(A free translation of the original in Portuguese)

Votorantim Industrial S.A.

Consolidated condensed interim financial statements at September 30, 2015 and report on review

Report on review of interim consolidaded condensed financial statements

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

Introduction

We have reviewed the accompanying consolidated condensed interim balance sheet of Votorantim Industrial S.A. and its subsidiaries (the "Company"), as at September 30, 2015 and the related consolidated condensed statements of income, comprehensive income and cash flows for the quarter and nine-month period then ended, and the condensed statement of changes in equity for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes.

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

Conclusion on the consolidated condensed interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements referred to above have not been prepared, in all material respects, in accordance with accounting standard CPC 21 - "Interim Financial Reporting" and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

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Votorantim Industrial S.A.

Other matters

Statements of value added

We have reviewed the consolidated condensed statements of value added for the quarter and nine-month period ended September 30, 2015, prepared under the responsibility of the Company's management and presented as supplementary information. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the consolidated condensed interim financial statements taken as a whole.

Information by business unit

We have also reviewed the supplementary information by business unit, described in Note 31, which is the responsibility of the Company's management. This information is presented in order to provide additional information on Votorantim Industrial S.A. and its subsidiaries, and is not intended to comply with and is not required by IFRS or accounting practices adopted in Brazil. This information has been subjected to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that it is not prepared, in all material respects, in a manner consistent with the interim consolidated condensed financial statements taken as a whole.

Curitiba, November 19, 2015

PricewaterhouseCoopers

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

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

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Interim consolidated balance sheet
All amounts in millions of reais (A free translation of the original in Portuguese)

	Note	9/30/2015	12/31/2014
Assets			
Current assets			
Cash and cash equivalents	7	4,727	3,564
Financial investments	8	3,926	3,846
Derivative financial instruments	5.1.1	300	105
Trade receivables	9	3,398	2,466
Inventory	10	4,195	3,473
Taxes recoverable	11	1,192	1,086
Dividends receivable	13	41	45
Financial instruments - firm commitment	14	353	405
Other assets	15	555	467
		18,687	15,457
Assets classified as held-for-sale	12	1,582	849
		20,269	16,306
Non-current assets			
Long-term receivables			
Financial investments	8	35	19
Derivative financial instruments	5.1.1	562	197
Taxes recoverable	11	1,306	1,524
Related parties	13	3,409	2,482
Deferred income tax and social contribution	20 (b)	4,453	2,205
Judicial deposits	22 (b)	376	421
Financial instruments - firm commitment	14	722	889
Other assets	15	416	297
		11,279	8,034
Investments	16	6,206	6,270
Property, plant and equipment	17	29,094	26,037
Biological assets		123	134
Intangible assets	18	16,446	12,518
		63,148	52,993
Total assets		83,417	69,299

	Note	9/30/2015	12/31/2014
Liabilities and equity			
Current liabilities			
Borrowing	19	1,732	1,530
Derivative financial instruments	5.1.1	610	242
Trade payables		4,284	3,242
Payables - trading		111	116
Salaries and payroll charges		889	791
Income tax and social contribution		183	108
Taxes payable		408	385
Dividends payable	13	70	389
Advances from clients		412	250
Use of public assets	23	66	64
Other liabilities	21	700	624
		9,465	7,741
Liabilities related to assets held-for-sale	12	844	461
		10,309	8,202
Non-current liabilities			
Borrowing	19	28,332	22,473
Derivative financial instruments	5.1.1	4	3
Deferred income tax and social contribution	20 (b)	1,873	1,513
Related parties	13	1,314	895
Tax, civil, labor and other provisions	22	2,078	1,910
Use of public assets	23	1,012	954
Pension plan		369	303
Other liabilities	21	1,304	1,310
		36,286	29,361
Total liabilities		46,595	37,563
Equity			
Share capital	24 (a)	20,483	20,363
Revenue reserves		7,295	7,295
Retained earnings		517	
Carrying value adjustments		4,225	589
Total equity attributable to owners of the Company		32,520	28,247
Non-controlling interests		4,302	3,489
Total equity		36,822	31,736
Total liabilities and equity		83,417	69,299

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

Votorantim Industrial S.A.

Interim consolidated statement of income
Periods ended September 30
All amounts in millions of reais unless otherwise stated (A free translation of the original in Portuguese)

	Note	7/1/2015 to 9/30/2015	7/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Continuing operations					
Net revenue from products sold and services rendered	25	8,413	7,388	23,297	20,815
Cost of products sold and services rendered	26	(6,298)	(5,261)	(17,270)	(14,824)
Gross profit		2,115	2,127	6,027	5,991
Operating income (expenses)					
Selling	26	(463)	(463)	(1,312)	(1,350)
General and administrative	26	(527)	(480)	(1,644)	(1,556)
Other operating income (expenses), net	28	(313)	268	(376)	139
		(1,303)	(675)	(3,332)	(2,767)
Operating profit before equity results and finance results		812	1,452	2,695	3,224
Result from equity investments					
Equity in the results of investees	16	(112)	(70)	2	195
		(112)	(70)	2	195
Finance results, net	29				
Finance income		736	171	1,443	483
Finance costs		(813)	(528)	(2,317)	(2,352)
Foreign exchange gains (losses), net		(625)	(110)	(817)	91
		(702)	(467)	(1,691)	(1,778)
Profit before income tax and social contribution		(2)	915	1,006	1,641
Income tax and social contribution	20 (a)				
Current		(171)	(164)	(594)	(416)
Deferred		122	(193)	210	(141)
Profit (loss) for the period from continuing operations		(51)	558	622	1,084
Discontinued operations					
Profit (loss) for the period from discontinued operations	12 (e)	(30)	21	(22)	17
Profit (loss) for the period		(81)	579	600	1,101
Profit (loss) attributable to the owners of the Company		(56)	542	577	1,019
Profit (loss) attributable to non-controlling interests		(25)	37	23	82
Profit (loss) for the period		(81)	579	600	1,101
Weighted average number of shares - thousands		17,804,588	17,687,579	17,804,588	17,687,579
Basic and diluted earnings (loss) per thousand shares		(3.15)	30.59	32.41	57.61
From continuing operations:					
Basic and diluted earnings (loss) per thousand shares, in reais		(1.46)	29.40	33.64	56.65
From discontinued operations:					
Basic and diluted earnings (loss) per thousand shares, in reais		(1.68)	1.19	(1.24)	0.96

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

Votorantim Industrial S.A.

Interim consolidated statement of comprehensive income
Periods ended September 30
All amounts in millions of reais (A free translation of the original in Portuguese)

	7/1/2015 to 9/30/2015	7/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Profit (loss) for the period	(81)	579	600	1,101
Other components of comprehensive income net of income tax and social contribution to be subsequently reclassified to profit or loss				
Hedge accounting for the operations of subsidiaries	(31)	(21)	6	(25)
Hedge accounting for net investments in foreign operations	(2,990)	(699)	(4,264)	(284)
Foreign exchange gains on foreign investments	6,277	1,533	9,100	292
Share in other comprehensive income of investees	(10)	13	2	11
	3,246	826	4,844	(6)
Other components of comprehensive income net of income tax and social contribution that will not be reclassified to profit or loss				
Remeasurement of retirement benefits	(2)	(5)	(6)	(14)
Other comprehensive income for the period	3,244	821	4,838	(20)
Total comprehensive income for the period	3,163	1,400	5,438	1,081
Comprehensive income from				
Continuing operations	3,193	1,379	5,460	1,064
Discontinued operations	(30)	21	(22)	17
	3,163	1,400	5,438	1,081
Comprehensive income attributable to				
Owners of the Company	2,084	1,076	3,797	961
Non-controlling interests	1,079	324	1,641	120
	3,163	1,400	5,438	1,081

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

Votorantim Industrial S.A.
Interim statement of changes in equity
Periods ended September 30
All amounts in millions of reais unless otherwise stated (A free translation of the original in Portuguese)

	Note	Share capital	Tax incentives (Revenue reserves)	Legal (Revenue reserves)	Profit retention (Revenue reserves)	Retained earnings	Carrying value adjustments	Total	Non-controlling interests	Equity
		Attributable to owners of the Company								
At January 1, 2015		20,363	6	635	6,654		589	28,247	3,489	31,736
Total comprehensive income for the period										
Profit for the period						577		577	23	600
Components of comprehensive income for the period							3,220	3,220	1,618	4,838
Total comprehensive income for the period						577	3,220	3,797	1,641	5,438
Total contributions by and distributions to stockholders										
Securities convertible into shares	24 (b)					(60)		(60)		(60)
Capital increase	1 (i)	120						120		120
Increase in non-controlling interests - Yacuces									55	55
Increase in non-controlling interests - Itacamba									34	34
Fair value of interest increase - Milpo	1 (iii)						416	416	(881)	(465)
Dividends									(36)	(36)
Total contributions by and distributions to stockholders		120				(60)	416	476	(828)	(352)
At September 30, 2015		20,483	6	635	6,654	517	4,225	32,520	4,302	36,822

	Note	Share capital	Tax incentives (Revenue reserves)	Legal (Revenue reserves)	Profit retention (Revenue reserves)	Retained earnings	Carrying value adjustments	Total	Non-controlling interests	Equity
		Attributable to owners of the Company								
At January 1, 2014		20,167	6	555	5,733		61	26,522	3,431	29,953
Total comprehensive income for the period										
Profit for the period						1,019		1,019	82	1,101
Components of comprehensive income for the period							(58)	(58)	38	(20)
Total comprehensive income for the period						1,019	(58)	961	120	1,081
Total contributions by and distributions to stockholders										
Securities convertible into shares	24 (b)					(50)		(50)		(50)
Acquisition of non-controlling interests					(38)			(38)	(100)	(138)
Reclassification from non-controlling interests to revenue reserve					294			294	(294)	
Allocation of net income									21	21
Dividends (R$ 0.01 per share)					(219)			(219)	(44)	(263)
Total contributions by and distributions to stockholders					37	(50)		(13)	(417)	(430)
At September 30, 2014		20,167	6	555	5,770	969	3	27,470	3,134	30,604

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

Votorantim Industrial S.A.

Interim consolidated statement cash flows
Periods ended September 30
All amounts in millions of reais (A free translation of the original in Portuguese)

	Note	7/1/2015 to 9/30/2015	7/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Cash flow from operating activities					
Profit (loss) before income tax and social contribution from continuing operations		(2)	915	1,006	1,641
Profit (loss) on discontinued operations		(30)	21	(22)	17
Adjustments of items that do not represent changes in cash and cash equivalents					
Interest, indexation and foreign exchange gains		1,327	1,045	2,048	1,749
Equity in the results of investees	16	112	70	(2)	(195)
Depreciation, amortization and depletion	17 e 18	706	570	1,978	1,669
Loss (gain) on sale of fixed and intangible assets		22	3	(32)	(8)
Call options	28				126
Change in fair value of biological assets		6	4	13	3
Derivative financial instruments		(82)	(69)	(222)	1
Impairment provision	17 e 18	40	357	40	357
Financial instruments - firm commitment	14	105	(882)	219	(882)
Provision		118	(65)	160	129
		2,322	1,969	5,186	4,607
Decrease (increase) in assets					
Financial investments		(1,086)	117	275	1,882
Taxes recoverable		(135)	70	112	177
Derivative financial instruments		29	(28)	7	(10)
Inventory		(242)	(122)	(838)	(260)
Trade receivables		(386)	(356)	(977)	(617)
Other receivables and assets		(314)	(135)	(164)	(416)
Increase (decrease) in liabilities					
Use of public assets		27	(19)	88	17
Deferred revenue - performance obligation		55		306	
Payables - trading		(18)	10	(5)	(4)
Trade payables		795	450	1,042	408
Salaries and payroll charges		176	142	98	7
Taxes payable		136	118	(6)	(27)
Advances from customers		8	192	(42)	7
Cash provided by operations		1,367	2,408	5,082	5,771
Interest paid on borrowing and use of public assets		(401)	(283)	(1,281)	(1,127)
Premium paid on the Tender Offer	29		(22)	(98)	(528)
Income tax and social contribution paid		(191)	(121)	(490)	(258)
Net cash provided by operating activities		775	1,982	3,213	3,858
Cash flow from investing activities					
Proceeds from sale of non-current assets		64	31	155	93
Dividends received		17	3	84	17
Disposal of investments	16 (b)			25	
Purchases of property, plant and equipment		(873)	(586)	(2,004)	(1,530)
Increase in biological assets		(2)	(8)	(8)	(24)
Capital increase in investees			(10)		(10)
Increase in intangible assets	18	(58)	(5)	(69)	(14)
Net cash used in investment activities		(852)	(575)	(1,817)	(1,468)
Cash flow from financing activities					
New borrowing		1,820	563	5,397	5,299
Repayment of borrowing		(2,030)	(1,357)	(6,407)	(6,153)
Related parties		(385)	(60)	(345)	19
Derivative financial instruments		208	(29)	225	(133)
Capital increase	1 (i)	120		120	
Acquisition of non-controlling interests - VCNNE					(138)
Increase in non-controlling interests - Itacamba		25		55	
Increase in non-controlling interests - Yacuces				34	
Fair value increase Milpo	1 (iii)	(465)		(465)	
Payment of dividends		(182)	(132)	(355)	(331)
Net cash used in financing activities		(889)	(1,015)	(1,741)	(1,437)
Increase (decrease) in cash and cash equivalents		(966)	392	(345)	953
Effect of fluctuations in exchange rates		1,141	(58)	1,508	(167)
Cash and cash equivalents at the beginning of the period		4,552	2,950	3,564	2,498
Cash and cash equivalents at the end of the period		4,727	3,284	4,727	3,284
Principal non-cash transactions					
Loans from FINAME for acquisition of property, plant and equipment		2	14	11	55
Transfer of assets classified as held for sale	12	34		374	
Transfer of liabilities related to assets classified as held-for-sale	12	4		(105)	

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

Votorantim Industrial S.A.

Interim consolidated statement of value added
Periods ended September 30
All amounts in millions of reais (A free translation of the original in Portuguese)

	Note	7/1/2015 to 9/30/2015	7/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Revenue					
Sales of products and services		9,719	8,721	27,225	24,635
Other operating income (expenses), net	28	(313)	268	(376)	139
Provision for impairment of trade receivables	9 (b)	(28)	(12)	(57)	(35)
		9,378	8,977	26,792	24,739
Inputs acquired from third parties					
Cost of products sold and services rendered		(4,114)	(3,807)	(11,236)	(10,100)
Materials, energy, outsourced services and others		(1,155)	(1,048)	(3,264)	(2,994)
Gross value added		4,109	4,122	12,292	11,645
Depreciation, amortization and depletion	17 e 18	(706)	(570)	(1,978)	(1,669)
Net value added generated by the Company		3,403	3,552	10,314	9,976
Value added received through transfers					
Equity in the results of investees	16	(112)	(70)	2	195
Finance income and foreign exchange gains		2,999	1,093	6,448	2,210
		2,887	1,023	6,450	2,405
Total value added to distribute		6,290	4,575	16,764	12,381
Distribution of value added					
Personnel and payroll charges	27				
Direct remuneration		732	627	2,076	1,864
Social charges		282	255	821	755
Benefits		162	128	460	365
		1,176	1,010	3,357	2,984
Taxes and contributions					
Federal		726	644	2,256	1,982
State		762	805	2,293	2,282
Municipal		8	9	20	24
Deferred taxes		(122)	(89)	(210)	(141)
		1,374	1,369	4,359	4,147
Third-party capital remuneration					
Finance costs and foreign exchange losses		3,701	1,560	8,139	3,988
Rentals		120	57	309	161
		3,821	1,617	8,448	4,149
Own capital remuneration					
Non-controlling interests		(25)	37	23	82
Reinvested profits		(26)	521	599	1,002
Profit (loss) on discontinued operations	12 (e)	(30)	21	(22)	17
		(81)	579	600	1,101
Value added distributed		6,290	4,575	16,764	12,381

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

All amounts in millions of reais unless otherwise stated

1 General considerations

Votorantim Industrial S.A. (the "Company", the "Parent Company", or "VID") is a privately-held company, fully controlled by the Ermírio de Moraes family, and is the holding company of the industrial companies of Votorantim Participações S.A. ("VPAR"). 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: basic construction materials (cement, concrete, aggregates and mortar), metals and mining (aluminum, zinc and nickel, copper, silver and lead), steel, wood pulp and electrical energy generation.

Main events that occurred during the 2015 period

(i) Capital increase in VID

At the Extraordinary General Meeting held on September 8, 2015, VPAR increased VID's capital by R$120 through local currency.

(ii) Acquisition of wind farms

On July 23, 2015 the Company, through its subsidiary Votorantim Energia Ltda., acquired 100% of the shares of Ventos de São Vicente Energias Renováveis S.A. and its subsidiaries for implementation of wind farms in Brazil's northeast region, called Wind Complex Ventos de São Vicente. The acquisition amounts to R$ 45, which was allocated to "Intangible assets" and are derived from rights of wind resources exploration for production of electrical energy.

(iii) Capital increase in Compañia Minera Milpo SAA

On 15 July 2015 the subsidiary Votorantim Metais Cajamarquilla SA acquired, through Public Offering Acquisition (OPA), 130,975,829 shares of Milpo which increased its stake to 59.89% of the capital. The effect on investment was R$ 881 (USD 222), and of this, USD 465 (USD 118) was paid through own resources and R $ 416 (USD 105) as fair value that were recorded under valuation adjustments within shareholders' equity.

2 Presentation of the consolidated interim financial statements

2.1 Main companies included in the consolidated financial statements

During the period that ended on September 30, 2015, the main changes in ownership interest in subsidiaries and joint operations related to the information disclosed in Note 2.2 of the last annual financial statement were as follows:

	Percentage of total and voting capital			
	9/30/2015	12/31/2014	Headquarters	Main activity
Votorantim FinCo GmbH	100.00		Áustria	Trading
Votorantim Geração de Energia S.A.	100.00		Brasil	Holding
Votorantim RE	100.00		Luxemburgo	Insurance
Ventos de São Vicente Energias Renováveis S.A.	100.00		Brasil	Holding

2.2 Basis of preparation

(a) Condensed interim consolidated financial statements

The interim consolidated financial statements at September 30, 2015, have been prepared in accordance with Technical Pronouncement CPC 21 - (R1) "Interim Financial Reporting", issued by the Brazilian Accounting Pronouncements Committee ("CPC") and IAS 34 "Interim Financial Reporting", issued by the International Accounting Standards Board ("IASB"), and contain selected explanatory notes only, in order not to duplicate information already included in the consolidated financial statements at December 31, 2014, which were publicly disclosed on February 27, 2015.

Therefore, the interim consolidated financial statements at September 30, 2015 do not contain all of the explanatory notes and disclosures required by the accounting standards applicable to the annual financial statements. As a consequence, they should be read together with the consolidated financial statements at December 31, 2014, prepared in accordance with the relevant CPC pronouncements and International Financial Reporting Standards ("IFRS"), issued by the IASB.

The interim consolidated financial statements have been prepared in a manner consistent with the accounting policies disclosed in Note 2 to the consolidated financial statements at December 31, 2014.

(b) Approval of the financial statements

The Board of Directors approved these interim consolidated financial statements for issue on November 19, 2015.

2.3 Borrowing

The accounting policies adopted for the lending activities and financing used by the Company are the same as described in Note 2.19 of the Company's annual consolidated financial statements of December 31, 2014, except for loans signed in Resolution 4,131, which the fair values of which are now recorded (Note 19 (i)).

3 Changes in accounting policies and disclosures

(a) Change of applicable standards beginning on January 1st, 2015

The following changes in standards were adopted for the first time on the fiscal year that began on January 1st, 2015, and did not have any considerable impact for the Company and its subsidiaries.

Established benefits plans (Amendments to IAS 19 – employee benefits)

These changes allow for the employee's and third party's contributions to be recognized as a cost reduction for the services, subject to the determined conditions. The objective of these changes is to simplify the accounting treatment of contributions that do not depend on the employee's years of service as, for example, employee contributions that are calculated based on a fixed percentage of the salary.

CPC 05 / IAS 24 – Related parties

- Administration services provider entities that are equivalent to key-administration are also related.
- The reporting entity must disclose the expenses paid to the related party.

CPC 15 / IFRS 3 – Business combinations

- Elimination of conflicts between financial instruments standards and business combinations.
- Contingent payment is a financial liability or a property instrument.
- The re-measurement must be done at fair value, when not for a property instrument.
- Eliminates references to other statements, such as IAS 37, in order to re-measure the contingent payment.
- Clarification of exceptions to the standard's scope.

CPC 46 / IFRS 13 – Fair value measurement

- Clarifies that eliminated the short term financial assets without explicit interest to the present value when its effects are immaterial.

- Includes the concept of present value techniques.
- Clarifies that the list of exceptions defined by IRFS 13 applies to all contracts that fall within the scope of IAS 39 and IFRS 9.

(b) New standards not yet adopted

The following standards have been published and are mandatory for subsequent accounting periods, starting from January 1, 2016. There was no early adoption of these standards by the Company.

IFRS 9 - "Financial instruments: recognition and measurement"

This new standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 has the ultimate objective of superseding IAS 39 – "Financial instruments: recognition and measurement". This standard is effective from January 1, 2018. Management is assessing the impact of its adoption.

IFRS 15 – "Revenue from contracts with customers"

This new standard prescribes the principles that an entity should apply to measure contract revenue and determine when it should be recognized. It will become effective in 2017, and supersedes IAS 11 – "Construction contracts" and IAS 18 – (CPC 30) "Revenue and related interpretations". At the meeting on April 28, 2015, the IASB decided to delay the effective date to January 1, 2018. Management is assessing the impact of the adoption of this standard.

IAS 41 – "Agriculture"

IAS 41 – "Agriculture" (equivalent to CPC 29 – "Biological assets and agricultural products") – currently requires that biological assets relating to agricultural activities be measured at fair value less costs to sell. When revising the standard, the IASB decided that bearer plants should be accounted for as property, plant and equipment (IAS 16/CPC 27), that is, at cost less depreciation or impairment. Bearer plants are defined as those used to produce fruits for many years, but where the plant itself, after maturing, does not undergo significant transformation. Their only future economic benefits are the agricultural produce they generate (for example, apple and orange trees and grape vines). In the case of plants where the roots remain in the ground for a second harvest or cutting and the roots are not later sold, the roots meet the definition of bearer plants. This applies to the Company's forests, which are expected to undergo more than one cutting. Therefore, Management is assessing the impact of adopting this standard. This revision is effective from January 1, 2016.

Review of technical pronouncements 08/2015

This review sets out improvements for the better implementation of statements in alignment with international accounting practices. In CPC 29 – "Biological assets and agricultural products" is subject to certain updates and additions, especially regarding the fair value valuation of biological assets. The review includes the definition of bearer plants, summarized as follows: plants used in the production or supply of agricultural products; plants grown to produce fruit in more than one period; and plants that have a remote chance of being sold as an agricultural product, except for possible sale as scrap. It also adds a definition of biological assets of production, which are defined as held for production. In the case of these two biological asset groups (bearer plants and production plants), evaluation by reference to the fair value will not be allowed, as they should be presented at historical cost, which provides greater stability as regards their valuation. This revision shall take effect from January 1, 2016, and the management is evaluating the impact of its adoption.

All amounts in millions of reais unless otherwise stated

The CPC has not yet issued equivalent new or revised standards in accordance with the accounting practices adopted in Brazil, and these new or revised standards are still subject to approval by the appropriate regulatory authorities. Therefore, these standards have not been applied in these financial statements. In general, the early adoption of new or revised standards and interpretations, although encouraged by the IASB, is not allowed under the accounting practices adopted in Brazil. Therefore, these new standards are not included in these financial statements.

There are no other standards or interpretations that are not yet effective that could have a material impact on the Company.

4 Critical accounting estimates and judgments

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events, considered reasonable under the circumstances. Accounting estimates may not equal the related actual results.

In the nine-month period ended 30 September 2015, there have been no changes in estimates and assumptions that present a significant risk and probability of causing a material adjustment to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in Note 4 to the latest annual financial statements.

5 Financial risk management

Below we present an update on financial liabilities by foreign exchange risk (Note 5.1 (a)), liquidity risk (Note 5.1 (b)), derivatives contracted (Note 5.1.1), hedges of net investments in foreign operations (Note 5.1.2), sensitivity analysis (Note 5.1.3) and capital management (Note 5.1.4) as considered relevant by management to quarterly monitoring.

5.1 Financial risk factors

The activities of the Company and its subsidiaries expose them to a variety of financial risks, namely: (a) foreign exchange risk and (b) liquidity risk.

(a) Foreign exchange risk

		Current		Non-current	
	Note	9/30/2015	12/31/2014	9/30/2015	12/31/2014
Assets in foreign currency					
Cash and cash equivalents	7	3,555	2,201		
Financial investments	8	949	339		709
Derivative financial instruments		300	105	562	197
Trade receivables		2,096	1,429		
		6,900	4,074	562	906
Liabilities in foreign currency					
Borrowing	19 (a)	687	586	21,928	14,376
Derivative financial instruments		604	236	1	
Trade payables		3,010	2,035	26	19
		4,301	2,857	21,955	14,395
Net exposure		2,599	1,217	(21,393)	(13,489)

All amounts in millions of reais unless otherwise stated

(b) Liquidity risk

The table below shows the Company's main financial liabilities by maturity (the remaining period from the balance sheet up to the contractual maturity date).

Derivative financial liabilities are included if their contractual maturities are essential to understanding the timing of cash flow. The amounts disclosed in the table represent the undiscounted cash flow, which includes interest to be incurred, and, accordingly, do not reconcile directly with the amounts in the balance sheet for borrowing, use of public assets and related parties.

	Up to 1 year	From 1 to 3 years	From 3 to 5 years	As from 5 years	Total
At September 30, 2015					
Borrowing - principal (i)	1,227	4,695	8,665	15,018	29,605
Borrowing - interest	1,821	3,500	2,498	7,972	15,791
Derivative financial instruments	610	4			614
Trade payables	4,284				4,284
Payables - trading	111				111
Dividends payable	70				70
Related parties	3	1,311			1,314
Use of public assets	70	154	173	2,521	2,918
	8,196	9,664	11,336	25,511	54,707
At December 31, 2014					
Borrowing - principal	1,161	6,061	6,876	9,536	23,634
Borrowing - interest	1,579	2,904	1,936	5,935	12,354
Derivative financial instruments	242	3			245
Trade payables	3,242				3,242
Payables - trading	116				116
Dividends payable	389				389
Related parties	10	885			895
Use of public assets	66	144	163	2,546	2,919
	6,805	9,997	8,975	18,017	43,794

(i) Does not include the recorded fair value of the debts contracted by Resolution 4131.

5.1.1 Derivatives contracted

The hedging instruments contracted by the Company are the same as those described in Note 6.1.1 to the annual consolidated financial statements at December 31, 2014.

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

All amounts in millions of reais unless otherwise stated

Details of the main derivatives operations

Programs	Principal 9/30/2015	Principal 12/31/2014	Principal 9/30/2014	As per unit	Purchase / Sale	Average FWD rate	Average term (days)	Fair value 9/30/2015	Fair value 12/31/2014	Fair value 9/30/2014	Realized gain (loss) 9/30/2015	Fair value by maturity 2015	2016	2017	2018	2019	2020+
Hedging instruments for interest rates in US dollar																	
LIBOR floating rate vs. US dollar fixed rate swaps		10	40	USD MM						(0.4)							
										(0.4)							
Hedging instruments for metal sales at a fixed price																	
Nickel forward	240	606	1,565	ton	P		49	(1.1)		4.5	(0.6)	(0.8)	(0.3)				
Zinc forward	5,275	1,663	76,155	ton	P		104	(5.4)	(0.2)	4.6	(1.1)	(3.4)	(2.0)				
Aluminum forward	400	2,500	9,050	ton	P		32		(0.6)	(0.1)	(1.6)						
Silver forward			54	k oz (*)						0.3							
								(6.5)	**(0.8)**	**9.3**	**(3.3)**	**(4.2)**	**(2.3)**				
Hedging instruments for mismatches of quotation periods																	
Nickel forward	1,671	3,719	420	ton	P/S		24	(0.1)	2.9	(1.4)	0.8	(0.1)					
Zinc forward	344,281	371,386	193,231	ton	P/S		27	20.7	0.9	(1.1)	31.7	20.7					
Silver forward	307	366	244	k oz (*)	P/S		13	0.5	1.6	1.0	1.0	0.5					
Aluminum forward	1,093	17,881	12,660	ton	P/S		7		0.9	(2.2)	2.2						
								21.1	**6.3**	**(3.7)**	**35.7**	**21.1**					
Hedging instruments for the operating margin of metals																	
Nickel forward	295	815	840	ton	S	19.477 USD/ton	1	11.2	(1.6)	(5.0)	(12.8)	11.2					
Zinc forward	5,975	10,730	15,065	ton	S	2.215 USD/ton	1	11.8	(1.8)	(6.4)	(13.6)	11.8					
Aluminum forward	6,825	5,400	6,000	ton	S	1.901 USD/ton	1	8.5		(1.3)	(8.5)	8.5					
Copper forward		160	155	ton		USD/ton			0.3	0.1	0.3						
Silver forward	25	56	54	k oz (*)	S	18 USD/oz	1	0.3	0.7	0.7	0.4	0.3					
US dollar forward	30	34	41	USD MM	S	2,95 BRL/USD	1	(28.4)	(5.9)	4.0	22.5	(28.4)					
								3.4	**(8.3)**	**(7.9)**	**(11.7)**	**3.4**					
Hedging instruments for foreign exchange exposure																	
US dollar forward	5		45	USD MM	P	3,06 R$/USD	1	4.6		(2.3)	11.3	4.6					
Euro forward	1			EUR MM	P	1,20 USD/EUR	47	(0.5)			(0.6)	(0.4)	(0.1)				
								4.1		**(2.3)**	**10.7**	**4.2**	**(0.1)**				
Hedging instruments for debts																	
Fixed rate in reais vs. CDI floating rate swaps	230	230	730	BRL MM		87,66% CDI	354	(8.9)	(9.0)	(11.1)	(2.4)	(2.2)	(4.8)	(1.9)			
LIBOR floating rate vs. CDI floating rate swaps	763	484	184	USD MM		102,74% CDI	1,313	240.2	50.6	6.1	236.8	(59.2)	(283.0)	(56.6)	122.6	136.3	380.1
US dollar fixed rate vs. CDI floating rate swaps	105			USD MM		104,83% CDI	1,745	6.9			(4.1)	(9.6)	(37.9)	(32.3)	(26.0)	(20.7)	133.4
								238.2	**41.6**	**(5.0)**	**230.3**	**(71.0)**	**(325.7)**	**(90.8)**	**96.6**	**115.6**	**513.5**

(*) oz– Ounces troy

All amounts in millions of reais unless otherwise stated

Details of the main derivatives operations

Programs	Principal							Fair value			Realized gain (loss)	Fair value by maturity					
	9/30/2015	12/31/2014	9/30/2014	As per unit	Purchase / Sale	Average FWD rate	Average term (days)	9/30/2015	12/31/2014	9/30/2014	9/30/2015	2015	2016	2017	2018	2019	2020+
Hedge accounting - Cash flow hedge																	
Hedging instruments for the operating margin of metals																	
Nickel forward	1,035	3,990	6,460	ton	S	19.505 USD/ton	62	37.6	45.6	25.2	67.3	25.1	12.5				
Zinc forward	56,125	70,005	101,900	ton	S	2.115 USD/ton	161	95.4	1.1	(33.1)	38.7	25.4	70.0				
Aluminum forward	62,700	42,200	42,500	ton	S	1.792 USD/ton	162	51.0	8.8	(6.6)	35.3	18.2	32.8				
Copper forward		1,097	1,557	ton		USD/ton			2.1	1.6	4.4						
Silver forward	200	217	383	k oz (*)	S	18 USD/oz	138	2.6	2.9	3.9	3.3	0.7	1.9				
US dollar forward	232	245	312	USD MM	S	3,35 BRL/USD	151	(175.3)	(58.7)	(34.4)	(147.3)	(63.0)	(112.3)				
								11.3	**1.8**	**(43.4)**	**1.7**	**6.4**	**4.9**				
Hedging instruments for mismatches of quotation periods																	
Zinc forward	108,687	100,355	98,348	ton	P/S		54	(1.2)	(0.3)	(0.1)	(18.3)	(1.2)					
Aluminum forward		10,025	6,240	ton					1.5	(0.4)	1.4						
Silver forward	276	400	354	k oz (*)	P/S		56	0.1	1.2	2.4	2.7		0.1				
								(1.1)	**2.4**	**1.9**	**(14.2)**	**(1.2)**	**0.1**				
Hedging instruments for interest rates in US dollar																	
LIBOR floating rate vs. US dollar fixed rate swaps	600	600	138	USD MM		2,56% fixed rate	1,135	(20.5)	14.6	(0.2)	(15.8)	(5.9)	(16.7)	(4.2)	4.1	2.2	
								(20.5)	**14.6**	**(0.2)**	**(15.8)**	**(5.9)**	**(16.7)**	**(4.2)**	**4.1**	**2.2**	
Hedge accounting - fair value hedge																	
Hedging instruments for sales of nickel, zinc and aluminum at a fixed price																	
Nickel forward			1,286							0.9							
Aluminum forward			10,400							1.1							
Zinc forward	1,046	4,563	50,700	ton	P	2,038	120	(1.4)	(0.1)	2.3	(0.6)	(0.6)	(0.8)				
Silver forward			75														
								(1.4)	**(0.1)**	**4.3**	**(0.6)**	**(0.6)**	**(0.8)**				
Total (net)								**248.6**	**57.5**	**(47.4)**	**232.8**	**(47.8)**	**(340.6)**	**(95.0)**	**100.7**	**117.8**	**513.5**

(*) oz– Ounces troy

The transactions involving derivative financial instruments recognized in the statement of income amount to R$ 224, with R$ 6 recognized in carrying value adjustments.

All amounts in millions of reais unless otherwise stated

5.1.2 Hedges of net investments in foreign operations

The Company adopts hedge accounting for a portion of its investments abroad.

The hedged items that the Company and its subsidiaries designated as a calculation tool refer to the investments shown in the table below, as well as part of its debts and its subsidiaries Companhia Brasileira de Aluminio – ("CBA"), Votorantim Metais Zinco SA ("VMZ "), Votorantim Metais SA - ("VMSA"), and Votorantim Siderurgia S.A. ("VS"), denominated in euros and dollars.

	9/30/2015		12/31/2014	
	Investment	Debts	Investment	Debts
Votorantim Metais Cajamarquilla S.A. – ("Cajamarquilla")	7,466	6,588	4,572	4,738
US Zinc Corporation – ("US Zinc")	2,074	2,074	1,387	1,387
Votorantim Cimentos EAA Inversiones, S.L. – ("VCEAA")	5,218	5,100	3,892	3,043
Votorantim Cement North America Inc.- ("VCNA")	6,384	5,664	4,346	4,109

As from July 1, 2015, for purposes of ensuring an effective analysis of net investment hedges, Votorantim Cimentos SA – ("VCSA") has included the effect of income tax and social contribution as a gross-up of designated debts.

The Company also has borrowing denominated in USD with compound financial instruments, contracted as a single product with the financial institution (US dollar borrowing + CDI floating rate swaps). The terms and conditions of the loan and derivative instrument are configured as a combined operation, so that the resulting cost is a debt adjusted by a percentage of the CDI in BRL. At September 30, 2015, the amount of the operations in this modality was USD 487 million (R$ 1,936) (December 31, 2014 - USD 301 million - R$ 798).

The Company documents the correlation between its hedges and the related obligations by assessing the effectiveness of net investment hedges both prospectively and retrospectively on a quarterly basis.

The exchange loss on the translation of debts recognized in other comprehensive income in the period ended September 30, 2015 was R$ 4,264 (September 30, 2014, income of R$ 284).

5.1.3 Sensitivity analysis

Presented below is a sensitivity analysis of the main risk factors that affect the pricing of the outstanding financial instruments relating to cash and cash equivalents, financial investments, borrowing, and derivative financial instruments. The main risk factors are exposure to the fluctuations of the US dollar and euro exchanges rates, LIBOR and Interbank Deposit Certificate ("CDI") interest rates, US dollar coupon and commodity prices. The scenarios for these factors were prepared using market and specialized sources, following the Company's systems of governance.

The scenarios at September 30, 2015, are described below:

- Scenario I is based on the market forward curves and quotations at September 30, 2015, and represents a probable scenario in management's opinion as at December 31, 2015.

- Scenario II considers a stress factor of + / – 25% applied to the market forward curves and quotations as at September 30, 2015.

- Scenario III considers a stress factor of + / – 50% applied to the market forward curves and quotations as at September 30, 2015.

All amounts in millions of reais unless otherwise stated

							Impacts on profit (loss)					Impacts on comprehensive income				
							Scenario I	Scenarios II and III				Scenario I	Scenarios II and III			
Risk factors	Cash and cash equivalents and financial investments	Borrowing		Derivative financial instruments	As per unit	Changes from 9/30/2015	Results of scenario	-25%	-50%	+25%	+50%	Results of scenario	-25%	-50%	+25%	+50%
Foreign exchange rate																
USD	3,498	16,927	(**)	1,735	USD million	1%	(13)	496	992	(496)	(992)	(62)	2,305	4,610	(2,305)	(4,610)
EUR	53	5,537		1	EUR million	-1%		(2)	(3)	2	3	43	1,360	2,720	(1,360)	(2,720)
Interest rates																
BRL - CDI	3,900	4,678		4,737	BRL million	-5 bps	2	33	66	(32)	(61)		9	19	(9)	(17)
LIBOR		5,897		2,488	USD million	16 bps		(25)	(50)	25	50	10	(19)	(38)	19	37
US Dollar coupon				1,135	USD million	-192 bps	58	132	277	(121)	(233)		(2)	(5)	2	4
Price - Commodities																
Nickel				3,241	ton	-2%		2	3	(2)	(3)	1	11	21	(11)	(21)
Zinc				521,389	ton		2	123	246	(123)	(246)	1	71	143	(71)	(143)
Aluminum				71,018	ton	1%		1	2	(1)	(2)	(3)	99	197	(99)	(197)
Silver				808	oz (*) thousand	-1%		1	2	(1)	(2)		7	14	(7)	(14)
Firm commitment - electric energy																
Purchase agreement				4,450	BRL million			120	231	(129)	(269)					
Sale agreement				5,300	BRL million			142	275	(154)	(320)					
Sale and purchase agreement - fair value				225	BRL million			(1)	(3)	1	3					

(*) oz – Ounces troy
(**) Considers currency basket

All amounts in millions of reais unless otherwise stated

5.1.4 Capital management

The net debt ratios, considering the annualized accumulated results, are summarized as follows:

	Note	9/30/2015	12/31/2014
Borrowing	19	30,064	24,003
Cash and cash equivalents	7	(4,727)	(3,564)
Derivative financial instruments	5.1.1	(248)	(57)
Financial investments	8	(3,961)	(3,865)
Net debt (A)		21,128	16,517
Adjusted annualized EBITDA (B)	31 (d)	6,534	7,105
Gearing ratio (A/B)		3.23	2.32

All amounts in millions of reais unless otherwise stated

6 Credit quality of financial assets

The table below summarizes the credit quality of issuers and counterparties in transactions involving cash and cash equivalents, financial investments and derivatives:

	9/30/2015			12/31/2014		
	Local rating	Global rating	Total	Local rating	Global rating	Total
Cash and cash equivalents						
AAA	291		291	1,308		1,308
AA+	779	99	878	8		8
AA	102		102			
AA-		5	5		4	4
A+		128	128		243	243
A		640	640		292	292
A-		363	363	1	293	294
BBB+		347	347		500	500
BBB		607	607		410	410
BBB-		444	444		171	171
BB+					73	73
BB		8	8		10	10
B-		17	17			
B+		91	91		27	27
CCC		4	4		3	3
CCC-		18	18		11	11
Unrated		784	784	46	164	210
	1,172	3,555	4,727	1,363	2,201	3,564
Financial investments						
AAA	2,504		2,504	2,113	66	2,179
AA+	100		100	450		450
AA	148		148			
A+		119	119		159	159
A	18	278	296	17	270	287
A-				1		1
BBB+		99	99		74	74
BBB		1	1		2	2
BBB-		2	2		274	274
CCC		91	91		99	99
CCC-		41	41		27	27
Unrated	242	318	560	236	77	313
	3,012	949	3,961	2,817	1,048	3,865
Derivative financial assets						
AAA	219		219	143		143
AA+	129		129			
AA	7		7			
A+		369	369		9	9
A		93	93		5	5
A-		45	45		122	122
BBB					22	22
BBB-					1	1
	355	507	862	143	159	302
	4,539	5,011	9,550	4,323	3,408	7,731

The local and global ratings were obtained from the ratings agencies Standard & Poor's ("S&P"), Moody's and Fitch. The Company considered the ratings of S&P and Fitch for presentation purposes.

All amounts in millions of reais unless otherwise stated

7 Cash and cash equivalents

	9/30/2015	12/31/2014
Local currency		
Cash and banks	10	128
Bank Deposit Certificates ("CDB`s")	459	526
Repurchase agreements	703	709
	1,172	1,363
Foreign currency		
Cash and banks	2,429	1,279
Bank Deposit Certificates ("CDB`s")	1,126	922
	3,555	2,201
	4,727	3,564

Cash and cash equivalents are highly liquid, readily convertible into a known amount of cash and have an insignificant risk of change in value if early redemption is requested. Investments in local currency comprise government and financial institution bonds, indexed to the interbank deposit rate. Investments in foreign currency are mainly composed of fixed income financial instruments (time deposits).

8 Financial investments

These include financial assets classified as held-for-trading, available-for-sale, and held-to-maturity, as presented in the table below:

	9/30/2015	12/31/2014
Held-for-trading		
Repurchase agreements - Government bonds	1,895	754
Financial Treasury Bills ("LFTs")	519	562
Credit Rights Investment Funds ("FIDCs")	277	269
Financial investments in foreign currency	193	339
Repurchase agreements	148	926
Bank Deposit Certificates ("CDBs")	142	23
Investment fund quotas	1	2
National Treasury Bills ("LTNs")		230
Other	3	5
	3,178	3,110
Available-for-sale		
Financial investments in foreign currency	591	709
	591	709
Held-to-maturity		
Variable income securities	165	
Investment fund quotas		34
Financial investments in foreign currency	27	12
	192	46
	3,961	3,865
Current	(3,926)	(3,846)
Non-current	35	19

These financial investments have, for the most part, immediate liquidity. Investments in local currency comprise government and financial institution bonds, indexed to the interbank deposit rate. Investments in foreign currency are mainly composed of fixed income financial instruments (time deposits).

All amounts in millions of reais unless otherwise stated

9 Trade receivables

(a) Breakdown

	Note	9/30/2015	12/31/2014
Trade receivables - foreign customers		2,158	1,508
Trade receivables - Brazil		1,286	976
Related parties	13	112	96
Provision for impairment of trade receivables		(158)	(114)
		3,398	2,466

(b) Changes in provision for the impairment of trade receivables

	1/1/2015 to 9/30/2015	1/1/2014 a 9/30/2014
Opening balance	(114)	(90)
Additions, net	(57)	(35)
Receivables written off as uncollectible	33	30
Foreign exchange variations	(20)	2
Closing balance	(158)	(93)

The constitution of provision for impairment of trade receivables is recorded in the income for the period as “selling expenses”. The values registered in the provision account are generally written off when they are deemed to be uncollectible.

(c) Aging of trade receivables

	9/30/2015	12/31/2014
Current	2,821	2,225
Up to 3 months past due	542	256
3 to 6 months past due	38	14
Over 6 months past due	155	85
	3,556	2,580

10 Inventory

	9/30/2015	12/31/2014
Semi-finished products	1,718	1,498
Auxiliary materials	1,232	885
Finished products	834	660
Raw materials	754	597
Imports in transit	147	173
Other	115	101
Provision for losses (i)	(605)	(441)
	4,195	3,473

(i) Mainly refers to the obsolescence of inventory the value of which has a limited expectation of realization. No inventory was pledged as collateral for liabilities.

All amounts in millions of reais unless otherwise stated

11 Taxes recoverable

	9/30/2015	12/31/2014
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL") (i)	626	633
State Value-added Tax on Sales and Services ("ICMS")	519	577
Social Contribution on Revenue ("COFINS")	392	461
Value-added Tax ("VAT") (foreign companies)	218	234
IRPJ/CSLL - Summer Plan (ii)	215	266
Withholding Income Tax ("IRRF")	139	19
State Value-added Tax on Sales and Services ("ICMS") on PP&E (iii)	104	132
Social Integration Program ("PIS")	88	117
Excise Tax ("IPI")	36	37
Other	161	134
	2,498	2,610
Current	(1,192)	(1,086)
Non-current	1,306	1,524

(i) The credits relating to IRPJ and CSLL are linked to prepayments that will be offset, over undefined periods, against the same taxes and contributions levied on future taxable income within five years.

(ii) At the end of 2013, supported by the reports and opinion of external and internal legal counsel who, among other factors, relied upon the effects of the opinion expressed by the Federal Supreme Court, in a judgment on proceedings of the same nature as the basis for their recommendations, the subsidiary CBA recorded the credit arising from income tax and social contribution overpaid due to the non-adoption of the deduction of indexation adjustments supplementary to the monetary restatement of the "*Plano Verão*", calculated on the profit for the base period of 1989. The credits will be available for use after they are approved by the Federal Revenue of Brazil. In March 2015, after management´s evaluation, the reports indicated the need to review the criteria previously applied. Therefore, based on the new premises (technical studies carried out by external consultants and the tax planning of the Company), the credit was remeasured, generating a reduction of R$ 55.

(iii) ICMS credits that arise from purchases of property, plant and equipment items (recoverable in 48 monthly installments) and consumable products. Their realization is based on the subsidiaries' operations.

12 Assets and liabilities classified as held-for-sale

The Company, through its subsidiary VCSA, plans to sell certain assets, which are summarized as follows:

	Assets		Liabilities	
	9/30/2015	12/31/2014	9/30/2015	12/31/2014
China (a)	1,163	804	739	461
Baraúna Assets (b)	45	45		
Silcar Investments (c)	340		105	
Minerações e Construções (d)	34			
	1,582	849	844	461

All amounts in millions of reais unless otherwise stated

(a) China operations

The subsidiary VCSA does not intend to continue its operation in China that were acquired as part of the Cimentos de Portugal, SGPS, S. A. ("Cimpor") asset exchange and, consequently, this operation this operation has been classified as held for sale since December 21, 2012. VCSA keeps presenting this operation as held for sale and is fully committed to the commercialization and sale of this operation.

	9/30/2015	12/31/2014		9/30/2015	12/31/2014
Inventory	71	52			
Deferred income tax and social contribution	166	115	Borrowing	510	311
Property, plant and equipment	433	264	Trade payables	66	40
Goodwill	385	280	Provision	42	33
Intangible assets	86	58	Deferred income tax and social contribution	101	61
Other assets	22	35	Other liabilities	20	16
	1,163	804		739	461

(b) Baraúna assets

The subsidiary Votorantim Cimentos N/NE S.A. ("VCNNE") has decided to sell certain assets (industrial equipment) located in the city of Baraúna, State of Rio Grande do Norte, which are being negotiated with the investee Mizú S.A.; consequently, these assets have been classified as held-for-sale since September 30, 2013.

(c) Silcar investments

On April 13, 2015, Silcar Empreendimentos, Comércio e participações Ltda., (Silcar), entered into a purchase and sale agrément for the sale of its entire shareholdings in each of the following investees: Polimix Cimento Ltda., Polimix Concreto Ltda., Mizu S.A., Verona Participações Ltda. and Maré Cimento Ltda. to RV Empreendimentos Ltda. (RV) and Polimix Concreto Ltda. (Polimix). On March 31, 2015, these assets and liabilities were reclassified to "Non-current assets (or disposal groups) held for sale" waiting for CADE's decision and approval regarding this transaction.

(d) Minerações e construções assets

In August 21, 2015, the subsidiary Minerações e Construções Ltda. signed proposed potential sale of assets to the company Pedreira Potiguar Ltda. The potential scope of business includes the sale of assets related to aggregates operations, including fixed, mobile, mining rights and surface rights, as a result, these assets were classified as "Assets classified as held for sale" as of September 30, 2015.

All amounts in millions of reais unless otherwise stated

(e) Profits (losses) from discontinued operations

The Company presented the following results from discontinued operations, which relate to the Chinese operations indicated in Note 12 (a):

	1/1/2015 a 9/30/2015	1/1/2014 a 9/30/2014
Net revenue from products sold and services rendered	186	179
Cost of products sold and services rendered	(216)	(181)
Gross loss	(30)	(2)
Finance results, net (i)	15	23
Profit (loss) before income tax and social contribution	(15)	21
Income tax and social contribution	(7)	(4)
Profit (loss) of the period	(22)	17

(i) The positive variation is due to the movement in the exchange rate of the Chinese currency (yuan renminbi) against the euro.

All amounts in millions of reais unless otherwise stated

13 Related parties

	Trade receivables		Dividends receivable		Non-current assets		Trade payables		Dividends payable		Non-current liabilities	
	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014
Parent												
Votorantim Participações S.A. (i)	2	2			662	598			60	379	612	433
Related companies and joint ventures												
Citrosuco GmbH					250	167						
Citrosuco S.A. Agroindústria (ii)					508	374						
Citrovita Orange Juice GmbH (iii)					784	516						
Hailstone Limited (iv)					20	14					560	382
Ibar Administração e Participação Ltda.					5	5					22	22
Maré Cimento Ltda.	8	6		4								
Mizu S.A.	5	8		2								
Polimix Concreto Ltda.	14	11		8								
Sirama Participações Administração e Transportes Ltda.			37	3								
Sitrel - Siderurgica Três Lagoas Ltda. (v)	33	20					17	23				
St. Helen Holding II B.V. (vi)					1,074	699					40	27
Superior Materials Holdings, LLC	12	10										
Supermix Concreto S.A.	24	25										
Suwannee American Cement LLC					83	80	30	19				
Verona Particpações Ltda.				11								
Other	14	14	4	17	23	29	16	38			80	31
	112	96	41	45	3,409	2,482	63	80	60	379	1,314	895
Non-controlling interests									10	10		
Current	(112)	(96)	(41)	(45)			(63)	(80)	(70)	(389)		
Non-current					3,409	2,482					1,314	895

All amounts in millions of reais unless otherwise stated

	Sales		Purchases		Finance income (costs)	
	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Parent						
Votorantim Participações S.A. (i)					(22)	(15)
Related companies and joint ventures						
Cementos Especiales de las Islas, S.A.	13					
Citrosuco S.A. Agroindústria	7	6			11	8
Maré Cimento Ltda	60	51				
Mizu S.A.	51	49				
Polimix Concreto Ltda.	136	106				
Sitrel - Siderurgica Três Lagoas Ltda. (v)	237	219	158	164		
Superior Materials Holdings, LLC	33	19				
Supermix Concreto S.A.	270	287				
Suwannee American Cement LLC			16	19	2	
Other	48	46		5	(5)	(2)
	855	783	174	188	18	15

(i) Refers essentially to receivables from the sale of deferred tax credits arising from tax losses to VPAR. This tax was used by VPAR for payment under the Tax Recovery Program ("REFIS") established by Law 12,865/2013. Refers to a debt of Votorantim GmbH ("VGmbH") to VPAR, adjusted at the rate of 2.5% per year.
(ii) Refers to prepayment transactions, adjusted based on semiannual LIBOR plus a spread of 2.75% per year.
(iii) Balance receivable adjusted based on annual LIBOR and a spread of 2% per year.
(iv) Refers to debt of VGmbH to Hailstone Limited. The transaction is adjusted based on monthly LIBOR plus a spread of 1.5% per year.
(v) Refers to business transactions between Siderurgica Três Lagoas Ltda. ("Sitrel") and VS, mainly relating to the rod rolling process at the Sitrel plant, which uses billets from VS's Resende unit as its main raw material.
(vi) Refers to the credits of Votorantim GmbH held with the company St. Helen Holding II B.V.. The transaction is adjusted at the rate of 2.5% per year.

All amounts in millions of reais unless otherwise stated

14 Financial instruments – firm commitment

The Company, through its subsidiary Votener – Votorantim Comercializadora de Energia Ltda., is engaged in sales of electrical energy in the Regulated Contracting Environment ("ACR") and most recently participated in the 13^{th} electric energy auction on April 30, 2014 in which it signed a firm commitment relating to the sale of surplus energy to be supplied until 2019. During the semester ended September 30, 2015, the fair value amortization on these transactions, amounting to R$ 107, through the physical settlement of contracts of sale and purchase of energy and was recorded in "Other operating income (expenses), net" (Note 28).

Additionally, the Company, also through its subsidiary Votener, is engaged in the Deregulated Contracting Environment ("ACL"), which also resulted in the amortization of the fair value recognized during the semester ended September 30, 2015, amounting to R$ 112 (Note 28).

15 Other assets

	9/30/2015	12/31/2014
Advances to suppliers	213	185
Prepaid expenses	159	103
Receivables from sales of ownership interests	105	115
Tax credits	84	62
Advances to employees	57	43
Writs of payment	77	34
Social security credits	29	28
Royaties	29	20
Notes receivable	28	7
Insurance	24	23
Deposit for reinvestments	23	27
Fiduciary contracts	15	15
Receivables from sale of PP&E	12	14
Lease	10	2
Checks to be cleared	7	9
Electric energy credit	7	
Other receivables	92	77
	971	764
Current	(555)	(467)
Non-current	416	297

All amounts in millions of reais unless otherwise stated

16 Investments

(a) Breakdown

	Information on investees at September 30, 2015			Equity in the results		Investment balance	
	Equity	Profit (loss) for the period	Ownership percentage (%)	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014	9/30/2015	12/31/2014
Investments accounted for based on the equity method							
Subsidiaries and associates							
Sirama Participações Administração e Transportes Ltda.	1,003	123	38.26	47	60	384	372
Cementos Avellaneda S.A. (i)	670	108	49.00	53	26	451	267
Cementos Bio Bio S.A. (ii)	1,260	96	16.70	16	10	210	154
Alunorte - Alumina do Norte S.A. (ii)	3,909	(167)	3.03	(5)	(8)	119	124
Cemento Portland S.A.	351	8	29.50	2	1	104	72
Mineração Rio do Norte S.A. (ii)	773	166	10.00	17	3	77	61
Supermix Concreto S.A.	245	39	25.00	10	(1)	61	52
Outros investimentos				3	7	266	537
Joint ventures							
Fibria Celulose S.A.	13,920	(563)	29.42	(166)	84	4,095	4,285
Suwannee American Cement LLC (i)	337	18	50.00	9	(2)	275	177
Sitrel Siderúrgica Três Lagoas Ltda. (iii)	183	14	50.00	7	15	91	117
Superior Building Materials LL	70	18	50.00	9		35	26
Sumter Cement Co LLC	53		50.00			27	18
Trinity Materials LLC	22		50.00			11	8
				2	195	6,206	6,270

(i) Cementos Avellaneda S.A. and Suwannee American Cement LLC recorded, on September 30, 2015, the amounts of R$ 123 and R$ 107 (December 31, 2014 - R$ 66 and R$ 71), respectively, relating to goodwill paid on the acquisition of these investments.

(ii) Refers to investees in which the ownership interest is less than 20%, but over the activities of which the Company exercises significant influence through agreements established with other shareholders.

(iii) In the first quarter of 2015, Sitrel decided in a special meeting of shareholders to reduce its share capital by R$ 61, to eliminate the payment of capital increase installments amounting to R$ 12, and to make a restitution to its shareholders, in local currency, amounting to R$ 49, in proportion to its stake of the capital.

All amounts in millions of reais unless otherwise stated

(b) Changes in investments

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Opening balance	6,270	5,930
Equity in the results of investees	2	195
Capital increase		10
Foreign exchange gains (losses) on foreign investments	361	(59)
Capital decrease (Note 16 (a (iii)))	(25)	
Dividends	(93)	(54)
Reclassification to assets held-for-sale (i)	(315)	
Other	6	3
Closing balance	6,206	6,025

(i) Refers to assets classified as held-for-sale, relating to Silcar Investments (Note 12 (c)).

(c) Investments in listed companies

	9/30/2015		12/31/2014	
	Book value	Market value	Book value	Market value
Cementos Bio Bio S.A. (*)	210	123	154	99
Fibria Celulose S.A. (*)	4,095	8,768	4,285	5,298

(*) Calculated in proportion to the ownership interest held by the Company.

All amounts in millions of reais unless otherwise stated

17 Property, plant and equipment

(a) Breakdown and changes

	Land and improvements	Buildings and constructions	Machinery, equipment and facilities	Vehicles	Furniture and fittings	Construction in progress	Leasehold improvements	Other	1/1/2015 to 9/30/2015 Total	1/1/2014 to 9/30/2014 Total
Opening balance										
Cost	1,736	9,293	30,332	1,315	191	3,041	446	442	46,796	44,883
Accumulated depreciation	(47)	(3,203)	(15,825)	(985)	(136)		(205)	(358)	(20,759)	(18,569)
Net opening balance	1,689	6,090	14,507	330	55	3,041	241	84	26,037	26,314
Additions	1	2	24	2		1,983		3	2,015	1,614
Disposals	(16)	(3)	(36)	(6)		(37)	(1)	(3)	(102)	(66)
Depreciation	(5)	(212)	(1,237)	(79)	(7)		(15)	(3)	(1,558)	(1,341)
Foreign exchange gains (losses)	267	585	1,658	60	6	326	67	2	2,971	(231)
Reversal (provision) for impairment	1	2	22			28		2	55	(356)
Reclassification to assets held for sale (Note 12)		(6)	(13)	(15)			(1)		(35)	
Transfer to taxes recoverable										(80)
Transfers (i)	43	191	792	52	12	(1,390)	11		(289)	(126)
Closing balance	1,980	6,649	15,717	344	66	3,951	302	85	29,094	25,728
Cost	2,033	10,583	35,853	1,509	230	3,951	586	446	55,191	45,586
Accumulated depreciation	(53)	(3,934)	(20,136)	(1,165)	(164)		(284)	(361)	(26,097)	(19,858)
Net closing balance	1,980	6,649	15,717	344	66	3,951	302	85	29,094	25,728
Average annual depreciation rates - %	3	3	7	17	11		9	9		

(i) Transfers during the semester relate to the reclassification from "Construction in progress" within "Property, plant and equipment" to "Inventory" (R$ 52) and to "Software" and "Rights to use natural resources", within "Intangible assets" (R$ 237).

All amounts in millions of reais unless otherwise stated

(b) Construction in progress

The balance is made up mainly of projects for the expansion and optimization of industrial units, as shown below:

	9/30/2015	12/31/2014
Segment		
Cement	2,460	1,770
Zinc and byproducts	646	431
Aluminum	376	314
Steel	339	397
Nickel	123	126
Other	7	3
	3,951	3,041

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

Main projects in progress - Cement	9/30/2015	12/31/2014
New unit in Edealina - GO	842	492
New unit in Primavera - PA	590	327
New unit in Yacuses - Santa Cruz/Bolivia	172	124
New unit in Sivas - Turkey	136	5
New unit in Ituaçú - BA	44	45
Renovation of equipment - Cement	39	44
Equipment refurbishment - Cement	31	39
Cement production capacity expansion - North America	28	21
Clinker production capacity expansion - Turkey	26	26
Aggregates production capacity expansion - North America	23	18
New unit in Sobral - CE	20	8
New lines of co-processing	19	51
Reforming furnaces in Spain, Tunisia and Morocco	16	9
Concrete factory change - North America	7	6
New unit in Cuiabá - MT	6	17
Other	461	538
	2,460	1,770

Main projects in progress - Zinc and byproducts	9/30/2015	12/31/2014
Vazante expansion project - Brazil	95	115
Security, health and environment projects - Brazil	92	18
Reject treatment line - Peru	58	40
Plant maintenance project - Peru	58	32
Pucurhuay hydroelectric plant - Peru	40	29
Waste storage - Peru	34	15
Plant of concentrated ore - Peru	34	12
Mineral extraction - Peru	32	8
Mineral grinding - Peru	25	15
Roasting - Peru	22	2
Information technology projects - Peru	18	5
Project electrometallurgy - Peru	17	9
Project Santa Bárbara - Peru	17	11
Production line construction (Polymetallic) - Brazil	17	21
General services - Peru	13	4
Desalination plant - Peru	13	4
Other	61	91
	646	431

All amounts in millions of reais unless otherwise stated

Main projects in progress - Aluminum	9/30/2015	12/31/2014
Furnace refurbishment	110	55
Rondon Alumina project - SP	95	78
Projetos de Transformação Plástica e Fundição	48	30
Alumina factory project	30	41
Automation system modernization	23	18
Revitalization and adequacy of power plant	19	18
Furnace rooms project	17	12
Project safety, health and environment - SP	10	9
Mining projects - MG	6	4
Calcination furnace	5	5
Room ovens VIII	3	3
Other	10	41
	376	314

Main projects in progress - Steel	9/30/2015	12/31/2014
Mechanized underground operations involving metallurgical coal	148	127
Security projects, health and environment	35	24
Repair plant operating equipment	34	29
Expansion project	24	6
Modernization of plant operating equipment	23	22
Scrap crushing equipment project	12	9
Expansion project	11	20
Battery vertical repair project	8	2
Carbon extraction project	5	5
Ore project exploration program	5	2
Expansion project	4	18
Revitalization and adaptation of plant	3	4
Expansion project	3	3
Other	24	126
	339	397

Main projects in progress - Nickel	9/30/2015	12/31/2014
Construction of new plant (Nickel iron) - GO	82	81
Burden removal project - GO	9	11
Acquisition and renovation of parts and equipment - SP	6	13
Project for reforming furnaces - GO	1	2
Other	25	19
	123	126

All amounts in millions of reais unless otherwise stated

18 Intangible assets

(a) Breakdown and changes

									1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
	Rights over natural resources (iv)	**Goodwill (ii)**	**Use of public assets (Note 23)**	**ARO (i)**	**Contracts, customer relationships and agreements**	**Software**	**Rights over trademarks and patents**	**Other**	**Total**	**Total**
Opening balance										
Cost	7,109	5,251	541	631	375	424	404	615	15,350	13,676
Accumulated amortization	(1,362)		(122)	(306)	(196)	(317)	(216)	(313)	(2,832)	(1,929)
Net opening balance	5,747	5,251	419	325	179	107	188	302	12,518	11,747
Additions	45			16		7		1	69	14
Disposals		(4)			(7)			(10)	(21)	(19)
Amortization and depletion	(276)		(14)	(35)	(19)	(26)	(23)	(20)	(413)	(301)
Foreign exchange gains (losses)	2,205	1,611		46	81	29	(9)	196	4,159	467
Provision for impairment loss		(95)							(95)	(1)
Reclassification to assets held for sale (Note 12)	(12)								(12)	
Revision of estimated cash flow				4					4	(4)
Transfers (iii)	224					33	(20)		237	124
Closing balance	7,933	6,763	405	356	234	150	136	469	16,446	12,027
Cost	10,132	6,763	541	782	541	567	496	889	20,711	14,570
Accumulated amortization	(2,199)		(136)	(426)	(307)	(417)	(360)	(420)	(4,265)	(2,541)
Net closing balance	7,933	6,763	405	356	234	150	136	469	16,446	12,029
Average annual amortization rates - %	6		7	7	7	21	8	10		

(i) Asset retirement obligation.
(ii) The goodwill is net of the amounts allocated to the operations in China, included in the balance sheet as “Assets classified as held-for-sale” (Note 12).
(iii) The transfers during the period relate to the reclassification of “Construction in progress” from “Property, plant and equipment” to “Software” and “Rights to use natural resources” within “Intangible assets”.
(iv) The additions made in the period relate to the acquisition of wind farm operating rights (Note 1 (ii)).

All amounts in millions of reais unless otherwise stated

19 Borrowing

(a) Breakdown

Type	Average annual charges (i)	Current (v) 9/30/2015	Current (v) 12/31/2014	Non-current 9/30/2015	Non-current 12/31/2014	Total 9/30/2015	Total 12/31/2014
Local currency							
Debentures	110,81% of CDI	202	176	4,476	5,832	4,678	6,008
BNDES	TJLP + 2,66% / 4,57% fixed rate BRL / SELIC + 2,47%	661	714	1,437	1,786	2,098	2,500
Development promotion agency	7,48% fixed rate BRL / TJLP + 1,23%	11	7	221	67	232	74
Export credit notes (ii)	8,00% fixed rate BRL	131	1	100	230	231	231
FINAME	4,80% fixed rate BRL / TJLP + 2,60%	31	29	150	163	181	192
Other		9	17	20	19	29	36
		1,045	944	6,404	8,097	7,449	9,041
Foreign currency							
Eurobonds - USD	6,38% fixed rate USD	221	87	9,692	6,738	9,913	6,825
Eurobonds - EUR	3,36% fixed rate EUR	49	76	5,046	3,047	5,095	3,123
Loans - Resolution 4131 (iii)	LIBOR USD + 1,25% / 3,02% fixed rate USD	6	2	3,393	1,284	3,399	1,286
Export prepayments (iv)	LIBOR USD + 1,25%	(3)	126	2,375	2,170	2,372	2,296
Syndicated loan/bilateral agreements	LIBOR USD + 1,50% / EURIBOR + 0,90% / 3,54% fixed rate TND	2	3	787	579	789	582
BNDES	UMBNDES + 2,40%	245	169	451	400	696	569
Development promotion agency	LIBOR USD + 1,38%	30	21	161	128	191	149
Working capital	DTF + 2,27% / 9,50% fixed rate INR	113	84			113	84
Other		24	18	23	30	47	48
		687	586	21,928	14,376	22,615	14,962
		1,732	1,530	28,332	22,473	30,064	24,003

	9/30/2015	12/31/2014
Interest on borrowing	505	369
Current portion of long-term borrowing	1,173	1,114
Short-term borrowing	54	47
	1,732	1,530

(i) The average annual charges are presented only for agreements that represent a large share of the total debt amount.
(ii) The export credit notes entered into by the subsidiary CBA have swaps linked to them, resulting in a final cost of 88% of the CDI.
(iii) The transactions carried out by VID and its subsidiary VCSA, under Law 4,131, have swaps linked to them, resulting in a final cost of 103% of the CDI.
(iv) The export prepayment carried out by the subsidiary VGmbH has swaps linked to it, which resulted in a final cost at a fixed rate in USD of 2.56% per year.
(v) The negative balances refer to borrowing costs amortized.

BNDES	–National Bank for Economic and Social Development.
BRL	–Brazilian Currency (Real).
CDI	–Interbank Deposit Certificate.
DTF	–Time Deposit Rate (Colombia).
EUR	–European Union currency (Euro).
EURIBOR	–Euro Interbank Offered Rate.
FINAME	–Government Agency for Machinery and Equipment Financing.
INR	–Indian Rupee.
LIBOR	–London Interbank Offered Rate.
TND	–Turkish Dinar.
TJLP	–Long-term interest rate set by the National Monetary Council. The TJLP is the BNDES basic cost of financing.
UMBNDES	–Monetary unit of the BNDES reflecting the weighted basket of currencies of foreign currency debt obligations. At September 30, 2015, 99.3% of the basket was comprised of US dollars.
USD	–US dollar.
SELIC	–*Sistema Especial de Liquidação e Custódia* (Special System for Clearance and Custody).

All amounts in millions of reais unless otherwise stated

(b) Maturity

The maturity profile of borrowing as at September 30, 2015, was as follows:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	As from 2025	Total
Local currency												
Debentures	179	23	102	1,812	1,192	800	400	160	3	3	4	4,678
BNDES	176	635	500	377	218	56	42	30	17	17	30	2,098
Export credit notes	1	130	100									231
FINAME	8	32	28	22	21	20	19	17	10	4		181
Development promotion agency	4	9	30	31	31	31	31	23	22	19	1	232
Other	4	10	7	6	2							29
	372	839	767	2,248	1,464	907	492	230	52	43	35	7,449
	4.99%	11.26%	10.30%	30.18%	19.65%	12.18%	6.60%	3.09%	0.70%	0.58%	0.47%	100.00%
Foreign currency												
Eurobonds - USD (i)	222	(2)	(3)	(3)	818	381	952	(2)	1,389	1,588	4,573	9,913
Eurobonds - EUR (i)	(3)	49	(10)	(10)	(10)	(10)	2,876	2,213				5,095
Loans - Resolution 4131 (i)	6	(2)	395	685	770	1,545						3,399
Export prepayments (i)	(1)	(3)	196	1,189	991							2,372
Syndicated loans/bilateral agreement	1	1	446	3	338							789
BNDES	65	236	185	131	65	11	2	1				696
Development promotion agency		30	30	30	30	30	22	13	6			191
Working capital	7	106										113
Other	6	20	5	2	1	1	1	1	2	6	2	47
	303	435	1,244	2,027	3,003	1,958	3,853	2,226	1,397	1,594	4,575	22,615
	1.34%	1.92%	5.50%	8.96%	13.28%	8.66%	17.04%	9.84%	6.18%	7.05%	20.23%	100.00%
Total	675	1,274	2,011	4,275	4,467	2,865	4,345	2,456	1,449	1,637	4,610	30,064
	2.24%	4.24%	6.69%	14.22%	14.86%	9.53%	14.45%	8.17%	4.82%	5.45%	15.33%	100.00%

(i) The negative balances refer to borrowing costs amortized on a straight line basis.

All amounts in millions of reais unless otherwise stated

(c) Changes

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Opening balance	24,003	23,435
Foreign exchange gains (losses)	7,031	299
New borrowing	5,458	5,354
Payments - interest	1,305	1,157
Amortization (addition) borrowing fees	(23)	(7)
Fair value adjustment - Resolution 4131	(50)	
Payments - interest	(1,253)	(1,111)
Payments - principal	(6,407)	(6,153)
Closing balance	30,064	22,974

(d) Breakdown by currency

	Current		Non-current		Total	
	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014
Real	1,045	944	6,404	8,097	7,449	9,041
US dollar	325	283	16,094	10,683	16,419	10,966
Currency basket	192	137	316	298	508	435
Euro	49	76	5,488	3,369	5,537	3,445
Other	121	90	30	26	151	116
	1,732	1,530	28,332	22,473	30,064	24,003

(e) Breakdown by index

	Current		Non-current		Total	
	9/30/2015	12/31/2014	9/30/2015	12/31/2014	9/30/2015	12/31/2014
Local currency						
CDI	202	176	4,476	5,832	4,678	6,008
TJLP	603	668	1,373	1,689	1,976	2,357
Fixed rate	235	100	512	571	747	671
SELIC	5		43	5	48	5
	1,045	944	6,404	8,097	7,449	9,041
Foreign currency						
Fixed rate	349	221	15,171	9,822	15,520	10,043
LIBOR	33	149	5,864	3,832	5,897	3,981
UMBNDES	245	169	451	400	696	569
EURIBOR			442	322	442	322
Other	60	47			60	47
	687	586	21,928	14,376	22,615	14,962
	1,732	1,530	28,332	22,473	30,064	24,003

(f) Collateral

At September 30, 2015, R$ 10,143 (December 31, 2014 – R$ 7,879) of the balance of the Company's borrowing was collateralized under promissory notes and sureties and R$ 181 of the property, plant and equipment items (December 31, 2014 - R$ 192) were collateralized by liens on the financed assets.

(g) Covenants/financial ratios

Certain borrowing agreements are subject to compliance with financial ratio rules ("covenants"), such as: (i) gearing ratio (net debt/adjusted EBITDA), (ii) capitalization ratio (total debt/(total debt + equity) or equity/total assets), (iii) interest coverage ratio (cash + adjusted EBITDA/(interest + short term debt). When applicable, these obligations are standard for all borrowing agreements.

The Company was in compliance with all of these covenants, as applicable.

(h) New borrowing

By means of new borrowing transactions and the early repayment of certain existing debts, the Company has sought to extend the average maturity profile of its borrowing as well as to balance the exposure of its borrowing to different currencies.

The main new borrowing transactions carried out were as follow:

(i) In February 2015, the Company entered into agreements in accordance with Law number 4,131, with a total value of USD 184 million. The Company settled in advance USD 11 million relating to these loans, renegotiated the costs of the swaps linked to these loans to 103.5% of the CDI, and extended the maturity to February 2018.

(ii) In April 2015 the subsidiary VS signed contracts in accordance with Law 4,131, with a value of USD 145 million, maturing in April 2020. After performing swaps, these transactions resulted in a final cost of 107. 8% of the CDI. These borrowings were used for the early redemption of the first public issue of debentures, amounting to R$ 450.

(iii) In May 2015 the Company completed its third public issue of simple, non-convertible, non-privileged, unsecured debentures. The debentures were distributed through restricted placement efforts and exempt from registration with the Brazilian Securities Commission (“CVM”), pursuant to Article 6 of CVM Instruction 476, of January 16, 2009. The issue amounts to R$ 550, with final maturity in May 2022 and pays 109.4% of the CDI. The proceeds raised were used to amortize the first and second public issues of the Company’s debentures in the amount of R$ 950.

(iv) In May 2015 the subsidiary VCSA issued bonds in US dollars in the amount of EUR 500 million, with maturity in 2022 and an annual coupon of 3.50% p.a.. The issue was made in the international market without guarantees and is rated BBB, Baa3 and BBB by the rating agencies S&P, Moody’s and Fitch, respectively. Part of the proceeds from this issue was used, in September 2015, to amortize make-whole bonds with final maturity in 2017 and an annual coupon of 5.25% p.a. amounting to EUR 303.5 million. This transaction resulted in the payment of a premium amounting to R$ 98 (EUR 28 million), recognized as an expense in financial results (Note 29).

(v) In May 2015 the Company signed contracts in accordance with Law 4,131, with a value of USD 50 million, maturing in May 2020. After performing swaps, these transactions resulted in a final cost of 108.75% of the CDI. These borrowings were used for the early redemption of part of the first and second public issues of debentures, amounting to R$ 950.

(vi) In August and September 2015, VCSA signed contracts in accordance with Law No. 4,131, with a value of USD 200 million, maturing in 2019 and 2020. After conducting swaps, the operation resulted in a final cost 102.7% of CDI. Part of the proceeds of this issue was used for the early redemption of the fourth public issue of debentures, totaling R$ 500.

(vii) In September 2015 VCSA negotiated the contractual terms of a loan in accordance with Law No. 4131, amounting to USD 200 million. VCSA renegotiated the cost of the swaps linked to the operation to 97.92% of CDI and extended the final maturity to October 2020.

All amounts in millions of reais unless otherwise stated

(viii) During the period ended September 30, 2015, the Company's subsidiaries received R$ 165 from BNDS (December 31, 2014 - R $ 411) to fund their expansion and modernization projects, including purchase of machinery and equipment at, the main average cost of +2.58% per year (December 31, 2014 - TJLP + 2.76% per year).

(ix) During the period ended September 30, 2015, the subsidiary VCNNE contracted transactions with Banco da Amazônia with a value of R$ 118 to finance expansion projects at cost 7% per year

(i) Fair value of borrowing

	9/30/2015	
	Carrying amount	Fair value
Local currency		
Debentures	4,678	4,469
BNDES	2,098	1,765
Export credit notes	232	169
FINAME	231	212
Development promotion agency	181	127
Other	29	15
	7,449	6,757
Foreign currency		
Eurobonds - USD	9,913	8,378
Eurobonds - EUR	5,095	3,796
Loans - Resolution 4131	3,399	3,301
Export prepayments	2,372	2,466
Syndicated loans/bilateral agreement	789	817
BNDES	696	707
Development promotion agency	191	200
Working capital	113	114
Other	47	51
	22,615	19,830
	30,064	26,587

(i) The borrowing of this modality relates to compound financial instruments contracted as a single product with the financial institution (USD borrowing + CDI BRL rate swaps). The terms and conditions of the loan and derivative instrument are configured as a combined operation, so that the resulting cost is a debt adjusted by a percentage of the CDI in BRL.The difference in the measurement between the two instruments (loan at amortized cost vs. derivative instrument at fair value), creates an accounting mismatch in the income statement. To eliminate this accounting mismatch, the derivative instrument was designated for hedge accounting under "fair value", with the effect of this hedge as the measurement of the debt at fair value through profit or loss, as described in Note 2.3.

In August and September 2015 the Company contracted the amount of USD 200 million in this modality, as described in Note 19 (h) (vii), relating to compound financial instruments measured by fair value.

20 Current and deferred income tax and social contribution

(a) Reconciliation of the 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 periods ended September 30 are reconciled to their Brazilian standard rates as follows:

All amounts in millions of reais unless otherwise stated

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Profit before income tax and social contribution	1,006	1,641
Standard rates	34%	34%
Income tax and social contribution at standard rates	(342)	(558)
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity in the results of investees	1	66
Income tax and social contribution losses without recording the deferred amounts	(89)	(228)
Differences in the tax rates of foreign subsidiaries	48	90
Tax on mining operations	(28)	(29)
Deferred income tax on the portion of tax loss not recorded in 2013		68
Other (additions) exclusions, net	26	34
Income tax and social contribution calculated	(384)	(557)
Current	(594)	(416)
Deferred	210	(141)
Income tax and social contribution expenses	(384)	(557)

(b) Breakdown of deferred tax balances

Deferred income tax and social contribution assets and liabilities are as follows:

	9/30/2015	12/31/2014
Tax losses	2,304	2,173
Tax credits on temporary differences		
Foreign exchange gains	3,018	829
Tax, civil and labor provisions	571	592
Provision for losses on investments	392	339
Use of public assets ("UBP")	184	189
Provision for inventory losses	145	131
CPC 25 – "Decommissioning"	132	103
CPC 29 - "Biological assets"	48	43
Environmental liabilities	46	51
Tax benefit on goodwill	5	54
Other	234	239
Tax debits on temporary differences		
Market value adjustments to property, plant and equipment	(1,742)	(1,300)
Accelerated depreciation and adjustment of useful lives	(1,590)	(1,668)
Financial instruments - firm commitment	(365)	(325)
Goodwill amortization	(331)	(326)
CPC 20 - "Capitalized interest"	(148)	(137)
Deferred gains on derivative contracts	(100)	(26)
CPC 12 - "Adjustment to present value"	(60)	(46)
Pension funds	(52)	(42)
Borrowing costs	(30)	(18)
CPC 25 – "Decommissioning"	(1)	(11)
Other	(80)	(152)
Net	2,580	692
Net deferred tax assets related to the same legal entity	4,453	2,205
Net deferred tax liabilities related to the same legal entity	(1,873)	(1,513)

All amounts in millions of reais unless otherwise stated

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

	1/1/2015 a 30/9/2015	1/1/2014 a 30/9/2014
Opening balance	692	518
Deferred income tax and social contribution on hedge accounting	1,930	142
Effects on results for the period	210	(141)
Effects of foreign exchange variation and other components of comprehensive income	(327)	56
Other	75	19
Closing balance	2,580	594

21 Other liabilities

	9/30/2015	12/31/2014
Deferred revenue - performance obligation (i)	1,033	905
Provision for services	146	210
Environmental obligations	139	150
Long-term trade payables	131	112
Provision for utilities - water, electric energy and gas	129	46
Non-current advances from customers	112	23
Payables for acquisition of interests (ii)	52	249
Provision for freight	43	50
"REFIS" - Tax Recovery Program	41	48
Compensation for customers	40	29
Provision for maintenance	18	21
Long-term taxes payable	8	15
Unappropriated premiums	6	11
Other liabilities	106	65
	2,004	1,934
Current	(700)	(624)
Non-current	1,304	1,310

(i) In December 2014, the Company, through its subsidiary Votener, assigned to a financial institution the receivables up to December 2019 arising from certain Electrical Energy Sale Agreements in the Regulated Environment ("CCEARs") equivalent to R$ 1,253, without any right of subrogation or co-obligation by the Company. For the assignment of the receivables, the Company received a total amount of R$ 905 and interest in advance will be recognized pro rata in relation to the income over the term of the contract.

In May 2015 the subsidiary Votener carried out a second assignment of receivables, without any right of subrogation or co-obligation by the company, in the amount of R$ 368. For the assignment of receivables, the company received a total amount of R$ 251 and interest in advance will be recognized pro-rata in relation to the income over the term of the contract.

On September 30, 2015, the updated balance amounts to R$ 1,033.

(ii) In March 31, 2015, the Company reclassified an amount of R$ 108 to "Assets and liabilities classified as held-for-sale" that relates to payables from the acquisition of Silcar investments (Note 12).

All amounts in millions of reais unless otherwise stated

22 Provision

The changes in the provision for asset retirement obligations and legal claims are as follows:

							1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
			Legal claims					
	ARO (i)	Restructuring	Tax	Labor	Civil	Other	Total	Total
Opening balance	865	19	710	126	136	54	1,910	1,977
Present value adjustment	33						33	22
Additions			88	64	23	2	177	184
Reversals	(4)		(158)	(36)	(4)	(3)	(205)	(155)
Judicial deposits, net of write-offs			6	(9)	14		11	(3)
Settlement	(10)		(82)	(20)	(34)	(3)	(149)	(58)
Transfers (ii)		(16)	(8)				(24)	
Monetary restatement	3		82	14	10	2	111	88
Foreign exchange gains (losses)	188	1	17	3	1	4	214	12
Revision of estimated cash flow								(25)
Closing balance	1,075	4	655	142	146	56	2,078	2,042

(i) Asset retirement obligation

(ii) During the first quarter of 2015, the subsidiary VCSA reclassified an amount of R$ 16 to “Assets and liabilities held-for-trading” (Note 12), which related to the restructuring provision connected to its Chinese operations.

All amounts in millions of reais unless otherwise stated

(a) Provision for tax, civil, labor and other contingencies

The Company and its subsidiaries are parties to tax, labor, civil and environmental and other litigation in progress and are discussing these matters at both the administrative and judicial levels. These matters are backed by judicial deposits where applicable.

The provision for losses regarded as probable arising from contingent liabilities is recorded in the books. Contingent liabilities classified as possible losses are not recorded in the books and are only disclosed in the notes to the financial statements. Contingent liabilities classified as remotely likely losses are neither accrued nor disclosed, except when, due to the visibility of the lawsuit, the Company considers their disclosure justified.

The amounts of contingencies are periodically estimated and updated. The classification of losses as possible, probable or remotely likely is supported by the advice of the Company's legal counsel.

The provision and the corresponding judicial deposits are as follows:

			9/30/2015			12/31/2014
	Judicial deposits	Provisions	Net amount	Judicial deposits	Provisions	Net amount
Tax	(496)	1,151	655	(502)	1,212	710
Labor	(73)	215	142	(64)	189	125
Civil	(14)	160	146	(28)	164	136
Enviromental		38	38		34	34
Other		18	18		21	21
	(583)	1,582	999	(594)	1,620	1,026

(b) Outstanding judicial deposits

At September 30, 2015, the Company had judicial deposits with the courts in relation to proceedings classified by its legal advisors as having a possible or remote possibility of loss, in the amounts stated below. Given their classification, no provision was made:

	9/30/2015	12/31/2014
Tax	241	249
Civil	97	109
Labor	35	32
Other	3	31
	376	421

(c) Comments on provisions with likelihood of loss considered probable

(i) Provision for tax contingencies

The tax proceedings with a probable likelihood of loss relate to discussions of federal, state and municipal taxes. The tax obligations that the Company is challenging in court on legal or constitutional grounds are fully recorded, irrespective of the likelihood of a favorable outcome to the litigation.

(ii) Provision for labor contingencies

VID and its subsidiaries are party to 6,443 labor lawsuits filed by former employees, third parties and labor unions, mostly claiming the payment of indemnities on dismissals, health hazard premiums and hazardous duty premiums, overtime, and commuting hours, as well as indemnity claims by former employees and third parties based on alleged occupational illnesses, work accidents, property damage and pain and suffering, in the common courts, arising under the terms of Constitutional Amendment 45 and the need to comply with normative clauses.

All amounts in millions of reais unless otherwise stated

(iii) **Provision for civil contingencies**

The Company and its subsidiaries are parties to civil lawsuits involving claims for compensation for property damage and pain and suffering, collection and execution, and administrative claims.

(iv) **Provision for environmental contingencies**

The Company and its subsidiaries are subject to laws and regulations in the various countries in which they operate. The Company has established environmental policies and procedures to comply with environmental and other laws. Management performs analyses on a regular basis to identify environmental risks and to ensure that the systems in place are adequate to manage these risks.

The environmental litigation to which the Company and its subsidiaries are parties basically relate to public civil claims and citizens' lawsuits, whose objects include the interruption of the environmental licensing of new projects, and the recovery of areas of permanent preservation, among other matters.

(d) Litigation with likelihood of loss considered possible

The Company and its subsidiaries are party to other litigation involving a risk of possible loss, as detailed below:

	9/30/2015	12/31/2014
Civil	7,302	6,067
Tax	4,753	4,230
Enviromental	640	484
Labor and social security	447	244
	13,142	11,025

(d.1) Comments on contingent tax and public rights liabilities with likelihood of loss considered possible

The contingent liabilities relating to tax lawsuits in progress with a likelihood of loss considered possible, for which no provision has been recorded, are commented on below. In the table below we present the materiality of these lawsuits:

Nature	9/30/2015	12/31/2014
Compensation for exploration for mineral resources (i)	438	512
Disallowances of "PIS"/"COFINS" credits (ii)	356	297
Offset of tax loss – 30% limit (merger)	245	230
"ICMS" transfer costs	202	200
Requirement of "ICMS" on Distribution System Usage Tariff	175	169
Disallowance of "IRPJ" negative balance	152	112
"IRPJ"/"CSLL" – Profits abroad	151	140
Tax assessment notice – "IRPJ"/"CSLL"	149	189
Other lawsuits of individual amounts lower than R$ 100	2,885	2,381
	4,753	4,230

In the semester ended September 30, 2015, the main changes in tax lawsuits with a likelihood of loss considered possible, in addition to those detailed in Note 28 (e.1) of the last consolidated financial statements, were as follows:

All amounts in millions of reais unless otherwise stated

(i) **Compensation for exploration for mineral resources**

The subsidiaries VCSA, VMSA, VMZ and CBA have received various tax assessment notices issued by the National Department of Mineral Production (“DNPM”) for alleged failure to pay or underpayment of Financial Compensation for the Exploration of Mineral Resources (“CFEM”), for the periods 1991 to 2012, January 1991 to December 2000, January 1991 to December 2006, 1991 to 2003 and 2013, respectively. At September 30, 2015, the amount subject to litigation totaled R$ 438 and was considered a possible loss.

(ii) **Disallowances of “PIS”/“COFINS” credits**

The Company’s subsidiaries VMSA and CBA have received various court decisions relating to the disallowance of “PIS” and “COFINS” credits on items applied during the production process, which in the Federal Revenue of Brazil's understanding would not entitle them to credits. The restated amount at September 30, 2015 was R$ 356. The lawsuits are currently pending decisions in the lower administrative court.

(d.2) Comments on contingent labor liabilities with likelihood of loss considered possible

Labor claims with a likelihood of loss considered possible include those filed by former employees, third parties and labor unions, mostly claiming the payment of indemnities on dismissals, health hazard premiums and hazardous duty premiums, overtime and commuting hours, as well as indemnity claims by former employees and third parties based on alleged occupational illnesses and work accidents.

(d.3) Comments on contingent civil liabilities with likelihood of loss considered possible

The contingent liabilities relating to civil lawsuits in progress with a likelihood of loss considered possible, for which no provision has been recorded, are commented on below. In the table below we present the materiality of these lawsuits:

Nature	**9/30/2015**	**12/31/2014**
Public civil suit - Violation of the economic order (i)	3,230	3,013
Administrative investigations carried out by the "SDE" (ii)	1,868	666
Indemnity lawsuits (iii)	522	493
Arbitration – Petrolina Aggregates Operation	292	285
Litigation with a São Paulo transportation company	168	166
Litigation with a Northeast transportation company	88	86
Litigation in Brasília	43	43
Other lawsuits	1,091	1,315
	7,302	6,067

In the semester ended September 30, 2015, the main changes in tax lawsuits with a likelihood of loss considered possible, in addition to those detailed in Note 28 (e.3) of the last consolidated financial statements, were as follows:

(i) **Public civil suit – violation of the economic order**

The Office of the Public Prosecutor of the State of Rio Grande do Norte has filed a civil class action against the subsidiary VCSA, together with eight other defendants, including several of Brazil's largest cement manufacturers, alleging cartel formation, and demanding that: (1) the defendants make an indemnity payment, jointly, amounting to R$ 5,600, in favor of the civil class action, due to moral and collective damage; (2) the defendants make payment of 10.0% of the total amount paid by the consumers for the acquisition of cement or concrete under the brands held by the defendants during the period from 2002 until 2006, due to individual consumers damage; (3) the defendants be subject to the following penalties according to Articles 23, Section I and Article 24 of Law nº 8.884/94: (i) in addition to the payments mentioned in item (1), a fine ranging from 1.0% to 30.0% annual revenue after the deduction of taxes relating to the fiscal year immediately preceding the year in which the alleged violation occurred, but not less than the monetary advantage acquired; and (ii) a prohibition, for a period not shorter than five years, against obtaining financing support from governmental financial institutions or participating in bidding processes held by the federal, state or municipal governments and their associated entities. Because the current claims mentioned in item (1), amounts to R$ 5,600 and the civil class action alleges joint liability, VCSA has estimated that, based on its market share, its share of the liability would be approximately R$ 2,400. However, there can be no assurance that this apportionment would prevail, or that VCSA will not be held liable for a different portion, which could be larger, or for the entire amount of this claim. Additionally, there is no assurance that VCSA will not be held liable for other amounts in relation to indemnifications for consumer damage as mentioned in item (2) above and /or the fine mentioned in item (3) above.

To date, no relevant decision has been made in this lawsuit. The expectation of loss in relation to this matter is considered possible, and no provision has been established for this claim. At September 30, 2015, the amount subject to litigation was R$ 3,230.

(ii) **Administrative investigations carried out by the Secretariat of Economic Law ("SDE"), current General Superintendence of the Administrative Council for Economic Defense ("CADE")**

In 2003 the SDE, the current General Superintendence of CADE, initiated administrative proceedings against the largest concrete producing Brazilian cement companies, including the subsidiary VCSA. These proceedings relate to allegations by certain ready-mix concrete producers that the large cement companies may have breached Brazilian antitrust laws by not selling certain types of cement to ready-mix concrete companies. In March of 2015 the introductory phase of this legal process was reopened. However, to date there is no indication that the General Superintendence will forward any recommendation to the CADE court, regarding conducting a future investigation in this regard. In the company's opinion, and that of its legal advisors, VCSA will not be subjected to any administrative or criminal penalties. The prospect of loss is considered remote.

Additionally, in 2006 the SDE, currently the General Superintendence of CADE, initiated administrative proceedings against the Cement Industry Union, some industry associations (cement and concrete), the largest Brazilian cement companies, including VCSA, and some executives. On January 22, 2014, CADE initiated a trial in relation to the lawsuit initiated in 2006 by SDE, with four of its five counselors voting in favor of certain penalties. On May 28, 2014, after suspending the first trial session, CADE issued its final decision on the administrative proceeding, imposing certain penalties on six cement Brazilian companies, including VCSA, due to the alleged anti-competitive practices. The parties submitted Declaration Embargoes, CADE's last administrative appeal, which were judged on July 29, 2015, reaching the final terms of the sentence.

The penalties imposed by CADE on VCSA include the payment of a fine amounting to R$ 1,567 and the obligation to sell (1) all its interests, minority or otherwise, in other companies operating in the cement or concrete markets in Brazil; (2) 20% of the company's assets from concrete producing activities in Brazil, which shall be sold in relevant markets in which there is more than one concrete producing company owned or possessed by the company; (3) other cement assets (of which VCSA has not yet been informed) which, in CADE's opinion, were directly related to the alleged illegal acts / crimes that

VCSA is being accused of. Other non-monetary sanctions were also imposed, including (1) the mandatory disclosure of CADE's decision in one of the five biggest Brazilian periodicals; (2) the

prohibition to hire official financial institutions, in the case of credit lines with financing conditions subsidized by public resources, made available by such institutions; (3) a restriction on financing provided by Brazilian government, as well as the recommendation to limit other benefits and tax incentives.

At the moment the decision by the Counselors has been published, as has a record of the judgment in the Union's official diary. The company is awaiting information regarding when it will be considered subpoenaed of this decision, and regarding when the deadline for complying with the sentence will begin. It is worth noting that there is still the possibility of new opposing Declaration Embargoes, which would suspend enforcement of the decision by the Council.

If CADE's decision holds, VCSA intends to appeal at the judicial level. The company considers the likelihood of loss in this matter as possible and thus the balance has been updated by reference the SELIC rate since January 22, 2014, the date of the judgment. At September 30, 2015, the amount subject to dispute was R$ 1,868, because of the upholding of the penalty by the Court on CADE's appeal sphere.

(iii) **Indemnity lawsuits**

An indemnity lawsuit has been filed against the subsidiary VMZ, claiming, among other matters, property damage and pain and suffering. The lower court judgment considered the lawsuit to be groundless, and a judgment on the appeal is pending. The restated amount involved as at September 30, 2015 was R$ 71.

A further indemnity lawsuit has been filed against VMZ, alleging property damage and pain and suffering. VMZ has filed its defense and is awaiting judgment. The restated amount involved as at September 30, 2015 was R$ 33.

Lawsuits have been filed against VMZ. The claims are currently being subject to expert examination. The claims relate to differences regarding the provision of services. The restated amount involved as at September 30, 2015 was R$ 15.

Trial is being awaited in regard to a lawsuit filed against the subsidiary VMZ. The demand discusses differences arising from the provision of services. The amount involved, updated as at September 30, 2015 is R$ 16.

An indemnity lawsuit has been filed against the subsidiary VMSA claiming compensation for the alleged rescission of an agreement. The proceedings are still in the fact-finding phase. The restated amount involved as at September 30, 2015 was R$ 297.

An indemnity lawsuit has been filed against VMSA alleging the rescission of an agreement. This lawsuit is in the initial phase. The restated amount involved as at September 30, 2015 was R$ 61.

An indemnity lawsuit has been filed against VMSA alleging the rescission of an agreement. It is currently in the initial phase. In view of the procedural phase and the elements raised so far, it is not possible to estimate the amount subject to litigation (September 2015).

An indemnity lawsuit has been filed against the subsidiary CBA arising from a contractual relationship. After receiving the complaint, CBA filed its defense, which totally refuted the claim. The court proceedings are in the expert witness phase. The amount involved in the lawsuit as at September 30, 2015 totaled R$ 32.

(d.4) Comments on contingent environmental liabilities with likelihood of loss considered possible

The environmental litigation to which the Company and its subsidiaries are party basically relate to public civil actions, class actions and indemnity lawsuits, the objectives of which are the interruption of the environmental licensing of new projects, the recovery of areas of permanent preservation, and the decontamination of land, among other matters. The cost of the preparation of environmental studies and the cost of the recovery of the Company's and its subsidiaries' land in the event of an unfavorable outcome are estimated as the need arises. These costs are recorded as expenses in the statement of income as they are incurred. The current possible demands relate basically to indemnity lawsuits. The Company has filed its defense, which fully contests the allegations. All environmental lawsuits with material amounts and that are classified as possible losses are in the fact-finding phase.

There has been no provision recorded in relation to environmental lawsuits in progress.

All amounts in millions of reais unless otherwise stated

23 Use of public assets

The Company invests in companies that have concession contracts in the electrical energy industry. Most of these contracts provide for annual payments from the commencement of operations and are adjusted by the General Market Price Index for the use of public assets.

The contracts have an average duration of 35 years, and the amounts to be paid annually are as follows:

					9/30/2015			12/31/2014		
Plants/Companies	Investor	Concession start date	Concession end date	Payment start date	Ownership interest	Intangible assets (Note 18)	Liabilities	Ownership interest	Intangible assets (Note 18)	Liabilities
Salto Pilão	Companhia Brasileira de Alumínio	nov-01	dec-36	jan-10	60%	217	466	60%	224	437
Enercan - Campos Novos	Companhia Brasileira de Alumínio	apr-00	may-35	jun-06	33%	5		33%	4	
Salto do Rio Verdinho	Companhia Brasileira de Alumínio	aug-02	sep-37	oct-10	100%	9	18	100%	9	17
Itupararanga	Companhia Brasileira de Alumínio	nov-03	dec-23	jan-04	100%	1	2	100%	1	2
Piraju	Companhia Brasileira de Alumínio	dec-98	jan-34	feb-03	100%	1	6	100%	1	6
Ourinhos	Companhia Brasileira de Alumínio	jul-00	aug-35	sep-05	100%	1	4	100%	1	4
Baesa - Energética Barra Grande	Companhia Brasileira de Alumínio	jun-01	may-36	jun-07	15%	15	40	15%	16	38
Capim Branco I e Capim Branco II	Votorantim Metais Zinco S.A.	aug-01	sep-36	oct-07	13%	3	10	13%	3	9
Picada	Votorantim Metais Zinco S.A.	may-01	jun-36	jul-06	100%	20	62	100%	21	59
Enercan - Campos Novos	Votorantim Metais S.A.	apr-00	may-35	jun-06	12%	1	11	12%	1	11
Pedra do Cavalo	Votorantim Cimentos N/NE S.A.	mar-02	apr-37	apr-06	100%	132	459	100%	138	435
						405	1,078		419	1,018
Current							(66)			(64)
Non-current						405	1,012		419	954

24 Equity

(a) Share capital

On September 30, 2015, the fully subscribed and paid up capital of the Company was R$ 20,483 (December 31, 2014 – R$ 20,363), consisting of 17,804,588 thousand common shares (Note 1 (i)) – (December 31, 2014 – 17,782,851 thousand common shares).

(b) Securities convertible into shares

In December 2013 the Company carried out its third private issue of debentures, issuing 90,000 debentures convertible into shares, in a single series, of the subordinated type. The debentures issued were exempt from registration with the CVM or with any other regulatory bodies, since they were subject to private placement, and not subject to the terms of Law 6,385/76, CVM Instruction 400/03 or CVM Instruction 476/09. The issue amounted to R$ 900, with maturity in December 2023, and pays 100% of the CDI, plus a spread of 1% per year, with semi-annual amortization of interest. These debentures, fully subscribed by Votorantim Finanças, are mandatorily convertible into shares on the expiration date, and the semi-annual amortization of interest may be postponed at the Company's sole discretion.

Debenture holders have, from the 12th month after the issue, the option to convert the debentures into shares, and conversion is mandatory on the maturity date. The issuer, in turn, has the right to defer the payment of interest and, also, to redeem the debentures in cash at any time. For conversion purposes, each debenture will be converted into a fixed lot of registered common shares in the issuer, without par value. In the event of the postponement of interest payment, the indenture establishes conversion based on the same factors used to set the share conversion ratio. Based on these characteristics, the debentures were accounted for as equity instruments.

The yield of R$ 60 is included in "Equity", under "Retained earnings", net of income tax and social contribution.

(c) Dividends

At April 30, 2015, dividends were approved at the Ordinary General Meeting ("AGO") in the amount of R$ 379. Of this amount, R$ 151 were paid in anticipation to its parent VPAR in February 10, 2015, ratified at the Extraordinary General Meeting ("AGE").

25 Net revenue

(a) Reconciliation of revenue

The reconciliation of gross and net revenue for the periods ended September 30 is as follows:

All amounts in millions of reais unless otherwise stated

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Gross revenue		
Sales of products - domestic market	13,808	13,970
Sales of products - foreign market	10,547	7,980
Supply of electrical energy	2,406	1,975
Service revenue	702	892
	27,463	24,817
Taxes on sales and services and other deductions	(4,166)	(4,002)
Net revenue	23,297	20,815

(b) Information on geographical areas in which the Company operates

The geographical areas are determined based on the location of the customers. The net revenue of the Company, classified by currency and destination, is as follows:

(i) Revenue by destination

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Brazil	12,923	12,936
United States	2,724	1,809
Peru	1,462	1,234
Colombia	807	680
Argentina	775	515
Canada	694	568
Switzerland	558	218
Turkey	526	451
Spain	355	291
Morocco	270	236
Luxembourg	240	194
Uruguay	235	199
Netherlands	235	113
Singapore	178	108
Tunisia	163	152
Japan	147	154
India	142	124
Chile	140	71
South Korea	136	71
China	114	91
Belgium	79	89
Other countries	394	511
	23,297	20,815

All amounts in millions of reais unless otherwise stated

(ii) **Revenue by currency**

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Real	12,730	12,822
US Dollar	6,727	4,861
Argentinian Peso	714	473
Colombian Peso	693	594
Canadian Dollar	691	565
Euro	628	497
Turkish Lira	466	412
Dirham	270	236
Dinar	163	178
Other currencies	215	177
	23,297	20,815

26 Expenses by nature

The Company's management elected to disclose expenses by function in the statement of income and the nature of these expenses is presented below.

The cost of sales, selling and administrative expenses for the periods ended September 30 are as follows:

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Raw materials, inputs and consumables used	12,235	10,809
Employee benefit expenses	3,357	2,984
Depreciation, amortization and depletion	1,978	1,669
Outsourced services	1,265	793
Transportation expenses	909	987
Other expenses	482	488
	20,226	17,730
Reconciliation		
Cost of products sold and services rendered	17,270	14,824
Selling expenses	1,312	1,350
General and administrative expenses	1,644	1,556
Total cost of sales, selling and administrative expenses	20,226	17,730

27 Employee benefit expenses

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Salaries and bonuses	2,076	1,864
Payroll charges	821	755
Social benefits	460	365
	3,357	2,984

All amounts in millions of reais unless otherwise stated

28 Other operating expenses, net

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Financial instruments - firm commitment (i)	(219)	882
Project costs	(95)	(12)
Impairment of goodwill	(95)	
Mark-to-market of embedded derivatives - Fibria call option		(126)
Provision for obsolete and slow-moving inventories		(49)
Revenue from co-processing		
Provisions for lawsuits		(59)
Tax credit recovery	16	19
Impairment of property, plant, equipment and intangible	55	(357)
Costs of environmental obligations		(37)
Other taxes		(38)
Other expenses, net	(38)	(84)
	(376)	139

(i) Recognition of the financial instruments – firm commitment for sale of power surplus in 2014 and realization in 2015, through the physical settlement of the sale and purchase of energy contracts.

29 Finance results, net

	1/1/2015 to 9/30/2015	1/1/2014 to 9/30/2014
Finance income		
Income from financial investments	660	1
Derivative financial instruments	371	284
Update on monetary assets	98	46
Interest on financial assets	82	56
Fair value of borrowing - 4131	50	
Interest on related-party transactions (Note 13)	43	34
Discounts obtained	25	18
Other finance income	114	44
	1,443	483
Finance costs		
Interest on borrowing	(1,328)	(1,196)
Capitalization of borrowing costs – CPC 20	69	51
Derivative financial instruments	(242)	(141)
Monetary restatement of provisions	(161)	(81)
Premium paid on repurchase of bonds	(98)	(528)
Income tax on remittances of interest abroad	(91)	(132)
Interest and monetary restatement "UBP"	(88)	(49)
Adjustments to monetary restatments on tax credits - Summer Plan	(55)	
Interest on anticipation of receivables	(54)	
Discounts granted	(35)	(71)
Interest on related-party transactions (Note 13)	(25)	(19)
Interest on anticipation of receivables	(9)	(37)
Other finance costs	(200)	(149)
	(2,317)	(2,352)
Foreign exchange and monetary gains (losses), net	(817)	91
Finance results, net	(1,691)	(1,778)

(i) Relates mainly to the foreign exchange rate of the US dollar in hedge operations. (Note 5.1.1).

30 Insurance

The operational insurance coverage at September 30, 2015 was as follows:

Assets	Type of coverage	Coverage amount
Facilities, equipment and products in inventory	Property damage	57,698
	Loss of profits	11,398

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 analysis of each business segment considers the elimination of balances and transactions among the companies 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 VID 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.

All amounts in millions of reais unless otherwise stated

(a) Balance sheet – business segments

								9/30/2015
	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications	Total consolidated
Assets								
Current assets								
Cash and cash equivalents, financial investments and derivative financial instruments	3,604	1,246	526	1,908	423	1,210	36	8,953
Trade receivables	1,858	374	88	367	594	408	(291)	3,398
Inventory	1,661	638	128	1,056	712			4,195
Taxes recoverable	317	59	205	368	168	75		1,192
Dividends receivable	37	12	3			14	(25)	41
Financial instruments - firm commitment		159				194		353
Other assets	254	43	20	112	102	24		555
	7,731	2,531	970	3,811	1,999	1,925	(280)	18,687
Assets classified as held-for-sale	1,582							1,582
Non-current assets								
Long-term receivables								
Financial investments and derivative financial instruments	226				115	256		597
Taxes recoverable	227	408	476	163	31	1		1,306
Related parties	192	5	576	6	29	3,687	(1,086)	3,409
Deferred income tax and social contribution	1,823	548	237	838	91	916		4,453
Judicial deposits	171	89	13	21	71	11		376
Financial instruments - firm commitment		499				223		722
Other assets	244	14	19	22	8	891	(782)	416
	2,883	1,563	1,321	1,050	345	5,985	(1,868)	11,279
Investments	1,816	628	115	1	92	32,807	(29,253)	6,206
Property, plant, equipment and biological assets	12,621	4,589	1,087	6,481	3,432	1,007		29,217
Intangible assets	6,703	599	225	8,533	314	72		16,446
	24,023	7,379	2,748	16,065	4,183	39,871	(31,121)	63,148
Total assets	33,336	9,910	3,718	19,876	6,182	41,796	(31,401)	83,417

All amounts in millions of reais unless otherwise stated

								9/30/2015
	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications	Total consolidated
Liabilities and equity								
Current liabilities								
Borrowing	963	303	22	128	234	82		1,732
Derivative financial instruments	191	92	50	121	50	74	32	610
Trade payables	1,781	392	173	1,490	434	300	(286)	4,284
Payables - trading	111							111
Salaries and payroll charges	402	84	59	172	107	65		889
Income tax and social contribution	83	18		4	67	11		183
Taxes payable	247	38	4	44	59	16		408
Dividends payable	3	13		6	1	72	(25)	70
Advances from customers	249	230		5	130	7	(209)	412
Other liabilities	299	96	2	45	75	248	1	766
	4,329	1,266	310	2,015	1,157	875	(487)	9,465
Liabilities related to assets held-for-sale	844							844
Non-current liabilities								
Borrowing	17,804	3,111	1,225	2,873	923	2,396		28,332
Derivative financial instruments		3		1				4
Deferred income tax and social contribution	479	1		1,252		141		1,873
Related parties	104	750	84	128	585	1,315	(1,652)	1,314
Tax, civil, labor and other provisions	780	246	160	744	132	16		2,078
Other liabilities	777	517	32	148	284	931	(4)	2,685
	19,944	4,628	1,501	5,146	1,924	4,799	(1,656)	36,286
Total equity attributable to owners of the Company	7,509	4,016	1,907	8,962	3,014	36,122	(29,010)	32,520
Non-controlling interests	710			3,753	87		(248)	4,302
Total equity	8,219	4,016	1,907	12,715	3,101	36,122	(29,258)	36,822
Total liabilities and equity	33,336	9,910	3,718	19,876	6,182	41,796	(31,401)	83,417

All amounts in millions of reais unless otherwise stated

(b) Statement of income – business segments

	Statement of income for the period from 1/1/2015 to 9/30/2015								
	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications		Total consolidated
Net revenue from products sold and services rendered	10,189	3,317	870	5,082	3,134	2,797	(2,092)	(*)	23,297
Cost of products sold and services rendered	(7,209)	(2,631)	(802)	(3,859)	(2,509)	(2,352)	2,092	(*)	(17,270)
Gross profit	2,980	686	68	1,223	625	445			6,027
Operating income (expenses)									
Selling	(781)	(42)	(9)	(220)	(256)	(4)			(1,312)
General and administrative	(707)	(125)	(78)	(326)	(225)	(183)			(1,644)
Other operating income (expenses), net	146	(91)	(34)	(324)	21	(94)			(376)
	(1,342)	(258)	(121)	(870)	(460)	(281)			(3,332)
Operating profit (loss) before equity results and finance results	1,638	428	(53)	353	165	164			2,695
Result from equity investments									
Equity in the results of investees	149	42	5		7	(1,485)	1,284		2
Finance results, net									
Finance income	784	152	32	26	121	398	(70)		1,443
Finance costs	(1,419)	(347)	(52)	(133)	(146)	(290)	70		(2,317)
Foreign exchange gains (losses), net	(563)	(1,046)	(475)	(995)	(174)	(81)	2,517		(817)
	(1,198)	(1,241)	(495)	(1,102)	(199)	27	2,517		(1,691)
Profit (loss) before income tax and social contribution	589	(771)	(543)	(749)	(27)	(1,294)	3,801		1,006
Income tax and social contribution									
Current	(204)	(73)	(2)	(151)	(62)	(102)			(594)
Deferred	104	359		373	79	(24)	(681)		210
Profit (loss) for the period from continuing operations	489	(485)	(545)	(527)	(10)	(1,420)	3,120		622
Discontinued operations									
Loss for the period from discontinued operations	(22)								(22)
Profit (loss) for the period	467	(485)	(545)	(527)	(10)	(1,420)	3,120		600
Profit (loss) attributable to the owners of the Company	425	(485)	(545)	(487)	(12)	(1,420)	3,101		577
Profit (loss) attributable to non-controlling interests	42			(40)	2		19		23
Profit (loss) for the period	467	(485)	(545)	(527)	(10)	(1,420)	3,120		600

(*) Relates to the net revenue from electric energy operations (Votoner and Santa Cruz Energia).

All amounts in millions of reais unless otherwise stated

Statement of income for the period from 1/1/2014 to 9/30/2014

	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications	Total consolidated
Net revenue from products sold and services rendered	9,690	2,646	688	4,008	2,968	2,056	(1,241) (*)	20,815
Cost of products sold and services rendered	(6,329)	(2,032)	(600)	(2,853)	(2,350)	(1,901)	1,241 (*)	(14,824)
Gross profit	3,361	614	88	1,155	618	155		5,991
Operating income (expenses)								
Selling	(862)	(55)	(14)	(169)	(246)	(4)		(1,350)
General and administrative	(596)	(141)	(85)	(318)	(225)	(191)		(1,556)
Other operating income (expenses), net	210	351	(111)	(408)	(14)	111		139
	(1,248)	155	(210)	(895)	(485)	(84)		(2,767)
Operating profit (loss) before equity results and finance results	2,113	769	(122)	260	133	71		3,224
Result from equity investments								
Equity in the results of investees	102	(8)	(1)	(10)	14	825	(727)	195
Finance results, net								
Finance income	166	101	32	23	42	141	(22)	483
Finance costs	(1,196)	(407)	(28)	(119)	(125)	(499)	22	(2,352)
Foreign exchange gains (losses), net	(19)	(112)	(27)	(94)	(8)	351		91
	(1,049)	(418)	(23)	(190)	(91)	(7)		(1,778)
Profit (loss) before income tax and social contribution	1,166	343	(146)	60	56	889	(727)	1,641
Income tax and social contribution								
Current	(192)	(30)	(2)	(139)	(34)	(19)		(416)
Deferred	(20)	(188)		110	25	(68)		(141)
Profit (loss) for the period from continuing operations	954	125	(148)	31	47	802	(727)	1,084
Discontinued operations								
Profit for the period from discontinued operations	17							17
Profit (loss) for the period	971	125	(148)	31	47	802	(727)	1,101
Profit (loss) attributable to the owners of the Company	927	125	(148)	86	47	802	(820)	1,019
Profit (loss) attributable to non-controlling interests	44			(55)			93	82
Profit (loss) for the period	971	125	(148)	31	47	802	(727)	1,101

(*) Relates to the net revenue from electric energy operations (Votoner and Santa Cruz Energia).

All amounts in millions of reais unless otherwise stated

(c) Adjusted EBITDA – business segments

	Adjusted EBITDA - period from 1/1/2015 a 9/30/2015							
	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications	Total Consolidado
Net revenue from products sold and services rendered	10,189	3,317	870	5,082	3,134	2,797	(2,092)	23,297
Cost of products sold and services rendered	(7,209)	(2,631)	(802)	(3,859)	(2,509)	(2,352)	2,092	(17,270)
Gross profit	2,980	686	68	1,223	625	445		6,027
Operating income (expenses)								
Selling	(781)	(42)	(9)	(220)	(256)	(4)		(1,312)
General and administrative	(707)	(125)	(78)	(326)	(225)	(183)		(1,644)
Other operating income (expenses), net	146	(91)	(34)	(324)	21	(94)		(376)
	(1,342)	(258)	(121)	(870)	(460)	(281)		(3,332)
Operating profit (loss) before equity investments and finance results	1,638	428	(53)	353	165	164		2,695
Plus:								
Depreciation, amortization and depletion - continuing operations	719	224	73	755	172	35		1,978
EBITDA	2,357	652	20	1,108	337	199		4,673
Plus:								
Dividends received	32				8	44		84
Exceptional items								
Impairment of inventories					7			7
Impairment of goodwill	95							95
Reversal of provision for loss on investment			(1)					(1)
Reversion of impairment - property, plant, equipment	(20)			(3)				(23)
Fair value of biological assets					14			14
Adjusted EBITDA	2,464	652	19	1,105	366	243		4,849

All amounts in millions of reais unless otherwise stated

	Adjusted EBITDA - period from 1/1/2014 to 9/30/2014							
	Cement	Aluminum	Nickel	Zinc & byproducts	Steel	Holding companies and other	Eliminations and reclassifications	Total consolidated
Net revenue from products sold and services rendered	9,690	2,646	688	4,008	2,968	2,056	(1,241)	20,815
Cost of products sold and services rendered	(6,329)	(2,032)	(600)	(2,853)	(2,350)	(1,901)	1,241	(14,824)
Gross profit	3,361	614	88	1,155	618	155		5,991
Operating income (expenses)								
Selling	(862)	(55)	(14)	(169)	(246)	(4)		(1,350)
General and administrative	(596)	(141)	(85)	(318)	(225)	(191)		(1,556)
Other operating income (expenses), net	210	351	(111)	(408)	(14)	111		139
	(1,248)	155	(210)	(895)	(485)	(84)		(2,767)
Operating profit (loss) before equity investments and finance results	2,113	769	(122)	260	133	71		3,224
Plus:								
Depreciation, amortization and depletion - continuing operations	582	229	62	582	181	33		1,669
EBITDA	2,695	998	(60)	842	314	104		4,893
Plus:								
Dividends received	17							17
Exceptional items								
Fibria call option						126		126
Provision for impairment - intangible assets		190	81	86				357
Other	1	28				(1)		28
Adjusted EBITDA	2,713	1,216	21	928	314	229		5,421

All amounts in millions of reais unless otherwise stated

(d) Adjusted EBITDA

The table below reconciles the annualized adjusted EBITDA to Note 5.1.4 for the calculation of the gearing ratio:

	10/1/2014 to 9/30/2015	1/1/2014 to 12/31/2014
Profit for the period	1,180	1,681
Plus (less):		
Equity in the results of investees	(65)	(258)
Finance income, net - continuing operations	2,242	2,329
Finance income, net - discontinued operations	(25)	(34)
Income tax and social contributions - continuing operations	167	340
Income tax and social contributions - discontinued operations	2	6
Depreciation, amortization and depletion - continuing operations	2,600	2,291
EBITDA	6,101	6,355
Plus:		
Dividends received	123	56
Extraordinary items		
EBITDA - discontinued operations	47	12
Fibria call option		126
Impairment of goodwill	109	14
Provision for impairment - PP&E and intangible	188	545
Fair value of biological assets	(17)	(32)
Reversal of impairment of PP&E	(23)	
Other	6	29
Adjusted EBITDA	6,534	7,105

32 Events after the reporting period

(i) Capital increase in VID

On October 21, 2015, at the Extraordinary General Meeting, the Company's share capital increase was approved, through the issue of new common shares, due to the conversion of the third private issue of debentures convertible into shares, by the parent company Votorantim Participações S.A.. These debentures were fully subscribed by Votorantim Finanças S.A. (Note 24 (b)), and were transferred to VPAR by payment of additional dividends.

The Company's share capital will be represented by 18,278,788,894 common shares, totaling R$ 21,419.

(ii) Silcar investments

On October 8, 2015, CADE's general superintendence decision (Brazilian competition authority) that approved the sale of assets and liabilities that were classified as "Non-current assets (or disposal groups) held for sale", related to the investees Polimix Cimento Ltda., Polimix Concreto Ltda., Mizu S.A., Verona Participações Ltda. And Maré Cimento Ltda. To RV Empreendimentos Ltda. and Polimix Concreto Ltda. became effective, and so the sale can be consummated, as Note 12 (c).

The sale resulted in a net gain of R$ 253 booked in October, 2015. The selling price will be received until September 30, 2019, updated by CDI rate + 1%.

Additionally, the dividends receivable balance, amounting to R$ 24, will be paid during the last quarter of 2015. Silcar also received an R$ 50 deposit on its ownership related to escrow account, for the payment of eventual contingencies of its investees sold. At the end of 6 years, the remaining balance of this deposit will be reverted to Silcar.

On the same date, Votorantim Cimentos and related companies signed a long term agreement to provide cement, raw materials and other materials needed for cement production, with RV, Polimix and related companies.

(iii) **New borrowing**

On October 2015, the subsidiary VCNA and some of its subsidiaries contracted a new line of revolving credit (Revolving Credit Facility), amounting to US$230 million with an availability term of 5 years. The new revolving credit is warranted by VCSA and VCNA and the operation substitutes the line of US$ 300 million contracted in October of 2010 and posteriorly added.

On November 2015, the subsidiary Itacamba Cementos S.A. signed a contract of credit line, in the Bolivian local currency, in the equivalent amount of US$ 120 million with the objective of financing expansion projects in the country. The operation, secured with 6 local banks.

(iv) **Administrative investigations carried out by the Secretariat of Economic Law ("SDE"), current General Superintendence of the Administrative Council for Economic Defense ("CADE")**

On October 5, 2015, CADE certified the final disposal of the Administrative Trial, mentioned on Note 22 (d.3) (ii), in which the conviction began to have effects and the deadline to comply with the penalties became effective.

On October 23, 2015, the Company filed an annulment suit on CADE, with a request of anticipated judicial protection, which is now pending of appraisal of the judiciary.