

Earnings Release – 1Q15

APRIL 27, 2015

Adjusted EBITDA of R$461 million in 1Q15, **9% growth** on 1Q14

NET REVENUE **R$1,308 million**	Net revenue of R$1,308 million, 9% up on 1Q14. Domestic market net revenue came to R$915 million and accounted for 70% of the total, while exports generated R$393 million.
SALES VOLUME **437 thousand tonnes**	Sales volume totaled 437 thousand tonnes, 1% down on 1Q14. Domestic sales volume stood at 292 thousand tonnes and accounted for 67% of total volume, while exports came to 145 thousand tonnes.
ADJUSTED EBITDA **R$461 million**	Adjusted EBITDA of R$461 million, 9% up year-on-year, with a margin of 35%, same level of the 1Q14 figure.
INVESTMENTS **R$1.0 billion**	Capex amounted to R$1.0 billion in 1Q15, mainly due to the acceleration of investments in the Puma Project, which totaled R$880 million in the first quarter.
PUMA PROJECT **58% complete**	The works for Klabin's new 1.5 million tonnes per year pulp plant closed 1Q15 58% complete, with 41% of the investments already disbursed.

March 31, 2015

Klabin
Market cap R$17 billion

KLBN11
Closing price R$18.20
Daily traded vol. 1Q15 R$48 million

Conference Call
English (simultaneous translation)
Tuesday, 04/28/15, 10:00 a.m. (EST)
Phone: 1-888-700-0802
Password: Klabin
http://cast.comunique-se.com.br/Klabin/1Q15

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R$ million	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Sales volume (thousand tonnes)	**437**	**443**	**443**	**-1%**	**-1%**
% Domestic Market	67%	72%	65%	-5 p.p.	2 p.p.
Net Revenue	**1,308**	**1,257**	**1,203**	**4%**	**9%**
% Domestic Market	70%	75%	72%	-5 p.p.	-2 p.p.
Adjusted EBITDA	**461**	**508**	**424**	**-9%**	**9%**
Adjusted EBITDA Margin	35%	40%	35%	-5 p.p.	0 p.p.
Net Income (loss)	**(729)**	**(127)**	**607**	**472%**	**N/A**
Net Debt	**7,440**	**5,242**	**2,711**	**42%**	**174%**
Net Debt / EBITDA (LTM)	4.2x	3.0x	1.7x		
Capex	**1,000**	**917**	**505**	**9%**	**98%**

Klabin's consolidated financial statements are presented in accordance with International Financial Reporting Standards (IFRS), as determined by CVM Instructions 457/07 and 485/10. Vale do Corisco's information is not consolidated, being represented in the financial statements by equity income. Adjusted EBITDA is in accordance with CVM Instruction 527/12.
Notes:
Due to rounding, some figures in tables and graphs may not result in a precise sum. The EBITDA margin includes the effects of Vale do Corisco.
LTM – Last twelve months

IBOVESPA Índice Brasil 50 IBRX 50 Índice de Sustentabilidade Empresarial ISE 2014 Índice de Ações com Tag Along Diferenciado ITAG Índice de Ações com Governança Corporativa Diferenciada IGC KLBN11 NÍVEL 2 BM&FBOVESPA OTCQX Klabin

SUMMARY

The first quarter of 2015 marked the beginning of the Brazilian government's fiscal adjustment, aimed at cleaning up the public accounts and achieving the fiscal target determined by the Finance Minister, Joaquim Levy. Measures to reduce certain benefits, such as the *Reintegra* program and payroll tax exemption, as well as successive energy price increases, were announced as soon as the new government's mandate began in an attempt to accelerate the recovery of trust in the Brazilian economy. These measures, which mainly affected exporters, are being partially offset by the strong devaluation of the real, improving the competitiveness of local producers.

On the international front, the expected increase in U.S. interest rates due to this country's economic recovery continues to fuel market volatility and push the appreciation of the dollar in relation to virtually all currencies. Together with slower Chinese growth and the uncertainties surrounding the Eurozone, the global currency devaluation has kept commodity prices at historically low levels.

In this context of increased pessimism and the deterioration in Brazil's economic activity, the domestic paper and packaging markets continued to weaken at the beginning of 2015. In relation to the first quarter of last year, the Brazilian Corrugated Boxes Association (ABPO) pointed to a 1% downturn in 1Q15 and the Brazilian Tree Industry (IBÁ, formerly Bracelpa) indicated decline in the coated boards market.

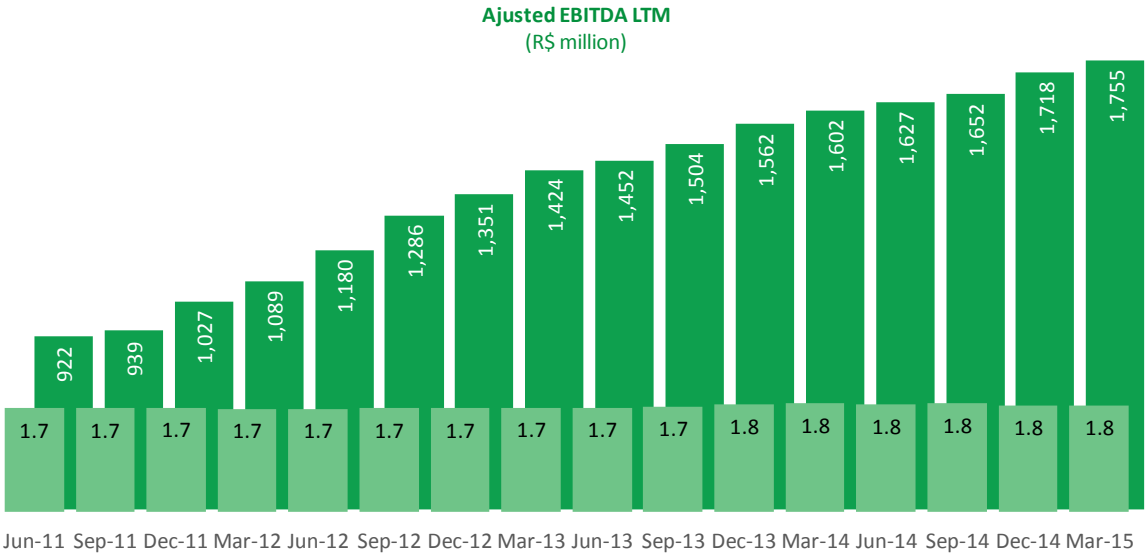
In the international kraftliner market, the upward price trajectory in the final months of 2014 persisted in 1Q15 and, according to FOEX, the list price in Europe averaged €571/t in the quarter, 1% higher than in 4Q14 and 1Q14.

Throughout the quarter, Klabin's results were affected by factors that had not occurred in the same period last year. In addition to stronger inflationary pressure in the opening months, especially in regard to energy prices, the revision stoppage of the Turbo Generator 8 in the Monte Alegre (PR) mill increased electricity acquisition costs. The quarter also carried out a scheduled maintenance stoppage at Otacílio Costa (SC) in March and reinitiated production of the paper machine at Angatuba (SP), whose capacity was expanded in December 2014, impacting period production volume.

Nevertheless, with stable year-on-year volume and higher cost pressure, Klabin benefited from its ability to operate in different scenarios and markets and maintained its sustainable operating cash flow growth trajectory, with a 9% increase in EBITDA over 1Q14.

This upturn was favored by the improved conversion product sales mix and the devaluation of the real against the dollar in 1Q15, which enabled the Company to leverage the revenues of the volume directed to the international markets.

As a result, despite Brazil's weakened economic scenario and inflationary pressure and the international uncertainties, Klabin once again underlined its ability to operate efficiently in different market conditions, closing the last 12 months with EBITDA of R$1,755 million, the 15th consecutive quarter of growth.



Exchange Rate

The real intensified its downward trajectory throughout the first quarter of 2015, due to a combination of the political and economic uncertainties in Brazil, as well as signs of reduced intervention in the exchange market by the Brazilian Central Bank, and the slide in international commodity prices and the possibility of an increase in U.S. interest rates. The R$/US$ exchange peaked at R$3.29/US$ in March, its highest level since 2003, closing the quarter at R$3.21/US$, 21% up on the end of 4Q14. The average rate was R$2.87/US$, 13% higher than in the previous quarter and 21% up on 1Q14.

R$ / US$	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Average Rate	2.87	2.54	2.37	13%	21%
End Rate	3.21	2.66	2.26	21%	42%

Source: Bacen

OPERATING AND FINANCIAL PERFORMANCE

Sales volume

First-quarter sales volume, excluding wood, totaled 437 thousand tonnes, stable over both 1Q14 and 4Q14. Packaging paper sales were impacted by the scheduled maintenance stoppage at the Otacílio Costa (SC) mill and lower output from the Angatuba paper machine, which resumed production after the capacity expansion at the end of December. The reduction in paper production was partially offset by the year-on-year upturn in coated board sales volume.

In the conversion markets, accompanying the fall in corrugated box volume indicated by ABPO, Klabin's sales volume was 3% lower than in 1Q14. It is worth noting that, in Klabin's case, the deterioration in the Brazilian conversion markets can be offset by higher domestic and international paper sales volume.

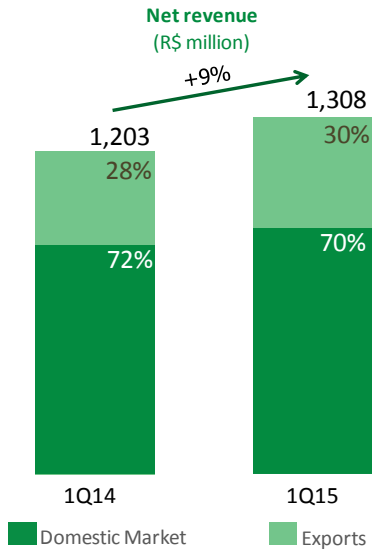
It is also worth noting that the period decline in Brazil's economic activity and the strong devaluation of the real enabled Klabin to route 33% of its sales to exports, versus 28% in 4Q14, underlining the flexible approach of the Company, which repeated the strategy adopted in 1Q14, when exports accounted for 35% of total sales volume.

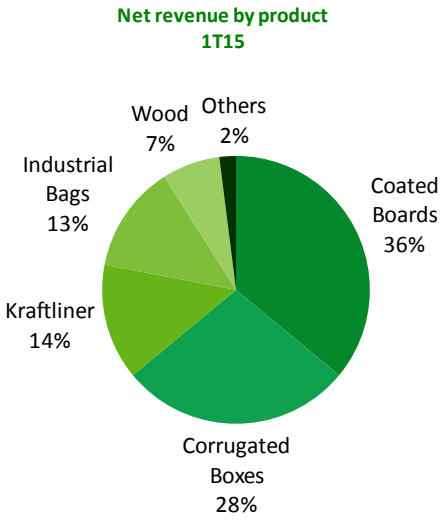
Net Revenue

First-quarter net revenue, including wood, increased by 9% over 1Q14 to R$1,308 million, largely due to the devaluation of the real against the dollar, which pushed up export revenue. Net revenue from exports accounted for 30% of the total, versus 28% and 25% in 1Q14 and 4Q14, respectively. Higher coated board sales volume and the improved sales mix also contributed to the upturn.

Domestic revenue increased by 6% and exports moved up by 16% over 1Q14, once again underlining Klabin's flexibility in the pursuit of the best possible product and market mix in accordance with the different economic scenarios.

Pro-forma net revenue, including Klabin's proportional share of revenue from Florestal Vale do Corisco S.A., came to R$1,322 million.



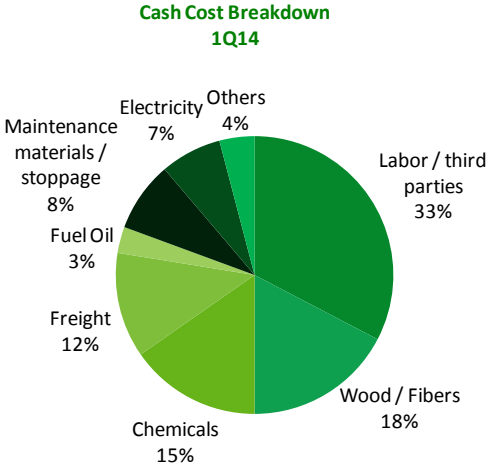


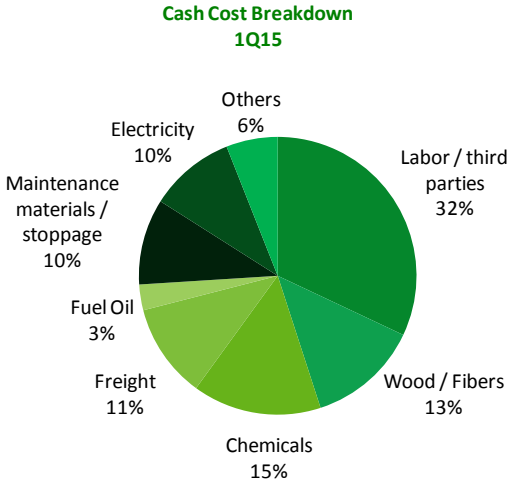
Operating Costs and Expenses

The **unit cash cost,** including fixed and variable costs and operating expenses, came to R$1,957/t, 10% up on 1Q14. This increase already reflected upturn in electricity acquisition costs, announced by the government at the beginning of the year. In addition to the higher energy expenses, the cash cost was affected by inflation and the impact of the exchange variation on production input prices, as well as increased expenses with personnel, due to collective bargaining agreements and higher provisions for profit sharing throughout 2014. However, the upturn in the cash cost was partially offset by the decline in selling expenses and the below-inflation increase in general and administrative expenses.

In 1Q15, there was a revision stoppage in the Turbo Generator 8 at the Monte Alegre (PR) mill, which impacted the first-quarter cash cost due to the non-recurring acquisition of additional electricity on the

market. In March, there was maintenance stoppage at the Otacílio Costa (SC) mill. Both stoppages did not occurred in the same period of the last year and excluding their effects, unit cash cost would be R$ 1.900/t, 7% above 1Q14.





In 2Q15, two further maintenance stoppages have been scheduled at the Monte Alegre (PR) and Correia Pinto (SC) mills.

The **cost of goods sold,** excluding depreciation, depletion and amortization, came to R$1,560/t in 1Q15, 10% up on 1Q14, due to higher variable costs arising from inflationary pressure on input prices, mainly energy, partially offset by the reduced volume of sack kraft purchases.

Selling expenses totaled R$94 million in the quarter, 4% down on 1Q14. As a percentage of net revenue, these expenses, most of which are variable, fell slightly to 7.2% of first-quarter net revenue.

General and administrative expenses stood at R$75 million. Despite the impact of higher personnel expenses due to the increase in profit-sharing payouts and collective bargaining agreements in 2014 increased just 3% when compared with 1Q14.

Other operating revenue (expenses) resulted in an expense of R$6 million in 1Q15, versus revenue of R$9 million in 1Q14.

Effect of the variation in the fair value of biological assets

The **effect of the variation in the fair value of biological assets** was a gain of R$56 million in 1Q15, primarily due to the growth of forests that were recognized at their fair value and by the alteration in the Company's average cost of capital used to calculate the net present value of the forests. In the same period, the effect of the **depletion of the fair value of biological assets** on the cost of goods sold was R$157 million. As a result, the non-cash impact of the variation in the fair value of biological assets on annual operating income (EBIT) in the quarter was a loss of R$101 million.

Operating Cash Flow (EBITDA)

R$ million	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Net Income (loss)	**(729)**	**(127)**	**607**	**472%**	**N/A**
(+) Income taxes and social contribution	(390)	(88)	325	342%	N/A
(+) Net Financial Revenues	1,385	451	(166)	207%	N/A
(+) Depreciation, amortization, depletion	250	295	177	-15%	42%
Adjustments according to IN CVM 527/12 art. 4º					
(-) Biological assets adjustment	(56)	(20)	(522)	183%	-89%
(+) Cost of carrying out assigned to property - land	-	3	-	N/A	N/A
(-) Equity Pickup	(8)	(14)	(6)	-47%	36%
(+) Vale do Corisco	8	9	9	-6%	-13%
Ajusted EBITDA	**461**	**508**	**424**	**-9%**	**9%**
Adjusted EBITDA Margin	35%	40%	35%	-5 p.p.	0 p.p.

N / A - Not applicable
Note: EBITDA margin is calculated considering the pro forma net revenue, which includes Vale do Corisco

Thanks to revenue growth, 1Q15 EBITDA recorded another increase, despite strong inflationary pressure on production costs at the beginning of the year. Operating cash flow (adjusted EBITDA) totaled R$461 million, with a margin of 35%.

The improved domestic sales mix, together with the devaluation of the real against the dollar, enabled Klabin to obtain higher sales revenue in both markets. This flexibility, in conjunction with the resilience of the Company's markets, has been responsible for the sustainable net revenue and income growth.

This figure represents a 9% year-on-year increase and includes Klabin's share of Florestal Vale do Corisco S.A., which totaled R$8 million.

Indebtedness and Financial Investments

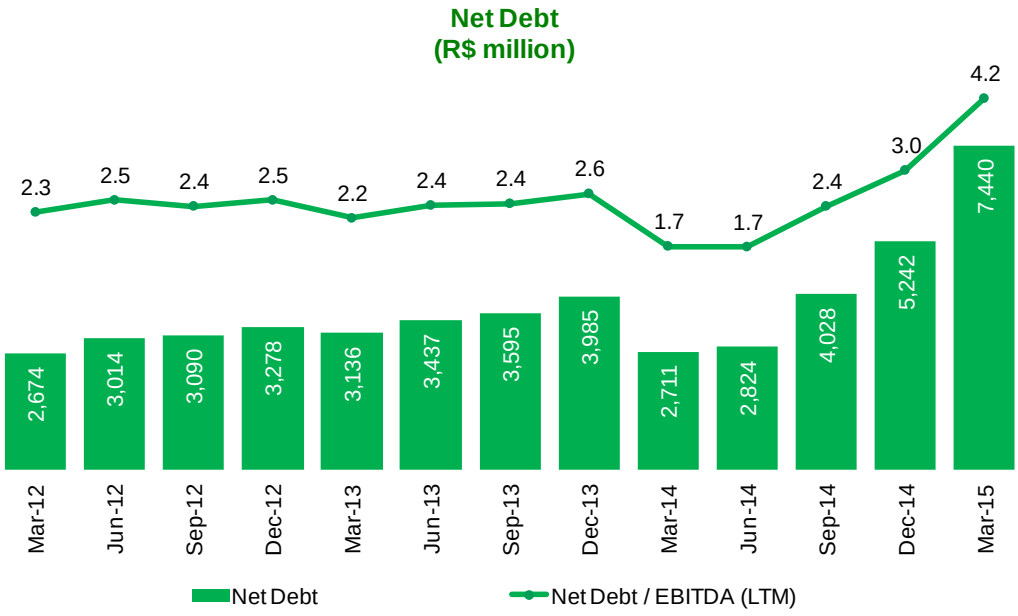
Gross debt totaled R$13,015 million on March 31, 2015, R$2,030 million more than at the close of 4Q14, chiefly due to the 21% devaluation of the real. Of this total, R$8,393 million, or 64% (US$2,616 million) was denominated in dollars, primarily export pre-payment facilities.

Cash and financial investments closed the quarter at R$5,575 million, R$168 million less than in 4Q14, mainly due to investments in the Puma Project, partially offset by the Company's cash generation and the contracting of new financing lines. This amount exceeds financing amortizations due in the next 51 months. Of this total, R$1,259 million (US$392 million) was dollar-denominated.

Consolidated **net debt** totaled R$7,440 million on March 31, 2015, R$2,198 million more than the R$5,242 million recorded on December 31, 2014, mainly due to due to investments in the quarter, totaling R$1.0 billion, and the accounting impact of the exchange variation on dollar-denominated debt, partially offset by the Company's strong operating cash flow. As a result, the **net debt/adjusted EBITDA ratio** closed the first quarter at 4.2x, versus 3.0x at the end of 2014.

Considering LTM EBITDA in dollar terms as well as the net debt/EBITDA ratio was 3.3x in the end of March. The substantial devaluation of the real in the first three months had a 0.7x impact on the period net debt/EBITDA ratio. It is worth emphasizing that the exchange variation effect is of a purely accounting nature and most of its impact is on financing related to export pre-payment facilities not linked to the Puma Project and already backed by Klabin's future exports.

The **average maturity term** at the close of 1Q15 was 52 months (43 months for local-currency financing and 56 months for foreign-currency funding). Short-term debt accounted for 16% of the total and borrowing rates in local and foreign currency averaged 10.7% p.a. and 4.8% p.a., respectively.



Debt (R$ million)	03/31/2015		12/31/2014	
Short term				
Local currency	1,211	10%	982	9%
Foreign currency	789	6%	773	7%
Total short term	**2,000**	**15%**	**1,755**	**16%**
Long term				
Local currency	3,411	26%	3,148	29%
Foreign currency	7,604	58%	6,082	55%
Total long term	**11,015**	**85%**	**9,230**	**84%**
Total local currency	4,622	36%	4,130	38%
Total foreign currency	8,393	64%	6,855	62%
Gross debt	**13,015**		**10,985**	
(-) Cash	5,575		5,743	
Net debt	**7,440**		**5,242**	
Net debt / EBITDA (LTM)	**4.2x**		**3.0x**	

Financial Result

Financial expenses in the last 12 months were impacted by the upturn in the Company's gross debt due to the contracting of financing lines related to the Puma Project and the increase in Brazilian interest rates. As a result, financial expenses totaled R$216 million in 1Q15, higher than the R$106 million recorded in 1Q14, but flat in relation to 4Q14.

Financial revenue came to R$119 million, stable over 1Q14 and 10% lower in comparison with 4Q14, as a consequence of lower cash balance due to the Puma Project disbursements.

Consequently, the 1Q15 **financial result**, excluding the exchange variation, was negative by R$97 million, versus a negative R$93 million in 4Q14 and a positive R$15 million in 1Q14.

The exchange rate closed the quarter 21% up on the end of December 2014. As a result, the **net foreign exchange variation** was negative by R$1,288 million. Note that the exchange variation has an exclusively accounting effect on the Company's balance sheet, with no significant cash impact in the short term.

BUSINESS PERFORMANCE

Consolidated information by business unit in 1Q15:

R$ million	Forestry	Papers	Conversion	Consolidation	Total
Net revenue					
Domestic market	89	330	496	-	915
Exports	-	344	49	-	393
Third part revenue	**89**	**674**	**545**	**-**	**1,308**
Segments revenue	153	266	3	(422)	-
Total net revenue	**242**	**940**	**548**	(422)	**1,308**
Change in fair value - biological assets	56	-	-	-	56
Cost of goods sold	(310)	(586)	(450)	416	(930)
Gross income	**(12)**	**354**	**98**	(6)	**434**
Operating expenses	(9)	(95)	(62)	(2)	(168)
Operating results before financial re	**(21)**	**259**	**36**	(8)	**266**

Note: In this table, total net revenue includes sales of other products.

* Forestry COGS includes the exaustion of the fair value of biological assets in the period.

BUSINESS UNIT - FORESTRY

thousand tonnes	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Wood	749	763	697	-2%	7%
R$ million					
Wood	90	70	83	28%	9%

Exports of wood products by Klabin clients, essentially plywood and moldings, was fueled by the high exchange rate and period growth of the U.S. construction industry.

As a result, log sales to third parties climbed by 13% over 1Q14, reaching 749 thousand tonnes. Net revenue from wood sales totaled R$90 million, 9% up year-on-year, accompanying the period upturn in log sales volume.

BUSINESS UNIT - PAPER

thousand tonnes	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Kraftliner DM	33	32	33	4%	2%
Kraftliner EM	63	58	72	9%	-13%
Total Kraftliner	**96**	**90**	**105**	**7%**	**-8%**
Coated boards DM	89	106	89	-16%	0%
Coated boards EM	74	60	73	23%	2%
Total Coated boards	**163**	**166**	**161**	**-2%**	**1%**
Total Paper	**259**	**256**	**266**	**1%**	**-3%**
R$ million					
Kraftliner	182	160	171	13%	6%
Coated boards	474	450	415	5%	14%
Total Paper	**655**	**610**	**586**	**7%**	**12%**

Kraftliner

Kraftliner sales volume in 1Q15 was jeopardized by the scheduled stoppage at the Otacílio Costa (SC) mill, which did not occur in 2014. As a result, period sales volume fell by 8% year-on-year to 96 thousand tonnes, although net revenue moved up by 6%.

The increase in export revenue was mainly due to the upturn in the R$/US$ exchange rate, as well as the recovery of kraftliner list prices in recent months. As for the domestic market, inflationary pressure, especially on electricity prices and labor costs, has created a scenario favoring an increase in packaging paper prices.

It is worth noting that the new recycled paper machine in Goiana (PE), inaugurated in February 2015, is continuing with its learning curve and is already producing top-quality paper. This facility will supply the conversion mills in the Northeast of Brazil, which recorded significant market growth, releasing virgin fiber paper volumes for sale, especially abroad.

Coated Boards

During the first months of 2015 Brazilian Tree Industry (IBÁ, formerly Bracelpa) reports indicated a weakening in brazilian coated boards market. Nevertheless, Klabin's coated board sales totaled 163 thousand tonnes in 1Q15, 1% up on 1Q14. Exports came to 74 thousand tonnes, 2% up year-on-year and 23% more than in 4Q14, benefiting from the higher exchange rate. The upturn in coated board also reflected the improved operation of machine 9 in Paraná after its capacity was increased in mid-2014.

First-quarter net revenue amounted to R$474 million, a 14% year-on-year increase, mainly due to higher sales volume, especially in the international market, where the Company was favored by the higher exchange rate, and to Klabin's exposure to more resilient sectors, such as food.

BUSINESS UNIT - CONVERSION

thousand tonnes	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Total conversion	169	176	173	-4%	-3%
R$ million					
Total conversion	536	544	525	-1%	2%

According to the Brazilian Corrugated Boxes Association (ABPO), the market closed 1% down on 1Q14, confirming the continuation of the more sluggish domestic economic scenario at the end of 2014. In this context, and partially affected by the truck drivers' strike in February, Klabin followed the market tendency, mitigated by the decision to ship higher paper volumes abroad.

In the industrial bag market, Klabin's excellent presence in the Northeast of Brazil increased the number of bags sold, mainly to the cement market, which acquires products with lower grammage. As these bags are lighter, the increase in quantity did not result in an upturn in sales volume in tonnes, but did have a positive impact on net revenue due to the improved sales mix. Export volume benefited directly from the higher exchange rate in 1Q15.

Despite the deterioration of the domestic economy, the healthier sales mix and the devaluation of the real against the dollar offset the 3% year-on-year decline in 1Q15 conversion sales volume. Net revenue totaled R$536 million, 2% up on 1Q14.

INVESTMENTS

R$ million	1Q15	1Q14
Forestry	21	23
Maintenance	59	52
Special projects and growth	40	81
Puma Project	880	349
Total	**1,000**	**505**

Klabin invested R$1.0 billion in 1Q15, led by investments in the new pulp mill in Ortigueira (PR). Of this total, R$59 million went to the continuity of mill operations, R$21 million to forestry operations, R$40 million to special projects and capacity expansions, and R$880 million to the Puma Project. Klabin's new pulp mill will have a capacity of 1.5 million tonnes per year. The works are moving ahead in line with the previously established schedule and were 58% complete by the close of the quarter.

On February 2, the new 110 thousand tonne/year recycled paper machine in Goiana (PE) produced its first jumbo paper roll and is currently in its learning its curve. The machine has been producing top-quality paper that will supply the conversion mills in the region. The new machine is tripling the mill's recycled paper production, hiking capacity from 50 thousand tons/year to 160 thousand tons/year, and it reinforce Klabin's presence in the Northeast region, which is showing consumption growth in important sectors for the packaging markets such as industrialized foods, fruits and civil construction.

Modifications to the machine in Piracicaba (SP) to add 15 thousand tonnes/year of recycled paper capacity are scheduled for April 2015, and this will be the last capacity increase before the startup of the Puma Project.

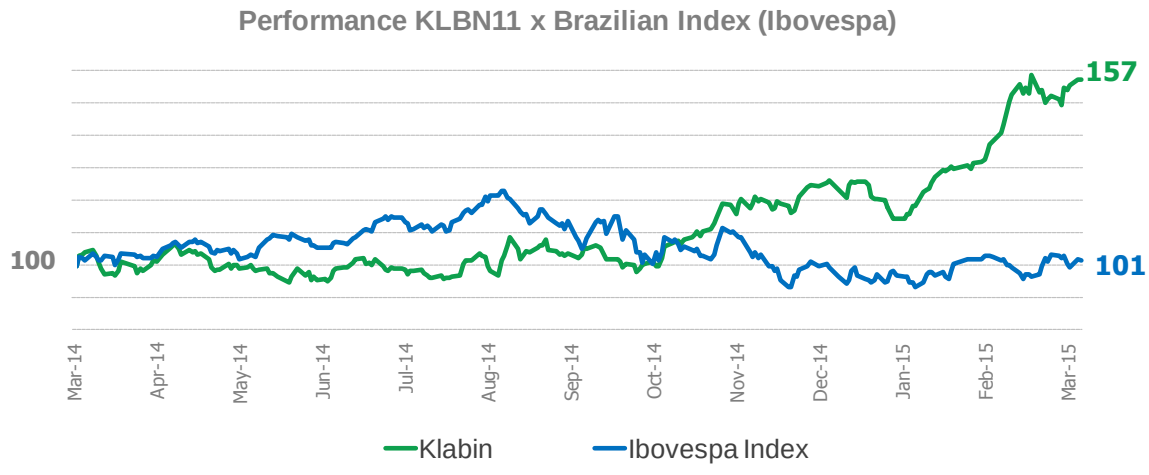


Goiana (PE) Mill

CAPITAL MARKETS

Shares

Klabin's Units (KLBN11) moved up by 25% in 1Q15, while the Ibovespa Index appreciated by 2%. The Company's Units were traded in all sessions of the BM&FBovespa, totaling 355 thousand trades involving 185 million shares, giving average daily traded volume of R$48 million at the end of the period. In the last twelve months, Klabin's shares appreciated by 57%, versus the Ibovespa's 1% upturn.



Klabin's capital stock is represented by 4,730 million shares, 1,849 million of which common shares and 2,881 million preferred shares. Klabin's shares are also traded on the U.S. over-the-counter market as Level 1 ADRs, under the ticker KLBAY.

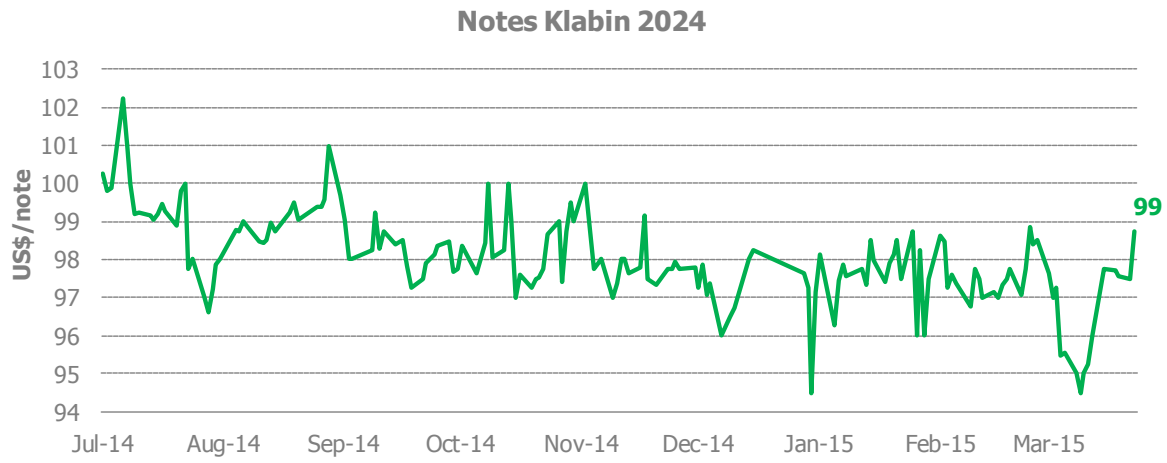
For the second consecutive year, Klabin was included in the BM&FBovespa's Corporate Sustainability index (ISE). The new portfolio, which became effective on January 5, 2015, contains 51 shares from 40 companies, all of which recognized for their high level of commitment to the sustainability of their businesses and the country as a whole. This achievement reinforces Klabin's historic commitment to sustainable development, underlined by its pioneering role in obtaining pulp and paper sector certifications and its handling of biodiversity.

Dividends

On April 6, the Company began paying the complementary dividends approved by the Annual Shareholders' Meeting of March 19, 2015 in the amount of R$22.27 per lot of one thousand common shares, R$22.27 per lot of one thousand preferred shares, and R$111.36 per lot of one thousand units, totaling R$102 million.

Fixed Income

Klabin's debt securities (notes) are due in July 2024. The issue totaled US$500 million and the notes are being traded on the secondary market of the Luxembourg Stock Exchange. They were issued at 5.25% p.a., with interest payments every six months in January and July. Klabin's credit rating is BBB- with a negative outlook, according to the risk rating agencies Standard & Poor's and Fitch Ratings.



CONFERENCE CALL

Portuguese (with simultaneous translation)

Tuesday, April 28, 2015 – 11:00 a.m. (Brasília).

Password: Klabin

Phone: (11) 3193-1133 or (11) 2820-4133

Replay: (11) 3193-1012 or (11) 2820-4012 – Password: 2133982#

The conference call will also be broadcast via the internet.

Access: http://cast.comunique-se.com.br/Klabin/1T15

English (simultaneous translation)

Tuesday, April 28, 2015 – 10:00 a.m. (EST).

Password: Klabin

Phone: U.S. participants: 1-888-700-0802

International participants: 1-786-924-6977

Brazilian participants: (55 11) 3193-1133

Replay: (55 11) 3193-1012 or (55 11) 2820-4012 – Password: 5176977#

The conference call will also be broadcasted by internet.

Access: http://cast.comunique-se.com.br/Klabin/1Q15

With gross revenue of R$5.9 billion in 2014, **Klabin** is the largest integrated manufacturer, exporter and recycler of packaging paper in Brazil, with an annual production capacity of 1.9 million tonnes. Klabin has adopted a strategic focus on the following businesses: paper and coated boards for packaging, corrugated boxes, industrial sacks and wood logs. It is the leader in all of its market segments.

The statements in this earnings release concerning the Company's business prospects, projected operating and financial results and potential growth are merely projections and were based on Management's expectations regarding the Company's future. These expectations are highly susceptible to changes in the market, the general performance of the Brazilian economy, the industry and the international markets, and are therefore subject to change.

Appendix 1
Consolidated Income Statement

(R$ thousands)	1Q15	4Q14	1Q14	Δ 1Q15/4Q14	Δ 1Q15/1Q14
Gross Revenue	**1,555,081**	**1,518,233**	**1,441,810**	**2%**	**8%**
Net Revenue	**1,308,449**	**1,257,110**	**1,203,471**	**4%**	**9%**
Change in fair value - biological assets	55,538	19,644	522,072	183%	-89%
Cost of Products Sold	(930,067)	(919,770)	(802,852)	1%	16%
Gross Profit	**433,920**	**356,984**	**922,691**	**22%**	**-53%**
Selling Expenses	(94,461)	(95,853)	(98,181)	-1%	-4%
General & Administrative Expenses	(74,964)	(83,171)	(72,930)	-10%	3%
Other Revenues (Expenses)	(6,033)	42,985	8,957	N/A	N/A
Total Operating Expenses	**(175,458)**	**(136,039)**	**(162,154)**	**29%**	**8%**
Operating Income (before Fin. Results)	**258,462**	**220,945**	**760,537**	**17%**	**-66%**
Equity pickup	**7,535**	**14,268**	**5,542**	**-47%**	**36%**
Financial Expenses	(215,714)	(224,971)	(106,002)	-4%	103%
Financial Revenues	118,846	131,778	121,236	-10%	-2%
Net Foreign Exchange Losses	(1,287,743)	(357,697)	150,533	260%	N/A
Net Financial Revenues	**(1,384,611)**	**(450,890)**	**165,767**	**207%**	**N/A**
Net Income before Taxes	**(1,118,614)**	**(215,677)**	**931,846**	**419%**	**N/A**
Income Tax and Soc. Contrib.	390,048	88,306	(324,672)	342%	N/A
Net income	**(728,566)**	**(127,371)**	**607,174**	**472%**	**N/A**
Depreciation and amortization	250,316	295,216	176,551	-15%	42%
Cost of carrying out assigned to property - land	-	3,169	-	N/A	N/A
Change in fair value of biological assets	(55,538)	(19,644)	(522,072)	183%	-89%
Vale do Corisco	8,167	8,708	9,388	-6%	-13%
Adjusted EBITDA	**461,407**	**508,394**	**424,404**	**-9%**	**9%**

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Appendix 2
Consolidated Balance Sheet (R$ thousands)

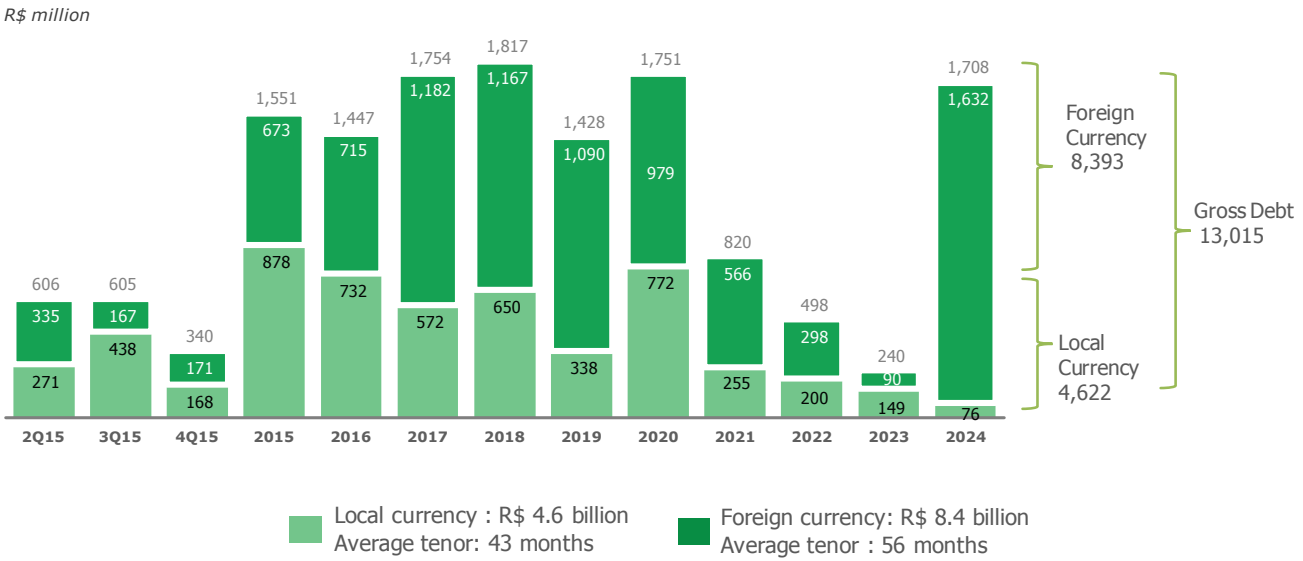
Assets	mar-14	dec-14
Current Assets	**7,992,082**	**7,899,676**
Cash and banks	41,968	105,794
Short-term investments	5,027,182	5,140,039
Securities	505,934	497,604
Receivables	1,273,769	1,148,676
Inventories	599,794	563,709
Recoverble taxes and contributions	429,433	331,968
Other receivables	114,002	111,886
Noncurrent Assets	**14,282,475**	**13,274,179**
Long term		
Taxes to compensate	678,504	428,884
Judicial Deposits	84,879	84,689
Other receivables	241,304	236,050
Other investments	502,283	494,747
Property, plant & equipment, net	9,194,472	8,351,387
Biological assets	3,568,934	3,667,085
Intangible assets	12,099	11,337
Total	**22,274,557**	**21,173,855**

Liabilities and Stockholders' Equity	mar-14	dec-14
Current Liabilities	**3,030,685**	**2,518,873**
Loans and financing	1,620,937	1,479,788
Debentures	378,709	275201
Suppliers	627,378	438,864
Income tax and social contribution	0	0
Taxes payable	38,330	55,137
Salaries and payroll charges	111,670	139,879
Dividends to pay	101,981	0
REFIS Adherence	50,400	50,400
Other accounts payable	101,280	79,604
Noncurrent Liabilities	**13,010,927**	**11,596,659**
Loans and financing	9,850,126	8,160,320
Debentures	1,165,761	1,070,263
Deferred income tax and social contribution	1,282,760	1,699,823
Other accounts payable - Investors SCPs	133,760	131,526
REFIS Adherence	381,847	384,607
Other accounts payable	196,673	150,120
Stockholders´Equity	**6,232,945**	**7,058,323**
Capital	2,376,000	2,271,500
Capital reserve	1,301,030	1,295,919
Revaluation reserve	48,746	48,767
Profit reserve	1,599,276	2,534,302
Valuation adjustments to shareholders'equity	1,072,603	1,065,446
Treasury stock	(164,710)	(157,611)
Total	**22,274,557**	**21,173,855**

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Appendix 3
Loan Maturity Schedule – December 31, 2014

R$ million	2Q15	3Q15	4Q15	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
BNDES	145	138	146	429	299	300	285	227	115	70	65	61	37	**1,887**
Others	126	22	22	170	190	27	180	50	217	123	105	89	39	**1,190**
Debentures Interests	0	278	0	278	243	244	185	62	440	62	31	0	0	**1,544**
Local Currency	**271**	**438**	**168**	**878**	**732**	**572**	**650**	**338**	**772**	**255**	**200**	**149**	**76**	**4,622**
Trade Finance	215	118	144	477	289	695	879	822	748	512	255	54	-	**4,730**
Fixed Assets	13	8	9	31	34	59	67	74	66	53	43	37	28	**493**
Bonds	17	-	-	17	-	-	-	-	-	-	-	-	1,604	**1,621**
Others	89	41	18	148	392	428	221	194	165	-	-	-	-	**1,547**
Foreign Currency	**335**	**167**	**171**	**673**	**715**	**1,182**	**1,167**	**1,090**	**979**	**566**	**298**	**90**	**1,632**	**8,393**
Gross Debt	**606**	**605**	**340**	**1,551**	**1,447**	**1,754**	**1,817**	**1,428**	**1,751**	**820**	**498**	**240**	**1,708**	**13,015**



	Average Cost	Average Tenor
Local Currency	10.7 % p.y.	43 months
Foreign Currency	4.8 % p.y.	56 months
Gross Debt		52 months

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Appendix 4
Consolidated Cash Flow Statement (R$ thousands)

	1Q15	1Q14
Cash flow from operating activities	**430,622**	**130,858**
Operating activities	**637,907**	**559,579**
. Net income	(728,566)	607,174
. Depreciation and amortization	75,166	60,442
. Change in fair value - biolgical assets	(55,538)	(522,072)
. Depletion in biological assets	175,150	116,109
.Income taxes and social contribution	(393,011)	471,765
. Interest and exchange variation on loans and financing	1,563,114	(81,216)
. Payment of interest on loans	(180,384)	(87,000)
. Interest, exchange variation and profit sharing of debentures	188,783	(12,848)
. Variation of the present value of debentures	10,223	12,899
. REFIS Reserve	14,997	10,864
. Equity results	505	(1,085)
. Results on Equity Pickup	(7,535)	(5,542)
. Deferred income taxes and social contribution	(14,815)	(8,258)
. Others	(10,182)	(1,653)
Variations in Assets and Liabilities	**(207,285)**	**(428,721)**
. Receivables	(125,007)	(34,842)
. Inventories	(36,085)	(11,401)
. Recoverable taxes	(332,270)	(119,229)
. Marketable Securities	(8,330)	(210,248)
. Prepaid expenses	516	1,913
. Other receivables	(9,876)	51,454
. Suppliers	295,485	(68,321)
. Taxes and payable	(16,807)	1,275
. Salaries, vacation and payroll charges	(28,209)	(31,219)
. Other payables	53,298	(8,103)
Net Cash Investing Activities	**(997,850)**	**(501,066)**
. Purchase of property, plant and equipment	(978,189)	(479,867)
. Cust biological assets planting (ex taxes)	(21,461)	(22,878)
. Income of assets sale	1,800	1,679
. Sale of property, plant and equipment	-	-
Net Cash Financing Activities	**390,545**	**2,051,051**
. New loans and financing	755,744	609,364
. Debentures capitalization	-	1,670,159
. Loan amortization	(359,097)	(233,682)
. Dividends payed	-	-
. Stocks repurchase	(11,151)	(19)
. Stocks disposal	5,262	5,391
. Minority shareholders entry	-	-
. Minority shareholders exit	(213)	(162)
Increase (Decrease) in cash and cash equivalents	**(176,683)**	**1,680,843**
Cash and cash equivalents at beginning of period	**5,245,833**	**2,729,872**
Cash and cash equivalents at end of period	**5,069,150**	**4,410,715**