

DURATEX

2004 Year End Results

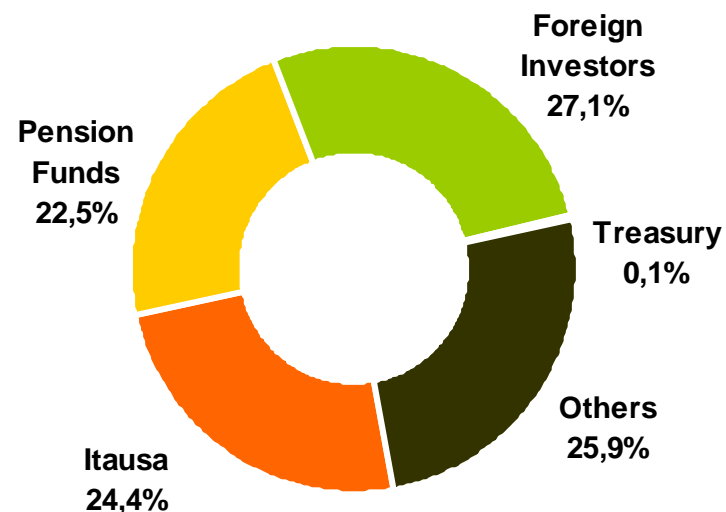
■ Free Float

Number of Outstanding Shares: **11.782.716.987**

Common **37%**

Preferred **63% (80% tag-along Rights)**

Preferred Shareholders' Structure - Jan/05



▪ **Statutory Changes and Extraordinary Dividend**

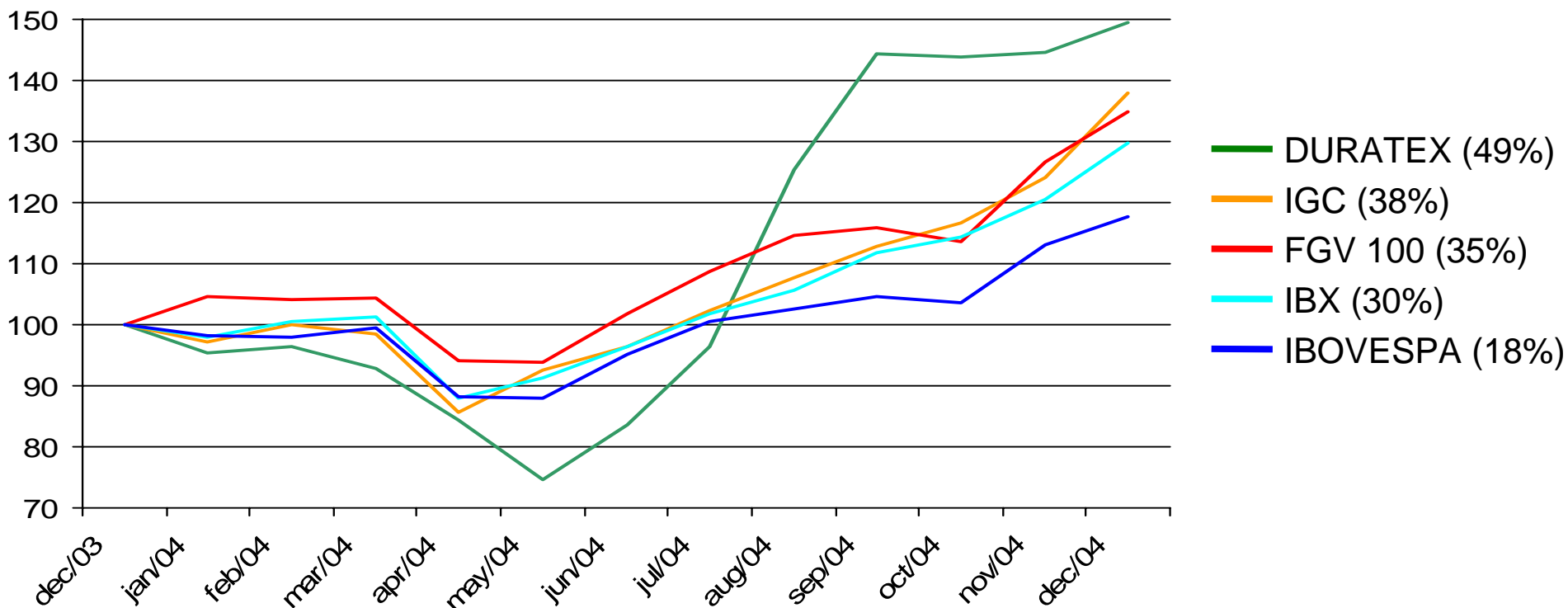
Extinction of the Beneficiary Parts (BPs), surpassing market's expectations;

Increase of the mandatory dividend from **25%** to **30%** of the Adjusted Net Income;

Distribution of an extraordinary dividend of **R\$ 1,30 / thousand shares** in November of 2004.

Performance of Duratex Preferred Shares

- Duratex PN x Stock Indexes
(100 BASIS as of December/03)



Business Segments

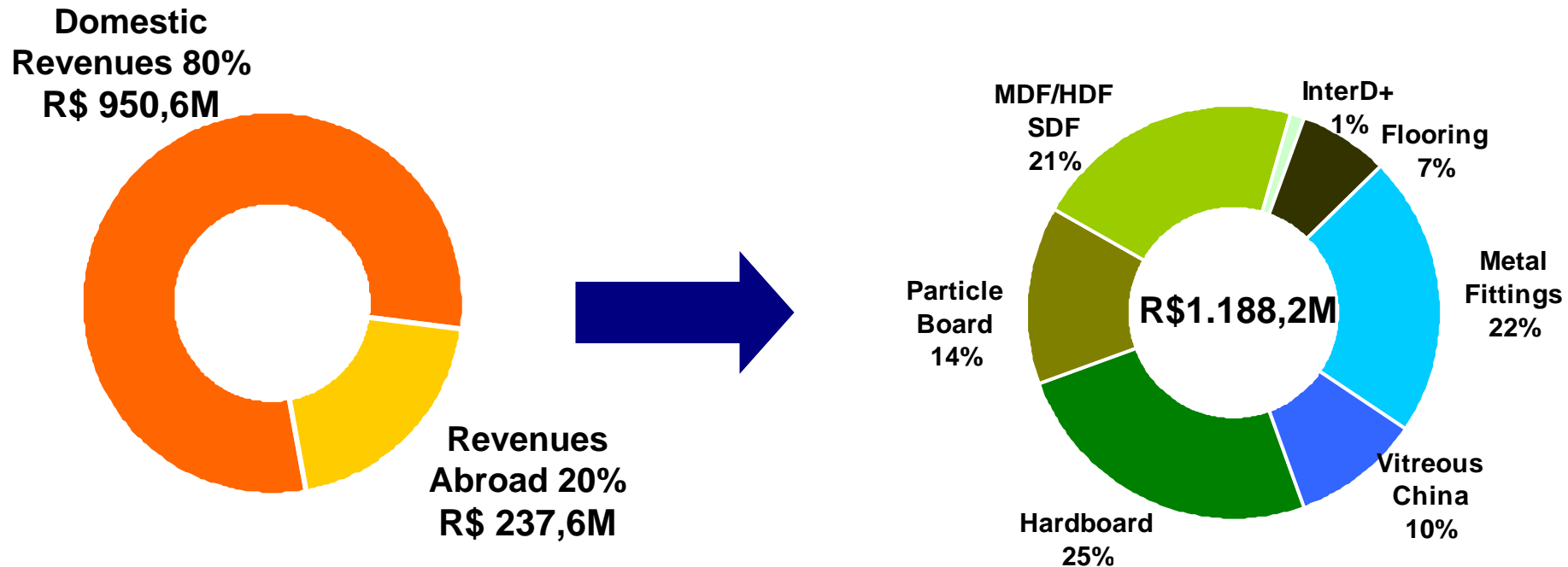
 **Wood**

- Hardboard
- Particle Board
- MDF/HDF/SDF
- Laminate Flooring
- Ceiling and Wall Paneling

 **Deca**

- Metal Fittings
- Vitreous China
- Accessories

Net Revenues Breakdown



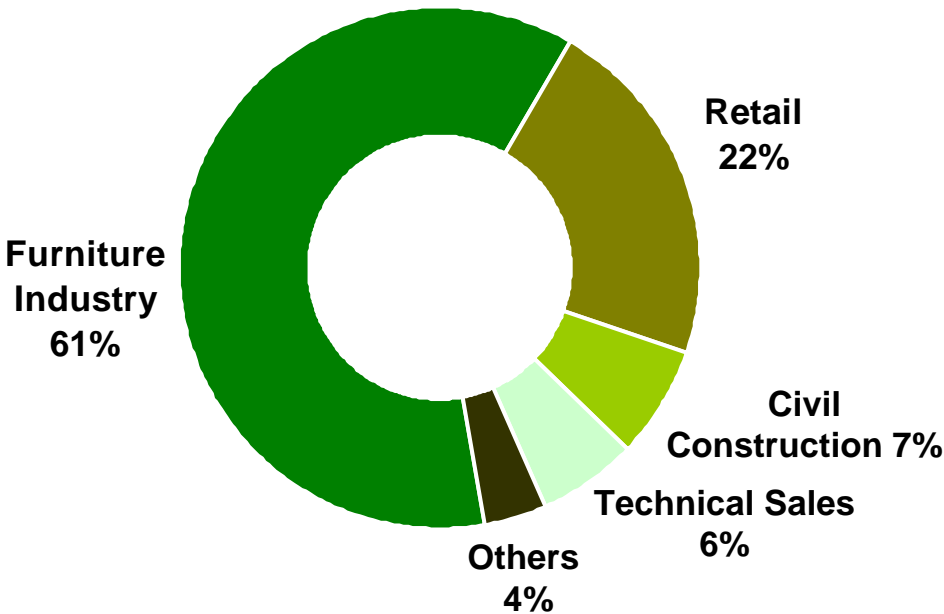
- **Wood Division 68%**
- **Deca Division 32%**



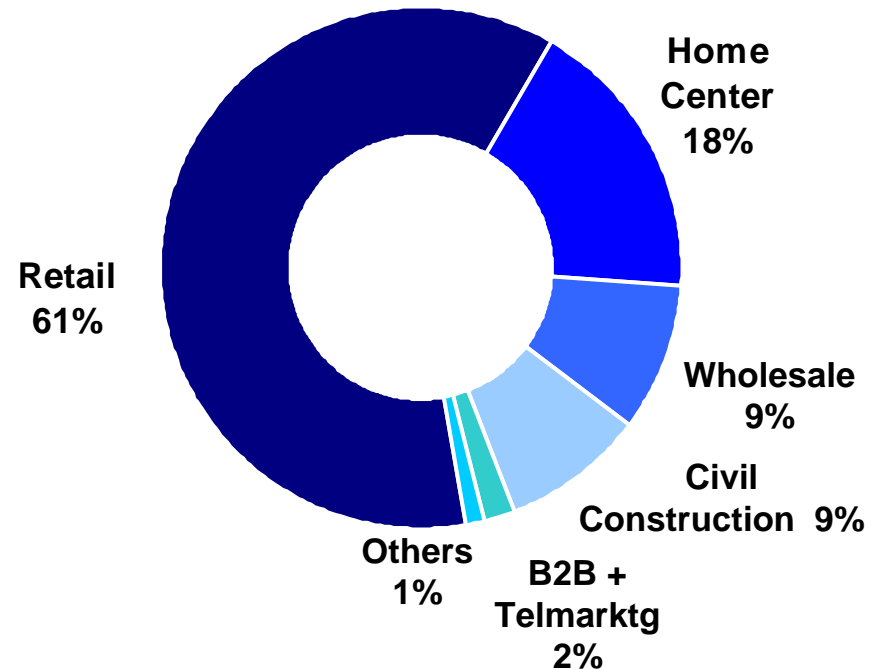
Distribution Channel



Wood



Deca



2004 Capital Expenditures Plan

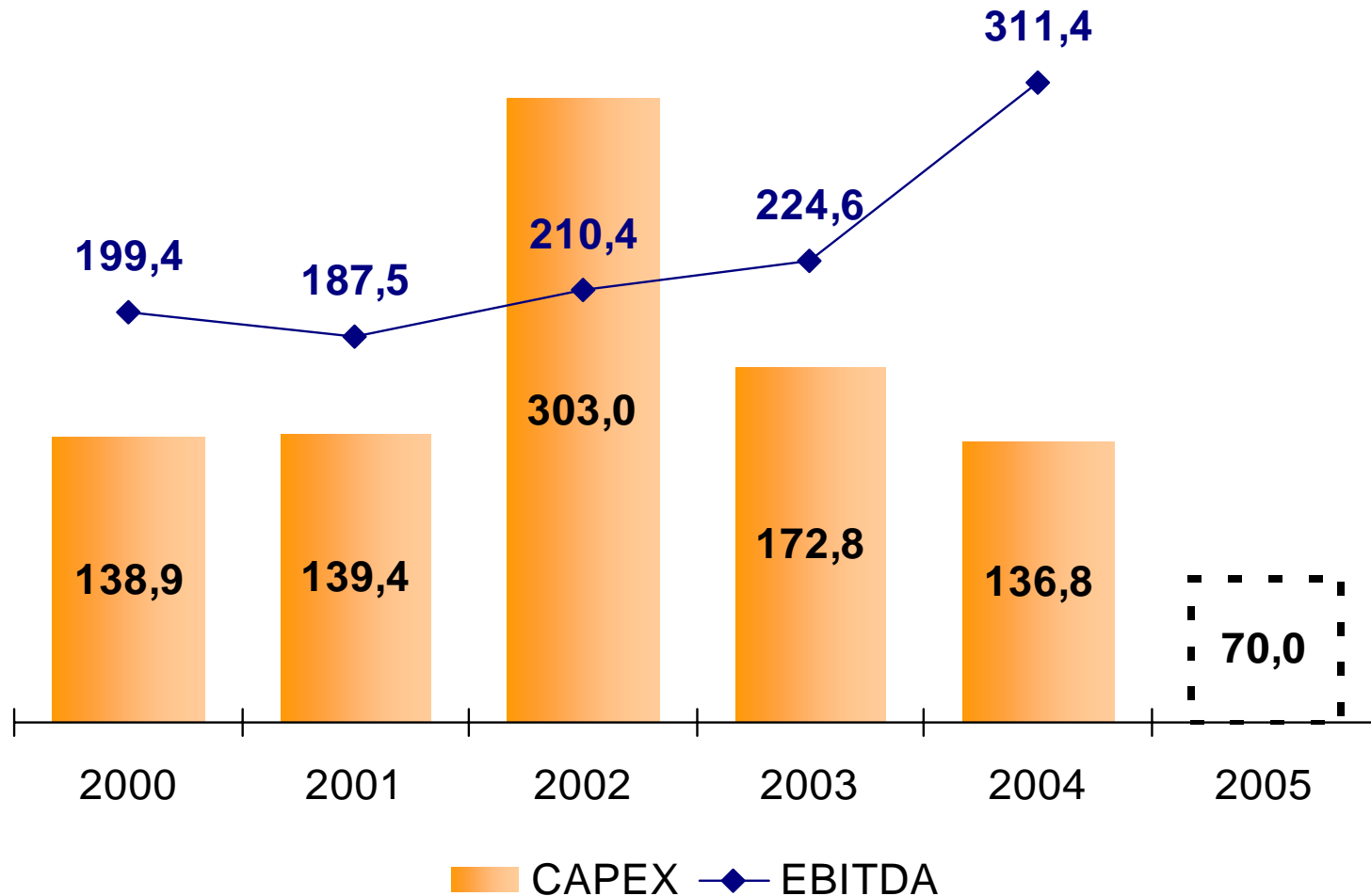
There were invested **R\$ 136,8M** in fixed assets

Highlights:

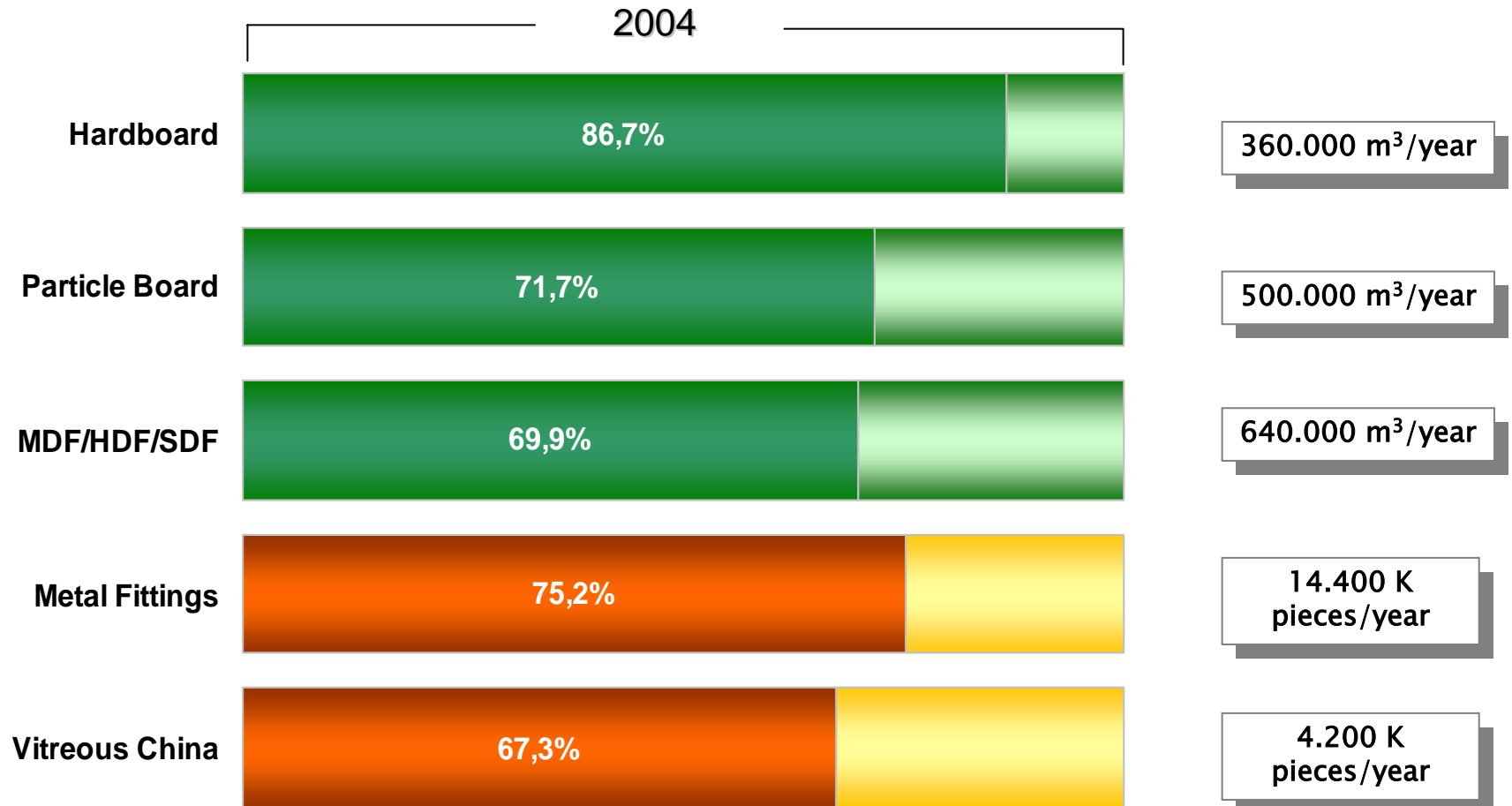
- Installation of a new kiln at the Vitreous China unit, in Jundiaí/SP, increasing its industrial capacity by 30%, to **4,2 millions of pieces per year**;
- New low pressure coating line in Botucatu/SP;
- Equipment for producing Particle Board panels with a super thin surface;
- Acquisition of **4.100 hectares of land** – Botucatu and Itapetininga.

Capital Expenditures

(R\$ Million)

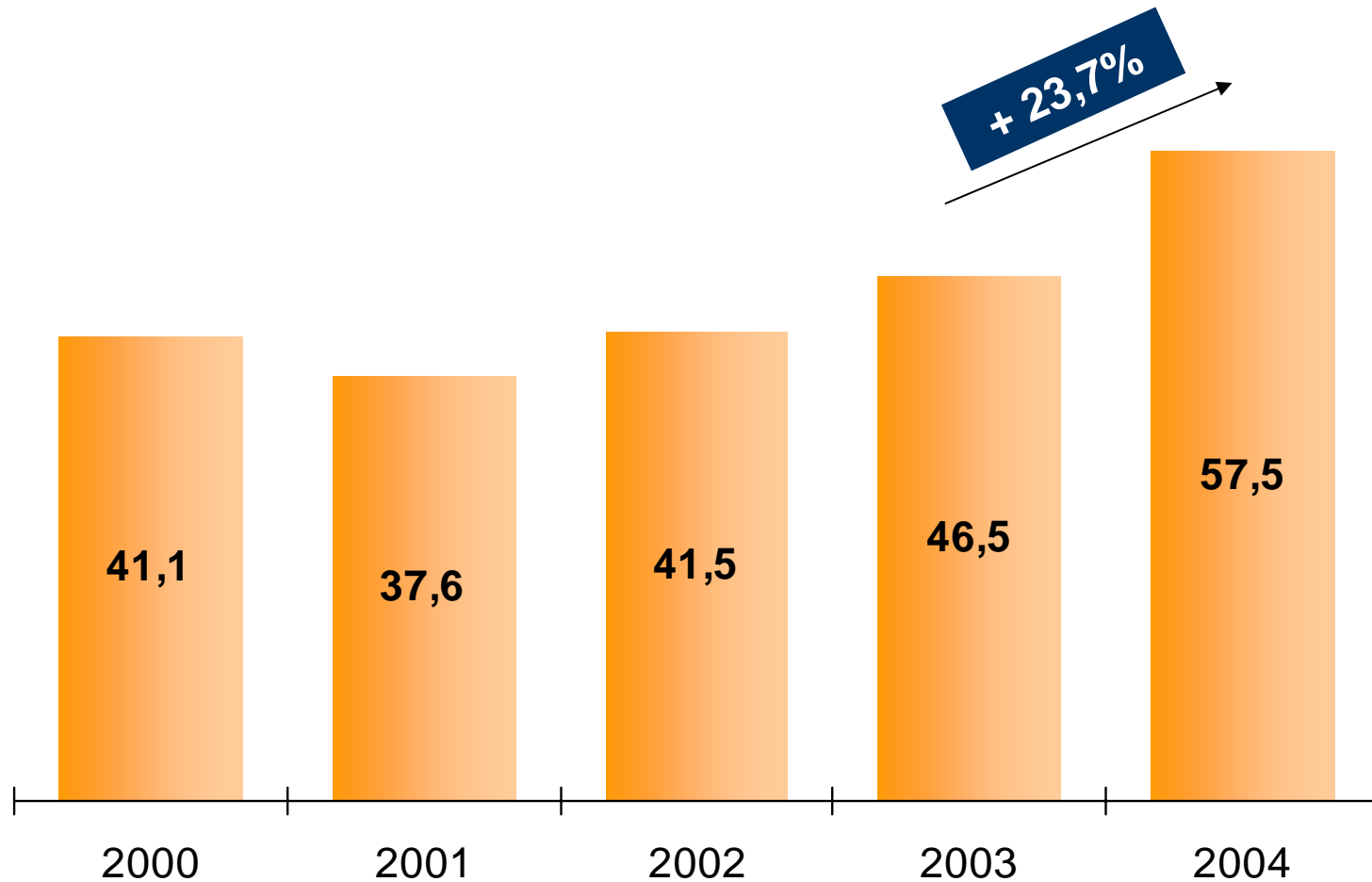


Industrial Capacity & Occupancy Rates



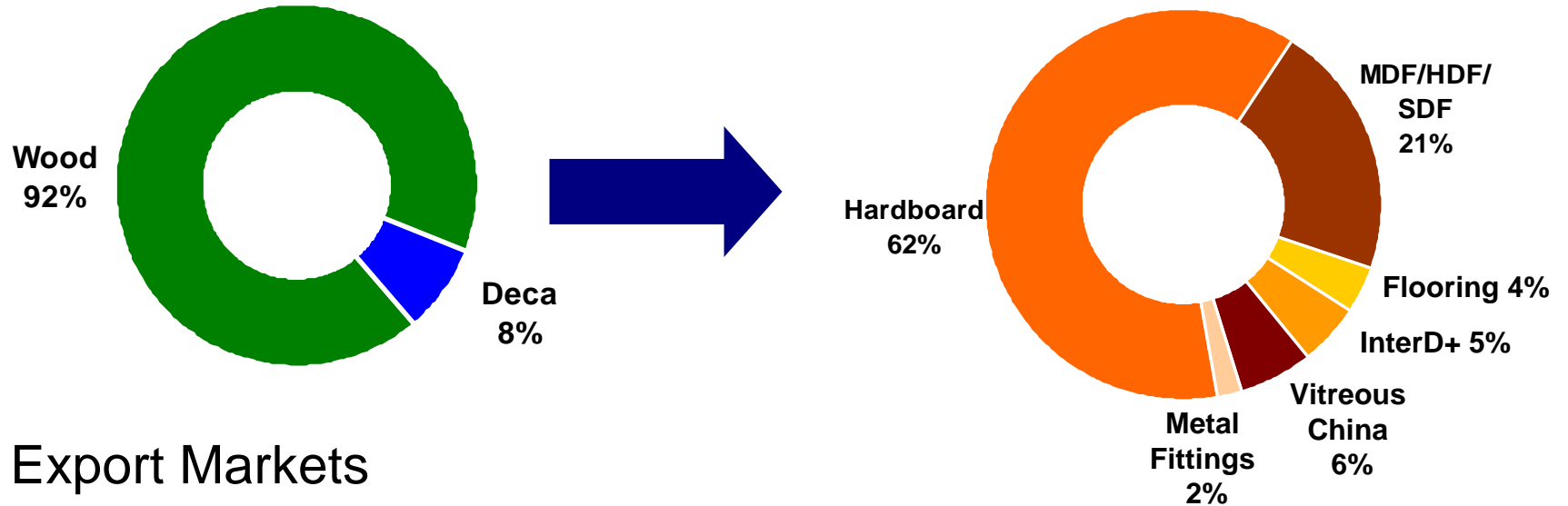
Exports

(US\$ Million)





Exports - Highlights



■ Export Markets

United States	48%
Europe	19%
Asia / Middle East	17%
South / Central America	12%
Others	4%

Furniture Export (in US\$)

- **2004: 3.022 k**
 - **2003: 874 k**
- 
- + 246%**

Main Clients: Holland and Mexico

Product Line: **380 items**

Showroom (Jundiaí/SP)

- **Area: 2.000 m²**

Vitreous China Export (in US\$)

- 2004: 3.592 k
 - 2003: 1.899 k
- 

Fairs: Bolivia, England, Portugal, Mexico, New Zealand and United States (*Kitchen and Bath – Mar/04*)

Development of **30 products** to the U.S.

Establishing of a logistic and commercial infrastructure in the U.S.

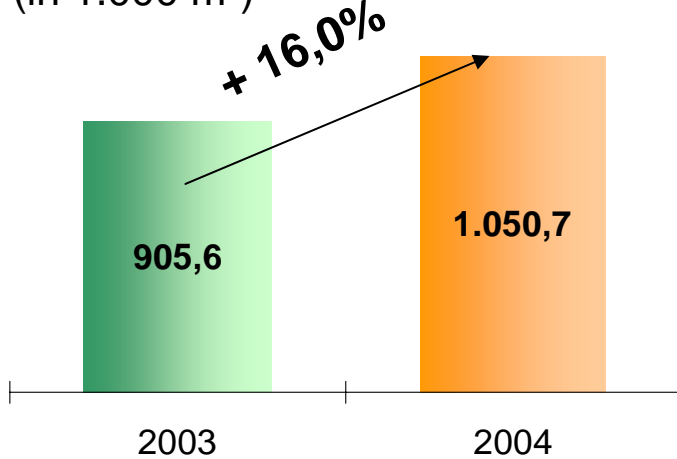
2004 Consolidated Income Statement

(R\$ Million)

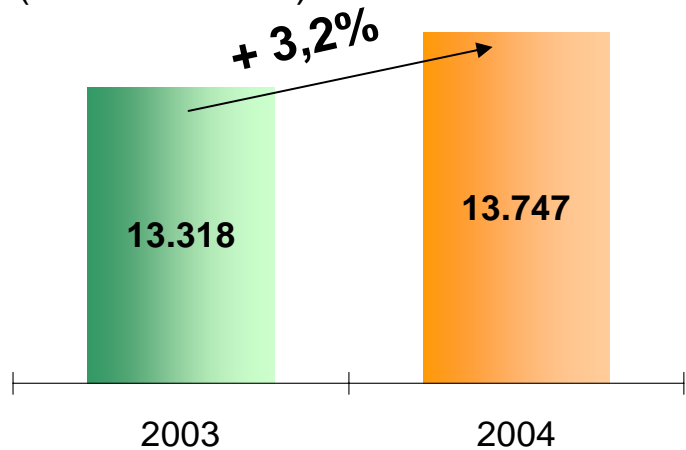
	2004	2003	HA%
NET REVENUES	1.188,2	989,6	20%
COGS	(655,8)	(573,9)	14%
Depreciation/Amortization/Depletion	(69,8)	(55,6)	
GROSS PROFIT	462,6	360,1	28%
<i>% Gross Margin</i>	39%	36%	
OPERATING PROFIT BEFORE FIN. RESULT	237,2	165,9	43%
Financial Result	(55,1)	(63,3)	
OPERATING RESULT	182,1	102,6	77%
NET INCOME	125,3	64,0	96%
<i>% Net Margin</i>	11%	6%	
EBITDA	311,4	224,7	39%
<i>% EBITDA Margin</i>	26%	23%	

2004 Consolidated Performance

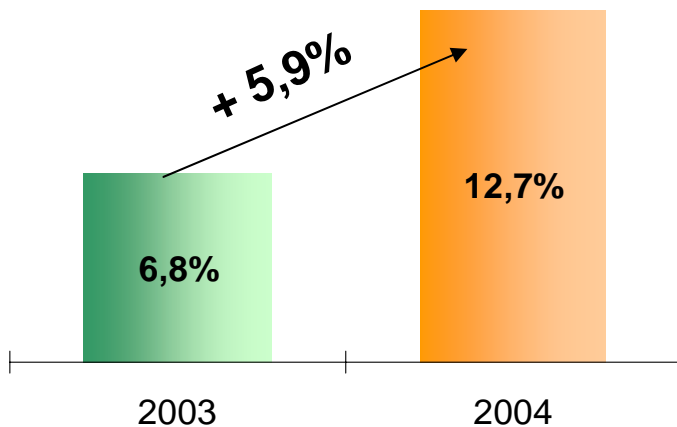
Shipments – Wood
(in 1.000 m³)



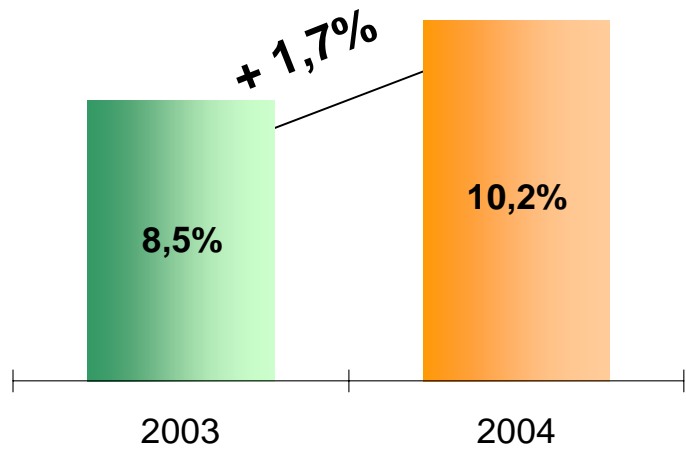
Shipments – Deca
(in 1.000 items)



ROE



ROIC



2004 Consolidated Financials per Division

(R\$ Million)

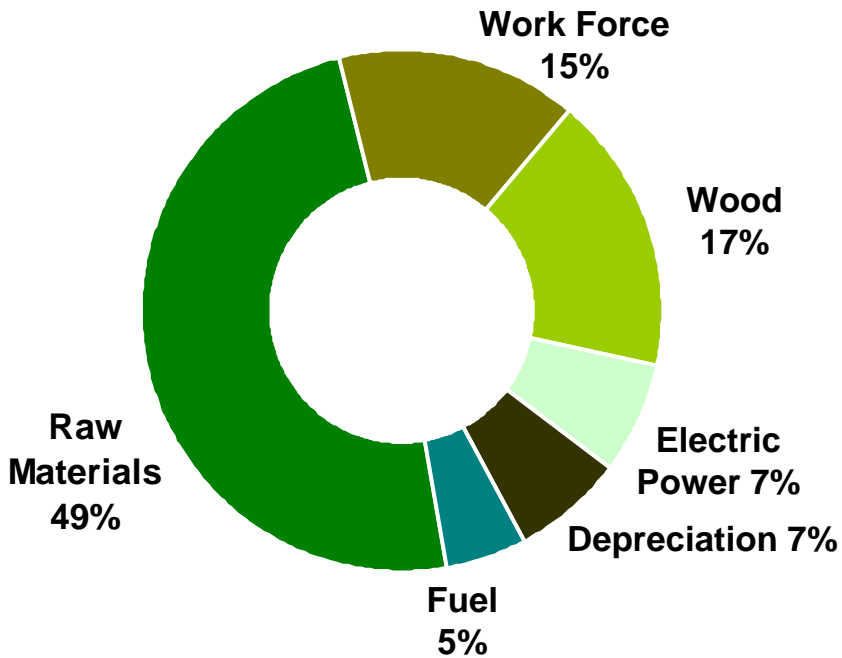
	Wood Division		Deca Division		Consolidated	
	R\$ M	VA%	R\$ M	VA%	R\$ M	VA%
Net Revenues	807,2	100%	381,0	100%	1.188,2	100%
COGS	(426,4)	53%	(229,4)	60%	(655,8)	55%
Depreciation	(51,0)	6%	(18,8)	5%	(69,8)	6%
Gross Profit	329,8	41%	132,8	35%	462,6	39%
EBITDA 2004	250,6	31%	60,8	16%	311,4	26%
EBITDA 2003	173,7	26%	50,9	15%	224,7	23%



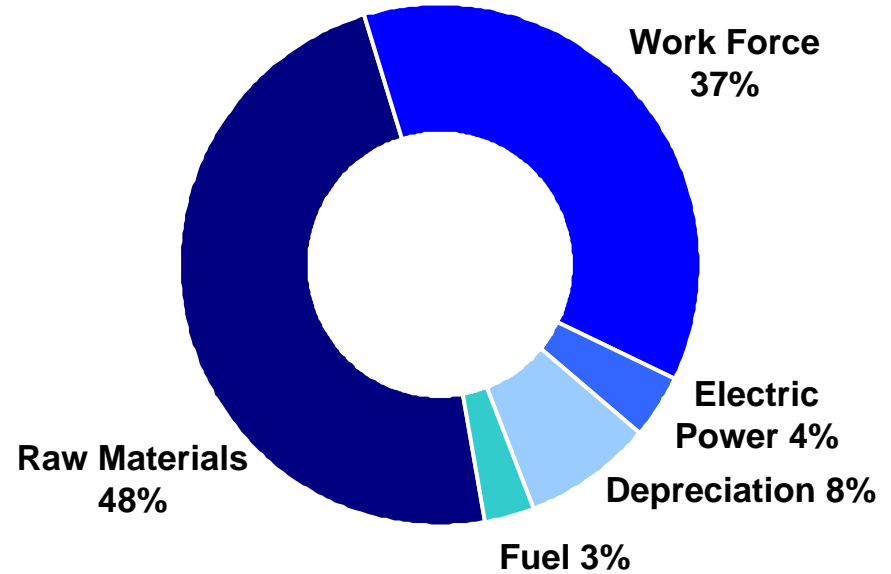
COGS Breakdown



Wood



Deca



Quarterly Performance

(R\$ Million)

	4Q04	3Q04	2Q04	1Q04	4Q03
Shipments					
Wood (in 1.000 m ³)	257,8	280,0	271,7	241,2	252,9
Deca (in 1.000 items)	3.303	3.740	3.365	3.339	3.489

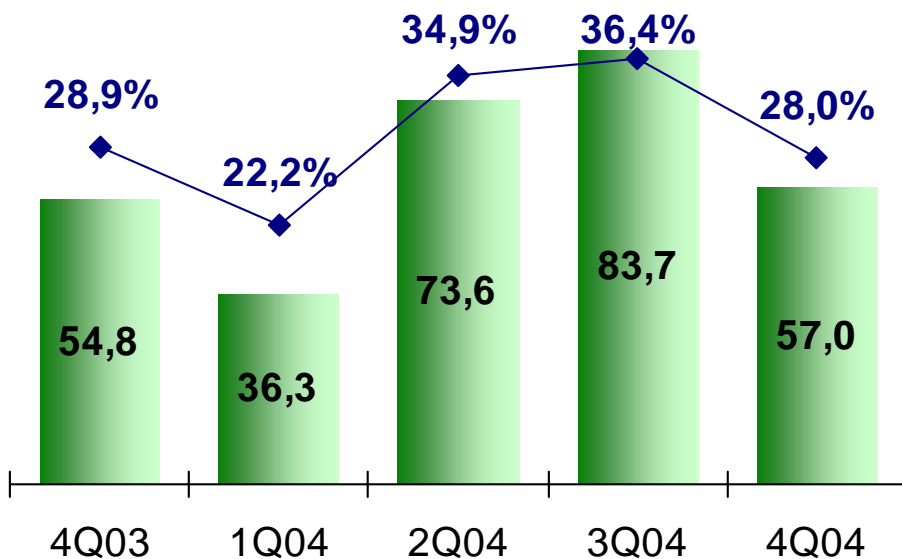
	4Q04	3Q04	2Q04	1Q04	4Q03
Net Revenues	304,9	331,4	301,6	250,3	279,2
COGS	184,0	189,6	185,6	166,5	178,2
Gross Profit	120,9	141,9	116,0	83,8	101,0
<i>% Gross Margin</i>	39,7%	42,8%	38,5%	33,5%	36,2%
Operating Result	52,8	80,3	68,2	35,9	50,3
EBITDA	70,6	99,4	87,7	53,7	65,1
<i>% EBITDA Margin</i>	23,2%	30,0%	29,1%	21,5%	23,3%
Net Income	32,6	43,6	37,8	11,3	22,5
ROE (annualized)	13,8%	18,7%	16,8%	5,0%	9,9%

Performance per Division

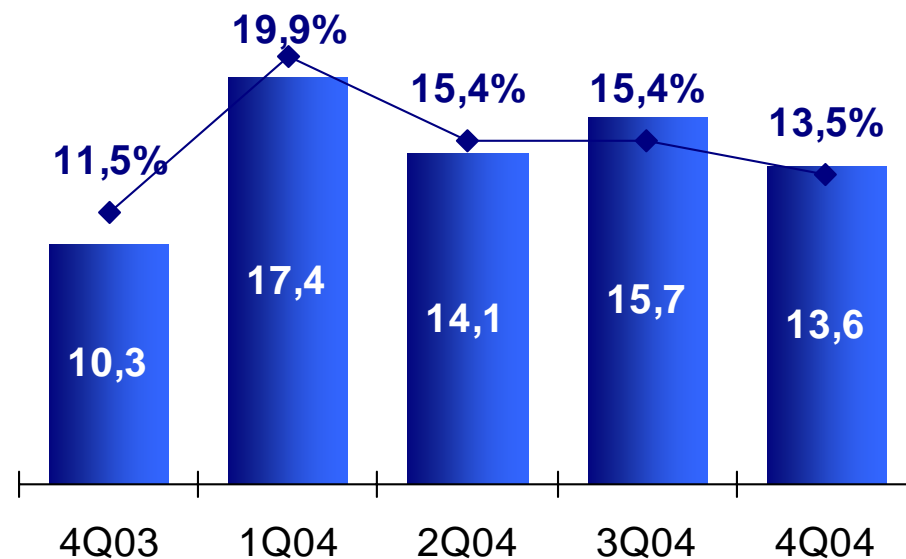
- EBITDA (R\$ M) & Margin (%)



Wood



Deca



Consolidated Cash Flow Statement

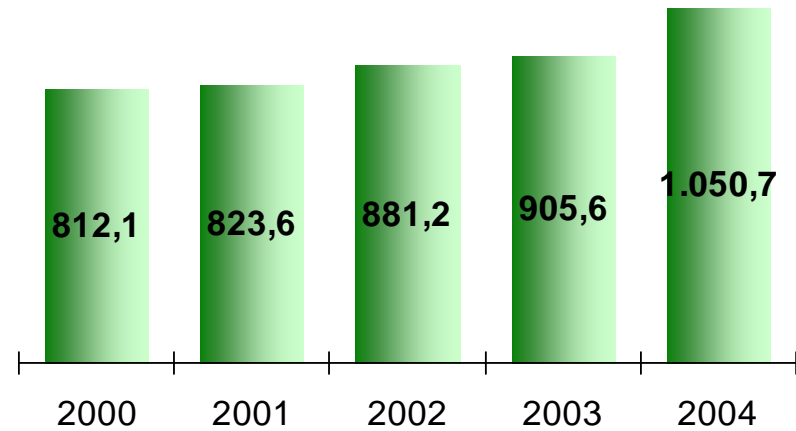
(R\$ Million)

	2004	2003
NET INCOME	125,3	64,0
Depreciation/Amortization/Depletion	74,2	58,8
Interests/FX Variation	39,2	37,4
Provisions	27,4	24,6
SUB-TOTAL	266,1	184,8
Investments in Working Capital	(82,0)	(69,1)
OPERATING CASH FLOW	184,1	115,7

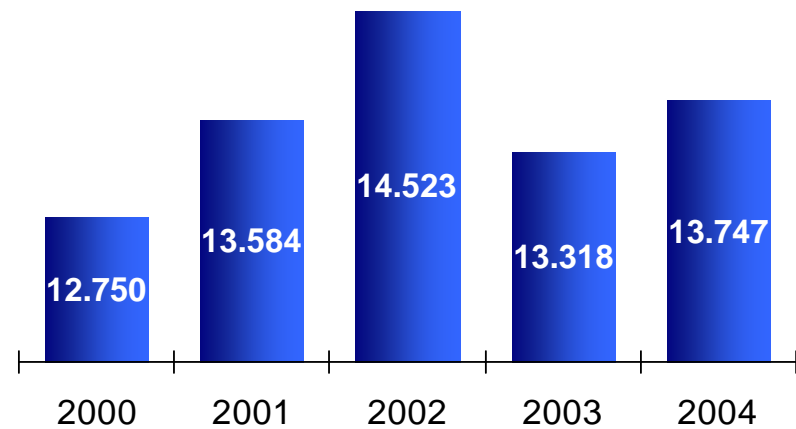
Shipments



Wood
(in 1.000 m³)

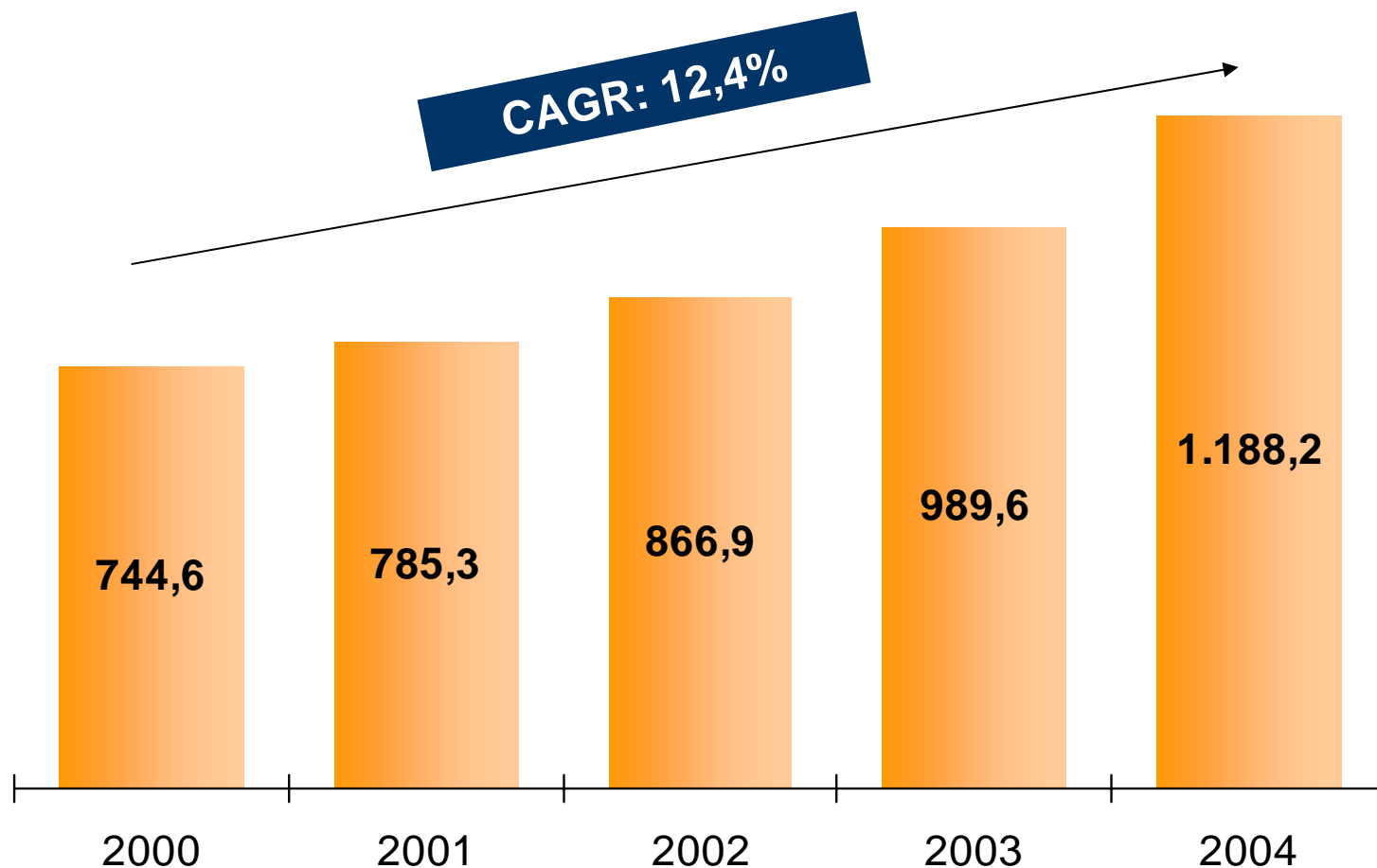


Deca
(in 1.000 pieces)

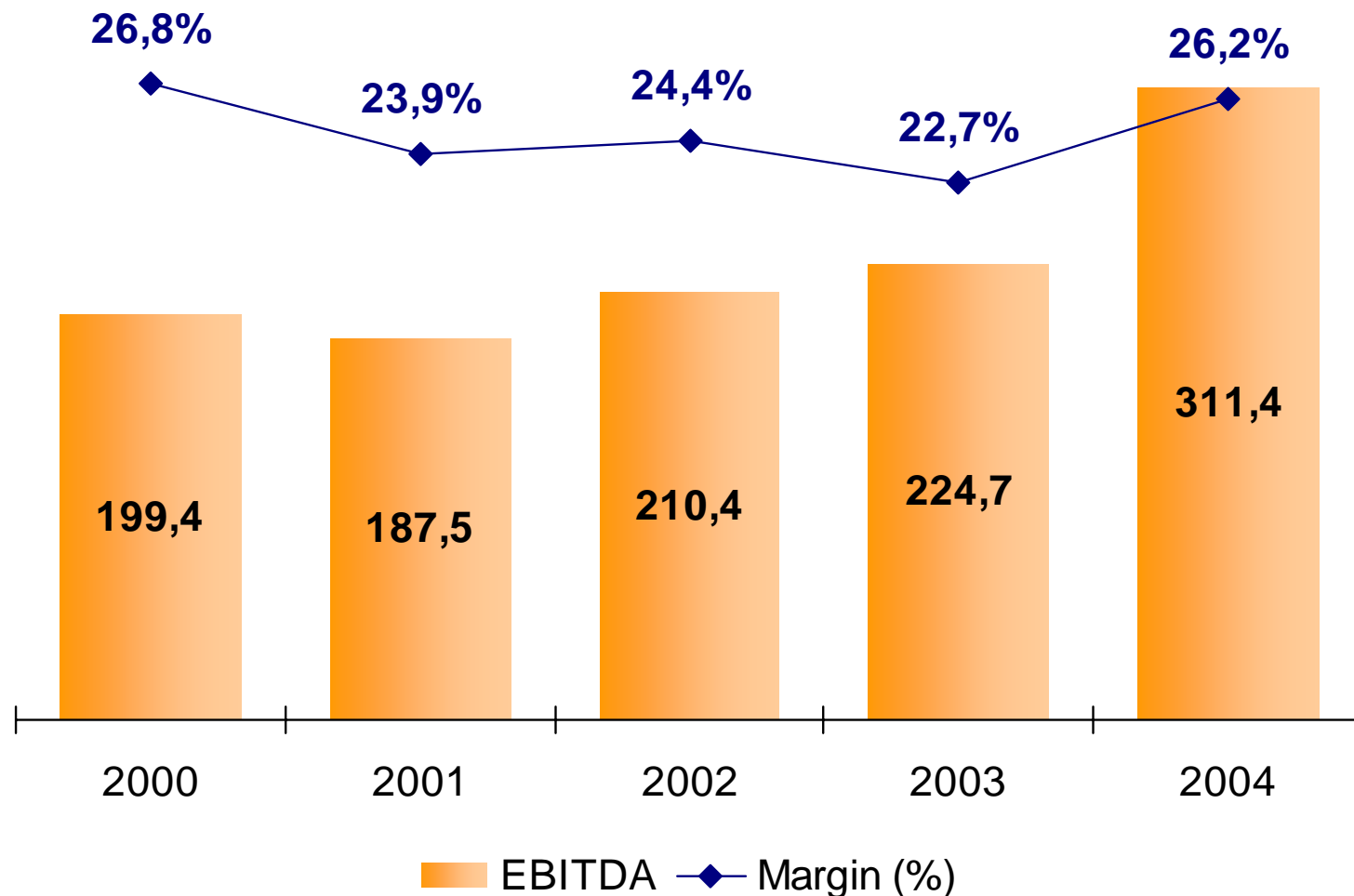


Net Revenues

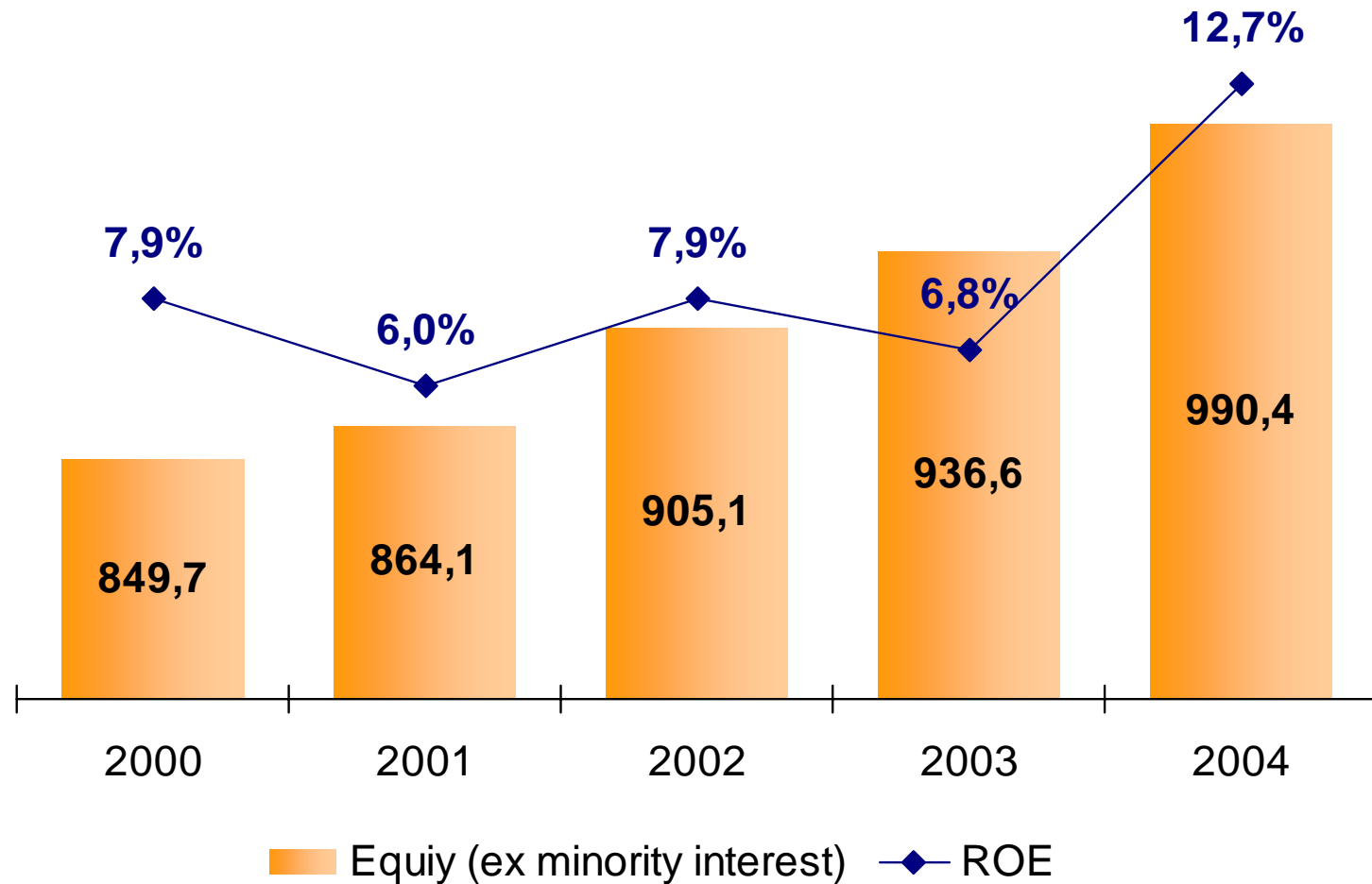
(R\$ Million)



EBITDA (R\$ M) & Margin (%)



Equity (R\$ M) & ROE (%)



Dividends

- Dividends 2004

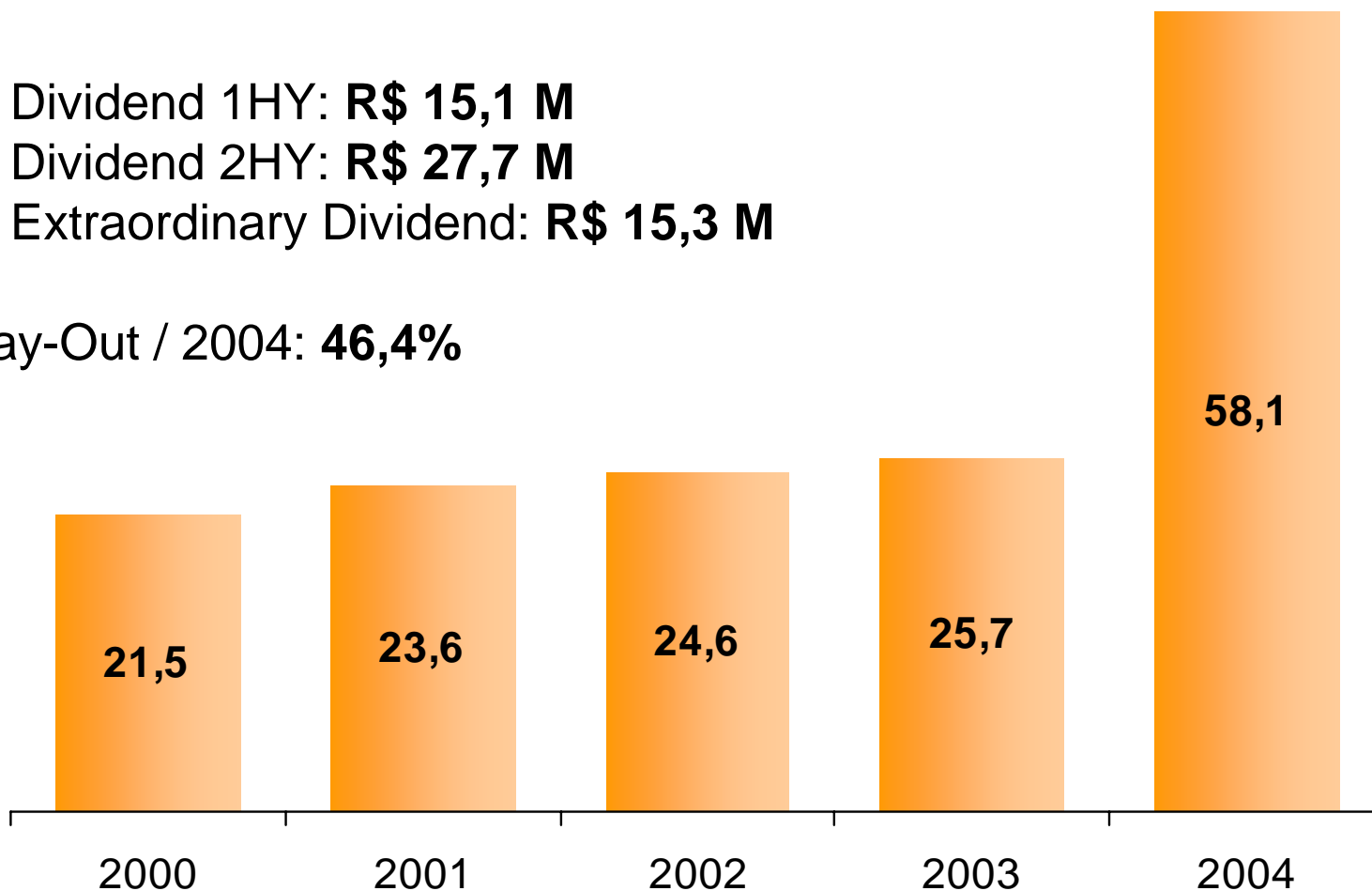
Dividend 1HY: **R\$ 15,1 M**

Dividend 2HY: **R\$ 27,7 M**

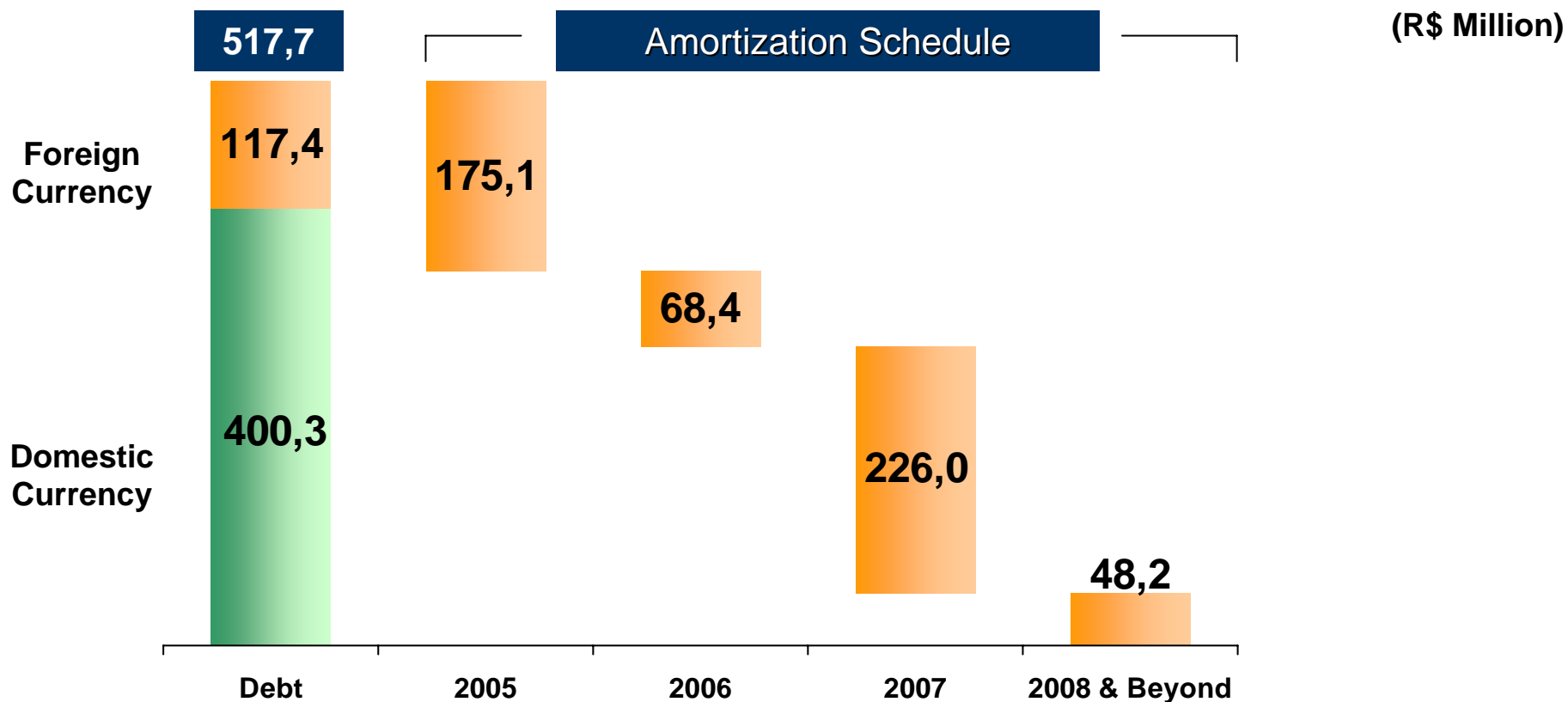
Extraordinary Dividend: **R\$ 15,3 M**

- Pay-Out / 2004: **46,4%**

(R\$ Million)

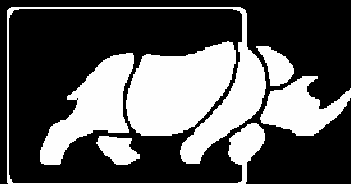


Total Debt & Amortization Schedule



- Cash **R\$ 105,1 M**
- Net Debt **R\$ 412,6 M**

- Net Debt / Equity **41,2%**
- Net Debt / EBITDA **1,32**



DURATEX

**2004 Year End
Results**
