

Regulatory Story

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Suzano Papel e Celulose S.A.
Offer for FuturaGene plc
FuturaGene plc

13 May 2010

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FOR IMMEDIATE RELEASE

13 May 2010

**RECOMMENDED ALL CASH OFFER FOR FUTURAGENE PLC BY
SUZANO TRADING LIMITED, A WHOLLY-OWNED SUBSIDIARY OF
SUZANO PAPEL E CELULOSE S.A.**

Summary

- § The FuturaGene Board and the Suzano Papel e Celulose Board are pleased to announce that they have reached agreement on the terms of a recommended all cash offer for the entire issued and to be issued ordinary share capital of FuturaGene by Suzano Bidco, a wholly-owned subsidiary of Suzano Papel e Celulose, other than FuturaGene Shares already owned by the Suzano Group (currently 4,258,110 FuturaGene Shares representing approximately 7.6 per cent. of the current issued share capital of FuturaGene).
- § Under the terms of the Proposal each Scheme Shareholder will receive 90 pence in cash for each Scheme Share.
- § The Proposal values the entire issued and to be issued share capital of FuturaGene at approximately £59.2 million.
- § The Proposal represents a premium of approximately:

- § 7.1 per cent. to the Closing Price of 84 pence per FuturaGene Share on 22 February 2010 (being the last Business Day prior to the announcement that FuturaGene had received an approach which may lead to an offer);
 - § 41.2 per cent. to the average Closing Price for the one month period ended on 12 May 2010 (being the last Business Day prior to the date of this announcement), being 63.8 pence per FuturaGene Share; and
 - § 35.3 per cent. to the Closing Price of 66.5 pence per FuturaGene Share on 12 May 2010 .
- § It is intended that the Proposal will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 between FuturaGene and the Scheme Shareholders involving a reduction of capital. The Scheme Circular will be posted to FuturaGene Shareholders as soon as reasonably practicable. It is currently expected that, subject to the satisfaction (or, where relevant, waiver) of the Conditions, the Scheme will become effective on or around Tuesday 13 July 2010.
- § Suzano Bidco has received irrevocable undertakings from those FuturaGene Directors who hold FuturaGene Shares and from certain other FuturaGene Shareholders representing, in aggregate, approximately 43.1 per cent. of FuturaGene's current issued share capital eligible to be voted at the Meetings (amounting to in aggregate 22,408,330 FuturaGene Shares) (i) to vote (or (as applicable) to use reasonable endeavours to procure voting or, in the case of 983,117 FuturaGene Shares, to request that the Trustee, in whose name such FuturaGene Shares are registered, vote) in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept (or (as applicable) to use reasonable endeavours to procure acceptance of or, in the case of 983,117 FuturaGene Shares, to request that the Trustee accepts) any potential recommended takeover offer made by Suzano Bidco.
- § **The FuturaGene Directors, who have been so advised by Evolution Securities, consider the terms of the Proposal to be fair and reasonable. In providing its advice to the FuturaGene Directors, Evolution Securities has taken into account the commercial assessments of the FuturaGene Directors.**

Accordingly, the FuturaGene Directors unanimously recommend that FuturaGene Shareholders vote (or procure voting) in favour of the resolutions relating to the Proposal at the Meetings (or in the event that the Proposal is implemented by way of a takeover offer, accept or procure acceptance of such offer), as the FuturaGene Directors have irrevocably undertaken to do (or (as applicable) to use their reasonable endeavours to procure to be done or to request that the Trustee, who holds certain FuturaGene Shares in which certain of the FuturaGene Directors are interested, does)in respect of their own holdings totalling 4,362,517 FuturaGene Shares (representing approximately 8.4 per cent. of FuturaGene's current issued share capital eligible to be voted at the Meetings).

- § Commenting on the Proposal, Antonio dos Santos Maciel Neto, Chief Executive Officer of Suzano Papel e Celulose, said:

'The Proposal is a natural development of FuturaGene's and

Suzano Papel e Celulose's past joint efforts in developing sustainable solutions for enhancing forest productivity. We believe the combination of the companies' skills and capabilities will enhance our innovation strategy.'

§ Commenting on the Proposal, Mark Pritchard, Chairman of FuturaGene, said:

'We welcome today's recommended offer from Suzano Bidco. FuturaGene's business is focussed on plant genetic research and development for the forestry, biofuel, and agricultural markets. We believe we have positioned the company to help meet the ever increasing demands for fibre, fuel and food crops in the face of declining resources. We have developed some unique gene technology IP. We are confident that Suzano Papel e Celulose will continue to build on our track record and we believe that Suzano Papel e Celulose will develop FuturaGene into a world class business, bringing benefits for our employees, commercial partners and ultimately consumers. We believe that the resources which Suzano Papel e Celulose can deploy will accelerate the development and penetration of FuturaGene's technologies.'

This summary should be read in conjunction with the full text of the following announcement and the Appendices.

BNP Paribas is acting as financial adviser to Suzano Bidco and Suzano Papel e Celulose. Evolution Securities is acting as financial adviser to FuturaGene.

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As FuturaGene's place of central management and control is outside the UK and the FuturaGene Shares are not traded on a UK regulated market, the Panel has ruled that it does not have jurisdiction over the Proposal and accordingly, the Code does not apply to the Proposal.

BNP Paribas London Branch ("BNPP") is authorised by CECEI and supervised by the Commission Bancaire. It is also authorised and subject to limited regulation by the FSA. BNPP is acting for Suzano Bidco and Suzano

Papel e Celulose and no one else in connection with the Proposal and will not be responsible to anyone other than Suzano Bidco and Suzano Papel e Celulose for providing the protections afforded to clients of BNPP or for providing advice in relation to the Proposal.

Evolution Securities, which is authorised and regulated in the UK by the FSA, is acting for FuturaGene and for no one else in connection with the Proposal and will not be responsible to anyone other than FuturaGene for providing the protections afforded to clients of Evolution Securities or for providing advice in relation to the Proposal, the content of this announcement or any matter referred to herein. Neither Evolution Securities nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evolution Securities in connection with this announcement, any statement contained herein or otherwise.

Conditions to, and certain further terms of, the Proposal are set out in Appendix 1. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings received by Suzano Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.

This announcement does not constitute, or form part of, any offer for, or any solicitation of any offer for, securities.

The Proposal will be made by means of the Scheme Circular and the Forms of Proxy accompanying the Scheme Circular, which will contain the full terms and conditions of the Proposal, including details of how to vote in favour of the Proposal. FuturaGene Shareholders are advised to read carefully this announcement in conjunction with the formal documentation in relation to the Proposal, once it has been despatched. This announcement and all other materials related to the Proposal are directed solely to existing FuturaGene Shareholders, holders of options under the FuturaGene Share Scheme, holders of Warrants and CBD Stockholders.

Any response to the Proposal should be made only on the basis of information referred to in the Scheme Circular which FuturaGene intends to despatch shortly to FuturaGene Shareholders and, for information only, to holders of options under the FuturaGene Share Scheme, holders of Warrants and CBD Stockholders.

The availability of the Proposal to Overseas Shareholders may be affected by the laws of the relevant jurisdiction in which they are located. Overseas Shareholders should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Any failure to comply with these requirements may constitute a violation of the securities laws of any such jurisdiction. Further details in relation to Overseas Shareholders will be contained in the Scheme Circular.

This announcement has been prepared in accordance with English law and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed in accordance with the laws of jurisdictions outside England.

Copies of this announcement and any formal documentation relating to the Proposal are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. If the Proposal is implemented by way of a takeover offer (unless otherwise determined by Suzano Bidco and permitted by applicable law and regulation), the takeover

offer may not be made, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national state or securities exchange of any Restricted Jurisdiction and the takeover offer may not be capable of acceptance by any such use, means, instrumentality or facility.

The Proposal will be carried out by way of a court-sanctioned scheme of arrangement under English law and will be subject to procedural requirements which may be different from those applicable under the procedures and laws of other jurisdictions.

Each FuturaGene Shareholder, holder of options under the FuturaGene Share Scheme and holder of Warrants is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal relevant to him.

'No profit forecast'

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date. Nothing in this announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per FuturaGene Share for the current or future financial years will necessarily match or exceed the historical published earnings per FuturaGene Share.

Forward-looking statements

This announcement, including information included or incorporated by reference in this announcement, may contain 'forward-looking statements' concerning FuturaGene, Suzano Bidco and Suzano Papel e Celulose. Generally, the words 'will', 'may', 'should', 'continue', 'believes', 'expects', 'intends', 'anticipates' or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. These statements are based on assumptions and assessments made by the FuturaGene Board, the Suzano Bidco Board and the Suzano Papel e Celulose Board in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. Many of these risks and uncertainties relate to factors that are beyond FuturaGene's, Suzano Bidco's and/or Suzano Papel e Celulose's ability to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements, which speak only as at the date of this announcement. Suzano Papel e Celulose, Suzano Bidco and FuturaGene assume no obligation to update or correct these forward-looking statements, except as required pursuant to applicable law.

Takeover offer

Suzano Bidco reserves the right to elect to implement the Proposal by way of a takeover offer (as such term is defined in section 974 of the Companies Act 2006) as an alternative to the Scheme.

This announcement will be available on FuturaGene's website at www.futuragene.com.

Celulose has had a eucalyptus breeding program for over 30 years which has led to the creation of one of the most comprehensive eucalyptus genetic bases in the world. The clones and seeds developed in the program are suitable for plantation in a broad range of soil and climate conditions.

Since 2001, Suzano Papel e Celulose and FuturaGene have worked closely to develop and test genetically modified eucalyptus, combining certain FuturaGene technologies and Suzano Papel e Celulose's elite clones in order to create eucalyptus varieties with higher yields.

The acquisition of FuturaGene will enhance Suzano Papel e Celulose's innovation strategy while providing the environment for the continued development of FuturaGene's technologies.

4. Recommendation

The FuturaGene Directors, who have been so advised by Evolution Securities, consider the terms of the Proposal to be fair and reasonable. In providing its advice to the FuturaGene Directors, Evolution Securities has taken into account the commercial assessments of the FuturaGene Directors.

Accordingly, the FuturaGene Directors unanimously recommend that FuturaGene Shareholders vote (or procure voting) in favour of the resolutions relating to the Proposal at the Meetings (or in the event that the Proposal is implemented by way of a takeover offer, to accept or procure acceptance of) such offer, as the FuturaGene Directors have irrevocably undertaken either to do (or (as applicable) to use their reasonable endeavours to procure to be done or to request that the Trustee, who holds certain FuturaGene Shares in which certain of the FuturaGene Directors are interested, does) in respect of their own holdings totalling 4,362,517 FuturaGene Shares (representing approximately 8.4 per cent. of FuturaGene's issued share capital eligible to be voted at the Meetings).

5. Background to and reasons for the recommendation

The FuturaGene Directors identified that it was necessary for FuturaGene to be substantially larger in order to create further liquidity in the FuturaGene Shares and to attract further support from institutional investors; they do not believe that FuturaGene has reached a size where it has the necessary critical mass in the public markets. The FuturaGene Board also recognises that there are still significant regulatory and commercial issues that will need to be overcome before FuturaGene is capable of becoming cash flow positive and, in the event that FuturaGene requires further financing, it is likely that this will need to be raised through further equity issues, which are likely to be dilutive for the shareholdings of FuturaGene Shareholders. The FuturaGene Board has therefore concluded that it is appropriate to realise shareholder value by alternative means.

The price of 90 pence in cash for each FuturaGene Share represents a substantial premium to the pre-announcement share price of 66.5 pence per FuturaGene Share, and represents an opportunity for FuturaGene Shareholders to realise the whole of their investment in cash at a value which might otherwise have been difficult to obtain in the short to medium term. After thorough deliberation and professional advice, the FuturaGene Directors have decided to recommend the Proposal as they believe that it represents fair value to FuturaGene's Shareholders.

6. Irrevocable undertakings

Suzano Bidco has received irrevocable undertakings from those FuturaGene Directors who hold FuturaGene Shares and from certain other

FuturaGene Shareholders representing, in aggregate, approximately 43.1 per cent. of FuturaGene's current issued share capital eligible to be voted at the Meetings (amounting to in aggregate 22,408,330 FuturaGene Shares) (i) to vote (or (as applicable) to use reasonable endeavours to procure voting or, in the case of 983,117 FuturaGene Shares, to request that the Trustee, in whose name such FuturaGene Shares are registered, vote) in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept (or (as applicable) to use reasonable endeavours to procure the acceptance of or, in the case of 983,117 FuturaGene Shares, to request that the Trustee accepts) any potential recommended takeover offer by Suzano Bidco.

Further details of these irrevocable undertakings are set out in Appendix 3 of this announcement.

7. Financing of the Proposal

The Proposal will be funded from the existing cash resources of Suzano Papel e Celulose. Under the Implementation Agreement, Suzano Papel e Celulose has agreed to guarantee the payment by Suzano Bidco of the consideration due under the Proposal for the benefit of FuturaGene Shareholders.

8. Information on FuturaGene, including current trading and prospects

FuturaGene's business is focussed on plant genetic research and development. The FuturaGene Group was formed by the merger of FuturaGene with CBD Technologies, Inc. and has integrated the abiotic stress platform with the yield enhancement and processability technology from these entities into a new package for the enhancement of forestry, bio fuel and agricultural crops. In particular the FuturaGene Group is focused on the development and commercialisation of genetically modified plants for improving and protecting yields, and enhancing processability and environmental sustainability in the forestry, bio fuels and agricultural sectors.

The FuturaGene Directors believe that FuturaGene has an extensive and expanding intellectual property portfolio that protects its developments relating to the modification of plant cell walls to enhance plant growth rates, yield and processability of plant fibre, as well as its technologies for improved resistance to environmental stresses in plants such as salinity and drought. The FuturaGene Directors also believe that FuturaGene has developed proprietary knowledge which provides a platform for delivering its technologies into high value commercial tree and plant varieties. FuturaGene's research pipeline has been built through in-house discovery programs and licensing of intellectual property from a number of universities in its fields of interest. FuturaGene has collaboration, development and licensing agreements with a number of commercial companies and research institutes in the forestry and agricultural sectors around the world. FuturaGene has recently expanded its research capability in order to develop solutions to biological threats such as emerging pest and disease spectra encountered in the commercial forests and agricultural enterprises of its partnered companies.

FuturaGene issued its preliminary results for the financial year ended 31 December 2009 earlier today. In its preliminary results, FuturaGene reported a loss of £2.19 million for the financial year ended 31 December 2009.

9. Information relating to Suzano Papel e Celulose

Suzano Papel e Celulose is a Brazil-based company engaged in the production and distribution of pulp and paper products and is quoted on the São Paulo Stock Exchange. Suzano Papel e Celulose's paper product line includes cut-size, coated and uncoated paper and paperboard. Suzano Papel e Celulose has five facilities in Bahia and São Paulo States with paper and paperboard capacity of approximately 1.1 million tons per year and market pulp capacity of approximately 1.7 million tons per year.

Suzano Papel e Celulose had a market capitalisation of R\$6.5 billion (£2.4 billion) as at 11 May 2010. For the financial year ended 31 December 2009, Suzano Papel e Celulose had net sales of R\$4.0 billion (£1.3 billion) and EBITDA of R\$1.0 billion (£329 million). For the financial year ended 31 December 2009, Suzano Papel e Celulose had cash and cash equivalent resources of over R\$2.5 billion (£0.9 billion) and had a net financial debt of R\$4.0 billion (£1.4 billion).

10. FuturaGene Share Scheme and Warrants

Proposals to holders of options granted under the FuturaGene Share Scheme

The options granted under the FuturaGene Share Scheme will become exercisable in full (to the extent not already exercisable) as a result of the Proposal and appropriate proposals will be made to holders of such options in due course. Details of these proposals will be set out in the Scheme Circular. The terms of the Scheme, if it becomes effective, will bind all FuturaGene Shareholders, including persons acquiring FuturaGene Shares prior to the Reduction Record Time under the terms of the FuturaGene Share Scheme.

Proposals to holders of Warrants

The Warrants will become exercisable as a result of the Proposal. Appropriate proposals will be made to holders of such Warrants in due course and details of these proposals will be set out in the Scheme Circular. The terms of the Scheme, if it becomes effective, will bind all FuturaGene Shareholders, including persons acquiring FuturaGene Shares prior to the Reduction Record Time under the instruments constituting the Warrants.

11. CBD Agreement

Future Consideration Shares

In connection with the merger of CBD Technologies Inc. and FuturaGene (the "**CBD Merger**"), which was completed in December 2006 (the "**CBD Closing**"), pursuant to the CBD Agreement, a further 2,750,000 FuturaGene Shares (the "**Future Consideration Shares**") are issuable to CBD Stockholders and certain others (together with CBD Stockholders, the "**Recipients**") following the occurrence of certain trigger events. One of the trigger events has been met and, as such, FuturaGene intends to issue the Future Consideration Shares as soon as practicable.

The CBD Agreement envisages that the Future Consideration Shares will be issued to the Exchange Agent who will, in accordance with the terms of the CBD Agreement deliver them to the Recipients. It is proposed to amend the CBD Agreement so that the Future Consideration Shares will be issued (a) directly to those Recipients who have, since the CBD Closing, surrendered their CBD stock certificates ("**CBD Certificates**") to the Exchange Agent in return for FuturaGene Shares issued to the Exchange Agent on their behalf at the CBD Closing (on the terms of the CBD Agreement), and (b) to the Exchange Agent in respect of those Recipients who have not yet so surrendered their CBD Certificates.

A further announcement will be made by FuturaGene once it has issued the Future Consideration Shares.

Effect of Scheme on CBD Stockholders

CBD Stockholders who have surrendered their CBD Certificates to the Exchange Agent since the CBD Closing and who continue to be registered holders of Scheme Shares will, under the Proposal, be Scheme Shareholders, and will receive 90 pence in cash for each Scheme Share held by them.

CBD Stockholders who have not yet surrendered their CBD Certificates to the Exchange Agent and who are therefore not yet registered holders of Scheme Shares will not be Scheme Shareholders. The FuturaGene Shares held by the Exchange Agent on behalf of such CBD Stockholders will, however, be Scheme Shares. In accordance with the terms of the CBD Agreement, the cash consideration payable under the Scheme for such Scheme Shares will be held by the Exchange Agent pending surrender of the relevant CBD Certificates.

CBD Stockholders who have, since the CBD Closing, ceased to hold FuturaGene Shares, will receive Future Consideration Shares when those shares are issued and, as noted above, those shares will, under the Proposal, be Scheme Shares for which the CBD Stockholders will receive 90 pence in cash per share.

Effect of Scheme on CBD Warrant Holders

At the time of the CBD Merger, CBD Warrant Holders were entitled to Merger Warrants in exchange for their existing CBD Warrants. At the CBD Closing, the FuturaGene Shares underlying the Merger Warrants were issued to the Exchange Agent. Those shares will be Scheme Shares. The cash consideration payable under the Scheme for such Scheme Shares will be held by the Exchange Agent pending exercise or expiry of the Merger Warrants.

As none of the Merger Warrants are "in the money", it is not proposed to make a proposal to holders of Merger Warrants in connection with the Scheme.

Further details of the effect of the Scheme on CBD Stockholders and CBD Warrant Holders will be set out in the Scheme Circular.

12. Amendments to the FuturaGene Articles

Any FuturaGene Shares issued after the Reduction Record Time, including under the FuturaGene Share Scheme and under the instruments constituting the Warrants and the Merger Warrants will not be subject to the Scheme. Accordingly, it is proposed that the FuturaGene Articles be amended so that any FuturaGene Shares issued to any person other than Suzano Bidco (or its nominee(s)) on or after the Reduction Record Time will automatically be acquired by Suzano Bidco in consideration for the payment by Suzano Bidco or on its behalf to such person of such cash consideration as would have been payable under the Scheme had such FuturaGene Shares been Scheme Shares.

The proposed amendments to the FuturaGene Articles will be set out in full in the Scheme Circular.

13. Implementation Agreement

Suzano Papel e Celulose, Suzano Bidco and FuturaGene have entered into the Implementation Agreement in relation to the implementation of the

Proposal and related matters in accordance with an agreed indicative timetable. The Implementation Agreement contains, among other things, certain assurances and confirmations between the parties, including provisions governing the conduct of the FuturaGene Group, the obligation on Suzano Bidco to pay the consideration due under the Proposal and the guarantee by Suzano Papel e Celulose of such obligation and Suzano Bidco's other obligations under the agreement.

The Implementation Agreement terminates in certain circumstances, including:

- § if the resolutions approving the Scheme are not passed at the Court Meeting or General Meeting and Suzano Bidco does not subsequently elect to implement the Proposal by way of a takeover offer;
- § if the Proposal has not become effective by the Long-stop Date; or
- § by notice from either FuturaGene or Suzano Bidco in certain specified circumstances.

Further information regarding the Implementation Agreement will be set out in the Scheme Circular.

14. Break fees, non-solicit and matching rights

FuturaGene has agreed, under the Implementation Agreement, to pay a break fee to Suzano Bidco of one per cent. of the aggregate value of the highest offer made by Suzano Bidco in respect of the Proposal calculated by reference to the then offer price per FuturaGene Share and the fully diluted equity share capital of FuturaGene (exclusive of any recoverable VAT). The break fee will be payable if (i) the FuturaGene Directors withdraw, adversely qualify or adversely modify (including if the FuturaGene Directors determine or publicly announce that they are recommending or have agreed or resolved to recommend an Alternative Acquisition Proposal) their recommendation of the Proposal and the Scheme or do not make a unanimous and unqualified recommendation of the Acquisition, and the Scheme (or, if Suzano Bidco has elected to effect an offer, the Offer) subsequently is withdrawn, terminates or lapses, or (ii) an Alternative Acquisition Proposal is made and subsequently becomes or is declared unconditional in all respects or completes (as relevant).

Suzano Bidco has agreed, under the Implementation Agreement, to pay a reverse break fee to FuturaGene of one per cent. of the aggregate value of the highest offer made by Suzano Bidco in respect of the Proposal calculated by reference to the then offer price per FuturaGene Share and the fully diluted equity share capital of FuturaGene (exclusive of any recoverable VAT). The reverse break fee will be payable if the Implementation Agreement is terminated or the Scheme is withdrawn, terminates or lapses other than (i) as a result of written consent of FuturaGene, Suzano Bidco and Suzano Papel e Celulose, (ii) as a result of the Long-stop Date having been reached, (iii) in the event of non-satisfaction of any of Conditions 1(a) to 1(c) (inclusive) if, on the tenth day after the non-satisfaction of any such Conditions, Suzano Papel e Celulose has not publicly announced an Offer, (iv) as a result of invocation of any of Conditions 2(a) to 2(d) (inclusive) by Suzano Bidco or if FuturaGene is in material breach of the Implementation Agreement and such breach is not remedied within a reasonable period of time (not exceeding five Business Days), (v) as a result of the recommendation of the FuturaGene Directors contained in this announcement or the Scheme Circular no longer being unanimous or being withdrawn or adversely modified at any time or (vi) as a result of an Alternative Acquisition Proposal becoming or being declared wholly unconditional or being completed or a scheme in connection with an Alternative Acquisition

Proposal becoming effective.

Under the Implementation Agreement, FuturaGene has agreed not to solicit any third party proposals relating to or in respect of any Alternative Acquisition Proposal, save that it shall not be prevented from responding to or otherwise dealing with any unsolicited offer or proposal. If FuturaGene receives a bona fide approach or proposal by a third party and the FuturaGene Directors reasonably consider such approach may result in an Alternative Acquisition Proposal, FuturaGene will, within two Business Days, notify Suzano Bidco of the fact of such approach (save that FuturaGene shall not be required to disclose the identity of the third party) and will provide Suzano Bidco a period of three Business Days to announce a revised offer which the FuturaGene Directors determine to continue to recommend, during which three Business Day period FuturaGene will not recommend the Alternative Acquisition Proposal. FuturaGene has also agreed to provide to Suzano Bidco any information provided to any third party in connection with an Alternative Acquisition Proposal at the same time as it is provided to such third party.

15. Management, employees and locations

The FuturaGene Directors have discussed with Suzano Papel e Celulose, Suzano Papel e Celulose's plans for FuturaGene management and employees within the Enlarged Group. Suzano Papel e Celulose attaches great importance to the skills and experience of the existing management and employees of the FuturaGene Group. Suzano Papel e Celulose has given assurances that, upon completion of the Proposal, the existing employment rights, including pension rights, of all employees of the FuturaGene Group will be fully safeguarded.

Suzano Papel e Celulose plans to work with FuturaGene's management to develop and integrate the FuturaGene business within the Suzano Group. The FuturaGene Board and Suzano Papel e Celulose Board both believe that there will be opportunities for FuturaGene employees to develop their careers within the broader framework of the Enlarged Group. In due course, when the integration is complete, Suzano Papel e Celulose expects to review the Enlarged Group's operations and it may then be desirable to make limited operational changes to maximise efficiency and effectiveness.

The non-executive directors of FuturaGene have agreed to stand down from the FuturaGene Board upon the Scheme becoming effective.

16. Interests in FuturaGene

As at the close of business on 12 May 2010 (the last practicable Business Day prior to the date of this announcement):

- Suzano Papel e Celulose indirectly holds 4,258,110 FuturaGene Shares representing approximately 7.6 per cent. of the current issued share capital of FuturaGene; and
- save for the irrevocable undertakings referred to in paragraph 6 above, the FuturaGene Share to be acquired by Suzano Bidco prior to the Reduction Record Time (as mentioned in paragraph 17 below), and otherwise as disclosed above, neither Suzano Papel e Celulose, Suzano Bidco nor any of the Suzano Papel e Celulose Directors, the Suzano Bidco Directors, nor so far as Suzano Papel e Celulose and Suzano Bidco are aware, any person acting in concert with Suzano Bidco or Suzano Papel e Celulose has any other interest in or right to subscribe for any relevant securities of FuturaGene nor are they party to any short positions (whether conditional or absolute and whether in the money or otherwise) relating to relevant securities of FuturaGene, including any short

positions under derivatives, agreements to sell or any delivery obligations or rights to require another person to take delivery. Neither Suzano Bidco nor Suzano Papel e Celulose nor, so far as the Suzano Bidco Directors and the Suzano Papel e Celulose Directors are aware, any person acting in concert with either of them, has borrowed or lent any relevant securities of FuturaGene.

17. Scheme process

It is intended that the Proposal will be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 between FuturaGene and the Scheme Shareholders (although Suzano Papel e Celulose reserves the right to effect the Proposal by way of a takeover offer). The purpose of the Scheme, together with the proposed changes to the FuturaGene Articles, is for Suzano Bidco to become the owner of the whole of the issued share capital of FuturaGene.

It is intended that Suzano Bidco will acquire or have allotted to it fully paid one FuturaGene Share prior to the Reduction Record Time. This FuturaGene Share will not be a Scheme Share and will not be subject to the Scheme.

The Scheme will involve the cancellation of all of the Scheme Shares in consideration for 90 pence per Scheme Share in cash on the basis set out in paragraph 2 of this announcement, and the application of the reserve arising from such cancellation in paying up in full a number of New FuturaGene Shares which is equal to the number of, and which have a nominal value equal to, the nominal value of the Scheme Shares cancelled, and issuing the same to Suzano Bidco and/or its nominee(s).

The Scheme is subject to satisfaction or, where applicable, waiver of the Conditions and certain further terms set out in Appendix 1 to this announcement and to the further terms and conditions to be set out in the Scheme Circular. In particular, the Scheme requires the approval of Scheme Shareholders by the passing of a resolution at the Court Meeting expected to be held at 10.30 a.m. on Monday 21 June 2010.

Implementation of the Scheme, which must occur by the Long-stop Date unless Suzano Bidco and FuturaGene agree to a later date, will also require the passing of the Special Resolution at the General Meeting, which will be held immediately after the Court Meeting.

Notices of the Court Meeting and the General Meeting will be set out in the Scheme Circular.

The Court Meeting

The Court Meeting will be held with the permission of the Court for Scheme Shareholders to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by way of poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders who are present and vote, either in person or by proxy, and who represent 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders.

Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting.

It is important that as many votes as possible are cast at the Court Meeting (whether in person or by proxy) so that the Court may be satisfied that there is a fair and reasonable representation of Scheme

Shareholder opinion.

Suzano Bidco and Suzano Papel e Celulose have confirmed that they will be represented by Counsel at the Scheme Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby and to do all acts and things necessary to give effect to the Scheme.

The General Meeting

The General Meeting will be convened to consider and, if thought fit, pass the Special Resolution (which requires votes in favour representing at least 75 per cent. of the votes cast) to approve:

- (i) the Scheme;
- (ii) the Reduction of Capital (in connection with the Scheme);
- (iii) the granting of authority to the FuturaGene Directors to allot shares in FuturaGene, including to Suzano Bidco as provided for in the Scheme;
- (iv) certain amendments to the FuturaGene Articles as described above;
- (v) the ratification of the grant of 3,000,000 Warrants by FuturaGene in December 2009; and
- (vi) authorising the FuturaGene Directors to disapply statutory pre-emption rights in respect of the allotment of, *inter alia*, FuturaGene Shares following the exercise of Warrants.

Voting on the Special Resolution will be on a show of hands unless a poll is demanded. The chairman of the General Meeting will reserve the right to demand a poll and, in such event, each holder of FuturaGene Shares present in person or by proxy will be entitled to one vote for each FuturaGene Share held. **All FuturaGene Shareholders will be entitled to vote on the Special Resolution.**

Following the Meetings, the Scheme must be sanctioned and the Reduction of Capital confirmed by the Court, and will only become effective following delivery to the Registrar of Companies of:

- (a) the Scheme Court Order; and
- (b) the Reduction Court Order and statement of capital as approved by the Court,

and registration of the Reduction Court Order and statement of capital by the Registrar of Companies.

Upon the Scheme becoming effective, it will be binding on all FuturaGene Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

Further details of the Scheme will be contained in the Scheme Circular, which will be posted to FuturaGene Shareholders and, for information only, to holders of options under the FuturaGene Share Scheme, holders of Warrants and CBD Stockholders as soon as reasonably practicable. It is currently anticipated that, subject to the satisfaction (or, where relevant, waiver) of the Conditions, the Scheme will become effective on or around Tuesday 13 July 2010. Further details on the timetable for the implementation of the Scheme will be set out in the Scheme Circular.

If the Scheme does not become effective by the Long-stop Date (or such later date (if any) as Suzano Bidco and FuturaGene may agree and (if required) the Court may allow), the Scheme will lapse.

Modifications to the Scheme

The Scheme will contain a provision for FuturaGene and Suzano Bidco jointly to consent on behalf of all concerned to any modifications, additions or conditions to the Scheme which the Court may think fit to approve or impose. The Court would be unlikely to approve or impose any modifications, additions or conditions to the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, at its discretion, whether or not a further meeting of Scheme Shareholders should be held.

18. Delisting of FuturaGene Shares

Prior to the Scheme becoming effective, FuturaGene will make an application to the London Stock Exchange to cancel trading in FuturaGene Shares on AIM, such cancellation becoming effective from the close of business on the Business Day immediately prior to the Effective Date. No transfers of FuturaGene Shares will be registered after 6.00 p.m. on that date.

On the Effective Date, share certificates in respect of FuturaGene Shares will cease to be valid and should be destroyed, and entitlements within the CREST system will be cancelled.

19. Overseas Shareholders

The implications of the Scheme for Overseas Shareholders may be affected by the laws of jurisdictions outside the UK. Overseas Shareholders should inform themselves about and observe all applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the jurisdiction to which the Overseas Shareholder may be subject, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

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As FuturaGene's place of central management and control is outside the UK and the FuturaGene Shares are not traded on a UK regulated market, the Panel has ruled that it does not have jurisdiction over the Proposal and accordingly, the Code does not apply to the Proposal.

BNP Paribas London Branch ("**BNPP**") is authorised by CECEI and supervised by the Commission Bancaire. It is also authorised and subject to limited regulation by the FSA. BNPP is acting for Suzano Bidco and Suzano Papel e Celulose and no one else in connection with the Proposal and will not be responsible to anyone other than Suzano Bidco and Suzano Papel e Celulose for providing the protections afforded to clients of BNPP or for providing advice in relation to the Proposal.

Evolution Securities, which is authorised and regulated in the UK by the FSA, is acting for FuturaGene and for no one else in connection with the Proposal and will not be responsible to anyone other than FuturaGene for providing the protections afforded to clients of Evolution Securities or for providing advice in relation to the Proposal, the content of this announcement or any matter referred to herein. Neither Evolution Securities nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evolution Securities in connection with this announcement, any statement contained herein or otherwise.

Conditions to, and certain further terms of, the Proposal are set out in Appendix 1. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings received by Suzano Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.

This announcement does not constitute, or form part of, any offer for, or any solicitation of any offer for, securities.

The Proposal will be made by means of the Scheme Circular and the Forms of Proxy accompanying the Scheme Circular, which will contain the full terms and conditions of the Proposal, including details of how to vote in favour of the Proposal. FuturaGene Shareholders are advised to read carefully this announcement in conjunction with the formal documentation in relation to the Proposal, once it has been despatched. This announcement and all other materials related to the Proposal are directed solely to existing FuturaGene Shareholders, holders of options under the FuturaGene Share Scheme, holders of Warrants and CBD Stockholders.

Any response to the Proposal should be made only on the basis of information referred to in the Scheme Circular which FuturaGene intends to despatch shortly to FuturaGene Shareholders and, for information only, to holders of options under the FuturaGene Share Scheme, holders of Warrants and CBD Stockholders.

The availability of the Proposal to Overseas Shareholders may be affected by the laws of the relevant jurisdiction in which they are located. Overseas Shareholders should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Any failure to comply with these requirements may constitute a violation of the securities laws of any such jurisdiction. Further details in relation to Overseas Shareholders will be contained in the Scheme Circular.

This announcement has been prepared in accordance with English law and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed in accordance with the laws of jurisdictions outside England.

Copies of this announcement and any formal documentation relating to the Proposal are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. If the Proposal is implemented by way of a takeover offer (unless otherwise determined by Suzano Bidco and permitted by applicable law and regulation), the takeover offer may not be made, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national state or securities exchange of any Restricted Jurisdiction and the takeover offer may not be capable of acceptance by any such use, means, instrumentality or facility.

The Proposal will be carried out by way of a court-sanctioned scheme of arrangement under English law and will be subject to procedural requirements which may be different from those applicable under the procedures and laws of other jurisdictions.

Each FuturaGene Shareholder, holder of options under the FuturaGene Share Scheme and holder of Warrants is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal relevant to him.

'No profit forecast'

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date. Nothing in this announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per FuturaGene Share for the current or future financial years will necessarily match or exceed the historical published earnings per FuturaGene Share.

Forward-looking statements

This announcement, including information included or incorporated by reference in this announcement, may contain 'forward-looking statements' concerning FuturaGene, Suzano Bidco and Suzano Papel e Celulose. Generally, the words 'will', 'may', 'should', 'continue', 'believes', 'expects', 'intends', 'anticipates' or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. These statements are based on assumptions and assessments made by the FuturaGene Board, the Suzano Bidco Board and the Suzano Papel e Celulose Board in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. Many of these risks and uncertainties relate to factors that are beyond FuturaGene's, Suzano Bidco's and/or Suzano Papel e Celulose's ability to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements, which speak only as at the date of this announcement. Suzano Papel e Celulose, Suzano Bidco and FuturaGene assume no obligation to update or correct these forward-looking statements, except as

required pursuant to applicable law.

Takeover offer

Suzano Bidco reserves the right to elect to implement the Proposal by way of a takeover offer (as such term is defined in section 974 of the Companies Act 2006) as an alternative to the Scheme.

This announcement will be available on FuturaGene's website at www.futuragene.com.

APPENDIX 1

Conditions

The Proposal is conditional upon the Scheme becoming effective by not later than 31 August 2010 (or such later date, if any, as Suzano Bidco and FuturaGene may agree and (if required) the Court may allow).

Conditions of the Scheme

- 1 The Scheme will be conditional upon:
 - (a) the approval of the Scheme by a majority in number, representing not less than three-fourths in value, of the holders of the Scheme Shares who are on the register of members of FuturaGene at the Voting Record Time, present and voting, whether in person or proxy, at the Court Meeting (or at any adjournment thereof);
 - (b) the resolution(s) in connection with and required to implement the Scheme and the Reduction of Capital, set out in the notice of the General Meeting, being duly passed by the requisite majority at the General Meeting (or at any adjournment thereof); and
 - (c) the sanction (with or without modification (but subject to such modification being acceptable to Suzano Bidco and FuturaGene)) of the Scheme and the confirmation of the Reduction of Capital by the Court, and the Court Orders and an office copy of the Reduction Court Order and statement of capital as approved by the Court being delivered for filing and/or registration as the case may be to the Registrar and registration of the Reduction Court Order by the Registrar.

Conditions of the Acquisition

- 2 Suzano Bidco and FuturaGene have agreed that, subject to paragraph 4 below, the Scheme will also be conditional upon, and, accordingly, application to the Court to sanction the Scheme and to confirm the Reduction of Capital will only be made upon the satisfaction or, where relevant, waiver of the following Conditions at or prior to 8.00 a.m. on the date of the Scheme Court Hearing:
 - (a) no Third Party having:
 - (i) taken, instituted, implemented or threatened any action, or having required any action to be taken as a consequence of the Proposal or the proposed acquisition by any member of the Suzano Group of any shares or other securities in FuturaGene or because of a change in control or management of FuturaGene or any other member of the FuturaGene Group in respect of any arrangement, agreement, licence, lease or other instrument to which any member of the FuturaGene Group is a party or by or to which any such member or any of its assets is bound or subject, in each case which would or might reasonably be expected to adversely affect the FuturaGene Group taken as a whole to an extent which is Material;

- (ii) taken, instituted, implemented or threatened any legal proceedings, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, order or decision or taken any other step and there not continuing to be outstanding any statute, regulation, order or decision that would or might reasonably be expected to make the Proposal, its implementation or the acquisition or proposed acquisition of any shares in, or control or management of, FuturaGene by Suzano Bidco and/or Suzano Papel e Celulose illegal, void or unenforceable;
- (b) since 31 December 2009, except as Disclosed:
 - (i) there having been (1) no adverse change to the business, operations, assets, financial condition or turnover of the FuturaGene Group which is Material and (2) no formal investigation commenced by a regulatory authority (which has jurisdiction) the subject of which is a director or officer of FuturaGene and (3) no arrest of any such director or officer (each a "**Material Adverse Change**");
 - (ii) no contingent or other liability of any member of the FuturaGene Group having arisen or become apparent or increased which would adversely affect the FuturaGene Group taken as a whole to an extent which in any case is Material; and
 - (iii) no litigation, arbitration proceedings, regulatory investigations, prosecution or other legal proceedings to which any member of the FuturaGene Group is or may reasonably be expected to become a party (whether as claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the FuturaGene Group which would adversely affect the FuturaGene Group taken as a whole to an extent which in any case is Material;
- (c) except as Disclosed, Suzano Bidco not having discovered that since 31 December 2009, any financial, business or other information concerning the FuturaGene Group disclosed at any time by or on behalf of any member of the FuturaGene Group, whether publicly or in the context of the Proposal, to any member of the Suzano Group or its advisers, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading, in each case to an extent which is Material and such information has not been corrected by public announcement through a regulatory information service;
- (d) Suzano Bidco not having discovered, except as Disclosed:
 - (i) that any member of the FuturaGene Group does not own or have licensed to it or otherwise possess legally enforceable rights to use all intellectual property that is required or reasonably necessary for the conduct of business of the relevant member of the FuturaGene Group as currently conducted and the absence of which is Material; or
 - (ii) that any member of the FuturaGene Group has infringed any intellectual property rights of any third party where the consequences are Material; or
 - (iii) that any claims have been asserted in writing or threatened in writing by any person: (i) that the FuturaGene Group infringes any

intellectual property of any third party; or (ii) challenging the ownership of any member of the FuturaGene Group to, or the validity or effectiveness of, any of its intellectual property, and in either case any such claims are Material; or

- (iv) that any intellectual property held by any member of the FuturaGene Group is not valid and subsisting where the consequences are Material; or
- (v) that there is unauthorised use, infringement or misappropriation of any intellectual property of any member of the FuturaGene Group by any third party where the consequences are Material;
- (e) the Implementation Agreement not having been terminated by the parties thereto in accordance with its terms.

3 For the purposes of these Conditions:

"Disclosed" means disclosed to Suzano Papel e Celulose and Suzano Bidco in any of the following manners: (i) by inclusion in the annual report and accounts of the FuturaGene Group for the financial year ended 31 December 2009; (ii) by delivery of an announcement by or on behalf of FuturaGene to a Regulatory Information Service; or (iii) by inclusion in the electronic data room maintained by Merrill Datasite or by disclosure in writing by or on behalf of the FuturaGene Group to Suzano Papel e Celulose and Suzano Bidco before 9 May 2010 where such inclusion or disclosure provides sufficient details to identify to Suzano Papel e Celulose and Suzano Bidco the nature and scope of the matter disclosed;

"Material" means where the relevant matter has resulted or is reasonably likely to result in economic loss to, or diminution in the market value of, the FuturaGene Group taken as a whole in an amount not less than £7,500,000 save in circumstances (a) affecting the industry of the FuturaGene Group as a whole or (b) generally unrelated to the business performance of the FuturaGene Group;

"Third Party" means any government, governmental or quasi governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, body corporate, or any other body, entity or person whatsoever in any jurisdiction.

4 Suzano Bidco reserves the right to waive, in whole or in part, all or any of Conditions 2(a) to (e) (inclusive). Conditions 1(a) to (c) (inclusive) cannot be waived. Suzano Bidco shall be under no obligation to waive or treat as satisfied any of such Conditions by a date earlier than the Long-stop Date for the satisfaction thereof notwithstanding that the other Conditions of the Scheme or the Proposal may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Conditions may not be capable of fulfilment.

5 Suzano Bidco reserves the right to elect to implement the Proposal by way of a takeover offer (as defined in section 974 of the Companies Act 2006) as an alternative to the Scheme. In such event, the takeover offer will be implemented on substantially similar terms and conditions (subject to appropriate amendments), so far as applicable, as those which would apply to the Proposal as set out in this announcement. Any such takeover offer which relates to FuturaGene Shares will be subject to a 90 per cent.

acceptance condition (or such lower percentage as Suzano Bidco may decide).

- 6 The Proposal will be governed by English law and will be subject to the jurisdiction of the English courts.

APPENDIX 2

Sources and bases of information

Unless otherwise stated in this announcement:

- 1 The value of the Proposal is calculated on the basis of the fully diluted number of FuturaGene Shares referred to in paragraph 2 below:
- 2 The fully diluted share capital of FuturaGene (being 65,792,239 FuturaGene Shares) is calculated on the basis of:
 - (i) the number of FuturaGene Shares in issue on 12 May 2010, being the Business Day prior to the date of this announcement, being 56,222,239 FuturaGene Shares;
 - (ii) the Future Consideration Shares which are intended to be issued as soon as practicable; and
 - (iii) any further FuturaGene Shares which may be issued on or after the date of this announcement (i) on the exercise of options under the FuturaGene Share Scheme and/or (ii) on the exercise of the Warrants, amounting in aggregate to a maximum of 6,820,000 FuturaGene Shares.

For the purposes of this announcement, it is assumed that all options under the FuturaGene Share Scheme and all Warrants which are "in the money" will be exercised in full over all FuturaGene Shares which are subject to such options and warrants;

- 3 The financial information relating to Suzano Papel e Celulose is extracted from its consolidated results for the fourth quarter of 2009;
- 4 The financial information relating to FuturaGene is extracted from its annual report and accounts for the year ended 31 December 2009;
- 5 All prices for FuturaGene Shares have been derived from the AIM appendix of the Daily Official List and represent Closing Prices on the relevant date(s).
6. The approximate Pounds Sterling values relating to the net sales and EBITDA of Suzano Papel e Celulose referred to in paragraph 9 of this announcement are derived from an average exchange rate of 3.11 Brazilian Reals to 1 Pounds Sterling as quoted on Datastream for the year ended 31 December 2009. The approximate Pounds Sterling values relating to the cash and cash equivalent resources and net financial debt referred to in paragraph 9 of this announcement are derived from the year end exchange

rate of 2.82 Brazilian Reals to 1 Pounds Sterling as quoted on Datastream for the year ended 31 December 2009. The approximate Pounds Sterling value relating to the market capitalisation of Suzano Papel e Celulose referred to in paragraph 9 of this announcement is derived from an exchange rate of 2.6759 Brazilian Reals to 1 Pounds Sterling as quoted on Bloomberg on 11 May 2010.

APPENDIX 3

Details of undertakings received by Suzano Bidco

1. FuturaGene Directors

The FuturaGene Directors whose names are set out in column 1 below have irrevocably undertaken to Suzano Bidco (i) to vote (or (as applicable) to use reasonable endeavours to procure voting) in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept (or (as applicable) to use reasonable endeavours to procure acceptance of) any potential recommended takeover offer by Suzano Bidco in respect of their interest in FuturaGene Shares, being the number of FuturaGene Shares set out in column 2 below against their name.

1 Name	2 Number of FuturaGene Shares	3 Percentage of FuturaGene's current issued share capital eligible to be voted at the Meetings
Dr Stanley Hirsch	957,706*	1.8
Mark Pritchard	3,375,117	6.5
Dr Ziv Shani	29,694**	0.06

* Includes 953,423 FuturaGene Shares registered in the name of the Trustee, who holds such shares on behalf of Dr Stanley Hirsch. Dr Stanley Hirsch has irrevocably undertaken to request that the Trustee (i) votes in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept any potential recommended takeover offer by Suzano Bidco in respect of these shares. The Trustee has confirmed that it will vote in favour of the resolutions relating to the Proposal at the Meetings.

** These FuturaGene Shares are registered in the name of the Trustee who holds these shares on behalf of Dr Ziv Shani. Dr Ziv Shani has irrevocably undertaken to request that the Trustee (i) votes in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept any potential recommended takeover offer by Suzano Bidco in respect of these shares. The Trustee has confirmed that it will vote in favour of the resolutions relating to the Proposal at the Meetings.

The above irrevocable undertakings will extend to any further FuturaGene Shares (including any FuturaGene Shares issued as Future Consideration Shares referred to in paragraph 11 of this announcement) in which the respective FuturaGene Director acquires an interest.

2. Other FuturaGene Shareholders

The FuturaGene Shareholders whose names are set out in column 1 below have irrevocably undertaken to Suzano Bidco (i) to vote (or (as applicable) to use reasonable endeavours to procure voting) in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept (or (as applicable) to use reasonable endeavours to procure acceptance of) any potential recommended takeover offer by Suzano Bidco in respect of their own holdings of FuturaGene Shares, being the number of FuturaGene Shares set out in column 2 below against their name.

1 Name	2 Number of FuturaGene Shares	3 Percentage of FuturaGene's current issued share capital eligible to be voted at the Meetings
Ben Anderson	3,400,099	6.5
Peter Bullen	1,688,244	3.2
Florinvest S.A.	1,747,970	3.4

Hartford Growth (Trading) Limited	3,000,000	5.8
Lomond Consultancy Limited	1,500,000	2.9
Iraj Parvizi	6,709,500	12.9

The above irrevocable undertakings will extend to any further FuturaGene Shares (including any FuturaGene Shares issued as Future Consideration Shares referred to in paragraph 11 of this announcement) in which the respective FuturaGene Shareholder acquires an interest.

Thayer Gate Business Solutions, Inc. has irrevocably undertaken to Suzano Bidco (i) to vote or (as applicable) to use reasonable endeavours to procure voting in favour of the resolutions relating to the Proposal at the Meetings and (ii) if the Proposal is subsequently structured as a takeover offer, to accept (or (as applicable) to procure acceptance of) any potential recommended takeover offer by Suzano Bidco in respect of any FuturaGene Shares (including any FuturaGene Shares issued as Future Consideration Shares referred to in paragraph 11 of this announcement) in which Thayer Gate Business Solutions, Inc. and certain of its associates acquires an interest.

The irrevocable undertakings referred to in paragraphs 1 and 2 all cease to be binding in the following circumstances:

- (i) if the Scheme Circular is not posted before 29 May 2010 or such later date as Suzano Bidco and FuturaGene may agree;
- (ii) if the Scheme lapses or is withdrawn on or prior to, or the Scheme does not become effective by, 31 August 2010 in accordance with its terms and
 - (a) Suzano Bidco announces that it does not intend to switch to an Offer or
 - (b) Suzano Bidco does not announce a firm intention to make an Offer within 10 days of the Scheme lapsing, being withdrawn or not having become effective or
 - (c) Suzano Bidco announces a firm intention to make an Offer but does not post an offer document containing the formal terms of the Offer (the "**Offer Document**") within 28 days of such announcement;
- (iii) if the Offer Document is posted and the Offer does not become unconditional in all respects prior to 31 October 2010; and
- (iv) in the case of the irrevocable undertakings referred to in paragraph 2, if a third party announces a firm intention to make an offer (which is not subject to any pre-condition) to acquire the entire issued share capital of FuturaGene at a price which values the existing issued share capital of FuturaGene at 10 per cent. or more above the value of the Proposal as set out in paragraph 2 of this announcement.

APPENDIX 4

Definitions

"AIM"	AIM, a market operated by the London Stock Exchange;
"AIM Rules"	the rules for companies with a class of securities admitted to AIM published by the London Stock Exchange governing admission to and the operation of AIM as in force at the date of this document;
"Alternative Acquisition Proposal"	<p>any proposal (whether or not subject to pre-conditions) put forward by a third party who is not acting in concert (as such term is understood by the Panel) with Suzano Bidco:</p> <ul style="list-style-type: none">(i) for a merger, acquisition or other business combination, scheme of arrangement, exchange offer, liquidation or takeover offer in each case involving a change of control (as such term is understood by the Panel) of FuturaGene; or(ii) to acquire in any manner, directly or indirectly (in one transaction or a series of transactions) all or a substantial portion of the assets of the FuturaGene Group;
"BNP Paribas"	BNP Paribas SA;
"Business Day"	a day, (other than a Saturday or Sunday or public holiday) on which banks are generally open in the City of London for the transaction of normal banking business;
"CBD Agreement"	the merger agreement dated 23 November 2006 between (1) FuturaGene; (2) FG Merger Corporation; (3) CBD Technologies Inc.; (4) CBD Technologies Ltd.; and (5) Dr Stanley Hirsch as Stockholders' Representative, as may have been varied from time to time;
"CBD Stockholders"	those persons who are defined as "Stockholders" in the CBD Agreement;
"CBD Warrant Holders"	holders of CBD Warrants as at the effective time of the CBD Merger as provided for in the CBD Agreement;
"CBD Warrants"	the warrants or other outstanding rights to purchase shares of CBD Technologies Inc. outstanding as at the date of the CBD Agreement;
"Closing Price"	the closing middle market quotation of a FuturaGene Share as derived from the AIM Appendix to the Daily Official List;

"Code" or "City Code"	the City Code on Takeovers and Mergers;
"Companies Act 2006"	the Companies Act 2006, as amended, modified, consolidated, re-enacted or replaced (from time to time);
"Conditions"	the conditions to the Proposal which are set out in Appendix 1 to this announcement;
"Court"	the High Court of Justice of England and Wales;
"Court Meeting"	the meeting of Scheme Shareholders (and any adjournment thereof) to be convened by order of the Court pursuant to section 896 of the Companies Act 2006 to consider and, if thought fit, approve the Scheme (with or without amendment);
"Court Orders"	the Scheme Court Order and the Reduction Court Order;
"CREST"	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations);
"Daily Official List"	the daily official list of the London Stock Exchange;
"Effective Date"	the date on which the Scheme becomes effective in accordance with its terms;
"Enlarged Group"	Suzano Papel e Celulose and its direct and indirect subsidiaries and its subsidiary undertakings following completion of the Proposal;
"Euroclear"	Euroclear UK & Ireland Limited;
"Evolution Securities"	Evolution Securities Limited;
"Exchange Agent"	the exchange agent as defined in the CBD Agreement;
"Forms of Proxy"	the forms of proxy for use at the Court Meeting and the General Meeting;
"FSA"	Financial Services Authority;
"Future Consideration Shares"	the 2,750,000 FuturaGene Shares to be issued as deferred consideration shares to or on behalf of, amongst others, the CBD Stockholders, in accordance with the terms of the CBD Agreement;
"FuturaGene"	FuturaGene plc, a public limited company incorporated in England and Wales with registered number 04001406;
"FuturaGene Articles"	the articles of association of FuturaGene from time to time;

"FuturaGene Directors" or "FuturaGene Board"	the board of directors of FuturaGene;
"FuturaGene Group"	FuturaGene, its direct and indirect subsidiaries and its subsidiary undertakings from time to time and " member of the FuturaGene Group " shall be construed accordingly;
"FuturaGene Shareholder" or "FuturaGene Shareholders" or "Shareholder"	a holder or holders of FuturaGene Shares;
"FuturaGene Shares"	ordinary shares of £0.005 nominal value each in the capital of FuturaGene;
"FuturaGene Share Scheme"	FuturaGene plc 2007 Stock Option/Stock Issuance Scheme;
"General Meeting"	the general meeting of FuturaGene Shareholders (and any adjournment thereof) to be convened in connection with the Scheme, expected to be held as soon as the preceding Court Meeting has been concluded, and any adjournment thereof;
"Implementation Agreement"	the implementation agreement between Suzano Bidco, Suzano Papel e Celulose and FuturaGene in relation to the implementation of the Scheme dated 13 May 2010;
"London Stock Exchange"	London Stock Exchange plc;
"Long-stop Date"	31 August 2010;
"Meetings"	the Court Meeting and the General Meeting, each a " Meeting ";
"Merger Warrants"	the warrants to purchase FuturaGene Shares issued to CBD Warrant Holders in exchange for their CBD Warrants pursuant to the terms of the CBD Agreement;
"New FuturaGene Shares"	the new ordinary shares of £0.005 each in the capital of FuturaGene to be issued in accordance with the Scheme;
"Offer"	should Suzano Bidco elect to effect the Proposal by way of a takeover offer, the offer to be made by or on behalf of Suzano Bidco for all of the issued and to be issued FuturaGene Shares on the terms and subject to the conditions to be set out in the related offer document and form of acceptance (including, where the context requires, any subsequent revision, variation, extension or renewal thereof);
"Overseas Shareholders"	FuturaGene Shareholders (or nominees, custodians or trustees for FuturaGene Shareholders) not resident in or citizens of the United Kingdom;

"Panel"	the Panel on Takeovers and Mergers in the United Kingdom;
"Proposal"	the proposed acquisition by Suzano Bidco, a wholly-owned subsidiary of Suzano Papel e Celulose, of the entire issued and to be issued share capital of FuturaGene, other than those FuturaGene Shares already owned by the Suzano Group, by means of the Scheme;
"Reduction Court Hearing"	the proposed hearing by the Court of the application to confirm the Reduction of Capital, expected to be at least one Business Day after the day of the Scheme Court Hearing;
"Reduction Court Order"	the Court order under section 648 of the Companies Act 2006 confirming the Reduction of Capital;
"Reduction of Capital"	the reduction of share capital of FuturaGene by cancellation of the Scheme Shares, to be effected as part of the Scheme pursuant to section 648 of the Companies Act 2006;
"Reduction Record Time"	6.00 p.m. on the Business Day immediately preceding the Reduction Court Hearing;
"Registrar of Companies"	the Registrar of Companies in England and Wales based at Companies House in Cardiff;
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Proposal is sent or made available to FuturaGene Shareholders in that jurisdiction;
"Scheme" or "Scheme of Arrangement"	the proposed scheme of arrangement under Part 26 of the Companies Act 2006 between FuturaGene and the Scheme Shareholders to effect the Proposal with or subject to any modification, addition or condition approved or imposed by the Court and agreed by FuturaGene and Suzano Bidco;
"Scheme Circular"	the circular proposed to be despatched to FuturaGene Shareholders containing the details of the Proposal and the Scheme and containing notices of the Meetings and the text of the Scheme;
"Scheme Court Hearing"	the hearing by the Court to sanction the Scheme;
"Scheme Court Order"	the Court order sanctioning the Scheme under section 899 of the Companies Act 2006;

"Scheme Shareholder"	a holder of Scheme Shares;
"Scheme Shares"	<p>the FuturaGene Shares:</p> <ul style="list-style-type: none"> (i) in issue at the date of the Scheme Circular; (ii) (if any) issued after the date of the Scheme Circular and prior to the Voting Record Time; (iii) (if any) issued on or after the Voting Record Time and on or prior to the Reduction Record Time, either on terms that the original and any subsequent holder thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, <p>in each case other than any FuturaGene Shares registered in the name of Suzano Papel e Celulose, Suzano Bidco or any other member of the Suzano Group;</p>
"Special Resolution"	the special resolution to be proposed at the General Meeting approving the Scheme, approving the Reduction of Capital, approving the proposed changes to the FuturaGene Articles, ratifying the grant of certain Warrants, giving the FuturaGene Directors authority to allot FuturaGene Shares and disapplying the statutory pre-emption rights in respect of the allotment of, <i>inter alia</i> , FuturaGene Shares following the exercise of Warrants;
"subsidiary" and "subsidiary undertaking"	have the meanings given by the Companies Act 2006;
"Suzano Bidco"	Suzano Trading Limited, a private limited company incorporated in the Cayman Islands with registered number 447821;
"Suzano Bidco Directors" or "Suzano Bidco Board"	the board of directors of Suzano Bidco;
"Suzano Papel e Celulose"	Suzano Papel e Celulose S.A., a public limited company incorporated in Brazil with registered number 16404287000155;
"Suzano Papel e Celulose Directors" or "Suzano Papel e Celulose Board"	the board of managing directors of Suzano Papel e Celulose;
"Suzano Group"	Suzano Papel e Celulose, its direct and indirect subsidiaries and its subsidiary undertakings from time to time and "member of the Suzano Group" shall be construed accordingly;

"Trustee"	accountant Ya'acov Messing of 90 Hahashmonaim Street, Tel Aviv who holds certain FuturaGene Shares on behalf of certain FuturaGene Shareholders;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"VAT"	value added tax in the UK, including any similar tax which may be imposed in place thereof in the UK from time to time;
"Voting Record Time"	6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned Court Meeting; and
"Warrants"	the 6,000,000 warrants to subscribe for FuturaGene Shares constituted pursuant to warrant instruments of FuturaGene dated 30 November 2009.

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