



**Corporate
Presentation**
1Q18 Results

VOTORANTIM

100
YEARS

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OPERATIONAL RESULTS



ADJ. EBITDA 1Q18
R\$235 MILLION
+ 28%

LIABILITY MANAGEMENT



GROSS DEBT
REDUCTION AND
LOWER COSTS

ARGENTINA EXPANSION



STARTUP OF
OLAVARRIA
EXPANSION

JUNTOS SOMOS +



PARTNERSHIP
WITH
GERDAU AND TIGRE

WIND FARM MOROCCO

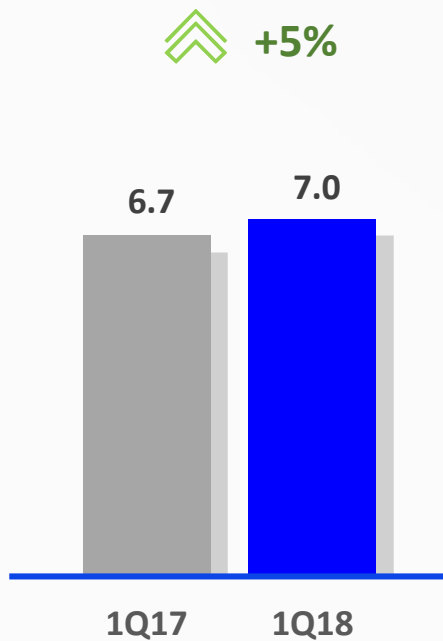


90% OF ANNUAL POWER
CONSUMPTION TO BE
GENERATED BY WIND
FARM

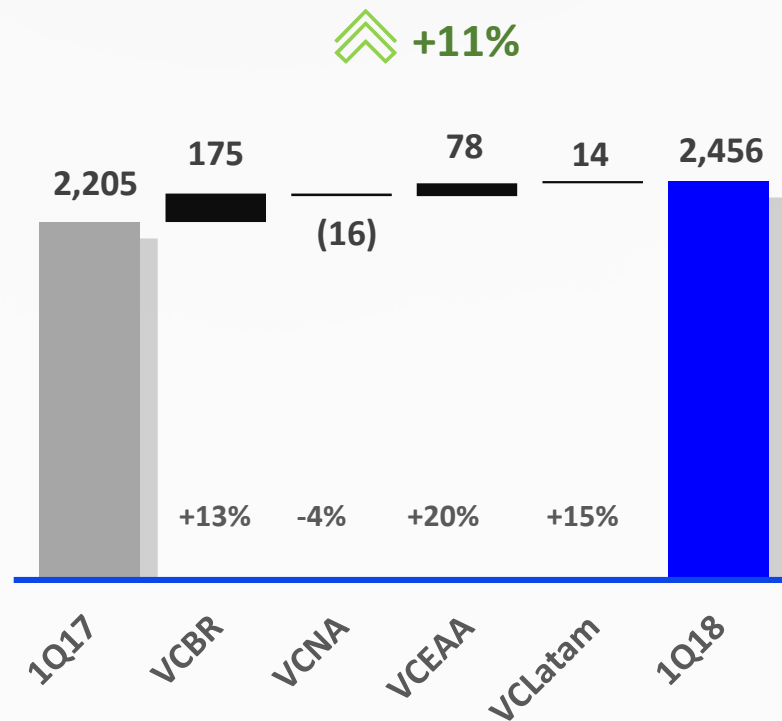
1Q18 Consolidated Result

R\$ million

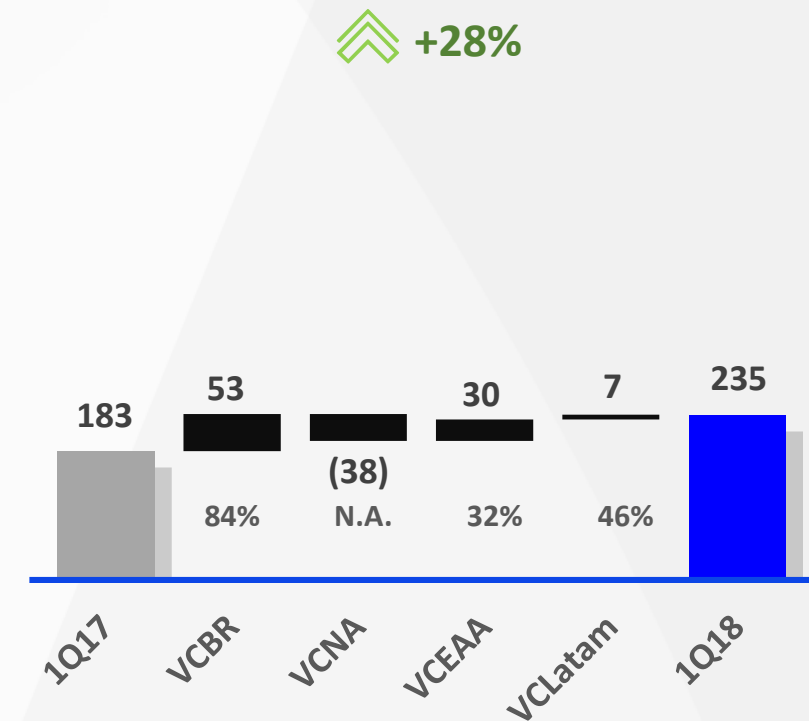
Volume (Mt)



Net Revenues⁽¹⁾



Adjusted EBITDA



Margin % 1Q17 8 | 1Q18 10

Results by Region

R\$ million

	VCBR ⁽¹⁾		VCNA		VCEAA		VC Latam ⁽²⁾	
	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA
1Q18	1,497	115	390	(27)	462	125	107	21
1Q17	1,321	63	406	11	384	95	93	14
	<p>Growth driven by agencies products (concrete and mortars) and economic rebound</p>		<p>Weather conditions negatively impacted adjusted EBITDA</p>		<p>Strong adjusted EBITDA margin on the back of increased sales, in Turkey and India, and operational efficiency</p>		<p>Higher exports along with maturing of Bolivia expansion positively impacting results</p>	

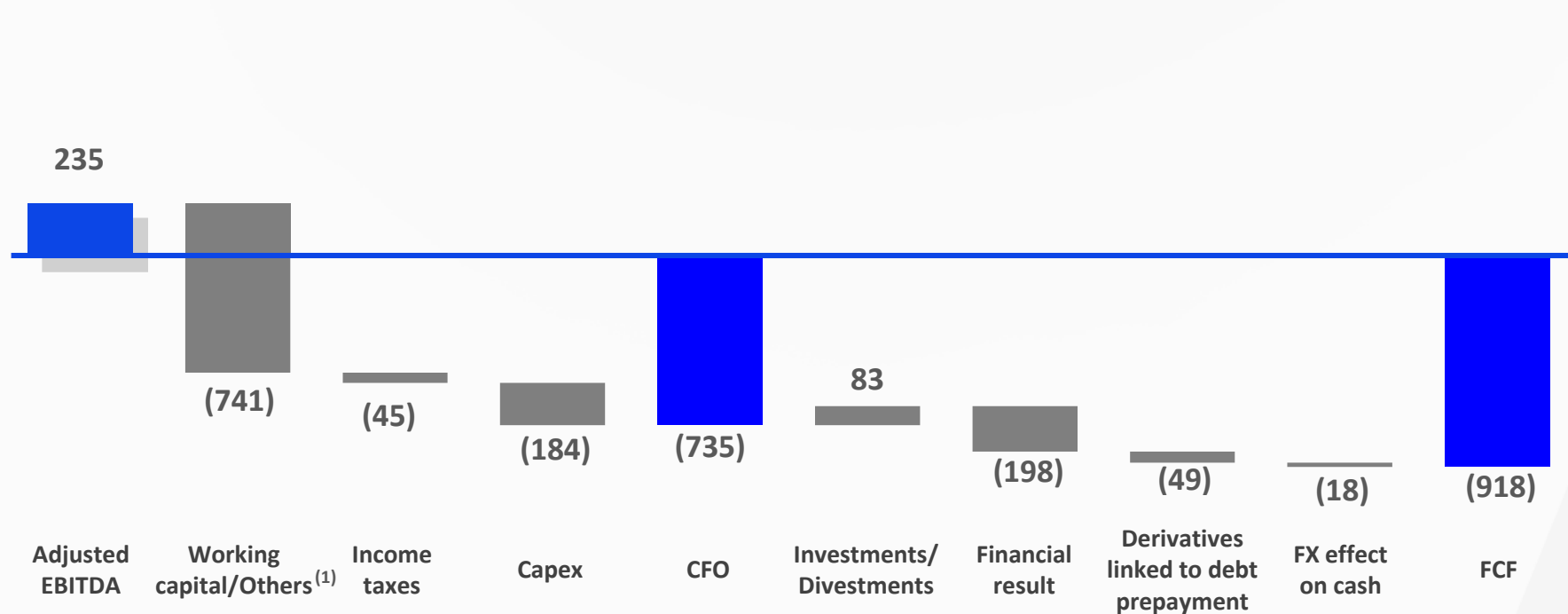
(1) VCBR numbers include eliminations

(2) Argentina: consolidated through equity method

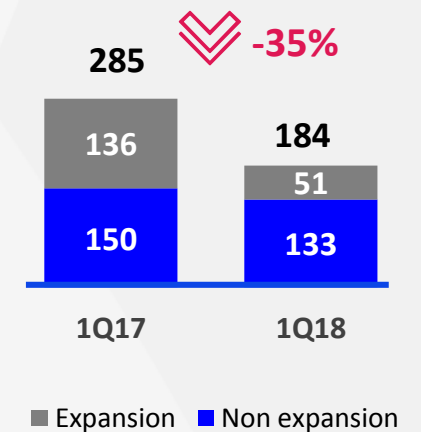
Cash Generation

R\$ million

Free Cash Flow 1Q18



Capex



Working capital

Highly impacted by businesses seasonality, specially at VCNA

Financial results

Reduced financial expenses due to gross debt reduction along with lower costs and interest rates in Brazil

Capex 35% decrease YoY

Moving towards the end of investment cycle.

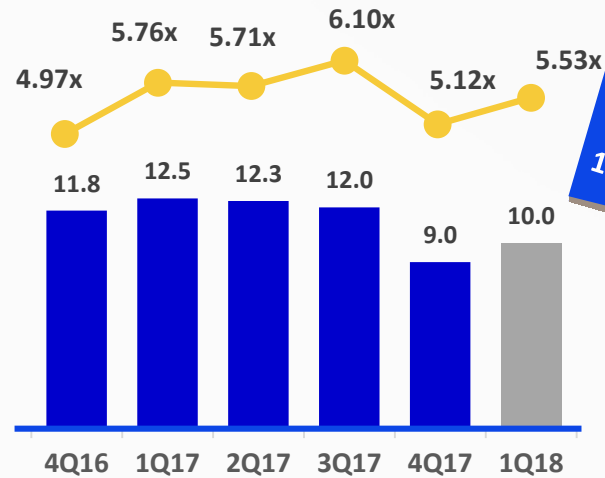
(1) Others: items that do not represent changes in cash

Liquidity Position and Debt Amortization Profile

R\$ billion

Net Debt⁽¹⁾⁽²⁾

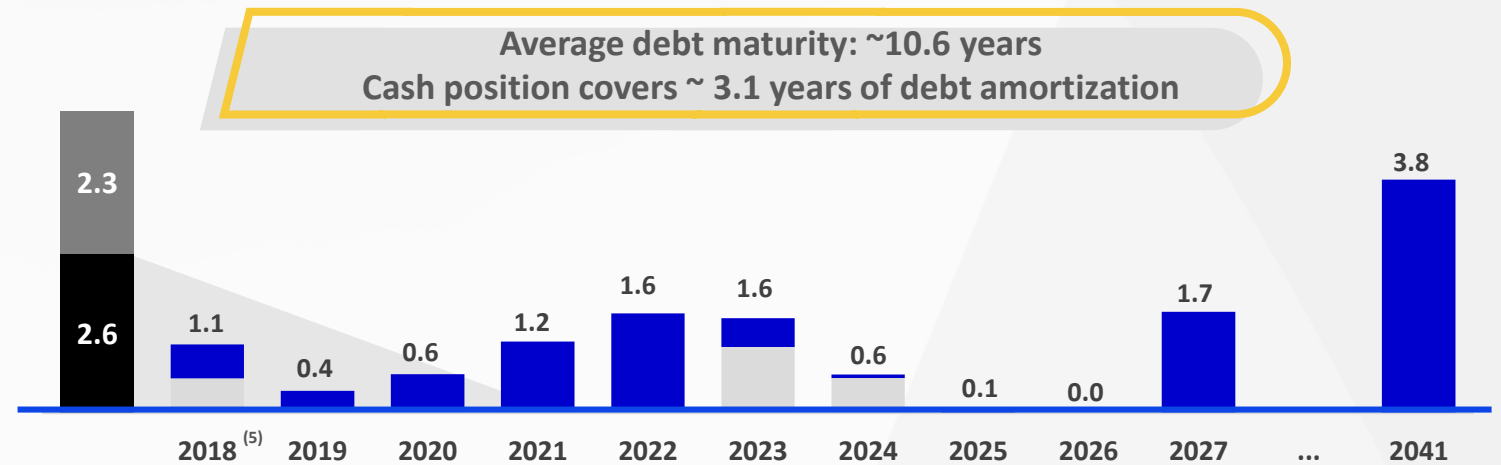
Net Debt / Adjusted EBITDA



Gross Debt decreased ~R\$950 million in 1Q18 pro forma⁽⁴⁾

Debt Amortization Schedule (Pro Forma)⁽⁴⁾

Revolving Credit Facilities⁽³⁾ Cash BRL (19%) Foreign Currencies (81%)



Despite higher LTM adjusted EBITDA, leverage negatively impacted by businesses seasonality in 1Q18

Ongoing Liability Management
R\$950 million gross debt reduction in 1Q18 Pro Forma⁽⁴⁾ combined with financial expenses reduction and extended amortization schedule

- (1) Net debt includes MTM from 4131 loans
- (2) 2017 ratios of 1Q, 2Q and 3Q restated considering assets sales (Florida and China)
- (3) VCSA revolving credit facility of US\$700 million due in 2020. In addition, does not consider VCNA revolving facility of US\$230 million due in 2020
- (4) Considers R\$350 million of Debentures and R\$113 million of BNDES prepaid under subsequent events
- (5) Considers ~R\$450 million ongoing debt prepayment allocated on current liabilities

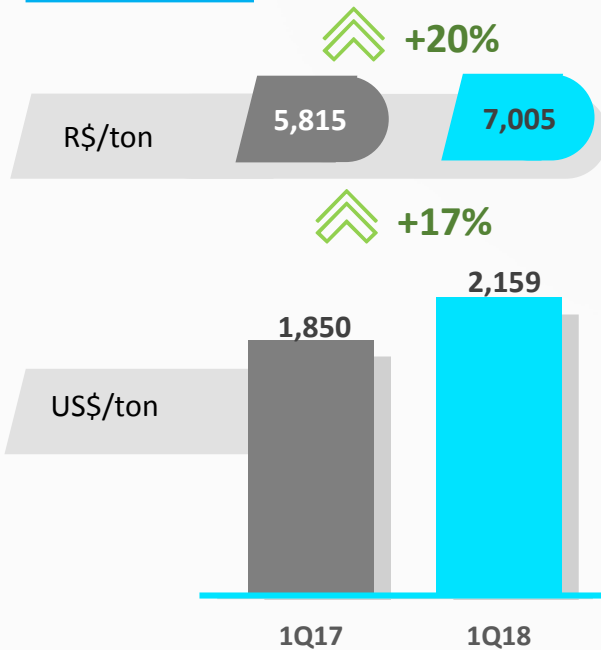


Luciano Alves

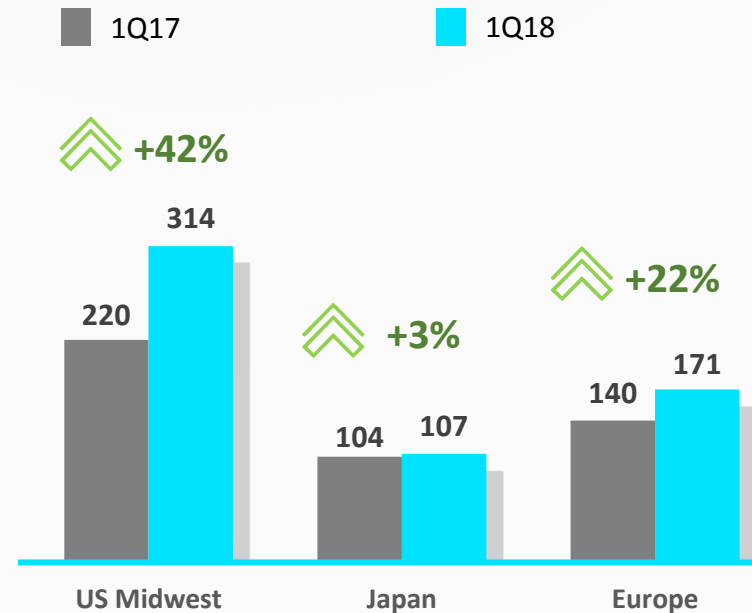
CFO CBA

Market Fundamentals

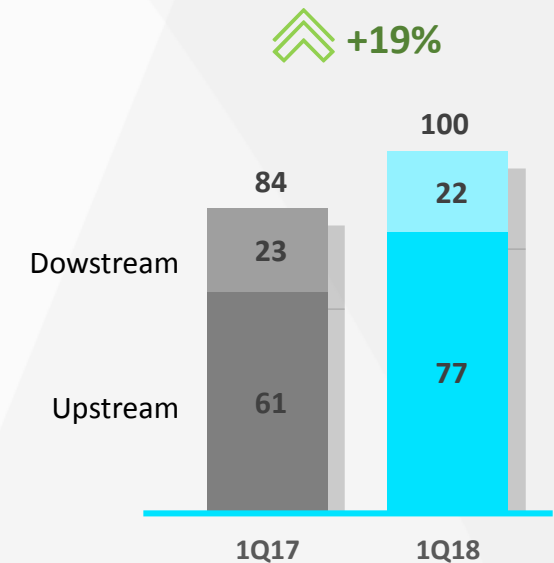
LME Price⁽¹⁾



Regional Ingot Premiums (US\$/ton)⁽²⁾



Aluminum Sales Volume (ktons)



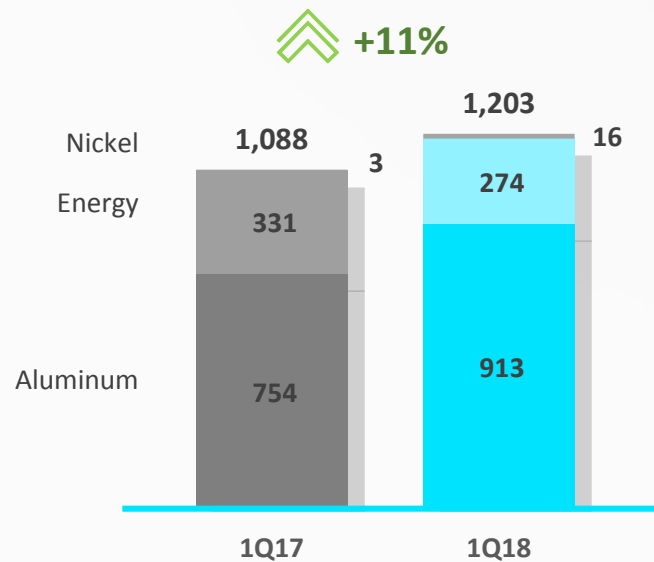
US tariffs led to uncertainties regarding global commercial trade flow and increased volatility on LME prices and US Midwest premium.

19% total sales volume increase.
Focus on sales profitability in strategic markets.

Operational Results

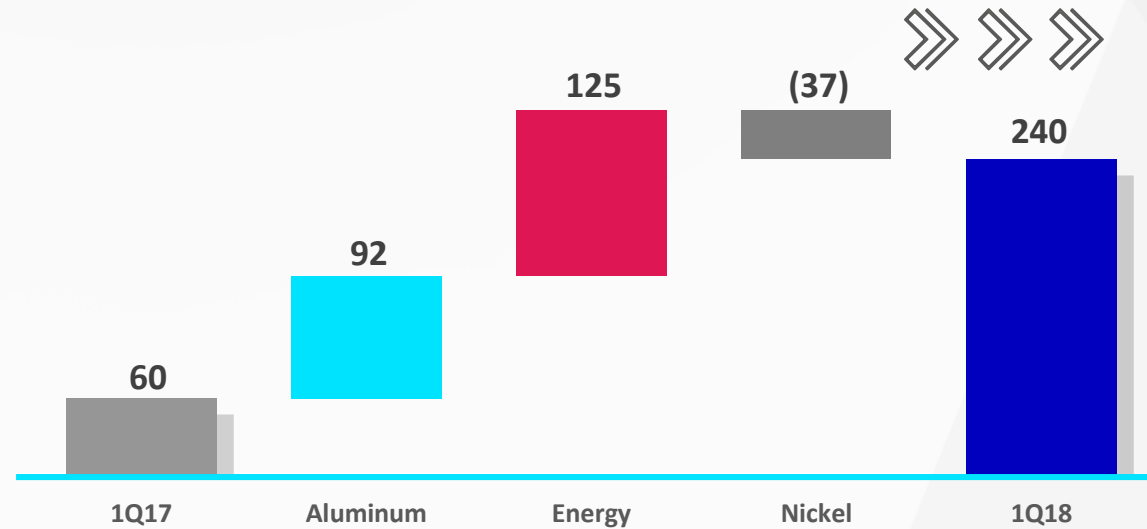
R\$ million

Net Revenues⁽¹⁾

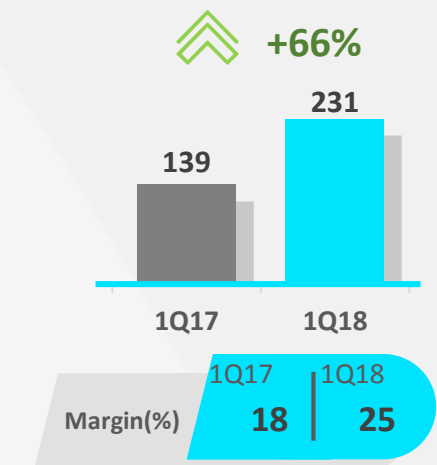


Adjusted EBITDA

CBA Consolidated⁽¹⁾



Aluminum



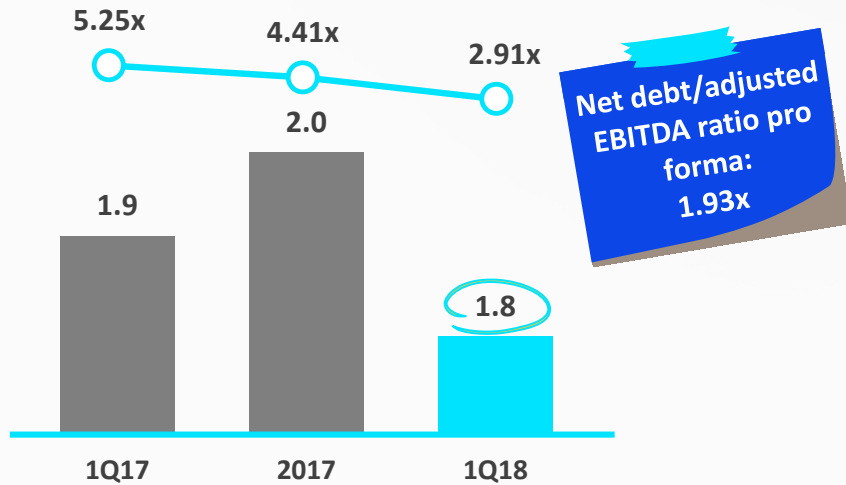
Results benefited by **higher all-in aluminum prices, improved operational efficiency, sales profitability** and accruals reversal.
1Q17 energy results negatively affected by the return of energy auctioned in 2014.

Liquidity Position and Debt Amortization Profile

R\$ billion

Net Debt

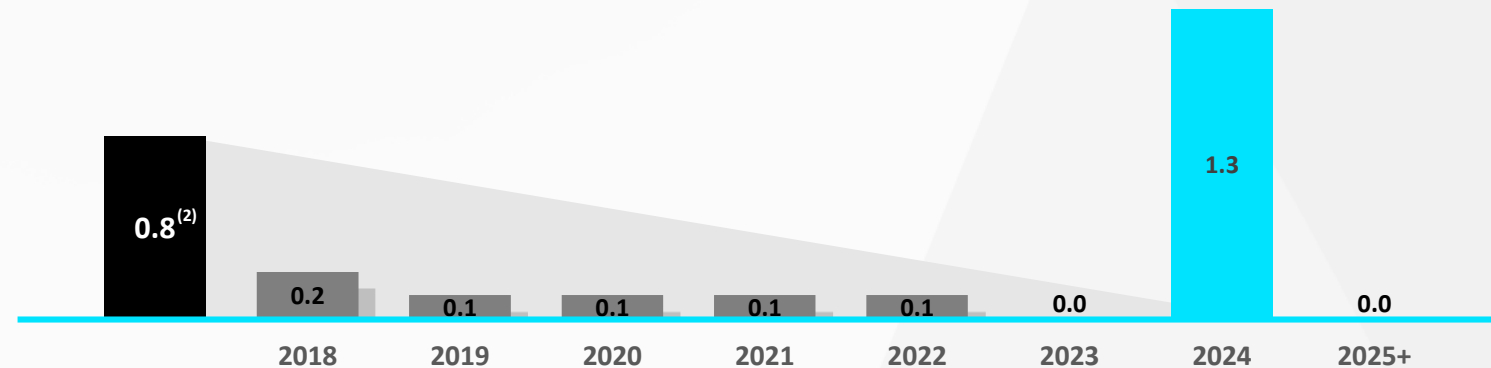
Net Debt / Adjusted EBITDA



Debt Amortization Schedule (Pro Forma)⁽¹⁾

■ Cash ■ BRL (31%) ■ Foreign Currencies (69%)

Average debt maturity: 5.0 years



Consistent leverage reduction on the back of increasing adjusted EBITDA and stable net debt

No relevant maturity until 2024

Strong liquidity: cash position covers ~ 6.2 years of debt amortization

(1) Pro forma considers R\$687 million capital reduction occurred on April/18, which included (i) transfer of related party assets and liabilities, (ii) cash transfer of R\$206 million, and (iii) transfer of 2021 bonds of R\$836 million

(2) CBA is able to borrow under VSA's US\$500 million revolving credit facility which matures on 2020

Raul Cadena

CFO Votorantim Energia

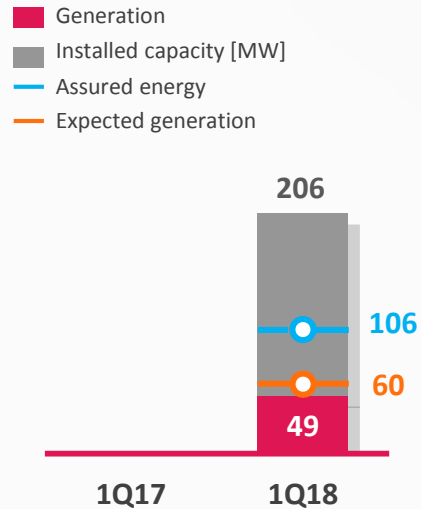


Operational Performance and Sales



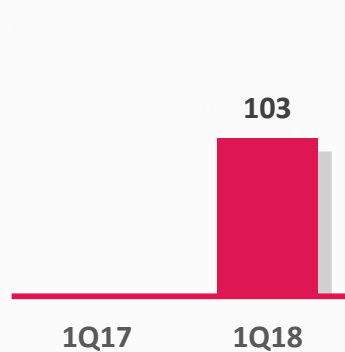
Power Generation

Generation (MWavg)

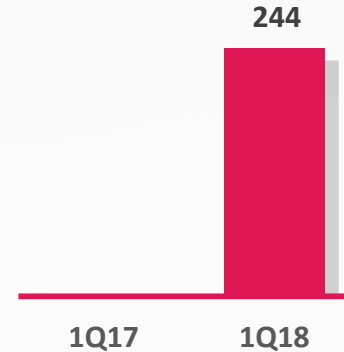


Capacity factor % **24**

Sales Volume (MWavg)

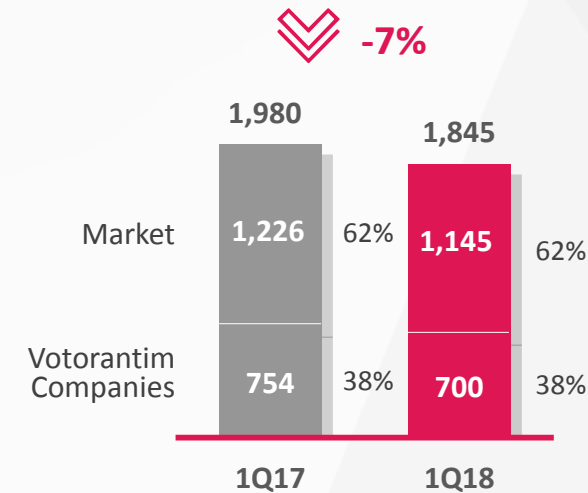


Price⁽¹⁾ (R\$/MWh)

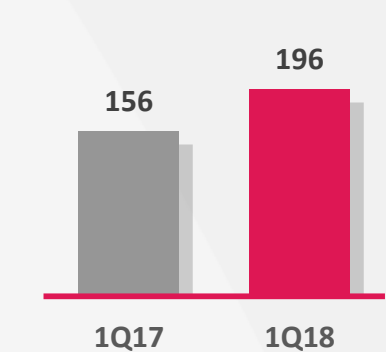


Energy Trading

Sales Volume (MWavg)



Spot Price⁽²⁾ (R\$/MWh)

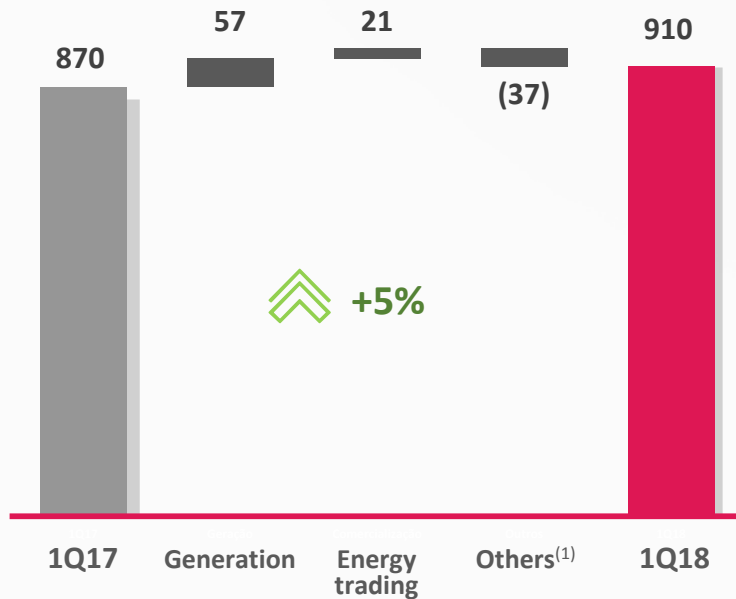


Generation – **low energy generation** below assured energy due to **weak wind season** during 1Q18

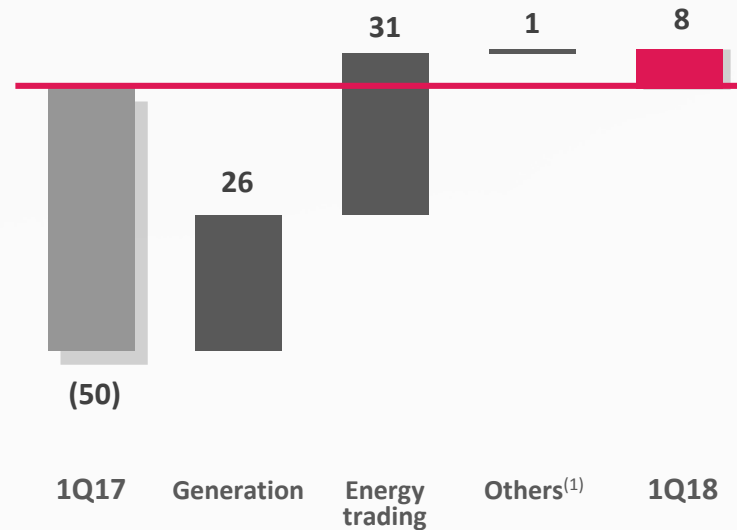
Energy trading – sales volume impacted by **decrease in sales to industrial customers and distribution companies**

R\$ million

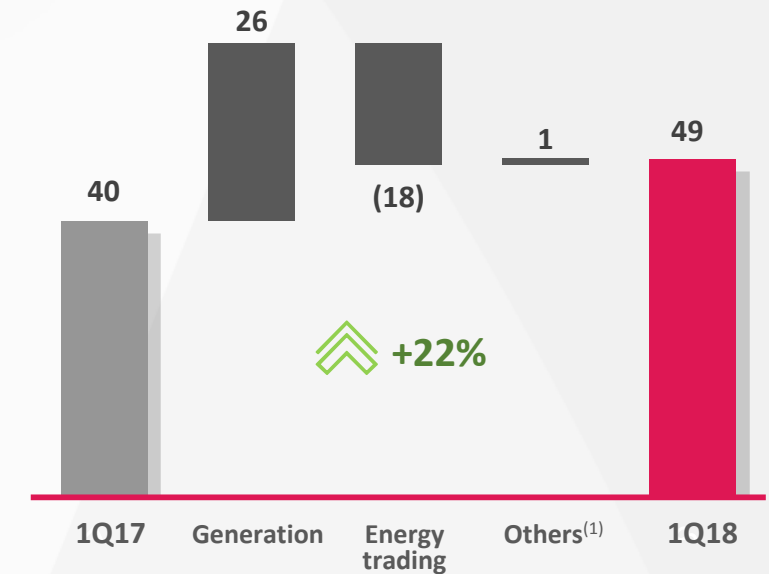
Net Revenues



Adjusted EBITDA



Adjusted EBITDA ex-MtM⁽²⁾



Generation – Ventos do Piauí I fully operational
brings additional results to net revenues and adjusted EBITDA

Energy trading – operational results decreased due to **lower sales volume** and adjusted EBITDA reflects the **non-cash effect of mark-to-market**

Sergio Malacrida

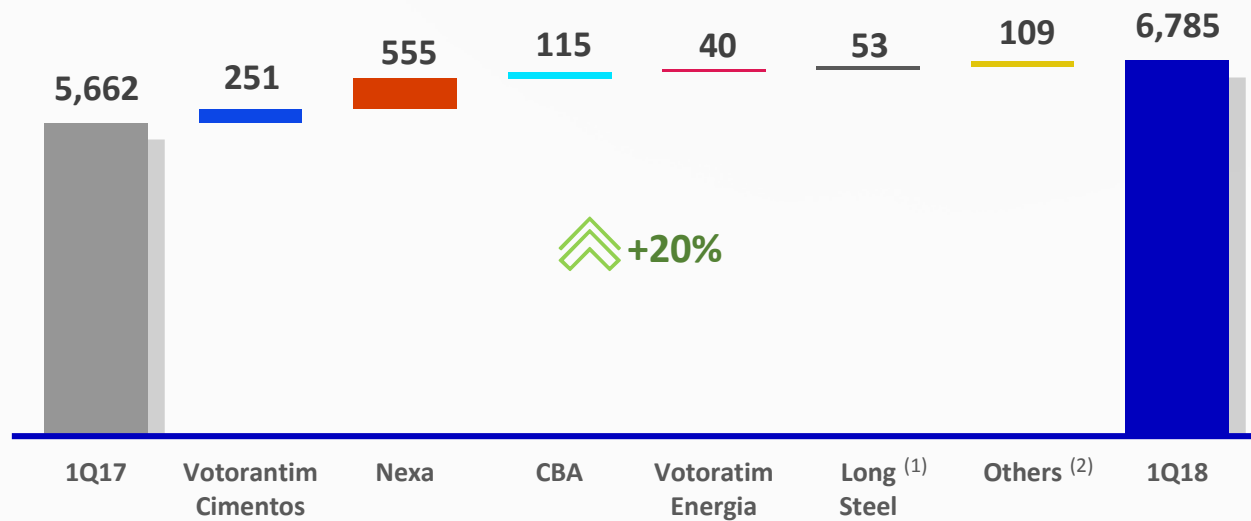
CFO Votorantim S.A.



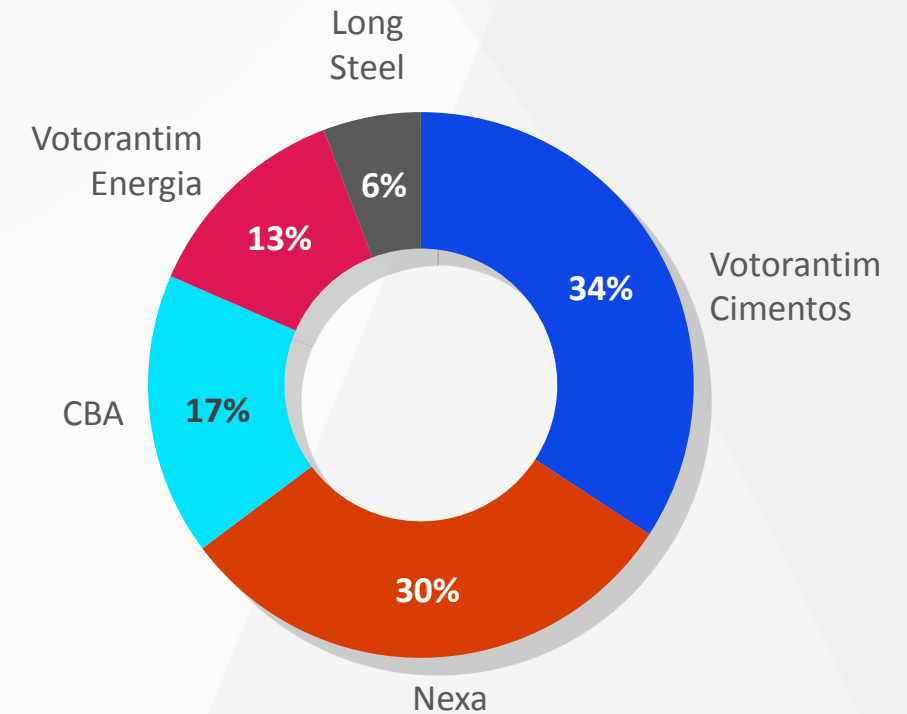
Consolidated Net Revenues

R\$ million

Evolution by Business



Breakdown by Business



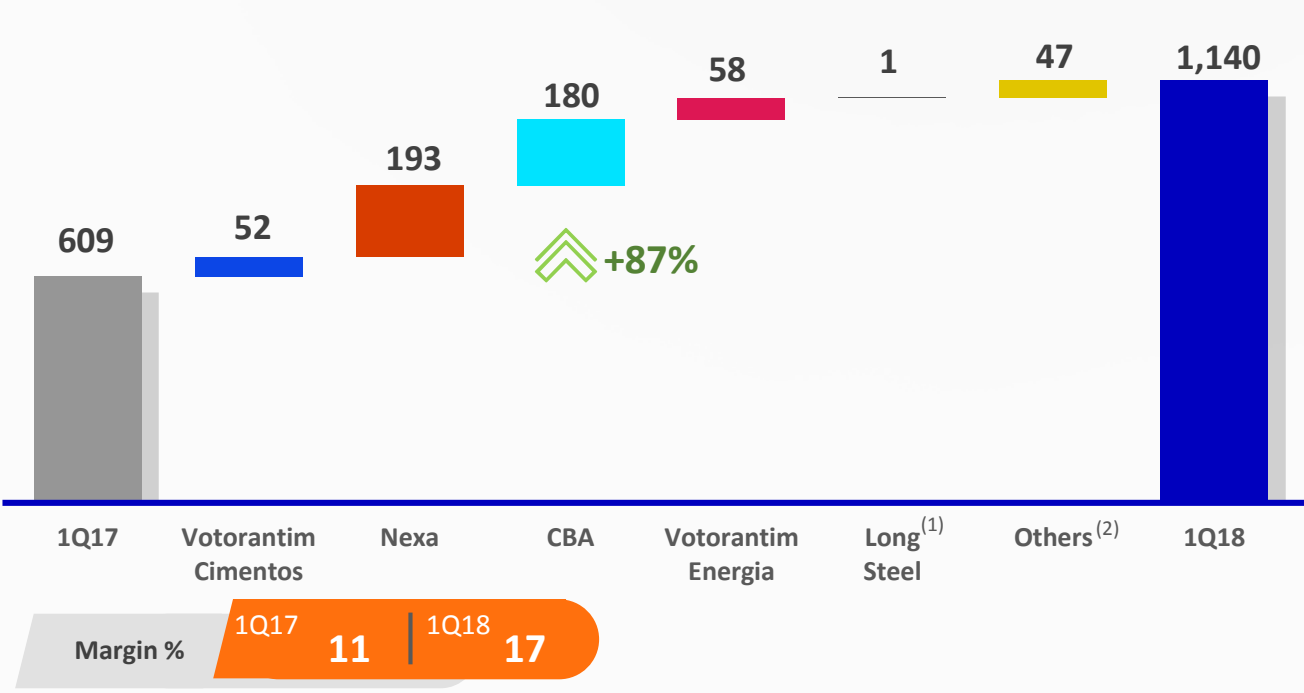
(1) Includes Argentina and Colombia

(2) Holding, eliminations and others

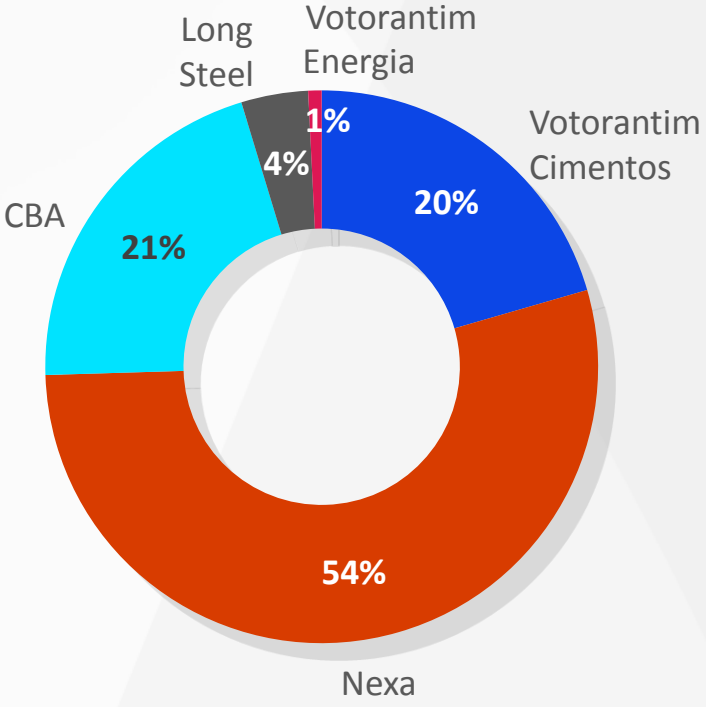
Consolidated Adjusted EBITDA

R\$ million

Evolution by Business



Breakdown by Business



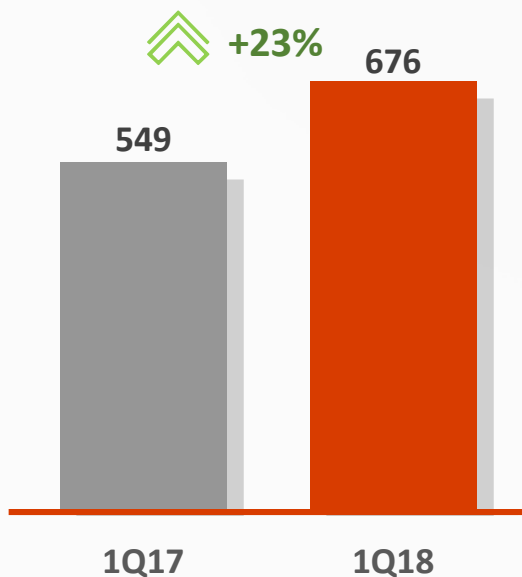
Higher metal prices in LME

Higher sales volume of cement operations

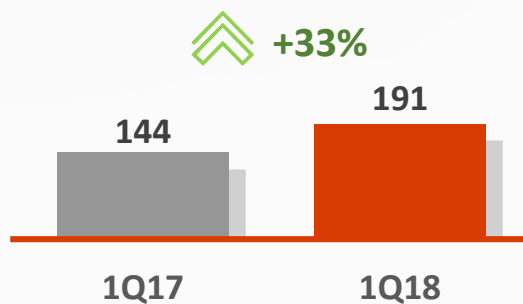
(1) Includes Argentina and Colombia
 (2) Holding, eliminations and others

US\$ million

Net Revenues



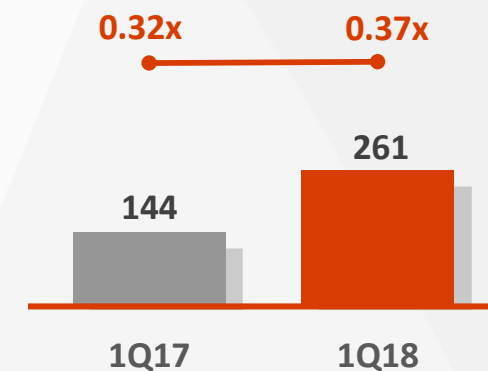
Adjusted EBITDA



Margin %

Quarter	Margin %
1Q17	26
1Q18	28

Net Debt Net debt/adjusted EBITDA



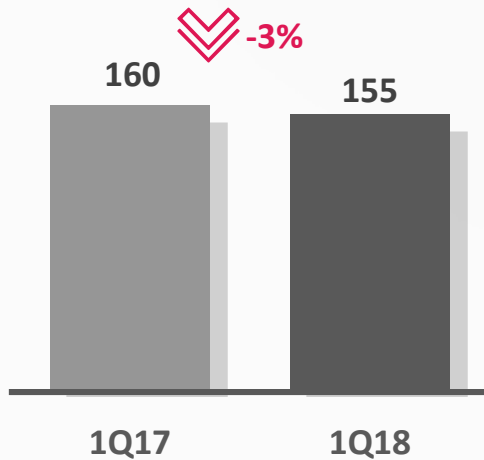
Higher metal prices in LME: zinc +23%, copper +19% and lead +11%

Solid cash generation

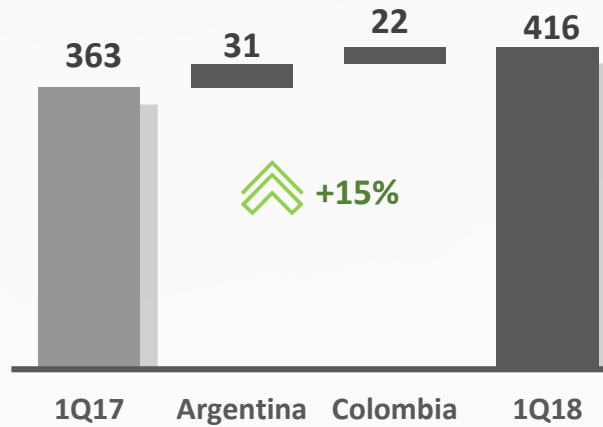
Long Steel – Argentina and Colombia

R\$ million

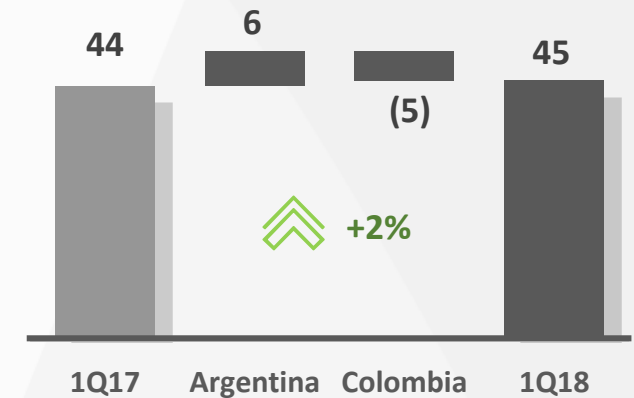
Volume (kton)



Net Revenues



Adjusted EBITDA



Margin % 1Q17 12 | 1Q18 11

Argentina: higher sales volume and prices, driven by the continuous recovery in the economic scenario

Colombia: market recovery resulting in higher prices

Other Investee Companies



Adjusted EBITDA
(R\$ million)

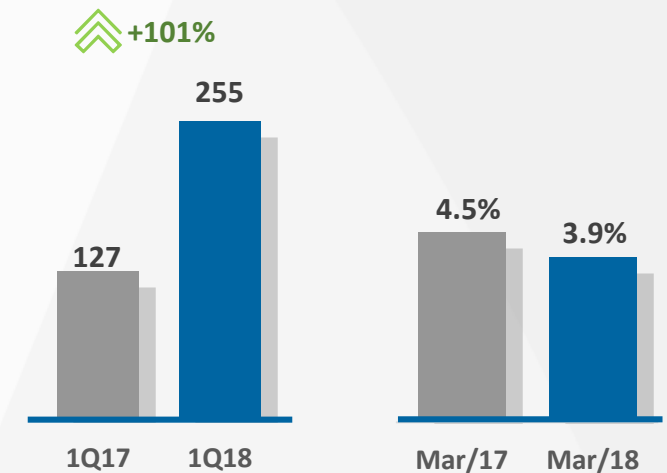
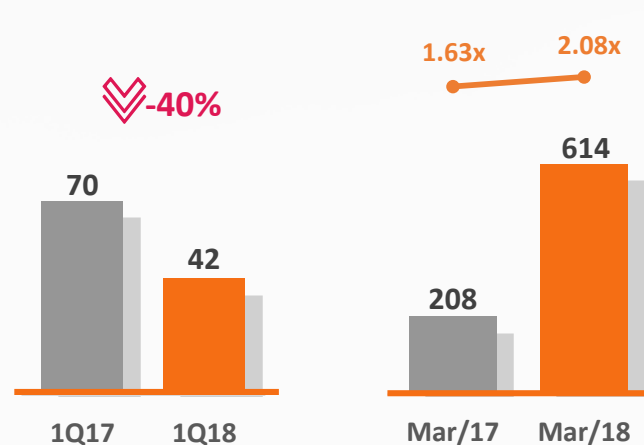
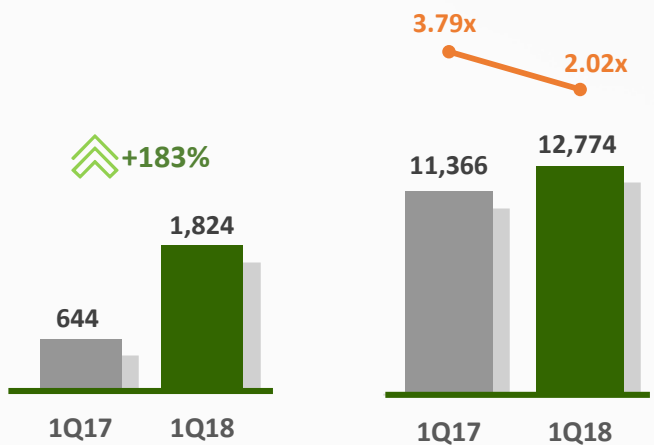
Net Debt (R\$ million)
Net Debt/Adj. EBITDA
(US\$ million)

Adjusted EBITDA
(US\$ million)

Net Debt
Net Debt/Adj. EBITDA
(US\$ million)

Net Income
(R\$ million)

Consolidated
Delinquency



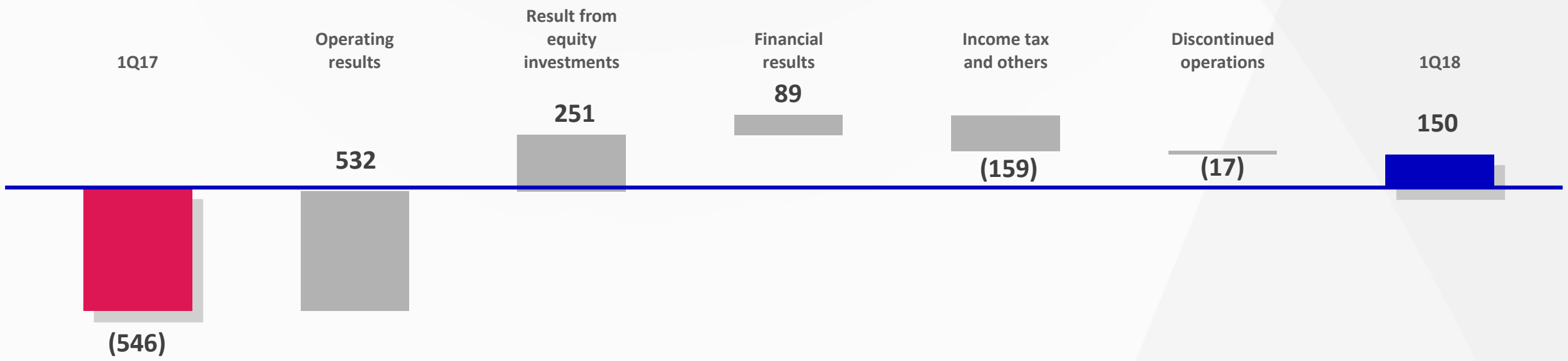
Margin ⁽¹⁾ % 37 | % 55

Margin % 19 | % 11

(1) Calculation excludes pulp sales from agreement with Klabin

Consolidated Net Income

R\$ million



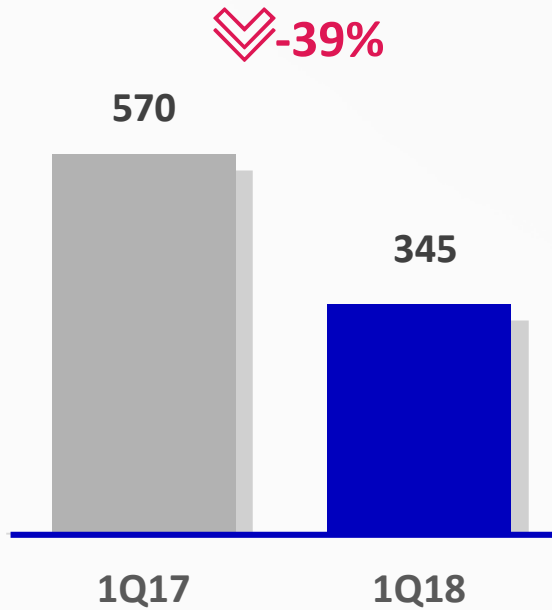
Operating results positively impacted mainly by improved metals prices

Better results from Fibria and Banco Votorantim

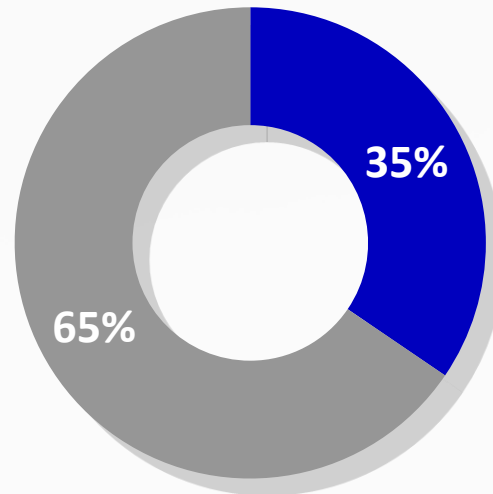
1Q18 Investments

R\$ million

Capex

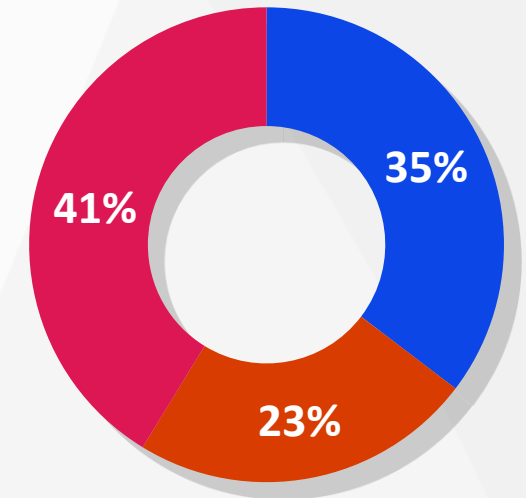


Breakdown



Expansion Non Expansion

Expansion Capex



Votorantim Cimentos Votorantim Energia
Nexa

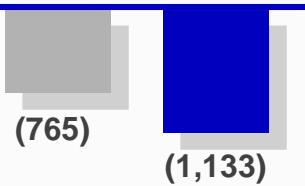
Cash Generation

R\$ million

Operational | Free

CFO

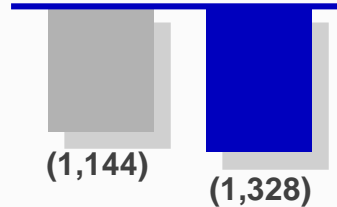
✓ -48%



1Q17 1Q18

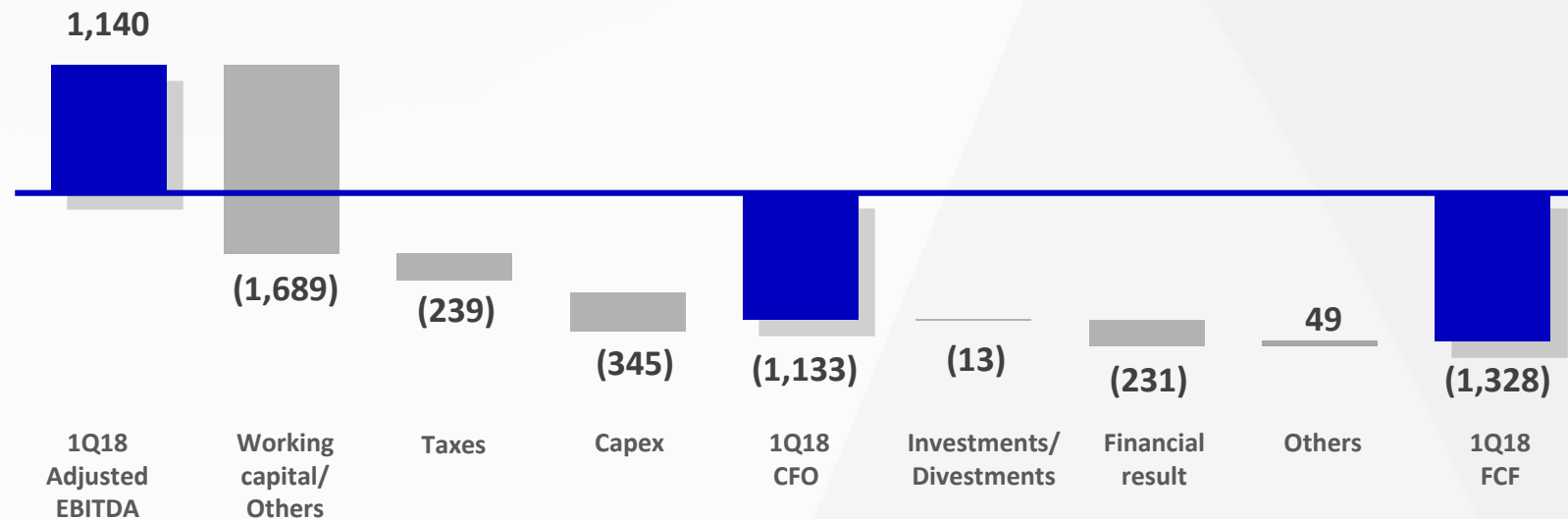
FCF

✓ -16%



1Q17 1Q18

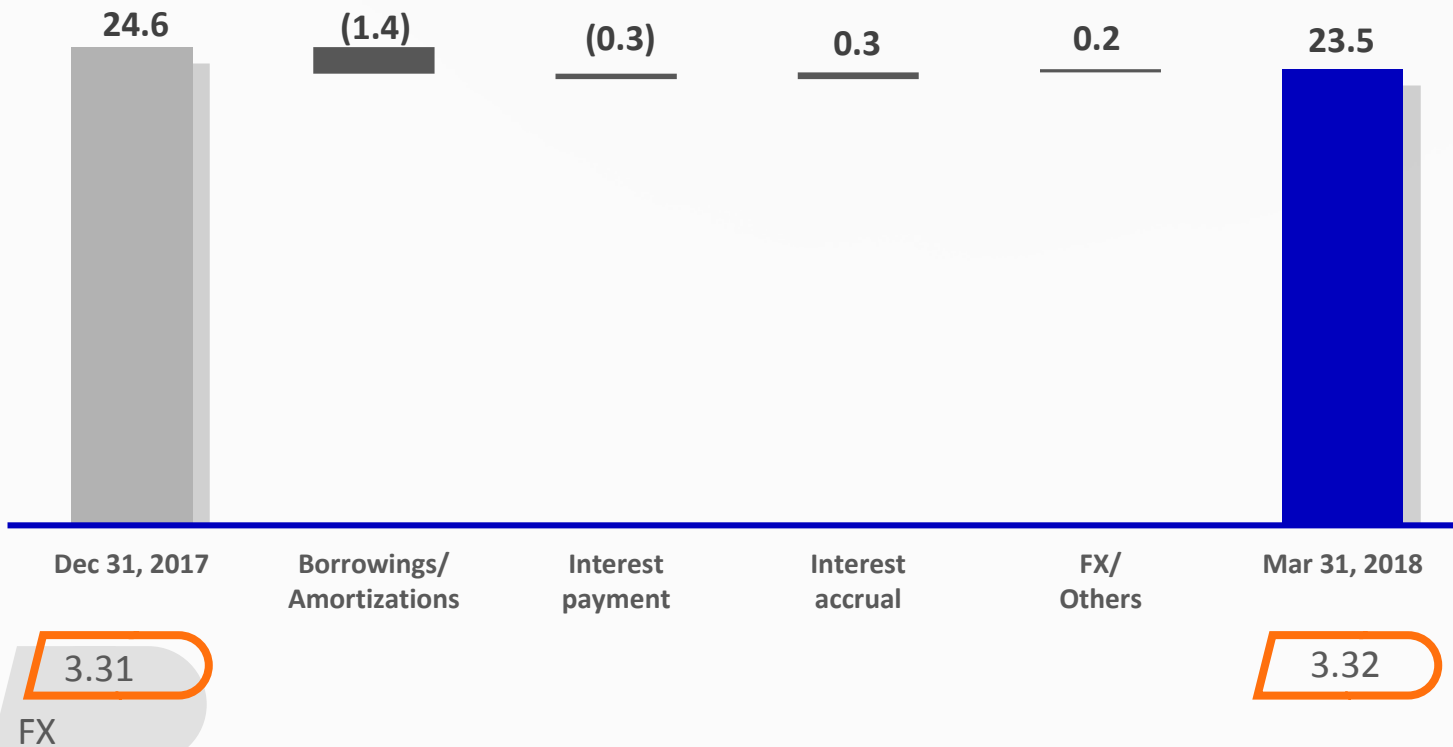
Free Cash Flow Generation



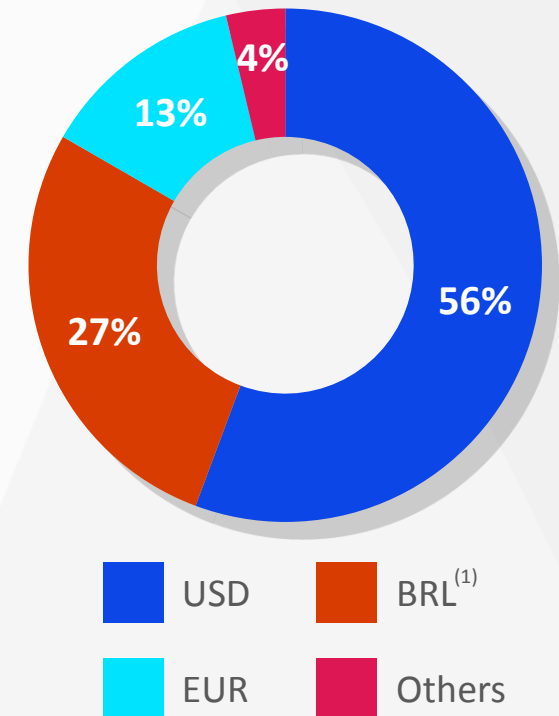
Consolidated Gross Debt

R\$ billion

Gross Debt



Debt by Currency

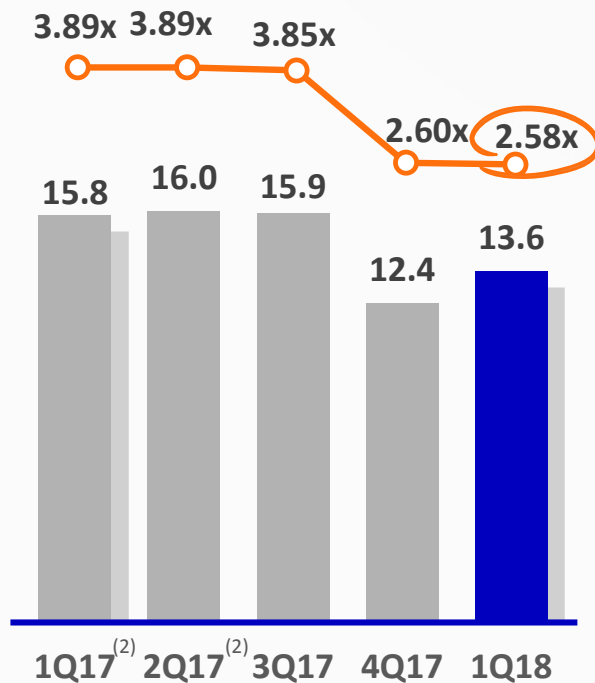


Liquidity Position and Debt Amortization Profile

R\$ billion

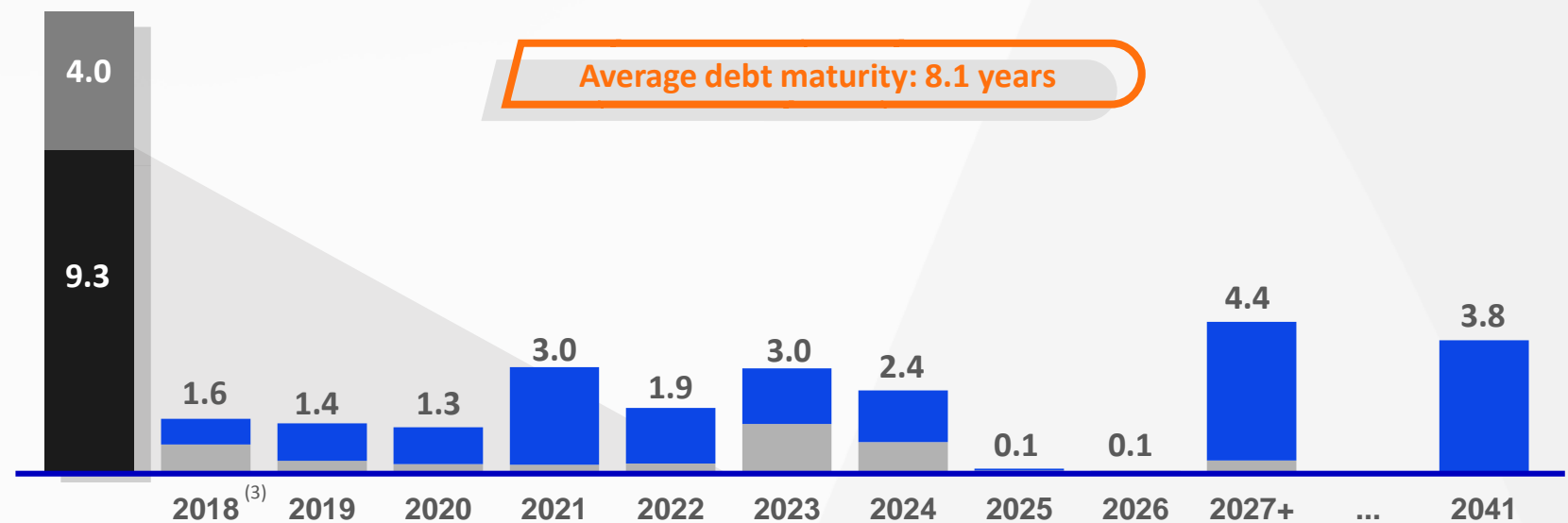
Net Debt

Net Debt / Adjusted EBITDA



Debt Amortization Schedule (Pro Forma)⁽¹⁾

■ Revolving Credit Facilities ■ Cash ■ BRL (21%) ■ Foreign currencies (79%)



(1) Pro forma includes early debt payments executed by Votorantim Cimentos in April 2018

(2) Restated value

(3) Considers ~R\$450 million ongoing debt prepayment allocated on current liabilities.

Closing Remarks

Usual prudence in conducting the businesses

Focus on modernization and sustaining investments

Leverage reduction

Patient capital allocation