

COMMENTS ON THE COMPANY'S PERFORMANCE IN THE 1ST QUARTER OF 2015

The following information is presented in a consolidated manner. The amounts are presented in accordance with the regulations issued by the CVM - Brazilian Securities Commission, applicable to the preparation of quarterly information, including CVM Instruction 469.

***IRANI presents adjusted EBITDA of R\$ 43,7 million in 1Q15,
39,2% higher than in 1Q14***

MAIN CONSOLIDATED INDICATORS	1Q15	4Q14	1Q14	Var. 1Q15/4Q14	Var. 1Q15/1Q14	UDM 15	UDM14	Var. UDM15/UDM14
Economic and Financial (thousands R\$)								
Net sales revenue	182,771	190,402	179,827	-4.0%	1.6%	741,443	660,235	12.3%
Domestic market	152,441	169,853	153,882	-10.3%	-0.9%	642,518	576,227	11.5%
Foreign market	30,330	20,549	25,945	47.6%	16.9%	98,925	84,008	17.8%
Gross profit (including*)	55,348	66,058	43,149	-16.2%	28.3%	234,890	193,479	21.4%
(*) Change in the fair value of biological assets	510	10,966	1,625	-95.3%	-68.6%	28,301	21,732	30.2%
Gross Margin	30.3%	34.7%	24.0%	-4.4p.p.	6.3p.p.	31.7%	29.3%	2.4p.p.
Operating profit (loss) before taxes and profit sharing	894	17,842	(4,399)	-95.0%	-	33,669	47,810	-29.6%
Operating Margin	0.5%	9.4%	-2.4%	-8.9p.p.	-	4.5%	7.2%	-2.7p.p.
Profit (loss)	3,130	27,924	(3,244)	-88.8%	-	62,953	60,612	3.9%
Net Margin	1.7%	14.7%	-1.8%	-13.0p.p.	-	8.5%	9.2%	-0.7p.p.
Adjusted EBITDA ¹	43,676	45,832	31,382	-4.7%	39.2%	165,778	130,548	27.0%
Adjusted EBITDA Margin	23.9%	24.1%	17.5%	-0.2p.p.	6.4p.p.	22.4%	19.8%	2.6p.p.
Net Debt (Million R\$)	723.7	608.8	559.0	18.9%	29.5%	723.7	559.0	29.5%
Net Debt/Adjusted EBITDA (x)	4.37	3.97	3.99	10.1%	9.5%	4.37	3.99	9.5%
Operating data (t)								
Corrugated Packaging (PO)								
Production/sales	48,981	51,869	49,123	-5.6%	-0.3%	199,604	167,480	19.2%
Paper for Packaging								
Production	71,722	71,491	65,508	0.3%	9.5%	272,365	261,433	4.2%
Sales	17,676	19,956	19,880	-11.4%	-11.1%	75,303	102,259	-26.4%
RS Forest and Resins								
Production	2,316	1,559	2,222	48.6%	4.2%	8,498	7,867	8.0%
Sales	2,801	1,558	2,192	79.8%	27.8%	8,973	7,838	14.5%

¹ EBITDA (earnings before interest, taxes, depreciation, amortization and depletion) see the chapter on this release.

- The sales volume of the Corrugated Cardboard Packaging segment remained stable when compared to 1Q14 and totaled 49.0 million tons in this 1Q15. The Packaging Paper segment decreased by 11.1% and amounted to 17.7 thousand tons. The Resin segment increased by 27.8% and totaled 2.8 million tons.
- Net revenue increased by 1.6% in comparison to 1Q14 and amounted to R\$ 182.7 million, reflecting the good performance of the operations and the valuation of the U.S. dollar.
- The gross profit increased by 28.3% compared to 1Q14 and amounted to R\$ 55.3 million, with cost reductions and the improvement of margins being the main factors of the increase.
- The profit was R\$ 3.1 million in 1Q15 compared to a loss of R\$ 3.2 million in 1Q14. The main factors that positively affected this result are related to the reduction of costs and expenses, and also to the increase in net revenue.

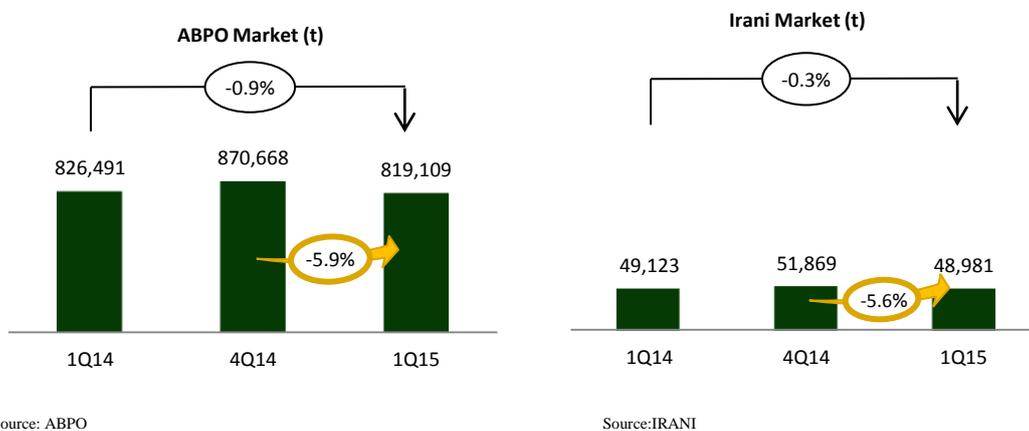
- The adjusted EBITDA totaled R\$ 43.7 million in the quarter, 39.2% higher than 1Q14, with a margin of 23.9%, confirming the good operating performance achieved in the period.
- The net debt/EBITDA ratio was 4.37 times in March 2015, impacted by the valuation of the U.S. dollar. The cash position at the end of 1Q15 was R\$ 99.6 million and 79% of the debt is long-term.

Highlights of 1Q15

In the first quarter of 2015, the global economy continues registering a recovery in the United States, a slow-down in China, and the stability of the European economy. In Brazil, the combination of high inflation and a stagnant economy led the Central Bank to increase the official Selic rate from 12.25% to 12.75%, at the meeting held in March 2015. The forecast of the economic agents is that the Brazilian GDP will fall by 1% in 2015.

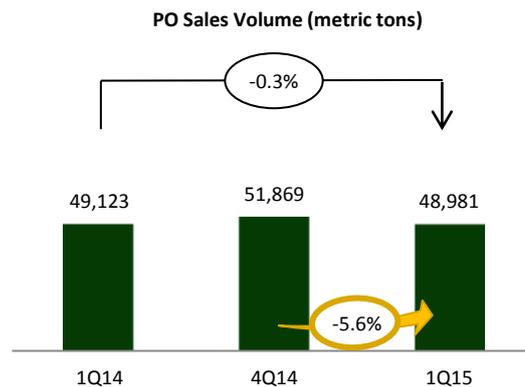
According to the Brazilian Association of Corrugated Cardboard (ABPO), the total sales of boxes, corrugated sheets and accessories in 1Q15 remained stable compared to the same period of the previous year. The sales volume of the IRANI Market, in metric tons, also showed stability in 1Q15. In comparison with 4Q14, the ABPO Market registered a 5.9% decrease, as well as the IRANI Market, which decreased by 5.6%. In metric tons, the market share of IRANI in the Corrugated Cardboard Packaging segment this quarter was 6.0%, against 5.9% in 1Q14 and 4Q14.

Sales Volume (in metric tons) - Corrugated Packaging Segment (PO)

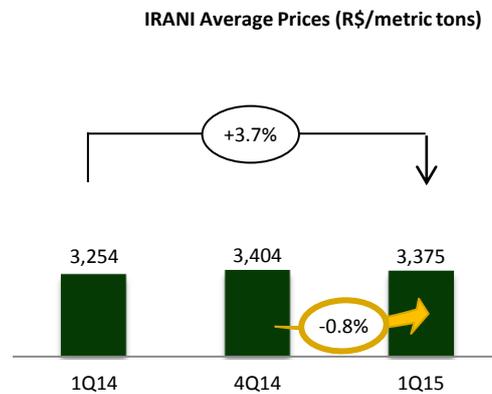


In square meters (m²) the sales volume of corrugated cardboard packaging in the ABPO Market was stable in 1Q15 in comparison with 1Q14, as well as IRANI. Compared to 4Q14, the ABPO Market decreased by 6.9%, and the IRANI Market by 6.1%. In square meters, the market share of IRANI was 6.6% in 1Q15, 4Q14 and 1Q14.

In 1Q15, the Corrugated Cardboard Packaging segment (PO) represented 66% of IRANI's net revenue, the Packaging Paper 25% and the Forest RS and resins segment, 9%. The domestic market accounted for 83% of net revenue and the foreign market, 17%. The growth of 4.0 percentage points in the foreign



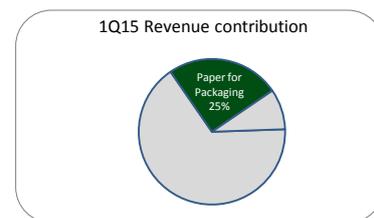
The average IRANI (CIF) price per metric ton recorded a 3.7% increase in 1Q15 when compared to 1Q14, and stability when compared to 4Q14, as shown below:



Methodological note: IRANI prices do not include IPI, and the PIS, COFINS, and GST and are adjusted according to the boxes and sheets mix of the market.

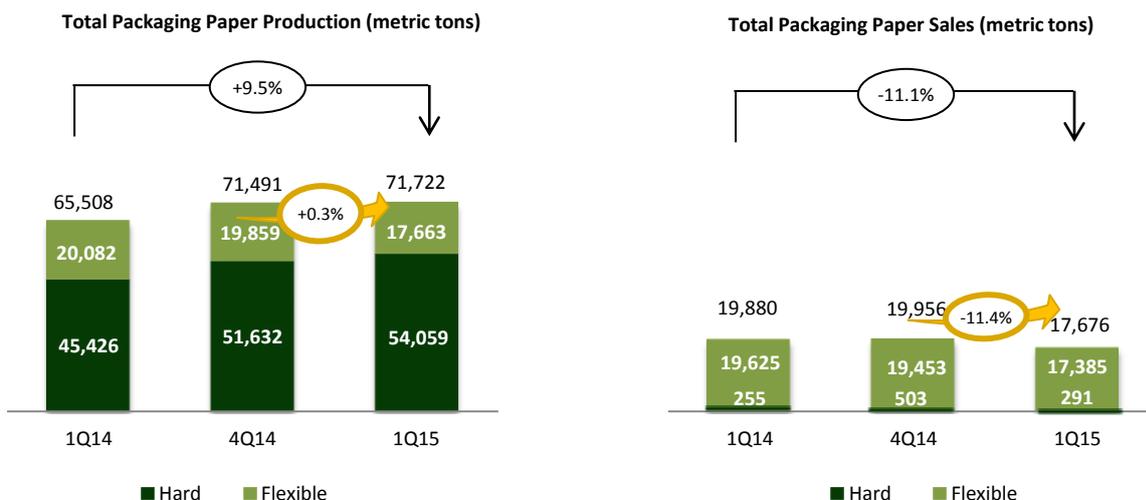
1.2 Packaging Paper segment

IRANI operates in the Packaging Paper segment, both in the market for rigid packaging (corrugated cardboard) and in the market for flexible packaging (bags).



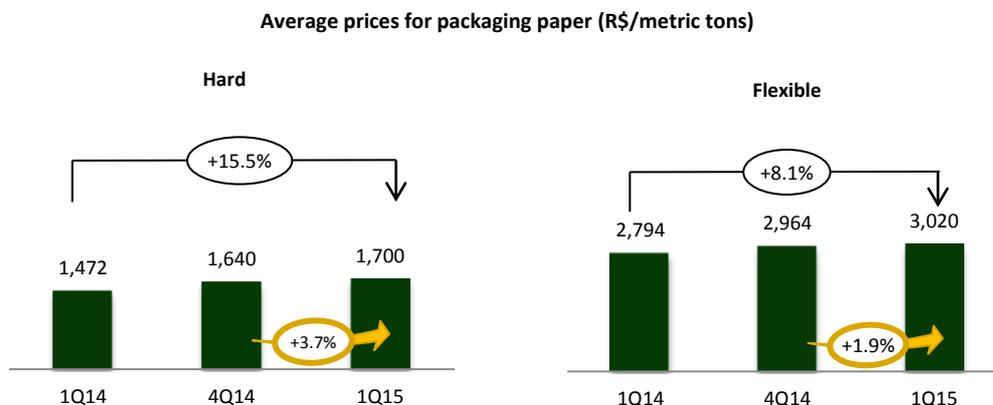
The Company's total production of packaging paper in 1Q15 was 9.5% higher than the 1Q14 production, and stable when compared to 4Q14. Sales, however, decreased by 11.1% compared to 1Q14 and 11.4% to 4Q14.

The increase in volumes of production of packaging paper in 1Q15 compared to 1Q14 mainly arises from productivity gains obtained from the expansion and modernization of the MP-I, in May 2014. The reduction in sales volumes compared to 1Q14 and 4Q14 was due to the unfavorable economic scenario during the period, also impacted by a strike by truck drivers.



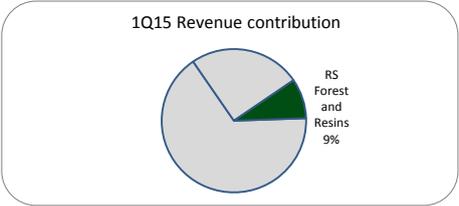
In 1Q15, the internal transfers of rigid packaging paper (PO) totaled 51,671 metric tons (44,058 metric tons in 1Q14 and 51,917 metric tons in 4Q14). The SP Indaiatuba Packaging factory accounted for 19,150 metric tons (14,330 metric tons in 1Q14 and 18,790 metric tons in 4Q14), The SP Vila Maria Packaging factory transferred 17,306 metric tons (16,630 metric tons in 1Q14 and 17,371 metric tons in 4Q14) and the SC Campina da Alegria Packaging factory transferred 15,215 metric tons in 1Q15 (13,098 metric tons in 1Q14 and 15,756 metric tons in 4Q14). Of the total internal transfers, 37% were for the SP Indaiatuba Packaging factory, 29% for the SC Campina da Alegria Packaging factory, and 34% for the SP Vila Maria Packaging factory.

Hard packaging paper, that has a negligible sales volume (only 291t in 1Q15, as per the chart above) and whose price is lower than the other papers sold by the Company, showed a price increase of 15.5% in 1Q15 when compared to 1Q14, and 3.7% to 4Q14. Flexible packaging paper, in turn, has shown an increase of 8.1% compared to 1Q14 and 1.9% to 4Q14. The performances of the average prices of the Company have followed the trend in the market and are positively impacted by the higher exchange rates on exports.

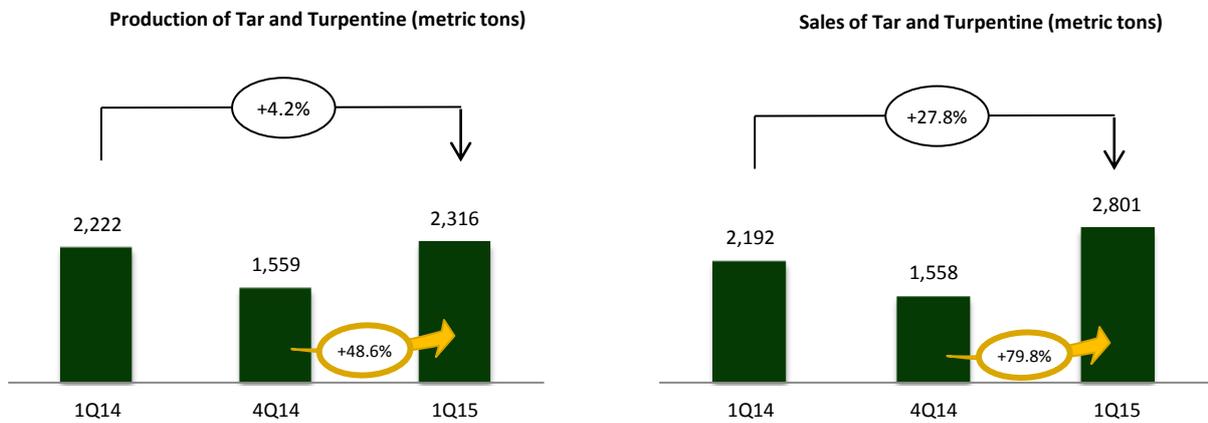


1.3 RS Forest and Resins Division

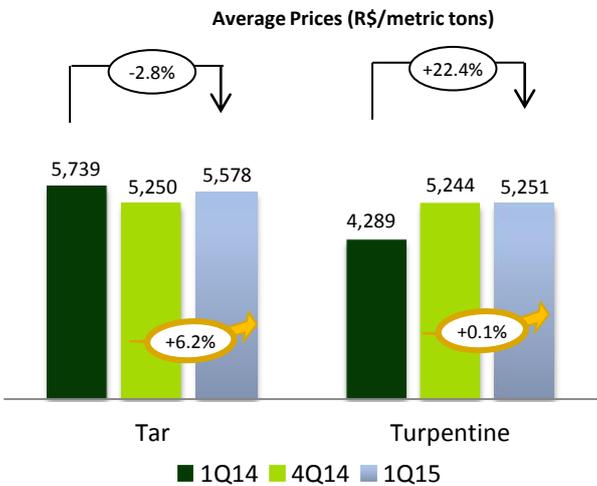
The Forest segment of Rio Grande do Sul produced and sold in 1Q15 11 thousand cubic meters of pine logs for the domestic market (32 thousand cubic metres in 1Q14) and supplied 779 tons of natural resins to Celulose Irani S.A. to be used in the industrial production of tar and turpentine.



The volume of production of Resin RS Balneário Pinhal in 1Q15 increased 4.2% compared to 1Q14, and 48.6% to 4Q14. The sales volume increased 27.8% and 79.8% when compared to 1Q14 and 4Q14, respectively. The significant production increase in the quarter compared to 4Q14 is due to the intercrop season at the end of 2014, which reduces the supply of resin in the market. The sales growth in this quarter arises from a higher market demand.



In 1Q15, the gross average price of tar was 2.8% lower than 1Q14, and 6.2% higher than 4Q14. The average price of turpentine was 22.4% higher in comparison to 1Q14, and stable in comparison to 4Q14.



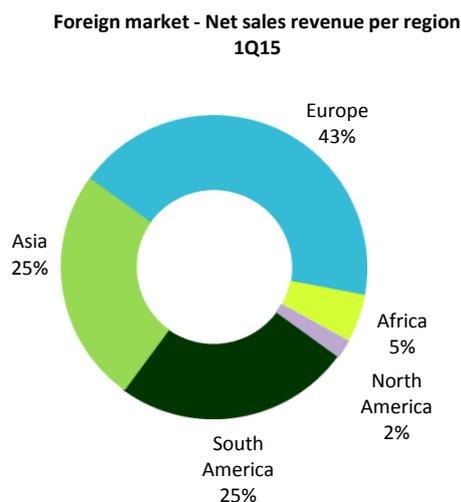
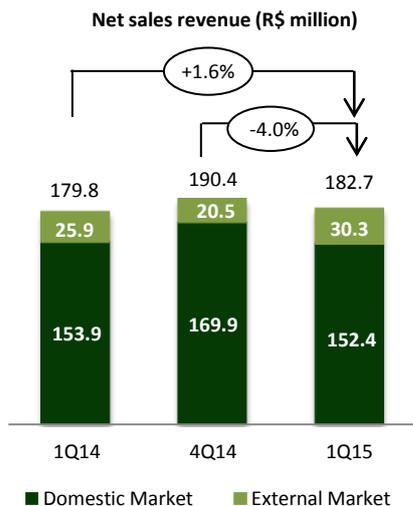
2. ECONOMIC-FINANCIAL PERFORMANCE

2.1 Net Sales Revenue

The 1Q15 net sales revenue was R\$ 182,771, 1.6% higher than 1Q14, and 4.0% lower than 4Q14. The increases reflect the good performance of operations in the period as a result of the increases in prices of Corrugated Cardboard Packaging and Packaging Paper, even taking into account the decrease in sales volumes of Packaging Paper.

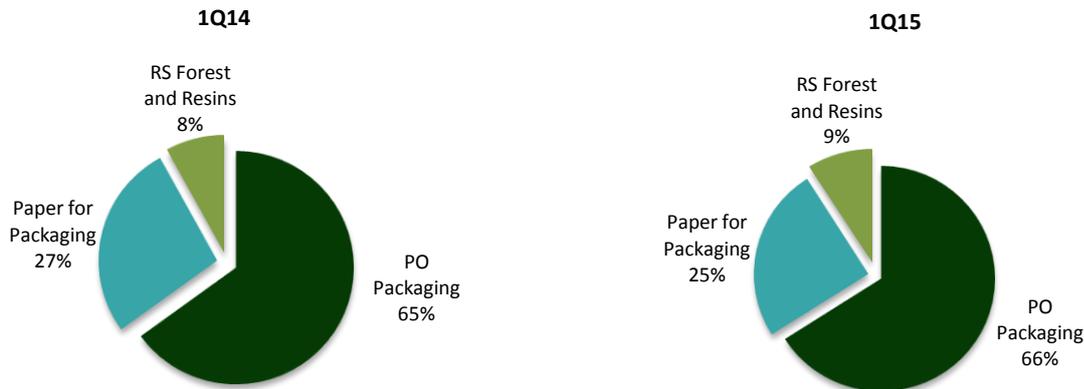
Domestically, net sales revenue was R\$ 152,441 in the quarter and showed stability compared to 1Q14, and 10.3% lower than 4Q14. The revenue in the domestic market accounted for 83% of the total revenue of IRANI.

Exports in 1Q15 totaled R\$ 30,330, 16.9% higher than 1Q14, and 47.6% than 4Q14, representing 17% of the total net sales revenue. Europe was the main destination of exports, concentrating 43% of the export revenue. Other markets include: South America (25%), Asia (25%), Africa (5%), and North America (2%).



The main segment of IRANI is the PO Packaging segment (corrugated cardboard), responsible for 66% of the consolidated net sales revenue in 1Q15, followed by the Packaging Paper segment with 25%, and Forest RS and Resins with 9%.

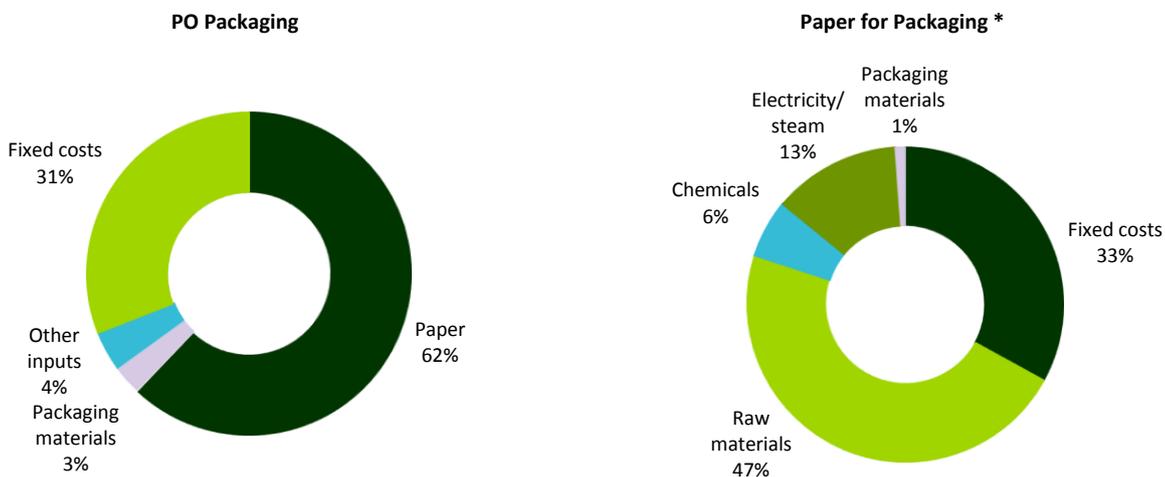
Net sales revenues per Segment



2.2 Cost of Products Sold

The cost of the products sold in 1Q15 was R\$ 127,933, 7.5% less than 1Q14, if compared in absolute numbers, due to reductions in the purchase price of certain raw materials, primarily trimmings. The positive change in the fair value of biological assets is not considered in the amount of the cost of products sold.

The analysis of costs by business segments of IRANI in 1Q15 is shown in the charts below.



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

2.3 Operating income and expenses

Selling expenses in 1Q15 totaled R\$ 18,514, equivalent to 10.1% of the consolidated net sales revenue, compared to 9.1% in the 1Q14.

Administrative expenses in 1Q15 were 1.1% higher than 1Q14, totaling R\$ 11,492, and were equivalent to 6.3% of the consolidated net sales revenue in 4Q14, equal to 1Q14.

Other operating income/expenses resulted in a net expense of R\$ 13 thousand in 1Q15, compared to a net income of R\$ 458 thousand in 1Q14.

3. OPERATING CASH GENERATION (ADJUSTED EBITDA)

Consolidated (thousand R\$)	1Q15	4Q14	1Q14	Var. 1Q15/4Q14	Var. 1Q15/1Q14	UDM15	UDM14	Var. UDM15/UDM14
Profit before taxes and profit sharing	894	17,842	(4,399)	-95.0%	-	33,669	47,810	-29.6%
Depletion	4,422	5,016	5,463	-11.8%	-19.1%	20,577	22,624	-9.0%
Depreciation and amortization	14,435	14,366	11,714	0.5%	23.2%	53,275	38,335	39.0%
Finance result	24,435	13,799	20,229	77.1%	20.8%	75,546	62,176	21.5%
EBITDA	44,186	51,023	33,007	-13.4%	33.9%	183,067	170,945	7.1%
<i>EBITDA Margin</i>	<i>24.2%</i>	<i>26.8%</i>	<i>18.4%</i>	<i>-2.6p.p.</i>	<i>5.8p.p.</i>	<i>24.7%</i>	<i>25.9%</i>	<i>-1.2p.p.</i>
<i>Adjustments CVM Instruction 527/12</i>								
Change in the fair value of biological assets (1)	(510)	(10,966)	(1,625)	-95.3%	-68.6%	(28,301)	(21,732)	30.2%
Stock option/Management participation (2)	-	6,287	-	-	-	6,287	7,929	-20.7%
Non-recurring events (3)	-	(512)	-	-	-	4,725	(26,594)	-
Adjusted EBITDA	43,676	45,832	31,382	-4.7%	39.2%	165,778	130,548	27.0%
<i>Adjusted EBITDA Margin</i>	<i>23.9%</i>	<i>24.1%</i>	<i>17.5%</i>	<i>-0.2p.p.</i>	<i>6.4p.p.</i>	<i>22.4%</i>	<i>19.8%</i>	<i>2.6p.p.</i>

¹ The change in the fair value of biological assets does not represent cash generation in the quarter.

² Stock option/management participation: The amount of R\$ 6,287 refers to the management participation related to the distribution of profits of the Company and does not represent cash disbursement in the quarter.

³ Non-recurring events (UDM15) refer to the negative result of R\$ 4,725 by opting for the REFIS program, of Law 12,996 of June 18, 2014.

Operating cash generation, as measured by the adjusted EBITDA, amounted R\$ 43,676 in 1Q15, an increase of 39.2% in comparison to 1Q14, and a reduction of 4.7% in comparison to 4Q14. The adjusted EBITDA margin in 1Q15 was 23.9%, 6.4% higher than 1Q14, mainly due to reductions in manufacturing costs and operating and fixed costs, in addition to better operating performance and better prices of exports.

Adjusted EBITDA - (Million R\$) and Adjusted EBITDA Margin (%)



4. FINANCE RESULT AND INDEBTEDNESS

The finance result was a net expense of R\$ 24,435 in 1Q15, representing an increase of 20.8% compared to 1Q14, and 77.1% compared to 4Q14, influenced mainly by the effects of the valuation of the U.S. dollar against the Brazilian real. In 1Q15, the finance expenses totaled R\$ 32,652, compared to R\$ 25,782

in 1Q14, and R\$ 23,027 in 4Q14. Finance income totaled R\$ 8,217 in 1Q15, versus R\$ 5,553 in the same period of the previous year, and R\$ 9,228 in 4Q14.

The finance result is shown as follows:

Thousand R\$	1Q15	4Q14	1Q14	UDM15 ¹	UDM14 ¹
Finance income	8,217	9,228	5,553	27,823	21,458
Finance expenses	(32,652)	(23,027)	(25,782)	(103,369)	(83,634)
Finance result	(24,435)	(13,799)	(20,229)	(75,546)	(62,176)

¹Accumulated in the last twelve months.

The finance income and expenses presented include foreign exchange gains and losses, as follows:

Thousand R\$	1Q15	4Q14	1Q14	UDM15 ¹	UDM14 ¹
Foreign exchange gains	3,867	2,675	2,569	10,235	8,714
Foreign exchange losses	(11,062)	(3,576)	(3,343)	(19,815)	(11,572)
Foreign exchange variations, net	(7,195)	(901)	(774)	(9,580)	(2,858)

¹Accumulated in the last twelve months.

The finance result without foreign exchange variations is as follows:

Thousand R\$	1Q15	4Q14	1Q14	UDM15 ¹	UDM14 ¹
Finance result, net of foreign exchange variations	(17,240)	(12,898)	(19,455)	(65,966)	(59,318)

¹Accumulated in the last twelve months.

For the purpose of hedging its exports in the following years, the Company maintains the maturities of its commitments in foreign currency (U.S. dollars) aligned with the estimated receivables in U.S. dollars. The foreign exchange variations of these transactions are accounted for monthly in equity and recognized in the results as finance expenses when realized (hedge accounting). In 1Q15, the negative amount recognized in equity was R\$ 43,920. In the accumulated, the Company's equity includes R\$ 92,372 to be recognized in profit or loss on realization.

Foreign exchange rate

The foreign exchange rate of R\$ 2.66/US\$ at December 31, 2014 has increased by 20.68% and reached R\$ 3.21/US\$ by the end of March 2015. The average foreign exchange rate for the quarter was R\$ 2.87/US\$, 12.99% higher than 4Q14 and 21.10% higher than 2014.

	1Q15	4Q14	1Q14	Δ1Q15/4Q14	Δ1Q15/1Q14
Average U.S. dollar	2.87	2.54	2.37	+12.99%	+21.10%
Final U.S. dollar	3.21	2.66	2.26	+20.68 %	+42.04%

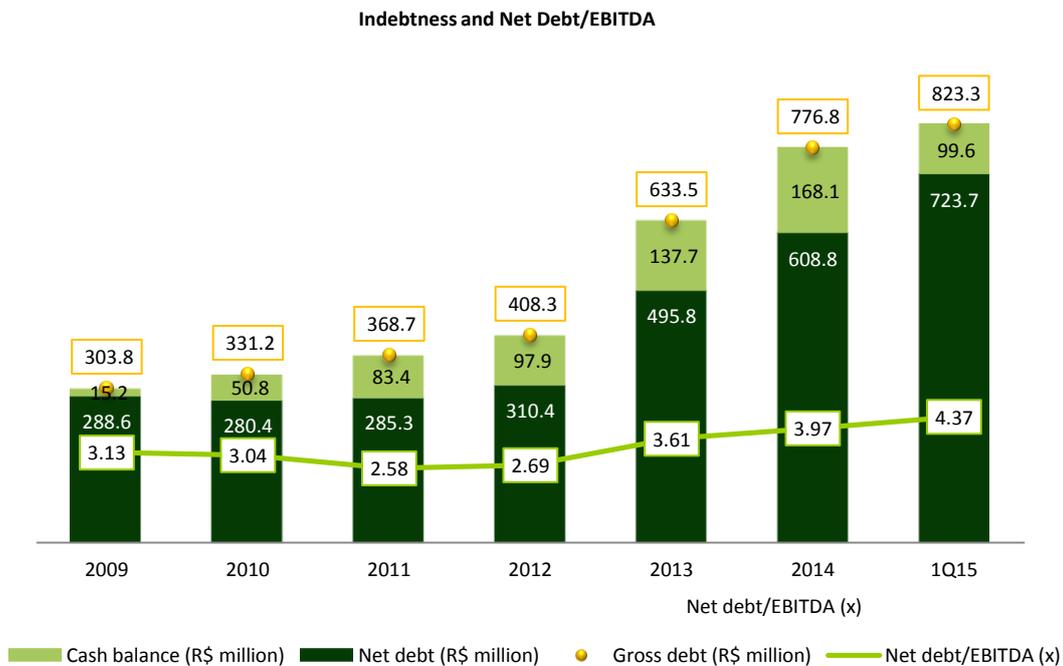
Source: Brazilian Central Bank

Indebtedness

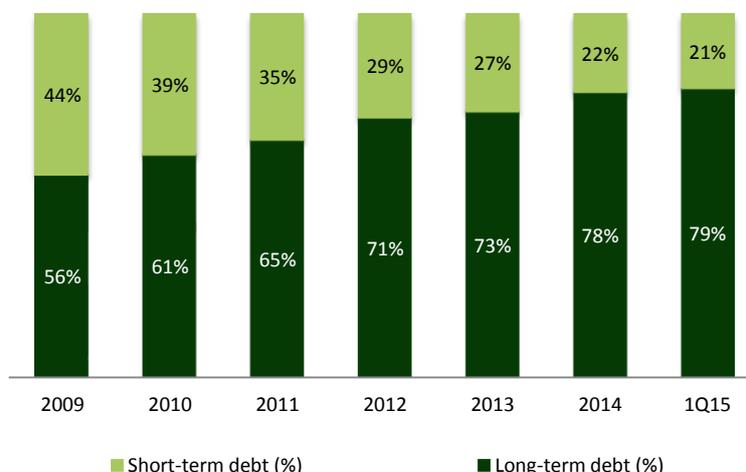
Consolidated gross indebtedness at March 31, 2015 totaled R\$ 823.3 million, compared to R\$ 776.8 million at December 31, 2014. The change in this indicator was influenced by the increase in the U.S. dollar rate in the quarter and its effect on the exposure of part of the debt in this currency. The gross debt profile at March 31 was 21% in the short-term and 79% in the long-term.

Consolidated cash at March 31, 2015 totaled R\$ 99.6 million, compared to R\$ 168.1 million at December 31, 2014. The impact on the cash balance was due to settlements of financial transactions, the increased need for working capital, and the payment of an interim dividend, which reduced the cash balance.

Accordingly, the consolidated net indebtedness at March 31, 2015 totaled R\$ 723.7 million, compared to R\$ 608.8 million at December 31, 2014. The net debt/EBITDA indicator changed from 3.97 times at the end of December 2014 to 4.37 times at the end of 1Q15.



Gross Indebtness Profile



5. PROFIT

The profit for 1Q15 was R\$ 3,130 compared to a loss of R\$ 3,244 for 1Q14 and a profit of R\$ 27,924 for 4Q14. Over the last 12 months, the profit was R\$ 62,953, compared to R\$ 60,612 in the same period of the prior year.

6. INVESTMENTS

Investments totaling R\$ 11,772 were made in 1Q15 for maintenance and improvements to the Company's machinery and equipment.

R\$ thousand	1Q15
Equipment	10,013
Intangible assets	468
Reforestation	1,291
Total	11,772

7. CAPITAL MARKET

The share capital at March 31, 2015 was represented by 166,720,235 shares, of which 153,909,975 (92%) are common shares, and 12,810,260 (8%) are preferred shares. At March 31, 2015, the Company held in treasury 2,376,100 shares, of which 24,000 common shares and 2,352,100 preferred shares. On the same date, the Company's market value was R\$ 552,098, an increase of 1.6% compared to the 4Q14 when it was R\$ 543,636.

7.1 Dividends

The Board of Directors approved, on March 6, 2015, the payment of an interim dividend based on the December 31, 2014 financial statements, of R\$ 12,667,197.87 (twelve million, six hundred and sixty-seven thousand, one hundred and ninety-seven reais and eighty-seven cents), corresponding to

R\$ 0.077077 per common and preferred share. The payment to stockholders took place on March 24, 2015.

8 EVENTS AFTER THE REPORTING PERIOD

The Annual and Extraordinary General Meeting of stockholders held on April 23, 2015 approved an increase in the Company's share capital through capitalization of the legal reserve and retained earnings of R\$ 10,000,000.00, from R\$ 151,894,847.81 to R\$ 161,894,847.81, without the issue of new shares.