



## COMMENTS ON THE COMPANY'S PERFORMANCE IN THE FIRST QUARTER OF 2019

The following information is presented on a consolidated basis. The amounts are presented in compliance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of quarterly information, including CVM Instruction 469.

### Irani presents adjusted EBITDA of R\$ 49.7 million in 1Q19 with margin of 21.5% and growth of 17.4% in relation to 1Q18

MAIN INDICATORS - CONSOLIDATED	1Q19	4Q18	1Q18	Change 1Q19/4Q18	Change 1Q19/1Q18	UDM19	UDM18	Change UDM19/UDM18
<b>Economic and Financial (R\$ thousand)</b>								
Net operating revenue	231,024	240,606	225,357	-4.0%	2.5%	938,484	889,189	5.5%
Domestic market	190,329	195,686	189,627	-2.7%	0.4%	763,408	762,497	0.1%
Foreign market	40,695	44,920	35,730	-9.4%	13.9%	175,076	126,692	38.2%
Gross profit (inclusive*)	67,798	52,471	65,457	29.2%	3.6%	265,456	248,619	6.8%
(*) Change in fair value of biological assets	2,607	(10,451)	817	-	219.1%	422	(4,866)	-
<b>Gross margin</b>	<b>29.3%</b>	<b>21.8%</b>	29.0%	<b>7,5p.p.</b>	<b>0,3p.p.</b>	<b>28.3%</b>	<b>28.0%</b>	<b>0,3p.p.</b>
Operating income (loss) before taxes and interest	(4,484)	(18,424)	2,245	-75.7%	-299.7%	8,894	(79,894)	-
<b>Operating margin</b>	<b>-1.9%</b>	<b>-7.7%</b>	1.0%	<b>5,8p.p.</b>	<b>-2,9p.p.</b>	<b>0.9%</b>	<b>-9.0%</b>	<b>9,9p.p.</b>
Net Income (Loss)	(6,363)	(19,032)	(5,256)	-66.6%	21.1%	1,904	(99,294)	-
<b>Net margin</b>	<b>-2.8%</b>	<b>-7.9%</b>	-2.3%	<b>54P-P.</b>	<b>-0,5p.p.</b>	<b>0.2%</b>	<b>-11.2%</b>	<b>11,4p.p.</b>
Adjusted EBITDA <sup>1</sup>	49,721	43,319	42,341	14.8%	17.4%	185,736	167,575	10.8%
<b>Adjusted EBITDA Margin</b>	<b>21.5%</b>	<b>18.0%</b>	<b>18.8%</b>	<b>3,5p.p.</b>	<b>2,7p.p.</b>	<b>19.8%</b>	<b>18.8%</b>	<b>1,0p.p.</b>
Net debt (R\$ million)	734.2	692.7	703.8	6.0%	4.3%	734.2	703.8	4.3%
Adjusted Net debt/EBITDA (x)	3.95	3.88	4.20	1.8%	-6.0%	3.95	4.20	-6.0%
Net debt/pro forma adjusted EBITDA (x) <sup>2</sup>	3.12	2.96	3.49	5.4%	-10.6%	3.12	3.49	-10.6%
<b>Operating Data (t)</b>								
<b>Corrugated Cardboard Packaging (PO)</b>								
Production/Sales	42,803	45,380	46,757	-5.7%	-8.5%	178,355	194,676	-8.4%
<b>Packaging Paper</b>								
Production	71,714	71,599	69,478	0.2%	3.2%	281,346	287,756	-2.2%
Sales	25,319	26,451	22,213	-4.3%	14.0%	99,064	89,850	10.3%
<b>RS Forest and Resins</b>								
Production	3,733	2,727	3,745	36.9%	-0.3%	13,459	11,976	12.4%
Sales	3,084	3,053	3,667	1.0%	-15.9%	12,572	12,207	3.0%

<sup>1</sup> EBITDA (income before interest, taxes, depreciation, amortization and depletion) see the chapter in this release.

<sup>2</sup> Excluding from the Net Debt the exchange-rate change recorded as *hedge accounting*.

- Net revenue in 1Q19 recorded increase of 2.5% when compared to 1Q18 and decrease of 4.0% in relation to 4Q18, mainly reflecting the good sales performance of the Packaging Paper Segment when compared to 1Q18, as well as the improvement in prices of the Corrugated Cardboard Packaging Segment in both comparative periods.
- The sales volume of the Corrugated Cardboard Packaging Segment decreased 8.5%, when compared to 1Q18 and 5.7%, when compared to 4Q18, totaling 42.8 thousand tons in 1Q19. The reduction was caused by the end of a production shift in the SP Vila Maria Packaging unit. The Packaging Paper Segment totaled 25.3 thousand tons, recording an increase of 14.0% when compared to 1Q18 and 4.3% decrease in relation to 4Q18. The increase in relation to 1Q18 was caused by the greater sale of paper to the market due to the closing of a production shift in the Packaging plant of the



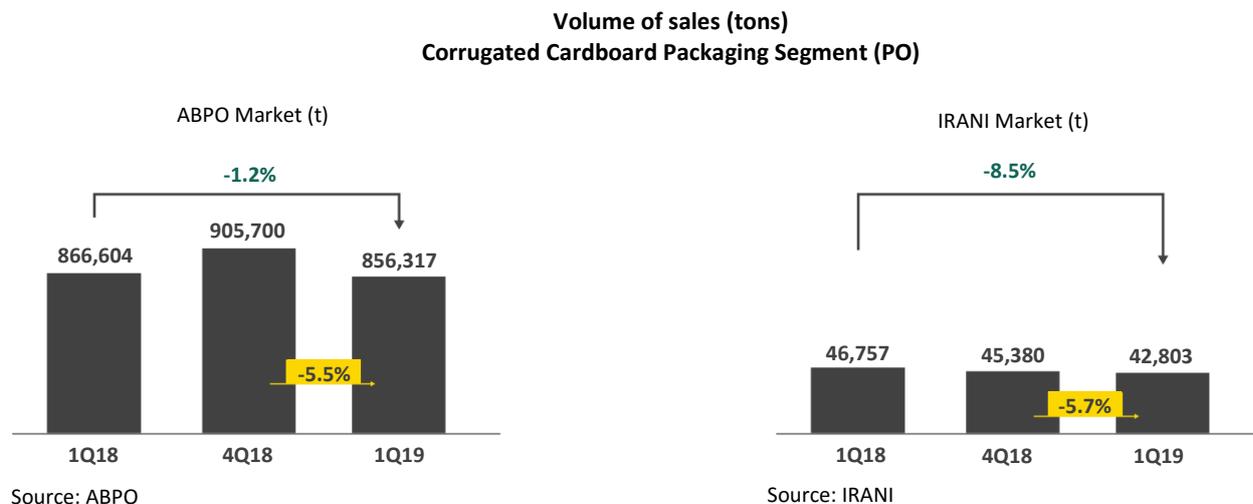
municipality of Vila Maria, in the State of São Paulo. The RS Forest and Resins segment had a decrease of 15.9% as compared to the 1Q18 and 1.0% increase in relation to 4Q18, reaching 3.1 thousand tons. The decrease in relation to 1Q18 was caused by the lower availability of inventory of products at the end of 2018 for shipment in 1Q19, compared to the availability of existing inventory at the end of 2017 for shipment in 1Q18.

- Gross income for 1Q19 increased 3.6% compared to 1Q18 and 29.2% when compared to 4Q18, mainly reflecting the good performance of revenues and costs recorded in the period. The change in relation to 4Q18 also reflects the change in the fair value of biological assets that had been negative in that period.
- Sales expenses in 1Q19 totaled R\$ 21.9 million, an increase of 3.7% when compared to the same quarter of previous year, and stable in relation to 4Q18, (including accounts receivable impairment losses), representing 9.5% of consolidated net revenue and 9.4% in 1Q18. Administrative expenses in 1Q19 totaled R\$ 14.4 million, an increase of 10.4% when compared to the same quarter of previous year, and a decrease of 14.6% in relation to 4Q18, representing 6.2% of consolidated net revenue, slightly higher than the 5.8% in 1Q18.
- The net income (loss) was R\$ 6.4 million (negative) in 1Q19, against R\$ 5.2 million (negative) in 1Q18 and R\$ 19.0 million negative in 4Q18. The main impact on net income, when compared to 4Q18, was the negative change in the fair value of biological assets recorded in that period.
- The adjusted EBITDA in 1Q19 was R\$ 49.7 million, 17.4% higher than in 1Q18, which was R\$ 42.3 million, and 14.8% higher than in 4Q18, which was R\$ 43.3 million, mainly due to the better performance of margins and costs in 1Q19 compared to 1Q18 and 4Q18.
- The Net Debt/EBITDA ratio was 3.95 times in March 2019. Excluding from the net debt the exchange-rate change recorded as hedge accounting, the net debt/EBITDA ratio would be 3.12x.
- The cash position at the end of March 2019 was R\$ 42.0 million and 62% of the debt is in the long term.

## Highlights of the 1Q19

The Brazilian economy continues evolving at a lower than expected pace, impacted by factors such as unemployment and uncertainty regarding the approval of the social security reform. The Central Bank's Index of Economic Activity registered a 0.73% drop in February when compared to January. On the international scenario, the IMF published a projection reducing the world GDP growth forecast to 3.3% this year. This is mainly due to trade tensions and the economic slowdown in some countries.

The Brazilian Association of Corrugated Cardboard (ABPO) recorded a 1.2% decrease in the shipment in tons of corrugated cardboard in 1Q19, compared to 1Q18, while the sales volume of Irani Market decreased 8.5% in 1Q19, due to the end of a production shift in the SP Vila Maria Packaging plant. Compared to 4Q18, ABPO Market decreased 5.5%, while Irani Market decreased 5.7%. In tons, Irani's market share in the Corrugated Cardboard Packaging Segment was 5.0% in 1Q19, as well as in 4Q18 and 5.4% in 1Q18.



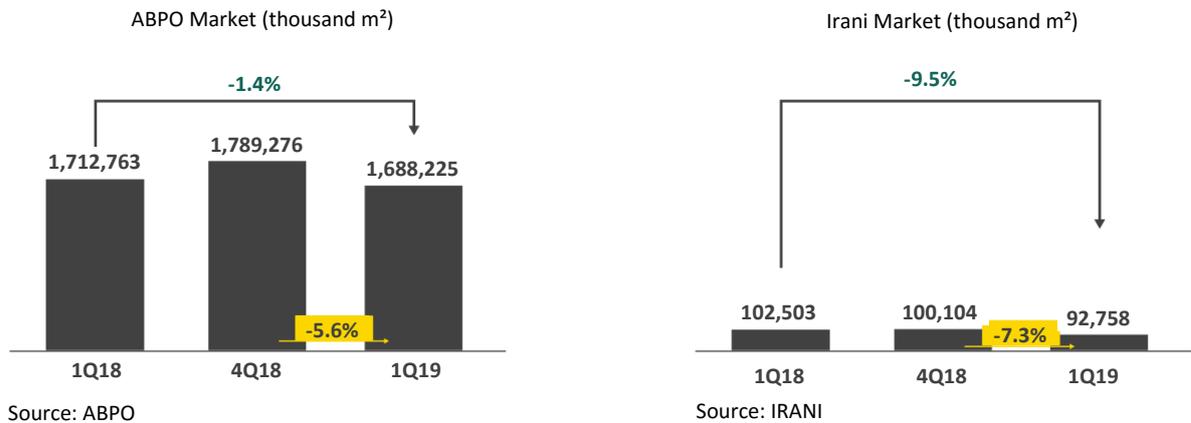
In square meters (m<sup>2</sup>) the sales volume of corrugated cardboard packaging of the ABPO Market presented a decrease of 1.4% in 1Q19 when compared to 1Q18, when Irani Market recorded decrease of 9.5%. Compared to 4Q18, ABPO Market presented decrease of 5.6% as well as Irani Market recorded decrease of 7.3%. In square meters, Irani's market share was 5.5% in 1Q19, 6.0% in 1Q18 and 5.6% in 4Q18.

The Corrugated Cardboard Packaging Segment (PO) represented in 1Q19 59% of Irani's net revenue, the Packaging Paper Segment represented 31% and the RS Forest and Resins Segment, 10%. In turn,



the domestic market corresponded to 82% of net revenue and the foreign market 18%, the growth of 1.8 percentage points in the domestic market's income when compared to 1Q18 is mainly due to the increase in sales volume to foreign market concerning Packaging Paper segment and also, increase in Dollar and Euro quotation which contributed to the growth of prices from exports in Reais.

**Volume of sales (tons)  
Corrugated Cardboard Packaging Segment (PO)**

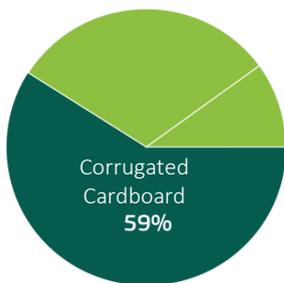


1Q19 ABPO (in ton and m²) are closing previews. There may be changes in the official data.

**1. OPERATIONAL PERFORMANCE (not reviewed by independent auditor)**

**1.1 Corrugated Cardboard Packaging Segment (PO)**

Contribution in revenue 1Q19



The sales volume of boxes and plates of corrugated cardboard totaled 42,803 tons, 8.5% lower when compared to 1Q18 and 5.7% when compared to 4Q18. The reduction in volume in relation to the 1Q18 was caused by the end of a production shift in the SP Vila Maria Packaging unit. The sales of boxes presented decrease of 9.3% when compared to 1Q18 as well as the sales of plates, which recorded decrease of 9.1% in the comparison of the quarters. SP Indaiatuba, SC Campina da Alegria and SP Vila Maria Packaging units

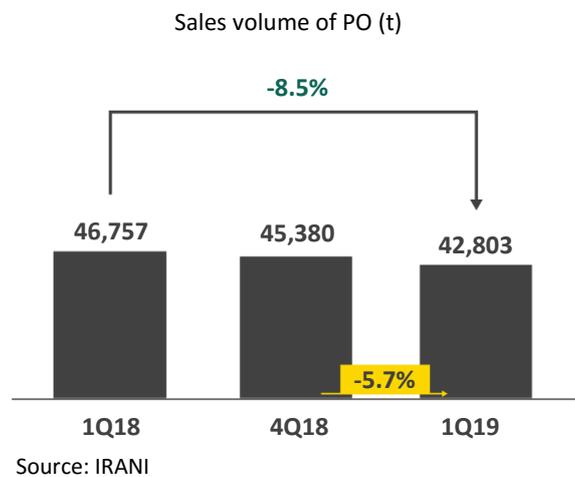
account for respectively 43%, 33% and 24% of the total sold in the first quarter of 2019, whose production is entirely destined to the domestic market.



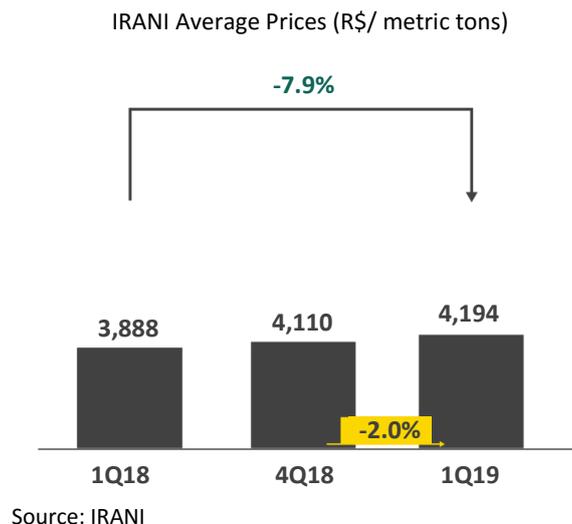
The volume of SP Indaiatuba Packaging plant reached 12,747 tons of boxes and 5,482 tons of plates in 1Q19 (against 13,114 tons of boxes and 5,072 tons of plates in 1Q18).

SC Campina da Alegria Packaging plant recorded sales volume of 11,659 tons of boxes and 2,607 tons of plates in 1Q19 (against 11,747 tons of boxes and 2,843 tons of plates in 1Q18).

SP Vila Maria Packaging plant recorded sales volume of 6,158 tons of boxes and 4,150 tons of plates in 1Q19 (against 8,537 tons of boxes and 5,444 tons of plates in 1Q18).



Irani's average price (CIF) per ton recorded increase of 7.9% in 1Q19 when compared to 1Q18 and 2.0% increase in relation to the 4Q18, as shown below:

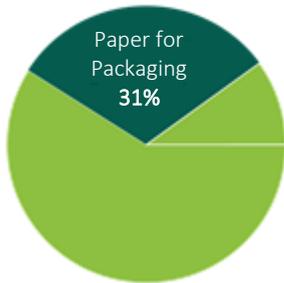


Note on methodology: Irani's prices exclude IPI, but include PIS, COFINS and ICMS and are adjusted according to the mix of market boxes and plates.



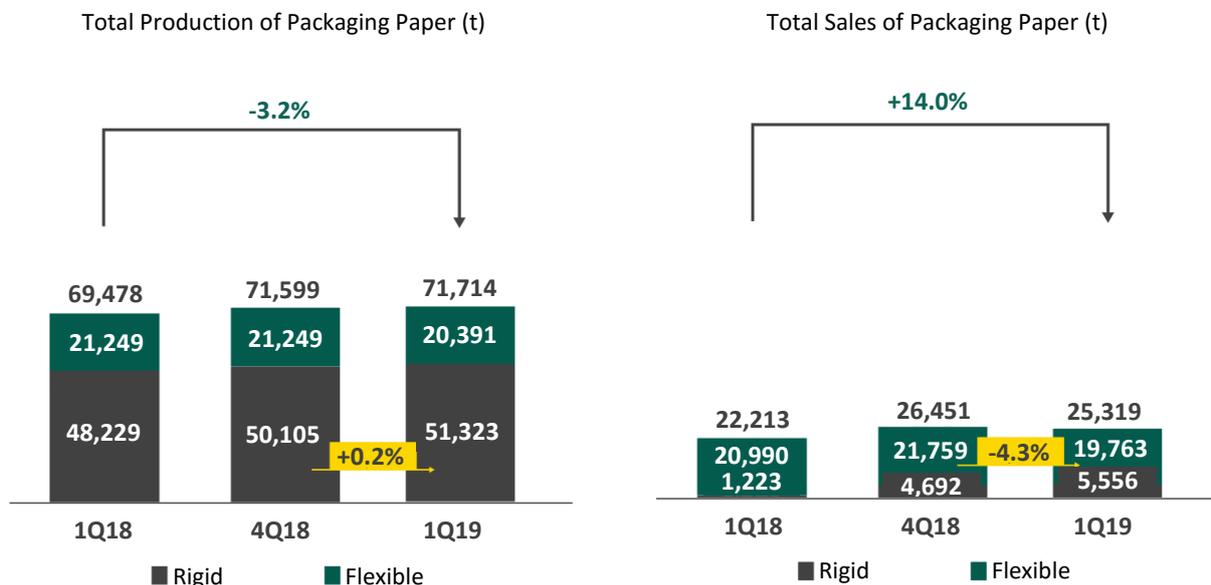
## 1.2 Packaging Paper Segment

Contribution in revenue 1Q19



Irani operates in the Packaging Paper Segment, in the markets of papers for rigid packaging (Corrugated Cardboard) as well as for flexible packaging (bagging).

The Company's total production of Packaging Paper in the quarter was 3.2% greater when compared to 1Q18, and stable in relation to 4Q18. Sales increased 14.0% when compared to 1Q18, and 4.3% lower in relation to 4Q18.

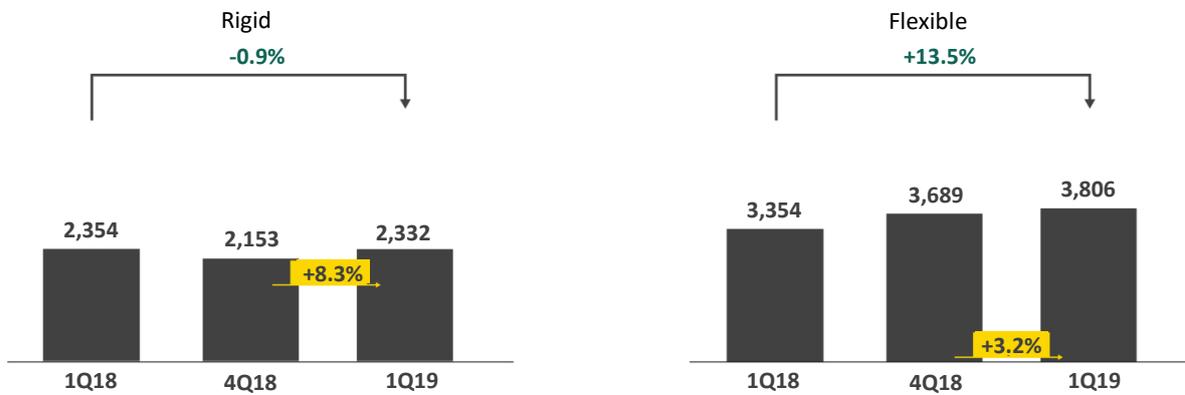


In 1Q19, internal transfers of paper for rigid packaging (Corrugated Cardboard) totaled 46,232 tons (48,475t in 1Q18 and 43,482t in 4Q18) to packaging plant SP Indaiatuba reached 17,609 tons (17,415t in 1Q18 and 17,378t in 4Q18) to SP Vila Maria Packaging plant, 12,496 tons were transferred (15,149t in 1Q18 and 11,021t in 4Q18) and to SC Campina Packaging plant and 16,127 tons in 1Q19 (15,911t in 1Q18 and 15,083t in 4Q18) transferred. Of total internal transfers, 38% were made to SP Indaiatuba Packaging plant, 35% to SC Campina da Alegria Packaging plant and 27% to SP Vila Maria Packaging plant.

Papers for rigid packaging, whose sales volume is not significant (only 5,556 tons in 1Q19, as shown in the graph above) and whose price is lower than the price of other papers traded by the Company, recorded a price stable in 1Q19 when compared to those practiced in 1Q18, and an increase of 8.3% when compared to 4Q18. Papers for flexible packaging increased 13.5% when compared to 1Q18 and 3.2% in 4Q18 due to foreign exchange rate and implementation of price readjustment.

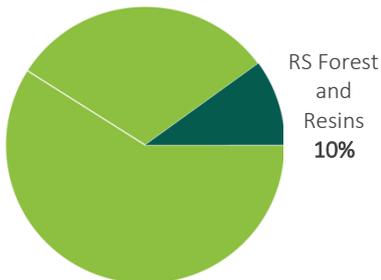


### Average Prices of Packaging Paper (R\$/t)



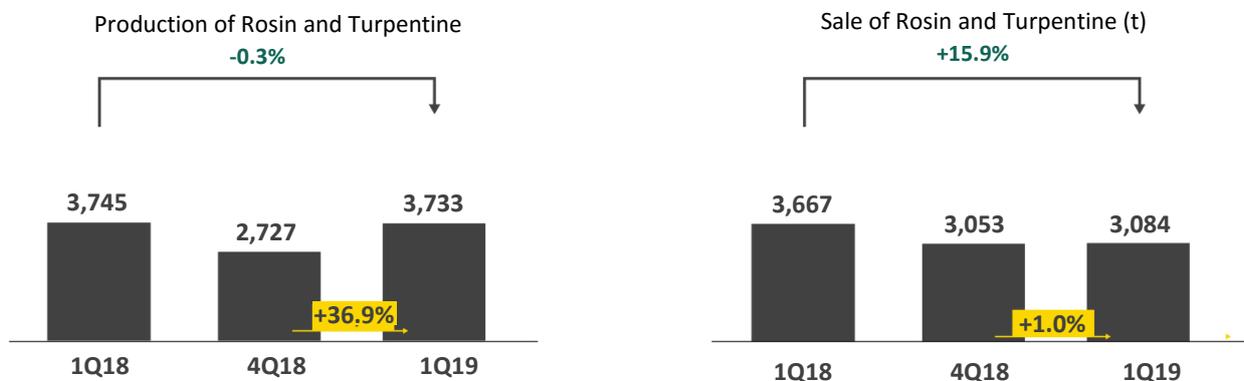
### 1.3 RS Forest and Resins Segment

Contribution in revenue 1Q19



The Forestry segment of Rio Grande do Sul produced and sold in 1Q19 29 thousand square meters of pine logs to the domestic market (34 thousand square meters in 1Q18) and provided 1,078 tons of resins *in natura* to be used in the industrial process of production of rosin and turpentine.

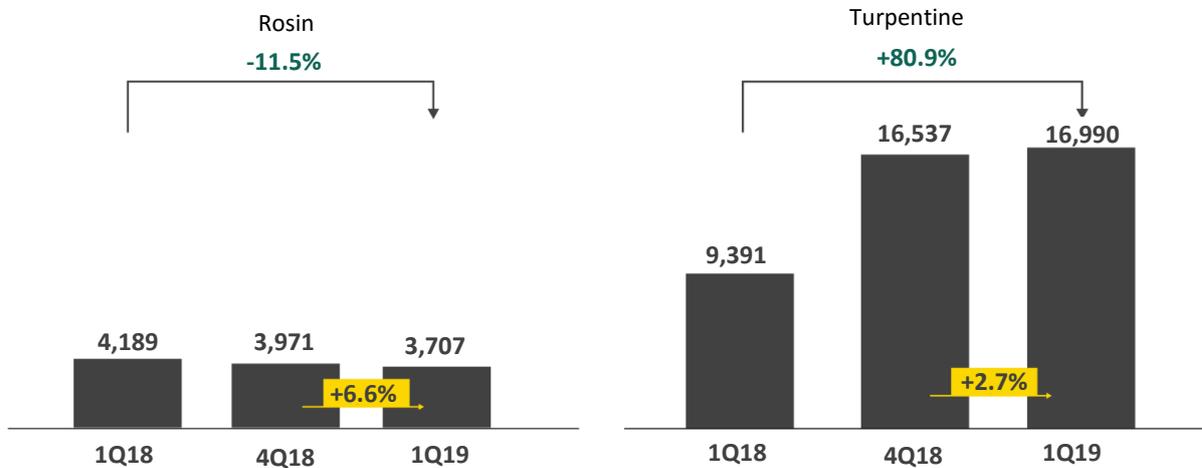
The production volume in the RS Balneário Pinhal Resin unit in 1Q19 presented stability when compared to 1Q18, and increase of 36.9% when compared to 4Q18. The sales volume presented a 15.9% decrease when compared to 1Q18, and 1.0% increase in relation to 4Q18.



In 1Q19, the average gross price of Breu was 11.5% lower than in 1Q18 and 6.6% when compared to 4Q18. Turpentine increased 80.9% when compared to 1Q18 and 2.7% in relation to 4Q18. The price of these products changes according to the foreign market and exchange rate.



### Average Prices (R\$/t)



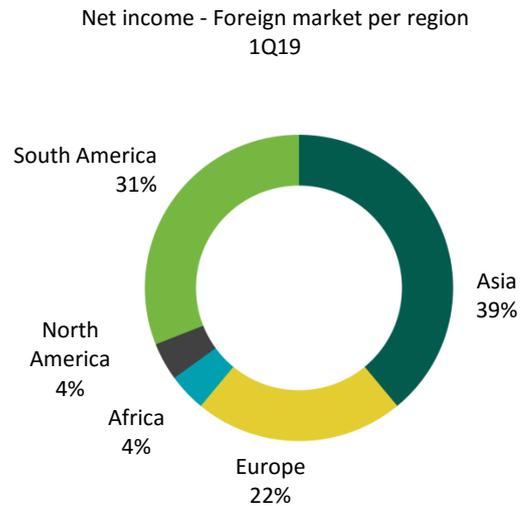
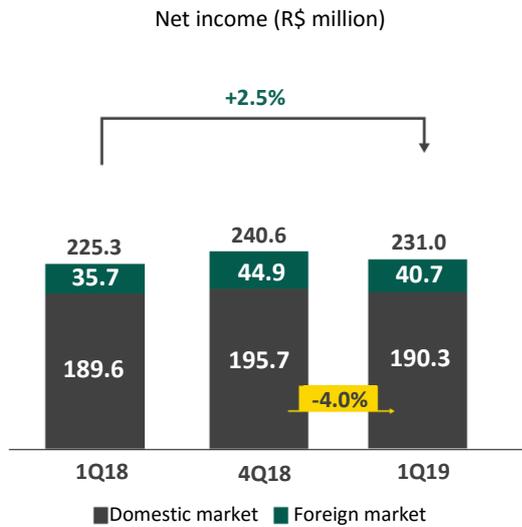
## 2. ECONOMIC AND FINANCIAL PERFORMANCE

### 2.1 Net operating revenue

The net operating revenue for 1Q19 was R\$ 231,024 thousand, a growth of 2.5% when compared to 1Q18 and a decrease of 4.0% when compared to 4Q18, mainly due to the good sales performance of the Packaging Paper segment in relation to 1Q18, and to the improvement of prices in the Corrugated Cardboard Packaging segment in both comparative periods.

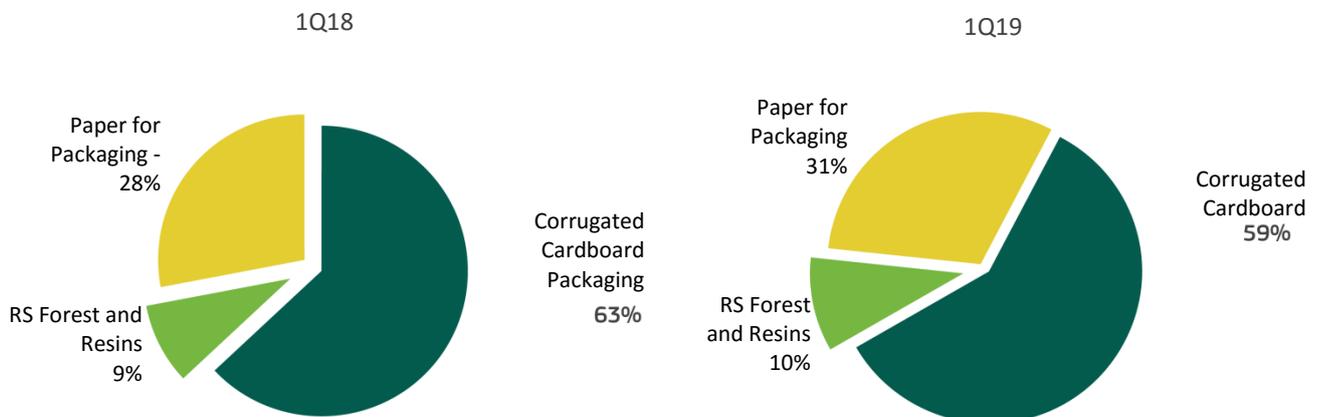
In the domestic market, net operating revenue was R\$ 190,329 thousand in the quarter, and showed a stability when compared to 1Q18 and a decrease of 2.7% in relation to 4Q18. Revenue in the domestic market accounted for 82% of Irani's total revenue.

Exports in 1Q19 reached R\$ 40,695 thousand, 13.9% higher than in 1Q18 and 9.4% lower in relation to 4Q18, representing 18% of total net operating revenue. Asia was the principal destination of exports, concentrating 39% of export revenue. The other markets are: South America (31%), Europe (22%), Africa (4%) and North America (4%).



Irani's principal segment of operation is the Corrugated Cardboard Packaging, which accounts for 59% of consolidated net revenue in 1Q19, followed by the segments of Packaging Paper with 31%, and RS Forest and Resins, with 10%.

#### Net revenue by segment



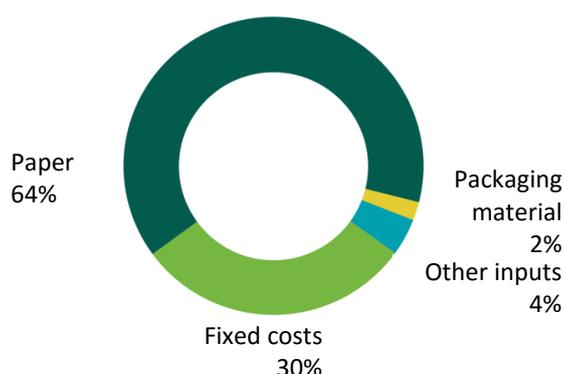
## 2.2 Cost of goods sold

The cost of products sold in 1Q19 was R\$ 165,833 thousand, 3.2% higher than in 1Q18 in absolute numbers. Change in fair value of biological assets is not considered in the cost value of sold products.

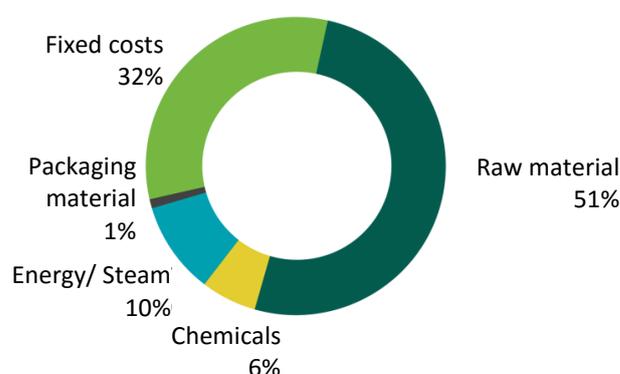
The formation of the cost per Irani's segment of operation in 1Q19 is shown in the graphs below.



### Corrugated Cardboard Packaging



### Packaging Paper\*



\*the formation of the cost of the Packaging Paper Segment does not consider the change in the fair value of biological assets.

## 2.3 Operating revenue and expenses

Sales expenses in 1Q19 totaled R\$ 21,904 thousand, representing 9.5% of consolidated net revenue against 9.4% in 1Q18 (including accounts receivable impairment losses).

Administrative expenses in 1Q19 were 10.4% higher in relation to 1Q18, totaling R\$ 14,417 thousand (R\$ 13,058 thousand in 1Q18) and represented 6.2% of consolidated net revenue, compared to 5.8% in the 1Q18.

Other operating revenues/expenses resulted in expenses of R\$ 160 thousand in 1Q19 against expenses of R\$ 7,462 thousand in 1Q18.

## 3. OPERATING CASH (ADJUSTED EBITDA)

Consolidated (R\$ thous.)	1Q19	4Q18	1Q18	Change 1Q19/4Q18	Change 1Q19/1Q18	UDM19	UDM18	Change UDM19/UDM18
<b>Operating Result before Taxes and Interest</b>	<b>(4,484)</b>	<b>(18,424)</b>	<b>2,245</b>	<b>-75.7%</b>	<b>-299.7%</b>	<b>8,894</b>	<b>(79,894)</b>	<b>-</b>
Depletion	3,825	4,981	5,202	-23.2%	-26.5%	15,210	45,844	-66.8%
Depreciation and amortization	16,772	13,716	12,629	22.3%	32.8%	56,389	53,902	4.6%
Financial income (loss)	35,801	30,065	21,565	19.1%	66.0%	116,448	98,968	17.7%
<b>EBITDA</b>	<b>51,914</b>	<b>30,338</b>	<b>41,641</b>	<b>71.1%</b>	<b>24.7%</b>	<b>196,941</b>	<b>118,820</b>	<b>65.7%</b>
<b>EBITDA margin</b>	<b>22.5%</b>	<b>12.6%</b>	<b>18.5%</b>	<b>9,9p.p.</b>	<b>4,0p.p.</b>	<b>21.0%</b>	<b>13.4%</b>	<b>7,6p.p.</b>
<b>Adjustments according to CVM Instruction 527/12</b>								
Change in fair value of biological assets <sup>(1)</sup>	(2,607)	10,451	(817)	-124.9%	219.1%	(422)	4,866	-108.7%
Non-recurring events <sup>(2)</sup>	414	2,530	1,517	-83.6%	-72.7%	(10,783)	43,889	-124.6%
<b>Adjusted EBITDA</b>	<b>49,721</b>	<b>43,319</b>	<b>42,341</b>	<b>14.8%</b>	<b>17.4%</b>	<b>185,736</b>	<b>167,575</b>	<b>10.8%</b>
<b>Adjusted EBITDA Margin</b>	<b>21.5%</b>	<b>18.0%</b>	<b>18.8%</b>	<b>3,5p.p.</b>	<b>2,7p.p.</b>	<b>19.8%</b>	<b>18.8%</b>	<b>1,0p.p.</b>

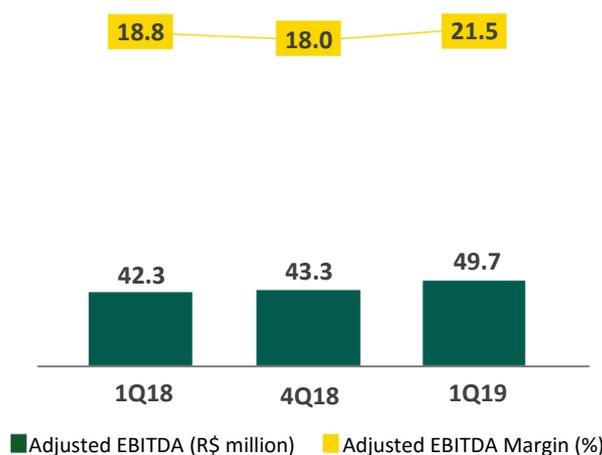
<sup>1</sup> Change in the fair value of biological assets, since it does not mean cash reduction in the period.

<sup>2</sup> Non-recurring events: The amount of R\$ 414 thousand (1Q19) refers to the recognition of non-recurring tax provisions.



The operating cash generation, measured by the Adjusted EBITDA, totaled R\$ 49,721 thousand in 1Q19, an increase of 17.4% in relation to 1Q18, and of 14.8% in relation to 4Q18, mainly due to the better performance of margins in 1Q19 when compared with 1Q18 and 4Q18. The adjusted EBITDA margin in 1Q19 reached 21.5%, an increase of 2.7 percentage points in relation to 1Q18 and when compared to 4Q18, an increase of 3.5%.

Adjusted EBITDA (R\$ million) and Adjusted EBITDA Margin (%)



#### 4. FINANCIAL INCOME (LOSS) AND INDEBTEDNESS

The financial income (loss) was R\$ 35,801 thousand negative in 1Q19, representing a 66.0% increase when compared to 1Q18, negatively affected by the higher realization of hedge accounting and depreciation of the Brazilian real against the dollar. In relation to 4Q18 it recorded an increase of 19.1% negatively affected by a higher hedge accounting realization and depreciation of the Brazilian real against the dollar. In 1Q19, financial expenses totaled R\$ 42,858 thousand against R\$ 26,508 thousand in 1Q18, and R\$ 36,097 thousand in 4Q18. Financial revenues reached R\$ 7,057 thousand in 1Q19 against R\$ 4,943 thousand in the same period of prior year and R\$ 6,032 thousand in 4Q18.

The financial result is distributed as follows:

R\$ thousand	1Q19	4Q18	1Q18	UDM19 <sup>1</sup>	UDM18 <sup>1</sup>
Financial revenues	7,057	6,032	4,943	28,359	18,529
Financial expenses	(42,858)	(36,097)	(26,508)	(144,807)	(117,497)
Financial income (loss)	(35,801)	(30,065)	(21,565)	(116,448)	(98,968)

<sup>1</sup>Accumulated in the past twelve months.

Financial revenues and expenses include asset and liability exchange-rate changes, as follows:



R\$ thousand	1Q19	4Q18	1Q18	UDM19 <sup>1</sup>	UDM18 <sup>1</sup>
Foreign-exchange income	5,696	4,150	3,821	21,774	13,825
Foreign exchange costs	(16,931)	(9,731)	(3,103)	(39,321)	(16,345)
Net exchange rate change	(11,235)	(5,581)	718	(17,547)	(2,520)

<sup>1</sup>Accumulated in the past twelve months.

The financial income (loss) without exchange-rate change is as follows:

R\$ thousand	1Q19	4Q18	1Q18	UDM19 <sup>1</sup>	UDM18 <sup>1</sup>
Financial income (loss) without exchange-rate change	(24,566)	(24,484)	(22,283)	(98,901)	(96,448)

<sup>1</sup>Accumulated in the past twelve months.

In order to hedge exports in the coming years, the Company maintains the flow of maturity of commitments denominated in foreign currency (dollar) in line with the forecasts of receipt in the same currency. The exchange-rate change of these operations is being recorded on monthly basis in the Shareholders' Equity and is recognized in the income (loss) as financial expense upon realization (hedge accounting). In 1Q19, the positive amount of R\$ 10,441 thousand (R\$ 6,891 thousand net of taxes in the shareholders' equity) was recognized as hedge accounting, and the amount recognized in the income (loss) as financial expense was R\$ 12,335 thousand. In the accumulated, the Company maintains R\$ 154,242 thousand of exchange-rate change of hedge accounting, to be recognized in the income (loss) upon realization over the coming years, of which R\$ 101,800 thousand are recognized in the Shareholders' Equity (net of taxes) and R\$ 52,442 thousand in non-current liabilities (taxes).

### Foreign exchange

The exchange rate which was R\$ 3.32/US\$ on March 31, 2018, was 17.5% higher at the end of March 2019, and reached R\$ 3.90/US\$. The average exchange rate for this quarter was R\$ 3.77/US\$1.0, 1.0% lower than in 4Q18 and 16.4% higher in relation to the same period of 2018.

R\$ thousand	1Q19	4Q18	1Q18	$\Delta$ 1Q19/4Q18	$\Delta$ 1Q19/1Q18
Average foreign exchange rate - Dollar	3.77	3.81	3.24	-1.0%	+16.4%
Final foreign exchange rate - Dollar	3.90	3.87	3.32	+0.8%	+17.5%

Source: Bacen



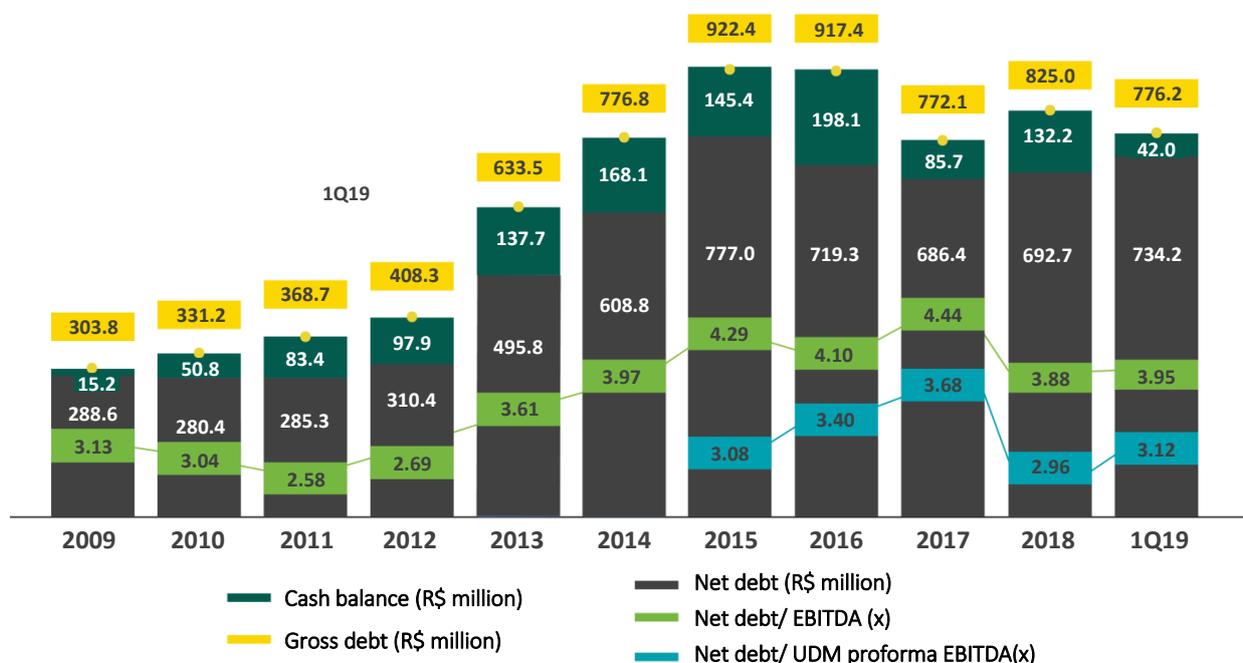
## Indebtedness

The consolidated gross indebtedness on March 31, 2019 totaled R\$ 776.2 million against R\$ 825.0 million on December 31, 2018. The change in this indicator was due to the depreciation of the Brazilian real against the dollar, funding operations in relation to settlements for the period. The gross indebtedness profile as of March 31 was 38% maturing in the short-term and 62% maturing in the long term.

The consolidated balance of cash on March 31, 2019 totaled R\$ 42.0 million against R\$ 132.2 million on December 31, 2018. This change is mainly due to the settlement of financial operations in a larger volume than the funding in relation to the operating cash generation.

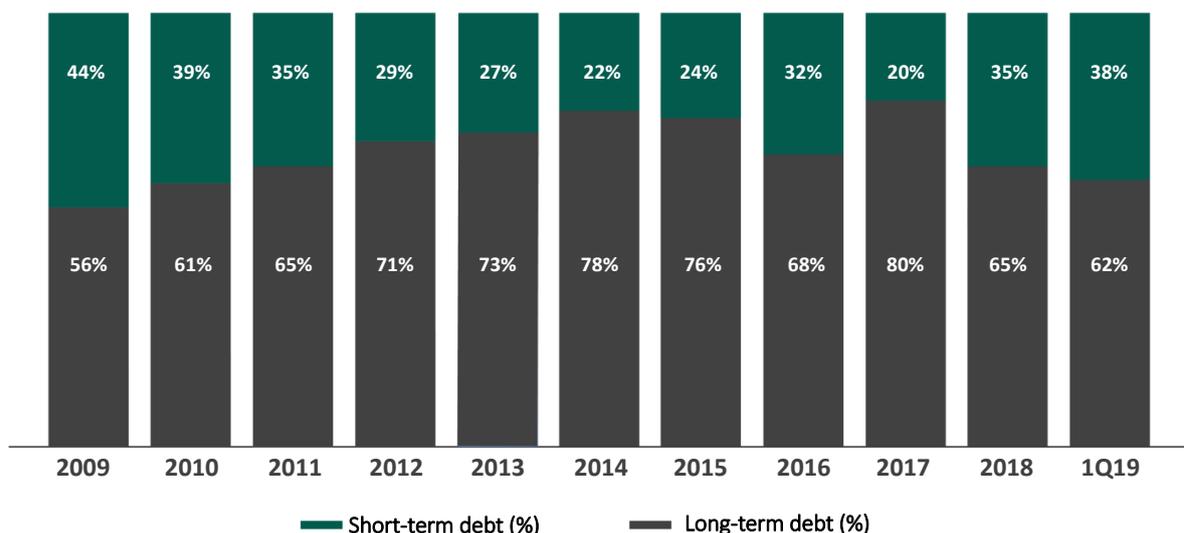
The consolidated net indebtedness on March 31, 2019 totaled R\$ 734.2 million against R\$ 692.7 million on December 31, 2018. The Net Debt/EBITDA indicator decreased from 3.88 times at the end of 4Q18 to 3.95 times in the end of 1Q19. Excluding from the Net Debt the exchange-rate change recorded as hedge accounting (Note 28 – Cash Flow Hedge), the Net Debt/Pro-forma EBITDA indicator would be 3.12 times at the end of 1Q19.

Indebtedness and Net Debt/EBITDA





Profile of gross indebtedness



## 5. NET INCOME (LOSS)

In 1Q19, the net income (loss) was R\$ 6,363 thousand (negative) of income against R\$ 5,256 thousand (negative) in the 1Q18 and R\$ 19,032 thousand (negative) in 4Q18. In the YTD, the net income (loss) was R\$ 1,904 thousand of income compared to negative R\$ 99,294 thousand in the same period of the prior year. The main impact on net income for this quarter, when compared to 4Q18, was the negative change in the fair value of biological assets recorded in that period. In the comparison of the last 12 months, the change refers mainly to the recognition of non-recurring provisions in the financial statements for the year 2017.

## 6. INVESTMENTS

The Company maintains its strategy to invest in the modernization and automation of its production processes on a cautious basis. Investments in this quarter amounted to R\$ 15,480 thousand and were basically destined to reforestation, maintenance and improvement of physical structures, software, machinery and equipment of the Company.



R\$ thousand	1Q19
Land	25
Equipment	6,469
Intangible assets	6,921
Reforestation	2,065
<b>Total</b>	<b>15,480</b>

## 7. CAPITAL MARKET

Irani's capital, on March 31, 2019, was composed of 166,720,235 shares, of which 153,909,975 (92%) are common shares and 12,810,260 (8%) are preferred shares. On March 31, 2019, the Company held 2,376,100 treasury shares, of which 24,000 are common shares and 2,352,100 are preferred shares. In the same period, common shares were traded at R\$ 2.71 whereas preferred shares were traded at R\$ 2.76.