

ARACRUZ CELLULOSE S A
Form 6-K
October 25, 2006

United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the
Securities Exchange Act of 1934

For the month of
October 2006

Aracruz Celulose S.A.

Aracruz Cellulose S.A.

(Translation of Registrant's name into English)

Av. Brigadeiro Faria Lima, 2,277 4th floor
São Paulo, SP 01452-000, Brazil
(Address of principal executive office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1))

(Check One) Yes No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7))

(Check One) Yes No

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82-.)

Aracruz Celulose S.A.

Quarterly Financial Information (ITR) as of September 30, 2006 and Special Review Report of Independent Registered Public Accounting Firm

FEDERAL PUBLIC SERVICE

CVM - SECURITIES COMMISSION

QUARTERLY INFORMATION - ITR

COMMERCIAL, INDUSTRIAL & OTHERS TYPES OF BUSINESS

Corporate Legislation

Period - 09/30/2006

01.01 - IDENTIFICATION

01 - CVM Code	02 - Name of Society	03 - Taxpayer N ^o
00043-4	Aracruz Celulose S.A.	42.157.511/0001-61

01.02 - ADDRESS OF HEAD OFFICES

01 - COMPLETE ADDRESS	02 - DISTRICT	03 - ZIP CODE (CEP)
Caminho Barra do Riacho, s/n ^o - km 25	Barra do Riacho	29.197-900
04 - CITY	05 - STATE	
Aracruz	Espírito Santo	
06 - AREA CODE	07 - TELEPHONE	08 - TELEPHONE TELEPHONE
027	3270-2442	3270-2540 3270-2844
11 - AREA CODE	12 - FAX N ^o	13 - FAX N ^o
027	3270-2590	3270-2171
15 - E-MAIL		14 - FAX N ^o
mbl@aracruz.com.br		3270-2001

01.03 - DIRECTOR OF MARKET RELATIONS (BUSINESS ADDRESS)

01 - NAME	03 - DISTRICT	
Isac Roffé Zagury	Jardim Paulistano	
02 - COMPLETE ADDRESS	04 - ZIP CODE (CEP)	05 - CITY
Av. Brigadeiro Faria Lima, 2272 - 3 rd and 4 th Floor	01.452-000	São Paulo
07 - AREA CODE	08 - TELEPHONE	09 - TELEPHONE
011	3301-4160	3301-4139
12 - AREA CODE	13 - FAX N ^o	14 - FAX N ^o
011	3301-4202	3301-4117
16 - E-MAIL		10 - TELEPHONE
iz@aracruz.com.br		3301-4194
		15 - FAX N ^o
		3301-4275

01.04 □ ACCOUNTANT / REFERENCE

CURRENT FISCAL YEAR			CURRENT QUARTER			PREVIOUS QU
1 - BEGINNING	2 - ENDING	3 - NUMBER	4 - BEGINNING	5 - ENDING	6 - NUMBER	7 - BEGINNING
01/01/2006	12/31/2006	3	07/01/2006	09/30/2006	2	04/01/2006
9 - NAME / ACCOUNTANT CORPORATE NAME					10 - CVM CODE	

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Deloitte Touche Tohmatsu Auditores Independentes
 11 - NAME OF THE TECHNICAL RESPONSIBLE
 Celso de Almeida Moraes

00385-9
 12 - CPF Nº
 680.686.898-34

01.05 - CURRENT BREAKDOWN OF PAID-IN CAPITAL, NET OF TREASURY STOCK

NUMBER OF SHARES (Thousands)	1 - CURRENT QUARTER 09/30/2006	2 - PREVIOUS QUARTER 06/30/2006	3 - QUARTER PREVIOUS YEAR 09/30/2005
PAID-IN CAPITAL			
1 - COMMON	455,391	455,391	455,391
2 - PREFERRED	577,163	577,163	577,163
3 - TOTAL	1,032,554	1,032,554	1,032,554
IN TREASURY			
4 - COMMON	483	483	483
5 - PREFERRED	1,483	1,483	1,483
6 - TOTAL	1,966	1,966	1,966

01 .06 SOCIETY CHARACTERISTICS
 1 TYPE OF SOCIETY
 COMMERCIAL, INDUSTRIAL & OTHER TYPES OF BUSINESS
 2 SITUATION
 IN OPERATION
 3 NATURE OF STOCK CONTROL
 PRIVATE NATIONAL
 4 ACTIVITY CODE
 1040 PAPER AND PULP INDUSTRY
 5 ACTIVITY OF THE SOCIETY
 PRODUCTION OF BLEACHED EUCALYPTUS PULP
 6 TYPE OF CONSOLIDATED
 TOTAL
 7 AUDITORS REPORT TYPE
 UNQUALIFIED OPINION
 01 .07 SUBSIDIARIES EXCLUDED FROM CONSOLIDATED STATEMENTS

01 ITEM 02 TAXPAYER Nº 03 NAME

01.08 DIVIDENDS APPROVED/PAID DURING AND AFTER CURRENT QUARTER

2 <input type="checkbox"/>		1 <input type="checkbox"/> ITEM EVEN' B <input type="checkbox"/> DATE OF APPROVAL				4 <input type="checkbox"/> TYPE	5 <input type="checkbox"/> PAYMENT BEGAIN	6 <input type="checkbox"/> STOCK TYPE	7
01	RD	06/20/2006	Interests On Stockholders	Capital	07/13/2006	ON			
02	RD	06/20/2006	Interests On Stockholders	Capital	07/13/2006	PNA			
03	RD	06/20/2006	Interests On Stockholders	Capital	07/13/2006	PNB			
04	RD	09/19/2006	Interests On Stockholders	Capital	10/10/2006	ON			
05	RD	09/19/2006	Interests On Stockholders	Capital	10/10/2006	PNA			
06	RD	09/19/2006	Interests On Stockholders	Capital	10/10/2006	PNB			

01.09 SUBSCRIBED CAPITAL AND CHANGES IN ACCOUNTING PERIOD IN COURSE

3 <input type="checkbox"/> VALUE OF THE SUBSCRIBED CAPITAL		4 <input type="checkbox"/> VALUE OF THE ALTERATION		5 <input type="checkbox"/> ORIGIN OF THE ALTERATION	
1 <input type="checkbox"/> ITEM	2 <input type="checkbox"/> DATE OF CHANGE	(REAL THOUSAND)	(REAL THOUSAND)	(REAL THOUSAND)	(REAL THOUSAND)

01.10 □ DIRECTOR OF INVESTOR RELATIONS

01 □ DATE

10/05/2006

02 □ SIGNATURE

/s/ Isac Roffé

02.01 □ BALANCE SHEET □ ASSETS □ THOUSAND OF R\$

1 □ CODE	2 □ DESCRIPTION	3 □ DATE □ 09/30/2006	4 □ DATE □ 06/30/2006
1	TOTAL ASSETS	8,949,884	8,634,063
1.1	CURRENT ASSETS	1,277,380	1,324,750
1.1.1	CASH AND CASH EQUIVALENTS	3,618	1,380
1.1.2	CREDITS	347,877	472,414
1.1.2.1	ACCOUNTS RECEIVABLE FROM CUSTOMERS - PULP	73,400	206,338
1.1.2.2	ACCOUNTS RECEIVABLE FROM CUSTOMERS - PAPER	23,495	19,341
1.1.2.3	ACCOUNTS RECEIVABLE FROM CUSTOMERS - OTHERS	2,984	2,442
1.1.2.4	EMPLOYEES	9,534	4,697
1.1.2.5	SUPPLIERS	3,561	6,934
1.1.2.6	SUBSIDIARIES	3	3
1.1.2.7	TAXES	231,058	228,822
1.1.2.8	OTHERS	3,842	3,837
1.1.3	INVENTORIES	213,972	184,863
1.1.3.1	SUPPLIES	95,631	92,035
1.1.3.2	RAW MATERIALS	66,876	48,805
1.1.3.3	FINISHED GOODS	51,181	43,711
1.1.3.4	PRODUCTS IN PROCESS	0	0
1.1.3.5	OTHERS	284	312
1.1.4	OTHERS	711,913	666,093
1.1.4.1	SHORT TERM INVESTMENTS	691,026	645,649
1.1.4.2	FINANCIAL APPLICATION	0	15,051
1.1.4.3	PREPAID EXPENSES	20,877	5,383
1.1.4.4	FIXED ASSETS AVAILABLE FOR SALE	0	0
1.1.4.5	OTHERS	10	10
1.2	LONG-TERM ASSETS	262,195	256,712
1.2.1	CREDITS	203,392	197,656
1.2.1.1	ACCOUNTS RECEIVABLE FROM CUSTOMERS	0	0
1.2.1.2	SUPPLIERS	194,311	188,041
1.2.1.3	TAXES	9,081	9,615
1.2.1.4	OTHERS	0	0

02.01 □ BALANCE SHEET □ ASSETS □ THOUSAND OF R\$

1 □ CODE	2 □ DESCRIPTION	3 □ DATE □ 09/30/2006	4 □ DATE □ 06/30/2006
1.2.2	ACCOUNTS RECEIVABLE □ RELATED PARTIES	5,877	5,838
1.2.2.1	FROM AFFILIATES	0	0
1.2.2.2	FROM SUBSIDIARIES	5,877	5,838
1.2.2.3	OTHERS	0	0
1.2.3	OTHERS	52,926	53,218
1.2.3.1	LONG TERM INVESTMENTS	5,599	5,462
1.2.3.2	ESCROW DEPOSITS	47,327	47,756
1.2.3.3	OTHERS	0	0

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1.3	FIXED ASSETS	7,410,309	7,052,601
1.3.1	INVESTMENTS	2,654,733	2,338,089
1.3.1.1	IN AFFILIATES	19,583	19,727
1.3.1.2	IN SUBSIDIARIES	2,632,513	2,315,725
1.3.1.3	OTHER COMPANIES	2,637	2,637
1.3.2	PROPERTY, PLANT AND EQUIPMENT	4,441,661	4,371,809
1.3.2.1	LAND	694,574	665,159
1.3.2.2	BUILDINGS	450,260	452,056
1.3.2.3	MACHINERY AND EQUIPMENT	2,257,831	2,300,645
1.3.2.4	FORESTS	817,435	776,934
1.3.2.5	ADVANCES TO SUPPLIERS	38,664	1,715
1.3.2.6	CONSTRUCTION IN PROGRESS	80,171	67,360
1.3.2.7	OTHERS	102,726	107,940
1.3.3	DEFERRED ASSETS	313,915	342,703
1.3.3.1	INDUSTRIAL	4,329	4,973
1.3.3.2	FORESTS	0	0
1.3.3.3	ADMINISTRATIVE	0	0
1.3.3.4	GOODWILL ARISING ON INCORPORATION OF ENTITY	309,586	337,730
1.3.3.5	OTHERS	0	0

02.02 □ BALANCE SHEET □ LIABILITIES □ THOUSAND OF R\$

1 □ CODE	2 □ DESCRIPTION	3 □ DATE □ 09/30/2006	4 □ DATE □ 06/30/2006
2	TOTAL LIABILITIES	8,949,884	8,634,063
2.1	CURRENT LIABILITIES	658,988	746,232
2.1.1	LOANS AND FINANCING	184,300	176,380
2.1.2	DEBENTURES	0	0
2.1.3	SUPPLIERS	115,946	90,721
2.1.4	TAXES	76,561	89,555
2.1.5	DIVIDENDS PAYABLE	83,046	76,984
2.1.6	PROVISIONS	47,285	35,522
2.1.6.1	VACATION AND 13 th SALARY	28,605	23,783
2.1.6.2	PROFIT SHARING	18,680	11,739
2.1.7	LOANS FROM RELATED PARTIES	136,622	245,410
2.1.7.1	ADVANCES FROM SUBSIDIARIES	135,206	243,834
2.1.7.2	OTHERS	0	0
2.1.7.3	OTHER DEBTS TO SUBSIDIARIES	1,416	1,576
2.1.8	OTHERS	15,228	31,660
2.1.8.1	OTHERS	15,228	31,660
2.1.8.2	PROPOSED DIVIDENDS	0	0
2.2	LONG-TERM LIABILITIES	3,447,608	3,261,133
2.2.1	LOANS AND FINANCING	2,298,015	1,890,919
2.2.2	DEBENTURES	0	0
2.2.3	PROVISION	629,339	652,330
2.2.3.1	LABOR CONTINGENCIES	35,416	36,275
2.2.3.2	FISCAL CONTINGENCIES	442,085	486,920
2.2.3.3	INCOME TAX TEMPORARY DIFFERENCES	98,538	83,535
2.2.3.4	TAXES	53,300	45,600
2.2.4	LOANS FROM RELATED PARTIES	498,956	685,849

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2.2.4.1	ADVANCES FROM SUBSIDIARIES	498,956	685,849
2.2.5	OTHERS	21,298	32,035
2.2.5.01	SUPPLIERS	9,761	21,757
2.2.5.02	OTHERS	11,537	10,278
2.3	DEFERRED INCOME	0	0

02.02 □ BALANCE SHEET □ LIABILITIES □ THOUSAND OF R\$

1 □ CODE	2 □ DESCRIPTION	3 □ DATE □ 09/30/2006	4 □ DATE □ 06/30/2006
2.5	STOCKHOLDER[S] EQUITY	4,843,288	4,626,698
2.5.1	PAID-IN CAPITAL	1,854,507	1,854,507
2.5.1.1	COMMON STOCK	783,599	783,599
2.5.1.2	PREFERRED STOCK	1,070,908	1,070,908
2.5.2	CAPITAL RESERVES	162,210	162,210
2.5.3	REVALUATION RESERVE	0	0
2.5.3.1	OWN ASSETS	0	0
2.5.3.2	SUBSIDIARIES / AFFILIATES	0	0
2.5.4	REVENUE RESERVES	2,199,461	2,199,461
2.5.4.1	LEGAL	281,037	281,037
2.5.4.2	STATUTORY	0	0
2.5.4.3	FOR CONTINGENCIES	0	0
2.5.4.4	UNREALIZED INCOME	0	0
2.5.4.5	FOR INVESTMENTS	1,927,410	1,927,410
2.5.4.6	SPECIAL FOR NON-DISTRIBUTED DIVIDENDS	0	0
2.5.4.7	OTHER UNREALIZED INCOME	(8,986)	(8,986)
2.5.4.7.1	TREASURY STOCK	(8,986)	(8,986)
2.5.5	RETAINED EARNINGS	627,110	410,520

03.01 □ STATEMENT OF OPERATIONS □ THOUSAND OF R\$

1 □ CODE	2 □ DESCRIPTION	3 □ FROM : 07/01/2006	4 □ TO : 09/30/2006
3.1	GROSS SALES AND SERVICES REVENUE		548,012
3.2	SALES TAXES AND OTHER DEDUCTIONS		(8,984)
3.3	NET SALES REVENUE		539,028
3.4	COST OF GOODS SOLD		(419,612)
3.5	GROSS PROFIT		119,416
3.6	OPERATING (EXPENSES) INCOME		78,354
3.6.1	SELLING		(15,616)
3.6.2	GENERAL AND ADMINISTRATIVE		(40,843)
3.6.3	FINANCIAL		(91,844)
3.6.3.1	FINANCIAL INCOME		62,016
3.6.3.2	FINANCIAL EXPENSES		(153,860)
3.6.4	OTHER OPERATING INCOME		9,475
3.6.5	OTHER OPERATING EXPENSES		(47,167)
3.6.6	EQUITY IN THE RESULTS OF SUBSIDIARIES		264,349
3.7	OPERATING INCOME		197,770
3.8	NON-OPERATING (EXPENSES) INCOME		(394)

3.8.1	INCOME	200
3.8.2	EXPENSES	(594)
3.9	INCOME BEFORE INCOME TAXES AND MANAGEMENT REMUNERATION	197,376
3.10	INCOME TAX AND SOCIAL CONTRIBUTION	34,217
3.11	DEFERRED INCOME TAXES	(15,003)
3.12	MANAGEMENT REMUNERATION AND STATUORY APPROPRIATIONS	0
3.12.1	REMUNERATION	0
3.12.2	APPROPRIATIONS	0
3.13	REVERSION OF INTERESTS ON STOCKHOLDERS' CAPITAL	80,000
3.15	NET INCOME FOR THE PERIOD	296,590
	CAPITAL STOCK-QUANTITY (THOUSANDS)	1,030,588
	EARNINGS PER SHARE	0,28779
	LOSS PER SHARE	-

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION (Convenience Translation into English of original previously issued in Portuguese)

EXPRESSED IN THOUSANDS OF REAIS

(Except as indicated otherwise)

1 Operations and Background

Aracruz Celulose S.A. ("Aracruz", "Company" or "Parent Company"), based in Aracruz, in the State of Espírito Santo, with plants located in the Brazilian States of Espírito Santo (ES), Bahia (BA) and Rio Grande do Sul (RS), was founded in 1967 with the objective of producing and selling short-fiber wood pulp, obtained from eucalyptus timber extracted largely from the Company's own forests. It has installed production capacity of 3,010 thousand tons per annum, 2,130 thousand at the mill in Barra do Riacho - ES, 430 thousand at the mill in Guaíba - RS, and 450 thousand at the mill in Eunápolis - BA relating to its 50% share in Veracel Celulose S.A. (the total installed capacity at the latter mill in Eunápolis is 900 thousand per annum).

Aracruz owns 50% of the capital stock of Veracel Celulose S.A. (Veracel), with the other half held by the Swedish-Finnish group Stora Enso. Operations at the Veracel mill, investments in which totaled approximately US\$ 1.25 billion, started up in May, 2005 and already by November it was producing at full capacity. The tree planting plan for Veracel's eucalyptus forests in Bahia continues to expand.

The Company's operations are integrated with those of its subsidiaries, which operate in: (i) the distribution of products on the international market [Aracruz Trading S.A., Aracruz Celulose (USA), Inc., Aracruz Trading International Commercial and Servicing Limited Liability Company (Aracruz Trading International Ltd.), previously known as Aracruz Trading Hungary Ltd.] and Riocell Limited], (ii) port services (Portocel - Terminal Especializado de Barra do Riacho S.A.), (iii) forestation and reforestation of eucalyptus trees, on behalf of third parties, under an usufruct agreement with the Parent Company (Mucuri Agroflorestal S.A.), (iv) the manufacture of solid wood products (Aracruz Produtos de Madeira S.A.), (v) consulting services and international trading activities [Ara Pulp - Comércio de Importação e Exportação, Unipessoal Ltda. (Ara Pulp)] and (vi) pulp production (Veracel).

In function of the increase of port rendering services to third parties and to the associated company Veracel, it was verified necessity to perform extension workmanships, reforms and improvements of the Barra do Riacho Private Terminal. The Company's subsidiary Portocel contracted a financing in the total amount equivalent to US\$ 50 million, corresponding in national currency the value of R\$ 104,465 [Note 13(d)], to be invested in Phase 1 of the expansion project.

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

2 Financial Disclosures and Significant Accounting Principles

The consolidated quarterly financial information has been prepared in conformity with accounting practices adopted in Brazil and procedures determined by the Brazilian Securities Commission CVM and Institute of Independent Auditors - IBRACON, the most significant of which are as follows:

- a) Revenues arise from long-term contracts and are recognized when the risk of ownership has passed to the customer. Other revenues, costs and expenses are reported on the accrual basis of accounting.
- b) Inventories are stated at the lower of the average cost of purchase or production, and replacement of realizable values.
- c) The other short and long-term assets are stated at the lower of cost or net realizable value, including, when applicable, interest earned through the balance sheet date.
- d) Permanent assets are carried at cost restated by government indices through December 31, 1995, combined with the following aspects: (i) investments in affiliated, jointly controlled and associated companies are recorded by the equity method, based on financial information according to the same accounting practices followed by the Parent Company; (ii) depreciation on a straight-line basis over the estimated useful lives of the related assets (Note 11); (iii) timber depletion computed on the cost of cultivation and maintenance of the forests and calculated on the unit-of-production basis, net of tree-development costs benefiting future harvests; (iv) goodwill arising on acquisition, attributed to the fixed assets and deferred assets upon incorporation of the respective subsidiary [Note 12 (i)]; and (v) amortization of the deferred assets over the years that the benefits arising from them current are enjoyed (Note 12).
- e) Short and long-term liabilities are stated at their known or estimated values, including accrued financial charges and monetary and exchange variations through the balance sheet date.
- f) Preparation of the quarterly financial information requires Management to use estimates and judgments related to the recording and disclosure of assets and liabilities, including provisions necessary for losses on accounts receivable, provisions for losses on inventories, definition of useful lives of fixed assets, amortization of pre-operating expenses and goodwill on acquisitions of corporate investments, provisions for contingent liabilities and recognition of revenues and expenses. Actual results may vary from estimates and judgments made by Management.

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

- g) The consolidated quarterly financial statements include the following Subsidiaries, all as of the Company's financial reporting date and uniform accounting practices:

	Stake in Capital (%)
Pulp production:	
Aracruz Celulose S.A.	-
Veracel Celulose S.A.	50
Eucalyptus forests and reforested tracts:	
Mucuri Agroflorestal S.A.	100
Port services:	

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Portocel - Terminal Especializado de Barra do Riacho S.A.	51
International distribution network:	
Aracruz Trading S.A.	100
Aracruz Trading International Ltd.	100
Aracruz Celulose (USA), Inc.	100
Ara Pulp - Com. de Importação e Exportação, Unipessoal Ltda.	100
Riocell Limited	100
Manufacture of solid wood products:	
Aracruz Produtos de Madeira S.A. (*)	33.33
Special Purpose Company □ SPC:	
Arcel Finance Limited [Note 13(b)]	-

(*) Since Aracruz holds a 1/3 share in the capital stock of Aracruz Produtos de Madeira S.A., its stake is recorded under the equity method.

The exclusive funds recorded as short-term investments have been included in the Company's consolidation process (Note 4).

The consolidation procedures for the balance sheet and the statements of income reflect the sum of the balances of assets, liabilities, income and expenses accounts, together with the following eliminations: (i) stakes in capital, reserves and retained earnings (deficit) against investments, (ii) balances of intercompany current accounts and other assets and/ or liabilities, (iii) effects of significant transactions, (iv) separate reporting of participation of minority shareholders in results and stockholders' equity of the controlled companies and (v) elimination of unrealized profits among Group companies.

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

In accordance with Brazilian Securities Commission (CVM) Instruction 247/96, the Company proportionally consolidated its interest in Veracel, given that is is jointly controlled (50%) under the terms of the shareholders agreement.

Summary financial statements of the jointly-controlled company Veracel, as proportionally consolidated by Aracruz, are as follows:

	9/30/2006	6/30/2006
Cash and cash equivalents	912	915
Inventories	62,840	62,935
Permanent assets	1,601,228	1,568,984
Other assets	207,586	197,416
	1,872,566	1,830,250
Suppliers	26,139	26,073
Financings	909,139	926,977
Other liabilities	33,406	29,149
Net equity	903,882	848,051
	1,872,566	1,830,250
3rd Quarter	9/30/2006	9/30/2005
Net sales revenues	108,702	40,292
Gross profit	35,972	1,760
Operating profit (loss)	24,354	(10,545)

Net income (loss) for the period	2,114	(7,551)
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- h) In order to enhance the quality of the information provided to the market, the Company is presenting, as additional information, the Statement of Cash Flows and the Statement of Value Added.

The Statement of Cash Flows was prepared in accordance with Pronouncement NPC-20, of the Brazilian Institute of Independent Auditors - IBRACON, reflecting transactions involving cash and cash equivalents of the Company, other than for securities with maturities above 90 days. This statement is divided into operating, investing and financing activities.

The Statement of Value Added, prepared in accordance with Pronouncement NPC-3.7 of the Federal Accounting Council - CFC, presents the result of the operations from the point of view of generation and distribution of value added, where the four main beneficiaries of the value generated by the activities of the Company are: employees, government, third party and shareholders' capital.

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

3 Marketable Securities

As of September 30 and June 30, 2006, the marketable securities recorded in the consolidated balance sheet chiefly comprise Certificates of Deposit (CDs) denominated in Reais, placed overseas with leading financial institutions, through the Company's subsidiary Aracruz Trading International Ltd., the original maturities of which are less than 90 days.

4 Short-term Investments

As of September 30 and June 30, 2006, the Company had units of ownership (quotas) in two exclusive private investment funds and marketable securities in certificates of deposit. The funds are comprised principally of Certificates of Deposit with leading Brazilian financial institutions, with final maturities between October of 2006 and April, 2011. The securities included in the portfolio of the private investment funds feature daily liquidity and are considered by the Company as securities held for trading.

These exclusive funds do not entail significant financial obligations. Any obligations are limited to the service fees paid to the asset management companies employed to execute investment transactions, audit fees and other general and administrative expenses. There are no consolidated assets of the Company that are collateral for these obligations and the creditors of the funds do not have recourse against the general credit of the Company.

Description	September 30, 2006	June 30, 2006
Certificates of Bank Deposit (CDBs)	386,701	311,784
Box of Options	172,761	166,730
Brazilian Federal Government Bonds	42,678	79,614
Debentures	88,886	87,521
Total	691,026	645,649

As of September 30, 2006, the difference between the Company and Consolidated balances, in the amount of R\$ 395,759, chiefly refers to CDBs denominated in Reais held at leading banks overseas through Aracruz's subsidiaries Aracruz Trading International Ltd. and Portocel - Terminal Especializado de Barra do Riacho S.A.

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

5 Accounts Receivable - Trade

	Parent Company		Consolidated	
	9/30/2006	6/30/2006	9/30/2006	6/30/2006
Domestic pulp sales	19,007	17,298	21,509	18,754
Foreign pulp sales				
Subsidiaries	50,139	185,138		
Others (third parties)	4,254	3,902	536,482	463,143
Allowance for doubtful accounts			(8,742)	(7,563)
	73,400	206,338	549,249	474,334

6 Inventories

	Parent Company		Consolidated	
	9/30/2006	6/30/2006	9/30/2006	6/30/2006
Pulp □ finished products				
At mills	49,363	41,420	66,442	61,146
Overseas			246,751	250,283
Paper □ finished products	1,818	2,291	1,817	2,291
Raw materials	66,876	48,805	79,865	61,050
Maintenance supplies	96,055	92,459	127,725	122,653
Provision for obsolescence / market value adjustment	(424)	(424)	(424)	(424)
Other inventories	284	312	1,387	1,082
	213,972	184,863	523,563	498,081

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

7 Related Parties

The transactions between the Company and its subsidiaries, jointly controlled and affiliated companies, such as purchases and sales of products, purchases of raw materials and contracting of services, are eliminated upon consolidation. The financial transactions, such as current account advances and prepayment contracts, bear effective interest rates that vary from 6.37% to 7.50% per annum plus exchange variation, and are likewise eliminated in the consolidation process.

(a) Subsidiaries, jointly controlled and affiliated companies

Balance Sheet	Aracruz Trading International Ltd.	Veracel Celulose S.A.	Mucuri Agro-florestal S.A.	Portocel - Terminal Especializado de Barra do Riacho S.A.	Aracruz Produtos de Madeira S.A.	2006	Total
						September	2006 June
Current assets	50,138		5,694	3	1,085	51,226	185,620
				183		5,877	5,838

Long-term assets					
Current liabilities	135,206	804	612	136,622	245,329
Long-term liabilities	498,956			498,956	685,850

Transactions for 3rd Quarter

				2006	2005
Sales revenues	491,313		1,505	492,818	450,671
Payment for port services		3,354		3,354	2,659
Financial expenses (income), net	9,657			9,657	(62,448)

(b) Stockholder and affiliated company

Transactions with a Company Stockholder and the company related to it, mainly financing transactions and performance of services, are carried out at rates, for amounts and on terms that would normally apply to unrelated parties.

Balance Sheet	Stockholder		Related company		Consolidated	
	BNDES □ Banco Nacional de Desenvolvimento Econômico e Social		Cia. de Navegação Norsul		2006 September	
Current liabilities		238,202			238,202	
Long-term liabilities		1,067,689			1,067,689	
Transactions for 3rd Quarter					2006	2005
Financial expenses (income), net		10,469			10,469	(896)
Freight expenses				5,834	5,834	3,96

04.01 - NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL INFORMATION
8 Tax Credits and Expenses on Income Tax and Social Contribution
(a) Tax credits

Deferred income tax and social contribution	Parent Company		Consolidated	
	9/30/2006	6/30/2006	9/30/2006	6/30/2006
Tax losses (i)	24,681	36,040	38,216	49,946
Negative results for purposes of social contribution on net income - CSLL (i)	108	8,734	4,982	13,740
Temporary differences (ii)				
Exchange variation taxes on cash basis	(143,470)	(146,001)	(143,470)	(146,001)
Other temporary differences	20,143	17,692	25,690	23,198
Income tax recoverable / offsettable				

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Income tax and social contribution on net income - prepaid on estimated basis	73,893	59,680	82,559	67,879
Income tax overpaid in prior years	98,870	133,811	98,870	133,811
Income tax withheld (IRRF) on investments in marketable securities	9,108	8,907	14,764	14,244
Income tax accrued on investments in marketable securities	21,424	14,887	22,753	15,428
Income tax on unearned income			41,893	32,042
State value-added tax on circulation of goods and services - ICMS (iii)	307,024	298,854	330,015	321,942
Provision for loss on ICMS credits (iii)	(297,943)	(289,097)	(302,529)	(293,612)
Other sundry items	27,763	11,395	48,423	