



Votorantim
Votorantim S.A.



Condensed consolidated interim financial statements
and report of review

September 30, 2017



Report on review of consolidated condensed interim financial statements

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

Introduction

We have reviewed the accompanying consolidated condensed interim balance sheet of Votorantim S.A. and its subsidiaries (the “Company”), as at September 30, 2017 and the related consolidated condensed statements of income, comprehensive income, changes in equity and cash flows for the quarter and nine-month period then ended, and a summary of significant accounting policies and other explanatory notes.

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

Scope of review

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



Votorantim S.A.

Conclusion on the consolidated condensed interim financial statements

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

Curitiba, November 08, 2017

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PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

A handwritten signature in blue ink, belonging to Maurício Colombari, is written over a horizontal line.

Maurício Colombari
Contador CRC 1SP195838/O-3

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Votorantim S.A.**Balance sheet****Condensed consolidated interim balance sheet**

All amounts in millions of reais

**Votorantim**

(A free translation of the original in Portuguese)

	Note	9/30/2017	12/31/2016
Assets			
Current assets			
Cash and cash equivalents	7	5,788	6,946
Financial investments	8	3,830	3,190
Derivative financial instruments	5.3	119	136
Trade receivables	9	2,761	2,001
Inventory	10	3,270	3,381
Taxes recoverable	11	1,316	1,527
Dividends receivable	12	17	180
Financial instruments - firm commitment	13	260	317
Other assets		494	580
		17,855	18,258
Assets classified as held-for-sale	29	2,984	2,125
		20,839	20,383
Non-current assets			
Long-term receivables			
Financial investments	8	18	39
Derivative financial instruments	5.3	118	232
Taxes recoverable	11	1,666	1,586
Related parties	12	129	535
Deferred income tax and social contribution	19 (b)	4,104	4,055
Judicial deposits	21 (b)	825	420
Financial instruments - firm commitment	13	127	371
Other assets		734	858
		7,721	8,096
Investments	14 (c)	13,575	12,949
Property, plant and equipment	15	25,161	25,091
Intangible assets	16	12,067	13,013
Biological assets		68	66
		58,592	59,215
Total assets		79,431	79,598

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

Votorantim S.A.**Balance sheet****Condensed consolidated interim balance sheet**

All amounts in millions of reais

**Votorantim**

(A free translation of the original in Portuguese)

	Note	9/30/2017	12/31/2016
Liabilities and equity			
Current liabilities			
Borrowing	17	2,156	1,775
Derivative financial instruments	5.3	385	401
Confirming payables	18	769	968
Trade payables		2,819	2,723
Salaries and payroll charges		810	848
Taxes payable		535	422
Advances from clients		190	174
Dividends payable	12	238	48
Use of public assets		67	67
Deferred revenue - performance obligations	20	242	244
Deferred revenue - silver streaming		97	146
Other liabilities		573	649
		8,881	8,465
Liabilities related to assets held-for-sale	29	1,606	1,522
		10,487	9,987
Non-current liabilities			
Borrowing	17	22,757	22,644
Derivative financial instruments	5.3	350	342
Deferred income tax and social contribution	19 (b)	1,947	1,983
Related parties	12	25	22
Provision	21	2,209	2,346
Use of public assets		1,055	1,119
Pension plan		321	317
Financial instruments - firm commitment	13	57	10
Deferred revenue - performance obligations	20	333	515
Deferred revenue - silver streaming		628	669
Other liabilities		635	821
		30,317	30,788
Total liabilities		40,804	40,775
Equity			
Share capital	22 (a)	28,656	28,656
Revenue reserves		6,119	6,254
Retained earnings		479	
Carrying value adjustments	22 (c)	931	1,255
Total equity attributable to the owners of the Company		36,185	36,165
Non-controlling interests		2,442	2,658
Total equity		38,627	38,823
Total liabilities and equity		79,431	79,598

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



Condensed consolidated interim statement of income
Periods ended September 30

All amounts in millions of reais unless otherwise stated

(A free translation of the original in Portuguese)

	Note	7/1/2017 to 9/30/2017	7/1/2016 to 9/30/2016	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Continuing operations					
Net revenue from products sold and services rendered	23	7,510	6,676	19,954	19,616
Cost of products sold and services rendered	24	(5,540)	(5,018)	(15,285)	(15,123)
Gross profit		1,970	1,658	4,669	4,493
Operating income (expenses)					
Selling	24	(447)	(398)	(1,208)	(1,225)
General and administrative	24	(512)	(489)	(1,480)	(1,483)
Other operating expenses, net	26	(542)	(141)	(1,075)	(30)
		(1,501)	(1,028)	(3,763)	(2,738)
Operating profit before equity results and finance results		469	630	906	1,755
Results from equity investments					
Equity in the results of investees	14 (c)	446	(27)	931	558
Realization of other comprehensive income on disposal of investments		(1)		3	44
		445	(27)	934	602
Finance results, net					
Finance income	27	202	277	972	1,107
Finance costs		(727)	(624)	(1,989)	(2,011)
Result of derivative financial instruments		(173)	14	(260)	(919)
Foreign exchange losses, net		182	(17)	39	453
		(516)	(350)	(1,238)	(1,370)
Profit before income tax and social contribution		398	253	602	987
Income tax and social contribution					
Current	19 (a)	(278)	(182)	(482)	(488)
Deferred		386	133	407	300
Profit for the period from continuing operations		506	204	527	799
Discontinued operations					
Profit (loss) on discontinued operations	2.2 (a) and 29	13	(55)	1	(188)
Profit for the period attributable to the owners of the Company		519	149	528	611
Profit attributable to the owners of the Company		468	103	479	505
Profit attributable to non-controlling interests		51	46	49	106
Profit for the period		519	149	528	611
Weighted average number of shares - thousands (to the owners of the Company)		18,278,789	18,278,789	18,278,789	18,278,789
Basic and diluted earnings per thousand shares, in reais		25.60	5.64	26.21	27.63
From continuing operations					
Basic and diluted earnings per thousand shares, in reais		24.89	8.65	26.16	37.92
From discontinued operations					
Basic and diluted earnings (loss) per thousand shares, in reais		0.71	(3.01)	0.05	(10.29)

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

Condensed consolidated interim statement of comprehensive income
 Periods ended September 30
 All amounts in millions of reais

	Note	7/1/2017 to 9/30/2017	7/1/2016 to 9/30/2016	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Profit for the period		519	149	528	611
Other components of comprehensive income to be subsequently reclassified to profit or loss					
Foreign exchange variations attributable to the owners of the Company	22 (c)	(860)	200	(322)	(4,624)
Foreign exchange variations attributable to non-controlling interests	22 (c)	(153)	17	(109)	(674)
Hedge accounting for net investments abroad, net of taxes	5.4 and 22 (c)	316	(159)	92	2,068
Hedge accounting for the operations of subsidiaries	22 (c)	19	(41)	(33)	52
Fair value of financial assets available-for-sale of the non-consolidated investments	22 (c)	58	10	21	234
Realization of comprehensive income on the disposal of investments	22 (c)			(85)	(44)
Share in other comprehensive income of investees		(11)	104	57	45
		(631)	131	(379)	(2,943)
Other components of comprehensive income that will not be reclassified to profit or loss					
Remeasurement of retirement benefits, net of taxes		(3)	1	(6)	4
Other comprehensive income (loss) for the period		(634)	132	(385)	(2,939)
Comprehensive income (loss) from					
Continuing operations		(151)	185	142	(2,327)
Discontinued operations		36	96	1	(1)
		(115)	281	143	(2,328)
Comprehensive income (loss) attributable to					
Owners of the Company		(12)	193	155	(1,786)
Non-controlling interests		(103)	88	(12)	(542)
		(115)	281	143	(2,328)

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

Condensed consolidated interim statement of changes in equity

Periods ended September 30

All amounts in millions of reais unless otherwise stated

(A free translation of the original in Portuguese)

	Note	Revenue reserves						Attributable to the owners of the Company		
		Share capital	Tax incentives	Legal	Profit retention	Retained earnings	Carrying value adjustments	Total	Non-controlling interests	Total equity
At January 1, 2016		21,419	6	654	6,776		2,967	31,822	4,176	35,998
Comprehensive income for the period										
Profit for the period						505		505	106	611
Other comprehensive income (loss)							(2,291)	(2,291)	(648)	(2,939)
Comprehensive income for the period						505	(2,291)	(1,786)	(542)	(2,328)
Increase in share capital		7,237						7,237		7,237
Fair value on interest variation - Nexa Resources							571	571	(571)	
Reversal of dividends					113			113		113
Allocation of net income for the period										
Dividends									(79)	(79)
Total contributions and distributions to shareholders		7,237			113		571	7,921	(650)	7,271
At September 30, 2016		28,656	6	654	6,889	505	1,247	37,957	2,984	40,941
At January 1, 2017		28,656	10	654	5,590		1,255	36,165	2,658	38,823
Comprehensive income (loss) for the period										
Profit for the period						479		479	49	528
Other comprehensive income (loss)							(324)	(324)	(61)	(385)
Comprehensive income (loss) for the period						479	(324)	155	(12)	143
Allocation of net income for the period										
Dividends	22 (b)				(135)			(135)	(204)	(339)
Total contributions and distributions to shareholders					(135)			(135)	(204)	(339)
At September 30, 2017		28,656	10	654	5,455	479	931	36,185	2,442	38,627

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

Condensed consolidated interim statement of cash flow
Periods ended September 30
All amounts in millions of reais

(A free translation of the original in Portuguese)

	Note	7/1/2017 to 9/30/2017	7/1/2016 to 9/30/2016	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Cash flow from operating activities					
Profit before income tax and social contribution		398	253	602	987
Profit (loss) on discontinued operations		13	(55)	1	(188)
Adjustments to items that do not represent changes in cash and cash equivalents					
Depreciation, amortization and depletion	24	548	621	1,737	1,961
Equity in the results of investees	14 (c)	(446)	27	(931)	(558)
Realization of other comprehensive income on disposal of investments				(85)	(44)
Interest, indexation and foreign exchange variations		43	455	832	578
Write-off of goodwill on the sale operations in China	26			83	
Provision (reversal) for the impairment of fixed, intangible assets and investments	14, 15 and 16	(13)	(6)	(30)	51
Loss (gain) on sales of fixed and intangible assets, net	26	2	3	40	(40)
Loss (gain) on sales of investments, net	26	143		336	(312)
Write-off of fixed and intangible assets without cash effect				48	
Allowance for doubtful accounts	9 (a)	2	4	5	42
Fair value adjustment - Resolution 4131	17 (b)	20	30	58	(27)
Discount on repurchase of bonds	27		(172)		(172)
Reversal of provision		(146)	(20)	(492)	(38)
Derivative financial instruments		85	(150)	81	818
Financial instruments - firm commitment	13	33	132	348	166
Change in fair value of biological assets		5	2	8	(3)
		687	1,124	2,641	3,221
Decrease (increase) in assets					
Financial investments		16	(600)	(261)	1,101
Derivative financial instruments		(87)	(34)	(145)	(21)
Trade accounts receivable		(270)	(118)	(779)	244
Inventory		98	(8)	115	216
Taxes recoverable		23	35	131	288
Related parties		97	39	441	(154)
Other accounts receivable and other assets		234	22	302	74
Increase (decrease) in liabilities					
Deferred revenue - performance obligation		(60)		(184)	
Deferred revenue - silver streaming		(90)		(90)	
Trade payables		53	(118)	136	(423)
Salaries and social charges		158	136	(27)	(59)
Use of public assets		(24)	11	(58)	96
Taxes payable		152	(50)	288	(220)
Other obligations and other liabilities		(103)	(8)	(584)	(615)
Cash provided by operating activities		884	431	1,926	3,748
Interest paid on borrowing and use of public assets					
		(474)	(282)	(1,195)	(1,228)
Income tax and social contribution paid					
		(111)	(108)	(408)	(347)
Net cash provided by operating activities		299	41	323	2,173

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

Condensed consolidated interim statement of cash flow
Periods ended September 30
 All amounts in millions of reais

(A free translation of the original in Portuguese)

	Note	7/1/2017 to 9/30/2017	7/1/2016 to 9/30/2016	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Cash flow from investment activities					
Proceeds from disposals of fixed and intangible assets		22	37	55	127
Proceeds from sales of investments - Sirama					566
Proceeds from sales of other investments		4	71	33	82
Dividends received		26	18	252	208
Acquisitions of property, plant and equipment	15	(674)	(704)	(1,971)	(2,124)
Increase in biological assets			(8)	(1)	(8)
Increase in intangible assets	16	(52)		(65)	(97)
Net cash used in investment activities		(674)	(586)	(1,697)	(1,246)
Cash flow from financing activities					
New borrowing	17 (b)	825	1,038	4,393	3,030
Repayment of borrowing	17 (b)	(944)	(737)	(3,818)	(4,664)
Derivative financial instruments		(96)	(118)	(211)	(251)
Dividends paid		(4)	(5)	(164)	(76)
Net cash provided by (used in) financing activities		(219)	178	200	(1,961)
Decrease in cash and cash equivalents		(594)	(367)	(1,174)	(1,034)
Cash increase resulting from incorporation					177
Reduction of cash resulting from reclassification to assets held-for-sale		(23)		(23)	
Effect of fluctuations in exchange rates		(157)	16	39	(784)
Cash and cash equivalents at the beginning of the period		6,562	5,359	6,946	6,649
Cash and cash equivalents at the end of the period		5,788	5,008	5,788	5,008
Main non-cash transactions					
Increase in non-cash assets resulting from incorporation					7,060
Adoption of debts in PERT without cash effect		(248)		(248)	

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

1 General considerations

Votorantim S.A. (the "Company", the "parent company", or "VSA"), is a privately held company, fully controlled by the Ermírio de Moraes family, and is the holding company of the companies of the Votorantim Group. With its headquarters in the city of São Paulo, Brazil, the Company's purpose is to manage assets and companies, as well as to invest in other companies in order to further its objectives.

The Company, through its subsidiaries and associates, operates in the following segments: cements, mining, metals, electrical energy, steel, wood pulp, agribusiness and finance.

1.1 Main events that occurred during the nine-month period of 2017**(a) Corporate transactions in the long steel segment**

In the nine-month period of 2017, the Company decided, at an Extraordinary General Meeting, to increase the share capital in the investee Votorantim Siderurgia ("VS"), to the amount of BRL 200.

On February 22, 2017, ArcelorMittal Brasil S.A. ("AMB") and VSA entered into an agreement under which VS will become a subsidiary of AMB and VSA will hold a minority interest of 15% in the capital of AMB.

Votorantim's long steel operations in Argentina (Acerbrag) and Colombia (PazdelRío) were not included in the transaction. The agreement is subject to prior regulatory approvals in Brazil, including the approval of the Administrative Council for Economic Defense ("CADE").

(b) Sale of assets and liabilities related to operations localized in China in the Cement segment

In June, 2017 the subsidiary Votorantim Cimentos EAA Inversiones S.L. - ("VCEAA") sold its assets and liabilities related to the operations localized in the China, Suzhou Nanda Cement Co. Ltd., Hua Wo Cement Co. Ltd. - (Shandong) and Hua Wo Cement Co. Ltd. - (Huai'an). In this way, VCEAA recorded a loss on the disposal of the investment and the foreign exchange variation on this investment, in the amount of BRL 35, recorded under "Discontinued operations". As a result of the sale of this investment, Votorantim Cimentos S.A ("VCSA") realized proportional write-off of the goodwill, in the amount of BRL 83 and the foreign exchange variation on this investment, in the amount BRL 27, respectively, recorded in the "Other operation expense, net" (Note 26).

(c) Reversed a provision referring to the exclusion of ICMS from the basis of calculation of the PIS and COFINS contributions

In the second quarter of 2017, the investees reversed a provision referring to the exclusion of ICMS from the basis of calculation of the PIS and COFINS contributions, based on the judgment of the Federal Supreme Court ("STF") with general repercussions. The net result of this reversal showed an effect of BRL 327 in the period (Note 21).

(d) Adoption the Special Tax Regularization Program

In the third quarter of 2017, the subsidiaries adopted the Special Tax Regularization Program ("PERT"), including debits with the Brazilian Federal Revenue ("RFB") in accordance with the Provisional Executive Act ("MP") 783/2017, converted into Law 13,496, on October 24, 2017. The amount included in the program was BRL 310, of which BRL 43 had already been provisioned. In this way, there was an impact on the result of BRL 267. The total included in the program, BRL 248, was paid with tax loss and negative basis of social contribution, and remainder of the payment will be settled in cash.

(e) Mato Grosso State Credit Recovery Program – REFIS – MT Program

The subsidiary VCSA adopted the REFIS-MT and signed an agreement with the Prosecutor's Office of the State of Mato Grosso aiming to adjust and ratify the ICMS tax benefits related to the construction of the plant in Cuiabá plant. In the agreement, it was recognized that VCSA made investments higher than the amount forecast in the respective terms of granting of tax benefits. However, the divergences of legal interpretation resulted in tax assessments, which has led to the need to resolve pending tax issues, through a payment of BRL 237 made to the State, in September 2017. VCSA also pledged to make social investments in the State, in the amount of the BRL 15, of which BRL 13.5 was paid in September 2017, for a State development fund for the promotion of small entrepreneurs, and BRL 1.5 in the municipality of Nobres, which will benefit with an important health project, developed in partnership with the Votorantim Institute, which includes the construction of two service stations for the population. In order to settle this agreement, the Company adhered to the Mato Grosso State Credit Recovery Program - REFIS-MT Program (Note 26).

2 Presentation of the condensed consolidated interim financial statements**2.1 Basis of preparation****(a) Condensed consolidated interim financial statements**

The condensed consolidated interim financial statements have been prepared in accordance with Technical Pronouncement CPC 21 - (R1) "Interim Financial Reporting", issued by the Brazilian Accounting Pronouncements Committee ("CPC") and IAS 34 "Interim Financial Reporting", issued by the International Accounting Standards Board ("IASB"), and show all relevant information pertinent to the interim financial statements, which is consistent with the information used by management in carrying out its duties.

Therefore, the interim condensed consolidated financial statements on September 30, 2017 do not contain all explanatory notes and disclosures required by the accounting standards applicable to the annual financial statements, as its purpose is to provide an update on changes to the significant activities, events and circumstances relative to those financial statements. As a consequence, they should be read together with the consolidated financial statements at December 31, 2016, issued on March 2, 2017 and available on the investor relations website (www.votorantim.com.br/ri).

The condensed consolidated interim financial statements have been prepared in a manner consistent with the accounting policies disclosed in Note 2 to the consolidated financial statements at December 31, 2016.

(b) Approval of the financial statements

The Board of Directors approved the condensed consolidated interim financial statements for issue on November 7, 2017.

**Notes to the condensed consolidated interim financial statements
at September 30, 2017**

All amounts in millions of reais unless otherwise stated

(A free translation of the original in Portuguese)

2.2 Restatement of comparative figures**(a) Assets classified as held-for-sale**

In accordance with "IFRS 5/CPC 31 - Assets held-for-sale and discontinued operations", on December 31, 2016, the Company reclassified its long steel operations in Brazil, cement operations in North America and operations of *Minerações e Construções Ltda.* from continuing operations to discontinued operations, resulting in changes in the amounts presented previously in the financial statements as at September 30, 2016. Thus, we present below the effects of these reclassifications:

	7/1/2016 to 9/30/2016			
	As prior presented	Impacts of Brazil long steel operations reclassification	Impacts of reclassification of the cement segment	Restated
Continuing operations				
Net revenue from products sold and services rendered	7,347	(512)	(159)	6,676
Cost of products sold and services rendered	(5,630)	455	157	(5,018)
Gross profit (loss)	1,717	(57)	(2)	1,658
Operating income (expenses)				
Selling	(456)	53	5	(398)
General and administrative	(529)	37	3	(489)
Other operating expenses, net	(140)	(1)		(141)
	(1,125)	89	8	(1,028)
Operating profit before equity results and finance results	592	32	6	630
Results from equity investments				
Equity in the results of investees	(20)	(3)	(4)	(27)
	(20)	(3)	(4)	(27)
Finance results, net				
Finance income	282	(4)	(1)	277
Finance costs	(646)	16	6	(624)
Income from derivative financial instruments	19	(6)	1	14
Foreign exchange, net	(22)	5		(17)
	(367)	11	6	(350)
Profit before income tax and social contribution	205	40	8	253
Income tax and social contribution				
Current	(182)			(182)
Deferred	127	6		133
Profit for the continuing operations	150	46	8	204
Discontinued operations				
Loss for the discontinued operations	(1)	(42)	(12)	(55)
Profit (loss) for the period attributable to the owners of the Company	149	4	(4)	149
Profit attributable to the owners of the Company	103			103
Profit (loss) attributable to non-controlling interests	46	1	(1)	46
Profit (loss) for the period	149	1	(1)	149
Weighted average number of shares - thousands (to the owners of the Company)	18,278,789			18,278,789
Basic and diluted earnings per thousand shares, in reais	5.63			5.64
From continuing operations				
Basic and diluted earnings per thousand shares, in reais	5.68	2.30	0.66	8.65
From discontinued operations				
Basic and diluted loss per thousand shares, in reais	(0.05)	(2.30)	(0.66)	(3.01)

**Notes to the condensed consolidated interim financial statements
at September 30, 2017**

All amounts in millions of reais unless otherwise stated

(A free translation of the original in Portuguese)

1/1/2016 to 9/30/2016

	As prior presented	Impacts of Brazil long steel operations reclassification	Impacts of reclassification of the cement segment	Restated
Continuing operations				
Net revenue from products sold and services rendered	21,638	(1,522)	(500)	19,616
Cost of products sold and services rendered	(16,930)	1,303	504	(15,123)
Gross profit (loss)	4,708	(219)	4	4,493
Operating income (expenses)				
Selling	(1,435)	194	16	(1,225)
General and administrative	(1,607)	116	8	(1,483)
Other operating expenses, net	(17)	(13)		(30)
	(3,059)	297	24	(2,738)
Operating profit before equity results and finance results	1,649	78	28	1,755
Results from equity investments				
Equity in the results of investees	580	(17)	(5)	558
Realization of other comprehensive income on disposal of investments	44			44
	624	(17)	(5)	602
Finance results, net				
Finance income	1,127	(20)		1,107
Finance costs	(2,086)	54	21	(2,011)
Income from derivative financial instruments	(1,051)	131	1	(919)
Foreign exchange, net	555	(102)		453
	(1,455)	63	22	(1,370)
Profit before income tax and social contribution	818	124	45	987
Income tax and social contribution				
Current	(488)	(1)	1	(488)
Deferred	283	17		300
Profit for the continuing operations	613	140	46	799
Discontinued operations				
Profit for the discontinued operations	(2)	(141)	(45)	(188)
Profit (loss) for the period attributable to the owners	611	(1)	1	611
Profit attributable to the owners of the Company	505			505
Profit (loss) attributable to non-controlling interests	106	1	(1)	106
Profit (loss) for the period	611	1	(1)	611
Weighted average number of shares - thousands (to the owners of the Company)	18,278,789			18,278,789
Basic and diluted earnings per thousand shares, in reais	5.64			5.64
From continuing operations				
Basic and diluted earnings per thousand shares, in reais	5.75	7.71	2.46	15.93
From discontinued operations				
Basic and diluted loss per thousand shares, in reais	(0.11)	(7.71)	(2.46)	(10.29)

3 Changes in accounting policies and disclosures

3.1 New standards not yet adopted

The following standards have been published and are mandatory for accounting periods starting from January 1, 2018. There was no early adoption of these standards by the Company.

(i) **CPC 48/IFRS 9 - "Financial instruments: recognition and measurement"**

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

(ii) **CPC 47/IFRS 15 – "Revenue from contracts with customers"**

This new standard prescribes the principles that an entity should apply to measure contract revenue and determine when it should be recognized. It will become effective from January 1, 2018, and supersedes IAS 11 – (CPC 17) "Construction contracts" and IAS 18 – (CPC 30) "Revenue and related interpretations". Management is assessing the impact of the adoption of this standard.

(iii) **IFRS 16 - "Leases"**

This standard replaces IAS 17 – (CPC 06 (R1)) - "Leases" and the corresponding interpretations. This standard is effective for years beginning on or after January 1, 2019. Management is assessing the impact of the adoption of this standard.

4 Critical accounting estimates and judgments

In the period ended September 30, 2017, there have been no changes in estimates and assumptions that present a significant risk and probability of causing material adjustments to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in Note 4 to the latest annual financial statements.

5 Financial risk factors

5.1 Foreign exchange risk

The Company has certain investments in foreign operations, the net assets of which are exposed to foreign exchange risk. Foreign exchange exposure arising from the Company's foreign operations is mainly hedged by borrowing in the same currency as these investments, being classified as a net investment hedge.

We present below the carrying amounts of assets and liabilities indexed to foreign currency at the end of the reporting period:

	Note	9/30/2017	12/31/2016
Assets denominated in foreign currency			
Cash and cash equivalents	7	3,752	4,641
Financial investments	8	577	517
Derivative financial instruments	5.3	237	367
Trade receivables		1,378	1,020
Related parties		54	228
		5,998	6,773
Liabilities denominated in foreign currency			
Borrowing (i)		18,743	18,439
Derivative financial instruments	5.3	735	742
Confirming payables	18	495	605
Trade payables		1,653	1,861
		21,626	21,647
Net exposure		(15,628)	(14,874)

(i) Does not consider borrowing costs.

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5.2 Liquidity risk

The table below analyzes the Company's financial liabilities to be settled by the Company by maturity, for the remaining period from the balance sheet up to the contractual maturity date. The financial liabilities are included if their contractual maturities are essential to understanding the timing of cash flow.

The amounts disclosed in the table represent the undiscounted cash flow, which includes interest to be incurred, and, accordingly, do not reconcile directly with the amounts in the balance sheet.

	Note	Up to one year	From one to three years	From three to five years	From five to ten years	From ten years	Total
At September 30, 2017							
Borrowing (i)		3,335	6,502	7,895	12,298	7,344	37,374
Derivative financial instruments		320	177	238			735
Confirming payables	18	769					769
Trade payables		2,819					2,819
Dividends payable	12	238					238
Related parties		13	12				25
Use of public assets		78	168	189	582	1,669	2,686
		7,572	6,859	8,322	12,880	9,013	44,646
At December 31, 2016							
Borrowing (i)		3,826	7,247	8,530	9,924	9,368	38,895
Derivative financial instruments		401	286	56			743
Confirming payables	18	968					968
Trade payables		2,723					2,723
Dividends payable	12	48					48
Related parties		10	12				22
Use of public assets		78	171	193	595	1,889	2,926
		8,054	7,716	8,779	10,519	11,257	46,325

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

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5.3 Derivatives contracted

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

The two charts below detail the derivative financial instruments and the objects protected by them:

Programs	Principal Value		As per unit	Purchase/ sale	Average FWD rate	Average term (days)	Assets	Liabilities	Fair value		Realized gain (loss)		Fair value by maturity					
	9/30/2017	12/31/2016							9/30/2017	12/31/2016	9/30/2017	2017	2018	2019	2020	2021+		
Sales at a fixed price																		
Zinc forward	1,899	922	ton	P	2,649 USD/ton	48	3.0		3.0	1.8	1.9	2.2	0.8					
									3.0	1.8	1.9	2.2	0.8					
Hedging instruments for mismatches of quotation periods																		
Zinc forward	181,203	184,835	ton	P/S		17	35.5	(47.8)	(12.2)	14.3	(9.1)	(11.8)	(0.4)					
Silver forward	251		k oz (*)	P/S		30	0.1		0.1				0.1					
Aluminum forward	4,880	1,497	ton	P/S		41		(0.4)	(0.4)		(2.1)	(0.3)	(0.1)					
									(12.5)	14.3	(11.2)	(12.1)	(0.4)					
Hedging instruments for the operating margin of metals																		
Zinc forward	1,000	10,690	ton	S	2,343 USD/ton	1		(2.5)	(2.5)	(23.2)		(2.5)						
Aluminum forward	18,750	5,165	ton	S	1,682 USD/ton	1		(24.8)	(24.8)	(1.9)		(24.8)						
US Dollar forward	32	16	USD	S	4 BRL/USD	1	12.4		12.4	11.4		12.4						
									(14.9)	(13.7)		(14.9)						
Hedging instruments for foreign exchange exposure																		
US Dollar forward	40		USD	P	3 BRL/USD	3		(4.8)	(4.8)		(3.9)	(4.8)						
Euro forward			EUR	P	BRL/EUR						(0.5)							
Turkish lira forward	15		USD	P	4 TRY/USD	114	0.2	(0.7)	(0.5)				(0.5)					
									(5.3)		(4.4)	(4.8)	(0.5)					
Hedging instruments for debts																		
Fixed rate in reais vs. CDI floating rate swaps		100	BRL							(1.0)	(0.9)							
TJLP floating rate vs. CDI floating rate swaps	28	28	BRL		97.00% % CDI	289	1.1		1.1	1.0	(0.3)	0.1	1.0					
LIBOR floating rate vs. CDI floating rate swaps	754	773	USD		105.17% % CDI	963	112.4	(476.1)	(363.7)	(320.3)	(192.9)	(33.7)	(162.9)	(153.1)	(61.6)	47.6		
US dollar fixed rate vs. CDI floating rate swaps	50	50	USD		101.90% % CDI	1,091		(49.9)	(49.9)	(47.7)	(12.5)	(2.5)	(8.4)	(11.0)	(28.0)			
									(412.5)	(368.0)	(206.6)	(36.1)	(170.3)	(164.1)	(89.6)	47.6		
									164.7	(607.0)	(442.2)	(365.6)	(220.3)	(65.7)	(170.4)	(164.1)	(89.6)	47.6

(*) k oz – Ounces troy

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Programs	Principal Value		As per unit	Purchase/ sale	Average FWD rate	Average term (days)	Assets	Liabilities	Fair value		Realized gain (loss)		Fair value by maturity					
	9/30/2017	12/31/2016							9/30/2017	12/31/2016	9/30/2017	2017	2018	2019	2020	2021+		
Hedge accounting - cash flow hedge																		
Hedging instruments for the operating margin of metals																		
Zinc forward		94,559	ton	S						(74.9)	(142.7)							
Aluminum forward	221,250	225,000	ton	S	1,942 USD/ton	232		(125.0)	(125.0)	(10.6)	(110.1)	(44.6)	(77.9)	(2.5)				
Copper forward		540	ton	S						0.7	(0.6)							
US Dollar forward	430	473	USD	S	3 BRL/USD	241	67.4		67.3	80.8	140.9	22.9	42.9	1.5				
									(57.7)	(4.0)	(112.5)	(21.7)	(35.0)	(1.0)				
Hedging instruments for mismatches of quotation periods																		
Zinc forward	34,820	43,294	ton	P/S		38	3.4	(2.7)	0.7	(5.6)	10.5	0.7						
Silver forward	386		k oz (*)	P/S		76	0.4	(0.1)	0.3		(0.1)		0.3					
									1.0	(5.6)	10.4	0.7	0.3					
Hedge accounting - fair value hedge																		
Sales at a fixed price																		
Zinc forward	233	426	ton	P	2,902 USD/ton	82	0.2		0.2	0.3	0.9	0.1	0.1					
									0.2	0.3	0.9	0.1	0.1					
Hedging instruments for mismatches of quotation periods																		
Zinc forward	30,550	23,940	ton	P/S		45	0.9	(0.2)	0.7	0.3	(34.6)	0.8	(0.1)					
									0.7	0.3	(34.6)	0.8	(0.1)					
									72.3	(128.0)	(55.8)	(9.0)	(135.8)	(20.1)	(34.7)			
									237.0	(735.0)	(498.0)	(374.6)	(356.1)	(85.8)	(205.1)	(164.1)	(89.6)	47.6

(*) k oz – Ounces troy

The transactions involving derivative financial instruments recognized in “Carrying value adjustments” amount to BRL 28. Besides this, there are hedge accounting operations, which amount to BRL 12, in the subsidiaries not consolidated recognized in “Carrying value adjustments”.

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(b) Effect of the financial derivative instruments on the financial results

The chart below shows the impact of the financial derivative instruments on the financial results in the period:

Programs	Fair value	Realized loss	Total
Hedging instruments for foreign exchange exposure			
US Dollar forward	(4.8)	(3.9)	(8.7)
Euro forward		(0.5)	(0.5)
Turkish lira forward	(0.5)		(0.5)
	(5.3)	(4.4)	(9.7)
Hedging instruments for debts			
Fixed rate in reais vs. CDI floating rate swaps	1.0	(0.9)	0.1
TJLP vs. CDI floating rate swaps	0.1	(0.3)	(0.2)
LIBOR floating rate vs. CDI floating rate swaps	(43.4)	(192.9)	(236.3)
US dollar fixed rate vs. CDI floating rate swaps	(2.2)	(12.5)	(14.7)
	(44.5)	(206.6)	(251.1)
Effect on the finance results	(49.8)	(211.0)	(260.8)

5.4 Hedges of net investments in foreign operations

The hedged items that the Company and its subsidiaries designated as a calculation tool refer to the investments shown in the table below, as well as a portion of its debts and those of its subsidiaries Companhia Brasileira de Alumínio ("CBA"), Votorantim Metais Zinco S.A. ("VMZ"), VCSA and VS, denominated in Euros and US Dollars.

	9/30/2017		12/31/2016	
	Investment	Debt	Investment	Debt
Votorantim Metais Cajamarquilla S.A. – ("Cajamarquilla")	3,105	2,870	3,233	2,968
Votorantim Andina S.A – ("VASA")	2,315	3,517	1,590	2,347
Votorantim Cement North America Inc.	3,057	4,056	3,173	4,540
Votorantim Cimentos EAA Inversões, S.L.	1,621	2,134	2,410	2,577

The gain on exchange rate on the conversion of debts, net of income tax and social contribution, recognized as carrying value adjustments on September 30, 2017 was BRL 92 (September 30, 2016, a gain of BRL 2,068) (Note 22 (c)).

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

5.5 Sensitivity analysis

The main risk factors that affect the pricing of the outstanding financial instruments relating to cash and cash equivalents, financial investments, borrowing, and derivative financial instruments are exposure to the fluctuations of the US Dollar, Euro, Turkish Lira, Argentinean and Bolivian peso exchange rates, the LIBOR and CDI interest rates, US Dollar coupons, commodity prices and contracts for the purchase and sale of electrical energy. The scenarios for these factors were prepared using market and specialized sources, following the Company's systems of governance.

The scenarios at September 30, 2017, are described below:

Scenario I - based on the market forward curves and quotations at September 30, 2017, and represents a probable scenario in management's opinion as at December 31, 2017.

Scenario II - considers a stress factor of + / – 25% applied to the market forward curves and quotations as at September 30, 2017.

Scenario III - considers a stress factor of + / – 50% applied to the market forward curves and quotations as at September 30, 2017.

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Risk factors	Cash and cash equivalents and financial investments (i)	Borrowing and related parties (i)	Derivative financial instruments/As per unit	Changes from 9/30/2017	Impacts on profit (loss)				Impacts on comprehensive income						
					Scenario I		Scenarios II & III		Scenario I		Scenarios II & III				
					Results of scenario I	-25%	-50%	+25%	+50%	Results of scenario I	-25%	-50%	+25%	+50%	
Foreign exchange rates															
USD	3,746	15,420 (*)	1,320	USD million	1.0%	(1)	24	48	(24)	(48)	(104)	2,578	5,156	(2,578)	(5,156)
EUR	164	2,747			0.9%						(23)	646	1,292	(646)	(1,292)
PEN	71				0.3%						(18)	(36)	18	36	
BOB	28	382			0.4%						(2)	88	177	(88)	(177)
TRY	29	272			-0.2%							61	121	(61)	(121)
ARS	26				0.7%							(7)	(13)	7	13
Interest rates															
BRL - CDI	5,300	4,696	4,181	BRL million	-115 bps	(5)	(5)	(10)	6	12	4	14	29	(14)	(27)
USD - LIBOR		2,386	2,135	USD million	21 bps	6	(19)	(38)	19	38	(2)	3	6	(3)	(6)
US Dollar coupon			1,305	USD million	-29 bps	19	50	102	(48)	(94)	(2)	(5)	(11)	5	10
Price of commodities															
Zinc			249,705	ton	-3.6%	22	153	305	(153)	(305)	(2)	(11)	(22)	11	22
Aluminum			244,880	ton	-5.2%	1	5	10	(5)	(10)	77	368	736	(368)	(736)
Copper				ton	-7.5%										
Silver			637	k oz (**)	1.9%		1	3	(1)	(3)		5	10	(5)	(10)
Firm commitment - electric energy															
Sale and purchase agreements - fair value			311	BRL million			(1)	(2)	1	1					

(*) Considers baskets of currencies

(**) k oz - Ounces troy

(i) The balances presented do not reconcile with the cash and cash equivalents, financial investments, related parties and borrowing notes, as the analysis only covers the most significant currencies and the interest rates cover only the principal value.

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6 Credit quality of financial assets

	9/30/2017			12/31/2016		
	Local rating	Global rating	Total	Local rating	Global rating	Total
Cash and cash equivalents						
AA-	2,036		2,036	1,831	815	2,646
A+		787	787	175	815	990
A		806	806		278	278
A-		569	569		736	736
BBB+		783	783		479	479
BBB		419	419		409	409
BBB-		45	45		111	111
BB+					34	34
BB		46	46	297	91	388
B+		32	32		81	81
CCC+		20	20		96	96
Unrated (i)		245	245	2	696	698
	2,036	3,752	5,788	2,305	4,641	6,946
Financial investments						
AA+	293		293	59		59
AA-	2,948		2,948	2,105		2,105
A+		230	230	479	308	787
A	3	175	178	3	12	15
A-	18	72	90	17	66	83
BBB					3	3
BB				23		23
CCC+		6	6		104	104
Unrated (ii)	9	94	103	26	24	50
	3,271	577	3,848	2,712	517	3,229
Derivative financial instruments						
AAA	29		29	84		84
AA+	1		1			
AA-	119		119	173		173
A+		18	18	10	1	11
A		27	27		24	24
A-					76	76
Unrated (i)	43		43			
	192	45	237	267	101	368
	5,499	4,374	9,873	5,284	5,259	10,543

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

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

(ii) Refers to Grupo Votorantim's exclusive investment funds (Credit Receivables Investment Funds – "FIDCs"), which are not rated by any rating agency.

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7 Cash and cash equivalents

	9/30/2017	12/31/2016
Local currency		
Cash and banks	7	14
Certificates of deposits	129	
Repurchase agreements - private securities		1,072
Repurchase agreements - public securities	1,900	1,219
	<u>2,036</u>	<u>2,305</u>
Foreign currency		
Cash and banks	3,574	1,895
Certificates of deposits	178	2,746
	<u>3,752</u>	<u>4,641</u>
	<u>5,788</u>	<u>6,946</u>

Cash and cash equivalents in local currency include deposits in bank accounts and highly liquid, readily convertible government (overnight) or financial institutions securities indexed to the interbank deposit rate. Cash equivalents in foreign currency are composed mainly of fixed income financial instruments.

8 Financial investments

	9/30/2017	12/31/2016
Held-for-trading		
Bank Deposit Certificates - "CDBs"	627	657
Financial Treasury Bills - "LFTs"	942	740
Repurchase agreements - public securities	582	661
Repurchase agreements - private securities	1,097	603
Financial investments in foreign currency	545	517
Investment fund quotas	6	26
	<u>3,799</u>	<u>3,204</u>
Available-for-sale		
Bank Deposit Certificates - "CDBs"		3
Repurchase agreements - private securities	17	
	<u>17</u>	<u>3</u>
Held-to-maturity		
Financial investments in foreign currency	32	
Bank Deposit Certificates - CDBs		22
	<u>32</u>	<u>22</u>
	<u>3,848</u>	<u>3,229</u>
Current	3,830	3,190
Non-current	18	39
	<u>3,848</u>	<u>3,229</u>

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

9 Trade receivables

(a) Breakdown

	Note	9/30/2017	12/31/2016
Trade receivables - Brazil		1,527	1,125
Trade receivables - foreign customers		1,361	1,009
Related parties	12	37	26
Allowance for doubtful accounts		(164)	(159)
		<u>2,761</u>	<u>2,001</u>

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(b) Aging of trade receivables

	<u>9/30/2017</u>	<u>12/31/2016</u>
Current	2,390	1,796
Up to three months past due	331	169
Three to six months past due	52	20
Over six months past due	152	175
Allowance for doubtful accounts	(164)	(159)
	<u>2,761</u>	<u>2,001</u>

10 Inventory

	<u>9/30/2017</u>	<u>12/31/2016</u>
Finished products	684	700
Semi-finished products	1,366	1,396
Raw materials	559	617
Auxiliary materials and consumables	903	952
Imports in transit	150	101
Other	90	104
Provision for inventory losses	(482)	(489)
	<u>3,270</u>	<u>3,381</u>

The provision for inventory losses mainly refers to the obsolescence of inventory the value of which has a limited expectation of realization.

11 Taxes recoverable

	<u>9/30/2017</u>	<u>12/31/2016</u>
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")	1,333	1,354
State Value-added Tax on Sales and Services ("ICMS")	463	542
Social Contribution on Revenue ("COFINS")	408	386
Value-added Tax ("VAT") (foreign companies)	208	275
Withholding Income Tax ("IRRF")	159	90
"IRPJ/CSLL" - "Plano Verão"	112	185
Social Integration Program ("PIS")	90	85
State VAT on Sales and Services on PP&E	65	78
Excise Tax ("IPI")	36	29
Other	108	89
	<u>2,982</u>	<u>3,113</u>
Current	1,316	1,527
Non-current	1,666	1,586
	<u>2,982</u>	<u>3,113</u>

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12 Related parties

Assets	Trade receivables		Dividends receivable		Non-current assets	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Related companies and joint ventures						
Banco Votorantim S.A.			51			
Citrosuco GmbH (i)					41	205
Citrosuco S.A. Agroindústria (i)					74	302
Fibria Celulose S.A.	18	4		116	1	1
Mineração Rio do Norte S.A.			17	7		
Supermix Concreto S.A.	11	21				
Other	8	1		6	13	27
	37	26	17	180	129	535
Current	37	26	17	180		
Non-current					129	535
	37	26	17	180	129	535

Liabilities	Trade payables		Dividends payable		Non-current liabilities	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Related companies and joint ventures						
Fibria Celulose S.A.	14	4				
Suwanee American Cement LLC		27				
Other	7	3			25	22
	21	34			25	22
Non-controlling interests			238	48		
Current	21	34	238	48		
Non-current					25	22
	21	34	238	48	25	22

Profit and loss	Sales (purchases), net		Finance income (expenses), net	
	1/1/2017 to	1/1/2016 to	1/1/2017 to	1/1/2016 to
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Related companies and joint ventures				
Cementos Granadilla S.L.	10	50		
Citrosuco S.A. Agroindústria (i)	22	9	5	12
Fibria Celulose S.A.	100	62		
Superior Materials Holdings, LLC	40	50		
Supermix Concreto S.A.	126	208		
Other	31	34	2	5
	329	413	7	17

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

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13 Financial instruments – firm commitment

The Company, through its subsidiary VOTENER - Votorantim Comercializadora de Energia Ltda. ("Votener"), operates in the Regulated Contracting Environment ("ACR") and participated in the 13th electricity purchase auction on April 30, 2014 where, through a firm commitment, it made sales for delivery by December 2019. These transactions, on initial recognition, resulted in gains from the sale of surplus energy to the Company, which were recognized at fair value. The net difference in expenses and revenue generated by the realization of the fair value, through the physical settlement of the sale and purchase of energy, was recognized as an expense in the amount of BRL 239 in "Other operating expenses, net".

Additionally, the other operations carried out by the subsidiaries in the ACR and the Free Contracting Environment ("ACL"), which meet the definition of a financial instrument, were also recognized at fair value. The realization of the fair value, net of recognition, in the amount of BRL 108 was recognized as an expense in "Other operating expenses, net".

The figures quoted above have the following composition (Note 26):

	ACR			ACL			Total		
	Aluminum ("CBA")	Energy	Total	Cement	Aluminum ("CBA")	Energy	Total	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Realization	(102)	(30)	(132)	5	(7)	(74)	(76)	(208)	(182)
Recognition					(1)	(31)	(32)	(32)	(10)
Reversal (i)	(82)	(25)	(107)					(107)	
	(184)	(55)	(239)	5	(8)	(105)	(108)	(347)	(192)

(i) The volume reduction was caused by the exit of distributors from the regulated trading environment that migrated to the free environment.

The table below present the composition of equity balances:

	ACR			ACL			Total		
	Aluminum ("CBA")	Energy	Total	Cement	Aluminum ("CBA")	Energy	Total	9/30/2017	12/31/2016
Assets									
Current	120	35	155		12	93	105	260	317
Non-current	127		127					127	371
	247	35	282		12	93	105	387	688
Liabilities									
Non-current		(22)	(22)	(5)		(30)	(35)	(57)	(10)
		(22)	(22)	(5)		(30)	(35)	(57)	(10)
	247	13	260	(5)	12	63	70	330	678

14 Investments

(a) Breakdown

Main consolidated companies	Percentage of total and voting capital		Headquarters	Main activity
	9/30/2017	12/31/2016		
Subsidiaries				
Acerbrag S.A.	100.00	100.00	Argentina	Steel
Votorantim FinCO GmbH	100.00	100.00	Austria	Trading
Votorantim GmbH (formerly known as Votorantim Metals GmbH)	100.00	100.00	Austria	Zinc
Acariúba Mineração e Participação Ltda.	100.00	100.00	Brazil	Holding
Companhia Brasileira de Alumínio	100.00	100.00	Brazil	Aluminum
Interávia Transportes Ltda.	100.00	100.00	Brazil	Transportation
Santa Cruz Geração de Energia S.A.	100.00	100.00	Brazil	Electric power
Silcar Empreendimentos, Comércio e Participações Ltda.	100.00	100.00	Brazil	Holding
Ventos de São Vicente Energias Renováveis S.A.	100.00	100.00	Brazil	Holding
Votener - Votorantim Comercializadora de Energia Ltda.	100.00	100.00	Brazil	Electric power
Votorantim Cimentos N/NE S.A.	100.00	100.00	Brazil	Cement
Votorantim Cimentos S.A.	100.00	100.00	Brazil	Cement
Votorantim Energia Ltda.	100.00	100.00	Brazil	Holding
Votorantim Finanças S.A.	100.00	100.00	Brazil	Finance
Votorantim Geração de Energia S.A.	100.00	100.00	Brazil	Holding
Votorantim Investimentos Latino-Americanos S.A.	100.00	100.00	Brazil	Holding
Votorantim Metais Zinco S.A.	100.00	100.00	Brazil	Zinc
Votorantim Cement North America Inc.	100.00	100.00	Canada	Holding
Acerías Paz del Río S.A.	82.42	82.42	Colombia	Steel
Votorantim Cimentos EAA Inversiones, S.L.	100.00	100.00	Spain	Holding
St. Marys Cement Inc.	100.00	100.00	USA	Cement
US Zinc Corporation	100.00	100.00	USA	Zinc
St. Helen Holding II B.V.	100.00	100.00	Cayman Islands	Holding
Hailstone Ltd.	100.00	100.00	British Virgin Islands	Holding
Nexa Resources S.A. (formerly known as VM Holding S.A.)	89.35	89.35	Luxembourg	Holding
Votorantim RE	100.00	100.00	Luxembourg	Insurance
Compañía Minera Atacocha S.A.A.	91.00	91.00	Peru	Mining
Compañía Minera Milpo S.A.A.	80.23	80.23	Peru	Mining
Votorantim Metais Cajamarquilla S.A.	99.91	99.91	Peru	Zinc
Cementos Artigas S.A.	51.00	51.00	Uruguay	Cement
Joint operations				
Baesa - Energética Barra Grande S.A.	15.00	15.00	Brazil	Electric power
Campos Novos Energia S.A.	44.76	44.76	Brazil	Electric power
Great Lakes Slag Inc.	50.00	50.00	Canada	Cement
Voto - Votorantim Overseas Trading Operations IV Limited	50.00	50.00	Cayman Islands	Trading
Exclusive investment funds				
Fundo de Investimento Pentágono VC Multimercado – Crédito Privado	100.00	100.00	Brazil	Finance
Fundo de Investimento Pentágono CBA Multimercado – Crédito Privado	100.00	100.00	Brazil	Finance
Odessa Multimercado Crédito Privado	82.47	81.39	Brazil	Finance
Odessa Multimercado Crédito Privado Fundo de investimento VC	100.00	100.00	Brazil	Finance
Odessa Multimercado Crédito Privado Fundo de investimento VM	100.00	100.00	Brazil	Finance

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Main non-consolidated companies	Percentage of total and voting capital		Headquarters	Main activity
	9/30/2017	12/31/2016		
Associates				
Cementos Avellaneda S.A.	49.00	49.00	Argentina	Cement
Alunorte - Alumina do Norte S.A.	3.03	3.03	Brazil	Mining
Mineração Rio do Norte S.A.	10.00	10.00	Brazil	Mining
Supermix Concreto S.A.	25.00	25.00	Brazil	Cement
IMIX Empreendimentos Imobiliários Ltda.	25.00	25.00	Brazil	Mining
Cementos Bio Bio S.A.	16.70	16.70	Chile	Cement
Cementos Especiales de las Islas S.A.	50.00	50.00	USA	Cement
Joint ventures				
Citrosuco GmbH	50.00	50.00	Austria	Agribusiness
Banco Votorantim S.A.	50.00	50.00	Brazil	Finance
Citrosuco S.A. Agroindústria	50.00	50.00	Brazil	Agribusiness
Fibria Celulose S.A.	29.42	29.42	Brazil	Wood pulp
Hutton Transport Ltda.	25.00	25.00	Canada	Transportation
Midway Group, LLC.	50.00	50.00	USA	Cement
Sumter Cement Co, LLC. (i)		50.00	USA	Cement
Superior Materials Holdings, LLC	50.00	50.00	USA	Cement
Suwannee American Cement, LLC. (i)		50.00	USA	Cement
Trinity Materials, LLC.	50.00	50.00	USA	Cement
Cemento Portland S.A.	50.00	50.00	Peru	Cement

(i) In 2017, the elimination of the percentages refers to the assets and liabilities classified as held-for-sale in the cement segment, Note 29 (b).

Votorantim S.A.

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(b) Information about the companies investees

The following is a summary of selected financial information of the principal associates and joint ventures as at September 30, 2017:

Investments accounted for based on the equity method - Associates

	Cementos Avellaneda S.A.	Alunorte - Alumina do Norte S.A.	Mineração Rio do Norte S.A.	Supermix Concreto S.A.	IMIX Empreend. Imobiliários Ltda.	Cementos Bio Bio S.A.	Cementos Especiales de las Islas S.A.
Equity	537	4,481	855	248	18	950	144
Profit for the period	142	77	76	6	4	47	18
Total and voting capital (%)	49.00%	3.03%	10.00%	25.00%	25.00%	16.70%	50.00%

Joint ventures

	Citrosuco GmbH	Banco Votorantim S.A.	Citrosuco S.A. Agroindústria	Fibra Celulose S.A.	Hutton Transport Ltda.	Midway Group, LLC.	Superior Materials Holdings, LLC	Cemento Portland S.A.
Equity	2,923	10,100	998	14,543	64	22	88	104
Profit (loss) for the period	436	440	368	807	7	4	38	(3)
Total and voting capital (%)	50.00%	50.00%	50.00%	29.42%	25.00%	50.00%	50.00%	50.00%

Votorantim S.A.

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(c) Changes in investments

Investments accounted for based on the equity method - Associates	1/1/2017 to 9/30/2017									1/1/2016 to 9/30/2016
	Cementos Avellaneda S.A. (i)	Alunorte - Alumina do Norte S.A. (ii)	Mineração Rio do Norte S.A. (ii)	Supermix Concreto S.A.	IMIX Empreend. Imobiliários Ltda.	Cementos Bio Bio S.A. (ii)	Cementos Especiales De Las Islas, S.A.	Other	Total	Total
Opening balance for the period	237	150	105	64	3	152	57	238	1,006	1,071
Effect of subsidiaries, associates and joint ventures - incorporation VPAR (iv)										221
Equity in the results of investees	69	2	8	1	1	8	9		98	119
Dividends	(16)	(16)	(27)	(4)		(4)			(67)	(32)
Exchange variation on foreign investments	(16)					3	6		(7)	(163)
Other								25	25	10
Closing balance for the period	274	136	86	61	4	159	72	263	1,055	1,226

Joint ventures	1/1/2017 to 6/30/2017										1/1/2016 to 9/30/2016	
	Citrosuco GmbH (i)	Banco Votorantim S.A.	Citrosuco S.A. Agroindústria (i)	Fibria Celulose S.A. (iii)	Hutton Transport Ltda.	Midway Group, LLC.	Sumter Cement Co, LLC.	Superior Materials Holdings, LLC	Suwannee American Cement, LLC. (i)	Cemento Portland S.A.	Total	Total
Opening balance for the period	2,088	4,809	816	3,867	15	9	19	42	222	53	11,940	4,103
Effect of subsidiaries, associates and joint ventures - incorporation VPAR (iv)												7,541
Equity in the results of investees	196	220	157	238	2	2		19		(1)	833	439
Fair value of financial assets available-for-sale (v)		21									21	262
Dividends					(2)			(16)			(18)	(72)
Exchange variation on foreign investments	(54)		(26)				(1)	(1)	(6)		(88)	(474)
Cash flow hedge			1								1	65
Reclassification to assets classified as held-for-sale (vi)							(18)		(216)		(234)	27
Other	5		58	2							65	(27)
Closing balance for the period	2,235	5,050	1,006	4,107	15	11		44		52	12,520	11,864

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- (i) At September 30, 2017, the following investments consider the goodwill paid on the acquisition of investments and the surplus value, which is amortized in the income statement of the parent company:

	9/30/2017	12/31/2016
Cementos Avellaneda S.A.	10	2
Citrosuco S.A. Agroindústria	507	478
Citrosuco GmbH	774	816
Suwannee American Cement, LLC.		96

- (ii) Relates to investees in which the participation is less than 20%, but the Company has significant influence over the activities through agreements established with shareholders.

- (iii) The equity income of the investee considers eliminations of unrealized profits, in the amount of BRL 178 (December 31, 2016 - BRL 178), in exchange for land with the Company.

- (iv) The values presented in 2016 refer to the effects of the incorporation of Votorantim Participações S.A.

- (v) Refers to the adjustment to the fair value of available-for-sale securities recognized in Banco Votorantim's shareholders' equity.

- (vi) Refers to the assets and liabilities classified as held-for-sale in the cement segment (Note 29 (b)).

15 Property, plant and equipment

(a) Breakdown and changes

									1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
	Land and improvements	Buildings and constructions	Machinery, equipment and facilities	Vehicles	Furniture and fittings	Construction in progress	Leasehold improvements	Other	Total	Total
Opening balance for the period										
Cost	2,017	9,840	31,904	1,206	192	3,471	459	439	49,528	55,491
Accumulated depreciation	(56)	(4,022)	(18,692)	(932)	(139)		(245)	(351)	(24,437)	(26,210)
Net opening balance	1,961	5,818	13,212	274	53	3,471	214	88	25,091	29,281
Additions	1	2	25	1		1,940		2	1,971	2,124
Disposals	(8)	(2)	(64)	(19)		(20)		(22)	(135)	(87)
Depreciation	(3)	(213)	(1,027)	(59)	(7)		(13)	(3)	(1,325)	(1,627)
Foreign exchange variation	7	(25)	(36)	1		(50)	4		(99)	(1,767)
Effect of subsidiaries included in (excluded from) consolidation		23	(21)	(3)		(10)		5	(6)	55
Reversal (constitution) for impairment	(1)	(17)	25			(2)		12	17	12
Reclassification to assets classified as held-for-sale	(87)	(112)	(39)	(32)		(34)	(30)		(334)	(3)
Transfers (i)	14	431	1,201	49	1	(1,734)	19		(19)	(143)
Closing balance for the period	1,884	5,905	13,276	212	47	3,561	194	82	25,161	27,845
Cost	1,940	10,032	32,316	1,118	193	3,561	435	435	50,030	53,288
Accumulated depreciation	(56)	(4,127)	(19,040)	(906)	(146)		(241)	(353)	(24,869)	(25,443)
Net closing balance for the period	1,884	5,905	13,276	212	47	3,561	194	82	25,161	27,845
Average annual depreciation rates - %	2	7	16	57	19		9	35		

(i) The transfers at September 30, 2017 are related to the reclassification from “Construction in progress” within “Property, plant and equipment” to “Software” and “Rights to use natural resources”, within “Intangible assets”.

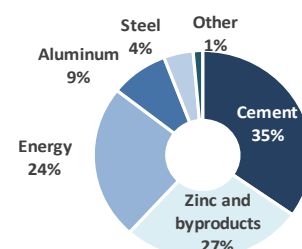
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(b) Construction in progress

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

	9/30/2017	12/31/2016
Cement	1,236	2,044
Zinc and byproducts	960	737
Energy	853	242
Aluminum	306	257
Steel	156	154
Other	50	37
	3,561	3,471



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

Main projects in progress - Cement	9/30/2017	12/31/2016
Cement production capacity expansion in Charlevoix- North America	390	280
Equipment refurbishment	91	89
New lines of co-processing	60	33
Environment and security	59	27
New unit in Ituaçu - Brazil	43	43
Cement grinding - Pecém - Brazil	39	42
New unit in Sobral - Brazil	35	35
Structural recovery	33	19
Geology and mining rights	30	27
Cement production capacity expansion in Sivas - Turkey	26	364
Burden removal - cement	19	47
New unit in Primavera - Brazil	14	81
Hardware and software	14	10
New unit in Yacuses - Bolivia	10	530
New lines of co-processing - North America	7	7
New plant in Edealina - Brazil	7	7
Agricultural supplies plant Ponte Alta - Brazil		15
Other	357	390
	1,236	2,044

Main projects in progress - Zinc and byproducts	9/30/2017	12/31/2016
Vazante expansion project - Brazil	348	256
Security, health and environment projects - Brazil	173	95
Modernization and production increase projects - Brazil	71	33
Acquisition and renovation of parts and equipment - Brazil	62	
Mineral extraction - Peru	61	62
Plant maintenance project - Peru	36	65
Reject treatment line - Peru	27	28
Pucurhuay hydroelectric plant - Peru	27	28
Mineral grinding - Peru	23	24
Information technology projects - Peru	21	23
Production line construction - Brazil	18	18
Waste storage - Peru	15	9
Project Santa Bárbara - Peru	14	14
General services - Peru	7	6
Concentrated ore plant - Peru	6	6
Roasting - Peru	6	7
Other	45	63
	960	737

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Main projects in progress - Electric power	9/30/2017	12/31/2016
Ventos de São Vicente wind power complex - Brazil	838	231
Corumbá project - Brazil	15	11
	853	242

Main projects in progress - Aluminum ("CBA")	9/30/2017	12/31/2016
Rondon Alumina project - Brazil	109	107
Furnace refurbishment - Brazil	47	22
Revitalization and adequacy of power plant - Brazil	46	39
Automation system modernization - Brazil	31	25
Plastic transformation and foundry projects - Brazil	18	19
Alumina factory project - Brazil	17	12
Furnace rooms project - Brazil	13	15
Furnace rooms VIII project - Brazil	12	3
Calcination furnace - Brazil	5	5
Mining projects - Brazil	5	5
Project safety, health and environment - Brazil	2	2
Other	1	3
	306	257

Main projects in progress - Steel	9/30/2017	12/31/2016
Revitalization and adaptation of plant - Argentina and Colombia	40	43
Battery vertical repair project - Colombia	36	25
Modernization of plant operating equipment - Argentina and Colombia	35	20
Repair plant operating equipment - Colombia	23	36
Ore project exploration program - Colombia	7	7
Security projects, health and environment - Colombia	5	5
Other	10	18
	156	154

16 Intangible assets

(a) Breakdown and changes

	1/1/2017 to 9/30/2017								1/1/2016 to 9/30/2016	
	Rights over natural resources	Goodwill	ARO (i)	Use of public assets	Contracts, customer relationships and agreements	Softwares	Rights over trademarks and patents	Other	Total	Total
Opening balance for the period										
Cost	8,694	5,193	873	541	408	548	481	771	17,509	20,859
Accumulated amortization	(2,533)		(505)	(161)	(260)	(422)	(283)	(332)	(4,496)	(4,289)
Net opening balance for the period	6,161	5,193	368	380	148	126	198	439	13,013	16,570
Additions	1	8	1			1		54	65	97
Disposals	(9)	(264)							(273)	
Amortization and depletion	(291)		(33)	(14)	(10)	(34)	(18)	(10)	(410)	(451)
Foreign exchange variation	(136)	9	1		(4)		(3)	(15)	(148)	(2,161)
Reclassification from assets classified as held-for-sale	(16)	(265)			(55)				(336)	
Effect of subsidiaries included in (excluded from) consolidation		27							27	(765)
Reversal (constitution) for impairment	13								13	(20)
Revision of estimated cash flow			99						99	11
Changes in the interest rate	(2)								(2)	
Transfers	13					14	1	(9)	19	143
Closing balance for the period	5,734	4,708	436	366	79	107	178	459	12,067	13,424
Cost	8,412	4,708	964	541	225	555	471	793	16,669	17,619
Accumulated amortization	(2,678)		(528)	(175)	(146)	(448)	(293)	(334)	(4,602)	(4,195)
Net closing balance for the period	5,734	4,708	436	366	79	107	178	459	12,067	13,424
Average annual amortization and depletion rates - %	6		7	7	6	6	10	11		

(i) Asset retirement obligation.

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17 Borrowing

(a) Breakdown and fair value

Type	Average annual charges (i)	Current		Non-current		Total		Fair value	
		9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Local currency									
Debentures	114.44% CDI	799	252	3,953	3,633	4,752	3,885	4,829	3,936
BNDES	TJLP + 2.56% / 4.63% fixed rate BRL / SELIC + 2.67%	389	453	650	938	1,039	1,391	1,010	1,285
Commercial notes			267				267		266
Development promotion agency	7.57% fixed rate BRL / TJLP + 1.19%	40	38	214	243	254	281	245	246
FINAME	4.84% fixed rate BRL	23	29	96	113	119	142	107	117
Export credit notes	118.00% CDI	1	101	100		101	101	103	99
Other		18	13	13	16	31	29	44	24
		1,270	1,153	5,026	4,943	6,296	6,096	6,338	5,973
Foreign currency									
Eurobonds - USD	6.11% fixed rate USD	234	122	11,439	9,518	11,673	9,640	12,184	9,298
Loans - Resolution 4131 (ii)	LIBOR USD + 1.55% / 3.73% fixed rate USD	336	6	2,161	2,663	2,497	2,669	2,531	2,482
Eurobonds - EUR	3.41% fixed rate EUR	16	26	2,115	1,939	2,131	1,965	2,312	1,954
Syndicated loan/bilateral agreements	EURIBOR + 2.00% / 6.93% fixed rate	103	38	1,168	1,234	1,271	1,272	1,378	1,416
Export prepayments	LIBOR USD + 2.53%	4	78	632	2,160	636	2,238	686	1,666
BNDES	UMBNDES + 2.46%	88	122	81	150	169	272	171	268
Export credit notes	LIBOR USD + 1.85%	1		99		100		102	
Working capital	IBR + 3.33% / 9.25% fixed rate INR	91	90			91	90	92	89
Development promotion agency			128		5		133		93
Other		13	12	36	32	49	44	35	40
		886	622	17,731	17,701	18,617	18,323	19,491	17,306
		2,156	1,775	22,757	22,644	24,913	24,419	25,829	23,279
Current portion of long-term borrowing		1,255	1,360						
Interest on borrowing		388	324						
Short-term borrowing		513	91						
		2,156	1,775						

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- (i) The average annual charges are presented only for agreements that represent a large share of the total debt amount.
- (ii) Loans relating to Resolution 4131 have swaps that are indexed to both exchange rates (LIBOR and fixed rates for floating CDI rates) and currency (US Dollars for reais), and resulted in a final weighted cost of 104.06% p.a. of the CDI. Borrowing of this type relates to compound financial instruments, contracted as a single product with the financial institution (debt in US Dollars + swap to a % of CDI in reais). The terms and conditions of the loan and derivative instrument are configured as a compound operation, so that the resulting cost is a debt adjusted by the CDI in reais. The difference in measurement between the two instruments (loan at amortized cost x derivative at fair value), creates an accounting mismatch in the statement of income. To eliminate this accounting mismatch, some of the borrowing contracts made from August 2015, were designated at fair value, and the effect of this designation is the measurement of debt at fair value through profit or loss, according to Note 27.

Glossary:

BNDES	– National Bank for Economic and Social Development.	SELIC	– Special System for Clearance and Custody.
BRL	– Brazilian currency (Real).	TJLP	– Long-term interest rate set by the National Monetary Council. The TJLP is the BNDES basic cost of financing.
CDI	– Interbank Deposit Certificate.	TR	– Reference Rate (“Taxa Referencial”)
EUR	– European Union currency (Euro).	UMBNDDES	– Monetary unit of the BNDES reflecting the weighted basket of currencies of foreign currency debt obligations. At September 30, 2017, 99.58% of the basket consisted of US Dollars.
EURIBOR	– Euro Interbank Offered Rate.	USD	– US Dollar.
FINAME	– Government Agency for Machinery and Equipment Financing.		
IBR	– Interbank Rate (Colombia).		
INR	– Indian Rupee		
LIBOR	– London Interbank Offered Rate.		

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(b) Changes

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Opening balance for the period	24,419	30,531
New borrowing	4,393	3,030
Interest	1,241	1,322
Effect of subsidiaries included in consolidation		4
Addition of borrowing fees, net of amortization	(8)	20
Fair value adjustment - Resolution 4131	58	(27)
Discount on repurchase of bonds		(172)
Payments - interest	(1,154)	(1,195)
Foreign exchange variation	(218)	(3,654)
Payments - principal	(3,818)	(4,664)
Closing balance for the period	24,913	25,195

(c) New borrowing and amortizations

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

In 2017, the main new borrowing transactions carried out were as follows:

- (i) On January 6, 2017, the Company renegotiated the contractual terms of the loan in accordance with Resolution 4131, in the amount of USD 73 (BRL 235), and extended the final cost of swaps to 96.9% of the CDI and extended the maturity from 2018 to 2021.
- (ii) On January 10, 2017, the subsidiary VCSA issued the ninth public issue of debentures, with restricted placement amounts, in the amount of BRL 500 at the cost of 119.9% of the CDI rate and maturing in January, 2022.
- (iii) On January 19, 2017, the VSA renegotiated the contractual terms of the third public issue of debentures, in the amount of BRL 550, and has extended the cost of swaps to 118.9% CDI and extended the maturity from 2018 to January 2022, in the amount of BRL 69, to January 2023 in the amount of BRL 241 and to January 2024 in the amount of BRL 240.
- (iv) On February 24, 2017, the VSA renegotiated the contractual terms of the loan in accordance with Resolution 4131, in the amount of USD 100 (BRL 321). The Company renegotiated the final cost of swaps to 119.8% CDI and has extended the maturity from 2018 to 2021.
- (v) On February 24, 2017, the subsidiary VMZ contracted loans in the form of an export credit note, in the amount of BRL 100, at a cost of 118.0% of the CDI and maturing in February 2020.
- (vi) On April 28, 2017, the subsidiary VMZ contracted loans in the form of an export credit note, in the amount of BRL 100, at a cost of 119.9% of the CDI and maturing in April 2020.
- (vii) On April 28, 2017, the subsidiary Nexa issued a USD 700 (BRL 2.225) ten-year bond, with a coupon rate of 5.4% per year. Cajamarquilla, Compañía Minera Milpo S.A.A. e VMZ are fully and unconditionally guarantors of the notes, jointly and severally.

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(viii) On July 07, 2017, the subsidiary Ventos de São Vicente Energias Renováveis S.A. concluded its first debentures issuance in the amount of BRL 100, with restricted placement efforts. The issue has been made out according to the Second Article of Law 12,431, in view of the framework as a priority project by the Ministry of Mines and Energy. The issue is guaranteed by VSA and has a rating of AAA (bra) by Fitch, with the last maturing in June, 2024 and remuneration of IPCA + 5.5% a.a. The resources from this new borrowing will be used to develop of wind farms in Piauí.

(ix) On September 22, 2017, the subsidiary Ventos de São Vicente Energias Renováveis S.A. concluded its first debentures issuance, in a single series, in the amount of BRL 420, with restricted placement efforts. The issue is guaranteed by VSA, at a cost of 106.0% of the CDI and maturing in March 2018. The resources from this new borrowing will be used to develop wind farms in Piauí.

(x) On September 27, 2017, the join operation Campos Novos Energia S.A concluded its second debentures issuance, in two series, with a real guarantee and restricted placement efforts, in the amount of BRL 640, at a cost of 107.5% of the CDI. The first series was in the amount of BRL 384 and matures in September 2020. And the second series was in the amount of BRL 256 and matures in September 2022. The resources from this new borrowing were distributed to shareholders of Campos Novos Energia S.A..

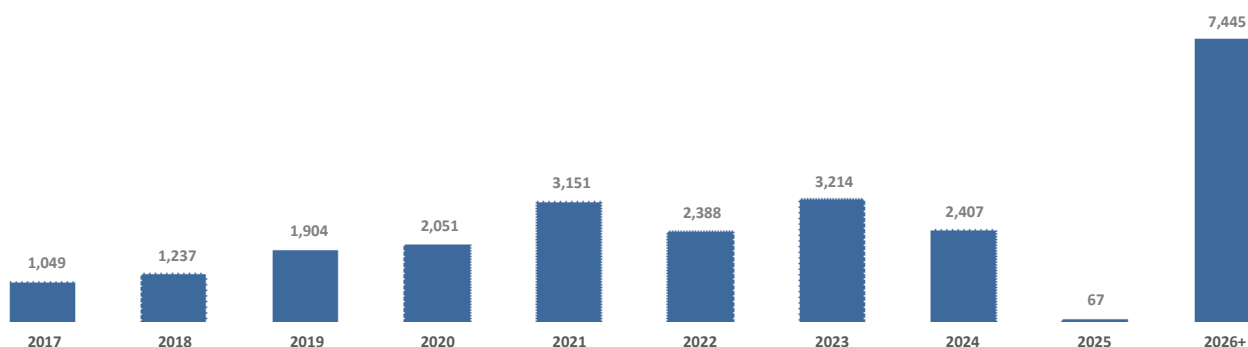
(d) Breakdown by currency

	Current		Non-current		Total	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
US Dollar	607	372	14,368	14,409	14,975	14,781
Real	1,270	1,153	5,026	4,943	6,296	6,096
Euro	68	32	2,679	2,500	2,747	2,532
Boliviano	1	3	381	392	382	395
Turkish lire	48	27	224	279	272	306
Currencies basket	58	90	54	101	112	191
Other	104	98	25	20	129	118
	2,156	1,775	22,757	22,644	24,913	24,419

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(e) Maturity



(f) Breakdown by index

	Current		Non-current		Total	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Local currency						
CDI	800	252	3,954	3,633	4,754	3,885
TJLP	350	421	552	824	902	1,245
Fixed rate	77	196	301	354	378	550
TR		267				267
SELIC	42	17	119	132	161	149
Other	1		100		101	
	1,270	1,153	5,026	4,943	6,296	6,096
Foreign currency						
Fixed rate	379	238	15,048	12,662	15,427	12,900
LIBOR	339	213	2,397	4,671	2,736	4,884
EURIBOR	36	5	205	218	241	223
UMBNDDES	88	122	81	150	169	272
Other	44	44			44	44
	886	622	17,731	17,701	18,617	18,323
	2,156	1,775	22,757	22,644	24,913	24,419

(g) Collateral

As at September 30, 2017, BRL 9,605 (December 31, 2016 – BRL 8,828) of the balance of the Company's borrowing was collateralized under promissory notes and sureties and BRL 448 of the property, plant and equipment items (December 31, 2016 - BRL 142) were collateralized by liens on the financed assets.

(h) Covenants/financial ratios

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

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

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18 Confirming payables

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

Operations - Confirming payables	9/30/2017	12/31/2016
Domestic market	274	363
Foreign market	495	605
	769	968

19 Current and deferred income tax and social contribution
(a) Reconciliation of income tax and social contribution expenses

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

The income tax and social contribution amounts presented in the statements of income for the periods ended September 30 are reconciled to their Brazilian standard rates as follows:

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Profit before income tax and social contribution	602	987
Standard rates	34%	34%
Income tax and social contribution at standard rates	(205)	(336)
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity	317	197
Tax incentive	10	9
Differences in the tax rates of foreign subsidiaries	38	94
Realization of comprehensive income on disposals of investments	1	15
Income tax and social contribution losses without recording of deferred amounts, net	(105)	(159)
Deferred exchange gains - effect on the income statement	(24)	
Income tax and social contribution payable for the PERT	(56)	
Non-deductible fines resulting from the adhesion of federal installments	(35)	
Non-deductible fines resulting from the adhesion of state installments	(15)	
Other additions, net	(1)	(8)
Income tax and social contribution calculated	(75)	(188)
Current	(482)	(488)
Deferred	407	300
Income tax and social contribution expenses	(75)	(188)
Effective rate - %	12%	19%

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(b) Breakdown of deferred tax balances

	9/30/2017	12/31/2016
Tax credits on tax losses	2,264	1,868
Tax credits on temporary differences		
Foreign exchange gains	1,029	1,496
Estimation for losses on investments, fixed and intangible assets	1,151	1,102
Tax, civil and labor provision	380	545
Tax benefit on goodwill	394	263
Use of public assets	174	178
Asset retirement obligation	172	170
Deferred losses on derivative instruments	157	109
Environmental liabilities	121	106
Estimation for inventory losses	79	77
Provision for energy charges	43	35
Estimated asset disposals	20	7
Other tax credits	275	278
Tax debits on temporary differences		
Market value adjustments to property, plant and equipment	(1,544)	(1,669)
Adjustment of useful lives of PP&E (depreciation)	(1,507)	(1,367)
Goodwill amortization	(370)	(337)
Market value Citrosuco	(156)	(148)
Capitalized interest	(137)	(133)
Financial instruments - firm commitment	(114)	(234)
Fair value adjustments	(122)	(112)
Adjustment to present value	(56)	(57)
Pension funds	(42)	(42)
Asset retirement obligation	(16)	(25)
Borrowing costs	(3)	(4)
Other tax debits	(35)	(34)
Net	2,157	2,072
Net deferred tax assets related to the same legal entity	4,104	4,055
Net deferred tax liabilities related to the same legal entity	(1,947)	(1,983)

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

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Opening balance for the period	2,072	2,004
Effects on the results for the period	407	300
Deferred income tax and social contribution on hedge accounting	(24)	(928)
Effects of foreign exchange variations in other comprehensive income	4	145
Consumption of IRPJ and CSLL tax credits for payment of PERT (Note 1.1 (d))	(248)	
Effect of subsidiaries included in the consolidation	(53)	(153)
Other	(1)	(27)
Closing balance for the period	2,157	1,341

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20 Deferred revenue - obligation for performance

In December 2014, the subsidiary Votener assigned the receivables to a financial institution with maturity in December 2019 due to contracts for Electrical Energy Trading in the Regulated Environment. This operation amounted to BRL 1,253, with no right of return and without the Company holding a joint liability. For the assignment of receivables, Votener received a total amount of BRL 905, and the interest to be appropriated is being recognized pro rata to income over the term of the contract.

In May 2015, Votener carried out a second credit assignment operation, without any right of return and without the Company holding any joint liability, totaling BRL 368. For the assignment of receivables, Votener received the total amount of BRL 251, and the interest to be appropriated is being recognized pro rata to income over the term of the contract.

As the physical delivery of energy occurs, Votener proportionally recognizes the revenue from the sale of these receivables. The updated amount of these operations as at September 30, 2017 was BRL 575 (December 31, 2016 – BRL 759).

21 Provision
(a) Breakdown and changes

						1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
	Legal claims					Total	Total
	ARO (i)	Tax	Labor	Civil	Other		
Opening balance for the period	1,035	725	176	372	38	2,346	2,189
Present value adjustment	40					40	38
Additions	2	82	106	75	17	282	217
Reversals (ii)		(640)	(94)	(20)	(13)	(767)	(190)
Judicial deposits, net of write-offs (ii)		430	(38)	(103)		289	(58)
Settlement in cash	(27)	(29)	(36)	(36)	(2)	(130)	(60)
Reclassification to related liability							(5)
Effect of subsidiaries included in (excluded from) consolidation							79
Reclassification of liabilities related to assets held for sale	(2)		12	(30)		(20)	
Monetary restatement		55	13	29	1	98	146
Foreign exchange variation	(9)			(1)		(10)	(124)
Revision of estimated cash flow	81					81	2
Closing balance for the period	1,120	623	139	286	41	2,209	2,234

(i) Asset retirement obligation.

(ii) In the second quarter the investees reversed a provision referring to the exclusion of ICMS from the basis of calculation of contributions to PIS and COFINS, for which there were judicial deposits constituted in the same amount. This reversal was based on the conclusion of the Federal Supreme Court (STF), which decided that the inclusion of ICMS in the PIS and COFINS taxes bases are unconstitutional and supported by the position of the legal counsel of the investees. The amount of BRL 307 was recorded in the "Reversal of provisions, net" (operating income) and the amount BRL 190 in the "Reversal of adjustment of liability provisions" (financial results) in the income statement. The reversal totaled BRL 169 in the income tax and social contribution and the net effect of these amounts totaled BRL 327. Consequently, the corresponding judicial deposits were reclassified to current assets.

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

	9/30/2017			12/31/2016				
	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)
Tax	(132)	755	623	684	(562)	1,287	725	214
Civil	(118)	404	286	11	(15)	387	372	104
Labor	(135)	274	139	123	(97)	273	176	99
Other		41	41	7		38	38	3
	(385)	1,474	1,089	825	(674)	1,985	1,311	420

(i) The Company has balances deposited in relation to lawsuits classified by management, following the directions of the Company's legal counsel as representing remote or possible losses and, therefore, they are made without respective provision.

(c) Litigation with likelihood of loss considered possible

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

	9/30/2017	12/31/2016
Tax	9,227	7,570
Civil	7,735	7,227
Environmental	494	487
Labor and social security	482	355
	17,938	15,639

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

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

Nature	9/30/2017	12/31/2016
"ICMS" Credit utilization	807	757
"IRPJ/CSLL" – Profits abroad (i)	755	172
Compensation for exploration for mineral resources ("CFEM")	610	564
Tax assessment notice – "IRPJ/CSLL" (ii)	514	828
Disallowances of "PIS/COFINS" credits	500	425
Offset of tax loss – 30% limit (merger)	272	271
Disallowance of "IRPJ" negative balance	267	306
"IRPJ/CSLL" – Transfer costs	227	222
"ICMS" – transfer costs	211	225
Tax assessment notice – "ICMS"	161	216
Errors in fiscal classification - Importation (iii)	160	
"ICMS" requirements on TUSD	192	149
"IRPJ/CSLL" – Deduction of expenses	92	86
Other lawsuits with individual amounts lower than BRL 100	4,459	3,349
	9,227	7,570

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(i) **Profits abroad – “IRPJ/CSLL”**

The Company has official notifications served by the Brazilian Federal Revenue, for supposed non-payment of IRPJ and CSLL due to the profit realized abroad by its subsidiaries, in 2007 and 2008, which amounted to BRL 264 in September 2017. In June 2017, the Company was assessed in BRL 329 for supposedly not computing, in its IRPJ and CSLL tax calculation of the 2012 calendar year, the profit realized by subsidiaries abroad. The Company has BRL 599 under discussion.

The subsidiary VCSA has official notifications served by the Brazilian Federal Revenue as well, for supposed non-payment of IRPJ and CSLL due to the profit realized abroad by its subsidiaries from the 2008 to 2010 calendar years, which amounted to BRL 156 in September 2017.

(ii) **Tax assessment notice – “IRPJ / CSLL”**

In December, 2011, the subsidiary VCSA was assessed by the Brazilian Federal Revenue, for the historical value of BRL 185, due to supposed non-payment or underpayment of IRPJ and CSLL, related to the period from 2006 to 2010, according to: (i) amortization of goodwill supposedly being incorrect; (ii) utilization of tax loss more than the limit of 30% permitted by tax regulations (merger); and (iii) non-payment of IRPJ and CSLL obligations on a monthly estimates basis. In March 2015, regarding the voluntary appeals filed with the Administrative Board of Tax Appeals, the board authorized the exclusion of the qualified and isolated fines and confirmed the lower court decision regarding the reduction mentioned above. Such court decision denied the taxpayer’s Special Appeal.

On September 30, 2017, the updated amount assessed amounted to BRL 298 and VCSA opted to include this case in Special Program of Tax Regularization “PERT” (note 1.1 (d)).

Of the total remaining balance, part of it related to the official notification that VCSA received in December, 2016 from the Brazilian Federal Revenue for the historical value of BRL 470 demanding the charge of IRPJ and CSLL related to 2011, due to supposed incorrect deduction of expenses and operational costs. As at the date of these financial statements, VCSA was waiting for the results of the impugnation judgement presented to the Special Federal Tax Office. On September 30, 2017, the actual amount under discussion was BRL 514, where the loss likelihood is possible.

(iii) **Error in the fiscal classification - Importation**

In June, 2017, the subsidiary CBA was allegedly assessed in error in relation to the fiscal classification of the importation of inputs, for tax enforcement purposes (IPI, PIS, COFINS E II), in the amount of BRL 156. The subsidiary understands that the assessment is improper and presented its impugnation. As at the date of these financial statements, the subsidiary was awaiting an administrative decision in the first instance.

For the other cases, there were no changes compared to Note 23 (e.1) in the last annual financial statements.

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

Nature	9/30/2017	12/31/2016
Public civil suit – Violation of the economic order	3,828	3,630
Administrative investigations carried out by the Secretariat of Economic Law	1,978	2,128
Litigation with a São Paulo transportation company	185	179
Indemnity lawsuits	44	57
Other lawsuits	1,700	1,233
	7,735	7,227

There were no material changes in relation to those detailed in Note 23 (e.3) to the last annual financial statements.

22 Equity**(a) Share capital**

On September 30, 2017 and December 31, 2016, the fully subscribed and paid-up capital of the Company was BRL 28,656, consisting of 18,278,789 thousand common shares.

(b) Dividends

In the nine-month period of 2017, the Company decided on a dividend of BRL 135 of dividends related to a portion of the revenue reserves account, which had accumulated up to December 31, 2016.

(c) Carrying value adjustments

	Currency translation of investees located abroad	Hedge accounting for net investments abroad, net of taxes	Hedge accounting for the operations of subsidiaries	Remeasurement of retirement benefits	Other comprehensive income	Total
At January 1, 2016	10,757	(6,598)	(82)	2	(1,112)	2,967
Other comprehensive income						
Currency translation of investees located abroad	(4,624)					(4,624)
Hedge accounting for net investments abroad, net of taxes		2,068				2,068
Hedge accounting for the operations of subsidiaries			52			52
Remeasurement of retirement benefits				4		4
Fair value of available-for-sale financial assets of non-consolidated investments					234	234
Realization of comprehensive income on disposals of investments	(44)					(44)
Share in other comprehensive income of investees					19	19
Total contributions by and distributions to shareholders						
Fair value of the share increase in subsidiary - Nexa Resources					571	571
At September 30, 2016	6,089	(4,530)	(30)	6	(288)	1,247
At January 1, 2017	6,204	(4,565)	(30)	(35)	(319)	1,255
Other comprehensive income						
Currency translation of investees located abroad	(322)					(322)
Hedge accounting for net investments abroad, net of taxes		92				92
Hedge accounting for the operations of subsidiaries			(33)			(33)
Remeasurement of retirement benefits				(6)		(6)
Fair value of available-for-sale financial assets of non-consolidated investments					21	21
Realization of comprehensive income on disposals of investments	(85)					(85)
Share of other comprehensive income of investees					10	10
At September 30, 2017	5,797	(4,473)	(63)	(41)	(288)	932

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23 Net revenue

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Gross revenue		
Sales of products - domestic market	7,630	10,706
Sales of products - foreign market	10,285	10,136
Supply of electrical energy	4,952	1,845
Services provided	354	522
	<u>23,221</u>	<u>23,209</u>
Taxes on sales, services and other deductions	(3,267)	(3,593)
Net revenue	<u>19,954</u>	<u>19,616</u>

24 Expenses by nature

				1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	10,029	44	9	10,082	9,632
Employee benefit expenses	1,954	264	787	3,005	3,045
Depreciation, amortization and depletion	1,630	38	69	1,737	1,961
Outsourced services	714	35	316	1,065	1,195
Transportation expenses	66	624	9	699	811
Other expenses	892	203	290	1,385	1,187
	<u>15,285</u>	<u>1,208</u>	<u>1,480</u>	<u>17,973</u>	<u>17,831</u>

25 Employee benefit expenses

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Salaries and bonuses	1,847	1,831
Payroll charges	716	770
Benefits	442	444
	<u>3,005</u>	<u>3,045</u>

26 Other operating expenses, net

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Judicial reversals, net (Note 20 (a))	485	27
Realization of other comprehensive income of on sale operations in China (Note 1.1 (b))	27	
Financial instrument - firm commitment (i)	(347)	(192)
Gain (loss) on sale of investments, net (ii)	(336)	312
Adoption of debits in the state REFIS (Note 1.1 (e))	(212)	
Spending on not activatable projects	(174)	(141)
Adoption of debts in the federal PERT (Note 1.1 (d))	(104)	
Write-off of goodwill on the sale of operations in China (Note 1.1 (b))	(83)	
Expenses with environmental obligations	(41)	
Loss on hedge	(40)	(80)
Gain (loss) on sale of fixed and intangible assets, net	(40)	40
Contingency expenses	(27)	22
Royalties of mining and exploration rights	(28)	(36)
Reinsurance operations	(8)	
Fair value of biological assets	(8)	7
Other income (expenses), net	(139)	11
	(1,075)	(30)

(i) The realization of the financial instrument is recorded against the sales revenue, in accordance with the physical delivery of energy (Note 13).

(ii) Refers to the loss of investments in the transaction in the long steel segment, in the amount of BRL (253) and the gain on the sale of the investment in Minera Rayrock, in the amount of BRL 16.

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27 Finance results, net

	1/1/2017 to 9/30/2017	1/1/2016 to 9/30/2016
Finance income		
Income from financial investments	450	575
Reversal of monetary restatement of provision	191	
Interest on financial assets	109	111
Monetary updating of assets	102	99
Discounts obtained	31	14
Interest and monetary restatement - use of public assets (i)	27	
Fair value of borrowing	26	107
Interest on related-party transactions (Note 12)	7	17
Discount on repurchase of bonds		172
Other finance income	29	12
	972	1,107
Finance costs		
Interest on borrowing	(1,251)	(1,297)
Capitalization of borrowing costs	46	45
Monetary restatement of provision	(145)	(143)
Fair value of borrowing and financing	(108)	(82)
Interest on Federal PERT	(107)	
Interest on anticipation of receivables	(76)	(76)
Income tax on remittances of interest abroad	(62)	(71)
Adjustment to present value CPC 12	(60)	(49)
Interest on State REFIS	(40)	
"PIS/COFINS" on financial results	(30)	(46)
Borrowing fees	(28)	(45)
Interest on taxes payable	(8)	(5)
Interest and monetary restatement - use of public assets (i)	(2)	(96)
Discounts granted	(2)	(18)
Other finance costs	(116)	(128)
	(1,989)	(2,011)
Results of derivative financial instruments (Note 5.3 (b))		
Revenue		45
Expenses	(260)	(964)
	(260)	(919)
Foreign exchange variation, net	39	453
Finance results, net	(1,238)	(1,370)

(i) In the second quarter of 2017, the Company recognized a monetary restatement revenue on UBP - use of public assets, due to the fact the index used for updating (the IGP-M "General Market Price Index") had been negative.

28 Insurance

The Company and its subsidiaries maintained property risk insurance coverage amounting to BRL 54,098 and insurance for loss of income amounting to BRL 7,681 at September 30, 2017. The Company's management considers these amounts sufficient to cover eventual property risks and loss of profits.

29 Assets and liabilities classified as held-for-sale

	Assets	Liabilities
Assets classified as held-for-sale - Long steel Brazil	2,124	1,522
Net investment		602
Assets classified as held-for-sale - Cement segment	860	84
Net investment		776

(a) Long steel segment

On February 22, 2017, AMB and VSA entered into an agreement under which VS will become a subsidiary of AMB and VSA will hold a minority interest of 15% in the capital of AMB.

Votorantim's long steel operations in Argentina (Acerbrag) and Colombia (PazdelRío) were not included in the transaction. The agreement is subject to prior regulatory approvals in Brazil, including the approval of the Administrative Council for Economic Defense ("CADE").

The Company began to negotiate its long steel operations in Brazil, which are conducted by the subsidiary VS and, as a result, the assets and liabilities of these operations were classified as held-for-sale.

In compliance with the accounting rules for assets classified as held-for-sale, the Company carried out the valuation of the long steel operations in Brazil at fair value and recognized an impairment of BRL 988, which was recorded as an expense in "Other operating income, net". The tax effects, in the amount of BRL 336, related to deferred income tax and social contribution were recognized in the respective income statement accounts and, therefore, the net effect was BRL 652.

During the nine months period of 2017, VSA contributed, in the amount of BRL 200, to the share capital in VS. As this contribution will not be subject to adjustment in the negotiation, this amount was classified as a reduction in assets classified as held-for-sale and expenses for impairment under "Other operating expenses, net". The tax effects, in the amount of BRL 68, related to deferred income tax and social contribution were recognized in the respective income statement accounts and, therefore, the net effect was BRL 132.

Also during the nine-month period of 2017, Votorantim's long steel operations in Argentina deliberated dividends to VS, in the amount of BRL 52. As the operations in Argentina have not been included in the transaction, the amount to receive has been reclassified to "Other operating expenses, net". The deferred income tax and social contribution recorded was BRL 18, resulting in the net effect of BRL 34 in the income statement.

Operating losses of the long steel operation in the amount of BRL 141, at September 30, 2016, were retained in the statement of income and reclassified from "Continuing operations" to "Discontinued operations".

Considering that the asset classified as held-for-sale is recorded at its fair value, consequently, it was not revalued by equity in the results of investees on September 30, 2017.

(b) Cement segment

In the June, 2017, the subsidiary VCEAA realized a sale of assets and liabilities related to the operations localized in China, Suzhou Nanda Cement Co. Ltd., Hua Wo Cement Co. Ltd. - (Shandong) e Hua Wo Cement Co. Ltd. - (Huai'an), Note 1.1 (b).

In the third quarter of 2017, the subsidiary VCNA and Anderson Columbia Group ("Anderson Columbia") have advanced negotiations to sell certain cement assets in the states of Florida and California to an international group of building materials. Therefore, the assets and liabilities related to the operations were classified as held-for-sale (Note 31 (a)).

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30 Supplemental information – Business segments

In order to provide a higher level of information, the Company has elected to disclose financial information by business segment. The following information refers to the division of VSA by business segments and considers the elimination of balances and transactions between companies before: (i) eliminations between business segments; (ii) elimination of investments held by the holding companies.

In addition, the eliminations and reclassifications between companies are highlighted, so that the net result corresponds to the consolidated financial information of VSA disclosed as supplementary information. This supplementary information is not intended to comply with and is not required by accounting practices adopted in Brazil or by IFRS.

(a) Capital management

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

	Note	Industrial segments	
		10/1/2016 to 9/30/2017	1/1/2016 to 12/31/2016
Adjusted EBITDA			
Loss for the period		(1,333)	(1,250)
Plus (less):			
Continuing operations			
Equity in the results of investees		(1,105)	(800)
Net financial results		1,583	1,749
Income and social contribution taxes		(489)	(392)
Depreciation, amortization and depletion		2,440	2,610
Discontinued operations			
Equity in the results of investees		12	(5)
Net financial results		(12)	94
Income and social contribution taxes		(5)	
Depreciation, amortization and depletion		(70)	178
EBITDA before other additions and exceptional items		1,021	2,184
Plus :			
Dividends received		237	188
Extraordinary items			
EBITDA - discontinued operations		221	105
Loss (gain) on sale of investments, net		392	(312)
Impairment - property, plant, equipment		1,105	1,120
Impairment of investments		988	1,031
Fair value of biological assets		13	(2)
PERT payment with deferred tax credit		99	
Other		48	1
Adjusted annualized EBITDA (A)		4,124	4,315
Net debt			
Borrowing	17	24,913	24,419
Cash and cash equivalents, financial investments and derivative financial instruments		(9,054)	(9,691)
Net debt (B)		15,859	14,728
Gearing ratio (A/B)		3.85	3.41

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(b) Balance sheet – business segments

										9/30/2017
Assets	Cement	Nexa Resources	Aluminum ("CBA")	Steel (*)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Current										
Cash and cash equivalents, financial investments and derivative financial instruments	3,516	3,451	1,323	38	1,325		9,653	84		9,737
Trade receivables	1,082	490	410	273	765	(259)	2,761			2,761
Inventory	1,341	908	643	291	87		3,270			3,270
Taxes recoverable	270	259	453	70	184		1,236	80		1,316
Dividends receivable			17		176	(176)	17			17
Financial instruments - firm commitment			132		128		260			260
Other assets	271	100	49	34	40		494			494
	6,480	5,208	3,027	706	2,705	(435)	17,691	164		17,855
Assets classified as held-for-sale	860				2,124		2,984			2,984
	7,340	5,208	3,027	706	4,829	(435)	20,675	164		20,839
Non-current assets										
Long-term receivables										
Financial investments and derivative financial instruments	23	11	6		96		136			136
Taxes recoverable	559	97	579	5	426		1,666			1,666
Related parties	63	3	889	13	1,625	(2,464)	129			129
Deferred income tax and social contribution	939	694	863	40	1,145	394	4,075	29		4,104
Judicial deposits	685	44	61	1	34		825			825
Financial instruments - firm commitment			127				127			127
Other assets	530	81	31	3	89		734			734
	2,799	930	2,556	62	3,415	(2,070)	7,692	29		7,721
Investments	873	1	501		33,327	(21,103)	13,599	5,050	(5,074)	13,575
Property, plant and equipment	12,329	5,690	4,569	896	1,676		25,160	1		25,161
Intangible assets	5,388	6,704	597	61	510	(1,193)	12,067			12,067
Biological assets			4	5	59		68			68
	21,389	13,325	8,227	1,024	38,987	(24,366)	58,586	5,080	(5,074)	58,592
Total assets	28,729	18,533	11,254	1,730	43,816	(24,801)	79,261	5,244	(5,074)	79,431

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

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										9/30/2017
	Cement	Nexa Resources	Aluminum ("CBA")	Steel (*)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Liabilities and equity										
Current liabilities										
Borrowing	1,269	151	257	45	434		2,156			2,156
Derivative financial instruments	162	46	141		36		385			385
Confirming payable	521	199		49			769			769
Trade payables	1,020	964	410	186	481	(242)	2,819			2,819
Salaries and payroll charges	352	225	127	31	75		810			810
Taxes payable	238	137	54	86	20		535			535
Advances from customers	48	5	12	121	4		190			190
Dividends payable	167	197	14	1	39	(180)	238			238
Use of public assets	31	5	31				67			67
Related parties			222			(222)				
Deferred revenue - performance obligation					242		242			242
Deferred revenue - silver streaming		97					97			97
Other	293	100	78	30	71		572	1		573
	4,101	2,126	1,346	549	1,402	(644)	8,880	1		8,881
Liabilities related to assets held-for-sale	84				1,522		1,606			1,606
	4,185	2,126	1,346	549	2,924	(644)	10,486	1		10,487
Non-current liabilities										
Borrowing	13,799	4,406	2,516		2,036		22,757			22,757
Derivative financial instruments	264	9	11		66		350			350
Deferred income tax and social contribution	555	1,035	1		187		1,778	169		1,947
Related parties	87	100	669	537	891	(2,259)	25			25
Provision	837	732	465	86	89		2,209			2,209
Use of public assets	443	74	538				1,055			1,055
Pension plan	185			136			321			321
Financial instruments - firm commitment	5				52		57			57
Deferred revenue - performance obligation					333		333			333
Deferred revenue - silver streaming		628					628			628
Other	198	255	23	94	65		635			635
	16,373	7,239	4,223	853	3,719	(2,259)	30,148	169		30,317
Total liabilities	20,558	9,365	5,569	1,402	6,643	(2,903)	40,634	170		40,804
Equity										
Total equity attributable to owners of the Company	7,627	5,391	5,685	225	37,173	(19,915)	36,186	5,073	(5,074)	36,185
Non-controlling interests	544	3,777		103		(1,983)	2,441	1		2,442
Total equity	8,171	9,168	5,685	328	37,173	(21,898)	38,627	5,074	(5,074)	38,627
Total liabilities and equity	28,729	18,533	11,254	1,730	43,816	(24,801)	79,261	5,244	(5,074)	79,431

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

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(c) Statement of income – business segments

	1/1/2017 to 9/30/2017									
	Cement	Nexa Resources	Aluminum ("CBA")	Steel (***)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations										
Net revenue from products sold and services rendered	8,287	5,544	3,535	1,187	3,402	(2,001) (*)	19,954			19,954
Cost of products sold and services rendered	(6,299)	(3,911)	(2,998)	(972)	(3,106)	2,001 (*)	(15,285)			(15,285)
Gross profit	1,988	1,633	537	215	296		4,669			4,669
Operating income (expenses)										
Selling	(840)	(205)	(52)	(67)	(44)		(1,208)			(1,208)
General and administrative	(609)	(350)	(139)	(82)	(263)		(1,443)	(37)		(1,480)
Other operating income (expenses), net	(177)	(284)	204	23	(463)	(378) (**)	(1,075)			(1,075)
	(1,626)	(839)	13	(126)	(770)	(378)	(3,726)	(37)		(3,763)
Operating profit (loss) before equity results and finance results	362	794	550	89	(474)	(378)	943	(37)		906
Result from equity investments										
Equity in the results of investees	111		12		1,119	(328)	914	220	(203)	931
Realization of other comprehensive income on disposal of investments	3						3			3
	114		12		1,119	(328)	917	220	(203)	934
Finance results, net										
Finance income	565	80	153	8	253	(99)	960	12		972
Finance costs	(1,207)	(239)	(303)	(61)	(278)	99	(1,989)			(1,989)
Results of derivative financial instruments	(183)	(6)			(71)		(260)			(260)
Foreign exchange gains (losses), net	(43)	1	120	3	20	(62)	39			39
	(868)	(164)	(30)	(50)	(76)	(62)	(1,250)	12		(1,238)
Profit (loss) before income tax and social contribution	(392)	630	532	39	569	(768)	610	195	(203)	602
Income tax and social contribution										
Current	(220)	(207)	27	(45)	(37)		(482)			(482)
Deferred	162	8	(107)	23	160	152	398	9		407
Profit (loss) from continuing operations	(450)	431	452	17	692	(616)	526	204	(203)	527
Discontinued operations										
Profit from discontinued operations	1						1			1
Profit (loss) for the period	(449)	431	452	17	692	(616)	527	204	(203)	528
Profit (loss) attributable to the owners of the Company	(414)	314	452		729	(602)	479	203	(203)	479
Profit (loss) attributable to non-controlling interests	(35)	117		17		(51)	48	1		49
Profit (loss) for the period	(449)	431	452	17	729	(653)	527	204	(203)	528

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

(**) Refers to the net gain of CBA on the sale of the Pollarix S.A. investment. Preferred shares for VGE and common shares for VMZ. Deducted from the cost of write-off of respective investments.

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

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	1/1/2016 to 9/30/2016										
	Cement	Nexa Resources	Aluminum ("CBA")	Steel (***)	Nickel (**)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	9,102	4,789	3,088	1,230	332	3,201	(2,126) (*)	19,616			19,616
Cost of products sold and services rendered	(6,698)	(3,539)	(2,688)	(960)	(489)	(2,875)	2,126 (*)	(15,123)			(15,123)
Gross profit (loss)	2,404	1,250	400	270	(157)	326		4,493			4,493
Operating income (expenses)											
Selling	(809)	(235)	(73)	(67)	(5)	(36)		(1,225)			(1,225)
General and administrative	(644)	(296)	(121)	(98)	(55)	(258)		(1,472)	(11)		(1,483)
Other operating income (expenses), net	382	(191)	(168)	13	(41)	(25)		(30)			(30)
	(1,071)	(722)	(362)	(152)	(101)	(319)		(2,727)	(11)		(2,738)
Operating profit (loss) before equity results and finance results	1,333	528	38	118	(258)	7		1,766	(11)		1,755
Result from equity investments											
Equity in the results of investees	90	(1)	130		10	1,665	(1,331)	563	(25)	20	558
Realization of other comprehensive income on disposal of investments	44							44			44
	134	(1)	130		10	1,665	(1,331)	607	(25)	20	602
Finance results, net											
Finance income	715	42	114	18	28	264	(99)	1,082	25		1,107
Finance costs	(1,253)	(151)	(345)	(62)	(37)	(260)	98	(2,010)	(1)		(2,011)
Results of derivative financial instruments	(709)	(7)	1		(5)	(199)		(919)			(919)
Foreign exchange gains (losses), net	421	487	480	(4)	270	39	(1,240)	453			453
	(826)	371	250	(48)	256	(156)	(1,241)	(1,394)	24		(1,370)
Profit (loss) before income tax and social contribution	641	898	418	70	8	1,516	(2,572)	979	(12)	20	987
Income tax and social contribution											
Current	(202)	(163)	(23)	(58)		(39)		(485)	(3)		(488)
Deferred	66	(93)	(106)	8		100	330	305	(5)		300
Profit (loss) for the period from continuing operations	505	642	289	20	8	1,577	(2,242)	799	(20)	20	799
Discontinued operations											
Loss from continuing operations	(47)					(141)		(188)			(188)
Profit (loss) for the period	458	642	289	20	8	1,436	(2,242)	611	(20)	20	611
Profit (loss) attributable to the owners of the Company	428	534	289	31	8	1,436	(2,221)	505	(21)	21	505
Profit (loss) attributable to non-controlling interests	30	108		(11)			(21)	106	1	(1)	106
Profit (loss) for the period	458	642	289	20	8	1,436	(2,242)	611	(20)	20	611

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

(**) Corresponds to the period between January 1 and June 30, 2016, as VMSA was merged into CBA on July 1, 2016.

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

(d) Adjusted EBITDA – business segments

	1/1/2017 to 9/30/2017								
	Cement	Nexa Resources	Aluminum ("CBA")	Steel (***)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	8,287	5,544	3,535	1,187	3,402	(2,001) (*)	19,954		19,954
Cost of products sold and services rendered	(6,299)	(3,911)	(2,998)	(972)	(3,106)	2,001 (*)	(15,285)		(15,285)
Gross profit	1,988	1,633	537	215	296		4,669		4,669
Operating income (expenses)									
Selling	(840)	(205)	(52)	(67)	(44)		(1,208)		(1,208)
General and administrative	(609)	(350)	(139)	(82)	(263)		(1,443)	(37)	(1,480)
Other operating income (expenses), net	(177)	(284)	204	23	(463)	(378) (**)	(1,075)		(1,075)
	(1,626)	(839)	13	(126)	(770)	(378)	(3,726)	(37)	(3,763)
Operating profit (loss) before equity results and finance results	362	794	550	89	(474)	(378)	943	(37)	906
Plus:									
Depreciation, amortization and depletion - continuing operations	739	636	229	79	54		1,737		1,737
EBITDA	1,101	1,430	779	168	(420)	(378)	2,680	(37)	2,643
Plus:									
Dividends received	51		34		116		201	51	252
Exceptional items									
Loss (gain) on sale of investments, net	155	(16)	(378)		253	378	392		392
Constitution (reversal) for impairment - fixed assets	24		(31)				(7)		(7)
Fair value of biological assets					8		8		8
REFIS payment with deferred income tax credit	99						99		99
Other					47		47		47
Adjusted EBITDA	1,430	1,414	404	168	4		3,420	14	3,434

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

(**) Corresponds to the period between January 1 and June 30, 2016, as VMSA was merged into CBA on July 1, 2016.

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

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	1/1/2016 to 9/30/2016									
	Cement	Nexa Resources	Aluminum ("CBA")	Steel (***)	Nickel (**)	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	9,102	4,789	3,088	1,230	332	3,201	(2,126) (*)	19,616		19,616
Cost of products sold and services rendered	(6,698)	(3,539)	(2,688)	(960)	(489)	(2,875)	2,126 (*)	(15,123)		(15,123)
Gross profit (loss)	2,404	1,250	400	270	(157)	326		4,493		4,493
Operating income (expenses)										
Selling	(809)	(235)	(73)	(67)	(5)	(36)		(1,225)		(1,225)
General and administrative	(644)	(296)	(121)	(98)	(55)	(258)		(1,472)	(11)	(1,483)
Other operating income (expenses), net	382	(191)	(168)	13	(41)	(25)		(30)		(30)
	(1,071)	(722)	(362)	(152)	(101)	(319)		(2,727)	(11)	(2,738)
Operating profit (loss) before equity results and finance results	1,333	528	38	118	(258)	7		1,766	(11)	1,755
Plus:										
Depreciation, amortization and depletion - continuing operations	763	727	245	104	37	85		1,961		1,961
EBITDA	2,096	1,255	283	222	(221)	92		3,727	(11)	3,716
Plus:										
Dividends received	32		32			88		152	57	209
Exceptional items										
Loss (gain) on sale of investments, net	(297)	(2)	24			(37)		(312)		(312)
Constitution (reversal) for impairment - fixed assets	10	(1)			(1)			8		8
Provision (reversal) for impairment - investments						43		43		43
Fair value of biological assets						(7)		(7)		(7)
Adjusted EBITDA	1,841	1,252	339	222	(222)	179		3,611	46	3,657

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

(**) Corresponds to the period between January 1 and June 30, 2016, as VMSA was merged into CBA on July 1, 2016.

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

31 Subsequent events**(a) Sale of related assets and liabilities to the operations in the states of Florida and California**

On October 1, 2017, the subsidiary VCNA and Anderson Columbia, have reached an agreement to sell certain cement assets in the States of Florida and California to an international group of building materials companies. This agreement included the interests in the indirect investees Suwanee American Cement, LLC, a 50/50 joint venture, and Sumter Cement Co, LLC, a 50/50 joint venture of a cement plant project, and the operation's concrete, gunite and block of the subsidiary 100% controlling by the VCNA, Prestige Concrete Products.

The sale is subject to certain regulatory approvals and other usual closing conditions. As a result of this decision, on September 30, 2017 these assets and liabilities were classified as "Assets and liabilities classified as held-for-sale" (Note 29 (b)). At this point, the assets were valued at their settlement values and the impairment adjustment was not required.

(b) Public offering of common shares Nexa Resources

On October 27, 2017, the subsidiary Nexa announced the pricing of its initial public offering and began trading on the New York Stock Exchange ("NYSE") and the Toronto Stock Exchange ("TSX"), under the ticker name "NEXA".

On October 31, 2017, the Nexa announced the closing of its initial public offering of 35,650,000 of the Company's common shares at a public offering price of USD 16.00 per share, which included an aggregate of 15,150,000 shares sold by VSA, including pursuant to the exercise in full by the underwriters of their over-allotment option for 4,650,000 shares.

(c) Dividends distribution of the subsidiary VCEAA

On the October 27, 2017, reductions of capital were approved by VCEAA, as controlling shareholder of VCNA, in the amount of USD 110, and its capital was reduced from USD 1,180 to USD 1,070. Considering the capital reduction of VCNA, VCSA determined the dividends distribution of VCEAA, its direct subsidiary, in the aggregate amount in Euros equivalent to USD 110 (BRL 360). VCSA used these resources for the early liquidation of debts.

(d) Sale of assets and liabilities related to operations localized in China

On October 31, 2017 the subsidiary VCEAA realized a sale of assets and liabilities related to the operations localized in China, Suzhou Nanda Cement Co. Ltd., Hua Wo Cement Co. Ltd. - (Shandong) and Hua Wo Cement Co. Ltd. - (Huai'an). As a result of the sale of this investment, VCEAA revised the fair value of the operation and realized proportional write-off of the goodwill, in the amount of BRL 145 and the foreign exchange variation on this investment, in the amount BRL 46, respectively, recorded in "Other operation expense, net" (Note 26).

(e) Early repayment of borrowing – Resolution 4131

On November 6, 2017, the subsidiary VCSA realized the pre-payment of the borrowing's contract relative to Resolution 4131, in the amount of USD 100 (BRL 328), signed on the February 18, 2016 and maturing on the February 26, 2020. The swap's contract linked to this borrowing was also liquidated.

(f) Early repayment liquidation of debentures

On November 6, 2017, the subsidiary VCSA realized early redemption of the total of the debentures, of the third public issuance of debentures. The total principal amount on the redemption date was BRL 240, maturing on February 14, 2021.