



BRACELPA
BRAZILIAN PULP AND PAPER ASSOCIATION

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-  220 companies spread in 450 municipalities, located in 17 States and 5 Regions
-  2.0 million hectares of planted area for industrial use
-  2.8 million hectares of preserved forests
-  Total certified forest area: 2.7 million hectares
-  Exports 2009: US\$ 5.0 billion
-  Trade Balance 2009: US\$ 3.7 billion (14.4% of Brazilian Trade Balance)
-  Taxes: R\$ 2.2 billion
-  Investments: US\$ 12 billion in the last 10 years
-  Jobs: 114 thousand direct jobs (industry 67 thousand, forests 47 thousand) and 500 thousand indirect jobs

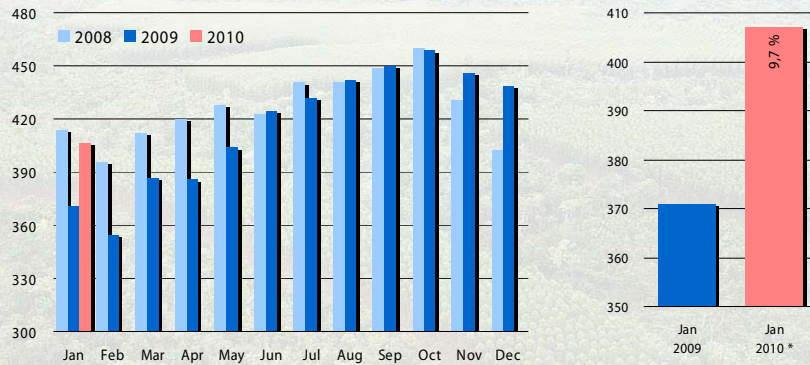
PULP	2008	2009	%	Jan		
				2009	2010 ⁽²⁾	%
.Production	12,697	13,496	6.3	1,085	1,225	12.9
.Import ⁽¹⁾	325	359	10.5	22	33	50.0
.Export ⁽¹⁾	7,040	8,229	16.9	711	619	-12.9
.Apparent Consumption	5,982	5,626	-6.0	396	639	61.4

PAPER	2008	2009	%	Jan		
				2009	2010 ⁽²⁾	%
.Production	9,409	9,368	-0.4	750	822	9.6
.Import ⁽¹⁾	1,328	1,085	-18.3	101	178	76.2
.Export ⁽¹⁾	1,982	2,008	1.3	151	116	-23.2
.Apparent Consumption	8,755	8,445	-3.5	700	884	26.3

⁽¹⁾ Source: SECEX

⁽²⁾ Preliminary data

Paper Domestic Sales 1,000 tons



* Preliminary data

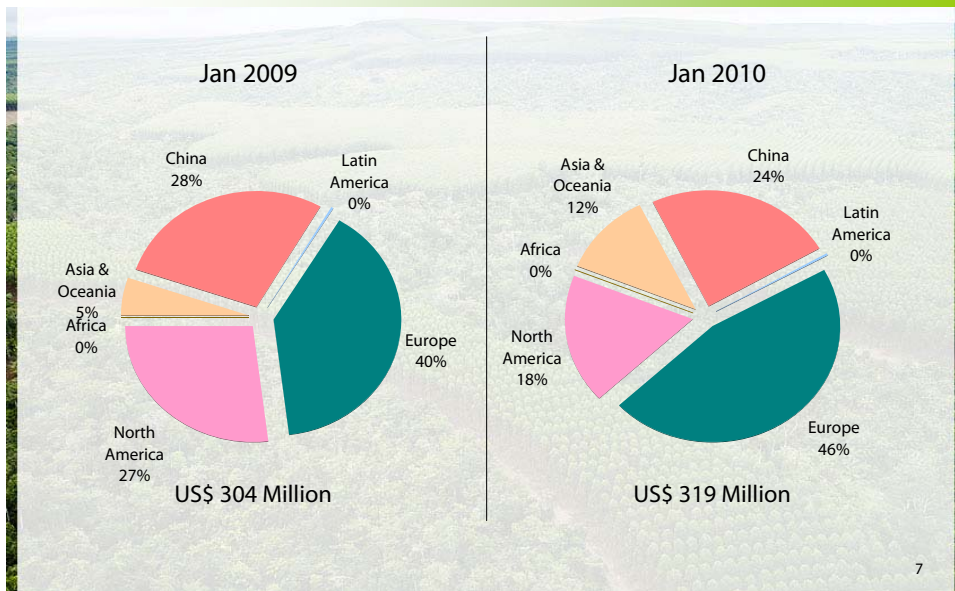
Industry Trade Balance US\$ Million FOB

	2008	2009	%	Jan		
				2009	2010**	%
EXPORT*	5,837	5,001	-14.3	434	473	9.0
.Pulp	3,917	3,315	-15.4	304	319	4.9
.Paper	1,920	1,686	-12.2	130	154	18.5
IMPORT*	1,711	1,339	-21.7	124	130	4.8
.Pulp	274	242	-11.7	17	23	35.3
.Paper	1,437	1,097	-23.7	107	107	0.0
BALANCE	4,126	3,662	-11.2	310	343	10.6
.Pulp	3,643	3,073	-15.6	287	296	3.1
.Paper	483	589	21.9	23	47	104.3

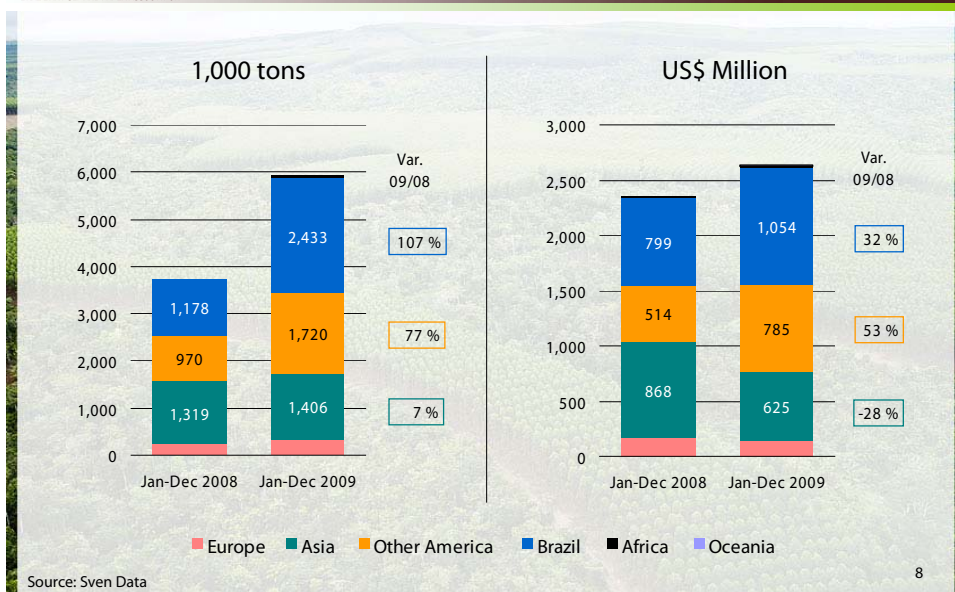
* Source: SECEX

** Preliminary data

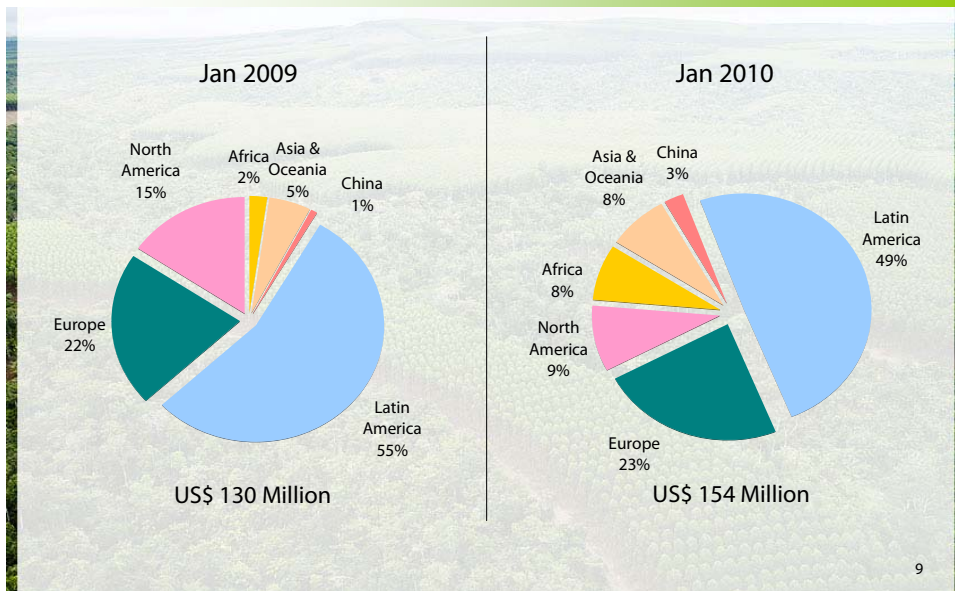
Brazilian Pulp Export by Destination



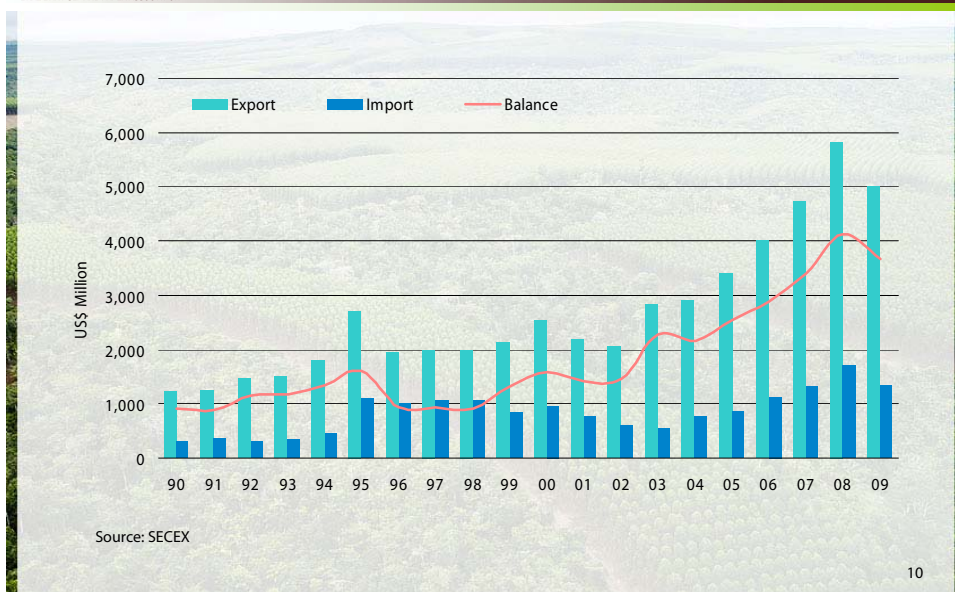
China - Imports By Origin Bleached Hardwood Kraft Pulp



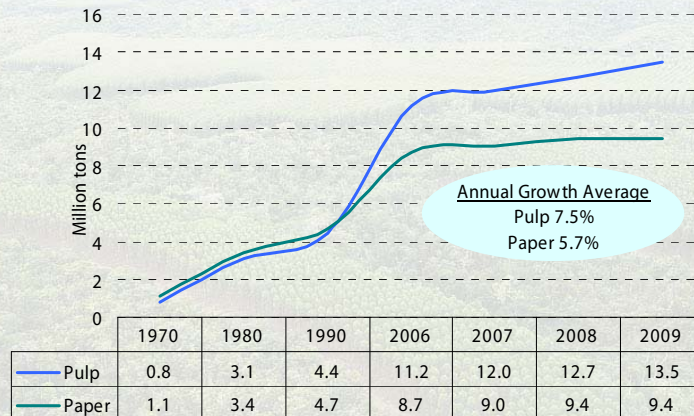
Brazilian Paper Export by Destination



Industry Trade Balance 1990 - 2008



Brazilian Pulp and Paper Production



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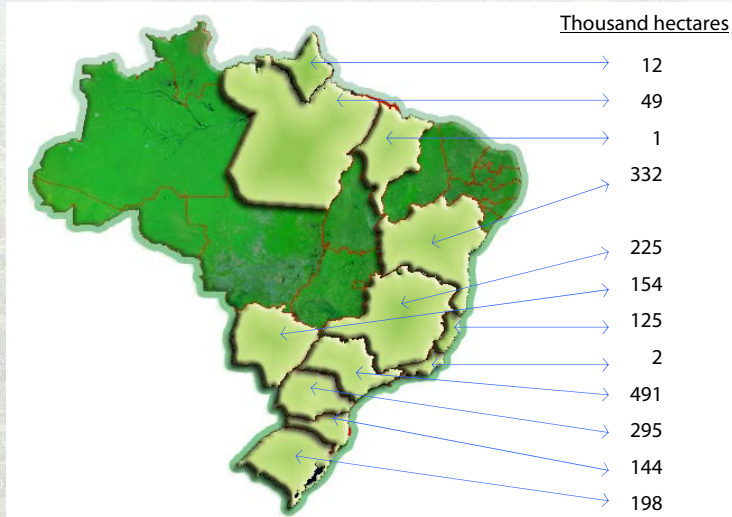
Main World Pulp and Paper Producers 2008

PULP		PAPER	
Country	1,000 tons	Country	1,000 tons
1. USA	51.479	1. USA	79.952
2. China	21.477	2. China	79.800
3. Canada	20.299	3. Japan	30.617
4. Brazil	12.697	4. Germany	22.842
5. Sweden	12.071	5. Canada	15.756
6. Finland	11.720	6. Finland	13.126
7. Japan	10.670	7. Sweden	11.663
8. Russia	7.430	8. South Korea	10.610
9. Indonesia	6.435	9. Italy	9.481
10. Chile	4.985	10. France	9.418
11. India	3.662	11. Brazil	9.409
12. Germany	2.902	12. Indonesia	9.203
Other	26.591	Other	89.035
TOTAL WORLD	192.418	TOTAL WORLD	390.912

Source: RISI

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Brazilian States - 2.0 million hectares



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Planted Forest Area in the World - 2005

thousand hectares

Country	Country Total Area	Planted Forest Area	%
Japan	37,780	10,000	26.5
India	328,726	32,600	9.9
Portugal	9,191	800	8.7
China	959,696	45,000	4.7
Indonesia	205,000	9,000	4.4
Spain	50,599	1,900	3.8
Chile	75,609	2,200	2.9
United States	937,261	16,000	1.7
Brazil (2008) (*)	851,488	6,600	0.8
- Pulp & Paper (2008)		2,028	0.2

Source: FAO/BRACELPA

(*) Source: ABRAF

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REASONS FOR HIGH PRODUCTIVITY LEVELS

- 🌱 Climate and soil
- 🌱 Research
- 🌱 Organized private sector
- 🌱 High qualified labor force

TECHNOLOGICAL ADVANCES

- 🌱 Genetics
- 🌱 Biotechnology
- 🌱 High quality raw material
- 🌱 Socio-environmental planning
- 🌱 SFM
- 🌱 Rotation

WOOD FOR PULP PRODUCTION					
Productivity (m ³ /ha/year)					
Species	1980	2008	Growth Rate	Potential	Growth Rate
• Eucalyptus	24	41	71%	70	192%
• Pinus	19	36	89%	40	111%

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Fast growing forest productivity in other countries (m³/ha. year)



Source: Pöyry

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Rotation and Yield Comparison Hardwood Pulp Species

Species	Country	Rotation (years)	Yield m ³ /ha. year
Eucalyptus	Brazil	7	41
Eucalyptus	South Africa	8-10	20
Eucalyptus	Chile	10-12	25
Eucalyptus	Portugal	12-15	12
Eucalyptus	Spain	12-15	10
Birch	Sweden	35-40	6
Birch	Finland	35-40	4

Source: Pöyry

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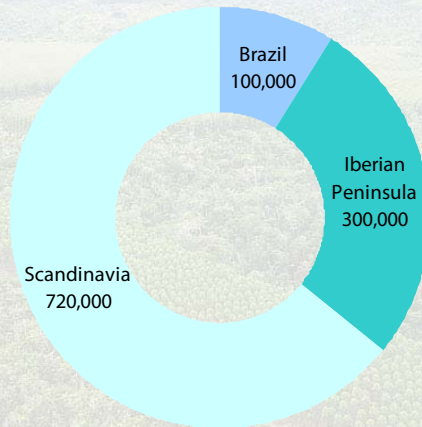
Rotation and Yield Comparison Softwood Pulp Species

Species	Country	Rotation (years)	Yield m ³ /ha. year
Pinus spp	Brazil	15	36
Pinus radiata	Chile	25	22
Pinus radiata	New Zealand	25	22
Pinus elliottii / taeda	United States	25	10
Douglas Fir	Canada (coast)	45	7
Picea abies	Sweden	70-80	4
Picea abies	Finland	70-80	4
Picea glauca	Canada (inland)	55	3
Picea mariana	Canada (east)	90	2

Source: Pöyry

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Forest Area (ha) Required for a 1,000,000 tons/year Admit Pulp Mill



Source: Pöyry

Brazilian Geographic Distribution (Occupation)

2007	Million Hectares	%
Federal and State Conservation Areas	176	20.7%
Grazing Areas (Comprising Pasture)	172	20.2%
"Devolutionary" and other uses	171	20.1%
Indigenous Areas	107	12.6%
Rural Settlements	77	9.0%
Unexplored Areas available for agriculture (not comprising Amazon Forest)	71	8.3%
Temporary Agriculture	55	6.5%
Permanent Agriculture	17	2.0%
Planted Forests	5	0.6%
BRAZIL	851	100.0%

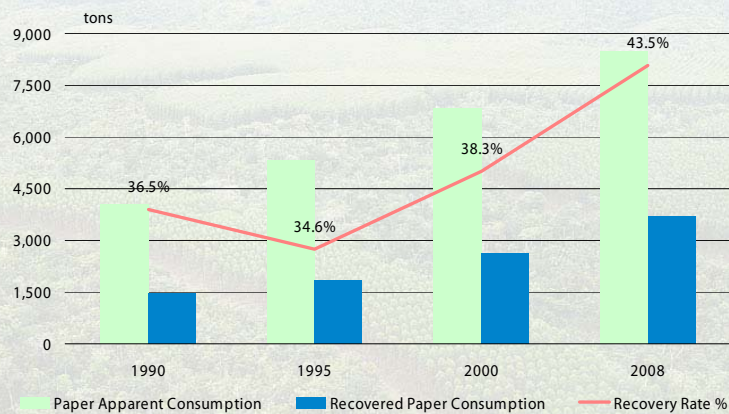
Source: IBGE, MAPA, Conab, ABRAF, INCRA and MMA

Agribusiness Selected Products Exports x Planted Area in 2008

PRODUCTS	EXPORTS US\$ million	PLANTED AREA thousand ha	US\$ / ha
Soy Complex	17,986	21,313	844
Sugar + Alcohol (*)	8,096	7,000	1,157
Pulp & Paper	5,837	1,715	3,403
Coffee (*)	4,762	2,170	2,194
Corn	1,449	14,775	98
Cotton	1,423	1,077	1,321

Source: MAPA/MDIC/SECEX/CONAB/FIBGE
(*) Harvested area

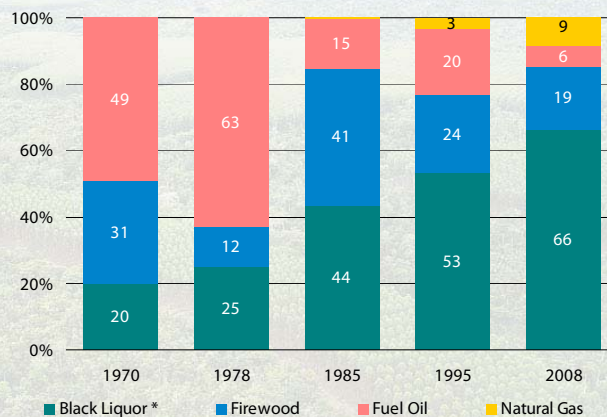
Recycling Recovery Rate of Recycled Paper



Selected Countries	Consumption Rate	Recovery Rate
Germany	76.0%	76.7%
Spain	74.8%	68.7%
China	70.1%	39.5%
Mexico	67.5%	50.5%
Japan	61.9%	73.1%
Malaysia	53.4%	46.6%
France	52.9%	64.1%
Italy	48.1%	57.0%
India	46.9%	51.8%
Brazil (*)	45.3%	45.0%
Argentina	42.1%	40.4%
Finland	40.4%	45.3%
United States	35.4%	58.3%
United Kingdom	35.3%	77.6%
Russia	31.9%	34.9%

Source: RISI
(*) Source: Bracelpa

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Source: Brazilian National Energy Balance
* Sub Product (Firewood)

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Pulp and paper industry has a prominent presence by motivating economic and social development in regions far away from big urban centers.

(*) In 2007, US\$ 585 million were invested in projects and initiatives in areas as:

-  Education
-  Health
-  Environmental responsibility
-  Income generation
-  Forest Fostering (2008): 21,026 properties
in 374 thousand hectares

(*) Activities done by companies representing 80% of the pulp & paper saleable production in Brazil

-  Planted forests do not compete with traditional agriculture
-  Restoration of degraded land
-  Soil conservation
-  Using land not fit for agriculture
-  Mixing plantations and natural forests
-  Biodiversity protection
-  Watershed protection
-  CO₂ sequestration
-  Less pressure on natural forests

SELECTED COUNTRIES kg/inhab./year



Source: RISI

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MANUFACTURING MEMBERS

Adami S/A Madeiras
 Ahlstrom Ind. de Papéis Especiais S/A
 Ahlstrom Louveira Ltda.
 Arjo Wiggins Ltda.
 Bahia Pulp S/A
 Bignardi Ind. e Com. de Papéis e Artefatos Ltda.
 Bonet Madeiras e Papéis Ltda.
 Cambará S/A - Produtos Florestais
 Cartonificio Valinhos S/A
 Celulose Irani S/A
 Celulose Nipo-Brasileira S/A – Cenibra
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 Copapa - Cia. Paduana de Papéis
 Facepa - Fábrica de Papel da Amazônia S/A
 Fernandez S/A Indústria de Papel
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 Ibema - Cia. Brasileira de Papel
 Iguaçu Celulose e Papel S/A
 International Paper do Brasil Ltda.
 Jari Celulose S/A
 Kimberly-Clark Brasil Ind. Com. de Produtos de Higiene Ltda.
 Klabin S/A
 KM Indústria e Comércio de Papel Ltda.
 Lwarcel Celulose e Papel Ltda.
 Manikraft Guaianazes Indústria de Celulose e Papel Ltda.
 MD Papéis Ltda.

Melhoramentos Papéis Ltda.
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 Norske Skog Pisa Ltda.
 Orsa Celulose, Papel e Embalagens S/A
 Papius Indústria de Papel S/A
 Primo Tedesco S/A
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 Schweitzer – Mauduit do Brasil
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 Trombini Industrial S/A
 Veracel Celulose S/A
 Vitopel do Brasil Ltda.

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 Carbochloro SA Indústrias Químicas
 Duratex SA
 Eka Chemicals do Brasil SA
 Poyry Tecnologia Ltda
 Viscofan do Brasil Soc. Comercial e Industrial Ltda.

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