

ELDORADO BRASIL CELULOSE S.A.
CNPJ/MF Nº 07.401.436/0002-12
PUBLIC COMPANY

MATERIAL FACT

Eldorado Brasil Celulose S.A. ("Company" or "Eldorado"), announces to its shareholders and to the market in general, in compliance with CVM Instruction no. 358/02, as well as to comply with the best corporate governance practices, that, even though the works with the independent auditors to prepare and publish its audited financial statements for the quarter ended on September 30th, 2017 ("3Q17 Earnings Release") were in an advanced stage, such work has not yet been completed, which made it not possible to disclose the 3Q17 Earnings Release on the deadline established in CVM Instruction 480/09.

Even though, with the goal of keeping shareholders and the market informed, the Company has decided to anticipate some relevant information regarding the quarter ended on September 30th, 2017, still not reviewed by its independent auditors, as follows.

The Company affirms that, although it believes that the information disclosed herein adequately reflects its economic and financial position as of September 30th, 2017, such data may be changed as the independent audit of its financial statements is completed. Eldorado informs that it will endeavor its best efforts to conclude its Earnings Release as soon as possible.

Additional information can be obtained from Investor Relations at (+55-11) 2505-0258 or by e-mail at ri@eldoradobrasil.com.br.

São Paulo, November 15th, 2017

ELDORADO BRASIL CELULOSE S.A.
José Carlos Grubisich Filho
Investor Relations Officer



Eldorado's Results

3Q17 Highlights

- 🌱 **Production volume of 390 thousand tons;**
 - Scheduled 10-day maintenance shutdown in July, within scheduled and costs program; ;
- 🌱 **Sales volume of 408 thousand tons;**
- 🌱 **Production cash cost, including scheduled maintenance shutdown effects, of R\$/ton 503;**
 - Production cash cost in the 9M17 of R\$/ton 501, a 20% reduction compared to 2016;
- 🌱 **EBITDA¹ on 3Q17 of R\$ 501 million, with 61% margin;**
- 🌱 **EBITDA¹ on 9M17 of R\$ 1.619 billion, with 69% margin;**
- 🌱 **Operating cash flow of R\$ 1.069 billion on 9M17, R\$ 717 million higher than 9M16;**
- 🌱 **Net profit of R\$ 347 million on 3Q17;**
- 🌱 **On the 9M17, net profit reached R\$ 713 million;**
- 🌱 **Production volume in the last twelve months of 1,682 million tons;**
- 🌱 **Sales volume in the last twelve months of 1,717 million tons;**
- 🌱 **Net Revenue in the last twelve months of R\$ 3.0 billion;**
- 🌱 **EBITDA¹ in the last twelve months of R\$ 2.0 billion, with a margin of 64%.**

Main Indicators

Indicators	Unit	3Q17	3Q16	2Q17	9M17	9M16
Production Volume	thousand ton	390	432	444	1.267	1.223
Sales Volume	thousand ton	408	409	436	1.278	1.227
Net Revenues	R\$ million	825	658	824	2.345	2.223
Cash Cost	R\$/ton	503	585	469	501	628
EBITDA ¹	R\$ million	501	330	475	1.619	1236
EBITDA Margin	%	61%	50%	58%	69%	56%
Financial Results	R\$ million	(21)	(233)	(375)	(409)	(658)
Net (loss) profit	R\$ million	347	17	-1	713	257
Net Debt	R\$ million	7.450	7.643	7.846	7.450	7.643
Net Debt / EBITDA (R\$)	x	3,8x	4,2x	4,4x	3,8x	4,2x
Average FX	R\$/US\$	3,16	3,25	3,22	3,30	3,55
End of Period FX	R\$/US\$	3,17	3,25	3,31	3,17	3,25

¹ The Company presents the EBITDA calculated in accordance with Article 3 of CVM Instruction No. 527 of October 04, 2012.

Operational Performance

Eldorado once again achieved excellent operating, economic and financial results in the third quarter of 2017. The EBITDA in the third quarter of 2017 reached R\$ 501 million, with a margin of 61%, a 52% growth compared to the same quarter of 2016, as a result of the pulp price increase in the international market and the operational efficiency and cost management of the company. The accumulated EBITDA in the last twelve months was R\$ 2.0 billion, with a margin of 64%, a result above the performance of the sector. The company had a profit of R\$ 347 million in the third quarter of 2017, reversing the loss in the second quarter and reaching R\$ 713 million of net profit in the period between January to September of 2017.

Eldorado's net debt decreased from R\$ 7.8 billion in June 2017 to R \$ 7.5 billion at the close of the quarter. The reduction of the indebtedness is a result of the company's excellent operating performance and strong discipline in cash management. The cash position in the end of September was R\$ 620 million, in line with the result at the end of the previous quarter.

The volume of pulp produced in the third quarter reached 390 thousand tons, despite the shutdown scheduled for maintenance at the plant in Três Lagoas (MS) for 10 days in July, carried out within the programmed schedule and costs. Eldorado continues to advance its competitiveness

and productivity program, intensifying cost reduction initiatives across all operating and business areas of the company. Earnings in the accumulated nine months of 2017 were already captured in the amount of R\$ 51 million, contributing to the improvement in Eldorado's cash generation.

The company reached a production cash cost of R\$/ton 503, 14% lower than the third quarter of 2016 and 7% higher than the previous quarter, impacted by the scheduled shutdown costs. The company continues to increase the share of wood from its own high-productivity forests and the reduction in the average distance of wood transportation between forests and the mill.

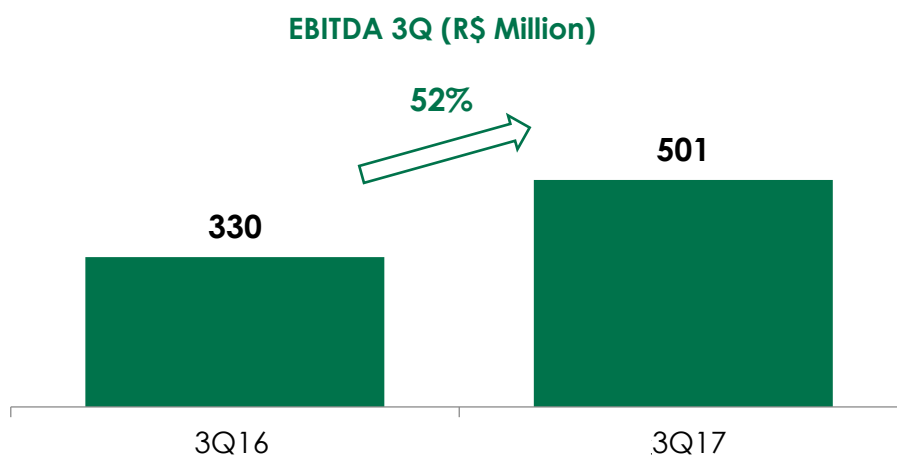
The pulp price registered by Eldorado presented a consistent increase during the 3Q17, supported by the strong demand of all consumer markets. The company increased the average net price of pulp sold in US\$ by 9% in relation to 2Q17 and 30% in relation to 3Q16.

Eldorado's sales reached 408 thousand tons of pulp in the quarter, a result 6% lower than the 2Q17 due to the shutdown scheduled for maintenance. Eldorado focuses its commercial strategy on markets with high potential for growth and profitability. The company closed June with 32 days of pulp stock, down 3 days compared to the second quarter of 2017 and 10 days below the average for the hardwood segment, according to World-20 Chemical Market Pulp Statistics - August of the PPPC.

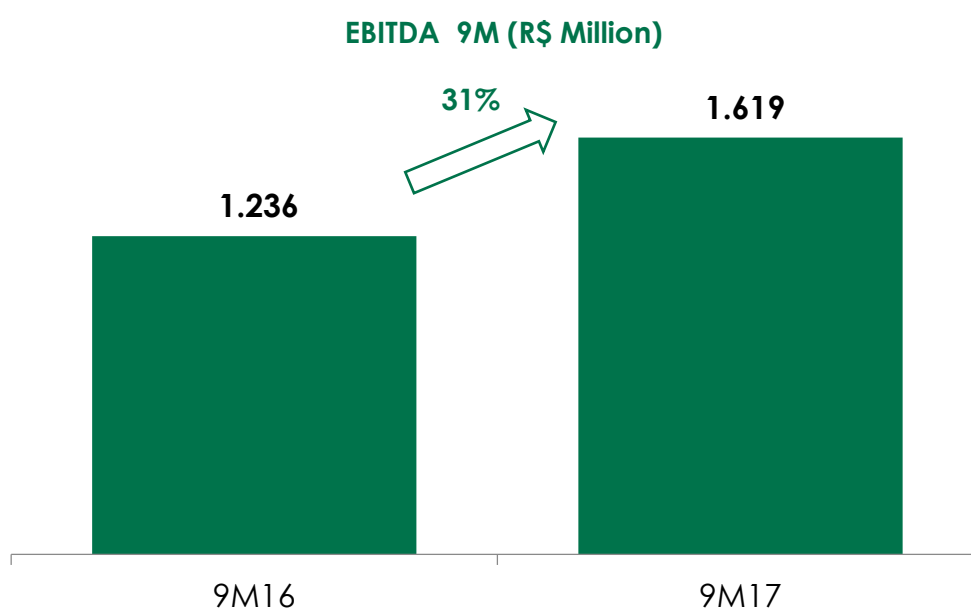
In the quarter, sales of electricity to the national electricity system reached a record in terms of net revenue, totaling R\$ 28 million, equivalent to an increase of 28% in relation to the previous quarter and of 186% when compared to the same period of 2016. In the accumulated result of the year, net revenue reached the amount of R\$ 64 million. During the third quarter, approximately 53 thousand MWh were sold to the national electricity system, despite the scheduled shutdown of 10 days.

The company had a net revenue of R\$ 825 million in the quarter, 25% higher than the same period of the previous year, reflecting the increase in the average price of pulp in US\$ of 30% compared to 2Q16.

Eldorado achieved an EBITDA of R\$ 501 million, with a 61% margin, once again the highest EBITDA margin in the sector. When compared to 3Q16, the EBITDA was strongly benefited by the company's cost reduction program and the increase in pulp prices.



In the period from January to September 2017, Eldorado reached an EBITDA of R\$ 1.619 billion, a result 31% higher than the R\$ 1.236 billion registered in 2016.



The accumulated EBITDA of Eldorado in the last twelve months was **R\$ 2.0 billion**.

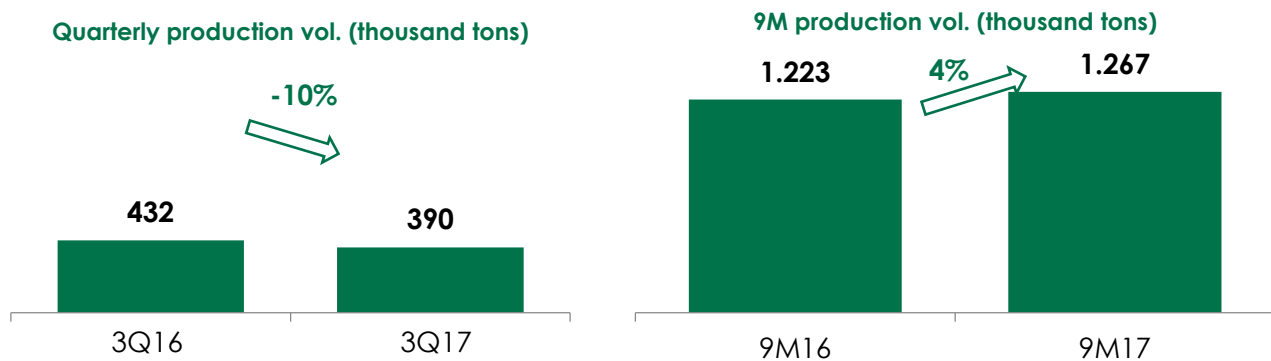
The financial result was positive by R\$ 21 million in the 3Q17. Net debt ended the period at R\$ 7,450 million and the cash position at R\$ 620 million.

The company's net income in the quarter was R\$ 347 million, with a net margin of 42%. In the accumulated nine months of 2017, net income was R\$ 713 million, a result 177% higher than the same period of 2016.

The quarter was also marked by the beginning of the production of the first two ELDORADO's proprietary clones, selected through the forest breeding program that has only 5 years of existence. These two clones demonstrate a 16% increase in forest productivity when compared to currently planted clones.

Industrial

During the third quarter of 2017, the company successfully completed its scheduled maintenance shutdown within the programmed 10-day schedule. The production of bleached hardwood pulp reached 390 thousand tons in the quarter and 1.267 million tons in the period from January to September.



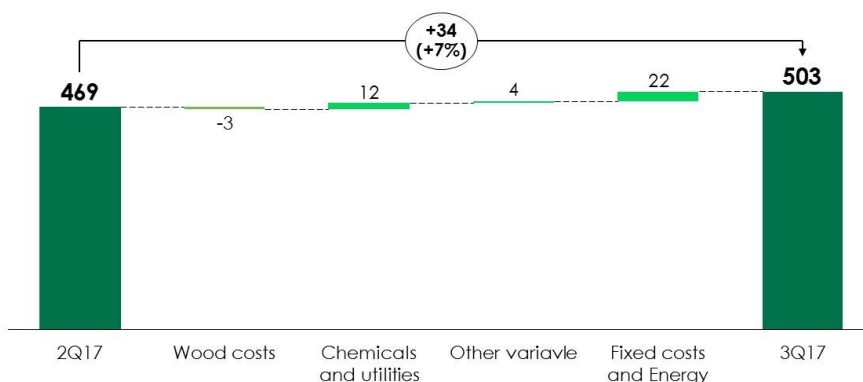
The accumulated production in the last twelve months was 1.682 million tons, which demonstrates the high level of performance and operational stability of Eldorado.

The company ended the quarter with a production cash cost of R\$ 503 per ton, 14% lower than the same quarter of 2016, despite the negative impact of additional costs related to the scheduled maintenance shutdown.

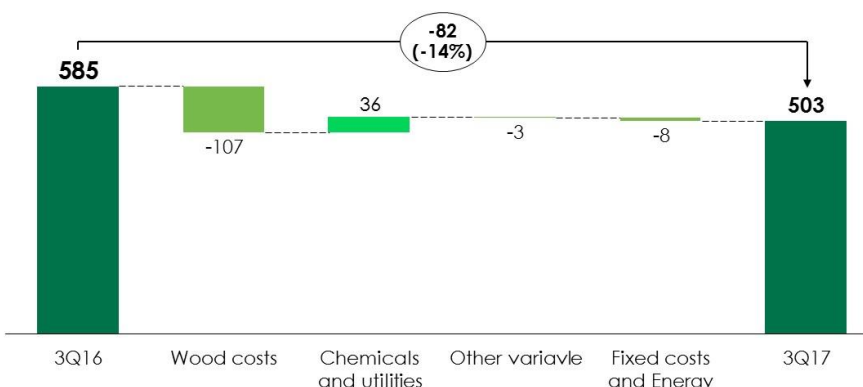
Eldorado continues to increase the utilization of wood from its own planted forests, with a reduction in the consumption of cash by purchase of wood in the amount of R\$ 132 million accumulated in 2017 when compared to 2016; and the decrease in the average transport distance between the forests and the mill, resulting in savings of R\$ 42 million compared to 2016.

This reduction is linked to the decrease in the average radius of planted forests and the efficiency and improvement of the industrial and logistic processes that have been a constant focus of the company in recent quarters.

Cash cost – R\$/ton (considers annual maintenance) | 2Q17 vs 3Q17



Cash cost – R\$/ton (considers annual maintenance) | 3Q16 vs 3Q17



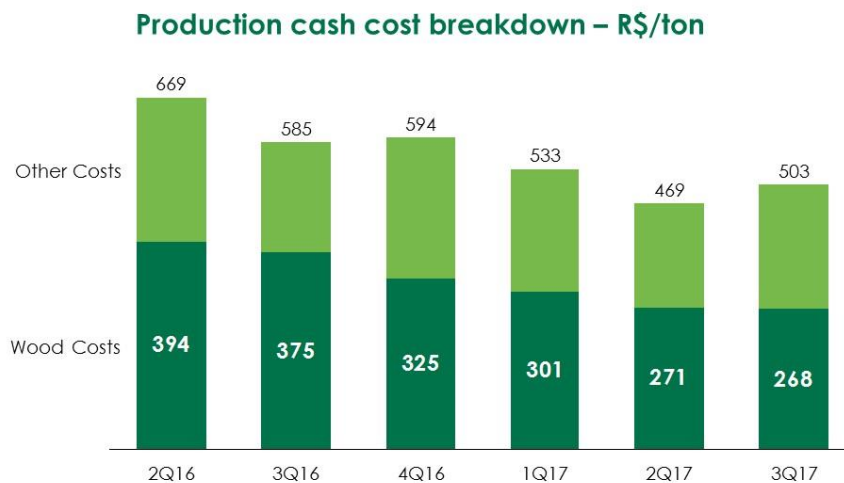
Forestry

Throughout the quarter, forestry initiatives were focused on increasing efficiency and reducing costs, with an emphasis on improving planting productivity. During the 3Q17, Eldorado maintained the level of forest competitiveness reached in the first quarter of 2017, with a substantial increase in the utilization of wood from its own plantations with high productivity and reduction in the average distance of transportation of wood between forests and mill, resulting in gain of efficiency in the operation.

The participation of wood supply from own plantations reached 76% of the volume of wood consumed in the pulp production process in both 3Q17 and the accumulated period of the first nine months of the year, following forestry planning previously established by the company.



Increasing the utilization of wood from its own plantations, reduction in the average transport distance and high operational efficiency of the forestry team of Eldorado has allowed the company to successively reduce the cost of the wood delivered at the mill and consequently the production cash cost. Eldorado is on its way to have the lowest cost of wood per ton produced in the market.



The productivity of the forests owned by Eldorado present a significant evolution over the years, as a result of the application of appropriate practices of management and use of technologies, selection of genetic materials adapted to the edaphic-climatic characteristics of the area of operation and monitoring the quality of the plantations. The effect of increased productivity is

observed in Eldorado's forestry planning, with an increase in harvest efficiency, a reduction in the area of management and a consequent reduction in cash cost.

The company concluded the study on the Impact of Climate Change on Eucalyptus Productivity for the region of Eldorado's operations. This study will be fundamental for the planning of an experimental network aiming at the selection of clones and definition of aspects related to the forest management adequate to the future climatic conditions. In addition, we concluded the development of a software that assists in the optimization of irrigation in the operation of planting, assessing better quality / productivity for the forests. This model takes into account climatological variables and the water demand of the plant.

At the end of the quarter, Eldorado's planted forest base consisted of approximately 240,000 hectares of eucalyptus forests.

Up to the third quarter of 2017, with the implementation of the Forests Monitoring System based by chambers (composed of 11 strategically distributed towers) and linked to the training and qualification of the 22 fire brigades, we had a reduction of 53% in the damages caused by fires compared to the average of the last 3 years.

We consolidated the "Career Track" program in this quarter, which develops growth plans and individual professional development in the forest area. The program resulted in 176 promotions throughout 2017, focusing on the professional evolution of Forest department employees, retaining talent from the company and increasing operational productivity with an increasingly specialized adequacy of the workforce.

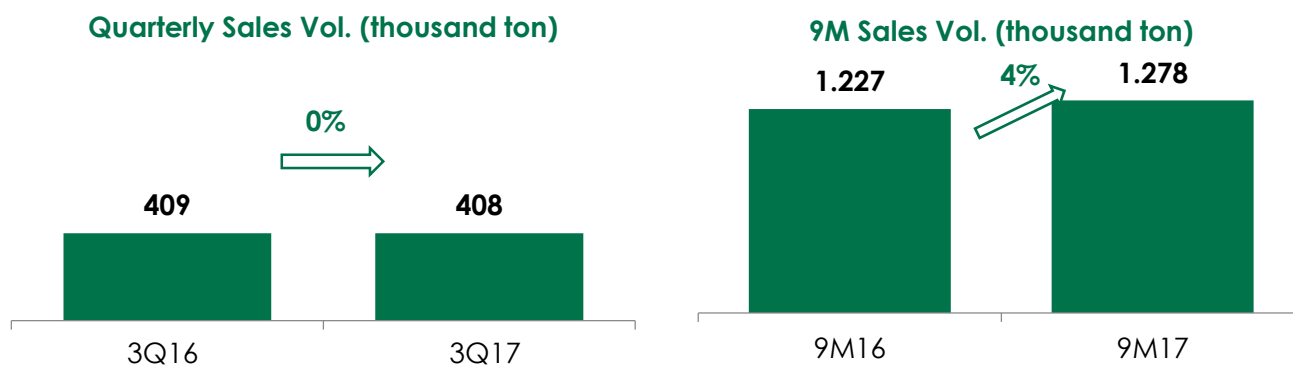
The company also directed efforts in professional training through the RENOVAR program, reaching a mark of 32 thousand hours of training in silviculture, with more than 300 employees qualified as Operator, Mechanic, Electrician, Tractor, Driver and Forest support. The program has already reflected a significant productivity gain and consequent reduction of costs in planting operations.

Commercial and Logistics

The pulp market continued to present a very favorable scenario throughout 3Q17. Demand for pulp remained warm despite the vacations period in the northern hemisphere that traditionally slows the demand for the product. This movement was perceived in both the European and Asian markets. Additionally, the quarter was marked by unexpected production outages of Eldorado's competing pulp producers, caused by operational problems that extended more than expected, removing approximately 450,000 tons of pulp from the market.

This scenario of strong demand for eucalyptus pulp and supply restriction caused by unscheduled shutdowns allowed pulp producers to implement consecutive price increases in the months of July, August, and September.

The successful commercial strategy developed by Eldorado remains focused on markets with high levels of growth, a solid customer base and a diversified global portfolio. The volume of sales accumulated in the first 9 months of 2017, of 1.278 million tons, is a new record reached by the company for the period.

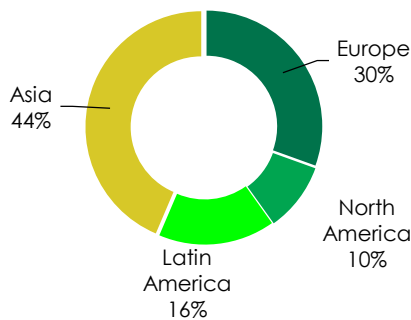


This strategy has allowed the company to achieve consistent sales growth and effectively manage its inventories and working capital levels, as well as enabled Eldorado to promote the announced price increases to the market.

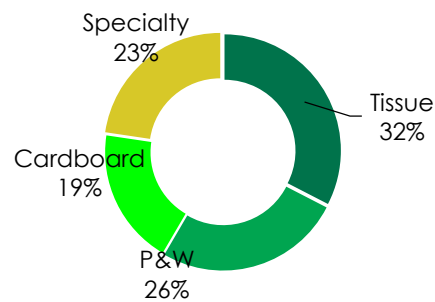
The increase in the average net price, in dollars, in the third quarter of 2017 was 9% in relation to 2Q17 and 30% in 3Q16.

In the third quarter of 2017, Eldorado maintained a strategic position in the Asian market, which has shown strong growth and is the destination of 44% of its sales. The company also highlights that it performed about 55% of its sales to the profitable tissue and specialty markets.

Sales By region - 3Q17



Sales by segment - 3Q17



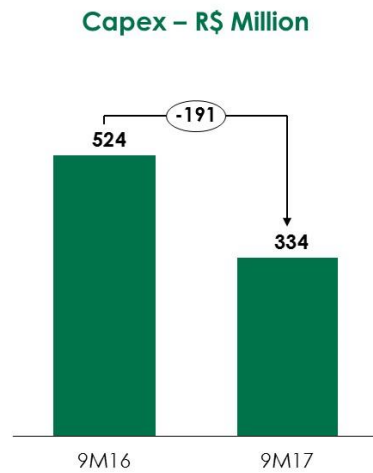
The global pulp market presents a scenario of low availability of pulp and strong demand for the product, with a high utilization rate on the side of the producers and prices at sustained levels in all consumer markets.

Financial

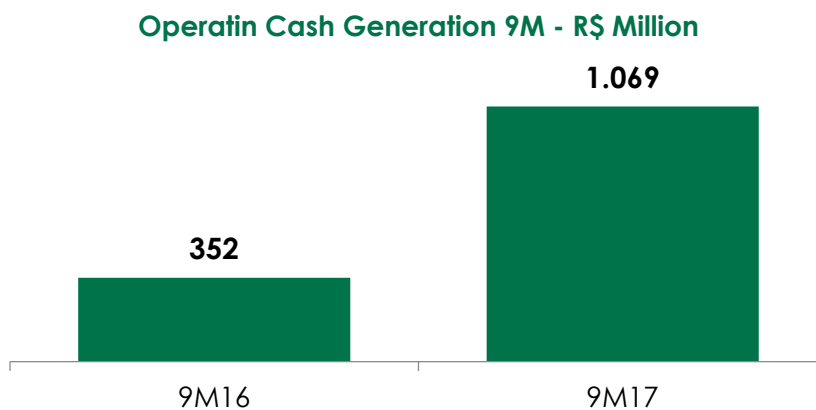
The consolidated net debt at September 30 was R\$ 7,450 million, 5% lower than the 2Q17. Considering the total gross indebtedness, 67% (R\$ 5,425 million) are denominated in US dollars, consisting mainly of trade finance related lines in the short term and structured long-term project debt.

The average maturity of loans remained stable, and at the end of 3Q17 was 44 months, being 41 months for local currency financing and 49 months for foreign currency loans, due to trade finance lines. Short-term debt at the end of the quarter accounted for 27% of the total, of which approximately 45% is used to finance working capital. The financial area continues to focus on Liability Management, seeking cost reduction and lengthening the term.

During the first six months of the year, investments (Capex) decreased by R\$ 191 million when compared to the same period in 2016.



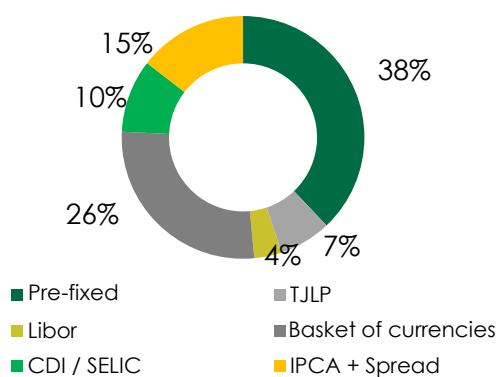
Operating cash generation reached R\$ 1.069 billion on 9M17, 204% higher than the same period in 2016.



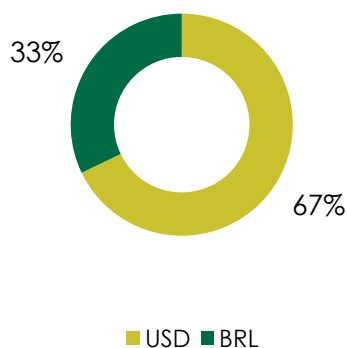
Eldorado ended the quarter with cash and cash equivalents totaling R\$ 620 million. During the quarter, Eldorado rolled out and settled its short-term debt related to export financing lines.

Indebtness (R\$ million)		09.30.2017
BRL Debt		2.646
Short Term		484
Long Term		2.162
USD Debt		5.425
Short Term		1.714
Long Term		3.711
Total Gross Debt		8.071
(-) Cash and cash equivalents		455
(-) Cash - Marketable securities		165
Total Cash		620
Net Debt		7.450

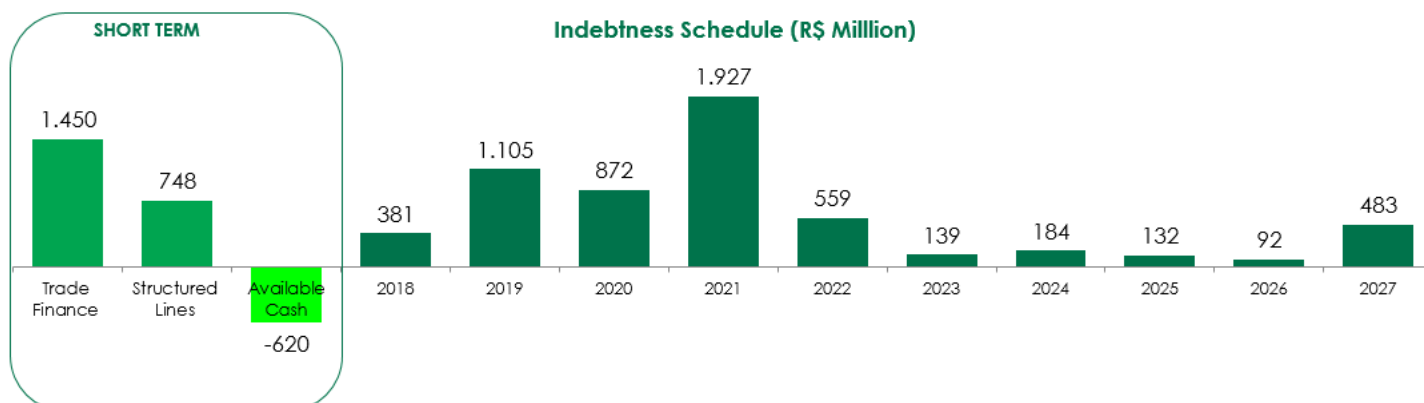
Total debt by index



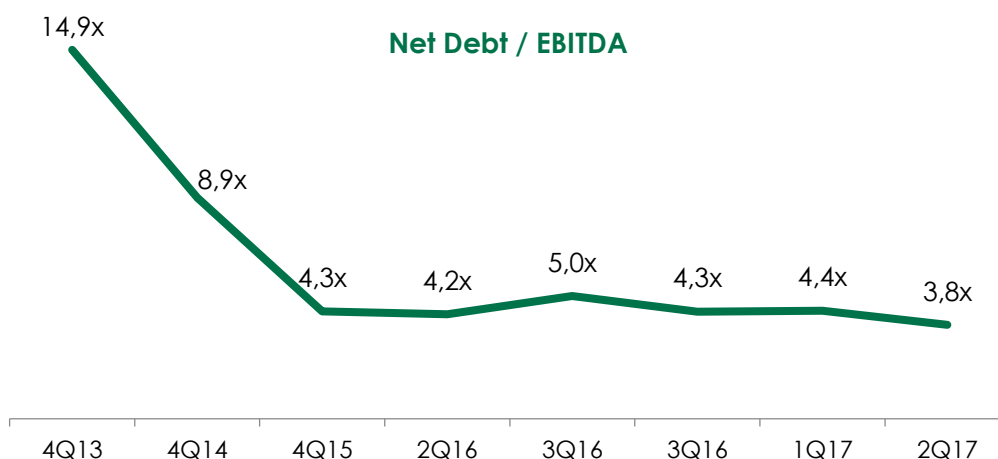
Total debt by currency



Short-term indebtedness, maturing in the next twelve months, includes: i) amortization of R\$ 748 million referring to structured debts arising from the current production line and ii) R\$ 1,450 million of revolving credit lines, which represent lines of trade finance, traditional and routine financing instruments of exporting companies in Brazil.



Net Debt / EBITDA reached in the third quarter of 2017 was 3.8x in Reais..



The company had a net profit of R\$ 347 million on the quarter, reversing the negative result of R\$ 1 million in 2Q17 and a growth of R\$ 330 million, approximately 20 times higher, when compared to the same quarter of the previous year.

In the accumulated nine months of 2017, net income was R\$ 713 million, a result 177% higher than the profit of R\$ 257 million in the same period of 2016.

Sustainability

In the third quarter of 2017 we obtained FSC® recertification and the CERFLOR® certification recommendation. Thus, Eldorado reaffirms its commitment to social and environmental responsibility. The company donated a rural school bus to the city of Selviria (MS), to transport students from the public school system who live in rural areas. In addition, professional courses were organized in partnership with SENAR (cutting and sewing, digital inclusion and solid waste management) in three communities within the area of influence of Eldorado. The oral health program in the communities was also initiated through informative pamphlet. The actions of environmental education were maintained, in the same way as the interfaces with the different

stakeholders. Also during this period, the 2016 Sustainability Report (available on the company website) was released following the criteria of the Global Reporting Initiative (GRI-4).

Information Tables

At the end of this document, Eldorado includes information tables, not reviewed by the auditors, containing the Consolidated Income Statement (Appendix I), Consolidated EBITDA Calculation (Appendix II), Consolidated Balance Sheet (Appendix III) and Consolidated Statement of Cash Flows (Appendix IV).

Appendix

Appendix I

Consolidated Statement of Income

Statement of Income (R\$ million) Consolidated	3Q 2017 (A)	2Q 2017 (B)	3Q 2016 (C)	Var. (A)/(B)	Var. (A)/(C)	9M 2017	9M 2016
Net revenue	825.496	823.661	658.100	0%	25%	2.345.016	2.222.942
Cost of sales	(371.766)	(390.000)	(370.336)	5%	0%	(1.135.173)	(1.136.579)
Gross profit	453.730	433.661	287.764	5%	58%	1.209.843	1.086.363
General and administrative expenses	(28.309)	(29.606)	(30.596)	4%	7%	(92.622)	(97.443)
Selling and Logistics expenses	(80.964)	(89.284)	(84.775)	9%	4%	(251.943)	(263.264)
Fair value of biological assets	14.504	13.263	-	9%	N/A	338.026	-
Other income, net	30.284	30.573	65.165	-1%	-54%	94.187	255.311
Profit before finance (costs) income and taxes	389.245	358.607	237.558	9%	64%	1.297.491	980.967
Finance (costs) income, net							
Finance costs	(196.344)	(210.041)	(192.772)	7%	-2%	(630.474)	(1.586.499)
Finance income	8.508	40.055	23.975	79%	-65%	71.563	61.374
Exchange variation, net	208.428	(205.226)	(63.872)	202%	426%	149.450	867.620
Profit (loss) before provision for income tax and social contribution	409.837	(16.605)	4.889	2568%	8283%	888.030	323.462
Income tax and social contribution							
Current	(46.775)	5.480	7.114	-954%	-758%	(57.879)	(59.307)
Deferred	(16.284)	10.028	5.242	-262%	-411%	(117.250)	(7.247)
Profit (loss) for the year	346.778	(1.097)	17.245	-31711%	1911%	712.901	256.908

Appendix II

Consolidated EBITDA

Consolidated EBITDA R\$ million	3Q 2017 (A)	2Q 2017 (B)	3Q 2016 (C)	Var. (A)/(B)	Var. (A)/(C)	9M 2017	9M 2016
Net Profit	346.778	(1.097)	17.245	31611%	1911%	712.901	256.908
Income tax and social contribution	63.059	(15.508)	(12.356)	-507%	610%	175.129	66.554
Finance (costs) income, net	(20.592)	375.212	232.669	-105%	-109%	409.461	657.505
Depreciation, Amortization, Depletion	111.516	116.605	92.924	-4%	20%	321.258	255.422
Cost	103.684	108.821	86.438	-5%	20%	297.824	233.955
Expense	7.832	7.784	6.486	1%	21%	23.434	21.467
EBITDA¹	500.761	475.212	330.482	5%	52%	1.618.749	1.236.389
EBITDA margin	60,7%	57,7%	50,2%	5%	21%	69,0%	55,6%

¹ EBITDA calculated in accordance with Article 3 of CVM Instruction No. 527, of October 04, 2012.

Appendix III

Consolidated Balance Sheet

Statements of financial position (R\$ million)	Sep - 17 (A)	Jun - 17 (B)	Var. (A)/(B)
Assets			
Current Assets	1.947.258	1.926.473	1%
Cash and cash equivalents	454.701	464.507	-2%
Trade receivables	543.712	572.994	-5%
Inventories	481.674	488.093	-1%
Tax recoverable	362.273	303.349	19%
Advance to suppliers	35.577	27.401	30%
Amounts due from related parties	112	26.722	-100%
Assets available for sale	11.914	12.856	100%
Other current assets	57.295	30.551	88%
Noncurrent assets	8.578.056	8.598.523	0%
Trade receivables	1.473	-	N/A
Marketable securities	165.483	161.751	2%
Tax recoverable	718.262	717.825	0%
Advance to suppliers	84.376	82.010	3%
Deferred income tax	411.124	427.408	-4%
Deposits, guarantees and others	6.751	6.339	6%
Other assets	15.024	15.008	0%
Biological assets	2.458.214	2.421.754	2%
Property, plant and equipment	4.683.866	4.730.466	-1%
Intangible assets	34.956	35.962	-3%
Total assets	10.525.314	10.524.996	0%
Liabilities and equity			
Current Liabilities	2.595.261	2.573.469	1%
Borrowings	2.197.580	2.233.071	-2%
Trade payables	191.350	191.873	0%
Amounts due to related parties	16.078	32.937	-51%
Taxes payable, payroll and related taxes	164.535	105.006	57%
Other current liabilities	25.718	10.582	143%
Noncurrent Liabilities	5.891.160	6.255.864	-6%
Borrowings	5.872.795	6.238.773	-6%
Suppliers	7.074	7.604	100%
Provision for contingent liabilities	11.291	9.487	19%
Equity	2.040.366	1.695.663	20%
Issued Capital	1.788.792	1.788.792	0%
Cumulative translation adjustments	(270)	1.805	115%
Accumulated losses / profits	251.844	(94.934)	365%
Total liabilities	10.526.787	10.524.996	0%

Appendix IV

Consolidated Statement of Cash Flows

Consolidated Cash flow R\$ million	9M 2017 (A)	9M 2016 (B)	Var. (A)/(B)
Cash flows from operating activities			
Profit (loss) before income tax and social contribution	888.030	323.462	175%
Adjustments to reconcile loss to cash generated by operating activities:			
Depreciation and amortization	186.545	190.016	-2%
Depletion	134.713	65.407	106%
Residual value of property, plant and equipment written off	8.672	33.249	-74%
Fair value of biological assets	(338.026)	-	N/A
Financial charges - interest and exchange differences	363.416	(516.930)	170%
Financial charges - interest and exchange differences - related parties	(44.128)	(82.516)	47%
Provision for contingent liabilities	3.807	1.174	224%
Derivatives	-	-	N/A
Exchange differences on trade receivables	3.307	52.377	-94%
Decrease (increase) in assets			
Trade receivables	(46.085)	82.152	-156%
Inventories	91.308	39.266	133%
Taxes recoverable	(168.052)	68.986	-344%
Advances to suppliers	(12.429)	1.978	-728%
Other current and noncurrent assets	(13.044)	51.510	-125%
Increase (decrease) in liabilities			
Trade payables	(18.553)	36.170	-151%
Other liabilities	(20.127)	(26.440)	24%
Taxes payable, payroll and related taxes	2.257	21.001	-89%
Other current and noncurrent liabilities	8.657	(27.379)	-132%
Carrying value adjustments and cumulative translation adjustments	38.617	38.651	0%
Net cash generated by operating activities	1.068.886	352.134	204%
Cash flows from investing activities			
Forest development cost	(262.373)	(289.443)	9%
Additions to tangible and intangible assets	(71.343)	(234.811)	70%
Sale of property, plant and equipment	9.227	-	N/A
Marketable securities	(4.084)	(43.727)	91%
Credit with related companies	29.326	(182)	16213%
Net cash used in investing activities	(299.247)	(568.163)	-47%
Cash flows from financing activities			
Borrowings from financial institutions	845.580	2.362.961	-64%
Repayment of borrowings - principal	(1.686.421)	(1.151.199)	46%
Repayment of borrowings - interest	(467.418)	(502.213)	7%
Repayment of borrowings - exchange differences	(51.317)	(346.559)	85%
Net cash used in financing activities	(1.359.576)	362.990	-475%
Exchange differences on cash	(6.435)	-	N/A
Net Exchange differences on cash and cash equivalents	(583.501)	146.961	-497%
Cash and cash equivalents at the beginning of the period	1.044.637	1.264.151	-17%
Cash and cash equivalents at the end of the period	454.701	1.411.112	-68%