SUZANO

1Q26 Review: Only a setback, not a thesis breaker

LatAm Pulp & Paper

(i) Pulp: **Shipments** of **2.8Mt Est.** (+11.4% vs. Est.; -16.7% q/q; +7.0% y/y), beating despite three concurrent headwinds — Chinese New Year seasonality, four concentrated maintenance stoppages and the ongoing -3.5% curtailment — with the beat suggesting either shorter-than-modeled effective downtime or residual 4Q25 shipment momentum extending into Jan; **realized price** at **R$2,943/t** (+1.0% vs. Est.; +1.6% q/q), with USD price at US$560/t (+4% q/q), supported by BHKP benchmark recovery driven by supply disruptions and demand resilience in China (+14.7% y/y paper production), partially offset by USD/BRL softening (-3% q/q); **(ii) Paper**: **Shipments** of **378Kt** (-3.5% vs. Est.; -20.2% q/q; -3.0% y/y), below forecast on weaker Suzano Packaging US performance; **realized price** at **R$6,933/t** (+3.8% vs. Est.; +1.3% q/q; -8.0% y/y); **(iii) Net Revenue** of **R$11.0bn** (+9.4% vs. Est.; -16.4% q/q; -5.0% y/y), with the beat driven by pulp shipment outperformance; **(iv) Cash COGS/t ex-stoppages** at **R$802/t** (-2.0% vs. Est.; +3.1% q/q; -6.6% y/y), beating on lower caustic soda costs, shorter wood supply radius and improved utilities, with full-year trajectory consistent with management's soft guidance of **R$778/t 26E**; including stoppages at R$882/t (-1.4% vs. Est.; +9.0% q/q; -8.5% y/y); **(v) Adj. EBITDA** of **R$4.6bn** (+8.4% vs. Est.; -18.0% q/q; -5.9% y/y), at a **41.8%** margin (-0.4p.p. vs. Est.; -0.8p.p. q/q; -0.4p.p. y/y), above our estimate but below BBG consensus (-5.8%), with Pulp at R$4.1bn (+13% vs. Est.; -15.5% q/q; -4.7% y/y) and Paper at R$524mn (-17% vs. Est.; -33.3% q/q; -14.4% y/y); **(vi) Net Income** of **R$4.3bn** (+93.6% vs. Est.; -32.1% y/y), driven by a financial result of +R$4.6bn, largely on derivative gains of +R$3.0bn from USD/BRL EoP FX downtrend (-6% q/q); **(vii)** It mechanically **compress our forward 26E FCF trajectory** trimming our **FCF Yield 26E** to **18%** (vs. 20% previously), putting our **12M Target Price** adjusted to **R$60.00** (vs. R$63.50 previously), implying an **upside** of **+34%**; **BUY rating is upheld** given that the **asymmetry still favors** the bull case.

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Company

SUZB3 BZ Equity
Buy

Price: R$ 44.82 (29-Apr-2026)
Target Price 12M: R$ 60.00

Table 1. Shipments Summary (1Q26 vs. Genial Est.)

(Thousand Tonnes - kt)	Reported	Genial Est.		Reported		Reported	
Summary (Shipments)	**1Q26**	**1Q26E**	**% R/E**	**4Q25**	**% q/q**	**1Q25**	**% y/y**
Pulp	2,835	2,545	**11.4%**	3,406	**-16.7%**	2,651	**7.0%**
Paper	378	392	**-3.5%**	474	**-20.2%**	390	**-3.0%**

Source: Suzano, Genial Investimentos

Table 2. Income Statement Summary (1Q26 vs. Genial Est.)

(R$ millions)	Reported	Genial Est.		Reported		Reported	
Income Statement	**1Q26**	**1Q26E**	**% R/E**	**4Q25**	**% q/q**	**1Q25**	**% y/y**
Net Revenue	10,968	10,029	**9.4%**	13,114	**-16.4%**	11,552	**-5.0%**
Adjusted EBITDA	4,580	4,224	**8.4%**	5,583	**-18.0%**	4,866	**-5.9%**
Net Income	4,312	2,227	**93.6%**	116	**-**	6,348	**-32.1%**

Source: Suzano, Genial Investimentos

Suzano released its **1Q26 results** yesterday, **Apr. 29**, after the market closed. Despite beating our estimates across most indicators, the company delivered an **Adj. EBITDA below the street** at **R$4.6bn** (-5.8% vs. BBG Consensus) and a **FCF burn** of **-R$2.1bn** (81% worse vs. Est.), which we believe could drive investors' negative reaction in the trading section. We emphasize that **we were significantly more bearish than the consensus heading into the print**, as we anticipated that the volume should be held back by the concentration of maintenance stoppages and the ongoing -3.5% nominal curtailment would weigh more heavily than consensus had modeled.

The positive highlight within our framework was the **pulp shipments**, which reached **2.8Mt** (+11.4% vs. Est.), falling **-16.7% q/q** but rising **+7.0% y/y**, beating our projection despite the **(i)** negative seasonal demand compression, **(ii)** high concentration of maintenance stoppages (Aracruz-ES, Imperatriz-MA, Ribas do Rio Pardo-MS, and Veracel-BA), and the ongoing curtailment (-3.5% vs. nominal capacity). Our interpretation is that either the stoppages carried a **shorter effective downtime** than rule-of-thumb implied, or that residual 4Q25 **momentum extended** further into Jan/26 on transit inventories.

The **realized pulp price** reached **R$2,943/t** (+1.0% vs. Est.), increasing **+1.6% q/q** but down **-9.4% y/y**, in line with our forecast, with the sequential recovery reflecting firmer BHKP benchmarks in both PIX/FOEX China (+9.4% q/q) and Europe (+11.9% q/q), partially neutralized by the USD/BRL FX rate downtrend (-3% q/q). In **paper**, total **sales** clocked in at **378Kt** (-3.5% vs. Est.), declining **-20.2% q/q** and **-3.0% y/y**, below our forecast on weaker Suzano Packaging US volumes, while the **realized paper price** of **R$6,933/t** (+3.8% vs. Est.) surprised to the upside on stronger DM pricing recovery in the Printing & Writing segment.

Consolidated **Net Revenue** reached **R$11.0bn** (+9.4% vs. Est.), declining **-16.4% q/q** and **-5.0% y/y**, coming in above our prediction on the pulp shipment beat. **Cash COGS/t ex-stoppages** reached **R$802/t** (-2.0% vs. Est.), increasing **+3.1% q/q** and declining **-6.6% y/y**, below our projection on a more favorable input cost environment, while Cash COGS/t including stoppages reached R$882/t (-1.4% vs. Est.; +9.0% q/q; -8.5% y/y), with 1Q26 representing the **seasonal cost peak** consistent with management's **soft guidance** of **R$778/t 26E**. **Adj. EBITDA** reached **R$4.6bn** (+8.4% vs. Est.; -5.8% vs. BBG Consensus), declining **-18.0% q/q** and **-5.9% y/y**, with the margin reaching **41.8%** (-0.4p.p. vs. Est.; -0.8p.p. q/q; -0.4p.p. y/y), as the weaker BRL price realization driven by the USD/BRL FX rate depreciation (-10% y/y) capped the recovery despite the volume and cost beats.

Finally, at the bottom line, **Net income** reached **R$4.3bn** (+93.6% vs. Est.), increasing meaningfully on q/q, even with a decrease of -32.1% y/y, driven primarily by a strongly positive financial result of +R$4.6bn (reversing the -R$3.4bn loss in 4Q25), largely explained by derivative gains of +R$3.0bn stemming from the USD/BRL EoP FX rate downtrend (-6% q/q). As in prior quarters, we reinforce that bottom-line dynamics remain heavily influenced by non-cash derivative and FX mechanisms, making net income a poor indicator of underlying operational performance.

1Q26 Review: In detail!

Pulp: Shipments are up +7% y/y, above our estimates. Pulp sales totaled 2.8Mt (+11.4% vs. Genial Est.), falling -16.7% q/q and rising +7.0% y/y, coming in above our projection despite a challenging quarter shaped by three concurrent headwinds: **(i)** seasonal demand compression driven by the Chinese New Year (17-Feb–3-Mar) and the Shanghai Pulp holiday (16–20-Mar); **(ii)** four scheduled maintenance stoppages concentrated in 1Q26; and **(iii)** the continued enforcement of the -3.5% nominal production curtailment announced in Aug. In q/q basis, volume decline was primarily driven by lower shipments to Asia and North America, consistent with the seasonality of the period. On an annual basis, the uplift was predominantly driven by higher volumes on both regions.

Our thought to explain the beat is that either the stoppages carried a shorter effective downtime than the rule-of-thumb implied, or that residual 4Q25 shipment momentum extended further into Jan than anticipated. Production discipline remains in place, but its volume impact continued to prove more limited than modeled, consistent with the pattern observed in prior quarters, as more efficient assets (particularly Ribas do Rio Pardo-MS), continue to operate close to nominal capacity even during stoppage-heavy periods.

Pulp: Price in line; FX remaining a drag. The pulp realized price reached R$2,943/t (+1.0% vs. Genial Est.), increasing +1.6% q/q and declining -9.4% y/y, broadly in line with our forecast and consistent with the modest sequential recovery we anticipated. In USD terms, the average net price stood at US$560/t (+1% vs. Est; +4% q/q; +1% y/y), reflecting the pass-through of firmer BHKP benchmarks during the quarter, partially neutralized by USD/BRL FX rate appreciation (-3% q/q).

At the benchmark level, both PIX/FOEX q/q increases was supported by **(i)** supply disruptions from unscheduled downtimes concentrated in BHKP; **(ii)** logistical pressures stemming from geopolitical uncertainty, notably the Iran-US conflict; and **(iii)** demand resilience in China, where total paper production grew (+14.7% y/y) in the period according to date we gathered, despite port inventories closing the quarter at 2.7Mt (+1.1x y/y), quite above prior-year levels, though largely composed of BSKP. It is important to note that, on an annual basis, the contraction in BRL reflects primarily the USD/BRL FX rate downtrend (-10% y/y), which overruled the marginal +1% y/y improvement in USD-denominated prices.

Paper: Sales came below expected, but prices surprised. Paper sales totaled 378Kt (-3.5% vs. Genial Est.), declining -20.2% q/q and -3.0% y/y, below our forecast, largely explained by weaker-than-expected performance at Suzano Packaging US, impacted by inventory destocking across the converter chain and winter storm disruptions at the start of the year, factors we had not fully captured in our model. The sequential decline was consistent with the historical seasonality of the publishing and educational segments, while the y/y contraction reflects lower paperboard volumes at Suzano Packaging US within the context of US market seasonality. Pine Bluff (AR) continued to operate normally under its long-term contract commitments.

On the pricing front, the realized paper price stood at R$6,933/t (+3.8% vs. Genial Est.), increasing +1.3% q/q and declining -8.0% y/y, surprising our estimate, mainly driven by stronger-than-expected q/q basis recovery in DM pricing, concentrated in the Printing & Writing segment. On a y/y basis, the contraction reflected declines across all segments served by the operations in Brazil, with particular emphasis to the reduction in FM prices (-15% y/y) as well the USD/BRL FX rate deepening down (-10% y/y), partially offset by an increase in Suzano Packaging US average prices in USD (+7% y/y).

Net Revenue: Down q/q on volumes; but beat our estimates. Net Revenue reached R$11.0bn (+9.4% vs. Genial Est.), declining -16.4% q/q and -5.0% y/y, coming in above our prediction, largely explained by the stronger-than-expected pulp shipments flowing through to the top line, while the paper segment came in broadly in line. In one hand, the q/q basis contraction was driven by both divisions given the seasonal volume factors. In the other hand, both prices realizations in BRL terms should explain the y/y decrease as well, mostly due to USD/BRL FX rate downtrend (-10% y/y), partially neutralized by the marginal improvement in USD-denominated pulp prices and higher prices at Suzano Packaging US.

Table 3. Revenue Suzano (1Q26 vs. Genial Est.)

	1Q26	1Q26E		4Q25		1Q25	
(R$ millions)	**Reported**	**Genial Est.**	**% R/E**	**Reported**	**% q/q**	**Reported**	**% y/y**
Net Revenue	**10,968**	**10,029**	**9.4%**	**13,114**	**-16.4%**	**11,552**	**-5.0%**
Pulp	8,346	7,411	12.6%	9,867	-15.4%	8,610	-3.1%
Paper	2,623	2,618	0.2%	3,247	-19.2%	2,941	-10.8%

Source: Suzano, Genial Investimentos

COGS/t: Better than predicted; stoppages cost aligned. Cash COGS/t ex-stoppages reached R$802/t (-2.0% vs. Genial Est.), increasing +3.1% q/q and declining -6.6% y/y, coming in below our projection, reflecting a more favorable input cost environment than anticipated, driven by **(i)** lower prices of key inputs, particularly caustic soda, benefiting from the USD/BRL FX rate softening (-3% q/q) on USD-indexed chemicals; **(ii)** lower wood costs, supported by a shorter average supply radius; and **(iii)** improved utilities performance, benefiting from higher average energy prices. We believe these effects more than neutralized the sequential pressure from higher input consumption associated with the concentration of four maintenance stoppages and lower fixed cost dilution over reduced production volumes.

Cash COGS/t including stoppages reached R$882/t (-1.4% vs. Genial Est.), increasing +9.0% q/q and declining -8.5% y/y, with the stoppages cost coming in aligned to our estimate, with the sharper q/q increase reflecting the direct impact of the four downtimes concentrated in the quarter (Aracruz-ES, Imperatriz-MA, Ribas do Rio Pardo-MS, and Veracel-BA). On a y/y basis, the convergence trend remains intact, driven by **(i)** the FX tailwind on USD-indexed inputs, **(ii)** lower wood costs, and **(iii)** improved utilities results, consistent with management's soft guidance of R$778/t 26E ex-stoppages, with 1Q26 representing the seasonal cost peak ahead of gradual improvement through the remainder of the year. For now, we will keep our 26E forecast in line with the soft guidance, unlike last year, when we predicted in advance that the company would not meet it.

EBITDA: Double digit decline q/q; below consensus. Adjusted EBITDA reached R$4.6bn (+8.4% vs. Genial Est.), declining -18.0% q/q and -5.9% y/y, coming in above our prediction, but down on the street (-5.8% vs. BBG Consensus). It is important to note that we were much more bearish than the consensus, given that, in our view, the volume held back by maintenance stoppages, as well as the 3.5% capacity cut, would have a greater negative impact than it did. Therefore, the EBITDA of Pulp business clocked in at R$4.1bn (+13% vs. Genial Est.), declining -15.5% q/q and -4.7% y/y, with a margin of 41.8% (-0.4p.p. vs. Est.; -0.8p.p. q/q; -0.4p.p. y/y). On a y/y basis, the weaker BRL price realization driven by the FX depreciation more than offset volume growth and cost convergence.

In paper division, EBITDA reached R$524mn (-17% vs. Genial Est.), down -33.3% q/q and -14.4% y/y, missing our estimate, with the underperformance reflecting weaker volumes at Suzano Packaging US and the absence of meaningful price increases in the FM in BRL terms, given the sharp USD/BRL downtrend (-10% y/y), more than neutralizing the DM pricing recovery and Pine Bluff's (AR) continued operational stability.

Table 4. EBITDA Suzano (1Q26 vs. Genial Est.)

	1Q26	1Q26E		4Q25		1Q25	
(R$ millions)	**Reported**	**Genial Est.**	**% R/E**	**Reported**	**% q/q**	**Reported**	**% y/y**
Adjusted EBITDA	**4,580**	**4,224**	**8.4%**	**5,583**	**-18.0%**	**4,866**	**-5.9%**
Pulp	4,056	3,591	13.0%	4,798	-15.5%	4,254	-4.7%
Paper	524	633	-17.2%	785	-33.3%	612	-14.4%

Source: Suzano, Genial Investimentos

Net Income: Derivative gains drive a strong bottom-line surprise. Net income reached R$4.3bn (+93.6% vs. Genial Est.), increasing meaningfully on q/q, even with a decrease of -32.1% y/y, coming in materially above our projection, driven primarily by a strongly positive financial result of +R$4.6bn (reversing the -R$3.4bn loss in 4Q25), largely explained by derivative gains of +R$3.0bn stemming from the USD/BRL EoP FX rate downtrend (-6% q/q), which generated a favorable mark-to-market adjustment on the derivatives portfolio. The EBIT also contributed positively, reflecting the stronger operational performance than we have modeled, even though it is below the consensus.

On a y/y basis, the decline reflects a smaller positive financial result, as the USD/BRL EoP FX rate downtrend was less pronounced than the observed in 1Q25 (-7% q/q), compounded by lower net revenue and higher COGS, partially offset by lower IR/CSLL expenses. As in prior quarters, we reinforce that bottom-line dynamics remain heavily influenced by non-cash derivative and FX mechanisms, making net income a poor indicator of underlying operational performance and unlikely to drive meaningful stock price reaction.

Table 5. Income Statement Suzano (1Q26 vs. Genial Est.)

(R$ millions)	1Q26 Reported	1Q26E Genial Est.	% R/E	4Q25 Reported	% q/q	1Q25 Reported	% y/y
Net Revenue	**10,968**	**10,029**	**9.4%**	**13,114**	**-16.4%**	**11,552**	**-5.0%**
COGS	(7,808)	(7,353)	6.2%	(9,098)	-14.2%	(7,728)	1.0%
Adjusted EBITDA	**4,580**	**4,224**	**8.4%**	**5,583**	**-18.0%**	**4,866**	**-5.9%**
EBITDA Margin (%)	41.8%	42.1%	-0.4p.p	42.6%	-0.8p.p	42.1%	-0.4p.p
EBIT	**1,775**	**1,278**	**38.9%**	**3,545**	**-49.9%**	**2,259**	**-21.4%**
EBIT Margin (%)	16.2%	12.7%	3.4p.p	27.0%	-10.9p.p	19.6%	-3.4p.p
D&A	(2,807)	(2,708)	3.6%	(3,071)	-8.6%	(2,497)	12.4%
Financial Result	4,616	1,862	147.9%	(3,411)	-	7,696	-40.0%
Net Income	**4,312**	**2,227**	**93.6%**	**116**	**-**	**6,348**	**-32.1%**
Net Margin (%)	39.3%	22.2%	17.1p.p	0.9%	-	55.0%	-15.6p.p

Source: Suzano, Genial Investimentos

Our take on Suzano

FCF: Strong burn driven by WC and CAPEX. The company reported **FCF burn** of -**R$2.1bn** (81% worse vs. Est.), reversing from **+R$2.3bn** in 4Q25 and deteriorating **-75% y/y,** missing our estimations with a less intense burn. The underperformance ended up reflecting **(i)** working capital (**WC**) consumption of **-R$75mn** (vs. +R$800mn Est.), reversing the **+R$661mn** in 4Q25 and **+R$1.3bn** in 1Q25, driven by the payment of variable compensation accrued in 4Q25 and lower release in accounts receivable in contrast to the strong release observed in the same period of the prior year (when pulp prices declined y/y, compared to the price increase observed in 1Q26 vs. 4Q25); a **(ii)** uplift **CAPEX,** which stood at **R$3.0bn** (+5% vs. Est.), increasing **+7% q/q** and declining **-3% y/y**, driven primarily by a higher disbursements in the Land and Forests line, as the **second** (and final) **installment** of **R$439mn** related to the wood swap with Eldorado was paid in 1Q26.

Leverage closed at **3.2x Net Debt/EBITDA** in BRL (-0.1x vs. Est.), coming in flat q/q, reflecting a higher EBITDA vs. Est. entering in the LTM base, while the decrease in net debt was as expected reaching R$68bn (flat vs. Est.), decreasing -2% q/q, mainly driven by the depreciation of the USD/BRL EoP FX rate (-6% q/q) during the quarter.

China's demand vacuum deepens as restocking wave fades. 2Q26's traditional off-season is unfolding true to form, with **downstream paper mills shedding** operating momentum across most grades. By segment, **(i)** Tissue has been the sharpest casualty, with operating rates down to 65.1% (-3.5p.p. vs. early April), followed by uncoated woodfree at 56.9% (-1.0p.p. vs. early April) and coated paper at 66.7% (-0.1p.p. vs. early April). The ivory board is the lone exception, edging up to 67.9% (+0.2p.p. vs. early April). The common thread is a shortage of end-use order flow that is keeping mills, particularly in printing & writing and tissue, anchored to essential-only procurement. The result is a **demand** side that is **not merely soft but basically inert**. The low profitability has stripped mills of both the appetite and the balance sheet flexibility to build positions.

A **mid-month restocking wave** offered a brief interruption to this dynamic, as mills moved in for concentrated low-price buying, consuming a significant portion of near-term purchasing capacity in the process, but that **pulse has now faded**. With futures rebounding modestly and spot prices nudging higher, **restocking intentions have collapsed**, leaving the **market without a demand anchor** heading into **May**. Also, **port inventories** ended last week still quite elevated at **2.4Mt** (+1.1x y/y), despite scattered overseas mill maintenance plans, sustaining the **oversupply** that has defined the quarter.

BHKP raises by +US$50/t in Americas and Europe. Suzano notified clients of a **+US$50/t** price increase for BHKP in the Americas and Europe, starting in **May**. In Europe, the adjustment should bring the company's reference price to **US$1,430/t.** The move follows a similar **+US$50/t** increase announced in **Mar**, when the company also raised prices in the same regions and implemented a **+US$20/t hike for clients** in China and other Asian markets. Our stance is in the same page as the data is pointing out. The Europe Kraft BHKP Pulp Inventory Levels reached **0.4Mt in 1Q26** (-5% y/y) justifying that the back-to-back increases as tightening supply-demand balance across.

Only a setback, **not a thesis breaker.** The 1Q26 **FCF print** came in materially **worse than anticipated**, with a **burn** of **-R$2.1bn** driven by a WC reversal from variable compensation payments accrued in 4Q25 and lower receivables release, compounded by a CAPEX uplift tied to the final Eldorado wood swap installment. These are largely non-recurring in nature, but they mechanically **compress our forward 26E FCF trajectory** trimming our **FCF Yield 26E** to **18%** (vs. 20% previously), putting our **12M Target Price** adjusted to **R$60.00** (vs. R$63.50 previously), implying an **upside** of **+34%**.

On the **demand** side, 2Q26's traditional **off-season is unfolding true to form**, with downstream operating rates softening across most grades in **China** and **port inventories** still elevated at **2.4Mt** (+1.1x y/y). In our view, this makes for a market that is not merely soft but, basically inert on the buying side heading into May. The constructive offset, however, is on supply: The company announced a **+US$50/t** BHKP price increase for the **Americas and Europe** starting in May, the second back-to-back hike following a similar move in Mar, supported by **European Kraft BHKP inventories** at **0.4Mt** (-5% y/y) and a **broader tightening** dynamic reinforced by peer supply discipline and the Indonesian disruption (375Kt Est. in 12M of impact). Hence, we acknowledge that the **FCF burn** should be seen as a **setback**, **not a thesis breaker**.

Therefore, even with the TP trim, our **BUY rating is upheld**, underpinned by both **(i) FCF Yield 26E** at **18%** (-2p.p vs. previous Est.); and **(ii) EV/EBITDA 26E** at **5.0x** (well below historical levels of ~7x). With the stock trading at historical valuation lows (-13.6% only in the last 1M, highly associated with a USD/BRL at R$5.00), and an approach to the electoral cycle — historically associated with a rising country risk premium that tends to lift FX and re-rate Brazilian equities toward fair value — the **asymmetry still favors** the bull case.

Appendix: Suzano

Figure 1. Suzano – Income Statement in R$ Millions (Genial Est. 2026-2029)

Income Statement	2026E	2027E	2028E	2029E
Net Revenue	**55,235**	**58,711**	**60,431**	**62,142**
(-) COGS	(33,837)	(34,052)	(33,891)	(34,533)
Gross Profit	**21,398**	**24,659**	**26,540**	**27,608**
(-) Expenses	(8,438)	(9,864)	(11,061)	(11,597)
Adjusted EBITDA	**25,800**	**27,609**	**28,287**	**28,898**
(-) D&A	(11,454)	(11,351)	(11,329)	(11,395)
EBIT	**12,960**	**14,795**	**15,479**	**16,011**
(+/-) Financial Result	(6,917)	(9,039)	(5,001)	(4,654)
(-) Taxes	(1,757)	(3,831)	(2,994)	(2,839)
Net income	**4,286**	**1,925**	**7,485**	**8,518**
Profitability				
Net margin (%)	7.8%	3.3%	12.4%	13.7%

Figure 2. Suzano– Cash Flow in R$ Millions (Genial Est. 2026-2029)

Cash Flow (FCFF)	2026E	2027E	2028E	2029E
Net Revenue	**55,235**	**58,711**	**60,431**	**62,142**
(-) COGS	(33,837)	(34,052)	(33,891)	(34,533)
Adjusted EBITDA	**25,800**	**27,609**	**28,287**	**28,898**
EBIT	**12,960**	**14,795**	**15,479**	**16,011**
(-) Taxes	(3,586)	(4,064)	(4,240)	(4,376)
(+) D&A	11,454	11,351	11,329	11,395
(+/-) Δ WK	1,196	1,174	1,027	808
(-) Capex	(10,900)	(11,282)	(11,789)	(12,438)
FCFF	**12,510**	**13,437**	**13,286**	**12,892**

Disclosure Section

1. GENERAL DISCLAIMER

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Genial Rating

	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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