

VOTORANTIM

Condensed consolidated
interim financial statements
at **March 31, 2019** and
review report

Votorantim S.A.



(A free translation of the original in Portuguese)

Report on review of condensed consolidated interim financial statements

To the Board of Directors and Stockholders
Votorantim S.A.

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Votorantim S.A. (the "Company") as at March 31, 2019, and the related condensed consolidated statements of income and comprehensive income for the quarter period then ended, and the condensed consolidated statements of changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - "Interim Financial Reporting", of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Votorantim S.A.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

Curitiba, May 10, 2019

PRICEWATERHOUSECOOPERS
PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

A handwritten signature in blue ink, appearing to read 'C. Guaraná'.

Carlos Eduardo Guaraná Mendonça
Contador CRC 1SP196994/O-2

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	Note	3/31/2019	12/31/2018
Assets			
Current assets			
Cash and cash equivalents	7	6,921	7,667
Financial investments	8	3,824	3,390
Derivative financial instruments	5.1.1 (a)	221	216
Trade receivables	9	2,668	2,546
Inventory	10	4,015	3,814
Taxes recoverable	12	1,567	1,473
Dividends receivable	13	14	14
Financial instruments - firm commitment	14	102	202
Other assets		512	564
		19,844	19,886
Assets classified as held-for-sale	30	232	4,527
		20,076	24,413
Non-current assets			
Long-term receivables			
Financial investments	8	23	23
Financial instruments - Suzano	11	3,500	
Derivative financial instruments	5.1.1 (a)	162	256
Derivative financial instruments - put option	5.1.1 (b)	776	744
Taxes recoverable	12	3,284	2,731
Related parties	13	268	271
Deferred income tax and social contribution	22 (b)	2,907	4,079
Judicial deposits	24 (b)	387	755
Other assets		800	685
		12,107	9,544
Investments	15 (b)	11,102	10,882
Property, plant and equipment	16	26,058	26,180
Intangible assets	17	13,315	13,341
Right-of-use assets	18	784	
Biological assets		75	74
		63,441	60,021
Total assets		83,517	84,434

	Note	3/31/2019	12/31/2018
Liabilities and equity			
Current assets			
Borrowing	19 (a)	1,672	5,291
Lease liabilities	20	250	
Derivative financial instruments	5.1.1 (a)	102	166
Confirming payables	21	989	1,187
Trade payables		3,618	4,262
Salaries and payroll charges		587	845
Taxes payable		499	490
Advances from clients		132	128
Dividends payable	13	511	482
Use of public assets		82	83
Financial instruments - firm commitment	14		19
Deferred revenue - performance obligations	23	211	242
Deferred revenue - silver streaming		117	124
Other liabilities		741	808
		9,511	14,127
Liabilities related to assets held-for-sale	30	119	108
		9,630	14,235
Non-current assets			
Borrowing	19 (a)	18,604	19,160
Lease liabilities	20	546	
Derivative financial instruments	5.1.1 (a)	113	78
Deferred income tax and social contribution	22 (b)	2,345	2,199
Related parties	13	20	136
Provision	24 (a)	2,662	2,595
Use of public assets		1,124	1,106
Pension plan and post-employment health care benefits		324	319
Financial instruments - firm commitment	14	128	161
Deferred revenue - performance obligations	23		29
Deferred revenue - silver streaming		649	650
Other liabilities		868	924
		27,383	27,357
Total liabilities		37,013	41,592
Equity			
Share capital	25 (a)	28,656	28,656
Revenue reserves		6,048	7,088
Retained (loss) earnings		4,388	
Carrying value adjustments	25 (c)	1,907	1,475
Total equity attributable to the owners of the Company		40,999	37,219
Non-controlling interests		5,505	5,623
Total equity		46,504	42,842
Total liabilities and equity		83,517	84,434

	Note	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018 Restyled (Note 2.2)
Continuing operations			
Net revenue from products sold and services rendered	26	6,720	6,416
Cost of products sold and services rendered	27	(5,838)	(5,214)
Gross profit		882	1,202
Operating income (expenses)			
Selling	27	(214)	(180)
General and administrative	27	(533)	(464)
Other operating income (expenses), net	28	6,994	(56)
		6,247	(700)
Operating profit before equity results and finance results		7,129	502
Results from equity investments			
Equity in the results of investees	15 (b)	89	389
		89	389
Finance results, net			
	29		
Finance income		411	226
Finance costs		(787)	(555)
Result of derivative financial instruments		(59)	(3)
Foreign exchange losses, net		(19)	(57)
		(454)	(389)
Profit before income tax and social contribution		6,764	502
Income tax and social contribution			
	22 (a)		
Current		(1,251)	(201)
Deferred		(1,123)	(55)
Profit from continuing operations		4,390	246
Discontinued operations			
Profit (loss) on discontinued operations		1	(96)
Profit for the quarter attributable to the owners of the Company		4,391	150
Profit attributable to the owners of the Company		4,388	52
Profit attributable to non-controlling interests		3	98
Profit for the quarter		4,391	150
Weighted average number of shares - thousands (to the owners of the Company)		18,278,789	18,278,789
Basic and diluted earnings per thousand shares, in reais		240.06	2.84
From continuing operations			
Basic and diluted earnings per thousand shares, in reais		240.01	8.09
From discontinued operations			
Basic and diluted earnings (loss) per thousand shares, in reais		0.05	(5.25)

	Note	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Profit for the quarter		4,391	150
Other components of comprehensive income to be subsequently reclassified to profit or loss			
Attributable to the owners of the Company			
Foreign exchange variations	25 (c)	28	130
Hedge accounting for net investments abroad, net of taxes	5.1.2 e 25 (c)	81	(64)
Hedge accounting for the operations of subsidiaries	25 (c)	(17)	6
Fair value of financial assets available-for-sale of the non-consolidated investments	25 (c)	20	71
Realization of comprehensive results in the sale of participation at Fibria Celulose S.A.	25 (c)	(16)	
Adjust the fair value of the shares held at Suzano S.A., net of the tax	25 (c)	375	
Realization of comprehensive income on the sale of interest in Nexa Resources S.A.	25 (c)	(63)	
Inflation adjustment for hyperinflationary economies	25 (c)	27	
Attributable to non-controlling			
Foreign exchange variations attributable to non-controlling interests		3	30
Hedge accounting for the operations of subsidiaries		3	
		441	173
Other components of comprehensive income that will not be reclassified to profit or loss			
Attributable to the owners of the Company			
Remeasurement of retirement benefits, net of tax	25 (c)	(3)	(3)
Attributable to non-controlling			
Remeasurement of retirement benefits, net of taxes		1	
		439	170
Other components of comprehensive income for the quarter			
Comprehensive income (loss) from			
Continuing operations		4,829	416
Discontinued operations		1	(96)
		4,830	320
Comprehensive income attributable to			
Owners of the Company		4,820	192
Non-controlling interests		10	128
		4,830	320

Condensed consolidated interim statement of changes in equity

Quarter ended March 31

All amounts in millions of reais unless otherwise stated

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	Attributable to the owners of the Company										
	Note	Revenue reserves					Retained (loss) earnings	Carrying value adjustments	Non-controlling		Total equity
		Share capital	Tax incentives	Legal	Profit retention	Total			interests	Total	
At January 1, 2018		28,656	10	684	5,875		733	35,958	4,857	40,815	
Initial adoption of IFRS 9						(374)		(374)		(374)	
At January 1, 2018, after the impacts of the adoption of IFRS 9		28,656	10	684	5,875	(374)	733	35,584	4,857	40,441	
Profit for the quarter						52		52	98	150	
Other comprehensive income							140	140	30	170	
Comprehensive income for the quarter						52	140	192	128	320	
Distribution of dividends					(500)			(500)		(500)	
Distribution of share premium Nexa Resources S.A.									(95)	(95)	
Total contributions and distributions to shareholders					(500)			(500)	(95)	(595)	
At March 31, 2018		28,656	10	684	5,375	(322)	873	35,276	4,890	40,166	
At January 1, 2019		28,656	10	771	6,307		1,475	37,219	5,623	42,842	
Profit for the quarter						4,388		4,388	3	4,391	
Other comprehensive income							432	432	7	439	
Comprehensive income (loss) for the quarter						4,388	432	4,820	10	4,830	
Distribution of dividends	25 (b)				(1,040)			(1,040)	(128)	(1,168)	
Total contributions and distributions to shareholders					(1,040)			(1,040)	(128)	(1,168)	
At March 31, 2019		28,656	10	771	5,267	4,388	1,907	40,999	5,505	46,504	

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Condensed consolidated interim statement of cash flow

Quarter ended March 31

All amounts in millions of reais

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	Note	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Cash flow from operating activities			
Profit before income tax and social contribution		6,764	502
Profit (loss) on discontinued operations		1	(96)
Adjustments to items that do not represent changes in cash and cash equivalents			
Depreciation, amortization and depletion	27	729	595
Equity in the results of investees	15 (b)	(89)	(389)
Interest, indexation and foreign exchange variations		142	125
Reversal for the impairment of fixed, intangible assets and investments	15, 16, 17	(9)	(7)
Loss (gain) on sales of fixed and intangible assets, net	28	2	(7)
Fair value adjustment	19 (b)	(9)	(17)
Constitution of provision		135	106
Derivative financial instruments		60	(86)
Financial instruments - firm commitment	14	48	81
Gain in Fibria's transaction	28	(6,772)	
Net gain from financial instrument - put option	29	(32)	
Credit of ICMS on the calculation bases of PIS and COFINS	1.1 (d)	(585)	
		385	807
Decrease (increase) in assets			
Financial investments		(302)	562
Derivative financial instruments		3	(60)
Trade accounts receivable		(137)	(481)
Inventory		(199)	(257)
Taxes recoverable		(62)	80
Related parties		(113)	(79)
Other accounts receivable and other assets		264	(180)
Increase (decrease) in liabilities			
Trade payables		(644)	(183)
Salaries and social charges		(258)	(340)
Use of public assets		(2)	(14)
Taxes payable		10	(169)
Other obligations and other liabilities		(403)	314
Cash used in operating activities		(1,458)	
Interest paid on borrowing and use of public assets			
		(293)	(291)
Income tax and social contribution paid			
		(1,252)	(239)
Net cash used in operating activities		(3,003)	(530)
Cash flow from investment activities			
Proceeds from disposals of fixed and intangible assets		7	51
Investment sale	1.1 (c)	8,181	31
Dividends received			20
Acquisitions of property, plant and equipment	16	(463)	(342)
Increase in biological assets			(3)
Acquisitions of investments		(203)	
Increase in intangible assets	17	(9)	(7)
Net cash provided by (used in) investment activities		7,513	(250)
Cash flow from financing activities			
New borrowing	19 (b)	289	595
Repayment of borrowing	19 (b)	(4,372)	(1,961)
Repayment of leasing contracts	20 (a)	(52)	
Derivative financial instruments	5.1.1 (a)	60	(50)
Dividends paid		(1,139)	(8)
Nexa Resources S.A. share premium payment			(95)
Net cash used in financing activities		(5,214)	(1,519)
Decrease in cash and cash equivalents			
		(704)	(2,299)
Effect of fluctuations in exchange rates			
		(42)	57
Cash and cash equivalents at the beginning of quarter		7,667	8,960
Cash and cash equivalents at end of quarter		6,921	6,718

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1 General considerations

Votorantim S.A. (the "Company", the "parent company", or "VSA"), is a long-term Brazilian holding company. With its headquarters in the city of São Paulo, Brazil, the Company's purpose is to manage assets and companies, as well as to invest in other companies in order to further its objectives.

The Company, through its subsidiaries and associates, operates in the following segments: construction, metals and mining, aluminum, electrical energy, long steel, agribusiness and finance.

1.1 Main events that occurred during the first quarter of 2019

(a) CESP - Companhia Energética de São Paulo ("CESP") – Results of the offer to employees

In January 2019, as expected in the privatization auction, the indirect subsidiary VTRM Energia Participações S.A. ("VTRM") acquired additional shares of CESP related to the remaining shares of the offer to employees, totaling an investment of R\$ 210. After the results of the offer to employees, VTRM to hold a 40.0% stake in CESP, equivalent to 93.5% of the voting common shares.

(b) Offer of tender and exchange offer of debt by Votorantim Cements International S.A. ("VCI")

On January 10, 2019, the indirect subsidiary VCI announced a tender offer of its euro bonds maturing in 2021 and 2022 and its US dollar bonds maturing in 2041. On February 14, 2019, the repurchase transaction was settled, with the principal amount of R\$ 269 (EUR 61 million) of the issuance maturing in 2021, R\$ 672 (EUR 152 million) maturing in 2022 and R\$ 2,1 billion (USD 540 million) maturing in 2041, together with a total cash outlay of R\$ 3,3 billion.

Concurrently with the tender offer, VCI announced an exchange offer of its US dollar-denominated bonds maturing in 2041 for a new issue of bonds from its direct subsidiary St. Mary's Inc. (Canada), maturing in 2041 and annual coupon of 7.25%. However, the transaction did not meet the minimum conditions stipulated in the offer and was not made.

(c) Conclusion of the combination of operations and shareholding bases of Suzano Papel e Celulose S.A. ("Suzano") and Fibria Celulose S.A. ("Fibria")

On January 14, 2019, Suzano Papel e Celulose SA ("Suzano") and Fibria (together with Suzano, "the Companies") jointly made public the details of its corporate reorganization, informing its shareholders and the market in general that, on this date, the corporate reorganization object of the Voting Commitment and Assumption of Obligations entered into on March 15, 2018 was completed, with the effective combination of operations and shareholding bases of Suzano and Fibria, pursuant to the protocol and justification executed on July 26, 2018 and approved by the shareholders of the Companies at meetings held on September 13, 2018.

At the date of the transaction, VSA recorded the gain resulting from the operation, and the amount of R\$ 6,772 is recognized in "other operating income (expenses), net" (Note 28), VSA maintained a direct interest of 5.5% in the capital of Suzano, which is considered as a financial instrument and is now valued at fair value in accordance with CPC 48/IFRS 9 - "Financial Instruments" (Note 11).

(d) ICMS on the basis of calculation of PIS and COFINS

During the first quarter of 2019, there was a final judgment in another lawsuit of the subsidiary Votorantim Cimentos S.A. ("VCSA") and indirect subsidiary Votorantim Cimentos N/NE S.A. ("VCNNE"), relating to the ICMS exclusion thesis on the basis of the calculation of PIS and COFINS the credit of R\$ 585 (Note 12) was recorded in assets, R\$ 399 of principal (Note 28) and R\$ 186 of monetary restatement (Note 29). In addition, VCSA proceeded with the collection of the judicial deposit that was attached to another lawsuit, whose final decision occurred at the end of 2018, in the amount of R\$ 346.

2 Presentation of the condensed consolidated interim financial statements

2.1 Basis of preparation

(a) Condensed consolidated interim financial statements

The condensed consolidated interim financial statements have been prepared and are being presented in accordance with the accounting practices adopted in Brazil, in force on March 31, 2019, which includes the pronouncements issued by the Accounting Pronouncements Committee (CPC) and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations "IFRIC", and evidence all relevant information specific to the financial statements, and only those, which are consistent with those used by Management in its management.

Therefore, the interim condensed consolidated financial statements on March 31, 2019 do not contain all explanatory notes and disclosures required by the accounting standards applicable to the annual financial statements, as its purpose is to provide an update on changes to the significant activities, events and circumstances relative to those financial statements. As a consequence, they should be read together with the consolidated financial statements at December 31, 2018, issued on March 8, 2019 and available on the investor relations website (www.votorantim.com.br/ri).

The condensed consolidated interim financial statements have been prepared in a manner consistent with the accounting policies disclosed in the consolidated financial statements at December 31, 2018.

(b) Approval of the financial statements

The Board of Directors approved the condensed consolidated interim financial statements for issue on May 10, 2019.

2.2 Restatement of comparative figures

In accordance with IFRS 5/CPC 31 - "Non-current assets held-for-sale and discontinued operations", the subsidiary Finco GmbH reclassified the investment in USZinc and the subsidiary VCSA reclassified cement operations in India from continuing operations to discontinued operations.

	1/1/2018 to 3/31/2018				
	As prior presented	Impacts of reclassification of Votorantim Cimentos	Impacts of reclassification of USzinc	Elimination of intragroup energy revenue	Balance restated
Continuing operations					
Net revenue from products sold and services rendered	6,785	(63)	(269)	(37)	6,416
Cost of products sold and services rendered	(5,550)	59	240	37	(5,214)
Gross profit (loss) profit	1,235	(4)	(29)		1,202
Operating income (expenses)					
Selling	(187)	2	5		(180)
General and administrative	(478)	1	13		(464)
Other operating expenses, net	(54)	(2)			(56)
	(719)	1	18		(700)
Operating profit (loss) before equity results and finance results	516	(3)	(11)		502
Results from equity investments					
Equity in the results of investees	389				389
	389				389
Finance results, net					
Finance income	226				226
Finance costs	(557)	1	1		(555)
Income from derivative financial instruments	(3)				(3)
Foreign exchange, net	(56)		(1)		(57)
	(390)	1			(389)
Profit (loss) before income tax and social contribution	515	(2)	(11)		502
Income tax and social contribution					
Current	(202)	1			(201)
Deferred	(53)	(2)			(55)
Profit (loss) for the continuing operations	260	(3)	(11)		246
Discontinued operations					
Profit (loss) for the discontinued operations	(110)	3	11		(96)
Profit for the quarter attributable to the owners	150				150
Profit attributable to the owners of the Company	52				52
Profit attributable to non-controlling interests	98				98
Profit for the quarter	150				150
Weighted average number of shares - thousands (to the owners of the Company)	18,278,789				18,278,789
Basic and diluted earnings per thousand shares, in reais	2.84				2.84
From continuing operations					
Basic and diluted earnings per thousand shares, in reais	8.86	(0.17)	(0.60)		8.09
From discontinued operations					
Basic and diluted loss per thousand shares, in reais	(6.02)	0.17	0.60		(5.25)

3 Changes in accounting policies and disclosures

3.1 Changes in standards

3.1.1 IFRS 16 / CPC 06 – “Leases”

IFRS 16 establishes principles for recognition, measurement, presentation and disclosure for lease agreements. The standard introduces for lessors a single model for accounting on the balance sheet, where they are required to recognize a lease liability reflecting future payments and the right to use the leased asset. The nature of the expense related to these leases was changed from a line operating lease expense to a depreciation expense of the right of use and interest expense for the restatement of the lease liability.

This international standard changes existing lease standards, including CPC 06 (IAS 17) – “Leasing Operations” and ICPC 03 (IFRIC 4, SIC 15 and SIC 27) - "Complementary Aspects of Leasing Operations".

(a) Analysis scope and assets identification

The Company and its subsidiaries analyzed all active drainage contracts on the date of the initial adoption of the standard, when leases of machinery and equipment, light and heavy vehicles, real estate and land were identified.

As permitted by the standard, the scope of the analysis disregarded: (i) short-term leases (less than 12 months); and (ii) contracts with amounts lower than USD 5 thousand (R\$ 19 thousand).

When identifying the rights of use assets within the scope of identified contracts, the following were also disregarded: (i) contracts with variable payments; (ii) contracts in which the lease asset was considered as non-identifiable; (iii) contracts in which the Company is not entitled to obtain substantially all the economic benefits arising from the use of the asset; and (iv) contracts in which the Company and its subsidiaries do not have substantial control over the definition of the use of the asset.

It should be noted that the Company and its subsidiaries analyzed, but they did not identify: (i) contracts that presented fixed and variable payments in the same negotiation; (ii) contracts dealing with identifiable and non-identifiable assets in the same trade; or (iii) service contracts in which assets had been identified within the scope of the standard.

(b) Leasing term

The Company and its subsidiaries analyzed for all contracts the lease term according to the combination of non-cancellable term, term covered by the option of extension, terms covered by the termination option and, mainly, Management's intention as to the term of stay in each contract.

(c) Discount rate

For initial adoption purposes, the Company and its subsidiaries adopted the average cost of active debt as of December 31, 2018 for all contracts classified in accordance with IFRS 16.

For the new contracts, renewals and additions will be identified at incremental rate for each lease. The incremental rate should reflect the acquisition cost by the Company and its subsidiaries of debt with characteristics similar to those determined by the lease agreement, in terms of term, value, guarantee and economic environment.

The Company and the subsidiaries applied the future expectation of the obligations on January 1, 2019 (ranging from 5% to 7.07%) for all leases.

(i) Impacts of adoption

The Company and its subsidiaries adopted IFRS 16 on January 1, 2019, in accordance with the simplified cumulative effect in which assets and liabilities are recorded at the same time in the initial period without any effect on shareholders' equity, with an impact on the amount of R\$ 666 related to rights-of-use assets and liabilities under lease agreements.

3.1.2 IFRIC 23 / ICP22 – “Uncertainty over Income Tax Treatments”

Technical interpretation ICPC 22 clarifies how the recognition and measurement requirements set forth in CPC 32, which deals with taxes on profit, should be applied when there is uncertainty regarding the treatment of these taxes.

(i) Impacts of adoption

The Company and its subsidiaries adhered to the standard from the beginning of its validity on January 1, 2019. However, based on the Management's understanding, there is an immaterial impact on accounting due to uncertain positions related to income taxes due to adoption of this new accounting pronouncement.

4 Critical accounting estimates and judgments

In the first quarter of 2019, there were been no changes in estimates and assumptions that present a significant risk and probability of causing material adjustments to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in the latest annual financial statements.

5 Financial risk management

5.1 Financial risk factors

(a) Foreign exchange risk

The Company and its subsidiaries have certain investments in foreign operations, the net assets of which are exposed to foreign exchange risk. Foreign exchange exposure arising from the Company's and its subsidiaries' participation in foreign operations is mainly hedged by borrowings in the same currency of these investments, being classified as net investment hedges.

Presented below are the accounting balances of assets and liabilities indexed to the foreign currency at the closing date of the balance sheets:

	Note	3/31/2019	12/31/2018
Assets denominated in foreign currency			
Cash and cash equivalents	7	5,126	6,316
Financial investments	8	34	62
Trade receivables		1,346	1,329
Derivative financial instruments		380	472
Related parties		51	54
		6,937	8,233
Liabilities denominated in foreign currency			
Borrowing (i)		16,537	20,668
Lease liabilities		517	
Derivative financial instruments		213	244
Trade payables		2,192	2,517
Confirming payables	21	715	838
Deferred revenue - silver streaming		766	774
		20,940	25,041
Net exposure		(14,003)	(16,808)

(i) Does not consider borrowing costs.

(b) Liquidity risk

The following table analyzes the financial liabilities of the Company and its subsidiaries, by maturity, corresponding to the period remaining in the balance sheet up to the contractual maturity date. Derivative financial liabilities are included in the analysis when their contractual maturities are essential for an understanding of the temporary cash flows. The amounts disclosed in the table are the undiscounted contractual cash flows, these amounts may not be reconciled with the amounts disclosed in the balance sheet.

	Note	Up to one year	From one to three years	From three to five years	From five to ten years	From ten years	Total
At March 31, 2019							
Borrowing (i)		2,408	5,251	7,339	8,881	4,533	28,412
Lease liabilities		213	238	237	116	29	833
Derivative financial instruments		102	62	51			215
Confirming payables	21	989					989
Trade payables		3,618					3,618
Dividends payable	13	511					511
Related parties	13	10	10				20
Use of public assets		87	130	363	422	925	1,927
		7,938	5,691	7,990	9,419	5,487	36,525
At December 31, 2018							
Borrowing (i)		6,176	5,625	7,243	9,335	4,420	32,799
Derivative financial instruments		144	69	31			244
Confirming payables	21	1,187					1,187
Trade payables		4,262					4,262
Dividends payable	13	482					482
Related parties	13	12	124				136
Use of public assets		80	123	367	357	778	1,705
		12,343	5,941	7,641	9,692	5,198	40,815

(i) Does not include the recorded fair value of the debts contracted under Law 4131/1962.

5.1.1 Derivatives contracted

(a) Effects of the derivative financial instruments on the balance sheet and cash flow

The table below summarizes the derivative financial instruments and the underlying hedged items:

Details of the main derivative operations

Programs	Principal Value			12/31/2018		1/1/2019 to 3/31/2019						Fair value by maturity						
	3/31/2019		12/31/2018	As per unit	Fair value	Inventory	Net revenue from products sold and services rendered	Cost of products sold and services rendered	Other operating income (expenses), net	Finance results, net	Other comprehensive income	Gain (loss) Realized	Fair value	2019	2020	2021	2022	2023+
	3/31/2019	12/31/2018																
Hedges for sale of zinc at a fixed price																		
Zinc forward	9,395	10,566	ton	(3)				15				11	11					
				(3)				15				11	11					
Hedges for mismatches of quotational period																		
Zinc forward	225,176	261,020	ton	(2)	1	31	(86)	10		5	(27)	(15)	(15)					
				(2)	1	31	(86)	10		5	(27)	(15)	(15)					
Operating margin hedging																		
Aluminum forward	86,000	127,750	ton	157		61				(77)	49	92	92					
Collars	21		USD millions															
USD forward	188	280	USD millions	(47)		(18)				27	(26)	(12)	(12)					
				110		43				(50)	23	80	80					
Foreign exchange risk																		
Collars	946	1,057	BRL	(6)					(1)			(7)	(6)	(1)				
USD forward		514	USD millions	(8)					(88)		(96)							
Turkish lira forward		11	USD millions	(4)							(4)							
				(18)					(89)		(100)	(7)	(6)	(1)				
Interest rates risk																		
LIBOR floating rate vs. CDI floating rate swaps	223	373	USD millions	141					(2)		(41)	99	(11)	38	(24)	(49)	145	
IPCA floating rate vs. CDI floating rate swaps	227		BRL									2			(1)	(1)		
				141					(2)		(41)	99	(9)	38	(24)	(50)	144	
Total value of the derivative instruments				228	1	74	(86)	25	(91)	(45)	(145)	168	67	32	(25)	(50)	144	

At March 31, 2019 the transactions involving derivative financial instruments recognized in "Carrying value adjustments" amounted to R\$ (27). Besides this, there were hedge accounting operations, which amounted R\$ 10 in the subsidiaries not consolidated, recognized in "Carrying value adjustments".

(b) Derivative financial instruments – Put-option

During the year ended December 31, 2018, the process by which Votorantim Siderurgia S.A. became a subsidiary of ArcelorMittal Brasil S.A. ("AMB") was concluded. According to the agreement between the parties, VSA became a minority stake of 15% of AMB's combined long steel business which, in compliance with accounting rules, was recognized as a financial instrument, in accordance with CPC 48 - "Financial instruments". The change in the fair value of this operation in the quarter resulted in a net gain of R\$ 32, are recorded under "Net financial income".

5.1.2 Hedge of net investments in foreign operations

Hedged investments are presented in the following table including the portion of the debt of the Company and its subsidiaries Companhia Brasileira de Alumínio ("CBA"), Nexa Recursos Minerais S.A., VCI and St Marys Cement Inc., denominated in Euros and US Dollars.

	3/31/2019		12/31/2018	
	Investment	Debt	Investment	Debt
Nexa Resources Cajamarquilla S.A.	2,950	2,494	3,437	5,247
VCNA US Inc. (i)	1,948	1,948		
Votorantim Cimentos EAA Inversões, S.L.	2,214	1,527	1,092	2,490

The Company and its subsidiaries document and evaluate the effectiveness of the investment hedge operations on a monthly basis, as required by IFRS 9 - "Financial instruments: recognition and measurement".

The exchange variation gain on the conversion of debts, net of income and social contribution taxes, recognized as "Valuation adjustments" on March 31, 2019, amounted to R\$ 81 (December 31, 2018, loss on amount R\$ 932 (Note 25 c)).

- (i) Beginning January 2019, the indirect subsidiary St. Mary's designated its US dollar debt in the amount of R\$ 1,937 (USD 500 million) as an investment hedging instrument in its subsidiary VCNA US Inc. The hedged item considers only the investments originated in USD from St. Mary's, since this is a company domiciled in Canada and has subsidiaries with operations in the functional currency of the United States dollar and controlled with operations in the functional currency of the Canadian dollar.

5.1.3 Sensitivity analysis

The main risk factors affecting the pricing of cash and cash equivalents, financial investments, loans and financing and derivative financial instruments are exposure to the fluctuation of the US Dollar, Euro, Turkish lira, New Peruvian Sun, Argentine Peso and Bolivian interest rates, LIBOR, CDI, US Dollar coupon, commodity prices and electricity purchase and sale contracts. The scenarios for these factors are prepared using market sources and specialized sources, following the Company's governance.

The scenarios as at March 31, 2019 are described below:

Scenario I - Considers a shock in the market curves and quotations at March 31, 2019, according to the base scenario defined by management for June 30, 2019;

Scenario II - considers a shock of + or - 25% in the market curves at March 31, 2019;

Scenario III - considers a shock of + or - 50% in the market curves at March 31, 2019.

Notes to the condensed consolidated interim financial statements
at March 31, 2019

All amounts in millions of reais unless otherwise stated

VOTORANTIM

Risk factors	Cash and cash equivalents and financial investments (i)	Borrowing and related parties (i)	Derivative financial instruments/As per unit	Changes from 3/31/2019	Results of scenario I	Impacts on profit (loss)				Impacts on comprehensive income					
						Scenario I		Scenarios II & III		Scenario I		Scenarios II & III			
						-25%	-50%	+25%	+50%	-25%	-50%	+25%	+50%		
Foreign exchange rates															
USD	4,394	13,908	695	USD millions	-1.2%	12	318	724	(278)	(623)	106	2,214	4,431	(2,213)	(4,430)
EUR	136	1,988			0.7%		(4)	(9)	4	9	(14)	468	935	(468)	(935)
PEN	122				-1.4%	(2)	(29)	(59)	29	59		(1)	(2)	1	2
BOB	36	455			-1.9%						8	105	209	(105)	(209)
TRY	12	158			-2.7%		(3)	(6)	3	6	4	40	79	(40)	(79)
ARS	29				-1.4%							(7)	(15)	7	15
	4,729	16,509	695			10	282	650	(242)	(549)	104	2,819	5,637	(2,818)	(5,636)
Interest rates															
BRL - CDI	5,551	2,829	2,123	BRL			(25)	(47)	26	54		3	5	(2)	(5)
USD - LIBOR		1,028	1,090	USD millions	4 bps	1	(8)	(16)	8	16		1	2	(1)	(2)
US Dollar coupon			695	USD millions	6 bps	3	15	30	(14)	(26)		(1)	(2)	1	2
	5,551	3,857	3,908			4	(18)	(33)	20	44		3	5	(2)	(5)
Price of commodities															
Zinc			234,571	ton	-8.3%	40	121	241	(121)	(241)	(4)	(13)	(26)	13	26
Aluminum			86,000	ton	1.3%						(7)	133	267	(133)	(267)
			320,571			40	121	241	(121)	(241)	(11)	120	241	(120)	(241)
Firm commitment - electric energy															
Sale and purchase agreements - fair value			(26)	BRL			(2)	(5)	2	4					
			(26)				(2)	(5)	2	4					

(i) The balances presented do not reconcile with the notes, as the analysis only covers the most significant currencies and the interest rates cover only the principal value.

6 Credit quality of financial assets

	3/31/2019			12/31/2018		
	Local rating	Global rating	Total	Local rating	Global rating	Total
Cash and cash equivalents						
AAA	1,827		1,827	1,329	39	1,368
AA+				4		4
AA	3		3	6	796	802
AA-	17	108	125		424	424
A+		2,347	2,347		543	543
A		777	777	1	1,783	1,784
A-		356	356		286	286
BBB+		410	410		759	759
BBB		133	133		118	118
BBB-		259	259		369	369
BB		19	19		21	21
B-		25	25		64	64
B+		34	34		55	55
B		11	11		27	27
Unrated (i)		595	595	11	1,032	1,043
	1,847	5,074	6,921	1,351	6,316	7,667
Financial investments						
AAA	3,262		3,262	3,099		3,099
AA+	21		21	51		51
AA	116		116	166		166
AA-	389		389	5		5
A+	19	27	46	19	29	48
A					2	2
B-		7	7		30	30
Unrated (i)	6		6	11	1	12
	3,813	34	3,847	3,351	62	3,413
Derivative financial instruments						
AAA	231		231	242		242
AA+	6		6			
AA		52	52	1	52	53
AA-				5		5
A+		94	94		134	134
A					1	1
Unrated (i)				37		37
	237	146	383	285	187	472
Financial instruments - Suzano						
AAA	3,500					
	3,500					
	9,397	5,254	11,151	4,987	6,565	11,552

The local and global ratings were obtained from the ratings agencies (S&P, Moody's and Fitch Ratings). The Company considered the ratings of S&P and Fitch Ratings for presentation purposes and the classification as established in Company's Financial Policies.

- (i) Refers to values invested in offshore banks, which are not rated by any rating agency.

7 Cash and cash equivalents

	3/31/2019	12/31/2018
Local currency		
Cash and banks	13	28
Bank Deposit Certificates - "CDBs"	288	3
Repurchase agreements - public securities	1,494	1,320
	1,795	1,351
Foreign currency		
Cash and banks	2,562	2,856
Time deposits	2,564	3,460
	5,126	6,316
	6,921	7,667

8 Financial investments

	3/31/2019	12/31/2018
Fair value through profit or loss		
Bank Deposit Certificates - "CDBs"	2,210	1,396
Financial Treasury Bills - "LFTs"	1,489	1,763
Repurchase agreements - public securities	37	106
Repurchase agreements - private securities		54
Investment fund quotas	9	15
Financial investments in foreign currency	34	62
	3,779	3,396
Fair value through other comprehensive income		
Bank Deposit Certificates - "CDBs"	68	17
	68	17
	3,847	3,413
Current	3,824	3,390
Non-current	23	23
	3,847	3,413

9 Trade receivables

(a) Breakdown

	Note	3/31/2019	12/31/2018
Trade receivables - Brazil		1,410	1,308
Trade receivables - foreign customers		1,394	1,398
Related parties	13	33	14
		2,837	2,720
Allowance for doubtful accounts		(169)	(174)
		(169)	(174)
		2,668	2,546

(b) Aging of trade receivables

	3/31/2019	12/31/2018
Current	2,392	2,184
Up to three months past due	194	295
Three to six months past due	50	22
Over six months past due	201	219
	2,837	2,720

10 Inventory

	3/31/2019	12/31/2018
Finished products	910	845
Semi-finished products	1,605	1,499
Raw materials	730	832
Auxiliary materials and consumables	942	896
Imports in transit	211	142
Other	102	82
Provision for inventory losses	(485)	(482)
	4,015	3,814

11 Financial Instruments - Suzano

	3/31/2019			
	Share	Number of shares	Quotation per thousand shares	Fair value
Suzano Papel e Celulose S.A.	SUZB3	75,180,059	46.55	3,500

12 Taxes recoverable

	3/31/2019	12/31/2018
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")	1,892	1,751
Social Contribution on Revenue ("COFINS") (i)	1,515	1,057
State Value-added Tax on Sales and Services ("ICMS")	605	594
Social Integration Program ("PIS") (i)	329	230
Value-added Tax ("VAT") (foreign companies)	249	297
State VAT on Sales and Services on PP&E	74	59
Withholding Income Tax ("IRRF")	51	62
"IRPJ/CSLL" - "Plano verão"	32	30
Excise Tax ("IPI")	29	28
Other	75	96
	4,851	4,204
Current	1,567	1,473
Non-current	3,284	2,731
	4,851	4,204

- (i) The variation refers substantially to the PIS and COFINS credit recognized in the subsidiary VCSA and indirect subsidiary VCNE, in the amounts of R\$ 585, as described in Note 1.1 (d).

13 Related parties

Assets	Trade receivables		Dividends receivable		Non-current assets	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Related companies and joint ventures						
Cementos Avellaneda S.A.	3	3				
Cementos Granadilla S.L.	4	1				3
Banco Votorantim S.A.			9	9		
Citrosuco S.A. Agroindústria (i)	9	1			216	216
Citrosuco GmbH (i)					51	50
Suzano Papel e Celulose S.A.	2	3			1	1
Supermix Concreto S.A.	14	4				
VTRM Energia Participações S.A	1		4	5		
Others		2	1			1
	33	14	14	14	268	271
Current	33	14	14	14		
Non-current					268	271
	33	14	14	14	268	271

- (i) Refers to accounts receivable related to assets in excess of the basic net assets invested in Citrosuco's operation. The realization period is linked to the performance of each item under contractual rules laid down in the shareholder agreement and the closing memorandum signed between Fischer S.A. – Comércio, Indústria e Agricultura and Votorantim.

Liabilities	Trade payables		Dividends payable		Non-current liabilities	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Parent company						
Hejoassu Administração S.A.			415	415		
Related companies and joint ventures						
Suzano Papel e Celulose S.A.		13				117
Superior Materials Holdings, LLC	1	7				
Others	3	19			20	19
	4	39	415	415	20	136
Non-controlling interests			96	67		
Current	4	39	511	482		
Non-current					20	136
	4	39	511	482	20	136

Profit and loss	Sales (purchases), net	
	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Related companies and joint ventures		
Cementos Especiales De Las Islas, S.A.	4	
Cementos Granadilla S.L.	4	
Citrosuco S.A. Agroindústria	13	10
Suzano Papel e Celulose S.A.	2	21
Midway Group, LLC	1	
Supermix Concreto S.A.	42	45
Superior Materials Holdings, LLC	5	
Others	3	
	74	76

14 Financial instruments – firm commitment

	ACR			ACL			1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
	Votorantim CBA	Votorantim Energia	Total	Votorantim CBA	Votorantim Energia	Total		
Realization	(28)	(7)	(35)	(3)	(31)	(34)	(69)	(80)
Recognition				20	35	28	28	12
Reversal	(5)	(2)	(7)				(7)	(13)
	(33)	(9)	(42)	20	32	(6)	(48)	(81)

The table below shows the composition of the assets and liabilities:

	ACR			ACL			3/31/2019	12/31/2018
	Votorantim CBA	Votorantim Energia	Total	Votorantim CBA	Votorantim Energia	Total		
Assets								
Current	77	14	91	11		11	102	202
Non-current								
	77	14	91	11		11	102	202
Liabilities								
Current								(19)
Non-current				(33)	(55)	(40)	(128)	(161)
				(33)	(55)	(40)	(128)	(180)

15 Investments

(a) Breakdown

	Note	Percentage of total capital		Percentage of voting capital		Headquarters	Main activity
		3/31/2019	12/31/2018	3/31/2019	12/31/2018		
Main non-consolidated companies							
Associates							
Cementos Avellaneda S.A.		49.00	49.00	49.00	49.00	Argentina	Cement
Alunorte - Alumina do Norte S.A.		3.03	3.03	3.52	3.52	Brazil	Mining
IMIX Empreendimentos Imobiliários Ltda.		25.00	25.00	25.00	25.00	Brazil	Mining
Mineração Rio do Norte S.A.		10.00	10.00	12.50	12.50	Brazil	Mining
Supermix Concreto S.A.		25.00	25.00	25.00	25.00	Brazil	Concrete
Suzano Papel e Celulose S.A.	1.1 (c)	5.50		5.50		Brazil	Pulp
Cementos Especiales de las Islas S.A.		50.00	50.00	50.00	50.00	Spain	Cement
Joint ventures							
Citrosuco GmbH		50.00	50.00	50.00	50.00	Austria	Agribusiness
Banco Votorantim S.A.		50.00	50.00	50.00	50.00	Brazil	Finance
Citrosuco S.A. Agroindústria		50.00	50.00	50.00	50.00	Brazil	Agribusiness
Juntos Somos Mais Fidelização S.A.		45.00	45.00	45.00	45.00	Brazil	Services
VTRM Energia Participações S.A.		50.00	50.00	50.00	50.00	Brazil	Electric power
Hutton Transport Ltda.		25.00	25.00	25.00	25.00	Canada	Transportation
Midway Group, LLC.		50.00	50.00	50.00	50.00	USA	Cement
RMC Leasing, LLC.		50.00	50.00	50.00	50.00	USA	Equipment leasing
Superior Materials Holdings, LLC.		50.00	50.00	50.00	50.00	USA	Cement

(b) Changes in investees and subsidiaries information

	Opening balance for the quarter	Equity in the results of investees	Exchange variation	Adição	Cash flow hedge	Initial adoption of IFRS 9	Reclassification for assets classified as held for sale	Other	Closing balance for the quarter	Equity	Profit (loss) for the quarter	Total capital (%)
Investments accounted for based on the equity method - Associates												
Cementos Avellaneda S.A.	378	42	(55)					27	392	804	86	49.00%
Alunorte - Alumina do Norte S.A.	107	1							108	3,537	21	3.03%
IMIX Empreend. Imobiliários Ltda.	3								3	15	1	25.00%
Mineração Rio do Norte S.A.	90	(1)							89	891	(10)	10.00%
Supermix Concreto S.A.	57								57	228	(1)	25.00%
Cementos Especiales De Las Islas, S.A.	77	8							85	169	17	50.00%
Outros	234							(8)	226			
	946	50	(55)					19	960			
Joint ventures												
Citrosuco GmbH (i)	2,613	21	26						2,660	3,589	59	50.00%
Banco Votorantim S.A. (ii)	5,058	192						23	5,273	9,556	385	50.00%
Citrosuco S.A. Agroindústria (i)	610	(132)	(6)		10				482	317	(245)	50.00%
Juntos Somos Mais Fidelização S.A.	5	(1)		4				5	13			45.00%
VTRM Energia Participações S.A. (i)	1,540	(35)		106					1,611	2,933	(70)	50.00%
Hutton Transport Ltda.	20								20	81	(1)	25.00%
Midway Group, LLC.	23	(1)	(1)						21	43	(3)	50.00%
RMC Leasing LLC.	10								10	20		50.00%
Superior Materials Holdings, LLC.	57	(5)							52	102	(11)	50.00%
	9,936	39	19	110	10			28	10,142			
1/1/2019 to 3/31/2019	10,882	89	(36)	110	10			47	11,102			
1/1/2018 to 3/31/2018	13,372	389	25		(47)	(370)	(4,300)	7	9,076			

- (i) The following investments consider the goodwill paid on the acquisition of investments and the surplus value, which is amortized in the income statement of the parent company:

	Goodwill		Added value	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Citrosuco S.A. Agroindústria	194	194	130	139
Citrosuco GmbH	145	141	721	726
VTRM Energia Participações S.A.			144	144

- (ii) At March 31, the investment included the adjustment to fair value in the amount of R\$ 495 (December 31, 2018 - R\$ 495).

16 Property, plant and equipment

(a) Breakdown and changes

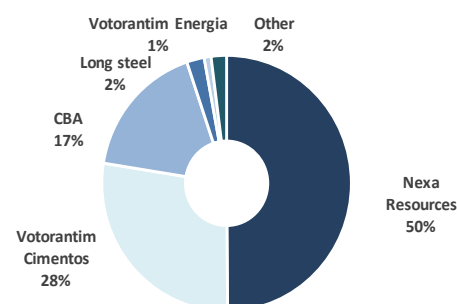
										1/1/2018 to 1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
	Land and improvements	Buildings and construction	Machinery, equipment and facilities	Vehicles	Furniture and fittings	Construction in progress	Asset retirement obligation	Leasehold improvements	Other	Total	Total
Opening balance for the quarter											
Cost	2,060	10,890	35,343	1,225	241	2,785	917	519	527	54,507	51,616
Accumulated depreciation	(62)	(4,624)	(21,341)	(1,000)	(172)		(484)	(296)	(348)	(28,327)	(25,681)
Net opening balance for the quarter	1,998	6,266	14,002	225	69	2,785	433	223	179	26,180	25,935
Additions			7			456				463	342
Disposals	(4)		(4)		(1)					(9)	(35)
Depreciation	(1)	(95)	(384)	(17)	(4)		(10)	(6)	(2)	(519)	(468)
Foreign exchange variation	4	(8)		2			1	6	(17)	(12)	78
Effect of subsidiaries included in (excluded from) consolidation	5	10	17	10	1					43	(20)
Reversal for impairment		1	5							6	7
Revision of estimated cash flow							(38)			(38)	
Write off by corporate transaction											(5)
Transfers (i)	1	27	227	13		(336)		12		(56)	(24)
Closing balance for the quarter	2,003	6,201	13,870	233	65	2,905	386	235	160	26,058	25,810
Cost	2,066	10,912	35,520	1,247	240	2,905	883	542	510	54,825	52,088
Accumulated depreciation	(63)	(4,711)	(21,650)	(1,014)	(175)		(497)	(307)	(350)	(28,767)	(26,278)
Net closing balance for the quarter	2,003	6,201	13,870	233	65	2,905	386	235	160	26,058	25,810
Average annual depreciation rates - %	1	4	9	17	11		8	9	18		

- (i) The transfers are related to the reclassification from “construction in progress” within “property, plant and equipment” to “software”, “rights to use natural resources” and “other”, within “intangible assets”.

(b) Construction in progress

The balance is composed mainly of expansion and optimization projects related to industry.

Segment	3/31/2019	12/31/2018
Nexa Resources	1,449	1,353
Votorantim Cimentos	803	771
CBA	503	492
Long steel	66	92
Votorantim Energia	26	25
Other	58	52
	2,905	2,785



The main projects in progress by business segment are as follows:

Nexa Resources	3/31/2019	12/31/2018
Expansion and modernization projects	746	683
Sustaining	363	354
Security, health and environment projects	212	223
Information technology	50	53
Other	78	40
	1,449	1,353

Votorantim Cimentos	3/31/2019	12/31/2018
Sustaining	227	220
Modernization industry	166	161
Environment and security	50	67
Cement grinding - Pecém - Brazil	45	39
New lines of co-processing	49	35
New production line in Sobral - CE	75	34
Factory in Nobres - MT	28	17
Hardware and software	19	15
Geology and mining rights	13	10
Other	131	173
	803	771

CBA	3/31/2019	12/31/2018
Furnace refurbishment	133	131
Rondon Bauxite projects	115	114
Furnace rooms project	50	22
Revitalization and adequacy of power plant	49	48
Alumina factory project	30	30
Automation system modernization	30	29
Plastic transformation and foundry projects	29	29
Other	67	89
	503	492

Long steel	3/31/2019	12/31/2018
Sustaining	55	80
Security projects, health and environment projects - Colombia	6	7
Modernization	3	3
Information technology	1	1
Other	1	1
	66	92

Energy	3/31/2019	12/31/2018
Corumba - GO projects	20	19
Information technology	5	4
Change of corporate center - SP	1	2
	26	25

17 Intangible assets

(a) Breakdown and changes

	1/1/2019 to 3/31/2019								1/1/2018 to 3/31/2018	
	Rights over natural resources	Goodwill	Asset retirement obligation	Use of public assets	Contracts, customer relationships and agreements	Software	Rights over trademarks and patents	Other	Total	Total
Opening balance for the quarter										
Cost	9,860	5,613	337	540	268	526	208	918	18,270	17,238
Accumulated amortization	(3,575)		(135)	(198)	(199)	(368)	(56)	(398)	(4,929)	(4,875)
Net opening balance for the quarter	6,285	5,613	202	342	69	158	152	520	13,341	12,363
Additions								9	9	7
Disposals										(9)
Amortization and depletion	(127)		(4)	(5)	(3)	(13)		(2)	(154)	(127)
Foreign exchange variation	25	9	(1)					7	40	97
Reclassification to assets classified as held-for-sale										(8)
Effect of subsidiaries included in	3	20							23	
Revision of estimated cash flow										32
Transfers	(138)	145				16		33	56	24
Closing balance for the quarter	6,048	5,787	197	337	66	161	152	567	13,315	12,379
Cost	9,761	5,787	336	540	270	542	206	969	18,411	17,391
Accumulated amortization	(3,713)		(139)	(203)	(204)	(381)	(54)	(402)	(5,096)	(5,012)
Net closing balance for the quarter	6,048	5,787	197	337	66	161	152	567	13,315	12,379
Average annual amortization and depletion rates - %	6		7	3	7	21		19		

18 Right of use assets

(a) Breakdown and changes

1/1/2019 to 3/31/2019

	Land and improvements	Property, buildings and commercial rooms	Machinery, equipment and facilities	IT equipment	Vehicles	Total
Initial adoption	99	173	82	23	289	666
New contracts	3	14			142	159
Amortization	(3)	(11)	(13)	(4)	(25)	(56)
Foreign exchange variation	2	1	1		11	15
Closing balance for the quarter	101	177	70	19	417	784
Cost	104	188	83	23	442	840
Accumulated amortization	(3)	(11)	(13)	(4)	(25)	(56)
Net closing balance for the quarter	101	177	70	19	417	784

19 Borrowing

(a) Breakdown and fair value

Type	Average annual charges	Current		Non-current		Total		Fair value	
		3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Local currency									
Debentures	110.75% CDI	90	91	2,718	2,718	2,808	2,809	2,797	2,749
BNDES	TJLP + 2.33% / 1.86% fixed rate BRL / SELIC + 2.93% / IPCA + 5.09%	97	95	613	635	710	730	642	687
Development promotion agency	8.46% fixed rate BRL / TJLP + 0.65%	34	51	156	198	190	249	235	246
FINAME	4.89% fixed rate BRL	19	21	60	68	79	89	73	83
Other		28	11	40	11	68	22	21	20
		268	269	3,587	3,630	3,855	3,899	3,768	3,785
Foreign currency									
Eurobonds - USD	5.79% fixed rate USD	204	3,077	10,805	10,742	11,009	13,819	11,664	13,829
Loans - Law 4131/1962 (i)	LIBOR + 0.86%	291	594	577	864	868	1,458	876	1,481
Eurobonds - EUR	3.39% fixed rate EUR	38	978	1,520	1,541	1,558	2,519	1,624	2,584
Syndicated loan/bilateral agreements	EURIBOR + 2.00% / LIBOR + 1.10% / 5.99% fixed rate	690	225	1,124	1,399	1,814	1,624	1,971	1,626
Export prepayments	LIBOR + 1.27%	8		770	765	778	765	810	799
Working capital	IBR + 2.71% / 5.67% fixed rate COP	133	111			133	111	135	112
Development promotion agency	LIBOR + 1.10%	33	30	196	195	229	225	239	236
Other		7	7	25	24	32	31	32	33
		1,404	5,022	15,017	15,530	16,421	20,552	17,351	20,700
		1,672	5,291	18,604	19,160	20,276	24,451	21,119	24,485
Current portion of long-term borrowing		1,060	4,854						
Interest on borrowing		344	324						
Short-term borrowing		268	113						
		1,672	5,291						

- (i) Loans relating to Law 4131/1962 have swaps that are indexed to both exchange rates (LIBOR and fixed rates for floating CDI rates) and currency (US Dollars for reais), and resulted in a final weighted cost of 106.6% p.a. of the CDI. Borrowing of this type relates to compound financial instruments, contracted as a single product with the financial institution (debt in US Dollars + swap to a % of CDI in reais). The terms and conditions of the loan and derivative instrument are configured as a compound operation, so that the resulting cost is a debt adjusted by the CDI in reais. The difference in measurement between the two instruments (loan at amortized cost x derivative at fair value), creates an accounting mismatch in the statement of income. To eliminate this accounting mismatch, some of the borrowing contracts made from August 2015, were designated at fair value, and the effect of this designation is the measurement of debt at fair value through profit or loss, according to Note 29.

Key:

BNDES	– National Bank for Economic and Social Development.
BRL	– Brazilian currency (Real).
CDI	– Interbank Deposit Certificate.
COP	– Peso Colombiano.
EUR	– European Union currency (Euro).
EURIBOR	– Euro Interbank Offered Rate.
FINAME	– Government Agency for Machinery and Equipment Financing.
IBR	– Interbank Rate (Colombia).
INR	– Indian Rupee
IPCA	– Extended Consumer Price Index.
LIBOR	– London Interbank Offered Rate.
SELIC	– Special System for Clearance and Custody.
TJLP	– Long-term interest rate set by the National Monetary Council. Until December 2017, the TJLP is the BNDES basic cost of financing. As of January 2018, the Long Term Rate (TLP) became the main financial cost of BNDES financing.
USD	– US Dollar.

(b) Changes

	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Opening balance for the quarter	24,451	24,630
New borrowing	289	595
Foreign exchange variation	(119)	157
Interest	303	349
Addition of borrowing fees, net of amortization	12	12
Fair value adjustment	(9)	(17)
Payments - interest	(282)	(291)
Payments - principal	(4,372)	(1,961)
Others	3	
Closing balance for the quarter	20,276	23,474

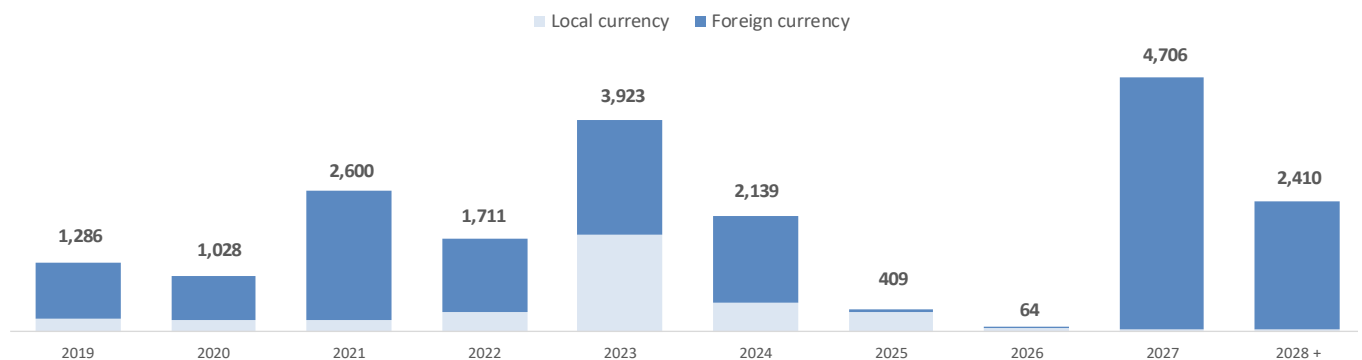
(c) New borrowing and amortizations

Through funding and prepayment of certain debts, the Company seeks to extend the average term of maturities, as well as to balance the exposure to different currencies of loans and financing to its cash generation in these currencies.

The main amortizations made in quarter were as follows:

Date	Company	Type	Currency	Principal	Principal BRL	Maturity	Observation
Jan-19	Votorantim S.A.	Eurobonds	USD	(207)	(774)	2019	Prepayment
Feb-19	Votorantim S.A.	Law 4131/1962	USD	(50)	(185)	2020	Prepayment
Feb-19	Votorantim S.A.	Law 4131/1962	USD	(100)	(377)	2021	Prepayment
Feb-19	Votorantim Cimentos Internacional S.A.	Eurobonds	USD	(540)	(2,014)	2041	Prepayment
Feb-19	Votorantim Cimentos Internacional S.A.	Eurobonds	EUR	(61)	(256)	2021	Prepayment
Feb-19	Votorantim Cimentos Internacional S.A.	Eurobonds	EUR	(151)	(640)	2022	Prepayment

(d) Maturity



(e) Breakdown by currency

	Current		Non-current		Total	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
USD	718	3,707	12,949	13,083	13,667	16,790
Real	268	269	3,587	3,630	3,855	3,899
Euro	156	1,098	1,832	1,879	1,988	2,977
Boliviano	357	64	98	406	455	470
Turkish lire	37	39	122	148	159	187
Other	136	114	16	14	152	128
	1,672	5,291	18,604	19,160	20,276	24,451

(f) Breakdown by index

	Current		Non-current		Total	
	3/31/2019	12/31/2018	3/31/2019	12/31/2018	3/31/2019	12/31/2018
Local currency						
CDI	90	91	2,718	2,718	2,808	2,809
TJLP	72	79	269	314	341	393
Fixed rate	57	53	220	209	277	262
SELIC	15	14	98	100	113	114
TLP	34	32	282	289	316	321
	268	269	3,587	3,630	3,855	3,899
Foreign currency						
Fixed rate	811	4,729	12,846	13,160	13,657	17,889
LIBOR	510	230	2,135	2,331	2,645	2,561
EURIBOR	11	11	36	39	47	50
Other	72	52			72	52
	1,404	5,022	15,017	15,530	16,421	20,552
	1,672	5,291	18,604	19,160	20,276	24,451

(g) Collateral

As at March 31, 2019, R\$ 7,227 (December 31, 2018 – R\$ 10,389) of the balance of borrowing of the Company and its subsidiaries was collateralized under promissory notes and sureties and R\$ 763 of the property, plant and equipment items (December 31, 2018 – R\$ 792) was collateralized by liens on the financed assets.

(h) Covenants/financial ratios

Certain borrowings are subject to compliance with certain financial ratios ("covenants"). When applicable, such obligations are standardized for all borrowing.

The Company and its subsidiaries were in compliance with all of these covenants, as applicable.

20 Lease liabilities

(a) Breakdown and changes

	1/1/2019 to 3/31/2019
Initial adoption	666
New contracts	159
Amortization	(52)
Fair value adjustment	6
Foreign exchange variation	17
Closing balance for the quarter	796
Current	250
Non-current	546
	796

21 Confirming payables

The Company and the subsidiaries have entered into agreements with financial institutions, aiming to anticipate receivables from suppliers in domestic and foreign markets. In this operation, suppliers transfer the right to receive their accounts receivable related to sales of goods to financial institutions.

Operations - Confirming payables	3/31/2019	12/31/2018
Domestic market	274	349
Foreign market	715	838
	989	1,187

22 Current and deferred income tax and social contribution

(a) Reconciliation of income tax and social contribution expenses

The current amounts are calculated based on the current rates levied on taxable income, adjusted upwards or downwards by the respective additions and exclusions.

The income tax and social contribution amounts presented in the statements of income for the quarter ended March 31 are reconciled to their Brazilian standard rates as follows:

	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Profit before income tax and social contribution	6,764	502
Standard rates	34%	34%
Income tax and social contribution at standard rates	(2,300)	(171)
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity	30	132
Reprocessing of previous calculations	72	(41)
Tax on mining operations	(13)	(17)
Differential rate of foreign companies	(19)	15
Tax loss carryforward and non-deferred tax base	(74)	(151)
Other additions, net	(70)	(23)
Income tax and social contribution calculated	(2,374)	(256)
Current	(1,251)	(201)
Deferred	(1,123)	(55)
Income tax and social contribution expenses	(2,374)	(256)
Effective rate - %	35%	51%

(b) Breakdown of deferred tax balances

	3/31/2019	12/31/2018
Tax credits on tax losses	2,142	2,669
Tax credits on temporary differences		
Estimation for losses on investments, fixed and intangible assets	850	857
Foreign exchange gains	573	761
Tax, civil and labor provision	650	574
Tax benefit on goodwill	503	503
Deferred of losses on derivative instruments	213	(77)
Asset retirement obligation	205	182
Use of public assets	153	154
Environmental liabilities	122	128
PPR - Provision for profit sharing	51	113
Estimation for inventory losses	79	78
Provision for loan	60	62
Provision for energy charges	50	49
Provision for social security obligations	42	41
Financial instruments - firm commitment	9	(8)
Estimated asset disposals	2	2
Other tax credits	172	194
Tax debits on temporary differences		
Market value Citrosuco		(13)
Borrowing costs	(2)	(3)
Asset retirement obligation	(10)	(10)
Adjustment to present value	(35)	(35)
Gain in fair value in VTRM's operation	(103)	(102)
Capitalized interest	(142)	(141)
Fair value adjustments	(163)	123
Market value assets	(192)	(388)
Goodwill amortization	(401)	(405)
Adjust the fair value in the Fibria transaction	(816)	
Market value Milpo	(1,216)	(1,233)
Adjustment of useful lives of PP&E (depreciation)	(2,066)	(2,192)
Other tax debits	(168)	(3)
Net	562	1,880
Net deferred tax assets related to the same legal entity	2,907	4,079
Net deferred tax liabilities related to the same legal entity	(2,345)	(2,199)

(c) Effects of deferred income tax and social contribution on the profit for the quarter and comprehensive income

	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Opening balance for the quarter	1,880	2,114
Deferred income tax and social contribution on hedge accounting	5	(23)
Effects on the results of the quarter - discontinued operations	(199)	51
Effects of foreign exchange variations in other comprehensive income	(1)	(10)
Effects on the results for the quarter - continuing operations	(1,123)	(55)
Effect of subsidiaries included in the consolidation		(22)
Closing balance for the quarter	562	2,055

23 Deferred revenue - obligation for performance

In December 2014, the subsidiary indirect Votener ceded to a financial institution the receivables due until December 2019 as a result of certain contracts for the Sale of Electric Energy in the Regulated Environment ("CCEAR"), which are being carried out with the physical delivery of energy. This transaction corresponded to R\$ 1,252, and has no right of return and/or type of co-obligation of the Company on the receivables. Due to the assignment of receivables, Votener received a total amount of R\$ 905, and the interest to be appropriated from the transaction will be recognized pro rata to the result during the term of the agreement.

In May 2015, Votener carried out a second credit assignment operation, without any right of return and/or co-obligation of the subsidiary, in the total amount of R\$ 368. By assigning the receivables, Votener received the total amount R\$ 251, and interest to be appropriated from the operation will be recognized pro rata to the result during the term of the agreement.

The updated amount of these operations as at March 31, 2019 was R\$ 211 (December 31, 2018 – R\$ 271).

24 Provision

(a) Breakdown and changes

	1/1/2019 to 3/31/2019					1/1/2018 to 3/31/2018	
	Legal claims						
	Asset retirement obligation	Tax	Labor	Civil	Other	Total	Total
Opening balance for the quarter	1,334	853	84	283	41	2,595	2,587
Additions	1	46	97	25	4	173	76
Reversals		(12)	(23)	(12)	(4)	(51)	(146)
Judicial deposits, net of write-offs		1	7	(1)		7	95
Settlement in cash	(9)	(2)	(10)	(9)	(1)	(31)	(21)
Settlements with escrow deposits			(48)			(48)	(1)
Present value adjustment	16					16	15
Monetary restatement		13	6	8	1	28	37
Foreign exchange variation	11					11	13
Revision of estimated cash flow	(38)					(38)	30
Closing balance for the quarter	1,315	899	113	294	41	2,662	2,685

(b) Provision for tax, civil, labor, other contingencies and outstanding judicial deposits

	3/31/2019				12/31/2018			
	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)
Tax	(125)	1,024	899	201	(126)	979	853	545
Labor	(207)	320	113	55	(214)	298	84	80
Civil	(29)	323	294	124	(28)	311	283	124
Other	(1)	42	41	7	(1)	42	41	6
	(362)	1,709	1,347	387	(369)	1,630	1,261	755

- (i) The Company and its subsidiaries have balances deposited in relation to lawsuits classified by management, following the directions of the legal advisors of the Company and its subsidiaries as remote or possible losses and, therefore, they are made without respective provision.

(c) Litigation with likelihood of loss considered possible

The Company and its subsidiaries were party to litigations representing a risk of possible loss, for which no constituted provision has been made, as detailed below.

	3/31/2019	12/31/2018
Tax (c.1)	10,933	11,162
Civil (c.2)	7,870	7,430
Environmental	526	516
Labor and social security	375	374
	19,704	19,482

(c.1) Composition of contingent tax and public rights liabilities with likelihood of loss considered possible

Nature	3/31/2019	12/31/2018
Tax assessment notice - "IRPJ/CSLL"	1,910	1,884
"IRPJ/CSLL" – Profits abroad	1,062	1,052
"ICMS" – Credit	824	818
Disallowances of "PIS/COFINS" credits	690	680
Compensation for exploration for mineral resources ("CFEM")	611	608
Disallowance of "IRPJ/CSLL" negative balance	536	493
Offset of tax loss – 30% limit (merger)	355	286
"ICMS" on electricity charges	289	204
"IRPJ/CSLL" – Transfer costs	217	198
Error in fiscal classification - Importation	200	172
Tax assessment notice – "ICMS"	174	315
Collection of ICMS due to divergences regarding the destination of the property	105	104
"IRPJ/CSLL" – Deduction of expenses	75	74
Other lawsuits	3,885	4,274
	10,933	11,162

(c.2) Composition of contingent civil liabilities with likelihood of loss considered possible

Nature	3/31/2019	12/31/2018
Public civil suit – Violation of the economic order	4,060	4,023
Administrative investigations carried out by the Secretariat of Economic Law	2,066	2,052
Other lawsuits	1,744	1,355
	7,870	7,430

There were no material changes in relation to those detailed in Note 23 (c.2) to the latest annual financial statements.

25 Equity

(a) Share capital

On March 31, 2019 and December 31, 2018, the fully subscribed and paid-up capital of the Company was R\$ 28,656, consisting of 18,278,789 thousand common shares.

(b) Dividends

On January 2, 2019, the Company approved a dividend to the parent company Hejoassu Administração S.A., in the amount of R\$ 1,040 corresponding to dividends related to part of the balance of the account of "profit reserves" accumulated until December 31, 2018

(c) Carrying value adjustments

	Attributable to the owners of the Company							
	Currency translation of investees located abroad	Hedge accounting for net investments abroad, net of taxes	Hedge accounting for the operations of subsidiaries	Remeasurement of retirement benefits	Suzano shares fair value	Fair value of available-for-sale assets	Other comprehensive income	Total
At January 1, 2018	4,990	(4,175)	(118)	(82)		266	(148)	733
Other comprehensive income								
Currency translation of investees located abroad	130							130
Hedge accounting for net investments abroad, net of taxes		(64)						(64)
Hedge accounting for the operations of subsidiaries			6					6
Remeasurement of retirement benefits				(3)				(3)
Fair value of available-for-sale financial assets of non-consolidated investments						71		71
At March 31, 2018	5,120	(4,239)	(112)	(85)		337	(148)	873
At January 1, 2019	6,545	(5,106)	40	(47)		192	(149)	1,475
Other comprehensive income								
Currency translation of investees located abroad	28							28
Hedge accounting for net investments abroad, net of taxes		81						81
Hedge accounting for the operations of subsidiaries			(17)					(17)
Remeasurement of retirement benefits				(3)				(3)
Fair value of available-for-sale financial assets of non-consolidated investments						20		20
Realization of comprehensive results in the sale of participation at Fibria	(16)							(16)
Adjust the fair value of the shares held at Suzano, net of the tax					375			375
Realization of comprehensive income on the sale of interest in Nexa							(63)	(63)
Inflation adjustment for hyperinflationary economies							27	27
At March 31, 2019	6,557	(5,025)	23	(50)	375	212	(185)	1,907

26 Net revenue from products sold and services rendered

	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Gross revenue		
Sales of products - domestic market	3,683	3,646
Sales of products - foreign market	3,253	3,058
Supply of electrical energy	711	700
Services provided	126	123
	<u>7,773</u>	<u>7,527</u>
Taxes on sales, services and other deductions	(1,053)	(1,111)
Net revenue	6,720	6,416

27 Expenses by nature

				1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	3,298	5	3	3,306	3,104
Employee benefit expenses (a)	662	98	273	1,033	977
Depreciation, amortization and depletion	691	3	35	729	595
Outsourced services	292	20	129	441	371
Transportation expenses	444	2	1	447	327
Other expenses	451	86	92	629	484
	<u>5,838</u>	<u>214</u>	<u>533</u>	<u>6,585</u>	<u>5,858</u>

(a) Employee benefit expenses

	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Salaries and bonuses	618	582
Payroll charges	255	239
Benefits	160	156
	<u>1,033</u>	<u>977</u>

28 Other operating expenses, net

	Note	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Gain in Fibria's transaction	1.1 (c)	6,772	
Tax recovery	1.1 (d)	399	1
Tax benefits		42	16
Hedge gain		21	2
Income from rentals and leasing		14	15
Net income from waste sale		12	7
Reversal for impairment of investments, fixed and intangible assets		9	7
Gain (loss) on sale of fixed and intangible assets, net		(2)	7
Royalties on natural resources		(15)	(6)
Financial instrument - firm commitment	14	(48)	(81)
Expenses on not activatable projects		(76)	(66)
Provision, net		(93)	19
Other income (expenses), net		(41)	23
		6,994	(56)

29 Finance results, net

	Note	1/1/2019 to 3/31/2019	1/1/2018 to 3/31/2018
Finance income			
Interest on financial assets		216	22
Income from financial investments		132	110
Fair value of borrowing		33	4
Monetary updating of assets		11	15
Reversal of monetary restatement of provision		10	39
Discounts obtained		6	5
Other finance income		3	31
		411	226
Finance costs			
Interest on borrowing		(301)	(349)
Capitalization of borrowing costs		8	15
Award paid in bond buyback (tender offer)	1.1 (b)	(172)	
Monetary restatement of provision		(48)	(37)
Fair value of borrowing and financing		(41)	(10)
Borrowing fees		(31)	(23)
Interest and monetary restatement - use of public assets		(30)	(21)
Interest on anticipation of receivables		(25)	(25)
Adjustment to present value CPC 12		(24)	(27)
"PIS/COFINS" on financial results		(22)	(7)
Income tax on remittances of interest abroad		(11)	(6)
Interest on silver streaming		(6)	
Other finance costs		(84)	(65)
		(787)	(555)
Results of derivative financial instruments			
	5.1.1		
Revenue		39	29
Expenses		(98)	(32)
		(59)	(3)
Foreign exchange variation, net		(19)	(57)
Finance results, net		(454)	(389)

- (i) Refers substantially to the restatement of the PIS and COFINS credit recognized in subsidiary VCSA and indirect subsidiary VCNNE, in the amount of R\$ 186, according to Note 1.1 (d).

30 Assets and liabilities classified as held-for-sale

On March 31, 2019, the subsidiary VCSA had assets and liabilities classified as held for sale:

	Assets	Liabilities	Net investment
Cement segment - operations of India and the remaining assets of China	232	119	113

31 Supplemental information – Business segments

In order to provide more detailed information the Company has elected to present financial information organized into two business segments. The following information refers to the opening of the VSA by business segments and considers the eliminations of balances and transactions between the companies of the same segment, before: (i) eliminations between business segments; (ii) eliminations of investments held by the holding companies.

Additionally, the eliminations and reclassifications among the companies are presented so that the net results reconcile with the consolidated financial information of VSA according to the supplementary information. This supplementary information is not intended to be in accordance with, and is not required by, the accounting practices adopted in Brazil, or by IFRS.

(a) Capital management

The financial leverage ratios are calculated according to the information of the industrial segments, considering the accumulated result of 12 months, as loan covenants, are summarized as follows:

	Note	Industrial segments	
		4/1/2018 to 3/31/2019	1/1/2018 to 12/31/2018
Adjusted EBITDA			
Net income for the quarter		6,194	1,953
Plus (less):			
Continuing operations			
Equity in the results of investees		(1,334)	(1,634)
Net financial results		2,113	2,048
Income and social contribution taxes		3,183	1,065
Depreciation, amortization and depletion		2,589	2,455
Discontinued operations			
Net financial results		5	6
Income and social contribution taxes		(52)	(99)
Depreciation, amortization and depletion		42	55
EBITDA before other additions and exceptional items		12,740	5,849
Plus :			
Dividends received		930	942
Extraordinary items			
EBITDA - discontinued operations		38	10
Non-recurring items - discontinued operations		54	211
Gain on sale of investments, net		(6,902)	(130)
Reversal for impairment of property, plant, equipment and intangible assets		(22)	(24)
Gain by adjustment to fair value in deconsolidation of VTRM		(302)	(302)
Other		433	322
Adjusted annualized EBITDA (A)		6,969	6,878
Net debt			
Borrowing	19	20,276	24,451
Lease liabilities	20	796	
Cash and cash equivalents, financial investments and derivative financial instruments		(10,867)	(11,237)
Net debt (B)		10,205	13,214
Gearing ratio (B/A)		1.46	1.92

(b) Balance sheet - business segments

	3/31/2019										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Assets											
Current											
Cash and cash equivalents, financial investments and derivative financial instruments	1,886	3,617	681	87	103	4,523		10,897	69		10,966
Trade receivables	1,031	639	525	204	401	152	(284)	2,668			2,668
Inventory	1,718	1,167	788	340		2		4,015			4,015
Taxes recoverable	368	492	334	48	8	233		1,483	84		1,567
Dividends receivable					9	101	(68)	42	9	(37)	14
Financial instruments - firm commitment			88		14			102			102
Other assets	282	102	40	53	2	33		512			512
	5,285	6,017	2,456	732	537	5,044	(352)	19,719	162	(37)	19,844
Assets classified as held-for-sale	232							232			232
	5,517	6,017	2,456	732	537	5,044	(352)	19,951	162	(37)	20,076
Non-current assets											
Long-term receivables											
Financial investments and derivative financial instruments	171	10	2			2		185			185
Financial instruments - Suzano						3,500		3,500			3,500
Derivative financial instruments - put option						776		776			776
Taxes recoverable	1,878	341	668	8		389		3,284			3,284
Related parties	24	3	1	15	180	1,009	(964)	268			268
Deferred income tax and social contribution	416	804	790	150	11	711		2,882	25		2,907
Judicial deposits	189	36	129	2		31		387			387
Other assets	475	156	22	58		89		800			800
	3,153	1,350	1,612	233	191	6,507	(964)	12,082	25		12,107
Investments	811		196		2,024	29,524	(21,472)	11,083	5,274	(5,255)	11,102
Property, plant and equipment	12,542	7,024	4,812	1,120	36	524		26,058			26,058
Intangible assets	6,032	7,509	470	30	403	214	(1,343)	13,315			13,315
Right-of-use assets	544	154	23	38	11	14		784			784
Biological assets			4	6		65		75			75
	23,082	16,037	7,117	1,427	2,665	36,848	(23,779)	63,397	5,299	(5,255)	63,441
Total assets	28,599	22,054	9,573	2,159	3,202	41,892	(24,131)	83,348	5,461	(5,292)	83,517

(*) Relates to long steel operations abroad (Argentina and Colombia).

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	3/31/2019										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Liabilities and equity											
Current liabilities											
Borrowing	915	158	135	134		330		1,672			1,672
Lease liabilities	150	67	11	5	3	14		250			250
Derivative financial instruments	15	60	24			3		102			102
Confirming payable	507	221	261					989			989
Trade payables	1,439	1,386	397	329	330	14	(277)	3,618			3,618
Salaries and payroll charges	279	140	82	27	9	50		587			587
Taxes payable	244	166	25	51	10	3		499			499
Advances from customers	20	6	33	57	1	15		132			132
Dividends payable	1	44	13		59	454	(60)	511	37	(37)	511
Use of public assets	34	6	42					82			82
Related parties			173				(173)				
Deferred revenue - performance obligation					211			211			211
Deferred revenue - silver streaming		117						117			117
Other	398	137	23	31	1	150		740	1		741
	4,002	2,508	1,219	634	624	1,033	(510)	9,510	38	(37)	9,511
Liabilities related to assets held-for-sale	119							119			119
	4,121	2,508	1,219	634	624	1,033	(510)	9,629	38	(37)	9,630
Non-current liabilities											
Borrowing	9,761	5,418	1,930			1,495		18,604			18,604
Lease liabilities	398	93	14	34	7			546			546
Derivative financial instruments	96	17						113			113
Deferred income tax and social contribution	546	1,140			99	392		2,177	168		2,345
Related parties	62	3	11	653	2	75	(786)	20			20
Provision	1,086	816	483	98	2	177		2,662			2,662
Use of public assets	473	83	568					1,124			1,124
Pension plan	200			124				324			324
Financial instruments - firm commitment	33		55		40			128			128
Deferred revenue - silver streaming		649						649			649
Other	172	271	51	173	5	196		868			868
	12,827	8,490	3,112	1,082	155	2,335	(786)	27,215	168		27,383
Total liabilities	16,948	10,998	4,331	1,716	779	3,368	(1,296)	36,844	206	(37)	37,013
Equity											
Total equity attributable to owners of the Company	10,921	9,135	5,050	300	2,423	38,524	(25,354)	40,999	5,255	(5,255)	40,999
Non-controlling interests	730	1,921	192	143			2,519	5,505			5,505
Total equity	11,651	11,056	5,242	443	2,423	38,524	(22,835)	46,504	5,255	(5,255)	46,504
Total liabilities and equity	28,599	22,054	9,573	2,159	3,202	41,892	(24,131)	83,348	5,461	(5,292)	83,517

(*) Relates to long steel operations abroad (Argentina and Colombia).

(c) Statement of income – business segments

	1/1/2019 to 3/31/2019										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	2,524	2,150	1,327	434	905	12	(632) (*)	6,720			6,720
Cost of products sold and services rendered	(2,271)	(1,838)	(1,119)	(366)	(869)	(7)	632 (*)	(5,838)			(5,838)
Gross profit	253	312	208	68	36	5		882			882
Operating income (expenses)											
Selling	(176)	(17)	(13)	(7)		(1)		(214)			(214)
General and administrative	(214)	(144)	(47)	(27)	(18)	(79)		(529)	(4)		(533)
Other operating income (expenses), net	454	(50)	(15)	27	(68)	6,646		6,994			6,994
	64	(211)	(75)	(7)	(86)	6,566		6,251	(4)		6,247
Operating profit (loss) before equity results and finance results	317	101	133	61	(50)	6,571		7,133	(4)		7,129
Result from equity investments											
Equity in the results of investees	43	(1)	(1)		(19)	320	(254)	88	192	(191)	89
	43	(1)	(1)		(19)	320	(254)	88	192	(191)	89
Finance results, net											
Finance income	276	21	13	4	25	102	(32)	409	2		411
Finance costs	(470)	(109)	(83)	(38)	(29)	(90)	32	(787)			(787)
Results of derivative financial instruments	(82)	(1)				24		(59)			(59)
Foreign exchange gains (losses), net	(42)	(9)	(12)			44		(19)			(19)
	(318)	(98)	(82)	(34)	(4)	80		(456)	2		(454)
Profit (loss) before income tax and social contribution	42	2	50	27	(73)	6,971	(254)	6,765	190	(191)	6,764
Income tax and social contribution											
Current	(80)	(83)	(12)	(14)	(2)	(1,060)		(1,251)			(1,251)
Deferred	22	49	(9)	(2)	19	(1,204)	1	(1,124)	1		(1,123)
Profit (loss) from continuing operations	(16)	(32)	29	11	(56)	4,707	(253)	4,390	191	(191)	4,390
Discontinued operations											
Profit from discontinued operations	1							1			1
Profit (loss) for the quarter	(15)	(32)	29	11	(56)	4,707	(253)	4,391	191	(191)	4,391
Profit (loss) attributable to the owners of the Company	(33)	(37)	19	3	(56)	4,707	(215)	4,388	191	(191)	4,388
Profit (loss) attributable to non-controlling interests	18	5	10	8			(38)	3			3
Profit (loss) for the quarter	(15)	(32)	29	11	(56)	4,707	(253)	4,391	191	(191)	4,391

(*) Relates substantially to the net revenue from electric energy operations to CBA and VCSA.

(**) Relates to long steel operations abroad (Argentina and Colombia).

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1/1/2018 to 3/31/2018

	Votorantim Cimentos	Nexa Resources	CBA	Long steels (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	2,393	2,195	1,166	416	910	10	(674) (*)	6,416			6,416
Cost of products sold and services rendered	(2,134)	(1,574)	(947)	(367)	(860)	(6)	674 (*)	(5,214)			(5,214)
Gross profit	259	621	219	49	50	4		1,202			1,202
Operating income (expenses)											
Selling	(153)	(12)	(10)	(5)				(180)			(180)
General and administrative	(175)	(129)	(44)	(25)	(17)	(70)		(460)	(4)		(464)
Other operating income (expenses), net	29	(85)	1	(1)	(40)	40		(56)			(56)
	(299)	(226)	(53)	(31)	(57)	(30)		(696)	(4)		(700)
Operating profit (loss) before equity results and finance results	(40)	395	166	18	(7)	(26)		506	(4)		502
Result from equity investments											
Equity in the results of investees	26		1		(3)	215	149	388	126	(125)	389
	26		1		(3)	215	149	388	126	(125)	389
Finance results, net											
Finance income	77	28	60	2	29	58	(30)	224	2		226
Finance costs	(262)	(98)	(108)	(20)	(50)	(47)	30	(555)			(555)
Results of derivative financial instruments	13	(3)				(13)		(3)			(3)
Foreign exchange gains (losses), net	(71)	(22)	(10)	4		34	8	(57)			(57)
	(243)	(95)	(58)	(14)	(21)	32	8	(391)	2		(389)
Profit (loss) before income tax and social contribution	(257)	300	109	4	(31)	221	157	503	124	(125)	502
Income tax and social contribution											
Current	(13)	(115)	(11)	(12)	(8)	(42)		(201)			(201)
Deferred	(21)	18	(33)	8	11	(36)	(3)	(56)	1		(55)
Profit (loss) for the quarter from continuing operations	(291)	203	65		(28)	143	154	246	125	(125)	246
Discontinued operations											
Profit (loss) from continuing operations	2					(98)		(96)			(96)
Profit (loss) for the quarter	(289)	203	65		(28)	45	154	150	125	(125)	150
Profit (loss) attributable to the owners of the Company	(303)	170	66	(5)	(28)	45	107	52	125	(125)	52
Profit (loss) attributable to non-controlling interests	14	33	(1)	5			47	98			98
Profit (loss) for the quarter	(289)	203	65		(28)	45	154	150	125	(125)	150

(*) Relates substantially to the net revenue from electric energy operations to CBA and VCSA.

(**) Relates to long steel operations abroad (Argentina and Colombia).

(d) Adjusted EBITDA - business segments

	1/1/2019 to 3/31/2019									
	Votorantim Cimentos	Nexa Resources	CBA	Long steel (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	2,524	2,150	1,327	434	905	12	(632) (*)	6,720		6,720
Cost of products sold and services rendered	(2,271)	(1,838)	(1,119)	(366)	(869)	(7)	632 (*)	(5,838)		(5,838)
Gross profit	253	312	208	68	36	5		882		882
Operating income (expenses)										
Selling	(176)	(17)	(13)	(7)		(1)		(214)		(214)
General and administrative	(214)	(144)	(47)	(27)	(18)	(79)		(529)	(4)	(533)
Other operating income (expenses), net	454	(50)	(15)	27	(68)	6,646		6,994		6,994
	64	(211)	(75)	(7)	(86)	6,566		6,251	(4)	6,247
Operating profit (loss) before equity results and finance results	317	101	133	61	(50)	6,571		7,133	(4)	7,129
Plus:										
Depreciation, amortization and depletion - continuing operations	294	306	97	24	1	7		729		729
EBITDA	611	407	230	85	(49)	6,578		7,862	(4)	7,858
Exceptional items										
Gain on sale of investments, net						(6,772)		(6,772)		(6,772)
Reversal for impairment - fixed assets	(3)		(1)					(4)		(4)
Other	(22)					131		109		109
Adjusted EBITDA	586	407	229	85	(49)	(63)		1,195	(4)	1,191

(*) Relates substantially to the net revenue from electric energy operations to CBA and VCSA.

(**) Relates to long steel operations abroad (Argentina and Colombia).

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	Votorantim Cimentos	Nexa Resources	CBA	Long steel (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	2,393	2,195	1,166	416	910	10	(674) (*)	6,416		6,416
Cost of products sold and services rendered	(2,134)	(1,574)	(947)	(367)	(860)	(6)	674 (*)	(5,214)		(5,214)
Gross profit	259	621	219	49	50	4		1,202		1,202
Operating income (expenses)										
Selling	(153)	(12)	(10)	(5)				(180)		(180)
General and administrative	(175)	(129)	(44)	(25)	(17)	(70)		(460)	(4)	(464)
Other operating income (expenses), net	29	(85)	1	(1)	(40)	40		(56)		(56)
	(299)	(226)	(53)	(31)	(57)	(30)		(696)	(4)	(700)
Operating profit (loss) before equity results and finance results	(40)	395	166	18	(7)	(26)		506	(4)	502
Plus:										
Depreciation, amortization and depletion - continuing operations	247	227	75	27	15	4		595		595
EBITDA	207	622	241	45	8	(22)		1,101	(4)	1,097
Plus:										
Dividends received	12							12		12
Exceptional items										
Reversal for impairment - fixed assets	(5)		(1)					(6)		(6)
Fair value of biological assets						2		2		2
Other						(5)		(5)		(5)
Adjusted EBITDA	214	622	240	45	8	(25)		1,104	(4)	1,100

(*) Relates substantially to the net revenue from electric energy operations to CBA and VCSA.

(**) Relates to long steel operations abroad (Argentina and Colombia).

32 Subsequent events

(a) Issuance of debt by the subsidiary Itacamba Cimentos S.A. ("Itacamba")

On April 4, 2019, in line with the consolidated financial liability management strategy, seeking to lengthen the debt profile and reduce the average cost of the VCSA's debts, the subsidiary Itacamba carried out its first debt issue in the Bolivian capital market in the amount of R\$ 66 (BOB 116 million), maturing in 2025 and fixed interest of 4.75% p.a.

On April 23, 2019, Itacamba made its second debt issue in the Bolivian capital market, in the amount of R\$ 234 (BOB 418 million), maturing in 2029 and fixed interest of 5.55% p.a.

The funds raised in the operations described above were used to partially settle, in advance, the syndicated loan in the amount of R\$ 300 (BOB 534 million) maturing in 2025 and fixed interest of 6.00% p.a.

(b) CESP – Public offering of stock purchases ("OPA")

On April 5, 2019, the CVM deferred the registration of the public offer of acquisition of common and preferred shares of class B remaining of CESP, to be held by VTRM, controlled by Votorantim Geração de Energia S.A., due to the acquisition of control of CESP .

Under the notice published on April 15, 2019, the auction of the OPA will be held in the context of B3 on May 24th.

(c) Early settlement of loans - Law 4131/1962

On April 8, 2019, the Company prepaid the loan agreement related to Law 4131/1962, in the amount of R\$ 285.3 (USD 73.8 million), signed on January 6, 2017, with maturity on January 6, 2021.

(d) Completion of sales of Operation in India

On April 16, 2019, a total of 75% (73.4% VCEAA and 1.6% VCSA) was sold in subsidiary indirect Shree Digvijay Cement Company Ltda., A publicly traded company in India, at the average price of INR 15.55 per share.

The sale of the subsidiary VCSA and its subsidiaries' businesses in India is in line with Management's objective of leaving non-priority markets and focusing on regions where we have the greatest potential to compete and expand our current business.

(e) Determination and receipt of dividends from the Company by the investee Suzano

On April 18, 2019, the investee Suzano announced to its shareholders the payment of the dividends approved at the Annual General Meeting, in the total amount of R\$ 600, effecting the payment to the Company, proportional to the participation, in the amount of R\$ 33, on April 30, 2019, based on the shareholding position at the date of this Meeting, the amount per share being equivalent to R\$ 0.44470086.

(f) CESP-concession contract UHE Porto Primavera

On April 23, 2019, ANEEL signed the contract for granting use of the public good for electric power generation No. 01/2019 – ANEEL, from CESP, which regulates the exploitation of the Porto Primavera HPP for 30 years, through the independent production regime of electric energy ("Contrate").

The base date of the contract, for the purposes of the grant term count, is April 15, 2019. On May 3, 2019, CESP made the payment of the grant in the amount of R\$ 1,399.

(g) Capital increase in subsidiary VCEAA

On April 26, 2019, subsidiary VCEAA effected a debt assignment to its parent company VCI in the amount of USD 152 million related to a Revolving credit facility held on March 31, 2019.

At a shareholders' meeting held on April 26, 2019, the VCEAA approved an increase in its capital by the amount of debt assumed by its parent company VCI, without the issuance of new shares.

(h) Export financing

On April 26, 2019, the subsidiary CBA entered into a loan agreement (NCE - Export Credit Note) to finance its exports in the amount of R\$ 787 with maturity on April 30, 2027, the release of this loan occurred on April 30, 2019.

The transaction has a swap agreement (derivative financial instrument), which aims to exchange exposure to the CDI floating rate in reais for a pre-fixed rate in US dollars, resulting in a final cost of 5.03% p.a.. This swap was contracted in conjunction with the financing and with the same financial institution.

(i) Offer of repurchase of bonds

On April 26, 2019, the subsidiary CBA announced the tender offer of its bonds with maturity in 2024. The settlement in the approximate amount of USD 260 million will occur on May 10, 2019.