

Fibria acquires 18% of Spinnova

The Finnish startup develops sustainable technologies for the textile industry that use wood fibers to make fabrics

São Paulo, July 6, 2017 – Fibria, a Brazilian forestry company and the world's leading producer of eucalyptus pulp from planted forests, has signed an agreement to acquire a minority interest in Finnish-based Spinnova and partner in the development, production and marketing of new materials using its technologies.

Spinnova is a startup that develops low-cost and environmentally sustainable technologies for making fabrics. The technologies uses wood fibers to produce filaments and yarns that can replace cotton, viscose and other raw materials in both woven and nonwoven applications.

Fibria will pay 5 million euros for 18% of Spinnova's capital. Under the shareholders' agreement, Fibria will have the right to appoint one member to Spinnova's board of directors.

"The partnership strengthens Fibria's positioning for the development of new high-value products that go beyond the commodity concept and complement our global leadership in eucalyptus pulp production. The acquisition of an interest in Spinnova strengthens our portfolio of investments in companies with the capacity to offer solutions for problems related to climate change and the low-carbon economy," said Fibria's CEO, Marcelo Castelli.

"The new partnership with Fibria will help Spinnova grow our business faster and significantly enhance our global competitiveness. We value highly this win-win partnership with a lot of strategic level synergies and a shared vision. We have been impressed with Fibria's ability to work with a small technology company when actively looking for new business opportunities", said Spinnova's CEO and founder, Janne Poranen.

The partnership with Spinnova and its technological platform will enable Fibria, as part of its strategy of entering new markets, to develop products with new applications over the coming years.

"The partnership is fully aligned with Fibria's strategy to add value to its forest base. The acquisition of the interest paves the way for positioning ourselves in an innovative and sustainable technology for making textiles," explained Fibria's Strategy and New Business Director, Vinicius Nonino.



The agreement signed between the Brazilian forestry company and the Finnish startup features a joint investment in the development of a pilot production line for testing the feasibility of Spinnova's technologies and production on a pre-commercial scale. If the project reaches the commercial phase, the two companies could create a joint venture for producing and marketing products.

"The partnership strengthens our competitive innovation DNA and puts us at the technological forefront in the production of wood-based textile fibers," concluded Fibria's Technology and Innovation Director, Fernando Bertolucci.

About Fibria

The world leader in eucalyptus pulp production, Fibria strives to meet - in a sustainable manner - the growing global demand for forestry products. Its annual pulp production capacity of 5.3 million tons is spread across industrial units located in Aracruz (Espírito Santo state), Jacareí (São Paulo) and Três Lagoas (Mato Grosso do Sul), as well as in Eunápolis (Bahia), where it operates Veracel in a joint operation with Stora Enso. Fibria has 1,056,000 hectares of forests, including 633,000 hectares of planted forests, 364,000 hectares earmarked for environmental preservation and conservation, and 59,000 hectares allocated for other uses. The pulp produced by Fibria is exported to more than 40 countries. In May 2015, Fibria announced the expansion of its Três Lagoas unit, which will receive a new line with annual pulp production capacity of 1.95 million tons and is slated for startup in the third quarter of 2017. More information at www.fibria.com.br

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