

Condensed consolidated
interim financial statements at
March 31, 2020 and
independent auditor's report

Votorantim S.A.

VOTORANTIM



Report on review of condensed consolidated interim financial statements

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

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Votorantim S.A. and its subsidiaries ("Company") as at March 31, 2020 and the related condensed consolidated interim statements of income and comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these consolidated condensed interim financial statements in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - "Interim Financial Reporting", of 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

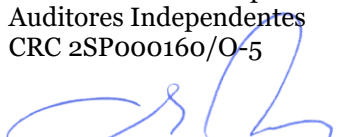
We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and ISRE 2410 - "Review of Interim Financial Information Performed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

Conclusion

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 CPC 21 and IAS 34.

Curitiba, May 13, 2020

PRICEWATERHOUSECOOPERS
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Condensed consolidated interim financial statements

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	Note	3/31/2020	12/31/2019
Assets			
Current assets			
Cash and cash equivalents		6,779	6,262
Financial investments		4,968	4,444
Derivative financial instruments	5.1.1 (a)	287	62
Trade receivables	7	2,661	2,196
Inventory	8	4,823	4,129
Taxes recoverable		2,171	1,968
Dividends receivable		94	81
Financial instruments - firm commitment		2	
Other assets		542	621
		22,327	19,763
Assets classified as held-for-sale			
		22,327	19,763
Non-current assets			
Long-term receivables			
Financial investments		20	23
Financial instruments - Suzano	9	2,912	2,749
Derivative financial instruments	5.1.1 (a)	1,496	337
Derivative financial instruments - put option	5.1.1 (b)	452	655
Taxes recoverable		3,368	3,477
Related parties		247	229
Deferred income tax and social contribution	14 (b)	4,109	3,341
Judicial deposits	15 (b)	323	345
Financial instruments - firm commitment		37	29
Other assets		970	726
		13,934	11,911
Investments	10 (b)	12,353	11,720
Property, plant and equipment	11	29,394	27,148
Intangible assets	12	14,550	13,283
Right-of-use assets		882	813
Biological assets		81	85
		71,194	64,960
Total assets		93,521	84,723

	Note	3/31/2020	12/31/2019
Liabilities and equity			
Current assets			
Borrowing	13 (a)	1,620	954
Lease liabilities		244	210
Derivative financial instruments	5.1.1 (a)	494	69
Confirming payables		1,362	1,415
Trade payables		4,148	4,429
Salaries and payroll charges		691	836
Taxes payable		461	424
Advances from clients		221	102
Dividends payable		105	120
Use of public assets		88	87
Financial instruments - firm commitment		41	81
Deferred revenue - silver streaming		127	106
Other liabilities		951	870
		10,553	9,703
Liabilities related to assets held-for-sale		2	2
		10,555	9,705
Non-current assets			
Borrowing	13 (a)	24,743	18,801
Lease liabilities		677	631
Derivative financial instruments	5.1.1 (a)	1,952	383
Deferred income tax and social contribution	14 (b)	2,357	2,087
Related parties		18	50
Provision	15 (a)	3,451	3,137
Use of public assets		1,159	1,151
Pension plan and post-employment health care benefits		492	367
Financial instruments - firm commitment		138	122
Deferred revenue - silver streaming		768	621
Other liabilities		789	761
		36,544	28,111
Total liabilities		47,099	37,816
Equity			
Share capital	16 (a)	28,656	28,656
Revenue reserves		10,800	11,165
Retained (loss) earnings		(2,189)	
Carrying value adjustments	16 (c)	4,364	1,948
Total equity attributable to the owners of the Company		41,631	41,769
Non-controlling interests		4,791	5,138
Total equity		46,422	46,907
Total liabilities and equity		93,521	84,723

Condensed consolidated interim statement of income
Quarters ended March 31
All amounts in millions of reais unless otherwise stated

VOTORANTIM

(A free translation of the original in Portuguese)

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Continuing operations			
Net revenue from products sold and services rendered	17	6,829	6,720
Cost of products sold and services rendered	18	(6,068)	(5,838)
Gross profit		761	882
Operating income (expenses)			
Selling	18	(224)	(214)
General and administrative	18	(581)	(533)
Other operating income (expenses), net	19	(2,096)	6,994
		(2,901)	6,247
Operating profit (loss) before equity results and finance results		(2,140)	7,129
Results from equity investments			
Equity in the results of investees	10 (b)	(133)	89
		(133)	89
Finance results, net			
	20		
Finance income		174	411
Finance costs		(592)	(787)
Result of derivative financial instruments		(19)	(59)
Foreign exchange losses, net		(1,100)	(19)
		(1,537)	(454)
Profit (loss) before income tax and social contribution		(3,810)	6,764
Income tax and social contribution			
	14 (a)		
Current		(138)	(1,251)
Deferred		504	(1,123)
Profit (loss) from continuing operations		(3,444)	4,390
Discontinued operations			
Profit on discontinued operations			1
Profit (loss) for the quarter attributable to the owners of the Company		(3,444)	4,391
Profit (loss) attributable to the owners of the Company		(2,189)	4,388
Profit (loss) attributable to non-controlling interests		(1,255)	3
Profit (loss) for the quarter		(3,444)	4,391
Weighted average number of shares - thousands (to the owners of the Company)		18,278,789	18,278,789
Basic and diluted earnings (loss) per thousand shares, in reais		(119.76)	240.06
From continuing operations			
Basic and diluted earnings (loss) per thousand shares, in reais		(119.76)	240.01
From discontinued operations			
Basic and diluted earnings per thousand shares, in reais			0.05

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Profit for the quarter		(3,444)	4,391
Other components of comprehensive income to be subsequently reclassified to profit or loss			
Attributable to the owners of the Company			
Foreign exchange variations	16 (c)	3,227	28
Hedge accounting for net investments abroad, net of taxes	5.1 (b) e 16 (c)	(392)	81
Hedge accounting for the operations of subsidiaries	16 (c)	(661)	(17)
Fair value of financial assets available-for-sale of the non-consolidated investments	16 (c)		20
Realization of comprehensive results in the sale of investments	16 (c)		(16)
Adjust the fair value of the shares, net of the tax	16 (c)	104	375
Loss on capital contribution to Nexa Resources S.A.	16 (c)		(63)
Inflation adjustment for hyperinflationary economies	16 (c)	62	27
Fair value - measurement of credit risk - Nexa		71	
Participation in other comprehensive results of investees	16 (c)	(1)	
Attributable to non-controlling			
Foreign exchange variations attributable to non-controlling interests		981	3
Hedge accounting for the operations of subsidiaries			3
		3,391	441
Other components of comprehensive income that will not be reclassified to profit or loss			
Attributable to the owners of the Company			
Remeasurement of retirement benefits, net of tax	16 (c)	6	(3)
Attributable to non-controlling			
Remeasurement of retirement benefits, net of taxes		1	1
Other components of comprehensive income for the quarter		3,398	439
Comprehensive income (loss) from			
Continuing operations		(46)	4,829
Discontinued operations			1
		(46)	4,830
Comprehensive income attributable to			
Owners of the Company		227	4,820
Non-controlling interests		(273)	10
		(46)	4,830

Condensed consolidated interim statement of charges in equity

Quarters ended March 31

All amounts in millions of reais unless otherwise stated

VOTORANTIM

(A free translation of the original in Portuguese)

Attributable to the owners of the Company										
Revenue reserves										
	Note	Share capital	Tax incentives	Legal	Profit retention	Retained (loss) earnings	Carrying value adjustments	Total	Non-controlling interests	Total equity
At January 1, 2019		28,656	10	771	6,307		1,475	37,219	5,623	42,842
Profit for the quarter						4,388		4,388	3	4,391
Other comprehensive income							432	432	7	439
Comprehensive income for the quarter						4,388	432	4,820	10	4,830
Distribution of dividends					(1,040)			(1,040)	(128)	(1,168)
Total contributions and distributions to shareholders					(1,040)			(1,040)	(128)	(1,168)
At March 31, 2019		28,656	10	771	5,267	4,388	1,907	40,999	5,505	46,504
At January 1, 2020		28,656	10	1,032	10,123		1,948	41,769	5,138	46,907
Loss for the quarter						(2,189)		(2,189)	(1,255)	(3,444)
Other comprehensive income	16 (c)						2,416	2,416	982	3,398
Comprehensive income (loss) for the quarter						(2,189)	2,416	227	(273)	(46)
Distribution of dividends	16 (b)				(401)			(401)	(74)	(475)
Effect of liquidation of related parties on the spin-off of VC LATAM					36			36		36
Total contributions and distributions to shareholders					(365)			(365)	(74)	(439)
At March 31, 2020		28,656	10	1,032	9,758	(2,189)	4,364	41,631	4,791	46,422

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

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Cash flow from operating activities			
Profit (loss) before income tax and social contribution		(3,810)	6,764
Profit on discontinued operations		-	1
Adjustments to items that do not represent changes in cash and cash equivalents			
Depreciation, amortization and depletion	18	756	729
Equity in the results of investees	10 (b)	133	(89)
Interest, indexation and foreign exchange variations (i)		1,389	142
Provision (reversal) for the impairment of fixed, intangible assets and investments	11, 12	2,155	(9)
Loss (gain) on sales of fixed and intangible assets, net			2
Fair value adjustment		(135)	(9)
Constitution of provision		70	135
Derivative financial instruments		(161)	60
Financial instruments - firm commitment		(34)	48
Gain in Fibria's transaction			(6,772)
Net gain from financial instrument - put option	5.1.1 (b)	203	(32)
Gain on CBA Itapissuma purchase	19	(164)	
Credit of ICMS on the calculation bases of PIS and COFINS			(585)
		402	385
Decrease (increase) in assets			
Financial investments		(415)	(302)
Derivative financial instruments		(1)	3
Trade accounts receivable		538	(137)
Inventory		(78)	(199)
Taxes recoverable		35	(62)
Related parties		(18)	(113)
Judicial deposits		15	327
Other accounts receivable and other assets		(11)	(63)
Increase (decrease) in liabilities			
Trade payables		(1,313)	(644)
Salaries and social charges		(225)	(258)
Use of public assets		(3)	(2)
Taxes payable		(11)	10
Advances from customers		100	4
Other obligations and other liabilities		(283)	(407)
Cash used in operating activities		(1,268)	(1,458)
Interest paid on borrowing and use of public assets			
		(166)	(293)
Income tax and social contribution paid			
		(137)	35
Net cash used in operating activities		(1,571)	(1,716)

(i) The variation refers mainly to the fluctuation of the dollar and the euro in the period.

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Cash flow from investment activities			
Proceeds from disposals of fixed and intangible assets		11	7
Investment sale			8,181
Dividends received		2	
Acquisitions of property, plant and equipment	11	(665)	(463)
Increase in biological assets		4	
Acquisitions of investments	10	(228)	(203)
Increase in intangible assets	12	(6)	(9)
Income tax and social contribution paid			(1,287)
Net cash provided by (used in) investment activities		(881)	6,226
Cash flow from financing activities			
New borrowing		3,625	289
Repayment of borrowing		(1,299)	(4,372)
Repayment of leasing contracts		(65)	(52)
Derivative financial instruments		103	60
Dividends paid		(490)	(1,139)
Net cash provided by (used in) financing activities		1,874	(5,214)
Decrease in cash and cash equivalents		(578)	(704)
Effect of companies excluded from consolidation		7	
Effect of fluctuations in exchange rates		1,088	(42)
Cash and cash equivalents at the beginning of quarter		6,262	7,667
Cash and cash equivalents at end of quarter		6,779	6,921

1 General considerations

Votorantim S.A. (the "Company", the "parent company", or "VSA"), is a long-term Brazilian holding company. 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: construction, metals and mining, aluminum, electrical energy, long steel, agribusiness and finance.

1.1 Main events that occurred during the first quarter of 2020

(a) Acquisition of a manufacturing unit

The subsidiary Companhia Brasileira de Alumínio ("CBA") announced, in August 2019, the signing of the share purchase and sale agreement with the purpose of fully acquiring the shares of the company Arconic Indústria e Comércio de Metais Ltda., A unit located in Pernambuco, in the Brazilian Northeast, which will complement the CBA laminated product line.

In accordance with IFRS3 / CPC 15 (R1) - "Business combination", in the event of an advantageous purchase, the acquirer must recognize the resulting gain in the income statement for the year, on the acquisition date. Before recognizing the gain from an advantageous purchase, CBA carried out a prior review to make sure that all assets acquired and liabilities assumed were correctly identified and recognized them during the review. CBA has already started the process of contracting a specialized company to issue a PBA (purchase price allocation) report from CBA Itapissuma, which is expected to be concluded in 2020. The price paid for the acquisition totaled R\$ 224, generating a gain for an advantageous purchase of R\$ 164 in the application of the acquisition method provided for in CPC 15, recorded under "Other operating income (expenses)". The preliminary composition of the net assets acquired is detailed below:

At February 1, 2020

Cash	224
Total transferred	224
Valores reconhecidos de ativos identificáveis adquiridos e passivos assumidos	
Cash and cash equivalents	7
Financial investments	20
Trade receivables	60
Inventory	148
Property, plant and equipment	219
Other assets	19
Trade payables	(69)
Other liabilities	(16)
Total assets	388
Gain on Itapissuma purchase	164
Deferred taxes (34%)	(56)
Total gain on Itapissuma purchase, net from tax	108

(b) Option to purchase Piauí II and III

In January 2020, the jointly-controlled subsidiary VTRM Energia Participações SA ("VTRM") exercised its option to purchase the Ventos do Piauí II and III wind complexes for the development of new wind farms in the Northeast of Brazil, with an investment of approximately R\$ 2,000. If approved, the construction of the parks is scheduled to begin in 2021, with operations starting between 2022 and 2023. Each of the complexes will consist of five wind farms located in the region in Serra do Inácio. Ventos do Piauí II will have 100% of its structure distributed among three Piauí municipalities (Curral Novo, Paulistana and Betânia do Piauí) and the Ventos do Piauí III complex will have wind turbines installed in Curral Novo (Piauí), Araripina and Ouricuri (Pernambuco). Together, the new complexes will have an installed power generation capacity of 411.6 MW and will make VTRM responsible for approximately 1 GW of installed generation capacity in that region.

(c) Amendment to the loan agreement pursuant to Law No. 4,131 / 1962 by VCSA

On January 30, 2020, the subsidiary VCSA renegotiated the contractual conditions of the loan under Law No. 4,131 / 1962, contracted in March 2018, in the total amount of USD 100 million. The Company extended the final maturity from 2023 to 2025 and renegotiated the cost of the swap (derivative financial instrument) from 112.00% to 107.00% of the CDI. The swap linked to the operation, contracted jointly with the same financial institution as the loan, aims at both the exchange of exposure to the floating rate LIBOR to the floating rate CDI, as well as the exchange of currency from dollar to real (debt in dollars + swap to real in% CDI).

(d) Distribution of dividends by the subsidiary Nexa

On February 13, 2020, the Board of Directors of the subsidiary Nexa approved, in accordance with the laws of Luxembourg, distribution of dividends to its shareholders, registered on March 16, 2020, in the amount of R\$ 260 (USD 50 million), paid on March 30, 2020.

(e) Declaration of dividends – VSA

On January 20, 2020, the Company resolved to its parent company Hejoassu Administração S.A., the amount of R\$ 401 corresponding to dividends related to the portion of the balance of the “profit reserves” account, accumulated from previous years. The amount was paid in full on February 10, 2020.

(f) (Loan agreement - Nexa

On March 12, 2020, in order to expand its short-term liquidity, the subsidiary Nexa contracted a term loan with a global financial institution in the principal amount of R\$ 477 (approximately USD 100,000) at a cost of 8.5% aa, maturing in 5 years. At the same time, the Company contracted a swap to change the interest rate to 2.45% p.a., as well as the currency of the debt service payments from BRL to USD.

(g) Export credit notes

At the end of March 2020, to expand its short-term liquidity in Brazil, the subsidiary Nexa signed 4 export credit note contracts in the total principal amount of R\$ 1,247 (approximately USD 261,500) at costs between 134.2% of the CDI and CDI + 1.80% up to 4.20%, with maturities between 1 and 5 years.

In February 2020, the subsidiary CBA signed loan agreements (NCE - Export Credit Note) to finance its exports in the amount of R\$ 250, with final maturity in 2029.

(h) Recognition of impairment loss

The subsidiary Nexa recognized, during the first quarter of 2020, an impairment loss in the Jarosita project, classified in property, plant and equipment, in the class of works in progress, in the amount of R\$ 170. The execution of the project is suspended and without expectation for resumption.

In addition, the subsidiary Nexa recognized an impairment loss in its cash generating unit (“CGU”) Cerro Pasco in the amount of R\$ 791 and in goodwill in the mining segment in the amount of R\$ 1,191. The impairment loss represents an overvaluation of the book value of the assets included in the UGC and in the Peruvian mining segment over their respective fair values less costs of disposal (FVLCD) of the included assets.

Such impairment losses occurred mainly as a result of the drop in metal prices, suspension of production and increase in operating costs, totaling an impairment loss in the amount of R\$ 2,152, recognized in Other operating results, net.

(i) Effects of the pandemic caused by the new Coronavirus (COVID-19)

In view of the emergence of the pandemic related to the novel coronavirus (COVID-19), which is having effects on the public health and economy of Brazil and many other countries, the Company has been taking preventive and risk mitigation measures according to the guidelines established by national and international health authorities, in order to minimize impacts on the health and safety of employees, family members, partners and communities, as well as the continuity of all its operations. These measures are coordinated by a Crisis Committee and are in compliance with the laws in force in the countries where the Company operates and internal regulations.

The extent of the impacts of COVID-19 will depend on the duration of the pandemic, possible restrictions imposed by governments and other possible developments in the countries in which the Company and its subsidiaries operate. The Company and its subsidiaries constantly evaluate and implement action plans jointly with customers, suppliers and other stakeholders involved, according to the current scenario and with the best possible projections. In this scenario, the Company and its subsidiaries have been monitoring the effects on the main critical accounting estimates and judgments, as well as other balances with the potential to generate uncertainties and impacts on the financial information disclosed. Below are the most relevant evaluations:

(i) Impairment of non-financial assets

The Company and its subsidiaries consider that the potential effects of the pandemic represent a change in the facts and circumstances considered in the future scenarios projected by Management for the annual analysis of the recoverability of non-financial assets prepared for the consolidated financial statements for the year ended December 31 2019. Therefore, the Company and its subsidiaries are constantly reassessing and monitoring the indications of impairment of non-financial assets, with the intention of identifying evidence of impairment losses.

The subsidiary Nexa recorded impairment of R\$ 2,152 in the first quarter of 2020, as detailed in note 1.1 (h).

(ii) Recoverability of deferred tax assets

The Company and its subsidiaries have a consolidated balance of R\$ 4,109 referring to deferred tax assets on tax loss, negative basis and temporary differences recorded in its balance sheet as of March 31, 2020.

The Company and its subsidiaries have assessed and continue to monitor tax impacts, in order to take the appropriate measures related to the recoverability of deferred tax assets.

(iii) Analysis of liquidity ratios and available credit lines

The Company has a solid liquidity position, reinforced by revolving credit lines available in the amount of USD 200 million. Its subsidiaries Votorantim Cimentos and Nexa also have similar lines, with the VCSA line amounting to USD 500 million, and the Nexa line already used, amounting to USD 300 million. This position provides the Company with conditions to mitigate, even if not fully known, the initial impacts of this adverse scenario. Considering the uncertainty, added to the review of ratings of Brazilian and foreign institutions by specialized agencies, the Company and its subsidiaries continue to monitor liquidity ratios.

(iv) Compliance with obligations contained in debt contracts (covenants)

According to the contracts in force, the financial indexes (covenants) that are monitored by the Company have been reached, since they are calculated according to the annual financial statements. Considering that the Company and its subsidiaries are exposed to risks arising from COVID-19, which may deteriorate their operating results, it is not possible to ensure that these covenants will be reached in the future. Accordingly, Management assiduously monitors the covenants assumed in its financial contracts, making it possible to anticipate possible non-compliance.

(v) Compliance with obligations assumed with customers and suppliers

The Company and its subsidiaries evaluated their main supply and supply contracts with supplier and customers, respectively, and concluded that, despite the impacts caused by the COVID-19 pandemic, their main contractual obligations were fulfilled.

(vi) Risk matrix for calculating the allowance for loan losses

The Company and its subsidiaries are monitoring the need to reassess the risk rating assumptions of customers that are used as the basis for the calculation of the allowance for loan losses. Until the issuance of these financial statements, the Company and its subsidiaries did not identify the need for a relevant change in the risk classification of their customers that would generate a material increase in the allowance for loan losses recorded on March 31, 2020 or other effects adverse effects to be accounted for in the group of accounts receivable from customers.

(vii) Inventory loss estimate due to low turnover and change in realizable value

The Company and its subsidiaries are monitoring the inventory turnover, considering that this represents the main premise for the constitution of the estimated loss recorded by the Company and its subsidiaries. Assumptions for the net realizable value of inventories were revised after the effects of the pandemic caused by COVID-19 in the normal course of business.

Until the issuance of these financial statements, the Company and its subsidiaries did not identify any material changes in the realizable value of inventories, nor did they identify the need to increase the estimated loss of inventories accounted for, due to the pandemic caused by COVID-19, considering the inventory turnover analysis.

(viii) Final considerations

At the time of issuing these interim financial statements, the Company and its subsidiaries have not identified any other relevant impacts to be disclosed and do not have visibility of impacts or accounting evidence arising from the pandemic caused by COVID-19 that imply changes in accounting policies, in the main established estimates and in the critical accounting judgments mentioned above.

2 Presentation of the condensed consolidated interim financial statements

2.1 Basis of preparation

(a) Condensed consolidated interim financial statements

The financial statements have been prepared and are being presented in accordance with Technical Pronouncement CPC 21 (R1) Interim Statement, and International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and disclose all relevant information in the interim financial statements, which is consistent with that used by management in its administration.

For this reason, the condensed consolidated interim financial statements as at March 31, 2020 do not contain all explanatory notes and disclosures required by the accounting standards applicable to annual financial statements, as their purpose is to provide an update on any changes to 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, 2019, issued on March 8, 2019, 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 the consolidated financial statements at December 31, 2019.

(b) Approval of the financial statements

The Board of Directors approved the consolidated financial statements for issue on May 13, 2020.

3 Changes in accounting policies and disclosures

3.1 Changes in accounting standards

In the quarter ended March 31, 2020, there were no changes in the accounting practices adopted by the Company and its subsidiaries, in relation to those detailed in the latest annual financial statements.

4 Critical accounting estimates and judgments

In the quarter ended March 31, 2020, there were no changes in the estimates and assumptions that presented a significant risk of causing material adjustments to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in the most recent annual financial statements.

5 Financial risk management

5.1 Foreign exchange risk

(a) Foreign exchange risk

The Company and its subsidiaries have certain investments in foreign operations, the net assets of which are exposed to foreign exchange risk. The foreign exchange exposure arising from the participation of the Company and its subsidiaries in foreign operations is mainly hedged by borrowing in the same currency as these investments, classified as net investment hedges.

Presented below are the accounting balances of assets and liabilities indexed to the foreign currency at the closing date of the balance sheets:

	Note	3/31/2020	12/31/2019
Assets denominated in foreign currency			
Cash and cash equivalents		5,411	5,125
Financial investments		67	96
Trade receivables		1,403	1,178
Derivative financial instruments	5.1.1	75	234
Related parties		81	82
		7,037	6,715
Liabilities denominated in foreign currency			
Borrowing (i)		20,088	15,172
Lease liabilities		513	567
Derivative financial instruments	5.1.1	604	155
Trade payables		2,362	2,227
Confirming payables		1,087	1,159
Deferred revenue - silver streaming		895	727
		25,549	20,007
Net exposure		(18,512)	(13,292)

(i) Does not consider borrowing costs.

(b) Hedge of net investments in foreign operations

The investments presented in the following table were designated as hedged objects and the debt portion of the Company and its subsidiaries Companhia Brasileira de Alumínio, Votorantim Cimentos International SA and St. Marys Cement Inc., denominated in euros and dollars.

		3/31/2020	
Investments		Debt	
Nexa Resources Cajamarquilla S.A.	1,960	Votorantim S.A.	1,248
		Companhia Brasileira de Alumínio	748
VCNA US Inc.	2,600	St. Marys Cement Inc.	2,600
Votorantim Cimentos EAA Inversiones, S.L.	1,998	Votorantim Cimentos International S.A.	1,998
	6,558		6,594
		12/31/2019	
Investments		Debt	
Nexa Resources Cajamarquilla S.A.	1,616	Votorantim S.A.	968
		Companhia Brasileira de Alumínio	580
St. Marys Cement Inc.	2,015	St. Marys Cement Inc.	2,015
Votorantim Cimentos EAA Inversiones, S.L.	1,581	Votorantim Cimentos International S.A.	1,581
	5,212		5,144

The Company and its subsidiaries document and evaluate the effectiveness of the investment hedge operations on a monthly basis, as required under IFRS 9 - "Financial instruments: recognition and measurement".

The foreign exchange loss on the conversion of debts, net of income tax and social contribution, recognized as equity valuation adjustments on March 31, 2020, was R\$ 392 (March 31, 2019, loss of R\$ 81) (Note 16 (c)).

(c) Liquidity risk

The following table analyzes the financial liabilities of the Company and its subsidiaries, by maturity, corresponding to the period remaining from the balance sheet date up to the contractual maturity date. The amounts disclosed in the table represent the undiscounted contractual cash flows, these amounts may not be reconciled with the amounts disclosed 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 March 31, 2020							
Borrowing (i)		2,474	4,166	12,633	10,879	5,849	36,001
Lease		374	226	228	74	31	933
Derivative financial instruments		501	251	601	1,083	10	2,446
Confirming payables	21	1,362					1,362
Trade payables		4,148					4,148
Dividends payable	13	105					105
Related parties	13	18					18
Use of public assets		89	155	259	742	1,184	2,429
		9,071	4,798	13,721	12,778	7,074	47,442
At December 31, 2019							
Borrowing (i)		1,362	5,506	6,918	9,126	4,544	27,456
Lease		229	288	177	119	28	841
Derivative financial instruments		69	117	51	213	2	452
Confirming payables	21	1,415					1,415
Trade payables		4,429					4,429
Dividends payable	13	120					120
Related parties	13	50					50
Use of public assets		88	152	254	732	1,233	2,459
		7,762	6,063	7,400	10,190	5,807	37,222

(i) Does not include the recorded fair value of the debts contracted under Law 4,131/1962.

5.1.1 Derivatives contracted

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

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

Programs	Principal Value			12/31/2019		1/1/2020 to 3/31/2020					3/31/2020					Fair value by maturity				
	3/31/2020	12/31/2019	As per unit	Fair value	Inventory	Net revenue from products sold and services rendered	Cost of products sold and services rendered	Other operating income (expenses), net	Finance results, net	Other comprehensive income	Gain (loss) Realized	Fair value	2020	2021	2022	2023	2024+			
Hedges for sale of zinc at a fixed price																				
Zinc forward	44,825	15,252	ton	(4)						(7)	(40)	(37)	(3)							
				(4)						(7)	(40)	(37)	(3)							
Hedges for mismatches of quotational period																				
Zinc forward	204,010	258,220	ton	(3)	(6)	(22)	43	(9)		2	4	4								
				(3)	(6)	(22)	43	(9)		2	4	4								
Operating margin hedging																				
Aluminum forward	141,200	151,800	ton	(19)							208	146	39							
Collars	13	18	USD millions	3		(3)				(11)	(11)	(10)	(1)							
USD forward	255	273	USD millions	42		(1)				(281)	(238)	(187)	(51)							
				26		(4)				(84)	(64)	(51)	(13)							
Foreign exchange risk																				
Collars	514	653	BRL	(2)					(76)	1	(79)	(70)	(9)							
				(2)					(76)	1	(79)	(70)	(9)							
Interest rates risk																				
LIBOR floating rate vs. CDI floating rate swaps	315	315	USD millions	54					330	111	273	(11)	(40)	(70)	(37)		431			
IPCA floating rate vs. CDI floating rate swaps	760	227	BRL	6					(38)	4	(36)	(4)	(3)	(21)	(22)		14			
USD vs. CDI floating rate swaps	50		BRL						6		6	(3)	(7)	(13)	(14)		43			
CDI floating rate swaps vs. USD floating swaps	333	747	BRL	(127)							(513)	(640)	(30)	(23)	13	5	(605)			
IPCA floating rate vs. USD floating rate swaps	127	139	BRL	(3)							(43)	(46)	(1)	(4)	(4)		(33)			
BRL vs. USD floating rate swaps	477		BRL						(41)		(41)		29	27	24		(121)			
				(70)					257	(556)	115	(484)	(49)	(48)	(68)	(48)	(271)			
Total value of the derivative instruments				(53)	(6)	(26)	43	(52)	181	(638)	112	(663)	(203)	(73)	(68)	(48)	(271)			

On March 31, 2020, the transactions involving derivative financial instruments, net of taxes, recognized in "Carrying value adjustments" loss amounted to R\$ (69). Besides this, there were hedge accounting operations, net of taxes, gain which amounted, to R\$ 392 in the unconsolidated subsidiaries, recognized in "Carrying value adjustments".

(b) Derivative financial instruments – Put-option

During the year ended December 31, 2018, the process by which Votorantim Siderurgia S.A. became a subsidiary of ArcelorMittal Brasil S.A. ("AMB") was concluded. Under the agreement between the parties, VSA became a minority stakeholder of 15% of AMB's combined long steel business which, in compliance with the applicable accounting rules, was recognized as a financial instrument, in accordance with CPC 48 - "Financial instruments". The change in the fair value of this transaction in the quarter resulted in a net loss of R\$ 203 (March 31, 2019, gain of R\$ 32), recorded in the "Net financial result" item.

5.1.2 Sensitivity analysis

The main risk factors affecting the pricing of cash and cash equivalents, financial investments, loans and financing and derivative financial instruments are exposure to the fluctuation in the US Dollar, Euro, Turkish Lira, New Peruvian Sun, Argentine Peso and Bolivian interest rates, LIBOR, CDI, US Dollar coupon, commodity prices and electricity purchase and sale contracts. The scenarios for these factors are prepared using both market sources and specialized sources of information, in line with the Company's governance. The scenarios as at March 31, 2020 are described below:

Scenario I - Considers a shock to the market curves and quotations at March 31, 2020, according to the base scenario defined by management as at June 30, 2020;

Scenario II - Considers a shock of + or - 25% in the market curves at March 31, 2020;

Scenario III - Considers a shock of + or - 50% in the market curves at March 31, 2020.

Notes to the condensed consolidated interim financial statements
at March 31, 2020

All amounts in millions of reais unless otherwise stated

VOTORANTIM

Risk factors	Cash and cash equivalents and financial investments (i)	Borrowing and related parties (i)	Derivative financial instruments/As per unit		Impacts on profit (loss)				Impacts on comprehensive income						
					Scenario I		Scenarios II & III		Scenario I		scenarios II & III				
					Changes from 3/31/2020	Results of scenario I	-25%	-50%	+25%	+50%	Results of scenario I	-25%	-50%	+25%	+50%
Foreign exchange rates															
USD	4,653	16,427	1,926	USD millions	-1.9%	26	287	622	(343)	(687)	246	3,233	6,467	(3,234)	(6,468)
EUR	114	1,997			-3.8%	(1)	(8)	(17)	9	17	73	479	959	(479)	(959)
PEN	151				-22.1%	(31)	(35)	(70)	35	70	(2)	(2)	(5)	3	5
BOB	20	595			-25.1%						144	143	287	(144)	(287)
TRY	6	78			-25.2%	18	18	36	(17)	(35)					
ARS	49				-28.8%						(14)	(12)	(24)	13	24
CAD		383			-3.6%						13	96	192	(96)	(192)
	4,993	19,480	1,926			12	262	571	(316)	(635)	460	3,937	7,876	(3,937)	(7,877)
Interest rates															
BRL - CDI	6,249	3,914	1,737	BRL	-50 bps	21	146	299	(141)	(277)	10	(11)	(24)	9	17
BRL - IPCA					26 bps	(27)	(49)	(97)	49	97					
USD - LIBOR 3M		1,157	876	USD millions	-50 bps	(28)		(1)	1	2	1	2	(1)	(2)	
Cupom Dólar			507	USD millions	-110 bps	24	25	52	(24)	(48)	(37)	(59)	(123)	56	109
USD - LIBOR 6M					-45 bps	6	3	6	(3)	(6)					
	6,249	5,071	3,120			(4)	125	259	(119)	(233)	(25)	(69)	(145)	64	124
Price of commodities															
Zinco			248,835	ton	-5.5%	9	61	122	(61)	(122)		1	2	(1)	(2)
Alumínio			141,200	ton	-13.1%						62	258	516	(258)	(516)
			390,035			9	61	122	(61)	(122)	62	259	518	(259)	(518)
Firm Commitment - electric energy															
Purchase and sale contracts - fair value			(139)	BRL			(1)	(3)	1	3					
			(139)				(1)	(3)	1	3					

- (i) The balances presented do not reconcile with the line items “Cash and cash equivalents”, “Short-term investments”, “Related parties”, “Loans and financing”, as the analysis carried out included only the most significant currencies and rates. Interest rates only include the principal amount.

6 Credit quality of financial assets

	3/31/2020			12/31/2019		
	Local rating	Global rating	Total	Local rating	Global rating	Total
Cash and cash equivalents						
AAA	1,762		1,762	1,563		1,563
AA	1	186	187	1	446	447
AA-	394	342	736	416	295	711
A+		1,404	1,404		884	884
A		1,075	1,075		994	994
A-		299	299		259	259
BBB+		515	515		384	384
BBB		72	72		130	130
BBB-		33	33		102	102
BB		16	16		29	29
BB-		5	5		9	9
B-		60	60		76	76
B+		9	9		9	9
CCC		32	32		16	16
Unrated (i)		574	574		649	649
	2,157	4,622	6,779	1,980	4,282	6,262
Financial investments						
AAA	4,373		4,373	3,840		3,840
AA+	19		19	45		45
AA	70	3	73	74	2	76
AA-	417	12	429	373	12	385
A+	20	9	29	20	13	33
A		37	37			
BBB-					29	29
B-		5	5		36	36
Unrated (i)	22	1	23	19	4	23
	4,921	67	4,988	4,371	96	4,467
Derivative financial instruments						
AAA	1,266		1,266	377		377
AA					4	4
AA-				7		7
A+		190	190		2	2
A-					9	9
Unrated (i)	327		327			
	1,593	190	1,783	384	15	399
Financial instruments						
AAA	2,912		2,912	2,749		2,749
	2,912		2,912	2,749		2,749
	11,583	4,879	16,462	9,484	4,393	13,877

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

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

7 Trade receivables

(a) Breakdown

	Note	3/31/2020	12/31/2019
Trade receivables - Brazil		1,419	1,144
Trade receivables - foreign customers		1,439	1,230
Related parties		26	13
		<u>2,884</u>	<u>2,387</u>
Allowance for doubtful accounts		(223)	(191)
		<u>(223)</u>	<u>(191)</u>
		<u>2,661</u>	<u>2,196</u>

(b) Aging of trade receivables

	3/31/2020	12/31/2019
Current	2,167	1,864
Up to three months past due	391	282
Three to six months past due	40	4
Over six months past due	286	237
	<u>2,884</u>	<u>2,387</u>

8 Inventory

	3/31/2020	12/31/2019
Finished products	966	862
Semi-finished products	1,850	1,587
Raw materials	849	826
Auxiliary materials and consumables	1,217	995
Imports in transit	283	79
Other	105	173
Provision for inventory losses	(447)	(393)
	<u>4,823</u>	<u>4,129</u>

9 Financial Instruments

The value of financial instruments refers, substantially, to the shares of the company Suzano Papel e Celulose S.A.

	3/31/2020	12/31/2019
Shares	75,180,059	75,180,059
Suzano Papel e Celulose S.A. (SUZB3) share (R\$) (i)	38.33	36.57
Financial instrument - Suzano	2,882	2,749
Other shares	30	
Total shares value	2,912	2,749
Fair value change	157	(183)
Income tax and social contribution	(53)	62
Adjustment to the fair value, net of tax	104	(121)

(i) Uses the average quotation of the share value for the last ninety days of the closing date.

10 Investments

(a) Breakdown

	Note	Percentage of total capital		Percentage of voting capital		Headquarters	Main activity
		3/31/2020	12/31/2019	3/31/2020	12/31/2019		
Main non-consolidated companies							
Associates							
Cementos Avellaneda S.A.		49,00	49,00	49,00	49,00	Argentina	Cement
Alunorte - Alumina do Norte S.A.		3,03	3,03	3,52	3,52	Brazil	Mining
IMIX Empreendimentos Imobiliários Ltda.		25,00	25,00	25,00	25,00	Brazil	Mining
Mineração Rio do Norte S.A.		10,00	10,00	12,50	12,50	Brazil	Mining
Supemix Concreto S.A.		25,00	25,00	25,00	25,00	Brazil	Concrete
Cementos Especiales de las Islas S.A.		50,00	50,00	50,00	50,00	Spain	Cement
Joint ventures							
Citrosuco GmbH		50,00	50,00	50,00	50,00	Austria	Agribusiness
Banco Votorantim S.A.		50,00	50,00	50,00	50,00	Brazil	Finance
Citrosuco S.A. Agroindústria		50,00	50,00	50,00	50,00	Brazil	Agribusiness
Juntos Somos Mais Fidelização S.A.		45,00	45,00	45,00	45,00	Brazil	Services
VTRM Energia Participações S.A.		50,00	50,00	50,00	50,00	Brazil	Electric power
Hutton Transport Ltda.		25,00	25,00	25,00	25,00	Canada	Transportation
Midway Group, LLC.		50,00	50,00	50,00	50,00	USA	Cement
RMC Leasing, LLC.		50,00	50,00	50,00	50,00	USA	Equipment leasing
Superior Materials Holdings, LLC.		50,00	50,00	50,00	50,00	USA	Cement

(b) Changes in investees and subsidiaries information

	At March 31, 2020		Equity in the results		Investment balance	
	Equity	Profit (loss) for the quarter	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019	3/31/2020	12/31/2019
Investments accounted for based on the equity method - Associates						
Cementos Avellaneda S.A.	1,255	30	15	42	801	392
Alunorte - Alumina do Norte S.A.	3,030	(489)	(15)	1	92	108
IMIX Empreend. Imobiliários Ltda.	11	1			3	3
Mineração Rio do Norte S.A.	868	(114)	(11)	(1)	87	89
Supermix Concreto S.A.	221	(10)	(3)		55	57
Cementos Especiales De Las Islas, S.A.	222	24	12	8	111	85
Others					370	226
Joint ventures						
Citrosuco GmbH (i)	4,534	(49)	(35)	21	3,327	2,660
Banco Votorantim S.A. (ii)	10,942	296	148	192	5,471	5,273
Citrosuco S.A. Agroindústria (i)	(583)	(473)	(245)	(132)	(4)	482
Juntos Somos Mais Fidelização S.A.	26	(2)	(1)	(1)	11	13
VTRM Energia Participações S.A. (i)	3,779	7	4	(35)	2,029	1,611
Hutton Transport Ltda.	46					20
Midway Group, LLC.	66			(1)		21
RMC Leasing LLC	46					10
Superior Materials Holdings, LLC	145	(4)	(2)	(5)		52
			(133)	89	12,353	11,102
					1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Opening balance for the quarter					11,720	10,882
Equity in the results of investees					(133)	89
Foreign exchange variations					943	(36)
Addition					4	110
Hedge - Cash flows					(239)	10
Dividends					(7)	
Others					65	47
Closing balance for the quarter					12,353	11,102

- (i) 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:

	Goodwill		Added Value	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Citrosuco S.A. Agroindústria	145	145	915	718
Citrosuco GmbH	194	194	93	103
Jaguatirica Empreendimento Imobiliário SPE S.A.	5	5		
VTRM Energia Participações S.A.			140	141

- (ii) On March 31, 2020 the investment included the adjustment to fair value amounting to R\$ 495 (December 31, 2019 - R\$ 495)

11 Property, plant and equipment

(a) Breakdown and changes

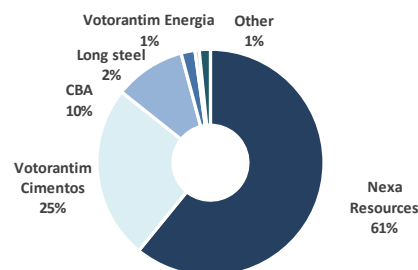
										1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
	Land and improvements	Buildings and construction	Machinery, equipment and facilities	Vehicles	Furniture and fittings	Construction in progress	Asset retirement obligation	Leasehold improvements	Other	Total	Total
Opening balance for the quarter											
Cost	2,100	11,246	36,839	1,381	236	3,580	1,058	564	548	57,552	54,507
Accumulated depreciation	(67)	(5,014)	(22,888)	(1,041)	(178)		(533)	(335)	(348)	(30,404)	(28,327)
Net opening balance for the quarter	2,033	6,232	13,951	340	58	3,580	525	229	200	27,148	26,180
Additions	1	1	5			657			1	665	463
Disposals			(6)	(1)						(7)	(9)
Depreciation	(1)	(114)	(401)	(22)	(4)		(12)	(7)		(561)	(519)
Foreign exchange variation	173	480	1,235	59	7	264	56	41	30	2,345	(12)
Effect of subsidiaries included in (excluded from) consolidation (i)	1	31	167	7	2	13			(1)	220	43
Reversal (constitution) for impairment (ii)		(103)	(74)			(239)	(43)			(459)	6
Changes in the interest rate							41			41	(38)
Transfers (iii)	6	66	315	37	1	(433)		10		2	(56)
Closing balance for the quarter	2,213	6,593	15,192	420	64	3,842	567	273	230	29,394	26,058
Cost	2,282	12,416	41,784	1,633	273	3,842	1,207	682	579	64,698	54,825
Accumulated depreciation	(69)	(5,823)	(26,592)	(1,213)	(209)		(640)	(409)	(349)	(35,304)	(28,767)
Net closing balance for the quarter	2,213	6,593	15,192	420	64	3,842	567	273	230	29,394	26,058
Average annual depreciation rates - %	1	4	9	20	11		5	9			

- (i) Refers, substantially, to the acquisition of Arconic Indústria e Comércio de Metais Ltda - Note 1.1 (a).
- (ii) The impacts related to impairment refer to the subsidiary Nexa - Note 1.1 (h)
- (iii) The transfers include the reclassification of “Works in progress”, in the group of property, plant and equipment, to the classes of “Softwares”, “Rights over natural resources” and “Others”, in the group of intangible assets.

(b) Construction in progress

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

Segment	3/31/2020	12/31/2019
Nexa Resources	2,339	2,123
Votorantim Cimentos	954	849
CBA	389	448
Long steel	76	60
Votorantim Energia	23	23
Other	61	77
	3,842	3,580



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

Nexa Resources	3/31/2020	12/31/2019
Expansion and modernization projects	1,437	1,403
<i>Sustaining</i>	592	460
Security, health and environment projects	259	213
Information technology	49	45
Other	2	2
	2,339	2,123

Votorantim Cimentos	3/31/2020	12/31/2019
<i>Sustaining</i>	319	282
Modernization industry	124	115
Cement grinding - Pecém - Brazil	104	76
New production line in Sobral - CE	72	72
New lines of co-processing	55	51
<i>Hardware and software</i>	42	33
Environment and security	30	25
Geology and mining rights	32	28
Other	176	167
	954	849

CBA	3/31/2020	12/31/2019
Rondon Bauxite projects	119	118
Furnace refurbishment	83	111
Alumina factory project	53	44
Casting Projects	28	27
Revitalization and adequacy of power plant	24	24
Mining projects	22	22
Plastic transformation and foundry projects	11	21
Project safety, health and environment	11	19
Furnace rooms project	6	18
Other	32	44
	389	448

Long steel	3/31/2020	12/31/2019
<i>Sustaining</i>	62	53
Security projects, health and environment projects - Colombia	8	3
Modernization	3	
Information technology	1	
Other	2	4
	76	60

Energy	3/31/2020	12/31/2019
Corumba - GO projects	20	20
Information technology	2	2
Change of corporate center - SP	1	1
	23	23

12 Intangible assets

(a) Breakdown and changes

									1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
	Rights over natural resources	Goodwill	Asset retirement obligation	Use of public assets	Contracts, customer relationships and agreements	Software	Rights over trademarks and patents	Other	Total	Total
Opening balance for the quarter										
Cost	10,263	6,008	457	540	310	602	206	1,003	19,389	18,270
Accumulated amortization	(4,587)		(157)	(217)	(227)	(429)	(53)	(436)	(6,106)	(4,929)
Net opening balance for the quarter	5,676	6,008	300	323	83	173	153	567	13,283	13,341
Additions		1						5	6	9
Disposals						(4)			(4)	
Amortization and depletion	(98)		(6)	(5)	(6)	(16)		(2)	(133)	(154)
Foreign exchange variation	1,232	1,568	37		20	12	1	195	3,065	40
Effect of subsidiaries included in						5			5	23
Impairment (i)	(505)	(1,191)							(1,696)	
Transfers	(24)					22		26	24	56
Closing balance for the quarter	6,281	6,386	331	318	97	192	154	791	14,550	13,315
Cost	12,666	6,386	522	540	395	694	212	1,338	22,753	18,411
Accumulated amortization	(6,385)		(191)	(222)	(298)	(502)	(58)	(547)	(8,203)	(5,096)
Net closing balance for the quarter	6,281	6,386	331	318	97	192	154	791	14,550	13,315
Average annual amortization and depletion rates - %	6		5	7	7	20				

(i) The impacts related to impairment refer to the subsidiary Nexa - Note 1.1 (h)

13 Borrowing

(a) Breakdown and fair value

Type	Average annual charges	Current		Non-current		Total		Fair value	
		3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Local currency									
Debentures	110.26% CDI	77	424	2,543	2,287	2,620	2,711	2,261	2,678
Export credit notes	112,70% CDI / CDI + 1,5%	772	8	1,823	1,078	2,595	1,086	2,313	1,081
BNDES	TJLP + 2.36% / 1.86% fixed rate BRL / SELIC + 2.93% / IPCA + 5.09%	100	97	618	641	718	738	609	720
Development promotion agency	10.00% fixed rate BRL / TJLP + 0.65%	7	7	22	23	29	30	28	32
FINAME	4.60% fixed rate BRL	16	17	39	43	55	60	51	59
Syndicated loan/bilateral agreements	Euribor + 2.00% / Libor + 1.09% / 8.43% fixed rate			492		492		492	
Other		30	29	28	29	58	58	54	59
		1,002	582	5,565	4,101	6,567	4,683	5,808	4,629
Foreign currency									
Eurobonds - USD	5.89% fixed rate USD	256	137	11,990	10,156	12,246	10,293	11,321	11,550
Eurobonds - EUR	3.39% fixed rate EUR	50	26	1,994	1,576	2,044	1,602	2,083	1,682
Loans - Law 4131/1962 (i)	LIBOR + 0.48%	2	2	1,423	905	1,425	907	1,425	907
Eurobonds - BOB	5.38% fixed rate BOB	6	1	408	315	414	316	414	316
Syndicated loan/bilateral agreements	EURIBOR + 2.00% / LIBOR + 1.10% / 5.99% fixed rate	29	22	1,726	358	1,755	380	1,754	394
Export prepayments	LIBOR + 1.27%	7		886	799	893	799	1,068	823
Working capital	IBR + 2.71% / 5.67% fixed rate COP	216	146			216	146	219	146
Development promotion agency	LIBOR + 1.10%	42	31	221	171	263	202	273	210
Other		10	7	530	420	540	427	562	425
		618	372	19,178	14,700	19,796	15,072	19,119	16,453
		1,620	954	24,743	18,801	26,363	19,755	24,927	21,082
Current portion of long-term borrowing		256	562						
Interest on borrowing		426	236						
Short-term borrowing		938	156						
		1,620	954						

- (i) Some of the loan contracts (NCE - Export Credit Note) aim at financing export-related operations and have linked swap contracts (derivative financial instrument), which aim to exchange exposure to the floating rate CDI in reais for the rate pre-fixed in US dollars.
- (ii) Loans related to Law 4,131/1962 have swaps (derivative financial instruments) aimed at both the exchange of floating rates in LIBOR and pre-fixed to floating rates in CDI, as well as the exchange of currency, dollar to real. These swaps were contracted with the financial institution in conjunction with the loan (dollar-denominated debt + swap to reais in% of CDI). The terms and conditions of the loan and derivative are configured as a matched operation, so that economically the resulting is a debt in% of the CDI in reais. The difference in measurement between the two instruments (loan at amortized cost x derivative at fair value) generates an “accounting mismatch” in the result and to eliminate this effect, contracts made as of August 2015, were designated as “fair value”. , The effect of this designation being the measurement of debt at fair value through profit or loss as per note 20.

Key:

BNDES	– National Bank for Economic and Social Development.
BRL	– Brazilian currency (Real).
CDI	– Interbank Deposit Certificate.
COP	– Colombian Peso.
EUR	– European Union currency (Euro).
EURIBOR	– Euro Interbank Offered Rate.
FINAME	– Government Agency for Machinery and Equipment Financing.
IBR	– Interbank Rate (Colombia).
INR	– Indian Rupee
IPCA	– Extended Consumer Price Index.
LIBOR	– London Interbank Offered Rate.
SELIC	– Special System for Clearance and Custody.
TJLP	– Long-term interest rate set by the National Monetary Council. Until December 2017, the TJLP is the BNDES basic cost of financing. As of January 2018, the Long Term Rate (TLP) became the main financial cost of BNDES financing.
USD	– US Dollar.

(b) Changes

	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Opening balance for the quarter	19,755	24,451
New borrowing	3,625	289
Interest	279	303
Fair value adjustment	(135)	(9)
Foreign exchange variation	4,287	(119)
Payments - interest	(153)	(282)
Payments - principal	(1,299)	(4,372)
Others	4	15
Closing balance for the quarter	26,363	20,276

(c) **New borrowing and amortizations**

Through the funding and prepayment of certain debts, the Company seeks to extend the average maturities, as well as to balance the exposure to different currencies for loans and financing against cash generation in these currencies.

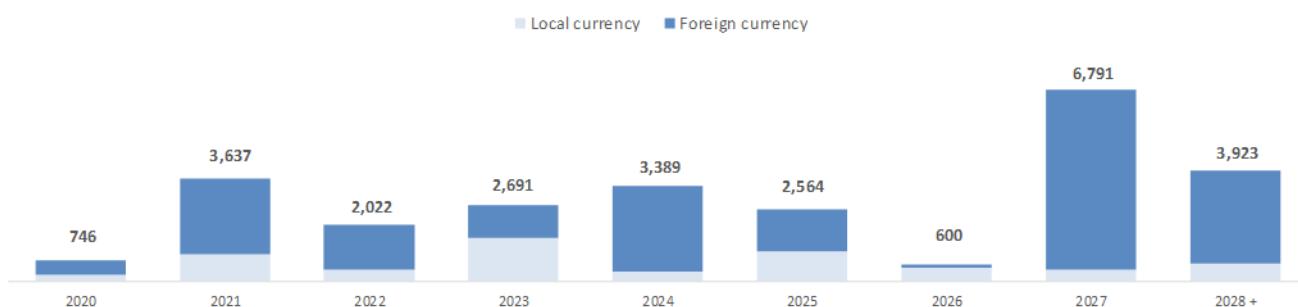
New borrowing

Date	Company	Type	Currency	Principal	Principal BRL	Maturity	Observation
Jan-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	USD	(20)	(81)	2024	Libor 03M + 1%
Jan-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	CAD	(25)	(78)	2024	CDOR 03M + 1%
Jan-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	USD	(15)	(63)	2024	Libor 03M + 1%
Feb-20	Companhia Brasileira de Alumínio	Export Credit Note	BRL	(250)	(250)	2029	4,25% Fixed
Mar-20	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(252)	(252)	2025	134,2% CDI
Mar-20	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(250)	(250)	2021	CDI + 3,71%
Mar-20	Nexa Recursos Peru S.A.A.	Syndicated loan/bilateral agreements	BRL	(477)	(477)	2025	8,49% Fixed
Mar-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	USD	(20)	(102)	2024	Libor 01M + 1%
Mar-20	Votorantim Cimentos S.A.	Loans - Law 4131/1962	USD	(50)	(249)	2025	110,8% CDI
Mar-20	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(245)	(245)	2022	CDI + 1,80%
Mar-20	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(500)	(500)	2021	CDI + 4,20%
Mar-20	Votorantim Cimentos Internacional	Syndicated loan/bilateral agreements	USD	(60)	(304)	2024	Libor 03M + 1%
Mar-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	CAD	(28)	(100)	2024	CDOR 01M + 1%
Mar-20	St Marys Cement Inc.	Syndicated loan/bilateral agreements	USD	(30)	(152)	2024	Libor 01M + 1%
Mar-20	Votorantim Cimentos Internacional	Syndicated loan/bilateral agreements	USD	(46)	(237)	2024	Libor 03M + 1%

Amortizations

Date	Company	projects	Currency	Principal	Principal BRL	Maturity	Cost
Feb-20	Votorantim Cimentos S.A.	Debentures	BRL	(113)	(113)	2025	Fixed
Feb-20	Nexa Recursos Peru S.A.A.	Eurobonds	USD	(215)	(952)	2023	Fixed
Mar-20	Votorantim Cimentos Internacional	Syndicated loan/bilateral agreements	USD	(19)	(95)	2024	Fixed

(d) Maturity



(e) Breakdown by currency

	Current		Non-current		Total	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019
USD	312	174	16,169	12,597	16,481	12,771
Real	1,002	582	5,565	4,101	6,567	4,683
Euro	50	25	1,994	1,576	2,044	1,601
Boliviano	8	2	594	459	602	461
Turkish lire	38	34	41	42	79	76
Colombian peso	203	132			203	132
Other	7	5	380	26	387	31
	1,620	954	24,743	18,801	26,363	19,755

(f) Breakdown by index

	Current		Non-current		Total	
	3/31/2020	12/31/2019	3/31/2020	12/31/2019	3/31/2020	12/31/2019
Local currency						
CDI	845	431	3,843	2,848	4,688	3,279
TJLP	74	73	221	238	295	311
TLP	32	30	304	312	336	342
Fixed rate	33	28	563	74	596	102
SELIC	18	20	111	114	129	134
IPCA			523	515	523	515
	1,002	582	5,565	4,101	6,567	4,683
Foreign currency						
Fixed rate	474	251	15,258	12,262	15,732	12,513
LIBOR	56	36	3,920	2,438	3,976	2,474
Other	88	85			88	85
	618	372	19,178	14,700	19,796	15,072
	1,620	954	24,743	18,801	26,363	19,755

(f) Collateral

As at March 31, 2020, R\$ 7,094 (December 31, 2019 R\$ 5,859) of the balance of borrowing of the Company and its subsidiaries was collateralized under promissory notes and sureties and R\$ 646 of property, plant and equipment items (December 31, 2019: R\$ 895) was collateralized by liens on the financed assets.

(h) Covenants/financial ratios

Certain borrowing items are subject to compliance with certain financial ratios ("covenants"). Where applicable, such obligations are standardized for all loan and financing agreements.

The Company and its subsidiaries were in compliance with all of these covenants, as applicable.

14 Current and deferred income tax and social contribution

(a) Reconciliation of Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL") expenses

The income tax and social contribution amounts presented in the statements of income for the quarters ended on March 31 are reconciled with their Brazilian standard rates as follows:

	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Profit (loss) before income tax and social contribution	(3,810)	6,764
Standard rates	34%	34%
Income tax and social contribution at standard rates	1,295	(2,300)
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity	(45)	30
Differential rate of foreign companies	(166)	(19)
Tax loss carryforward and non-deferred tax base	(112)	(74)
Goodwill impairment without constitution of deferred charges (i)	(515)	
Tax base adjustment due to the conversion of credits between related parties		
Other additions, net	(78)	(11)
Income tax and social contribution calculated	366	(2,374)
Current	(138)	(1,251)
Deferred	504	(1,123)
Income tax and social contribution expenses	366	(2,374)
Effective rate - %	10%	35%

(i) Refers to goodwill impairment of subsidiary Nexa, as mentioned in note 1.1 (h)

(b) Breakdown of deferred tax balances

	3/31/2020	12/31/2019
Tax credits on tax losses	2,608	2,371
Tax credits on temporary differences		
Estimation for losses on investments, fixed and intangible assets	1,357	1,011
Tax, civil and labor provision	624	597
Tax benefit on goodwill	505	504
Deferred of losses on derivative instruments	632	343
Foreign exchange gains	718	278
Asset retirement obligation	199	187
Use of public assets	147	149
Environmental liabilities	103	109
Estimation for inventory losses	105	93
PPR - Provision for profit sharing	72	129
Provision for loan	65	74
Provision for social security obligations	56	48
Provision for energy charges	55	54
Financial instruments - firm commitment	47	50
Estimated asset disposals	3	3
Other tax credit	215	168
Tax debits on temporary differences		
Adjustment of useful lives of PP&E (depreciation)	(2,307)	(1,981)
Market value Milpo	(1,469)	(1,162)
Adjust the fair value in the Suzano transaction	(594)	(549)
Goodwill amortization	(296)	(299)
Market value assets	(212)	(182)
Capitalized interest	(147)	(206)
Adjustment to present value	(170)	(179)
Deferred on aquisition gain	(56)	
Gain in fair value in VTRM's operation	(47)	(48)
Fair value adjustments	(86)	(34)
Asset retirement obligation	(10)	(9)
Other tax debits	(365)	(265)
Net	1,752	1,254
Net deferred tax assets related to the same legal entity	4,109	3,341
Net deferred tax liabilities related to the same legal entity	(2,357)	(2,087)

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

	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Opening balance for the quarter	1,254	1,880
Deferred income tax and social contribution - financial instruments	253	5
Effects of foreign exchange variations in other comprehensive income	(259)	(200)
Effects on the results for the quarter - continuing operations	504	(1,123)
Closing balance for the quarter	1,752	562

15 Provision

(a) Breakdown and changes

						1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
	Legal claims						
	Asset retirement obligation	Tax	Labor	Civil	Other	Total	Total
Opening balance for the quarter	1,801	878	176	252	30	3,137	2,595
Additions		3	52	2	25	82	173
Reversals			(22)	(1)	(1)	(24)	(51)
Judicial deposits, net of write-offs		2	(6)			(4)	7
Settlement in cash	(10)		(15)	(6)		(31)	(31)
Settlements with escrow deposits consolidation		(3) 3				(3) 3	(48) 3
Present value adjustment	19					19	16
Monetary restatement	(4)	1	3	1		1	28
Foreign exchange variation	220	1	4	1	5	231	11
Revision of estimated cash flow	40					40	(38)
Closing balance for the quarter	2,066	885	192	249	59	3,451	2,662

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

	3/31/2020			12/31/2019				
	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)
Tax	(124)	1,009	885	160	(129)	1,007	878	182
Labor	(116)	308	192	41	(110)	286	176	46
Civil	(21)	270	249	108	(21)	273	252	108
Other	(1)	60	59	14	(1)	31	30	9
	(262)	1,647	1,385	323	(261)	1,597	1,336	345

(c) Litigation in process with a likelihood of loss considered possible

The Company and its subsidiaries were a party to litigations representing a risk of possible losses, for which no provision has been made, as detailed below.

	3/31/2020	12/31/2019
Tax	11,631	11,671
Civil	7,720	7,900
Environmental	620	612
Labor and social security	319	276
	20,290	20,459

16 Equity

(a) Share capital

On March 31, 2020 and December 31, 2019, the capital social the fully subscribed and paid-up capital of the Company was R\$ 28,656, consisting of 18,278,789 thousand common shares.

(b) Dividends

During the first quarter of 2020, the Company deliberated the its parent company Hejoassu Administração S.A., the amount of R\$ 401 corresponding to dividends related to part of the balance of the "Profit reserves" account accumulated up to December 31, 2019.

(c) Carrying value adjustments

	Attributable to the owners of the Company							
	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	Suzano shares fair value	Fair value of available-for-sale assets	Other comprehensive income	Total
At January 1, 2018	6,545	(5,106)	40	(47)		(47)	(149)	1,475
Currency translation of investees located abroad	28							28
Hedge accounting for net investments abroad, net of taxes		81						81
Hedge accounting for the operations of subsidiaries			(17)					(17)
Fair value of available-for-sale financial assets of non-consolidated investments								20
Remeasurement of retirement benefits				(3)		(3)		(3)
Adjustment for hyperinflationary economies							27	27
Adjustment to the fair value of Suzano's shares, net of tax effects					375			375
Loss on Nexa's capital contribution							(63)	(63)
Realization of other comprehensive results in the sale of investments	(16)							(16)
At March 31, 2019	6,557	(5,025)	23	(50)	375	(50)	(185)	1,907
	6,415	(4,992)	(15)	235	(121)	(187)	613	1,948
Currency translation of investees located abroad	3,227							3,227
Hedge accounting for net investments abroad, net of taxes		(392)						(392)
Hedge accounting for the operations of subsidiaries			(661)					(661)
Adjust the fair value of the shares held at Suzano, net of the tax					104			104
Remeasurement of retirement benefits						6		6
Adjustment for hyperinflationary economies							62	62
Fair value - measurement of credit risk - Nexa							71	71
Participation in other comprehensive results of investees							(1)	(1)
At March 31, 2020	9,642	(5,384)	(676)	235	(17)	(181)	745	4,364

17 Net revenue from products sold and services rendered

	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Gross revenue		
Sales of products - domestic market	3,739	3,683
Sales of products - foreign market	3,213	3,253
Supply of electrical energy	816	711
Services provided	138	126
	7,906	7,773
Taxes on sales, services and other deductions	(1,077)	(1,053)
Net revenue	6,829	6,720

18 Expenses by nature

				1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	3,332	5	1	3,338	3,306
Employee benefit expenses (a)	763	106	316	1,185	1,033
Depreciation, amortization and depletion	712	12	32	756	729
Transportation expenses	511	11		522	447
Outsourced services	374	19	152	545	441
Other expenses	376	71	80	527	629
	6,068	224	581	6,873	6,585

(a) Employee benefit expenses

	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Salaries and bonuses	716	618
Payroll charges	312	255
Benefits	157	160
	1,185	1,033

19 Other operating expenses, net

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Gain on purchase of CBA Itapissuma	1.1 (a)	164	
Financial instrument - firm commitment		34	(48)
Tax benefits		26	42
Net income from waste sale		17	12
Income from rentals and leasing		12	14
Tax recovery		2	399
Gain on investment sale			6,772
Royalties on natural resources		(27)	(15)
Judicial provisions, net		(48)	(93)
Hedge gain		(52)	21
Expenses on not activatable projects		(70)	(76)
Reversal for impairment of investments, fixed and intangible assets (i)		(2,155)	9
Other income (expenses), net		1	(43)
		(2,096)	6,994

(i) The constitution of impairment refers to the subsidiary Nexa, according to note 1.1 (h).

20 Finance results, net

	Note	1/1/2020 to 3/31/2020	1/1/2019 to 3/31/2019
Finance income			
Interest on financial assets		17	216
Income from financial investments		73	132
Fair value of borrowing		24	33
Monetary updating of assets		46	11
Reversal of monetary restatement of provision		5	10
Discounts obtained		4	6
Other finance income		5	3
		174	411
Finance costs			
Interest on borrowing		(292)	(301)
Capitalization of borrowing costs		14	8
Award paid in bond buyback (tender offer)		(64)	(172)
Monetary restatement of provision		(26)	(48)
Fair value of borrowing and financing		(68)	(41)
Borrowing fees		(10)	(31)
Interest and monetary restatement - use of public assets		(25)	(30)
Interest on anticipation of receivables		(8)	(25)
Adjustment to present value CPC 12		(27)	(24)
"PIS/COFINS" on financial results		(14)	(22)
Income tax on remittances of interest abroad		(3)	(11)
Interest on silver streaming		(7)	
Other finance costs		(62)	(90)
		(592)	(787)
Results of derivative financial instruments			
	5.1.1		
Revenue		345	39
Expenses		(364)	(98)
		(19)	(59)
Foreign exchange variation, net		(1,100)	(19)
Finance results, net		(1,537)	(454)

21 Supplementary information – Business segments

In order to provide a higher level of information, the Company opted to disclose financial information by business segments, considering the elimination of balances and transactions between companies in the same segment, before: (i) the eliminations between business segments; and (ii) the elimination of investments held by holding companies. Additionally, the eliminations and reclassifications between the companies are highlighted, so that the net result corresponds to the consolidated financial information of the VSA, disclosed as supplementary information.

These segments refer to subsidiaries and affiliates in which the Company has investments: Votorantim Cimentos (building materials), Nexa Resources (metals and mining), CBA (aluminum), Votorantim Energia (energy) and Aços Longos. The agribusiness and finance segments are recognized by the equity method.

This supplementary information is not intended to be in accordance 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 for 12 months, as loan covenants, and are summarized as follow:

	Note	Industrial segments	
		4/1/2019 to 3/31/2020	1/1/2019 to 12/31/2019
Adjusted EBITDA (unreviewed)			
Net income (loss) for the quarter		(2,910)	4,925
Plus (less):			
Continuing operations			
Equity in the results of investees		(799)	(1,022)
Net financial results		2,706	1,624
Income and social contribution taxes		(572)	2,168
Depreciation, amortization and depletion		3,094	3,067
Discontinued operations			
Net financial results		38	38
Income and social contribution taxes		(3)	(3)
EBITDA before other additions and exceptional items		1,554	10,797
Plus :			
Dividends received		72	65
Extraordinary items			
EBITDA - discontinued operations		3	2
Loss (Gain) on sale of investments, net		53	(6,719)
Impairment of property, plant, equipment and intangible assets		2,882	723
Other		11	252
Adjusted annualized EBITDA (A)		4,575	5,120
Net debt			
Borrowing	13	26,363	19,755
Lease liabilities		921	841
Cash and cash equivalents, financial investments and derivative financial instruments		(11,046)	(10,614)
Net debt (B)		16,238	9,982
Gearing ratio (B/A)		3.55	1.95

Notes to the condensed consolidated interim financial statements
at March 31, 2020

All amounts in millions of reais unless otherwise stated

VOTORANTIM

(a) Balance sheet - business segments

											3/31/2020
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Assets											
Current											
Cash and cash equivalents, financial investments and derivative financial instruments	3,584	3,597	784	113	120	3,778		11,976	58		12,034
Trade receivables	971	622	544	304	361	91	(232)	2,661			2,661
Inventory	2,054	1,184	1,108	475		2		4,823			4,823
Taxes recoverable	374	455	620	62	8	566		2,085	86		2,171
Dividends receivable	11		6		65	177	(178)	81	13		94
Financial instruments - firm commitment					2			2			2
Other assets	216	176	30	58	19	43		542			542
	7,210	6,034	3,092	1,012	575	4,657	(410)	22,170	157		22,327
Assets classified as held-for-sale											
	7,210	6,034	3,092	1,012	575	4,657	(410)	22,170	157		22,327
Non-current assets											
Long-term receivables											
Financial investments and derivative financial instruments	1,146	276	94					1,516			1,516
Financial instruments - Suzano						2,912		2,912			2,912
Derivative financial instruments - put option						452		452			452
Taxes recoverable	1,900	427	763	15		263		3,368			3,368
Related parties	30	4	29			316	(132)	247			247
Deferred income tax and social contribution	454	1,395	1,072	172		748	239	4,080	29		4,109
Judicial deposits	160	32	112	2		17		323			323
Other assets	637	148	30	64		91		970			970
	4,327	2,282	2,100	253	37	4,799	107	13,905	29		13,934
Investments	1,294	(3)	178		2,480	34,156	(25,748)	12,357	5,471	(5,475)	12,353
Property, plant and equipment	14,163	8,548	4,903	1,194	35	551		29,394			29,394
Intangible assets	7,824	6,934	493	43	549	221	(1,514)	14,550			14,550
Right-of-use assets	610	113	15	114	9	21		882			882
Biological assets			1	5		75		81			81
	28,218	17,874	7,690	1,609	3,110	39,823	(27,155)	71,169	5,500	(5,475)	71,194
Total assets	35,428	23,908	10,782	2,621	3,685	44,480	(27,565)	93,339	5,657	(5,475)	93,521

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

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											3/31/2020
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Liabilities and equity											
Current liabilities											
Borrowing	278	942	150	205		45		1,620			1,620
Lease liabilities	124	74	8	20	3	15		244			244
Derivative financial instruments	40	178	276					494			494
Confirming payable	599	346	417					1,362			1,362
Trade payables	1,707	1,307	521	452	344	16	(199)	4,148			4,148
Salaries and payroll charges	327	178	92	36	11	47		691			691
Taxes payable	234	94	34	80	7	12		461			461
Advances from customers	20	3	25	156	1	16		221			221
Dividends payable	109	39	24		77	39	(196)	92	13		105
Use of public assets	36	7	45					88			88
Related parties			1				(1)				
Financial instruments - firm commitment	30		11					41			41
Deferred revenue - silver streaming		127						127			127
Other	448	213	42	41	1	205		950	1		951
	3,952	3,508	1,646	990	444	395	(396)	10,539	14		10,553
Liabilities related to assets held-for-sale	2							2			2
	3,954	3,508	1,646	990	444	395	(396)	10,541	14		10,555
Non-current liabilities											
Borrowing	13,777	7,274	2,427			1,265		24,743			24,743
Lease liabilities	498	67	6	94	6	6		677			677
Derivative financial instruments	976	229	747					1,952			1,952
Deferred income tax and social contribution	589	1,258	3	22	46	271		2,189	168		2,357
Related parties	103	4	4		2	33	(128)	18			18
Provision	1,237	1,263	678	105	1	167		3,451			3,451
Use of public assets	487	86	586					1,159			1,159
Pension plan	354			138				492			492
Financial instruments - firm commitment	43		95					138			138
Deferred revenue - silver streaming		768						768			768
Other	249	242	40	92	12	154		789			789
	18,313	11,191	4,586	451	67	1,896	(128)	36,376	168		36,544
Total liabilities	22,267	14,699	6,232	1,441	511	2,291	(524)	46,917	182		47,099
Equity											
Total equity attributable to owners of the Company	12,371	8,060	4,353	866	3,174	42,189	(29,382)	41,631	5,475	(5,475)	41,631
Non-controlling interests	790	1,149	197	314			2,341	4,791			4,791
Total equity	13,161	9,209	4,550	1,180	3,174	42,189	(27,041)	46,422	5,475	(5,475)	46,422
Total liabilities and equity	35,428	23,908	10,782	2,621	3,685	44,480	(27,565)	93,339	5,657	(5,475)	93,521

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

(c) Statement of income – business segments

	1/1/2020 to 3/31/2020										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	2,747	1,968	1,253	421	912	12	(484) (**)	6,829			6,829
Cost of products sold and services rendered	(2,452)	(1,740)	(1,105)	(344)	(907)	(4)	484 (**)	(6,068)			(6,068)
Gross profit	295	228	148	77	5	8		761			761
Operating income (expenses)											
Selling	(175)	(35)	(7)	(6)		(1)		(224)			(224)
General and administrative	(239)	(158)	(57)	(44)	(22)	(57)		(577)	(4)		(581)
Other operating income (expenses), net	4	(2,301)	138	8	70	(15)		(2,096)			(2,096)
	(410)	(2,494)	74	(42)	48	(73)		(2,897)	(4)		(2,901)
Operating profit (loss) before equity results and finance results	(115)	(2,266)	222	35	53	(65)		(2,136)	(4)		(2,140)
Result from equity investments											
Equity in the results of investees	22	(2)	(27)		46	(2,047)	1,873	(135)	148	(146)	(133)
	22	(2)	(27)		46	(2,047)	1,873	(135)	148	(146)	(133)
Finance results, net											
Finance income	62	19	14	2	9	76	(9)	173	1		174
Finance costs	(234)	(227)	(67)	(29)	(11)	(33)	9	(592)			(592)
Results of derivative financial instruments	183	(1)				(202)	1	(19)			(19)
Foreign exchange gains (losses), net	(359)	(529)	(227)	(2)		18	(1)	(1,100)			(1,100)
	(348)	(738)	(280)	(29)	(2)	(141)		(1,538)	1		(1,537)
Profit (loss) before income tax and social contribution	(441)	(3,006)	(85)	6	97	(2,253)	1,873	(3,809)	145	(146)	(3,810)
Income tax and social contribution											
Current	(17)	(92)	(12)	(15)		(2)		(138)			(138)
Deferred	79	367	10	(4)	(17)	68		503	1		504
Profit (loss) from continuing operations	(379)	(2,731)	(87)	(13)	80	(2,187)	1,873	(3,444)	146	(146)	(3,444)
Profit (loss) attributable to the owners of the Company	(391)	(2,299)	(98)	(18)	80	(2,187)	2,724	(2,189)	146	(146)	(2,189)
Profit (loss) attributable to non-controlling interests	12	(432)	11	5			(851)	(1,255)			(1,255)
Profit (loss) for the quarter	(379)	(2,731)	(87)	(13)	80	(2,187)	1,873	(3,444)	146	(146)	(3,444)

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

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

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1/1/2019 to 3/31/2019

	Votorantim Cimentos	Nexa Resources	CBA	Long steels (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	2,524	2,150	1,327	434	905	12	(632) (**)	6,720			6,720
Cost of products sold and services rendered	(2,271)	(1,838)	(1,119)	(366)	(869)	(7)	632 (**)	(5,838)			(5,838)
Gross profit	253	312	208	68	36	5		882			882
Operating income (expenses)											
Selling	(176)	(17)	(13)	(7)		(1)		(214)			(214)
General and administrative	(214)	(144)	(47)	(27)	(18)	(79)		(529)	(4)		(533)
Other operating income (expenses), net	454	(50)	(15)	27	(68)	6,646	0	6,994			6,994
	64	(211)	(75)	(7)	(86)	6,566		6,251	(4)		6,247
Operating profit (loss) before equity results and finance results	317	101	133	61	(50)	6,571		7,133	(4)		7,129
Result from equity investments											
Equity in the results of investees	43	(1)	(1)		(19)	320	(254) 0	88	192	(191)	89
	43	(1)	(1)		(19)	320	(254)	88	192	(191)	89
Finance results, net											
Finance income	276	21	13	4	25	102	(32)	409	2		411
Finance costs	(470)	(109)	(83)	(38)	(29)	(90)	32	(787)			(787)
Results of derivative financial instruments	(82)	(1)				24		(59)			(59)
Foreign exchange gains (losses), net	(42)	(9)	(12)			44		(19)			(19)
	(318)	(98)	(82)	(34)	(4)	80		(456)	2		(454)
Profit (loss) before income tax and social contribution	42	2	50	27	(73)	6,971	(254)	6,765	190	(191)	6,764
Income tax and social contribution											
Current	(80)	(83)	(12)	(14)	(2)	(1,060)		(1,251)			(1,251)
Deferred	22	49	(9)	(2)	19	(1,204)	1	(1,124)	1		(1,123)
Profit (loss) for the quarter from continuing operations	(16)	(32)	29	11	(56)	4,707	(253)	4,390	191	(191)	4,390
Discontinued operations											
Profit from continuing operations	1							1			1
Profit (loss) for the quarter	(15)	(32)	29	11	(56)	4,707	(253)	4,391	191	(191)	4,391
Profit (loss) attributable to the owners of the Company	(33)	(37)	19	3	(56)	4,707	(215)	4,388			4,388
Profit (loss) attributable to non-controlling interests	18	5	10	8			(38)	3			3
Profit (loss) for the quarter	(15)	(32)	29	11	(56)	4,707	(253)	4,391			4,391

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

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

(d) Adjusted EBITDA - business segments

	1/1/2020 to 3/31/2020									
	Votorantim Cimentos	Nexa Resources	CBA	Long steel (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	2,747	1,968	1,253	421	912	12	(484) (*)	6,829		6,829
Cost of products sold and services rendered	(2,452)	(1,740)	(1,105)	(344)	(907)	(4)	484 (*)	(6,068)		(6,068)
Gross profit	295	228	148	77	5	8		761		761
Operating income (expenses)										
Selling	(175)	(35)	(7)	(6)		(1)		(224)		(224)
General and administrative	(239)	(158)	(57)	(44)	(22)	(57)		(577)	(4)	(581)
Other operating income (expenses), net	4	(2,301)	138	8	70	(15)		(2,096)		(2,096)
	(410)	(2,494)	74	(42)	48	(73)		(2,897)	(4)	(2,901)
Operating profit (loss) before equity results and finance results	(115)	(2,266)	222	35	53	(65)		(2,136)	(4)	(2,140)
Plus:										
Depreciation, amortization and depletion - continuing operations	329	300	91	27	1	8		756		756
EBITDA	214	(1,966)	313	62	54	(57)		(1,380)	(4)	(1,384)
Plus:										
Dividends received	7				4		(4)	7		7
Exceptional items										
Reversal for impairment - fixed assets	(3)	2,158						2,155		2,155
Other	15		(164)			17		(132)		(132)
Adjusted EBITDA	233	192	149	62	58	(40)	(4)	650	(4)	646

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	1/1/2019 to 3/31/2019									
	Votorantim Cimentos	Nexa Resources	CBA	Long steel (**)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	2,524	2,150	1,327	434	905	12	(632) (*)	6,720		6,720
Cost of products sold and services rendered	(2,271)	(1,838)	(1,119)	(366)	(869)	(7)	632 (*)	(5,838)		(5,838)
Gross profit	253	312	208	68	36	5		882		882
Operating income (expenses)										
Selling	(176)	(17)	(13)	(7)		(1)		(214)		(214)
General and administrative	(214)	(144)	(47)	(27)	(18)	(79)		(529)	(4)	(533)
Other operating income (expenses), net	454	(50)	(15)	27	(68)	6,646		6,994		6,994
	64	(211)	(75)	(7)	(86)	6,566		6,251	(4)	6,247
Operating profit (loss) before equity results and finance results	317	101	133	61	(50)	6,571		7,133	(4)	7,129
Plus:										
Depreciation, amortization and depletion - continuing operations	294	306	97	24	1	7		729		729
EBITDA	611	407	230	85	(49)	6,578		7,862	(4)	7,858
Exceptional items										
Reversal for impairment - fixed assets	(3)		(1)					(6,772)		(6,772)
Other	(22)					131		109		109
Adjusted EBITDA	586	407	229	85	(49)	(63)		1,195	(4)	1,191

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

22 Subsequent events

(a) Credit limit disbursement - Revolving credit

On April 14, 2020, the subsidiary Nexa withdrew the credit limit of USD 300 million related to its revolving credit line agreement with the bank syndicate, issued on October 25, 2019.

(b) Export credit notes

On April 9, 2020, to expand short-term liquidity in Brazil, the subsidiary Nexa entered into an export credit note contract in the total principal amount of R\$ 232 (approximately USD 44 million) and cost of CDI + 3,90 maturing in 1 year.

(c) Return of the mining sector in Peru

On May 2, 2020, the Peruvian government approved the gradual and progressive resumption of economic activities from May 11, 2020 under the National Declaration on Emergency in Health, due to COVID-19. As a result, operations at the Cerro Lindo and El Porvenir mining units are accelerating, which is expected to last until the end of June 2020, due to operational requirements determined by the Peruvian government. Operations at the Atacocha mining unit will continue to be suspended.

(d) Use of a revolving credit facility by VCEAA

On May 6, 2020, the indirect subsidiary VCEAA sent a notification for withdrawal of the revolving credit line in the amount of USD 200 million and the disbursement will take place on May 13, 2020. The revolving credit line was contracted in August 2018 and has a total amount of USD 500 million due in August 2023.

The objective of the subsidiary's management is to use these funds to carry out the early redemption of all its euro bonds (bonds) maturing in 2021.