KLABIN

2Q24 Review: Garden of Eden

LatAm Pulp & Paper

Main takeaways:

(i) Kraftliner with **strong shipments** at 141Kt (+23% vs. Genial Est.), up +30.1% q/q; **(ii)** Realized price was also above expectations, reaching R$3.361/t (+2.3% vs. Genial Est); **(iii) Increase in paperboard shipments**, reaching 214Kt (+0.9% vs. Genial Est.), up +8.3% q/q; **(iv) Corrugated boxes accelerate sales** (+5% q/q; +4.5% y/y), **but realized price drops slightly** due to mix composition; **(v) Industrial bags exceed estimates.** Realized price up +0.8% q/q; **(vii) Pulp:** Logistical challenges persist. Shipments of BHKP amounted to 254Kt (-4.0% vs. Genial Est.), up only +0.8% q/q. The realized price surprised positively, reaching R$3,881/t (+6.2% vs. Genial Est.), accelerating +19% q/q. As for BSKP + Fluff, shipments were recorded at 117Kt (+4.5% vs. Genial Est), an increase of +6.8% q/q and +29.6% y/y. The realized price was R$5,157/t (-2.7% vs. Genial Est.), up +10% q/q; **(vi) Net revenue surpassing estimates**, reaching R$4.9bn (+2.7% vs. Genial Est.), up +11.7% q/q and +15.3% y/y; **(vii) COGS/t of pulp showing continued decline** and reaching R$1. 205/t (-5.2% vs. Genial Est.); **(viii) Consolidated EBITDA stood at R$2bn** (+0.6% vs. Genial Est.); **(ix) Net income lower than expected** due to variation in biological assets; **(x)** CAPEX reducing, EBITDA increasing and working capital being freed up. The generation of **FCF** was **+R$283mn** (vs. a burn of -R$454mn in 1Q24). **FCFE** was **+R$1.1bn** (+21% vs. Genial Est.); **(xi) Leverage fell** to **3.2x Net Debt/EBITDA** (vs. 3.5x in 1Q24); **(xii)** Trading at **6x EV/EBTIDA 25E** (vs. 7x historical average), we are confident in Klabin's performance for 2H24. We reiterate our **BUY rating** (which we raised in the preview), with a **12M Target Price** of **R$27.00**, indicating an **upside** of **+22.45%**.

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Company

KLBN11 BZ Equity
Buy

Price: R$ 22.05 (30-Jul-2024)
Target Price 12M: R$ 27.00

Table 1. Shipments Summary (2Q24 vs. Genial Est.)

(Thousand Tonnes - kt)	Reported	Genial Est.					
Summary (Shipments)	**2Q24**	**2Q24E**	**% R/E**	**1Q24**	**% q/q**	**2Q23**	**% y/y**
Kraftliner	141,0	114,6	**23,0%**	108,4	**30,1%**	97,8	**44,2%**
Paperboard	214,0	212,0	**0,9%**	197,6	**8,3%**	170,0	**25,9%**
Corrugated boxes	226,0	225,3	**0,3%**	215,3	**5,0%**	216,2	**4,5%**
Industrial Bags	35,0	32,7	**6,9%**	32,6	**7,3%**	36,0	**-2,8%**
BHKP Pulp	254,0	264,6	**-4,0%**	252,1	**0,8%**	244,1	**4,0%**
BSKP + Fluff Pulp	117,0	112,0	**4,5%**	109,5	**6,8%**	90,3	**29,6%**

Source: Genial Investimentos, Klabin

Table 2. Income Statement Summary (2Q24 vs. Genial Est.)

(R$ millions)	Reported	Genial Est.					
Income Statement	**2Q24**	**2Q24E**	**% R/E**	**1Q24**	**% q/q**	**2Q23**	**% y/y**
Net Revenue	4.949	4.821	**2,7%**	4.430	**11,7%**	4.293	**15,3%**
Adjusted EBITDA	2.052	2.039	**0,6%**	1.652	**24,2%**	1.344	**52,6%**
Net Income	315	866	**-63,6%**	460	**-31,5%**	971	**-67,5%**

Source: Genial Investimentos, Klabin

Klabin reported its **2Q24 results on July 30**. In short, it was a **strong quarter**, converging with our bullish expectations in most lines and **exceeding our estimates in Kraftliner shipments**, which we emphasize as the highlight of the result. To add another piece of good news to the proven increase in operational strength, **leverage fell to 3.2x Net Debt/EBITDA** (vs. 3.5x in 1Q24), even as gross debt increased to R$36.7bn (+10.8% vs. 1Q24). On the negative side, we highlight a considerable **divergence from what was expected for net income**, mainly due to the **variation in biological assets** (non-operational).

The increase in gross debt was mainly due to exchange rate variations (pressure on the USD/BRL exchange rate), which had an impact on foreign currency debt. However, this was more than offset by the **increase in LTM EBITDA**, thus lowering the level of leverage, in line with what we had anticipated in our results preview. Faced with clear signs of improvement, we believe that our call for Klabin was assertive, **as we changed the company's rating to a BUY in the 2Q24 preview report**, which is attached (2Q24 Preview: Turning the Page!).

Valuation and rating. In 2Q24, we highlight an **outstanding performance** across all business units, **especially in the kraftliner**, driven by higher sales, which totaled 141Kt (+23% vs. Genial Est.), handily beating estimates. We believe that shipments at higher levels occurred due to two main reasons: **(i)** the appreciation of the USD/BRL exchange rate, which benefited a higher volume of exports, as well as **(ii)** the ramp-up of the PM27 and PM28, which allowed the company to expand its production even in the face of logistical challenges. The realized price of kraftliner also recorded an increase, accelerating +4.3% q/q and reaching R$3,361/t (+2.3% vs. Genial Est.), reflecting the strong demand following the normalization of the supply system, which was beyond equilibrium point until 4Q23.

We would also point out that the **excellent performance in Kraftliner did not detract from the good performance in the Paperboard segment**. A priori, it would have been possible for Klabin to have achieved such a significant increase in volume in Kraftliner (+30.1% q/q; +44.2% y/y) that it could have sacrificed a lot of its Paperboard production, considering that the PM28 ramp-up has a shift mechanism to be allocated to both types of paper. However, we also saw balanced figures in Paperboard, with shipments reaching 214Kt (+0.9% vs. Genial Est.), up +8.2% q/q and +25.9% y/y, proving that the **PM28 ramp-up (Kraftliner + Paperboard) occurred at a faster pace than we expected for 2Q24**, after the start-up phase had a slightly disappointing execution, given a lower intensity vs. our initial estimates in 2H23.

In the **pulp segment**, we believe that Klabin has shown resilience in dealing with logistical obstacles and a strategy of restocking inventories. The company recorded volumes of 254Kt for BHKP (-4% vs. Genial Est.) and 117Kt for BSKP + Fluff (+4.5% vs. Genial Est.). The shipments' sequential stability for BHKP, growing by only +0.8% q/q, was slightly frustrating in the face of yet another carryover. Conversely, the volume of BSKP + Fluff helped to compensate. With global demand for pulp heated up and supply restrictions in several regions, pulp prices were at a bullish cycle. Even with a lower volume of BHKP than we expected, the price surprised us, reaching R$3,881/t (+6.2% vs. Genial Est.).

In terms of **costs**, Klabin achieved a **significant reduction**, especially in COGS/t of pulp, which fell to R$1,205/t (-5.2% vs. Genial Est.), coming in cooler than we expected. We believe that the company will continue to focus on cost reduction strategies, seeking to optimize its operations and increase efficiency, which should benefit its margins in the coming quarters. The process of structuring costs, given the vertical nature of Klabin's operations, had previously been criticized by many of the investors with whom we have contact. On the other hand, the company has been addressing this point very assertively, and this is reflected in the **-5% q/q COGS/t reduction seen in 2Q24**. This reduction was possible thanks to the lower use of third-party wood and the decrease in chemical costs, such as caustic soda. The greater capacity to dilute fixed costs, provided by the increase in sales volumes, also contributed to this improvement.

Regarding **dividends**, Klabin announced the **distribution of R$410mn** during 2Q24, corresponding to **R$0.33/share** for the units (+20% vs. Genial Est.), resulting in a dividend yield of 1.4% on a quarterly basis and of 5.1% annualized. As for **leverage**, another indicator that is usually closely monitored by investors, it **fell** to **3.2x Net Debt/EBITDA** (vs. 3.5x in 1Q24), even though gross debt increased to R$36.7bn (+10.8% vs. 1Q24), mainly due to the exchange rate variation that impacted foreign currency debt.

Trading at **6x EV/EBTIDA 25E** (vs. 7x historical average), **we are confident in Klabin's performance for 2H24**, after having already demonstrated in 2Q24 an improving cash flow generation and reducing the leverage indicator. We reiterate our **BUY rating** (which we raised in the preview), with a **12M Target Price** of **R$27.00**, indicating an **upside** of **+22.45%**.

2Q24 Review: In detail!

Kraftliner with strong shipments, even in the face of logistical bottlenecks. Klabin reported Containerboard sales (kraftliner + recycled) of 141Kt (+23% vs. Genial Est.), showing a strong increase of +30.1% q/q and +44.2% y/y. We attribute the better performance vs. what we had forecast to two factors: **(i)** the ramp-up of PM27 and PM28, at a faster pace than estimated and **(ii)** the increase in exports, which partially offset the carryover effect due to logistical setbacks in the container operation. As we mentioned in the previous report, we had already anticipated that the logistical bottleneck would not be resolved instantly, since a backlog of kraftliner was generated and will probably take some time to be normalized.

Kraftliner reported with a realized price above expectations. As for the realized price, due to the appreciation of the USD/BRL exchange rate on exports, we observed a compensatory effect vs. the delay in passing on the prices announced by the company, once there was the carryover effect due to logistical impasses in container operations. As a result, Klabin recorded a realized kraftliner price of R$3,361/t (+2.3% vs. Genial Est.), accelerating +4.3% q/q, despite the -15.0% y/y drop. We would point out that kraftliner conditions are improving, given the normalization of supply. Until recently, the oversupply from production in the US was reducing the profitability of the operation too much. So, it's a gradual process and the y/y basis is still weak.

Growing paperboard shipments despite redirection to Kraftliner. The volume of paperboard shipments grew, reaching 214Kt (+0.9% vs. Genial Est.), just a little higher than we expected, and increasing by +8.3% q/q and +25.9% y/y. As we anticipated in our preview report, we expected that the company would take advantage of the flexibility of the machines, opting to cover part of its Paperboard production with Kraftliner. Therefore, as Kraftliner volume was very strong, there was a possibility of a detrimental impact on Paperboard. However, we still saw volume grow, since PM28 carried out a total ramp-up (Kraftliner + Paperboard) in 2Q24 that was higher than we expected. As for the realized price, we saw flat sequential basis. This is because the most important increases had already taken place at the beginning of the year and the new readjustments announced have not yet taken effect in 2Q24. Therefore, the company reported a realized price of R$5,444/t (+0.5% vs. Genial Est.), varying only +1.3% q/q and -2.7% y/y.

Corrugated boxes increase in volume but lose in price. Shipments were driven by increased demand in the food and sheet segments. As a result, Klabin reported corrugated paper sales of 226Kt (+0.3% vs. Genial Est.), accelerating +5.0% t/t; and +4.5% y/y. Since the sales mix targeting these segments has lower added value, we witnessed a falling realized price to R$5,717 (-0.2% vs. Genial Est.), falling subtly on a sequential basis by -0.4% t/t, and with a drop of -3.5% y/y.

Industrial bags outperform. Even though cement consumption in Brazil grew by +1.5% y/y in 1H24, we saw Klabin reduce its volume by -2% in the same period. However, there was a sequential improvement in 2Q24, with sales at 35Kt (+6.9% vs. Genial Est.), accelerating +7.3% q/q, despite the -2.8% y/y drop, making up a higher shipment level than we expected. The year-on-year reduction was due to the carryover of a portion of the volume from the foreign market, given the logistical bottlenecks and higher sales of 25kg bags abroad. Also, for the same reasons, the realized price stood at R$9,000/t (+0.7% vs. Genial Est.), up +0.8% q/q and down -2.0% y/y.

Pulp: Volume challenges still persist, but price more than compensates. Shipments of BHKP amounted to 254Kt (-4.0% vs. Genial Est.), achieving marginal sequential growth of +0.8% q/q, with an increase of +4.0% y/y. Also due to logistical problems and the strategy of restocking which led to carryover, sales volume was lower than expected. On the other hand, the realized price surprised positively, reaching R$3,881/t (+6.2% vs. Genial Est.), accelerating +19% q/q and +23% y/y. As demand for pulp remained strong and there were disruptions in the supply system, we saw a bullish cycle of pulp during 1H24. With the effects of delays in reaching the client portfolio, a large part of the transfers for BHKP came in 2Q24. As for BSKP + Fluff, shipments were recorded at 117Kt (+4.5% vs. Genial Est.), higher than expected, making up a rise of +6.8% q/q and +29.6% y/y. The realized price was R$5,157/t (-2.7% vs. Genial Est.), up +10% q/q and down -6% y/y.

Table 3. Net Revenue Klabin (2Q24 vs. Genial Est.)

(R$ Millions)	2Q24 Reported	2Q24E Genial Est.	% R/E	1Q24 Reported	% q/q	2Q23 Reported	% y/y
Net Revenue	**4.948**	**4.821**	**2,7%**	**4.430**	**11,7%**	**4.293**	**15,3%**
Paper	1.639	1.526	7,4%	1.411	16,1%	1.338	22,5%
Packaging	1.607	1.583	1,5%	1.526	5,3%	1.608	-0,1%
Pulp	1.588	1.561	1,7%	1.337	18,8%	1.270	25,1%
Wood	65	87	-25,4%	82	-21,0%	38	72,5%
Others	49	65	-24,1%	74	-33,5%	39	25,8%

Source: Genial Investimentos, Klabin

Net revenue beating estimates. Exceeding our forecast, Klabin reported consolidated net revenue of R$4.9bn (+2.7% vs. Genial Est.), up +11.7% q/q and +15.3% y/y. The Pulp business division drove the top line most strongly for the sequential variation. With **(i)** logistics adversities still existing, but partially cooled, and **(ii)** prices rising to the detriment of tighter global supply in 1H24, the Pulp business division posted net revenues of R$1.6bn (+1.7% vs. Genial Est.), up +18.8% q/q and +25.1% y/y. Nevertheless, the company also reported good figures for the Paper business unit, which achieved net revenue of R$1.6bn (+7.4% vs. Genial Est.), accelerating +16.1% q/q and 22.5% y/y. We would especially highlight the level of kraftliner sales, which achieved a substantial improvement in its operation. The packaging unit was stable year-on-year, but grew +5.3% q/q, reaching R$1.6bn in 2Q24 (+1.5% vs. Genial Est.).

COGS/t showing continued decline. COGS/t of pulp ex-stoppage fell -5% q/q and -12% y/y to R$1,205/t (-5.2% vs. Genial Est.), due to better-than-expected efficiency. The reduction was due to **(i)** a cut in fiber costs, which resulted in less use of third-party wood, and **(ii)** a drop in chemical costs, due to lower consumption at the sulfuric acid and potassium sulfate plants, as well as **(iii)** lower input prices, especially for caustic soda. Basically, the explanation was the same as in the previous quarter, reflecting Klabin's well-executed cost-cutting strategy. Total COGS/t also showed a reduction, more specifically, -12% q/q, reaching R$2,213/t. The decrease was explained by the greater dilution of fixed costs, through the increase in sales volume, mainly of Kraftliner.

Table 4. EBITDA Klabin (2Q24 vs. Genial Est.)

(R$ Millions)	2Q24 Reported	2Q24E Genial Est.	% R/E	1Q24 Reported	% q/q	2Q23 Reported	% y/y
Adjusted EBITDA	**2.052**	**2.039**	**0,6%**	**1.652**	**24,2%**	**1.344**	**52,6%**
Paper & Packaging	1.195	1.178	1,5%	990	20,7%	956	25,0%
Pulp	857	861	-0,5%	662	29,4%	389	120,4%

Source: Genial Investimentos, Klabin

EBITDA in line with Genial Est. With increased revenues and reduced costs, we see both operations demonstrating significant advances in EBITDA on a quarterly and annual basis. The company reported Paper & Packaging EBITDA of R$1.2bn (+1.5% vs. Genial Est.), expressing an increase of +20.7% q/q and +25.0% y/y. The Pulp business unit had an EBITDA of R$857mn (-0.5% vs. Genial Est.), an increase of +29.4% q/q and +120% y/y. Consolidated EBITDA therefore have clocked in at R$2bn (+0.6% vs. Genial Est.), in line with our estimate, up +24.2% q/q and +52.6% y/y.

Net income lower than expected due to changes in biological assets. Klabin's net income was reported at R$315mn (-63% vs. Genial Est.), reflecting a drop of -31.5% q/q and -67.5% y/y. The divergence to our estimates was mainly in biological assets, which showed a variation of -R$88mm in 2Q24 (vs. +R$200mn in 1Q24). This variation was made up of: **(i)** -R$185mn in the growth line, which was impacted by the annual adjustment of lease costs and **(ii)** +R$97mn related to the value of standing timber (biological asset). In addition, Klabin reported a more pressured financial result of -R$563mn (+48.7% q/q).

Table 5. Income Statement Klabin (2Q24 vs. Genial Est.)

	2Q24	2Q24E		1Q24		2Q23	
(R$ Millions)	**Reported**	**Genial Est.**	**% R/E**	**Reported**	**% q/q**	**Reported**	**% y/y**
Net Revenue	**4.948**	**4.821**	**2,7%**	**4.430**	**11,7%**	**4.293**	**15,3%**
COGS	(3.194)	(2.818)	13,3%	(2.995)	6,6%	(3.124)	2,2%
Adjusted EBITDA	**2.052**	**2.039**	**0,6%**	**1.652**	**24,2%**	**1.344**	**52,6%**
EBITDA Margin (%)	41,5%	42,3%	-0,83p.p	37,3%	4,17p.p	31,3%	10,14p.p
EBIT	**994**	**1.759**	**-43,5%**	**1.000**	**-0,6%**	**1.125**	**-11,7%**
EBIT Margin (%)	20,1%	36,5%	-16,4p.p	22,6%	-2,49p.p	26,2%	-6,13p.p
D&A	(989)	(823)	20,1%	(857)	15,5%	(794)	24,6%
Financial Result	(563)	(631)	-10,8%	(378)	48,7%	156	-460,7%
Net Income	**315**	**866**	**-63,6%**	**460**	**-31,5%**	**971**	**-67,5%**
Net Margin (%)	6,4%	18,0%	-11,59p.p	10,4%	-4,02p.p	22,6%	-16,25p.p

Source: Genial Investimentos, Klabin

Our Take on Klabin

Pulp business was a positive highlight, but slowdown is imminent. Due to supply restrictions in Finland and a reheating of demand in China and Europe, we believe that the conditions have aligned for a bullish cycle for market pulp prices from the end of 2023 until 1H24. However, today, we believe that the possibility of readjustments should be remote, and the price will probably start to fall slightly in 2H24. It's still too early to tell, but events such as **(i)** smaller players in China's non-integrated paper segment experiencing tight margins, especially for tissue and **(ii)** the entry of Suzano's Cerrado project in 2H24 indicate signs that further increases are not feasible from now on. If you would like to better understand some of the reasons why the pulp market is likely to be unbalanced over the course of 2H24, we suggest you access our preview report. Link is attached (2Q24 Preview: Turning the page!).

Suzano vs. Klabin: If pulp prices are going down, why buy Klabin? Obviously, both Klabin and Suzano are part of the Pulp & Paper sector. However, we have maintained since we started covering the sector that we don't believe the two companies are 100% comparable. One of the reasons is that Klabin has the capacity to adapt to more unfavorable scenarios by diversifying its product mix, with great exposure to the paper and packaging segment, plus the direct sale of three types of market pulp in its portfolio (BHKP, BSKP and Fluff), while Suzano basically sells BHKP. In addition, we believe that another of Klabin's current advantages is its greater focus on Europe, which should continue to have a more resilient demand for pulp than China in 2H24, a market that is more predominant for Suzano.

Therefore, our reading is that Suzano's shares lack of consistent bullish catalysts in the short term, due to the pulp prices aimed downwards, given the strong correlation between the company's results and the price of the commodity. Although we also believe that Suzano's shares are heavily discounted, since the market seems to ignore the high level of cost efficiency that the Cerrado project is expected to bring from 2025 onwards, on the other hand, we have always been categorical in the allocation bias in each of the companies at the most opportune moments. When there are prospects of a fall in pulp prices, as we see for 2H24, Suzano's results tend to slow down much more than Klabin's. Investors who wish to remain in the sector are more likely to invest in Klabin right now (at least, we think they should).

FCFE and dividends higher than estimates. Klabin announced the distribution of R$410mn in dividends during 2Q24, corresponding to **R$0.33/share** for the units (+20% vs. Genial Est.), resulting in a dividend yield of 1.4% on a quarterly basis and 5.1% annualized. We maintain our expectation of a **24E dividend yield of 6.3%**. In addition, as we quoted in the preview report, some factors would boost operating FCF in 2Q24. Among them, in fact, the **(i)** CAPEX level decreased to R$858mn (-7.2% q/q; -16.6% y/y), the **(ii)** EBITDA increased to R$2bn (+24.2% q/q; +52.6% y/y), and **(iii)** there was a decompression in working capital, which reached a release of +R$145mn (vs. -R$280mn in 1Q24). We assertively set the dynamics, so that the generation of **FCF** was **+R$283m** (vs. a burn of -R$454mn in 1Q24). Thus, considering the payment of interest/amortizations from the financing activity, as well as the positive exchange rate variation on debt, **FCFE** generation was +**R$1.1bn** (+21% vs. Genial Est.). Although it was a cash generation that we consider attractive for Klabin, conversely, it is necessary to remember that **during 3Q24** the payment for the acquisition of Arauco's assets is expected to be **~R$5.8bn (Caetê project)**, which should bring the **24E FCFE** closer to our annual estimate of **-R$4.6bn**.

Garden of Eden. Looking ahead, the trend is for the paper and packaging business unit's EBITDA to accelerate, but the pulp unit's to show restrictions on expansion, due to the prospect of a soft fall in the price for 2H24. However, even in 2Q24 where the realized price of BHKP showed a recovery both sequentially and y/y, total consolidated EBITDA was 58% composed by paper and packaging segment. Therefore, we believe that Klabin has its own business model to attract a flow of investors who wish to remain allocated to the Pulp & Paper sector, even in the face of a possible drop in commodity prices.

In this sense, the paper and packaging division's results have prospects for further improvement in 2H24, as the year's more favorable seasonality permeates, as well as the **ongoing effects** of capacity additions linked to PM28 (Kraftliner and Paperboard) and the Figueira Project (corrugated boxes). Trading at **6x EV/EBTIDA 25E** (vs. 7x historical average), **we are confident in Klabin's performance for 2H24**, after having already demonstrated in 2Q24 an improving cash generation and **reducing the leverage indicator**. For us, **Klabin today is the garden of Eden**. We reiterate our **BUY rating** (which we raised in the preview), with a **12M Target Price** of **R$27.00**, indicating an **upside** of **+22.45%**.

Appendix: Klabin

Figure 1. Klabin – Income Statement in R$ Millions (Genial Est. 2024-2029)

Income Statement	2024E	2025E	2026E	2027E	2028E	2029E
Net Revenue	**18.954**	**19.900**	**20.791**	**21.620**	**22.233**	**22.644**
(-) COGS	(11.271)	(11.037)	(11.270)	(10.956)	(10.818)	(10.650)
Gross Profit	**8.632**	**9.685**	**9.817**	**11.034**	**11.621**	**12.089**
(-) Expenses	(2.843)	(2.887)	(3.029)	(3.156)	(3.241)	(3.303)
Adjusted EBITDA	**7.949**	**8.455**	**8.977**	**9.977**	**10.628**	**11.107**
(-) D&A	(3.109)	(2.480)	(2.486)	(2.468)	(2.455)	(2.417)
EBIT	**5.785**	**6.798**	**6.788**	**7.878**	**8.380**	**8.785**
(+/-) Financial Result	(1.694)	(2.156)	(1.858)	(1.761)	(1.588)	(1.560)
(-) Taxes	(979)	(1.091)	(1.158)	(1.437)	(1.595)	(1.696)
Net income	**3.125**	**3.565**	**3.785**	**4.694**	**5.211**	**5.543**
Profitability						
Net margin (%)	16,49%	17,91%	18,20%	21,71%	23,44%	24,48%

Figure 2. Klabin– Cash Flow in R$ Millions (Genial Est. 2024-2029)

Cash Flow (FCFF)	2024E	2025E	2026E	2027E	2028E	2029E
Net Revenue	**18.954**	**19.900**	**20.791**	**21.620**	**22.233**	**22.644**
(-) COGS	(11.271)	(11.037)	(11.270)	(10.956)	(10.818)	(10.650)
Adjusted EBITDA	**7.949**	**8.455**	**8.977**	**9.977**	**10.628**	**11.107**
EBIT	**5.785**	**6.798**	**6.788**	**7.878**	**8.380**	**8.785**
(-) Taxes	(979)	(1.091)	(1.158)	(1.437)	(1.595)	(1.696)
(+) D&A	3.109	2.480	2.486	2.468	2.455	2.417
(+/-) Δ WK	(273)	(113)	(116)	(66)	(67)	(46)
(-) Capex	(3.179)	(2.984)	(2.563)	(2.658)	(2.420)	(2.324)
FCFF	**4.463**	**5.090**	**5.436**	**6.186**	**6.753**	**7.137**

Disclosure Section

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	Definition	Coverage
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under Review	Under review	**5%**

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