



Votorantim

CORPORATE PRESENTATION

3Q15 RESULTS

November 2015

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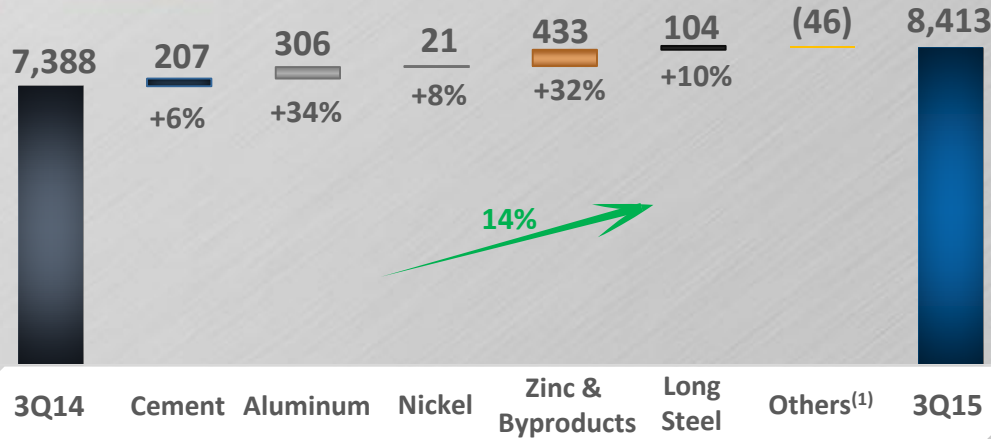
Business Performance
Financial Highlights
Closing Remarks



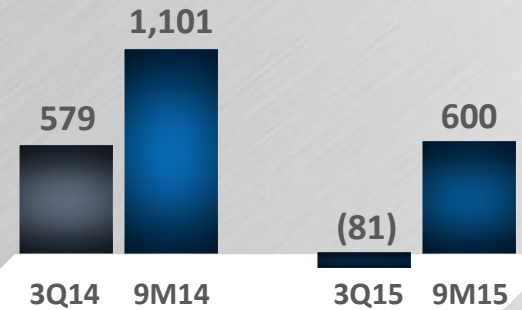
Consistent operating results in the face of a challenging economic scenario

(R\$ million)

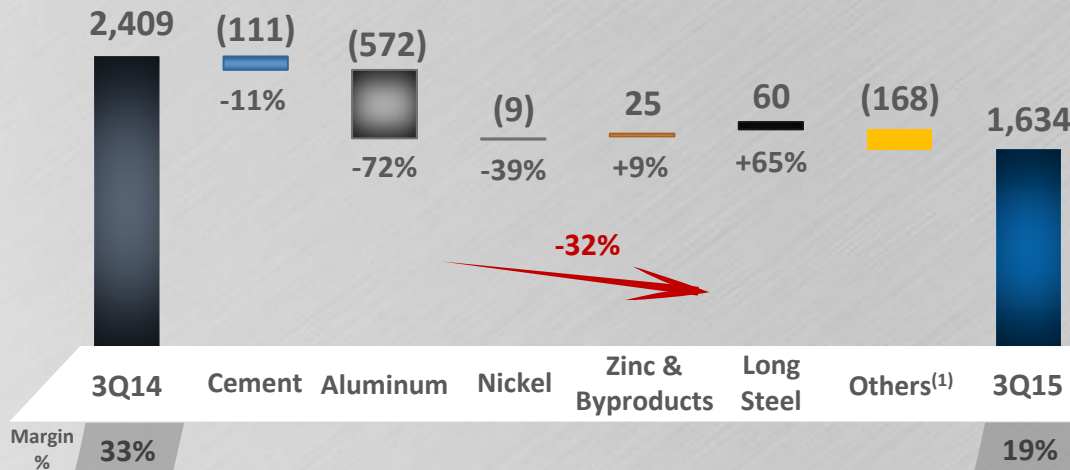
Net Revenues



Net Income



Adjusted EBITDA



Highlights

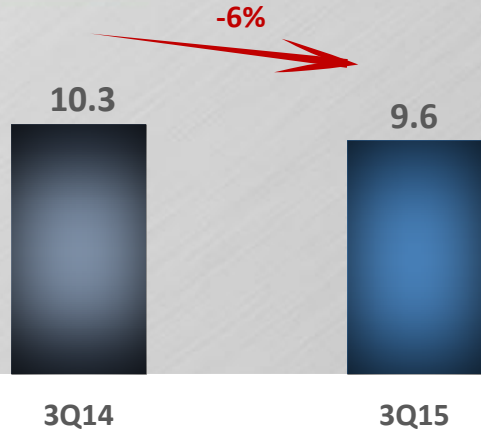
- ◆ Revenues **increased by 14%** to R\$8.4 billion, a **new quarterly record**.
- ◆ EBITDA would have **improved by 7%** excluding the **gain from the energy auction in 3Q14** (R\$882 million).
- ◆ Net income totaled **R\$600 million** in 2015.

(1) Includes Holding, Votorantim Energia, Baesa, Enercan, eliminations and others

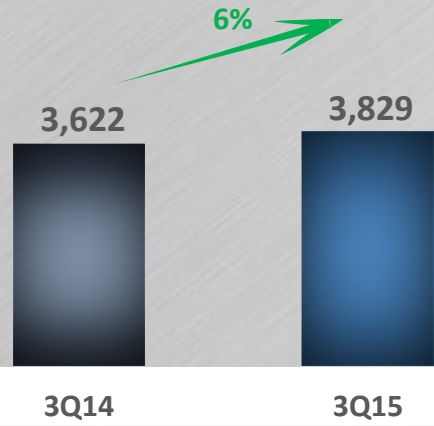
Cement | Results

(R\$ million)

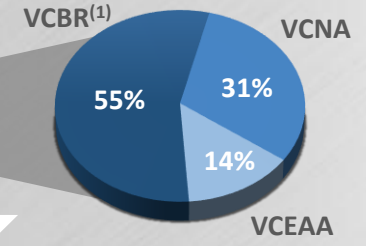
Volume (Mton)



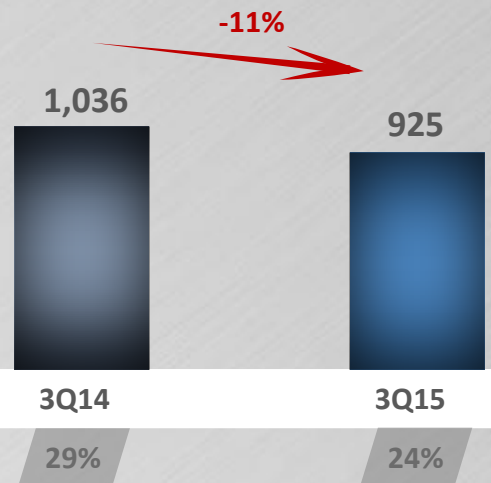
Net revenues



Breakdown 3Q15



Adjusted EBITDA



Highlights

- ◆ Geographic diversification partially offset the impacts of the Brazilian economy contraction in 2015.
- ◆ Revenues went up as a result of higher prices in USA, Morocco and India and higher cement and ready-mix volumes in VCEAA.
- ◆ EBITDA decreased mainly due to higher energy costs in Brazil and Tunisia along with FX impact on petcoke prices in Brazil.

(1) Includes operations in South America

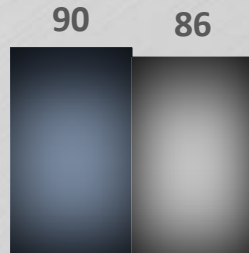
Aluminum & Nickel | Results

(R\$ million)

Volume (kton)

Aluminum

-4%



3Q14 3Q15

Nickel

8%

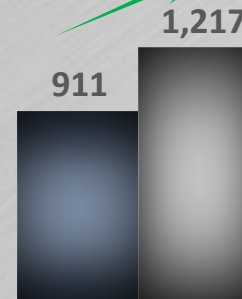


3Q14 3Q15

Net Revenues

Aluminum

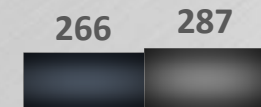
34%



3Q14 3Q15

Nickel

8%

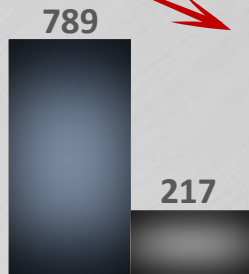


3Q14 3Q15

Adjusted EBITDA

Aluminum

-72%



3Q14 3Q15

Nickel

-39%



3Q14 3Q15

Margin %

87% 18%

9% 5%

Highlights

◆ Aluminum

- Sales volume **decreased** impacted by **lower demand** especially in **the construction and transport industries**.
- Revenues **went up** as a result of **higher prices in BRL and higher sale of energy surplus**.
- EBITDA fell by 72% due to the effect of the **gain in the energy auction in 3Q14 (R\$672 mm)**.

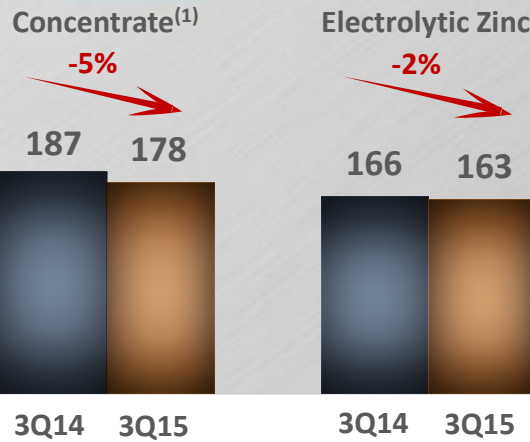
◆ Nickel

- Revenues **improved** on the back of **higher sales volume of nickel**.
- EBITDA **decreased** as a result of **higher consumption of imported nickel concentrate**.

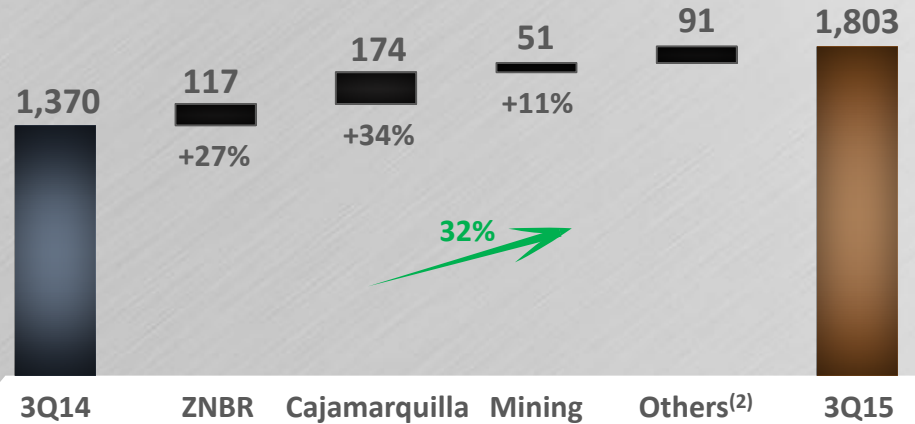
Zinc & Byproducts | Results

(R\$ million)

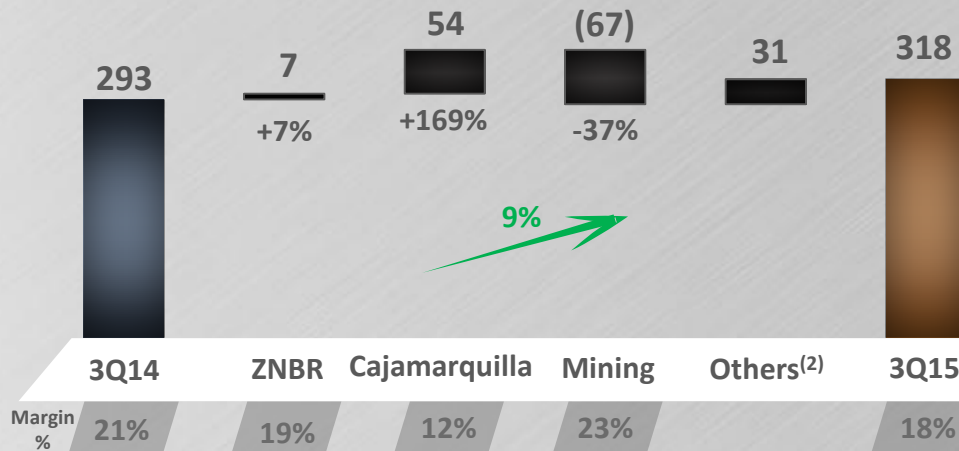
Volume (kton)



Net revenues



Adjusted EBITDA



Highlights

- ◆ Revenues and EBITDA **improved** mainly due to **higher zinc prices in BRL** along with the **impact of the FX on the consolidation of our foreign operations**.
- ◆ EBITDA margin **negatively** impacted by **lower prices in USD of lead (-22%) and cooper (-25%)**, affecting our **mining operations**

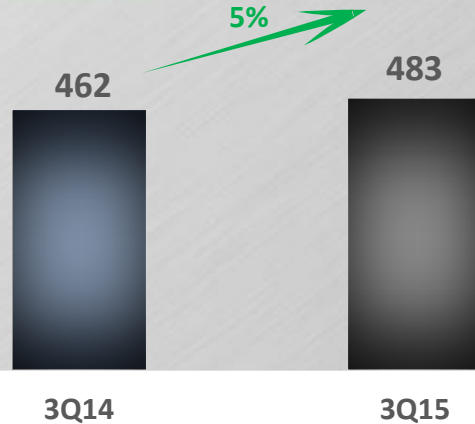
For further information on Milpo, please visit milpo.com/ir

(1) Includes zinc, copper and lead
 (2) Includes US Zinc and eliminations

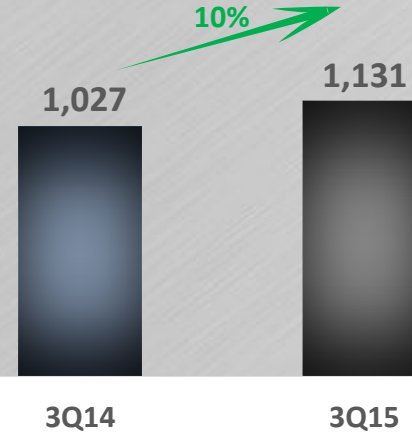
Long Steel | Results

(R\$ million)

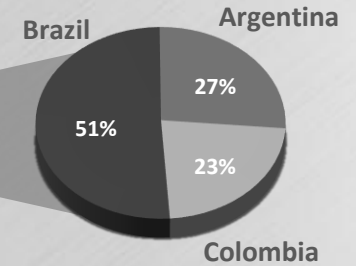
Volume (kton)



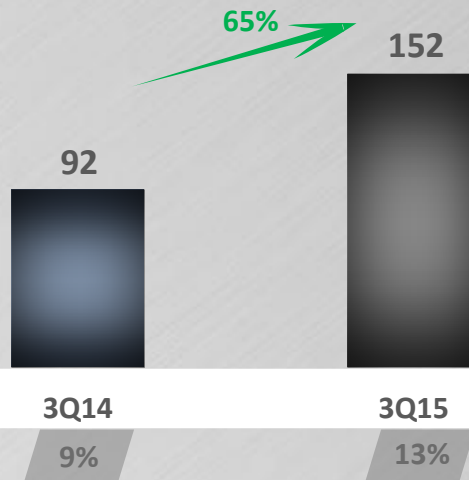
Net revenues



Breakdown 3Q15



Adjusted EBITDA



Highlights

- ◆ **Brazil** – Revenues **decreased** as a result of **lower prices**, reflecting the **weak demand** especially in **construction sector**. **Higher energy costs** negatively impacted EBITDA in 3Q15.
- ◆ **Argentina** – Revenues **improved** due to **higher prices**. EBITDA **increased** as a result of **lower scrap prices**.
- ◆ **Colombia** – Revenues **went up** mainly due to **higher prices and volumes**, especially due to the strategy to **focus on the construction sector**. EBITDA **increased** impacted by **lower payroll expenses and lower coal prices**.

Margin %

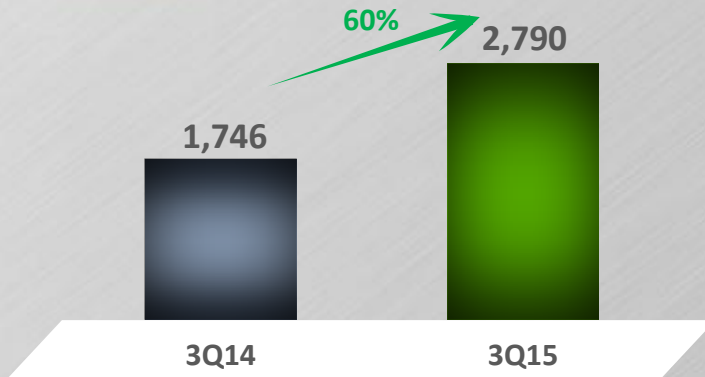
9%

13%

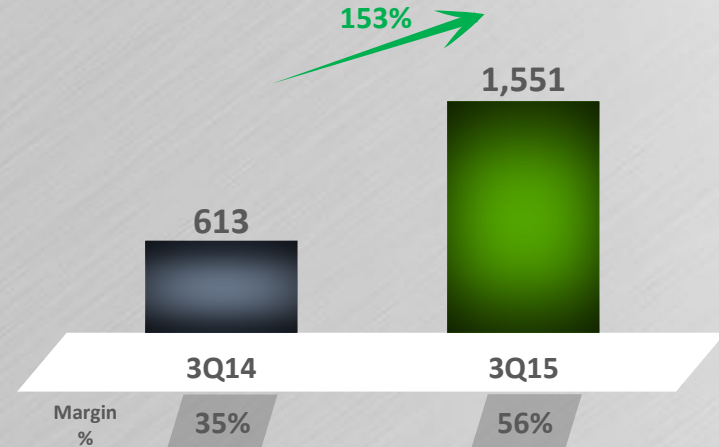
Pulp | Results⁽¹⁾

(R\$ million)

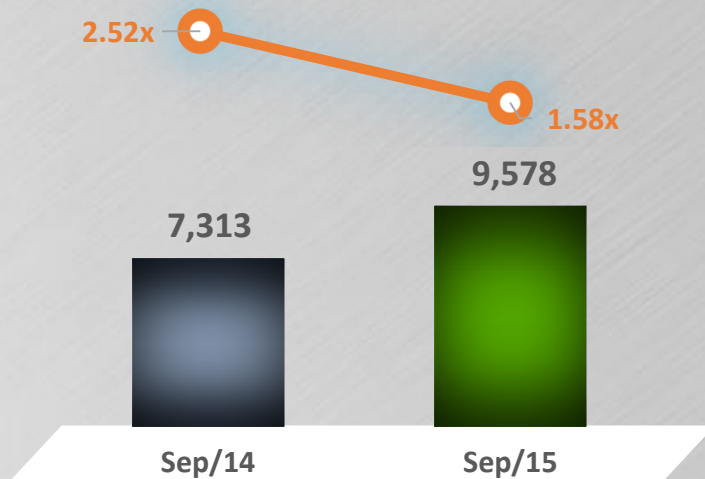
Net Revenues



Adjusted EBITDA



Net Debt and Net Debt/EBITDA⁽²⁾



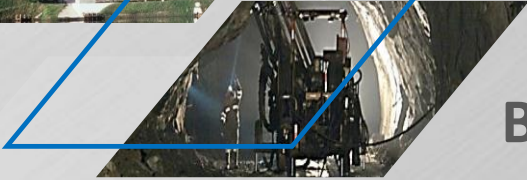
Highlights

- ◆ EBITDA margin of **56%**, a new quarterly record.
- ◆ Net debt/EBITDA in USD reached **1.58x**, the lowest level since Fibria's creation.
- ◆ Fibria was upgraded by Moody's to **Baa3 (Investment Grade)**.

For further information, please visit fibria.com/ir

(1) Fibria's figures @ 100% (VID has a 29.4% equity participation in Fibria)

(2) Net Debt/EBITDA in US\$



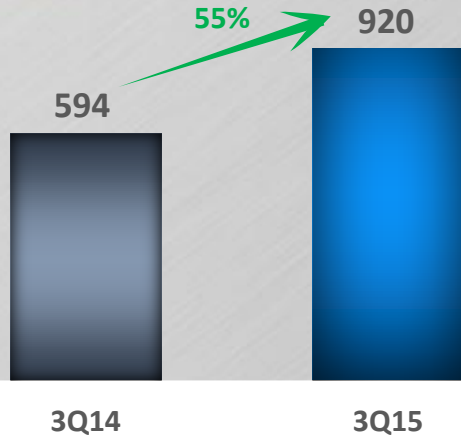
Business Performance
Financial Highlights
Closing Remarks



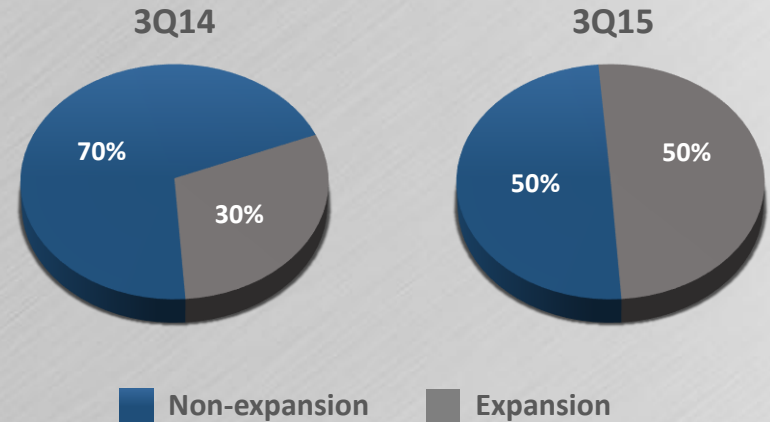
Commitment to disciplined Capex

(R\$ million)

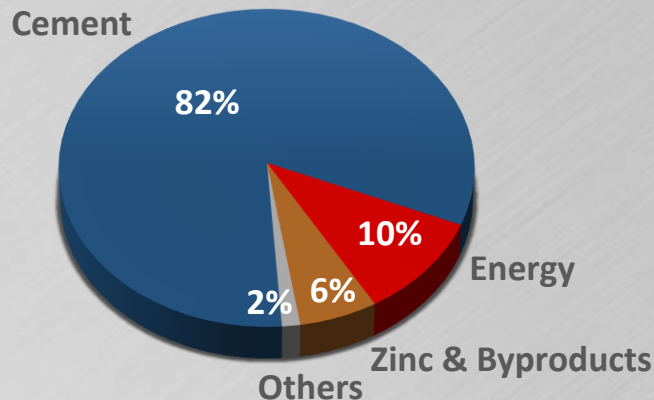
Capex



Capex Breakdown



Expansion Projects



Highlights

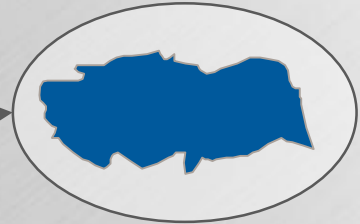
- ◆ Approval of **Ventos de São Vicente** project: a wind power generation, with **7 wind farms** in Piauí
- ◆ Cement accounted for **82%** of expansion projects:
 - Edealina (Brazil) – R\$115 mm
 - Itacamba (Bolivia) – R\$94 mm
 - Primavera (Brazil) – R\$92 mm

Expansion Projects



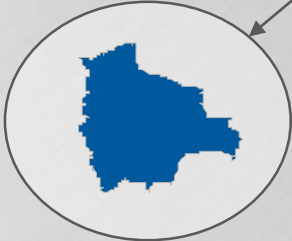
Charlesvoix (North America)

- ◆ Cement plant
- ◆ Brownfield project
- ◆ Increased capacity: 0.6 million tpy
- ◆ Start-up in 2017



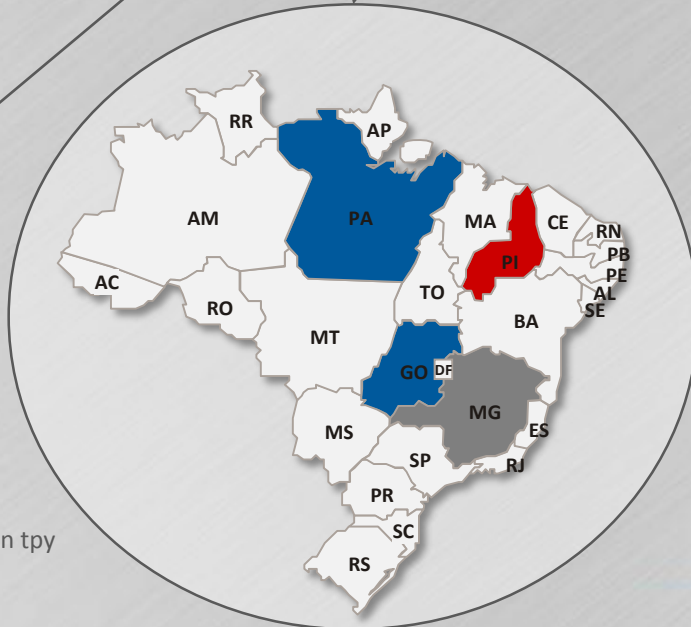
Sivas (Turkey)

- ◆ Cement plant
- ◆ Brownfield project
- ◆ Increased capacity: 1.2 million tpy
- ◆ Start-up in 2017



Itacamba (Bolivia)

- ◆ Cement plant
- ◆ Greenfield project
- ◆ Increased capacity: 0.9 million tpy
- ◆ Start-up in 2017



Primavera (PA - Brazil)

- ◆ Cement plant
- ◆ Greenfield project
- ◆ Increased capacity: 1.2 million tpy
- ◆ Start-up in 2016

Vazante (MG - Brazil)

- ◆ Zinc mine
- ◆ Brownfield project
- ◆ Extension of useful lifetime to 2026

Edealina (GO - Brazil)

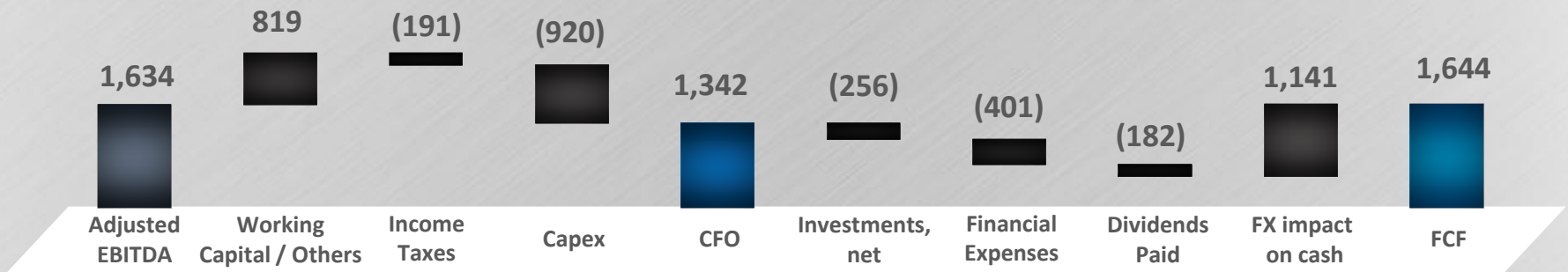
- ◆ Cement plant
- ◆ Greenfield project
- ◆ Increased capacity: 2.0 million tpy
- ◆ Start-up in 2015

Chapadinha (PI - Brazil)

- ◆ Wind power
- ◆ 7 Wind farms
- ◆ 206 MW of wind projects

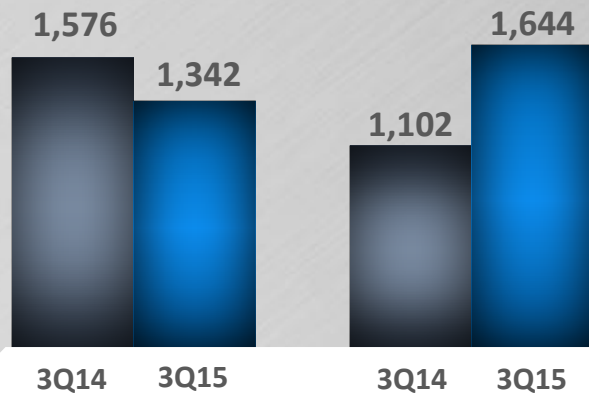
Cash flow generation supporting investments without compromising liquidity

Free Cash Flow Generation



Cash Flow

CFO FCF



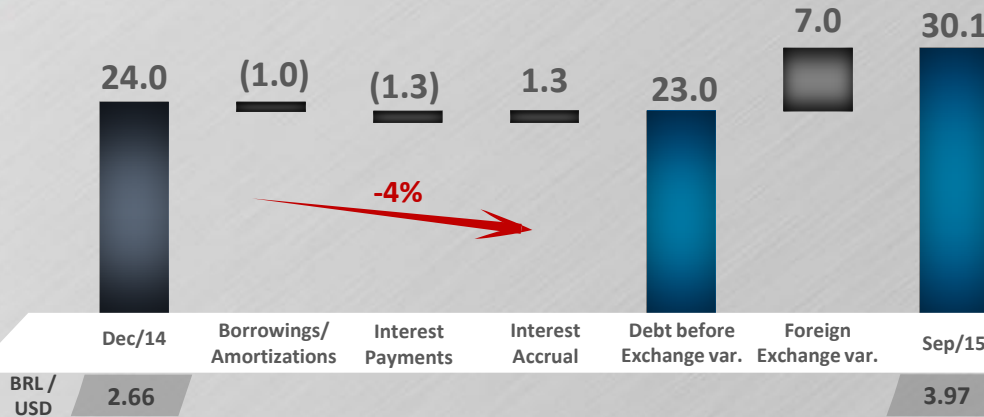
Highlights

- ◆ **Consistent FCO** on the back of **solid operating performance**
- ◆ **FCF improved** as a result of **lower financial expenses** coupled with the **FX impact on cash**

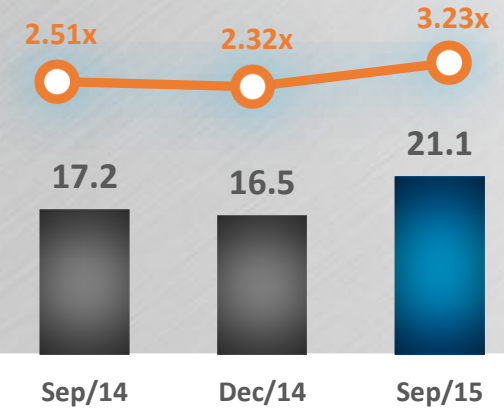
Comfortable cash position and extended debt maturity

(R\$ billion)

Gross Debt



Net Debt/EBITDA



Debt Amortization Schedule

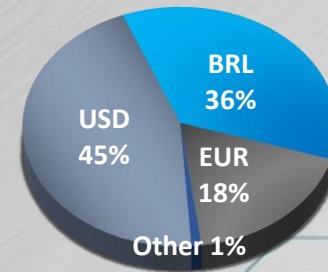
■ Revolving Credit Facility ■ Cash⁽²⁾

Average debt maturity: 7.8 years

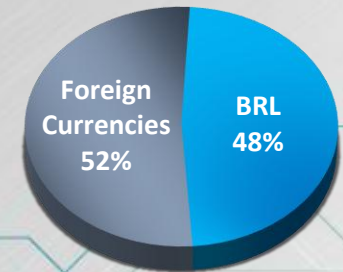


Debt and Cash by Currency

Debt⁽¹⁾

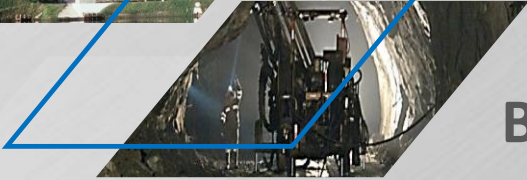


Cash⁽²⁾



(1) 4131 bilateral loan considered as BRL due to the cross-currency swap

(2) Includes cash, cash equivalents and financial investments



Business Performance
Financial Highlights
Closing Remarks



Closing Remarks

- ◆ **Business and geographic diversification mitigate negative impact of the Brazilian economic retraction.**
- ◆ **Management focused on productivity and on keeping costs and expenses under control.**
- ◆ **Comfortable liquidity position as well as both extended and smooth debt maturity profile.**
- ◆ **Resourceful company, always looking for asset optimization. Energy auction in 2014, sale of non-operational real state properties, among others.**
- ◆ **Votorantim maintains the Investment Grade by all agencies – commitment to keep IG credit metrics.**