VOTORANTIM

Earnings Release 2018

Votorantim S.A.

2018 Highlights

R$ million	4Q18	4Q17	4Q18 vs. 4Q17	3Q18	4Q18 vs. 3Q18	2018	2017	2018 vs. 2017
Net revenues	8,055	7,279 (1)	11%	8,983	-10%	31,948	26,799 (1)	19%
Adjusted EBITDA	2,397	1,345 (1)	78%	1,686	42%	6,933	4,717 (1)	47%
EBITDA margin	30%	18%	12 p.p	19%	11 p.p	22%	18%	4 p.p
Net income	1,545	284	444%	112	1279%	1,953	810	141%
Net debt/Adj. EBITDA LTM	1.91 x	2.62 x (1)	-0.71 x	2.60 x (1)	-0.69 x	1.91 x	2.62 x (1)	-0.71 x
CAPEX	1,118	1,140	-2%	592	89%	2,576	3,112	-17%

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

(1) Restated value

Consolidated

- Net revenues totaled R$31.9 billion, 19% higher than in 2017, positively affected mainly by better results from the Brazilian cement operations, and the depreciation of the Brazilian real against the US dollar on the consolidation of operations abroad.
- Adjusted EBITDA amounted to R$6.9 billion, an increase of 47% when compared to 2017.
- Net income of R$2.0 billion in 2018, versus a net income of R$810 million in 2017.
- The net debt/adjusted EBITDA ratio came to 1.91x, 0.71x lower than in 2017.

Votorantim Cimentos (VC)

- Net revenues totaled R$12.6 billion in 2018, 15% higher when compared to 2017.
- Adjusted EBITDA amounted to R$2.6 billion, corresponding to an increase of 51% over 2017 and 18% on a like-for-like basis, not considering the impact from non-recurring items.
- Strengthened position in the Brazilian Northern region with the acquisition of the terminal in Amazonas and completion of the expansion of the Charlevoix plant. Divestments of non-strategic assets in Peru and India.
- Pro Forma leverage at 2.8x, considering the capital injection from Votorantim S.A. and the R$3.0 billion reduction in gross debt.

Nexa

- Results driven by slightly higher metal prices and higher sales volumes from the smelters, mainly Cajamarquilla and Três Marias.
- In October, 2018, the Board of Directors approved the investment in the Aripuanã project.
- Share Buyback under execution.

CBA

- Net revenues reached R$5.4 billion, a 22% growth over 2017, positively affected by higher sales volume and increased participation of value-added products in both Upstream and Downstream segments.
- Better market conditions, focus on competitiveness improvement and sales profitability guaranteed a 91% growth on Adjusted EBITDA in 2018 when compared to 2017, reaching R$832 million in the year.

Votorantim Energia (VE)

- Closing of the transaction between VE and the Canada Pension Plan Investment Board (CPPIB), including the setup of the 50/50 joint venture (JV) and the acquisition of Ventos do Araripe III.
- Acquisition of the controlling stake in the Brazilian hydro power generation company Companhia Energética de São Paulo (CESP) through the JV with CPPIB.
- Net revenues reached R$4.5 billion, an increase of 8% when compared to 2017, and adjusted EBITDA totaled R$157 million.

Long Steel business

- Argentina **–** Net revenues increased by 26% when compared to 2017, mainly due to higher prices and stable volumes.
- Colombia **–** Net revenues increased by 28%, mainly due to higher prices, partially offset by a decrease in sales volume.

1. OPERATING AND FINANCIAL PERFORMANCE

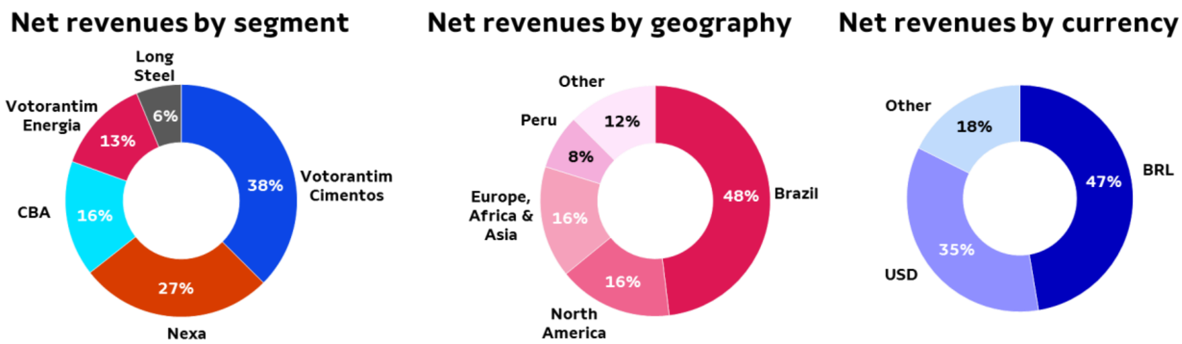
Results analysis

R$ million	2018	2017 (1)	2018 vs. 2017	
Net revenues	**31,948**	**26,799**	**5,149**	**19%**
COGS	**(25,909)**	**(21,171)**	**(4,738)**	**22%**
SG&A	**(2,935)**	**(2,673)**	**(262)**	**10%**
Selling expenses	(775)	(701)	(74)	11%
General & adm. expenses	(2,160)	(1,972)	(188)	10%
Other operating results	**550**	**(553)**	**1,103**	**N.M.**
Depreciation, amortization and depletion	**2,471**	**2,325**	**146**	**6%**
Other additions and exceptional items	**808**	**(10)**	**818**	**N.M.**
Adjusted EBITDA	**6,933**	**4,717**	**2,216**	**47%**
EBITDA margin	**22%**	**18%**	**-**	**4 p.p**

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

(1) Restated value

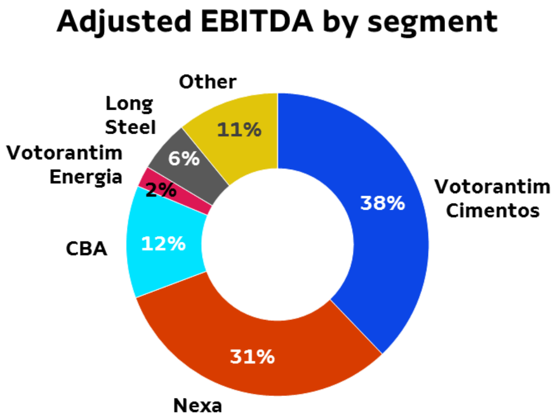
Net revenues in 2018 totaled R$31.9 billion, 19% higher when compared to 2017. This result is mainly due to better results from the Brazilian cement operations, and the depreciation of the Brazilian real against the US dollar on the consolidation of operations abroad. Higher sales volume of zinc from the smelters and higher aluminum all-in prices, also contributed to the increase in net revenues.



The positive variation of R$1.1 billion in Other Operating Results in the 2018 vs. 2017 comparison is explained by the lower non-cash effect of energy returned from the 2014 auction and the mark-to-market impact of future energy surplus not yet sold. The reversal of tax provisions, based on the conclusion of the Federal Supreme Court (STF), establishing the thesis that "the ICMS (state value-added tax levied over the circulation of goods and services) does not compose the tax calculation basis for PIS and COFINS (federal taxes levied over gross revenues)" and the non-recurring tax adjustments, mainly in Votorantim Cimentos, also positively impacted the variation in Other Operating results.

Adjusted EBITDA totaled R$6.9 billion with a margin of 22%, up by 47% when compared to 2017, mainly explained by better results from the Brazilian cement operations, as well as the depreciation of the Brazilian real against the US dollar. The reversal of tax provisions and the non-recurring tax adjustments, as mentioned before, and the dividend from Fibria of R$820 million, also positively impacted the variation in adjusted EBITDA.

The depreciation of the Brazilian real against the US dollar explains most of the other results.



Financial result

R$ million	2018	2017	2018 vs. 2017 R$	2018 vs. 2017 %
Financial income from investments	389	583	(194)	-33%
Financial expenses from borrowings	(1,394)	(1,580)	186	-12%
Exchange variation	(977)	(724)	(253)	35%
Net hedge result	204	(213)	417	N.M.
Other financial income (expenses), net	(265)	(555)	290	-52%
Net financial result	**(2,043)**	**(2,489)**[1]	**446**	**-18%**

(1) Restated value

Financial income from investments totaled R$389 million in 2018, a decrease of 33% when compared with 2017, due to lower interest rates in Brazil: the average interbank rate (CDI) went down from 10.07% p.a. in 2017 to 6.47% p.a. in 2018.

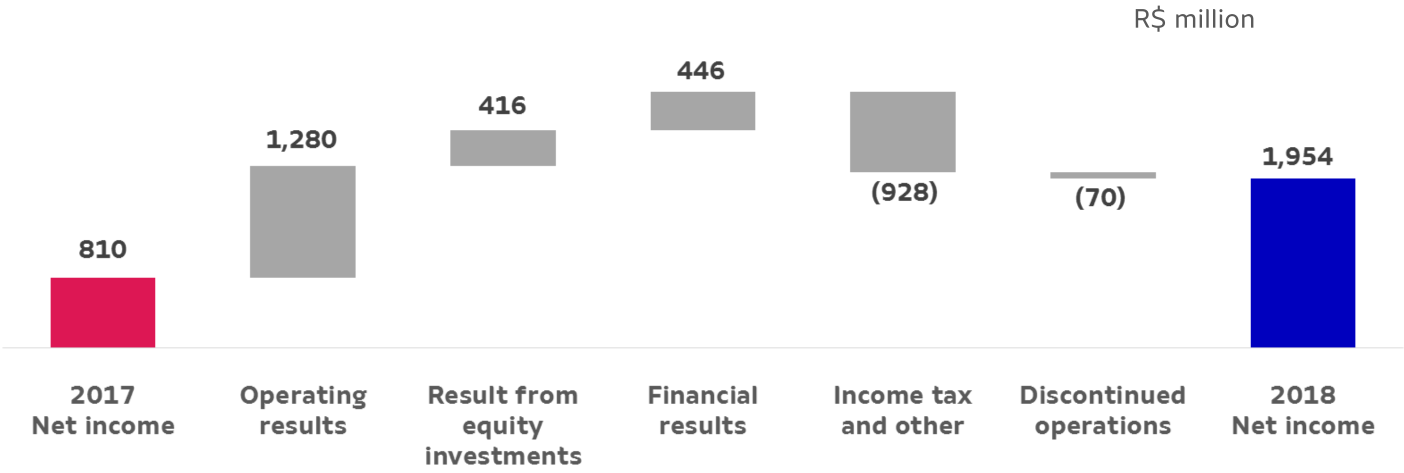
Financial expenses from borrowings decreased by 12%, mainly due to the reduction in gross debt, resulting from the liability management initiatives implemented in 2018, primarily at Votorantim Cimentos.

Exchange variation loss came to R$977 million in 2018, compared to a loss of R$724 million in 2017. The negative impact was caused by a 17% depreciation of the Brazilian real against the US dollar in 2018 (Dec. 31, 2018: R$/US$3.87 | Dec. 31, 2017: R$/US$3.31) versus a 2% depreciation in 2017 (Dec. 31, 2017: R$/US$3.31 | Dec. 31, 2016: R$/US$3.26), which is a non-cash effect.

The net hedge result totaled R$204 million in 2018, increasing by R$417 million due to the fair value of the derivatives instruments used to convert the 4131 bilateral loans from the US dollar to the Brazilian real (cross-currency swap).

Other net financial expenses totaled R$265 million, up by R$290 million when compared to 2017, mainly attributable to the non-recurring tax adjustments in the cement operations in Brazil.

Net Income



Votorantim S.A. (VSA) reported a net income of R$2.0 billion in 2018, versus a net income of R$810 million in 2017.

The positive variation of R$1.3 billion in Operating results is mainly explained by the increase in the adjusted EBITDA.

The result from equity investments increased by R$416 million, due to higher net income from the investee companies which are recognized by the equity method, especially Fibria and Banco Votorantim, to be mentioned on page 17.

Financial result increased by R$446 million, primarily due to the non-cash effect of the R$417 million increase in the fair value of the derivatives instruments.

The negative variation of R$928 million in income tax and other is mainly explained by the increase in the deferred tax loss related to the impact of the Corporate Reorganization executed by Votorantim Cimentos, to be mentioned on page 12.

Discontinued operations mainly reflect the Indian assets reclassification to available for sale, executed by Votorantim Cimentos in 2018.

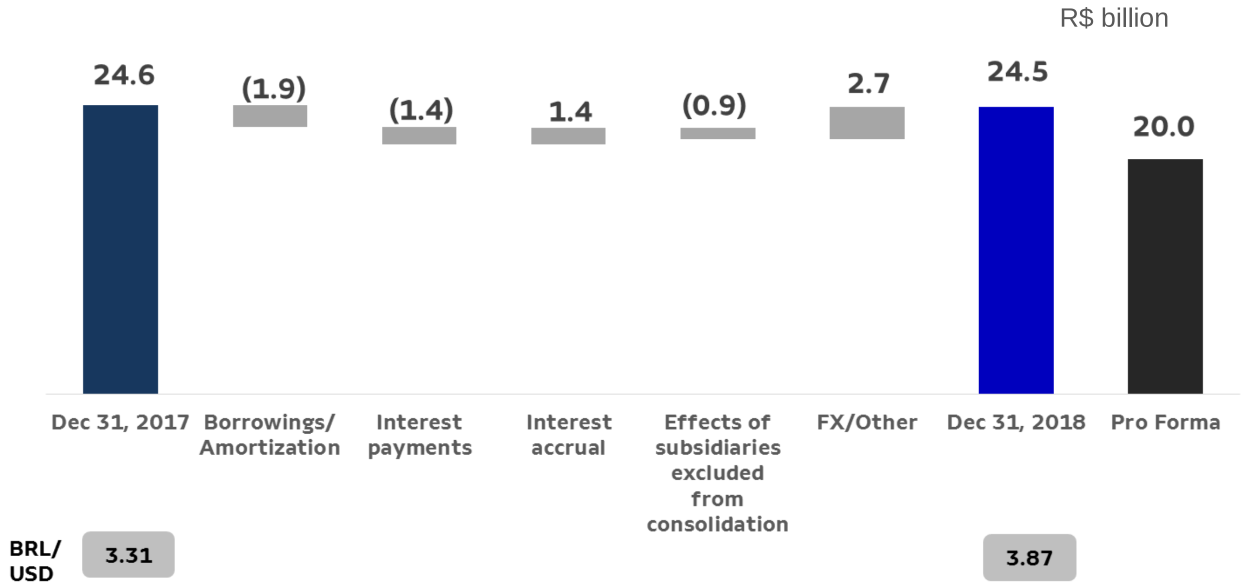
Liquidity and Indebtedness

Indicator	Unit	Dec/18 (2)	Dec/17 (2)	Dec/18 vs Dec/17	Sep/18 (2)	Dec/18 vs Sep/18
Gross debt	**R$ million**	**24,451**	**24,630**	**-1%**	**25,353**	**-4%**
in BRL (1)	R$ million	5,357	7,873	-32%	5,137	4%
in foreign currency	R$ million	19,094	16,757	14%	20,216	-6%
Average maturity	**years**	**7.8**	**7.6**	**-**	**7.9**	**-**
Short-term debt	**%**	**11.3%**	**10.4%**	**0.9 p.p**	**10.2%**	**1.1 p.p**
Cash, cash equivalent and investments	**R$ million**	**11,009**	**12,466**	**-12%**	**9,985**	**10%**
in BRL	R$ million	4,631	6,078	-24%	4,105	13%
in foreign currency	R$ million	6,378	6,388	0%	5,880	8%
Fair value of derivative instruments	**R$ million**	**228**	**(192)**	**N.M.**	**97**	**135%**
Net debt	**R$ million**	**13,214**	**12,356**	**7%**	**15,271**	**-13%**
Net debt/Adj. EBITDA LTM	**x**	**1.91x**	**2.62 x (3)**	**-0.71x**	**2.60x (3)**	**-0.69x**
BRL/USD	**R$**	**3.87**	**3.31**	**17%**	**4.00**	**-3%**

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

In December 2018, gross debt amounted to R$24.5 billion, 1% lower when compared to December 2017. Despite the prepayment of R$1.9 billion of debts, primarily by Votorantim Cimentos, during 2018, this decrease in gross debt was offset by the depreciation of the Brazilian real against the US dollar (from R$/US$3.31 in Dec/17 to R$/US$3.87 in Dec/18).

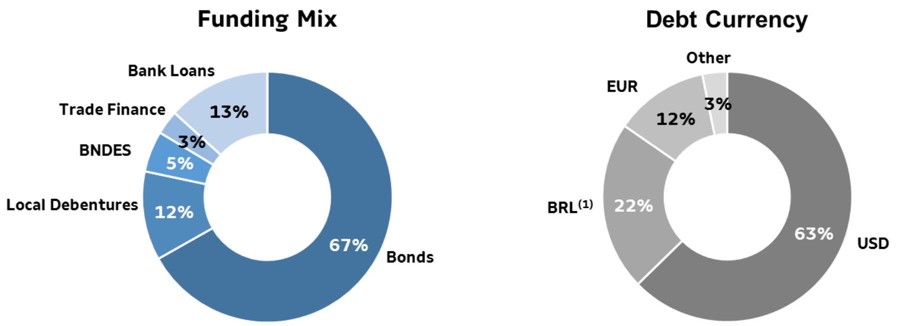
The chart below summarizes the main changes in gross debt figures:



Pro Forma considers the pre-payment by Votorantim Cimentos of a portion of the bonds due in 2041, 2021 and 2022, executed in February, 2019. Also, as part of the strategy of reducing gross debt, the bond due in 2019 and two 4131 bilateral loans were prepaid by VSA, in January and February, 2019, respectively.

The Effects of subsidiaries excluded from the consolidation represents the total debt of the Ventos do Piauí wind farm, which is now at the JV level and thus is not consolidated in VSA 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

Cash, cash equivalents and financial investments ended the quarter at R$11.0 billion, 42% of which was denominated in Brazilian real.

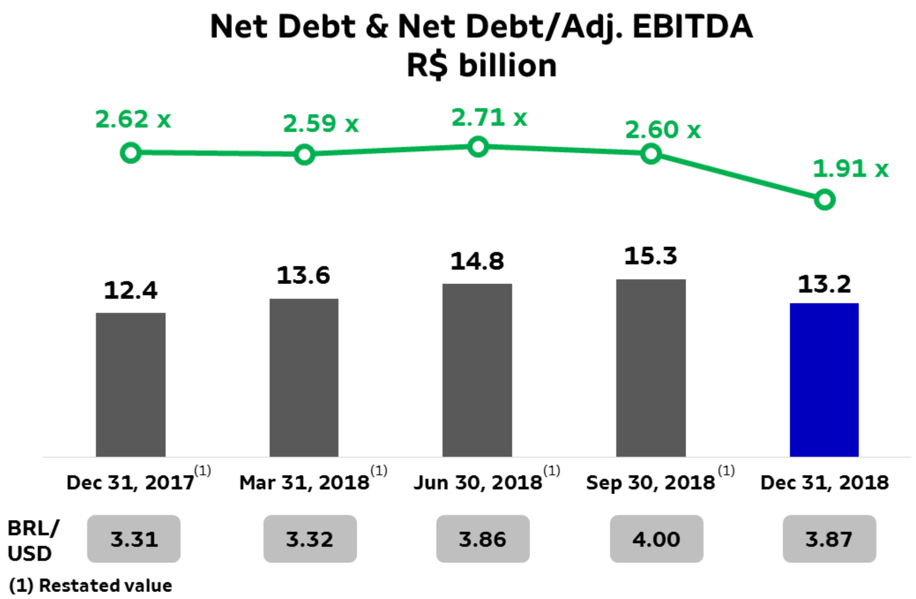
Cash is mainly invested in Brazilian government bonds and fixed-income products of Brazilian and foreign financial institutions. Most of these investments are in high quality counter parts, have high liquidity and are diversified in order to mitigate concentration risk.

On August 09, 2018, Votorantim S.A. and Votorantim Cimentos concluded the extension of the revolving credit facilities. Twelve banks are committed with the revolvings, of US$200 million for Votorantim S.A. and US$500 million for Votorantim Cimentos.

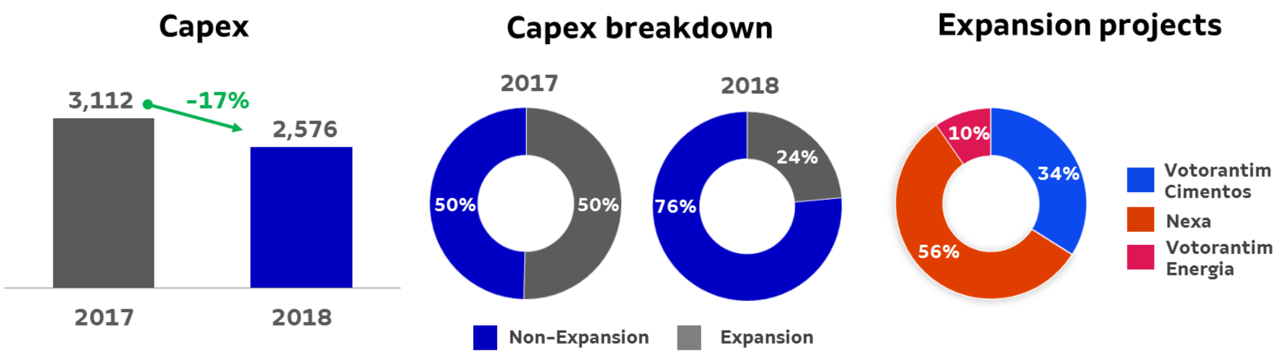
The two revolving credit facilities, both expiring in 2023, strengthen Votorantim's liquidity position, which totaled R$13.7 billion in 2018. These revolving credit facilities were not disbursed.

Net debt totaled R$13.2 billion, 7% higher when compared to December 2017, mainly explained by the depreciation of the Brazilian real against the US dollar. Financial leverage, measured by the net debt/adjusted EBITDA ratio, came to 1.91x, a substantial decrease of 0.71x over December 2017 and 0.69x over September 2018.

The chart below illustrates the consolidated net debt and the net debt/adjusted EBITDA ratio since December 31, 2017:



Capex



Capex totaled R$2.6 billion, 17% lower when compared to 2017.

In 2018, expansion projects represented 24% of total investments, compared to 50% in 2017.

Cement projects accounted for 34% of total expansion investments. The start-up at Charlevoix occurred in June/2018, adding 0.6 million tpy of capacity in the Great Lakes. This plant contributes to the 52.8 mtpy global capacity, of which approximately 35% is outside of Brazil.

Representing 56% of total expansion investments, Nexa continued investing in the project to extend the working life of the mine in Vazante (Minas Gerais/Brazil). This investment aims to extend the mine's life until 2027, ensuring the supply of zinc. Nexa also started to invest in FEL3 and in the commencement of the execution of the Aripuanã project in Brazil, which its Board approved in October 2018.

Votorantim Energia's wind power generation project ("Ventos do Piauí I") accounted for 10% of total expansion investments and this amount was to complete the financial execution of the project in the beginning of the year.

Free Cash Flow

R$ million	2018	2017	2018 vs. 2017	
Adjusted EBITDA	**6,933**	**4,717**	**2,216**	**47%**
Working capital / other	(2,236)	(234)	(2,002)	856%
Income tax and other	(614)	(688)	74	-11%
CAPEX	(2,576)	(3,112)	536	-17%
CFO	**1,507**	**683**	**824**	**121%**
Investments / Divestments	225	3,873	(3,648)	-94%
Financial result	(1,342)	(1,734)	392	-23%
Dividends	(850)	(359)	(491)	137%
FX effect on cash	860	391	469	120%
FCF	**400**	**2,854**	**(2,454)**	**-86%**

In 2018, Cash Flow from Operations (CFO) increased by 121% when compared to 2017, mainly due to the CAPEX reduction and the increase in adjusted EBITDA. The negative variation in the working capital/other account is mainly explained by the non-cash items that are considered in adjusted EBITDA and in financial results, such as the reversal of tax provisions and the depreciation of the Brazilian real against the US dollar in the consolidation of operations abroad. The derivatives settlements impacts, increased inventories and trade receivables in CBA, also negatively impacted the working capital.

Free Cash Flow (FCF) totaled R$400 million. The negative variation of R$2.5 billion is mostly due to the proceeds from the Nexa IPO and the sale of non-strategic cement assets in 2017.

BUSINESSES

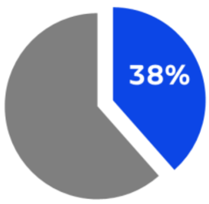
R$ million	Votorantim Cimentos	Nexa	CBA	Votorantim Energia	Long Steel	Others[1]	Consolidated[2]
Net revenues	12,610	9,066	5,417	4,456	2,112	(1,713)	31,948
COGS	(10,224)	(6,904)	(4,468)	(4,283)	(1,844)	1,814	(25,909)
SG&A	(1,423)	(622)	(233)	(94)	(158)	(405)	(2,935)
Other operating results	596	(345)	(35)	345	182	(193)	550
Depreciation, amortization and depletion	1,038	974	303	27	91	38	2,471
Other additions and exceptional items	27	11	(152)	(294)	0	1,216	808
Adjusted EBITDA	2,624	2,180	832	157	383	757	6,933
EBITDA margin	21%	24%	15%	4%	18%	-44%	22%

(1) Includes Holding, eliminations and others

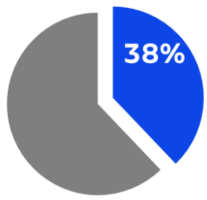
(2) Considers Votorantim Cimentos, Nexa, CBA, Votorantim Energia, Long Steel and Holding. Citrosuco and Banco Votorantim are recognized under the equity method

VOTORANTIM CIMENTOS

Net revenues



Adjusted EBITDA



R$ million	2018	2017	2018 vs. 2017
Net revenues	**12,610**	**10,928**	**15%**
COGS	**(10,224)**	**(8,726)**	**17%**
SG&A	**(1,423)**	**(1,385)**	**3%**
Selling expenses	(613)	(578)	6%
General & adm. expenses	(810)	(807)	0%
Other operating results	**596**	**(207)**	**N.M.**
Depreciation, amortization and depletion	**1,038**	**956**	**9%**
Other additions and exceptions items	**27**	**167**	**-84%**
Adjusted EBITDA	**2,624**	**1,733**	**51%**
EBITDA margin	**21%**	**16%**	**5 p.p**

Consolidated net revenues totaled R$12.6 billion in 2018, a 15% increase when compared to 2017, mainly explained by the results of the operations in Brazil and in the US, combined with the positive effect of the depreciation of the Brazilian real against the US dollar and Euro, on the consolidation of operations abroad.

VCBR's net revenues increased by 14%, from R$5.8 billion in 2017 to R$6.6 billion in 2018, despite the 1.2% decrease in volumes in the Brazilian cement market according to SNIC. Net revenues in VCNA reached R$3.4 billion, a 17% increase when compared to 2017, due to higher cement volumes and prices in the US that mitigated a more challenging market environment in Canada, combined with the depreciation effect of the Brazilian real. VCEAA's net revenues improved by 14%, from R$1.7 billion in 2017 to R$1.9 billion in 2018, as a result of increased volumes in Spain, higher local prices, mainly in Tunisia, and the Brazilian real depreciation which partially offset lower cement volumes in Turkey combined with the Turkish lira strong depreciation. VC Latam's net revenues increased by 30% when compared to 2017, from R$517 million to R$672 million, mainly due to higher volumes in Bolivia, as a reflection of the expansion ramp-up and higher volumes and prices in Uruguay due to a positive domestic environment.

Consolidated COGS increased by 17% when compared to 2017, reaching R$10.2 billion in 2018, as a result of higher fuel and power prices combined with the strengthening of the US dollar and higher freight costs, mainly in Brazil.

Consolidated SG&A totaled R$1.4 billion, 3% higher than 2017, driven by higher expenses in VC Latam due to the ramp-up in Bolivia and the depreciation of the Brazilian real which negatively impacted overall SG&A in the operations abroad. Despite the negative impact of the FX, general and administrative expenses maintained 2017 levels as part of the Company's continued focus on efficiency and cost reduction.

Consolidated Adjusted EBITDA reached R$2.6 billion in 2018, an increase of 51% when compared to 2017, with margin reaching 21% versus 16% in 2017. The most significant growth was in VCBR, which presented an adjusted EBITDA of R$1.0 billion when compared to R$344 million in 2017, as a result of the higher operational results in the country along with non-recurring items mainly related to tax credits related to the exclusion of ICMS on the PIS/COFINS, which positively impacted 2018's results. On a like-for-like basis, VCBR's adjusted EBITDA would have increased by 26% YoY.

VCNA's adjusted EBITDA increased by 14%, from R$868 million in 2017 to R$992 million in 2018, mainly due to higher sales volumes and prices in the US, combined with the depreciation of the Brazilian real against the US dollar, which helped to mitigate the challenging scenario in Canada, as well as to offset higher fuels and material costs. VCNA's EBITDA margin remained strong (in local currency), reaching 28% in 2018.

VCEAA's adjusted EBITDA increased in 2018, amounting to R$461 million, positively affected by the depreciation of the Brazilian real and the increase in EBITDA margins in Tunisia and Spain, consistent results in Morocco which partially offset the lower results in Turkey.

VC Latam's adjusted EBITDA increased by 47%, from R$99 million to R$145 million in 2018, as a result of the positive performance in Uruguay, due to positive pricing and volume dynamics in the local market and higher volumes and scale efficiency, resulting from the ramp-up in Bolivia.

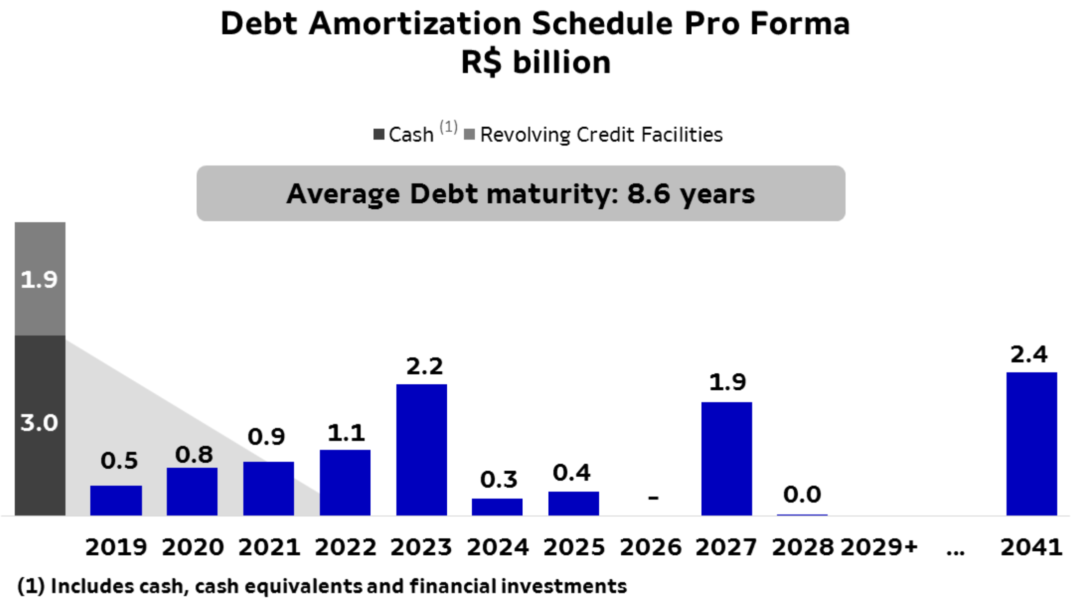
Liquidity and Indebtedness

In December 2018, gross debt amounted to R$13.5 billion, 1% lower when compared to the same period of 2017. Votorantim Cimentos reduced its gross debt by approximately R$1.4 billion, considering the net of borrowings and amortizations. Nevertheless, this reduction was fully offset by the depreciation of the Brazilian real against foreign currencies.

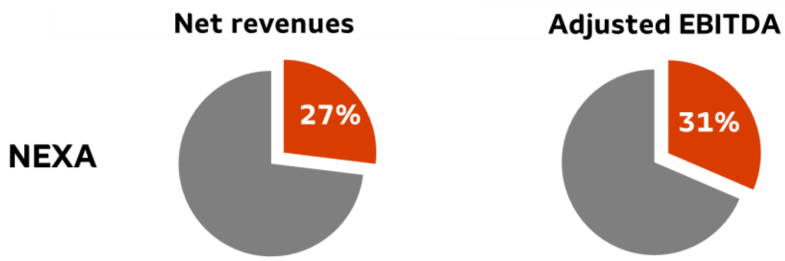
In January 2019, Votorantim Cimentos received a capital injection of R$2.0 billion from Votorantim S.A., in order to expedite the deleverage process. The proceeds were fully used for debt repayment through a cash tender offer to repurchase bonds in dollars and euros maturing in 2021, 2022 and 2041. The tender offer resulted in a gross debt reduction of R$3.0 billion. Considering the tender offers, pro-forma gross debt reduced by 23% when compared to 2017 and reached R$10.5 billion.

Votorantim Cimentos ended 2018 with a net debt/adjusted EBITDA ratio of 3.64x, a 1.6x reduction when compared to the end of 2017, due to better operational results and cash flow generation. Considering the capital increase and consequent liability management, pro-forma net debt/adjusted EBITDA ratio would have reached around 2.8x.

The chart below summarizes the debt amortization schedule, after the capital injection and the tender offer transaction:



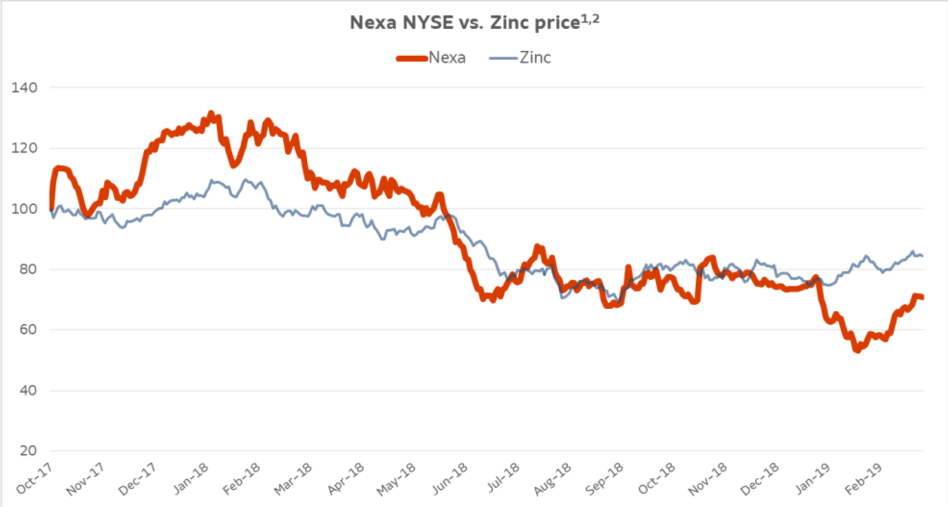
Another highlight of 2018 was the creation of Votorantim Cimentos International (VCI), which aggregates all company investments outside Brazil. Based in Luxembourg, the company, created in October 2018, aims to facilitate the continued international expansion of Votorantim Cimentos, in addition to enabling an even more efficient capital management. VCI is now the issuer of the bonds in Euro maturing in 2021 & 2022 and the bond in USD maturing in 2041, which are now guaranteed by Votorantim Cimentos S.A.



After the IPO, Votorantim S.A. continues to consolidate Nexa's results as the controlling shareholder, holding 64% of its shares. Nexa's functional currency is the US dollar.

In 2018, Nexa reported net revenues of US$2.5 billion and adjusted EBITDA of US$605 million, 2% higher and 9% lower, respectively, when compared to 2017. The slightly higher metal prices combined with higher metal sales were offset by higher costs and lower by-product credits.

The average LME price for zinc in 2018 was US$2,922/ton, 1% higher than the average price than in 2017. At the end of December 2018, the price was US$2,511/ton, down 2% compared to US$2,573/ton at the end of September 2018.



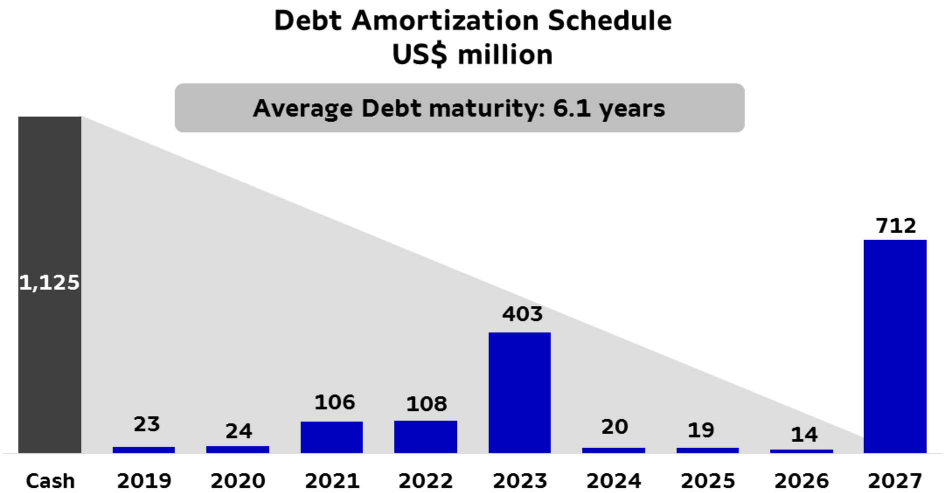
[1]Source: Bloomberg; ²First day of serie = 100

Nexa's share prices decreased by 26% from the IPO until December 31, 2018, going from US$16.00 to US$11.90 per share. The average price in this period was US$15.39.

During 2018, Nexa repurchased 112,388 common shares, at an average price of US$12.00 per share, for an aggregate purchase price of US$1.350 million. The common shares repurchased in 2018 represent 0.24% of the free float of common shares outstanding before the launch of the program.

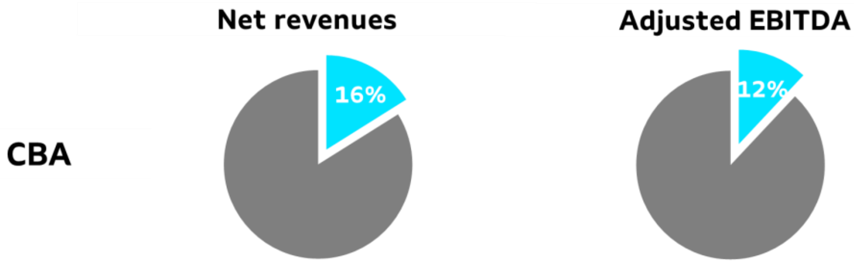
Liquidity and Indebtedness

As of December 31, 2018, total gross debt was US$1,429 million, mainly composed of unsecured bonds, issued by Nexa and its subsidiary Nexa Peru, totaling US$700 million due in 2027 and US$343 million due in 2023.



Nexa reported a cash balance of US$1,125 million and net debt of US$303 million, resulting in a 0.50x net debt/adjusted EBITDA ratio.

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



R$ million	2018	2017	2018 vs. 2017
Net revenues	**5,417**	**4,423**	**22%**
COGS	**(4,468)**	**(3,773)**	**18%**
SG&A	**(233)**	**(229)**	**2%**
Selling expenses	(36)	(24)	50%
General & adm. expenses	(197)	(205)	-4%
Other operating results	**(35)**	**279**	**N.M.**
Depreciation, amortization and depletion	**303**	**318**	**-5%**
Other additions and exceptions items	**(152)**	**(582)**	**-74%**
Adjusted EBITDA	**832**	**436**	**91%**
EBITDA margin	**15%**	**10%**	**6 p.p**

Aluminum Market

2018 presented a noticeable volatility and uncertainty regarding the aluminum market and macroeconomic indicators. On the aluminum global market, fundamentals gained strength throughout in the year, with increased aluminum deficit, a result of resilient demand, less than expected supply and decreasing stocks levels. On the cost side, main raw materials cost increased significantly in relation to previous years, supporting higher aluminum prices. On the other hand, the market confidence was impacted by US tariffs, escalating trade war between China and the U.S. and unstable economic growth around the globe, leading to lower LME prices, mainly on the second semester.

During the 1Q18, the US government imposed a 10% duty on all aluminum imports and the uncertainty related to alumina supply, resulted on an average LME of US$2,159/ton in the period. Shortly afterwards, the Trump administration sanctioned Rusal, the biggest aluminum producer outside China, leading to an aluminum price peak of US$2,602/ton in April 2018.

A downtrend was observed during the second half of 2018, explained by weak economic data from Eurozone, U.S.A., China and other countries, the strengthening of the dollar and the intensification of the trade war. As a result, the LME aluminum price reached its sixteen months low (US$ 1,869/ton) at the end of December.

For the year, the average LME aluminum price rose 7% when compared to 2017, moving from US$1,969/ton to US$2,110/ton. In the same period, the Brazilian real presented a

15% depreciation against the US dollar, which resulted in a 23% increase in the LME aluminum price in local currency.

Reflecting U.S. government decisions, mainly the imposition of tariff on aluminum imports, U.S. regional premiums were affected. The U.S. Midwest premium went from US$ 198/tons in 2017 up to US$ 420/tons in 2018, posting a 111% surge year over year.

In Brazil, the main market segments that demand downstream products are packaging and transportation, according to the Brazilian Aluminum Association (ABAL). During the twelve months of 2018, the packaging sector (considering only metal packaging) recorded a 3% growth in production when compared to 2017, as reported by the IBGE (Brazilian Institute of Geography and Statistics). In the automotive sector, according to ANFAVEA (National Association of Automotive Vehicles Manufacturers), there were relevant 27% and 38% increase on the truck and bus productions, respectively, compared to previous year levels. These increments on production contributed to a growth of 10.3% in the Brazilian aluminum sales, reaching 1,115 thousand tons (does not include powder and destructives), according to ABAL. In the year, the sales of aluminum for the packaging segment showed an 8% growth (excluding cans), while the transportation sector experienced a 14% raise.

Results

Sales volume totaled 405 thousand tons in 2018, an 11% increase compared to 2017, leveraged by higher trading activity and exports sales.

Net revenues grew by 22% in 2018 versus 2017, amounting to R$5.4 billion. The better all-in aluminum prices in local currency, alongside the broadened presence of value-added products in both Downstream and Upstream businesses benefited the results. In the period, the lower surplus energy sales was partially offset by higher energy prices. With respect to the aluminum business, net revenues rose by 33%, in 2018, reaching R$4.4 billion.

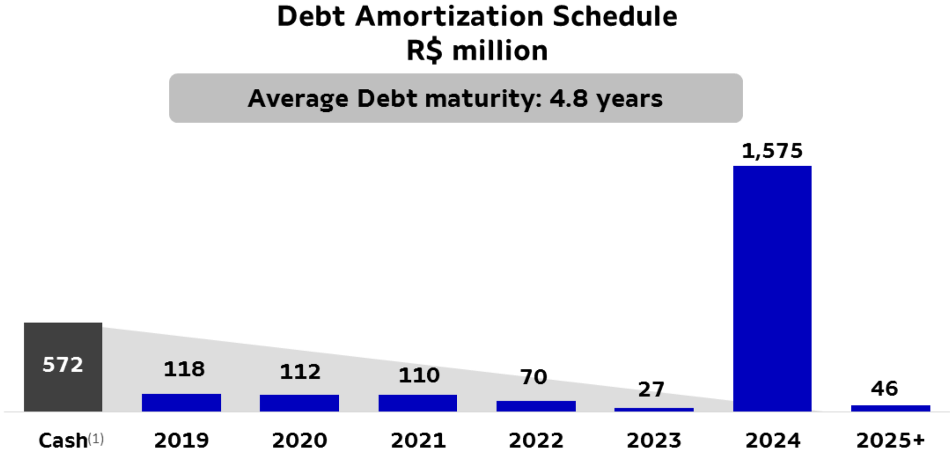
The 18% increase in COGS, which posted a total of R$4,468 million, was impacted by higher sales volume and significant raw material price inflation (mainly soda, petcoke, natural gas and pitch). SG&A increased by 2% during the year, mainly driven by adjustments on bad debt provisions, partially offset by lower personal and third party expenses.

Adjusted EBITDA had a 91% growth in the full year of 2018 versus 2017, reaching R$832 million, mostly driven by higher all-in aluminum prices, improved cost competitiveness, sales profitability, better mark-to-market of future energy surplus not yet sold and reversal of provisions due to a favorable ruling in the appeals court regarding an energy contract. As to the aluminum business, adjusted EBITDA increased by 47%, to R$860 million.

Liquidity and Indebtedness

In 2018, CBA’s gross debt amounted to R$2.1 billion, 27% lower when compared to 2017. Despite the depreciation of the Brazilian real against the US dollar in the period, the transfer of US$241 million Eurobonds maturing on 2021 to VSA, through the capital reduction, led to a debt reduction.

The chart below summarizes the debt amortization schedule:



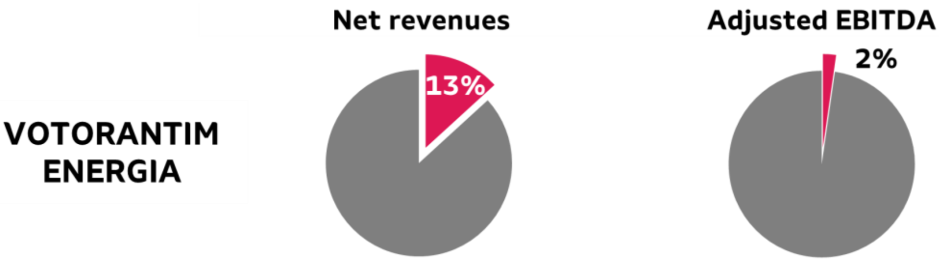
(1) Includes cash, cash equivalents and financial investments

As part of CBA's strategy to reduce costs and extend maturity, on December 2018, the Company extended part of its BNDES loans average maturity from 0.6 to 5.0 years, further reducing their cost.

Cash, cash equivalents and financial investments ended the year at R$572 million, 93% of which was denominated in Brazilian real. This cash position is sufficient to cover all obligations due in the next 5 years. Additionally, CBA is part of Votorantim S.A.'s revolving credit facility of US$200 million, which strengthened CBA's liquidity position.

Cash is mainly invested in Brazilian government bonds and fixed-income products of Brazilian and foreign financial institutions. Most of these investments are in high quality counter parts, have high liquidity and are diversified in order to reduce concentration risk.

Net debt totaled R$1.4 billion, 30% lower than in 2017. Financial leverage, measured by the net debt/adjusted EBITDA ratio, came to 1.65x, a substantial decrease from 4.54x in December 2017. The EBITDA increase, capital reduction and financial discipline allowed the Company to reach its leverage target.



R$ million	2018	2017	2018 vs. 2017
Net revenues	**4,456**	**4,124**	**8%**
COGS	**(4,283)**	**(3,873)**	**11%**
SG&A	**(94)**	**(82)**	**15%**
Selling expenses	-	-	-
General & adm. expenses	(94)	(82)	15%
Other operating results	**345**	**(258)**	**N.M**
Depreciation, amortization and depletion	**27**	**16**	**69%**
Other additions and exceptions items	**(294)**	**-**	**N.M**
Adjusted EBITDA	**157**	**(73)**	**N.M**
EBITDA margin	**4%**	**-2%**	**5 p.p**

Consolidated net revenues totaled R$4.5 billion, 8% higher when compared to 2017, mainly due to energy trading results. Sales trading volume increased by 6% in 2018, reaching a record level of 2.3 GWavg. Additionally, the results from power generation with Ventos do Piauí I (before the closing of the JV in May 2018), which started to fully operate at the end of 2017, also contributed to the increase in net revenues.

Adjusted EBITDA came to R$157 million, positively impacted by the non-cash effect of the mark-to-market of energy contracts (R$238 million negative in 2017 versus R$44 milllion in 2018) and dividends received from equity stakes in Votorantim's hydro power plants. These effects were partially offset by the lower operating margin from energy trading.

JV VE-CPPIB

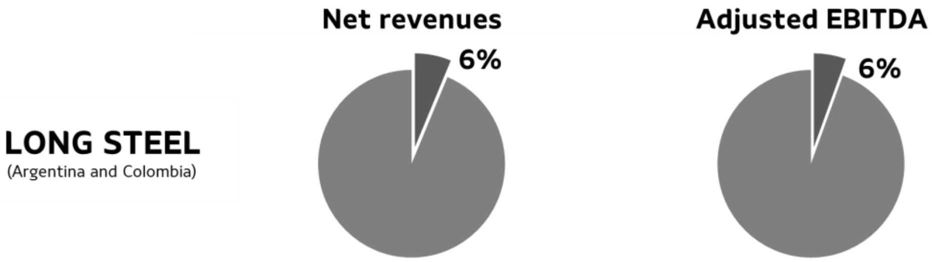
In December 2017, VE and CPPIB engaged in an agreement to form a new joint venture focused on investments in the Brazilian power generation sector. The transaction was concluded in May 2018, through the contribution of Ventos do Piauí I wind complex by VE and the acquisition of Ventos do Araripe III wind complex from Casa dos Ventos. Both assets have a combined installed capacity of 564MW. As a result of the closing of the transaction with CPPIB, VE began to account for its 50% interest in the joint venture using the equity method.

In October 2018, the joint venture acquired the state of São Paulo's controlling stake at CESP in a privatization auction, with an offer of R$14.60 per share, representing an investment of R$1.7 billion. With the conclusion of the transaction on December 11, 2018, the joint venture acquired a 35.6% stake at CESP, totaling 80.2% of common shares and 13.7% of class B preferred shares. Following the completion of the transaction, CESP will be granted a new 30-year concession for the Porto Primavera Hydroelectric Power Plant in exchange for a payment of R$1.4 billion. Additionally, the joint venture will launch a mandatory tender offer for the remaining common and class B preferred shares of CESP.

JV's consolidated financial statements include the full results of Ventos do Piauí I in the year and the results of Ventos do Araripe III from June to December (after the joint venture's closing transaction). As its controlling shareholder, the JV will consolidate 100% of CESP's results from 2019, with minority interest reported separately. The JV's net revenues totaled R$440 million in 2018 and adjusted EBITDA was R$322 million, resulting in an EBITDA margin of 73%.

Liquidity and Indebtedness

On December 31, 2018, excluding CESP's position, net debt amounted to R$2.0 billion. Such indebtedness is related to the funding of the construction of the wind power assets, including a significant portion of BNDES and infrastructure debentures in the local market, with an average maturity of 8.2 years.



R$ million	2018	2017	2018 vs. 2017
Net revenues	**2,112**	**1,659**	**27%**
COGS	**(1,844)**	**(1,430)**	**29%**
SG&A	**(158)**	**(111)**	**42%**
Selling expenses	(25)	(22)	14%
General & adm. expenses	(133)	(89)	49%
Other operating results	**182**	**46**	**296%**
Depreciation, amortization and depletion	**91**	**108**	**-16%**
Other additions and exceptions items	**-**	**-**	**-**
Adjusted EBITDA	**383**	**272**	**41%**
EBITDA margin	**18%**	**16%**	**2 p.p**

Net revenues in Argentina and Colombia totaled R$2.1 billion in 2018, 27% higher than in 2017, mainly due to the increase in prices in Argentina and Colombia, and were partially offset by the depreciation of the Argentine peso against the Brazilian real.

COGS totaled R$1.8 billion, a 29% increase when compared to 2017, mainly resulting from higher raw material expenses in Argentina and Colombia, which were offset by the depreciation of the Argentine peso against the Brazilian real and the decrease in sales volume in Colombia.

SG&A totaled R$158 million, an increase of R$47 million when compared to 2017.

Adjusted EBITDA increased by 41% over 2017, totaling R$383 million, mainly explained by higher prices in Argentina and Colombia and by the sales of mining titles in Colombia.

Liquidity and Indebtedness

As of December 31, 2018, total gross debt was US$112 million and cash was US$176 million. The main debt (US$111 million) is a working capital loan, maturating in 2019.

- **ArcelorMittal Sul Fluminense**

Votorantim Siderurgia S.A. is now a subsidiary of ArcelorMittal Brasil S.A. (AMB) and it has been rebranded as ArcelorMittal Sul Fluminense (AMSF). Votorantim S.A. holds a 15% stake in the long steel business of AMB, and the net loss of R$71 million in 2018 was consolidated in Votorantim S.A.'s results as a financial instrument, through the fair value of the put option, which is the option Votorantim S.A. has to sell its shares in AMB to AMB between July 1st, 2019 and December 31st, 2022.

BUSINESSES RECOGNIZED UNDER THE EQUITY METHOD

In 2018, Votorantim S.A. posted a net income of R$2.0 billion million and the businesses that were recognized under the equity method, primarily Fibria, contributed with R$1.6 billion of this total amount.

R$ million	2018	2017
Net income/loss without results from investees	**316**	**(412)**
Fibria	1,002	320
Citrosuco	(15)	414
Banco Votorantim	530	315
Other	121	174
Net income	**1,954**	**810**

- **Fibria**

On March 16, 2018, VSA entered into an agreement with Suzano to combine the operations and shareholding structures of Suzano and Fibria Celulose S.A.

Fibria's results were recognized under the equity method until March, 2018, which represented a positive impact in VSA's consolidated results of R$181 million. In December, 2018, Fibria paid R$820 million in dividends, and this amount also positively impacted VSA's net income in the year.

The final closing of the transaction occurred on January 14, 2019.

Please refer to Suzano's IR website (www.suzano.com.br/ir) for additional information.

- **Citrosuco**

Citrosuco's functional currency is the US dollar.

Citrosuco's results from the Jul/17-Jun/18 harvest were positively impacted by the increase in the average net price of orange juice in dollars and higher sales volume of Not From Concentrate Orange Juice (NFC). During this harvest, Citrosuco consolidated the effects of its maturation and obtained one of the best operational performances of its history.

Net revenues totaled US$1.3 billion, 6% above the previous harvest, and EBITDA increased 39% when compared to the Jul/16-Jun/17 harvest, totaling US$294 million.

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

- **Banco Votorantim**

The Bank made progress towards the strategy to improve business returns, increase operational efficiency, and diversify income sources, continuously investing in digital transformation aimed at improving the client experience.

Net income in 2018 totaled R$1.1 billion – the equivalent to an annualized return on shareholders' equity (ROE) of 11.5% per year, comparable to R$582 million in 2017, representing growth of 82% over the period. Such an increase reflects the good performance of operating income, driven by (i) higher profitability of the businesses, (ii) lower expenses with loan loss, and (iii) lower expenses with contingent liabilities.

The efficiency indicators of the portfolio were kept under control, supported by the combination of improvements in the credit models and the prudence in the granting of loans. 90-Day NPL closed 2018 at 4.2%, compared to 4.0% in the end of 2017.

The Basel Ratio ended the year at 15.7%, 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 standards. However, the consolidated results of Votorantim S.A. are recognized under the IFRS equity method.

Please refer to Banco Votorantim's IR website (www.bancovotorantim.com.br/ir) for additional information.

2. ADDITIONAL REMARKS

a. Fibria

The combination of operations and shareholder bases was consummated on January 14, 2019. The transaction was approved by the Shareholders' Meetings of Fibria and Suzano, and by the Antitrust Authorities of the USA, China, Turkey, Brazil and Europe.

The total cash received from this transaction was R$9.0 billion, plus a 5.5% stake in Suzano.

b. Prepayment of Debts - VSA

On January 23, 2019, occurred the redemption of the remaining amount of the debt security with a coupon of 6.625% per annum, maturing in 2019 ("Bond 2019"), issued by VSA in 2009, in the total amount of US$207 million.

On February 14, 2019, VSA prepaid the bilateral loan, maturing in 2020, in the total amount of R$187 million.

On February 25, 2019, VSA prepaid the bilateral contract, maturing in 2021, in the total amount of R$385 million.

c. Debts' prepayment - Votorantim Cimentos

On January 10, 2019, Votorantim Cimentos International (VCI) announced the tender offer ("Tender Offer") of its euro bonds maturing in 2021 and 2022, and its US dollar bonds maturing in 2041. On February 14, 2019, the repurchase transaction was settled, with the principal amount of EUR 60.7 million of the issue with maturity in 2021, EUR 151.5 million maturing in 2022 and US$540.3 million maturing in 2041, and a total cash disbursement of R$3.3 billion.

d. Results of the offer to employees: CESP – Votorantim Energia

According to privatization auction rules in Brazil, in January 2019, the JV purchased additional shares of CESP related to the remaining shares not acquired during the offer to employees, totalizing an investment of R$210 million. After the results of the acquisition of the employees' leftover shares, the JV now holds a 40.0% stake in CESP, representing 93.5% of common shares with voting rights.

3. INVESTOR RELATIONS CONTACTS

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

Consolidated Income Statement R$ million	2018	2017
Continuing operations		
Net revenues from products sold and services rendered	31,948	26,799
Cost of products sold and services rendered	(25,909)	(21,171)
Gross profit	6,039	5,628
Operating income (expenses)		
Selling	(775)	(701)
General and administrative	(2,173)	(2,013)
Other operating income (expenses), net	550	(553)
	(2,398)	(3,267)
Operating profit (loss) before equity results and finance results	3,641	2,361
Result from equity investments		
Equity in the results of investees	814	1,219
Dividend received	820	
Realization of other comprehensive income on disposal of investments	4	3
	1,638	1,222
Finance results, net		
Finance income	1,261	1,153
Finance costs	(2,531)	(2,705)
Derivative financial instruments	204	(213)
Foreign exchange losses, net	(977)	(724)
	(2,043)	(2,489)
Profit (loss) before income tax and social contribution	3,236	1,094
Income tax and social contribution		
Current	(456)	(722)
Deferred	(608)	586
Profit (loss) for the year from continuing operations	2,172	958
Discontinued operations		
Loss for the year from discontinued operations	(218)	(148)
Profit (loss) for the year attributable to the owners	1,954	810
Profit (loss) attributable to the owners of the Company	1,746	590
Profit (loss) attributable to non-controlling interests	208	220
Profit (loss) for the year	1,954	810

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

EXHIBIT II – VOTORANTIM S.A. CONSOLIDATED CASH FLOW

R$ million	2018	2017
Cash flow from operating activities	3,236	1,094
Profit (loss) before income tax and social contribution		
Loss on discontinued operations	(218)	(148)
Adjustments of items that do not represent changes in cash and cash equivalents		
Depreciation, amortization and depletion	2,470	2,325
Equity in the results of investees	(814)	(1,219)
Deliberation of interim dividends from Fibria	(820)	
Interest, indexation and foreign exchange variations	501	2,054
Reversal for impairment of fixed, intangible assets and investments	(52)	(71)
Loss (gain) on sale of fixed and intangible assets, net	(42)	(4)
Gain on sale of investments, net	(123)	(625)
Discontinued operations - China, California and Florida		(23)
Realization of other comprehensive income - financial results		331
Fair value adjustment - Resolution 4131	(28)	47
Constitution (reversal) of provision	120	(278)
Derivative financial instruments	(162)	(319)
Financial instruments - firm commitment	132	522
Fair value adjustment due to VTRM operation	(300)	
Gain on financial instrument - put option	(71)	
Gain in debt renegotiation	(69)	
Tax recovery	(498)	
Change in fair value of biological assets		8
	3,262	**3,694**
Decrease (increase) in assets		
Financial investments	346	442
Derivative financial instruments	(92)	(202)
Trade accounts receivable	(168)	(420)
Inventory	(293)	(130)
Taxes recoverable	(262)	12
Related parties	(17)	395
Other accounts receivable and other assets	50	(358)
Increase (decrease) in liabilities		
Trade payables	778	630
Salaries and social charges	(50)	47
Use of public assets	(13)	(84)
Taxes payable	31	160
Other obligations and other liabilities	200	171
Cash provided by (used in) operating activities	**3,772**	**4,357**
Interest paid on borrowing and use of public assets	(1,461)	(1,558)
Income tax and social contribution paid	(614)	(688)
Net cash provided by (used in) operating activities	**1,697**	**2,111**
Cash flow from investment activities		
Proceeds from disposals of fixed and intangible assets	177	178
Proceeds from sales of investments	419	3,699
Dividends received	1,085	540
Acquisitions of property, plant and equipment	(2,567)	(3,108)
Acquisitions of investments	(125)	
Increase in biological assets	(9)	(4)
Increase in intangible assets	(115)	(174)
Net cash used in investment activities	**(1,135)**	**1,131**
Cash flow from financing activities		
New borrowing	3,665	5,399
Repayment of borrowing	(5,532)	(5,881)
Derivative financial instruments	(11)	(561)
Payment of share premium Nexa	(95)	
Dividends paid	(850)	(359)
Net cash provided by (used in) financing activities	**(2,823)**	**(1,402)**
Decrease in cash and cash equivalents	**(2,261)**	**1,840**
Effect in cash and cash equivalent of companies included (excluded) in consolidation	(109)	
Effect of fluctuations in exchange rates	860	391
Cash and cash equivalents at the beginning of the year	**9,177**	**6,946**
Cash and cash equivalents at the end of the year	**7,667**	**9,177**

EXHIBIT III – VOTORANTIM S.A. CONSOLIDATED BALANCE SHEET

Consolidated Income Statement R$ million	Dec 31, 2018	Dec 31, 2017
Assets		
Current assets		
Cash and cash equivalents	7,667	9,177
Financial investments	3,390	3,345
Derivative financial instruments	216	52
Trade receivables	2,546	2,421
Inventory	3,814	3,526
Taxes recoverable	1,473	1,317
Dividends receivable	14	148
Financial instruments - firm commitment	202	210
Other assets	564	784
	19,886	20,980
Assets classified as held-for-sale	4,527	2,199
Non-current assets		
Long-term receivables		
Financial investments	23	25
Derivative financial instruments	256	138
Financial instruments - put option	744	
Taxes recoverable	2,731	1,784
Related parties	271	143
Deferred income tax and social contribution	4,079	4,079
Judicial deposits	755	765
Financial intruments - firm commitment		154
Other assets	685	667
	9,544	7,755
Investments	10,882	13,372
Biological assets	74	65
Property, plant and equipment	26,180	26,223
Intangible assets	13,341	12,075
	60,021	59,490
Total assets	84,434	82,669

	Dec 31, 2018	Dec 31, 2017
Liabilities and equity		
Current liabilities		
Borrowing	5,291	2,573
Derivative financial instruments	166	299
Confirming payables	1,187	909
Trade payables	4,262	3,514
Salaries and payroll charges	845	895
Taxes payable	490	617
Advances from clients	128	408
Dividends payable	482	188
Use of public assets	83	76
Deferred revenue - performance obligation	242	246
Deferred revenue - silver streaming	124	104
Financial instruments - firm commitment	19	1
Other liabiliites	808	643
	14,127	10,473
Liabilities related to assets as held-for-sale	108	1,526
Non-current liabilities		
Borrowing	19,160	22,057
Derivative financial instruments	78	83
Deferred income tax and social contribution	2,199	1,965
Related parties	136	25
Provision	2,595	2,587
Use of public assets	1,106	1,056
Pension plan	319	320
Financial instruments - firm commitment	161	207
Deferred revenue - performance obligation	29	272
Deferred revenue - silver streaming	650	630
Other liabilities	924	653
	27,357	29,855
Total liabilities	41,592	41,854
Equity		
Share capital	28,656	28,656
Revenues reserves	7,088	6,569
Carrying value adjustments	1,475	733
Total equity attibutable to owners of the Company	37,219	35,958
Non controlling interests	5,623	4,857
Total liabilities and equity	84,434	82,669

EXHIBIT IV – VOTORANTIM S.A. CONSOLIDATED INCOME STATEMENT (BY BUSINESS UNIT)

2018 Consolidated Income Statement R$ Million	Votoratim Cimentos	Nexa Resources	CBA	Long Steel	Votorantim Energia	Holding and others	Total, industrial segments	Total, consolidated
Continuing operations								
Net revenues from products sold and services rendered	12,610	9,066	5,417	2,112	4,456	1,064	31,948	31,948
Cost of products sold and services rendered	(10,224)	(6,904)	(4,468)	(1,844)	(4,283)	(963)	(25,909)	(25,909)
Gross profit	2,386	2,162	949	268	173	101	6,039	6,039
Operating income (expenses)								
Selling	(613)	(69)	(36)	(25)		(32)	(775)	(775)
General and administrative	(810)	(553)	(197)	(133)	(94)	(373)	(2,160)	(2,173)
Other operating income (expenses), net	596	(345)	(35)	182	345	(82)	550	550
	(827)	(967)	(268)	24	251	(487)	(2,385)	(2,398)
Operating profit (loss) before equity results and finance results	1,559	1,195	681	292	424	(386)	3,654	3,641
Result from equity investments								
Equity in the results of investees	120		(27)		39	1,323	810	814
Dividend received						820	820	820
Realization of other comprehensive income on disposal of investmen	4						4	4
	124		(27)		39	2,143	1,634	1,638
Finance results, net								
Finance income	647	233	152	15	108	230	1,253	1,261
Finance costs	(1,250)	(417)	(395)	(152)	(154)	(295)	(2,531)	(2,531)
Derivative financial instruments	34	(9)		4		175	204	204
Foreign exchange losses, net	(319)	(538)	(283)	(33)		(218)	(977)	(977)
	(888)	(731)	(526)	(166)	(46)	(108)	(2,051)	(2,043)
Profit (loss) before income tax and social contribution	795	464	128	126	417	1,649	3,237	3,236
Income tax and social contribution								
Current	(127)	(251)	(26)	(70)	(23)	41	(456)	(456)
Deferred	(600)	107	(48)	87	(116)	63	(610)	(608)
Profit (loss) for the year from continuing operations	68	320	54	143	278	1,753	2,171	2,172
Discontinued operations								
Loss for the year from discontinued operations	(58)					(160)	(218)	(218)
Profit (loss) for the year attributable to the owners	10	320	54	143	278	1,593	1,953	1,954
Profit (loss) attributable to the owners of the Company	(46)	274	43	97	278	1,593	1,746	1,746
Profit (loss) attributable to non-controlling interests	56	46	11	46			207	208
Profit (loss) for the quarter	10	320	54	143	278	1,593	1,953	1,954