



2011 Interim Results Presentation



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Business Highlights – 1H 2011

1

Solid year-on-year growth in revenue and profit attributable to shareholders, excluding discontinued DP Macao business, despite market volatility

2

Ongoing progress in developing successfully integrated business, connecting fast growing tree plantations in Brazil, with a rapidly expanding consumer market in China

3

Positive momentum in building low-cyclical specialty grades revenue streams

4

Strong long term growth prospects, tempered by current market headwinds

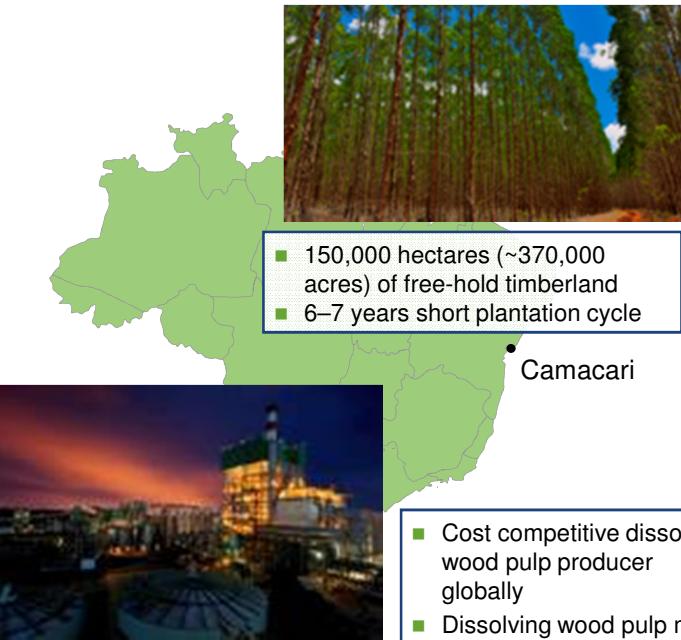
Sateri: A Fully Integrated Business Connecting Fast-Growing Tree Plantations in Brazil, with a Fast-Growing Consumer Market in China

China: Largest market for dissolving wood pulp

Brazil: Leading global dissolving wood pulp producer



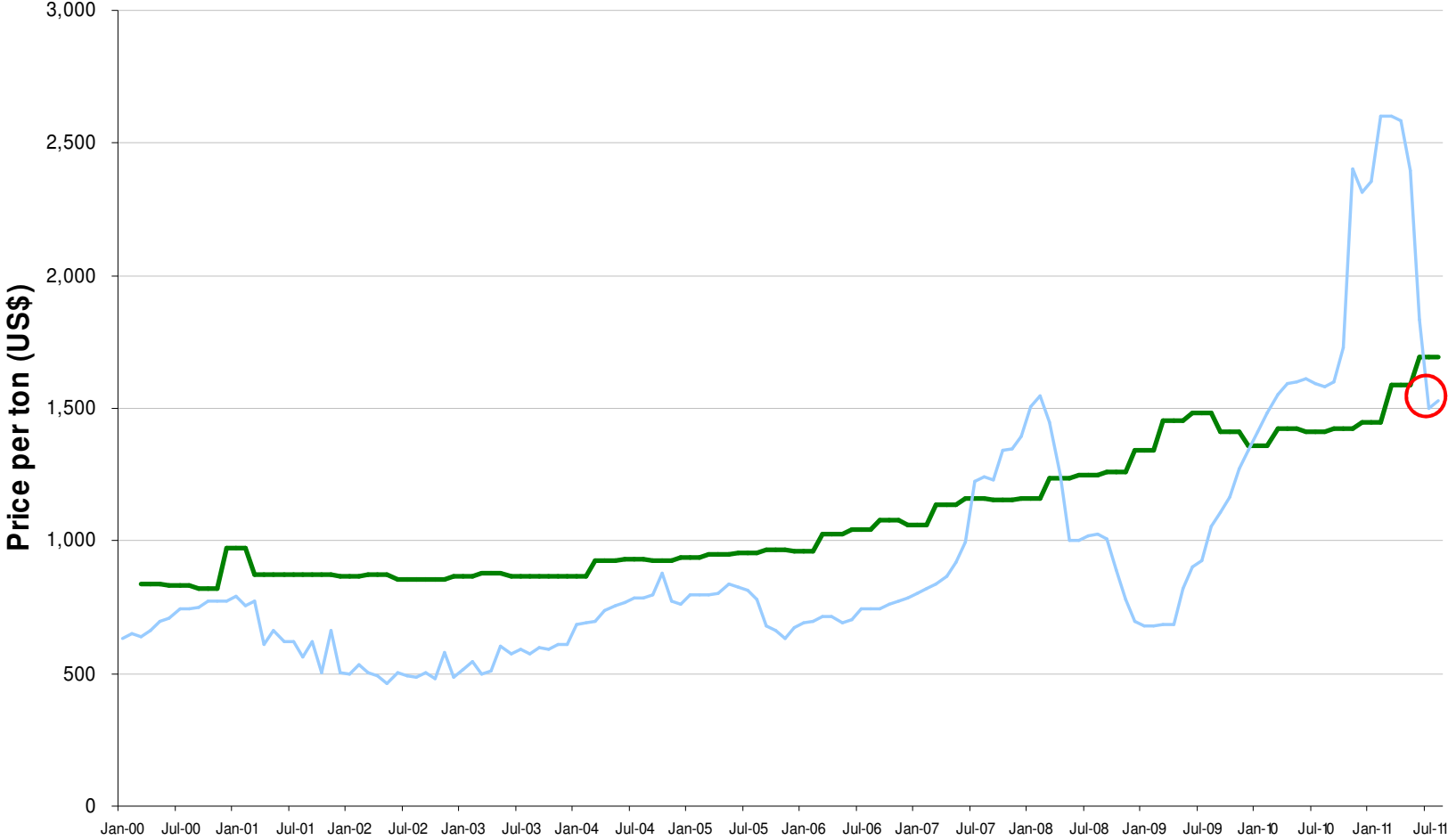
- 30% share of rayon grades dissolving wood pulp import to China
- One of the largest viscose staple fiber producers in China



- 150,000 hectares (~370,000 acres) of free-hold timberland
- 6-7 years short plantation cycle

- Cost competitive dissolving wood pulp producer globally
- Dissolving wood pulp mill with state-of-the-art technology and at strategic location

Dissolving Wood Pulp Price Trend in the Last 10 Years

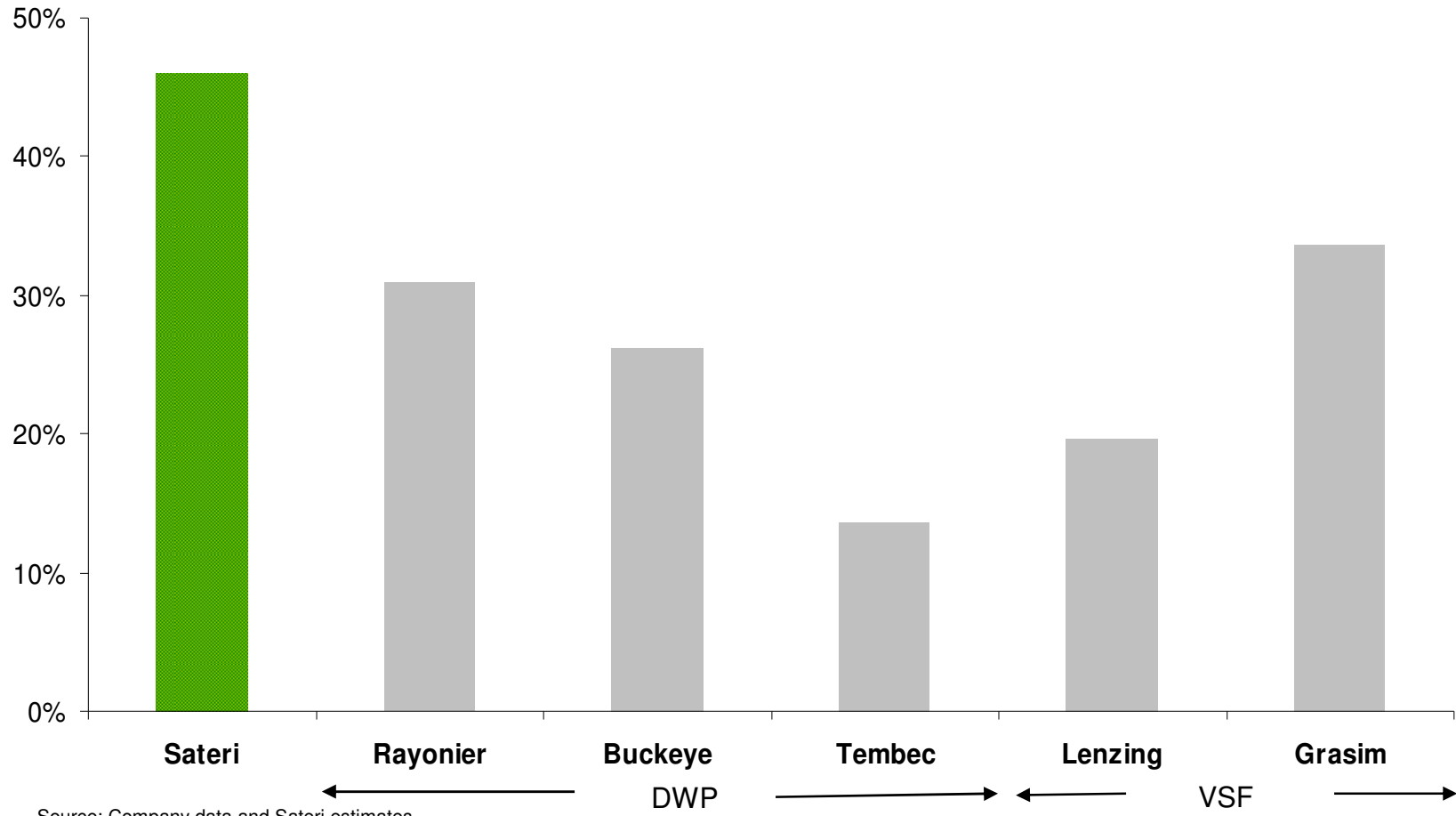


Source: CCF Group, Sateri

— Dissolving Wood Pulp - Specialty Grades — Dissolving Wood Pulp - Rayon Grades

Integrated Business Model Drives Industry-leading Margins

EBITDA Margins of Sateri and Industry Peers



Note: Based on latest published annual results announcement and the relevant segment data of the respective companies.
 For comparison purposes, EBITDA margin for Sateri is for the year ended 31 Dec 2010, excluding DP Macao

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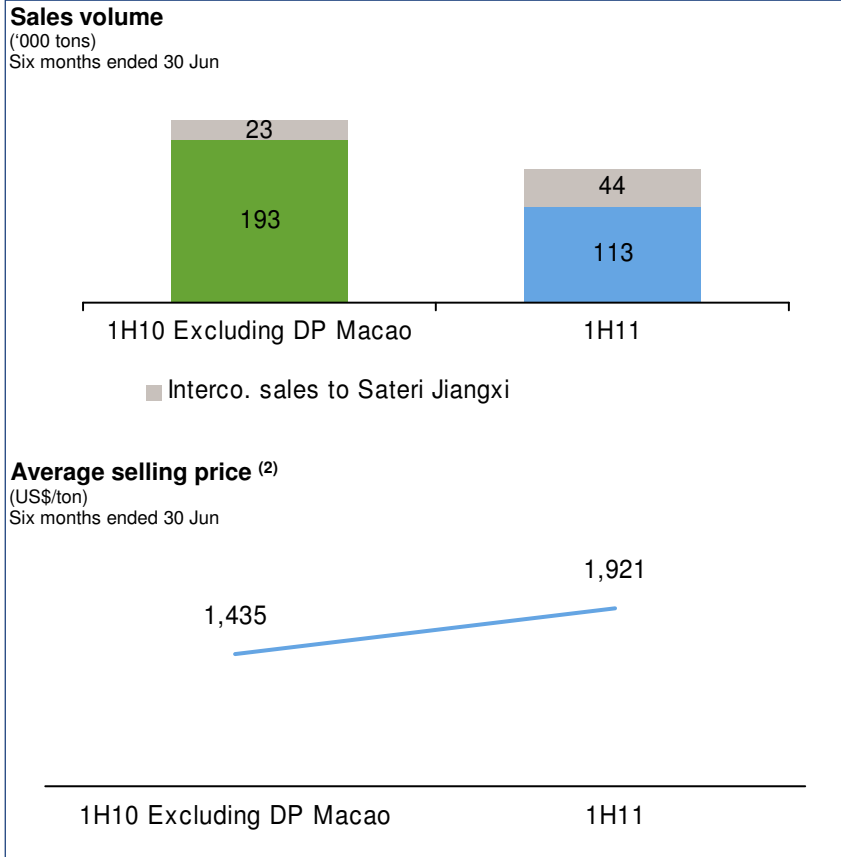
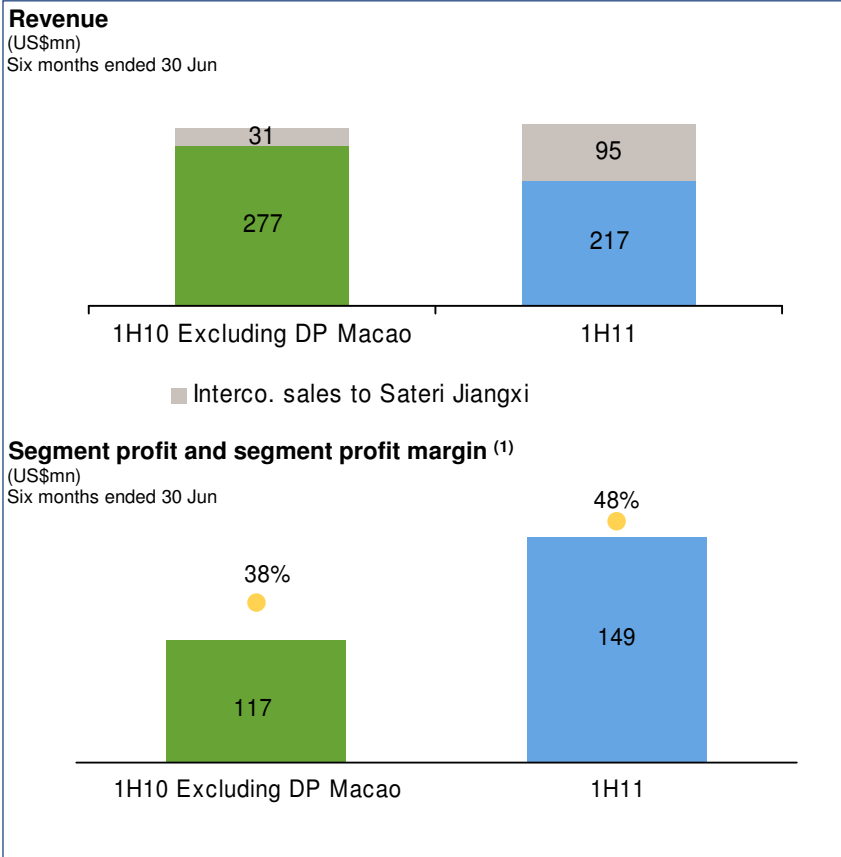
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Key Financial Highlights

US\$ mn	1H10 (Excluding DP Macao)	1H11	Change (%)
Dissolving wood pulp segment revenue	308	312	+2%
Intercompany revenue (Note)	(31)	(95)	+208%
Viscose staple fiber segment revenue	75	167	+121%
Consolidated revenue	352	384	+9%
EBITDA	184	208	+13%
EBITDA margin	52%	54%	+2ppt
Profit attributable to shareholders	113	139	+22%
Net profit margin	32%	36%	+4ppt

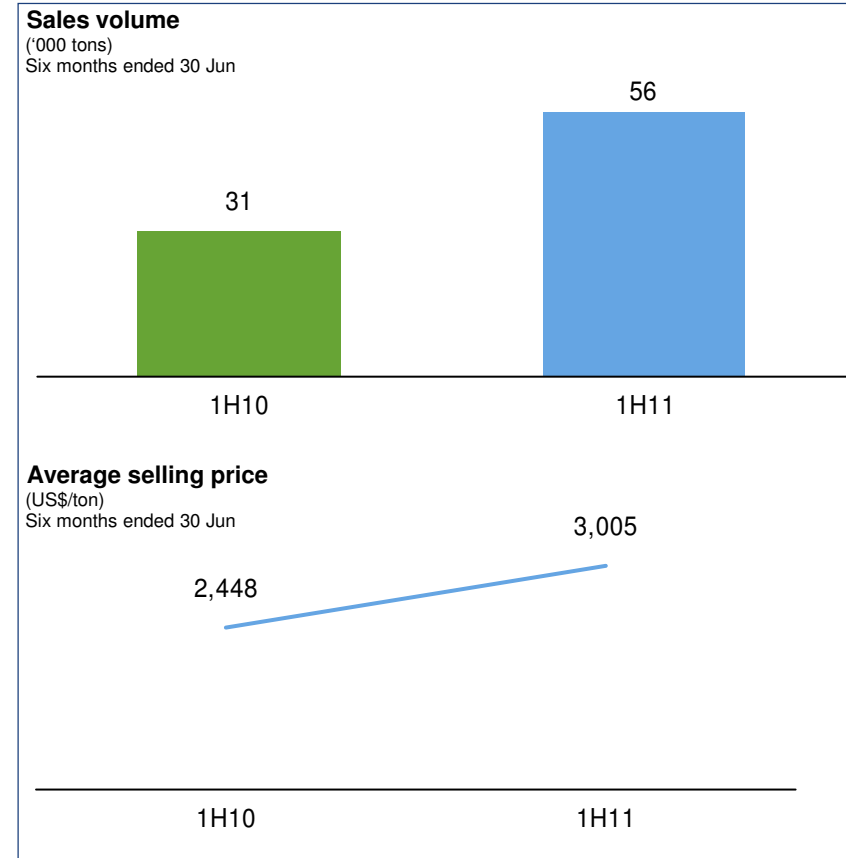
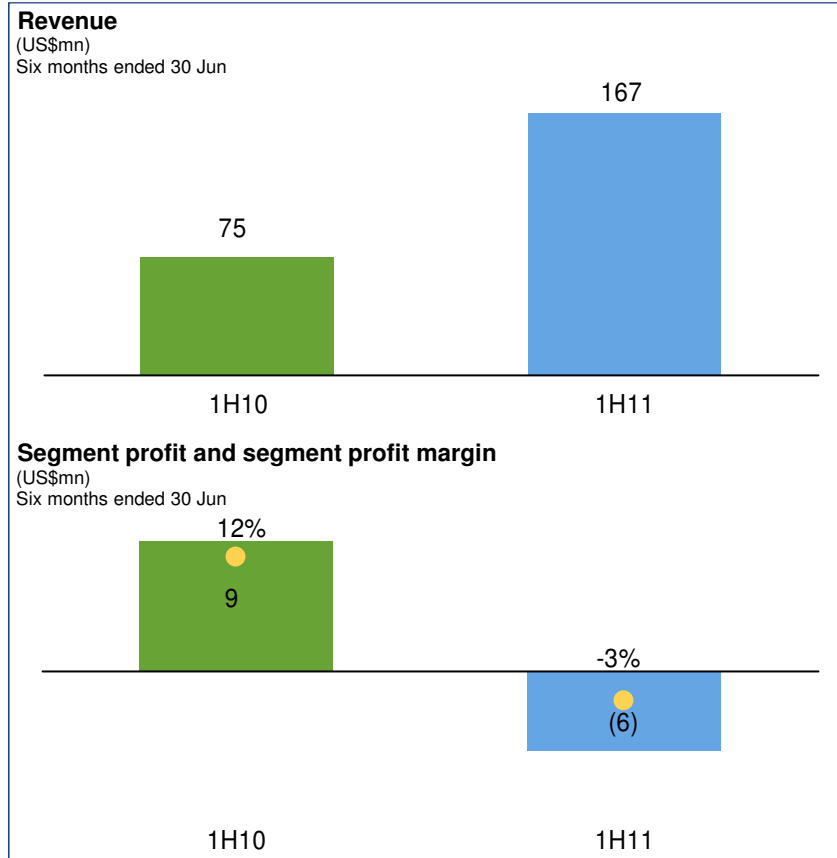
Note: Intercompany revenue represents sales between Bahia Specialty Cellulose ("BSC") and Sateri Jiangxi ("SJX")

Dissolving Wood Pulp: Segment Results



(1) Includes intercompany sales and profits between Bahia Specialty Cellulose ("BSC") and Sateri Jiangxi ("SJX")
 (2) Blended ASP for rayon and specialty grades, excluding intercompany sales
 (3) 1H10 unaudited pro forma financials exclude results of DP Macao trading business disposed of on 30 September 2010

Viscose Staple Fiber: Segment Results



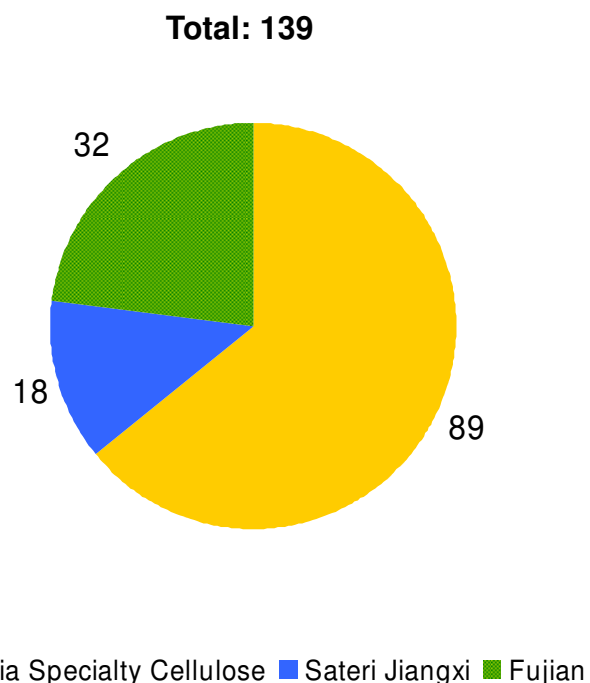
Strong Financial Position

US\$ mn	Year ended 31 December 2010	Six months ended 30 June 2011	Change (%)
Total assets	2,447	2,531	+3%
Total liabilities	964	870	-10%
Net assets	1,484	1,661	+12%
Total debt	664	621	-7%
Cash and cash equivalents ^(Note)	436	306	-30%
Net debt	228	315	+38%
Current ratio	1.8x	1.9x	
Net gearing	15%	19%	

Note: Includes pledged bank deposits

Capital Expenditure

(US\$m) Six months ended 30 Jun 2011



1H2011 highlights

- ✓ Brazil - Bahia Specialty Cellulose
 - Addition of a further 20,000 metric tons to reach 485,000 metric tons of annual capacity
 - Continued investment in replanting, Line 2 and maintenance capex to position for full capacity running
- ✓ China - Sateri Jiangxi
 - Addition of further 30,000 metric tons of capacity to 160,000 metric tons
- ✓ China - Fujian
 - Ongoing construction of new VSF mill expected to be operational in 1H2013

Future priorities

- ✓ China
 - Completion of Fujian project
 - Exploring potential opportunities in Jiangsu and in Chongqing
- ✓ Brazil
 - Feasibility and cost-benefit analysis of potential expansion to 550,000 metric tons capacity

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Outlook

- 1** Cautiously optimistic about the outlook in 2H11
- 2** Increase in global supply of dissolving wood pulp and viscose staple fiber may put pressure on market pricing
- 3** Sateri is well-positioned in view of its integrated business platform and industry-leading margins

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