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OFFICE OF INTERNATIONAL
CORPORATE FINANCE
KLABIN S.A.

Public Company—CNPJ/MF no. 89.637.490/0001-45

NIRE 35300188349

SUPPL



NOTICE TO SHAREHOLDERS

KLABIN S.A. informs its Shareholders in the Extraordinary Meeting, held on September 1st, 2006, 7:00 p.m., approved the payment of interim dividends to the shares that represent its social capital, in the form and values defined below:

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1. DIVIDENDS

- a) For common shares, a dividend of R\$ 123,91 per 1,000 (one thousand) shares;
- b) For preferred shares, a dividend of R\$ 136,30 per 1,000 (one thousand) shares.

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2. BEGINNING OF PAYMENT:

September 25, 2006.

The dividends will be paid from September 25, 2006, and the "Record Date" September 13, 2006 for the Brazilian and American market for the ADR Level 1 Program. From September 14, 2006, the shares traded will be "Ex-Dividends".

3. INSTRUCTIONS FOR THE CREDIT OF DIVIDENDS:

Shareholders will have its credits available on the first day of payment, credited to the banking account informed to Banco Itaú S.A.

3.1 Shareholders with outdated registration form:

To those shareholders whose register does not contain the number of CPF/CNPJ or indication of Bank/Agency and checking account, the dividends will be credited as of the 3rd business day counted from the date of the request, as long as the interested parties provide the regularization of their registration form, in person, at any of Banco Itaú's agencies, which are solely intended to assist shareholders, stated below. In case the update of the registration form is made in any other bank agency not mentioned below, or through mail to the Shares and Debenture Unit – Avenida Engenheiro Armando de Arruda Pereira n° 707 – 9º floor - ZIP CODE 04344-902, São Paulo, SP, the payment will only be effected after due registrations in the electronic files of the Bank referred.

22/9/7

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4. INCOME TAX

There is no Income Tax.

5. LOCAL OF ATTENDANCE

At the Agencies of Banco Itaú S.A. listed below and at the other authorized agencies that render services to shareholders, during banking hours:

- São Paulo (SP) - Rua Boa Vista nº 176 – 1º Subsolo
- Rio de Janeiro (RJ) - Rua Sete de Setembro nº 99 - Subsolo
- Belo Horizonte (MG) - Av. João Pinheiro nº 195 - Mezanino
- Porto Alegre (RS) - Rua Sete de Setembro nº 746 – Mezanino
- Curitiba (PR) - Rua João Negrão nº 65
- Salvador (BA) - Av. Estados Unidos nº 50 – 2º floor
- Brasília (DF) - SCS Quadra 3, Ed. D' Angela - Térreo

São Paulo, September 1st, 2006.

Ronald Seckelmann
Director of Investor Relations