Earnings Release 2017

Votorantim S.A.

2017 Highlights

R$ million	4Q17	4Q16	4Q17 vs. 4Q16	3Q17	4Q17 vs. 3Q17	2017	2016	2017 vs. 2016
Net revenues	7,271	6,434	13%	7,510	-3%	27,225	25,965	5%
Adjusted EBITDA	1,340	682	96%	1,311	2%	4,760	4,253	12%
EBITDA margin	18%	11%	7 p.p	17%	1 p.p	17%	16%	1 p.p
Net income	283	(1,861)	N.M.	519	-45%	810	(1,251)	N.M.
Net debt/Adj. EBITDA LTM	2.60 x	3.46 x[(1)]	-0.86 x	3.85 x	-1.25 x	2.60 x	3.46 x[(1)]	-0.86 x
CAPEX	1,140	899	27%	674	69%	3,112	3,031	3%

Considers Votorantim Cimentos, Nexa, CBA, Votorantim Energia, Long Steel and Holding. Fibria, Citrosuco and Banco Votorantim are recognized under the equity method.

(1) Restated value

Consolidated

- Net revenues amounted to R$27.2 billion, 5% higher than in 2016, positively affected by higher metals and energy prices.
- Adjusted EBITDA totaled R$4.8 billion, an increase of 12% when compared to 2016. In addition to the results mentioned above, the temporary suspension of nickel operations, which had a negative result in 2016, also helped to offset the negative variation from the drop in Brazilian cement prices and sales volume.
- Net income of R$810 million in 2017, versus a net loss of R$1.3 billion in 2016.
- The net debt/adjusted EBITDA ratio came to 2.60x, 0.86x lower than in 2016.

Votorantim Cimentos (VC)

- Net Revenues totaled R$11.1 billion, 7% reduction compared to 2016.
- Adjusted EBITDA amounted to R$1.8 billion and EBITDA margin at 16% in 2017.
- Product and geographic diversification partially offsets continued adverse scenario in Brazil.
- Focus on core markets: Expansion plan on time with the start-up of Sivas plant, in Turkey, and approximately R$2.0 billion divestments proceeds related to sale of assets not aligned with the long-term strategy.

Nexa

- In October 2017, Nexa Resources S.A., formerly known as Votorantim Metais Holding S.A., concluded its initial public offering (IPO) on the New York Stock Exchange and the Toronto Stock Exchange.
- Higher base metals prices in the global market, when compared to 2016. Zinc prices at the London Metal Exchange ("LME") increased by 38%, while copper and lead prices at the LME increased by 27% and 24%, respectively.
- Adjusted EBITDA totaled US$668 million, 65% higher than in 2016.

CBA

- Higher prices and increased sales volume in the aluminum business, with a larger participation of value-added products, resulted in an 8% increase in net revenues.
- 52% increase in aluminum adjusted EBITDA when compared to 2016, due to better market conditions and operational performance improvements.

Votorantim Energia (VE)

- Commercial startup of 7 wind power plants (project "Ventos do Piauí I") in 2H17, with 206MW of installed capacity and total investment of R$1.2 billion.
- Creation a Joint Venture ("JV VE-CPPIB") with Canada Pension Plan Investment Board ("CPPIB") to invest in the power generation sector in Brazil. The JV VE-CPPIB is initially acquiring two operational wind complexes in Northeastern Brazil with a total capacity of 565MW: Ventos do Araripe III, acquired from project developer Casa dos Ventos, and Ventos do Piauí I, contributed by Votorantim Energia.
- Higher operational results mainly due to better performance from commercialization given opportunities in the free energy market in 1H17.

Long Steel business

- Brazil – In February 2017, Votorantim S.A. and ArcellorMittal Brasil engaged in an agreement that combines the long steel businesses of the two companies in Brazil. Because of this transaction, the results from operations in Brazil were classified as available for sale.
- Argentina – Net revenues increased 15% when compared to 2016, mainly due to higher sales volume and prices, driven by a recovery in the economic scenario.
- Colombia – Net revenues and adjusted EBITDA went down by 2% and 21% respectively, mainly due to lower sales volume and to the depreciation of the Colombian peso in relation to the Brazilian real.

1. OPERATING AND FINANCIAL PERFORMANCE

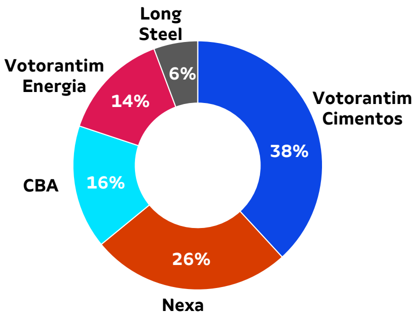
Results analysis

R$ million	2017	2016	2017 vs. 2016	
Net revenues	**27,225**	**25,965**	**1,260**	**5%**
COGS	**(20,649)**	**(20,010)**	**(639)**	**3%**
SG&A	**(3,643)**	**(3,716)**	**73**	**-2%**
Selling expenses	(1,666)	(1,639)	(27)	2%
General & adm. expenses	(1,977)	(2,077)	100	-5%
Other operating results	**(536)**	**(2,616)**	**2,080**	**-80%**
Depreciation, amortization and depletion	**2,360**	**2,603**	**(243)**	**-9%**
Other additions and exceptions items	**3**	**2,027**	**(2,024)**	**-100%**
Adjusted EBITDA	**4,760**	**4,253**	**507**	**12%**
EBITDA margin	**17%**	**16%**	**-**	**1 p.p**

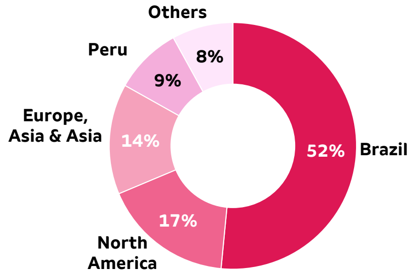
Considers Votorantim Cimentos, Nexa, CBA, Long Steel, Votorantim Energia and Holding. Fibria, Citrosuco and Banco Votorantim are recognized under the equity method

Net revenues in 2017 totaled R$27.2 billion, 5% higher when compared to 2016. This increase is mainly due to higher average metals prices in 2017, with increases of 38% in zinc prices (2017: US$2,894/ton | 2016: US$2,091/ton), 24% in lead prices (2017: US$2,317/ton | 2016: US$1,871/ton), 27% in copper prices (2017: US$6,163/ton | 2016: US$4,863/ton) and of 23% in aluminum prices (2017: US$1,968/ton | 2016: US$1,604/ton), coupled with higher energy prices in Brazil. Despite the negative impact coming from the decrease in prices and sales volume of the Brazilian cement operations, in the second half of 2017, the market began to show a better trend.

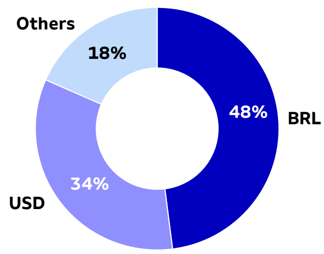
Net revenues by segment



Net revenues by destination



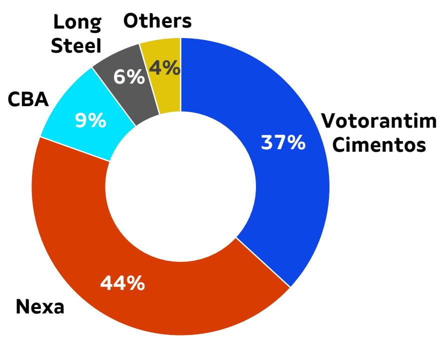
Net revenues by currency



Other operating results in 2016 were negatively impacted by the temporary suspension of the nickel operations and the classification of the Brazilian long steel assets as available for sale, which constituted an impairment of R$1.8 billion. Combined with this impact, in 2017, there was a positive result of R$750 million from Nexa IPO. These effects were partially offset by the non-cash effect of energy returned from the 2014 auction and the mark-to-market impact of energy surplus not yet sold.

Adjusted EBITDA totaled R$4.8 billion, up by 12% when compared to 2016, mainly due to better LME metals prices, higher energy prices in Brazil and the temporary suspension of nickel operations in 2016, which had negative results. The decrease in Brazilian cement prices and sales volume, coupled with the non-cash effect of the energy returned, as mentioned above, partially offset the positive variation.

Adjusted EBITDA by segment



Financial result

R$ million	2017	2016	2017 vs. 2016 R$	2017 vs. 2016 %
Financial income from investments	583	754	(172)	-23%
Financial expenses from borrowings	(1,580)	(1,728)	148	-9%
Exchange variation	(724)	535	(1,259)	N.M.
Net hedge result	(213)	(1,006)	793	-79%
Other financial income (expenses), net	(558)	(272)	(286)	105%
Net financial result	**(2,492)**	**(1,717)**	**(775)**	**45%**

Financial income totaled R$583 million in 2017, a decrease of 23% when compared with 2016, due to lower interest rates in Brazil: the average CDI interbank rate went down from 14.06% p.a. in 2016 to 10.05% p.a. in 2017.

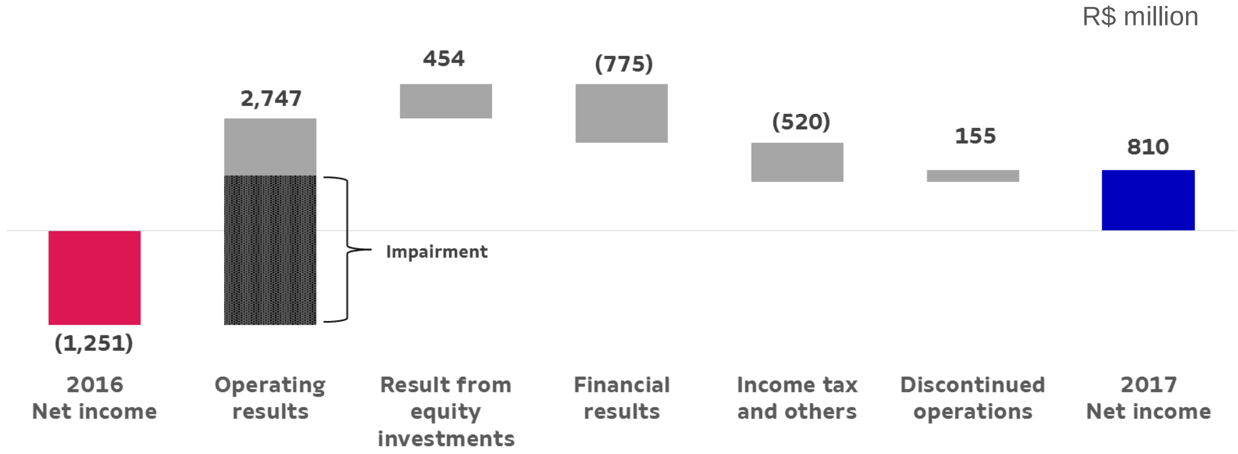
Financial expenses from borrowings decreased 9%, mainly due to the prepayment of VC's gross debt, including local debentures, 4131 bilateral loans and the repurchase of bonds, which were partially offset by new issues, such as the bridge loan issued by Votorantim Energia to finance the initial investments of the wind power generation project ("Ventos do Piauí") and the bonds issued by St. Mary's and Nexa.

Exchange variation loss was R$724 million in 2017, R$1,259 million higher than in 2016. The negative impact was caused by the 2% depreciation of the Brazilian real against the US dollar in 2017 (2017: R$/US$ 3.31 | 2016: R$/US$ 3.26) versus a 16% appreciation in 2016 (2016: R$/US$ 3.26 | 2015: R$/US$ 3.90).

The net hedge result totaled an expense of R$213 million in 2017, decreasing by R$793 million due to the fair value of the derivatives instruments used to convert the 4131 bilateral loans from US dollar to Brazilian real (cross-currency swap).

Other net financial expenses totaled R$558 million, up by R$286 million when compared to 2016, mainly attributable to the non-recurring tax adjustments in the cement operations in Brazil and to the discount on the repurchase of Votorantim Cimentos' bonds in 2016.

Net Income



Votorantim S.A. reported a net income of R$810 million in 2017, versus a net loss of R$1.3 billion in 2016.

The variation in Operating results is mainly explained by improved metals and energy prices, and the constitution of impairment in 2016, related to the temporary suspension of the nickel operations and to the Brazilian long steel assets' classification as available for sale.

Positive results from equity investments reflected the higher net income that came from the investees companies which are recognized by equity method, especially Citrosuco and Banco Votorantim, as mentioned on page 17.

Financial result reduced by R$775 million due to the R$1.3 billion decrease in exchange variation, which was partially offset by the increase of R$793 million in the fair value of the derivatives instruments.

The negative variation of R$520 million in Income tax and others is mainly explained by higher tax payments, due to the net income in 2017, compared to net loss reported in 2016. The net income generated from the operations abroad, also explain the increase in tax payments.

The discontinued operations line reflect the Brazilian long steel business classified as available for sale and the divestments executed by Votorantim Cimentos in China.

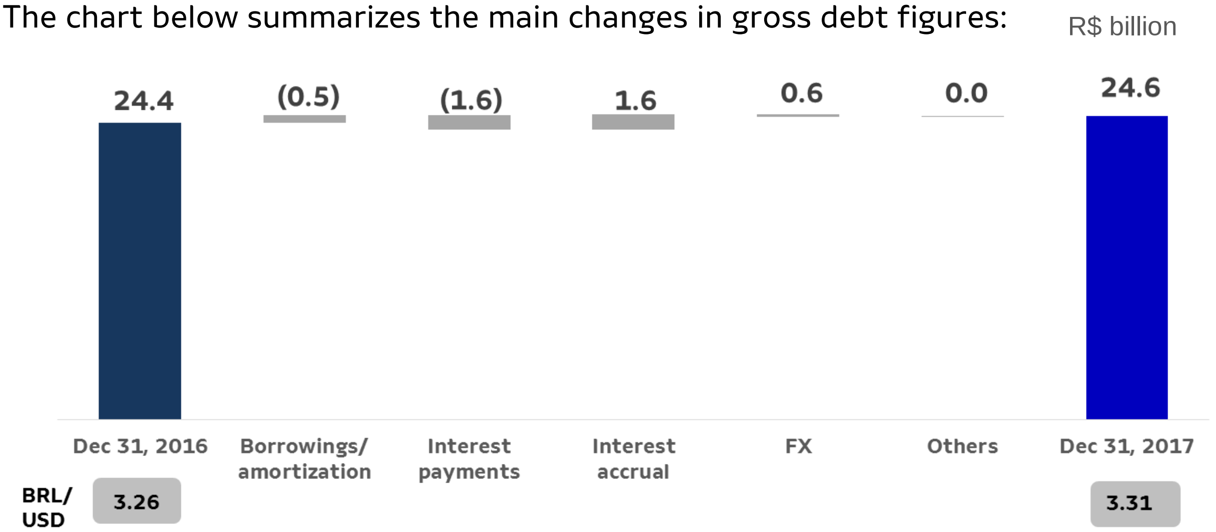
Liquidity and Indebtedness

Indicator	Unit	Dec/17[2]	Dec/16[2]	Dec/17 vs Dec/16	Sep/17[2]	Dec/17 vs Sep/17
Gross debt	**R$ million**	**24,630**	**24,419**	**0.9%**	**24,913**	**-1.1%**
in BRL[1]	R$ million	7,873	8,765	-10%	8,793	-10%
in foreign currency	R$ million	16,757	15,654	7%	16,120	4%
Average maturity	**years**	**7.6**	**7.5**	**-**	**7.6**	**-**
Short-term debt	**%**	**10.4%**	**7.3%**	**3.18 p.p**	**8.7%**	**0.02 p.p**
Cash, cash equivalent and investments	**R$ million**	**12,466**	**10,066**	**23.8%**	**9,551**	**30.5%**
in BRL	R$ million	6,078	4,908	24%	5,223	16%
in foreign currency	R$ million	6,388	5,158	24%	4,328	48%
Fair value of derivative instruments	**R$ million**	**(192)**	**(375)**	**-48.8%**	**(498)**	**-61.4%**
Net debt	**R$ million**	**12,356**	**14,728**	**-16.1%**	**15,859**	**-22.1%**
Net debt/Adj. EBITDA LTM	**x**	**2.60x**	**3.46x**[3]	**-0.86x**	**3.85x**	**-1.25x**
BRL/USD	**R$**	**3.31**	**3.26**	**1.5%**	**3.17**	**4.4%**

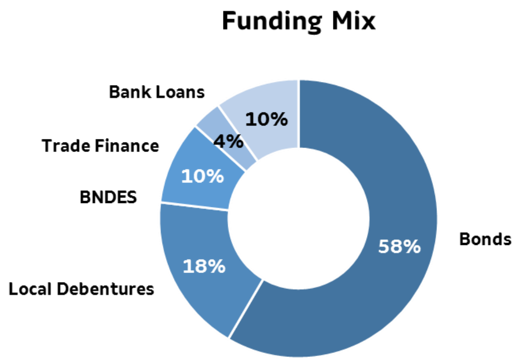
(1) 4131 bilateral loan considered as BRL due to the cross-currency swap
(2) Considers only the Industrial Segment
(3) Restated value

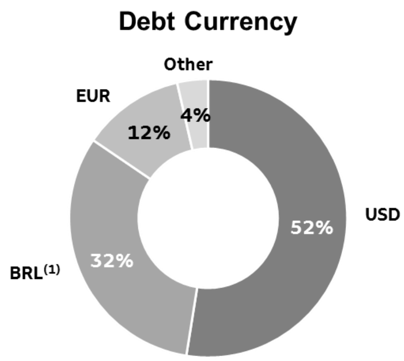
On December 31, 2017 gross debt amounted to R$24.6 billion, a slight increase of 1% when compared to December 2016, due to the depreciation of the Brazilian real against the US dollar (from R$/US$ 3.26 in Dec/16 to R$/US$ 3.31 in Dec/17).

The chart below summarizes the main changes in gross debt figures:



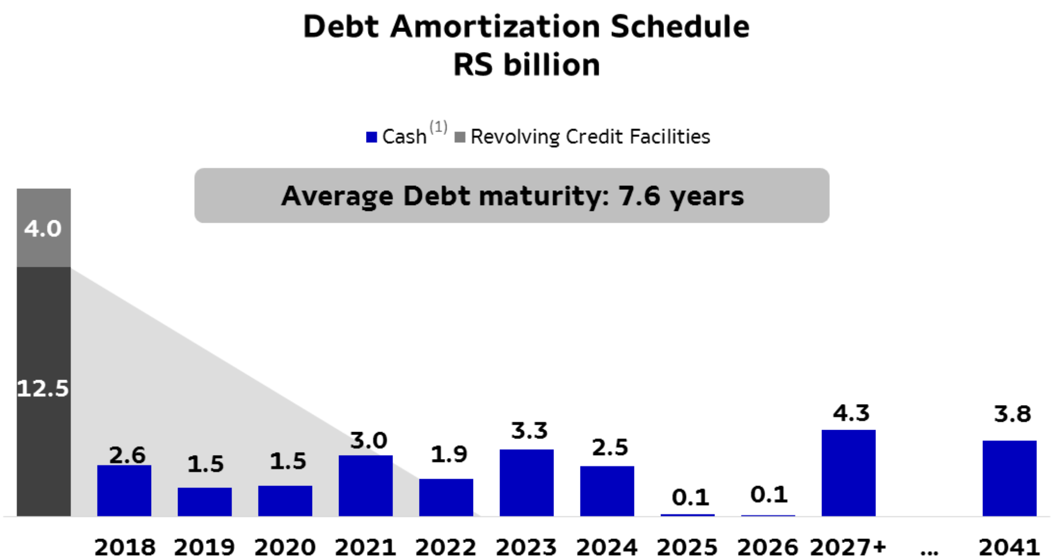
The funding mix and the debt currency breakdown are presented below:





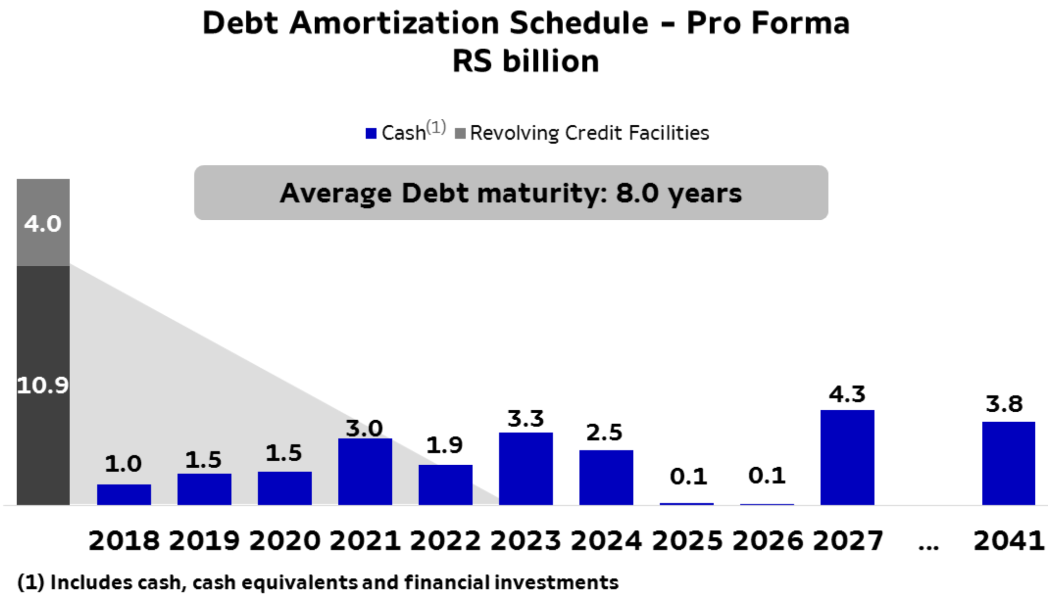
(1) 4131 bilateral loan considered as BRL due to the cross-currency swap

The chart below summarizes the debt amortization schedule:



(1) Includes cash, cash equivalents and financial investments

In January 2018, Votorantim Cimentos and Votorantim Energia prepaid R$1.2 billion of bank loans and R$0.4 billion of a bridge loan, respectively, in order to reduce gross debt and extend debt maturities, resulting in a smoother amortization schedule, as shown below:



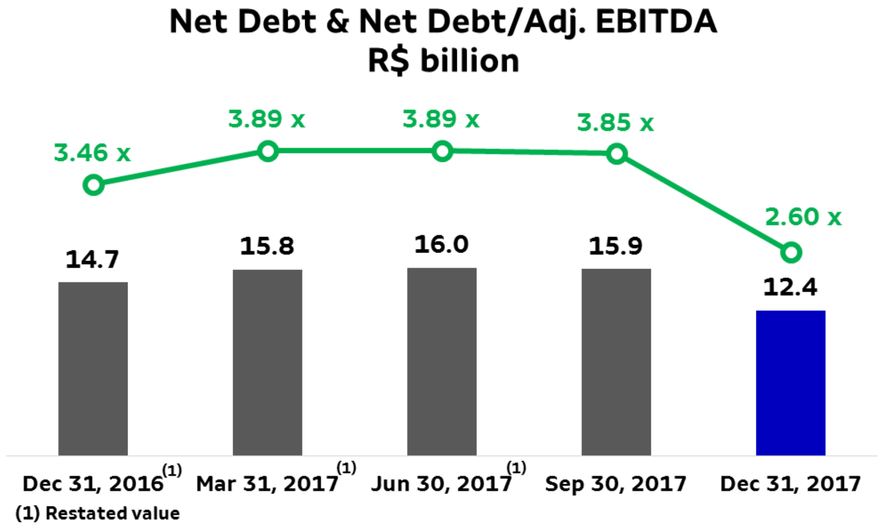
Cash, cash equivalents and financial equivalents ended 2017 at R$12.5 billion, 49% of which was denominated in Brazilian real. This cash position is sufficient to cover all obligations due in the next 5 years.

Cash is mainly invested in Brazilian government bonds and fixed-income products of Brazilian and foreign financial institutions. These investments are in investment grade banks, have high liquidity and are diversified in order to reduce concentration risk.

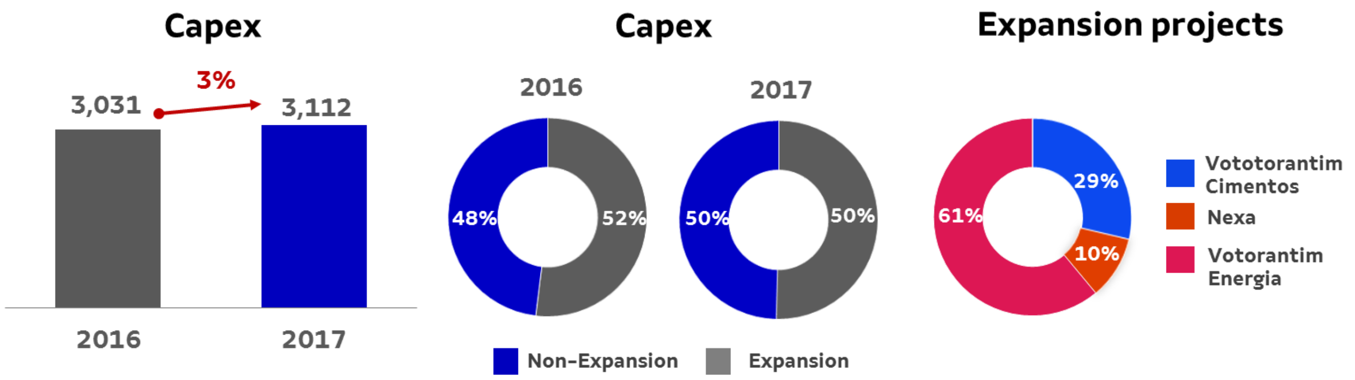
The two revolving credit facilities, one of US$700 million, only for the cement business, and another of US$500 million, for other Votorantim investees, both expiring in 2020, strengthen Votorantim's liquidity position, which totaled R$16.5 billion in 2017. These revolving credit facilities were not disbursed.

During 2017, the investees executed liability management operations focused on reducing gross debt and refinancing risk for the upcoming years. In 2017, the total gross debt pre-paid amounted to R$2.1 billion, partially offset by new issues, such as the Nexa bond and the Votorantim Energia BNDES loan.

Net debt totaled R$12.4 billion, 16% less when compared to December 2016. Financial leverage, measured by the net debt/adjusted EBITDA ratio, came to 2.60x, a substantial decrease of 0.86x over December 2016. The chart below shows consolidated net debt and the net debt/adjusted EBITDA ratio since December 2016:



Capex



Capex totaled R$3.1 billion, 3% higher when compared to 2016.

In 2017, expansion projects represented 50% of total investments, compared with 52% in 2016. Votorantim Energia's wind power generation project ("Ventos do Piauí I") accounted for 61% of total expansion investments, an investment of R$1.2 billion, and ended the year with 100% physical completion and 95% of financial execution. In December 2017, all the 98 wind turbines were in operation.

Cement projects accounted for 29% of total expansion investments, which were mainly in the USA. With the conclusion of VC's investment cycle in Europe and Bolivia, the company moves toward the start-up of the Charlevoix plant expansion (Michigan/USA) estimated for the first half of 2018. This project will add 0.6 mtpy of cement capacity, contributing to the 52.8 mtpy global capacity, of which approximately 35% is outside of Brazil.

Nexa continued investing in the project to extend the working life of the mine in Vazante (Minas Gerais/Brazil). This investment aims to add 10 years to the mine's life, ensuring the supply of zinc.

Major projects in progress during 2017:

- Votorantim Cimentos | North America | Charlevoix project: 0.6 million tpy of additional cement capacity with start-up in the first half of 2018.
- Nexa | Brazil | Vazante project: Extension of the life of mine to 2026.
- Votorantim Energia | Brazil | Ventos do Piauí I project: 7 wind farms with generation capacity of 206 MW.

Free Cash Flow

R$ million	2017	2016[1]	Var.
Adjusted EBITDA	**4,760**	**4,253**	**507**
Working capital / other	(479)	1,119	(1,598)
Income tax and others	(688)	(491)	(197)
CAPEX	(3,112)	(3,031)	(81)
CFO	**481**	**1,850**	**(1,369)**
Investments / Divestments	3,877	1,204	2,673
Financial result	(1,536)	(1,139)	(397)
Dividends	(359)	(105)	(254)
FX effect on cash	391	(1,042)	1,433
FCF	**2,854**	**768**	**2,086**

(1) Includes the Brazilian long steel business results

In 2017, Cash Flow from Operations (CFO) decreased 74% when compared to 2016, mainly explained by the changes in the Others account. The US$250 million inflow from the silver streaming transaction, executed by Milpo in 2016, and the non-recurring tax adjustments in the cement operations in Brazil, were the main impacts.

Free Cash Flow (FCF) totaled R$2.9 billion, an increase of R$2.0 billion when compared to 2016, mostly due to the proceeds from the Nexa IPO and the sale of non-strategic cement assets.

BUSINESSES

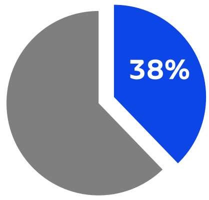
R$ million	Votorantim Cimentos	Nexa	CBA	Votorantim Energia	Long Steel	Others[1]	Consolidated[2]
Net revenues	11,104	7,828	4,673	4,124	1,659	(2,163)	27,225
COGS	(8,357)	(5,370)	(3,973)	(3,857)	(1,341)	2,249	(20,649)
SG&A	(1,945)	(758)	(279)	(105)	(200)	(356)	(3,643)
Other operating results	(197)	(413)	279	(251)	46	0	(536)
Depreciation, amortization and depletion	991	864	318	16	108	63	2,360
Other additions and exceptional items	167	(16)	(569)	0	0	421	3
Adjusted EBITDA	1,763	2,135	449	(73)	272	214	4,760
EBITDA margin	16%	27%	10%	-2%	16%	-10%	17%

(1) Includes Holding, eliminations and others

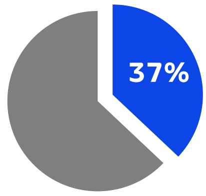
(2) Considers Votorantim Cimentos, Nexa, CBA, Votorantim Energia, Long Steel and Holding. Fibria, Citrosuco and Banco Votorantim are recognized under the equity method

VOTORANTIM CIMENTOS

Net revenues



Adjusted EBITDA



R$ million	2017	2016	2017 vs. 2016
Net revenues	**11,104**	**11,924**	**-7%**
COGS	**(8,357)**	**(8,815)**	**-5%**
SG&A	**(1,945)**	**(1,968)**	**-1%**
Selling expenses	(1,133)	(1,063)	7%
General & adm. expenses	(812)	(905)	-10%
Other operating results	**(197)**	**343**	**N.M.**
Depreciation, amortization and depletion	**991**	**1,015**	**-2%**
Other additions and exceptions items	**167**	**(126)**	**N.M.**
Adjusted EBITDA	**1,763**	**2,373**	**-26%**
EBITDA margin	**16%**	**20%**	**-4 p.p.**

According to the IBGE (Brazilian Institute of Geography and Statistics), the Brazilian economy grew 1.0% in 2017 after two consecutive years of recession. Economic growth has not yet been reflected on the construction segment, as construction GDP decreased 5.0% in 2017 (IBGE) with positive results expected only in 2018 (+2.5%), as per BCB (Brazilian Central Bank). National cement sales volume dropped by 6.4% in 2017 according to the Brazilian Cement Association (SNIC), compared to 11.7% in 2016 and 9.5% in 2015, as the pace of the retraction shows signs of slowdown. In 4Q17, sales volume, on a working day basis, decreased by 1.1% when compared to the same period of 2016, setting the tone for an expected recovery in 2018.

In North America, strong economic performance boosted the US construction sector as spending increased 2.6% when compared to 2016, according to the U.S. Census Bureau. The US cement market continued to show growth, with consumption increasing by 2.2% in 2017, according to the Portland Cement Association (PCA) forecast. In the markets where VCNA operates in the Great Lakes region, the strong price increase of almost 9% offsets the reduction in cement consumption in certain markets, primarily Illinois and Wisconsin. In Ontario, the main region where VCNA operates in Canada, cement consumption increased 3.2%, according to forecasts from the Cement Association of Canada (CAC), supported by strong housing and construction spending.

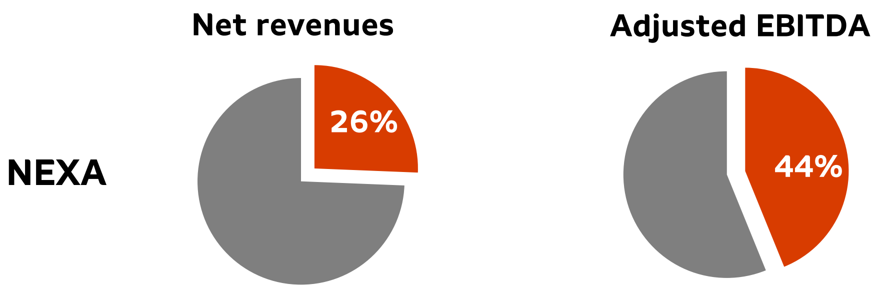
In the Europe, Asia & Africa (VCEAA) region, the Spanish cement domestic market showed higher than expected growth supported by increased infrastructure investments and a 3.1% GDP growth in 2017, according to the forecasts by OECD. Market conditions in Turkey remained positive with cement consumption increasing almost 8% against 2016, especially in the Anatolia region, which outperformed the market, according to the Turkish Cement Manufacturers Associations. In Tunisia, the cement market suffered from instability of bordering countries and consequent increased domestic competition in face of a challenging economic environment with double-digit unemployment rates and rising inflation. In Morocco, despite a GDP growth of 4.1% on the back of agricultural and services, according to forecasts from the World Bank, the cement market was affected by reduced self-construction and public works activity. Cement consumption in India continued to grow, despite a slow start due to the impacts of demonetization and regulatory implementation in the housing market (RERA). In 2017, VCEAA completed the asset sale of Chinese assets as part of its strategy to dispose non-core assets and focus on the Company's core regions.

Consolidated net revenues totaled R$11.1 billion, a decrease of 7% when compared to 2016. In Brazil, net revenues decreased by 9%, from R$6.4 billion in 2016 to R$5.8 billion in 2017, mainly due to the slowdown of the Brazilian cement market. VCNA revenues in local currency increased 4% due to a positive price trend in the US and higher volumes in Canada while revenues in Brazilian real decreased 2% to R$3.0 billion due to the 8% appreciation of the Brazilian real against the US dollar. VC Latam posted higher sales volume on the back of increased market share in Bolivia, after the completion of the plant expansion at the end of 2016, and higher exports to Argentina causing revenues to increase 31%, reaching R$517 million. In VCEAA, most countries posted stable or positive revenues in local currency, especially Turkey, given sales volume increase due to strong demand and recently added capacity. On the opposite side, Tunisia was impacted by lower export volumes to neighboring countries affected by political and economic instability. Despite the results in local currency, revenues in VCEAA decreased 9% in Euro and 15% in Brazilian real, from R$2.2 billion to R$1.8 billion, affected by the depreciation of the Turkish Lira and Tunisian Dinar against Euro (TRY +23%, TND +15%) and Brazilian real appreciation against the Euro (+6%).

Consolidated COGS totaled R$8.4 billion, decreasing by 5% versus last year despite higher fuel prices in all regions and higher costs in Bolivia after the Yacuses plant start-up. The reduction was mainly driven by the focus on efficiency, exemplified by investments in co-processing and fossil fuels substitution reaching 25% of the total in Brazil, as well as continued ZBB savings estimated in R$273 million this year, rightsizing in Brazil and reduction in volumes.

Consolidated SG&A totaled R$1.9 billion, 1% lower than last year. Selling expenses increased 7%, mainly explained by higher freight expenses in Brazil, mostly driven by higher ag-lime sales and higher CIF sales agreements, and increased commercial expenses in Bolivia caused by the recent start-up and higher sales volumes. The successful strict cost control in all regions was the key driver for the General and Administrative expenses to decrease by 10% when compared to 2016.

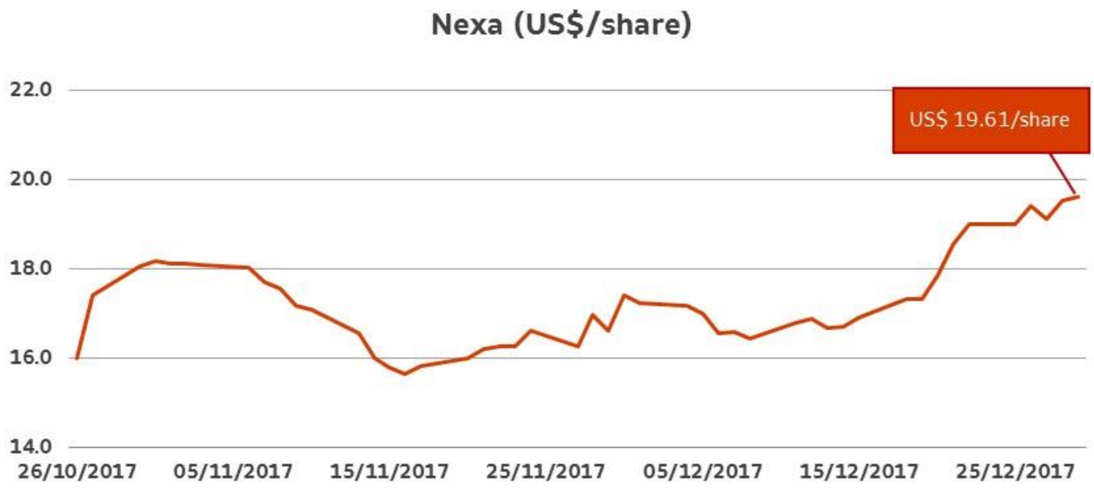
Adjusted EBITDA totaled R$1.8 billion in 2017, 26% lower when compared to 2016. In Brazil, adjusted EBITDA was negatively impacted by the slowdown of the cement market in the country and impacted by R$86 million in one-offs, which were partially offset by better performance of other portfolio products (adjacencies like ag-lime and mortars), which recorded adjusted EBITDA of R$344 million in 2017. In North America, VCNA posted their best performance in history, with an increase of 9% in adjusted EBITDA and EBITDA margin reaching 30% in 2017. In Europe, Africa and Asia, VCEAA ended 2017 with an adjusted EBITDA of R$452 million, 18% lower than 2016 mainly due to currency depreciation in Turkey and Tunisia. Despite the lower adjusted EBITDA, the EBTIDA margin was kept at a healthy 25% level. VC Latam improved adjusted EBITDA results by 69% due the ramp-up and operational performance from the plant in Bolivia.



Nexa Resources S.A., formerly known as Votorantim Metais Holding S.A., announced the launching of its initial public offering (IPO). The Company's common shares began to trade on the New York Stock Exchange and the Toronto Stock Exchange, under the ticker symbol "NEXA", on October 27, 2017.

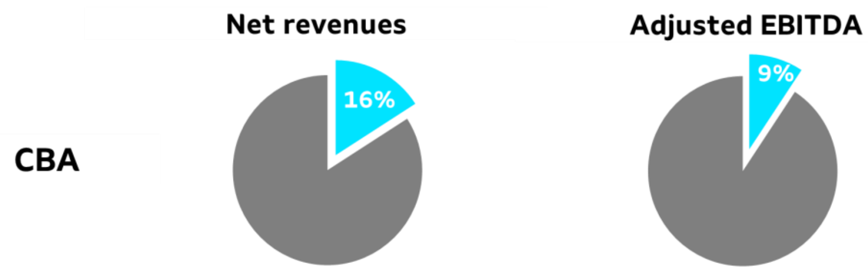
After the IPO, Votorantim S.A. continues to consolidate its results as the controlling shareholder, holding 64% of its shares.

In 2017, Nexa reported net revenues of US$2.5 billion and adjusted EBITDA of US$668 million, 25% and 65%, respectively, when compared to 2016, driven mostly by higher base metals prices. Net debt/adjusted EBITDA came in at 0.34x as of December 31, 2017.



Nexa's share prices increased 22.6% from the IPO until December 29, 2017, going from US$16.00 to US$19.61 per share.

Please refer to Nexa's IR website (www.nexaresources.com/investors) for additional information.



R$ million	2017	2016	2017 vs. 2016
Net revenues	**4,673**	**4,345**	**8%**
COGS	**(3,973)**	**(3,685)**	**8%**
SG&A	**(279)**	**(278)**	**0%**
Selling expenses	(74)	(98)	-24%
General & adm. expenses	(205)	(180)	14%
Other operating results	**279**	**(1,178)**	**N.M**
Depreciation, amortization and depletion	**318**	**374**	**-15%**
Other additions and exceptions items	**(569)**	**902**	**N.M.**
Adjusted EBITDA	**449**	**481**	**-7%**
EBITDA margin	**10%**	**11%**	**-1 p.p.**

Aluminum

In 2017, the average aluminum price at the LME (London Metal Exchange) increased by 23% YoY, from US$1,604/ton to US$1,968/ton, the highest rally since 2003. The 9% appreciation of the Brazilian real in 2017 led to a 13% price increase (in local currency) at the LME.

The China winter-closures and the ongoing supply reforms suspending operational capacity led to increases in smelter operating costs (mainly alumina and raw materials), which, together with declines in inventories outside China, contributed to the increase in LME prices.

In Brazil, the main market segments that demand semis products are packaging, transportation and construction, which are responsible for 37%, 16% and 12% of domestic aluminum consumption, respectively, according to the Brazilian Aluminum Association (ABAL). In 2017, the packaging sector recorded a 2% growth in production, when compared to 2016, while construction activity was reduced by 5%, as per IBGE (Brazilian Institute of Geography and Statistics). Meanwhile, the transportation segment displayed a 25% growth in production, mainly driven by exports, as per ANFAVEA (National Association of Automotive Vehicles Manufacturers). According to ABAL, the demand for aluminum from the packaging and construction segments remained flat at 470 and 154 thousand tons, respectively. On the other hand, transportation posted an 18% increase in aluminum demand when compared to 2016, totaling 209 thousand tons.

Energy

Below-average rain triggered drought and insufficient water in hydroelectric plants' reservoirs. Brazil's power trading chamber (CCEE) projects that in 2017, hydroelectric plants generated 21% less volume than the guaranteed volumes. This situation led to an increase of costlier thermal power generation, reflecting in a 244% increase in average energy prices in the Southeast and Mid-west regions (from R$94/MWh in 2016 to R$323/MWh in 2017).

Nickel

Since the spin-off in July 2016, nickel operations have been managed under CBA's corporate structure. In this report, nickel operational results impacted aluminum business expenses from July to December 2017, therefore we do not consider nickel results from January 2016 to June 2016. Due to current market prices, nickel operations are still on temporary suspension, undergoing only care and maintenance activities.

Results

Aluminum sales volume totaled 367 thousand tons, 11% greater than in 2016. During 2017, despite the upstream 16% growth in sales volume, product mix was impacted by increased participation of value-added products in both upstream and downstream segments.

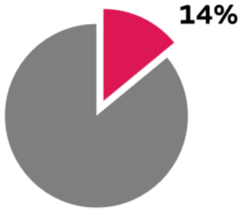
As a result of positive sales performance and improved LME prices, net revenues totaled R$4.7 billion, an increase of 8% when compared to 2016. Higher energy prices have also influenced increase in net revenues. Regarding sales of the aluminum business, net revenues increased 9% in 2017, reaching R$3.3 billion.

COGS increased by 8% in 2017 amounting to R$4.0 billion, primarily due to higher sales volume, energy prices and raw material costs, mainly soda, natural gas and pitch, despite stable fixed costs. SG&A remained flat at R$279 million. The reduction in exports, payroll expenses and bad debt provision offset the increase in third party expenses.

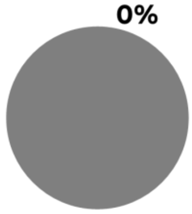
Adjusted EBITDA totaled R$449 million, representing a 7% decrease when compared to 2016, mostly driven by higher GSF (Generation Scaling Factor) in the energy business and mark-to-market of future energy surplus not yet sold, as well as costs linked to the 2017 full year temporary suspension of Nickel operation, when compared to the 2016 half-year temporary suspension, which was offset by the 52% increase in results from the aluminum business.

VOTORANTIM ENERGIA

Net revenues



Adjusted EBITDA



R$ million	2017	2016	2017 vs. 2016
Net revenues	**4,124**	**3,306**	**25%**
COGS	**(3,857)**	**(3,145)**	**23%**
SG&A	**(105)**	**(72)**	**46%**
Selling expenses	(7)	-	-
General & adm. expenses	(98)	(72)	36%
Other operating results	**(251)**	**(102)**	**146%**
Depreciation, amortization and depletion	**16**	**1**	**-**
Adjusted EBITDA	**(73)**	**(12)**	**508%**
EBITDA margin	**-2%**	**0%**	**-1 p.p.**

In 2017, Votorantim Energia concluded the implementation of Ventos do Piauí I, a wind complex located in Northeastern Brazil, with a total capacity of 206MW and R$1.2 billion of investment. It commenced operations in July and all the 98 wind turbine generators were in commercial operation at the end of 2017.

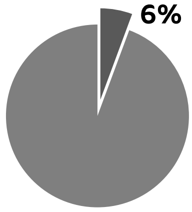
In December, Votorantim Energia and CPPIB signed an agreement to form a new joint venture that will focus on investments in Brazil's power generation sector. The joint venture is initially acquiring two wind power complexes in Northeastern Brazil: Ventos do Araripe III, acquired from project developer Casa dos Ventos, and Ventos do Piauí I, contributed by Votorantim Energia into the joint venture. JV VE-CPPIB starts its activities with two operational assets and total installed capacity of 565WM. As part of the transaction, CPPIB will initially commit approximately R$690 million in equity. Over time, the joint venture expects to invest more than R$3.0 billion in operational and development assets in power generation sector in Brazil. The transaction is subject to customary closing conditions and regulatory approvals.

Votorantim Energia operational results improved in 2017 due to (i) the beginning of generation operations with Ventos do Piauí I and (ii) better performance from commercialization operation, primarily reflecting higher trading volume, motivated by a reduction of energy amounting from distributors and market share gain.

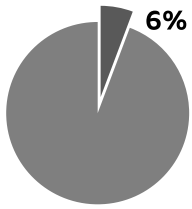
Net revenues totaled R$4.1 billion in 2017, 25% higher when compared to 2016. Excluding the non-cash effect of the mark-to-market impact of future energy surplus not yet sold, adjusted EBITDA increased by 66% in comparison with 2016, from R$99 million in 2016 to R$165 million in 2017.

LONG STEEL
(Argentina and Colombia)

Net revenues



Adjusted EBITDA



R$ million	2017	2016	2017 vs. 2016
Net revenues	**1,659**	**1,569**	**6%**
COGS	**(1,341)**	**(1,207)**	**11%**
SG&A	**(200)**	**(226)**	**-12%**
Selling expenses	(111)	(111)	0%
General & adm. expenses	(89)	(115)	-23%
Other operating results	**46**	**(153)**	**N.M**
Depreciation, amortization and depletion	**108**	**146**	**-26%**
Other additions and exceptions items	**-**	**175**	**N.M**
Adjusted EBITDA	**272**	**304**	**-11%**
EBITDA margin	**16%**	**19%**	**-3 p.p.**

In February 2017, Votorantim S.A. and ArcellorMittal Brasil engaged in an agreement that combines the long steel businessess of the two companies in Brazil. Because of this transaction, the results from operations in Brazil were classified as available for sale and have not been considered in the financial statements since December 2016. The Brazilian antitrust authority (CADE) approved this transaction in February 2018.

As of 2018, Votorantim Siderurgia Brasil will be a subsidiary of ArcelorMittal Brasil and its results will be recognized at fair value in the consolidated results of Votorantim S.A. With the conclusion of the transaction, Votorantim S.A. now holds a 15% stake of the combined long steel business, which represents a 2.99% stake of ArcellorMittal Brasil.

Long steel operations in Argentina and Colombia were not included in the transaction and remain focused on operational stability.

Net revenues in these two countries totaled R$1.7 billion in 2017, 6% higher than in 2016, mainly due to the increase in prices and sales volume in Argentina, offset by the depreciation of the Argentine peso against the Brazilian real.

COGS totaled R$1.3 billion, 11% higher when compared to 2016, chiefly due to the effects already mentioned, such as the increase in sales volume in Argentina and the increase in the price of met coal in Colombia, which were offset by the depreciation of the Argentine peso against the Brazilian real.

SG&A totaled R$200 million, down by 12% versus 2016, due to lower personnel expenses.

Adjusted EBITDA totaled R$272 million, down by 11% versus 2016, and EBITDA margin was 16%.

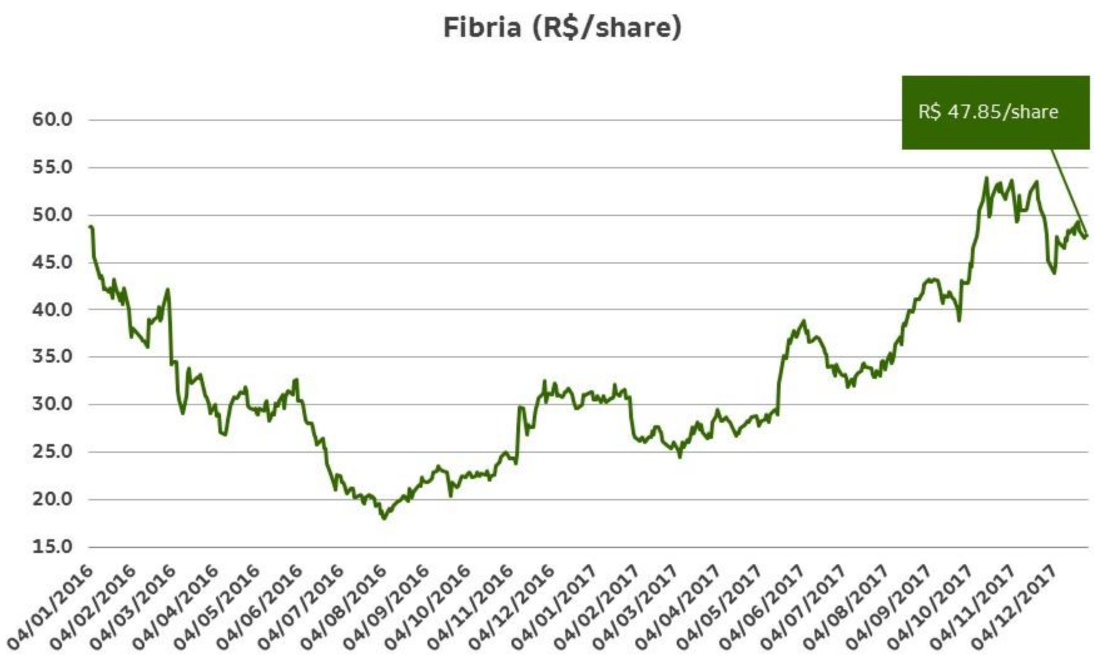
BUSINESSES RECOGNIZED UNDER THE EQUITY METHOD

R$ million	2017	2016
Net income/loss without results from investees	**(409)**	**(1,975)**
Fibria	**320**	**487**
Citrosuco	**414**	**(117)**
Banco Votorantim	**315**	**166**
Others	**171**	**188**
Net income/loss	**810**	**(1,251)**

In 2017, the businesses that were recognized under the equity method, primarily Fibria, Citrosuco and Banco Votorantim, contributed to the VSA's profit.

- **Fibria**

Fibria's net revenues totaled R$11.7 billion in 2017 and adjusted EBITDA was R$5.0 billion, 22% and 32% higher, respectively, when compared to 2016. This year-on-year upturn was due to the 18% increase in the average net pulp price in dollars and higher sales volume, partially offset by the depreciation of the dollar against the Brazilian real. Fibria recorded a net income of R$1.1 billion in 2017, versus a net income of R$1.7 million in 2016.



Fibria's shares, which are traded in the *Novo Mercado* listing segment of B3 under the ticker FIBR3, appreciated 54% in 2017, ending the year at R$47.85. On the NYSE, the Company's level III ADRs, traded under the ticker FBR, ended 2017 at US$14.70, a 57% rise.

Votorantim holds a 29.42% stake in Fibria and reports its proportional results using the IFRS equity method.

Please refer to Fibria's IR website (ir@fibria.com.br) for additional information.

- **Citrosuco**

Citrosuco's results from the 2016-2017 harvest were positively impacted by the increase in the average net orange juice price in dollars and higher sales volume. During this harvest, Citrosuco invested in the expansion of the storage capacity of NFC to attend its growing demand, increased the irrigation system for orchards in the farms, expanded and modernized the fruit reception processing area and developed improvements in fruit processing efficiency.

Net revenues totaled US$1.3 billion, 22% above the previous harvest, and adjusted EBITDA increased 162% when compared to the 2015-2016 harvest, totaling US$330 million.

In 2017, Citrosuco's results positively impacted Votorantim's net income by R$414 million.

Votorantim S.A. holds a 50% stake in Citrosuco and reports its proportional results using the IFRS equity method.

- **Banco Votorantim**

Banco Votorantim continues advancing in the profitability of its businesses, operational efficiency, and revenue diversification.

The net income reported was R$582 million in 2017, compared to R$426 million in 2016.

The delinquency of the loan portfolio ended Dec/17 at 4.0%, down 150 bps in relation to Dec/16. The delinquency of the Consumer Finance portfolio decreased to 4.7% in Dec/17, mainly due to the improvement in the quality of the vehicles portfolio, whose delinquency rate reduced 90 bps in the last 12 months, to 4.2%.

At the end of 2017, shareholders' equity totaled R$8.9 billion, an increase of 5% when compared to 2016.

The Basel Ratio ended the year at 15.5%, higher than the minimum capital requirement of 10.5%.

Votorantim S.A. holds a 50% stake in Banco Votorantim and its financial information is presented in compliance with the BRGAAP accounting standard, however, in the Votorantim S.A. consolidated results are recognized under the IFRS equity method.

2. ADDITIONAL REMARKS

(i) Votorantim Cimentos – Liability Management Execution

In January 2018, Votorantim Cimentos prepaid the following debts instruments:

- Debentures – totaling R$700 million
- BNDES – totaling R$234 million
- Bank loans – totaling R$161 million

(ii) Votorantim S.A.'s ratings

Despite the sovereign's rating downgrade, in January 2018, Votorantim S.A.'s rating was reaffirmed by S&P as BB+, with a stable outlook, and in March 2018, Fitch also reaffirmed Votorantim S.A's rating as BBB-, with a stable outlook.

(iii) Brazilian long steel transaction

On February, 2018, the Brazilian Antitrust Authority (CADE) approved the transaction, in which Votorantim Siderurgia S.A. ("VSBR") will become a subsidiary of ArcelorMittal Brasil S.A ("AMB") and Votorantim S.A. ("VSA") will hold a minority stake in AMB.

The transaction comprises VSBR's operations in Brazil and does not include Acerías Paz del Río, in Colombia, and Acerbrag, in Argentina, which will continue to integrate the long steel business in VSA's portfolio.

(iv) Fibria's transaction

On March 16, 2018, VSA entered into an agreement with Suzano Holding S.A. and other controlling shareholders of Suzano Suzano Papel e Celulose S.A. to combine the operations and shareholding structures of Suzano and Fibria Celulose S.A. ("Transaction").

The Transaction is subject to the approval by the Shareholders' Meetings of Fibria Celulose S.A. and of Suzano, as well as customary closing conditions and regulatory approvals, including by the Brazilian Antitrust Authority (CADE).

More details are available in the Material Fact released by Fibria.

3. INVESTOR RELATIONS CONTACTS

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EXHIBIT I – VOTORANTIM S.A. CONSOLIDATED INCOME STATEMENT [1]

Consolidated Income Statement R$ million	2017	2016
Continuing operations		
Net revenues from products sold and services rendered	27,225	25,965
Cost of products sold and services rendered	(20,649)	(20,010)
Gross profit	6,576	5,955
Operating income (expenses)		
Selling	(1,666)	(1,639)
General and administrative	(2,018)	(2,091)
Other operating income (expenses), net	(536)	(2,616)
	(4,220)	(6,346)
Operating profit (loss) before equity results and finance results	2,356	(391)
Result from equity investments		
Equity in the results of investees	1,219	724
Realization of other comprehensive income on disposal of investmen	3	44
	1,222	768
Finance results, net		
Finance income	1,155	1,397
Finance costs	(2,710)	(2,643)
Derivative financial instruments	(213)	(1,006)
Foreign exchange losses, net	(724)	535
	(2,492)	(1,717)
Profit (loss) before income tax and social contribution	1,086	(1,340)
Income tax and social contribution		
Current	(723)	(481)
Deferred	592	870
Profit (loss) for the year from continuing operations	955	(951)
Discontinued operations		
Loss for the year from discontinued operations	(145)	(300)
Profit (loss) for the year attributable to the owners	810	(1,251)
Profit (loss) attributable to the owners of the Company	590	(1,296)
Profit (loss) attributable to non-controlling interests	220	45
Profit (loss) for the year	810	(1,251)

(1) Considers Votorantim Cimentos, Nexa, CBA, Long Steel, Votorantim, Energia, Holding and others. Fibria, Citrosuco and Banco Votorantim are recognized under the equity method

EXHIBIT II – VOTORANTIM S.A. CONSOLIDATED CASH FLOW

Consolidated Cash Flow R$ million	2017	2016
Cash flow from operating activities	1,086	(1,340)
Profit (loss) before income tax and social contribution		
Loss on discontinued operations	(145)	(300)
Adjustments of items that do not represent changes in cash and cash equivalents		
Discontinued operations		
Realization of other comprehensive income from the sale of the China operations	(133)	(44)
Net gain on sale of investments China, California and Florida	(118)	
Goodwill decrease on sale of operations – China	228	
Realization of other comprehensive income – other opertating income (expenses), net	(753)	
Realization of other comprehensive income – financial income	331	
Result on the sale of investment Nexa	161	
Gain on sales of investments, net – Cement and Metals Operations	(33)	(312)
Provision (reversal) of impairment of investments – long steel Brazil	(71)	988
Depreciation, amortization and depletion	2,360	2,603
Equity in the results of investees	(1,219)	(724)
Interest, indexation and foreign exchange variations	2,042	1,052
Reversal for impairment of fixed, intangible assets and investments	(23)	1,164
Loss (gain) on sale of fixed and intangible assets, net	(4)	(149)
Allowance for doubtful accounts		4
Fair value adjustment – Resolution 4131	47	(26)
Constitution (reversal) of provision	(273)	384
Negative goodwill on Bonds repurchase		(173)
Derivative financial instruments	(319)	791
Financial instruments – firm commitment	522	253
Change in fair value of biological assets	8	(2)
	3,694	**4,169**
Decrease (increase) in assets		
Financial investments	225	1,754
Derivative financial instruments	(202)	(72)
Trade accounts receivable	(420)	522
Inventory	(130)	322
Taxes recoverable	12	171
Related parties	395	320
Other accounts receivable and other assets	(358)	(111)
Increase (decrease) in liabilities		
Trade payables	630	(300)
Salaries and social charges	47	(20)
Use of public assets	(84)	105
Taxes payable	160	(102)
Other obligations and other liabilities	171	304
Cash provided by (used in) operating activities	**4,140**	**7,062**
Interest paid on borrowing and use of public assets	(1,558)	(1,779)
Income tax and social contribution paid	(688)	(491)
Net cash provided by (used in) operating activities	**1,894**	**4,792**
Cash flow from investment activities		
Proceeds from disposals of fixed and intangible assets	178	379
Public offering capture – Nexa	1,009	
Sale od Nexa shares	753	
Proceeds from sales of investments – Sirama		566
Sale of investments China, California and Florida	1,937	82
Dividends received	540	245
Acquisitions of property, plant and equipment	(3,108)	(3,026)
Increase in biological assets	(4)	(5)
Increase in intangible assets	(174)	(181)
Net cash used in investment activities	**1,131**	**(1,940)**
Cash flow from financing activities		
New borrowing	5,399	6,162
Repayment of borrowing	(5,881)	(7,376)
Derivative financial instruments	(561)	(371)
Dividends paid	(359)	(105)
Net cash provided by (used in) financing activities	**(1,402)**	**(1,690)**
Decrease in cash and cash equivalents	**1,623**	**1,162**
Cash increase resulting from incorporation		177
Effect of fluctuations in exchange rates	391	(1,042)
Cash and cash equivalents at the beginning of the year	**6,946**	**6,649**
Cash and cash equivalents at the end of the year	**8,960**	**6,946**

EXHIBIT III – VOTORANTIM S.A. CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet R$ million	Dec 31, 2017	Dec 31, 2016		Dec 31, 2017	Dec 31, 2016
Assets			**Liabilities and equity**		
Current assets			Current liabilities		
Cash and cash equivalents	8,960	6,946	Borrowing	2,573	1,775
Financial investments	3,562	3,190	Derivative financial instruments	299	401
Derivative financial instruments	52	136	Confirming payables	1,070	968
Trade receivables	2,421	2,001	Trade payables	3,353	2,723
Inventory	3,526	3,381	Salaries and payroll charges	895	848
Taxes recoverable	1,317	1,527	Taxes payable	617	422
Dividends receivable	148	180	Advances from clients	408	174
Financial instruments - firm commitment	210	317	Dividends payable	188	48
Other assets	784	580	Use of public assets	76	67
	20,980	18,258	Deferred revenue - performance obligation	246	244
			Other liabiliites	748	795
				10,473	8,465
Assets classified as held-for-sale	2,199	2,125	Liabilities related to assets as held-for-sale	1,526	1,522
Non-current assets			Non-current liabilities		
Long-term receivables					
Financial investments	25	39	Borrowing	22,057	22,644
Derivative financial instruments	138	232	Derivative financial instruments	83	342
Taxes recoverable	1,784	1,586	Deferred income tax and social contribution	1,965	1,983
Related parties	143	535	Related parties	25	22
Deferred income tax and social contribution	4,079	4,055	Provision	2,587	2,346
Judicial deposits	765	420	Use of public assets	1,056	1,119
Financial intruments - firm commitment	154	371	Pension plan	317	317
Other assets	667	858	Financial instruments - firm commitment	207	10
	7,755	8,096	Deferred revenue - performance obligation	272	515
			Other liabilities	1,286	1,490
				29,855	30,788
Investments	13,372	12,949	Total liabilities	41,854	40,775
Biological assets	65	66			
Property, plant and equipment	25,855	25,091			
Intangible assets	12,443	13,013	Equity		
	59,490	59,215	Share capital	28,656	28,656
			Revenues reserves	6,569	6,254
			Retained earnings		
			Carrying value adjustments	733	1,255
			Total equity attibutable to owners of the Company	35,958	36,165
			Non controlling interests	4,857	2,658
Total assets	82,669	79,598	Total liabilities and equity	82,669	79,598

EXHIBIT IV – VOTORANTIM S.A. CONSOLIDATED INCOME STATEMENT

2017 Consolidated Income Statement R$ Million	Votoratim Cimentos	Nexa Resources	CBA	Votorantim Energia	Long Steel	Holding and others	Total, industral segments	Total, consolidated
Continuing operations								
Net revenues from products sold and services rendered	11,104	7,828	4,673	4,124	1,659	800	27,225	27,225
Cost of products sold and services rendered	(8,357)	(5,370)	(3,973)	(3,857)	(1,341)	(714)	(20,649)	(20,649)
Gross profit	2,747	2,458	700	267	318	86	6,576	6,576
Operating income (expenses)								
Selling	(1,133)	(285)	(74)	(7)	(111)	(56)	(1,666)	(1,666)
General and administrative	(812)	(473)	(205)	(98)	(89)	(300)	(1,977)	(2,018)
Other operating income (expenses), net	(197)	(413)	279	(251)	46	589	(536)	(536)
	(2,142)	(1,171)		(356)	(154)	233	(4,179)	(4,220)
Operating profit (loss) before equity results and finance results	605	1,287	700	(89)	164	319	2,397	2,356
Result from equity investments								
Equity in the results of investees	157		12	20		1,256	1,194	1,219
Realization of other comprehensive income on disposal of investmen	3						3	3
	160		12	20		1,256	1,197	1,222
Finance results, net								
Finance income	661	93	177	119	18	204	1,141	1,155
Finance costs	(1,577)	(335)	(404)	(152)	(89)	(284)	(2,710)	(2,710)
Derivative financial instruments	(169)	(2)				(42)	(213)	(213)
Foreign exchange losses, net	(205)	(154)	18		(1)	(417)	(724)	(724)
	(1,290)	(398)	(209)	(33)	(72)	(539)	(2,506)	(2,492)
Profit (loss) before income tax and social contribution	(525)	889	503	(102)	92	1,036	1,088	1,086
Income tax and social contribution								
Current	(164)	(404)	(54)	(43)	(61)	3	(723)	(723)
Deferred	11	57	68	86	42	132	590	592
Profit (loss) for the year from continuing operations	(678)	542	517	(59)	73	1,171	955	955
Discontinued operations								
Loss for the year from discontinued operations	59					(204)	(145)	(145)
Profit (loss) for the year attributable to the owners	(619)	542	517	(59)	73	967	810	810
Profit (loss) attributable to the owners of the Company	(681)	356	518	(59)	78	967	590	590
Profit (loss) attributable to non-controlling interests	62	186	(1)		(5)		220	220
Profit (loss) for the year	(619)	542	517	(59)	73	967	810	810