Suzano Papel e Celulose announces consolidated results for the third quarter of 2009

Increase in pulp prices and recovery of domestic paper market are the highlights of 3Q09

São Paulo, October 23, 2009. Suzano Papel e Celulose S.A. – (Bovespa: SUZB5), one of the largest integrated pulp and paper producers in Latin America, announces today its consolidated results for the third quarter of 2009 (3Q09). The financial and operational information in this release is presented on a consolidated basis and in Brazilian Reais, in accordance with the Brazilian Corporate Law, and includes the accounting changes introduced by Laws 11,638/07 and 11,941/09. For comparison purposes, the information in this release refers to variations in relation to 2Q09 and 3Q08, which also include the adjustments introduced by Laws 11,638/07 and 11,941/09, except where stated otherwise. Totals may not add due to rounding in figures.

Highlights:

<u>3Q09</u>

- Paper and market pulp production of 660 thousand tons, 2.1% and 4.9% lower than in 2Q09 and 3Q08.
- **Sales volume of 661 thousand tons:** 399 thousand tons of pulp and 262 thousand tons of paper.
- Net revenue of R$ 891 million.
- **Pulp production cash cost[1] of R$ 373/ton.**
- **EBITDA of R$ 218 million, with EBITDA margin of 24.4%.**
- Net income of R$ 213 million.
- Net Debt / EBITDA ratio of 3.5 in September 2009.
- **Cash and cash equivalents of R$ 2.4 billion on September 30th, 2009 and net debt reduction of R$ 476 million in the quarter.**
- Successive price increases and continued reduction in global pulp inventories.
- Paper imports with higher market share in Brazil.

[1] Does not include maintenance downtime and the incident at Line 2 in Mucuri.

R$ Million	3Q09	2Q09	3Q08	3Q09 x 2Q09	3Q09 x 3Q08	9M09	9M08	9M09 x 9M08
Net revenue	891	1,099	990	-19.0%	-10.0%	2,933	2,963	-1.0%
Exports	469	687	487	-31.8%	-3.8%	1,730	1,603	7.9%
Domestic market	422	412	502	2.4%	-16.0%	1,203	1,360	-11.5%
EBITDA	218	232	374	-6.3%	-41.8%	766	1,087	-29.6%
EBITDA margin (%)	24.4%	21.1%	37.8%	3.3 p.p.	-13.4 p.p.	26.1%	36.7%	-10.6 p.p.
Net financial earnings (loss)	(77)	(6)	(181)	1,088.8%	-57.7%	(144)	(322)	-55.3%
Net income (loss)	213	439	(282)	-51.6%	n.a.	742	43	1,615.8%
Earnings (loss) per share (R$)	0.69	1.43	(0.92)	-51.6%	n.a.	2.42	0.14	1,616.7%
Pulp sales (tsd tons)	399	548	291	-27.1%	37.3%	1,368	991	38.0%
Paper sales (tsd tons)	262	314	306	-16.5%	-14.3%	809	859	-5.9%
Pulp production (tsd tons)	390	416	405	-6.4%	-3.8%	1,181	1,157	2.1%
Paper production (tsd tons)	270	258	289	4.8%	-6.5%	801	852	-6.0%
Net debt	4,019	4,495	4,775	-10.6%	-15.8%	4,019	4,775	-15.8%
Net debt / EBITDA	3.5	3.5	3.7	n.a.	n.a.	3.5	3.7	n.a.

Notes: n.a. = non applicable. For comparison, all figures in the table above include the adjustments introduced by Laws 11,638/07 and 11,941/09.

To access the Earnings Conference Call and Webcast:
Portuguese:
October 26th– 10:00 am
(Brazilian Time)
Dial-in: +55 (11) 2188-0188
Code: Suzano

English:
October 26th – 12:00 pm
(Brazilian Time)
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The figures in this release include Suzano's 50% equity holding in Ripasa S/A Celulose e Papel (Ripasa) until August 30th, 2008, when Ripasa started to operate as a consortium. All U.S. Dollar conversions are made at the average exchange rate for income statement lines and at the final rate for balance sheet lines.

Executive Summary - Third Quarter of 2009 (3Q09)

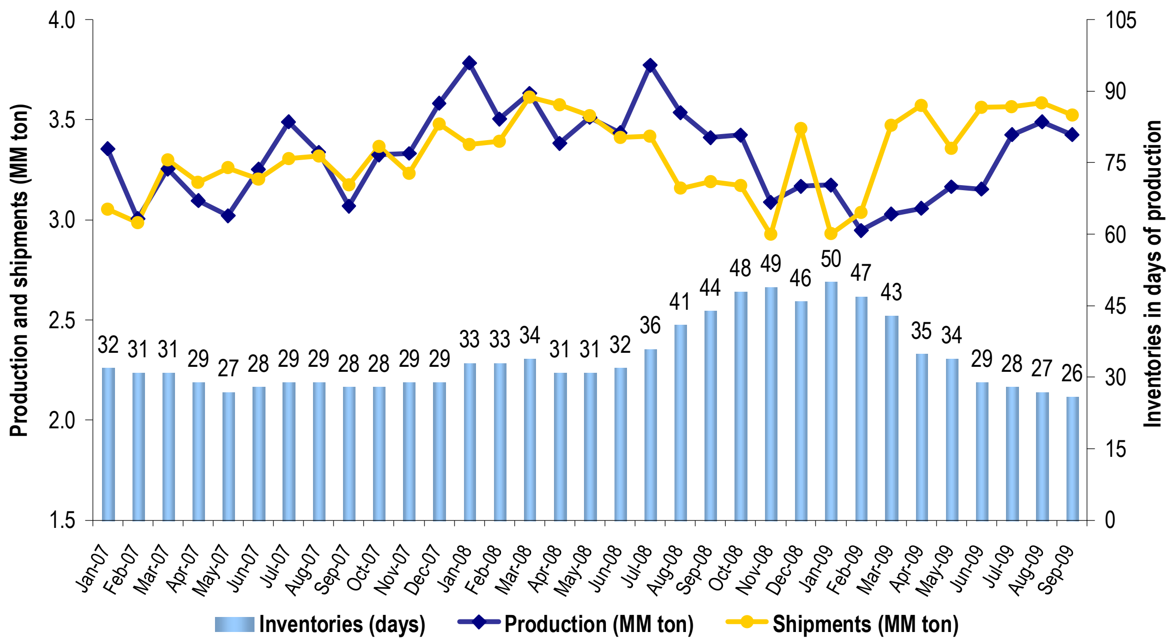
Market Overview

Pulp: 3Q09 marked by successive price increases and continued reduction in global inventories

In the first 9 months of 2009, global market pulp industry produced 28.9 million tons and sold approximately 30.6 million tons. Thus, both production and sales decreased by 9.7% and 0.1%, respectively, in relation to the same period of 2008, according to the Pulp and Paper Products Council (PPPC).

As per the chart below, global market pulp shipments remained stable in the 3Q09 and were 1.7% and 9.2% higher than 2Q09 and 3Q08, respectively. In the same period, production increased by 10.2%, compared to 2Q09 and decreased by 3.6% compared to 3Q08.

Production, Shipments and Inventories



The current global demand is a result of the high demand for market pulp in China which, in 3Q09, was 93.4% higher than in the same period of last year (beginning of the global financial crisis). Additionally, there was a recovery in demand in North America and Western Europe in 3Q09, in comparison with the two previous quarters.

Eucalyptus pulp once again presented positive results, with shipments in the first nine months of 2009 being 17.4% higher than in the same period of last year. Monthly sales average in 3Q09 was 1.2 million tons. This increase drove the market share of Bleached Eucalyptus Kraft Pulp (BEKP) up by 5.2 p.p. in relation to other grades, reaching 34.6% in the first nine months of 2009. The main destinations for eucalyptus pulp in 2009 were Europe (39.0%) and China (27.2%) followed by Latin America (10.0%), North America (9.9%) and Others (13.9%).

The consecutive increases in market pulp production between February and August 2009 were based on the resumption of activities in European and North American plants. However, the sequence of seven consecutive months with sales outperforming production substantially reduced global inventories, which fell to 26 days of production in September 2009, a 18-day decline in relation to September 2008 and a 3-day decline compared to the end of 2Q09. Current inventory levels are below the historical average of 32.7 days.

The above-mentioned factors positively affected pulp producers' business and, combined with the depreciation of the U.S. Dollar against the main currencies, allowed a series of price increases during the recent months.

The following table shows hardwood pulp prices during the year:

US$ / ton	1Q09	2Q09	3Q09	oct/09[1]
Europe	494	506	599	650
North America	570	560	650	700
China	395	464	578	590

Source: Europe and China – FOEX (BHKP list price – last week of each month) / North America – RISI (BEKP list price)
[1]Oct/09: Company's announced prices (Europe e North America: list / China: net)

Softwood pulp prices also maintained a rising trend, closing 3Q09 at US$ 721/ton in Europe and US$ 645/ton in China, while they remained stable at US$ 760/ton in North America, according to FOEX, RISI and TerraChoice. At the end of 3Q09, the spread between softwood and hardwood grade prices was approximately US$ 125/ton, which encouraged the substitution of softwood by hardwood.

The Company announced an increase of US$ 50/ton in all regions as of October 2009. Current eucalyptus pulp prices are: US$ 650/ton in Europe, US$ 700/ton in North America, US$ 590/ton (net) in China and US$ 640/ton in Asia (list, excluding China).

Moreover, the company announced another price increase to be effective in November 2009. The new list prices will be: US$ 700/ton in Europe, US$ 730/ton in North America and US$ 660/ton in Asia (including China).

Paper: Domestic consumption of printing and writing paper and paperboard grows 19.9% in the quarter

Domestic consumption of **printing and writing paper and paperboard** showed signs of recovery in 3Q09 compared to 2Q09. This recovery has been observed in both printing and writing paper and the paperboard markets since March/09.

According to the Brazilian Association of Pulp and Paper Producers (Bracelpa) sales of **printing and writing paper** in Brazil reached 496.8 thousand tons in 3Q09, 20.0% and 1.5% higher than in 2Q09 and 3Q08, respectively.

Of this total, sales of **uncoated** printing and writing paper increased by 14.3% and 3.9% in 3Q09 versus 2Q09 and 3Q08, respectively. Among the main growth drivers, it is worth to highlight the strengthening of government paper purchases for the national textbooks program (PNLD) in the 3Q09. Domestic demand for **coated** paper grew by 36.9% compared to 2Q09, but was 4.2% lower than in 3Q08.

Following the same trend, total domestic **paperboard** sales increased by 19.5% and 0.2% in 3Q09 versus 2Q09 and 3Q08, respectively. The stronger demand for **paperboard** in 3Q09 was mainly due to market seasonality and to the inventory adjustments throughout the consumer goods production chain during the period.

The higher domestic demand for **printing and writing paper and paperboard** in 3Q09 led to a reduction in the share of exports in total sales in relation to 2Q09. According to Bracelpa, exports represented 35.8% of total sales in 3Q09, compared to 40.2% and 31.4% in 2Q09 and 3Q08, respectively. Total exports of **printing and writing paper and paperboard** totaled 294 thousand tons in the period, 5.7% lower than 2Q09 and 18.8% higher than in 3Q08.

The strengthening of the Brazilian Real against the U.S. Dollar in 3Q09 contributed to the increase of **printing and writing paper** imports during the period, which accounted for 22.6% of total domestic sales volume in 3Q09 in comparison with 16.5% in 2Q09 and 17.7% in 3Q08.

Imports of **coated printing and writing paper**, segment in which imports are more relevant, accounted for 51.5% of the domestic market, compared to 42.4% in 2Q09 and 43.8% in 3Q08. In the same period, imports of **uncoated printing and writing paper** accounted for 11.0% of the domestic market, compared to 7.8% in 2Q09 and 6.3% in 3Q08.

Paperboard imports represented 5.6% of total domestic sales volume in 3Q09, compared to 6.0% in 2Q09 and 7.4% in 3Q08.

The recovery in the domestic market in 3Q09, a period when sales are seasonably higher, indicates greater stability in domestic demand in relation to 1H09.

Summary of Quarterly Results

Suzano records net revenue of R$ 891 million and net income of R$ 213 million in the quarter

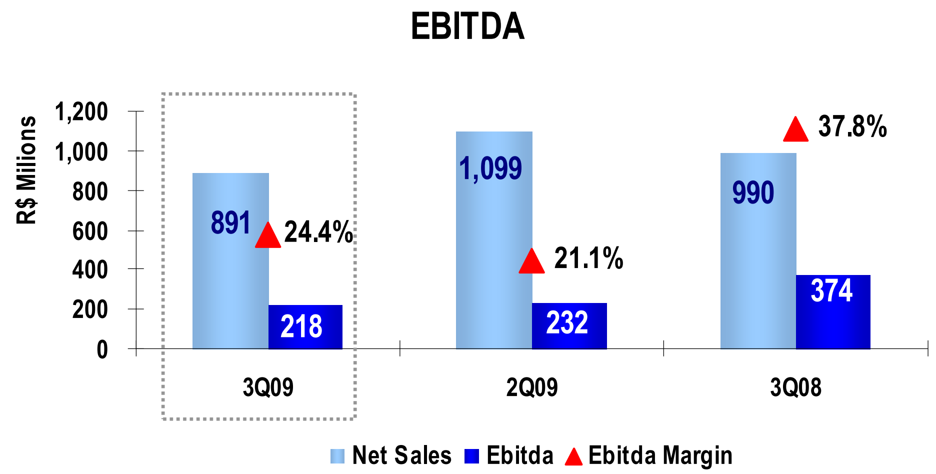
Suzano's pulp and paper sales volume stood at 661.0 thousand tons in 3Q09, 23.3% lower than in 2Q09 and 10.8% higher than in 3Q08. Of this total, pulp sales accounted for 399.0 thousand tons, while paper sales totaled 262.0 thousand tons. In the first nine months of the year (9M09), the Company's total sales volume totaled 2,176.3 thousand tons, 17.6% higher than in the same period of 2008.

The Company recorded net revenue of R$ 890.7 million in 3Q09, 19.0% and 10.0% lower than in 2Q09 and 3Q08, respectively. In 9M09, net revenue totaled R$ 2,932.8 million, remaining relatively stable (-1.0%) in comparison with 9M08.

EBITDA totaled R$ 765.7 million in 9M09, with EBITDA margin of 26.1%. In 3Q09, EBITDA was R$ 217.7 million with EBITDA margin of 24.4%, an increase of 3.3 p.p. in relation to 2Q09 and a reduction of 13.4 p.p. from 3Q08.

The 3Q09 EBITDA was negatively affected by the incident at Line 2 in Mucuri, as detailed in the section on EBITDA in the Analysis of Results (page 13).

Excluding the impacts of the mentioned incident, EBITDA in 3Q09 would be R$ 232.7 million, with EBITDA margin of 25.6%.



Net income reached R$ 212.5 million in 3Q09, mainly due to the currency exchange rate and monetary variation driven by the appreciation of the Brazilian Real against the Dollar in the quarter. In 9M09, net income was R$ 741.5 million, compared to R$ 43.2 million in the same period in 2008.

On September 30th, 2009, consolidated net debt stood at R$ 4,019.0 million, while EBITDA in the last 12 months was R$ 1,147.6 million. Accordingly, net debt/EBITDA ratio was 3.5, stable in comparison with June 30th, 2009, considering the effects of Laws 11,638/07 and 11,941/09.

Performance Analysis

The financial and operational information in this release is presented on a consolidated basis and in Brazilian Reais, in accordance with the Brazilian Corporate Law, and includes the accounting changes introduced by Laws 11,638/07 and 11,941/09. For comparison purposes, the information in this release refers to variations in relation to 2Q09 and 3Q08, which also include the adjustments introduced by Laws 11,638/07 and 11,941/09, except where stated otherwise. Law 11,638/07, as amended by Executive Order 449/08 ratified in Law 11,941/09, aims to converge the accounting principles adopted in Brazil to the international accounting standards issued by the *International Accounting Standard Board – IASB*.

Business Environment

Global macroeconomic conditions continued to present an improving trend in 3Q09. Accordingly, the scenario was similar to the one observed in the previous quarter, with emerging markets, especially China and Brazil, recovering economic growth, while developed countries remained stable, though still under the risk of excessive monetary expansion and increase in public debt as a result of the measures taken to avoid an economic depression, mainly in the United States.

In Brazil, the fundamentals continued to improve, with indicators of retail sales, consumer confidence, unemployment and industrial production exceeding expectations. Apparently, the Brazilian economy has been recovering in a more sustained manner than the global average, due to the better preservation consumption leading indicator such as real income, credit and employment. The favorable outlook for inflation in 2009 allowed the Brazilian Central Bank to reduce for the last time in July the basic interest rate, which was maintained at the meeting of the Monetary Committee (COPOM) in September and closed the quarter at 8.75% p.a. External accounts also surprised positively, especially in the capital account, resulting in the Brazilian Real strengthening against the U.S. Dollar once again. The exchange rate on September 30th, 2009 was R$ 1.78/US$, with an 8.9% appreciation of the Real in the quarter.

Fx rate, R$ / US$	3Q09	2Q09	3Q08	9M09	9M08
Beginning of period	1.95	2.32	1.59	2.34	1.77
End of period	1.78	1.95	1.91	1.78	1.91
Average	1.87	2.07	1.67	2.09	1.69
Variation	-8.9%	-15.7%	20.3%	-23.9%	8.1%
Average Fx variation	-10.0%	-10.4%	0.8%	23.6%	-15.7%

Note: Calculation of variations using exchange rate to four decimal places
Source: Bacen

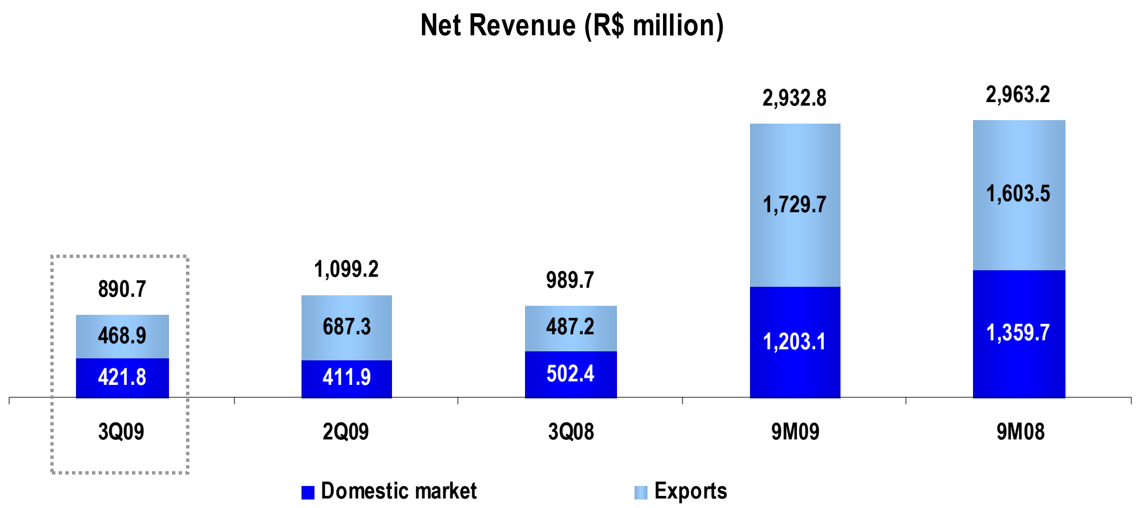
The U.S. Dollar depreciation against most of the relevant currencies for determining pulp prices also continued during the quarter. The Euro and the Canadian Dollar appreciated by 4% and 8%, respectively, against the U.S. Dollar in the quarter, while the Yuan remained stable. The Chilean Peso was the exception, depreciating by 3% against the U.S. Dollar in 3Q09, which should favor the local pulp producers' competitive conditions. The weakening of the Dollar against most currencies, creates favorable conditions for a broader recovery in international pulp and paper prices in Dollar terms.

Income Statement

R$ Million	3Q09	2Q09	3Q08	9M09	9M08
Net revenue	890.7	1,099.2	989.7	2,932.8	2,963.2
Cost of goods sold	(704.8)	(891.5)	(637.5)	(2,262.8)	(1,944.1)
Gross profit	185.9	207.7	352.1	670.0	1,019.2
Selling expenses	(37.3)	(39.7)	(47.8)	(113.0)	(139.6)
General and administrative expenses	(56.8)	(55.6)	(75.8)	(159.7)	(198.3)
Financial expenses	(122.4)	(101.1)	(274.1)	(360.0)	(626.0)
Financial revenue	45.6	94.6	92.7	216.1	304.1
Equity pickup in subsidiaries and affiliates	-	-	(0.03)	-	(0.3)
Amortization of goodwill	-	-	(19.8)	-	(59.3)
Other operating income, net	3.7	3.2	31.0	12.0	73.6
Operating profit before monetary variation	18.7	109.2	58.3	265.4	373.3
Net monetary and exchange rate variation	260.7	529.3	(456.7)	828.1	(294.1)
Operating profit (loss)	279.5	638.5	(398.4)	1,093.5	79.2
Income and social contribution taxes	(67.0)	(199.3)	116.9	(351.9)	(36.0)
Net income (loss) for the period	212.5	439.2	(281.5)	741.5	43.2

Net Revenue

Net revenue reduction in the quarter, despite the higher average net sales price



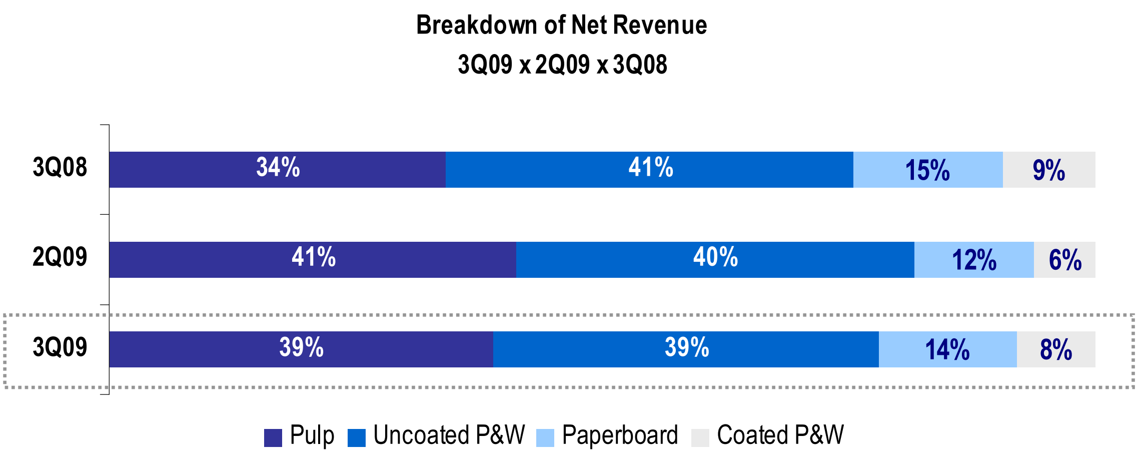
The Company's net revenue totaled R$ 890.7 million in 3Q09, 19.0% and 10.0% lower than in 2Q09 and 3Q08, respectively. In the same period, the Company's pulp and paper sales volume was 23.3% lower than in 2Q09 and 10.8% higher than in 3Q08. The total net revenue was mainly influenced by the following factors:

1. Reduction in the sales volume in relation to 2Q09, due to the significant increase in sales in the previous quarter as a result of the Company's efforts to reduce inventories and working capital. In 3Q09, the Company's sales returned to levels compatible with the production volume.

2. The appreciation of the Brazilian Real against the Dollar by 8.9% in the quarter, which affected revenues from exports.

3. The increase of average net price in Real by 5.6% versus 2Q09 and 18.8% decrease compared to 3Q08. In Dollar terms, the average net price increased by 17.3% in relation to 2Q09 and decreased by 27.5% versus 3Q08.

Pulp sales volume accounted for 60.4% of total volume sold in the quarter. In the previous quarter, the share of pulp sales was 63.6%. As a percentage of net revenue, the share of pulp sales was 39.0% in the quarter, compared to 41.3% in 2Q09.

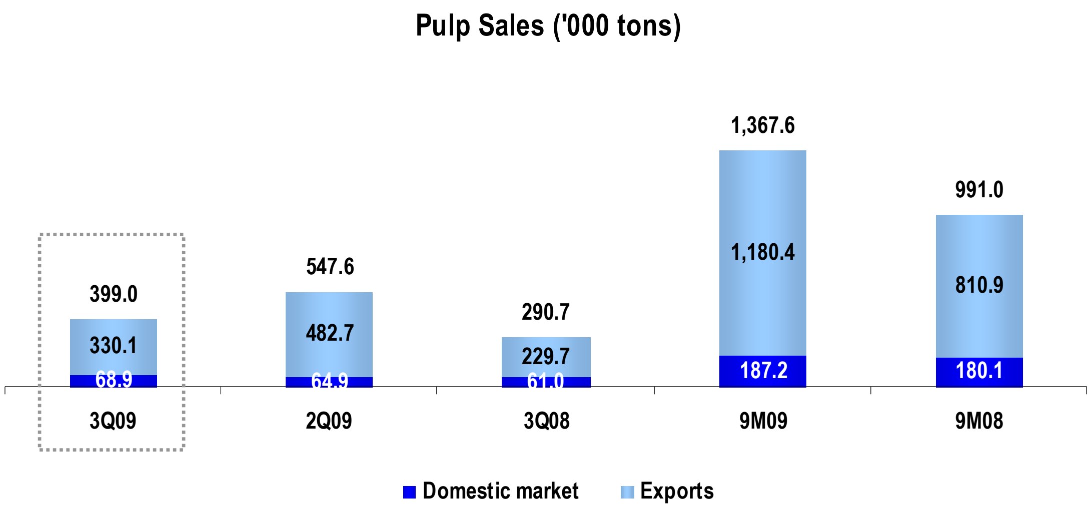


Paper and Pulp Sales

Net Sales	3Q09 R$ Million	3Q09 Tons ('000)	2Q09 R$ Million	2Q09 Tons ('000)	3Q08 R$ Million	3Q08 Tons ('000)
Domestic market	**421.8**	**223.2**	**411.9**	**210.2**	**502.4**	**242.2**
Pulp	55.6	68.9	54.6	64.9	68.1	61.0
Total Paper	366.3	154.3	357.3	145.3	434.3	181.2
Uncoated P&W Paper	210.6	90.7	212.4	88.7	234.3	100.0
Coated P&W Paper	61.8	26.1	60.6	23.1	83.2	36.5
Paperboard	93.9	37.5	84.3	33.5	116.8	44.7
Exports	**468.9**	**437.8**	**687.3**	**651.1**	**487.2**	**354.3**
Pulp	291.8	330.1	399.5	482.7	269.8	229.7
Total Paper	177.1	107.7	287.9	168.4	217.5	124.5
Uncoated P&W Paper	137.7	79.5	231.5	129.3	175.4	100.3
Coated P&W Paper	8.9	5.9	8.3	5.3	8.2	3.7
Paperboard	30.5	22.3	48.1	33.7	33.9	20.5
Total	**890.7**	**661.0**	**1,099.2**	**861.3**	**989.7**	**596.5**
Pulp	347.4	399.0	454.0	547.6	337.9	290.7
Total Paper	543.3	262.0	645.2	313.7	651.8	305.7
Uncoated P&W Paper	348.3	170.2	443.9	218.1	409.7	200.4
Coated P&W Paper	70.7	32.0	68.9	28.4	91.4	40.2
Paperboard	124.4	59.9	132.4	67.2	150.6	65.2

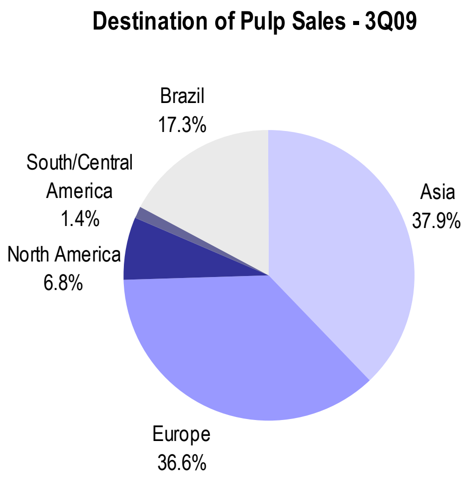
Pulp Business Unit

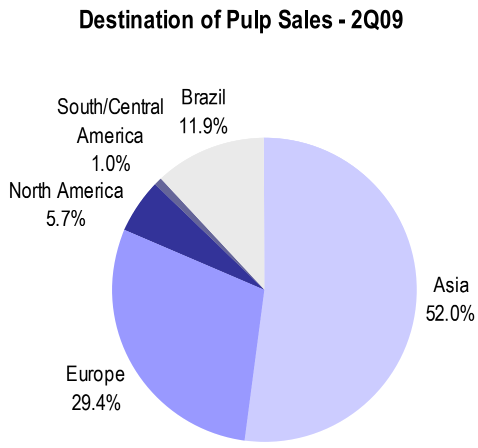
Consecutive price increases and change in sales destinations



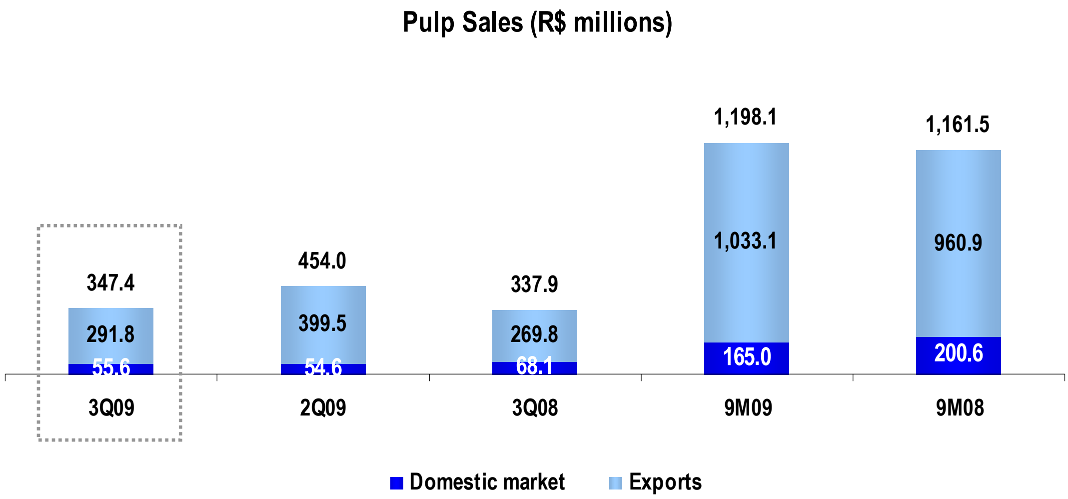
The Company sold 399.0 thousand tons of market pulp in 3Q09, slightly higher than the quarter's production volume, which was impacted by the incident at Line 2 in Mucuri in August 2009. This volume was 27.1% lower than in 2Q09 as a result of the Company's strategy to reduce inventories in 2Q09 to improve working capital levels, and was 37.3% higher than in 3Q08 due to the weakening of demand from China in 3Q08. In 9M09, pulp sales volume totaled 1,367.6 thousand tons, 38.0% higher than in 9M08.

In 3Q09, Asia and Europe were the main destinations for the Company's pulp sales (37.9% and 36.6%, respectively), followed by Brazil (17.3%), North America (6.8%) and South/Central America (1.4%). The change in the sales mix in relation to the previous quarter was driven by the higher sales volume to China in 2Q09 as a result of the Company's efforts to reduce inventories and working capital in that quarter.





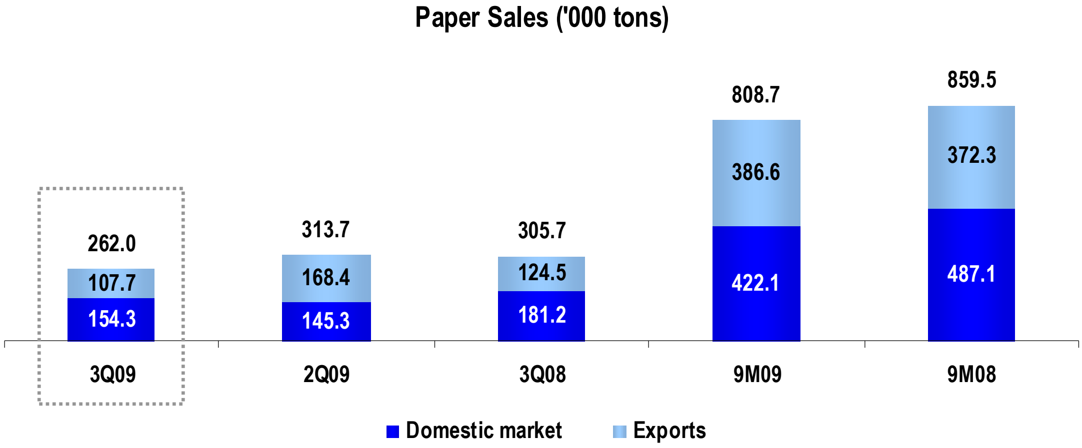
Net revenue from pulp sales was R$ 347.4 million in 3Q09, 23.5% lower than in 2Q09 and 2.8% higher than in 3Q08. Net revenue from pulp sales was R$ 1,198.1 million in 9M09, an increase of 3.1% compared to 9M08.



Due to price increases during the quarter, average net price of pulp (domestic and exports) in Dollar terms reached US$ 466.2/ton in 3Q09, 16.6% higher than the 2Q09 price but 33.1% lower than the 3Q08 price. In Brazilian Reais terms, the average net price reached R$ 870.6/ton, a 5.0% increase versus 2Q09, due to the appreciation of the Real against the Dollar, and a 25.1% decrease from 3Q08.

Paper Business Unit

Lower exports compared to last quarter led to a decrease in paper revenues



Suzano's paper sales reached 262.0 thousand tons in 3Q09, 16.5% and 14.3% lower than in 2Q09 and 3Q08, respectively. Domestic paper sales totaled 154.3 thousand tons, 6.2% higher than in 2Q09 and 14.8% lower than in 3Q08. In the period, domestic demand for **printing and writing paper and paperboard** increased by 19.9% and 1.2% in relation to 2Q09 and 3Q08, respectively, according to Bracelpa.

Printing and writing paper sales represented 77.2% of total paper sales in the quarter, reaching 202.2 thousand tons, 18.0% and 16.0% lower than in 2Q09 and 3Q08, respectively. Domestic sales of such grade accounted for 57.8% of the volume, totaling 116.8 thousand tons.

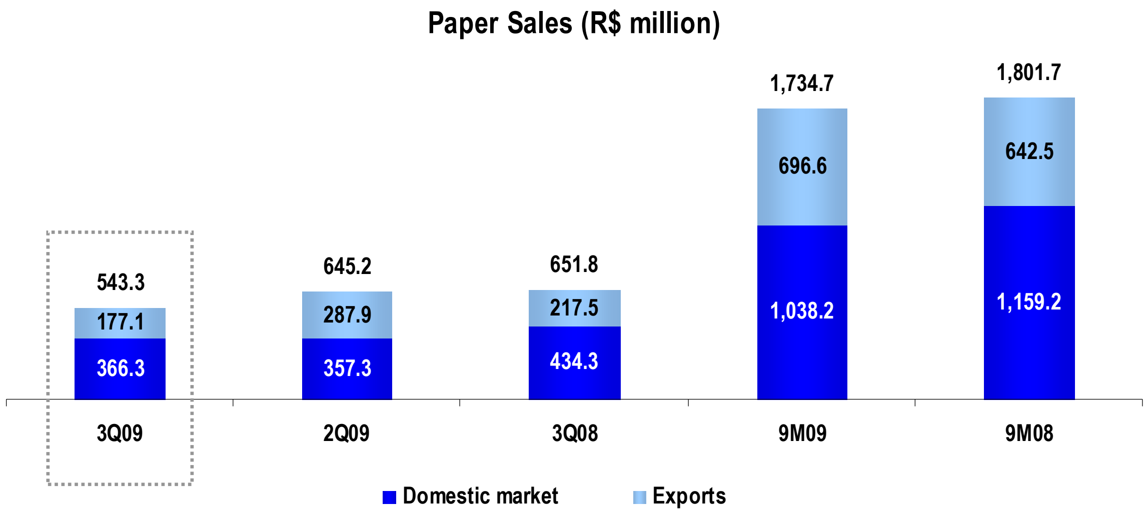
Paperboard sales volume totaled 59.9 thousand tons in the quarter, a reduction of 10.9% and 8.2% compared to 2Q09 and 3Q08, respectively. Domestic sales represented 62.7% of total paperboard sales in the quarter.

The share of Suzano's domestic sales in relation to the total paper shipments returned to historical levels, reaching 58.9% in 3Q09, compared to 46.3% in 2Q09 and 59.3% in 3Q08.

Net revenue from paper sales reached R$ 543.3 million in the quarter, 15.8% and 16.6% lower than in 2Q09 and 3Q08, respectively. This reduction is explained mainly due to the lower volumes sold in the period. In relation to 2Q09, net revenue was also negatively impacted by the appreciation of the Real against the Dollar, which affected revenues from exports. Sales volume totaled 808.7 thousand tons in 9M09, 5.9% lower than in 9M08. In the same period, net revenue stood at R$ 1,734.7 million, down 3.7% versus 9M08.

Average paper net price (domestic and exports) was US$ 2,073.6/ton in 3Q09, up 0.8% in relation to 2Q09 and down 2.7% versus 3Q08. Average net price increased by 2.3% in 9M09 in relation to the same period in 2008.

Suzano's average paper net price in Europe was US$ 890/ton in 3Q09 (uncoated – reels), representing an average spread over the pulp price of US$ 423/ton, i.e., US$ 195/ton above the historical average of the past 10 years. The variation in the spread indicates the lower volatility of paper prices in comparison to pulp prices.



Domestic Market

Suzano affirmed its leadership position in **printing and writing paper** in the quarter, with domestic sales volume of 116.8 thousand tons. This volume exceeded by 4.9 thousand tons, or 4.4%, the volume sold in 2Q09 and was 19.7 thousand tons lower than the volume sold in 3Q08 (-14.4%). In the 9M09, domestic sales of **printing and writing paper** reached 320.6 thousand tons, 11.4% lower than in the same period of 2008.

The average net price of **uncoated paper** in the domestic market decreased by 3.0% compared to the previous quarter and by 0.9% compared to 3Q08. The decrease in comparison with 2Q09 was mainly due to the higher share of government purchases destined to the national textbooks program (PNLD). The **coated paper** price, which historically has a higher correlation to the Dollar, was 9.7% lower than in 2Q09 and 3.9% higher than in 3Q08. The reduction in comparison with 2Q09 was mainly due to a higher share of imported papers in the domestic market driven by the appreciation of the Real against the Dollar, which induced local producers to reposition their market prices.

According to Bracelpa, domestic **paperboard** demand in 3Q09 increased by 19.5% and 0.2% in relation to 2Q09 and 3Q08, respectively. This was mainly due to the market seasonality and to the adjustment of inventories along the supply chain in the segments related to consumer goods in the period.

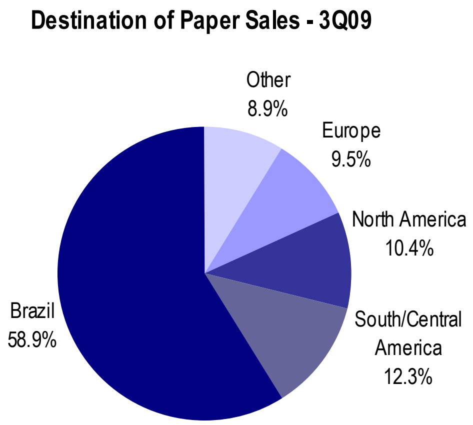
The Company's domestic **paperboard** sales volume totaled 37.5 thousand tons in 3Q09, 12.2% higher than in 2Q09 and 16.0% lower than in 3Q08. When compared to 2Q09, **paperboard** average price decreased by 0.7%, mainly due to changes in the product mix. In relation to 3Q08, average price decreased by 4.3%.

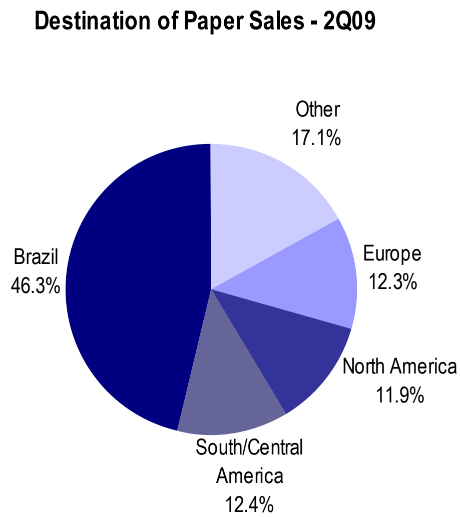
Exports

The Company's paper exports of 107.7 thousand tons accounted for 41.1% of total paper sales volume in the quarter, down from 53.7% in 2Q09 and up from 40.7% in 3Q08. Exports' share in total paper shipments returned to its historical levels after an increase in the exports volume in 2Q09, mainly due to the Company's strategy of reducing inventories in order to improve working capital levels.

Sales to South/Central America accounted for 12.3% of total exports in the quarter, in line with the 2Q09 (12.4%). Combined with the volumes sold in Brazil, the region absorbed approximately 71.2% of 3Q09 sales. Exports to mature markets (Europe and North America) accounted for 19.9% of total sales in 3Q09.

Paper exports totaled 386.6 thousand tons in 9M09, 3.8% higher than in the same period of the previous year. Net revenue from exports totaled R$ 696.6 million, 8.4% higher than in 9M08.





Exports average net price in Dollar terms was 6.8% higher in 3Q09 versus 2Q09 and 15.9% lower than in 3Q08. In Brazilian Real terms, prices decreased by 3.8% and 5.9% in relation to 2Q09 and 3Q08, respectively. The lower price in relation to 3Q08 was partially offset by the Real depreciation in the period, while the currency appreciation versus 2Q09 led to a reduction in the average price in Real terms.

Production and Costs

Consolidated Production	3Q09	2Q09	3Q08	9M09	9M08
Total (thousand tons)	**660.3**	**674.4**	**694.3**	**1,981.9**	**2,009.2**
Market pulp	389.8	416.3	405.1	1,180.9	1,156.9
Total Paper	270.5	258.1	289.2	801.0	852.3
Uncoated P&W paper	177.8	180.5	192.9	541.6	568.0
Coated P&W paper	29.3	26.3	29.8	88.7	87.1
Paperboard	63.4	51.3	66.5	170.6	197.1

Total production reached 660.3 thousand tons in 3Q09, compared to 674.4 thousand tons in 2Q09 and 694.3 thousand tons in 3Q08. Market pulp accounted for 389.8 thousand tons and paper for 270.5 thousand tons in 3Q09. Production totaled 1,981.9 thousand tons in 9M09, compared to 2,009.2 thousand tons in 9M08, and comprised 1,180.9 thousand tons of market pulp and 801.0 thousand tons of paper.

The Company carried out maintenance downtimes at Line 1 in Mucuri and at Conpacel in 3Q09. Moreover, as per the notice to the market on October 1st, 2009, there was a reduction in market pulp production in Line 2 (Mucuri) due to an incident in such line in 3Q09. After the interruption, production was reestablished still in August. Considering such downtimes, the 3Q09 production was 26 thousand tons lower than 2Q09 production of 416.3 thousand tons.

Market pulp production cash cost at Mucuri, excluding the costs related to depletion of the forestry base and maintenance downtimes, was R$ 373/ton in 3Q09, 2.7% higher than 2Q09 due to lower dilution of fixed costs as a result of lower production volumes. In relation to 3Q08, the cost was 17.8% lower. The reduction reflects the

Company's continuous efforts to reduce fixed and variable costs as well as to improve its production performance.

Maintenance downtimes and the Mucuri incident impacted the cash costs by R$ 41/ton in the quarter, increasing the cash cost to R$ 414/ton, considering the downtimes.

Cash cost (R$/t)	3Q09	2Q09	3Q08
Without maintenance downtime	373	363	453
With maintenance downtime	414[1]	372	467

[1]including Mucuri incident

No maintenance downtime has been scheduled in the Company's production units for 4Q09.

Cost of Goods Sold (COGS) decreased 20.9% in 3Q09 in relation to 2Q09 and increased 10.6% in relation to 3Q08, mainly due to the following factors:

(i) 23.3% decrease in pulp and paper sales volume compared to 2Q09 and 10.8% increase in relation to 3Q08;
(ii) Appreciation of the Brazilian Real against the Dollar compared to 2Q09;

The average COGS/ton was R$ 1,066.3/ton in 3Q09, 3.0% higher than in 2Q09 and relatively stable in relation to 3Q08 (-0.2%). The increase when compared to 2Q09 is a result of: (i) increased paper share in the sales mix in 3Q09 and (ii) downtimes and Mucuri incident costs.

The Company's inventories, as well as those of the global pulp producers, remained at the same levels of 2Q09, due to the rebound in global demand.

Operating Expenses / Revenues

Selling expenses decreased by 6.1% and 22.1% in 3Q09 in relation to 2Q09 and 3Q08, respectively, to a total of R$ 37.3 million. This reduction in 3Q09 from the previous quarter was mainly due to lower exported volumes and personnel expenses. The decrease in selling expenses in relation to 3Q08 was mainly due to the reduction in logistics expenses.

Administrative expenses totaled R$ 56.8 million in 3Q09, 2.2% higher than in 2Q09. In comparison with 3Q08, there was a 25.1% decrease as a result of the Company's efforts to reduce these expenses and the fact that these expenses were at above-average levels in 3Q08 due to non-recurring expenses of approximately R$ 10 million.

In the other operating revenues (expenses) line, the Company posted a positive net result of R$ 3.7 million in 3Q09. This result was positively impacted by sales of other products, such as pallets and waste paper (R$ 5.4 million) and sales of timber (R$ 2.3 million), while it was negatively impacted by the provision for actuarial liabilities (R$ 3.9 million). In 2Q09, this line showed a positive net result of R$ 3.2 million, mainly due to the positive impact from sales of other products and fixed assets.

EBITDA

R$ Million	3Q09	2Q09	3Q08	9M09	9M08
EBIT	95.5	115.7	259.5	409.3	754.9
Depreciation / Depletion / Amortization	122.2	116.7	114.7	356.4	332.5
EBITDA	217.7	232.4	374.2	765.7	1,087.4
Gross Profit / Net Sales	20.9%	18.9%	35.6%	22.8%	34.4%
EBITDA / Net Sales	24.4%	21.1%	37.8%	26.1%	36.7%
Net Debt / EBITDA (LTM)	3.5	3.5	3.7	3.5	3.7

EBITDA totaled R$ 765.7 million in 9M09, with EBITDA margin of 26.1%. In 3Q09, EBITDA was R$ 217.7 million with EBITDA margin of 24.4%, an increase of 3.3 p.p. in relation to 2Q09 and a reduction of 13.4 p.p. compared to 3Q08.

Main impacts on EBITDA and operating margins in relation to 2Q09 are:

Positive drivers

(i) Price increases in pulp (in Dollars) both in the domestic and export markets and in the paper exports;
(ii) Rebound in paper domestic volumes.

Negative drivers

(i) Lower pulp volumes due to inventories sales in 2Q09 and the incident at Line 2 in Mucuri;
(ii) Costs related to the scheduled maintenance downtimes and the incident at Line 2 in Mucuri (non-recurring);
(iii) Appreciation of the Brazilian Real against the Dollar, which affected pulp and paper exports.

Note that pulp prices in 3Q09 do not yet fully reflect the price increases announced for September, October and November, which will positively impact the 4Q09 results.

EBITDA was negatively affected by approximately R$ 15 million in the quarter due to the incident at Line 2 in Mucuri, which led to lower pulp sales volume and additional production cost (non-recurring).

Excluding the impacts of said incident, the 3Q09 EBITDA would be R$ 232.7 million, with EBITDA margin of 25.6%.

The reduction in EBITDA margin compared to 3Q08 was mainly due to the decrease in both paper exports prices (5.9%) and pulp prices (25.1%) in Real terms.

Financial Result

Net financial expenses in 3Q09 were R$ 76.8 million, compared to R$ 6.5 million in 2Q09 and R$ 181.4 million in 3Q08. Net financial expenses in the quarter were affected by the R$ 18.4 million loss from hedge operations involving swaps, compared to gains of R$ 51.2 million in 2Q09 and the loss of R$ 100.7 million in 3Q08 from those operations. Also, the reduction in the basic interest rate (Selic) negatively affected the return of financial investments in the domestic market.

The Company's funding operations and the foreign currency hedge policy are guided by the fact that more than 50% of net revenue comes from exports denominated in Dollar, while the vast majority of production costs are linked to the Brazilian Real. This structural exposure allows the Company to contract export financing lines in

Dollar at costs that are more competitive than local funding lines and to match debt service with the flow of receivables from sales, providing a natural cash hedge for these commitments. The excess revenue in Dollar that is not linked to debt obligations or other Dollar-linked obligations is sold in the currency market as the funds come into the country.

In order to have additional protection, Suzano sells Dollar in the futures markets to secure attractive levels of operating margins for a portion of its net revenue. These sales in the futures markets are limited to a minor portion of the excess currency flows over a period of one year and, therefore, are matched to the amount of Dollar available for sale in the near term. The Company operates with the most liquid financial instruments in the market and (i) does not contract leveraged operations or operations that incorporate other forms of options that alter the ultimate hedge objective, and (ii) does not hold any dual-index debt or debt with any other forms of implicit options. The Company maintains strict risk-management controls and its financial statements reflect the market value of all of its financial assets and liabilities.

On September 30th, 2009, the notional value of the currency transactions in the futures market was US$ 60 million, of which US$ 35 million was through conventional non-deliverable forwards (NDFs) contracts and US$ 25 million through Dollar options (calls and puts) positions in order to protect net revenues from exports (hedge) without initial cost for the Company (zero cost collar structures). The maturities are distributed between December 2009 and February 2010 in order to secure attractive operating margins for a minor portion of net sales over the course of this period. The cash effects related to these operations occur only on the respective maturity dates, when the contracts generate cash disbursements or proceeds for the Company, as the case may be. In addition, the Company uses swap contracts to exchange floating interest rates for fixed interest rates and contracts to set pulp prices, which reduce the effects of potential variations on the Company's cash flow.

Accordingly, the loss of R$ 18.4 million from swap operations in the quarter is composed primarily by the gains of (i) R$ 15.7 million from the sale of NDFs; and (ii) R$ 1.9 million in zero cost collar position; and by the losses of (i) R$ 14.6 million from swaps to fix the Libor interest rate; and (ii) R$ 14.9 million in swaps to set pulp prices. The difference of R$ 6.5 million is explained by the results of TR (reference rate), pre-fixed rate and Dollar coupon swaps for a percentage of the DI (interbank rate), which are set up to eliminate risks associated with potential mismatches between these rates, which are due in funding transactions, and the index to which most of the Company's financial investments are referenced.

Financial income from monetary and foreign exchange rate variations in the quarter reached R$ 260.7 million, resulting from the local currency appreciation of 8.9% on the exposure of the balance sheet to foreign currencies between the beginning and the end of the quarter.

Net Income

Net income was R$ 212.5 million in the quarter, compared to R$ 439.2 million in 2Q09 and a loss of R$ 281.5 million in 3Q08. As in the previous quarter, the Real strengthened against the Dollar in 3Q09, which positively influenced the Company's financial result.

Thus, in addition to the operational factors that impacted EBITDA, other items affected net income in the quarter: (i) the accounting gains from monetary and foreign exchange rate variations of R$ 260.7 million in 3Q09, compared to the accounting gains of R$ 529.3 million in 2Q09 and accounting losses of R$ 456.7 million in 3Q08; and (ii) the net financial expenses of R$ 76.8 million in 3Q09, compared to R$ 6.5 million in 2Q09 and R$ 181.4 million in 3Q08.

Net income was R$ 741.5 million in 9M09, compared to R$ 43.2 million in the same period of last year.

Other Information

Investments

The following table shows the breakdown of the Company's capital expenditure in the quarter and in 9M09:

Investments - R$ '000	3Q09	2Q09	1Q09	9M09
Maintenance	84,530	61,451	61,125	207,106
Industrial	30,420	15,872	20,454	66,746
Forestry	54,110	45,579	40,670	140,360
Expansion	275,046	20,166	11,749	306,961
Other	3,388	1,173	1,138	5,699
TOTAL	**362,964**	**82,790**	**74,012**	**519,767**

[1] Including forestry assets and land acquired from Vale in Maranhão, as per the notice to the market of July 14th, 2009, which will be paid in 12 quarterly installments.

Debt

On September 30th, the Company's gross debt (including debentures) stood at R$ 6,465.6 million, versus R$ 6.923,5 million on June 30th, with both figures adjusted for Laws 11,638/07 and 11,941/09. The reduction of the gross debt was due to net amortizations in the quarter as well as to the appreciation of the Brazilian Real against the Dollar.

On September 30th, debt denominated in foreign currency was R$ 3,311.7 million, while debt denominated in local currency was R$ 3,153.8 million, both including interests and leasing.

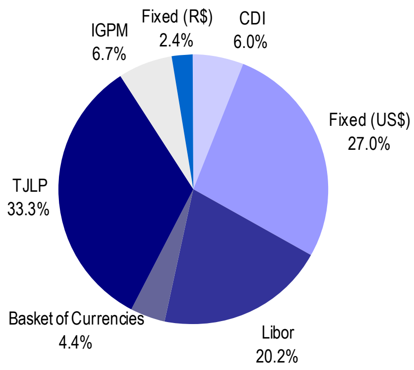
The Company's gross debt on September 30th was composed by 76.1% of long-term maturities and 23.9% of short-term maturities. The short-term portion of the debt includes R$ 177.8 million that had its renewal already agreed for another 3 years. Therefore, excluding this financing line, the short-term portion of debt effectively stands at R$ 1,367.0 million, or 21.1% of the total debt. The Company did not contract new funding operations in 3Q09.

On September 30th, consolidated net debt stood at R$ 4,019.0 million, while EBITDA in the last 12 months was R$ 1,147.6 million. Accordingly, net debt / EBITDA ratio at the end of the quarter was 3.5, at the same level as on June 30th, already considering the effects of Laws 11,638/07 and 11,941/09.

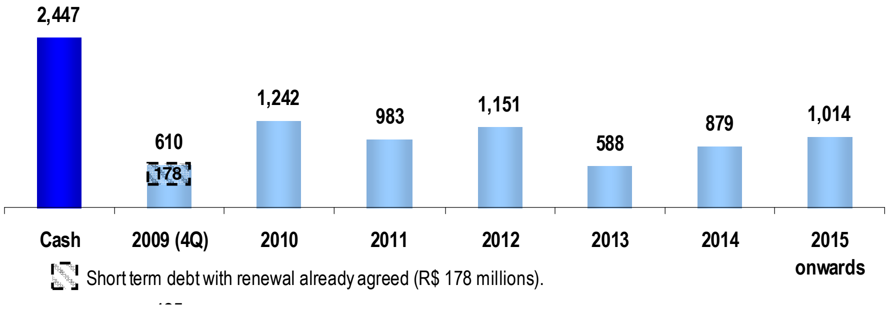
Debt Breakdown - R$ Million	09/30/09	06/30/09
Local Currency	**3,025**	**3,071**
Short Term	591	632
Long Term	2,434	2,439
Foreign Currency	**3,236**	**3,669**
Short Term	806	914
Long Term	2,430	2,755
Interests	**128**	**101**
Leasing	**77**	**82**
Short Term	13	13
Long Term	64	69
Gross Debt	**6,466**	**6,923**
(-) Cash and Cash Equivalents	(2,447)	(2,429)
Net Debt	**4,019**	**4,495**
Net Debt / EBITDA	3.5	3.5

All amounts in the table above incorporate the adjustments introduced by Laws 11,638/07 and 11,941/09.

Index Exposure
09/30/2009



Debt Amortization Schedule
(R$ Million)



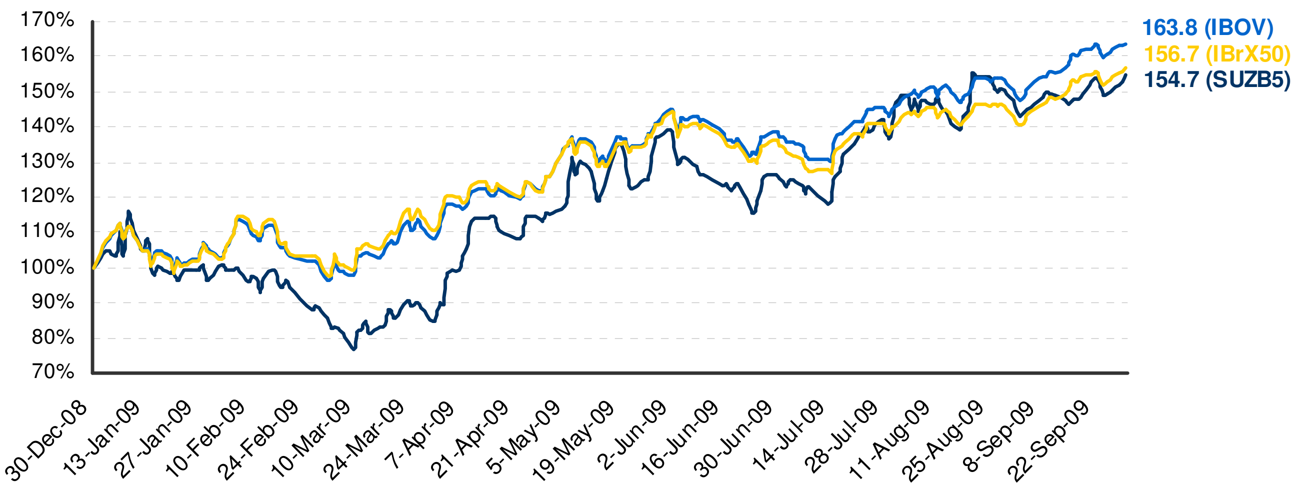
Capital Markets

The Company's equity is represented by 107,821,512 common shares (SUZB3) and 206,660,984 preferred shares (SUZB5 and SUZB6), with a total of 314,482,496 shares traded in the São Paulo Stock Exchange (BM&FBovespa). Out of this total, the Company had 2,537,342 preferred shares and 5,428,955 common shares held in treasury on September 30th, 2009.

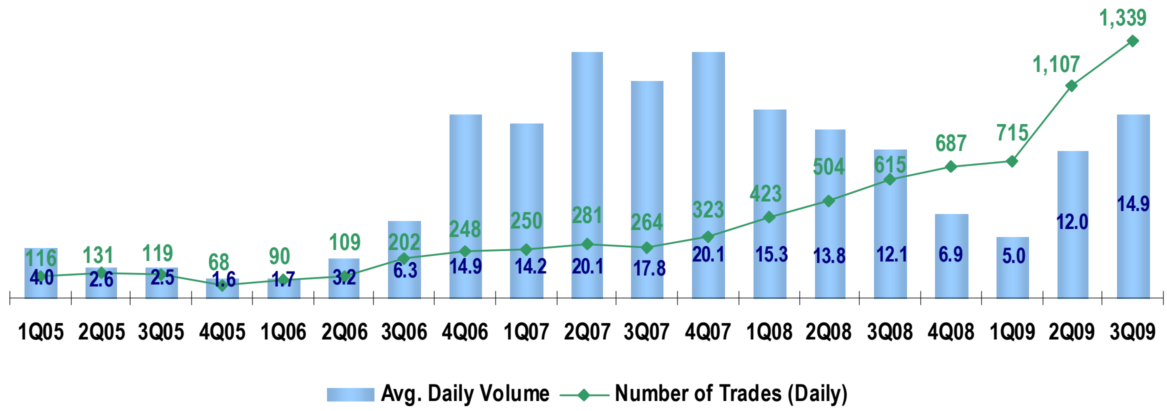
At the end of September, the preferred shares SUZB5 were quoted at R$ 18.70. The Company's stock integrates the Level 1 of Corporate Governance and the Corporate Sustainability Index (ISE) of BM&FBovespa.

The Company's stock price increased by 23.4% during 3Q09. During the same period, the benchmark Ibovespa index increased by 19.5% and the IBrX-50 index rose by 16.5%. During the quarter there was an increase in the number of trades per day and daily financial volume, with an average of 1,339 and R$ 14.9 million, respectively. Market capitalization on September 30th was R$ 5.7 billion, compared to R$ 4.6 billion on June 30th. In 3Q09, the stock's free float was at 45.4%.

Stock Performance
(Jan/09 to Sep/09)



Liquidity



Ripasa / Conpacel

On August 31st, 2008, the jointly controlled Ripasa was split-up and the largest portion of the assets, namely the Americana mill, were split in equal parts between the Company and VCP, thus transforming Ripasa into a productive unit in the unincorporated joint venture while the remaining net assets were used for the incorporation of a company named Asapir Produção Florestal e Comércio Ltda.

As of September 1st, 2008, the Americana industrial unit of Ripasa, started to operate under condominium model between Suzano and VCP, by way of a consortium named Conpacel – Consórcio Paulista de Celulose e Papel, where each consortium party trades its stake of the production independently.

Changes to the preparation and disclosure of accounting statements (Law 11,638/2007 and Executive Order 449/08 ratified in Law 11,941/09)

The financial statements were drafted based on accounting principles adopted in Brazil and in accordance with Brazilian Security Exchange Commission (CVM) regulations, observing the accounting guidelines provided for by the Brazilian Corporate Law (Law 6404/76), which include the new provisions introduced, modified and revoked by Law 11,638, of December 28th, 2007 and Provisional Measure nº 449 (PM), of December 03rd, 2008 ratified in Law 11,941 of May 2009.

The main purpose of such law and PM is the convergence of Brazilian accounting practices to international accounting principles issued by the "International Accounting Standard Board – IASB".

In compliance with the provisions of CVM Deliberation nº 565, of December 17th, 2008, which approved accounting notice CPC 13 – initial adherence to Law 11,638/07 and PM 449/08, and with a view at the requirements set out by CVM Deliberation 506, of June19th, 2006, the Company chose December 31st, 2006 as the starting date for the adoption of the new accounting practices. This is now the baseline for the Company's financial statements, in accordance to these new accounting provisions, for comparison purposes.
For more information, see the Standardized Financial Statements (DFP) of December 31st, 2008 and the Quarterly Information Reports (ITRs), which are available on the websites of the CVM and of the Company.

Note:
Non-financial data such as volumes, quantity, average prices, average quotes and EBITDA in Brazilian Real and U.S. Dollar were not examined by our independent auditors.

Corporate Information

Suzano Papel e Celulose S.A., with annual revenue of US$ 4.1 billion in 2008, is one of Latin America's largest vertically integrated producers of eucalyptus pulp and paper, with annual production capacity for 1.1 million tons of paper and pulp annual production capacity reaching 1.7 million tons of market pulp/ year. It offers a broad range of pulp and paper products for domestic market and exports, with leadership positions in key Brazilian markets. It has four product lines: (i) eucalyptus pulp; (ii) uncoated woodfree printing and writing paper; (iii) coated woodfree printing and writing paper; and iv) paperboard.

Forward-Looking Statements

This release may contain forward-looking statements. These statements are subject to known and unknown risks and uncertainties that can lead such expectations to not materialize or to differ materially from expectations. These risks include: changes in future demand for the Company's products, changes in factors affecting domestic and international product prices, changes in the cost structure, changes in the seasonal patterns of markets, changes in prices charged by competitors, foreign exchange variations, changes in the political or economic situation of Brazil, and changes in emerging and international markets.

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Appendices – Financial Statements
Consolidated Income Statement (R$ '000)

INCOME STATEMENT - RECONCILIATION TO BRAZILIAN FEDERAL LAW 11.638/07
QUARTER (3Q09 - 2Q09 - 3Q08)
BRGAAP - CONSOLIDATED - IN BRAZILIAN REAIS ('000)

SUZANO PAPEL E CELULOSE S.A.

	3Q09		2Q09		3Q08	
INCOME STATEMENT	Before Adjustments	Ajusted to Law 11.638/07	Before Adjustments	Ajusted to Law 11.638/07	Before Adjustments	Ajusted to Law 11.638/07
Gross Sales	1,018,536	**1,018,536**	1,227,642	**1,227,642**	1,151,011	**1,151,011**
Sales Deductions	(127,824)	**(127,824)**	(128,437)	**(128,437)**	(161,336)	**(161,336)**
Net Sales	890,712	**890,712**	1,099,205	**1,099,205**	989,675	**989,675**
Cost of Goods Sold	(703,836)	**(704,842)**	(892,328)	**(891,473)**	(639,626)	**(637,547)**
Gross Profit	186,876	**185,870**	206,876	**207,732**	350,049	**352,128**
Operating Income (Expenses)	(132,137)	**(167,135)**	(81,178)	**(98,503)**	(314,899)	**(293,818)**
Selling Expenses	(37,252)	**(37,252)**	(39,672)	**(39,672)**	(47,800)	**(47,800)**
General and Administrative Expenses	(56,778)	**(56,778)**	(55,577)	**(55,577)**	(75,809)	**(75,809)**
Financial Expenses	(136,675)	**(122,371)**	(97,298)	**(101,081)**	(287,852)	**(274,132)**
Financial Income	94,903	**45,601**	108,165	**94,623**	85,365	**92,726**
Equity Pickup in Subsidiaries and Affiliates	-	**-**	-	**-**	(33)	**(33)**
Amortization of Goodwill	-	**-**	-	**-**	(19,761)	**(19,761)**
Other Operating Income	3,665	**3,665**	3,204	**3,204**	30,991	**30,991**
Operating Profit Before Monetary and Exchange Variations	54,739	**18,735**	125,699	**109,229**	35,150	**58,310**
Net Monetary and Currency Exchange Rate Variation	257,881	**260,748**	535,435	**529,296**	(451,029)	**(456,717)**
Net Income Before Income And Social Contribution Tax	312,620	**279,483**	661,133	**638,525**	(415,879)	**(398,407)**
Income and Social Contribution Taxes	(78,237)	**(66,970)**	(206,970)	**(199,285)**	122,805	**116,865**
Net Income (Loss) for the Period	234,383	**212,513**	454,163	**439,240**	(293,074)	**(281,542)**

Consolidated Balance Sheet (R$ '000)

BALANCE SHEET
30 SEPTEMBER 2009 & 30 JUNE 2009
BRGAAP - CONSOLIDATED - IN BRAZILIAN REAIS ('000)

SUZANO PAPEL E CELULOSE S.A.

ASSETS

	2009 SEPTEMBER	2009 JUNE
CURRENT ASSETS		
Cash and Cash Equivalent	116,606	54,622
Marketable securities	2,329,945	2,374,233
Gains on Transactions in Derivatives	15,279	20,512
Trade Accounts Receivable	540,126	676,049
Inventories	675,135	688,303
Other Accounts Receivable	63,062	58,721
Recoverable Taxes	247,464	264,950
Deferred Income And Social Contribution Taxes	84,927	86,768
Prepaid Expenses	13,188	1,923
TOTAL CURRENT ASSETS	4,085,732	4,226,081
NON CURRENT ASSETS		
Gains on Transactions in Derivatives	10,539	16,239
Recoverable Taxes	119,750	127,430
Deferred Income And Social Contribution Taxes	513,819	535,386
Credit to Wood Suppliers	235,489	227,346
Judicial Deposits	63,637	95,117
Assets Available for Sale	4,175	3,873
Other Accounts Receivable	24,165	29,572
	971,574	1,034,963
LONG TERM ASSETS		
Investments	11,277	12,381
Property, Plant And Equipment	7,033,183	6,795,388
Intangible	501,462	501,462
	7,545,922	7,309,231
TOTAL NON CURRENT ASSETS	8,517,496	8,344,194
TOTAL ASSETS	12,603,228	12,570,275

LIABILITIES

	2009 SEPTEMBER	2009 JUNE
CURRENT LIABILITIES		
Trade Accounts Payable	233,381	224,678
Loans And Financing	1,515,590	1,629,817
Debentures	29,200	11,089
Losses on Transactions in Derivatives	54,437	36,590
Accrued Salaries and Payroll Taxes	78,664	75,534
Taxes Payable Other than on Income	23,652	33,264
Income and Social Contribution Taxes	34,003	6,391
Deferred Taxes and Contribution	19,688	19,582
Dividends Payable	422	422
Other Acounts Payable	129,678	49,050
TOTAL CURRENT LIABILITIES	2,118,715	2,086,417
NON CURRENT LIABILITIES		
Loans and Financing	4,149,473	4,500,731
Debentures	771,289	781,839
Losses on Transactions in Derivatives	34,570	32,724
Income Tax and Social Contribution	13,908	13,701
Deferred Income and Social Contribution Taxes	597,709	610,668
Accounts Payable	159,112	2,897
Provision For Contingencies	270,892	269,595
Share Based Payments	9,185	6,024
TOTAL NON CURRENT LIABILITIES	6,006,138	6,218,179
SHAREHOLDERS EQUITY		
Share Capital	2,054,430	2,054,430
Capital Reserves	412,413	412,230
Profit Reserves	1,471,797	1,471,797
Treasury Shares	(201,798)	(201,798)
Accumulated Profit	741,533	529,020
TOTAL EQUITY	4,478,375	4,265,679
TOTAL LIABILITIES + EQUITY	12,603,228	12,570,275

Consolidated Cash Flow Statement (R$ '000)

CASH FLOW STATEMENT
SEPTEMBER 30, 2009
In Brazilian Reais('000)

SUZANO PAPEL E CELULOSE S.A.

	Consolidated	
Nine months period to	sept/09	sept/08
Cash flows from operating activities		
Net income for the period	**741,533**	43,219
Adjustments to reconcile net income to cash generated from operating activities		
Depreciation, depletion and amortization	**356,394**	332,506
Result on sale of property, plant and equipment	**(5,869)**	(29,740)
Equity interest in subsidiaries and affiliates	**-**	323
Amortization of goodwill	**-**	59,283
Exchange and monetary variation, net	**(972,601)**	375,816
Interest expenses, net	**291,642**	371,845
Gains on derivatives, net	**(36,996)**	14,304
Current and deferred income and social contribution taxes	**351,949**	35,960
Other taxes	**106,015**	127,178
Provisions for contingencies	**(2,809)**	(43,086)
Share based payment plan expenses (reversion)	**5,786**	1,553
Provision (reversion) for investments loss	**-**	(3,050)
Changes in operating assets and liabilities - current and non-current:		
Reduction (Increase) in accounts receivable	**249,916**	(7,455)
Reduction (Increase) in inventories	**206,433**	(246,235)
Reduction (Increase) in recoverable taxes	**146,251**	(59,779)
Reduction (Increase) in other current and non-current assets	**(6,989)**	(12,345)
Net proceeds generated by derivatives	**(81,723)**	83,896
Elimination of effect of Ripasa´s spin off	**-**	106,271
Increase (Reduction) in trade accounts payable	**(43,937)**	(71,307)
Increase (Reduction) in other current liabilities	**177,391**	(19,227)
Interest Payments	**(232,054)**	(227,274)
Other taxes and contributions payments	**(58,482)**	(61,848)
Income tax and social contribution payments	**(165,315)**	(66,691)
Elimination of effect of Ripasa´s spin off	**-**	(64,650)
Net cash from operating activities	**1,026,535**	639,467
Cash flows from investing activities		
Addition in investments	**(4,445)**	(4)
Acquisition of property, plant and equipment and Increase of deferred charges	**(519,767)**	(938,577)
Sale of property, plant and equipment	**12,992**	47,301
Net effect of Ariemil and Agua Fria's disposal	**7,636**	9,958
Net effect of Asapir´s acquisition	**-**	(27,358)
Elimination of effect of Ripasa´s spin off	**-**	610,393
Net cash generated (used) in investing actitivities	**(503,584)**	(298,287)
Cash flows from financing activities		
Dividends Paids	**-**	(64,619)
Loans Contracted	**1,362,426**	2,246,592
Net proceeds generated by derivatives	**1,694**	(2,450)
Payment of Loans	**(1,560,803)**	(1,775,854)
Own shares acquisitions	**-**	(297,578)
Elimination of effect of Ripasa´s spin off	**-**	(82,534)
Net cash from financing activities	**(196,683)**	23,557
Effects of exchange rate variation on cash and cash equivalents	**(56,029)**	(25,794)
Increase (decrease) in cash and cash equivalents	**270,239**	338,943
Cash and equivalents in the beginning of the period	**2,176,312**	1,339,919
Cash and equivalents in the end of the period	**2,446,551**	1,678,862
Statement of Increase (decrease) in cash and cash equivalents	**270,239**	338,943

Financings and Loans
Consolidated (R$ '000)

	Index	Average annual interest rate in Sep/09	Consolidated Sep/09	Jun/09
For acquisition of equipament				
BNDES - Finem	TJLP	8.01%	**1,819,482**	1,836,306
BNDES - Finem	Basket of Currencies	6.01%	**276,715**	308,726
BNDES - Finame	TJLP	9.78%	**6,215**	7,679
BNDES - Finame	Basket of Currencies	6.83%	**137**	168
BNDES - Automático	TJLP	9.30%	**5,067**	5,522
BNDES - Automático	Basket of Currencies	6.83%	**535**	630
FNE - BNB	Pre Fixed Rate	8.50%	**152,372**	156,856
FINEP	TJLP	6.00%	**5,182**	6,001
Crédito Rural (Rural Credit)	Fixed Rate + CDI	6.87%	**21,873**	21,424
Leasing	CDI + Exchange Rate	9.60%	**76,681**	81,950
Working capital				
Trade Finance (Exports)	US$	4.04%	**2,370,328**	2,709,181
Trade Finance (Imports)	US$	2.49%	**376,511**	416,027
Nordic Investment Bank	US$	5.74%	**90,453**	98,637
Export Credit Note	CDI	8.20%	**373,968**	388,794
Export Credit Note	US$	6.65%	**54,102**	60,343
BNDES - EXIM	TJLP	10.20%	**32,204**	31,917
Other			**3,238**	387
			5,665,063	6,130,548
Current Liabilities (including interests)			**1,515,590**	1,629,817
Non Current Liabilities			**4,149,473**	4,500,731

Non current liabilities payment schedule is as follows:

	Sep/09	Jun/09
2010 (from october until december)	**233,092**	416,102
2011	**908,995**	970,662
2012	**1,053,190**	1,132,735
2013	**587,514**	614,035
2014	**451,552**	455,320
2015	**384,265**	377,713
2016 onwards	**530,865**	534,164
	4,149,473	4,500,731

Debentures
Consolidated (R$ 000)

DEBENTURES

Issuance	Series	Bonds	set/09 Current	set/09 Non Current	set/09 Total	jun/09 Total	Index	Interest	Redemption
3rd	1st	333,000	**19,515**	**427,173**	**446,688**	438,316	IGP-M	10% *	4/1/2014
3rd	2nd	167,000	**3,033**	**98,552**	**101,585**	107,659	USD	9.85%	5/7/2019
4th	1st	79,735	**2,279**	**81,989**	**84,268**	82,529	TJLP	2.50%	12/1/2012
4th	2nd	159,471	**4,373**	**163,575**	**167,948**	164,424	TJLP	2.50%	12/1/2012
			29,200	**771,289**	**800,489**	792,928			

* The securities were issued with a R$ 38.278 discount that has been fully incorporated to the securities total value.
Due to that, the operation's efective interest rate changed from 8% p.y. to 10% p.y.

Note: *For more information and details, please consult the complete financial statements and the accompanying notes in the Quarterly Information (ITR) of September 30, 2009.*