



VOTORANTIM INDUSTRIAL ANNOUNCES ITS 1Q12 RESULTS

São Paulo, May 14, 2012. Votorantim Industrial S.A. (VID) releases today its 2012 first quarter results. Operational and financial information, except where otherwise stated, is presented on a consolidated basis, in Brazilian *Reais*, according to International Financial Reporting Standards (IFRS). All comparisons take into consideration the same period of 2011, except where otherwise stated.

1. Business Performance

Revenues increased for all businesses year on year, except for pulp, supported by business focused on the Brazilian market, mainly driven by housing and infrastructure. Sales volume increased in cement, nickel and pulp, while it decreased in long steel and zinc. Consolidated net revenues and Ebitda amounted to R\$5.7 billion and R\$1.0 billion, an increase of 6% and a decrease of 20%, respectively. Ebitda margin declined from 22.8% to 15.7%, impacted by the metals, long steel and pulp businesses. Cement business accounted for 57% of EBITDA, metals 28%, steel 6% and pulp 9%.

- **Cement:** Sales volume increased by 25% in North America and by 7% in Brazil, which accounted for 92% of the total sales volume. Net revenues went up 14% and totaled R\$2.1 billion, supported by higher volumes and prices in Brazil. Ebitda increased by 15%, from R\$0.5 billion to R\$0.6 billion, due to higher productivity and energy efficiency in the new plants.
- **Metals:** Zinc sales volume decreased by 7%, while aluminum and nickel sales volume increased by 21% and 29%, respectively. Lower prices along with increased electricity, tar and oil costs led Ebitda to decrease by 55%, from R\$0.6 billion to R\$0.3 billion.
- **Steel:** Lower sales volume was compensated by higher prices resulting in 4% revenues increase year on year. EBITDA totaled R\$56 million, a 36% decrease from R\$87 million, mainly due to higher pig iron and scrap costs along with freight expenses.
- **Pulp:** Sales volume increased by 4% driven by higher global demand, particularly from the tissue market. Prices have recently recovered to the USD 800/t level and Fibria's inventories are lower year-on-year due to stronger market fundamentals. The recently concluded capital increase of BRL 1.3 bi along with sales of non-core assets and lower CAPEX demonstrate Fibria's deleveraging commitment.

2. Indebtedness & Liquidity

Net debt decreased by 13%, from R\$17.7 billion in December 2011 to R\$15.4 billion. Average debt maturity was extended to 8.3 years compared to 7.1 years in December 2011. Cash balance at the end of the quarter was R\$ 7.9 billion, enough to cover 5.1 years of debt amortization. In March 2012, Fitch upgraded VID to BBB from BBB- in recognition of VID's deleveraging efforts and strong capital structure.



Capex in the period totaled R\$0.8 billion, mainly for expansion projects in the cement business. Investment in cement accounted for 52% of total Capex, metals 31%, steel 6% and pulp 10%.

3. Global Call

Votorantim is pleased to invite you to its 1Q12 results Global Conference Call (in English)

Monday, May 14, 2012

9:00 a.m. NY | 10:00 a.m. SP | 2:00 p.m. London

Connection Numbers

Brazil: 0800-891-0015 | USA: 1 (877) 317-6776 | International: 1 (412) 317-6776

Password: Votorantim

Slides and webcast

A slide presentation will be available on our Investor Relations website at www.votorantim.com/IR

If for some reason you can't access the website, please go to the following link:

<http://webcast.mz-ir.com/publico.aspx?codplataforma=3854>

SPEAKERS:

Raul Calfat - CEO

João Miranda - CFO

March 2012 Financial Statements are also available at www.votorantim.com/IR