



KLABIN S.A.

CNPJ/MF: nº 89.637.490/0001-45

NIRE: 35300188349

Publicly Held Company

NOTICE TO THE MARKET

We come, hereby, aware of CVM's Official Letter nº 63/2019-SAE, to grant the following clarifications about the information contained in the article published by Valor Econômico, on February 1st 2019, entitled "Klabin alcança acordo com sócios sobre uso do nome". Highlights transcribed as follows:

“In article published by Valor Econômico, on February 1st, 2019, entitled “Klabin alcança acordo com sócios sobre uso do nome”, there is, along other information, the following:

1. After months of negotiations, Klabin finally reaches understanding among its controlling shareholders to put to an end the payment of royalties over the brand usage of one of its founding families' name;
2. The royalties agreement is expected to be worth between R\$ 350 and R\$ 450 millions;
3. The payment to the family members will be made through a small ordinary shares emission;
4. The termination of the agreement gained momentum inside the company as studies over a new expansion cycle advanced comprising a new unbleached pulp line integrated to two new kraft and containerboard machines;
5. The plan, that is expected to cost around US\$ 2 billions, shall be taken into voting by the beginning of this year and the forecast for the lines start-up is set to be in 2021 and 2023;
6. The start-up for the new paper machine, in 2021, will add-up a total capacity of 450 kt per year, over the current 1 million tonnes.”

With regard to the items 1, 2 and 3 mentioned above, a Material Fact was sent today (Feb-04) to the Comissão de Valores Mobiliários (CVM) and published on the Investor Relations website, as follows:

*“**Klabin S.A.** ("Klabin" or "Company"), in compliance with the provisions of article 157, paragraph 4, of Law 6,404, dated December 15, 1976, hereby informs its shareholders and the market in general that, at an extraordinary meeting held on this date, its Board of Directors resolved on certain general conditions of a potential merger (incorporação)*

of Sogemar - Sociedade Geral de Marcas Ltda. ("Sogemar") into the Company ("Merger").

Klabin currently has a contractual right to use the "Klabin" trademark and other six (6) trademarks owned by Sogemar ("Trademarks"), upon the payment of royalties, calculated on the basis of a percentage of net sales related to products identified by the Trademarks.

If the Merger is implemented, Klabin will become the owner of the Trademarks, with the consequent termination of the licensing agreement currently in effect and of the payment of the respective royalties by the Company.

The general conditions of the Board of Executive Officers' proposal for the Merger, approved by the Board of Directors to be formalized before Sogemar, are as follows: (i) the exchange ratio of the Merger is determined by attributing to Sogemar the value of R\$ 343,895,007.81 (three hundred and forty-three million, eight hundred and ninety-five thousand, and seven reais and eighty one cents) (which would represent a discount of approximately 50% on the present value of the payment flow of the royalties as determined in the appraisal report prepared by Deloitte Touche Tohmatsu Consultores Ltda.), and attributing to Klabin its market value, according to the average closing price of Klabin's Units (KLBN11) in the past sixty (60) days, which covers thirty-nine (39) trading sessions prior to February 1, 2019, corresponding to R\$ 17.05 (seventeen reais and five cents); (ii) the capital increase resulting from the Merger, equivalent to the issuance of one hundred million, eight hundred and forty-five thousand, nine hundred and forty-three (100,845,943) common shares (considering the above mentioned closing value of Klabin's Units divided by five), which would not be allowed to be traded for the period of five (5) years after the Merger; (iii) the Merger would be submitted to the resolution of an extraordinary general meeting of the Company's shareholders, in which the Company's shareholders (holders of common and preferred shares) who are, directly or indirectly, partners of Sogemar, would voluntarily abstain from voting.

The analysis of the entirety of the transaction and of the eventual call of the extraordinary general meeting will be resolved at an ordinary meeting of the Board of Directors to be held on February 6, 2019."

As for the items 4, 5 and 6 regarding the investment plan cited above, the Company has constantly provided clarifications through notices to the market, such as those disclosed on August 2nd, October 5th and on December 4th, 2018, in the Company's Investor Relations website and to the Brazilian Securities and Exchange Commission. As for what was disclosed in the Notice to the Market of August 2nd 2018 (Exhibit I), these studies have been made public to the market in sections regarding the future growth expectations. Therefore, such information refers to acts and facts previously held public by both the market and by the Company's investors.

It's worth to be noted that the Company's management is always considering new opportunities and promoting development studies of its businesses in order to create value to its shareholders and constantly promoting studies of expansion of its production that are inserted precisely in this perspective. However, there is no such

material evolution that entitles approval by the Board of Directors until the present moment.

Being that what of our duty was to inform, we subscribe and remain at your disposal.

São Paulo, February 4th, 2019.

Gustavo Henrique Santos de Sousa
Chief Financial Officer and IR Director

EXHIBIT I

São Paulo, August 2nd, 2018.

To

B3 S.A. – Brasil, Bolsa, Balcão

At.: Ana Lucia da Costa Pereira

Superintendence of Companies Monitoring and Emission of Securities

c.c.: CVM – Comissão de Valores Mobiliários (Securities Exchange Commission)

Mr. Fernando Soares Vieira – Superintendence of Companies Relations

Mr. Francisco José Bastos Santos – Superintendence of Market and Intermediaries Relations

Ref.: Clarifications request regarding article published by the press.

1.503/2018-SAE

Dear Sirs,

We come, hereby, aware of CVM's Official Letter n° 1.503/2018-SAE, to grant the following clarifications about the information contained in the article published by Valor Econômico, entitled "Klabin planeja investir US\$ 2 bi em nova fábrica no Paraná", as demanded by B3 S.A. – Brasil, Bolsa, Balcão, transcribed as follows:

“In news article published by the newspaper Valor Econômico, on August 1st, 2018, entitled “Klabin planeja investir US\$ 2 bi em nova fábrica no Paraná” there is, along other informations, the following:

1. Klabin is set to begin a new growth cycle, with total investments around US\$ 2 billions;
2. The new project contemplates the construction of a new integrated pulp and paper plant in Paraná and will be submitted for approval by the board in the fourth quarter.

We request further clarifications under the items indicated, until August 2nd, 2018, with or without your confirmation, as well as other considerably relevant information.

This way, Klabin S.A. (“Klabin” or “Company”) entails that its management is always considering new opportunities and promoting development studies

for its businesses, in order to create value to its shareholders, being those “projects” referred by the article solely production expansion studies that fall the perspective above.

Primarily, Klabin is not studying the construction of a new plant, but instead, analyzing the acquisition of new capital machinery to expand its production capacity already existing paper facilities. These studies have been made public by the Company to the market, as shown in Institutional Presentations for the years of 2015, 2016 and 2017, in sections regarding to future growth expectations, that convey about the possibility of expansion in paper and packaging businesses. (doc. 01).

Being this capacity expansion still under analysis, there is no such investment approval reached by the Company’s Board yet and the amounts mentioned in the article refer solely to estimates comprising this potential investment.

In case some of these studies evolve and such projects are approved by the Company’s internal governing bodies, Klabin will provide the necessary informations to the market, in favor of the transparency that has always governed the Company's relationship with the market.

Being that what of our duty was to inform, we subscribe and remain at your disposal.

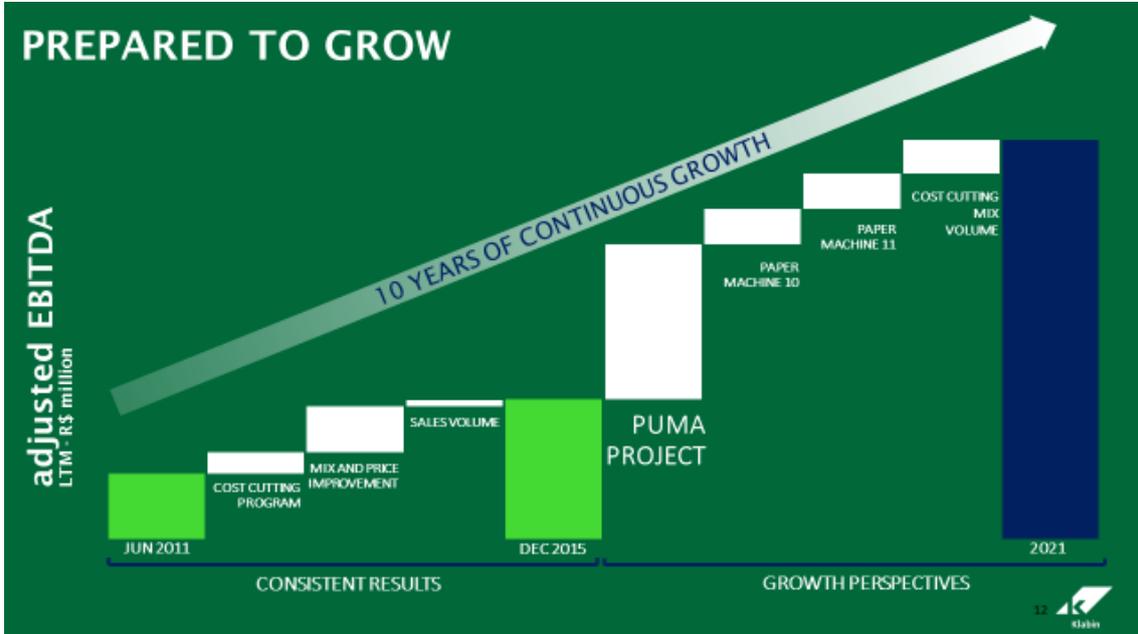
Faithfully,

Klabin S.A.

Gustavo Henrique Santos de Sousa
Chief Financial Officer and IR Director



INSTITUTIONAL PRESENTATION
FEBRUARY, 2016



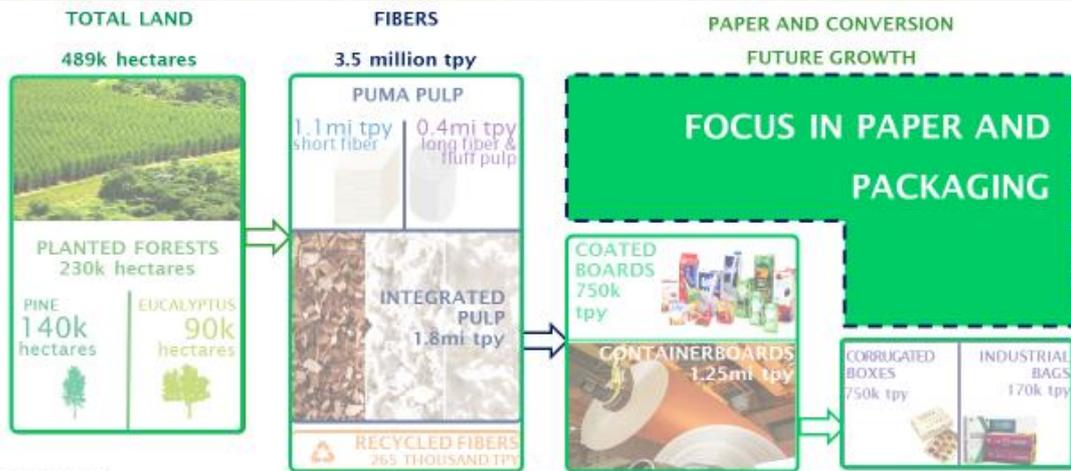


IBOVESPA

KLBN11 / KLBAY

FUTURE GROWTH

EXPANDING THE INTEGRATED BUSINESS MODEL



* Installed capacity

