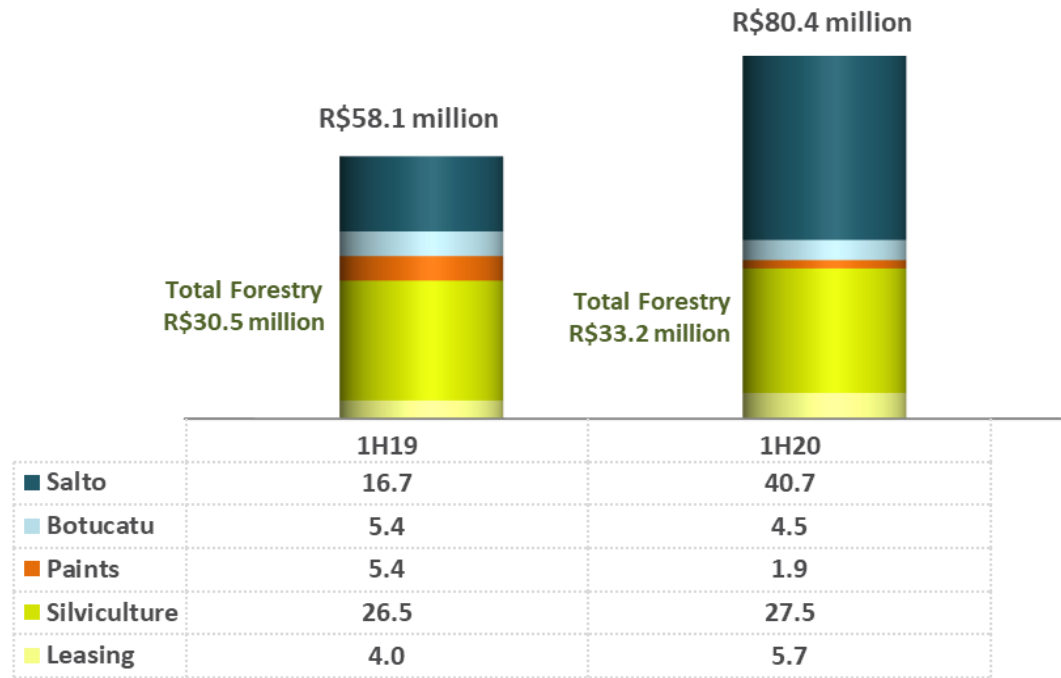
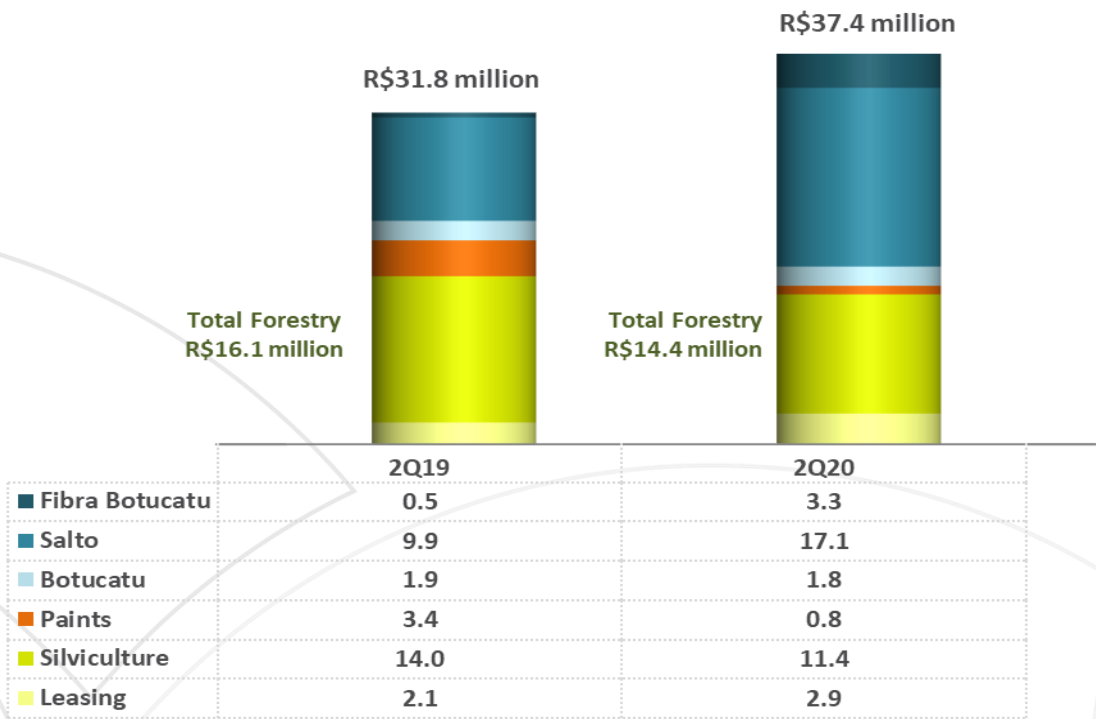
Debt Profile by Maturity in 1H20



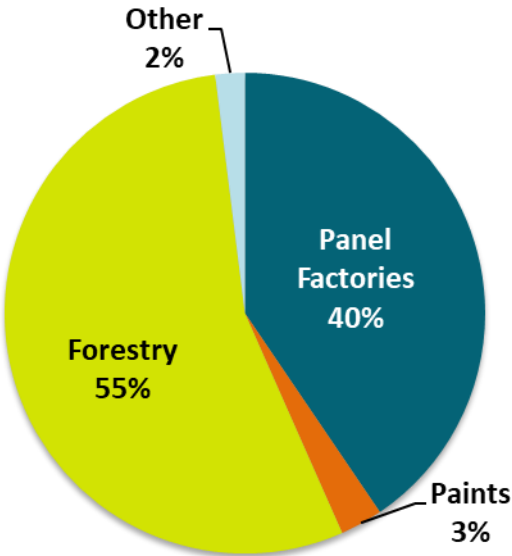
Debt Profile by Currency in 1H20



Investments Made



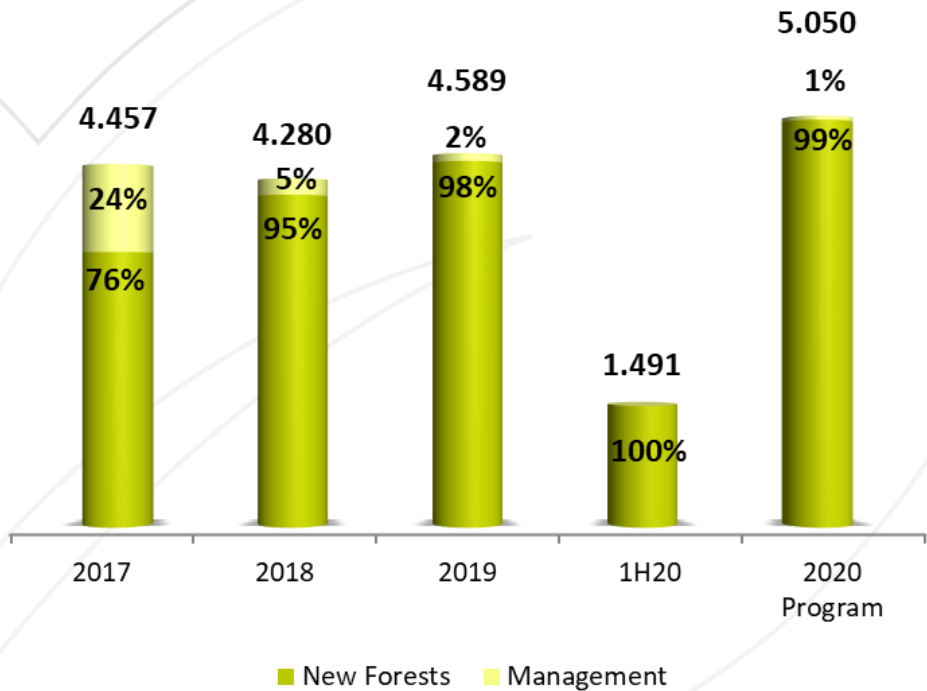
Planned for 2020
R\$136.5 million



83 farms
with eucalyptus plantations,
totaling
51,600 hectares

Average Radius		
Salto	Botucatu MDP	Botucatu Fiberboard
76 km	19 Km	54 Km

Newly Planted Forests and Seedling Management (ha)





eucatex



EUCATEX vs. COVID-19
EucateX Taking Care of You!

Internal Measures - Preventive Actions

- Information and Raising Awareness
- Sanitization of Facilities
- Personal Hygiene
- Physical Distancing
- Risk Monitoring
- Control of Cases



Until August 11, 5 months after the pandemic broke out, with the information and documented follow-up of the Company's medical care, there were **555** suspected cases, who submitted medical certificates and were granted leave from work for a given period, out of **2,778** employees.

Significant increase in cases at the Salto and Botucatu units, but in a lower ratio than reported by municipal authorities of these cities.

There were **54** confirmed cases, **2.0%** of total employees, of whom **43** have recovered and **11** are recovering!

Important Measures for Balancing Results and Reducing the Impacts of Quarantine

Measures	Impact R\$ million/average month (incurred 2Q20)
Work shift and wage reduction: Administrative departments – 25% Apr-Jun Paint Unit – 25% May and June Panel and Flooring Unit - 25% May and June, resumption in July Panel Unit – LDII – 50% June and July Panel Unit – THDF – 25% May-Jul Early vacations were also granted at Panel and Flooring and Paints unit in April 2020	R\$ 2.70
Reduction in Overtime	R\$ 0.40
Reduction of Fixed Costs and Expenses (services, trips, maintenance, marketing, etc)	R\$ 4.70
TOTAL SAVINGS	R\$ 7.80



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