genial | Equity Research

SUZANO

2Q25 Preview: A quarter to reap the rewards

LatAm Pulp & Paper

Main takeaways:

(i) Pulp **shipments** of **3.1Mt Genial Est.** (+16.0% q/q; +20.8% y/y), with full operations recovery after the most intense cycle of maintenance shutdowns; **(ii)** Realized **price** of **BHKP** at **R$3,161/t Genial Est.** (-2.7% q/q; -12.9% y/y), with a slight increase in USD (+0.5% q/q) due to the incorporation of contractual adjustments initiated at the beginning of the year, but still pressured in BRL due to the softening of the USD/BRL FX rate; **(iii)** Consolidated **Net revenue** of **R$12.5bn Genial Est.** (+8.8% q/q; +9.4% y/y), with the resumption of pulp operations offsetting the sequential decline in the paper unit; **(iv) Cash COGS/t ex-stoppages** of **R$813/t Genial Est.** (-5.3% q/q; -1.8% y/y); **(v) Adjusted EBITDA** of **R$5.9bn Genial Est.** (+20.1% q/q; -7.1% y/y); **(vi) Net income** of **R$4.8bn Genial Est.** (-23.8% q/q; loss reversal y/y); **(vii)** The **BHKP** price curve should remain **under pressure** globally, with **excess supply** coming from high port inventories levels in China and expectations of more **capacity expansion**; **(viii)** Rebalancing may come from Europe, where compressed margins put some players at risk of operational shutdown; **(ix) Leverage** should fall slightly to **3.0x Net Debt/EBITDA in BRL** (-0.1x q/q Est.), with expectations of reaching **2.7x 25E**; **(x)** We believe that 2Q25 should mark the beginning of a new phase, reaping the operational benefits of the sacrifice imposed by 1Q25 — marked by an intense cycle of maintenance downtimes, the company's own inventory replenishment strategy, and cost pressures — paving the way for a **gradual recovery in EBITDA** and an improvement in **FCF Yield** to **20% 25E**, deleveraged; **(xi)** With a **12M Target Price** of **R$63.50** and trading at an attractive multiple of **5.7x EV/EBITDA 25E** (vs. historical average of 7x), we reiterate our **BUY rating**, with **upside** potential of **+25.5%.**

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Company

SUZB3 BZ Equity
Buy

Price: R$ 50.61 (18-Jul-2025)
Target Price 12M: R$ 63.50

SUZ US Equity
Target Price 12M: US$ 11.35

Table 1. Shipments Summary (2Q25 Genial Est.)

(Thousand Tonnes - kt)	Genial Est.	Reported		Reported	
Summary (Shipments)	**2Q25E**	**1Q25**	**% q/q**	**2Q24**	**% y/y**
Pulp	3.075	2.651	**16,0%**	2.545	**20,8%**
Paper	398	390	**1,9%**	333	**19,5%**

Source: Suzano, Genial Investimentos

Table 2. Income Statement Summary (2Q25 Genial Est.)

(R$ millions)	Genial Est.	Reported		Reported	
Income Statement	**2Q25E**	**1Q25**	**% q/q**	**2Q24**	**% y/y**
Net Revenue	12.572	11.552	**8,8%**	11.495	**9,4%**
Adjusted EBITDA	5.844	4.866	**20,1%**	6.288	**-7,1%**
Net Income	4.835	6.347	**-23,8%**	(3.764)	**-**

Source: Suzano, Genial Investimentos

Suzano will release its **2Q25** results on **August 6**, after the market closes. We project **pulp shipments** of **3.1Mt Genial Est.** (+16.0% q/q; +20.8% y/y), reflecting the **return to normal production** (including Cerrado) after the longest maintenance shutdown ever recorded by the company in 1Q25, including the Três Lagoas (MS), Mucuri (BA) and Ribas do Rio Pardo (MS) units. The **end of the company's temporary restocking strategy** should also favor the **shipments recovery**, while the **ramp-up** of the plant in **Ribas do Rio Pardo (MS)** — commonly known as the Cerrado Project — remains the main factor supporting the annual base.

We project the pulp **realized price** at **R$3,161/t Genial Est.** (-2.7% q/q; -12.9% y/y), pressured by the USD/BRL FX rate softening, despite the slight increase expected in USD realizations (+0.5% q/q), with a positive impact from the pass-throughs rounds at the beginning of the year. The **COGS/t ex-stoppages** should clock in at **R$813/t Genial Est.** (-5.3% q/q), reflecting the combination of **(i)** a softer USD/BRL FX rate effect on costs, **(ii)** a stronger resumption of fixed cost dilution and **(iii)** lower impact of inputs expenses passing through the P&L. As there are no maintenance downtimes this quarter, the comparative base for **total COGS/t** will be easy to beat, where we forecast a reduction of **-15.5% q/q**, returning to minor levels after the strong upsurge pressure in 1Q25.

Within this context, we project Consolidated **Net Revenue** of **R$12.5bn Genial Est.** (+8.8% q/q; +9.4% y/y), with **Adjusted EBITDA** of **R$5.9bn Genial Est.** (+20.1% q/q; -7.1% y/y), reflecting a recovery process for the pulp division, with full operations resumption. We expect **Net Income** of **R$4.8bn Genial Est**. (-23.8% q/q; reversing accounting loss y/y), influenced by the **reduction in the positive effect of FX variation** on USD debt and other hedging instruments, given the slowdown in the USD/BRL EoP. Despite the **sequential compression**, it is worth mentioning that the **financial effects are non-cash**. Therefore, the sequential profit reduction **should not cause a negative impression** on investors.

2Q25 Preview: In detail!

Pulp: Shipments accelerating, with full operation after downtimes. We project shipments to reach 3.1Mt Genial Est. (+16.0% q/q; +20.8% y/y), with a considerable sequential acceleration, reflecting the full return to operations after the most intense cycle of maintenance stoppages ever carried out by the company in the previous quarter. It is important to mention that in the last quarter, the volume available for sale was significantly impacted by this shutdown schedule, which simultaneously involved large units, including Três Lagoas I and II (MS), Mucuri I (BA) and the Ribas do Rio Pardo (MS) plant itself, commonly known as the Cerrado Project. At the same time, the company had pursued a deliberate restocking strategy after strong sales in 4Q24, further contributing to the retention observed in 1Q25. This, in turn, should amplify shipments in this quarter, considering that the company no longer needs to hold back volume. Our estimate incorporates the continued contribution from the ramp-up of the Cerrado plant, justifying the strong year-on-year improvement.

Pulp: Slight price increase in USD, with compression in BRL. We estimate that the realized price will reach R$3,161/t Genial Est. (-2.7% q/q; -12.9% y/y). Although the BHKP China benchmark measured by PIX/FOEX declined -3.7% q/q on average, we project a slight increase in USD realization, to US$558/t (+0.5% q/q), sustained not by the curve itself, but by the full incorporation of contractual adjustments made at the beginning of the year, which only carry out to be effectively reflected in shipments from May onwards. Until April, the company passed out four rounds of adjustments of +US$20/t each. However, the last adjustment was not accepted by the client's base.

The backlog disassembling occurred in early April, which allowed shipments throughout the quarter — concentrated mainly in May and June — to capture more favorable contractual conditions. This time lag between the curve and the realization of prices tends to partially mitigate the negative effects of the downtrend in international benchmarks, especially in the Asian market, which accounts for ~50% of the volume traded. In Europe, the PIX/FOEX rose +10% q/q, but the ability to capture this appreciation remains limited. The contractual lag of ~1M should remain in place, and there was also an expansion in the average discounts applied to the index, which rose to 48% (+2p.p. vs. previously). Therefore, although the USD price tends to remain relatively flat, the softening of the USD/BRL FX rate in the period — to an average of R$5.67 in 2Q25 (vs. R$5.85 in 1Q25) — should prevail as the main pressure vector, resulting in a decline in realization measured in BRL in the sequential comparison.

Paper: Volume sustained by seasonality; prices under pressure. In the paper business unit, we project sales volume of 398Kt Genial Est. (+1.9% q/q; +19.5% y/y), in line with the positive seasonal trend in the segment, which tends to show sequential growth throughout the year. The quarterly performance reflects both the tuning of operations, with no scheduled plant shutdowns in Brazil, and the maintenance of domestic demand, still driven by deliveries under the national textbook program (PNLD) and sales growth in the graphic and institutional channel. On the other hand, the realized price is expected to decline to R$7,169/t Genial Est. (-4.9% q/q; +5.6% y/y), reflecting **(i)** the slowdown in the USD/BRL FX rate. In addition, another factor that should contribute to sequential contraction is **(ii)** the first scheduled maintenance at Pine Bluff (AR), the operation acquired from Pactiv in the US, which, being Packaging, has a higher realized price. In the absence of volume from this plant adding to the sales mix, the realized price should fall a bit.

Net Revenue: Higher shipments should offset lower prices. We project Consolidated Net Revenue of R$12.5bn Genial Est. (+8.8% q/q; +9.4% y/y), reflecting a positive contribution from both business units. In the pulp division, we project revenue of R$9.7bn Genial Est. (+12.9% q/q), reflecting significant progress in shipments (+16.0% q/q), favored by the end of scheduled stoppages and full operations resumption. This effect would offset the -2.7% q/q decline in prices (BRL base), still impacted by the challenging external scenario, with excess pulp inventories in Chinese ports and a softening FX rate limiting the profitability of price transfers.

The paper unit is expected to report revenue of R$2.8bn Genial Est. (-3.0% q/q), influenced by a -4.9% q/q decline in the average price in BRL, due to a lower contribution from Pine Bluff (AR) in the sales mix and margin compression in the graphic channel. Despite this, volumes remain slightly up (+1.9% q/q), benefiting from positive seasonality in domestic demand and continued PNLD deliveries.

Table 3. Revenue Suzano (2Q25 Genial Est.)

(R$ millions)	2Q25E Genial Est.	1Q25 Reported	% q/q	2Q24 Reported	% y/y
Net Revenue	**12.572**	**11.552**	**8,8%**	**11.495**	**9,4%**
Pulp	9.720	8.610	12,9%	9.236	5,2%
Paper	2.852	2.941	-3,0%	2.259	26,2%

Source: Suzano, Genial Investimentos

COGS/t of pulp: We expect a significant sequential decline. We project that Cash COGS/t ex-stoppages will decline to R$813/t Genial Est. (-5.3% q/q; -1.8% y/y), supported by three main drivers: **(i)** a slowdown in the USD/BRL FX rate (-3.1% q/q), easing ~20% of the cash cost structure, which in turn is indexed to the USD—with emphasis on chemical inputs, such as caustic soda; **(ii)** greater dilution of fixed costs, resulting from the resumption of full production after the most intense downtimes cycle in the company's history in 1Q25; and **(iii)** lower impact of inventory markdowns, since the EoP FX rate for 4Q24 (R$6.19) had inflated the cost recognized in the previous quarter, due to the USD/BRL close to historical highs. The movement is in line with the soft guidance disclosed in the last earnings call, which indicated 1Q25 as the peak of COGS/t 25E, with a downward trajectory starting in 2Q25 and greater relief expected in 2H25.

In the comparison including stoppages, our estimate remains unchanged, since there will be no schedules. Therefore, the total comparative base is affected, since both 1Q25 and 2Q24 had costs amplified by maintenance. As a result, the same R$813/t Genial Est. generates larger reductions (-15.5% q/q; -4.3% y/y). Furthermore, on the wood side, we continue to monitor the impacts of the average radius in Ribas do Rio Pardo (MS), where forest maturation is not yet complete and remains slightly higher than the average for the company's other assets. Although this variable should not represent immediate relief, its contribution to the structural reduction in costs should intensify as early as 3Q25.

EBITDA: Strong acceleration q/q supported by sales levels. We estimate consolidated adjusted EBITDA of R$5.9bn Genial Est. (+20.1% q/q; -7.1% y/y), reflecting a significant recovery, driven mainly by full operation in the pulp division. The effect reversal of maintenance shutdowns, combined with volume expansion and greater dilution of fixed costs, are the main drivers of operating leverage in the period.

For the pulp segment, we project EBITDA of R$5.3bn Genial Est. (+24.4% q/q; -4.5% y/y), sustained by the combination of **(i)** an increase in shipments (+16.0% q/q); **(ii)** stability in realized prices in USD (+0.5% q/q); and **(iii)** the absence of maintenance stoppages combined with greater fixed cost dilution, causing a significant decline in COGS/t of -15.5% q/q, considering the total base (both 1Q25 and 2Q24 had downtimes). On the other hand, the paper business division should remain under pressure. We project EBITDA of R$554mn Genial Est. (-9.5% q/q; -26.2% y/y), reflecting **(iv)** a decline in realized prices (-4.9% q/q) and **(v)** lower cost dilution capacity due to maintenance shutdowns at Pine Bluff (AR).

Table 4. EBITDA Suzano (2Q25 Genial Est.)

(R$ millions)	2Q25E Genial Est.	1Q25 Reported	% q/q	2Q24 Reported	% y/y
Adjusted EBITDA	**5.844**	**4.866**	**20,1%**	**6.288**	**-7,1%**
Pulp	5.291	4.254	24,4%	5.537	-4,5%
Paper	554	612	-9,5%	750	-26,2%

Source: Suzano, Genial Investimentos

Net income: Sequential decline due to non-cash effects. We project net income clocking in at R$4.8bn Genial Est. (-23.8% q/q; reversal of accounting loss y/y), with a net margin of 38.5% (-16.5p.p. q/q). Despite the decline compared to the previous quarter, the level should remain robust, supported by positive financial results of +R$4.0bn Genial Est. (-47.8% q/q), mainly driven by **(i)** the effect of the depreciation of the USD/BRL FX rate EoP (-5% q/q) on the portion of debt issued in USD, added to **(ii)** the net effect of the adjustment to market value of the company's derivatives. It should be noted that the processing of amounts related to changes in debt, as well as foreign exchange hedge derivatives, **have no cash effect**. Therefore, the sequential decline in net income **should not serve as a negative trigger** for investor reaction.

Table 5. Income Statement Suzano (2Q25 Genial Est.)

(R$ millions)	2Q25E Genial Est.	1Q25 Reported	% q/q	2Q24 Reported	% y/y
Net Revenue	**12.572**	**11.552**	**8,8%**	**11.495**	**9,4%**
COGS	(7.666)	(7.729)	-0,8%	(6.093)	25,8%
Adjusted EBITDA	**5.844**	**4.866**	**20,1%**	**6.288**	**-7,1%**
EBITDA Margin (%)	46,5%	42,1%	4,4p.p	54,7%	-8,2p.p
EBIT	**3.562**	**2.258**	**57,8%**	**4.615**	**-22,8%**
EBIT Margin (%)	28,3%	19,5%	8,8p.p	40,1%	-11,8p.p
D&A	(2.282)	(2.497)	-8,6%	(2.129)	7,2%
Financial Result	4.020	7.696	-47,8%	(11.074)	-
Net Income	**4.835**	**6.347**	**-23,8%**	**-3.764**	**-**
Net Margin (%)	38,5%	54,9%	-16,5p.p	-32,7%	-

Source: Suzano, Genial Investimentos

Our take on Suzano

US vs. Brazil: 50% tariff with moderate negative impact. Although ~40% of the company's BHKP shipments are destined for Asia (mainly China), the US still accounts for a significant share of sales. We estimate that ~15% of net revenue comes from the US. Therefore, we believe that the negative impact of the tariff, if not reversed by August 1 (the date the tariff takes effect), should be felt by the company. The main challenge will be to reallocate these volumes to other geographies, especially given the still sluggish global demand for pulp, particularly in China. On the other hand, we believe that the **acceleration of the USD/BRL FX rate** (+2% since the tariff announcement) may **partially mitigate the effect** on the company's revenue derived from the eventual loss of share in the US market.

Pulp: COGS/t reduction by Chinese players put pressure on Europe supply control. The scenario in China remains uninspiring, with investor sentiment still bearish, as there is a perception of **excess supply**, making it difficult for a consistent short-term turnaround in the pulp cycle. We estimate that the Chinese paper industry's lower propensity to restock is anchored in two main factors: **(i)** still high port inventories of BHKP (2.2Mt, +21% YTD), which maintains the feeling of immediate availability; and **(ii)** growing local production capacity, which reduces appetite for pulp imports.

Among new projects, we highlight the commissioning last year of **Liansheng** (1.6Mtpy, 50% of integrated capacity), in addition to BHKP capacity coming online in the near-term, such as **Huatai** (600Ktpy); **Xianhe Co.** (400Ktpy); **Nine Dragons Paper** (650Ktpy) and **Shandong Huatai** (700Ktpy), all of them in 2025. It is worth noting that the new **Sun Paper** plant in Yandian (600Ktpy) remains on an uncertain schedule, with start-up considered for 4Q26. However, we estimate that the **cash COGS/t** of local producers in **southern China** is currently estimated at **US$450–500/t** (vs. above US$550/t in 24A), resulting in a **US$50-100/t margin** currently, as new capacities are more efficient.

In addition, pulp inventories at ports are above normal, indicating that immediate supply is feasible. Consequently, the paper industry benefits from postponing pulp inventory replenishment for as long as possible. Therefore, the cycle inflection point is pushed forward. In this context, we believe that any **supply rebalancing** — with capacity shutdowns — is more likely to **come from Europe**, where some producers are operating at ~95% utilization rates but with **margins close to zero** (costs in Europe are way higher).

Pulp: Exports continue to rise. In the specific case of BHKP, the **growth in exports** was even more significant, registering an increase of **+8% y/y in 1H25**. A significant part of this increase came from Brazil and Chile, reflecting the **entry of significant new capacity,** such as the Cerrado Project through Suzano's own plant in Ribas do Rio Pardo (MS). On the other hand, monitored demand data point to a **weakening of Chinese domestic demand**, with apparent consumption in 1H25 falling **-3.2% y/y**, signaling difficulties in selling the additional volume. The combination of growing supply and sluggish demand resulted in a significant accumulation of port inventories in China, which reached record levels in a 5Y period — 2.2Mt at the end of June (+7% m/m). As a result, the **price of BHKP** has fallen **-22% since Jan**, reflecting the persistent imbalance between supply and demand in the international market, especially in Asia.

On the positive side, the Chenming plant, an important supplier of paperboard with an estimated total capacity of up to 6Mtpy, remains out of operation, which temporarily opens up room for greater market share absorption by exporters. We are also monitoring **Bracell**'s movements in its asset in **Lençóis Paulista** (SP), which has been running **Dissolving Wood Pulp** (DWP) production campaigns. It is important to mention that **the plant is flexible** (1.5Mtpy of DWP vs. 3Mtpy of BKP). There are signs that the company could direct up to 80% of the asset's total capacity to this segment by the end of 2025. If this is confirmed, the increase in DWP availability would in turn reduce BHKP production, representing a **temporary relief in the supply to be exported.**

Pulp: Only partial absorption of increased supply; bearish on prices. It seems to us that the situation is pointing to the fact that, in the short term, the supply will continue to outpace demand growth. The latest data on the Chinese paper industry suggest only partial absorption of the additional pulp supply. We estimate production capacity growth in the paper industry at +5Mtpy 25E. In this context, we are working with two scenarios for the **behavior of BHKP prices**. In **scenario (i)**, there may be a slight recovery in pulp demand, mainly in view of a **trade agreement between the US and China** on general tariffs (we are working with the possibility of 40-50% duty). The agreement is likely to reduce domestic uncertainty in China and unlock paper consumption. In **scenario (ii),** if the expansion pace of installed pulp capacity proves disproportionate to the evolution of final demand and a trade agreement on tariffs is postponed, the risk of oversupply tends to intensify in the short term.

For now, we have a **more bearish bias** for **BHKP prices** in China. The general market expectation is still for an acceleration in 2H25, with the December futures contract trading at US$565/t (+12% vs. current price). However, we believe that the price should end up **contracting a little more** as supply outpaces demand. Our estimate is that it will reach **US$495/t** in **3Q25E** (vs. US$500/t currently). Furthermore, the -8% m/m decline in prices reinforces the perception that this combination of excess production capacity and still high port inventories continues to limit any more consistent recovery.

Imminent deleveraging trajectory for 25E. In terms of **FCF** dynamics, on the **working capital** (WC) side, we note that last quarter there was a significant funds release (R$1.3bn, 2x higher q/q), so we believe there will be a sequential softening in 2Q25, reaching **R$720mn Genial Est.** It is worth mentioning that the WC balance may be significantly impacted by the discount capacity of receivables backed by credit letters issued in China, which are generally concentrated at the end of each month. As for **CAPEX**, the annual guidance was restated at R$12.4bn, concentrated in 1H25. Therefore, we believe there will be a decline to **R$3.2bn Genial Est.** (-10.5% q/q), since a significant portion had already been used in the last quarter due to maintenance shutdowns at the Ribas do Rio Pardo (MS) plant boiler.

We continue to project a **trajectory of deleveraging in BRL**, with the **Net Debt/EBITDA** ratio reducing to **3.0x** (-0.1x q/q Est.). We believe that this dynamic should be explained mainly by **(i)** a favorable FX rate effect on USD debt of -R$2.5bn Genial Est.; and **(ii)** a **marginal decrease in FCF** vs. 1Q25, which should more than offset **(iii)** the decline in LTM EBITDA (-7.1% y/y). In **USD terms**, however, the **trend tends to be in the opposite direction**, while our estimate should reach **3.1x** (+0.1x q/q Est.), which would indicate that the BRL leverage reduction would be more related to the slowdown in the USD/BRL EoP FX rate (R$5.46 vs. R$5.74 in 1Q25). On the other hand, there was an effort in the last quarter to pay off a considerable portion of the gross debt. As such, we reinforce the downward trajectory for the **Net Debt/EBITDA** ratio in **BRL** to **2.7x 25E** (year-end).

A quarter to reap the rewards. As we mentioned in last quarter's review report, 1Q25 was a period of deliberate operational sacrifice, marked by an intense cycle of maintenance downtimes, a significant reduction in available volume and, consequently, an inhibition of the ability to dilute fixed costs, in addition to significant debt amortizations and costs inflated by the still high USD/BRL FX rate.

However, this quarter tends to usher in a **harvest of fruits from previous sacrifices**, with **(i)** full shipments recovery, **(ii)** greater efficiency, and **(iii)** COGS/t on a significant downward trajectory (-15.5% q/q Est.), targeting **soft guidance** on an ex-stoppages basis of **R$807/t 25E** (-2.5% vs. 2024).

Although the environment in China remains pressured by **excess supply** and the **absence of clear triggers for a turnaround in BHKP demand** in the short-term, the company's ability to navigate this scenario in a structurally stronger position has become evident. The return to full operation after the maintenance shutdown cycle should pave the way for a **gradual recovery in EBITDA**. It is also worth noting that the expected continued slowdown in CAPEX spending, which will be concentrated in 1H (58% Est.), should add to FCF generation already in 2H25, supporting a **25E FCF Yield** of **20%** (deleveraged), a **very strong metric**, even with pulp prices down. Given this dynamic, trading at a very discounted valuation, with **EV/EBITDA** of **5.7x 25E** (vs. historical average of 7x), we reiterate our **BUY rating**, with a **12M Target Price** of **R$63.50**, implying an **upside** of **+25.5%**.

Appendix: Suzano

Figure 1. Suzano – Income Statement in R$ Millions (Genial Est. 2025-2028)

Income Statement	2025E	2026E	2027E	2028E
Net Revenue	**37.046**	**55.139**	**53.851**	**54.655**
(-) COGS	(23.092)	(33.294)	(34.166)	(35.024)
Gross Profit	**13.954**	**21.845**	**19.685**	**19.631**
(-) Expenses	(4.148)	(6.622)	(6.626)	(6.726)
Adjusted EBITDA	**16.881**	**26.008**	**24.067**	**24.086**
(-) D&A	(7.211)	(10.785)	(11.007)	(11.182)
EBIT	**9.670**	**15.223**	**13.060**	**12.904**
(+/-) Financial Result		(8.639)	(2.890)	(7.570)
(-) Taxes	(6.355)	(2.386)	(3.685)	(1.933)
Net income	**7.343**	**4.198**	**6.485**	**3.401**
Profitability				
Net margin (%)	19,8%	7,6%	12,0%	6,2%

Figure 2. Suzano– Cash Flow in R$ Millions (Genial Est. 2024-2028)

Cash Flow (FCFF)	2025E	2026E	2027E	2028E
Net Revenue	**37.046**	**55.139**	**53.851**	**54.655**
(-) COGS	(23.092)	(33.294)	(34.166)	(35.024)
Adjusted EBITDA	**16.881**	**26.008**	**24.067**	**24.086**
EBIT	**9.670**	**15.223**	**13.060**	**12.904**
(-) Taxes	(6.355)	(2.386)	(3.685)	(1.933)
(+) D&A	7.211	10.785	11.007	11.182
(+/-) Δ WK	(2.018)	(26)		(142)
(-) Capex	(10.903)	(12.375)	(12.132)	(12.259)
FCFF	**(2.395)**	**11.222**	**8.379**	**9.753**

Disclosure Section

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	Definition	Coverage
Buy	Expected return above +10% in relation to the Company's sector average	**49%**
Neutral	Expected return between +10% and -10% relative to the Company's industry average	**41%**
Sell	Expected return below -10% in relation to the Company's sector average	**5%**
under Review	Under review	**5%**

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