



Suzano Petroquímica Announces 1st Quarter 2005 Earnings Results

Net Income grows 39%, reaching R\$ 27 million

São Paulo, May 11, 2005 –Suzano Petroquímica S.A. (the “Company”) (BOVESPA: SZPQ4; LATIBEX: XSUPT), one of the largest strategic investors in the Brazilian petrochemical sector, one of the joint controlling shareholders of Rio Polímeros S.A., Polibrasil Resinas S.A., Petroflex Indústria e Comércio S.A. and Politeño Indústria e Comércio S.A., announced today its first quarter of 2005 (1Q05) earnings results.

The Company’s operational and financial information, unless otherwise indicated, is exhibited based on consolidated figures and in Reais, as per Corporate Legislation. All the comparisons made in this release take into account the first quarter of 2004 (1T04), unless otherwise specified.

For consolidation purposes, the elements composing the financial statements of each jointly controlled company were grouped in the Company’s consolidated financial statements in the proportion to the share held by the Company in the capital stock of the respective jointly controlled companies, through one or more of its intermediary companies (Suzano Química and SPQ), as follows: 50% in Polibrasil Participações S.A (holder of 98.1% of Polipropileno S.A., which holds 99.9% of Polibrasil Resinas S.A., that is the operating company); 20.12% in Petroflex; 33.33% in Rio Polímeros; and 34.99% in Politeño. In the case of Politeño, the percentage applied differs from the equity interest held in view of Politeño’s class B preferred shares, which have a fixed annual dividend of 6% of the equity value of the shares.

Highlights of the Quarter

- ✓ Consolidated Net Revenue reached R\$ 400.3 million in the quarter, 29% higher than 1Q04.
- ✓ Consolidated Net Income in 1Q05 was R\$ 27.0 million, 39.4% above the one recorded in the same period of 2004.
- ✓ Consolidated EBITDA in 1Q05 reached R\$ 54.2 million, a 20,4% increase versus 1Q04.
- ✓ Petroflex achieved a record Ebitda margin of 22,3%.

Consolidated Highlights (R\$ million)	1Q05	4Q04	Δ% quarter	1Q04	Δ% year
Net Revenues	400.3	450.8	(11.2)	310.2	29.0
Gross Income	83.5	111.3	(25.0)	61.7	35.4
Gross margin	20.9	24.7	- 3.8 p.p.	19.9	+ 1.0 p.p.
Net Income	27.0	32.3	(16.4)	19.4	39.4
Net margin	6.8	7.2	- 0.4 p.p.	6.3	+ 0.5 p.p.
Ebitda	54.2	79.0	(31.4)	45.0	20.4
Ebitda margin	13.5	17.5	-4.0 p.p.	14.5	-1.0 p.p.

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Industry and Economic Scenarios

Historically, the first quarter is usually weaker than the other quarters of the year, mainly when compared to the second and third quarters, due to the end of the year sales. Specifically in the first quarter of 2005, the Brazilian petrochemical market behaved contrarily to expectations raised from its good performance recorded in 2004 and from the approach of the sector's high cycle. However, at the end of this period, the petrochemical market began to show signs of recovery.

In the Brazilian market, the increase in interest rates and the drawback on economical activity in the country caused a slip in some of the industries where plastic converted products are used, like electronics and home appliances, with the exception of the automobile industry, which presented very good performance during this period. Resin and elastomer manufacturers decreased purchases due to the reduction in the final consumer demand and the accumulation of high inventories level still in 2004, in view of the price increase expectation of these products as the result of the spread, throughout the production chain, of high increases in oil prices during the year.

Although the Real appreciation taking place in the period had a negative impact on the competitiveness of Brazilian companies in the foreign market, the good moment experienced in the international petrochemical market allowed companies to go around this decline moment in domestic demand, redirecting part of their sales to exports, still exercising attractive margins.

According to Abiquim data, the Brazilian domestic thermoplastic resins demand increased by only 4.3% in the first quarter when compared to the same period of 2004, and recorded a 3.4% reduction in comparison to 2004's last quarter. The thermoplastic resins production reached 1 million tonnes this period, representing a 4.8% increase over the first quarter of the previous year and a 4.1% decrease versus the previous quarter, while imports rose by 13.0% and 9.9%, in relation to the first and last quarters of 2004, respectively, and exports were 13.4% and 2.2% higher in periods mentioned above.

Due to the reduction in the inventories of the plants and the retake of Brazilian economic activity, a recovery in the domestic petrochemical market is expected in the next months, enabling price and margin recovery at levels compatible with the high peak in the petrochemical cycle, as it is already starting to happen in the worldwide market and is indicated by the domestic market as from March 2005. The Brazilian petrochemical industry is operating with a high utilization capacity level, enabling a basis to fully capture the benefits from the sector's fly-up.

In the international context, the petrochemical market is reacting well to high oil prices, since the demand is high and product supply is limited to meet consumers' needs. The outlook is that demand will intensify in the upcoming months as purchases are retaken in the Asian market. This good market moment allowed price increases in raw material to be passed on through the productive chain, with increase in margins. As long as supply is fair in relation to demand, petrochemical prices will be able to ensure margins even with raw material cost increase.

It has not been announced the beginning of operations, until 2007, of new capacities which may cause over-supply of products, negatively pushing resin prices. Thus, the high moment of the petrochemical cycle is expected to last longer than peaks in the previous cycles. Additionally, as the new capacities estimated to start operating as from 2007, especially in the Middle East, may not be able to fully meet the world demand growth, the new price stabilization level after 2007 may take place in higher levels than the historical ones.



Operating Performance of our Jointly Controlled Companies:

Suzano Petroquímica, as a non-operational holding company, directly depends on the results of its jointly controlled companies operations. Below, the operational highlights of our jointly controlled companies.

Production (000 ton)	1Q05	4Q04	1Q04	Δ% year	Δ% quarter
Polibrasil	124.7	146.2	126.1	(1.1)	(14.7)
Politeno	84.2	87.9	60.1	40.0	(4.2)
Petroflex	90.8	95.0	84.3	7.7	(4.4)
Rio Polímeros	NA	NA	NA	-	-

Sales (000 ton)	1Q05	4Q04	1Q04	Δ% year	Δ% quarter
Polibrasil	110.2	143.0	126.2	(12.7)	(22.9)
Domestic Market	94.5	110.9	105.9	(10.7)	(14.8)
Exports Market	15.7	32.0	20.3	(22.9)	(51.1)
Politeno	85.9	86.6	68.0	26.3	(0.7)
Domestic Market	68.6	68.6	63.2	8.5	0.0
Exports Market	17.3	18.0	4.8	262.3	(3.5)
Petroflex	83.1	95.6	89.2	(6.8)	(13.0)
Domestic Market	53.2	68.7	60.6	(12.2)	(22.6)
Exports Market	29.9	26.9	28.6	4.8	11.4
Rio Polímeros (MI)	12.0	10.5	10.2	17.5	14.4

Polibrasil

- ✓ In 1Q05 the production dropped 1.1% in comparison to the same period of 2004, due to problems related to raw material supply and to the producing process at the Mauá and Camaçari units, including a 5-day interruption in the first one, generated by the unexpected interruption of Recap.
- ✓ Average utilization level of installed capacity in the quarter was 76.8% versus 77.8% in the same period of 2004 and 90.1% in 4Q04. The capacity utilization rate is usually lower in the first quarter, and was worsened by the interruptions mentioned above.
- ✓ In 1Q05, Polibrasil recorded sales volume of 110.2 thousand tonnes, a 12.7% reduction compared to the first quarter of 2004. Domestic sales volume fell 10.7%, due to this market retraction, increase of imported resins and the entry of import transformed products, and exports decreased by 22.9% in the period.
- ✓ Polibrasil's gross margin was 17.0%, a 4.3 p.p. drop in relation to 1Q04, due to higher raw material costs and lower sales volumes.
- ✓ EBITDA margin also had a 6.2 p.p. fall, from 18.6% in 1Q04 to 12.4% this quarter.



Rio Polímeros

- ✓ Rio Polímeros results came from pre-marketing activity, which main goals are: (1) creation of a client base able to absorb the future polyethylene production; (2) presenting the “Riopol” product to the market; (3) to create clients fidelity to Riopol; (4) workforce training; (5) distribution process and channels tests; and (6) improving the market needs knowledge.
- ✓ In 1Q05, Rio Polímeros sales volumes were 12.0 thousand tonnes, as a result of its pre-marketing activities, 17.5% higher than sales volume recorded in the same period of 2004. Riopol’s pre-marketing products were already introduced to more than 250 clients in these almost two years, placing the brand and consolidating its client base, even before the beginning of the complex operation.
- ✓ Pre-marketing activities gross income was R\$ 2.3 million, 37.6% bellow the 1Q04 results. Gross margin was 5.3%. The drop in gross income was an effect of the price increase of the polyethylene purchased for resale, which was not fully passed to the resale prices, therefore reducing the unit margin.
- ✓ The Company’s net income was negative at R\$ 1.6 million, an effect of the gross margin drop associated with the increase in pre-marketing fixed expenses in the period.
- ✓ By the end of March, the unit had 97.5% of its construction concluded. The beginning of the complex’s is schedule to June, in a test stage.

Politeno

- ✓ Production increased 40.0% in 1Q05 compared to the same period of 2004, due to the interruption for preventive maintenance services in February and March 2004, on account of Braskem’s stop, which did not occur in 2005.
- ✓ Average utilization level of installed capacity in the quarter was 94%, against 69% in the same period of 2004 and 97% in the 4Q04, higher due to the unit’s non stop operation this quarter.
- ✓ Politeno recorded sales volume of 86.0 thousand tonnes in 1Q05, a 26.3% increase in comparison to the same period of 2004. Domestic market sales were 8.5% above the same quarter of 2004, being stable in relation to sales volume recorded in 4Q04. Exports stood 262.3% above the same period of 2004, aiming at reducing inventories in view of the company’s production increase, which was directed at the foreign market, and 3.5% bellow the volume recorded in 4Q04.
- ✓ Politeno’s gross margin was 24.1%, 3.2 p.p. higher than the same quarter of the previous year. Higher prices allowed gross margin growth, despite the production cost increase and lower sales volume.
- ✓ Politeno’s EBITDA margin was 16.6%, a 1.3 p.p. increase in comparison to the EBITDA margin in 1Q04 and a 1.8 p.p. increase in relation to 4Q04.



Petroflex

- ✓ Production has increased 7.7% in the period, reaching 90.8 thousand tonnes. This raise is due to the production expansion in the Cabo unit capacity (State of Pernambuco), as from August 2004, from 90 to 125 thousand tonnes/year.
- ✓ Average utilization level of installed capacity this quarter was 88%, versus 92% recorded in 1Q04 and 93% in 4Q04, due to the expansion in the Cabo unit capacity.
- ✓ In 1Q05, Petroflex recorded sales volume of 83.1 thousand tonnes, 6.8% below 1Q04 sales volume, but with a better value added product mix. Domestic market sales were 12.2% lower than the same period of 2004, partially offset by a 4.8% increase in exports. The decrease in domestic sales is explained by the domestic market retraction and also by higher inventory levels held by clients.
- ✓ Gross margin was 29.4%, an expressive increase of 13.8 p.p. versus 1Q04.
- ✓ EBITDA margin set a record, reaching 22.3%, an 11.2 p.p. increase versus 1Q04, which can be once again explained by the realignment of prices charged by the company, in view of raw material cost increase, and the migration for products with higher margin.

Net Revenues

In 1Q05, consolidated net revenues reached R\$ 400.3 million, 29.0% higher than the one recorded in the same period of 2004. Such increase was mainly the result of the increase in thermoplastic resins and elastomers prices during 2004, despite a slight 0.8% drop in total sales volume of our jointly controlled companies, specially Polibrasil and Petroflex.

Net Revenue R\$ million	Total		Suzano Petroquímica's Participation		
	1Q05	1Q04	1Q05	1Q04	Chg. %
Polibrasil ⁽¹⁾	403.8	337.1	201.9	168.6	19.8
Politeno	308.6	215.2	108.0	75.3	43.4
Petroflex	377.7	280.9	76.0	56.5	34.4
Rio Polímeros	43.3	29.5	14.4	9.8	46.8
Total	-	-	400.3	310.2	29.0

(1) Polibrasil Participações S.A.

- Polibrasil:** In 1Q05, Polibrasil's operating net revenues reached R\$ 403.9 million, a 19.8% increase in comparison to the same period of 2004. This increase resulted mainly from higher sales average prices, of approximately 37%, which had offset the 12.7% drop in total sales volume.

 Polibrasil's net revenues share in our result was of R\$ 201.9 million, or 50.4% of our consolidated net revenue, a 3.9 p.p. decrease compared to the participation in 1Q04.
- Rio Polímeros:** Riopol's operating net revenues reached R\$ 43.3 million, a 46.8% increase in comparison to the same period of 2004, due to higher polyethylene prices in the market in addition to the 17.5% increase in pre-marketing sales.

 Our participation in Riopol's operating net revenues reached R\$ 14.4 million in the period, or 3.6% of our consolidated net revenues.



- Politeno:**

Politeno's operating net revenues reached R\$ 308.6 million in the quarter, corresponding to a 43.4% increase against the same period of 2004. Such increase is the result of an expressive sales price increase, approximately 13.5% higher, allied to the 26.3% increase in sales volume.

Our participation in Politeno's operating net revenue reached R\$ 108.0 million in 1Q05. Politeno was responsible for 27.0% of our consolidated net revenues in the quarter, 2.3 p.p. above the 1Q04.

- Petroflex:**

Petroflex's operating net revenues reached R\$ 377.7 million this quarter, 34.4% above the amount recorded in the same period of 2004. This increase was the result of the realignment of sales prices, which increased 44.5% on average, and the larger participation of higher value-added products in the product mix, which more than offset the 6.8% sales volume decrease. Performance products (higher value-added) went up from 14% to 23% of total sales.

Our participation in Petroflex's operating net revenues reached R\$ 76.0 million in 1Q05, corresponding to 19.0% of our consolidated net revenues, a 0.8 p.p. increase in comparison to 1Q04.

Cost of Goods Sold

In 1Q05, consolidated cost of goods sold increased by 27.5%, in comparison to the same period of 2004, reaching R\$ 316.8 million. This increase is mainly due to higher raw material costs during 2004 and in 1Q05, despite the lower sales volume.

Cost of goods sold R\$ million	Total		Suzano Petroquímica's Participation		
	1Q05	1Q04	1Q05	1Q04	Chg. %
Polibrasil ⁽¹⁾	335.1	265.3	167.5	132.6	26.3
Politeno	234.1	170.2	81.9	59.6	37.5
Petroflex	266.6	237.0	53.6	47.7	12.5
Rio Polímeros	41.0	25.8	13.7	8.6	58.7
Total	-	-	316.8	248.5	27.5

(1) Polibrasil Participações S.A.

- Polibrasil:**

In 1Q05 Polibrasil's cost of goods sold was R\$ 335.1 million, representing a 26.3% increase in comparison to the same period of 2004. This increase is mainly explained by a considerable increase in propylene costs, despite the drop in sales volume.

Our participation in Polibrasil's cost of goods sold reached R\$ 167.5 million in the period, or 52.9% of our consolidated cost of goods sold, 0.5 p.p. bellow our participation in 1Q04, due to lower sales volume.

- Rio Polímeros:**

Riopol's cost of goods sold reached R\$ 41.0 million in the quarter, a 58.7% increase compared to the same period of 2004, mainly due to increase in sales volume, in compliance with the pre-marketing plan .



Our participation in Riopol's cost of goods sold was R\$ 13.7 million in 1Q05, or 4.3% of our consolidated cost of goods sold.

- **Politeno:** Politeno's cost of goods sold went up by 37.5% in comparison to 1Q04, totaling R\$ 234.1 million. This increase results from a higher raw material costs (ethylene), due to the raise in petrochemical naphtha prices.

Our participation in Politeno's cost of goods sold was R\$ 81.9 million this quarter, or 25.9% of the consolidated production cost, a 1.9 p.p. increase due to higher sales volume.

- **Petroflex:** Petroflex's cost of goods sold reached R\$ 266.6 million, a 12.5% increase in comparison to 1Q04. This growth was the result of the 22.3% increase in raw material prices (butadiene, styrene and acrylonitrile), despite the drop in sales volume.

Our participation in Petroflex's cost of goods sold reached R\$ 53.6 million in the quarter, equivalent to 16.9% of our consolidated cost of goods sold, 2.3 p.p. below the same period of 2004, due to a lower increase in its raw material in comparison to ethylene and propylene cost increase.

Gross Income

In the quarter, the Company's gross income reached R\$ 83.5 million, a 35.4% increase versus 1Q04 gross income. Gross margin was 20.9% in the period, a 1.0 p.p. increase. Such raise in gross income and margin reflects the result of our jointly controlled companies, which could pass on to their prices the increase in costs during the period, as follows:

Gross Margin %	1Q05	1Q04	Chg. (p.p)
Polibrasil ⁽¹⁾	17.0	21.3	(4.3)
Politeno	24.1	20.9	3.2
Petroflex	29.4	15.6	13.8
Rio Polímeros	5.5	12.4	7.1

(1) Polibrasil Participações S.A.

- **Polibrasil:** In 1Q05, Polibrasil's gross margin was 17.0%, a 4.3 p.p. drop against the gross margin recorded in the same period of 2004. Such drop was due to the higher propylene price level and to lower sales volume, mainly in the 1Q05.

- **Politeno:** Politeno's gross margin, on the other hand, was 24.1%, a 3.2 p.p. expansion in comparison to 1Q04. This increase in margin was generated by higher prices together with a boosted sales volume, which offset the increase in raw material costs.

- **Petroflex:** Petroflex's gross margin reached 29.4%, 13.8 p.p. above 1Q04, which can be explained by its successful price realignment policy charged by the Company in view of the increase in raw material costs.



- **Rio Polímeros:** Gross margin related to Riopol's products resale (pre-marketing) reached 5.5%, lower by 7.1 p.p. in comparison to the same period of 2004, but still above the pre-marketing expectations.

Selling, General and Administrative Expenses (SG&A)

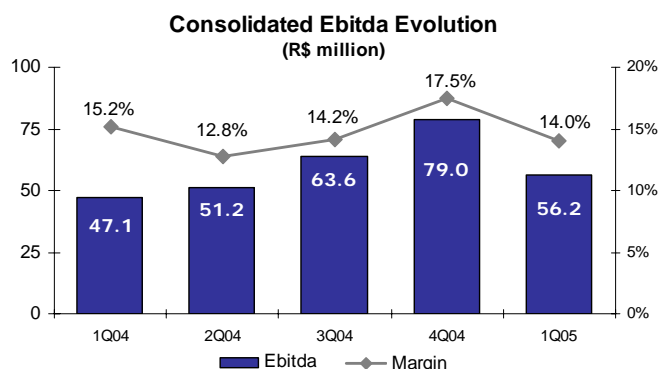
In 1Q05, selling, general and administrative expenses increased by 29.7% to R\$ 40.0 million versus the same period of 2004. In comparison to the previous quarter, these expenses were only 2.4% higher. Such increase can be explained as follows:

- **Company:** In 1Q05, the (Parent) Company's selling, general and administrative expenses reached R\$ 4.4 million, a 9.8% increase in relation to the same period of 2004, mainly explained by higher expenses related to the repositioning in the capital market, including the creation of an investor relations and financial department at Suzano Petroquímica, before placed at Suzano Holding. The parent company's general and administrative expenses corresponded to 11.1% of the consolidated result.
- **Polibrasil:** Polibrasil's selling, general and administrative expenses reached R\$ 36.3 million, a 24.0% increase in relation to the same period of 2004, mainly due to personnel, material and freight expenses, mainly from exports, despite lower sales volume. Our participation in Polibrasil's selling, general and administrative expenses was R\$ 18.2 million, or 45.4% of the consolidated result.
- **Rio Polímeros:** Riopol's selling, general and administrative expenses reached R\$ 2.6 million, a 139.2% increase in relation to the same period of 2004, as a reflection of the increase in personnel, aiming to prepare Riopol to the operating fase, besides the pre-marketing higher sales volumes. Riopol's participation in the consolidated general and administrative expenses was 3.9%, or R\$ 1.5 million.
- **Politeno:** Politeno's selling, general and administrative expenses reached R\$ 26.5 million, recording a 50.4% increase versus the same period of 2004. This increase was caused by higher sales volume, therefore increasing freight expenses, both for domestic and international markets, general expenses related to exports, provision for bad credit and profit sharing provision. Politeno's selling, general and administrative expenses represented 23.2% of the consolidated result, equivalent to R\$ 9.3 million this quarter.
- **Petroflex:** Petroflex's selling, general and administrative expenses reached R\$ 31.8 million, a 43.1% increase versus 1Q04, mainly due to the increase in freight expenses of finished products sales, besides the non-recurring effect of exports incentive in 1Q04, which amounted to R\$ 5.7 million. Our participation in Petroflex's selling, general and administrative expenses reached R\$ 6.4 million, 15.0% of the consolidated result.



EBITDA

The Company's consolidated EBITDA reached R\$ 54.2 million, a 20.4% increase in relation to 1Q04. This increase is mainly explained by the growth of our jointly controlled companies' EBITDA. EBITDA margin, however, stood at 13.5%, a 1.0 p.p drop compared to the margin recorded in the same period of 2004..



EBITDA	Total			Suzano Petroquímica Participation	
R\$ million	1Q05	1Q04	Chg. %	1Q05	1Q04
Polibrasil ⁽¹⁾	49.9	62.9	(20.6)	25.0	31.4
Politeno	51.2	32.8	56.0	17.9	11.5
Petroflex	84.1	31.3	169.0	16.9	6.3
Rio Polímeros	(1.6)	1.7	-	(0.5)	0.6

(1) Polibrasil Participações S.A.

- Polibrasil:** In 1Q05, Polibrasil's EBITDA margin was 12.4%, a 6.2 p.p. drop in relation to 1Q04. This drop is a result of the production cost increase and lower sales volumes, besides lower production volume, thus increasing fixed cost per tonne. Ebitda margin was also 7.7 p.p. lower than 4Q04, as a result of a small drop at average sales price, lower sales volume, and higher cost of production per unit.
- Riopol:** A Riopol had a negative Ebitda of R\$ 1.6 million in 1Q05, an usual result to a pre-marketing activity, which consists in reselling third parties products. At 2004's first quarter, the R\$ 1.7 million cash generation was only possible due to the favorable market conditions.
- Politeno:** Politeno's EBITDA margin was 16.6%, a 1.3 p.p. increase in comparison to 1Q04. Such expansion is the result of the increase in sales prices during the last 12 months, more than offsetting the increase in cost of production and sales, in addition to the effect of higher sales volume reducing the unitary fixed costs.
- Petroflex:** Petroflex's EBITDA margin was 22.3%, an 11.2 p.p. increase in comparison to 1Q04. Once again this good performance was achieved by the price realignment policy, applied since the fourth quarter of 2004, by the reduction of fixed costs as a result of the investments made to the plant's modernization and by a higher participation in sales mix by the most value added products.



Net Financial Result

In 1Q05, our consolidated net financial result was negative at R\$ 7.9 million, recording a slight drop in comparison to a negative result of R\$ 8.1 million in the same period of 2004, mainly due to the improved result of Polibrasil's financial results, which benefited from the Real evaluation, and to a small financial revenue due to the real devaluation on the cash of our subsidiary Suzanopar Ltd. overseas, despite the increase in Petroflex's financial expenses, due to higher working capital necessity.

Income Tax and Social Contribution

In the quarter, the consolidated income tax and social contribution were R\$ 7.7 million, compared to the income tax and social contribution of R\$ 6.4 million in the same period of 2004. This small increase is mainly related to the increase in the taxable income basis in the period.

Net Income/Loss for the Period

In 1Q05, consolidated net income was R\$ 27.0 million, in comparison to R\$ 19.4 million net income recorded in the same period of 2004, a 39.3% increase. Such growth in net income can be explained by the raise in the operating income of our jointly controlled companies.

Cash and Debt

Consolidated net debt, as of March 31, 2005, reached R\$ 598.0 million, in comparison to a net debt of R\$ 556.7 million by the end of 2004, a 7.4% increase in the period. Such expansion is the result of a higher indebtedness of Rio Polímeros (+6.6%), due to the project execution, a slight increase in Polibrasil's (+7.3%) to support the smaller cash generation at the 1Q05 due to lower sales volume, and also the result of the reduction of the cash held by Suzanopar Petroquímica Ltd., due to the real appreciation in the period. Suzanopar is a company indirectly controlled by Suzano Petroquímica and it has funds in US dollars mainly destined for investments in Rio Polímeros.

Recent Events

- ✓ The election of the new Board of Directors, now comprised by 9 members, of which 5 are representatives of the controlling group, 3 are independent members and 1 is the representative of the minority shareholders;
- ✓ Approval of R\$ 0.12 per share dividend payment, which will be paid on 05/31/2005.



Conference Call

Tomorrow, May 12, we will host our conference calls, in Portuguese and English, as follows:

Portuguese Presentation	English Presentation
May 12 – Thursday	May 12 – Thursday
10:00 am – Brasília Time	12:00 pm – Brasília Time
9:00 am – US EST	11:00 am – US EST
Phone: (55 11) 2101-1490	Phone: (+ 1 973) 935-2100
ID Code: Suzano Petroquímica	ID Code: Suzano Petroquímica

The slide presentation will be available at the conference call webcast, available on our website www.suzanopetroquimica.com.br.



Suzano Petroquímica - Parent Company Balance Sheet

R\$ 000

	3/31/2005	12/31/2004
Cash and cash equivalents	17,710	29,197
Other current assets	5,018	5,048
Long-term assets	10,689	7,304
Other permanent assets	988,738	958,122
Property, plant and equipment	754	787
Total Assets	1,022,909	1,000,458
	-	-
Short-term loans	6,307	6,490
Other short-term liabilities	30,132	31,537
Long-term loans	3,127	6,220
Other long-term liabilities	639	549
Future Periods Results	-	-
Minority interest	-	-
Shareholders' equity	982,704	955,662
Total liabilities	1,022,909	1,000,458

Suzano Petroquímica - Consolidated Balance Sheet

R\$ 000

	3/31/2005	12/31/2004
Cash and cash equivalents	172,413	169,497
Other current assets	433,827	349,280
Long-term assets	128,539	132,158
Other permanent assets	174,720	167,261
Property, plant and equipment	1,203,571	1,186,603
Total Assets	2,113,070	2,004,799
	0	0
Short-term loans	142,406	128,493
Other short-term liabilities	172,313	147,363
Long-term loans	627,968	597,705
Other long-term liabilities	146,804	134,038
Future Periods Results	33,034	33,034
Minority interest	7,841	8,504
Shareholders' equity	982,704	955,662
Total Liabilities	2,113,070	2,004,799



Suzano Petroquímica - Consolidated Income Statement

R\$ 000

	1Q05	1Q04	Chg. %	4Q04	Chg. %
Gross Revenues	515,060	390,351	32%	607,730	-15%
Gross Revenues Deductions	(114,760)	(80,147)	43%	(156,915)	-27%
Net Revenues	400,300	310,204	29%	450,815	-11%
Cost of Goods Sold	(316,761)	(248,495)	27%	(339,495)	-7%
Gross Income	83,539	61,709	35%	111,320	-25%
<i>Gross Margin</i>	20.9%	19.9%		24.7%	
Selling Expenses	(25,914)	(18,483)	40%	(29,860)	-13%
General and Administrative Expenses	(14,078)	(12,352)	14%	(9,194)	53%
Other Net Operating Revenue (Expenses)	(839)	2,722	-131%	(5,587)	-85%
Activity Result	42,708	33,596	27%	66,679	-36%
Net Financial Revenues (Expenses)	(7,856)	(8,147)	-4%	(14,574)	-46%
Financial Revenues	5,706	5,056	13%	(6,891)	-183%
Financial Expenses	(13,562)	(13,203)	3%	(7,683)	77%
Management fee	-	-		(389)	
Equity Results	-	-		-	
Goodwill amortization	(629)	(629)	0%	(628)	0%
Net non-Operating Revenues (Expenses)	613	1,212	-49%	75	717%
Income Before Income Tax and Social Contribution	34,836	26,032	34%	50,136	-31%
Income Tax and Social Contribution	(7,695)	(6,414)	20%	(17,393)	-56%
Minority Interest	(99)	(217)	-54%	(404)	-75%
Net Income/Loss for the Year	27,042	19,401	39%	32,339	-16%
EBITDA	54,156	44,991	20.4%	78,995	-31%
<i>EBITDA Margin</i>	13.5%	14.5%	-1,0 p.p.	17.5%	-4 p.p.



Suzano Petroquímica - Parent Company Income Statement

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	1Q05	1Q04	Chg. %	4Q04	Chg. %
Gross Revenues	-	-		-	
Gross Revenues Deductions	-	-		-	
Net Revenues					
Cost of Goods Sold	-	-		-	
Gross Income	-	-		-	
Sales Expenses	-	-		-	
General and Administrative Expenses	(4,421)	(4,027)	10%	(5,837)	-24%
Other Net Operating Revenue (Expenses)	-	-		-	
Activity Result	(4,421)	(4,027)	10%	(5,837)	-24%
<i>Activity Margin</i>	<i>n.m.</i>	<i>n.m.</i>		<i>n.m.</i>	
Net Financial Revenues (Expenses)	698	(117)	-697%	(974)	-172%
Financial Revenues	1,030	287	259%	230	348%
Financial Expenses	(332)	(404)	-18%	(1,204)	-72%
Equity Results	30,783	23,763	30%	39,290	-22%
Goodwill amortization	(167)	(167)		(167)	
Net non-Operating Revenues (Expenses)	5	-		-	
Income Before Income Tax and Social Contribution	26,898	19,452	38%	31,923	-16%
Income Tax and Social Contribution	144	-		219	
Minority Interest	-	-		-	
Net Income/Loss for the Year	27,042	19,452	39%	32,142	-16%
# of shares	226,695,380	221,195,380		226,695,380	
<i>Income (Loss) per share</i>	<i>0.12</i>	<i>0.09</i>	<i>33%</i>	<i>0.14</i>	<i>-14%</i>