

RESULTS

2Q19



Eldorado
Brasil

HIGHLIGHTS



Production Volume

432 thousand tons

-3% vs. 2Q18



Net Revenue

R\$1,040 million

-9% vs. 2Q18

HIGHLIGHTS

EBITDA

R\$569 MILLION

-28% vs. 2Q18

EBITDA margin of **55%**



Net Income

R\$254 MILLION

vs. loss of R\$ 47 millions
of 2Q18

HIGHLIGHTS



NET DEBT

R\$ 6,082 MILLION

-R\$ 1,293 millions vs. 2Q18



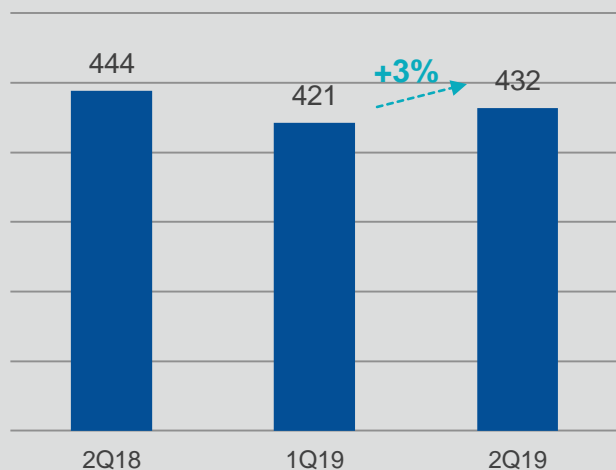
Leverage

US\$ **2.02x**

R\$ **2.07x**

OPERATIONAL PERFORMANCE

Production Volume ('000 t)



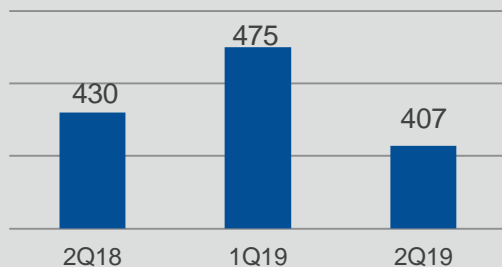
Quarter Production of

432 THOUSAND TONS

3% higher than 1Q19, sustaining Company's high operational level and operational excellence.

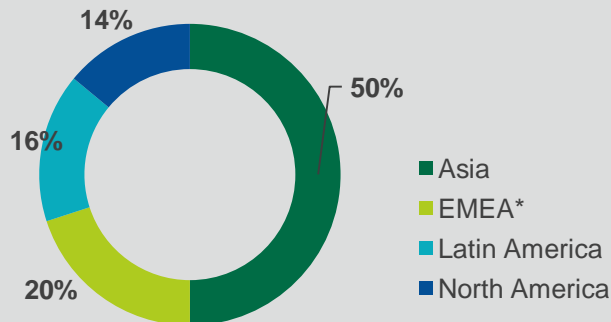
SALES PERFORMANCE

Sales Volume ('000 t)



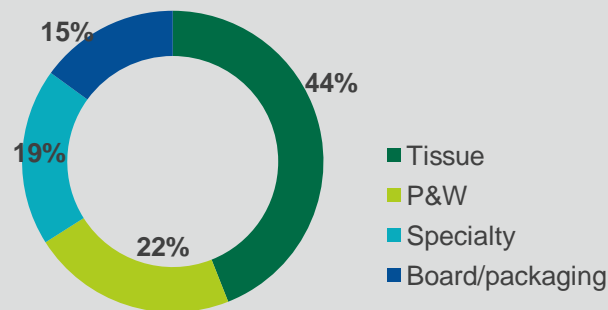
The company continues to grow in the **Tissue** segment, closing the quarter with **44% vs. 35% in 2Q18.**

Sales by Region 2Q19



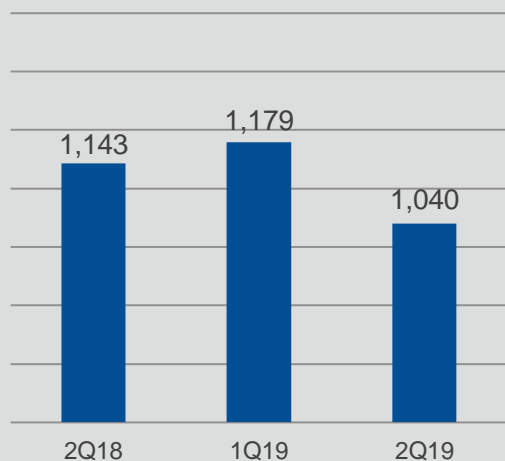
* EMEA: Europe, Middle East, Africa

Sales by Segment 2Q19



SALES PERFORMANCE

Net Revenue (R\$ MM)

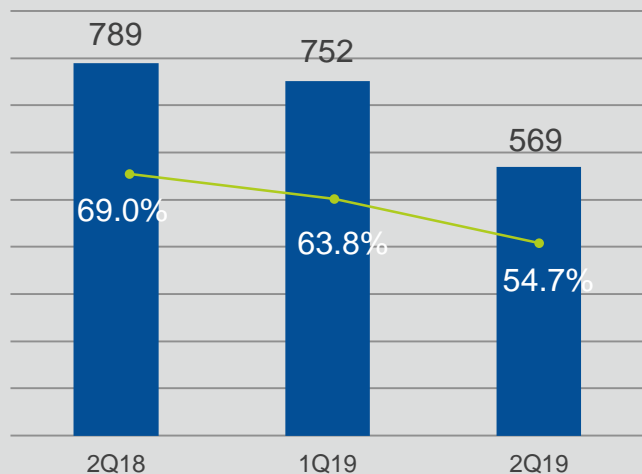


R\$ 1,040 million Net Revenue
12% decrease compared to 1Q19

Average Net Price 2Q19: **US\$ 637/t**

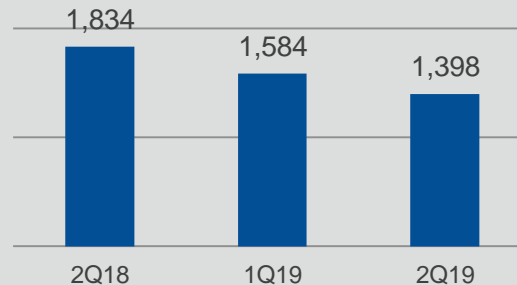
FINANCIAL RESULT

EBITDA (R\$MM) and EBITDA margin (%)



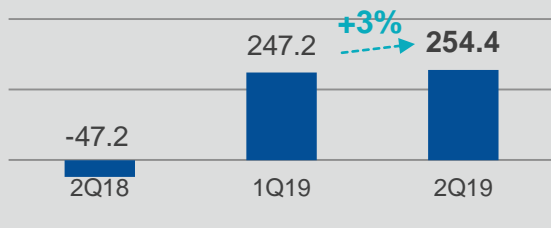
EBITDA of R\$ 569 million with margin of **54.7%**

EBITDA/Sales Pulp (R\$/t)

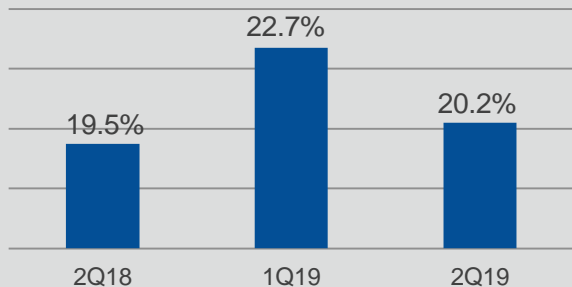


FINANCIAL RESULT

Net Income (R\$ MM)



ROIC (%)

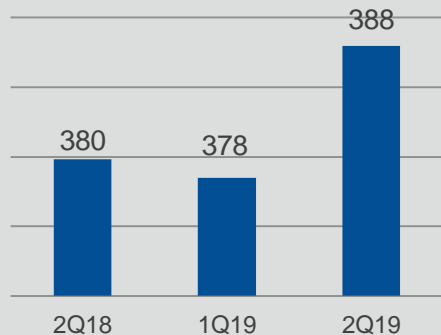


Net Income of **R\$ 254 million** in 2Q19, 3% increase compared to 1Q19.

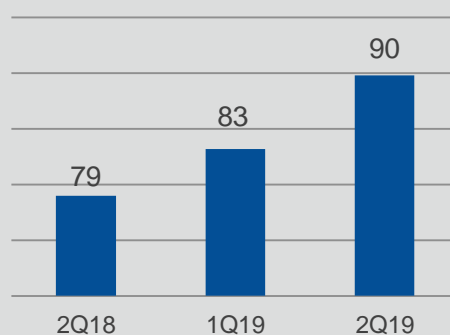
The company maintains high rate of return, closing the quarter with **ROIC of 20,2%.**

Net Revenue with energy in 2Q19 of R\$ 18 million

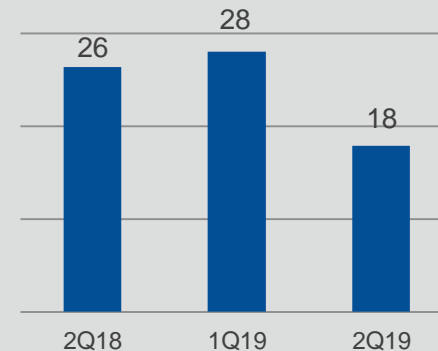
Energy Generation
('000 MWh)



Energy Export
('000 MWh)



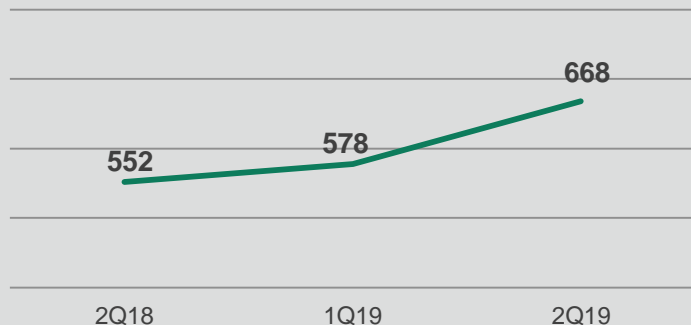
Energy Sales
(R\$ milhões)



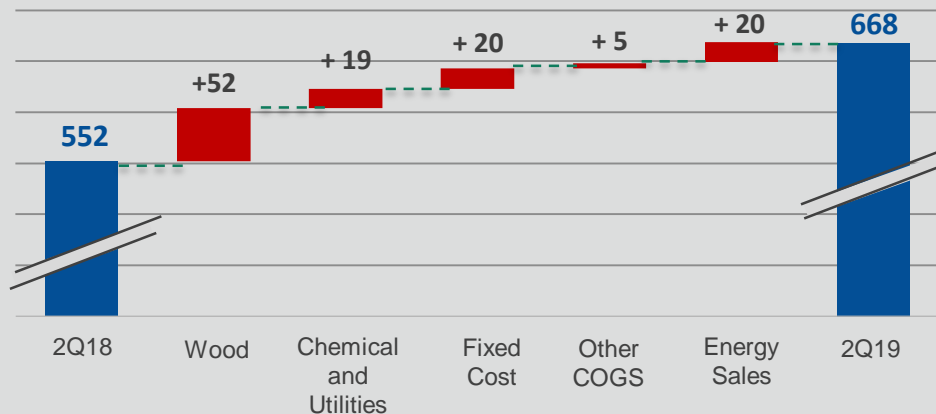
OPERATIONAL PERFORMANCE

Cash Cost

Cash Cost (R\$/t)



2T18 vs 2T19 (R\$/t)

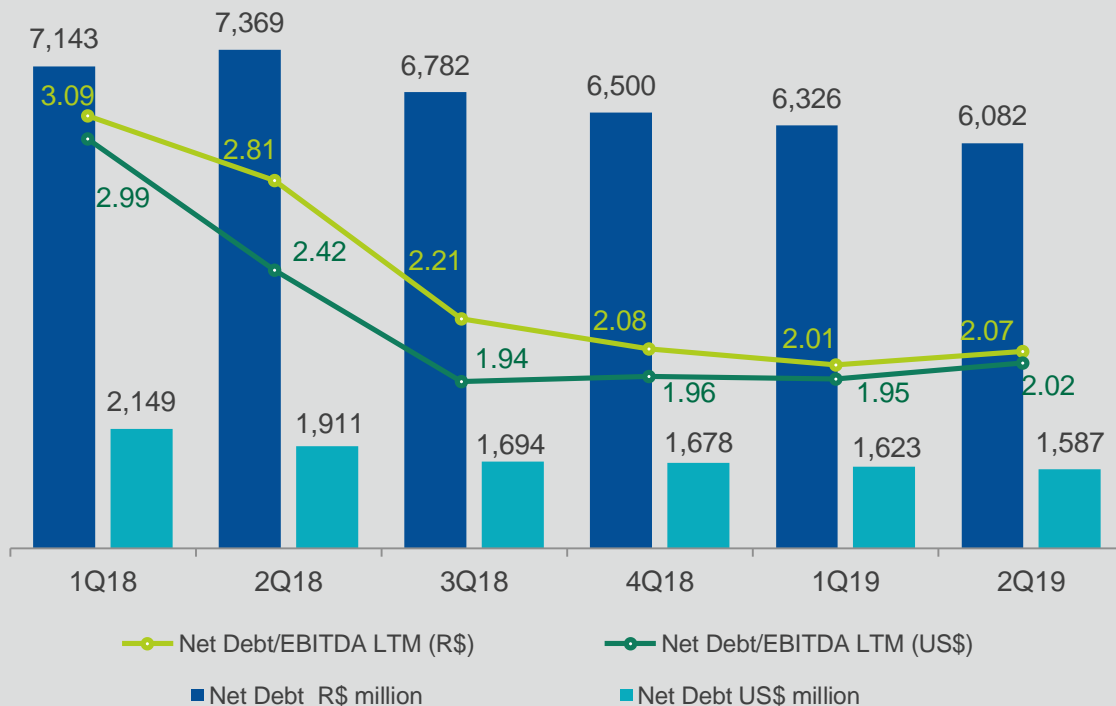


Cash Cost 2Q18 vs 2Q19

- ✓ Lower energy revenue, mainly due to the lower energy price.
- ✓ Higher chemical and utilities prices, mainly due to the appreciation of the dollar against the real and lower dilution.
- ✓ Higher wood costs, due to the quarter's mix with higher volume of third party wood in the composition, within the company's strategy of maximizing the productivity of its forests and greater industrial efficiency.

LEVERAGE

Net Debt/EBITDA (LTM)



Company sustains deleverage commitment, **decrease of R\$ 220 million** in net debt compared with 1T19 and **R\$ 1.293 million** vs. 2T18.

Operating Cash Generation of **R\$ 569 million** and FCF of **R\$ 254 million**.

*LTM – Last Twelve Months

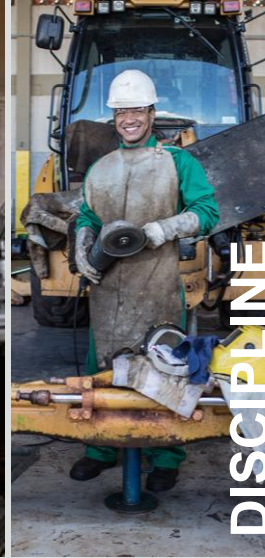
**Included MTM

Integrity and Compliance Commitment

- ✓ **Compliance Department subordinated to Ethics Committee** - autonomous and independent structure
- ✓ **New Compliance Program:** prevent, detect, correct and foment
- ✓ Reformed reporting channel - **Ethics Line** (Do Your Part!)
- ✓ New **Code of Conduct**
- ✓ **Ernst & Young**, Independent Auditors, to Assess Compliance Program



OUR VALUES



THANK YOU



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