

# Suzano Austria GmbH

*(incorporated as a limited liability company in the Republic of Austria)*

**U.S.\$ 1,000,000,000 5.000% Senior Notes Due 2030**

**U.S.\$ 250,000,000 7.000% Senior Notes Due 2047**

**Guaranteed by**

**Suzano S.A.**

*(incorporated in the Federative Republic of Brazil)*

**Issue Price for 2030 Notes: 98.533%**

**Issue Price for Reopened 2047 Notes: 109.820%**



Suzano Austria GmbH, the Issuer, a company incorporated as a limited liability company under the laws of the Republic of Austria on December 8, 1987, is offering (i) U.S.\$1 billion aggregate principal amount of 5.000% Senior Notes due 2030, (the “2030 Notes”); and (ii) U.S.\$250 million aggregate principal amount of 7.000 Senior Notes due 2047, (the “2047 Notes” and, together with the 2030 Notes, the “Notes”). The Notes will be unconditionally and irrevocably guaranteed by Suzano S.A., the parent company of the Issuer, a corporation (*sociedade por ações*) organized under the laws of the Federative Republic of Brazil (“Suzano”), pursuant to the Note Guarantees (as defined below).

The 2030 Notes will mature on January 15, 2030. Interest on the 2030 Notes will be paid on January 15 and July 15, commencing on January 15, 2020. The 2030 Notes will bear interest at a rate equal to 5.000% per annum.

The 2047 Notes will mature on March 16, 2047. Interest on the 2047 Notes will be paid on March 16 and September 16, commencing on September 16, 2019. The 2047 Notes will bear interest at a rate equal to 7.000% per annum.

The 2047 Notes are being offered as a further issuance of the Issuer’s 7.000% Senior Notes due 2047, and will be consolidated with, and form a single series with, the U.S.\$300,000,000 principal amount of notes that were originally issued on March 16, 2017, which were later reopened in September 2017 in an initial aggregate principal amount of U.S.\$200,000,000, and further reopened in November 2018 in an aggregate principal amount of U.S.\$500,000,000, for a total outstanding aggregate principal amount of U.S.\$1,000,000,000, or the “Original 2047 Notes”. Purchasers of 2047 Notes will be required to pay accrued interest totaling U.S.\$14.19 per U.S.\$1,000 principal amount of Notes, from and including March 16, 2019 up to (but excluding) May 29, 2019, the date we expect to deliver the 2047 Notes. The Notes will have terms identical to the Original 2047 Notes, other than the issue date and offering price. The 2047 Notes will become fully fungible with the Original 2047 Notes following the termination of certain U.S. selling restrictions. See “Listing and General Information.”

Prior to the Par Call Date (as defined below), the Issuer may redeem the Notes in whole at any time, or in part from time to time, at a redemption price based on a “make-whole” premium, plus accrued and unpaid interest, if any, to the redemption date. The Issuer will also have the right, at any time on or after the Par Call Date (as defined below), to redeem the Notes, in whole or in part and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest on the principal amount of the Notes being redeemed to such redemption date. The Notes may also be redeemed, in whole or in part, at 100% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date, in the event of certain changes in tax laws, as set forth in this listing memorandum.

The Notes will be the Issuer’s senior unsecured obligations and will rank equally with all of the Issuer’s other unsecured senior indebtedness and senior to all of the Issuer’s subordinated indebtedness. The Note Guarantees will be senior unsecured obligations of the Guarantor and will rank equally with all of the Guarantor’s other senior unsecured indebtedness and senior to all of the Guarantor’s subordinated indebtedness. The Notes and the Note Guarantees will be effectively subordinated in right of payment to all of the Issuer’s and the Guarantor’s secured indebtedness, and the Notes and the Note Guarantees will also be effectively subordinated in right of payment to all liabilities, including trade payables, of the subsidiaries of the Guarantor (other than the Issuer). For a more detailed description of the Notes and the Note Guarantees, see “Description of the Notes.”

We have agreed, subject to certain conditions, to offer to exchange the 2030 Notes for substantially identical notes registered under the U.S. Securities Act of 1933, as amended, or the “Securities Act.” See “Exchange Offer; Registration Rights.”

Application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading the notes on the Euro MTF market.. This listing memorandum constitutes a prospectus for purposes of Part IV of the Luxembourg law on prospectuses for securities dated July 16, 2019.

**Investing in the Notes involves risks that are described in the “Risk Factors” section beginning on page 8 of this offering memorandum.**

The Notes and the Note Guarantees have not been registered under the Securities Act or any state securities laws and are being offered and sold only to qualified institutional buyers in accordance with Rule 144A under the Securities Act, or Rule 144A, and outside the United States to non-U.S. persons in reliance on Regulation S. Prospective purchasers that are qualified institutional buyers are hereby notified that the

seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfer of the Notes, see "Transfer Restrictions." In addition, during the periods subject to certain U.S. selling restrictions, the 2047 Notes offered pursuant to Regulation S had temporary CUSIPs and ISINs.

The delivery of the Notes was made to investors in book-entry form through The Depository Trust Company, or DTC, and its participants, including Clearstream Banking S.A. and the Euroclear System, on May 29, 2019.

*Global Coordinators & Joint Bookrunners*

**BNP  
PARIBAS**

**BofA Merrill  
Lynch**

**J.P. Morgan**

**Mizuho  
Securities**

**Rabo  
Securities**

**Scotiabank**

*Joint Bookrunners*

**Bradesco BBI    Itaú BBA**

The date of this listing memorandum is September 30, 2019.

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Unless otherwise indicated or the context otherwise requires, all references in this listing memorandum to:

- “Company,” “we,” “our,” “us,” and “Suzano” are to Suzano S.A., a corporation (*sociedade por ações*) organized under the laws of Brazil and its subsidiaries (except when the context clearly indicates otherwise);
- “Issuer” are to Suzano Austria GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Austria;
- The “Original 2047 Notes” are to the U.S.\$300,000,000 7.000% Senior Notes due 2047 issued by the Issuer on March 16, 2017, which were later reopened in September 2017 in an initial aggregate principal amount of U.S.\$200,000,000, and further reopened in November 2018 in an initial aggregate principal amount of U.S.\$500,000,000, for a total outstanding aggregate principal amount of U.S.\$1,000,000,000;
- the “2030 Notes” are to the U.S.\$1,000,000,000 5.000% Senior Notes due 2030 offered by the Issuer hereunder;
- the “2047 Notes” are to the U.S.\$250,000,000 7.000% Senior Notes due 2047 offered by the Issuer hereunder;
- the “Notes” are to the 2030 Notes and the 2047 Notes, jointly;
- “Fibria” are to Fibria Celulose S.A., a corporation (*sociedade por ações*) organized under the laws of Brazil and its subsidiaries (except where the context clearly indicates otherwise);

- “Guarantor” are to Suzano;
- “Austria” are to the Republic of Austria; and
- “Brazil” are to the Federative Republic of Brazil.

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**This listing memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes offered hereby by any person in any jurisdiction in which it is unlawful for such person to make an offer or solicitation. Neither the delivery of this listing memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in our affairs or the affairs of our subsidiaries or that the information set forth in this listing memorandum is correct as of any date subsequent to the date of this listing memorandum.**

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BNP Paribas Securities Corp., BofA Securities, Inc., J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Rabo Securities USA, Inc., Scotia Capital (USA) Inc. will act as initial purchasers, or the Initial Purchasers, with respect to the offering of the Notes. This listing memorandum does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Notes. You are authorized to use this listing memorandum solely for the purpose of considering the purchase of the Notes.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this listing memorandum. Nothing contained in this listing memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers.

None of the U.S. Securities and Exchange Commission, or the SEC, any state securities commission or any other regulatory authority, has approved or disapproved the Notes or the Note Guarantees nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this listing memorandum. Any representation to the contrary is a criminal offense.

The Original 2047 Notes are listed and application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading the Notes on the Euro MTF market. The Luxembourg Stock Exchange’s Euro MTF market takes no responsibility for the contents of this listing memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this listing memorandum.

You must (1) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this listing memorandum and the purchase, offer or sale of the Notes and (2) obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the Initial Purchasers or their agents have any responsibility therefor. The Notes are subject to restrictions on transferability and resale, and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws pursuant to registration or exemption therefrom. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to the sections in this listing memorandum entitled “Risk Factors,” “Plan of Distribution” and “Transfer Restrictions.”

You acknowledge that:

- you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this listing memorandum;

- you have not relied on the Initial Purchasers or their agents or any person affiliated with the Initial Purchasers or their agents in connection with your investigation of the accuracy of such information or your investment decision; and
- no person has been authorized to give any information or to make any representation concerning us or the Notes other than those as set forth in this listing memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us, the Initial Purchasers or their agents.

**In making an investment decision, you must rely on your own examination of our business and the terms of this offering, including the merits and risks involved. The Notes and the Note Guarantees have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this listing memorandum. Any representation to the contrary is a criminal offense.**

**The offering is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws, pursuant to registration or exemption therefrom. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements set forth in this listing memorandum under the caption “Transfer Restrictions.” You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.**

**This listing memorandum may only be used for the purpose for which it has been published. None of the Initial Purchasers or any of their agents are making any representation or warranty as to the accuracy or completeness of the information contained in this listing memorandum, and nothing contained in this listing memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future. None of the Initial Purchasers or any of their agents assumes responsibility for the accuracy or completeness of the information contained in this listing memorandum.**

We and the Initial Purchasers reserve the right to reject any offer to purchase, in whole or in part, and for any reason, the Notes offered hereby. We and the Initial Purchasers also reserve the right to sell or place less than all of the Notes offered hereby.

#### **NOTICE TO INVESTORS IN AUSTRIA**

This listing memorandum has not been and will not be (i) filed with (*zur Billigung eingereicht*) or approved (*gebilligt*) by the Austrian Financial Markets Authority (*Finanzmarktaufsichtsbehörde* – FMA) or published (*veröffentlicht*) in accordance with the Austrian Capital Market Act (*Kapitalmarktgesetz*), as amended, or (ii) deposited (*hinterlegt*) with *Oesterreichische Kontrollbank Aktiengesellschaft*. The offer of the Notes is not a public offering subject to an obligation to publish a prospectus in accordance with the Austrian Capital Market Act. This listing memorandum will not be passported as a prospectus into Austria via the competent authority of another member state of the European Economic Area (“EEA”). This listing memorandum has been prepared on the basis that any offer of the Notes in Austria or an invitation to submit an offer for purchase of Notes will be made on the basis of an exemption from the obligation to publish a prospectus pursuant to § 3 of the Austrian Capital Markets Act. This listing memorandum shall not be circulated or publicly distributed in Austria or to Austrian investors. No public advertisement for an offer of the Notes may be made or carried out in Austria.

#### **NOTICE TO PROSPECTIVE INVESTORS WITHIN BRAZIL**

**THE NOTES (AND THE RELATED NOTE GUARANTEES) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE BRAZILIAN SECURITIES COMMISSION (*COMISSÃO DE VALORES MOBILIÁRIOS*), OR THE CVM. THE NOTES (AND THE RELATED NOTE GUARANTEES) MAY NOT BE OFFERED OR SOLD IN BRAZIL, EXCEPT IN CIRCUMSTANCES THAT DO NOT CONSTITUTE A PUBLIC OFFERING OR UNAUTHORIZED DISTRIBUTION UNDER BRAZILIAN LAWS AND REGULATIONS. THE NOTES (AND THE RELATED NOTE GUARANTEES) ARE NOT BEING OFFERED INTO BRAZIL.**

DOCUMENTS RELATING TO THE OFFERING OF THE NOTES, AS WELL AS INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL, NOR BE USED IN CONNECTION WITH ANY PUBLIC OFFER FOR SUBSCRIPTION OR SALE OF THE NOTES TO THE PUBLIC IN BRAZIL.

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**NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM**

This listing memorandum is for distribution only and directed only at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, or (iii) are outside the United Kingdom (all such persons together being referred to as “relevant persons”). This listing memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this listing memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

**NOTICE TO PROSPECTIVE INVESTORS IN THE EEA**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## FORWARD-LOOKING STATEMENTS

This listing memorandum includes forward-looking statements, principally in “Item 3. Key Information — Risk Factors,” “Item 4. Information on Suzano — Business Overview” and “Item 5. Operating and Financial Review and Prospects” of our 2018 Annual Report (as defined below). We have based these forward-looking statements largely on our current expectations about future events and financial trends affecting our business. These forward-looking statements are subject to risks, uncertainties and assumptions, including among other things:

- our management and future operation;
- the implementation of our principal operational strategies, including our potential participation in acquisitions, joint venture transactions or other investment opportunities;
- general economic, political and business conditions, both in Brazil and in our principal export markets;
- industry trends and the general level of demand for, and change in the market prices of, our products;
- existing and future governmental regulation, including tax, labor, pension and environmental laws and regulations and import tariffs in Brazil and in other markets in which we operate or to which we export our products;
- the competitive nature of the industries in which we operate;
- our level of capitalization, including the levels of our indebtedness and overall leverage;
- the cost and availability of financing;
- our compliance with the covenants contained in the instruments governing our indebtedness;
- the implementation of our financing strategy and capital expenditure plans;
- inflation and fluctuations in currency exchange rates, including the Brazilian *real* and the U.S. dollar;
- legal and administrative proceedings to which we are or may become a party;
- the volatility of the prices of the raw materials we sell or purchase to use in our business;
- other statements included in this annual report that are not historical; and
- other factors or trends affecting our financial condition or results of operations, including those factors identified or discussed in “Item 3. Key Information — Risk Factors” of our 2018 Annual Report (as defined below) and under the section “Risk Factors” of this listing memorandum.

The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “hope,” “intend,” “may,” “might,” “should,” “would,” “will,” “understand” and similar words are intended to identify forward-looking statements. We undertake no obligation to update publicly or revise any forward-looking statements because of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking information, events and circumstances discussed in this listing memorandum might not occur and are not guarantees of future performance. Our actual results and performance may differ substantially from the forward-looking statements included in this listing memorandum.

## WHERE YOU CAN FIND MORE INFORMATION

We are a reporting company under Section 13 or Section 15(d) of the Exchange Act and file periodic reports with the U.S. Securities and Exchange Commission, or the SEC. However, if at any time we cease to be a reporting company under Section 13 or Section 15(d) of the Exchange Act, or are not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, we will be required to furnish to any holder of a note which is a “restricted security” (within the meaning of Rule 144 under the Securities Act), or to any prospective purchaser thereof designated by such holder, upon the request of such holder or prospective purchaser, in connection with a transfer or proposed transfer of any such note pursuant to Rule 144A under the Securities Act or otherwise, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

We are subject to the informational requirements of the Exchange Act and, in accordance therewith, file reports and other information with the SEC. Such reports and other information can be inspected and copied at the public references facilities of the SEC at Room 1580, 100 F Street N.E., Washington, D.C. 20549. Copies of such material can also be obtained at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street N.E., Washington, D.C. 20549. We file materials with, and furnish material to, the SEC electronically using the EDGAR System. The SEC maintains an Internet site that contains these materials at [www.sec.gov](http://www.sec.gov).

As a foreign private issuer, we are not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act. For example, we are not required to prepare and issue quarterly reports, and we are exempt from the Exchange Act rules regarding the provision and control of proxy statements and regarding short-swing profit reporting and liability. However, we furnish our shareholders with annual reports on Form 20-F containing consolidated financial statements audited by our independent auditors and make available to our shareholders free translations of our quarterly consolidated financial statements as filed with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*), or the CVM, on Form ITR, which contain unaudited condensed consolidated interim financial information for each of the first three quarters of the fiscal year and which we furnish to the SEC under Form 6-K within two months of the end of each of those quarters.



## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

This listing memorandum incorporates important business and financial information about us that is not included in or delivered with the listing memorandum. The U.S. Securities and Exchange Commission, or the “SEC”, allows us to “incorporate by reference” information filed with and/or furnished to the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this listing memorandum, and certain later information that we file with and/or furnish to the SEC will automatically update and supersede this information. We incorporate by reference the following documents:

- Our annual report on Form 20-F for the year ended December 31, 2018, filed with the SEC on April 30, 2019 (SEC File No. 001-38755), which we refer to as the “2018 Annual Report”, containing our audited consolidated financial statements as of December 31, 2018 and 2017 and for the three years ended December 31, 2018, which we refer to as our “Audited Annual Financial Statements”; and
- Fibria’s submission on Form 6-K furnished to the SEC on February 22, 2019 (SEC file No. 001-15018), except for the last 6 pages of the document, containing Fibria’s audited consolidated financial statements as of December 31, 2018 and 2017 and for the three years in the period ended December 31, 2018.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this listing memorandum to the extent that a statement contained in this listing memorandum modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this listing memorandum.

These documents are available on the SEC’s website at [www.sec.gov](http://www.sec.gov) and from other sources. You may read and copy any materials filed with the SEC at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Additionally, the SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC (<http://www.sec.gov>). These documents will also be available free of charge at the offices of a paying agent and will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Information contained on or accessible through our website is not incorporated by reference in, and shall not be considered a part of, this listing memorandum.

## ENFORCEMENT OF JUDGMENTS

### Brazil

The Issuer is a company with limited liability (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Austria, and the Guarantor is a corporation (*sociedade por ações*) incorporated under the laws of Brazil. All, or substantially all, of our directors and officers and certain advisors named herein reside outside the United States. As a result, it may not be possible, or it may be difficult, for you to effect service of process upon us or these other persons within the United States, or to enforce judgments obtained in United States courts against us or them, including those predicated upon the civil liability provisions of the federal securities laws of the United States.

In the terms and conditions of the Notes, we will (1) agree that the courts of the State of New York and the federal courts of the United States, in each case sitting in the Borough of Manhattan, the City of New York, will **have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise** out of or in connection with the Notes and, for such purposes, irrevocably submit to the jurisdiction of such courts and (2) name an agent for service of process in the Borough of Manhattan, the City of New York.

We have been advised by our internal Brazilian general counsel that a judgment of a United States court for civil liabilities predicated upon the federal securities laws of the United States may be enforced in Brazil, subject to certain requirements described below. Such counsel has advised us that a judgment obtained outside Brazil against us, the Issuer or the persons described above would be enforceable in Brazil without retrial or re-examination of the merits of the original action including, without limitation, any final judgment for payment of a sum certain of money rendered by any such court, provided that such judgment has been previously recognized by the Superior Court of Justice of Brazil (*Superior Tribunal de Justiça*), or STJ. In order to be recognized by the STJ, a foreign judgment must meet the following conditions:

- it must comply with all formalities necessary for its enforcement under the laws of the jurisdiction where it was rendered;
- it must have been issued by a competent court after proper service of process on the parties, which service must be in accordance with Brazilian law if made in Brazil, or after sufficient evidence of the parties' absence (*revelia*) has been given, in accordance with applicable law;
- it must be final and therefore not be subject to appeal;
- it must be effective under the laws of the country where the foreign judgment is granted;
- it must not be contrary to Brazilian national sovereignty, or public policy or good morals or violate human dignity;
- it must not violate a final and unappealable decision issued by a Brazilian court;
- it must not violate the exclusive jurisdiction of the Brazilian courts; and
- it must be (i) duly authenticated by a Brazilian consulate in the United States or, (ii) if the place of signing is a contracting state to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents dated October 5, 1961, apostilled, and, in either case, must be accompanied by a sworn translation into Portuguese, unless an exemption is provided by an international treaty to which Brazil is a signatory.

The recognition process may be time-consuming and may also give rise to difficulties in enforcing the foreign judgment in Brazil. Accordingly, we cannot assure you that recognition would be obtained, that the recognition process would be conducted in a timely manner or that a Brazilian court would enforce a monetary judgment, including for violation of the securities laws of countries other than Brazil, including the federal securities laws of the United States.

We have also been advised that:

- original actions may be brought in connection with this listing memorandum predicated solely on the federal securities laws of the United States in Brazilian courts and that, subject to applicable law, Brazilian courts may enforce such liabilities in such actions against Suzano or its directors and officers thereof and certain advisors named herein, provided that provisions of the federal securities laws of the United States do not contravene Brazilian public policy, national sovereignty or equitable principles and provided further that Brazilian courts can assert jurisdiction over such actions (although pursuant to our bylaws disputes between us and our shareholders are required to be resolved through arbitration, this mandatory arbitration requirement does not apply to actions against us, whether by holders of our shares or of our ADSs, that are not predicated on Brazilian laws); and
- the ability of a creditor to satisfy a judgment by attaching certain assets of Suzano or its directors and officers and certain advisors named herein is limited by provisions of Brazilian law, given that assets are located in Brazil.

A plaintiff (whether Brazilian or non-Brazilian) who resides outside Brazil or is outside Brazil during the course of the litigation in Brazil and who does not own real estate property in Brazil must provide a bond to guarantee the payment of the defendant's legal fees and court expenses in connection with court procedures for the collection of payments under the Notes and the Note Guarantees. The bond must have a value sufficient to satisfy the payment of court fees and defendant's attorney fees, as determined by a Brazilian judge. This requirement does not apply (1) when an exemption is provided by an international agreement or treaty that Brazil is a signatory; (2) in the case of claims for collection on a *título executivo extrajudicial* (an instrument which may be enforced in Brazilian courts without a review on the merits, which is not the case of the Notes or the Note Guarantees), in the case of enforcement of foreign judgments that have been duly recognized by the STJ; or (3) counterclaims as established, according to Article 83 of the Brazilian Code of Civil Procedure (*Código de Processo Civil*). Notwithstanding the foregoing, we cannot assure you that recognition of any judgment will be obtained, that the process described above can be conducted in a timely manner, or that Brazilian courts will enforce a judgment for violation of the federal securities laws of the United States with respect to the Notes.

In addition, if proceedings were brought in the courts of Brazil seeking to enforce the obligations of the Guarantor under the Notes, it would not be required to discharge its obligations in a currency other than *reais*. Under Brazilian exchange control limitations, an obligation to pay amounts denominated in a currency other than Brazilian currency, which is payable in Brazil, may only be satisfied in Brazilian currency at the exchange rate prevailing on the market on the date of payment, as published by the Brazilian Central Bank (*Banco Central do Brasil*), or Central Bank. Accordingly, if the Guarantor were to be declared bankrupt, all of its credits denominated in foreign currencies would be converted into *reais* at the prevailing rate on the date of the declaration. We cannot assure that such rate of exchange will afford full compensation of the amount invested in the Notes plus any accrued interest.

## **Austria**

The United States and Austria do not have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for payment of money rendered by the courts of the State of New York and the federal courts of the United States, in each case sitting in the Borough of Manhattan, the City of New York, based on civil liability, whether or not predicated solely upon U.S. federal securities laws, or any other court in the United States may not be enforceable, either in whole or in part, in Austria.

However, if the party in whose favor such final judgment is rendered brings a new suit in a competent court in Austria, such party may submit to the Austrian court the final judgment rendered in the United States. Under such circumstances, a judgment by a federal or state court of the United States against the Issuer or its managing directors will be regarded by an Austrian court only as evidence of the outcome of the dispute to which such judgment relates, and an Austrian court may choose to re-hear the dispute. In addition, awards of punitive damages in actions brought in the United States or elsewhere are unenforceable in Austria.

## LIMITATIONS BY AUSTRIAN CAPITAL MAINTENANCE RULES AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

### Austrian Capital Maintenance Rules

The issue and sale of the Notes may be subject to Austrian capital maintenance rules (*Kapitalerhaltungsvorschriften*) pursuant to Austrian corporate law, in particular Section 82 of the Austrian Act on Limited Liability Companies (*Gesetz über Gesellschaften mit beschränkter Haftung*), or GmbHG, as the Issuer intends to use the net proceeds from the sale of the Notes by the Issuer for the repayment of the Issuer's and Suzano's indebtedness.

The GmbHG prohibits an Austrian limited liability company from returning equity to its shareholders (*Verbot der Einlagenrückgewähr*) in circumstances other than as a distribution of balance sheet profits (if, to the extent and as long as available for distribution under Austrian law), by a reduction of share capital or as liquidation surplus on liquidation of that corporation. The provisions on the prohibition to repay capital also cover benefits granted by an Austrian limited liability company to its direct or indirect shareholders or other members of the group of companies (side-stream or up-stream) where no "adequate consideration" is received in return or no special corporate benefit of the company from such transaction exists. An adequate consideration must, as a minimum standard, not be less than a comparable consideration, which would have been received by an unrelated third party granting such benefit. Any agreement between an Austrian limited liability company and its shareholder and/or any third party granting an advantage to the shareholder which would not, or not in the same way, have been granted for the benefit of an unrelated third party or which does not provide for a special corporate benefit of the company is void and may not be entered into by such company.

Austrian courts have broadly interpreted the mandatory principle of Austrian law prohibiting the return of equity from a limited liability company to its shareholder. The prohibition also encompasses cases where a limited liability company incurs indebtedness for the benefit of its direct or indirect shareholder (or for the benefit of another member of the group controlled by its direct or indirect shareholder) without an adequate consideration or a special corporate benefit for the company and in cases where doubts exist towards the reliability and solvency of the borrower (i.e. the shareholder) which could give reason to believe that potential recourse claims against the shareholder might fail.

Accordingly, net proceeds from the issue and sale of the Notes used for the repayment of indebtedness of entities other than the Issuer have to be assessed on the basis of such limitations imposed by Austrian law.

Although third parties are not normally addressees of the prohibition to return equity, any transaction contravening Austrian capital maintenance rules would nevertheless be regarded void *vis-à-vis* the third party if such third party knew or should have known that such transaction was processed in violation of the grantor's capital maintenance obligations. Details of the principle of forbidden return of equity to the shareholder are, however, highly controversial. Moreover, Austrian capital maintenance rules are subject to ongoing court decisions, which are generally made on a case-by-case basis in light of the specific facts of the relevant case, and it cannot be ruled out that future court rulings may not further limit the access of creditors and/or shareholders to assets of subsidiaries constituted in the form of a corporation.

### Austrian Insolvency Law

The Issuer is incorporated under the laws of Austria; thus, a rebuttable presumption exists that such entity also has its respective "center of main interests" in Austria. In the event of an insolvency of a company having its "center of main interests" in Austria, insolvency proceedings may be initiated in Austria. Such proceedings will be governed by Austrian law (for example, if the "center of main interests" of such company is within Austria or if such company has an "establishment" in the territory of Austria or, where the E.U. Insolvency Regulation (Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings) does not apply, if such company has assets in Austria). Under certain circumstances, insolvency proceedings may also be opened in Austria in accordance with Austrian law with respect to the assets of companies that are not organized under Austrian law.

The following is a brief description of certain aspects of Austrian insolvency law. The law relating to insolvency is regulated by the Austrian Insolvency Act (*Insolvenzordnung*) (the “AIA”).

Insolvency proceedings (*Insolvenzverfahren*) are opened by a court in the event that the debtor is insolvent (*zahlungsunfähig*) (i.e., unable to pay its debts as and when they fall due) or over-indebted within the meaning of the AIA (*überschuldet*) (i.e., its liabilities exceed the value of its assets in combination with a negative prognosis on its ability to continue as a going concern (*negative Fortbestehensprognose*)). Under Austrian law, insolvency proceedings may be initiated either by the (insolvent) company or a creditor by filing an application to that effect with a court of competent jurisdiction. If insolvency proceedings are initiated upon a creditor’s request, such creditor will have to show that the debtor is insolvent or over-indebted. In the event that the debtor is at imminent risk of being unable to pay its debts as and when they fall due (*drohende Zahlungsunfähigkeit*), insolvency proceedings may be initiated only upon the debtor’s request.

If the debtor has submitted, together with its application requesting the opening of insolvency proceedings, an application for the commencement of restructuring proceedings (*Sanierungsverfahren*), the court may order the opening of either (i) insolvency proceedings or (ii) restructuring proceedings. The legal provisions regulating restructuring proceedings do not apply to insolvency proceedings.

If it is the debtor that has applied for the initiation of insolvency proceedings and has submitted to the court a restructuring plan (*Sanierungsplan*) that offers a recovery rate of at least 20% payable to the unsecured creditors over a maximum period of two years, any proceedings so initiated by the court will be in the form of restructuring proceedings. A debtor may also submit a restructuring plan in the course of insolvency proceedings that are already in progress whereupon such proceedings will continue as restructuring proceedings. For the debtor’s restructuring plan to be approved by the court it must meet certain criteria specified by law.

The purpose of a restructuring plan is to enable a debtor to be released from a portion of its debts (not to exceed 80% of the aggregate amount thereof) and to continue its business operations. A restructuring plan has to be approved by a “qualified majority” of the debtor’s unsecured creditors. A “qualified majority” refers to a majority of the debtor’s unsecured creditors present at the respective court hearing, provided that such majority represents more than 50% of the aggregate amount of all claims of the unsecured creditors being present at such hearing. Once the debtor has complied with the terms of a restructuring plan that was duly approved by the creditors and confirmed by the court, it will be released from its remaining outstanding unsecured debts. Unsecured creditors whose claims under the restructuring plan have not been satisfied in accordance with the plan’s terms may enforce their individual claims against the debtor, in which case the restructuring proceedings will be continued as insolvency proceedings.

If the restructuring proceedings have been initiated and the debtor has submitted a restructuring plan that offers a recovery rate of at least 30% to the unsecured creditors over a maximum two-year period after the approval of such restructuring plan, the debtor qualifies for self-administration (*Sanierungsverfahren mit Eigenverwaltung*).

Unless the debtor qualifies for self-administration, it is not allowed as of the date of the opening of the insolvency or the restructuring proceedings, as the case may be, to dispose of the assets belonging to the insolvency estate (*Insolvenzmasse*). The opening of insolvency proceedings takes effect on the day following the publication of the court’s order opening such proceedings in the official online database of Austrian insolvencies ([www.edikte.justiz.gv.at](http://www.edikte.justiz.gv.at)). After the opening of insolvency proceedings, transactions of the debtor with respect to assets belonging to the insolvency estate have no effect against the creditors of the insolvency estate.

Upon its decision to open the insolvency proceedings, the court will appoint an insolvency administrator (*Insolvenzverwalter*) and may, depending on the nature and the size of the debtor’s business (either *ex officio* or upon the request of the creditors’ meeting (*Gläubigerversammlung*)), appoint a creditors’ committee (*Gläubigerausschuss*) charged with monitoring and assisting the insolvency administrator in the discharge of its duties. After the opening of insolvency proceedings (and unless the debtor qualifies for self-administration), only the insolvency administrator is entitled to act on behalf of the insolvency estate.

Under Austrian law, an insolvency administrator’s role is to continue the debtor’s business with a view to enabling a potential reorganization of such business either by implementing the debtor’s restructuring plan or by a sale of the debtor’s assets. If neither a restructuring plan nor a sale of the debtor’s business is possible, the

insolvency administrator will discontinue the debtor's business operations. As a result of the ensuing insolvency proceedings, the debtor's assets will be liquidated and the proceeds realized thereby will be distributed to the debtor's creditors, with the debtor remaining liable for any portion of its debts not satisfied by such proceeds.

If the debtor qualifies for self-administration, the court will proceed with the appointment of a restructuring administrator (*Sanierungsverwalter*) to monitor the activities of the debtor. In such case, certain transactions are either subject to the restructuring administrator's approval or may be performed only by the restructuring administrator.

Creditors (*Insolvenzgläubiger*) wishing to assert their claims against the debtor must participate in the insolvency proceedings and file their claim with the competent court within the time period set out in the court order opening the insolvency proceedings. At the respective examination hearing (*Prüfungstagsatzung*), the insolvency administrator has to declare whether it acknowledges or contests each of the claims filed with the court. If the insolvency administrator acknowledges a creditor's claim, such creditor will be entitled to participate in the insolvency proceedings and the pro rata distribution to unsecured creditors that will follow. If a creditor's claim is contested by the insolvency administrator, the creditor will have to seek enforcement of its claim in civil proceedings and only then participate in the insolvency proceedings.

Claims of unsecured creditors which were created before the opening of the insolvency proceedings rank *pari passu* among themselves. Certain claims which lawfully arose against the insolvency estate after the opening of the insolvency proceedings (privileged claims (*Masseforderungen*)) enjoy priority in insolvency proceedings. This includes all taxes, fees, tariffs, social security contributions and any other public assessment concerning the insolvency estate if and to the extent that the facts and circumstances triggering any such obligation are established during the insolvency proceeding.

Claims which are secured by collateral, such as a mortgage, a pledge over bank accounts or shares, an assignment of receivables for security purposes or a security transfer of moveable assets (preferential claims (*Absonderungsrechte*)), are entitled to preferential payment in the distribution of the proceeds resulting from the realization of the charged asset. Creditors who have a right to preferential treatment may participate in the pro rata distribution to the unsecured creditors only to the extent that the proceeds from the realization of the assets charged to them did not cover their claims or if they have waived their right to preferential treatment. Secured creditors do not have a voting right with respect to the approval of the restructuring plan to the extent their claim is covered by security. Claims relating to the payment of taxes, social security contributions and employee compensation are not, as such, privileged or preferential claims under Austrian law.

The costs of the insolvency proceedings and certain liabilities accrued during such proceedings constitute privileged claims (*Masseforderungen*) and rank senior to all other insolvency claims (*Insolvenzforderungen*). Claims of creditors with a right of segregation of assets (*Aussonderungsberechtigte*), such as creditors with a retention of title or trustees, remain unaffected by the opening of insolvency proceedings.

Once insolvency proceedings have been opened it is no longer possible to obtain an execution lien with respect to assets belonging to the insolvency estate. All execution proceedings against the debtor are subject to an automatic stay during the duration of the insolvency proceeding (*Vollstreckungssperre*). Execution liens obtained within the last 60 days prior to the opening of insolvency proceedings expire upon the opening of such insolvency proceedings.

An Austrian court may appoint a trustee (*Kurator*) for the Notes to exercise the rights and represent the interests of holders of the Notes on their behalf in which case the ability of holders of the Notes to pursue their rights under the Notes individually may be significantly limited. Pursuant to the Austrian Notes Trustee Act (*Kuratorenengesetz*), a trustee may be appointed upon the request of any interested party (e.g. a holder of the Notes) or upon the initiative of the competent court, for the purposes of representing the common interests of the holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the terms and conditions of the Notes or changes relating to the Issuer, or under other similar circumstances, including also restructuring scenarios. If a trustee is appointed, the trustee will exercise the collective rights and represent the interests of all of the holders of the Notes and will be entitled to make statements on their behalf which shall be binding on all holders. Where a trustee represents the

interests and exercises the rights of holders, this may conflict with or otherwise adversely affect the interests of individual or all holders. Investors should note that a trustee will not be subject to any instructions given by single holders of Notes or the holders' meeting and that the trustee is obliged to act in the best interest of all holders, not taking into account particular interests of certain holders or groups of holders.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Financial Statements

Suzano maintains its books and records in *reais* and prepares its annual consolidated financial statements in accordance with International Financial Reporting Standards, or IFRS, issued by the International Accounting Standards Board, or IASB.

This listing memorandum (i) incorporates by reference our Audited Annual Financial Statements, which have been prepared in accordance with IFRS, as issued by the IASB, and (ii) contains our unaudited condensed consolidated interim financial information as of March 31, 2019 and for the three-month period ended March 31, 2019, which we refer to as the “Unaudited Condensed Consolidated Interim Financial Information,” presented in accordance with IAS 34 Interim Financial Reporting, as issued by IASB.

Because the merger of shares (*incorporação de ações*) (the “Merger”), set forth in the Merger Agreement entered into by Suzano and Fibria on July 26, 2018 (the “Merger Agreement”) was consummated in January 2019, our results of operations and financial condition for the historical periods discussed in this section do not reflect or include the results of operations or any assets or liabilities of Fibria. We began consolidating Fibria and its subsidiaries as from January 1, 2019, and, accordingly, our results of operations and financial condition in future periods may not necessarily be comparable to our results of operations and financial condition for historical periods, including those discussed below. Accordingly, our Unaudited Condensed Consolidated Interim Financial Information include information of Fibria as of and for the three months ended March 31, 2019. For information on Fibria’s results of operations and financial condition for these periods, see Fibria’s audited consolidated statements at December 31, 2018 and 2017 and for the three years in the period ended December 31, 2018, that were submitted by Fibria to the SEC on Form 6-K on February 22, 2019. In our 2018 Annual Report, we include, solely for convenience purposes, certain information on Fibria’s results of operations, cash flows and financial condition, including indebtedness and other contractual liabilities, that was extracted from Fibria’s audited consolidated financial statements. However, this information is not indicative of any future results of operations or financial condition of Fibria, or of our company and Fibria operating on a combined basis.

Our financial information should be read together with these annual financial statements and interim financial information, and the corresponding notes thereto, and independent auditor’s reports thereon, which are incorporated by reference in this listing memorandum.

The Issuer is exempt from publishing stand-alone audited financial statements (i.e. balance sheet, income statement, notes, management report) under Austrian law. However, the Issuer has prepared unaudited, short-form financial statements as of and for the year ended December 31, 2018, in the form included in the attached Exhibit A.

### Currency Information

All references herein to the “*real*,” “*reais*” or “R\$” are to the Brazilian *real*, the official currency of Brazil. All references to “U.S. dollars”, “dollars” or “U.S.\$” are to U.S. dollars. On May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank. The *real*/U.S. dollar exchange rate fluctuates widely, and the selling rate as of May 20, 2019 may not be indicative of future exchange rates.

Solely for the convenience of the reader, we have translated certain amounts included in “Capitalization,” “Selected Financial Data” and elsewhere in this listing memorandum from *reais* into U.S. dollars using the selling rate as reported by the Central Bank as of March 29, 2019 of R\$3.8967 per U.S.\$1.00. The U.S. dollar equivalent information presented in this listing memorandum is provided solely for the convenience of investors and should not be construed as implying that the amounts in *reais* represent, or could have been or could be converted into, U.S. dollars at such rates or at any other rate.

### Market and Other Information



We make statements in this listing memorandum about a number of estimates, including market estimates, historical and predicted characteristics of several types of products, sales in the pulp and paper industry, and our competitive position and market share in the pulp and paper industry in Brazil and abroad. Information on the Brazilian and international pulp and paper industry and market presented herein is based on reports prepared by the independent consulting firms Hawkins Wright Ltd., or Hawkins Wright; Jaakko Pöyry NLK Inc., or Pöyry; Pulp and Paper International; or Pulp and Paper International; and publications and information disclosed by the Brazilian Tree Industry (*Indústria Brasileira de Árvores*), or IBÁ, the Pulp and Paper Products Council, or PPPC, and RISI Inc., an information provider for the global forest products industry, or RISI.

Unless otherwise indicated, all macroeconomic data were obtained from the Brazilian Central Bank, or Central Bank, the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*), or IBGE, and the Getulio Vargas Foundation (*Fundação Getulio Vargas*), or FGV.

We believe that such sources of information are reasonably reliable and we have no reason to believe that any of this information is inaccurate in any material respect. We have not independently verified such information and make no representation as to the accuracy of such information; however, we take responsibility for the correct reproduction of information in this listing memorandum made available by such sources.

### **Rounding**

Certain percentages and other amounts included in this listing memorandum have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be an arithmetical aggregation of the figures that precede them.

### **Special Note Regarding Non-IFRS Financial Measures**

A non-IFRS financial measure is any financial measure that is presented other than in accordance with all relevant accounting standards under IFRS. We disclose EBITDA and Adjusted EBITDA for Suzano in this listing memorandum, which are considered non-IFRS financial measures in accordance with CVM Instruction 527. EBITDA is defined by the CVM, as earnings before net financial results, taxes, depreciation and amortization, or EBITDA. Adjusted EBITDA for Suzano is defined as EBITDA as further adjusted to add or exclude, from the amount of equity income, expenses with Fibria's transaction (the Merger), fair value adjustment of biological assets, complement of provision for variable remuneration, provision for intangible assets – research agreement (*Futuragene*), provision for wood inventory damaged, provision for losses with sales and scrapping of forest machines, sale of distribution center (*Anchieta*), provision (reversal) for losses with property, plant and equipment, write-offs, taxes, doubtful accounts and provision of contingencies, land conflict agreement, equity in earnings of associates, land invasion – landless movement (*MST – Movimento dos Sem-Terra*), reconciliation adjustments, tax credits, write-off of IPI credits – (São Paulo) subsidiary, wood inventory adjustment, issue with genetic material – arrangement leasing – (*Vale Florestar*), Additional Provision for – Complement – share-based compensation plan (long-term), provision related to PERT (*programa de regularização tributária*) – tax regularization program, donations and sponsorships, tax review (PIS and COFINS), agreement Valmet, write-off of inventory, windstorm Maranhão, insurance claim (*Muruci and Imperatriz*).

The non-IFRS financial measures described in this listing memorandum are not a substitute for the IFRS measures of net income or other performance measures.

Our management believes that disclosure of Suzano's EBITDA and Adjusted EBITDA provide useful information to investors, financial analysts and the public in their review of our operating performance and their comparison of our operating performance to the operating performance of other companies in the same industry and other industries. This is because EBITDA and Adjusted EBITDA are generally perceived as more objective and comparable measures of operating performance. For example, interest expense is dependent on the capital structure and credit rating of a company. However, debt levels, credit ratings and, therefore, the impact of interest expense on earnings vary significantly between companies. Similarly, the tax positions of individual companies can vary because of their differing abilities to take advantage of tax benefits and the differing jurisdictions in which they transact business. Finally, companies differ in the age and method of acquisition of productive assets, and thus the relative costs of those assets, as well as in the depreciation method (straight-line, accelerated or units of production),

which can result in considerable variation in depreciation and amortization expenses between companies. Therefore, for comparison purposes, our management believes that Suzano's EBITDA and Adjusted EBITDA are useful as objective and comparable measures of operating profitability because they exclude these elements of earnings that do not provide information about the current operations of existing assets.

Moreover, our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies do not calculate Adjusted EBITDA in the same fashion.

For information on Fibria's EBITDA and Adjusted EBITDA, please see Fibria's earnings release for the year ended December 31, 2018, submitted to the SEC on Form 6-K on February 22, 2019.

See below for a reconciliation of Suzano's net income to EBITDA and Adjusted EBITDA.

<b>Suzano</b>		
<b>EBITDA and Adjusted EBITDA (R\$ million)</b>	<b>2018</b>	<b>2017</b>
<b>EBITDA Reconciliation</b>		
Net income (loss)	319.8	1,821.0
(+/-) Net financial result	4,842.5	1,018.9
(+/-) Income and social contribution taxes	(154.5)	438.6
(+) Depreciation, amortization and depletion	1,563.2	1,402.8
<b>EBITDA</b>	<b>6,571.0</b>	<b>4,681.3</b>
Expenses with Fibria's Transaction	126.6	—
Fair value adjustment of biological assets	129.2	(192.5)
Complement of provision for Variable Remuneration	—	26.5
Provision for intangible assets – Research agreement ( <i>Futuragene</i> )	—	18.8
Provision for wood inventory damaged	—	16.3
Provision for losses with sales and scrapping of forest machines	—	14.0
Sale of Distribution Center – Anchieta	—	(31.4)
Provision (reversal) for losses with property, plant and equipment, write-offs, taxes, doubtful accounts and provision of contingencies	7.4	68.0
Land conflict agreement	—	11.8
Equity in earnings of associates	(7.6)	(5.9)
Land invasion - landless movement ( <i>MST Movimento Sem Terra</i> )	—	1.9
Reconciliation adjustments	7.6	2.0
Tax Credits	2.9	—
Write-off of IPI credits - (São Paulo) subsidiary	—	0.7
Wood Inventory Adjustment	—	9.6
Issue with genetic material - Arrangement Leasing - Vale Florestar	—	(10.7)
Additional Provision for – Complement – share-based compensation plan (long-term)	—	15.1
Provision related to PERT ( <i>Programa de Regularização Tributária</i> ) - Tax Regularization Program	—	2.4
Donations and Sponsorships	—	5.2
Review Tax (PIS and Cofins)	9.5	—
Agreement Valmet	(52.8)	—
Write-off of Inventory	24.1	—
Windstorm Maranhão	1.6	—

Insurance claim ( <i>Muruci</i> and <i>Imperatriz</i> )	(3.1)	—
Retroactive contributions – Antidumping	—	2.2
<b>Adjusted EBITDA</b>	<b>6,817.8</b>	<b>4,635.3</b>

Each of these non-IFRS financial measures is an important measure used by our management to assess our financial and operating performance. Management used the amount of Adjusted EBITDA to determine acceptable levels of liquidity considering that this non-IFRS financial measure is also base for the calculation of covenants in financing contracts. We believe that the disclosure of EBITDA and Adjusted EBITDA provides useful supplemental information to investors and financial analysts in their review of our operating performance and in the comparison of such operating performance to the operating performance of other companies in the same industry or in other industries that have different capital structures, debt levels and/or income tax rates. Other companies may calculate EBITDA and Adjusted EBITDA differently, and therefore our presentation of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies. The presentation of non-IFRS financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with IFRS. We urge you to review the reconciliations of the non-IFRS financial measures presented.

## SUMMARY

*This summary highlights information contained elsewhere in this listing memorandum. This summary does not contain all of the information you should consider before investing in the Notes. You should read this entire listing memorandum carefully to better understand our business, organizational and corporate structure and the structure of this offering, our 2018 Annual Report, including, but not limited to, Item 4. Information on the Company (p. 27), Item 6. Directors, Senior Management and Employees (p. 87), the information contained in “The Offering,” “Risk Factors,” and “Selected Financial Data,” our Audited Annual Financial Statements and the corresponding notes thereto, including, but not limited to, Note 1. Company Operations (p. F-9) and Unaudited Condensed Consolidated Interim Financial Information, before making a decision to invest in the Notes.*

### The Issuer

Suzano Austria GmbH, or the Issuer, is a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Austria, registered under registration number FN 62444f with the companies’ register of the Commercial Court of Vienna, with its corporate seat in Vienna and its business address at 1010 Vienna, Fleischmarkt 1. The Issuer is our wholly-owned trading company, with indefinite term of duration, and its corporate purpose is the acquisition, sale and participation of and in other companies. The Issuer’s capital is €36,336.42 and divided into quotas, all held and fully paid in by Suzano.

### Suzano

#### Overview

With more than 90 years of experience, we operate mainly in the pulp (paper grade and fluff) and paper (paperboard, printing and writing and tissue) segments. We believe that we are one of the largest vertically integrated producers of pulp and paper in Latin America and, according to Hawkins Wright, Suzano was the second largest producer of eucalyptus pulp in the world and the fourth largest producer of virgin market pulp in the world in 2018 (considering the nominal capacity before the Merger). As other Brazilian eucalyptus pulp producers, we have the lowest cost of pulp production in the world. We believe our modern technology of plantation and harvesting and our strategic location for plantation facilities are among our competitive strengths.

We believe we are one of Brazil’s largest paper producers, and based on data from IBÁ, we accounted for nearly 40% of the printing and writing paper and 26% of the paperboard produced in Brazil in 2017. Our share of Brazilian paper production remained unchanged following the Merger, as Fibria did not have any paper production.

Our structure includes administrative offices in Salvador and São Paulo, two integrated pulp and paper production facilities in the state of São Paulo (Suzano and Limeira units), a non-integrated paper production facility in the state of São Paulo (Rio Verde unit), an integrated pulp, paper and tissue facility in the state of Bahia (Mucuri unit), an integrated pulp and tissue facility in the state of Maranhão (Imperatriz unit), and FuturaGene, a biotechnology research and development subsidiary. We own one of the largest distribution structures for paper and graphic products in South America. Following the Merger, we also own pulp production facilities in the state of Espírito Santo (Aracruz unit), in the state of São Paulo state (Jacareí Unit), one unit with two production lines in Três Lagoas (in the state of Mato Grosso do Sul) and a 50% equity participation in Veracel together with Stora Enso, an industrial unit located in Eunápolis (in the state of Bahia).

Our eucalyptus pulp production satisfies 100% of our requirements for paper production, and we sell the remaining production as market pulp. As of December 31, 2018, our total eucalyptus pulp installed production capacity was 4.6 million tons per year, and our total production volume was 4.8 million tons, of which 3.5 million tons were produced as market pulp and the remainder was used for the production of 1.3 million tons of paper and paperboard.

The scale of our production capacity, the proximity of our planted forests to our mills and the integration of our pulp and paper production process allow us to benefit from substantial economies of scale and low production costs. Our Limeira, Suzano and Rio Verde units are primarily focused on the Brazilian market and are located near the city of São Paulo, the largest consumer market in Brazil according to data from IBÁ and RISI, located

approximately 90 km from the port of Santos, an important export hub, and approximately 190 km from our planted forests. Our Mucuri unit is focused primarily on export markets, and is located approximately 320 km from the port of Vitória, approximately 250 km from Portocel, a port specialized in exporting pulp and paper located in the state of Espírito Santo. The Imperatriz unit, in Maranhão, is also focused primarily on export markets and is located approximately 600 km from the port of Itaquí. Exports are carried from our units to the ports by rail, allowing for very competitive transportation costs. The relatively short distances between our planted forests, our mills and most of our Brazilian customers or export facilities provide us with relatively low transportation costs, which in turn results in lower total production costs.

Our shares are traded on the special listing segment of the B3 (*Brasil, Bolsa, Balcão*), which provides for the highest level of corporate governance in the Brazilian market, and our ADSs are traded on the New York Stock Exchange.

## **Recent Developments**

### ***Fibria Legal Merger***

On April 1, 2019, we approved in the Extraordinary Shareholders Meeting of the Company the legal merger of Fibria, with the transfer of all Fibria's shareholders' equity to the Company and Fibria's subsequent winding up (the "Legal Merger"). As result of the Legal Merger, we changed our name to Suzano S.A. and succeeded Fibria in all of its rights and obligations.

### ***Prepayment of Financing Agreements Guaranteed by Export Credit Agencies***

On April 29 and April 30, 2019, Suzano S.A. voluntarily prepaid U.S.\$208.4 million (equivalent to R\$822.2 million) related to certain financing agreements that were guaranteed by the export credit agencies Finnvera and EKN. See "Management's Discussion and Analysis of Financial Condition and Results of Operation—Indebtedness—Subsequent Events."

## THE OFFERING

The following summary is a brief summary of some of the terms of this offering and is not intended to be complete. For a more detailed description of the Notes, see “Description of the Notes.”

<b>Issuer</b> .....	Suzano Austria GmbH, a limited liability company ( <i>Gesellschaft mit beschränkter Haftung</i> ) incorporated under the laws of Austria, registered under registration number FN 62444f with the companies’ register of the Commercial Court of Vienna, with its corporate seat in Vienna and its business address at 1010 Vienna, Fleischmarkt 1. The Issuer is our wholly-owned trading company, with indefinite term of duration, and its corporate purpose is the acquisition, sale and participation of and in other companies. The Issuer’s capital is €6,336.42 and divided into quotas, all held and fully paid in by Suzano.
<b>Notes Offered</b> .....	U.S.\$1,000,000,000 in aggregate principal amount of 5.000% Senior Notes due 2030  U.S.\$250,000,000 in aggregate principal amount of 7.000% Senior Notes due 2047. Upon consummation of this offering, the aggregate principal amount of our 7.000% Senior Notes due 2047 will be U.S.\$ 1,250,000,000.
<b>Note Guarantees</b> .....	Suzano S.A., the parent company of the Issuer, will irrevocably and unconditionally guarantee on a senior unsecured basis the full and punctual payment of principal, interest and all other amounts that may become due and payable in respect of the Notes.
<b>Issue Price</b> .....	98.533% of the principal amount of the 2030 Notes, plus accrued interest, if any, from May 29, 2019.  109.820% of the principal amount of the 2047 Notes, plus accrued interest in the amount of U.S.\$3,548,611.11, for the period from, and including, March 16, 2019, to but excluding May 29, 2019 plus accrued interest, if any, from May 29, 2019.
<b>Final Maturity Date</b> .....	The 2030 Notes will mature on January 15, 2030.  The 2047 Notes will mature on March 16, 2047.
<b>Interest</b> .....	Interest will accrue on the 2030 Notes at the annual rate of 5.000% from May 29, 2019.  Interest accrues on the Notes at the annual rate of 7.000% from March 16, 2019.
<b>Interest Payment Dates</b> .....	In the case of the 2030 Notes, January 15 and July 15, commencing on January 15, 2020.  In the case of the 2047 Notes, March 16 and September 16, commencing on September 16, 2019.
<b>Fungibility of 2047 Notes</b> .....	The 2047 Notes are being offered as a further issuance of securities of the Issuer’s Original 2047 Notes, pursuant to Section 2.12 of, and governed by, the indenture dated as of March 16, 2017 between the Issuer, the Guarantor and Deutsche Bank Trust Company Americas, as trustee, registrar, paying agent and transfer agent (the “ <u>2047 Indenture</u> ”).

The 2047 Notes will be consolidated and form a single series with the Issuer’s outstanding U.S.\$500,000,000 7.000% Senior Notes due 2047 that were originally issued on March 16, 2017 (in an initial aggregate principal amount of U.S.\$300,000,000) and later reopened in September 2017 (in an initial aggregate principal amount of U.S.\$200,000,000) and further reopened in November 2018 (in an initial aggregate principal amount of U.S.\$500,000,000). The 2047 Notes will have terms identical to the Original 2047 Notes, other than the issue date and offering price. The 2047 Notes will become fully fungible with the Original 2047 Notes following the termination of certain U.S. selling restrictions. During the periods subject to certain U.S. selling restrictions, the 2047 Notes offered pursuant to Regulation S had temporary CUSIPs and ISINs.

See “Listing and General Information.”

**Ranking** ..... The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank equally with all of its other existing and future unsecured and unsubordinated obligations of the Issuer.

The Note Guarantees will be the unsecured, unsubordinated obligations of the Guarantor and will rank equally with all of its other existing and future unsecured and unsubordinated obligations.

The Notes and the Note Guarantees will effectively rank junior to all secured debt of the Issuer and the Guarantor to the extent of the value of the assets securing that indebtedness. The Notes and the Note Guarantees will also be structurally subordinated to all liabilities (including such owed to trade creditors and preferred stockholders) of the Guarantor’s non-guarantor subsidiaries other than the Issuer.

**Security**..... None.

**Use of Proceeds**..... We estimate that the net proceeds from the sale of the Notes will be approximately U.S.\$1,252.1 million after deducting initial purchasers’ discounts and offering expenses. An amount of up to the net proceeds will be allocated for repayment of indebtedness, including, but not limited to, indebtedness with final maturities between 2019 and 2021, such as outstanding debentures, export prepayment facilities (EPP), facilities guaranteed by export credit agency (ECA), and otherwise for general corporate purposes. All of the Initial Purchasers, either directly or through affiliates, are lenders under one or more of our outstanding credit facilities and/or with respect to other indebtedness, including a U.S.\$2,300.0 million export prepayment facility (EPP). See “Use of Proceeds.”

**Optional Redemption** ..... With respect to the 2030 Notes, prior to October 15, 2029, we may redeem the 2030 Notes in whole at any time, or in part from time to time, at a redemption price based on a “make-whole” premium, plus accrued and unpaid interest, if any, to the redemption date, provided that the 2030 Notes in an aggregate principal amount equal to at least U.S.\$150 million remain outstanding immediately after the occurrence of any partial redemption of the 2030 Notes. At any time on or after October 15, 2029, we may redeem the 2030 Notes, in whole or in part at a redemption price equal to 100% of the principal amount of the 2030 Notes being redeemed plus accrued and unpaid interest on the principal amount of the 2030 Notes being redeemed to such redemption date.

With respect to the 2047 Notes, prior to September 16, 2046, we may redeem the 2047 Notes in whole at any time, or in part from time to time, at a redemption price based on a “make-whole” premium, plus accrued and unpaid interest, if any, to the redemption date, provided that the 2047 Notes in an aggregate principal amount equal to at least U.S.\$150 million remain outstanding immediately after the occurrence of any partial redemption of the 2047 Notes. At any time on or after September 16, 2046, we may redeem the 2047 Notes, in whole or in part at a redemption price equal to 100% of the principal amount of the 2047 Notes being redeemed plus accrued and unpaid interest on the principal amount of the 2047 Notes being redeemed to such redemption date.

See “Description of the Notes—Optional Redemption—Optional Redemption with a Make-Whole Premium.”

<b>Redemption for Tax Reasons ....</b>	We may redeem the Notes, in whole but not in part, at 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, at any time upon the occurrence of specified events relating to Brazilian, Austrian or other relevant jurisdictions’ tax laws. See “Description of the Notes—Optional Redemption—Optional Redemption for Taxation Reasons.”
<b>Change of Control .....</b>	Upon the occurrence of certain change of control events (as defined in the Description of the Notes), the Issuer will be required to offer to purchase each holder’s Notes at a price equal to 101% of the principal amount, plus accrued and unpaid interest. See “Description of the Notes—Certain Covenants—Repurchase of Notes upon a Change of Control.”
<b>Exchange Offer; Registration Rights of 2030 Notes.....</b>	<p>Pursuant to a registration rights agreement between the Issuer, Suzano and the Initial Purchasers, we have agreed to use our commercially reasonable efforts to offer, to holders who are able to make certain representations, notes having substantially identical terms as the 2030 Notes being offered by this listing memorandum (except that the exchange notes will not contain terms with respect to transfer restrictions or provisions for payment of additional interest), in exchange for surrender of the 2030 Notes in a registered exchange offer. We will use our commercially reasonable efforts to consummate the registered exchange offer by December 31, 2019.</p> <p>Under certain circumstances, the Issuer has also agreed to file a shelf registration statement with respect to resale of the 2030 Notes being offered by this listing memorandum and use its reasonable best efforts to keep such shelf registration statement effective until three years after its effective date. The interest rate on the 2030 Notes being offered by this listing memorandum is subject to increase under certain circumstances if the Issuer does not comply with its obligations under the registration rights agreement. There can be no assurance that we will be able to consummate the exchange offer described above. See “Exchange Offer; Registration Rights.”</p>
<b>Certain Covenants .....</b>	<p>The Indentures governing the Notes contains covenants that, among other things, limit Suzano’s ability and the ability of Suzano’s restricted subsidiaries (including, in certain cases, the Issuer) to:</p> <ul style="list-style-type: none"> <li>• enter into sale and leaseback transactions;</li> <li>• enter into transactions with affiliates;</li> <li>• create liens; and</li> </ul>



- consolidate, merge or sell all or substantially all of our assets.

In addition, the Indentures, among other things, requires us to provide reports to the Trustee and holders of the Notes.

These covenants are subject to a number of important exceptions, limitations and qualifications, which are described under “Description of the Notes.”

<b>Additional Amounts</b> .....	All payments of principal and interest by the Issuer in respect of the Notes will be made without withholding or deduction for any Brazilian, Austrian or other relevant jurisdictions’ taxes or other governmental charges unless such withholding or deduction is required by law. In the event we are required to withhold or deduct amounts for any taxes or other governmental charges, we will pay such additional amounts as are necessary to ensure that the holders of the Notes receive the same amount as such holders would have received without such withholding or deduction, subject to certain exceptions. See “Description of the Notes—Payment of Additional Amounts.”
<b>Additional Notes</b> .....	We may from time to time and, without consent of the holders of the Notes, issue additional notes having the same terms in all material respects as the Notes initially issued in this offering except that the date from which interest will accrue may be different. See “Description of the Notes—Additional Notes.”
<b>Events of Default</b> .....	For a discussion of certain events of default that will permit acceleration of the principal of the Notes plus accrued interest, see “Description of the Notes—Defaults and Remedies—Events of Default.”
<b>Substitution of the Issuer</b> .....	The Issuer may, without the consent of holders of the Notes and subject to certain conditions, be replaced and succeeded by Suzano or any wholly-owned subsidiary of Suzano as principal debtor in respect of the Notes. See “Description of the Notes—Substitution of the Issuer,” and “Taxation.”
<b>Risk Factors</b> .....	Potential investors in the Notes should carefully consider the matters set forth under the caption “Risk Factors” and in “Item 3D. Risk Factors” in our 2018 Annual Report prior to making an investment decision with respect to the Notes.
<b>Taxation</b> .....	The 2047 Notes issued by the Issuer pursuant to this listing memorandum will be issued pursuant to a “qualified reopening” of the Original 2047 Notes for U.S. federal income tax purposes and, accordingly, will be fungible with the Original 2047 Notes. For further information on the taxation of the Notes, see “Taxation—Certain United States Federal Income Tax Considerations” below.
<b>Form and Denomination</b> .....	The Notes sold in the United States in reliance on Rule 144A will be evidenced by a note in global form called a restricted global note, which will be deposited with a custodian for, and registered in the name of a nominee of, DTC. The Notes sold outside the United States in reliance on Regulation S will be evidenced by a separate note in global form called a Regulation S note, which also will be deposited with a custodian for, and registered in the name of a nominee of, DTC. Transfers of beneficial interests between the restricted global note and the Regulation S global note are subject to

certification requirements. The Notes will be issued in fully registered form in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. See “Description of the Notes.”

The Notes have not been registered under the Securities Act or the laws of any other jurisdiction. As a result, the notes are subject to limitations on transferability and resale. For more information see “Transfer Restrictions”.

The 2047 Notes offered hereby and sold in reliance on Regulation S had temporary CUSIP and ISIN numbers during a 40-day distribution compliance period commencing on their date of issuance. After such 40-day distribution compliance period, the 2047 Notes offered hereby and sold in reliance on Regulation S had the same CUSIP and ISIN numbers as, and became fungible with, the Original 2047 Notes offered and sold in reliance on Regulation S. The 2047 Notes offered and sold in reliance on Rule 144A had, commencing on their date of issuance, the same CUSIP and ISIN numbers as, and are fungible with, the Original 2047 Notes offered and sold in reliance on Rule 144A.

<b>2030 Notes CUSIP</b> .....	Rule 144A: 86964W AG7 Reg S: A8372T AK4
<b>2030 Notes ISIN</b> .....	Rule 144A: 86964W AG7 Reg S: A8372T AK4
<b>2030 Common Code</b> .....	Rule 144A: 200443403 Reg S: 200443411
<b>2047 Notes CUSIP</b> .....	Rule 144A: 86964W AB8 Reg S (temporary): A8372T AL2 Reg S (final): A8372T AC2
<b>2047 Notes ISIN</b> .....	Rule 144A: US86964WAB81 Reg S (temporary): USA8372TAL29 Reg S (final): USA8372TAC20
<b>2047 Common Code</b> .....	Rule 144A: 153996318 Reg S: 166229413
<b>Trading and Listing</b> .....	Application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF market.
<b>Governing Law</b> .....	The indentures, the Notes, the Note Guarantees and the Registration Rights Agreement will be governed by, and will be construed in accordance with, the laws of the State of New York.
<b>Trustee, Paying Agent, Registrar and Transfer Agent....</b>	Deutsche Bank Trust Company Americas

## RISK FACTORS

*An investment in the Notes involves a high degree of risk. You should carefully consider the risk factors discussed below and under “Item 3. Key Information—D. Risk Factors” (p. 10) in our 2018 Annual Report incorporated by reference herein, before investing in the Notes. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. The market price of the Notes could decline due to any of these risks or other factors, and you may lose all or part of your investment. The risks described below are those that we currently believe may adversely affect us. Additional risks or uncertainties not currently known by us, or currently considered immaterial by us, may also significantly affect our business.*

### **Risks Relating to the Notes and the Note Guarantees**

#### ***An active trading market for the Notes may not develop or be maintained.***

The 2030 Notes constitute a new issue of securities, for which there is no existing market. Although we intend to use commercially reasonable efforts to list the 2030 Notes on the Luxembourg Stock Exchange for trading on the Euro MTF Market, we cannot provide any assurances that the application will be accepted. Further, no assurance can be provided regarding the future development or continuance, as the case may be, of a market for the Notes, your ability to sell your Notes, or the price at which you may be able to sell your Notes. Accordingly, we cannot assure that an active trading market for the 2030 Notes will develop or, if a trading market develops, that it will continue. For the 2047 Notes, we cannot assure that a trading market will be maintained. The lack of an active trading market for the Notes would have a material adverse effect on the market price and liquidity of the Notes, and the Notes may be traded at a discount from their initial offering price.

#### ***Any further downgrading of Brazil’s credit rating could adversely affect the price of the Notes.***

We can be adversely affected by investors’ perceptions of risks related to Brazil’s sovereign debt credit rating. Rating agencies regularly evaluate Brazil and its sovereign ratings, which are based on a number of factors, including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the perspective of changes in any of these factors.

Brazil has lost its investment grade sovereign debt credit rating by the three main U.S. based credit rating agencies, Standard & Poor’s, Moody’s and Fitch, which began to review Brazil’s sovereign credit rating in September 2015.

Standard & Poor’s downgraded Brazil’s sovereign debt credit rating from BBB-minus to BB-plus in September 2015, subsequently reduced it to BB in February 2016, maintaining its negative outlook on the rating, citing Brazil’s fiscal difficulties and economic contraction as signs of a worsening credit situation. In January 2018, Standard & Poor’s lowered its rating to BB- minus with a stable outlook in light of doubts regarding this year’s presidential election and pension reform efforts.

In December 2015, Moody’s placed Brazil’s Baa3 sovereign debt credit rating on review and downgraded it in February 2016 to Ba2 with a negative outlook, citing the prospect for further deterioration in Brazil’s indebtedness figures amid a recession and challenging political environment.

Fitch downgraded Brazil’s sovereign credit rating to BB-plus with a negative outlook in December 2015, citing the country’s rapidly expanding budget deficit and worse-than-expected recession, and made a further downgrade in May 2016 to BB with a negative outlook, which it maintained in 2017. In February 2018, Fitch downgraded Brazil’s sovereign credit rating again to BB-negative, citing, among other reasons, fiscal deficits, the increasing burden of public debt and inability to implement reforms that would structurally improve Brazil’s public finances.

Brazil’s sovereign credit rating is currently rated below investment grade by the three main U.S. based credit rating agencies. Consequently, the prices of securities issued by Brazilian companies have been negatively affected. Another Brazilian recession or continued political uncertainty, among other factors, could lead to further

ratings downgrades. Any further downgrade of Brazil's sovereign credit ratings could heighten investors' perception of risk and, as a result, adversely affect the price of the notes.

We cannot guarantee that the rating agencies will maintain these classifications in relation to Brazilian credit and any downgrade in Brazil's sovereign credit ratings could increase the risk perception of investments and as a result increase the cost of our future debt issuances and adversely affect the trading price of our securities.

***We may incur additional indebtedness, including debt ranking equal to the notes and the Guarantees.***

The indentures will permit the Issuer and the Guarantor and its subsidiaries to incur additional debt, including debt that ranks on an equal and ratable basis with the notes and the Note Guarantees. If the Issuer or the Guarantor or any of their respective subsidiaries incur additional debt or guarantees that rank on an equal and ratable basis with their respective indebtedness or Note Guarantees, as the case may be, the holders of that debt (and beneficiaries of those guarantees) would be entitled to share ratably with the holders of the notes in any proceeds that may be distributed upon the Guarantor's bankruptcy, insolvency, liquidation, reorganization, dissolution or other winding up. This would likely reduce the amount of any liquidation proceeds that would be available to you.

***The Guarantor's obligations under the Note Guarantees will be junior to the Guarantor's secured debt obligations as well as to other statutory preferences, effectively junior to debt obligations of the Guarantor's subsidiaries and adversely affected by the solvency or insolvency of the Guarantor's subsidiaries.***

The Note Guarantees will constitute senior unsecured obligations of the Guarantor. The Note Guarantees will rank equal in right of payment with all of the Guarantor's other existing and future senior unsecured indebtedness. Although the Note Guarantees will provide the holders of the Notes with a direct, but unsecured, claim on the Guarantor's assets and property, payment on the Note Guarantees under the Notes will be subordinated to the secured debt of the Guarantor to the extent of the assets and property securing such debt, as well as to other statutory preferences, including post-petition claims, claims for salaries, wages, social security, taxes and court fees and expenses, among others.

Payment on the Note Guarantees under the Notes will also be structurally subordinated to the payment of secured and unsecured debt and other obligations of the Guarantor's subsidiaries. In the event of a bankruptcy, liquidation or judicial or extrajudicial reorganization of any of the Guarantor's respective subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment in full of their claims from the assets of those subsidiaries before any assets are made available for distribution to the Guarantor.

Upon a liquidation or reorganization of the Guarantor, any right of the holders of the Notes to participate in the assets of the Guarantor, including the capital stock of its subsidiaries, will be subject to the prior claims of the Guarantor's secured creditors, as well as to other statutory preferences, including post-petition claims, claims for salaries, wages, social security, taxes and court fees and expenses, and any such right to participate in the assets of the Guarantor's subsidiaries will be subject to the prior claims of the creditors of its subsidiaries. The indentures include a covenant limiting the ability of the Guarantor and its subsidiaries to create or suffer to exist liens, although this limitation is subject to significant exceptions. In such a scenario, enforcement of the Note Guarantees under the Notes may be jeopardized and noteholders may lose some or all of their investment.

As of March 31, 2019, on a consolidated basis, Suzano had R\$60,764.6 million (U.S.\$15,593.9 million) aggregate amount of debt outstanding (composed of current and non-current loans and financing and debentures), of which R\$5,223 billion (U.S.\$1,340 million) was secured.

The Issuer's ability to make payments on the Notes depends on its receipt of payments from Suzano. The Issuer is a wholly-owned subsidiary of Suzano and has no substantial assets, but has substantial liabilities, including, as of the date of this listing memorandum, U.S.\$700 million 5.750% Notes maturing on July 14, 2026, U.S.\$1,000 million 7.000% Notes maturing on March 16, 2047 and U.S.\$1,750 million 6.000% Notes maturing on January 15, 2029. Holders of the Notes must rely on Suzano's operations to pay amounts due in connection with the Notes. The ability of the Issuer to make payments of principal, interest and any other amounts due under the Notes is contingent on its receipt from Suzano of amounts sufficient to make these payments, and, in turn, on

Suzano's ability to make these payments. In the event that Suzano is unable to make such payments for any reason and in a timely manner, the Issuer will not have sufficient resources to satisfy its obligations under the Indentures governing the Notes.

***Brazilian bankruptcy laws may be less favorable to investors than bankruptcy and insolvency laws in other jurisdictions.***

If we are unable to pay our indebtedness, including our obligations under the Notes, we may become subject to bankruptcy proceedings in Brazil. The bankruptcy laws of Brazil currently in effect are significantly different from, and may be less favorable to creditors than, those of certain other jurisdictions. Noteholders may have limited voting rights at creditors' meetings in the context of a court reorganization proceeding. In addition, in the event of our bankruptcy, all of our debt obligations, including the Note Guarantees, which are denominated in foreign currency, will be converted into *reais* at the prevailing exchange rate on the date of declaration of our bankruptcy by the court. We cannot assure investors that such rate of exchange will afford full compensation of the amount invested in the Notes plus accrued interest. In addition, our creditors may hold negotiable instruments or other instruments governed by local law that grant rights to attach the assets at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the Notes.

***Brazil's foreign exchange policy may affect our ability to make money remittances outside Brazil with respect to the Note Guarantees.***

Under current Brazilian regulations, we are not required to obtain authorization from the Central Bank in order to make payments in U.S. dollars outside Brazil to holders of the Notes, including under the Note Guarantees. However, we cannot assure that these regulations will continue to be in force at the time we may be required to perform our payment obligations under the Notes or the Note Guarantees. If these regulations or their interpretation are modified and an authorization from the Central Bank is required, we would be required to seek an authorization from the Central Bank to transfer the amounts under Notes or the Note Guarantees out of Brazil or, alternatively, make such payments with funds held by us outside Brazil. We cannot assure that such an authorization will be obtained or that such funds will be available. If such authorization is not obtained, we may be unable to make payments to holders of the Notes in U.S. dollars. If we are unable to obtain the required approvals as needed for the payment of amounts owed by the Guarantor through remittances from Brazil, we may have to seek other lawful mechanisms to effect payment of amounts due under the Notes. However, we cannot assure you that other remittance mechanisms will be available in the future, and even if they are available in the future, we cannot assure you that payment on the Notes would be possible through such mechanism.

***The interests of our controlling shareholder may conflict with the interests of the holders of the Notes.***

Our controlling shareholder has the power to, among other things, elect a majority of the members of our board of directors and to decide any matters requiring shareholder approval, including related-party transactions, corporate reorganizations and dispositions, and the timing and payment of any future dividends, subject to the requirements of mandatory dividends under Brazilian Corporate Law. Our controlling shareholders may have an interest in making acquisitions, disposals of assets, partnerships, seeking financing or making other decisions that may conflict with the interests of the holders of the Notes. We have entered into, and we intend to continue to enter into, arm's-length commercial and financial transactions with our controlling shareholder and related companies. Commercial and financial transactions between related parties and us may result in conflicts of interest, which may adversely affect us. See "Related Party Transactions."

***We may be unable to purchase the Notes upon a specified change of control event, which would result in an event of default under the Indentures governing the Notes.***

The terms of the Notes will require the Issuer to make an offer to repurchase the Notes upon the occurrence of a specified change of control event at a purchase price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest to the date of the repurchase and additional amounts, if any. Any financing arrangements we may enter into may require repayment of amounts outstanding upon the occurrence of a change of control event. It is possible that we will not have sufficient funds at the time of the change of control to fund the

required repurchase of Notes by the Issuer or that restrictions in our credit facilities and other financing arrangements will not permit the Issuer to effect the required repurchases. See “Description of the Notes—Certain Covenants—Repurchase of Notes upon a Change of Control” and “The Offering.”

***Judgments of Brazilian courts enforcing the Issuer’s or the Guarantor’s obligations, as applicable, under the Notes, the Indentures governing the Notes or the Note Guarantees would be payable only in reais.***

If proceedings are brought in the courts of Brazil seeking to enforce the Guarantor’s obligations under the Note Guarantees, the Guarantor would not be required to discharge its obligations in a currency other than *reais*. Any judgment obtained against the Guarantor in Brazilian courts in respect of any payment obligations under the Note Guarantees would be expressed in the *real* equivalent of the U.S. dollar amount of such sum at the exchange rate in effect (1) on the date of actual payment, (2) on the date on which such judgment is rendered or (3) on the date on which collection or enforcement proceedings are started against us. We cannot assure you that this amount in *reais* will afford you full compensation of the amount sought in any such litigation.

***Enforcement of civil liabilities and judgments against the Issuer, the Guarantor or any of their or our respective directors or officers may be difficult.***

The Issuer is an exempted company with limited liability incorporated under the laws of Austria. All of its assets are located outside the United States. In addition, the Issuer’s directors are non-residents of the United States, and all or a substantial portion of the assets of such person are or may be located outside the United States. The Guarantor is a corporation (*sociedade por ações*) incorporated under the laws of Brazil. A significant portion of our assets and a substantial majority of our operations are located, and a substantial majority of our revenues are derived, outside the United States. In addition, our directors are non-residents of the United States, and all or a substantial portion of the assets of such person are or may be located outside the United States.

As a result of the above, investors may be unable to effect service of process within the United States upon such persons, or to enforce judgments against them obtained in the United States courts, including judgments predicated upon the civil liability provisions of the United States federal and state securities laws. There is uncertainty as to whether the courts of Brazil, Austria, or other jurisdictions would enforce (i) judgments of United States courts obtained against the Issuer or us or such affiliated persons, predicated upon the civil liability provisions of the United States federal and state securities laws or (ii) in original actions brought in such countries, liabilities against the Issuer or us or such affiliated persons, predicated upon the United States federal and state securities laws. As the United States and Austria do not have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters, a final judgment for payment of money rendered by the courts of the State of New York and the federal courts of the United States may not be enforceable, either in whole or in part, in Austria. See “Enforcement of Judgments.”

***The Notes will be subject to transfer restrictions which could limit your ability to resell your Notes.***

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be altered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Such exemptions include offers and sales that occur outside the United States in compliance with Regulation S and in accordance with any applicable securities laws of any other jurisdiction and sales to qualified institutional buyers as defined under Rule 144A. For a discussion of certain restrictions on resale and transfer, see “Transfer Restrictions.” Consequently, a holder of Notes must be able to bear the economic risk of its investment in the Notes for the term of the Notes.

With respect to the 2030 Notes, pursuant to the terms of the Registration Rights Agreement, we intend to file a registration statement with the SEC and to cause that registration statement to become effective with respect to the exchange notes to be issued in exchange for the 2030 Notes offered hereby. The SEC, however, has broad discretion to declare any registration statement effective and may delay or deny the effectiveness of any registration statement for a variety of reasons.

***We may redeem the Notes prior to maturity.***

The Notes are redeemable at our option in the event of certain changes in applicable taxes and at our option for any other reason. We may choose to redeem those Notes at times when prevailing interest rates may be relatively low. Accordingly, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

***The Note Guarantees may not be enforceable if deemed fraudulent and declared void.***

The Note Guarantees may not be enforceable under Brazilian law. While Brazilian law does not prohibit the granting of guarantees, in the event that we were to become subject to a reorganization proceeding or to bankruptcy, our Note Guarantees, if granted up to two years before the declaration of bankruptcy, may be deemed to have been fraudulent and declared void, based upon our being deemed not to have received fair consideration in exchange for the Note Guarantees. In the event of a judicial reorganization, the Note Guarantees may be declared unenforceable against the Guarantor if a bankruptcy court considers that the Guarantor did not receive fair consideration in exchange for the Note Guarantees. Under Brazilian law, a guarantee is considered an accessory obligation to the underlying or principal obligation, and Brazilian law establishes that the nullity of the principal obligation causes the nullity of the accessory obligation. Therefore, a judgment obtained in a court outside Brazil against the Guarantor for enforcement of a guarantee in respect of obligations that have been considered null, may not be confirmed by the Superior Court of Justice of Brazil.

## **USE OF PROCEEDS**

We estimate that the net proceeds from the sale of the Notes will be approximately U.S.\$1,252.1 million after deducting initial purchasers' discounts and offering expenses payable by us, not including accrued interest. The Notes will be issued by Suzano's wholly-owned subsidiary Suzano Austria GmbH, incorporated under the laws of Austria. The Issuer and the Guarantor intend to use an amount of up to the net proceeds for the repayment of indebtedness including, but not limited to, indebtedness with final maturities between 2019 and 2021, such as outstanding debentures, export prepayment facilities (EPP), facilities guaranteed by export credit agencies (ECA), and otherwise for general corporate purposes. All Initial Purchasers, either directly or through affiliates, are lenders under one or more of our outstanding credit facilities and/or with respect to other indebtedness, including a U.S.\$2,300.0 million export prepayment facility (EPP). Accordingly, the Initial Purchasers, either directly or through affiliates, may receive a portion of the net proceeds from the sale of the Notes pursuant to the repayment of borrowings under such facilities and/or other indebtedness. See "Plan of Distribution."



## CAPITALIZATION

The following table sets forth information regarding our consolidated capitalization as of March 31, 2019 derived from our Unaudited Condensed Consolidated Interim Financial Information:

- on an actual basis; and
- as adjusted to reflect the receipt of the net proceeds from the issuance of the Notes in this offering estimated at approximately U.S.\$1,252.1 million, after deducting initial purchasers' discounts and offering expenses that are payable by us.

The following table should be read together with "Selected Financial and Operating Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this listing memorandum.

	As of March 31, 2019					
	Actual <sup>(1)</sup>		As adjusted <sup>(2)</sup>		As further adjusted <sup>(3)</sup>	
	(in million)		(in million)		(in million)	
	U.S.\$	R\$	U.S.\$	R\$	U.S.\$	R\$
<b>Current and Non-current debt</b>						
Current loans and financing	1,370.6	5,340.7	1,307.4	5,094.6	1,307.4	5,094.6
Debentures (current)	534.3	2,082.1	534.3	2,082.1	534.3	2,082.1
Non-current loans and financing.....	12,492.5	48,679.6	12,347.2	48,113.5	13,599.4	52,992.6
Debentures (non-current)	1,196.5	4,662.3	1,196.5	4,662.3	1,196.5	4,662.3
<b>Shareholders' Equity</b> .....	<b>5,223.2</b>	<b>20,353.4</b>	<b>5,223.2</b>	<b>20,353.4</b>	<b>5,223.2</b>	<b>20,353.4</b>
<b>Total capitalization</b> <sup>(4)</sup> .....	<b>20,817.1</b>	<b>81,118.1</b>	<b>20,608.7</b>	<b>80,305.9</b>	<b>21,860.8</b>	<b>85,185.0</b>

### Notes

- (1) *Real* amounts shown in the "Actual" column above are derived from our Unaudited Condensed Consolidated Interim Financial Information. Solely for the convenience of the reader, amounts in *reais* for the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.
- (2) Numbers in the "As adjusted" column are adjusted to reflect the advanced voluntary settlement, on April 29 and April 30, 2019, of financing agreements guaranteed by export credit agencies with EKN and Finnvera, in the amount of U.S.\$208.4 million (equivalent to R\$812.2 million) on March 31, 2019.
- (3) Numbers in the "As further adjusted" column are adjusted to reflect, in addition to the amounts shown in the "As adjusted" column, the net proceeds after deducting initial purchasers' discounts and offering expenses payable by us from the gross proceeds of the issuance of the Notes, in the amount of U.S.\$1,259.8 million (R\$4,909.2 million) less initial purchasers' discounts and offering expenses that are payable by us in the estimated amount of U.S.\$7.7 million (R\$30.2 million). Solely for the convenience of the reader, amounts in *reais* have been translated for convenience only to U.S. dollars at an exchange rate of R\$3.8967 per U.S.\$1.00, which was the commercial selling rate for U.S. dollars in effect on March 29, 2019, as reported by the Central Bank of Brazil. On May 20, 2019, the *real*/U.S. dollar exchange rate was R\$4.1056 per U.S.\$1.00.
- (4) Total capitalization is defined as total current plus non-current debt plus shareholder's equity.

## SELECTED FINANCIAL DATA

The following tables present a summary of our selected financial and operating data as of the dates and for each of the periods indicated. You should read the following information together with our Audited Annual Financial Statements, including the notes thereto and the information under “Item 5. Operating and Financial Review and Prospects” in our 2018 Annual Report, and our Unaudited Condensed Consolidated Interim Financial Information.

### CONSOLIDATED STATEMENT OF INCOME (LOSS) DATA

	For the three-month period ended March 31,			For the year ended December 31,				
	2019	2019	2018	2018	2017	2016	2015	2014
	<i>U.S.\$ (3)</i>			<i>(in thousands of R\$), except per share data</i>				
Net sales revenue ....	1,462,519	5,698,999	2,994,579	13,443,376	10,580,673	9,839,162	10,162,081	7,264,599
Cost of sales .....	<u>(1,212,537)</u>	<u>(4,724,893)</u>	<u>(1,583,414)</u>	<u>(6,922,331)</u>	<u>(6,496,304)</u>	<u>(6,563,080)</u>	<u>(6,147,395)</u>	<u>(5,355,664)</u>
<b>Gross profit</b> .....	<b>249,982</b>	<b>974,106</b>	<b>1,411,165</b>	<b>6,521,045</b>	<b>4,084,369</b>	<b>3,276,082</b>	<b>4,014,686</b>	<b>1,908,935</b>
Operating income (expenses)								
Selling expenses..	(113,250)	(441,303)	(121,957)	(598,726)	(423,325)	(416,310)	(409,986)	(300,796)
General and administrative expenses.....	(84,883)	(330,765)	(147,353)	(825,209)	(528,974)	(427,100)	(455,629)	(392,761)
Equity in earnings (loss) joint venture and associates....	425	1,658	(53)	7,576	5,872	(7,127)	—	—
Other operating income (expenses), net....	<u>(4,846)</u>	<u>(18,884)</u>	<u>(9,867)</u>	<u>(96,875)</u>	<u>140,510</u>	<u>(1,150,561)</u>	<u>(104,516)</u>	<u>14,191</u>
<b>Operating profit before net financial income (expenses)</b> .....	<b>47,428</b>	<b>184,812</b>	<b>1,131,935</b>	<b>5,007,811</b>	<b>3,278,452</b>	<b>1,274,984</b>	<b>3,044,555</b>	<b>1,229,569</b>
<b>Net financial income (expenses)(4)</b>								
Financial expenses .....	(254,781)	(992,804)	(234,273)	(1,500,374)	(1,218,476)	(1,156,204)	(1,255,227)	(1,103,727)
Financial income	38,320	149,322	36,726	459,707	305,778	381,804	304,261	265,351
Derivative financial instruments.....	(163,455)	(636,934)	68,603	(2,735,196)	73,271	528,839	(630,251)	(57,390)
Monetary and exchange variations, net .....	<u>(116,952)</u>	<u>(455,727)</u>	<u>(28,406)</u>	<u>(1,066,650)</u>	<u>(179,413)</u>	<u>1,367,281</u>	<u>(2,828,407)</u>	<u>(697,746)</u>
<b>Net income (loss) before taxes</b> .....	<b>(449,440)</b>	<b>(1,751,331)</b>	<b>974,585</b>	<b>165,298</b>	<b>2,153,470</b>	<b>2,396,704</b>	<b>(1,365,069)</b>	<b>(363,943)</b>
<b>Income taxes</b>								
Current .....	(33,169)	(129,249)	(104,216)	(586,568)	(202,187)	(188,817)	(19,052)	(17,480)
Deferred .....	<u>167,179</u>	<u>651,448</u>	<u>(64,849)</u>	<u>741,084</u>	<u>(236,431)</u>	<u>(530,072)</u>	<u>454,445</u>	<u>119,917</u>
<b>Net income (loss) for the period</b> .....	<b>(315,429)</b>	<b>(1,229,132)</b>	<b>805,520</b>	<b>319,814</b>	<b>1,820,994</b>	<b>1,677,815</b>	<b>(929,676)</b>	<b>(261,506)</b>
Result of the period attributed to the controlling shareholders	<b>(314,831)</b>	<b>(1,226,803)</b>	<b>805,520</b>	<b>319,693</b>	<b>1,820,994</b>	<b>1,677,815</b>	<b>(929,676)</b>	<b>(261,506)</b>
Result of the period attributed to non-controlling shareholders	<b>(598)</b>	<b>(2,329)</b>	—	121	—	—	—	—

<b>Basic earnings</b>								
<b>(loss) per share (1)</b>								
Common.....	<b>(0.24042)</b>	<b>(0.93686)</b>	0.73725	0.29236	1.66804	1.53922	(0.85429)	(0.24071)
<b>Diluted earnings</b>								
<b>(loss) per share (2)</b>								
Common.....	<b>(0.24042)</b>	<b>(0.93686)</b>	0.73631	0.29199	1.66433	1.53430	(0.85429)	(0.24071)

(1) Basic earnings per share is calculated using the income attributable to controlling shareholders divided by the weighted average number of outstanding common shares.

(2) Diluted earnings per share is calculated based on the results attributable to the controlling shareholders divided by the weighted average number of outstanding common shares, subtracted from the potential dilutive effect generated by the conversion of all common shares. For March 31, 2019, December 31, 2015 and 2014, due to the loss recorded in the period, we do not consider the dilution effect in the calculation.

(3) In thousands of U.S.\$, except per share data. For convenience purposes only, amounts in *reais* for the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.

(4) For the years ended on December 31, 2014, 2015, 2016, 2017 and 2018, the Company decided to demonstrate the financial results, according to note 23 Net Financial Result of our Unaudited Condensed Consolidated Interim Financial Information as of March 31, 2019. The Company believes that such practice improves the transparency of the disclosure of financial results in the Statements of Income (loss).

## CONSOLIDATED BALANCE SHEET DATA

Assets	As of March 31,		As of December 31,				
	2019	2019	2018	2017 (1)	2016	2015	2014
	<i>(in thousands of U.S.\$)(2)</i>		<i>(in thousands of R\$)</i>				
<b>Current assets</b>							
Cash and cash equivalents.....	794,489	3,095,885	4,387,453	1,076,833	1,614,697	1,477,246	3,686,115
Financial investments.....	946,244	3,687,230	21,098,565	1,631,505	2,080,615	970,850	—
Trade accounts receivables.....	900,105	3,507,439	2,537,058	2,297,763	1,548,741	1,842,561	1,207,398
Inventories.....	2,064,478	8,044,651	1,853,104	1,198,265	1,318,905	1,326,396	1,077,081
Recoverable taxes.....	242,361	944,407	296,832	300,988	425,758	596,936	475,632
Derivative financial instruments.....	158,053	615,887	352,454	77,090	367,145	158,930	39,266
Advances to suppliers.....	26,396	102,857	98,533	86,499	532,655	27,016	9,711
Other assets.....	82,578	321,781	169,175	119,610	112,952	132,536	114,221
Assets held for sale.....	84	329	5,718	11,535	—	50,000	—
<b>Total current assets.....</b>	<b>5,214,788</b>	<b>20,320,466</b>	<b>30,798,892</b>	<b>6,800,088</b>	<b>8,001,468</b>	<b>6,582,471</b>	<b>6,609,424</b>
<b>Non—current assets</b>							
Receivables from other related parties.....	—	—	—	—	13,000	—	—
Recoverable taxes.....	198,038	771,696	231,498	283,757	349,536	433,070	481,626
Financial investments.....	45,053	175,559	—	—	—	—	—
Deferred taxes.....	367,268	1,431,134	8,998	2,606	4,624	2,583	1,143
Derivative financial instruments.....	195,152	760,448	141,480	56,820	77,035	36,463	20,826
Advances to suppliers.....	243,446	948,636	218,493	221,555	216,578	251,287	247,779
Judicial deposits.....	87,830	342,247	129,005	113,613	87,097	61,653	59,499
Other assets (3).....	51,891	202,205	93,935	92,441	93,668	79,543	66,415
Biological assets.....	2,502,821	9,752,742	4,935,905	4,548,897	4,072,528	4,130,508	3,659,421
Property, plant and equipment	10,777,891	41,998,207	17,020,259	16,211,228	16,235,280	16,346,234	16,681,253
Right of Use on lease agreements.....	1,003,560	3,910,574	—	—	—	—	—
Intangible assets.....	4,738,690	18,465,253	339,841	188,426	219,588	329,625	292,070
Investments.....	58,687	228,684	14,338	6,764	873	—	—
<b>Total non—current assets</b>	<b>20,270,327</b>	<b>78,987,385</b>	<b>23,133,752</b>	<b>21,726,107</b>	<b>21,369,807</b>	<b>21,670,966</b>	<b>21,510,032</b>

<b>Total assets .....</b>	<b><u>25,485,116</u></b>	<b><u>99,307,851</u></b>	<b><u>53,932,644</u></b>	<b><u>28,526,195</u></b>	<b><u>29,371,275</u></b>	<b><u>28,253,437</u></b>	<b><u>28,119,456</u></b>
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(1) The financial statements as of December 31, 2017, presented for comparison purposes, were adjusted for a better presentation and comparison with the information for the period ended December 31, 2018. The reclassifications in the line item “current assets” did not change the total of “current assets,” nor the total of our “assets.” The reclassifications were made to “other assets” in the amount of R\$12,870 million and related to advances for the acquisition of wood for “advances to suppliers.”

(2) For convenience purposes only, amounts in *reais* for the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.

(3) For the years ended on December 31, 2014, 2015, 2016, 2017 and 2018 non-current other assets include non-current other assets and receivables from land expropriation balances derived from our 2018 Annual Report. The Company changed the previous years presentation to align balance sheet disclosure with information disclosed in its Unaudited Condensed Consolidated Interim Financial Information as of March 31, 2019. The Company believes that the current presentation is more adequate in light of on the irrelevance of the amounts from this balance sheet account.

**CONSOLIDATED BALANCE SHEET DATA (CONTINUED)**

Liabilities	As of March 31,		As of December 31,				
	2019	2019	2018	2017	2016	2015	2014
	<i>(in thousands of U.S.\$)(2)</i>		<i>(in thousands of R\$)</i>				
<b>Current liabilities</b>							
Trade accounts payables.....	1,039,104	4,049,078	632,565	621,179	582,918	581,477	501,555
Loans and financing.....	1,370,570	5,340,700	3,425,399	2,115,067	1,594,720	2,024,964	2,046,899
Debentures .....	534,320	2,082,084	1,297	—	—	—	—
Lease obligations.....	129,553	504,828	—	—	—	—	—
Derivative financial instruments.....	207,499	808,560	596,530	23,819	250,431	281,317	27,152
Taxes payable ..	58,573	228,240	243,835	125,847	78,175	56,285	54,525
Payroll and charges.....	77,866	303,419	234,192	196,467	165,030	164,782	141,489
Liabilities for assets acquisitions and subsidiaries.....	125,153	487,682	476,954	83,155	85,748	91,326	79,092
Dividends payable .....	2,911	11,343	5,434	180,550	370,998	122	114
Advance from customers.....	16,349	63,709	75,159	92,545	514,766	32,058	7,822
Other liabilities	86,097	335,494	367,313	280,437	187,088	278,243	208,997
<b>Total current liabilities .....</b>	<b>3,647,994</b>	<b>14,215,137</b>	<b>6,058,678</b>	<b>3,719,066</b>	<b>3,829,874</b>	<b>3,510,574</b>	<b>3,067,645</b>
<b>Non—current liabilities</b>							
Loans and financing.....	12,492,512	48,679,573	27,648,657	10,076,789	12,418,059	12,892,378	11,965,230
Debentures .....	1,196,467	4,662,272	4,662,156	—	—	—	—
Lease obligations.....	901,116	3,511,378	—	—	—	—	—
Derivative financial instruments.....	541,140	2,108,659	1,040,170	104,077	221,047	353,814	100,116
Liabilities for assets acquisitions and subsidiaries.....	132,629	516,815	515,558	502,831	609,107	733,538	635,598
Provision for contingencies....	905,335	3,527,818	351,270	317,069	246,634	198,559	218,540
Employee benefits .....	150,083	584,829	430,427	351,263	339,009	263,141	277,463
Deferred taxes ..	206,134	803,241	1,038,133	1,787,413	1,549,563	1,035,663	1,479,235
Share-based compensation plans.....	33,765	131,571	124,318	38,320	18,850	42,722	27,619
Other liabilities	54,715	213,206	37,342	12,756	14,143	35,289	32,878
<b>Total non—current liabilities .....</b>	<b>16,613,894</b>	<b>64,739,362</b>	<b>35,848,031</b>	<b>13,190,518</b>	<b>15,416,412</b>	<b>15,555,104</b>	<b>14,736,679</b>

<b>Total liabilities....</b>	<b>20,261,888</b>	<b>78,954,499</b>	<b>41,906,709</b>	<b>16,909,584</b>	<b>19,246,286</b>	<b>19,065,678</b>	<b>17,804,324</b>
<b>Equity</b>							
Share capital.....	2,378,752	9,269,281	6,241,753	6,241,753	6,241,753	6,241,753	6,241,753
Capital reserves	1,638,225	6,383,671	674,221	394,801	203,714	82,966	85,813
Treasury shares	(56,013)	(218,265)	(218,265)	(241,088)	(273,665)	(288,858)	(303,725)
Retained earnings .....	943,658	3,677,153	2,992,590	2,922,817	1,638,620	701,815	1,852,294
Other reserves ..	598,702	2,332,963	2,321,708	2,298,328	2,314,567	2,450,083	2,438,997
Retained loss ....	(311,460)	(1,213,666)	—	—	—	—	—
Non-controlling interest in subsidiaries' equity .....	31,364	122,215	13,928	—	—	—	—
<b>Total equity .....</b>	<b>5,223,228</b>	<b>20,353,352</b>	<b>12,025,935</b>	<b>11,616,611</b>	<b>10,124,989</b>	<b>9,187,759</b>	<b>10,315,132</b>
<b>Total equity and liabilities .....</b>	<b>25,485,116</b>	<b>99,307,851</b>	<b>53,932,644</b>	<b>28,526,195</b>	<b>29,371,275</b>	<b>28,253,437</b>	<b>28,119,456</b>

(1) The financial statements as of December 31, 2017, presented for comparison purposes, were adjusted for a better presentation and comparison with the information for the period ended December 31, 2018. The reclassifications in the line item "current assets" did not change the total of "current assets," nor the total of our "assets." The reclassifications were made to "other assets" in the amount of R\$12,870 million and related to advances for the acquisition of wood for "advances to suppliers."

(2) For convenience purposes only, amounts in *reais* for the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.

## Other Financial Data

	For the three-month period ended			Year ended December 31,				
	March 31,							
	2019	2019	2018	2018	2017	2016	2015	2014
	<i>(in thousands of U.S.\$)(1)</i>			<i>(in thousands of R\$, unless otherwise indicated)</i>				
Gross margin (2) .....	17.1%	17.1%	47.1%	48.5%	38.6%	33.3%	39.5%	26.3%
Operating margin (3) .....	3.2%	3.2%	37.8%	37.3%	31.0%	13.0%	30.0%	16.9%
Capital expenditures (4) ..	384,316	1,497,566	349,003	2,423,698	1,780,302	2,324,338	1,664,898	1,359,178
Depreciation, amortization and depletion.....	221,591	863,474	384,938	1,563,223	1,402,778	1,403,518	1,419,477	1,216,132
Cash flow provided by (used in): .....								
Operating activities ....	191,017	744,336	917,322	5,170,850	3,067,859	3,075,539	2,674,785	1,447,602
Investing activities.....	(1,513,534)	(5,897,788)	(368,023)	(21,962,712)	(1,008,334)	(3,342,484)	(2,557,216)	(1,393,694)
Financing activities ....	998,464	3,890,714	360,694	20,035,049	(2,612,089)	566,082	(2,601,821)	(173,651)

(1) For convenience purposes only, amounts in *reais* for the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for *reais* into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.

(2) The gross margin calculation consists of dividing gross profit by net revenues.

(3) The operating margin calculation consists of dividing operating profit before net financial income (expenses) by net revenues.

(4) Relates to capital expenditures cash invested for the acquisition of property, plant and equipment and intangible assets and biological assets.



## UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Set forth below are the unaudited pro forma condensed consolidated statements of income for the year ended December 31, 2018 (together with the related notes, the “Unaudited Pro Forma Condensed Consolidated Financial Information”). The Unaudited Pro Forma Condensed Consolidated Financial Information combines the historical consolidated income statements of Suzano and Fibria giving effect to the Merger described below. The Unaudited Pro Forma Condensed Consolidated Financial Information has been derived from the historical consolidated financial statements of Suzano, which is the acquirer for accounting purposes as well, which are included elsewhere in this listing memorandum.

The Unaudited Pro Forma Condensed Consolidated Financial Information has been presented for informational purposes only. The Unaudited Pro Forma Condensed Consolidated Financial Information does not purport to represent what the actual consolidated results of operations of Suzano would have been if the Merger had occurred on the date assumed, nor is it necessarily indicative of future consolidated results of operations.

On March 15, 2018, Suzano Holding S.A., together with the other controlling shareholdings of Suzano, entered into the Voting Agreement with the controlling shareholdings of Fibria, and Suzano as an intervening party, by which the controlling shareholdings of Suzano and the controlling shareholdings of Fibria agreed to exercise their voting rights so as to effect the combination of the operations and the shareholdings of Fibria and Suzano, by means of a merger of shares (*incorporação de ações*) under Brazilian law.

In connection with the consummation of the Merger:

- Suzano contributed capital to a wholly owned subsidiary (“ Holding”), in cash, resulting in the issuance of new shares, all owned by Suzano.
- The shares of Fibria were merged into Holding, which issued 553,733,881 common shares and 553,733,881 redeemable preferred shares. One common share and one redeemable preferred share of Holding was exchanged for each share of Fibria. As a result of such merger of shares, Fibria became a wholly owned subsidiary of Holding;
- Immediately after issuance of common and redeemable preferred shares, all redeemable preferred shares issued by Holding were redeemed for R\$50.20 in cash (as adjusted as of January 3, 2019, the “ Merger Closing Date”) per share and immediately cancelled;
- At the same time, each common share of Holding was exchanged for 0.4613 shares of Suzano, resulting in the issuance of 255,437,439 shares of Suzano;
- Thereafter, Holding legally merged into Suzano and ceased to exist. The share price of R\$36.95 used to value the consideration was based on the market price at the time of the acquisition on January 3, 2019. For the purposes of the December 31, 2018 pro forma adjustments related to the consideration paid, we used the January 3, 2019 share price of R\$36.95 per share; and
- After the conclusion of the Merger, Suzano became the sole shareholder of Fibria.

On April 1, 2019, Suzano S.A. approved in the Extraordinary Shareholders Meeting of the Company the Legal Merger, provided that the share capital of the Company will not change due to the Legal Merger. As a result of the Legal Merger, the Company will succeed Fibria in all of its rights and obligations.

In connection with the Merger, Suzano entered into certain commitment letters with a syndicate of lenders, including BNP Paribas, Coöperatieve Rabobank U.A., JP Morgan Chase Bank, N.A. and Mizuho Bank, Ltd., which acted as lead arrangers on the financing facilities related to the Merger and affiliates of which are the global coordinators and joint bookrunners for the offering of debt securities. Subject to the terms and conditions of these commitment letters, the lenders committed to provide U.S.\$2,300.0 million under the EPP.

In June 2018, Suzano also issued R\$4,681.1 million in debentures in the Brazilian market to finance a portion of the cash consideration for the Merger, with a maturity in 2026, half of the payments in 2025, yield of 112.5% of CDI p.a. In September 2018, Suzano Austria GmbH issued Senior Notes in the

amount of U.S.\$1,000.0 million (equivalent to R\$3,874.8 million as of December 31, 2018), with interest of 6.0% p.a. and maturing in 2029. In October 2018, Suzano also entered into an Advance on Currency Exchange Contract (ACC), in the amount of U.S.\$450.0 million (equivalent to R\$1,743.7 million as of December 31, 2018). Furthermore, Suzano obtained U.S.\$500.0 million (equivalent to R\$1,937.5 million as of December 31, 2018) of Senior Notes issued on November 6, 2018 and U.S.\$2,300.0 million (equivalent to R\$8,912.0 million as of December 31, 2018) under an export prepayment facility, or the “EPP”. In January 2019, Suzano issued R\$4,000.0 million in debentures in the Brazilian market pursuant to the term of commitment, with a maturity in 2019, yield from 103% to 112% of CDI p.a. In addition, Suzano also has credit lines approved with certain financial institutions for the execution of financing agreements in an amount of R\$2,648.3 million.

As per the adjustments envisaged in the Merger Agreement, the Final Value of the Adjusted Cash Installment corresponds to the redemption amount per redeemable preferred share in the Holding Company, which originally was equivalent to fifty-two *reais* and fifty *centavos* (R\$52.50), (i) less the amount of dividends, interest on equity and other amounts publicly declared and/or paid by Fibria between March 15, 2018 and the January 14, 2019 (“Date of Consummation”) of the Operation, which corresponds to the Interim dividends declared by Fibria in the Extraordinary Shareholders General Meeting held on December 3, 2018 and paid in Brazil on December 12, 2018, in the amount of five *reais* and three *centavos* (R\$5.03) per share issued by Fibria, and (ii) plus two *reais* and seventy-three *centavos* (R\$2.73), corresponding to the variation in the average daily rate of the Brazilian interbank deposits expressed as an annual percentage, based on two hundred fifty-two (252) business days, calculated and disclosed daily by B3 S.A. – *Brasil, Bolsa e Balcão* (“DI Rate”), between March 15, 2018 and the Date of Consummation of the Operation (inclusive), considering that between January 10, 2019 (inclusive) and January 14, 2019 (inclusive) the DI Rate was estimated at six point four zero percent (6.40%) per annum. Upon the completion of the Merger, the Fibria Shares and the Fibria ADSs ceased to be traded on the B3 and on the NYSE, respectively.

**Suzano S.A.**  
**Unaudited Pro Forma Condensed Statement of Income**  
**Year Ended December 31, 2018**  
*(in millions of Reais, except per share data)*

	<u>Suzano</u>	<u>Fibria</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma</u>	<b>Note</b>
Net sales revenue	13,443.4	18,264.5	-	31,707.9	
Cost of sales	<u>(6,922.3)</u>	<u>(9,904.4)</u>	<u>(668.2)</u>	<u>(17,494.9)</u>	2.(c)/(e)/(i)
Gross profit	6,521.1	8,360.1	(668.2)	14,213.0	
Operating incomes (expenses)					
Selling expenses	(598.7)	(812.8)	(821.0)	(2,232.5)	2.(d)
General and administrative expenses	(825.2)	(392.1)	(4.1)	(1,221.4)	2.(i)
Equity in earnings of associates	7.6	0.6	-	8.2	
Other operating expenses, net	<u>(96.9)</u>	<u>(434.4)</u>	<u>(2.0)</u>	<u>(533.3)</u>	2.(e)
	(1,513.2)	(1,638.7)	(827.1)	(3,979.0)	
Operating profit before net financial income (expenses)	<u>5,007.9</u>	<u>6,721.4</u>	<u>(1,495.3)</u>	<u>10,234.0</u>	
Net financial income (expenses)					
Financial income	459.7	365.4	-	825.1	
Financial expenses	<u>(5,302.2)</u>	<u>(3,271.3)</u>	<u>(1,365.2)</u>	<u>(9,938.7)</u>	2.(l)
	(4,842.5)	(2,905.9)	(1,365.2)	(9,113.6)	
Net income before income taxes	<u>165.4</u>	<u>3,815.5</u>	<u>(2,860.5)</u>	<u>1,120.4</u>	
Income taxes	<u>154.5</u>	<u>(755.9)</u>	<u>972.6</u>	<u>371.2</u>	2.(m)
Net income for the period	<u><u>319.9</u></u>	<u><u>3,059.6</u></u>	<u><u>(1,887.9)</u></u>	<u><u>1,491.6</u></u>	
Attributable to					
Shareholders of the Company	319.80	3,051.90	(1,887.9)	1,483.8	
Non-controlling interests	0.1	7.7		7.8	
Basic earnings per share	0.29236	-	-	1.10001	2.(n)
Diluted earnings per share	0.29199	-	-	1.09887	2.(n)

## 1. Basis of Presentation

The pro forma condensed consolidated financial information has been derived from the audited historical consolidated financial statements of Suzano and Fibria for the year ended December 31, 2018. The historical financial statements of Suzano are incorporated by reference elsewhere in this listing memorandum, the historical financial statements of Fibria are incorporated by reference elsewhere in this listing memorandum, and the Unaudited Pro Forma Condensed Consolidated Financial Information should be read in conjunction with, and is qualified in its entirety by reference to, such historical financial statements and the related notes contained therein. The pro forma adjustments are based upon currently available information and certain estimates and assumptions, and actual results may differ from the pro forma adjustments. However, management believes that these estimates and assumptions provide a reasonable basis for presenting the significant effects of the contemplated transactions and that the pro forma adjustments are factually supportable and give appropriate effect to those estimates and assumptions.

The pro forma adjustments have been prepared as if the Merger Closing Date had taken place on January 1, 2018, in the case of the unaudited pro forma condensed statements of income.

## 2. Pro Forma Adjustments and Assumptions

The unaudited pro forma condensed consolidated financial information is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Suzano would have been had the Merger been completed on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or consolidated financial position.

Suzano has performed a preliminary valuation analysis of the fair market value of Fibria's assets to be acquired and liabilities to be assumed. Using the total consideration for the Merger, Suzano has estimated the allocations to such assets and liabilities. The following table summarizes the allocation of the preliminary purchase price as if the Merger Closing Date had been December 31, 2018 (in millions of *reais*):

Cash consideration	27,797.4	
Issuance of shares (Suzano)	9,438.4	
	<hr/>	
Total consideration	37,235.8	(a)
	<hr/>	
Book value of Fibria's shareholders' equity	14,149.0	
Elimination of book value of existing goodwill, net of the deferred income taxes	(3,495.1)	
Mandatory minimum dividends (eliminated balance)	724.8	
	<hr/>	
Book value of Fibria's shareholders' equity, net of goodwill	11,378.7	
	<hr/>	
Adjustments to fair value		
Inventories	2,178.9	(b)
Property, plant and equipment	9,445.3	(c)
Customer relationships	9,030.8	(d)
Port Assets	749.1	(e)
Possible loss contingencies	(2,970.5)	(f)
Loans and financing	(59.9)	(g)
Taxes recoverable	(235.8)	(h)
Other assets and liabilities, net	368.6	(i)
Deferred taxes, net	(546.5)	(j)
	<hr/>	
Total fair value impacts	17,960.0	
	<hr/>	
Total pro forma goodwill	7,897.1	(k)
	<hr/>	

This preliminary purchase price allocation has been used to prepare pro forma adjustments in the pro forma income statement. The final purchase price allocation will be determined when Suzano has completed the detailed valuations and necessary calculations. The final allocation could differ materially from the preliminary allocation used in the pro forma adjustments. The final allocation may include (1) changes in fair values of property, plant and equipment, (2) changes in allocations to intangible assets such as contracts with customers and suppliers, technology and customer relationships as well as goodwill and (3) other changes to assets and liabilities.

The pro forma adjustments are based on currently available information and certain estimates and assumptions and, therefore, the actual effects of these transactions will differ from the pro forma adjustments. We have only included material adjustments that are directly attributable to the Merger, factually supportable and, with respect to the statement of income, expected to have a continuing impact on the consolidated results. A general description of the Merger and adjustment is provided as follows:

- (a) Consideration paid was based on the terms of the transaction considering that all holders of Fibria Shares will receive Suzano Shares and cash as offered in the Merger. Consideration consists of R\$27,797.4 million to be paid in cash plus 255,437,439 million Suzano Shares issued on the Merger Closing Date. In this Unaudited Pro Forma Condensed Consolidated Financial Information, the Suzano Shares issued have been valued using the January 3, 2019 quoted market price of R\$36.95 per share.
- (b) The fair value was determined based on the estimated selling price of the inventory less selling expenses and a profit margin on such expenses. We do not expect the increase to have a continuing impact; therefore, fair value adjustment is not included in the statement of income.
- (c) The land was valued using the market approach method based on price generated by market transactions. The other fixed assets were valued using the cost method, which is based on the principle of substitution, using the cost to replace assets adjusted to inflation rate as an indicator of their fair value. The related increase in depreciation expense, assuming a remaining depreciation expense of R\$603.5 million for the year ended December 31, 2018 is allocated as Cost of Sales. The depreciation is calculated using the straight-line method over the estimated remaining useful lives of the related property, plant and equipment. The calculation of the depreciation expense adjustment is as disclosed below:

	(in millions of reais)		Estimated Depreciation Expense
	Fair value adjustment	Useful lives (in years)	Year Ended December 31, 2018
Buildings	1,727.3	30	57.9
Machinery, equipment and facilities	5,005.8	10	523.6
Others	74.6	3	22.0
			603.5

- (d) In order to determine the fair value adjustment in the customer portfolio at December 31, 2018, the income approach and the MPEEM (Multi Period Excess Earnings Method) method were used to measure the present value of the income that will be generated during the remaining useful life of the asset. Considering the 5-year history of Fibria's sales data and the churn rate that measures customer satisfaction and customer permanence in the portfolio, the adjustment was calculated using estimated discounted cash flows. The amortization is calculated using the straight-line method over the expected life of the customer relationship (11 years). The related amortization expense of R\$821.0 million for the year ended December 31, 2018 is allocated in Selling Expense.

- (e) Fibria has concession contracts and port assets to assist in port operations in Brazil. The fair value calculation of these assets was calculated using the income approach, the MPEEM (Multi Period Excess Earnings Method) method that measures the present value of the income that will be generated during the remaining useful life of the asset and method of direct cost differential. The amortization is calculated using the straight-line method over the expected life of the related contracts and port assets, which have an average useful life of 23.5 years. The related amortization expense of R\$31.5 million for the year ended December 31, 2018 is allocated as follows:

	(in millions of reais)		
	Estimated Amortization Expense		
	Fair value adjustment	Useful life (in years)	Year Ended December 31, 2018
Amortization of port assets contracts	694.0	23.5	29.5
<b>Allocated in cost of sales</b>	<b>694.0</b>	<b>23.5</b>	<b>29.5</b>
Amortization of port concession	55.1	23.5	2.0
<b>Allocated in Other operating (expenses) income</b>	<b>55.1</b>	<b>23.5</b>	<b>2.0</b>
<b>Total</b>	<b>749.1</b>	<b>23.5</b>	<b>31.5</b>

- (f) According to business combinations accounting, all contingencies of Fibria, regardless of the probability of the loss must be accounted for at fair value. The preliminary fair value adjustment was calculated by Suzano's management assisted by an independent appraiser and external lawyers considering the probability of the loss and experience of actual payment.
- (g) Adjustment to fair value of loans and financing was calculated based on the fair value of the bonds, based on the quotation of the security in the secondary market, and the adjustment to present value considering the market rate at the base date.
- (h) The measurement of the fair value of various types of recoverable taxes was based on the estimated future recovery year, discounted using the estimated Selic rate for the period between 2019 and 2024. Considering the significant variation in the annual realization of the taxes, no income statement adjustment was recorded. If amortization of the fair value adjustment were to be on a straight line basis over the six year period, additional financial income of R\$39.3 million per year would be recognized in the pro forma income statement.
- (i) In other net assets and liabilities, including supply contracts, accounts receivable, advances to suppliers, cultivars (plant projects that were improved due to human intervention) and softwares the income evaluation methodology, the present value and the direct cost differential were used to calculate the fair value of such assets and liabilities. We do not expect all adjustments to have a continuing impact, therefore, the fair value adjustments are not included in the pro forma income statement, except for the following amortization:

	(in millions of reais)		
	Estimated Depreciation Expense		
	Fair value adjustment	Useful life (in years)	Year Ended December 31, 2018
Supply contract	115.0	7.8	14.8
Cultivars	142.7	7.0	20.4
<b>Allocated in cost of sales</b>	<b>257.7</b>	<b>14.8</b>	<b>35.2</b>
Software	20.5	5.0	4.1
<b>Allocated in General and Administrative expenses</b>	<b>20.5</b>	<b>5.0</b>	<b>4.1</b>

- (j) Deferred income tax on fair value adjustments of assets in Veracel and Portocel.
- (k) The factors that make up the final goodwill amount are expected to include mostly synergies from combining operations for cost savings in fields such as forestry, logistics, selling, general and administrative expenses and procurement, which will increase the parties' competitiveness both in Brazil and overseas. The Company believes that all these initiatives could generate synergies and cash saving in the amount close to the goodwill.
- (l) It is assumed that as of December 31, 2018 the cash consideration of R\$27,797.4 million will be paid as follows (in millions of *reais*):

	<i>(in millions of reais)</i>
<b>Cash consideration</b>	<b>27,797</b>
(-) Senior Notes issued on September 17, 2018 (U.S.\$1,000)	(3,874.8)
(-) Debentures issued on June 29, 2018	(4,681.1)
(-) Advances on Currency Exchange Contracts (ACCs) (U.S.\$450)	(1,743.7)
(-) Senior Notes issued on November 6, 2018 (U.S.\$500)	(1,937.5)
(-) Export prepayment facility or the "EPP" (U.S.\$2.300)	(8,912.0)
(-) Debentures issued on January 7, 2019	(4,000.0)
(-) Secured credit line with financial Institutions in BRL	(2,648.3)
<b>Resources obtained by the Company</b>	<b>(27,797.4)</b>

For purposes of the pro forma income statement, financial expenses were calculated for the total of the consideration amounting to R\$27,797.4 million.

The related financial expense was R\$1,365.2 million for the year ended December 31, 2018. It is assumed that the secured credit line would bear interest at LIBOR plus approximately 2.0% p.a. in USD which is assumed equivalent to a nominal interest rate of 4.9% p.a., without considering any exchange rate variation impacts for the variation of the *real* (the Company's functional currency) against the USD.

- (m) Reflects the income tax effect on the pro forma income statements based on the statutory rate of Brazilian income tax and social contribution of 34%.
- (n) The basic and diluted earnings per share were adjusted considering the issuance of 255,437,439 shares of Suzano, as shown below:

	<b>In millions, except for per share data</b>	
	<b>Year Ended</b>	
	<b>December 31, 2018</b>	
	Basic	Diluted
Weighted average number of shares	1,093.5	1,094.9
Shares issued by Holding (Suzano)	255.4	255.4
Total pro forma weighted average number of shares	1,348.9	1,350.3
Pro forma net (loss) income attributable to Shareholders of Suzano	1,483.8	1,483.8
Pro forma earnings per share (R\$)	1.10001	1.09887

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our consolidated financial condition and results of operations should be read together with our Unaudited Condensed Consolidated Interim Financial Information, included in this listing memorandum, in addition to the information under "Selected Financial Data."

The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those discussed in the forward-looking statements for several reasons, including, without limitation, the risks described in "Forward-Looking Statements," "Item 3D. Risk Factors" and "Item 5. Operating and Financial Review and Prospects" in our 2018 Annual Report incorporated by reference herein.

### New accounting Pronouncements

The following accounting standards and interpretations have been issued and approved by the International Accounting Standards Board ("IASB"). They came into force on, and are effective for periods from January 1, 2019.

#### *IFRS 16 – Leasing Operations*

The Company adopted the accounting standard IFRS 16 and elected to apply IFRS 16 retrospectively with the cumulative effect of adoption recorded at the date of initial application. Accordingly, comparative periods were not restated. As a result, we recognized on January 1, 2019 the amounts corresponding to the right-of-use of current contracts, in amounts equivalent to the present value of obligations assumed with the counterparties. The amortization of these balances will occur according to the terms defined for the leases.

In addition, the Company recognized the residual value of the right to use the contracts previously classified as financial leases under IAS 17 and which were recognized in the Property, Plant and Equipment Assets group until December 31, 2018, being reclassified the amount of R\$89,338 in the initial adoption.

On January 1, 2019 in the adoption of the IFRS 16 standard, Suzano recognized the amount of R\$4,019.3 million as lease liabilities for contracts under the IFRS 16 definition of lease. Such liabilities were recorded under "Lease obligations" balance (current and non-current), not being characterized as debt. Most of the impact refers to land lease (R\$2,072.9 million), followed by leasing of ships (R\$1,656.3 million). For further details, please refer to note 18 of the Unaudited Condensed Consolidated Interim Financial Information as of March 31, 2019.

### Results of Operations – Three-month period ended March 31, 2019 compared to period ended March 31, 2018

The following discussion of our results of operations is based on our Audited Annual Financial Statements and our Unaudited Interim Financial Information and presented in accordance with IAS 34 Interim Financial Reporting, as issued by IASB. References to increases or decreases in any year or period are made by comparison with the corresponding prior year or period, except as the context otherwise indicates.

<i>Three-month period ended March 31, 2019 compared to three-month period ended March 31, 2018</i>	<b>For the three-month period ended March 31,</b>		
	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<i>(in thousands of R\$), except</i>		
	<i>U.S.\$ (3)</i>	<i>per share data</i>	
Net sales revenue .....	1,462,519	5,698,999	2,994,579
Cost of sales.....	<u>(1,212,537)</u>	<u>(4,724,893)</u>	<u>(1,583,414)</u>
<b>Gross profit .....</b>	<b>249,982</b>	<b>974,106</b>	<b>1,411,165</b>
Operating income (expenses)			
Selling expenses.....	(113,250)	(441,303)	(121,957)
General and administrative expenses.....	(84,883)	(330,765)	(147,353)
Equity in earnings of associates .....	425	1,658	(53)
Other operating income (expenses), net .....	<u>(4,846)</u>	<u>(18,884)</u>	<u>(9,867)</u>
<b>Operating profit before net financial income (expenses)</b>	<b>47,428</b>	<b>184,812</b>	<b>1,131,935</b>



<b>Net financial income (expenses)</b>			
Financial expenses .....	(254,781)	(992,804)	(234,273)
Financial income .....	38,320	149,322	36,726
Derivative financial instruments .....	(163,455)	(636,934)	68,603
Monetary and exchange variations, net .....	(116,952)	(455,727)	(28,406)
<b>Net income before taxes .....</b>	<b>(449,440)</b>	<b>(1,751,331)</b>	<b>974,585</b>
<b>Income taxes</b>			
Current .....	(33,169)	(129,249)	(104,216)
Deferred .....	167,179	651,448	(64,849)
<b>Net income for the period .....</b>	<b>(315,429)</b>	<b>(1,229,132)</b>	<b>805,520</b>
Income (loss) for the period attributed to the controlling shareholders	(314,831)	(1,226,803)	805,520
Income for the period attributed to non-controlling shareholders	(598)	(2,329)	—

<b>Basic earnings (loss) per share (1)</b>			
Common .....	(0.24042)	(0.93686)	0.73725

<b>Diluted earnings (loss) per share (2)</b>			
Common .....	(0.24042)	(0.93686)	0.73631

(1) Basic earnings per share is calculated using the income attributable to controlling shareholders divided by the weighted average number of outstanding common shares.

(2) Diluted earnings per share is calculated based on the results attributable to the controlling shareholders divided by the weighted average number of outstanding common shares, subtracted from the potential dilutive effect generated by the conversion of all common shares.

Due to the loss recorded in the period, we do not consider the dilution effect in the calculation

(3) In thousands of U.S.\$, except per share data. For convenience purposes only, amounts in reais in the three months ended March 31, 2019 have been translated to U.S. dollars using a rate of R\$3.8967 to U.S.\$1.00, the commercial selling rate for U.S. dollars at March 29, 2019 as reported by the Central Bank. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. As of May 20, 2019, the exchange rate for reais into U.S. dollars was R\$4.1056 per U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil.

As of the date of the Merger with Fibria on January 3, 2019, Suzano determined the fair value of the Fibria assets and liabilities acquired in the business combination and recorded the fair value of such assets and liabilities in Suzano's books. For local regulatory purposes the fair value is required to be segregated between the historical cost in the stand alone books of Fibria and the difference in the Fibria standalone historical cost and the fair value adjustments to the specific fair value adjustments. The fair value adjustments represent the difference in the fair value of Fibria assets and liabilities at the acquisition date and the historical cost in the stand alone Fibria books, as described on footnote 1.1 of our Unaudited Condensed Consolidated Interim Financial Information. As required under local regulation the Company presented the impacts of such fair value adjustments in the statement of income included in the Unaudited Condensed Consolidated Interim Financial Information as of March 31, 2019 as Fibria and Suzano were two separate legal entities. As of April 1, 2019 the legal merger of Fibria and Suzano became effective and it was no longer required to present the separate impacts of the fair value adjustments.

As a result of the Business Combination with Fibria, Suzano is presenting the impact of the fair value adjustments amortization for the three-months period ended March 31, 2019 in the Unaudited Condensed Consolidated Interim Financial Information as follows:

	<b>For the three-month period ended March 31, 2019</b>
	<i>(in million of R\$)</i>
<b>Cost of sales</b>	
Fair value adjustment on acquisition of Fibria – Amortization	(1,359.8)
<b>Selling expenses</b>	
Fair value adjustment on acquisition of Fibria – Amortization	(205.2)
<b>General and Administrative expenses</b>	
Fair value adjustment on acquisition of Fibria – Amortization	(1.0)
<b>Other operating (expenses) income</b>	
Fair value adjustment on acquisition of Fibria – Amortization	(0.6)
<b>Fair value adjustment on acquisition of Fibria - Amortization (a)</b>	<b>(1,566.6)</b>

(a) See the Condensed Consolidated Interim Statements of Cash Flows of our Unaudited Condensed Consolidated Interim Financial Information as of March 31, 2019.

### ***Net sales revenue***

Suzano's net sales revenue increased 190.3%, or R\$2,704.4 million, from R\$2,994.6 million in the three-month period ended March 31, 2018 to R\$5,699.0 million in the corresponding period in 2019, mainly due to (i) the consolidation of Fibria, which had net revenues of R\$3,693.2 million in the three-month period ended March 31, 2018 (ii) a decrease in pulp prices in U.S. Dollar, (iii) depreciation of the average *real* against the U.S. Dollar, (iv) 30% drop in pulp sales volume when compared to the volume of the combined operation of Fibria and Suzano in the three-month period ended March 31, 2018 against the volume of Suzano in the three-month period ended March 31, 2019, and (v) increase in paper revenue as result of higher prices.

Suzano's net sales revenue from pulp increased 121.6%, or R\$2,525.7 million, from R\$2,076.3 million in the three-month period ended March, 2018 to R\$4,602.0 million in the corresponding period in 2019, mainly due to (i) the consolidation of Fibria, which had net revenues from pulp of R\$3,668.0 million in the three-month period ended March 31, 2018, (ii) a decrease in pulp prices in U.S. Dollar, and (iii) 30% drop in pulp sales volume when compared to the volume of the combined operation of Fibria and Suzano in the three-month period ended March 31, 2018 against the volume of Suzano in the three-month period ended March 31, 2019. Suzano's net sales revenue from pulp represented 69.3% of total net sales revenue in the three-month period ended March 31, 2018, compared to 80.8% in the corresponding period in 2019. Suzano's net sales revenue from pulp exports increased 115.6%, or R\$2,196.7 million in 2019, from R\$1,899.8 million in the three-month period ended March 31, 2018 to R\$4,096.5 million in the corresponding period in 2019, mainly due to (i) the consolidation of Fibria, which had net revenues from pulp exports of R\$3,320.4 million in the three-month period ended March 31, 2018, and (ii) a 31% drop in pulp sales volume when compared to the volume of the combined operation of Fibria and Suzano in the three-month period ended March 31, 2018 against the volume of Suzano in the three-month period ended March 31, 2019. Net revenues from pulp exports represented 71.9% of total net revenues in the three-month period ended March 31, 2019 (30.8% from Asia, 27.3% from Europe, 13.6% from North America and 0.2% from South and Central America and Africa).

Suzano's average international net sales price of pulp in the three-month period ended March 31, 2019 decreased 4.3%, or U.S.\$30.8/ton, from U.S.\$718.9/ton in the three-month period ended March 31, 2018 to U.S.\$688.2/ton in the corresponding period in 2019. In the domestic market, Suzano's average net pulp sales price increased 15.1%, or R\$330.1/ton, from R\$2,179.2/ton in three-month period ended March 31, 2018 to R\$2,509.3/ton in the corresponding period in 2018.

Suzano's net sales revenue from paper increased 19.5%, or R\$178.7 million, from R\$918.3 million in the three-month period ended March 31, 2018 to R\$1,097.0 million in the corresponding period in 2019. Net sales revenue from paper represented 30.7% of total net sales in the three-month period ended March 31, 2018, compared to 19.2% in the corresponding period in 2019. The increase in net sales revenue from paper in the three-month period ended March 31, 2018 compared to the corresponding period in 2019 is largely due to a price increase. Net revenues from paper exports represented 5.1% of total net revenues in the three-month period ended March 31, 2019 (2.3% from South and Central America, 0.9% from Europe, 1.2% from North America and 0.6% from Asia and Africa). Suzano's net sales revenue from paper in the domestic market increased 28.8%, or R\$180.5 million, from R\$627.2 million in the three-month period ended March 31, 2018 to R\$807.7 million in the corresponding period in 2018, impacted mainly by price increase due to exchange rate variation and volume.

The average international net paper sales price in 2019 increased 4.8%, or U.S.\$44.5/ton, from U.S.\$918.4/ton in the three-month period ended March 31, 2018 to U.S.\$963.0/ton in the corresponding period in 2019. In the domestic market, the average net paper sales price increased 23.3%, or R\$773.6/ton, from R\$3,323.9/ton in the three-month period ended in March 31, 2018 to R\$4,097.5/ton in the corresponding period in 2019.

### ***Cost of sales***

Suzano's total cost of sales increased 198.4%, or R\$3,141.5 million, from R\$1,583.4 million in the three-month period ended March 31, 2018 to R\$4,724.9 million in the corresponding period in 2019, mainly due to (i) the consolidation of Fibria, which had cost of sales of R\$2,205.1 million in the three-month period ended March 31, 2018, (ii) R\$1,359.8 million of amortization of the fair value adjustment on acquisition of Fibria, (iii) increase of R\$671.2 million in variable cost, (iv) increase of depreciation, amortization and depletion of R\$498.5 million, (v) higher concentration of general maintenance downtimes, and (vi) reduced benefits from the Reintegra program in the three-month period ended March 31, 2019 compared to the same period in 2018.

Additionally, cost excluding downtimes increased by R\$80.0/ton from R\$587/ton in the three-month period ended March 31, 2018 to R\$667/ton in the three-month period ended March 31, 2019 mainly due to (i) the consolidation of Fibria, which had cash cost of R\$708/ton in the three-month period ended March 31, 2018, (ii) a higher fixed cost caused by lower production volume; (iii) a higher wood cost due to supply mix and higher average radius; and (iv) higher prices of inputs, especially natural gas. These effects were partially offset by better results from energy sales which, in turn, were caused by the increase in prices and sales volumes.

### ***Gross profit***

Suzano's gross profit decreased 31.0%, or R\$437.1 million, from R\$1,411.2 million in the three-month period ended March 31, 2018 to R\$974.1 million in the corresponding period in 2019, due to the factors mentioned above and due to the consolidation of Fibria, which had gross profit of R\$1,488.0 million in the three-month period ended March 31, 2018. Suzano's gross margin in the three-month period ended March 31, 2018 was 47.1% compared to 17.1% in the corresponding period in 2019. This decrease is mainly due to the factors mentioned above and the consolidation of Fibria, which had gross margin of 40.3% in the three-month period ended March 31, 2018.

### ***Selling, general and administrative expenses***

Suzano's, selling expenses increased 261.7%, or R\$319.3 million, from R\$122.0 million in the three-month period ended March 31, 2018 to R\$441.3 million in the corresponding period in 2019. The main variation is due to (i) the consolidation of Fibria, which had selling expenses of R\$184.8 million in the three-month period ended March 31, 2018, (ii) R\$205.2 million amortization of the fair value adjustments on acquisition of Fibria and (iii) an increase of R\$58.3 million in logistics cost in the three-month period ended March 31, 2019 compared to the same period in 2018.

Suzano's general and administrative expenses increased 124.4%, or R\$183.4 million, from R\$147.4 million in the three-month period ended March 31, 2018 to R\$330.8 million in the corresponding period in 2019. The variation is due to (i) the consolidation of Fibria, which had general and administrative expenses of R\$74.0 million in the three-month period ended March 31, 2018, (ii) an increase of R\$94.5 million in personnel expenses, (iii) increase of R\$38.9 million in services and (iv) increase of R\$43.2 million in other expenses that includes corporate expenses, insurance, materials (use and consumption), social projects and donations, expenses with travel and accommodation in the three-month period ended March 31, 2019 compared to the same period in 2018.

### ***Other operating income (expenses), net***

Suzano's other operating income (expenses), net was a loss of R\$9.9 million in the three-month period ended March 31, 2018, compared to a loss of R\$18.9 million in the same period in 2019. The fluctuation is mainly due to: (i) the consolidation of Fibria, which had other operating income and expense, net of R\$66.3 million in the three-month period ended March 31, 2018, (ii) a decrease of R\$6.3 million in results from sales and disposal of property, plant and equipment and biological assets (iii) R\$0.6 million amortization of the fair value adjustments on acquisition of Fibria, (iv) R\$3.3 million provision for loss of judicial deposits and (v) insurance reimbursement of R\$6.5 million in the three-month period ended March 31, 2019 compared to the same period in 2018.

### ***Operating profit before net financial income (expenses)***

Suzano's operating profit before net financial income (expense) decreased 83.7%, or R\$947.1 million, from R\$1,131.9 million in the three-month period ended March 31, 2018 to R\$184.8 million in the corresponding period

in 2019, due to (i) the consolidation of Fibria, which had income before financial income and expenses of R\$1,163.0 million in the three-month period ended March 31, 2018, and (ii) the facts mentioned above. Suzano's operating margin in the three-month period ended March 31, 2018 was 37.8% compared to 3.2% in the corresponding period in 2019.

### ***Net financial income (expenses)***

Suzano's net financial income (expenses) increased R\$1,778.7 million, from a loss of R\$157.4 million for the three-month period ended March 31, 2018 to a loss of R\$1,936.1 million in the corresponding period in 2019. This increase was largely due to (i) the consolidation of Fibria, which had net financial result (expense) of R\$270.1 million in the three-month period ended March 31, 2018, (ii) an increase in interest on loans and financing of R\$651.6 million, (iii) a decrease in the result of derivative financial instruments in the amount of R\$705.5 million, (iv) a decrease in exchange variation on loans and financing of R\$267.6 million, and (v) a decrease in monetary and exchange variations – other assets and liabilities of R\$159.7 million, which includes the effects of exchange rate variations of customers, suppliers, cash and cash equivalents, financial investments and others in the three-month period ended March 31, 2019 compared to the same period of 2018.

### ***Net income (loss) before taxes***

Suzano's net income (loss) before taxes decreased R\$2,725.9 million, from a gain of R\$974.6 million in the three-month period ended March 31, 2018 to a loss of R\$1,751.3 million in the same period in 2019. This result was largely impacted by the factors mentioned above.

### ***Income taxes***

Suzano's income taxes increased R\$691.3 million, from an expense of R\$169.1 million in the three-month period ended March 31, 2018, as compared to an income tax gain of R\$522.2 million during the corresponding period in 2019. This increase was largely due to (i) the consolidation of Fibria, which had income taxes expenses of R\$277.8 million in the three-month period ended March 31, 2018, and (ii) the fact that in the three-month period ended March 31, 2019 the effective rate of income and social contribution tax expenses increased to 29.8% compared to 17.3% in the same period of 2018, mainly due to director bonus and subsidiaries taxation as described in Note 11.1 of our Unaudited Condensed Consolidated Interim Financial Information.

### ***Net income (loss) for the period***

Suzano's net income decreased R\$2,034.6 million, from net income of R\$805.5 million in the three-month period ended March 31, 2018 to a net loss of R\$1,229.1 million during the corresponding period in 2019. This result was mainly due to the factors mentioned above.

### **Indebtedness**

As of March 31, 2019, our total consolidated outstanding indebtedness (which includes current and non-current loans and financing and current and non-current debentures) was R\$60,764.6 million, of which R\$7,422.8 million represented current indebtedness, of which R\$5,340.7 million refers to current indebtedness from loans and financing and R\$2,082.1 million refers to current indebtedness related to debentures and R\$53,341.9 million represented non-current indebtedness, of which R\$48,679.6 million refers to non-current indebtedness from loans and financing and R\$4,662.3 million refers to non-current indebtedness related to debentures. Below is a description of our consolidated financings and loans:

Type	Interest rate	Average annual interest rate - %	Current		Non-current		Total	
			March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
In foreign currency								

(in thousands of R\$)

<i>BNDES</i>	UMBN	6.5						
	DES		27,079	21,577	46,117	139,940	73,196	161,517
Bonds	Fixed	5.8	223,270	216,624	21,577,076	11,189,403	21,800,346	11,406,027
Syndicated Loan	US\$/Lib	3.7						
	or		36,484	37,546	11,855,056	11,787,588	11,891,540	11,825,134
<i>Fimvera/EKN</i>	Libor	3.7						
( <i>Export Credit</i>								
<i>Agencies</i> )			456,595	236,385	1,733,440	560,689	2,190,035	797,074
Financial lease	US\$			5,608		12,617		18,225
Export credits	Libor/Fi	3.8						
ACC	xed		2,947,747	1,896,717	2,257,073	274,673	5,204,820	2,171,390
Others (Loans)	Libor		3,072				3,072	
			<u>3,694,247</u>	<u>2,414,457</u>	<u>37,468,762</u>	<u>23,964,910</u>	<u>41,163,009</u>	<u>26,379,367</u>
<b>In local currency</b>								
<i>BNDES</i>	TJLP	9.1	257,310	28,867	1,678,253	183,269	1,935,563	212,136
<i>BNDES</i>	Fixed	5.5	48,140	26,119	104,530	95,034	152,670	121,153
<i>BNDES</i>	SELIC	7.7	69,170		729,931		799,101	
<i>FINAME</i>	Fixed	5.4	4,228	970	9,672	2,010	13,900	2,980
<i>BNB</i>	Fixed	6.4	30,171	25,038	183,210	191,976	213,381	217,014
<i>CRA</i>	CDI/IPC	6.5						
(Agribusiness	A							
Receivables								
Certificates)			893,579	789,892	5,707,304	1,588,986	6,600,883	2,378,878
Export credit note	CDI	7.4	111,763	93,001	1,315,982	1,327,378	1,427,745	1,420,379
Rural Producer	CDI	7.4						
Certificate			1,740	6,809	273,098	273,029	274,838	279,838
Export credits -	Fixed	8.3						
prepayment			5,826		735,838		741,664	
FCO (Central	Fixed	4						
West Fund) (i),								
FDCO (Central								
West								
Development								
Fund) (ii) e								
FINEP			173,848	7,725	465,136	5,135	638,984	12,860
Others (Revolving	Fixed	10.1						
Cost, Working								
capital e FDI)			1,884	10,467	7,857	16,930	9,741	27,397
FDIC Funds of								
credit rights (Note			14,179	22,054			14,179	22,054
7.1)								
Fair value								
adjustment on								
acquisition of								
Fibria			59,921				59,921	
Fair value								
adjustment on								
acquisition of								
Fibria -								
Amortization			<u>(25,306)</u>				<u>(25,306)</u>	
			<u>1,646,453</u>	<u>1,010,942</u>	<u>11,210,811</u>	<u>3,683,747</u>	<u>12,857,264</u>	<u>4,694,689</u>
			<b>5,340,700</b>	<b>3,425,399</b>	<b>48,679,573</b>	<b>27,648,657</b>	<b>54,020,273</b>	<b>31,074,056</b>
Interest on								
financing			592,692	344,691	102,587		695,279	344,691
Long-term								
funding			<u>4,748,008</u>	<u>3,080,708</u>	<u>48,576,986</u>	<u>27,648,657</u>	<u>53,324,994</u>	<u>30,729,365</u>
			<b>5,340,700</b>	<b>3,425,399</b>	<b>48,679,573</b>	<b>27,648,657</b>	<b>54,020,273</b>	<b>31,074,056</b>

## **Debt**

### *Export Prepayment*

On February 25, 2019, Suzano entered into an export prepayment agreement in the amount of R\$738.8 million (U.S.\$189.6 million), with annual interest payment of 8.35% p.a. and maturing in 2024.

### *Local Fixed and Floating-Interest Notes*

*Floating-Interest Notes.* On January 17, 2019, Suzano repaid in full two series of outstanding Agribusiness Receivables Certificates (“CRA”) distributed by Fibria, for which the respective holders did not consent to the completion of the Merger and did not waive their right to declare the early maturity of the CRAs as a result of the Merger: (i) CRA distributed in October 2015 by Fibria and issued by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. in the total amount of R\$675.0 million, with an interest rate of 99% of CDI, and final maturity for the principal in October 2021; and (ii) the second tranche of CRA distributed in September 2017 by Fibria and issued by RB Capital Companhia de Securitização, in the amount of R\$184.2 million, with final maturity for the principal in 2023 and an interest rate of IPCA plus 4.5055% p.a.

### *International Fixed-Interest Notes (Senior Notes)*

*Suzano 2029 Bonds (10-year Bonds).* In January 2019, through its subsidiary Suzano Austria GmbH, Suzano concluded the re-tap of “long” 10-year bonds for another U.S.\$750.0 million, with maturity in January 2029, a fixed interest rate of 6.00% p.a. As of March 31, 2019, the principal outstanding principal amount was U.S.\$1,750 million (R\$6,819.2 million).

### *Debenture – 7th issue*

On March 27, 2019, Suzano performed the partial optional extraordinary amortization of the balance of the nominal unit value of all of its single series of unsecured simple debentures, non-convertible into Company’s shares, of the 7th issuance of the Company, originally issued on January 7, 2019, through the payment of the total amount of R\$2,056.2 million, comprising of the amortized balance of the nominal unit value of all of such debentures plus the corresponding remuneration. As of March 31, 2019, the outstanding principal amount was R\$2,000.0 million (U.S.\$513.3 million).

### *Covenants*

At March 31, 2019, Suzano was in compliance with all covenants, which are required under certain long-term borrowings.

### *Subsequent Events*

*Export Credit Agency (ECA).* On April 29 and April 30, 2019, Suzano voluntarily settled in advance the outstanding U.S.\$208.4 million (equivalent to R\$822.2 million) related to certain financing agreements that were guaranteed by the export credit agencies EKN and Finnvera initially contracted in December 2012.

## THE ISSUER

Suzano Austria GmbH, or the Issuer, is a limited liability company incorporated under the laws of Austria on December 8, 1987, registered under registration number FN 62444f with the companies register of the Commercial Court of Vienna, with its corporate seat in Vienna and its business address at 1010 Vienna, Fleischmarkt 1. The Issuer's legal entity identifier (LEI) is 254900287ZNSGVP1R341. The Issuer is our wholly-owned trading company, with indefinite term of duration, and its corporate purpose is the acquisition, sale and participation of and in other companies. The Issuer's capital is €6,336.42 and divided into quotas, all held and fully paid in by Suzano.

### Management of the Issuer

The issuer is managed by a board of directors (*Geschäftsführung*). The Issuer's board of directors is the decision-making body responsible for the management of the company. Currently, the Issuer's board of directors consists of two members. The following sets forth the name, addresses, and power of representation of each of the members of the Issuer's board of directors:

**Marcelo Feriozzi Bacci**, with business address at Avenida Brigadeiro Faria Lima, 1355, 8th floor, BRA-01452-919 São Paulo/SP, managing director who represents the Issuer jointly with another director or authorized officer. Mr. Bacci currently serves as our Chief Financial Officer and Investor Relations Officer since 2014. Mr. Bacci has also been the Executive VicePresident of Suzano Holding S.A., our controlling shareholder, between 2011 and 2014. Prior to Suzano, Mr. Bacci was the Chief Executive Officer of CPMais Serviços de Meio Ambiente S.A., Chief Financial Officer of Louis Dreyfus Commodities Group for Latin America and Chief Financial Officer of Promon S.A. Mr. Bacci is also currently Chairman of the Board of Ibema Companhia Brasileira de Papel. Mr. Bacci holds a BA in Public Administration from the FGV and a Master's degree (MBA) from the Stanford University Graduate School of Business.

**Carlos Anibal Fernandes de Almeida Junior**, with business address at Avenida Brigadeiro Faria Lima, 1355, 8th floor, BRA-01452 -919 Sao Paulo/SP, managing director who represents the Issuer jointly with another director or authorized officer. Mr. Almeida currently serves as the Executive Officer responsible for our pulp business unit. Before Suzano, Mr. Almeida worked for General Electric, where he ultimately held the position of sales general manager for the Latin American division of GE Industrial Systems. Mr. Almeida holds an electrical engineering degree from the Federal University of Minas Gerais and a master's degree in business administration from IBMEC (São Paulo).

**Fabio Almeida de Oliveira**, with business address at Handelskai 94-96, 1200 Vienna, Austria, managing director who represents the Issuer jointly with another director or authorized officer. Mr. Oliveira currently serves as our Head of Business for the Americas, Europe, Middle East and Africa, since January 2019. He previously served as Head of Suzano's Global Integrated Logistics and had different leadership positions for the company's paper business in Latin America. He has been with Suzano for 12 years. Prior to Suzano, Mr. Oliveira worked for DuPont, in Brazil and in the United States, and for ABB – Asea Brown Boveri, in different business leadership roles. Mr. Oliveira holds a BSc. degree in Electrical Engineer from UNIFEI in Brazil, an MBA from Virginia Commonwealth University in the USA, and has concluded the Advanced Management Program with the MIT, Massachusetts Institute of Technology, in the USA.

## DESCRIPTION OF THE NOTES

The following summary describes certain material provisions of the Notes and the Indentures. This summary is subject to and qualified in its entirety by reference to the provisions of the Indentures and Notes. Capitalized terms used in the following summary and not otherwise defined herein shall have the meaning ascribed to them in the Indentures. Copies of the Indentures are available as described under “Listing and General Information” in this listing memorandum.

In this Description of the Notes, the term “Suzano” and “Guarantor” refers only to Suzano S.A., and any successor obligor on the Notes, and not to any of its Subsidiaries or Affiliates. You can find the definitions of certain terms used in this description under “—Certain Definitions.”

Suzano Austria GmbH will issue the 2030 Notes under an indenture among the Issuer, Suzano, as guarantor, and Deutsche Bank Trust Company Americas, as trustee (in such capacity, the “Trustee”), registrar (in such capacity, the “Registrar”), paying agent (and together with any other paying agents under the 2030 Indenture, each a “Paying Agent”) and transfer agent (in such capacity, a “Transfer Agent,” and, together with any other transfer agents under the 2030 Indenture, the “Transfer Agents”) (the “2030 Indenture”).

Suzano Austria GmbH, will issue the 2047 Notes under the indenture dated as of March 16, 2017 among the Issuer, Suzano, as guarantor, and Deutsche Bank Trust Company Americas, as trustee, registrar, paying agent and transfer agent (the “2047 Indenture” and, together with the 2030 Indenture, the “Indentures” and each an “Indenture”).

On March 16, 2017, the Issuer issued U.S.\$300,000,000 in aggregate principal amount of Original 2047 Notes due March 16, 2047 under the 2047 Indenture, which were later reopened in September 2017 in an initial aggregate principal amount of U.S.\$200,000,000, and further reopened in November 2018 in an initial aggregate principal amount of U.S.\$500,000,000, for a total outstanding aggregate principal amount of U.S.\$1,000,000,000. The 2047 Notes offered hereunder are a further issuance of and will be consolidated with the Original 2047 Notes and will form a single series of 2047 Notes and will vote as one class for all purposes under the 2047 Indenture, including for purposes of determining whether the required percentage of holders of record has given approval or consent to an amendment or waiver or joined in directing the trustee to take certain actions on behalf of all holders. The terms of the 2047 Notes include those stated in the 2047 Indenture. The 2047 Notes will become fully fungible with the Original 2047 Notes following the termination of certain U.S. selling restrictions. During the periods subject to certain U.S. selling restrictions, the 2047 Notes offered pursuant to Regulation S had temporary CUSIPs and ISINs. See “Listing and General Information.”

### Basic Terms of Notes

#### *2030 Notes*

The 2030 Indenture does not limit the aggregate principal amount of the debt securities that may be issued under the 2030 Indenture. The 2030 Notes are issued in an initial aggregate principal amount of U.S.\$1,000,000,000 and in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 above such amount.

The 2030 Notes:

- are unsecured unsubordinated obligations of the Issuer, ranking equally in right of payment with all other existing and future unsecured and unsubordinated obligations of the Issuer;
- are fully, unconditionally and irrevocably guaranteed by Suzano, which guarantee ranks equally in right of payment with all other existing and future unsecured and unsubordinated obligations of Suzano;
- are issued in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 above such amount;
- mature on January 15, 2030, on which date the principal amount will be paid in full;



- bear interest at a rate of 5.000% per annum, payable semiannually on each January 15 and July 15 of each year, commencing on January 15, 2020 to holders of record on the January 13 or July 13, as applicable, immediately preceding the interest payment date; and
- bear interest on overdue principal, and pay interest on overdue interest, at the lesser of (i) 2% per annum higher than the per annum rate set forth on the cover of this listing memorandum and (ii) the maximum rate permitted by applicable law.
- Interest will be computed on the basis of a 360-day year of twelve 30-day months. Payment of interest on the 2030 Notes will be paid in immediately available funds by check or, if requested, for holders of more than U.S.\$10 million of 2030 Notes, by wire transfer to the account specified by such holder.

#### ***2047 Notes***

The initial outstanding principal amount of the Original 2047 Notes was U.S.\$300,000,000. The Original 2047 Notes were later reopened in September 2017 in an initial aggregate principal amount of U.S.\$200,000,000, and further reopened in November 2018 in an aggregate principal amount of U.S.\$500,000,000. The 2047 Notes are issued in an initial aggregate principal amount of U.S.\$250,000,000 and in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 above such amount. Upon consummation of this offering, the aggregate principal amount of Suzano Austria GmbH's 7.000% Senior Notes due 2047 will be U.S.\$ 1,250,000,000.

The 2047 Notes:

- are unsecured unsubordinated obligations of the Issuer, ranking equally in right of payment with all other existing and future unsecured and unsubordinated obligations of the Issuer;
- are fully, unconditionally and irrevocably guaranteed by Suzano, which guarantee ranks equally in right of payment with all other existing and future unsecured and unsubordinated obligations of Suzano;
- are issued in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 above such amount;
- mature on March 16, 2047, on which date the principal amount will be paid in full;
- bear interest at a rate of 7.000% per annum, payable semiannually on each March 16 and September 16 of each year, commencing on September 16, 2019, to holders of record on the March 14 or September 14, as applicable, immediately preceding the interest payment date; and
- bear interest on overdue principal, and pay interest on overdue interest, at the lesser of (i) 2% per annum higher than the per annum rate set forth on the cover of this listing memorandum and (ii) the maximum rate permitted by applicable law.
- Interest will be computed on the basis of a 360-day year of twelve 30-day months. Payment of interest on the 2047 Notes will be paid in immediately available funds by check or, if requested, for holders of more than U.S.\$10 million of 2047 Notes, by wire transfer to the account specified by such holder.

#### ***Additional Notes***

Subject to the covenants described below, the Issuer may, from time to time and without your consent as a holder of the Notes, issue notes under the Indentures having the same terms in all respects as the Notes except the date from which interest will accrue; *provided, however*, that unless such notes are issued under a separate CUSIP, either such additional notes are part of the same "issue" within the meaning of United States Treasury Regulation Sections 1.1275-1(f) or 1.1275-2(k), or such additional notes are issued with *de minimis* original issue discount, if any, for U.S. federal income tax purposes. The Notes offered hereby and any additional notes will be treated as a single class for all purposes under the Indentures and will vote together as one class on all matters with respect to the Notes. Unless the context otherwise requires, references to the "Notes" for all purposes under the Indentures and in this "Description of the Notes" include any additional notes that are issued.

### *Payment of Additional Amounts*

All payments of principal and interest by the Issuer in respect of the Notes or by the Guarantor in respect of the Note Guarantees will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of Austria, Brazil or any other jurisdiction or political subdivision thereof from or through which a payment is made or in which the Issuer or the Guarantor (or any successor to the Issuer or the Guarantor) is organized or is a resident for tax purposes having power to tax (a "Relevant Taxing Jurisdiction"), unless the Issuer or the Guarantor are compelled by law to deduct or withhold such taxes, duties, assessments, or governmental charges. In such event, the Issuer or the Guarantor will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and pay such additional amounts as may be necessary to ensure that the net amounts receivable by holders of Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Notes in the absence of such withholding or deduction ("Additional Amounts"). No such Additional Amounts shall be payable:

- in respect of any taxes, duties, assessments or governmental charges that would not have been so withheld or deducted but for the existence of any present or former connection between the holder or beneficial owner of the Note (or between a fiduciary, settlor, beneficiary, member or shareholder of such holder or beneficial owner, if such holder or beneficial owner is an estate, a trust, a partnership, a limited liability company or a corporation) and the Relevant Taxing Jurisdiction, including, without limitation, such holder or beneficial owner (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than the mere holding of the Note or enforcement of rights and the receipt of payments with respect to the Note;
- in respect of Notes presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of such Note would have been entitled to such Additional Amounts, on surrender of such Note for payment on the last day of such period of 30 days;
- in respect of any taxes, duties, assessments or other governmental charges that would not have been so withheld or deducted but for the failure by the holder, the beneficial owner of the Note, or, in the case of amounts payable to the Trustee, the Trustee to (i) make a declaration of non-residence, or any other claim or filing for exemption, to which it is entitled, or (ii) comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with the Relevant Taxing Jurisdiction, if (1) compliance is required by the Relevant Taxing Jurisdiction, as a precondition to, exemption from, or reduction in the rate of, the tax, assessment or other governmental charge and (2) the Issuer has given the holders or the Trustee, as applicable, at least 30 days' notice that holders will be required to provide such certification, identification or other requirement; provided that, in no event, shall such holder's, beneficial owner's, or Trustee's requirement to make a valid and legal claim for exemption from or reduction of such taxes require such holder, beneficial owner or the Trustee to provide any materially more onerous information, documents or other evidence than would be required to be provided had such holder, beneficial owner or the Trustee been required to file U.S. IRS Forms W-8 or W-9, as applicable;
- in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, assessment or governmental charge;
- any withholding or deduction that is imposed on the Note that is presented for payment, where presentation is required, by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting such Note to another paying agent;
- in respect of any tax, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of or interest on the Notes; or
- in respect of any combination of the above.

In addition, no Additional Amounts shall be paid with respect to any payment on a Note to a holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the holder.

For purposes of the above, “Relevant Date” means, with respect to any payment on a Note, whichever is the later of: (i) the date on which such payment first becomes due; and (ii) if the full amount payable has not been received by the Trustee on or prior to such due date, the date on which notice is given to the holders that the full amount has been received by the Trustee.

Any reference in this listing memorandum, the Indentures or the Notes to principal, interest or any other amount payable in respect of the Notes by the Issuer or the Note Guarantees by the Guarantor will be deemed also to refer to any Additional Amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this subsection.

The Issuer and the Guarantor shall promptly pay when due any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise in any Relevant Taxing Jurisdiction from the execution, delivery or registration of each note or any other document or instrument referred to herein or therein except, in certain cases, for taxes, charges or similar levies resulting from certain registrations of transfer or exchange of Notes.

The foregoing obligation will survive termination or discharge of the Indentures, payment of the Notes and/or the resignation or removal of the Trustee or any agent hereunder.

## **Optional Redemption**

### ***Optional Redemption with a Make-Whole Premium***

With respect to the 2030 Notes, prior to October 15, 2029, the Issuer may redeem the 2030 Notes, in whole at any time, or in part from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount thereof, and (2) the sum of the present values, calculated as of the redemption date, of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the redemption date) as if the bonds were redeemed on October 15, 2029, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 45 basis points, plus in each case any accrued and unpaid interest and Additional Amounts, if any, on such 2030 Notes to the redemption date, as calculated by the Independent Investment Banker; provided that 2030 Notes in an aggregate principal amount equal to at least U.S.\$150 million remain outstanding immediately after the occurrence of any partial redemption of 2030 Notes. At any time on or after October 15, 2029, the Issuer will have the right to redeem the 2030 Notes, in whole or in part and from time to time, at a redemption price equal to 100% of the principal amount of the 2030 Notes being redeemed plus accrued and unpaid interest on the principal amount of the 2030 Notes being redeemed to such redemption date.

With respect to the 2047 Notes, prior to September 16, 2046, the Issuer may redeem the 2047 Notes, in whole at any time, or in part from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount thereof, and (2) the sum of the present values, calculated as of the redemption date, of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the redemption date) as if the bonds were redeemed on September 16, 2046, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, plus in each case any accrued and unpaid interest and Additional Amounts, if any, on such 2047 Notes to the redemption date, as calculated by the Independent Investment Banker; provided that 2047 Notes in an aggregate principal amount equal to at least U.S.\$150 million remain outstanding immediately after the occurrence of any partial redemption of 2047 Notes. At any time on or after September 16, 2046, the Issuer will have the right to redeem the 2047 Notes, in whole or in part and from time to time, at a redemption price equal to 100% of the principal amount of the 2047 Notes being redeemed plus accrued and unpaid interest on the principal amount of the 2047 Notes being redeemed to such redemption date.

*For purposes of the above:*

“Par Call Date” means October 15, 2029, with respect to 2030 Notes, and September 16, 2046, with respect to 2047 Notes.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

“Comparable Treasury Issue” means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the Par Call Date, as applicable.

“Independent Investment Banker” means one of the Reference Treasury Dealers appointed by the Issuer.

“Comparable Treasury Price” means, with respect to any redemption date (i) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (ii) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

“Reference Treasury Dealers” means, with respect to 2030 Notes, BNP Paribas Securities Corp., BofA Securities, Inc., J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Rabo Securities USA, Inc., Scotia Capital (USA) Inc. or any of their Affiliates which are primary United States government securities dealers and not less than two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer; and, with respect to 2047 Notes, J.P. Morgan Securities LLC, Merrill Lynch, Pierce Fenner and Smith Incorporated and Morgan Stanley & Co. LLC or its Affiliates which are primary United States government securities dealers and not less than two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer; provided that if any of the foregoing cease to be a primary United States government securities dealer in New York City (a “Primary Treasury Dealer”), the Issuer will substitute therefor another Primary Treasury Dealer.

“Reference Treasury Dealer Quotation” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked price for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 pm New York time on the third Business Day preceding such redemption date.

### ***Redemption for Taxation Reasons***

If as a result of any change in or amendment to the laws or treaties (or any rules or regulations thereunder) of any Relevant Taxing Jurisdiction, or any amendment to or change in an official interpretation, administration or application of such laws, treaties, rules, or regulations (including a holding by a court of competent jurisdiction), which change or amendment or change in official position becomes effective on or after the issue date of the 2030 Notes or after March 16, 2017, with respect to the 2047 Notes, or, with respect to a successor, after the date a successor assumes the obligations under the Notes or the Note Guarantees, the Issuer or the Guarantor or the successor have or will become obligated to pay Additional Amounts as described above under “— Payment of Additional Amounts” in excess of the Additional Amounts that the Issuer or the Guarantor would be obligated to pay if payments were subject to withholding or deduction at a rate of 15% (or at a rate of 25% in case the holder of the Notes is resident in a tax haven jurisdiction, i.e., countries which do not impose any income tax or which impose it at a maximum rate lower than 20% or where the laws impose restrictions on the disclosure of ownership composition or securities ownership) as a result of the taxes, duties, assessments and other governmental charges described above (the “Minimum Withholding Level”), the Issuer may, at its option, redeem all, but not less than all, of the Notes of the series so affected, at a redemption price equal to 100% of their principal amount, together with interest and Additional Amounts accrued to the date fixed for redemption, upon publication of irrevocable notice not less than 30 days nor more than 90 days prior to the date fixed for redemption. No notice of such redemption may be

given earlier than 90 days prior to the earliest date on which the Issuer would, but for such redemption, be obligated to pay the Additional Amounts above the Minimum Withholding Level, were a payment then due. The Issuer shall not have the right to so redeem the Notes in the event it becomes obliged to pay Additional Amounts which are less than the Additional Amounts payable at the Minimum Withholding Level. Notwithstanding the foregoing, the Issuer shall not have the right to so redeem the Notes unless: (i) it has taken measures it considers reasonable to avoid the obligation to pay Additional Amounts; and (ii) it has complied with all applicable regulations to legally effect such redemption; provided, however, that for this purpose reasonable measures shall not include any change in the Issuer's, the Guarantor's or any successor's jurisdiction of incorporation or organization or location of its principal executive or registered office.

In the event that the Issuer elects to so redeem the Notes, it will deliver to the Trustee: (i) a certificate, signed in the name of the Issuer by two of its directors or by its attorney in fact in accordance with its articles of association, stating that the Issuer is entitled to redeem the Notes pursuant to their terms and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuer to so redeem have occurred or been satisfied; and (ii) an Opinion of Counsel (as provided for in the Indentures) to the effect that the Issuer has or will become obligated to pay Additional Amounts in excess of the Additional Amounts payable at the Minimum Withholding Level as a result of the change or amendment and that all governmental approvals necessary for the Issuer to effect the redemption have been obtained and are in full force and effect.

### ***Optional Redemption Procedures***

Notice of any redemption will be delivered in accordance with the procedures of the Depository Trust Company ("DTC") or, in the case of any certificated Notes, mailed by first-class mail, postage prepaid, to holders of the Notes at their respective registered addresses, in each case at least 30 but not more than 60 days before the redemption date. For so long as the Notes are listed on the Euro MTF market of the Luxembourg Stock Exchange and the rules of the exchange require, the Issuer and Suzano will cause notices of redemption to also be published as described in "—Notices" below.

Notes called for redemption will become due on the date fixed for redemption. The Issuer will pay the redemption price for any Note together with accrued and unpaid interest thereon through the redemption date. On and after the redemption date, interest will cease to accrue on the Notes as long as the Issuer has deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the Indentures. Upon redemption of Notes by the Issuer, such Notes will be cancelled.

### ***No Mandatory Redemption or Sinking Fund***

There will be no mandatory redemption or sinking fund payments for the Notes.

### **Note Guarantees**

Suzano will fully, unconditionally and irrevocably guarantee to each holder and the Trustee all of the obligations of the Issuer pursuant to the Indentures and the Notes (the "Note Guarantees"), including the full and prompt payment of principal and interest on the Notes, when and as the same become due and payable, whether at maturity, upon redemption or repurchase, by declaration of acceleration or otherwise, and including any Additional Amounts required to be paid. Any obligation of the Issuer to make a payment may be satisfied by causing Suzano to make such payment. Suzano will comply with all then-applicable Central Bank regulations to legally effect any payments under the Note Guarantees.

The Note Guarantees will terminate upon discharge or defeasance of the Notes, as described under the captions "—Satisfaction and Discharge" and "—Defeasance."

## **Ranking**

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank equally with any and all other existing and future unsecured and unsubordinated obligations of the Issuer.

The Note Guarantees will be unsecured, unsubordinated obligation of the Guarantor, ranking equally with all of its other existing and future unsecured and unsubordinated obligations. The Note Guarantees will effectively rank junior to all secured debt of the Guarantor to the extent of the value of the assets securing that debt. Although the Indentures will contain limits on the ability of the Issuer and the Guarantor to incur secured debt, the limitation is subject to a number of significant exceptions. See “Certain Covenants—Limitation on Liens.”

Under Brazilian law, as a general rule, holders of the Notes and the Note Guarantees will not have any claim whatsoever against non-guarantor Subsidiaries of Suzano. Claims of creditors of such non-guarantor Subsidiaries of Suzano, including trade creditors, generally will have priority with respect to the assets and earnings of such Subsidiaries over the claims of Suzano’s creditors, including holders of the Notes. The Notes, therefore, will be structurally subordinated to creditors (including trade creditors) and preferred stockholders (if any) of Suzano’s non-guarantor Subsidiaries. The Indentures will not limit the incurrence of Debt and Disqualified Stock of Suzano’s Subsidiaries. Moreover, the Indentures will not impose any limitation on the incurrence by any of Suzano’s Subsidiaries of liabilities that are not considered Debt or Disqualified Stock under the Indentures.

## **Open Market Purchases**

The Issuer or its Affiliates may at any time purchase the Notes in the open market or otherwise at any price.

## **Certain Covenants**

The Indentures will contain covenants that impose limitations and restrictions on the Issuer and also will set forth covenants that will be applicable to Suzano and its Subsidiaries, including, among others, the following:

### ***Ranking***

Each of the Issuer and the Guarantor will ensure that its respective obligations under the Indentures, the Notes and the Note Guarantees will at all times constitute direct and unconditional obligations of the Issuer or the Guarantor, ranking at all times at least *pari passu* in priority of payment among themselves and with all other senior Debt of such Person, except to the extent any such other Debt ranks above such obligations by reason of Liens permitted under the covenant described under “—Limitation on Liens.”

### ***Limitation on Liens***

Suzano will not, and will not permit any Subsidiary to, directly or indirectly, incur or permit to exist any Lien securing the payment of Debt on any of its properties or assets, whether owned at the Issue Date or thereafter acquired, other than Permitted Liens, without effectively providing that the Notes or the Note Guarantees, as applicable, are secured equally and ratably with (or, if the obligation to be secured by the Lien is subordinated in right of payment to the Notes or any Note Guarantees, prior to) the obligations so secured for so long as such obligations are so secured.

### ***Limitation on Sale and Leaseback Transactions***

Suzano will not, and will not permit any Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any Property unless Suzano or such Subsidiary would be entitled to create a Lien on such Property or asset securing the Attributable Debt without equally and ratably securing the Notes pursuant to the covenant described under the heading “—Limitation on Liens,” in which case, the corresponding Lien will be deemed incurred pursuant to such provision.

### ***Repurchase of Notes upon a Change of Control***

Not later than 30 days following a Change of Control that results in a Rating Decline, the Issuer or Suzano shall make an Offer to Purchase all outstanding Notes at a purchase price equal to 101% of the principal amount plus accrued interest to the date of purchase.

An “Offer to Purchase” must be made by written offer, which will specify the principal amount of Notes subject to the offer and the purchase price. The offer must specify an expiration date (the “expiration date”) not less than 30 days or more than 60 days after the date of the offer and a settlement date for purchase (the “purchase date”) not more than five Business Days after the expiration date. The offer must include information concerning the business of Suzano and its Subsidiaries which the Issuer in good faith believes will enable the holders to make an informed decision with respect to the Offer to Purchase. The offer will also contain instructions and materials necessary to enable holders to tender Notes pursuant to the offer.

A holder may tender all or any portion of its Notes pursuant to an Offer to Purchase, subject to the minimum denomination requirement and the requirement that any portion of a Note tendered must be in a multiple of U.S.\$1,000 principal amount. Holders are entitled to withdraw Notes tendered up to the close of business on the expiration date. On the purchase date, the purchase price will become due and payable on each Note accepted for purchase pursuant to the Offer to Purchase, and interest on Notes purchased will cease to accrue on and after the purchase date provided that payment is made available on that date.

The Issuer will comply with Rule 14e-1 under the Exchange Act (to the extent applicable) and all other applicable laws and regulations in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

The Issuer is only required to offer to repurchase the Notes in the event that a Change of Control results in a Rating Decline. Consequently, if a Change of Control were to occur which does not result in a Rating Decline, the Issuer would not be required to offer to repurchase the Notes. In addition, neither the Issuer nor Suzano will be required to make an Offer to Purchase upon a Change of Control if (1) a third party makes the Offer to Purchase in the manner, at the times and otherwise in compliance with the requirements set forth in the Indentures applicable to an Offer to Purchase made by the Issuer or Suzano and purchases all Notes properly tendered and not withdrawn under the Offer to Purchase, or (2) notice of redemption for all outstanding Notes has been given pursuant to the Indentures as described above under the caption “—Optional Redemption,” unless and until there is a default in payment of the applicable redemption price.

Notwithstanding anything to the contrary contained herein, an Offer to Purchase may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Offer to Purchase is made.

Certain existing and/or future Debt of the Issuer or Suzano may provide that a Change of Control is a default or require repurchase upon a Change of Control. Moreover, the exercise by the noteholders of their right to require the Issuer to purchase the Notes could cause a default under other debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer. In addition, any remittance of funds outside of Brazil to noteholders or the Trustee may require the consent of the Central Bank, which may not be granted. The Issuer’s ability to pay cash to the noteholders following the occurrence of a Change of Control may be limited by the Issuer’s then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes.

Except as described above with respect to a Change of Control, the Indentures do not contain provisions that permit the holder of the Notes to require that the Issuer purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The provisions under the Indentures relating to the Issuer’s obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or amended as described in “—Amendments and Waivers.”

#### ***Limitation on Transactions with Affiliates***

(a) Suzano will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into, renew or extend any transaction or arrangement including the purchase, sale, lease or exchange of property or assets,

or the rendering of any service with any Affiliate of Suzano (a “Related Party Transaction”), except upon fair and reasonable terms no less favorable to Suzano or of its Subsidiaries than could be obtained in a comparable arm’s-length transaction with a Person that is not an Affiliate of Suzano.

(b) In any Related Party Transaction or series of Related Party Transactions with an aggregate value in excess of U.S.\$20 million (or the equivalent thereof at the time of determination), Suzano must first deliver to the Trustee an Officer’s Certificate to the effect that such transaction or series of related transactions are on fair and reasonable terms no less favorable to Suzano or such Subsidiary than could be obtained in a comparable arm’s-length transaction and is otherwise compliant with the terms of the Indentures.

(c) The foregoing paragraphs do not apply to:

- (1) any transaction between Suzano and any of its Subsidiaries or between or among Subsidiaries of Suzano;
- (2) any transaction between Suzano or any of its Subsidiaries, on the one hand, and any joint venture, on the other, on market terms;
- (3) the payment of reasonable and customary regular fees to directors of Suzano who are not employees of Suzano;
- (4) any issuance or sale of Equity Interests of Suzano (other than Disqualified Stock);
- (5) transactions or payments (including loans and advances) pursuant to any employee, officer or director compensation or benefit plans, customary indemnifications or arrangements entered into in the ordinary course of business;
- (6) transactions pursuant to agreements in effect on the Issue Date and described in the offering memorandum, as amended, modified or replaced from time to time so long as the amended, modified or new agreements, taken as a whole, are no less favorable to Suzano and its Subsidiaries than those in effect on the date of each of the Indentures;
- (7) any Sale and Leaseback Transaction otherwise permitted under the caption “—Limitation on Sale and Leaseback Transactions” if such transaction is on market terms;
- (8) transactions with customers, clients, distributors, suppliers or purchasers or sellers of goods or services, in each case in the ordinary course of business and on market terms;
- (9) the provision of administrative services to any joint venture on substantially the same terms provided to or by Subsidiaries of Suzano; and
- (10) any guarantee or security granted by an affiliate of Suzano in favor of Suzano or any of its Subsidiaries on market terms.

### ***Financial Reports***

So long as any Notes remain outstanding:

(a) Suzano will

- (1) in the event Suzano is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, provide the Trustee and the holders of Notes with annual financial statements audited by an internationally recognized firm of independent public accountants within 120 days of the end of each fiscal year and unaudited quarterly financial information within 90 days of the end of each of the first three fiscal quarters of each fiscal year, in each case prepared in accordance with Applicable GAAP and accompanied by a discussion and analysis substantially in the format of the “Management’s Discussion and Analysis of Financial Condition and Results of Operations”



that is included in this listing memorandum, in each case prepared in Portuguese and English, unless such information is publicly available on Suzano's website; or

- (2) in the event Suzano is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, provide the Trustee, promptly after their filing with the United States Securities and Exchange Commission (the "SEC"), for further delivery to a holder upon request by any such holder, with copies of:
  - a. annual reports on Form 20-F (or any successor form) filed with the SEC, and, if required by applicable securities law, a reconciliation to U.S. GAAP;
  - b. reports on Form 6-K (or any successor form) that include quarterly financial statements filed with the SEC; and
  - c. such other reports on Form 6-K (or any successor form) relating to the occurrence of an event that would be required to be report thereon;

unless such filings are publicly available on the SEC's EDGAR System;

(b) Upon request, Suzano will provide the Trustee, for further delivery to a holder upon request by such holder, with copies (including English translations of documents in other languages) of all public filings made by it with any stock exchange or securities regulatory agency promptly after their respective filing.

(c) At any time when Suzano is not subject to or is not current in its reporting obligations under Section 13 or 15(d) of the Exchange Act, Suzano will make available, upon request, to any holder of Notes and any prospective purchaser of Notes the information required pursuant to Rule 144A(d)(4) under the Securities Act.

(d) In addition, the Indentures will provide that Suzano shall at all times comply with the periodic reporting requirements of the Luxembourg Stock Exchange or any other stock exchange, if any, on which the Notes may be listed, in each case as in effect at the time of reporting so long as the Notes are listed on the Luxembourg Stock Exchange for trading on the Euro MTF market or any such other stock exchange.

(e) Delivery of these reports and information to the Trustee is for informational purposes only and the Trustee's receipt of them will not constitute constructive notice of any information contained therein or determinable for information contained therein, including the Issuer's or Suzano's compliance with any of its covenants in the Indentures (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

### ***Reports to Trustee***

Suzano will deliver to the Trustee:

- (1) within 120 days after the end of each fiscal year an Officer's Certificate stating that the Issuer and Suzano have fulfilled their obligations under the Indentures or, if there has been a Default, specifying the Default and its nature and status; and
- (2) as soon as possible and in any event within 10 days after it becomes aware or should reasonably become aware of the occurrence of a Default, an Officer's Certificate setting forth the details of the Default, and the action which the Issuer or Suzano, as applicable, proposes to take with respect thereto.

### ***Consolidation, Merger or Sale of Substantially All Assets***

- (a) Neither Suzano nor the Issuer will, in a single transaction or a series of related transactions:
  - consolidate with or merge with or into any Person, or
  - sell, convey, transfer, assign, or otherwise dispose of all or substantially all of its assets (determined on a consolidated basis for Suzano and its Subsidiaries, as the case may be) as an

entirety or substantially an entirety, in one transaction or a series of related transactions, to any Person, or

- permit any Person to merge with or into Suzano or the Issuer; in each case unless
- (1) either: (x) Suzano or the Issuer, as applicable, is the continuing Person; or (y) the resulting, surviving or transferee Person (the “Successor Company”) is (A) in the event of a merger of Suzano, a corporation organized and validly existing under the laws of Brazil or any political subdivision thereof, the United States of America or any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD) or (B) in the event of a merger of the Issuer, an entity organized and validly existing under the laws of Austria, the United States of America or any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD), and, in each case, expressly assumes by supplemental indenture, executed and delivered to the Trustee, in form as set forth in the Indentures or as otherwise satisfactory to the Trustee, all of the obligations of Suzano or the Issuer, as the case may be, under the Indentures and the Note Guarantees, as applicable;
  - (2) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing;
    - (i) if Suzano is organized under Brazilian law or the Issuer is organized under Austrian law, as applicable, and Suzano or the Issuer merges with a corporation, or the Successor Company is, organized under the laws of the United States, any State thereof or the District of Columbia or any country member of the OECD, or (ii) if Suzano or the Issuer is organized under the laws of the United States, any State thereof or the District of Columbia and merges with a corporation, or the Successor Company is, organized under the laws of Brazil or Austria, as applicable, or any country member of the OECD, then Suzano, the Issuer or the Successor Company will have delivered to the Trustee an Opinion of Counsel from each of Brazilian or Austrian, as applicable, U.S. and the successor jurisdiction counsel to the effect that, as applicable, the holders of the Notes will not recognize income, gain or loss for U.S. jurisdiction or Brazilian or Austrian jurisdiction, as applicable, or the successor jurisdiction income tax purposes as a result of such transaction; and
  - (3) Suzano, the Issuer or the Successor Company, as the case may be, delivers to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that the consolidation, merger or transfer and the supplemental indenture (if any) comply with the Indentures;

*provided*, that clause (2) does not apply to the consolidation or merger of Suzano or the Issuer with or into any of Suzano’s Subsidiaries or the consolidation or merger of a Subsidiary of Suzano with or into Suzano or the Issuer.

(b) Suzano shall not sell or otherwise transfer any Equity Interest in the Issuer (other than directors’ qualifying shares) to any other Person other than a Subsidiary of Suzano unless Suzano becomes the direct obligor under the Notes.

(c) Upon the consummation of any transaction effected in accordance with these provisions, if Suzano or the Issuer, as applicable, is not the continuing Person, the Successor Company will succeed to, and be substituted for, and may exercise every right and power of Suzano under the Note Guarantees, or the Issuer under the Indentures with the same effect as if such successor Person had been named as Suzano or the Issuer, as applicable, in the Indentures. Upon such substitution, unless the successor is one or more of Suzano’s Subsidiaries, Suzano or the Issuer, as applicable, will be released from its obligations under the Indentures or the Note Guarantees, as applicable.

### ***Maintenance of Properties***

Suzano will cause all properties used or useful in the conduct of its business or the business of any of its Subsidiaries to be maintained and kept in good condition, repair and working order as in the judgment of Suzano may be necessary so that the business of Suzano and its Subsidiaries may be properly and advantageously conducted

at all times; provided that nothing shall prevent Suzano or any of its Subsidiaries from discontinuing the use, operation or maintenance of any of such properties or disposing of any of them, if such discontinuance or disposal is, in the judgment of Suzano, desirable in the conduct of the business of Suzano and its Subsidiaries taken as a whole.

### ***Substitution of the Issuer***

The Issuer may, without the consent of any holder of the Notes (and, by purchasing any Notes, each holder expressly consents to the provisions of this section), be substituted by (a) Suzano or (b) any Wholly Owned Subsidiary of Suzano as principal debtor in respect of the Notes (in each case, in that capacity, the “Successor Issuer”); provided that the following conditions are satisfied:

(a) such documents will be executed by the Successor Issuer, the Issuer, Suzano and the Trustee as may be necessary to give full effect to the substitution, including (i) a supplemental indenture under which the Successor Issuer assumes all of the Issuer’s obligations under the Indentures and the Notes and, unless the Guarantor’s then existing Guarantee remain in full force and effect, substitute guarantees issued by the Guarantor in respect of the Notes and (ii) a Subsidiary guarantee by the Issuer (collectively, the “Issuer Substitution Documents”);

(b) the Issuer Substitution Documents will contain covenants (i) to ensure that each holder of the Notes has the benefit of a covenant in terms corresponding to the obligations of the Issuer in respect of the payment of Additional Amounts (but replacing references to Austria with references to the jurisdiction of organization of the Successor Issuer); and (ii) to indemnify each holder and beneficial owner of the Notes against all taxes or duties (a) which arise by reason of a law or regulation in effect or contemplated on the effective date of the substitution, which may be incurred or levied against such holder or beneficial owner of the Notes as a result of the substitution and which would not have been so incurred or levied had the substitution not been made and (b) which are imposed on such holder or beneficial owner of the Notes by any political subdivision or taxing authority of any country in which such holder or beneficial owner of the Notes resides or is subject to any such tax or duty and which would not have been so imposed had the substitution not been made;

(c) the Successor Issuer will deliver, or cause the delivery, to the Trustee of opinions from counsel reasonably satisfactory to the Trustee in the jurisdiction of organization of the Successor Issuer, Austria, Brazil, Luxembourg and New York as to the validity, legally binding effect and enforceability of the Issuer Substitution Documents, the Indentures, the Notes and the Note Guarantees and specified other legal matters, as well as an officers’ certificate and opinion as to compliance with the provisions of the Indentures, including those provisions described under this section;

(d) the Successor Issuer will appoint a process agent in the Borough of Manhattan in The City of New York to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes, the Indentures and the Issuer Substitution Documents;

(e) no Event of Default has occurred and is continuing; and

(f) the substitution will comply with all applicable requirements under the laws of the jurisdiction of organization of the Successor Issuer, Austria, Brazil and Luxembourg for the purpose of such substitution.

Upon the execution of the Issuer Substitution Documents, any substitute guarantee and compliance with the other conditions in the Indentures relating to the substitution, the Successor Issuer will be deemed to be named in the Notes as the principal debtor in place of the Issuer, any reference in this “Description of the Notes” to the Issuer shall from then on be deemed to refer to the Successor Issuer and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Successor Issuer.

Not later than 10 Business Days after the execution of the Issuer Substitution Documents, the Successor Issuer will give notice thereof to the holders of the Notes. Notice of any such substitution shall be published in accordance with the provisions set forth under “—Notices.”

Notwithstanding any other provision of the Indentures, the Guarantor will (unless it is the Successor Issuer) promptly execute and deliver any documents or instruments necessary or that the Trustee may reasonably request, to ensure that the Note Guarantees are in full force and effect for the benefit of the holders and beneficial owners of the Notes following the substitution.

See “Taxation—Certain United States Federal Income Tax Considerations.”

## **Default and Remedies**

### ***Events of Default***

An “Event of Default” with respect to each series occurs if:

- (1) the Issuer defaults in the payment of the principal or any related Additional Amounts, if any, of any Note of such series when the same becomes due and payable at maturity, upon acceleration or redemption, or otherwise;
- (2) the Issuer defaults in the payment of interest or any related Additional Amounts, if any, on any Note of such series when the same becomes due and payable, and the default continues for a period of 30 days;
- (3) Suzano or the Issuer fails to comply with the covenants described under the captions “—Certain Covenants—Consolidation, Merger or Sale of Substantially All Assets”;
- (4) the Issuer or Suzano, as the case may be, defaults in the performance of or breaches any other of its covenants or agreements in the Indentures in relation to the Notes or under the Notes and the default or breach continues for a period of 60 consecutive days after written notice to the Issuer and/or Suzano, as the case may be, by the Trustee acting at the written direction of holders of 25% or more in aggregate principal amount of the Notes, or to the Issuer, Suzano and the Trustee by the holders of 25% or more in aggregate principal amount of the Notes;
- (5) there occurs with respect to any Debt of Suzano or any of its Subsidiaries having an outstanding principal amount of U.S.\$75 million (or the equivalent thereof at the time of determination) or more in the aggregate for all such Debt of all such Persons (i) an event of default that results in such Debt being due and payable prior to its scheduled maturity or (ii) failure to make a principal payment when due and such defaulted payment is not made, waived or extended within the applicable grace period;
- (6) one or more final and non-appealable judgments or orders for the payment of money are rendered against the Issuer, Suzano or any of its Subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final and non-appealable judgment or order that causes the aggregate amount for all such final and non-appealable judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.\$75 million or the equivalent thereof at the time of determination (in excess of amounts which Suzano’s insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- (7) an involuntary case or other proceeding is commenced against the Issuer, Suzano or any of its Subsidiaries that is a Significant Subsidiary or any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a trustee, receiver, *administrador judicial*, liquidator, custodian or other similar official of it or any substantial part of its Property, and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 days; or a final order for relief is entered against the Issuer, Suzano or such Subsidiaries under relevant bankruptcy laws as now or hereafter in effect;
- (8) the Issuer, Suzano or any of its Subsidiaries that is a Significant Subsidiary or any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary (i) commences a voluntary case or other proceeding seeking liquidation, reorganization, *recuperação judicial ou extrajudicial* or

- other relief with respect to itself or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, *administrador judicial*, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Issuer, Suzano or any such Subsidiaries or for all or substantially all of the Property of the Issuer, Suzano or any such Subsidiaries or (iii) effects any general assignment for the benefit of creditors (an event of default specified in clause (7) or (8) a “bankruptcy default”);
- (9) the applicable Note Guarantee ceases to be in full force and effect, other than in accordance with the terms of the applicable Indenture, or the Guarantor denies or disaffirms its obligations under such Note Guarantee;
- (10) any event occurs that under the laws of Brazil, Austria or any political subdivision thereof or any other country has substantially the same effect as any of the events a bankruptcy default; or
- (11) all or substantially all of the undertaking, assets and revenues of the Issuer, Suzano or any of its Subsidiaries that is a Significant Subsidiary or any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or the Issuer, Suzano or any of its Subsidiaries that is a Significant Subsidiary or any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary is prevented by any such Person for a period of 60 consecutive days or longer from exercising normal control over all or substantially all of its undertaking, assets and revenues.

### ***Consequences of an Event of Default***

If an Event of Default, other than a bankruptcy default with respect to the Issuer, the Guarantor or any of Suzano’s Subsidiaries that is a Significant Subsidiary or any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary, occurs and is continuing with respect to any Notes of a series under the Indentures, the Trustee or the holders of at least 25% in aggregate principal amount of the Notes of such series then outstanding, by written notice to the Issuer and to the Guarantor (and to the Trustee if the notice is given by the holders), may, and the Trustee at the request of such holders shall, declare the unpaid principal of and accrued interest on the Notes of such series to be immediately due and payable. Upon a declaration of acceleration, such principal and interest will become immediately due and payable. If a bankruptcy default occurs, the unpaid principal of and accrued interest on the Notes then outstanding will become immediately due and payable without any declaration or other act on the part of the Trustee or any holder. In this case, the Guarantor will be required, and will agree in the Indentures, to duly comply with any and all then-applicable Central Bank regulations for remittance of funds outside of Brazil.

The holders of a majority in principal amount of the outstanding Notes by written notice to the Issuer, the Guarantor and to the Trustee may waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

- (1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by the declaration of acceleration, have been cured or waived,
- (2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction, and
- (3) the Issuer or the Guarantor has deposited with the Trustee of a sum sufficient to pay all sums paid or advanced by the Trustee and the reasonable fees, expenses, disbursements and advances of the Trustee, its agents and counsel, in each case incurred in connection with such Event of Default.

Except as otherwise provided in “—Consequences of an Event of Default” or “—Amendments and Waivers— Amendments with Consent of Holders” the holders of a majority in principal amount of the outstanding Notes of the applicable series may, by notice to the Trustee, waive an existing Default and its consequences. Upon such waiver, the Default with respect to such series will cease to exist, and any Event of Default arising therefrom

will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

The holders of a majority in principal amount of the outstanding Notes of the applicable series may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or the Indentures, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of holders of Notes of the applicable series not joining in the giving of such direction, and may take any other action it deems proper that is not inconsistent with any such direction received from holders of Notes of the applicable series.

A holder of any Note may not institute any proceeding, judicial or otherwise, with respect to the Indentures or the Notes, or for the appointment of a receiver or trustee, or for any other remedy under the Indentures or the Notes, unless:

- (1) the holder has previously given to the Trustee written notice of a continuing Event of Default;
- (2) holders of at least 25% in aggregate principal amount of outstanding Notes of the applicable series have made written request to the Trustee to institute proceedings in respect of the Event of Default in its own name as Trustee under the Indentures;
- (3) holders of Notes of the applicable series have offered to the Trustee indemnity and/or security satisfactory to the Trustee against any costs, liabilities or expenses to be incurred in compliance with such request;
- (4) the Trustee within 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- (5) during such 60-day period, the holders of a majority in aggregate principal amount of the outstanding Notes of the applicable series have not given the Trustee a written direction that is inconsistent with such written request.

Notwithstanding anything to the contrary, the right of a holder of a Note to receive payment of principal of or interest on its Note on or after the Stated Maturity thereof, or to bring suit for the enforcement of any such payment on or after such dates, may not be impaired or affected without the written consent of that holder.

If any Event of Default with respect to a series occurs and is continuing and is known to a responsible officer of the Trustee (it being understood and agreed that any Event of Default other than a default in payment of principal and/or interest with respect to the Notes will only be known by the Trustee upon a responsible officer of the Trustee's receipt of a written notice specifying such Event of Default at its Corporate Trust Office), the Trustee will send notice of the Event of Default to each holder of Notes of such series within 90 days after it occurs, unless the Event of Default has been cured; provided that, except in the case of a default in the payment of the principal of or interest on any Note, the Trustee may withhold the notice if and so long as a trust committee of trust officers of the Trustee in good faith determines that withholding the notice is in the interest of the holders.

***No Liability of Directors, Officers, Employees, Incorporators, Members and Stockholders***

No director, officer, employee, incorporator, member or stockholder of the Issuer or the Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantor under the Notes, the Note Guarantees or the Indentures or for any claim based on, in respect of, or by reason of, such obligations. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. This waiver may not be effective to waive liabilities under U.S. securities laws, Austrian law, or under the Brazilian corporate law, and it is the view of the U.S. Securities and Exchange Commission that such a waiver is against public policy.

## **Amendments and Waivers**

### ***Amendments Without Consent of Holders.***

The Issuer, the Guarantor and the Trustee may amend or supplement the Indentures with respect to the Notes of a series without notice to or the consent of any noteholder:

- (1) to cure any ambiguity, defect or inconsistency in the Indentures with respect to the Notes;
- (2) to comply with the covenant described under the caption “—Certain Covenants—Consolidation, Merger or Sale of Substantially All Assets” with respect to the Notes;
- (3) to evidence and provide for the acceptance of an appointment by a successor trustee with respect to the Notes;
- (4) to provide for uncertificated Notes in addition to or in place of Certificated Notes;
- (5) to provide for any Guarantee of the Notes, to secure the Notes or to confirm and evidence the release, termination or discharge of any Guarantee of or Lien securing the Notes when such release, termination or discharge is permitted by the Indentures;
- (6) to provide for or confirm the issuance of additional notes; or
- (7) to make any other change that does not materially, adversely affect the rights of any holder of Notes or to conform the Indentures to this “Description of the Notes” as evidenced by an Opinion of Counsel delivered to the Trustee.

### ***Amendments with Consent of Holders.***

(a) Except as otherwise provided in “—Default and Remedies—Consequences of an Event of Default” or paragraph (b), the Issuer, the Guarantor and the Trustee may amend the Indentures and the Notes of a series with the written consent of the holders of a majority in principal amount of the outstanding Notes of such series and the holders of a majority in principal amount of the outstanding Notes of such series may waive future compliance by the Issuer or the Guarantor with any provision of the Indentures or the Notes of such series.

(b) Notwithstanding the provisions of paragraph (a), without the consent of each holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting holder):

- (1) reduce the principal amount of or change the Stated Maturity of any installment of principal of any Note;
- (2) reduce the rate of or change the payment date of any interest payment on any Note;
- (3) reduce the amount payable upon the redemption of any Note in respect of an optional redemption, change the times at which any Note may be redeemed or, once notice of redemption has been given, change the time at which it must thereupon be redeemed;
- (4) after the time an Offer to Purchase is required to have been made, reduce the purchase amount or purchase price, or extend the latest expiration date or purchase date thereunder with respect to the Notes;
- (5) make any Note payable in currency or at any place other than that stated in the relevant Note;
- (6) impair the right of any holder of Notes to institute suit for the enforcement of any payment on or with respect to any Note;
- (7) make any change in the percentage of the principal amount of the Notes required for amendments or waivers;

- (8) modify or change any provision of the Indentures affecting the ranking of the Notes in a manner adverse to the holders of the Notes; or
- (9) make any change in the Note Guarantees that would materially and adversely affect the holders of Notes.

It is not necessary for holders of the Notes to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

The Luxembourg Stock Exchange will be notified of any amendment regardless of whether noteholders' approval is required.

Neither Suzano nor any of its Subsidiaries or Affiliates may, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indentures or the Notes unless such consideration is offered to be paid or agreed to be paid to all holders of the Notes that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to the consent, waiver or amendment.

### ***Satisfaction and Discharge***

Each Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when, with respect to the Notes issued thereunder:

- (1)
  - a. all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or
  - b. all Notes that have not been delivered to the Trustee for cancellation have become due and payable or will become due and payable within one year due to maturity or redemption and the Issuer or the Guarantor have irrevocably deposited or caused to be deposited with the Trustee as funds in trust solely for the benefit of the holders of Notes, U.S. dollars or U.S. Government Obligations, in amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Debt on the Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption in respect of the Notes;
- (2) no Default or Event of Default has occurred in respect of the Notes and will continue after the date of the deposit or will occur as a result of the deposit and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Issuer, Suzano or any of its Subsidiaries is a party or by which the Issuer, Suzano or any of its Subsidiaries is bound;
- (3) the Issuer, Suzano or any of its Subsidiaries has paid or caused to be paid all other sums payable by it under the Indentures in respect of the Notes; and
- (4) the Issuer and the Guarantor have delivered irrevocable instructions to the Trustee under the Indentures to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be and in case of redemption, has given notice of redemption.

In addition, the Issuer and the Guarantor must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge of the Indentures in respect of the Notes have been satisfied.



## **Defeasance**

*With respect to the Notes of a series, the Issuer may elect to:*

- (1) discharge most of its obligations in respect of such Notes and the applicable Indenture, not including obligations related to the defeasance trust or to the replacement of such Notes or its obligations to the Trustee (“legal defeasance”); or
- (2) discharge its obligations under most of the covenants, as set forth in the applicable Indenture (and the events listed in clauses (4), (5), (6), (9) and (11) under “—Default and Remedies—Events of Default” will no longer constitute Events of Default) (“covenant defeasance”) with respect to such Notes by irrevocably depositing in trust with the Trustee U.S. dollars or U.S. Government Obligations sufficient to pay principal of and interest on such Notes to maturity or redemption and by meeting certain other conditions, including delivery to the Trustee of either a ruling received from the Internal Revenue Service or an Opinion of Counsel to the effect that the holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would otherwise have been the case. In the case of legal defeasance or discharge, such an opinion could not be given absent a change of law after the date of the Indentures. In addition, in the case of any legal defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel in each of Austria, Brazil and any other jurisdiction in which the Issuer or the Guarantor are organized or is resident for tax purposes, to the effect that holders of the applicable Notes will not recognize income, gain or loss in the relevant jurisdiction (as applicable) as a result of such deposit and defeasance and will be subject to taxes in the relevant jurisdiction (other than withholding taxes) (as applicable) on the same amounts, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred. In the case of any legal defeasance, the defeasance would in each case be effective when 90 days have passed since the date of the deposit in trust.

In the case of either discharge or legal defeasance of any Notes, the Note Guarantee with respect to such Notes will terminate.

## **Concerning the Trustee**

Deutsche Bank Trust Company Americas is the Trustee under each of the Indentures, with its corporate trust office in the Borough of Manhattan, New York City.

Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in the Indentures and no others, and no implied covenants or obligations will be read into the Indentures against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise those rights and powers vested in it by the Indentures, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. No provision of the Indentures will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity and/or security satisfactory to it against any loss, liability or expense.

The holders may have access to the applicable Indenture at the corporate office of the Trustee.

## **Replacement of Trustee**

The Trustee may resign at any time by 30 days prior written notice to the Issuer and Suzano.

The holders of a majority in principal amount of the outstanding Notes may remove the Trustee by 30 days prior written notice to the Trustee.

If the Trustee is no longer eligible pursuant to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”), any holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee.

The Issuer shall remove the Trustee if: (i) the Trustee is no longer eligible pursuant to the Trust Indenture Act; (ii) the Trustee is adjudged a bankrupt or an insolvent; (iii) a receiver or other public officer takes charge of the Trustee or its property; or (iv) the Trustee becomes incapable of acting. In addition, the Issuer may remove the Trustee at any time for any reason to the extent the Issuer has given the Trustee at least 30 days' written notice and as long as no Default or Event of Default has occurred and is continuing.

A resignation or removal of the Trustee and appointment of a successor trustee will become effective only upon the successor trustee's acceptance of appointment as provided in this Section.

If the Trustee has been removed by the holders, holders of a majority in principal amount of the Notes may appoint a successor trustee with the consent of the Issuer. Otherwise, if the Trustee resigns or is removed, or if a vacancy exists in the office of Trustee for any reason, the Issuer will promptly appoint a successor trustee, provided, however, that in case of a bankruptcy, the resigning Trustee will have the right to appoint a successor trustee within 10 Business Days after giving of such notice of resignation if the Issuer has not already appointed a successor trustee. If the successor trustee does not deliver its written acceptance within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the holders of a majority in principal amount of the outstanding Notes may appoint a successor trustee or may petition any court of competent jurisdiction for the appointment of a successor trustee.

Upon delivery by the successor trustee of a written acceptance of its appointment to the retiring Trustee and to the Issuer, (i) the retiring Trustee will, upon payment of its charges, transfer all property held by it as Trustee to the successor trustee, (ii) the resignation or removal of the retiring Trustee will become effective, and (iii) the successor trustee will have all the rights, powers and duties of the Trustee under the Indentures. Upon request of any successor trustee, the Issuer will execute any and all instruments for fully vesting in and confirming to the successor trustee all such rights, powers and trusts. The Issuer will give notice of any resignation and any removal of the Trustee and each appointment of a successor trustee to all holders, and include in the notice the name of the successor trustee and the address of its Corporate Trust Office.

### **Paying Agents**

The Trustee will initially act as the paying agent for the Notes. The Issuer may appoint other paying agents in addition to the initial paying agent.

### **Transfer and Exchange**

The Trustee will initially act as the transfer agent and registrar for the Notes. A holder may transfer or exchange Notes at the office designated by the Issuer for such purposes, which initially will be the Corporate Trust Office of the Trustee in New York, New York. The registrar may require a holder, among other things, to furnish appropriate endorsements and transfer documents in the form provided and as specified in the Indentures. See "Book Entry, Delivery and Form—Global Notes" and "—Certificated Notes" for a description of additional transfer restrictions applicable to the Notes. Upon any change in the registrar, the Issuer will publish a notice on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

No service charge will be imposed in connection with any transfer or exchange of any Note, but the Issuer may in general require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

### **Listing**

In the event that the Notes offered hereby are listed on the Luxembourg Stock Exchange for trading on the Euro MTF market, the Issuer and Suzano will use their commercially reasonable efforts to maintain such listing; provided, that if such listing of the Notes shall be obtained and it subsequently becomes impracticable or unduly burdensome, in the good faith determination of the Issuer and Suzano, to maintain, due to changes in listing requirements occurring subsequent to the Issue Date, Suzano may de-list the Notes from the Luxembourg Stock Exchange; and, in the event of any such de-listing, Suzano shall use commercially reasonable efforts to obtain an alternative admission to listing, trading and/or quotation of the Notes by another listing authority, exchange or system within or outside the European Union as it may reasonably decide, provided, that if such alternative

admission is not available or is, in the Issuer and Suzano's reasonable opinion, unduly burdensome, the Issuer and Suzano shall have no further obligation in respect of any listing of the Notes.

## **Notices**

As long as Notes in global form are outstanding, notices to be given to holders will be given to the depository, in accordance with its applicable policies as in effect from time to time. If the Issuer issues Notes in certificated form, notices to be given to holders will be sent by mail to the respective addresses of the holders as they appear in the Trustee's records, and will be deemed given when mailed. For so long as any Notes are listed on the Luxembourg Stock Exchange and traded on the Euro MTF market and in accordance with the rules and regulations of the Luxembourg Stock Exchange, the Issuer will publish all notices to holders on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

Neither the failure to give any notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder.

## **Governing Law**

The Indentures, the Notes and the Note Guarantees shall be governed by, and construed in accordance with, the laws of the State of New York.

## **Prescription**

Claims filed in the courts of the State of New York for payment of principal and interest in respect of the Notes (including Additional Amounts) will be subject to the applicable statute of limitations for such claims, which is currently six years.

## **Consent to Jurisdiction**

Each of the parties to the Indentures will irrevocably submit to the jurisdiction of any New York State or United States Federal court sitting in the City of New York in respect of any suit, action or proceeding arising out of or relating to the Indentures or any Note or Note Guarantee. Each of the parties to the Indentures will irrevocably waive, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such courts and any claim that any such suit, action or proceeding brought in such courts, has been brought in an inconvenient forum and any right to which it may be entitled on account of place of residence or domicile. To the extent that the Issuer or the Guarantor have or hereafter may acquire any immunity from jurisdiction of any court or from any legal process with respect to itself or its property, each of the Issuer and any Guarantor has irrevocably waived such immunity in respect of (i) its obligations under the Indentures and (ii) any Note or Note Guarantee. Each of the parties to the Indentures will agree that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding on them and may be enforced in any court to the jurisdiction of which each of them is subject by a suit upon such judgment, provided, that service of process is effected upon the Issuer in the manner specified in the following paragraph or as otherwise permitted by law.

As long as any of the Notes remain outstanding, the Issuer and the Guarantor will at all times have an authorized agent in the City of New York, upon whom process may be served in any legal action or proceeding arising out of or relating to the Indentures or any Note or Note Guarantee. Service of process upon such agent and written notice of such service mailed or delivered to the Issuer shall to the extent permitted by law be deemed in every respect effective service of process upon the Issuer or the Guarantor in any such legal action or proceeding. The Issuer and the Guarantor will appoint Corporation Service Company as their agent for such purpose, and covenant and agree that service of process in any suit, action or proceeding may be made upon it at the office of such agent at 1180 Avenue of the Americas, Suite 210, New York, NY 10036, United States (or at such other address or at the office of such other authorized agent as the Issuer or the Guarantor may designate by written notice to the Trustee).

## **Judgment Currency**

U.S. dollars are the sole currency of account and payment for all sums due and payable by the Issuer and the Guarantor under the Indentures, the Notes and the Note Guarantees. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in U.S. dollars into another currency, the Issuer and the Guarantor will agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Trustee determines a Person could purchase U.S. dollars with such other currency in New York, New York, on the Business Day immediately preceding the day on which final judgment is given.

The obligation of each of the Issuer and the Guarantor in respect of any sum due to any noteholder or the Trustee in U.S. dollars shall, to the extent permitted by applicable law, notwithstanding any judgment in a currency other than U.S. dollars, be discharged only to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency such noteholder or Trustee may in accordance with normal banking procedures purchase U.S. dollars in the amount originally due to such Person with the judgment currency. If the amount of U.S. dollars so purchased is less than the sum originally due to such Person, each of the Issuer and the Guarantor agrees, jointly and severally, as a separate obligation and notwithstanding any such judgment, to indemnify such Person against the resulting loss; and if the amount of U.S. dollars so purchased is greater than the sum originally due to such Person, such Person will, by accepting a Note, be deemed to have agreed to repay such excess.

### **Certain Definitions**

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”) with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Applicable GAAP” means either (i) generally accepted accounting principles in Brazil, which are based on the Brazilian corporate law, the rules and regulations of the Brazilian securities commission and the accounting standards issued by the Brazilian Institute of Independent Accountants (*Instituto dos Auditores Independentes do Brasil*, IBRACON) (whether or not Suzano or any of its Subsidiaries or Affiliates is otherwise subject to such rules) as in effect as in effect from time to time, or (ii) International Financial Reporting Standards as in effect from time to time (IFRS).

“Attributable Debt” means, in respect of a Sale and Leaseback Transaction the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

“Austria” means the Republic of Austria and any branch of power, ministry, department, authority or statutory corporation or other entity (including a trust) owned or controlled directly or indirectly by it or any of the foregoing or created by law as a public entity.

“Brazil” means The Federative Republic of Brazil and any branch of power, ministry, department, authority or statutory corporation or other entity (including a trust) owned or controlled directly or indirectly by it or any of the foregoing or created by law as a public entity.

“Business Day” means any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in the City of New York or São Paulo.

“Capital Lease” means, with respect to any Person, any lease of any Property which, in conformity with Applicable GAAP, is required to be capitalized on the balance sheet of such Person.

“Capital Stock” means, with respect to any Person, any and all shares of stock of a corporation, partnership interests or other equivalent interests (however designated, whether voting or non-voting) in such Person’s equity,

including any Preferred Stock, entitling the holder to receive a share of the profits and losses, and a distribution of assets, after liabilities, of such Person.

“Central Bank” means the Brazilian Central Bank (Banco Central do Brasil).

“Change of Control” means the consummation of any transaction by which (i) any “person” or “group” (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act), other than a person or group that includes any one or more of the Permitted Holders, becomes after the date hereof the “beneficial owner” (as such term is used in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the outstanding Voting Stock of Suzano or (ii) (x) the Permitted Holders cease to “beneficially own” (as such term is used in Rule 13d-3 under the Exchange Act), directly or indirectly, collectively, at least 50% of the total voting power of the outstanding Voting Stock of Suzano, (y) any “person” or “group” (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act), other than a person or group that includes any one or more of the Permitted Holders, becomes after the date hereof the “beneficial owner” (as such term is used in Rule 13d-3 under the Exchange Act), directly or indirectly, of a greater percentage of the total voting power of the outstanding Voting Stock of Suzano than the percentage beneficially owned collectively by the Permitted Holders, and (z) the Permitted Holders cease to have, directly or indirectly, the power to direct or cause the direction of the management and policies of Suzano.

“Consolidated Net Tangible Assets” means the total amount of assets of Suzano and its Subsidiaries on a consolidated basis, less current liabilities, less depreciation, amortization and depletion, less goodwill, trade names, trademarks, patents and other intangibles, calculated based on the most recent balance sheet for which internal financial statements are available, all calculated in accordance with Applicable GAAP and calculated on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by Suzano and its Subsidiaries subsequent to such date and on or prior to the date of determination.

“Debt” means, with respect to any Person, without duplication,

- (1) all indebtedness of such Person for borrowed money;
- (2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments, excluding obligations in respect of trade letters of credit or bankers’ acceptances issued in respect of trade accounts payables to the extent not drawn upon or presented, or, if drawn upon or presented, to the extent the resulting obligation of the Person is paid within 10 Business Days;
- (4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, all conditional sale obligations and all obligations of such person under any title retention agreement, excluding trade payables arising in the ordinary course of business;
- (5) all obligations of such Person as lessee under Capital Leases;
- (6) all Debt of other Persons guaranteed by such Person to the extent so guaranteed;
- (7) all Debt of other Persons secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person;
- (8) all obligations of such Person under Hedging Agreements;
- (9) all Disqualified Equity Interests issued by such Person, valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends; and
- (10) all Preferred Stock issued by a Subsidiary of such Person, valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends;

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person.

The amount of Debt of any Person will be deemed to be:

(a) with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation;

(b) with respect to Debt secured by a Lien on an asset of such Person but not otherwise the obligation, contingent or otherwise, of such Person, the lesser of (x) the fair market value of such asset on the date the Lien attached and (y) the amount of such Debt;

(c) with respect to any Debt issued with original issue discount, the face amount of such Debt less the remaining unamortized portion of the original issue discount of such Debt;

(d) with respect to any Hedging Agreement, the net amount payable if such Hedging Agreement terminated at that time due to default by such Person; and

(e) otherwise, the outstanding principal amount thereof.

“Default” means any event that is, or after notice or passage of time or both would be, an Event of Default.

“Disqualified Equity Interests” means Equity Interests that by their terms or upon the happening of any event are:

(1) required to be redeemed or redeemable at the option of the holder prior to the Stated Maturity of the Notes for consideration other than Qualified Equity Interests, or

(2) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Debt;

*provided* that Equity Interests will not constitute Disqualified Equity Interests solely because of provisions giving holders thereof the right to require repurchase or redemption upon a “Change of Control” occurring prior to the Stated Maturity of the Notes if those provisions:

(a) are no more favorable to the holders than the covenant described under the caption “—Repurchase of Notes Upon a Change of Control” and

(b) specifically state that repurchase or redemption pursuant thereto will not be required prior to the Issuer’s repurchase of the Notes as required by the Indentures.

“Disqualified Stock” means Capital Stock constituting Disqualified Equity Interests.

“Equity Interests” means all Capital Stock and all warrants or options with respect to, or other rights to purchase, Capital Stock, but excluding Debt convertible into equity.

“Event of Default” has the meaning given to it under “—Default and Remedies—Events of Default.”

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

“Fitch” means Fitch Ratings Inc. and its successors.

“Guarantee” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (ii) entered into for purposes of assuring

in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; provided that the term “Guarantee” does not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

“Guarantor” means Suzano.

“Hedging Agreement” means (i) any interest rate swap agreement, interest rate cap agreement or other agreement designed to protect against fluctuations in interest rates or (ii) any foreign exchange forward contract, currency swap agreement or other agreement designed to protect against fluctuations in foreign exchange rates or (iii) any commodity or raw material futures contract or any other agreement designed to protect against fluctuations in raw material prices.

“Hedging Obligations” means the obligations of any Person pursuant to any Hedging Agreement.

“Investment Grade” means “BBB-” or higher by S&P, “Baa3” or higher by Moody’s or “BBB-” or higher by Fitch, or the equivalent of such global ratings by S&P, Moody’s or Fitch.

“Issue Date” means May 29, 2019 with respect to the 2030 Notes, and March 16, 2017 with respect to the 2047 Notes.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or Capital Lease).

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Note Guarantees” means the guarantee of the Notes by Suzano pursuant to each of the Indentures.

“Officer’s Certificate” means a certificate signed by any of the chief executive officer, the chief operating officer, the chief financial officer, the chief accounting officer, the treasurer, a director, the general counsel or any vice president of the Issuer or Suzano.

“Opinion of Counsel” means a written opinion of counsel, who may be an employee of or counsel for the Issuer, Suzano (except as otherwise provided in the Indentures), as reasonably acceptable to the Trustee.

“Permitted Holders” means (i) Suzano Holding S.A. or any Affiliate thereof, David Feffer, Daniel Feffer, Jorge Feffer, Ruben Feffer, Lisabeth S. Sander, Janet Guper, André Guper, Pedro Noah Hornett Guper and Ian Baruch Hornett Guper, or any of their respective successors, or (ii) an entity that is directly or indirectly controlled by one or more of the Persons listed in clause (i).

“Permitted Liens” means:

- (1) any Lien existing on the date of each of the Indentures, and any extension, renewal or replacement thereof or of any Lien in clauses (2) or (3) below; provided, however, that the total amount of Debt so secured is not increased plus any fees and expenses in connection with such extension, renewal or replacement;
- (2) any Lien on any property or assets (including Capital Stock of any person) securing Debt incurred solely for purposes of financing the acquisition, construction or improvement of such property or assets after the date of each of the Indentures; provided that (a) the aggregate principal amount of Debt secured by the Liens will not exceed (but may be less than) 130% of the cost (i.e., purchase price) of the property or assets so acquired, constructed or improved and (b) the Lien is incurred before, or within 365 days after the completion of, such acquisition, construction or improvement and does not encumber any other property or assets of Suzano or any of its Subsidiaries; and provided, further, that to the extent that the property or asset acquired is Capital Stock, the Lien also may encumber other property or assets of the person so acquired;

- (3) any Lien securing Debt incurred for the purpose of financing all or part of the cost of the acquisition, construction or development of a project; provided that the lenders of such Debt expressly agree to limit their recourse in respect of such Debt to assets (including Capital Stock of the project entity) and/or revenues of such project with an aggregate value of not more than the amount of such Debt; and provided, further, that the Lien is incurred before, or within 365 days after the completion of, that acquisition, construction or development and does not apply to any other property or assets of Suzano or any Subsidiary;
- (4) any Lien existing on any property or assets of any person before that person's acquisition (in whole or in part) by, merger into or consolidation with Suzano or any of its Subsidiaries after the date of each of the Indentures; provided that the Lien is not created in contemplation of or in connection with such acquisition, merger or consolidation;
- (5) any Lien in favor of issuers of surety bonds or letters of credit issued pursuant to the request of and for the account of Suzano or any of its Subsidiaries in the ordinary course of business;
- (6) any Liens granted to secure borrowings from, directly or indirectly, (a) *Banco Nacional de Desenvolvimento Econômico e Social*—BNDES (including borrowings from any Brazilian governmental bank with funds provided by Brazilian regional funds including *Financiadora de Estudos e Projetos* – FINEP, *Fundo de Desenvolvimento do Nordeste* – FDNE, *Banco do Nordeste do Brasil* and *Fundo de Desenvolvimento do Centro Oeste* – FCO), or any other Brazilian governmental development bank or credit agency or (b) any international or multilateral development bank or government-sponsored agency, export-import bank or official export-import credit insurer;
- (7) any pledge or deposit made in connection with workers' compensation, unemployment insurance or other similar social security legislation, any deposit to secure appeal bonds, judicial deposits or other similar guarantees in proceedings being contested in good faith to which Suzano or any Subsidiary is a party, good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which Suzano or any its Subsidiaries is a party or deposits for the payment of rent, in each case made in the ordinary course of business;
- (8) any Lien imposed by law that was incurred in the ordinary course of business, including, without limitation, carriers', warehousemen's and mechanics' liens and other similar encumbrances arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith by appropriate proceedings;
- (9) any rights of set-off of any Person with respect to any deposit account of Suzano or any of its Subsidiaries arising in the ordinary course of business;
- (10) any Lien on cash or cash equivalents securing Hedging Agreements or other similar transactions in the ordinary course of business;
- (11) any Lien securing taxes, assessments and other governmental charges, the payment of which are not yet due or are being contested in good faith by appropriate proceedings and for which such reserves or other appropriate provisions, if any, have been established as required by Applicable GAAP;
- (12) any Liens on the receivables of Suzano or any of its Subsidiaries securing the obligations of such Person under any line of credit or working capital facility; provided that the aggregate amount of receivables securing Debt shall not exceed 80% of Suzano's and its Subsidiaries' aggregate outstanding receivables from time to time; and
- (13) in addition to the foregoing Liens set forth in clauses (1) through (12) above, Liens securing Debt of Suzano or any of its Subsidiaries which do not in aggregate principal amount, at any time of determination, exceed 17% of Suzano's Consolidated Net Tangible Assets (the "General Liens Basket").



“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, including a government or political subdivision or an agency or instrumentality thereof.

“Preferred Stock” means, with respect to any Person, any Capital Stock of such Person that has preferential rights over any other Capital Stock of such Person with respect to dividends, distributions or redemptions or upon liquidation.

“Property” means (i) any land, buildings, machinery and other improvements and equipment located therein, (ii) any intangible assets, including, without limitation, any brand names, trademarks, copyrights and patents and similar rights and any income (licensing or otherwise), proceeds of sale or other revenues therefrom.

“Qualified Equity Interests” means all Equity Interests of a Person other than Disqualified Equity Interests. “Qualified Stock” means all Capital Stock of a Person other than Disqualified Stock.

“Rating Agency” means S&P, Fitch or Moody’s; or if S&P, Fitch or Moody’s are not making rating of the Notes publicly available, an internationally recognized U.S. rating agency or agencies, as the case may be, selected by the Issuer, which will be substituted for S&P, Fitch or Moody’s, as the case may be.

“Rating Decline” means that at any time within 90 days (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible down grade by either Rating Agency) after the earlier of the date of public notice of a Change of Control and of the Issuer’s intention or that of any Person to effect a Change of Control, (i) in the event the Notes are assigned an Investment Grade rating by at least two of the Rating Agencies prior to such public notice, the rating of such Notes by at least two of the Rating Agencies shall be below an Investment Grade Rating; or (ii) in the event such Notes are not assigned an Investment Grade Rating by at least two of the Rating Agencies prior to such public notice, the rating of such Notes by at least two of the Rating Agencies shall be decreased by one or more categories, provided that there shall be no Rating Decline to the extent such Notes continue to have an Investment Grade Rating by at least one of the Ratings Agencies.

“R\$” means the *real*, being the lawful currency in Brazil.

“Sale and Leaseback Transaction” means, with respect to any Person, an arrangement whereby such Person enters into a lease of property previously transferred by such Person to the lessor.

“S&P” means Standard & Poor’s Ratings Group, a division of McGraw Hill, Inc. and its successors. “Securities Act” means the United States Securities Act of 1933, as amended.

“Significant Subsidiary” of any Person means any Subsidiary of Suzano, or any group of Subsidiaries, if taken together as a single entity, that would be a “significant subsidiary” of such Person within the meaning of Rule 1-02 under Regulation S-X promulgated pursuant to the Securities Act.

“Stated Maturity” means (i) with respect to any Debt, the date specified as the fixed date on which the final installment of principal of such Debt is due and payable or (ii) with respect to any scheduled installment of principal of or interest on any Debt, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Debt, not including any contingent obligation to repay, redeem or repurchase prior to the regularly scheduled date for payment.

“Subsidiary” means with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which more than 50% of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more Subsidiaries of such Person (or a combination thereof).

“Trustee” means the party named as such in this Description of the Notes until a successor replaces it and, thereafter, means the Successor.

“U.S. GAAP” means generally accepted accounting principles in the U.S. as in effect from time to time.

“U.S. Government Obligations” means obligations issued or directly and fully guaranteed or insured by the United States of America or by any agent or instrumentality thereof, provided that the full faith and credit of the United States of America is pledged in support thereof.

“Voting Stock” means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

“Wholly Owned Subsidiary” means a Subsidiary of which at least 95% of the Capital Stock (other than directors’ qualifying shares) is directly or indirectly owned by Suzano.

### **Book Entry, Delivery and Form**

The Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A (“Rule 144A Notes”). Notes also may be offered and sold in offshore transactions in reliance on Regulation S (“Regulation S Notes”). Notes will be issued at the closing of this offering against payment in immediately available funds.

Rule 144A Notes are represented by one or more notes in registered, global form without interest coupons (collectively, the “Rule 144A Global Notes”). Regulation S Notes are represented by one or more notes in registered, global form without interest coupons (collectively, the “Regulation S Global Notes” and, together with the Rule 144A Global Notes, the “Global Notes”).

The Global Notes will be deposited upon issuance with the Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the “restricted period”), beneficial interests in the Regulation S Global Notes may be held only by Reg S persons, unless transferred to a person that takes delivery through a Rule 144A Global Note in accordance with the certification requirements described below. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except to a Reg S person. See “—Exchanges Between Regulation S Notes and Rule 144A Notes.”

The 2047 Notes offered hereby and sold in reliance on Regulation S had temporary CUSIP and ISIN numbers during a 40-day distribution compliance period commencing on their date of issuance. After such 40-day distribution compliance period, the 2047 Notes offered hereby sold in reliance on Regulation S had the same CUSIP and ISIN numbers as, and became fungible with, the Original 2047 Notes sold in reliance on Regulation S. The 2047 Notes offered and sold in reliance on Rule 144A had, commencing on their date of issuance, the same CUSIP and ISIN numbers as, and are fungible with, the Original 2047 Notes and offered and sold in reliance on Rule 144A.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for Notes in certificated form except in the limited circumstances described below. See “—Exchange of Global Notes for Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of notes in certificated form.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) are subject to certain restrictions on transfer and bear a restrictive legend as described under “Transfer Restrictions.” Regulation S Notes also bear the legend as described under “Transfer Restrictions.” In addition, transfers of beneficial interests in the Global Notes are subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

### **Depository Procedures**

The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited purpose trust company created to hold securities for its participating organizations (collectively, the “participants”) and to facilitate the clearance and settlement of transactions in those securities between participants through electronic book entry changes in accounts of its participants. The participants include securities brokers and dealers (including the initial purchasers), banks, trust

companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain custodial relationship with a participant, either directly or indirectly (collectively, the "indirect participants"). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants.

The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

- (1) upon deposit of the Global Notes, DTC will credit the accounts of participants designated by the initial purchasers with portions of the principal amount of the Global Notes; and
- (2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes who are participants in DTC's system may hold their interests therein directly through DTC. Investors in the Rule 144A Global Notes who are not participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are participants in such system. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests may be affected by the lack of a physical certificate evidencing such interests.

**Except as described below, owners of interests in the Global Notes will not have notes registered in their names, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indentures for any purpose.**

Payments in respect of the principal of, and interest and premium and additional interest, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indentures. Under the terms of the Indentures, the Issuer and the Trustee will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Issuer, the Trustee, the transfer agent, the registrar, the paying agent nor any agent of the Issuer, nor the Trustee has or will have any responsibility or liability for:

- (1) any aspect of DTC's records or any participant's or indirect participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the Global Notes; or
- (2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest) is to credit the accounts of the relevant participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant

participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the participants and the indirect participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be our responsibility or that of DTC or the Trustee. Neither the Issuer nor the Trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the Notes, and the Issuer and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under “Transfer Restrictions,” transfers between participants in DTC will be effected in accordance with DTC’s procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such cross market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counter-party in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf of delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such participant or participants has or have given such direction. However, if there is an event of default under the Notes, DTC reserves the right to exchange the Global Notes for legended notes in certificated form, and to distribute such notes to its participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither the Issuer nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

### **Exchange of Global Notes for Certificated Notes**

A Global Note is exchangeable for definitive notes in registered certificated form (“Certificated Notes”) if:

- (1) DTC (a) notifies the Issuer that it is unwilling or unable to continue as depository for the Global Notes and DTC fails to appoint a successor depository or (b) has ceased to be a clearing agency registered under the Exchange Act;
- (2) The Issuer, at its option, notifies the Trustee in writing that it has elected to cause the issuance of the Certificated Notes; or
- (3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indentures. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depository (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in “Transfer Restrictions,” unless that legend is not required by applicable law.

## **Exchange of Certificated Notes for Global Notes**

Certificated Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indentures) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See “Transfer Restrictions.”

### **Exchanges Between Regulation S Notes and Rule 144A Notes**

Beneficial interests in the Regulation S Global Notes may be exchanged for beneficial interests in the Rule 144A Global Notes only if:

- (1) such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and
- (2) the transferor first delivers to the Trustee a written certificate (in the form provided in the Indentures) to the effect that the Notes are being transferred to a person:
  - a. who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;
  - b. purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and
  - c. in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interest in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indentures) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S.

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected in DTC by means of an instruction originated by the DTC participant and approved by the Trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other Global Note for so long as it remains such an interest. Transfers between Regulation S and Rule 144A Notes will need to be done on a delivery free of payment basis and separate arrangements will need to be made outside of DTC for payment.

## EXCHANGE OFFER; REGISTRATION RIGHTS

*The following description of the Registration Rights Agreement is a summary only of certain provisions of the registration rights agreement and does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, a copy of which is available upon request.*

We have agreed, pursuant to a registration rights agreement with the initial purchasers, for the benefit of the holders of the 2030 Notes, that we will, at our cost, use our commercially reasonable efforts to offer, to holders who are able to make certain representations, the exchange notes in exchange for surrender of the 2030 Notes in a registered exchange offer. We will use our commercially reasonable efforts to consummate the registered exchange offer by December 31, 2019. We will keep the registered exchange offer open for not less than 20 business days (or longer if required by applicable law) after the date notice of the registered exchange offer is mailed to the holders of the 2030 Notes. For each 2030 Note surrendered to us pursuant to the registered exchange offer, the holder of such 2030 Note will receive an exchange note having a principal amount equal to that of the surrendered 2030 Note. Interest on each exchange note will accrue from the last interest payment date on which interest was paid on the 2030 Note surrendered in exchange therefor or, if no interest has been paid on such 2030 Note, from the date of its original issue.

Under existing SEC interpretations, the exchange notes would be freely transferable by holders of the 2030 Notes other than our affiliates after the registered exchange offer without further registration under the Securities Act if the holder of the exchange notes represents that it is acquiring the exchange notes in the ordinary course of its business, that it has no arrangement or understanding with any person to participate in the distribution of the exchange notes and that it is not our affiliate, as such terms are interpreted by the SEC; provided that participating broker-dealers receiving exchange notes in the registered exchange offer will have a prospectus delivery requirement with respect to resales of such exchange notes. The SEC has taken the position that participating broker-dealers may fulfill their prospectus delivery requirements with respect to exchange notes (other than a resale of an unsold allotment from the original sale of the 2030 Notes) with the prospectus contained in the exchange offer registration statement. Under the registration rights agreement, we are required to allow participating broker-dealers and other persons, if any, with similar prospectus delivery requirements to use the prospectus contained in the exchange offer registration statement in connection with the resale of such exchange notes.

A holder of 2030 Notes (other than certain specified holders) who wishes to exchange such 2030 Notes for exchange notes in the registered exchange offer will be required to make certain representations, including to represent that any exchange notes to be received by it will be acquired in the ordinary course of its business and that it has no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the exchange notes and it does not intend to participate in any such distribution and that it is not our "affiliate," as defined in Rule 405 of the Securities Act, or if it is an affiliate, that it will comply (at its own expense) with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

In the event that (i) any changes in law or applicable interpretations of the staff of the SEC do not permit us, upon advice of our outside counsel, to effect such a registered exchange offer, (ii) for any other reason the registered exchange offer is not consummated by December 31, 2019, (iii) the Initial Purchasers so request with respect to 2030 Notes not eligible to be exchanged for exchange notes in the registered exchange offer, (iv) any holder of 2030 Notes (other than an Initial Purchaser) is not eligible to participate in the registered exchange offer or does not receive freely tradable exchange notes in the registered exchange offer other than by reason of such holder being our affiliate or (v) any Initial Purchaser does not receive freely tradable exchange notes in exchange for 2030 Notes constituting any portion of an unsold allotment (it being understood that (x) the requirement that an Initial Purchaser deliver a prospectus containing the information required by Item 507 or 508 of Regulation S-K under the Securities Act in connection with sales of such 2030 Notes shall result in such exchange notes not being freely tradable; and (y) the requirement that a participating broker-dealer deliver the prospectus contained in the exchange offer registration statement in connection with sales of exchange notes shall not result in such exchange notes being not "freely tradable"), we will, at our cost, (a) as promptly as practicable, file (or confidentially submit) a shelf registration statement covering resales of the 2030 Notes or the exchange notes, as the case may be, provided that we shall not be required to file a shelf registration statement or supplement any existing shelf registration statement during any statutory or self-imposed blackout or quiet period, (b) use our commercially reasonable efforts to cause the shelf registration statement to be declared effective under the Securities Act and (c) use our commercially

reasonable efforts to keep the shelf registration statement effective until the earlier of the date that is three years after it becomes effective or such shorter period that will terminate when all the 2030 Notes covered by the shelf registration statement have been sold pursuant to the shelf registration statement, provided that we shall not be obligated to keep the shelf registration statement effective, supplemented or amended during any statutory or self-imposed blackout or quiet period. We will, in the event a shelf registration statement is filed, among other things, provide to each holder for whom such shelf registration statement was filed, copies of the prospectus which is a part of the shelf registration statement, notify each such holder when the shelf registration statement has become effective and take certain other actions as are required to permit unrestricted resales of the 2030 Notes or the exchange notes, as the case may be. A holder selling such 2030 Notes or exchange notes pursuant to the shelf registration statement generally would be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and will be bound by the provisions of the registration rights agreement that are applicable to such holder (including certain indemnification obligations).

If on December 31, 2019, neither the registered exchange offer has been consummated nor the shelf registration statement has been declared effective, (a "Registration Default"), special interest will accrue on the principal amount of the 2030 Notes and the exchange notes affected by such Registration Default (in addition to the stated interest on such 2030 Notes and the exchange notes) from and including the date on which such Registration Default shall occur to but excluding the date on which the Registration Default has been cured. Special interest will accrue at a rate of 0.25% p.a. during the 90-day period immediately following the occurrence of such Registration Default and shall increase by 0.25% p.a. at the end of each subsequent 90-day period, but in no event shall such rate exceed 0.75% p.a. Following the cure of such Registration Default, the accrual of such special interest will cease, and the interest rate applicable to the affected 2030 Notes will revert to the original rate.

Holders of 2030 Notes will be required to make certain representations to us in order to participate in the exchange offer and will be required to deliver information to be used in connection with the registration statement. By acquiring exchange notes, a holder will be deemed to indemnify us against certain losses arising out of information furnished by such holder in writing for inclusion in any registration statement.

## TAXATION

The following discussion addresses certain material Austrian, Brazilian and U.S. federal income tax consequences (and certain EU related tax consequences) of acquiring, holding and disposing of the Notes. Although there presently is no income tax treaty between Brazil and the United States, the tax authorities of the two countries have had discussions that may culminate in such a treaty. We cannot assure, however, as to whether or when a treaty will enter into force or how it will affect holders of the Notes. Each prospective purchaser is urged to consult its own tax advisor about the particular Austrian, Brazilian and U.S. federal income tax consequences (and certain EU related tax consequences) to it of an investment in the Notes.

### **Certain Material Austrian Tax Considerations**

This section on taxation contains a brief summary of the Issuer's understanding with regards to certain principles of Austrian tax law which may be of significance in connection with the purchase, holding or sale of the Notes in Austria. This summary does not purport to exhaustively describe all possible Austrian tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may be effected with retroactive effect and may negatively impact on the tax consequences described herein. It is recommended that potential investors in the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes shall in any case be borne by the investor. For the purposes of the following summary, it is assumed that the Notes are legally and factually offered to an indefinite number of persons.

#### ***General remarks***

Individuals having a domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in sec. 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax in Austria only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in sec. 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax in Austria only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Tax considerations which are potentially relevant to investors subject to a special tax regime, such as for example governmental authorities, charities, foundations or investment or pension funds, and special tax regimes that may apply, for example, where an investor holds the Notes via an entity which qualifies as an Austrian or non-Austrian investment fund for tax purposes, are not addressed herein.

Both in case of unlimited and limited (corporate) income tax liability, Austria's right to tax may be restricted by applicable double taxation treaties.

#### ***Austrian tax aspects of the Notes***

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest; the tax base is the amount of the earnings received (sec. 27a(3)(1) of the Austrian Income Tax Act);



- income from realized increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the sale, redemption and other realization (including, potentially, the assumption of the Issuer's obligations by a Successor Issuer as described under "Description of the Notes – Substitution of the Issuer") of assets that lead to income from the letting of capital (including zero coupon bonds); the tax base amounts to the sales proceeds or the redemption amount minus the acquisition costs, in each case including accrued interest (sec. 27a(3)(2)(a) of the Austrian Income Tax Act); and
- income from derivatives (*Einkünfte aus Derivativen*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realization of forward contracts like options, futures and swaps and other derivatives such as index certificates (the mere exercise of an option does not trigger tax liability); for example in the case of index certificates, the tax base amounts to the sales proceeds or the redemption amount minus the acquisition costs (sec. 27a(3)(3)(c) of the Austrian Income Tax Act).

Also the withdrawal of the Notes from a securities account (*Depotentnahme*) and circumstances leading to a restriction of Austria's taxation right regarding the Notes *vis-à-vis* other countries, for example a relocation from Austria (*Wegzug*), are in general deemed to constitute a sale (*cf.* sec. 27(6) of the Austrian Income Tax Act). The tax base in this case amounts to the fair market value minus the acquisition costs (sec. 27a(3)(2)(b) of the Austrian Income Tax Act).

#### *Resident individual Noteholders*

Individuals subject to unlimited income tax liability in Austria holding the Notes as non-business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income from the Notes with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to withholding tax (*Kapitalertragsteuer*) at a flat rate of 27.5%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). In case of investment income from the Notes without an Austrian nexus, the income must be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases, upon application, the option exists to tax all income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act at the applicable lower progressive income tax rate (option for regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). The acquisition costs must not include ancillary acquisition costs (*Anschaffungsnebenkosten*; sec. 27a(4)(2) of the Austrian Income Tax Act). Expenses with a direct economic nexus to income subject to a flat income tax rate pursuant to sec. 27a(1) of the Austrian Income Tax Act, such as bank charges and custody fees, must not be deducted (sec. 20(2) of the Austrian Income Tax Act); this also applies if the option for regular taxation is exercised. Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realized increases in value and from derivatives may be neither offset against interest from bank accounts and other non-securitized claims *vis-à-vis* credit institutions (except for cash settlements and lending fees) nor against income from private foundations, employee participation foundations, foreign private law foundations and other comparable legal estates (*Privatstiftungen, Belegschaftsbeteiligungsstiftungen, ausländische Stiftungen oder sonstige Vermögensmassen, die mit einer Privatstiftung vergleichbar sind*); income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act may not be offset against income subject to the progressive income tax rate; negative investment income not already offset against positive investment income may not be offset against other types of income; (the foregoing also applies if the option for regular taxation is exercised). The Austrian custodian agent has to effect the offsetting of losses by taking into account all of a taxpayer's securities accounts with the custodian agent, in line with sec. 93(6) of the Austrian Income Tax Act, and to issue a written confirmation to the taxpayer to this effect.

Individuals subject to unlimited income tax liability in Austria holding the Notes as business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income from the Notes with an Austrian nexus (see above), the income is subject to withholding tax at a flat rate of 27.5%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realized increases in value and income from derivatives must be included in the investor's

income tax return (subject to income tax at the flat rate of 27.5%). In case of investment income from the Notes without an Austrian nexus, the income must always be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases, upon application, the option exists to tax all income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act at the lower progressive income tax rate (option for regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Expenses with a direct economic nexus to income subject to a flat income tax rate pursuant to sec. 27a(1) of the Austrian Income Tax Act, such as bank charges and custody fees, must not be deducted (sec. 20(2) of the Austrian Income Tax Act); this also applies if the option for regular taxation is exercised. Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the sale, redemption and other realization of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to income tax at the flat rate of 27.5%, are primarily to be offset against income from realized increases in value of such financial assets and derivatives and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55% of the remaining negative difference may be offset against other types of income.

#### *Resident corporate Noteholders*

Pursuant to sec. 7(2) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Notes at a rate of 25%. In the case of income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Notes with an Austrian nexus (see above), the income is subject to withholding tax at a flat rate of 27.5%. However, pursuant to sec. 93(1a) of the Austrian Income Tax Act, a 25% rate may be applied by the withholding agent, if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax liability. Under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act (exemption declaration; *Befreiungserklärung*) withholding tax is not levied in the first place. Losses from the sale of the Notes can be offset against other business income.

#### *Non-resident Noteholders*

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on investment income from the Notes if they have a permanent establishment (*Betriebsstätte*) in Austria and the Notes as well as the income from the Notes are attributable to such permanent establishment (*cf.* sec. 98(1)(3) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act). Individuals subject to limited income tax liability in Austria are also taxable on Austrian interest within the meaning of sec. 27(2)(2) of the Austrian Income Tax Act and Austrian accrued interest within the meaning of sec. 27(6)(5) of the Austrian Income Tax Act if withholding tax is levied on such (accrued) interest (*cf.* sec. 98(1)(5)(b) of the Austrian Income Tax Act); an exemption applies, *inter alia*, to (accrued) interest received by individuals resident in a state with which Austria maintains automatic exchange of information (residence in such state must be proven by presentation of a residence certificate). Austrian (accrued) interest within the present context is generally constituted if the debtor of the interest has a residence, place of effective management or seat in Austria or is an Austrian branch of a non-Austrian credit institution, or the securities are issued by an Austrian issuer. Under applicable double taxation treaties, relief from Austrian income tax might be fully or partially available. However, Austrian credit institutions must not provide for such relief at source; instead, the investor may file a claim for repayment of tax with the competent Austrian tax office (electronic pre-notification requirements may apply).

#### ***Austrian inheritance and gift tax***

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of management in Austria. Certain exemptions apply in cases of transfers *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian

Income Tax Act. The tax base is the fair market value of the assets transferred minus any debts which are economically linked to the assets transferred, calculated at the time of transfer. The tax rate is generally 2.5%, with a higher rate of 25% in special cases. Special provisions apply to transfers of assets to entities falling within the scope of the tax treaty between Austria and Liechtenstein.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the fair market value of the assets transferred.

Further, gratuitous transfers of the Notes may trigger income tax at the level of the transferor pursuant to sec. 27(6) of the Austrian Income Tax Act (see above).

### **Certain Material Brazilian Tax Considerations**

*The following discussion is a summary of the Brazilian tax considerations relating to the acquisition, ownership or disposition of the Notes by an individual, entity, trust or organization that is not resident or domiciled in Brazil for purposes of Brazilian taxation (“Non-Resident Holder”). The following is a general discussion only, and, therefore, it does not specifically address all of the Brazilian tax considerations applicable to any particular Non-Resident Holder. It is based upon the tax laws and regulations of Brazil as in effect on the date of this listing memorandum, which are subject to change, possibly with retroactive effect, and to differing interpretations, which may result in different tax consequences than those described below.*

**PROSPECTIVE PURCHASERS OF THE NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE CONSEQUENCES OF PURCHASING THE NOTES, INCLUDING, WITHOUT LIMITATION, THE CONSEQUENCES OF THE RECEIPT OF INTEREST AND THE SALE, REDEMPTION OR REPAYMENT OF THE NOTES.**

#### ***Interest***

Generally, a holder that is a Non-Resident Holder is taxed in Brazil only when income is derived from Brazilian sources or gains are realized on the disposition of assets located in Brazil. Therefore, based on the fact that the Issuer is considered domiciled abroad, any income (including interest and original issue discount, if any) paid by the Issuer in respect of the Notes issued by it in favor of a Non-Resident Holder should not be subject to withholding or deduction in respect of Brazilian income tax or any other taxes, duties, assessments or governmental charges in Brazil, provided that such payments are made with funds held by the Issuer outside of Brazil.

#### ***Capital Gains on the Sale or Disposition of Notes***

According to Law No.10,833 of December 29, 2003 gains realized on the disposition (including, under certain circumstances, as a result of the assumption of the Issuer’s obligations by a Substitute Issuer, as described under “Description of the Notes—Substitution of Issuer”) or sale of assets located in Brazil by a Non-Resident Holder are subject to income tax in Brazil, regardless of whether the sale or the disposition is made by a Non-Resident Holder to another non-resident or to a resident in Brazil.

Based on the fact that the Notes are issued and registered abroad, gains on the sale or other disposition of the Notes made outside Brazil by a non-resident of Brazil should not be subject to Brazilian taxes. Notwithstanding, considering the general and unclear scope of this legislation and the absence of judicial guidance in respect thereof, we cannot assure prospective investors that such interpretation will prevail in the courts of Brazil.

If gains recognized by a Non-Resident Holder from the sale or other disposition of the Notes were to be subject to income tax in Brazil, under current law such gains generally would be subject to income tax in Brazil at

progressive rates from 15% to 22.5% or 25%, if such Non-Resident Holder is located in a country or locality which does not impose any income tax or which impose it at a maximum rate lower than 20% (or 17%, if such country or locality observes OECD International Fiscal Transparency Guidelines as set forth in the Normative Ruling of the Brazilian Internal Revenue Service (*Instrução Normativa da Secretaria da Receita Federal*) No. 1,530 of December 19, 2014), or where the internal laws impose restrictions on the disclosure of ownership composition, or do not allow the identification of the effective beneficiary of the income attributed to non-residents), unless a lower rate is provided for in an applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled.

Law No. 13,259 of March 16, 2016 determined a new progressive taxation method over capital gains that has been in force since January 1, 2017. Capital gains are subject to income tax based on the following rates:

- (i) 15% on any capital gain not exceeding R\$5,000,000.00;
- (ii) 17.5% on the portion of the capital gain between R\$5,000,000.00 and R\$10,000,000.00;
- (iii) 20% on the portion of the capital gain between R\$10,000,000.00 and R\$30,000,000.00; or
- (iv) 22.5% on the portion of the capital gain exceeding R\$30,000,000.00.

#### ***Payments made by the Guarantor***

In the event the Issuer fails to timely pay principal, interest or any other amounts that may be due and payable in respect of the Notes, the Guarantor, which is considered, for purposes of Brazilian taxation, resident or domiciled in Brazil, will be required to pay such amount to the Non-Resident Holder. In spite of the lack of a clear regulation regarding payments by a person who is resident or domiciled in connection with this type of obligation, we believe that there are grounds to sustain that this transaction should be viewed as a new credit transaction between the Issuer and the Guarantor, which is not subject to taxation in Brazil. If this view does not prevail in case of a tax dispute, the amounts paid by the Guarantor to a Non-Resident Holder in respect of the Notes (including any additional amount to ensure that the non-resident holder receives the amounts due in respect of the Notes net of income tax) could be subject to the Brazilian withholding income tax at a rate of up to 25%, depending on the nature of the payment and the location of the Non-Resident Holder.

#### ***Discussion of Low or Nil Tax Jurisdictions***

Law No. 11,727 of June 23, 2008 introduced a broader concept of “Low or Nil Tax Jurisdiction” applicable to transactions subject to Brazilian transfer pricing rules. Pursuant to Law No. 11,727, a jurisdiction is considered a privileged tax regime for purposes of Brazilian taxation if it (i) does not impose income tax or imposes it at a maximum rate lower than 20%; (ii) grants tax advantages to non-residents (a) without requiring the non-resident to carry out a substantial economic activity in the jurisdiction or (b) prohibiting the non-resident to exercise a substantial economic activity in the jurisdiction; or (iii) does not impose income tax on income generated abroad or imposes it at a maximum rate lower than 20%; or (iv) restricts the disclosure of ownership composition or such non-resident's economic transactions (*operações econômicas*). In addition, on June 4, 2010, the Brazilian Internal Revenue Service enacted the Normative Ruling (*Instrução Normativa*) No. 1,037, listing the countries and jurisdictions considered Low or Nil Tax Jurisdictions.

Although the “Low or Nil Tax Jurisdiction” concept was construed in connection with transfer pricing rules, there is no assurance that Brazilian tax authorities will not attempt to apply the “Low or Nil Tax Jurisdiction” concept to other types of transactions.

#### ***Gains on the Notes – Resident Holder***

An individual, entity or organization that is considered a tax resident according to Brazilian domestic law is taxed in a world-wide basis. Individuals are subject to Individuals’ Income Tax, or IRPF and entities and

organizations, in general, are subject to Corporate Income Tax, or IRPJ, Social Contribution on Net Profit, or CSLL, and also may be subject to the social contributions on revenue or PIS and COFINS.

### ***Resident Holder – Individuals***

An individual that qualifies as Resident Holder is subject to IRPF on all its income, despite the fact of being or not derived from Brazil. As a rule, foreign source income is taxed at progressive rates up to 27.5%. If the income qualifies as capital gain, the applicable rate follows the same rule valid for a Non-Resident Holder: a progressive taxation, from 15% to 22.5% since January 1, 2017, as provided by Law No.13,259. There is also the possibility of offsetting the income tax paid on the source country. Resident Holders should consult with their own tax advisors regarding the applicable rates and the possibility of income tax offsetting.

### ***Resident Holder – Entities and Organizations***

Income realized by an entity or organization that qualifies as a Resident Holder is generally subject to IRPJ, at tax rate of 25%, and CSLL, at a 9% tax rate, according to Decree N° 3,000 of March 26, 1999 and Law No. 7,689 of December 15, 1988, respectively. The revenue may be also subject to PIS, at a 0.65% tax rate, and COFINS, at a 4% tax rate, if it qualifies as financial revenue rather than capital gain, according to Decree N° 8,426 of April 1, 2015. Resident Holders should consult with their own tax advisors regarding the applicable rates.

### ***Other Tax considerations***

In addition to withholding income tax, Brazilian law imposes a Tax on Foreign Exchange Transactions (*Imposto sobre Operações de Crédito, Câmbio e Seguro, ou Relativas a Títulos e Valores Mobiliários*), or IOF/Exchange, due on the conversion of *reais* into foreign currency and on the conversion of foreign currency into *reais*. Currently, the IOF/Exchange rate for almost all foreign currency exchange transactions is 0.38%, including foreign exchange transactions in connection with payments under the Note Guarantees by the Guarantor to Non-Resident Holders. According to Section 15-B, XII of the Decree No. 6,306 of December 2007, exchange transactions in connection with cross-border financings or loans with an average term of more than 180 days, are subject to IOF/Exchange at a zero percent rate. If the notes are redeemed in a period of less than 180 days after the issuance date, the IOF/Exchange rate will be levied at a 6% rate plus applicable fines and interest. The Brazilian government is permitted to increase this rate at any time up to 25%, but only with respect to future foreign exchange transactions.

### ***Stamp, Transfer or Similar Taxes***

Generally, there is no stamp, transfer or other similar tax in Brazil with respect to the transfer, assignment or sale of any debt instrument outside Brazil (including the Notes) nor any inheritance, gift or succession tax applicable to the ownership, transfer or disposition of the Notes, except for gift and inheritance taxes imposed in some states of Brazil on gifts and bequests by individuals or entities not domiciled or residing in Brazil to individuals or entities domiciled or residing within such Brazilian states.

*Prospective purchasers of Notes are advised to consult with their tax advisors as to the consequences under the tax laws of the country of which they are residents, of a purchase of Notes, including, but not limited to, the consequences of receipt of interest or capital gain and sale redemption of Notes.*

### **Certain United States Federal Income Tax Considerations**

The following is a summary of certain U.S. federal income tax considerations that may be relevant to U.S. holders and, to the extent provided below, non-U.S. holders (each as defined below) (together, “holders”). This summary is based on provisions of the Internal Revenue Code of 1986, as amended, applicable Treasury regulations, laws, rulings and decisions now in effect, all of which are subject to change, possibly with retroactive effect. This summary deals only with beneficial owners of Notes that will hold Notes as capital assets, and does not address particular tax considerations that may be applicable to investors that are subject to special tax rules, such as banks, tax-exempt entities, insurance companies, regulated investment companies, dealers in securities or currencies, traders in securities electing to mark to market, persons that will hold Notes as a position in a “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction, nonresident alien

individuals present in the United States for more than 182 days in a taxable year, entities or arrangements taxed as partnerships for U.S. federal income tax purposes or the partners therein, persons subject to the alternative minimum tax, or U.S. holders that have a “functional currency” other than the U.S. dollar.

This summary addresses only U.S. federal income tax consequences, and does not address consequences arising under state, local, foreign tax laws or the Medicare tax on net investment income. Investors should consult their own tax advisors in determining the tax consequences to them of holding Notes under such tax laws, as well as the application to their particular situation of the U.S. federal income tax considerations discussed below.

As used herein, a “U.S. holder” is a beneficial owner of a Note that, for U.S. federal income tax purposes, is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise will be subject to U.S. federal income taxation on a net income basis in respect of the Note. A “non-U.S. holder” is a beneficial owner of a Note that, for U.S. federal income tax purposes, is an individual, corporation, foreign estate, or foreign trust that is not a U.S. holder.

U.S. holders that use an accrual method of accounting for tax purposes (“accrual method holders”) generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the “book/tax conformity rule”). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below, although it is not clear to what types of income the book/tax conformity rule applies. Accrual method holders should consult with their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

**Each holder should consult its own tax advisor regarding the tax consequences of the acquisition, ownership and disposition of the Notes, including the relevance to your particular situation of the considerations discussed below, as well as the relevance to your particular situation of state, local or other tax laws.**

### ***Qualified Reopening***

The 2047 Notes offered hereby will be issued in a “qualified reopening” of the Original 2047 Notes for U.S. federal income tax purposes. Accordingly, for U.S. federal income tax purposes, the Notes will be considered to have the same issue date and issue price as the Original 2047 Notes.

### ***U.S. Holders***

*Payments of Interest and Additional Amounts.* Subject to the discussion of amortizable bond premium below, the gross amount of stated interest (other than pre-issuance accrued interest, if any) and Additional Amounts (i.e., without reduction for withholding tax at the appropriate withholding tax rate applicable to the U.S. holder) will be taxable to a U.S. holder as ordinary interest income at the time it accrues or is actually or constructively received, in accordance with the holder’s method of accounting for U.S. federal income tax purposes.

Subject to generally applicable restrictions and conditions, withholding tax paid at the appropriate rate applicable to the U.S. holder will be treated as foreign income tax eligible (i) for credit against a U.S. holder’s U.S. federal income tax liability, or (ii) at the election of such U.S. holder, for deduction in computing such U.S. holder’s taxable income (provided that the U.S. holder elects to deduct, rather than credit, all foreign income taxes paid or accrued for the relevant taxable year). Interest and Additional Amounts will constitute income from sources without the United States for foreign tax credit purposes. Such income generally will constitute “passive category income” for U.S. foreign tax credit purposes. The calculation of foreign tax credits and, in the case of a U.S. holder that elects to deduct foreign taxes, the availability of such deduction, involves the application of rules that depend on a U.S. holder’s particular circumstances. U.S. holders should consult their own tax advisors regarding the availability of foreign tax credits or deductions in their particular situations.

*Amortizable Bond Premium.* A U.S. holder will be considered to have purchased a Note with bond premium if its purchase price for the Note (excluding the amount paid for pre-issuance accrued interest, if any) exceeds the stated principal amount and may generally elect to amortize the excess as an offset to interest income, using a constant yield method, over the remaining term of the Note. Such election, once made, generally applies to

all bonds held or subsequently acquired by the U.S. holder on or after the first taxable year for which the election applies and may not be revoked without the consent of the IRS. A U.S. holder that elects to amortize such bond premium must reduce its tax basis in the Note by the amount of the bond premium amortized during its holding period.

In addition, because the Notes may be redeemed prior to maturity at a price in excess of their principal amount, the deduction for amortizable bond premium may be reduced or delayed. U.S. holders should consult their tax advisors about these special rules.

*Sale, Exchange and Retirement of Notes.* Upon the sale, exchange or retirement of a Note (including, under certain circumstances, the assumption of the Issuer's obligations by a Successor Issuer, as described under "Description of the Notes—Substitution of the Issuer"), a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. A U.S. holder's tax basis in a Note will generally equal the cost of the Note to such holder, reduced by any amortizable bond premium applied to reduce interest on the Note. Gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Long-term capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deduction of capital losses is subject to limitations.

Capital gain or loss recognized by a U.S. holder generally will be U.S.-source gain or loss. Consequently, if any such gain is subject to withholding tax, a U.S. holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to applicable conditions and limitations) against tax due on other income treated as derived from foreign sources. Alternatively, the U.S. holder may take a deduction for the foreign income tax if the U.S. holder does not elect to claim a foreign tax credit for any foreign income taxes paid during the taxable year. U.S. holders should consult their own tax advisors as to the foreign tax credit implications of a disposition of the Notes.

*Specified Foreign Financial Assets.* Individual U.S. holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.\$50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which may include Notes issued in certificated form) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

### ***Information Reporting and Backup Withholding***

Information returns will be filed with the U.S. Internal Revenue Service ("IRS") in connection with payments on the Notes made to, and the proceeds of dispositions of Notes effected by, certain U.S. holders. In addition, certain U.S. holders may be subject to backup withholding in respect of such amounts if they do not provide their taxpayer identification numbers to the person from whom they receive payments. Non-U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding. The amount of any backup withholding from a payment to a holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain specified foreign financial assets.

## **The Proposed Financial Transactions Tax**

The European Commission has published a proposal, (the “Commission’s Proposal”), for a Directive for a common financial transactions tax (“FTT”), in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the “participating Member States”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes in certain circumstances.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT remains subject to negotiation between participating Member States and the legality of the proposal is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the participating Member States may decide to withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.



## CERTAIN ERISA CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended, or ERISA, imposes certain requirements on “employee benefit plans” (as defined in ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, “ERISA Plans”) and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA’s general fiduciary requirements, including, but not limited to, the requirement of investment prudence and diversification and the requirement that an ERISA Plan’s investments be made in accordance with the documents and instruments governing the Plan.

Section 406 of ERISA and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) and prohibits certain persons (referred to as “parties in interest” or “disqualified persons”) from having certain relationships to Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, depending in part on the type of Plan fiduciary making the decision to acquire a Note and the circumstances under which such decision is made. Included among the exemptions are PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), PTCE 96-23 (for transactions managed by in-house asset managers) and ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code (relating to transactions with certain service providers). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving Notes.

Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and Section 4975 of the Code, but may be subject to similar provisions under applicable federal, state, local, non-U.S. or other laws (“Similar Laws”). Fiduciaries of such plans should consult with their counsel before purchasing any Notes to determine the need for, if necessary, and the availability of, any exemptive relief under any Similar Law.

Accordingly, each original or subsequent purchaser or transferee of any Note that is or may become a Plan is responsible for determining that its purchase and holding of such Note will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code. Each person acquiring the Notes will be deemed to have represented and agreed that (a) either (i) it is not, and is not purchasing the Notes on behalf of, and, for so long as it holds the Notes or interests in Notes will not be, a Plan or a governmental plan, church plan, non-U.S. or other plan that is subject to Similar Laws, or (ii) its acquisition, holding or disposition of the Notes or interests in Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental plan, church plan, non-U.S. or other plan, a violation of any Similar Law); and (b) it will not transfer any such Note to any person unless such person could itself truthfully make the foregoing representations and agreements.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA IMPLICATIONS OF AN INVESTMENT IN THE NOTES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING IN THE NOTES TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR’S PARTICULAR CIRCUMSTANCES.

## PLAN OF DISTRIBUTION

BNP Paribas Securities Corp., BofA Securities, Inc., J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Rabo Securities USA, Inc., Scotia Capital (USA) Inc. are acting as the Representatives of the Initial Purchasers for the offering of the Notes. Under the terms and subject to the conditions contained in a purchase agreement among the Issuer, Suzano S.A. and the Initial Purchasers, the Issuer and Suzano S.A. have agreed to sell to the several Initial Purchasers the principal amount of the Notes set forth opposite its name in the table below:

<b>Initial Purchaser</b>	<b>Principal Amount of 2030 Notes (in U.S.\$)</b>
BNP Paribas Securities Corp.....	U.S.\$166,667,000.00
BofA Securities, Inc.....	U.S.\$166,667,000.00
J.P. Morgan Securities LLC.....	U.S.\$166,667,000.00
Mizuho Securities USA LLC.....	U.S.\$166,667,000.00
Rabo Securities USA, Inc.....	U.S.\$166,666,000.00
Scotia Capital (USA) Inc.....	U.S.\$166,666,000.00
<b>Total</b> .....	<b>U.S.\$1,000,000,000.00</b>

<b>Initial Purchaser</b>	<b>Principal Amount of 2047 Notes (in U.S.\$)</b>
BNP Paribas Securities Corp.....	U.S.\$41,666,000.00
BofA Securities, Inc.....	U.S.\$41,666,000.00
J.P. Morgan Securities LLC.....	U.S.\$41,667,000.00
Mizuho Securities USA LLC.....	U.S.\$41,667,000.00
Rabo Securities USA, Inc.....	U.S.\$41,667,000.00
Scotia Capital (USA) Inc.....	U.S.\$41,667,000.00
<b>Total</b> .....	<b>U.S.\$250,000,000.00</b>

Subject to the terms and conditions set forth in the purchase agreement, the Initial Purchasers have, severally and not jointly, agreed to purchase all of the Notes sold under the purchase agreement if any of these Notes are purchased.

We have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Initial Purchasers may be required to make in respect of those liabilities.

The Initial Purchasers propose initially to offer the Notes at the offering prices set forth on the cover page of this listing memorandum. After the initial offering, the offering prices or any other term of the offering may be changed. The Initial Purchasers may offer and sell Notes through certain of their respective affiliates. The Notes have not been registered under the Securities Act or any state securities laws. The Initial Purchasers propose to offer the Notes for resale in transactions not requiring registration under the Securities Act or applicable state securities laws, including sales pursuant to Rule 144A and Regulation S. The Initial Purchasers will not offer or sell the Notes except to persons they reasonably believe to be qualified institutional buyers or pursuant to offers and sales to non U.S. persons that occur outside of the United States within the meaning of Regulation S. In addition, until 40 days following the commencement of this offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act. Each purchaser of the Notes will be deemed to have made acknowledgments, representations and agreements as described under “Transfer Restrictions.”

The Initial Purchasers have agreed that, except as permitted by the purchase agreement, they will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of this offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and the Initial Purchasers will have sent to each broker/dealer to which they sell the Notes in reliance on Regulation S during such 40 day period, a confirmation or other notice detailing the restrictions on offers and sales of the Notes within the United States, or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. Resales of the Notes are restricted as described under “Transfer Restrictions.”

We and the Issuer have agreed that we will not, for a period of 60 days after the date of this listing memorandum, without first obtaining the prior written consent of the Initial Purchasers, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Issuer or the Guarantor and having a tenor of more than one year.

We intend to list the Notes offered hereby on the Official List of the Luxembourg Stock Exchange and to trade the Notes on the Euro MTF Market. The Initial Purchasers have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so and any market making activities with respect to the notes may be discontinued at any time without notice. In addition, such market making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, no assurance can be given as to the liquidity of or the trading market for the Notes.

In connection with the offering, the Initial Purchasers may purchase and sell the Notes in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the Initial Purchasers of a greater principal amount of Notes than they are required to purchase in the offering. The Initial Purchasers must close out any short position by purchasing Notes in the open market. A short position is more likely to be created if the Initial Purchasers are concerned that there may be downward pressure on the price of the Notes in the open market after pricing that could adversely affect investors who purchase in the offering.

Similar to other purchase transactions, the Initial Purchasers’ purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market.

Neither we nor the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor the Initial Purchasers make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

The Initial Purchasers or their respective affiliates from time to time have provided in the past, and may provide in the future, services such as investment banking, financial advisory, securities trading, investment management, principal investment, hedging, broker dealer and commercial banking services to us and our affiliates in the ordinary course of business for which they have received, or may receive, customary fees and commissions and reimbursement of expenses. In addition, the Initial Purchasers, either directly or through affiliates, are lenders under one or more of our outstanding credit facilities and/or with respect to other indebtedness. In their capacity as lenders, the Initial Purchasers may in the future seek a reduction of a loan commitment to us, or impose incremental pricing or collateral requirements with respect to such facilities or credit agreements. In connection with the Merger, Suzano has entered into certain commitment letters with a syndicate of lenders, including BNP Paribas, Coöperatieve Rabobank U.A., JP Morgan Chase Bank, N.A. and Mizuho Bank, Ltd., which acted as lead arrangers on the financing facilities related to the Merger and affiliates of which are the global coordinators and joint bookrunners for the offering of debt securities. Subject to the terms and conditions of these commitment letters, the lenders disbursed U.S.\$2,300.0 million under an export prepayment facility (EPP). Accordingly, the Initial Purchasers, either directly or through affiliates, may receive a portion of the net proceeds from the sale of the Notes pursuant to the repayment of borrowings under such facilities and/or other indebtedness.

In addition, in the ordinary course of their respective business activities, the Initial Purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or

related derivative securities) and financial instruments (including bank loans) for their own accounts and for the accounts of their respective customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Initial Purchasers, or their affiliates, who have a lending relationship with us routinely hedge, and certain other of those Initial Purchasers or their affiliates may hedge, their credit exposure to us, consistent with their customary risk management policies. Typically, these Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Notice to Prospective Investors in the European Economic Area**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### **Notice to Prospective Investors in United Kingdom**

In the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in Directive 2003/71/EC, as amended) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

### **Notice to Prospective Investors in Brazil**

The Notes (and the related Note Guarantees) have not been, and will not be, registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*), or the CVM. The Notes (and the related Note Guarantees) may not be issued, distributed, offered, placed or sold in Brazil, except in circumstances that do not constitute a public offering or unauthorized distribution, placement or distribution under Brazilian laws and regulations. The Notes (and the related Note Guarantees) are not being offered into Brazil. Documents relating to the offering of the Notes, as well as any information contained therein, may not be distributed to the public in Brazil, nor be used in connection with any public offer for subscription or sale of the Notes to the public in Brazil.

### **Notice to Prospective Investors in Austria**

This listing memorandum has not been and will not be (i) filed with (*zur Billigung eingereicht*) or approved (*gebilligt*) by the Austrian Financial Markets Authority (*Finanzmarktaufsichtsbehörde – FMA*) or published (*veröffentlicht*) in accordance with the Austrian Capital Market Act (*Kapitalmarktgesetz*), as amended, or (ii) deposited (*hinterlegt*) with *Oesterreichische Kontrollbank Aktiengesellschaft*. The offer of the Notes is not a public offering subject to an obligation to publish a prospectus in accordance with the Austrian Capital Market Act. This listing memorandum will not be passported as a prospectus into Austria via the competent authority of another member state of the EEA. This listing memorandum has been prepared on the basis that any offer of the Notes in Austria or an invitation to submit an offer for purchase of Notes will be made on the basis of an exemption from the obligation to publish a prospectus pursuant to § 3 of the Austrian Capital Markets Act. This listing memorandum

shall not be circulated or publicly distributed in Austria or to Austrian investors. No public advertisement for an offer of the Notes may be made or carried out in Austria.

### **Notice to Prospective Investors in Canada**

The Notes may be sold only to purchasers in the provinces of British Columbia, Ontario, Alberta, Québec, Nova Scotia, New Brunswick, Saskatchewan, Manitoba, Prince Edward Island, Newfoundland and Labrador purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this listing memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### **Notice to Prospective Investors in Chile**

The offering of the Notes will begin on May 21, 2019 and is subject to General Rule No. 336 of the Chilean Securities Commission (*Superintendencia de Valores y Seguros de Chile*, or the "SVS"). The Notes being offered are not registered in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the SVS and, therefore, the Notes are not subject to the supervision of the SVS. As with all unregistered securities, the Issuer of the Notes is not required to disclose public information about the Notes in Chile. The Notes may not be publicly offered in Chile unless they are registered in the corresponding securities registry.

*La oferta de los valores comienza el 21 mayo del 2019 y está acogida a la NCG 336 de la superintendencia de Valores y Seguros de Chile (la "SVS"). La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la SVS, por lo que los valores no están sujetos a la fiscalización de dicho organismo. Por tratarse de valores no inscritos, no existe obligación por parte del emisor de entregar en Chile información pública respecto de los valores. Estos valores no pueden ser objeto de oferta pública a menos que sean inscritos en el registro de valores correspondiente.*

### **Notice to Prospective Investors in Colombia**

The Notes may not be offered, sold or negotiated in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations. Furthermore, foreign financial entities must abide by the terms of Decree 2555 of 2010 to offer privately the Notes to their Colombian clients.

### **Notice to Prospective Investors in Hong Kong**

The Notes will not be offered or sold in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Notes, has been or may be issued or has been or may be in the

possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### **Notice to Prospective Investors in Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”). Accordingly, the Notes will not be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Notice to Prospective Investors in Peru**

The Notes and the information contained in this listing memorandum are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the Issuer or the sellers of the Notes before or after their acquisition by prospective investors. The Notes and the information contained in this listing memorandum have not been and will not be reviewed, confirmed, approved or in any way submitted to the SMV nor have they been registered under the Peruvian Securities Market Law (*Ley del Mercado de Valores*) or any other Peruvian regulations. Accordingly, the Notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian regulations and complies with the provisions on private offerings set forth therein.

### **Notice to Prospective Investors in Singapore**

This listing memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this listing memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case, subject to compliance with conditions set forth in the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except: (i) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (ii) where no consideration is or will be given for the transfer; (iii) where the transfer is by operation of law; (iv) as specified in Section 276(7) of the SFA; or (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2018 of Singapore.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA)

that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Notice to Prospective Investors in Switzerland**

This listing memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this listing memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations, and neither this offering document nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

### **Notice to Prospective Investors in the Dubai International Financial Centre**

This listing memorandum relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). This listing memorandum is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this listing memorandum nor taken steps to verify the information set forth herein and has no responsibility for the listing memorandum. The Notes to which this listing memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this listing memorandum you should consult an authorized financial advisor.

### **General**

Purchasers of Notes sold outside the United States may be required to pay stamp taxes and other charges in compliance with the laws and practices of the country of purchase in addition to the price to investors on the cover page of this listing memorandum.

The Initial Purchasers have advised us that they intend to make a market in the Notes as permitted by applicable law. They are not obligated, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion.

### **Settlement**

We delivered the Notes against payment for the Notes on May 29, 2019, which was the fifth business day following the date of the final offering memorandum (such settlement being referred to as “T+5”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally settle in two business days, unless the parties to any such trade expressly agree otherwise. Therefore, purchasers who wish to trade Notes on the date of pricing or within two days thereof will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify alternative settlement arrangements to prevent a failed settlement. Purchasers who wish to trade the Notes prior to their date of delivery hereof should consult their advisor.

## TRANSFER RESTRICTIONS

The Notes are subject to restrictions on transfer as summarized below. Each purchaser of Notes that is purchasing in a sale made in reliance on Rule 144A or Regulation S will be deemed to have acknowledged that the Notes have not been and will not be registered under the Securities Act or any securities laws of any jurisdiction, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other securities laws. Accordingly, the Notes are being offered hereby only (a) to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act), or QIBs, in compliance with Rule 144A under the Securities Act and (b) in offers and sales that occur outside the United States to persons other than U.S. persons (“non-U.S. purchasers,” which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)), in offshore transactions meeting the requirements of Rule 903 or Rule 904 of Regulation S. As used herein, the terms “offshore transactions,” “United States” and “U.S. person” have the respective meanings given to them in Regulation S.

Each purchaser of Notes that is purchasing in a sale made in reliance on Rule 144A or Regulation S will be deemed to have represented and agreed as follows:

- (1) It is not an affiliate (as defined in Rule 144 under the Securities Act) of the Issuer or the Guarantor, that it is not acting on the Issuer or the Guarantor’s behalf, that it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A under the Securities Act or (b) a non-U.S. purchaser that is outside the United States (or a non-U.S. purchaser that is a dealer or other fiduciary as referred to above);
- (2) It understands that the Notes are being offered in transactions not involving any public offering in the United States within the meaning of the Securities Act, that the Notes have not been and will not be registered under the Securities Act or any securities laws of any jurisdictions, and that the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (3) It understands that none of the Issuer, the Guarantor, or the Initial Purchasers nor any person representing the Issuer, the Guarantor or the Initial Purchasers have made any representation to it with respect to the Issuer, the Guarantor or the offering of the Notes, other than the information contained in this listing memorandum. It represents that it is relying only on this listing memorandum in making its investment decision with respect to the Notes. It agrees that it has had access to such financial and other information concerning the Issuer, the Guarantor and the Notes as it has deemed necessary in connection with its decision to purchase Notes, including an opportunity to ask questions of and request information from the Issuer and the Guarantor.
- (4) It shall not resell or otherwise transfer any of such Notes, except:
  - (a) to the Issuer, the Guarantor or any of its subsidiaries;
  - (b) pursuant to a registration statement which has been declared effective under the Securities Act;
  - (c) for so long as the Notes are eligible for resale under Rule 144A, within the United States to a person the seller reasonably believes is a QIB that is purchasing for its own account or for the account of another QIB in compliance with Rule 144A under the Securities Act;
  - (d) outside the United States to non-U.S. purchasers in offshore transactions meeting the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act; or
  - (e) pursuant to another available exemption from the registration requirements of the Securities Act;



- (5) It agrees that it will give notice of any restrictions on transfer of such Notes to each person to whom it transfers the Notes;
- (6) It understands that the Rule 144A Global Note will bear a legend substantially to the following effect, unless otherwise agreed by us and the trustee and which will be used to notify transferees of the foregoing restrictions on transfer. This legend may only be removed at the option of the Issuer.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER OR HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS (A) A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) OR (B) NOT A U.S. PERSON, AS SUCH TERM IS DEFINED IN RULE 902 UNDER THE SECURITIES ACT, AND IS PURCHASING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR 904 OF REGULATION S AND, WITH RESPECT TO (A) AND (B), EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, AND (2) AGREES FOR THE BENEFIT OF SUZANO AUSTRIA GMBH AND THE GUARANTOR THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT (I) TO SUZANO AUSTRIA GMBH OR THE GUARANTOR OR ANY SUBSIDIARY THEREOF, OR (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR (III) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, OR (IV) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (V) PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "US PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

- (7) If it is a non-U.S. purchaser acquiring a beneficial interest in a Regulation S Global Note offered pursuant to this listing memorandum, it acknowledges and agrees that, until the expiration of the 40-day "distribution compliance period" within the meaning of Regulation S, any offer, sale, pledge or other transfer shall not be made by it in the United States or to, or for the account or benefit of, a U.S. person, except pursuant to Rule 144A to a person the seller reasonably believes is a QIB taking delivery thereof in the form of a beneficial interest in a Rule 144A Global Note, and that each Regulation S Global Note will contain a legend to substantially the following effect:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS. PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT), NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

- (8) It is not, and for so long as it holds the Notes or interests in Notes will not be, (a) a Plan, an entity whose underlying assets include the assets of any such Plan or a governmental plan, church plan, non-U.S. or other plan that is subject to Similar Law or (b) its acquisition, holding or disposition of the Notes or interests in Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of

ERISA or Section 4975 of the Code (or, in the case of a governmental plan, church plan, non-U.S. or other plan, a violation of any Similar Law);

- (9) It acknowledges that the foregoing restrictions apply to holders of beneficial interests in the Notes, as well as holders of the Notes;
- (10) It acknowledges that the trustee will not be required to accept for registration of transfer any Notes acquired by it, except upon presentation of evidence satisfactory to Suzano Austria GmbH, the Guarantor and the trustee that the restrictions set forth herein have been complied with; and

It acknowledges that Suzano Austria GmbH, the Guarantor, the trustee, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that, if any of the acknowledgments, representations or agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify Suzano Austria GmbH, the Guarantor, the trustee and the Initial Purchasers. If such purchaser is acquiring the Notes as a fiduciary or agent for one or more investor accounts, such purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

## LISTING AND GENERAL INFORMATION

The Notes have been accepted for clearance and settlement through DTC, Euroclear and Clearstream. The CUSIP, ISIN and Common Code numbers for the Notes are as follows:

### 2030 Notes

	<u>Restricted Global Note</u>	<u>Regulation S Global Note</u>
CUSIP.....	86964W AG7	A8372T AK4
ISIN.....	US86964WAG78	USA8372TAK46
Common Code .....	200443403	200443411

### 2047 Notes

	<u>Restricted Global Note</u>	<u>Regulation S Global Note (during 40-day Period)</u>	<u>Regulation S Global Note (after 40-day Period)</u>
CUSIP.....	86964W AB8	A8372T AL2	A8372T AC2
ISIN .....	US86964WAB81	USA8372TAL29	USA8372TAC20
Common Code .....	153996318	190909379	166229413

The 2047 Notes offered hereby and sold in reliance on Regulation S had temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on their date of issuance. After such 40-day distribution compliance period, the 2047 Notes offered hereby and sold in reliance on Regulation S had the same CUSIP, ISIN and Common Code numbers as, and became fungible with, the Original 2047 Notes offered and sold in reliance on Regulation S. The 2047 Notes offered and sold in reliance on Rule 144A had, commencing on their date of issuance, the same CUSIP, ISIN and Common Code numbers as, and are fungible with, the Original 2047 Notes offered and sold in reliance on Rule 144A, as set forth above.

The Notes have not been registered under the Securities Act or the laws of any other jurisdiction. As a result, the notes are subject to limitations on transferability and resale. For more information see “Transfer Restrictions.”

Copies of our Audited Annual Financial Statements and our Unaudited Condensed Consolidated Interim Financial Information and our future audited consolidated annual financial statements, and our Unaudited Condensed Consolidated Interim Financial Information, if any, and the indentures (including forms of Notes and guarantees), as well as English-language copies of the articles of association and by-laws of the Issuer, will be available free of charge at the offices of the Luxembourg listing agent. In addition, from and after the date the Notes are admitted to listing on the Official List of the Luxembourg Stock Exchange and so long as it is required by the rules of such exchange, English-language copies of the articles of association and by-laws of Suzano will be made available, upon request, at the offices of the Luxembourg listing agent.

Except as disclosed in this listing memorandum, there has been no material adverse change in our financial position since December 31, 2018, the date of our Audited Annual Financial Statements incorporated by reference in this listing memorandum.

Except as disclosed in this listing memorandum, we are not involved in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of this offering, nor so far as we are aware is any such litigation or arbitration threatened.

The Original 2047 Notes are listed, and we have applied to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading the Notes on the Euro MTF market. We will comply with any undertakings assumed or undertaken by us from time to time to the Luxembourg Stock Exchange in connection with

the Notes, and we will furnish to them all such information as the rules of the Luxembourg Stock Exchange may require in connection with the listing of the Notes.

The issuance of the Notes was authorized by our board of directors on May 9, 2019.

## **RESPONSIBLE PERSONS**

We are furnishing this listing memorandum solely for use by prospective investors in connection with their consideration of investment in the securities and for Luxembourg listing purposes. The Issuer, together with the Guarantor, confirm that, having taken all reasonable care to ensure that such is the case:

- the information contained in this listing memorandum is true, to the best of their knowledge, and correct in all material respects and is not misleading;
- they, to the best of their knowledge, have not omitted other material facts, the omission of which would make this listing memorandum as a whole misleading;
- to the best of their knowledge, nondisclosure of the Issuer's accounts would not make this listing memorandum as a whole misleading; and
- they accept responsibility for the information they have provided in this listing memorandum.

## **LEGAL MATTERS**

Certain legal matters in connection with the offering of the Notes will be passed upon by Cleary Gottlieb Steen & Hamilton LLP, U.S. counsel to the Issuer and Suzano, and by Linklaters LLP, U.S. counsel to the Initial Purchasers. Certain matters of Brazilian law relating to the Notes will be passed upon by the internal Brazilian general counsel to the Issuer and Suzano, and by Pinheiro Guimarães Advogados, Brazilian counsel to the Initial Purchasers. Certain matters of Austrian law relating to the Notes will be passed upon by Weber Rechtsanwälte GmbH & Co KG, Austrian counsel to the Issuer and Suzano.

## INDEPENDENT AUDITORS

The consolidated financial statements of Suzano for the year ended December 31, 2016 incorporated by reference in this listing memorandum, have been audited by KPMG Auditores Independentes (referred to as “KPMG”), independent auditors, as stated in their report incorporated by reference herein.

The consolidated financial statements of Suzano as of December 31, 2018 and 2017 and for each of the two years in the period ended December 31, 2018 incorporated by reference in this listing memorandum from our 2018 Annual Report have been audited by PricewaterhouseCoopers Auditores Independentes (referred to as “PwC”), independent auditors, as stated in their report incorporated by reference herein.

Fibria’s financial statements and management’s assessment of the effectiveness of internal control over financial reporting (which is included in Management’s Report on Internal Control over Financial Reporting) incorporated in this listing memorandum by reference to Fibria’s submission on Form 6-K as of and for the year ended December 31, 2018 have been audited by PwC, independent auditors, as stated in their report incorporated by reference herein.

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# Suzano S.A.

## Unaudited condensed consolidated interim financial information as of March 31, 2019

(In thousands of R\$, unless otherwise stated)



### Condensed Consolidated Interim Balance Sheet

Assets	Note	March 31, 2019	December 31, 2018
<b>Current</b>			
Cash and cash equivalents	5	3,095,885	4,387,453
Financial Investments	6	3,687,230	21,098,565
Trade accounts receivable	7	3,507,439	2,537,058
Inventories	8	8,044,651	1,853,104
Recoverable taxes	9	944,407	296,832
Derivative financial instruments	4	615,887	352,454
Advances to suppliers		102,857	98,533
Assets held for sale		329	5,718
Other assets		321,781	169,175
<b>Total current assets</b>		<b>20,320,466</b>	<b>30,798,892</b>
<b>Non-current assets</b>			
Recoverable taxes	9	771,696	231,498
Financial Investments	6	175,559	
Deferred taxes	11	1,431,134	8,998
Derivative financial instruments	4	760,448	141,480
Advances to suppliers		948,636	218,493
Judicial deposits		342,247	129,005
Other assets		202,205	93,935
Biological assets	12	9,752,742	4,935,905
Investments	13	228,684	14,338
Property, plant and equipment	14	41,998,207	17,020,259
Right of Use on lease agreements	18.1	3,910,574	
Intangible assets	15	18,465,253	339,841
<b>Total non-current assets</b>		<b>78,987,385</b>	<b>23,133,752</b>
<b>Total assets</b>		<b>99,307,851</b>	<b>53,932,644</b>

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

# Suzano S.A.

## Unaudited condensed consolidated interim financial information as of March 31, 2019

(In thousands of R\$, unless otherwise stated)



### Condensed Consolidated Interim Balance Sheet

<b>Liabilities</b>	<b>Note</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>
<b>Current</b>			
Trade accounts payable	16	4,049,078	632,565
Loans and financing	17.1	5,340,700	3,425,399
Debentures	17.6	2,082,084	1,297
Lease obligations	18.2	504,828	
Derivative financial instruments	4	808,560	596,530
Taxes payable		228,240	243,835
Payroll and charges		303,419	234,192
Liabilities for assets acquisitions and subsidiaries		487,682	476,954
Dividends payable		11,343	5,434
Advance from customers		63,709	75,159
Other liabilities		335,494	367,313
<b>Total current liabilities</b>		<b>14,215,137</b>	<b>6,058,678</b>
<b>Non-current</b>			
Loans and financing	17.1	48,679,573	27,648,657
Debentures	17.6	4,662,272	4,662,156
Lease obligations	18.2	3,511,378	
Derivative financial instruments	4	2,108,659	1,040,170
Liabilities for assets acquisitions and subsidiaries		516,815	515,558
Provision for judicial liabilities	19	3,527,818	351,270
Employee benefits	20	584,829	430,427
Deferred taxes	11	803,241	1,038,133
Share-based compensation plans	21	131,571	124,318
Other liabilities		213,206	37,342
<b>Total non-current liabilities</b>		<b>64,739,362</b>	<b>35,848,031</b>
<b>Total liabilities</b>		<b>78,954,499</b>	<b>41,906,709</b>
<b>Equity</b>	22		
Share Capital		9,269,281	6,241,753
Capital reserves		6,383,671	674,221
Treasury shares		(218,265)	(218,265)
Retained earnings		3,677,153	2,992,590
Other reserves		2,332,963	2,321,708
Retained loss		(1,213,666)	
<b>Controlling interest in subsidiaries' equity</b>		<b>20,231,137</b>	<b>12,012,007</b>
Non-controlling interest in subsidiaries' equity		122,215	13,928
<b>Total equity</b>		<b>20,353,352</b>	<b>12,025,935</b>
<b>Total equity and liabilities</b>		<b>99,307,851</b>	<b>53,932,644</b>

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

# Suzano S.A.

## Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

### Condensed Consolidated Interim Statements of Income (loss)

	Note	March 31, 2019	March 31, 2018
<b>Net sales revenue</b>	24	<b>5,698,999</b>	2,994,579
Cost of sales	26	<b>(4,724,893)</b>	(1,583,414)
<b>Gross profit</b>		<b>974,106</b>	1,411,165
<b>Operating income (expenses)</b>			
Selling expenses	26	<b>(441,303)</b>	(121,957)
General and administrative expenses	26	<b>(330,765)</b>	(147,353)
Equity in earnings (loss) joint venture and associates	13	<b>1,658</b>	(53)
Other operating income (expenses), net	26	<b>(18,884)</b>	(9,867)
<b>Operating profit before net financial income (expenses)</b>		<b>184,812</b>	1,131,935
<b>Net financial income (expenses)</b>	23		
Financial expenses		<b>(992,804)</b>	(234,273)
Financial income		<b>149,322</b>	36,726
Derivative financial instruments		<b>(636,934)</b>	68,603
Monetary and exchange variations, net		<b>(455,727)</b>	(28,406)
<b>Net income (loss) before taxes</b>		<b>(1,751,331)</b>	974,585
<b>Income taxes</b>	11		
Current		<b>(129,249)</b>	(104,216)
Deferred		<b>651,448</b>	(64,849)
<b>Net income (loss) for the period</b>		<b>(1,229,132)</b>	805,520
<b>Result of the period attributed to the controlling shareholders</b>		<b>(1,226,803)</b>	805,520
<b>Result of the period attributed to non-controlling shareholders</b>		<b>(2,329)</b>	
<b>Earnings (loss) per share</b>	22.2		
Basic – earnings (loss) per share		<b>(0.93686)</b>	0.73725
Diluted – earnings (loss) per share		<b>(0.93686)</b>	0.73631

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

# Suzano S.A.

## Unaudited condensed consolidated interim financial information as of March 31, 2019

(In thousands of R\$, unless otherwise stated)



### Condensed Consolidated Interim Statements of Comprehensive Income (loss)

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
<b>Net income (loss) for the period</b>	<b>(1,229,132)</b>	805,520
<b>Items that will not be reclassified to profit or loss</b>		
Variation on financial assets measured at fair value through of comprehensive income		
Ensyn Corporation ("Ensyn")	1,323	
CelluForce Inc. ("CelluForce")	462	
Spinnova Oy ("Spinnova")	<u>(315)</u>	
	<b>1,470</b>	
Tax effect of the above items	<u>(500)</u>	
	<b>970</b>	
<b>Item that may be subsequently reclassified to profit or loss</b>		
Exchange variation on conversion of financial statements and on foreign investments	<u>11,745</u>	<u>14,274</u>
<b>Total comprehensive income (loss)</b>	<u><b>(1,216,417)</b></u>	<u>819,794</u>
<b>Result for the period attributed to the controlling shareholders</b>	<u><b>(1,214,088)</b></u>	819,794
<b>Result for the period attributed to non-controlling shareholders</b>	<b>(2,329)</b>	

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

# Suzano S.A.

## Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

### Condensed Consolidated Interim Statements of Changes in Equity

	Share Capital	Stock options granted	Share issuance costs	Capital reserve		Treasury shares	Tax incentives	Legal Reserve	Reserve for capital increase	Retained reserve		Other reserves	Retained earnings (loss)	Total	Non- controlling interest	Total equity
				Tax incentives	Other					Dividends proposed	Special statutory reserve					
<b>Balances at December 31, 2017</b>	<b>6,241,753</b>	<b>14,237</b>	<b>(15,442)</b>	<b>396,006</b>		<b>(241,088)</b>		<b>406,898</b>	<b>2,281,328</b>	<b>234,591</b>		<b>2,298,328</b>		<b>11,616,611</b>		<b>11,616,611</b>
Total comprehensive income													805,520	805,520		805,520
Net income for the period														14,274		14,274
Other comprehensive income																
<b>Transactions with shareholders:</b>																
Stock options granted		72														72
Sale of treasury shares to meet stock-based compensation plan						8,514										8,514
Non-controlling interest arising on business combination															8,772	8,772
<b>Internal changes in equity:</b>																
Partial realization of assets' deemed cost adjustment, net of deferred taxes												(16,675)	16,675			
Issue of treasury shares to employees		(14,309)				14,309										
<b>Balances at March 31, 2018</b>	<b>6,241,753</b>	<b>(14,309)</b>	<b>(15,442)</b>	<b>396,006</b>		<b>(218,265)</b>		<b>406,898</b>	<b>2,281,328</b>	<b>234,591</b>		<b>2,295,927</b>	<b>822,195</b>	<b>12,444,991</b>	<b>8,772</b>	<b>12,453,763</b>
<b>Balances at December 31, 2018</b>	<b>6,241,753</b>	<b>5,100</b>	<b>(15,442)</b>	<b>684,563</b>		<b>(218,265)</b>		<b>422,815</b>	<b>1,730,629</b>	<b>242,612</b>	<b>596,534</b>	<b>2,321,708</b>		<b>12,012,007</b>	<b>13,928</b>	<b>12,025,935</b>
Total comprehensive income													(1,226,803)	(1,226,803)	(2,329)	(1,229,132)
Net (loss) for the period														12,715		12,715
Other comprehensive income																
<b>Transactions with shareholders:</b>																
Share capital increase (Notes 1.1 and 22.1)	3,027,528															3,027,528
Share issuance costs			(18,293)													(18,293)
Stock options granted		1,421														1,421
Non-controlling interest arising on business combination															110,616	110,616
<b>Internal changes in equity:</b>																
Transfer of tax incentives				(684,563)			684,563									
Partial realization of assets' deemed cost adjustment, net of deferred taxes												(13,137)	13,137			
Realization of asset revaluation reserve												6,290		6,290		6,290
Exchange rate effect related to controlled hyperinflation												5,387		5,387		5,387
Issue of common shares related to business combination (note 1.1)						6,410,885								6,410,885		6,410,885
<b>Balances at March 31, 2019</b>	<b>9,269,281</b>	<b>6,521</b>	<b>(33,735)</b>			<b>6,410,885</b>		<b>684,563</b>	<b>422,815</b>	<b>1,730,629</b>	<b>242,612</b>	<b>596,534</b>	<b>(1,213,666)</b>	<b>20,231,137</b>	<b>122,215</b>	<b>20,353,352</b>

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

**Condensed Consolidated Interim Statements of Cash Flows**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Operating activities</b>		
<b>Net income (loss) for the period</b>	<b>(1,229,132)</b>	<b>805,520</b>
<b>Adjustment to:</b>		
Depreciation, depletion and amortization (Note 26)	863,474	384,938
Depletion of wood resources from forestry partnership programs	8,986	
Fair value adjustment on acquisition of Fibria - Amortization (Note 26)	1,566,648	
Fair value adjustment on acquisition of Facepa - Amortization (Note 26)	4,218	
Amortization of lease-use right	27,959	
Interest expense on lease liabilities	38,715	
Results from sale and disposals of property, plant and equipment and biological assets, net	(11,288)	9,488
Equity in earnings of subsidiaries (Note 13 (a) e (c))	(1,658)	53
Exchange and monetary variations, net	455,727	16,653
Interest expenses, net	823,958	185,853
Settlement of interest on financial investments	(228,047)	(25,164)
Amortization of the cost of funding	31,574	
Derivative (gains) losses, net (Note 23)	636,934	(68,603)
Deferred income tax and social contribution expenses (Note 11.1)	(651,448)	64,849
Interest on actuarial liabilities (Note 20.2)	13,421	8,617
Provision/ (Reversal) for judicial liabilities	(10,296)	234
Allowance for doubtful accounts, net	7,724	6,292
Estimated loss (reversal) in inventories and write-offs	(1,739)	(3,045)
Provision for loss of ICMS credits, net	37,063	
Other provisions	65,227	(7,384)
<b>Decrease (increase) in assets</b>		
Trade accounts receivable	331,901	(26,576)
Inventories	(942,669)	(90,798)
Recoverable taxes	58,745	1,241
Other assets	84,564	(220,446)
<b>Increase (decrease) in liabilities</b>		
Trade accounts payables	75,087	(10,903)
Taxes payable	245,692	(154,481)
Payroll and charges	(332,520)	19,262
Other liabilities	(304,819)	229,477
<b>Cash provided by operations</b>	<b>1,664,001</b>	<b>1,125,077</b>
Payment of interest	(783,745)	(194,402)
Interest received from financial investments	175,057	
Payment of income taxes	(310,977)	(11,045)
<b>Cash provided by operating activities</b>	<b>744,336</b>	<b>919,630</b>
<b>Investing activities</b>		
Cash provided by the merger of subsidiary		21,436
Additions to property, plant and equipment (Note 14)	(705,246)	(142,226)
Additions to intangible assets (Note 15.3)	(636)	(57)
Additions to biological assets (Note 12)	(791,684)	(206,720)
New lease contracts	(50,044)	
Proceeds from sale of assets	33,933	15,043
Increase of capital in subsidiaries (Note 13 c))	(11,216)	
Financial investments	21,756,512	265,000
Advance for acquisition of wood from operations with development (non-current)	(126,866)	(10,627)
Acquisition of subsidiaries, net cash	(26,002,541)	(309,872)
<b>Cash used in investing activities</b>	<b>(5,897,788)</b>	<b>(368,023)</b>
<b>Financing activities</b>		
Proceeds from loans (Note 17.1)	3,673,049	2,476,082
New leases contracts	50,044	
Issue of Debentures (Note 17.6)	3,998,780	
Payment of derivative transactions	24,765	13,036
Payment of loans and financing (Note 17.1)	(1,735,541)	(2,134,630)
Payment of leases	(118,237)	
Payment of dividends	(68)	
Payment of debentures (Note 17.6)	(2,000,000)	
Proceeds from own shares		8,514
Liabilities for assets acquisitions and subsidiaries	(1,701)	(2,308)
Others financing	(377)	
<b>Cash provided by financing activities</b>	<b>3,890,714</b>	<b>360,694</b>
Exchange variation on cash and cash equivalents	(28,830)	11,202
<b>Increase (reduction) in cash and cash equivalents</b>	<b>(1,291,568)</b>	<b>923,503</b>
Cash and cash equivalents at the beginning for the period	4,387,453	1,076,833
Cash and cash equivalents at the end for the period	3,095,885	2,000,336
<b>Statement of increase (reduction) in cash and cash equivalents</b>	<b>(1,291,568)</b>	<b>923,503</b>

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

## **1 Company Information**

Suzano S.A., (current social denomination of Suzano Papel e Celulose S.A., as Extraordinary General Meeting hold on April 1<sup>st</sup>, 2019), hereinafter referred to as the “Suzano” and together with its subsidiaries hereinafter referred to as (the “Company”), is a publicly-held corporation with registered office in the city of Salvador, State of Bahia, Brazil.

Suzano owns shares traded in B3 S.A. - *Brasil, Bolsa, Balcão*, New Market Listing Regulation under the acronym (SUZB3).

On December 10, 2018, Suzano began trading its American Depositary Receipts (“ADRs”), Level II, pursuant to a program approved by the Brazilian Securities and Exchange Commission (“CVM”).

After the conclusion of the transaction involving Fibria Celulose S.A. (“Fibria”), on January 14, 2019, the Company now owns 11 industrial units, located in Aracruz (Espírito Santo, State), Belém (Pará, State), Eunápolis – Veracel Celulose S.A. (“Veracel”), a jointly-controlled entity – and Mucuri (Bahia, State), Fortaleza (Ceará, State), Imperatriz (Maranhão, State), Jacareí, Limeira, Rio Verde and Suzano (São Paulo, State) and Três Lagoas (Mato Grosso, State).

These units produce hardwood pulp from eucalyptus, paper (coated paper, paperboard, uncoated paper and cut size paper) and jumbo rolls of sanitary paper (consumer goods - tissue) to serve the domestic and foreign markets.

Pulp and paper are sold in the foreign market directly by Suzano, as well as through its subsidiaries in Argentina, the United States of America, Switzerland and Austria and its sales offices in China and England.

The Company's corporate purpose also includes the commercial operation of eucalyptus forest for its own use, the operation of port terminals, and the holding of interest, as partner or shareholder, in any other company or project, and the generation and sale of electricity.

The Company is controlled by Suzano Holding S.A., through a Voting Agreement whereby it holds 45.80% of the common shares of its share capital.

This unaudited condensed consolidated interim financial information was approved by the Management Company's on May 8, 2019.

## 1.1 Major events in the period

### Corporate events

#### i) Business Combination with Fibria

On January 3, 2019 (acquisition date of control by Suzano), after the fulfillment of all conditions for the conclusion of the transaction to combine the operations and shareholding base of Suzano and Fibria, was performed the exchange of Fibria's shares by Suzano's shares and, on January 14, 2019, Suzano completed the corporate reorganization process, following the terms of the Agreement signed by both entities on March 15, 2018.

The consideration by Fibria, defined in terms of the Agreement, was as follows:

#### a) Share exchange ratio

On January 2, 2019, pursuant to Notice to Shareholders, the exchange ratio of the common shares issued by the Eucalipto Holding S.A. ("Holding") held by Fibria's shareholders for shares issued by Suzano was adjusted from 0.4611 to 0.4613, being the exchange ratio of 0.4613 considered as final. The adjustment in the exchange ratio, compared to the originally announced, was due to (i) a change in the total number of shares issued by Fibria ex-treasury and disregarding the shares resulting from the vesting of option plans between those in the Protocol and Justification and present date of 553,080,611 shares for 553,733,881 shares and (ii) alteration of the number of shares issued by Suzano ex-treasury and disregarding the shares resulting from the vesting of option plans between that contained in the Protocol and Justification and the present date of 1,091,984,141 shares to 1,093,784,141 shares.

As a result of this adjustment, (i) Suzano issued, as a result of the merger of the Holding, 255,437,439 new common shares in the market value of R\$ 36.95, totaling amount of R\$ 9,438,413, of which R\$ 3,027,528 was recognized as capital increase and R\$ 6,410,885, as capital reserve; and (ii) the amount attributed to Suzano's common share to calculate the capital gain, as disclosed in the Notice of Shareholders on November 29, 2018, increased from R\$ 15.38 attributed to 0.4611 common share for R\$ 15.39 attributed to 0.4613 common share of Suzano.

#### b) Cash installment

On January 10, 2019, by means of the Notice to Shareholders, the Company communicated the final value of the Adjusted Cash Portion, corresponding to the redemption value of each Holding's redeemable preferred share, originally equivalent to R\$ 52.50, (i) reduced by the amount of dividends declared by Fibria on December 3, 2018 and paid in Brazil on December 12, 2018 in the amount of R\$ 5.03 (ii) plus R\$ 2.73, corresponding to the variation of the average daily rate of Brazilian interbank deposits expressed as an annual percentage, based on 252 business days, calculated and disclosed daily by B3 ("DI Rate"), between March 15, 2018 and the Expiration Date of the Transaction including January 10, 2019 (including) and January 14, 2019 (including), the DI Rate was estimated at 6.40% per annum, with a total and final amount of R\$ 50.20 per share, making up the final amount of the Adjusted Cash Amount of R\$ 27,797,441.



The amounts mentioned above are gross, not considering any tax impacts on the payment to Fibria Resident or Non-Resident Shareholders, which are detailed in the Notice to Shareholders disclosed on November 29, 2018.

Suzano performed a valuation analysis of the fair market value of the assets of Fibria acquired and liabilities assumed and using the full consideration for the Merger, performed the allocations for such assets and liabilities.

The following table summarizes the preliminary purchase price allocation based on the appraisal report prepared by an independent and specialized entity:

Cash consideration	27,797,441	
Issuance of shares (Suzano)	9,438,413	
Total consideration	<u>37,235,854</u>	
Book value of Fibria's shareholders' equity	14,149,004	
Elimination of the book value of existing goodwill, net of the deferred income taxes	(3,495,077)	
Mandatory minimum dividends (eliminated balance)	724,829	
Book value of Fibria's shareholders' equity, net of goodwill	<u>11,378,756</u>	
Fair value adjustment on acquisition of Fibria (assets and liabilities):		
Inventories	2,178,903	(a)
Property, plant and equipment	9,445,315	(b)
Customer relationship	9,030,779	(c)
Port Assets	749,060	(d)
Possible contingent losses	(2,970,546)	(e)
Loans and Financing	(59,921)	(f)
Taxes recoverable	(235,843)	(g)
Other assets and liabilities, net	368,624	(h)
Deferred taxes, net	(546,324)	(i)
Total impact of fair value	<u>17,960,047</u>	
<b>Preliminary goodwill</b>	<u><u>7,897,051</u></u>	(j)

The Company has not yet finalized its valuation of all identifiable assets and liabilities acquired in the acquisition and therefore some of these amounts are provisional. These amounts may be adjusted as valuations are finalized.

(a) Calculated considering the balance of finished products based on selling price, net of selling expenses and an accepted margin based on the results achieved in 2018.

(b) Determined based on the analysis of market data on comparable transactions and cost quantification, based on the estimate of replacement or replacement value of the assets.

(c) In order to determine the fair value adjustment in the customer portfolio, the income approach and the MPEEM (Multi Period Excess Earnings Method) method were used to measure the present value of the income that will be generated during the remaining useful life of the asset. Considering the 5-year history of Fibria's sales data and the churn rate that measures customer satisfaction and customer permanence in the portfolio, the adjustment was calculated using estimated discounted cash flows.

(d) Fibria has concession contracts and port assets to assist in port operations in Brazil. For fair value calculation of these assets was considered the income approach, the MPEEM (Multi Period Excess Earnings Method) method that measures the present value of the income that will be generated during the remaining useful life of the asset and method of direct cost differential.

(e) In the business combination, for the calculation of the fair value of the contingencies, whose chances of loss were classified as possible and remote, Fibria's Management and its external and independent advisors were considered for their fair values, whose amounts were measured based on the analyzes of Fibria's external lawyers.

(f) The adjustment to fair value of loans and financing was calculated based on the fair value of the Bonds, based on the quotation of the security in the secondary market, and the adjustment to present value considering the market rate at the base date (On December 31, 2018).

(g) For the measurement of the fair value of the taxes to be recovered, the amount to be recovered, discounted to the present value considering the expected Selic rate for the tax period, was considered.

(h) In other net assets and liabilities, including supply contracts, accounts receivable and advances to suppliers, the income evaluation methodology, the present value and the direct cost differential were used.

(i) Deferred income tax on fair value adjustments of assets of Veracel and Portocel. For the remaining fair value, we did not recognize deferred income taxes liabilities due to Fibria's Legal Merger in April 2019.

(j) Goodwill is attributable to the strong market position and expected future profitability of Fibria in negotiations in the eucalyptus pulp market.

For more information on the business combination refer to note 13.1

## **2 Presentation of the unaudited condensed consolidated interim financial information**

### **2.1 Preparation basis and presentation**

The consolidated condensed interim financial information was prepared and is presented in accordance with the international standard IAS 34 Interim Financial Reporting and disclose all the applicable significant information related to the financial information, which is consistent with the information utilized by management in the performance of its duties.

The interim information was prepared using the historical cost as the basis of value, except for certain financial assets and liabilities and biological assets that are measured at fair value.

#### **2.1.1 Consolidated Interim Financial Information**

The unaudited condensed consolidated interim financial information was prepared based on the information of Suzano and its subsidiaries on the reference date, as well as in accordance with consistent accounting practices and policies.

The subsidiaries are consolidated from the date control is obtained until the date that control ceases to exist. For jointly controlled operations, the balances of assets, liabilities, revenues and expenses are proportionally recognized in relation to the participation in the joint operation. In the case of joint control with other companies, these investments are accounted for using the equity method.

In the consolidation process, the balances in the balance sheet and income statement accounts corresponding to the transactions carried out with subsidiaries are eliminated, as well as the unrealized gains and losses and the investments in these subsidiaries and their respective equity accounting results.

The unaudited condensed consolidated interim financial information of the Balance Sheet, Statements of Income (loss), Statements of Comprehensive Income (loss), Statements of Changes in Equity and Statements of Cash Flows, as well the corresponding notes to the financial information regarding to the three-month period ended March 31, 2019, existing on this unaudited condensed consolidated interim

financial information are not comparable with the last annual financial statements as at December 31, 2018 and the unaudited condensed consolidated interim financial information for the three-month period ended March 31, 2018 due to the conclusion of the business combination of Fibria in January 2019, as disclosed in Note 1.1 above. Thus, as from January 1, 2019, Suzano started to consolidate Fibria's interim accounting information.

Companies included in the Company's consolidated interim financial information:

Investee	Type of interest	Interest in capital (%)	
		March 31, 2019	December 31, 2018
AGFA - Comércio, Administração e Participações Ltda	Direct	100%	100%
Asapir Produção Florestal e Comércio Ltda (i)	Direct/Indirect	100%	50%
Comercial e Agrícola Paineiras Ltda	Direct	100%	100%
Eucalipto Holding S.A. (ii)	Direct		100%
Facepa - Fábrica de papel da Amazônia S.A.	Direct/Indirect	92,80%	92,80%
FuturaGene Brasil Tecnologia Ltda	Indirect	100%	100%
FuturaGene Ltd	Indirect	100%	100%
Ibema Companhia Brasileira de Papel	Joint venture	49,90%	49,90%
Maxcel Empreendimentos e Participações S.A.	Direct	100%	100%
Mucuri Energética S.A.	Direct	100%	100%
Ondurman Empreendimentos Imobiliários Ltda	Direct	100%	100%
Paineiras Logística e Transporte Ltda	Direct	100%	100%
Stenfar S.A. Indll. Coml. Imp. Y. Exp.	Direct/Indirect	100%	100%
Sun Paper and Board Limited	Direct	100%	100%
Suzano Áustria GmbH	Direct	100%	100%
Suzano Luxembourg	Direct	100%	100%
Suzano Pulp and Paper America Inc	Direct	100%	100%
Suzano Pulp and Paper Europe S.A.	Direct	100%	100%
Suzano Trading Ltd	Direct	100%	100%
Itacel - Terminal de Celulose de Itaquí S.A.	Indirect	100%	
Fibria Celulose S.A.	Direct	100%	
Fibria Terminais Portuários S.A.	Indirect	100%	
Fibria Terminal de Celulose de Santos SPE S.A.	Indirect	100%	
F&E Participações Ltda.	Indirect	100%	
F&E Tecnologia do Brasil S.A.	Indirect	100%	
Portocel - Terminal Espec. Barra do Riacho S.A.	Indirect	51%	
Projetos Especiais e Investimentos S.A.	Indirect	100%	
Veracel Celulose S.A.	Joint operation	50%	
Fibria Celulose (USA) Inc.	Indirect	100%	
Fibria Innovations Inc.	Indirect	100%	
Fibria International Trade GmbH	Indirect	100%	
Fibria Overseas Finance Ltd.	Indirect	100%	
Fibria Overseas Holding KFT.	Indirect	100%	
Fibria Trading International KFT.	Indirect	100%	

(i) The full control was acquired after the acquisition of Fibria.

(ii) Company merged in January 2019, as mentioned in note 1.1.

On January 21, 2019, Voto – Votorantim Overseas Trading Operations IV Limited (former Fibria's joint operation) repurchased its shares owned by Fibria.

### 3 Accounting Policies

The interim financial information was prepared using accounting practices consistent with those used in the preparation of the annual financial statements at December 31, 2018, except for the application of the new accounting standards as of January 1, 2019, described below and which the estimated impacts were previously disclosed in the annual financial statements as of December 31, 2018.

The consolidated interim financial information should be read in conjunction with the audited annual financial statements of the Company and Fibria for the year ended

December 31, 2018, considering that its purpose is to provide an update on the activities, events and significant circumstances in relation to those presented in the annual financial statements.

The following accounting practices were not described in the notes to the financial statements of Suzano as of December 31, 2018, but are relevant for this quarter, especially considering the acquisition of Fibria, as described in Note 1.1.

#### **(i) Reclassification – Statements of cash flows**

The Company made certain reclassifications on its Statements of cash flows regarding the three-month period ended March 31, 2018, substantially in operating activities, for a better comparison with the Statements of cash flows for the three-month period ended March 31, 2019.

### **3.1 New Accounting Policies Adopted**

#### **3.1.1 Leases – IFRS 16**

The Company adopted IFRS 16 as of January 1, 2019.

This standard determines that lessees must recognize future liabilities in their liabilities and their right to use the leased asset for all lease agreements, with exemption allowed to short-term or low-value contracts. Short-term or low-value contracts for the exemption of the standard refers to contracts where the individual value of the assets is lower than US\$ 5 thousand and maturity date is before 12 months, represented, mainly, by equipment of technology and vehicles.

The Company adopted the standard using a modified retrospective approach that does not require the restatement of the comparative balances.

In adopting IFRS 16, the Company recognized the lease liabilities in relation to the contracts that meet the definition of lease, whose liabilities were measured at the present value of the remaining lease payments, discounted based on the incremental loan rate. Assets associated with the right of use were measured at the amount equal to the lease liability on January 1<sup>st</sup>, 2019, with no impact on retained earnings.

The Company used the following practical expedients allowed by the standard:

- a) The use of a single discount rate for a portfolio of leases with similar characteristics;
- b) Leases whose maturity will occur within 12 months of the date of initial adoption of the standard, accounting will be as short-term leases (directly in the income statement);
- c) The accounting of lease payments as expenses in the case of leases for which the underlying asset is of low value; and
- d) The use of hindsight in determining the lease term, when the agreement contains options to extend or terminate the lease.

e) The Company excluded initial direct costs of measuring the right to use asset at the date of initial application.

The effects of adopting this new standard are presented in note 18.

### **3.1.2 Uncertainty over Income Tax Treatments – IFRIC 23**

The interpretation is applicable when there are uncertainties as to the acceptance of the treatment by the Fiscal Authority. If acceptance is not likely, the values of tax assets and liabilities should be adjusted to reflect the best resolution of the uncertainty.

The Company has evaluated the changes introduced by this new standard and based on the analysis carried out, did not identify material changes that have an impact on its unaudited condensed consolidated interim financial information, or alter the recognition and measurement of uncertainties about tax treatment of income.

### **3.2 New standards, revisions and interpretations not yet in force**

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's condensed consolidated interim financial information.

## **4 Financial Instruments and Risks**

### **4.1 Management of financial risks**

#### **a) Overview**

In the three-month period ended March 31, 2019, there were no significant changes in the financial risk management policies and procedures compared to those reported in Note 4 to the financial statements of December 31, 2018.

**b) Rating**

All operations with financial instruments are recognized in the Company's interim financial information, as shown below in the following categories:

	March 31, 2019	December 31, 2018
<b>Assets</b>		
At amortized cost		
Cash and cash equivalents (Note 5)	3,095,885	4,387,453
Trade accounts receivable (Note 7)	3,507,439	2,537,058
Other assets	523,986	263,110
	<u>7,127,310</u>	<u>7,187,621</u>
At fair value through profit and loss		
Derivative financial instruments (Note 4)	1,376,335	493,934
Stock Options (Note 13. (d))	5,845	
Financial Investments (Note 6)	3,862,789	21,098,565
	<u>5,244,969</u>	<u>21,592,499</u>
Fair value through other comprehensive income		
Other investments (Note 13. (d))	202,960	
	<u>202,960</u>	
<b>Liabilities</b>		
At amortized cost		
Loans and financing (Note 17.1)	54,020,273	31,074,056
Debentures (Nota 17.5)	6,744,356	4,663,453
Accounts payable for leasing operations (Note 18.2)	4,016,206	
Accounts payable with acquisition of assets and subsidiaries	1,004,497	992,512
Suppliers and other liabilities	4,597,777	1,037,220
	<u>70,383,109</u>	<u>37,767,241</u>
At fair value through profit and loss		
Derivative financial instruments (Note 4)	2,917,219	1,636,700

**c) Fair value of loans and financing**

The following is a breakdown of the estimated fair values of loans and financing:

	Yield used to discount (*)	March 31, 2019	December 31, 2018
<b>Quoted in the secondary market</b>			
In foreign currency			
Bonds	US\$	24,779,988	15,035,165
<b>Estimated to present value</b>			
In foreign currency			
Export credits (pre-payment)	LIBOR US\$	16,778,162	12,819,072
Export credits ( <i>Finnvera</i> )	LIBOR US\$	2,277,492	832,907
Export credits (ACC/ACE)	DI 1	1,791,945	1,732,088
In local currency			
BNDES – <i>TJLP</i>	DI 1 (ii)	1,990,925	206,601
BNDES – Fixed	DI 1	131,488	348,827
BNDES – <i>Selic</i> (Special Settlement and Custody System)	DI 1	625,687	
Currency basket	DI 1	69,877	169,243
CRA (Agribusiness Receivables Certificate)	DI 1	7,560,271	2,383,775
FINEP (Financier of Studies and Projects)	DI 1	492	
NCE (Export Credit Notes) in <i>Reais</i>	DI 1	1,419,457	1,501,623
NCR – ( <i>Rural Credit Notes</i> )	DI 1	796,955	297,375
FDCO – ( <i>West Center Development Fund</i> )	DI 1	598,800	
		<u>58,831,539</u>	<u>35,326,676</u>

The Company's Management considers that for its other financial assets and liabilities measured at amortized cost, its book values approximate their fair values and therefore the information on their fair values is not being presented.

## 4.2 Liquidity risk

The following are the remaining contractual maturities (consolidated) of financial liabilities at the reporting date. The following amounts are cash flows, are undiscounted and include contractual interest payments and exchange variation, and therefore may not be reconciled with the amounts disclosed in the balance sheet.

	<b>March 31, 2019</b>					
	<b>Total Book Value</b>	<b>Total Future Value</b>	<b>Up to 1 year</b>	<b>1 - 2 years</b>	<b>2 - 5 years</b>	<b>More than 5 years</b>
<b>Liabilities</b>						
Trade accounts payables	4,049,078	4,049,078	4,049,078			
Loans and financing	54,020,273	76,502,622	7,110,396	11,069,704	24,863,159	33,459,363
Debentures	6,744,356	9,956,623	406,420	2,883,216	1,491,712	5,175,275
Lease obligation	4,016,206	6,587,184	633,828	598,760	1,534,325	3,820,271
Liabilities for asset acquisitions and subsidiaries	1,004,497	1,106,036	499,195	101,245	318,635	186,961
Derivative financial instruments	2,917,219	5,380,141	328,353	763,181	1,003,351	3,285,256
Other liabilities	548,699	548,699	335,495	213,204		
	<u>73,300,328</u>	<u>104,130,383</u>	<u>13,362,765</u>	<u>15,629,310</u>	<u>29,211,182</u>	<u>45,927,126</u>
	<b>December 31, 2018</b>					
	<b>Total Book Value</b>	<b>Total Future Value</b>	<b>Up to 1 year</b>	<b>1 - 2 years</b>	<b>2 - 5 years</b>	<b>More than 5 years</b>
<b>Liabilities</b>						
Trade accounts payables	632,565	632,565	632,565			
Loans and financing	31,074,056	45,997,323	4,818,397	3,672,268	16,850,840	20,655,818
Debentures	4,663,453	8,022,759	340,044	419,401	1,521,757	5,741,556
Liabilities for asset acquisitions and subsidiaries	992,512	1,099,331	495,862	100,715	316,730	186,023
Derivative financial instruments	1,636,700	2,149,710	790,679	736,715	465,853	156,462
Other liabilities	404,655	404,655	367,314	37,341		
	<u>39,403,941</u>	<u>58,306,342</u>	<u>7,444,861</u>	<u>4,966,440</u>	<u>19,155,180</u>	<u>26,739,859</u>

### 4.3 Market risk

#### 4.3.1. Exchange rate risk

The following table shows the net exposure of assets and liabilities in foreign currency, primarily the U.S. dollar:

	March 31, 2019	December 31, 2018
<b>Assets</b>		
Cash and cash equivalents	2,649,942	1,143,968
Trade accounts receivable	2,418,951	1,661,108
Derivative financial instruments		493,685
	<u>5,068,893</u>	<u>3,298,761</u>
<b>Liabilities</b>		
Trade accounts payables	(2,594,837)	(72,720)
Loans and financing	(41,163,009)	(26,384,721)
Liabilities for asset acquisitions and subsidiaries	(339,682)	(333,049)
Derivative financial instruments	(1,694,864)	(1,464,569)
	<u>(45,792,392)</u>	<u>(28,255,059)</u>
<b>Liability exposure</b>	<u>(40,723,499)</u>	<u>(24,956,298)</u>

#### Sensitivity analysis – foreign exchange exposure

For market risk analysis, the Company uses scenarios to jointly evaluate the long and short positions in foreign currency, and the possible effects on its results. The probable scenario represents the amounts already booked, as they reflect the translation into Brazilian reais on the base date of the balance sheet (R\$/US\$ = 3.8967).

The other scenarios were created considering the appreciation/depreciation of the Brazilian real against the U.S. dollar at the rates of 25% and 50%, before taxes.

The note below presents the potential impacts on the results assuming these scenarios (in absolute amounts):

Consolidated	March 31, 2019		
	Probable	Effect on Income and Equity	
		Possible Increase ( Δ 25%)	Remote Increase ( Δ 50%)
Cash and cash equivalents	2,649,942	662,486	1,324,971
Trade accounts receivable	2,418,951	604,738	1,209,476
Trade accounts payables	2,594,837	648,709	1,297,419
Loans and financing	41,089,813	10,272,453	20,544,907
Liabilities for asset acquisitions and subsidiaries	339,682	84,921	169,841
Derivatives <i>Non-Deliverable Forward</i> ("NDF")	15,600	133,805	273,238
Derivatives Swap	1,415,593	3,776,284	7,402,589
Derivatives Options	233,359	4,922,848	10,823,684



### 4.3.2 Interest rate risk

#### Sensitivity analysis – exposure to interest rates

For market risk analysis, the Company uses scenarios to evaluate the sensitivity that variations in operations impacted by the rates: Interbank Deposit Rate (“CDI”), Long Term Interest Rate (“TJLP”), Special System for Settlement and Custody (“SELIC”) and the London Interbank Offered Rate (“LIBOR”) may have on its results. The probable scenario represents the amounts already booked, as they reflect the best estimate of the Management.

This analysis assumes that all other variables, particularly exchange rates, remain constant. The other scenarios were developed considering appreciation/depreciation of 25% and 50% in the market interest rates. The following table shows the potential impacts on the results (in absolute amounts):

Consolidated	March 31, 2019		
	Probable	Possible Increase ( Δ 25%)	Remote Increase ( Δ 50%)
<b>CDI</b>			
Cash and cash equivalents	343,466	5,495	10,991
Financial investments	3,862,789	61,805	123,609
Loans and financing	6,867,713	109,883	219,767
Debentures	6,744,356	107,910	215,819
Derivative Swaps	1,290,592	959,250	1,933,163
Derivative Options	241,417	129,606	276,054
<b>TJLP</b>			
Loans and financing	1,949,193	30,505	61,010
<b>LIBOR</b>			
Loans and financing	17,538,966	113,992	227,985
Derivative Swap	278,981	222,920	437,767

#### Sensitivity analysis for changes in the consumer price index of the US economy

For the calculation of the probable scenario, the United States Consumer Price Index (US-CPI) was considered on March 31, 2019. The probable scenario was extrapolated considering an increase / decrease of 25 % and 50% in the US-CPI to define the possible and remote scenarios, respectively

	March 31, 2019	
	Possible (25%)	Remote (50%)
Embedded derivative in forestry partnership and standing wood supply agreements	111,213	228,044

### 4.4 Derivative financial instruments

The Company determines the fair value of derivative contracts and recognizes that these amounts may differ from the amounts realized in the event of early settlement. The amounts reported by the Company are based on an estimate and using data provided by

a third party, calculated internally and compared with calculations performed by external consulting.

**a) Outstanding derivatives by type of contract (including embedded derivatives)**

On March 31, 2019 and December 31, 2018, the positions of outstanding derivatives are presented below:

Type of derivative	Notional value in US\$		Fair value	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
<b>Instruments contracted with protection strategy</b>				
<b>Operational Hedge</b>				
NDF (R\$ x US\$)	150,000	150,000	15,600	17,036
Zero Cost Collar (R\$ x US\$)	6,295,000	3,040,000	(233,359)	(134,814)
<b>Debt hedge</b>				
<b>Interest rate hedge</b>				
Swap LIBOR to Fixed (US\$)	2,757,143	2,757,143	(278,981)	(170,707)
Swap IPCA to CDI (nocional in Reais)	843,845		153,980	
Swap CDI x Fixed (US\$)	3,209,084	2,402,110	(1,344,385)	(853,141)
Pre-fixed Swap to US\$ (US\$)	209,855		(100,187)	
<b>Hedge de Commodity</b>				
Swap Bunker (oil)	5,893	5,344	5,629	(1,140)
<b>Derivative embedded in a contract for the purchase of standing wood <sup>(a)</sup></b>				
US - CPI Swap	712,902		240,819	
			<b>(1,540,884)</b>	<b>(1,142,766)</b>
Current assets			615,887	352,454
Non-current assets			760,448	141,480
Current liabilities			(808,560)	(596,530)
Non-current liabilities			(2,108,659)	(1,040,170)
			<b>(1,540,884)</b>	<b>(1,142,766)</b>

<sup>(a)</sup> The embedded derivative refers to the swap contracts for the sale of US-CPI variations within the term of the forest partnership contracts and the provision of standing timber.

**b) Fair value by maturity schedule**

Maturity of derivatives	Net Fair Value	
	March 31, 2019	December 31, 2018
2019	(218,904)	(244,069)
2020	(438,688)	(180,333)
2021	125,288	87,851
2022	(118,780)	83,692
2023	226,617	80,052
2024	(116,583)	82,963
2025	(535,960)	(486,958)
2026 after	(463,874)	(565,964)
	<u>(1,540,884)</u>	<u>(1,142,766)</u>

**c) Assets and liabilities position of the open derivatives**

The positions of outstanding derivatives are presented below:

	Currency	Notional value		Fair value	
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
<b>Debt hedge</b>					
<b>Assets</b>					
Swap CDI x Fixed (US\$)	R\$	86,449	8,722,620	3,145,977	119,178
Real Pre ( <i>real</i> to dollar)	R\$	22,400		22,168	
Swap US-CPI	US\$	712,902		240,819	
Real IPCA (IPCA for CDI)	R\$	912,390		1,027,387	
				<u>4,436,351</u>	<u>119,178</u>
<b>Liabilities</b>					
Swap CDI x Fixed (US\$)	US\$	2,428,152	2,402,110	(4,490,362)	(972,319)
Swap Libor x Fixed (US\$)	US\$	2,757,143	2,757,143	(278,981)	(170,707)
Fixed dollar ( <i>pre-real</i> for dollar)	US\$	209,855		(122,355)	
Real Fixo (IPCA to CDI)	R\$	843,845		(873,407)	
				<u>(5,765,105)</u>	<u>(1,143,026)</u>
				<u>(1,328,754)</u>	<u>(1,023,848)</u>
<b>Operational hedge</b>					
Zero cost collar (US\$ x R\$)	US\$	6,295,000	3,040,000	(233,359)	(134,814)
NDF (R\$ x US\$)	US\$	150,000	150,000	15,600	17,036
				<u>(217,759)</u>	<u>(117,778)</u>
<b>Commodity hedge</b>					
Swap Bunker	US\$	5,893	5,344	5,629	(1,140)
				<u>5,629</u>	<u>(1,140)</u>
Total in derivatives				<u>(1,540,884)</u>	<u>(1,142,766)</u>

**d) Fair value and settled amounts**

The consolidated positions of settled derivatives were as follows:

	<b>Settlement Values</b>	
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Operational hedge</b>		
<i>Zero cost collar (R\$ x US\$)</i>	16,568	10,165
	<u>16,568</u>	<u>10,165</u>
<b>Commodity hedge</b>		
<i>Bunker (oil)</i>	735	
	<u>735</u>	
<b>Debt hedge</b>		
<i>Swap CDI x Fixed (US\$)</i>	9,452	2,871
<i>Swap IPCA x CDI</i>	11,179	
<i>Swap Libor x Fixed (US\$)</i>	(2,074)	
<i>Swap Pre Fixed to US\$ (US\$)</i>	<u>(11,095)</u>	
	<u>7,462</u>	<u>2,871</u>
<b>Total in derivatives</b>	<u><u>24,765</u></u>	<u><u>13,036</u></u>

**4.5 Capital management**

The main objective of Company’s capital management is to ensure and maintain a solid credit rating, in addition to mitigating risks that may affect capital availability in business development.

The Company monitors constantly significant indicators, such as:

- i) consolidated financial leverage ratio, which is the ratio of total net debt to its adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (“EBITDA”); and
- ii) management of contractual financial covenants, maintaining a safety margin so as not to breach these covenants. Management prioritizes new loans denominated in the same currency of its main cash generation source, to obtain a natural hedge in the long term for its cash flow. The Company manages its capital structure and adjusts based on changes in economic conditions.

## 4.6 Fair value hierarchy

In the three-month period ended March 31, 2019, there were no changes in the criteria of classification of the assets and liabilities in the levels of the fair value hierarchy when compared to the criteria used in the classification of those instruments disclosed in Note 4.7 to our most recent annual financial statements as at December 31, 2018. There were no transfers between levels 1, 2 and 3 during the periods presented.

	March 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss				
Derivative financial instruments		1,376,335		1,376,335
Stock options - Ensyn			5,845	5,845
Financial investments	779,289	3,063,500		3,862,789
Financial assets at fair value through comprehensive income				
Other investments - Ensyn			162,239	162,239
Other investments - CelluForce			18,841	18,841
Other investments - Spinnova			21,880	21,880
Biological assets			9,752,742	9,752,742
<b>Total Assets</b>	<b>799,289</b>	<b>4,439,835</b>	<b>9,961,547</b>	<b>15,200,671</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
Derivative financial instruments		(2,917,219)		(2,917,219)
<b>Total Liabilities</b>		<b>(2,917,219)</b>		<b>(2,917,219)</b>

  

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss				
Derivative financial instruments		493,934		493,934
Financial investments	14,933,513	6,165,052		21,098,565
Biological assets			4,935,905	4,935,905
<b>Total Assets</b>	<b>14,933,513</b>	<b>6,658,986</b>	<b>4,935,905</b>	<b>26,528,404</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
Derivative financial instruments		(1,636,700)		(1,636,700)
<b>Total Liabilities</b>		<b>(1,636,700)</b>		<b>(1,636,700)</b>

## 5 Cash and Cash Equivalents

	Average yield p.a. - %	March 31, 2019	December 31, 2018
Cash and banks	2,52	2,203,825	1,151,766
<b>Cash equivalents</b>			
Local currency			
Fixed-term deposits (i)	97% of <i>CDI</i>	370,335	3,215,252
Foreign currency			
Fixed-term deposits (i)	2,62	521,725	20,435
		<b>3,095,885</b>	<b>4,387,453</b>

(i) Refers to Time Deposit and Overnight applications, maturing up to 90 days.

## 6 Financial Investments

	<u>Average yield p.a.- %</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>
In local currency			
Federal Fund Provision	3,04%	<b>362</b>	
Investment Funds	99,13% do CDI	<b>582,017</b>	14,933,513
Public titles			
Measured at fair value through profit or loss	99,13% do CDI	<b>798,927</b>	2,049,281
Private Securities (Compromised)	100,12% do CDI	<b>2,305,924</b>	4,115,771
Private Securities (Compromised) - Escrow	102% do CDI	<b>175,559</b>	
Account (i)		<b>3,862,789</b>	<b>21,098,565</b>
Current		<b>3,687,230</b>	21,098,565
Non-Current		<b>175,559</b>	

(i) Refers to the guarantee account recognized by Fibria, which will be released only after obtaining the applicable governmental approvals and compliance by the Company with the conditions precedent to the conclusion of the *Losango* Project provided for in the agreement entered with CMPC Celulose Riograndense SA ("CMPC"). The *Losango* Project was an operation to buy and sell lands and forests involving Fibria and CMPC, signed in December 2012.

The variation in the balance is substantially related to the payment made for the purchase of Fibria in the amount of R\$ 27,797,441, as disclosed in note 1.1.

## 7 Trade Accounts Receivables

### 7.1 Breakdown of balances

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Domestic customers		
Third parties	<b>1,093,779</b>	853,684
Receivables Investment Fund ("FIDC") <sup>(a)</sup>	<b>14,179</b>	22,299
Related parties <sup>(b)</sup> (Companies of the Suzano group) (Note 10)	<b>48,185</b>	36,727
Foreign customers		
Third parties	<b>2,418,951</b>	1,661,527
Fair value adjustment on acquisition of Fibria	<b>(22,828)</b>	
Fair value adjustment on acquisition of Fibria - Amortization	<b>4,249</b>	
Allowance for doubtful accounts	<b>(49,076)</b>	(37,179)
	<u><b>3,507,439</b></u>	<u>2,537,058</u>

- (a) In 2017, the Company created the Credit Rights Investment Fund ("FIDC"), which is a vehicle with the purpose of acquiring credit rights originated from the sales made by Suzano to facilitate credit to certain customers. The FIDC is an investment fund that acquires receivables and securities representing credit rights. The FIDC has a two-year term which ended in March 2019 and was renewed for another 6 months. The Company has a co-obligation and maintains a substantial credit risk, so that the Company booked an accounts receivable of R\$ 14,179 and a liability (loan) of R\$ 14,179 (Note 17.1).

The change in the consolidated balance is mainly related to the balances arising from the acquisition of Fibria in January 2019, as disclosed in note 1.1.

The Company performs factoring transactions for certain customers' receivables where, substantially all risks and rewards related to these receivables are transferred to the counterpart, so that these receivables are derecognized from accounts receivable in the balance sheet. The impact of these factoring transactions on the accounts receivable in the balance sheet as at March 31, 2019, is R\$ 3,464,419 (R\$ 396,563 as at December 31, 2018).

### 7.2 Past due securities

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
<b>Past due:</b>		
Up to 30 days	<b>300,639</b>	291,050
From 31 and 60 days	<b>21,845</b>	54,845
From 61 and 90 days	<b>9,183</b>	10,982
From 91 and 120 days	<b>10,212</b>	7,446
From 121 and 180 days	<b>3,634</b>	6,285
Over 180 days	<b>73,589</b>	47,262
	<u><b>419,102</b></u>	<u>417,870</u>

### 7.3 Changes in allowance for doubtful accounts

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Balance at beginning of the period	(37,179)	(38,740)
Amount from the acquisition of Fibria	(5,947)	
Credits (accrued)/ reversed in the period	(8,084)	(11,578)
Credits recovered in the period	360	5,128
Credits definitively written-off from position	1,461	8,993
Exchange variation	313	(982)
Balance at the end of the period	<u>(49,076)</u>	<u>(37,179)</u>

The Company maintains guarantees for overdue securities in its commercial operations, through credit insurance policies, letters of credit and other guarantees. Part of these guarantees cover and therefore avoid the need to recognize estimated losses with doubtful accounts, in accordance with the Company's credit policy.

## 8 Inventories

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Finished goods		
Pulp		
Domestic (Brazil)	890,093	167,317
Foreign	3,605,868	485,226
Paper		
Domestic (Brazil)	253,631	227,303
Foreign	95,940	67,872
Work in process	92,148	52,882
Raw material	1,620,297	626,150
Spare Parts	497,713	226,354
Fair value adjustment on acquisition of Fibria	2,178,903	
Fair value adjustment on acquisition of Fibria – Amortization	(1,189,942)	
	<u>8,044,651</u>	<u>1,853,104</u>

The change in the consolidated balance is substantially related to the balances arising from the acquisition of Fibria in January 2019, as disclosed in note 1.1.

On March 31, 2019, inventories are net of estimated losses in the amounts of R\$ 47,784 (December 31, 2018, R\$ 33,195).

### 8.1 Changes in estimated losses

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Balance at the beginning of the period	(33,195)	(51,911)
Amount from the acquisition of Fibria	(11,117)	
Constitution of provisions <sup>(a)</sup>	(12,887)	(10,605)
Reversal of provisions	53	5,873
Write-off inventories <sup>(b)</sup>	9,362	23,447
Balance at the end of the period	<u>(47,784)</u>	<u>(33,195)</u>

(a) In the three-month period ended March 31, 2019, refers, mainly, to estimated losses of inventories of finished goods (paper) and raw material, in the amounts of R\$ 8,325 and R\$ 4,271, respectively.

(b) In the three-month period ended March 31, 2019, refers to write-off of spare parts and raw material, in the amounts of R\$ 5,786 and R\$ 3,576, respectively.



During the three-month period ended March 31, 2019, additional write-offs were booked in the income statement in the amount of R\$ 1,704 (December 31, 2018, R\$ 29,828).

No inventory items were given as warranty for or guarantee of liabilities for the fiscal years presented.

## 9 Recoverable Taxes

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
IRPJ e CSLL - prepayments and withheld taxes	<b>726,808</b>	103,939
PIS and COFINS - on acquisition of property, plant and equipment assets <sup>(a)</sup>	<b>293,703</b>	55,518
PIS and COFINS - other operations	<b>451,324</b>	12,426
ICMS - on acquisition of property, plant and equipment assets <sup>(b)</sup>	<b>120,729</b>	78,154
ICMS - other operations <sup>(c)</sup>	<b>1,443,738</b>	215,361
<i>Reintegra</i> Program <sup>(d)</sup>	<b>120,790</b>	48,879
Other taxes and contributions	<b>42,066</b>	24,845
Provision for the impairment of ICMS credits <sup>(e)</sup>	<b>(1,256,404)</b>	(10,792)
Fair value adjustment on acquisition of Fibria	<b>(235,843)</b>	
Fair value adjustment on acquisition of Fibria - Amortization	<b>9,192</b>	
	<b><u>1,716,103</u></b>	<b><u>528,330</u></b>
Current assets	<b>944,407</b>	296,832
Non-current assets	<b>771,696</b>	231,498

- (a) Social Integration Program ("PIS") / Social Security Funding Contribution ("COFINS") - Credits whose realization is linked to the depreciation period of the corresponding asset.
- (b) Fair value adjustment on acquisition of Fibria - Tax on Sales and Services ("ICMS"): Credits from the entry of goods destined for property, plant and equipment are recognized at the ratio of 1/48 from the entry and on a monthly basis, as per the bookkeeping of ICMS Control on Property, Plant and Equipment ("CIAP").
- (c) ICMS credits accrued due to the volume of exports and credit generated in operations of entry of products. Credits are concentrated in the state of Maranhão, where the Company realizes the credits through "Transfer of Accrued Credit" (sale of credits to third parties), after approval from the State Ministry of Finance. Credits are also being realized through consumption in its consumer goods (tissue) operations in the domestic market that are already operational in Maranhão.
- (d) Special Regime of Tax Refunds for Export Companies ("Reintegra"). Reintegra is a program that aims to refund the residual costs of taxes paid throughout the exportation chain to taxpayers, to make them more competitive in international markets.
- (e) Includes the provision for discount on sale to third parties of the accumulated ICMS credit in Maranhão and the provision for full loss of the low probability of realization of the units of Mato Grosso do Sul, Bahia and Espírito Santo due to the difficulty of its accomplishment (item 9.c).

## 10 Related Parties

The Company's commercial and financial operations with its controlling shareholder, and Companies owned by its controlling shareholder Suzano

Holding ("Suzano Group") were carried out at specific prices and conditions in terms of values, terms and rates.

In the three-month period ended March 31, 2019, there were no material changes in the terms of the agreements, deal and transactions entered into, nor were there any new contracts, agreements or transactions of different natures entered into in the period between the Company and its related parties in relation to those described in the last annual financial statements of December 31, 2018, except for the transactions involving Fibria and Portocel highlighted below, which became related parties of the Company due to the conclusion of the business combination in January 2019, as mentioned in Note 1.1.

**10.1 Balances recognized in assets and liabilities**

	Nature	Balances receivable (payable)	
		March 31, 2019	December 31, 2018
<b>Transactions with controlling shareholders</b>			
Suzano Holding	Granting of guarantees and administrative expenses	(109)	(125)
		<b>(109)</b>	<b>(125)</b>
<b>Transactions with companies of the Suzano Group and other related parties:</b>			
Bexma	Administrative expenses	1	1
Ecofuturo	Social services	(682)	(33)
Ibema	Sale of paper	48,174	36,721
Ibema	Purchase of products	(768)	(1,643)
Bizma	Investment fund management	3	2
Management	Others	(4)	
		<b>46,724</b>	<b>35,048</b>
Total		<b>46,615</b>	<b>34,923</b>
<b>Presented in the following lines:</b>			
<u>In assets</u>			
Trade accounts receivable		48,185	36,727
<u>In liabilities</u>			
Trade accounts payable		(1,570)	(1,804)
Third-party non-current			
Total		<b>46,615</b>	<b>34,923</b>

## 10.2 Amounts transacted in the period

	Nature	Amounts transacted – Expenses (income)	
		March 31, 2019	March 31, 2018
<b>Transactions with controlling shareholders</b>			
Suzano Holding	Granting of guarantees and administrative expenses	(1,647)	(3,015)
		<u>(1,647)</u>	<u>(3,015)</u>
<b>Transactions with companies of the Suzano Group and other related parties:</b>			
Nemonorte	Real estate advisory	(45)	(62)
Bexma	Administrative expenses	1	3
Lazam - MDS	Insurance advisory and consulting		(31)
Ecofuturo	Social services	(1,557)	(873)
Ibema	Sale of paper	36,881	47,602
Ibema	Purchase of products	(933)	
Bizma	Investment fund management	5	9
Mabex	Aircraft services (freight)	(35)	
Management	Others	(115)	
		<u>34,202</u>	<u>46,648</u>
Total		<u>32,555</u>	<u>43,633</u>

## 10.3 Management compensation

For the periods ended March 31, 2019 and 2018, expenses related to the compensation of key management personnel, which include the Board of Directors, Fiscal Council and Board of Executive Officers, in addition to certain executives, recognized in the statement of income for the period, are presented as follows:

	March 31, 2019	March 31, 2018
<b>Short-term benefits</b>		
Salary or compensation	8,955	8,727
Direct and indirect benefits	467	815
Bonus	2,897	3,788
	<u>12,319</u>	<u>13,330</u>
<b>Long-term benefits</b>		
Share-based compensation	38,238	31,819
	<u>38,238</u>	<u>31,819</u>
<b>Total</b>	<u>50,557</u>	<u>45,149</u>

Short-term benefits include fixed compensation (salaries and fees, vacation, mandatory bonus and “13<sup>th</sup> salary” bonus), and payroll charges (company share of contributions to social security – INSS) and variable compensation such as profit sharing, bonus and benefits (company car, health plan, meal voucher, market voucher, life insurance and private pension plan).

Long-term benefits include the stock option plan and phantom shares for executives and key members of the Management, in accordance with the specific regulations (Note 21).

## 11 Current and Deferred Taxes

The Company, based on expected generation of future taxable income as determined by a technical study approved by Management, recognized deferred tax assets over temporary differences, income and social contribution tax loss carryforwards, which do not expire.

Deferred income and social contribution taxes are originated as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Tax loss	284,472	310,293
Negative tax base	8,276	6,627
Provision for judicial liabilities	236,489	101,667
Operating provisions and other losses	859,112	286,616
Exchange variation losses (net) - payable on a cash basis for tax purposes	1,562,420	534,093
Losses on derivatives	524,535	388,153
Fair value adjustment on business combination – Amortization	554,511	5,327
Unrealized profit	508,957	227,830
Leasing	11,017	6,196
Biologic assets - Fair value	119,161	
Other temporary differences	7,956	4,056
Deferred taxes – asset	<b>4,676,906</b>	1,870,858
Goodwill - Tax benefit on unamortized goodwill	13,934	13,161
Property, plant and equipment - assigned cost adjustment	1,538,131	1,552,579
Accelerated tax depreciation	1,171,114	1,196,182
Transaction cost	144,800	23,145
Fair value adjustment on acquisition of Fibria - Amortization	635	
Other temporary differences	20,165	2,158
Biologic assets - Fair value	107,676	112,768
Provision for taxes (Income tax) on results of subsidiaries abroad	520,480	
Fair value adjustment on acquisition of Fibria – Deferred taxes	546,324	
Fair value adjustment on acquisition of Fibria – Deferred taxes - Amortization	<b>(14,246)</b>	
Deferred taxes - liabilities	<b>4,049,013</b>	2,899,993
Total non-current assets, per entity	<b>1,431,134</b>	8,998
Total non-current liabilities, per entity	<b>803,241</b>	1,038,133

## Suzano S.A.

### Notes to the Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

The projected realization of deferred taxes was prepared based on the Management's best estimates and on projected results. However, since there are diverse assumptions over which the Company has no control, such as inflation rates, exchange volatility, international market prices and other economic uncertainties in Brazil, future results may differ from those considered in this projection show below:

Year	
April to December 2019	1,243,568
In 2020	492,735
In 2021	508,221
In 2022	503,528
In 2023	659,326
In 2024	440,646
2025 to 2028	844,686
	<b><u>4,692,710</u></b>

Changes in the net balance of deferred income tax are as follows:

	March 31, 2019	December 31, 2018
At the beginning of the period	<b>(1,029,135)</b>	(1,787,354)
Amount from the acquisition of Fibria	<b>820,567</b>	
Tax loss	<b>(43,569)</b>	(264,955)
Tax loss carryforwards		(23,203)
(Reversal)/ Provision for judicial liabilities	<b>2,179</b>	(1,964)
Operating provisions and other losses	<b>9,233</b>	82,785
Exchange variation - Taxation on a cash basis	<b>112,898</b>	451,300
Derivative losses	<b>225,967</b>	390,198
Fair value adjustment on business combination – Amortization	<b>451,466</b>	5,327
Unrealized profit	<b>(1,179)</b>	124,454
Leasing	<b>4,821</b>	69
Adjustment to Present Value	<b>3,899</b>	174
Tax benefit on unamortized goodwill	<b>804,355</b>	(3,098)
Property, plant and equipment - Assigned Cost Adjustment	<b>14,448</b>	51,408
Accelerated depreciation	<b>191,290</b>	(13,067)
Transaction cost	<b>4,477</b>	(23,145)
Fair value adjustment on acquisition of Fibria - Amortization	<b>(635)</b>	
Other temporary differences	<b>(1,032)</b>	4,243
Fair value of biological assets	<b>5,092</b>	(22,307)
Fair value adjustment on acquisition of Fibria	<b>(532,077)</b>	
Tax provision (Income tax) on income of subsidiaries abroad	<b>(408,116)</b>	
Other	<b>(7,056)</b>	
<b>At the end of the period</b>	<b><u>627,893</u></b>	<b><u>(1,029,135)</u></b>

## 11.1 Reconciliation of the effects of income tax and social contribution on profit or loss

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Net income (loss) before taxes	(1,751,331)	974,585
Income tax and social contribution benefit (expense) at statutory nominal rate - 34%	595,453	(331,359)
<b>Tax effect on permanent differences:</b>		
Taxation on profit of subsidiaries abroad	(3,373)	
Tax incentive - Reduction SUDENE <sup>(a)</sup>	6,534	95,065
Equity method	82	(18)
Taxation difference - Subsidiaries <sup>(b)</sup>	(32,737)	48,720
Credit related to Reintegra program	1,097	12,624
Taxation with subsidiaries (Presumed profit)	(34,814)	
Tax Incentives applied to Income Tax <sup>(c)</sup>	1,767	
Donations / Fines - Other	30,872	5,903
Director bonus	(42,682)	
	<u>522,199</u>	<u>(169,065)</u>
<b>Income tax</b>		
Current	(98,379)	(52,436)
Deferred	475,511	(48,403)
	<u>377,132</u>	<u>(100,839)</u>
<b>Social Contribution</b>		
Current	(30,870)	(51,780)
Deferred	175,937	(16,446)
	<u>145,067</u>	<u>(68,226)</u>
Income and social contribution benefits (expenses) on the period	522,199	(169,065)
Effective rate of income and social contribution tax expenses	29.8%	17.3%

(a) Refers to the benefit of reducing 75% of the income tax, based on profits from exploration on the units Mucuri (BA) and Imperatriz (MA).

(b) The effect of the difference in taxation of subsidiaries is substantially due to the differences between the Real Profit Scheme adopted by the Company for the Presumed Income of one of its subsidiaries, as well as, on the nominal rate different from the its subsidiaries abroad.

(c) Income tax deduction amount referring to the use of the PAT (Worker Feeding Program) benefit and donations made in cultural and sports projects.

## 12 Biological Assets

The changes in the balances of biological assets in the respective periods are shown below:

Balances on December 31, 2017	4,548,897
Additions	1,285,490
Depletion	(709,547)
Loss on adjustment to fair value	(129,187)
Disposal of forests	(47,124)
Other write-offs	(12,624)
<b>Balances on December 31, 2018</b>	<u>4,935,905</u>
<b>Amount from the acquisition of Fibria</b>	4,579,526
<b>Additions</b>	791,684
<b>Depletion for the period</b>	(553,071)
<b>Disposal of forests and other write-offs</b>	(1,302)
<b>Balances on March 31, 2019</b>	<u><u>9,752,742</u></u>

The Company has no biological assets pledged in the three-month period ended March 31, 2019.

## 13 Investments

	March 31, 2019	December 31, 2018
Investments in joint ventures (a)	19,879	14,338
Other investments – at fair value (b)	<u>208,805</u>	<u>14,338</u>
	<u>228,684</u>	<u>14,338</u>

### (a) Investments in joint-ventures

	Information of joint ventures as of March 31, 2019			In equity		Company Participation In the income of the period	
	Equity	Income of the period	Participation equity (%)	March 31, 2019	December 31, 2018	March 31, 2019	March 31, 2018
<b>Joint ventures</b>							
Ibema	21,043	3,585	49,90%	15,973	14,338	1,635	(53)
F&E Technologies LCC	7,812	46	50,00%	<u>3,906</u>		<u>23</u>	
				<u>19,879</u>	14,338	<u>1,658</u>	<u>(53)</u>

### (b) Other investments

	Percentage of total capital (%)	March 31, 2019	December 31, 2018
Ensyn (i)	21.86%	168,084	
CelluForce	8.30%	18,841	
Spinnova	18.00%	<u>21,880</u>	
		<u>208,805</u>	

(i) The Company holds certain rights, which, if exercised, would allow us to subscribe an additional US\$ 10 million in its capital.

The change in the consolidated balance is substantially related to the balances arising from the acquisition of Fibria in January 2019, as disclosed in note 1.1.

## 13.1 Business combination

To determine the accounting criteria for recording this transaction with Fibria, we observed the provisions of IFRS 3 – Business Combination.

The direct costs related to the operation, recorded directly in general and administrative expenses for the period when incurred, totaled approximately R\$ 108,029, substantially consisting of expenses with legal fees, auditing and other consulting services.

The net assets were evaluated by Management and an independent appraisers was hired to assist in determining their fair values. The methodology adopted for the determination of fair value adjustments on acquisition of Fibria is described in note 1.1.

Intangibles were evaluated by Management and an independent appraisers was hired to assist in determining the fair values, and some qualified for booking in accordance with the criteria laid by IAS 38 – Intangible Assets.

As disclosed in Note 1.1, on January 3, 2019, Suzano has acquired the control of Fibria.

The assets acquired, and liabilities assumed at the fair value are presented below (in millions of *Reais*):

<i>(amounts expressed in millions of Reais)</i>			
<u>Assets</u>	<u>Fair Value</u>	<u>Liabilities</u>	<u>Fair Value</u>
<b>Current</b>		<b>Current</b>	
Cash and cash equivalents	1,795	Loans and financing	3,136
Financial Investments	4,316	Derivative Financial Instruments	276
Derivative financial instruments	211	Lease liabilities	349
Trade accounts receivable	1,302	Trade accounts payable	3,427
Inventories	6,187	Payroll and charges	402
Recoverable taxes	261	Taxes payable	129
Other assets	213	Dividends payable	6
		Other accounts payable	150
<b>Total Current Assets</b>	<b>14,285</b>	<b>Total Current Liabilities</b>	<b>7,875</b>
<b>Non-current</b>		<b>Non-current</b>	
Financial Investments	173	Loans and financing	17,591
Derivative Financial Instruments	455	Lease liabilities	2,412
Recoverable taxes	988	Derivative Financial Instruments	126
Advances to Suppliers	604	Provision for contingencies, net	3,182
Judicial deposits	210	Deferred taxes	558
Deferred taxes	1,567	Other accounts payable	369
Other assets	227		
	<b>4,224</b>	<b>Total Non-current Liabilities</b>	<b>24,238</b>
Investments	200		
Biological assets	4,580	<b>Total Liabilities</b>	<b>32,113</b>
Property, plant and equipment	25,044		
Right of Use	2,761		
Intangible Assets		<b>Equity</b>	
Other intangible assets	309	Shareholders' equity	37,236
Customer Portfolio	9,031		
Software	21	Non-controlling interest	111
Cultivars	143		
Supplier contracts	172	<b>Total Equity</b>	<b>37,347</b>
Grant	749	<b>Total Liabilities and Shareholders' equity</b>	<b>69,460</b>
Fair value adjustment of contracts-leases	44		
Goodwill	7,897		
	<b>50,591</b>		
<b>Total Non-current Assets</b>	<b>55,175</b>		
<b>Total Asset</b>	<b>69,460</b>		

The net revenue and profit that impacted the consolidated in the three-month period ended March 31, 2019 were R\$ 3,026,003 and R\$ 220,245, respectively.



## 14 Property, Plant and Equipment

	Lands	Buildings	Machinery, equipment and facilities	Work in progress	Others (i)	Total
<b>Annual average depreciation rate %</b>		3	5		10 to 20	
Balance as of December 31, 2017	4,348,593	1,985,852	9,300,372	483,735	92,676	16,211,228
Additions	12,442	123,000	193,055	1,326,519	27,859	1,682,875
Fair value adjustment on acquisition of Facepa	27,381	(3,014)	27,506	(4,880)	2,821	49,814
Write-offs	(34,523)	(7,192)	(6,774)		(987)	(49,476)
Depreciation		(78,264)	(760,634)		(29,844)	(868,742)
Fair value adjustment on acquisition of Facepa - Depreciation			(3,447)		(731)	(4,178)
Transfers and others (ii)	750,824	131,522	442,810	(1,339,218)	12,800	(1,262)
<b>Balance as of December 31, 2018</b>	<b>5,104,717</b>	<b>2,151,904</b>	<b>9,192,888</b>	<b>466,156</b>	<b>104,594</b>	<b>17,020,259</b>
Amounts from the acquisition of Fibria	2,151,338	2,113,585	10,702,986	425,868	205,672	15,599,449
Additions	202,588	421	34,814	466,760	663	705,246
Fair value adjustment on acquisition of Fibria	2,637,671	1,727,296	5,005,769		74,580	9,445,316
Fair value adjustment on acquisition of Facepa	(4,744)	5,774	(754)	6,391	(2,821)	3,846
Write-offs	(5,215)	(1,576)	(7,679)	(61)	(5,640)	(20,171)
Depreciation		(63,582)	(460,588)		(21,446)	(545,616)
Fair value adjustment on acquisition of Fibria - Depreciation		(14,485)	(130,894)		(5,494)	(150,873)
Fair value adjustment on acquisition of Facepa - Depreciation		(35)	(1,081)	(120)		(1,236)
Transfers and others (ii)	24,024	35,600	129,933	(272,789)	25,219	(58,013)
<b>Balance as of March 31, 2019</b>	<b>10,110,379</b>	<b>5,954,902</b>	<b>24,465,394</b>	<b>1,092,205</b>	<b>375,327</b>	<b>41,998,207</b>

(i) Includes vehicles, furniture and utensils and computer equipment.

(ii) Includes transfers carried out between the items of property, plant and equipment, intangible assets, right to use leasing contracts and inventories.

On March 31, 2019, the Company did not identify any event that indicated impairment of assets.

On March 31, 2019, the Company and its subsidiaries had property, plant and equipment as warranty for loan operations and lawsuits, in the amount of R\$ 22,010,404, consisting substantially of the units of Aracruz, Imperatriz, Limeira, Mucuri, Suzano and Três Lagoas (R\$ 11,505,386 on December 31, 2018, consisting substantially of the units of Imperatriz, Limeira, Mucuri and Suzano)

## 15 Intangible Assets

### 15.1 Goodwill

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Vale Florestar	45,435	45,435
Paineiras Logística	10	10
Goodwill - PCHM	307	307
Goodwill - FACEPA	119,334	112,582
Goodwill - Fibria (a)	7,897,051	
	<u>8,062,137</u>	<u>158,334</u>

(a) See the purchase price allocation in Note 1.1.

### 15.2 Intangible assets with indefinite useful life

On March 31, 2019 and December 31, 2018, the amount related to other intangible assets with indefinite useful life was R\$ 1,196.

### 15.3 Intangible assets with determined useful life

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
<b>At the beginning of the period</b>	<u>180,311</u>	<u>141,785</u>
Amounts from the acquisition of Fibria	308,681	
Additions	636	61,460
Amortization	(17,914)	(44,340)
Fair value adjustment on acquisition of Fibria:		
Portfolio of clients	9,030,779	
Contracts suppliers	172,094	
Port services contracts	694,590	
Ports concession	54,470	
Contracts leases	44,371	
Cultivars	142,744	
Software	20,502	
Fair value adjustment on acquisition of Fibria - Amortization:		
Portfolio of clients	(205,245)	
Contracts suppliers	(18,024)	
Port services contracts	(7,341)	
Concession Ports	(537)	
Contracts leases	(1,875)	
Cultivars	(5,098)	
Software	(1,025)	
Fair value adjustment on acquisition of Facepa - Amortization	(3,390)	
Exchange variation	272	12,461
Transfers and others	12,919	8,945
<b>At the end of the period</b>	<u><b>10,401,920</b></u>	<u><b>180,311</b></u>
	<b>Average Annual Amortization Rate %</b>	
<b>Represented by:</b>		
Brands and patents	5 to 10	25,364
Software's	20	63,021
Portfolio of clients	2.5 to 5	15,593
Non-compete agreement	5	2,642
Research and development agreement	19	78,193
Development and implementation of systems	20	57,819
Right of exploitation - Terminal concession of Macuco	4	172,554
Supplier Relationship - Chemicals	5	59,297
Others		7,031
Intangible assets (fair value adjustments) acquired in the business combination, net – Fibria		
Portfolio of clients	9	8,825,534
Contracts suppliers	13 to 100	154,070
Port services contracts	4	687,249
Ports concession	4	53,934
Contracts leases	17	42,496
Cultivars	14	137,646
Software	20	19,477
		<u><b>10,401,920</b></u>
		<u><b>180,311</b></u>

**16 Trade accounts payable**

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
<b>In local currency</b>		
Related party (Companies of the Suzano group)	1,570	1,804
Third party	1,527,994	558,041
<b>In foreign currency</b>		
Third party (i)	2,594,837	72,720
<b>Fair value adjustments on acquisition of Fibria</b>	<b>(107,046)</b>	
<b>Fair value adjustments on acquisition of Fibria - Amortization</b>	<b>31,723</b>	
	<u><b>4,049,078</b></u>	<u>632,565</u>

(i) The Company has a take or pay agreement with Klabin S.A., under conditions differentiated in terms of volume, exclusivity, guarantees and payment terms in up to 360 days, and prices were practiced under conditions of contractually established. Following the requirements imposed by the European Union's competition authority, the contract with Klabin will expire in July 2019. As of March 31, 2019, the amount of R\$ 2,420,374 in the consolidated refers to purchases of Klabin's pulp.

The change in the consolidated balance is mainly related to the balances arising from the acquisition of Fibria in January 2019, as disclosed in note 1.1.

# Suzano S.A.

## Notes to the Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

## 17 Loans and Financing

### 17.1 Breakdown of the accounting balances by modality

Type	Interest rate	Average annual interest rate - %	Current		Non-current		Total	
			March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
<b>In foreign currency</b>								
BNDES	UMBNDDES	6.5	27,079	21,577	46,117	139,940	73,196	161,517
Bonds	Fixed	5.8	223,270	216,624	21,577,076	11,189,403	21,800,346	11,406,027
Syndicated Loan	US\$/Libor	3.7	36,484	37,546	11,855,056	11,787,588	11,891,540	11,825,134
Finnvera/EKN (Export Credit Agencies)	Libor	3.7	456,595	236,385	1,733,440	560,689	2,190,035	797,074
Financial lease	US\$			5,608		12,617		18,225
Export credits ACC	Libor/Fixed	3.8	2,947,747	1,896,717	2,257,073	274,673	5,204,820	2,171,390
Others (Loans)	Libor		3,072				3,072	
			<u>3,694,247</u>	<u>2,414,457</u>	<u>37,468,762</u>	<u>23,964,910</u>	<u>41,163,009</u>	<u>26,379,367</u>
<b>In local currency</b>								
BNDES	TJLP	9.1	257,310	28,867	1,678,253	183,269	1,935,563	212,136
BNDES	Fixed	5.5	48,140	26,119	104,530	95,034	152,670	121,153
BNDES	SELIC	7.7	69,170		729,931		799,101	
FINAME	Fixed	5.4	4,228	970	9,672	2,010	13,900	2,980
BNB	Fixed	6.4	30,171	25,038	183,210	191,976	213,381	217,014
CRA (Agribusiness Receivables Certificates)	CDI/IPCA	6.5	893,579	789,892	5,707,304	1,588,986	6,600,883	2,378,878
Export credit note	CDI	7.4	111,763	93,001	1,315,982	1,327,378	1,427,745	1,420,379
Rural Producer Certificate	CDI	7.4	1,740	6,809	273,098	273,029	274,838	279,838
Export credits -pré payment	Fixed	8.3	5,826		735,838		741,664	
FCO (Central West Fund) (i), FDCO (Central West Development Fund) (ii) e FINEP	Fixed	4						
Others (Revolving Cost, Working capital e FDI)	Fixed	10.1	173,848	7,725	465,136	5,135	638,984	12,860
FDIC Funds of credit rights (Note 7.1)			1,884	10,467	7,857	16,930	9,741	27,397
Fair value adjustment on acquisition of Fibria			14,179	22,054			14,179	22,054
Fair value adjustment on acquisition of Fibria - Amortization			59,921				59,921	
			<u>(25,306)</u>				<u>(25,306)</u>	
			<u>1,646,453</u>	<u>1,010,942</u>	<u>11,210,811</u>	<u>3,683,747</u>	<u>12,857,264</u>	<u>4,694,689</u>
			<b>5,340,700</b>	<b>3,425,399</b>	<b>48,679,573</b>	<b>27,648,657</b>	<b>54,020,273</b>	<b>31,074,056</b>
Interest on financing			592,692	344,691	102,587		695,279	344,691
Long-term funding			4,748,008	3,080,708	48,576,986	27,648,657	53,324,994	30,729,365
			<u>5,340,700</u>	<u>3,425,399</u>	<u>48,679,573</u>	<u>27,648,657</u>	<u>54,020,273</u>	<u>31,074,056</u>

**17.2 Changes in loans and financing**

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
<b>At the beginning of the period</b>	<b>31,074,056</b>	12,191,856
Amounts from the acquisition Fibria	<b>20,667,096</b>	
Reclassification - accounts payable of leasing (i)	<b>(18,225)</b>	
Fundraising	<b>3,571,561</b>	20,964,722
Addition to Loans - PCH / FACEPA		79,923
Appropriate interest	<b>675,078</b>	837,980
Exchange rate, net	<b>346,722</b>	1,457,989
Settlement of principal	<b>(1,735,541)</b>	(3,738,577)
Settlement of interest	<b>(726,438)</b>	(669,088)
Addition of funding cost	<b>(10,302)</b>	(85,533)
Fair value adjustment on acquisition of Fibria	<b>59,921</b>	
Fair value adjustment on acquisition of Fibria - Amortization	<b>(25,306)</b>	
Others (ii)	<b>141,651</b>	34,784
<b>At the end of the period</b>	<b>54,020,273</b>	31,074,056

- (i) As of January 1, 2019, the lease balance was reclassified to "Accounts payable from leasing operations", as a function of the adoption of IFRS 16 by the Company.
- (ii) Refers substantially to the amortization of funding costs

# Suzano S.A.

## Notes to the Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

### 17.3 Breakdown by maturity of the non-current portion

	2020	2021	2022	2023	2024	2025	2026	2027	Total
<b>In foreign currency</b>									
BNDES - Currency basket	18,928	9,031	9,904	8,254					46,117
Bonds		735,625			2,319,944	2,295,021	2,727,690	13,498,796	21,577,076
Syndicated Loan		1,298,900	3,091,382	7,464,774					11,855,056
Finnvera	429,270	426,097	296,010	194,021	194,021	194,021			1,733,440
Export credits (ACC)	250,746	1,452,319	554,008						2,257,073
	<b>698,944</b>	<b>3,921,972</b>	<b>3,951,304</b>	<b>7,667,049</b>	<b>2,513,965</b>	<b>2,489,042</b>	<b>2,727,690</b>	<b>13,498,796</b>	<b>37,468,762</b>
<b>In local currency</b>									
BNDES – TJLP	206,617	262,675	258,553	258,271	228,576	282,478	166,425	14,658	1,678,253
BNDES – Fixed	28,531	28,927	24,535	18,542	3,995				104,530
BNDES - Selic	53,851	70,474	67,783	89,824	82,812	199,720	165,467		729,931
FINAME	2,168	2,283	2,271	1,656	1,198	96			9,672
BNB	26,464	35,285	35,285	35,285	31,118	10,285	9,488		183,210
CRA	2,796,177		1,512,680	1,398,447					5,707,304
Export credit note	43,225					640,800	631,957		1,315,982
Rural producer certificate						137,500	135,597		273,097
Export credits					735,838				735,838
FCO(i), FDCO(ii) e FINEP	61,012	57,732	57,732	57,732	57,732	57,732	57,732	57,732	465,136
Other (Revolving costs, working capital, FIDC e FDI)	5,735	1,592	531						7,858
	<b>3,223,780</b>	<b>458,968</b>	<b>1,959,370</b>	<b>1,859,757</b>	<b>1,141,269</b>	<b>1,328,611</b>	<b>1,166,666</b>	<b>72,390</b>	<b>11,210,811</b>
	<b>3,922,724</b>	<b>4,380,940</b>	<b>5,910,674</b>	<b>9,526,806</b>	<b>3,655,234</b>	<b>3,817,653</b>	<b>3,894,356</b>	<b>13,571,186</b>	<b>48,679,573</b>

## 17.4 Breakdown by currency

	March 31, 2019	December 31, 2018
<i>Real</i>	12,058,163	4,694,689
U.S. Dollar	41,089,813	26,217,850
Selic (*)	799,101	
Currency basket	73,196	161,517
	<u>54,020,273</u>	<u>31,074,056</u>

(\*) Contractual definition of currency in contracts with BNDES that are in *Reais* plus SELIC interest.

## 17.5 Transaction costs and premiums of securities issues

The cost of funding in foreign currency is amortized on the contractual dates based on the effective interest rate and the currency of origin and is translated into *Reais* for disclosure purposes.

Nature	Total cost	Amortization	Balance to be amortized	
			March 31, 2019	December 31, 2018
Bonds	279,948	(95,479)	184,469	67,189
CRA and NCE	125,222	(63,985)	61,237	20,195
Import (ECA)	203,476	(103,823)	99,653	16,235
Syndicated Loan	78,399	(32,374)	46,025	30,552
Debentures	21,592	(2,764)	18,828	18,944
BNDES (IOF)	53,730	(10,523)	43,207	
Others	12,826	(4,592)	8,234	3,188
<b>Total</b>	<u><b>775,193</b></u>	<u><b>(313,540)</b></u>	<u><b>461,653</b></u>	<u>156,303</u>

### *(i) Relevant operations settled in the period*

#### Early settlement of CRA's

On January 3, 2019, the Company settled in advance, through its subsidiary Fibria, the amount of R\$ 878,573 of two series of CRA's, with original maturities in 2021 and 2023 and a cost of 99% of CDI and IPCA + 4.5055% aa This settlement refers to the two of the nine series that were not obtained prior approval of the holders of the Certificates for the business combination between the Companies.

#### BNDES

On March 15, 2019, the Company carried out the early amortization of R\$ 299,682 with the BNDES, comprising a portion to be amortized from the balance of the outstanding debt plus the corresponding remuneration up to the payment date.



**(ii) Relevant operations contracted in the period**

**Senior Notes ("Notes 2029")**

On January 29, the Company reopened Senior Notes 2029 with the additional issue of debt securities in the amount of US\$ 750 million (equivalent to R\$ 2.8 billion). The notes mature in January 2029 and were issued with interest of 5.465% p.a., which will be paid semi-annually.

**Export prepayment contracts ("PPE")**

On February 25, 2019, the Company entered into an export prepayment agreement in the amount of R\$ 738.8 million, with annual interest payment of 8.35% pa. and maturing in 2024.

**17.6 Debentures**

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Debentures	<u>6,744,356</u>	<u>4,663,453</u>
Total Current	2,082,084	1,297
Total Non-current	4,662,272	4,662,156

**17.7 Breakdown of Debentures**

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
At the beginning of the period	4,663,453	
Fundraising	4,000,000	4,681,100
Appropriate interest	136,960	1,298
Settlement of principal	(2,000,000)	
Settlement of interest	(56,173)	
Addition of funding cost	(1,220)	(20,295)
Amortization of funding cost	<u>1,336</u>	<u>1,350</u>
At the end of the period	6,744,356	4,663,453

On January 7, 2019, the Company issued R\$ 4,000,000 in 7th issue, single series, nonconvertible shares, due in January 2020 and with interest rates of 103% up to 112% of the CDI rate.

On March 27, 2019, the Company made the partial optional extraordinary amortization on the balance of the nominal unit value of all the debentures of this 7th issue, upon payment of the total amount of R\$ 2,056,173, comprising a portion to be amortized balance of the nominal unit value of all debentures plus the corresponding remuneration.

## 18 Leasing operations

### 18.1 Right of use on lease agreements

As described in Note 3.1.1, the Company adopted IFRS 16 and elected to apply IFRS 16 retrospectively with the cumulative effect of adoption recorded at the date of initial application. Accordingly, comparative periods were not restated.

On January 1, 2019, the amounts corresponding to the right to use the current contracts were recognized, in amounts equivalent to the present value of the obligations assumed with the counterparties. The amortization of these balances will occur according to the terms defined for the leases.

In addition, the Company recognized in this caption the residual value of the right to use the contracts previously classified as financial leases under IAS 17 and which were recognized in the Property, plant and equipment Assets group until December 31, 2018, being reclassified the amount of R\$ 89,338 in the initial adoption.

Below is the effect of its adoption by type of contract and the movement of the balances for the three-month period ended March 31, 2019:

	<u>Lands and Farms</u>	<u>Machines and Equipment's</u>	<u>Buildings</u>	<u>Ships and boats</u>	<u>Vehicles</u>	<u>Total</u>
Balance as of December 31, 2018						
Initial adoption on January 1, 2019	2,072,923	168,949	48,879	1,656,322	1,190	3,948,263
Additions	42,563	474	7,007			50,044
Amortization	(55,556)	(3,110)	(6,432)	(22,404)	(231)	(87,733)
Balance as of March 31, 2019	<u>2,059,930</u>	<u>166,313</u>	<u>49,454</u>	<u>1,633,918</u>	<u>959</u>	<u>3,910,574</u>

### 18.2 Lease obligations

At the adoption of IFRS 16, the Company recognized lease liabilities for the current contracts and which were previously classified as operating leases in accordance with IAS 17 - Leasing Operations, except for scheduled contracts in the practical file permitted by the standard and adopted by the Company, as described in Note 3.1.1.

The liabilities recognized as of January 1, 2019 correspond to the remaining balances of the lease contracts, brought to present value by the discount rates on the date of their adoption.

In addition, the Company recognized in this caption the remaining balances of contracts previously classified as financial leases under IAS 17 and which were recognized in the group of loans and financing until December 31, 2018, being reclassified the amount of R\$ 160,384 in the initial adoption.

<u>Nature of contracts</u>	<u>Average rate - % per year <sup>(a)</sup></u>	<u>Maturity <sup>(b)</sup></u>	<u>Present value of liabilities</u>
Lands and farms	6.21	November 2046	2,072,923
Machines and Equipment's	4.92	July 2032	239,995
Buildings	6.46	April 2027	48,880
Ships and boats	6.45	February 2039	1,656,322
Vehicles	6.05	April 2020	1,190
			<b>4,019,310</b>

- (a) To determine the discount rates, quotes were obtained from financial institutions for contracts with characteristics and average terms similar to the lease agreements.
- (b) Refers to the original maturities of the contracts and, therefore, do not consider eventual renewal clause.

The changes in the balances for the three-month period ended March 31, 2019 are as follows:

Balance as of December 31, 2018	
Initial adoption on January 1, 2019	4,019,310
Additions	50,044
Payments	(125,043)
Appropriation of financial charges	56,218
Exchange rate variation	15,677
	<b>4,016,206</b>
Balance as of March 31, 2019	
Current	504,828
Non-current	3,511,378

## 19 Provision for Judicial Liabilities

### 19.1 Changes in provisions for judicial liabilities

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Initial balance	351,270	317,069
Amount from the acquisition of Fibria	211,294	
Settlement	(12,546)	(41,011)
Reversal of processes	(7,431)	(19,010)
New processes	4,999	80,520
Judicial deposits - Changes	(8,448)	
Monetary adjustment	18,134	13,702
Fair value adjustment on acquisition of Fibria (i)	2,970,546	
<b>Balance at the end of the period</b>	<b>3,527,818</b>	<b>351,270</b>

(i) Corresponds to the fair value adjustment on acquisition of Fibria attributed to legal liabilities classified as possible and remote losses of Fibria, in the amounts of R\$ 2,916,754 and R\$ 53,792, respectively.

During the three-month period ended March 31, 2019, there were no material changes in the lawsuits in progress or decisions affecting the Company in relation to these lawsuits.

## 19.2 Lawsuits possible

The Company is involved in tax, civil and labor lawsuits, that are not provisioned since they involve risk with probability of loss classified by Management and by its legal advisors as possible:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Taxes and Social Security (i)	<u>6,625,634</u>	<u>1,077,761</u>
Labor	<u>202,239</u>	<u>85,309</u>
Civil (i)	<u>2,408,293</u>	<u>43,271</u>
	<u><b>9,236,166</b></u>	<u><b>1,206,341</b></u>

(i) Amounts net of the fair value adjustment on acquisition of Fibria related to possible contingencies, as mentioned above.

The change in the balance refers to the lawsuits in progress from Fibria, whose nature of the main causes were disclosed in its latest annual financial statements as of December 31, 2018.

## 20 Employee Benefits

### 20.1 Defined benefits plan

The Company guarantees coverage of healthcare costs for former employees who retired by 2003 (until 1998 for former employees of Ripasa, current Limeira unit and until 2007 for former employees of the Jacareí unit), as well as their spouses for life and dependents while they are minors.

For other group of former employees, who exceptionally, according to the Company's criteria and resolution or according with rights related to the compliance with pertinent legislation, the Company ensures the healthcare program.

The Company offers life insurance benefit provided to retirees.

### 20.2 Changes in actuarial liabilities

Balance at December 31, 2017	<b>351,263</b>
Interest on actuarial liability	35,920
Actuarial loss	69,305
Benefits paid in the year	<u>(26,061)</u>
<b>Balance at December 31, 2018</b>	<u><b>430,427</b></u>
Amount from the acquisition of Fibria	<u>147,877</u>
Interest on actuarial liability	13,421
Benefits paid in the period	<u>(6,896)</u>
<b>Balance on March 31, 2019</b>	<u><u><b>584,829</b></u></u>

## 21 Share-Based Compensation Plans

On March 31, 2019, the Company had two share-based, long-term compensation plans: i) Paying in Phantom Shares Plan ("Phantom Shares ("PS")) and ii) Share Appreciation Rights ("SAR"), both paid in domestic currency.

These plans did not undergo any changes in their characteristics and measurement criteria since the financial statements of December 31, 2018.

### 21.1 Phantom Stock Option Plan

	March 31, 2019	December 31, 2018
	Number of shares	Number of shares
<b>Available at the beginning of the period</b>	<b>5,045,357</b>	5,055,519
Granted during of the period	1,278,140	1,415,476
Exercised <sup>(a)</sup>	<b>(240,954)</b>	(751,859)
Exercised due to dismissal <sup>(a)</sup>	<b>(25,077)</b>	(153,601)
Abandoned / prescribed due to dismissal	<b>(331,457)</b>	(520,178)
<b>Available at the end of the period</b>	<b>5,726,009</b>	5,045,357

<sup>(a)</sup> For share options exercised and those exercised due to termination of employment, the average price on March 31, 2019 and December 31, 2018 was R\$ 41.10 and R\$ 47.77, respectively.

### 21.2 Common stock plan

Program	Date of grant	Deadline for the options to become exercisable	Price on grant date	Shares Granted	Restricted period for transfer of shares
Program IV	01/02/2018	01/02/2019	R\$ 39.10	130,435	01/02/2022

### 21.3 Balance sheet and income statement balances

The amounts corresponding to the services received and recognized in the interim financial information are presented below:

	Liabilities and equity		Income Statement	
	March 31, 2019	December 31, 2018	March 31, 2019	March 31, 2018
<b>Non-current liabilities</b>				
Provision for phantom stock plan	131,571	124,318	<b>(16,209)</b>	(19,190)
<b>Shareholders' equity</b>				
Stock option reserve	6,521	5,100	<b>(1,421)</b>	(72)
<b>Total general and administrative expenses from share-based transactions</b>			<b>(17,630)</b>	(19,262)

## 22 Shareholders' Equity

### 22.1 Share capital

In January 2019, the Company's share capital was increased in the amount of R\$ 3,027,528, with the issuance of 255,437,439 registered common shares, with no par value, in accordance with resolutions adopted at the Extraordinary Shareholders' Meeting, which the incorporation by the Company its subsidiary Eucalipto Holding S.A. was approved in connection with the business combination with Fibria, as described in note 1.1.

On March 31, 2019, the share capital of Suzano is R\$ 9,269,281 divided into 1,361,263,584 common shares, all nominative, book-entry shares without par value.

The composition of the share capital is presented below:

Shareholder	Ordinary	
	Quantify	(%)
<b>Controlling Shareholders</b>		
Suzano Holding S.A.	367,612,234	27.01
Controller	185,693,440	13.64
Managements	44,067,047	3.24
Alden Fundo de Investimento em Ações	25,989,541	1.91
<b>Subtotal</b>	<b>623,362,262</b>	<b>45.80</b>
Treasury	12,042,004	0.88
BNDESPAR	150,217,425	11.04
Votorantim S.A.	75,180,059	5.52
Mondrian Investment Partners	72,878,900	5.35
Others shareholder	427,582,934	31.41
<b>Total</b>	<b>1,361,263,584</b>	<b>100.00</b>

By resolution of the Board of Directors, the capital may be increased, irrespective of any amendment to the Bylaws, up to the limit of 780,119,712 common shares, all exclusively book-entry shares.

On March 31, 2019, SUZB3 common shares ended the period quoted at R\$ 46.55 (R\$ 38.08 on December 31, 2018).

## 22.2 Earnings (loss) per share

### Basic

The basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average common shares issued during the period, excluding the common shares acquired by the Company and held as treasury shares.

	March 31, 2019	March 31, 2018
Earnings attributed to shareholders	(1,226,803)	805,520
Weighted average number of shares in the period	1,321,529	1,105,826
Weighted average treasury shares	(12,042)	(13,222)
Weighted average number of outstanding shares	1,309,487	1,092,604
<b>Basic earnings (loss) per common share - R\$</b>	<b>(0.93686)</b>	<b>0.73725</b>

### Diluted

The diluted earnings per share is calculated by adjusting the weighted average of outstanding common shares, assuming the conversion of all common shares that would cause dilution.

	March 31, 2019	March 31, 2018
Earnings attributed to shareholders	(1,226,803)	805,520
Weighted average number of shares in the period	1,309,487	1,092,604
Adjustment by stock options (i)		1,386
Weighted average number of shares (diluted)	1,309,487	1,093,990
<b>Diluted earnings (loss) per common share - R\$</b>	<b>(0.93686)</b>	<b>0.73631</b>

(i) Due to the loss recorded in the period, we do not consider the dilution effect in the calculation.

## 23 Net Financial Result

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
<b>Financial expenses</b>		
Interest on loans and financing	<b>(813,435)</b>	(161,832)
Amortization of funding costs	<b>(54,545)</b>	(13,190)
Other financial expenses	<b>(122,657)</b>	(59,251)
Fair value adjustment on acquisition of Fibria - Amortization	<b>(2,167)</b>	
	<u><b>(992,804)</b></u>	<u>(234,273)</u>
<b>Financial income</b>		
Financial investments	<b>140,055</b>	33,082
Other financial income	<b>9,267</b>	3,644
	<u><b>149,322</b></u>	<u>36,726</u>
<b>Income from derivative financial instruments</b>		
Income	<b>507,466</b>	98,038
Expenses	<b>(1,144,400)</b>	(29,435)
	<u><b>(636,934)</b></u>	<u>68,603</u>
<b>Monetary and exchange variation, net</b>		
Exchange variation on loans and financing	<b>(305,531)</b>	(37,911)
Monetary and exchange variations - other assets and liabilities (a)	<b>(150,196)</b>	9,505
	<u><b>(455,727)</b></u>	<u>(28,406)</u>
	<u><b>(1,936,143)</b></u>	<u><b>(157,350)</b></u>

(a) Includes effects of exchange rate variations of customers, suppliers, cash and cash equivalents, financial investments and others.

## 24 Net Sales Revenue

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
<b>Gross sales</b>	<b>6,885,416</b>	3,298,606
<b>Deductions:</b>		
Present value adjustment	<b>(5,518)</b>	(1,005)
Returns and cancelations	<b>(23,592)</b>	(27,066)
Discounts and rebates (a)	<b>(794,495)</b>	(1,747)
	<u><b>6,061,811</b></u>	<u>3,268,788</u>
Taxes on sales (b)	<b>(362,812)</b>	(274,209)
<b>Net sales revenue</b>	<u><b>5,698,999</b></u>	<u>2,994,579</u>

(a) The change in the consolidated balance is mainly related to the effect of Fibria's operations as of January 1, 2019.

(b) In 2018, includes the relative amount 2.5% of the gross sales revenue in the domestic market, referring to the social contribution to the National Institute of Social Security (INSS), pursuant to Law n°12.546/11, article 8, Annex I and their respective amendments.

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## **25 Information by Segment and Geographic Areas**

### **25.1 Criteria for identifying operating segments**

The Company evaluates the performance of its business segments through the operating result. The information presented under "Not Segmented" is related to income statement and balance sheet items not directly attributed to the pulp and paper segments, such as, net financial result and income and social contribution taxes expenses, in addition to the balance sheet classification items of assets and liabilities.

The operating segments defined by Management are as follows:

- i) Pulp: comprises production and sale of hardwood eucalyptus pulp and fluff pulp mainly to supply the foreign market, with any surplus sold in the domestic market.
- ii) Paper: comprises production and sale of paper to meet the demands of both domestic and foreign markets. Consumer goods (tissue) sales are classified under this segment due to its immateriality.



## 25.2 Information on operating segments

	March 31, 2019			
	Pulp	Paper	Not segmented	Total
<b>Net sales revenue</b>	4,601,986	1,097,013		5,698,999
Domestic market (Brazil)	505,535	807,671		1,313,206
Foreign market	4,096,451	289,342		4,385,793
Asia	1,754,884	23,904		1,778,788
Europe	1,556,894	50,077		1,606,971
North America	773,128	71,049		844,177
South and Central America	11,545	133,004		144,549
Africa		11,308		11,308
<b>Cost of sales</b>	<b>(3,980,055)</b>	<b>(744,838)</b>		<b>(4,724,893)</b>
<b>Gross profit</b>	<b>621,931</b>	<b>352,175</b>		<b>974,106</b>
<i>Gross margin (%)</i>	<i>13.5%</i>	<i>32.1%</i>		<i>17.1%</i>
<b>Operating income (expenses)</b>	<b>(596,505)</b>	<b>(192,789)</b>		<b>(789,294)</b>
Selling expenses	(354,200)	(87,103)		(441,303)
General and administrative expenses	(228,760)	(102,005)		(330,765)
Other operating income (expenses), net	(13,545)	(5,339)		(18,884)
Equity pick-up		1,658		1,658
<b>Operating profit before net financial income</b>	<b>25,425</b>	<b>159,387</b>		<b>184,812</b>
<i>Operating margin (%)</i>	<i>0.5%</i>	<i>14.5%</i>		<i>3.2%</i>
<b>Financial result, net</b>			(1,936,143)	(1,936,143)
<b>Net income (loss) before taxes</b>	<b>25,425</b>	<b>159,387</b>	<b>(1,936,143)</b>	<b>(1,751,331)</b>
<b>Income taxes</b>			522,199	522,199
<b>Net income (loss) for the period</b>	<b>25,425</b>	<b>159,387</b>	<b>(1,413,944)</b>	<b>(1,229,132)</b>
<b>Result of the period attributed to non-controlling shareholders</b>			<b>(2,329)</b>	<b>(2,329)</b>
<b>Result of the period attributable to controlling shareholders</b>	<b>25,425</b>	<b>159,387</b>	<b>(1,411,615)</b>	<b>(1,226,803)</b>
<i>Profit (loss) margin for the period (%)</i>	<i>0.3%</i>	<i>14.5%</i>		<i>(21.7)%</i>
<b>Depreciation, depletion and amortization</b>	<b>2,351,650</b>	<b>119,635</b>		<b>2,471,285</b>
<b>Products sold (in tons)</b>	<b>1,729,083</b>	<b>274,221</b>		<b>2,003,304</b>
Foreign market	1,527,621	77,109		1,604,730
Domestic market (Brazil)	201,462	197,112		398,574

# Suzano S.A.

## Notes to the Unaudited condensed consolidated interim financial information as of March 31, 2019



(In thousands of R\$, unless otherwise stated)

	March 31, 2018			
	Pulp	Paper	Not segmented	Total
<b>Net sales revenue</b>	2,076,306	918,273		2,994,579
Domestic market (Brazil)	176,527	627,187		803,714
Foreign market	1,899,779	291,086		2,190,865
Asia	989,829	21,642		1,011,471
Europe	614,526	52,040		666,566
North America	286,431	33,854		320,285
South and Central America	8,993	175,255		184,248
Africa		8,295		8,295
<b>Cost of sales</b>	(963,163)	(620,251)		(1,583,414)
<b>Gross profit</b>	1,113,143	298,022		1,411,165
<i>Gross margin (%)</i>	53.6%	32.5%		47.1%
<b>Operating income (expenses)</b>	(109,329)	(169,900)		(279,229)
Selling expenses	(47,831)	(74,126)		(121,956)
General and administrative expenses	(50,697)	(96,656)		(147,353)
Other operating income (expenses), net	(10,801)	934		(9,867)
Equity pick-up		(53)		(53)
<b>Operating profit before net financial income</b>	1,003,814	128,121		1,131,935
<i>Operating margin (%)</i>	48.3%	14.0%		37.8%
<b>Financial result, net</b>			(157,350)	(157,350)
<b>Net income (loss) before taxes</b>	1,003,814	128,121	(157,350)	974,585
<b>Income taxes</b>			(169,065)	(169,065)
<b>Net income (loss) for the period</b>	1,003,814	128,121	(326,415)	805,520
<b>Result of the period attributed to non-controlling shareholders</b>				
<b>Result of the period attributable to controlling shareholders</b>	1,003,814	128,121	(326,415)	805,520
<i>Profit margin for the period (%)</i>	48.3%	14.0%		26.9%
<b>Depreciation, depletion and amortization</b>	274,192	110,746		384,938
<b>Products sold (in tons)</b>	876,035	284,044		1,160,079
Foreign market	795,030	95,355		890,385
Domestic market (Brazil)	81,005	188,689		269,694

### 25.3 Net sales by product

The following table shows the breakdown of consolidated net sales by product:

<b>Products</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Market pulp <sup>(a)</sup>	<b>4,601,986</b>	2,076,306
Printing and writing paper <sup>(b)</sup>	<b>909,555</b>	580,578
Paperboard	<b>176,635</b>	317,112
Other	<b>10,823</b>	20,583
<b>Net sales</b>	<b>5,698,999</b>	2,994,579

<sup>(a)</sup> Revenue from fluff pulp represents (around 0.5% of total net sales) and, therefore, was included in market pulp sales.

<sup>(b)</sup> Tissue is a recently launched product and its revenues represent less than 2.2% of total net sales. Therefore, it was included in the sales of printing and writing paper.

## 26 Expenses by Nature

	March 31, 2019	March 31, 2018
<b>Cost of sales</b>		
Personnel expenses	(369,144)	(143,163)
Variable cost	(1,350,556)	(679,374)
Logistics cost	(537,430)	(241,235)
Depreciation, depletion and amortization	(874,340)	(375,822)
Fair value adjustment on acquisition of Fibria and Facepa - Amortization	(1,360,990)	
Other costs <sup>(a)</sup>	(232,433)	(143,820)
	<u>(4,724,893)</u>	<u>(1,583,414)</u>
<b>Selling expenses</b>		
Personnel expenses	(59,257)	(28,944)
Services	(20,814)	(14,470)
Logistics cost	(117,999)	(59,714)
Depreciation and amortization	(12,168)	(970)
Fair value adjustment on acquisition of Fibria - Amortization	(205,245)	
Other expenses <sup>(b)</sup>	(25,820)	(17,859)
	<u>(441,303)</u>	<u>(121,957)</u>
<b>General and Administrative expenses</b>		
Personnel expenses	(189,283)	(94,734)
Services	(65,600)	(26,693)
Depreciation and amortization	(13,911)	(8,146)
Fair value adjustment on acquisition of Fibria - Amortization	(1,025)	
Other expenses <sup>(b)</sup>	(60,946)	(17,780)
	<u>(330,765)</u>	<u>(147,353)</u>
<b>Other operating (expenses) income</b>		
Rents and leases	133	
Income on the sale of other products	3,561	(127)
Results from sales and disposal of property, plant and equipment and biological assets	(15,770)	(9,488)
Amortization of intangible assets	(1,958)	(1,684)
Insurance reimbursement	6,461	
Provision for loss of judicial deposits	(3,284)	
Fair value adjustment on acquisition of Fibria and Facepa - Amortization	(3,606)	
Other operating income (expenses), net	(4,421)	1,432
	<u>(18,884)</u>	<u>(9,867)</u>

<sup>(a)</sup> Includes allowance for doubtful accounts, insurance, materials (use and consumption), expenses with travel, accommodation, participation in trade fairs and events.

<sup>(b)</sup> Includes corporate expenses, insurance, materials (use and consumption), social projects and donations, expenses with travel and accommodation.

## **27 Explanatory notes not presented**

We presented explanatory notes to the annual financial statements detailing the financial instruments, advances to suppliers, the tax amnesty and refinancing program, asset retirement obligations, long term commitments, shareholders' equity, benefits to employees, compensation program based on shares, accounts payable with acquisition of assets and subsidiaries, insurance, and impairment testing, that we omitted in the March 31, 2019 consolidated interim financial information because the assumptions, operations and policies have not seen any relevant changes compared to the position presented in the financial statements as at December 31, 2018.

## **28 Subsequent events**

### **i) Approval of the legal merger of Fibria**

On April 1, 2019, the Company approved in the Extraordinary Shareholders Meeting of the Company the legal merger of Fibria, wholly owned subsidiary of the Company, with the transfer of all its equity to the Company and its consequent winding up ("Legal Merger"), provided that the share capital of the Company will not change due to the Legal Merger. Because of the Legal Merger, the Company will succeed Fibria in all its rights and obligations.

### **ii) Financing agreements guaranteed by export credit agencies settled in advance**

On April 29 and April 30, 2019, Suzano S.A. voluntarily settled in advance US\$ 208.4 million (equivalent to R\$ 822.2 million) related to financing agreements that were guaranteed by export credit agencies (Finnvera and EKN).

**EXHIBIT A**

**Suzano Austria**  
**BALANCE SHEET**  
**December, 31 2018 and 2017**  
(US\$ in thousands)

<b>Assets</b>	<b>Last fiscal year 12/31/2018</b>	<b>One before last year 12/31/2017</b>	<b>Liabilities</b>	<b>Last fiscal year 12/31/2018</b>	<b>One before last year 12/31/2017</b>
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and cash equivalents	12.223	4.305	Trade accounts payable	65	171
Related Parties	51.731	27.493	Loans and financing	51.047	27.201
Other taxes to be recovered	11	-	Remuneration and charges payable	372	-
<b>Total current assets</b>	<b>63.965</b>	<b>31.798</b>	Related Parties	936	-
			Other liabilities	5.322	1.853
			<b>Total current liabilities</b>	<b>57.742</b>	<b>29.225</b>
<b>Non-current assets</b>			<b>Non-current liabilities</b>		
Related Parties	2.692.700	1.207.700	Loans and financing	2.699.071	1.209.876
Other Receivables	36	26	<b>Total non current liabilities</b>	<b>2.699.071</b>	<b>1.209.876</b>
Operational equipment	4	-			
<b>Total non-current assets</b>	<b>2.692.740</b>	<b>1.207.726</b>	<b>Equity</b>		
			Paid-in capital	39	39
			Capital reserves	87	87
			Accumulated loss	(234)	297
			<b>Total equity</b>	<b>(108)</b>	<b>423</b>
<b>Total Assets</b>	<b>2.756.705</b>	<b>1.239.524</b>	<b>Total Liabilities</b>	<b>2.756.705</b>	<b>1.239.524</b>



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CRC 1ES 007400/O-4-SSP

**Suzano Austria**  
**INCOME STATEMENT**  
**December, 31 2018 and 2017**  
(US\$ in thousands)

	<u>Last fiscal year 1/1/2018 to 12/31/2018</u>	<u>One before last year 1/1/2017 to 12/31/2017</u>
<b>Operating (expense) income</b>		
General and administrative expenses	(3.219)	(598)
<b>Earnings before financial result and taxes</b>	<u>(3.219)</u>	<u>(598)</u>
Net financial income (expenses)	2.691	1.663
<b>Earnings before income taxes</b>	<u>(528)</u>	<u>1.065</u>
Income tax expense	(2)	(2)
<b>Net Income</b>	<u><u>(530)</u></u>	<u><u>1.063</u></u>

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