



Votorantim



VOTORANTIM
DAY 2015



Business Performance
Financial Highlights
Challenges

2014 was driven by economic slowdown and disappointing expectations, specially in Brazil

2014 Economic Growth

IMF figures as of (1)

Country	IMF figures as of (1)	
	Jan/14	Jan/15
Developed	2.2%	1.8%
Emerging Markets	5.1%	4.4%
Brazil	2.3%	0.1%

Inflation (IPCA)

0.5p.p.

5.9% 6.4%

2013 2014

Interest (SELIC rate)

1.75p.p.

10.00% 11.75%

2013 2014

GDP

-2.4p.p.

2.5% 0.1%

2013 2014

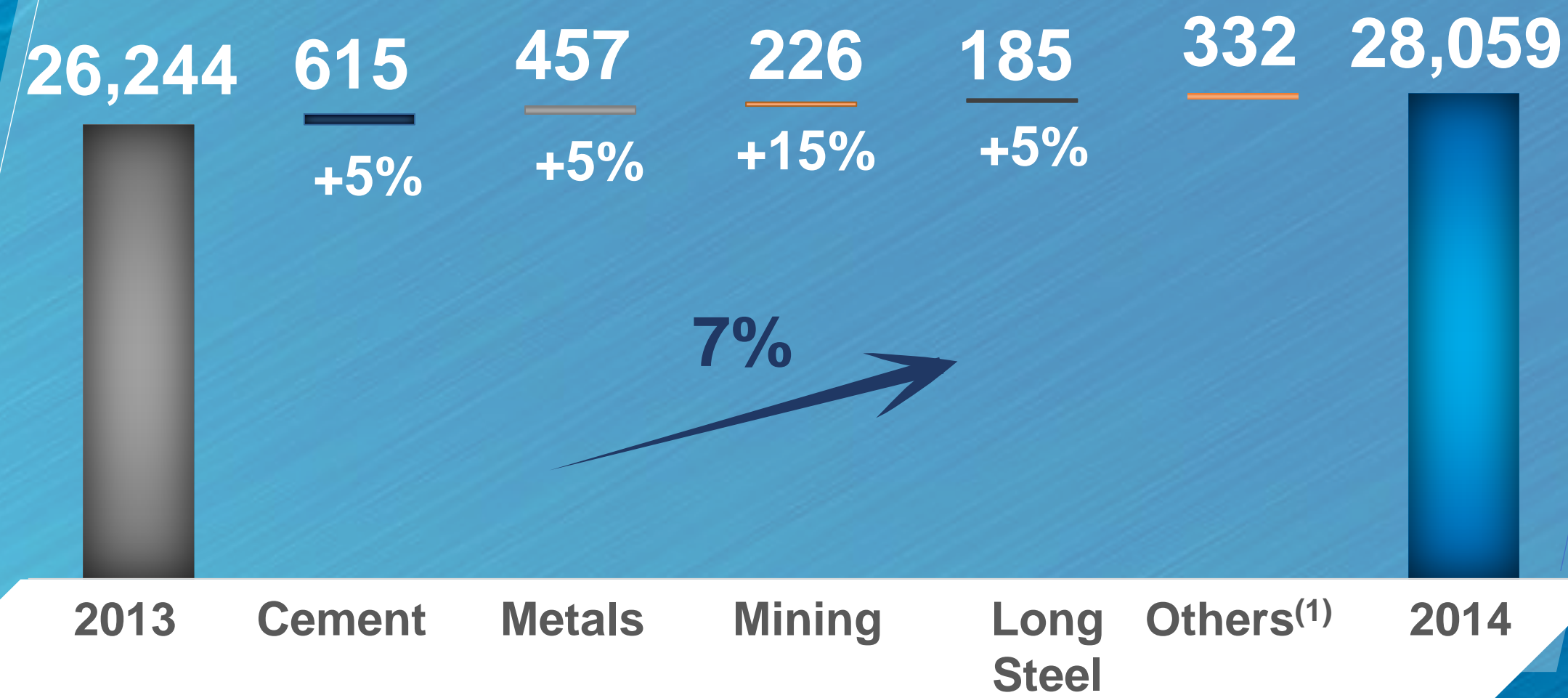
Developed Countries: Japan and Euro Zone facing slow economic growth. USA as key recovery pillar

Emerging Markets: Higher spreads risk; slowdown in China

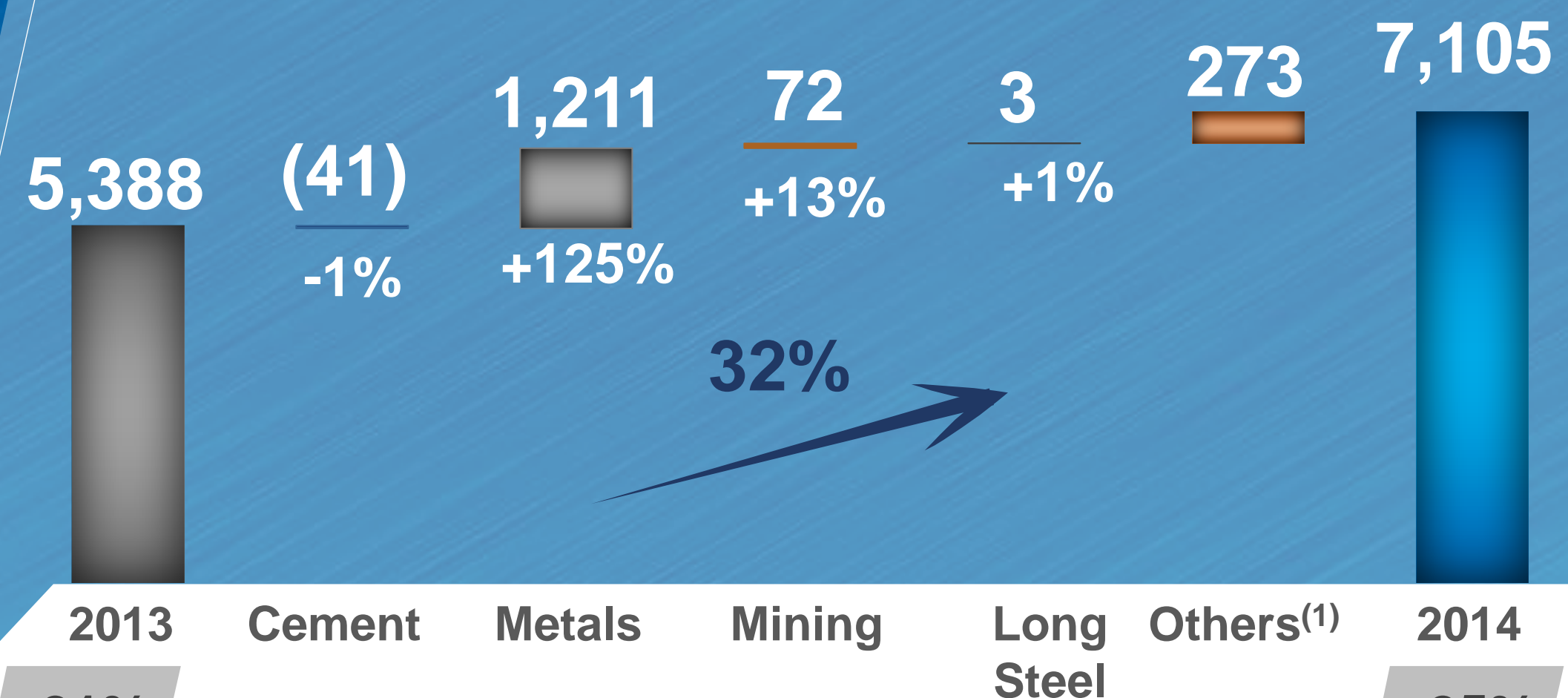
Brazil: Worsening of all the economic indicators. S&P downgrade and negative outlook from Moody's

(R\$ million)

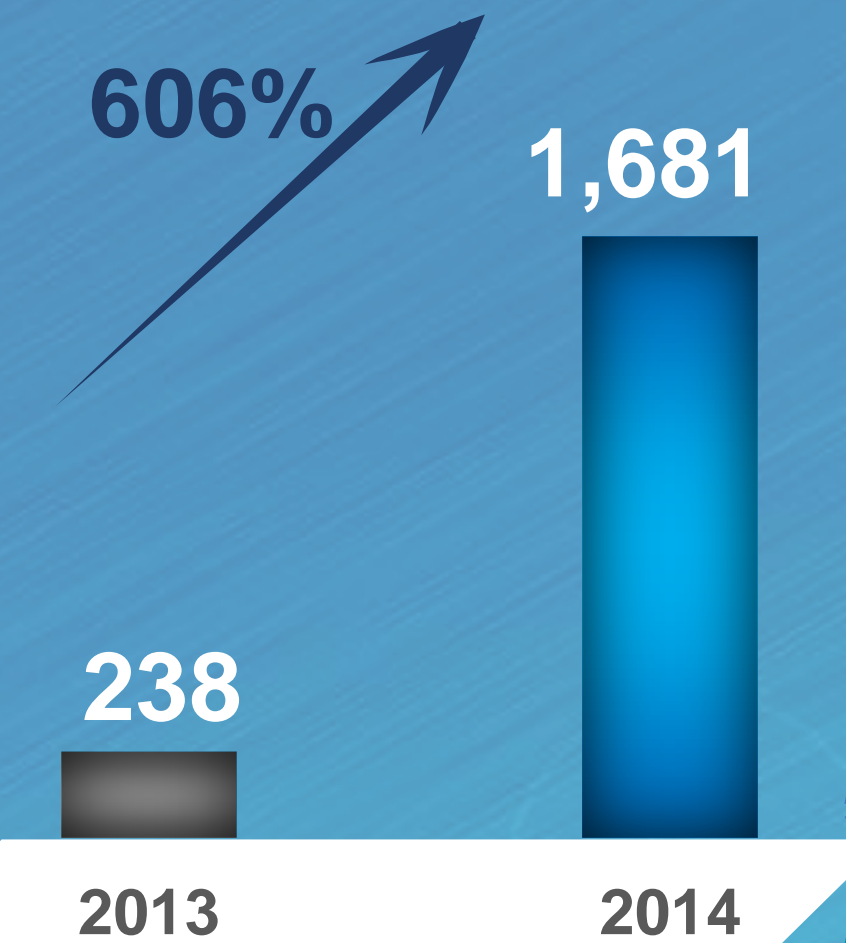
Net Revenues



Adjusted EBITDA



Net Income



Operational efficiency coupled with **decision making agility** increased Net Revenue, adjusted EBITDA and Net Income

(1) Include Holding, elimination and others

(R\$ million)

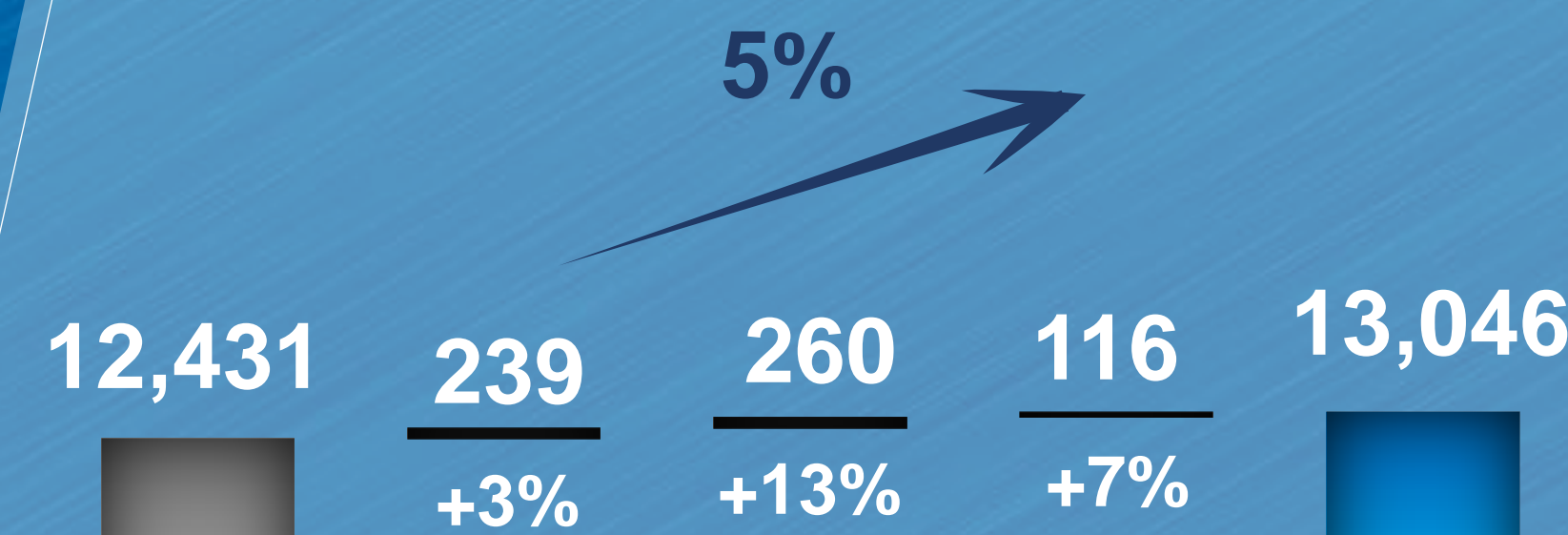
Volume (Mton)



2013

2014

Net Revenues



2013

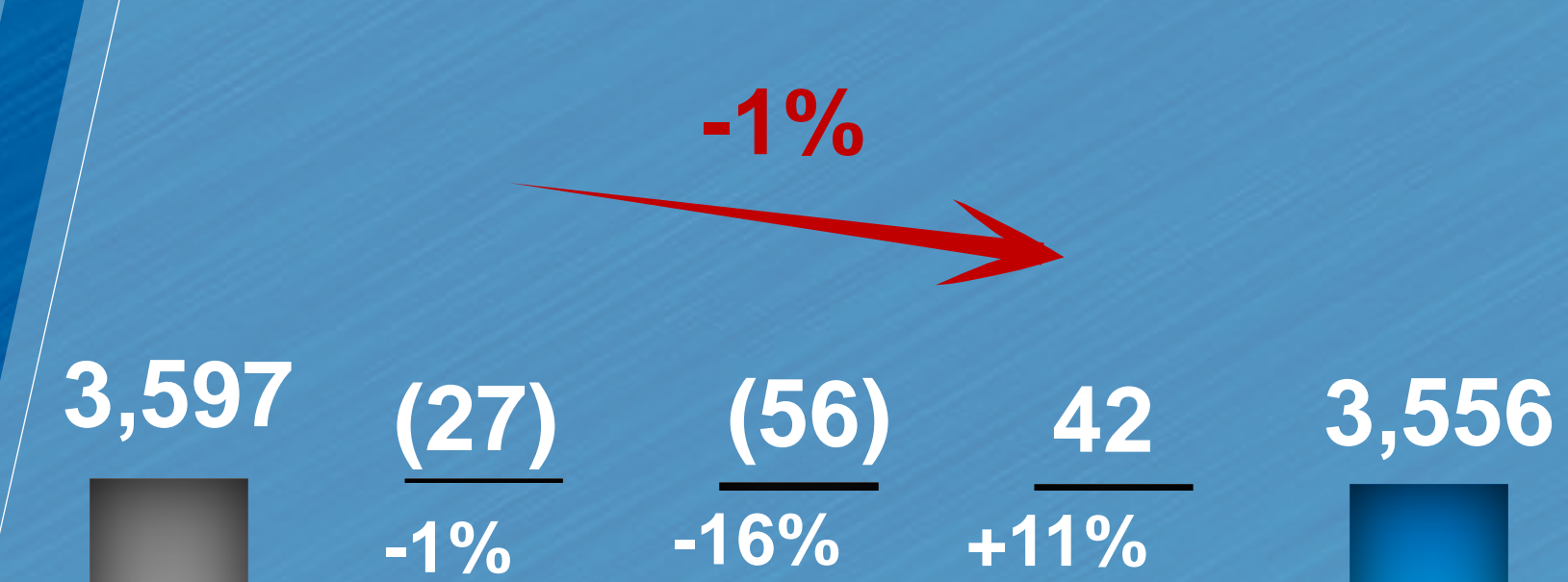
VCBR

VCNA

VCEAA

2014

Adjusted EBITDA



2013

VCBR

VCNA

VCEAA

2014

29%

31%

13%

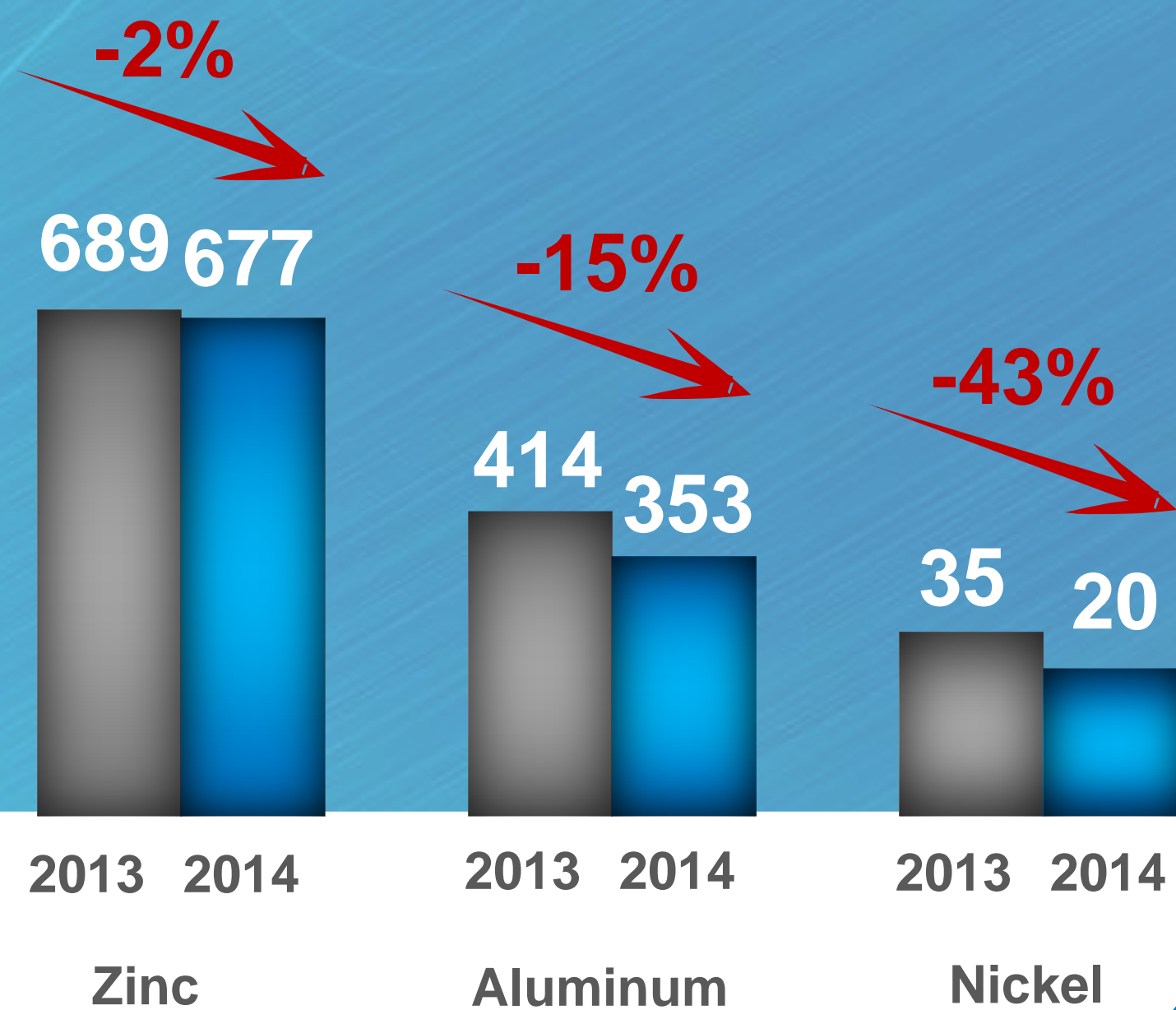
24%

27%

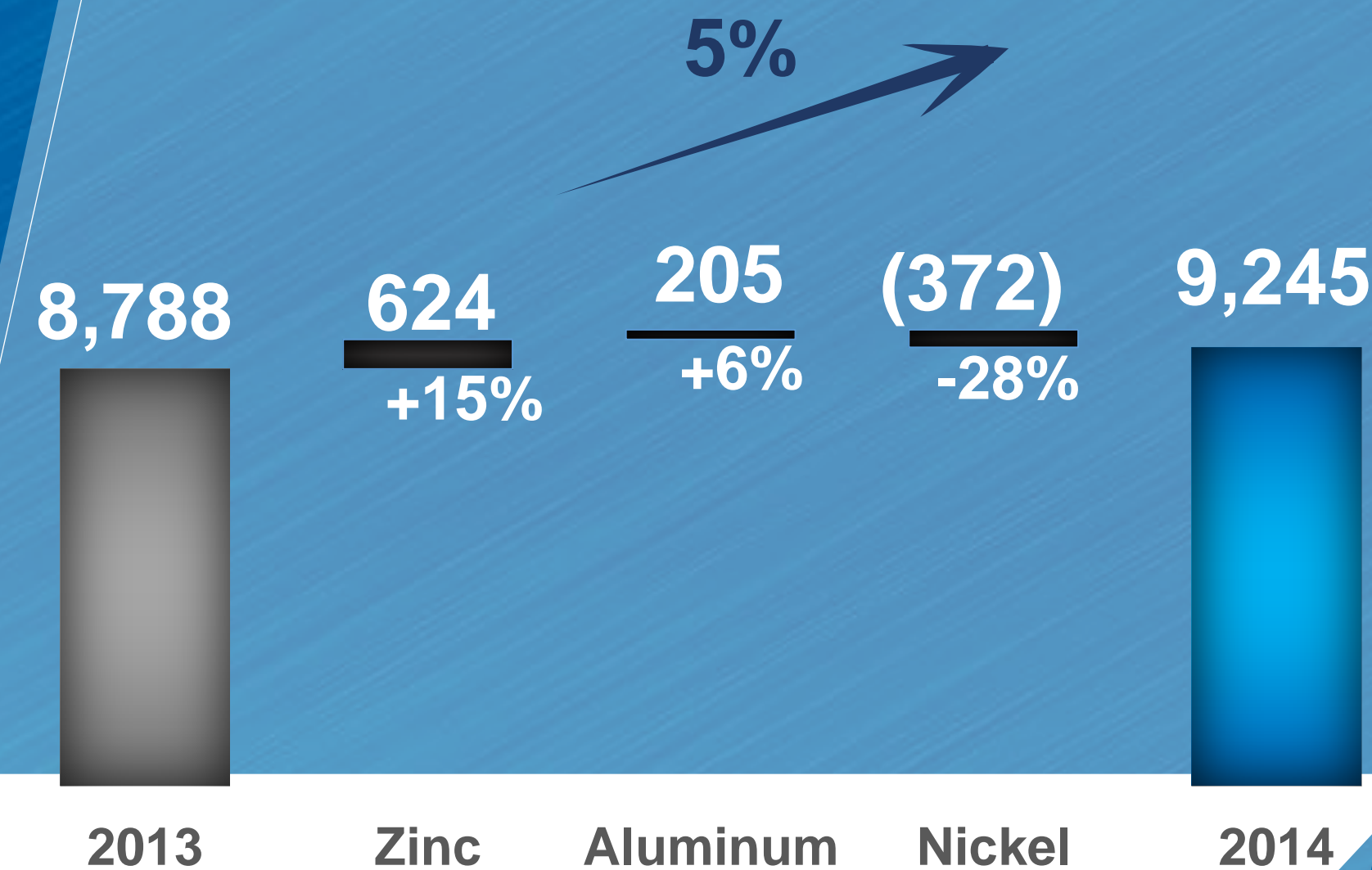
Strong market position in Brazil associated with geographical diversification supportive of consistent results

(R\$ million)

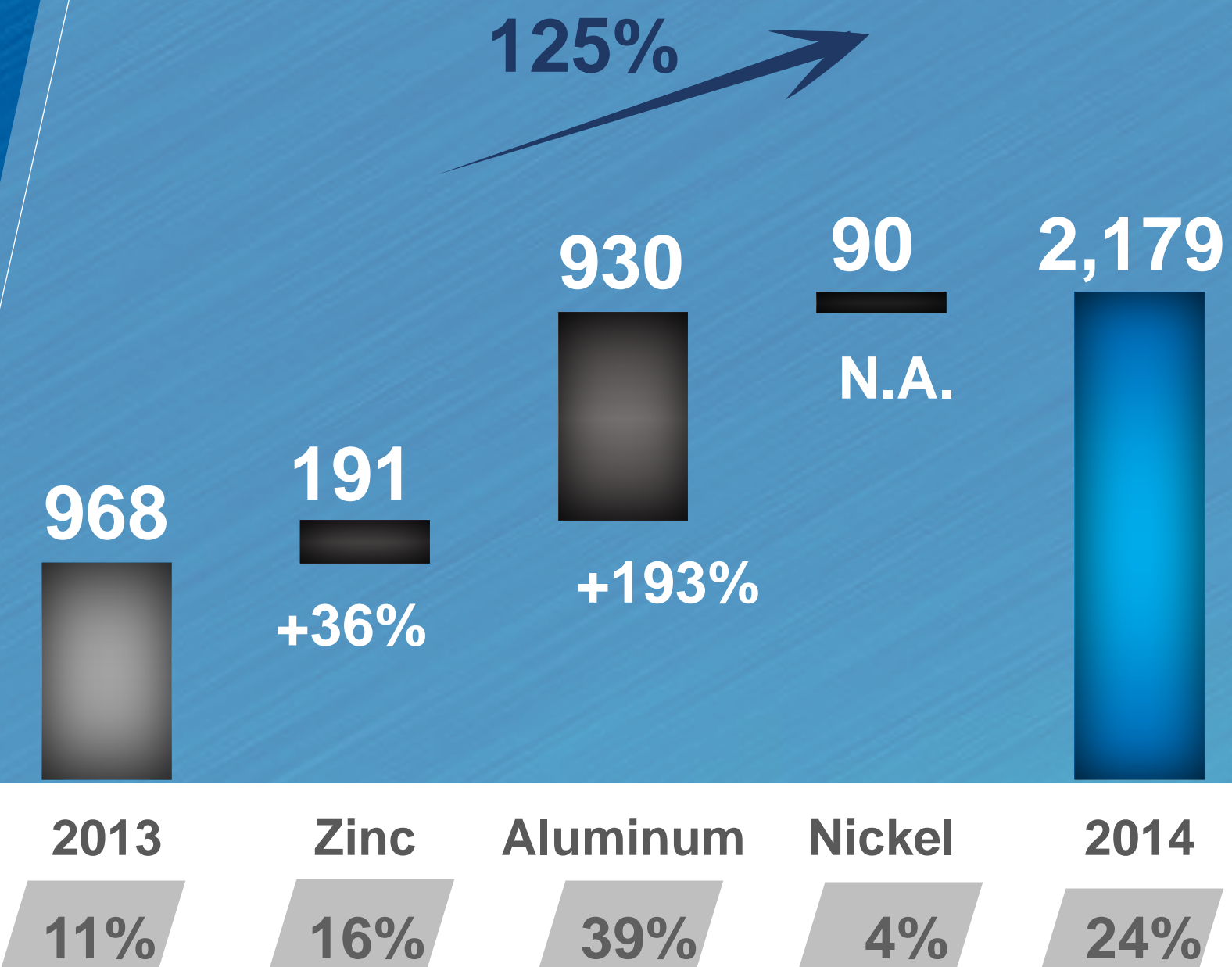
Volume (kton)



Net Revenues



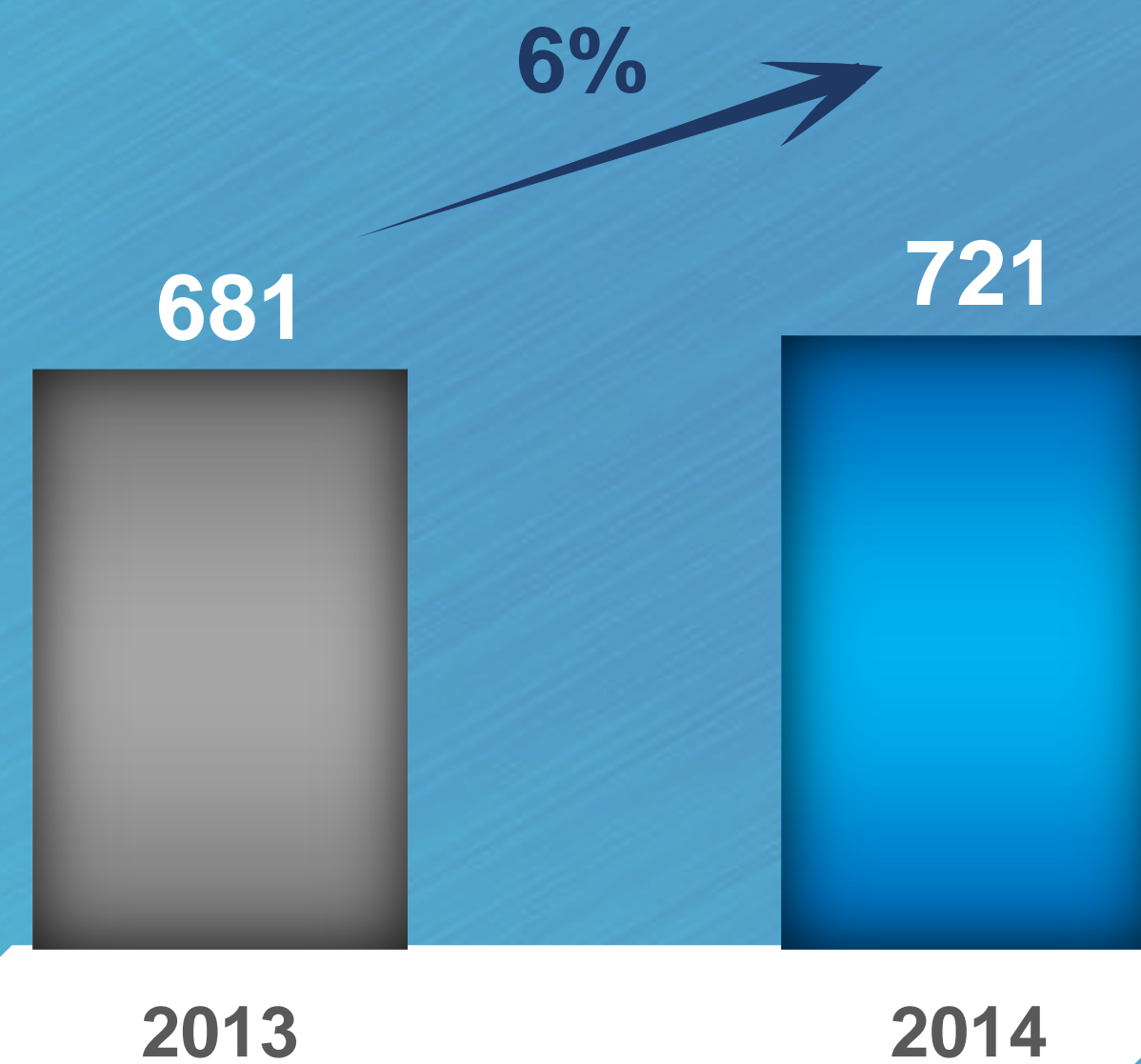
Adjusted EBITDA



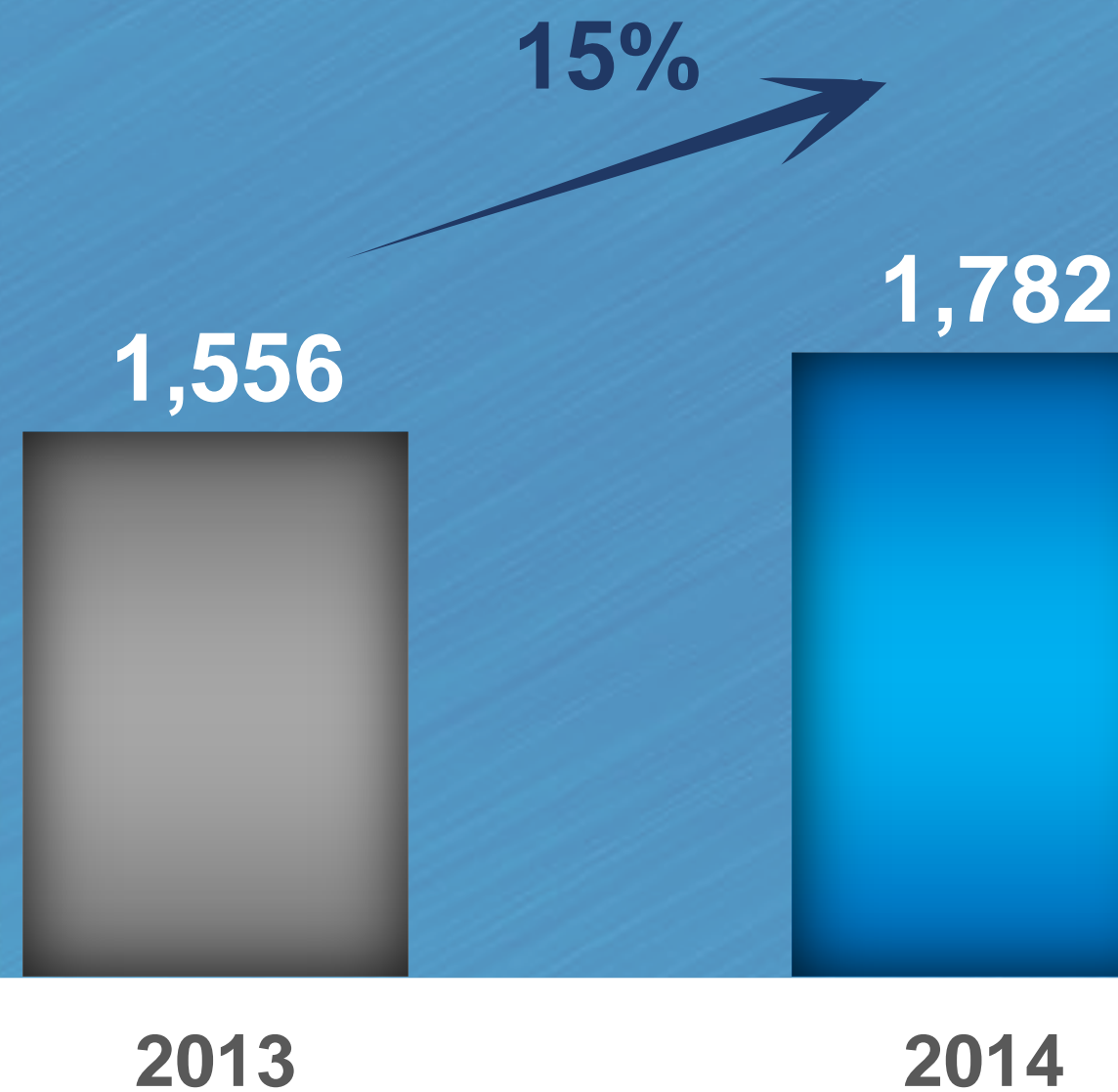
Operational stability, price recovery and sale of energy surplus boosted EBITDA and Net Revenues

(R\$ million)

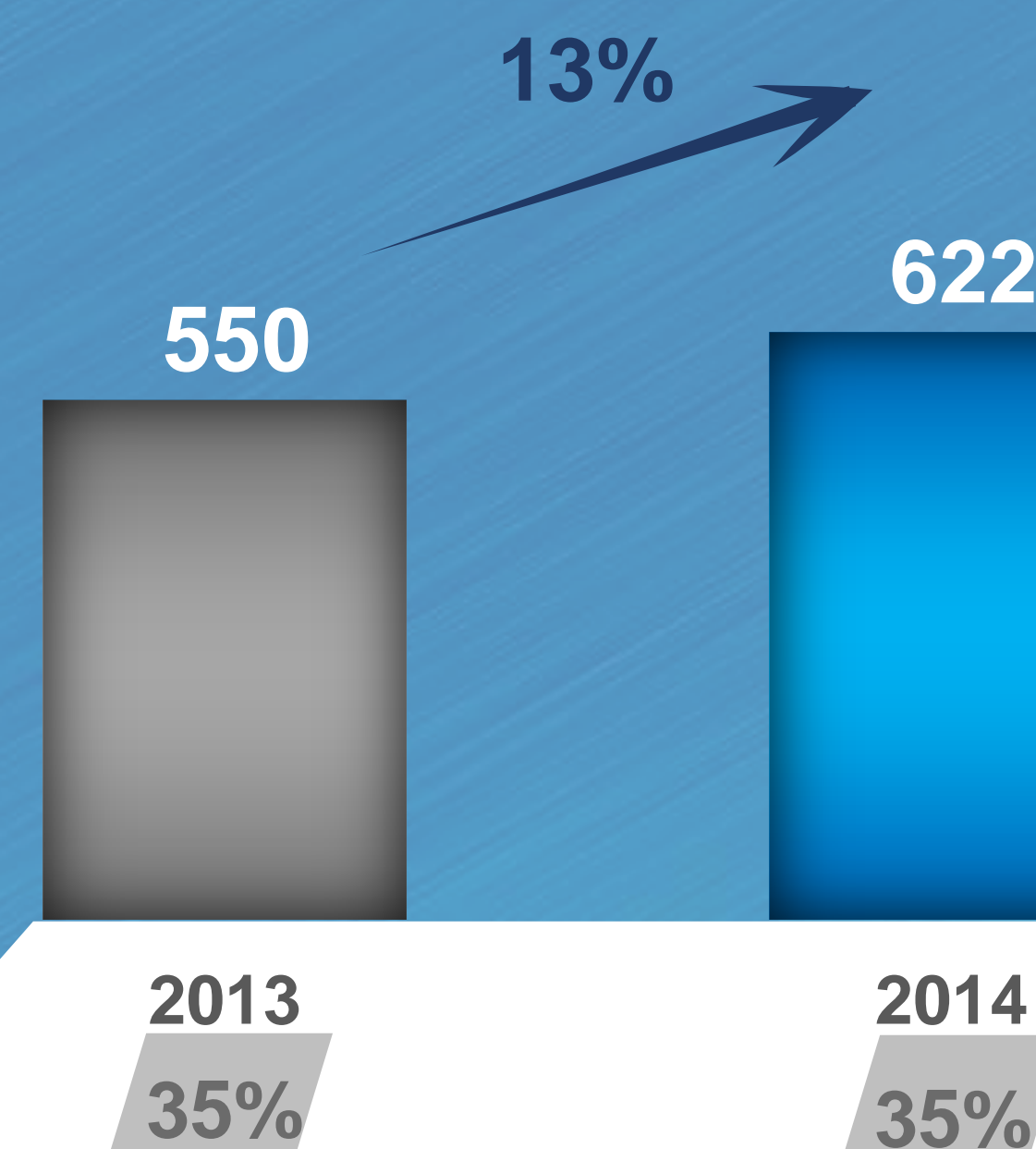
Volume (kton)⁽²⁾



Net Revenues



Adjusted EBITDA



Cerro Lindo expansion, higher zinc price and greater lead content resulted in solid performance

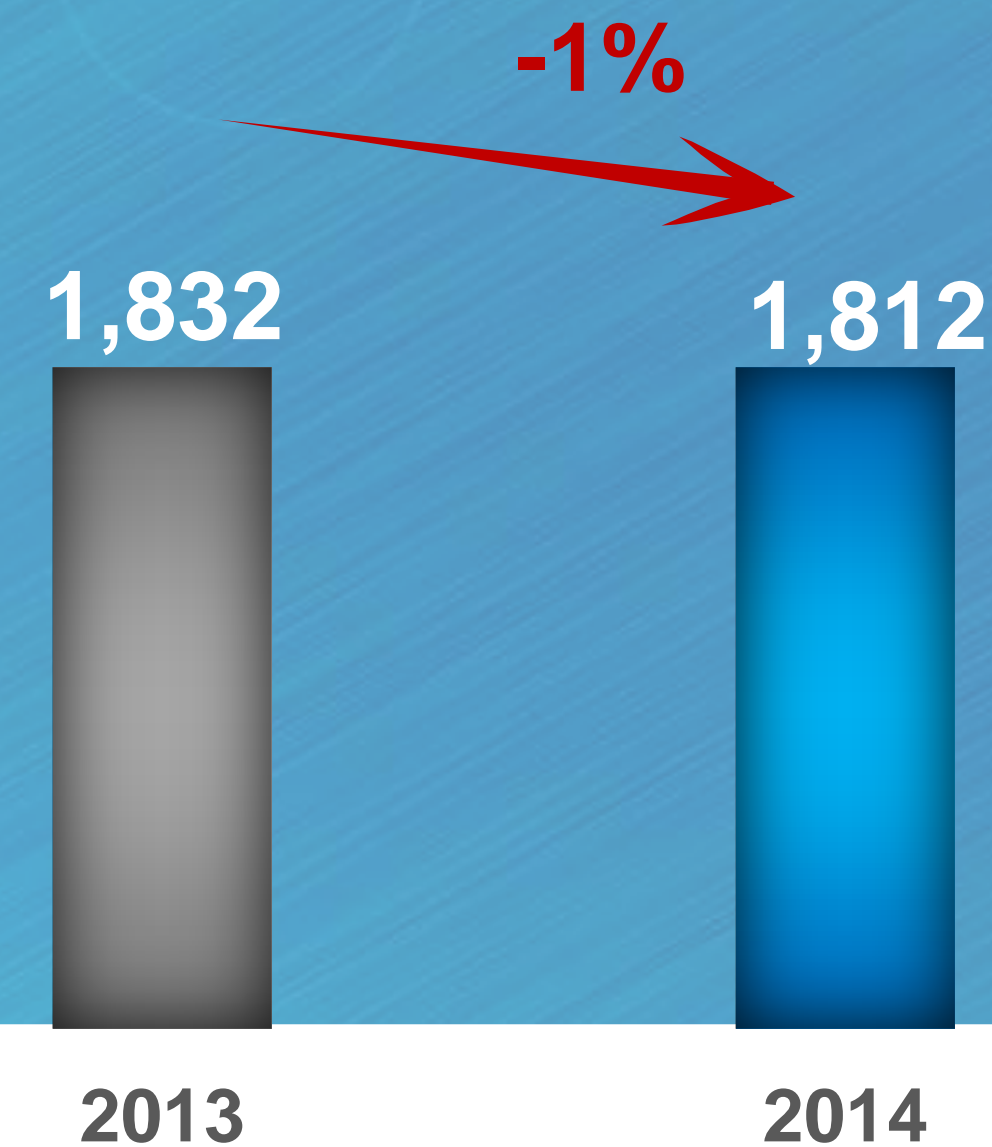
For further information, visit milpo.com/ir

(1) VID has 50,06% participation in Milpo

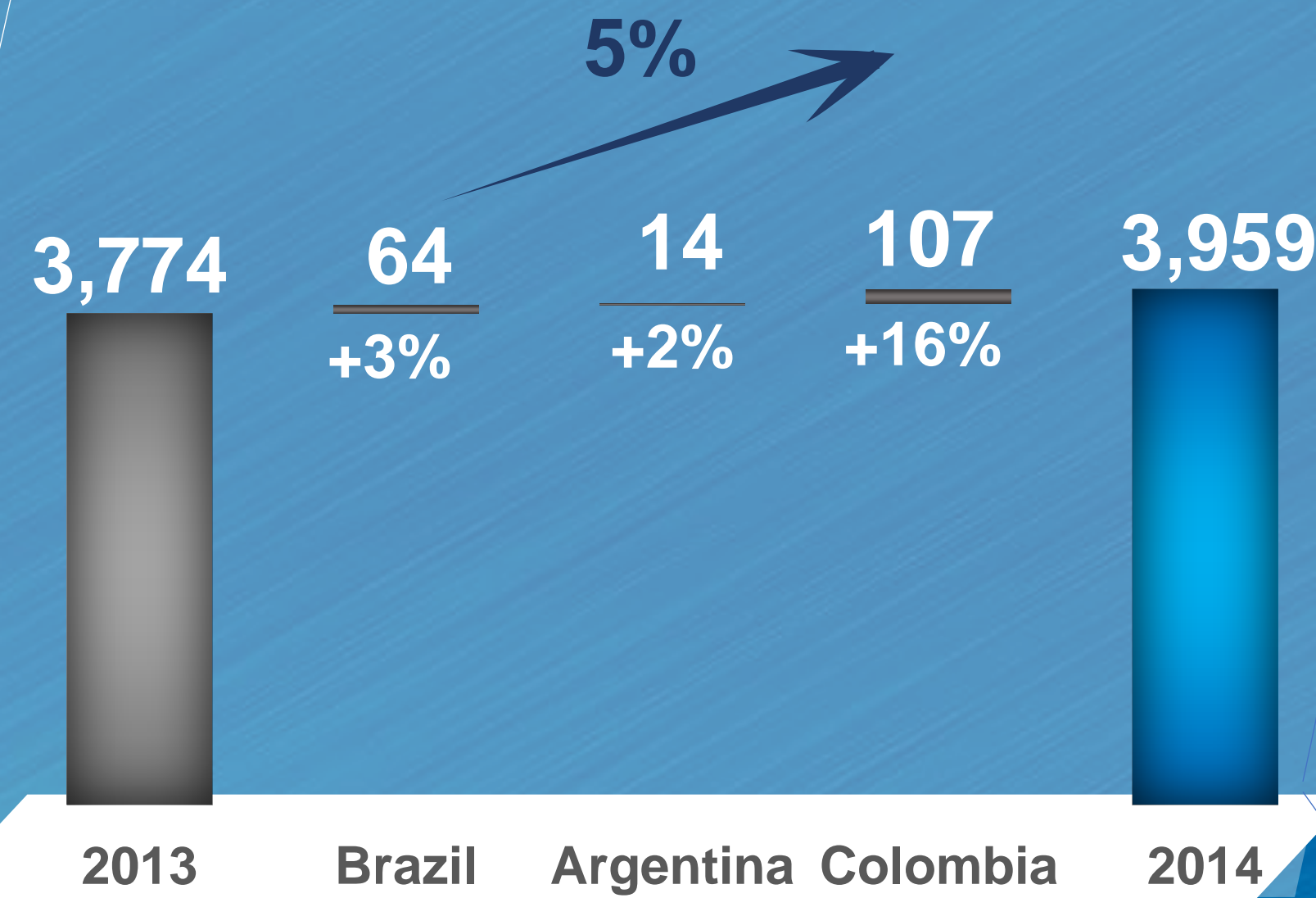
(2) Includes zinc, copper and lead

(R\$ million)

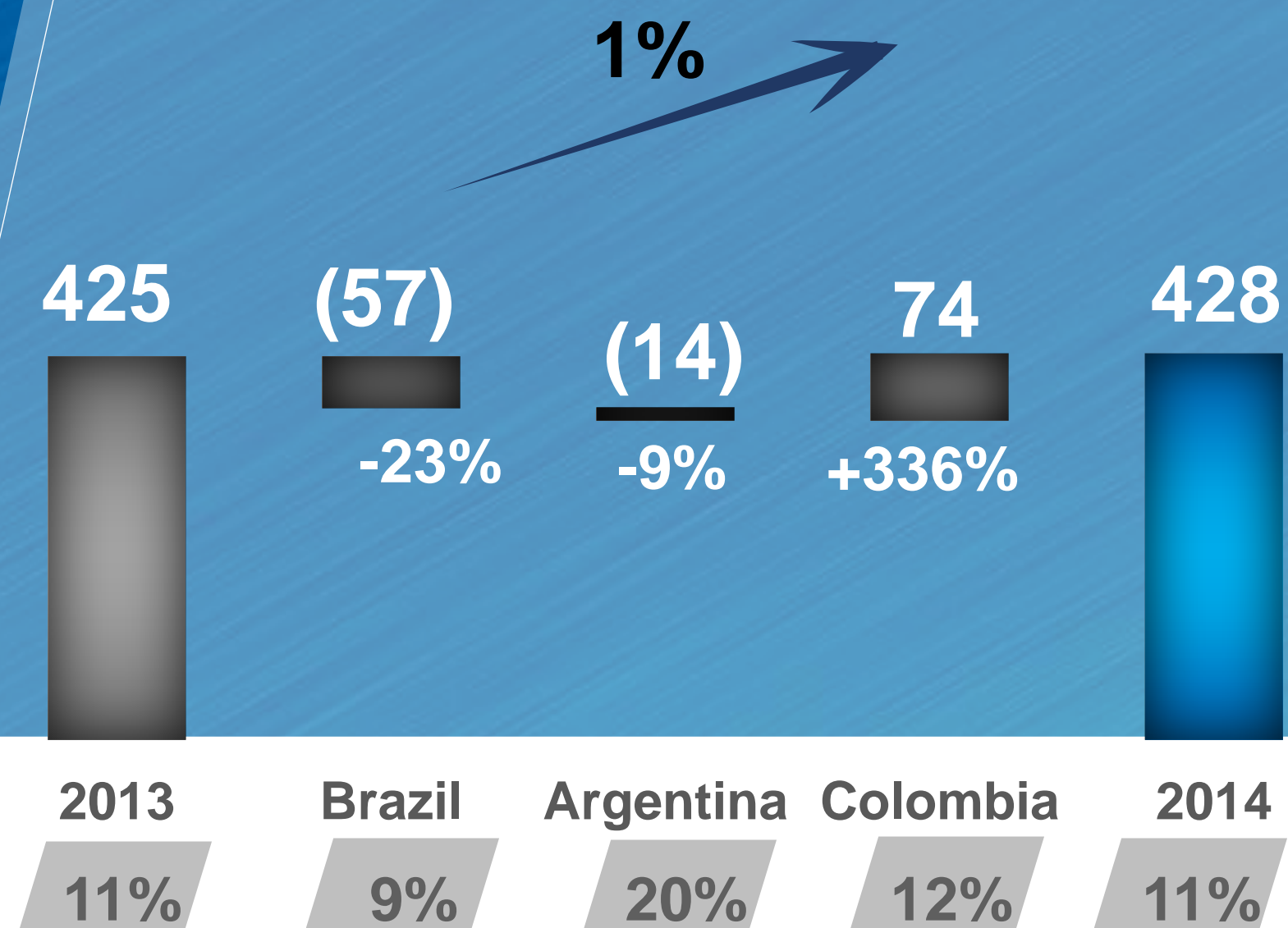
Volume (kton)



Net Revenues



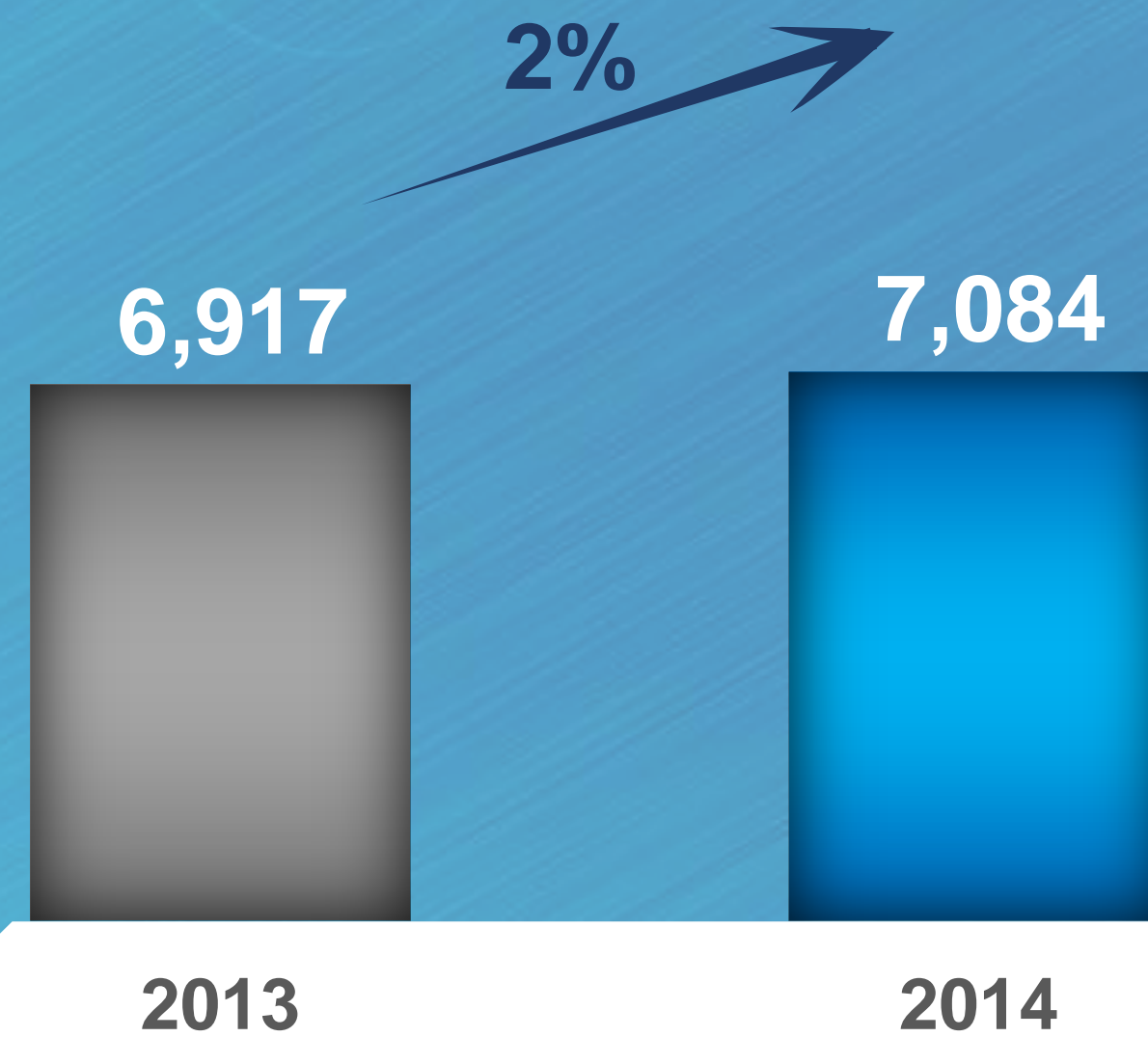
Adjusted EBITDA



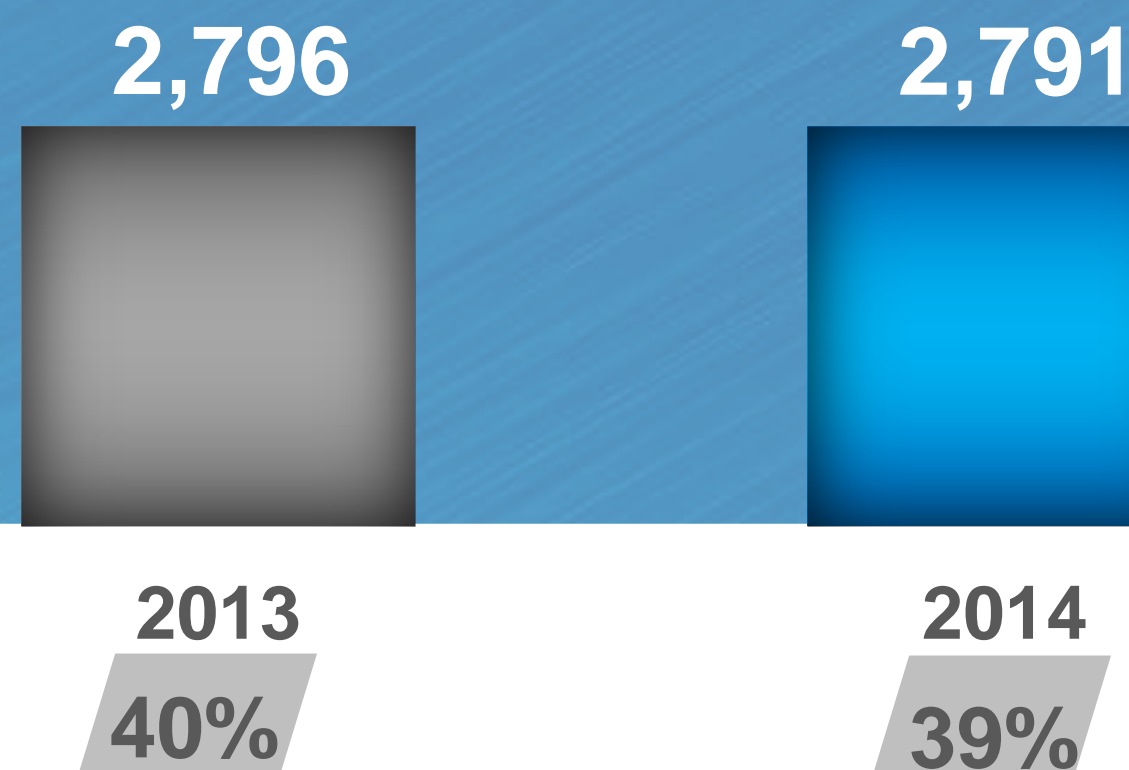
Global supply excess impacted differently each country, generating **stable result**

(R\$ million)

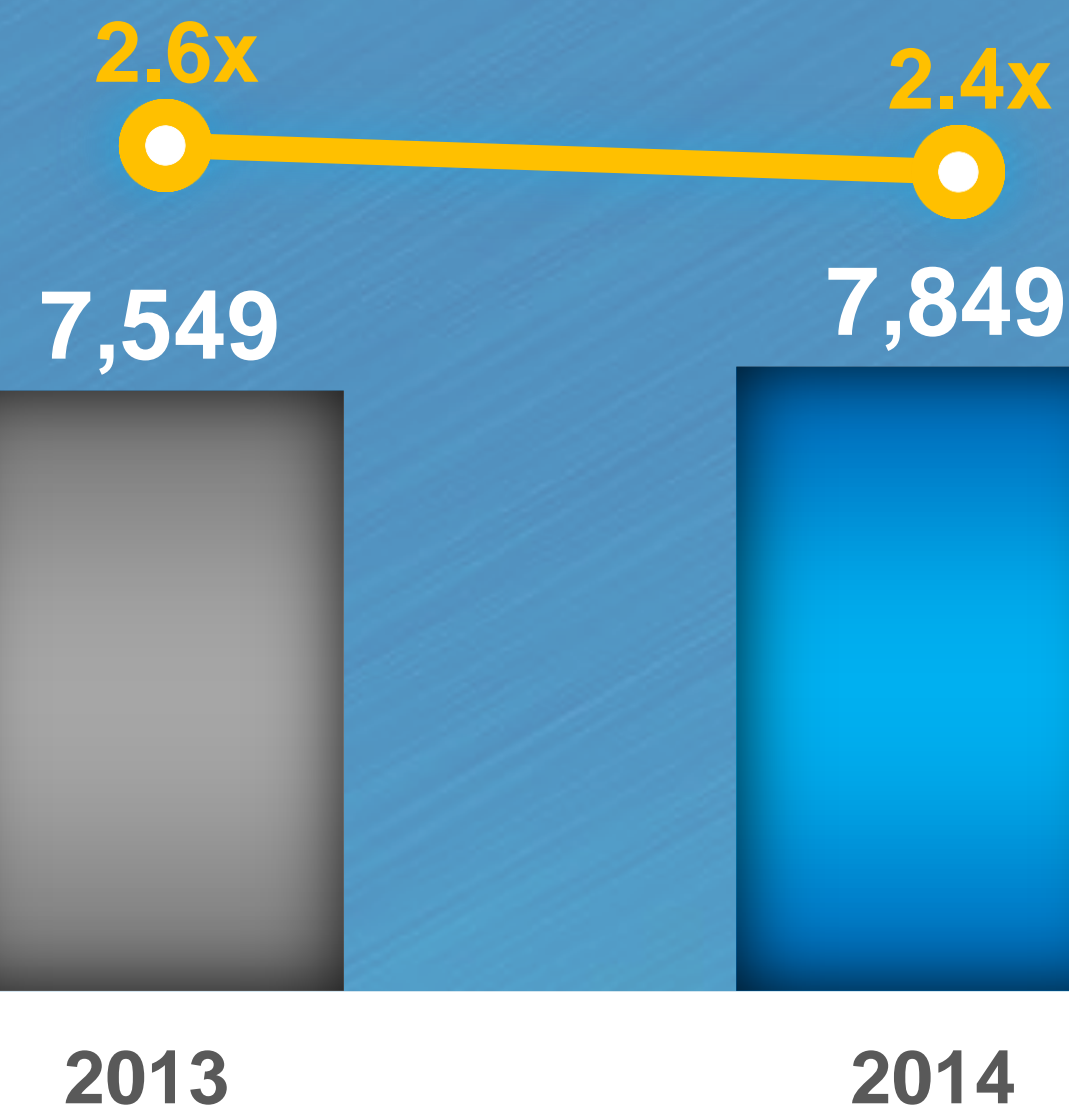
Net Revenues



Adjusted EBITDA and EBITDA margin



Net Debt and Net Debt/EBITDA⁽²⁾



Net Debt in US\$ reached the **lowest level** since Fibria inception

Fitch upgraded rating to **“BBB- /Stable”** (Investment Grade)

For further information, visit fibria.com/ri

(1) Fibria's figures @ 100% (VID has a 29.4% equity participation in Fibria)

(2) Net Debt/EBITDA in US\$

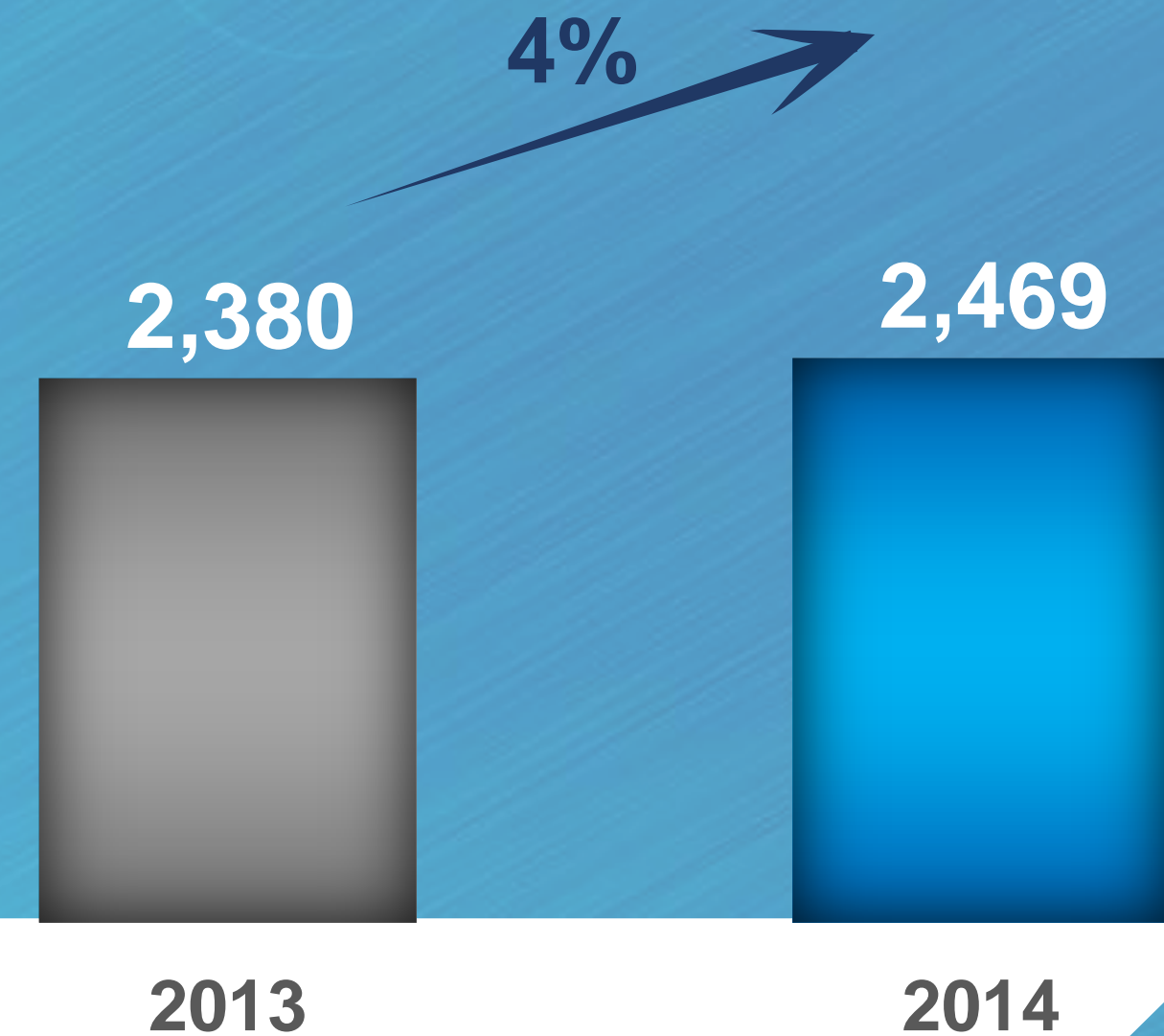


Business Performance
Financial Highlights
Challenges

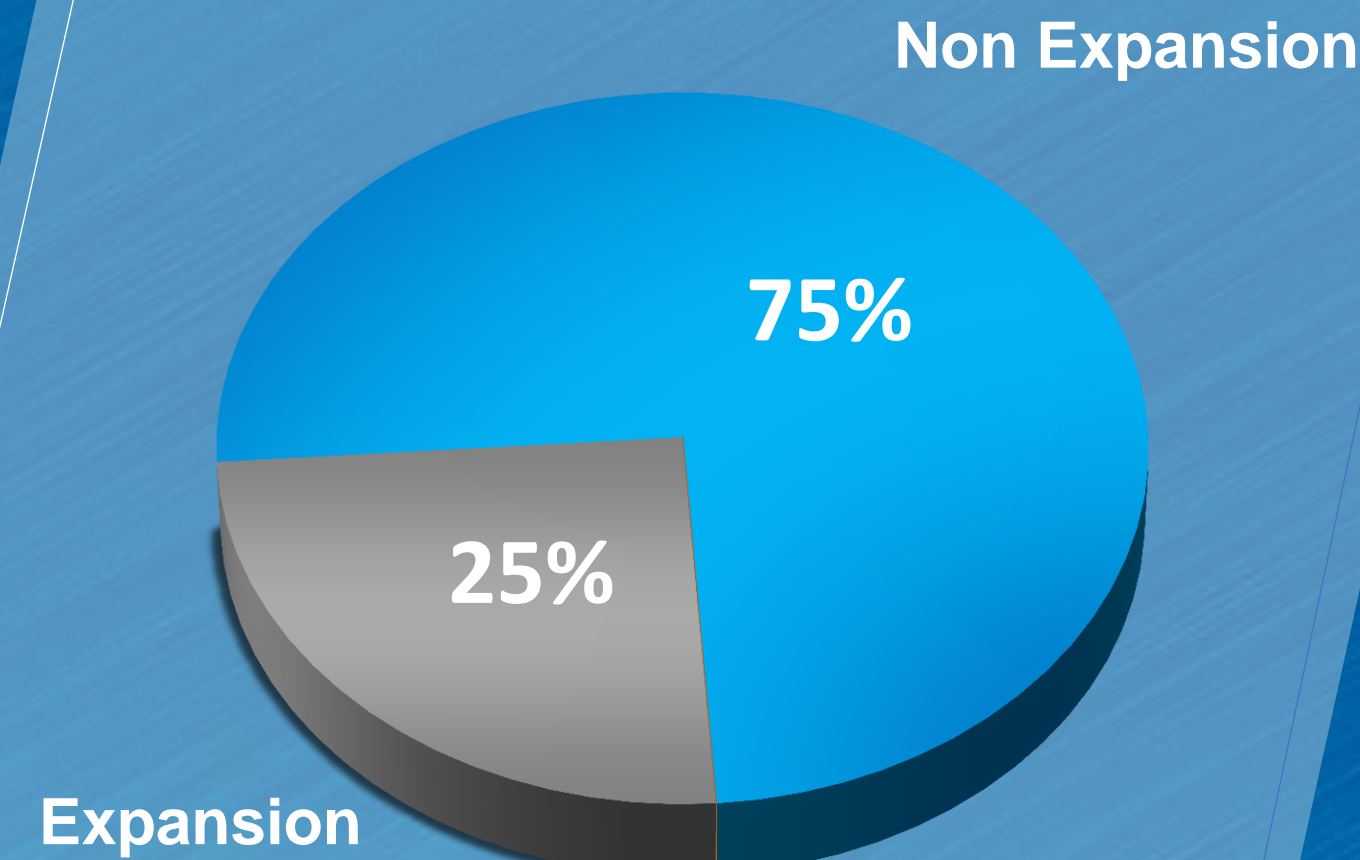
Investments focused on regions with higher growth potential

(R\$ million)

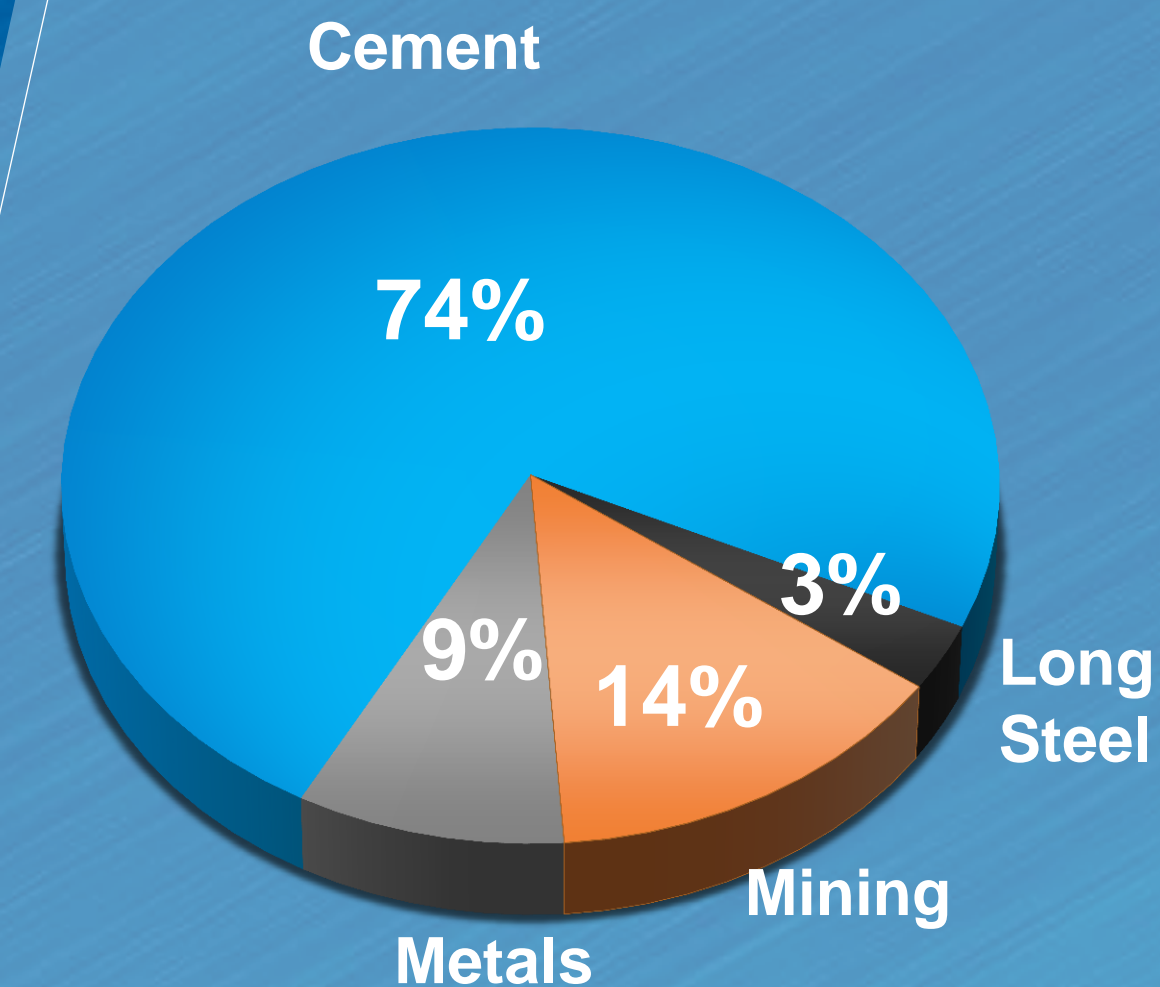
Capex



Breakdown



Expansion Projects



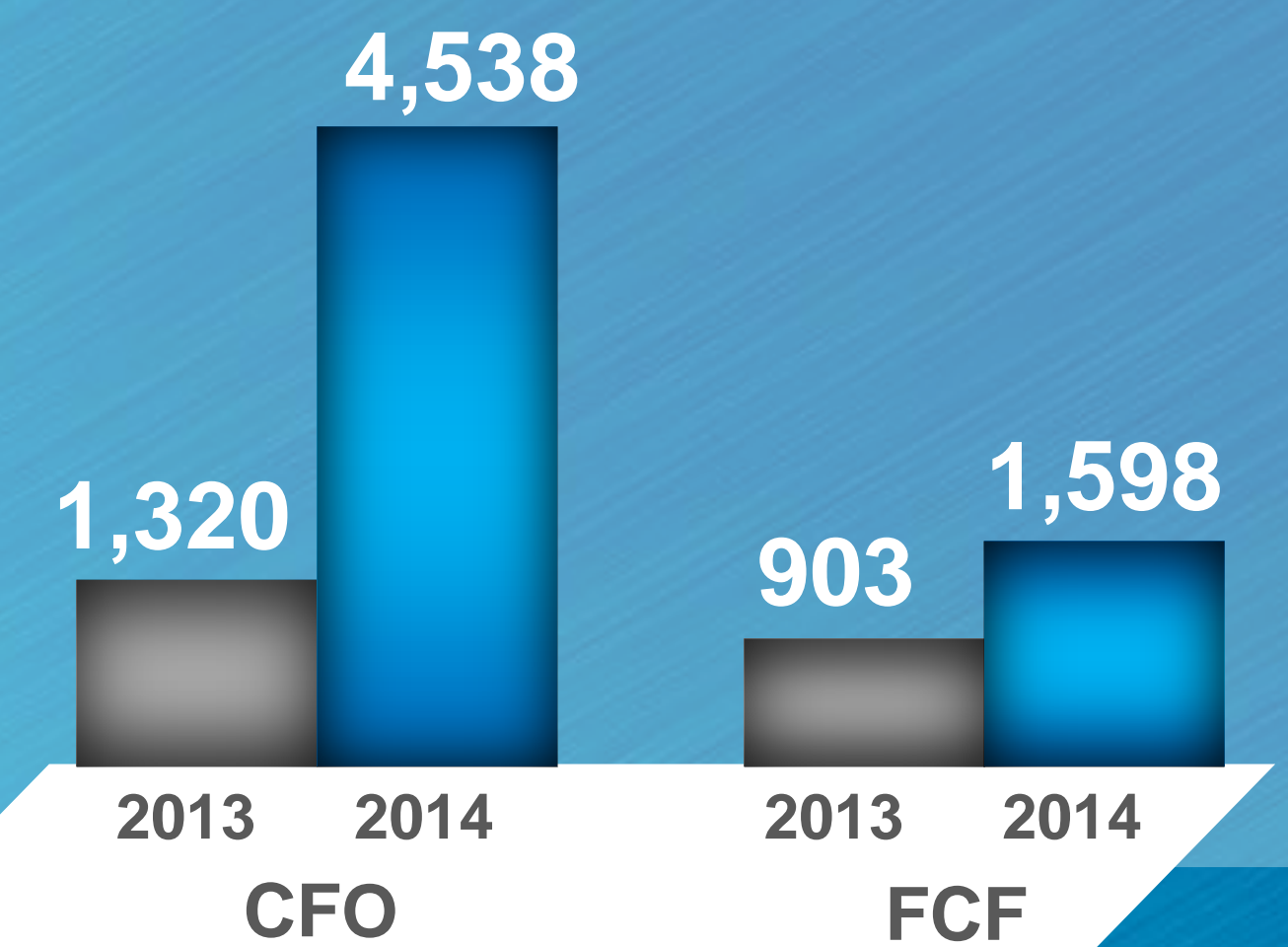
Stable investments in 2014 and **commitment** to leverage level

Expansion projects represent **25% of total investments**. Focus on **Brazil's Northeast and Midwest regions, Bolivia and Turkey**.

(R\$ million)

Cash Flow

Free Cash Flow Generation



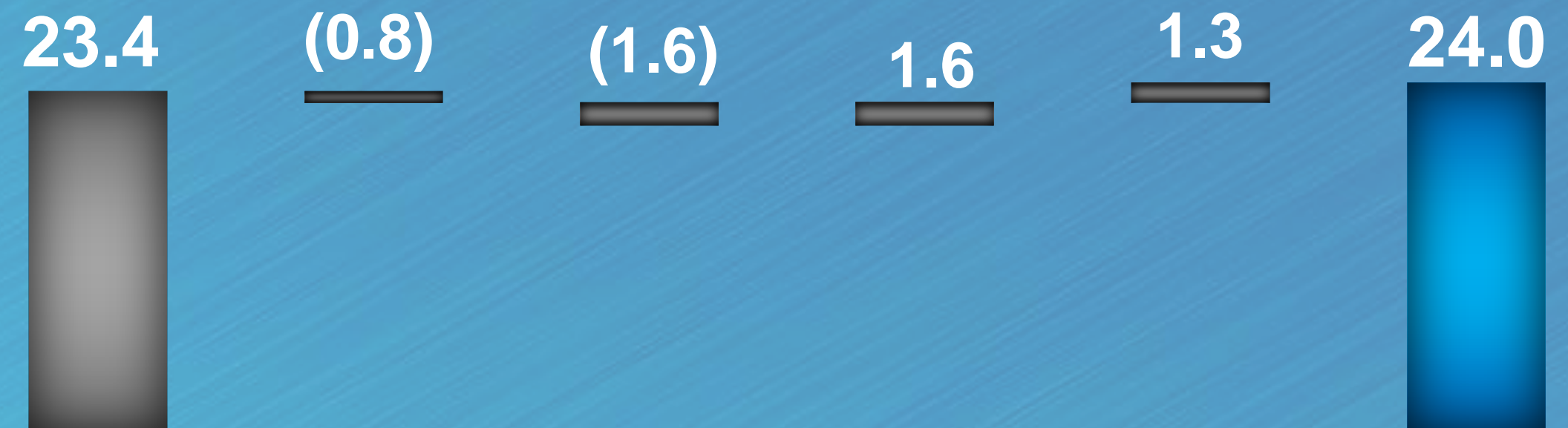
Free cash flow generation reached **R\$ 1.6 billion**, consequence of a **robust operational result**, along with **disciplined investment**

Liability management decreased foreign debt exposure

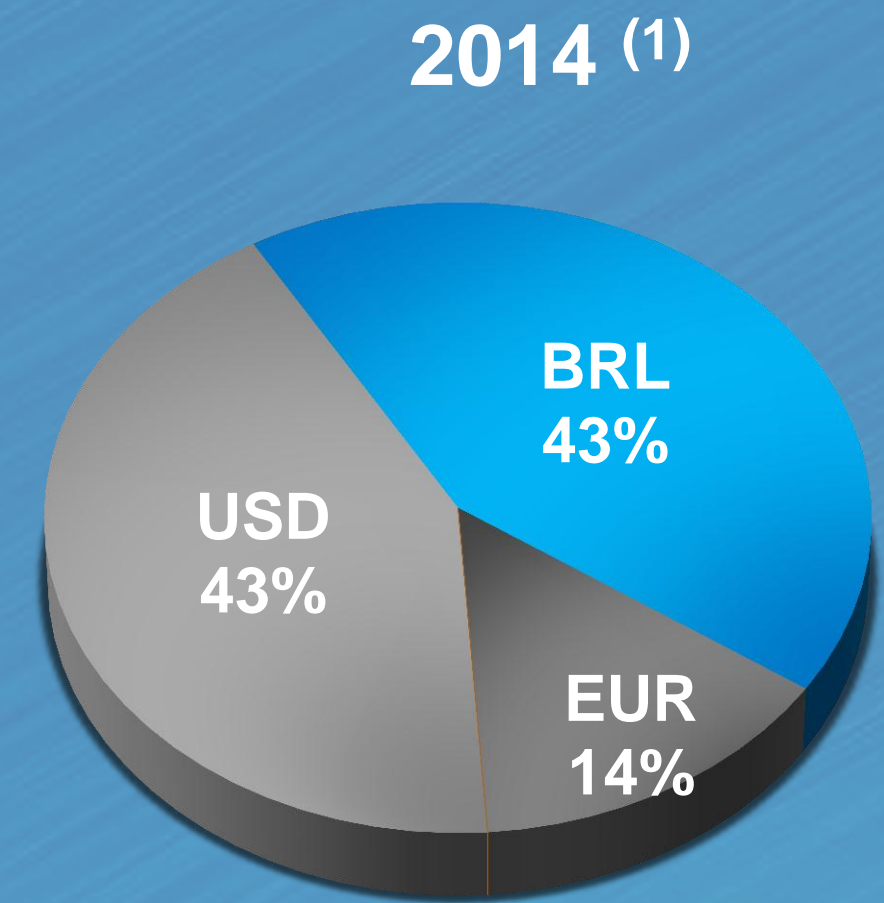
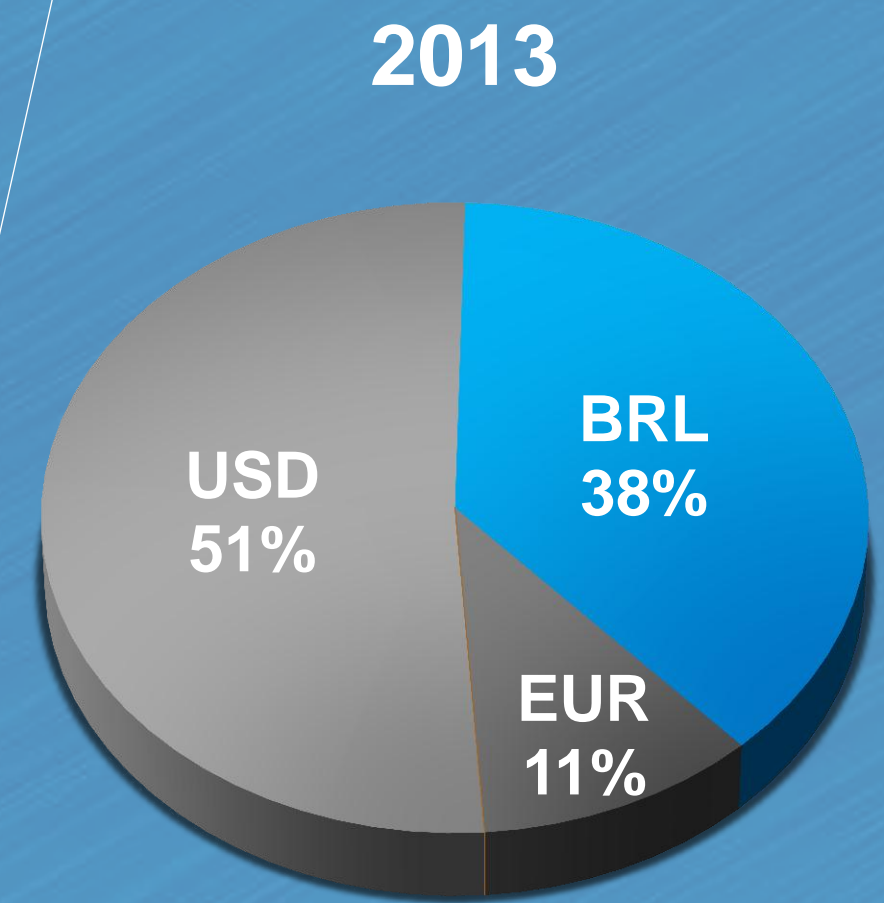
(R\$ billion)

Gross Debt

Debt by Currency



USD	2.34					
						2.66



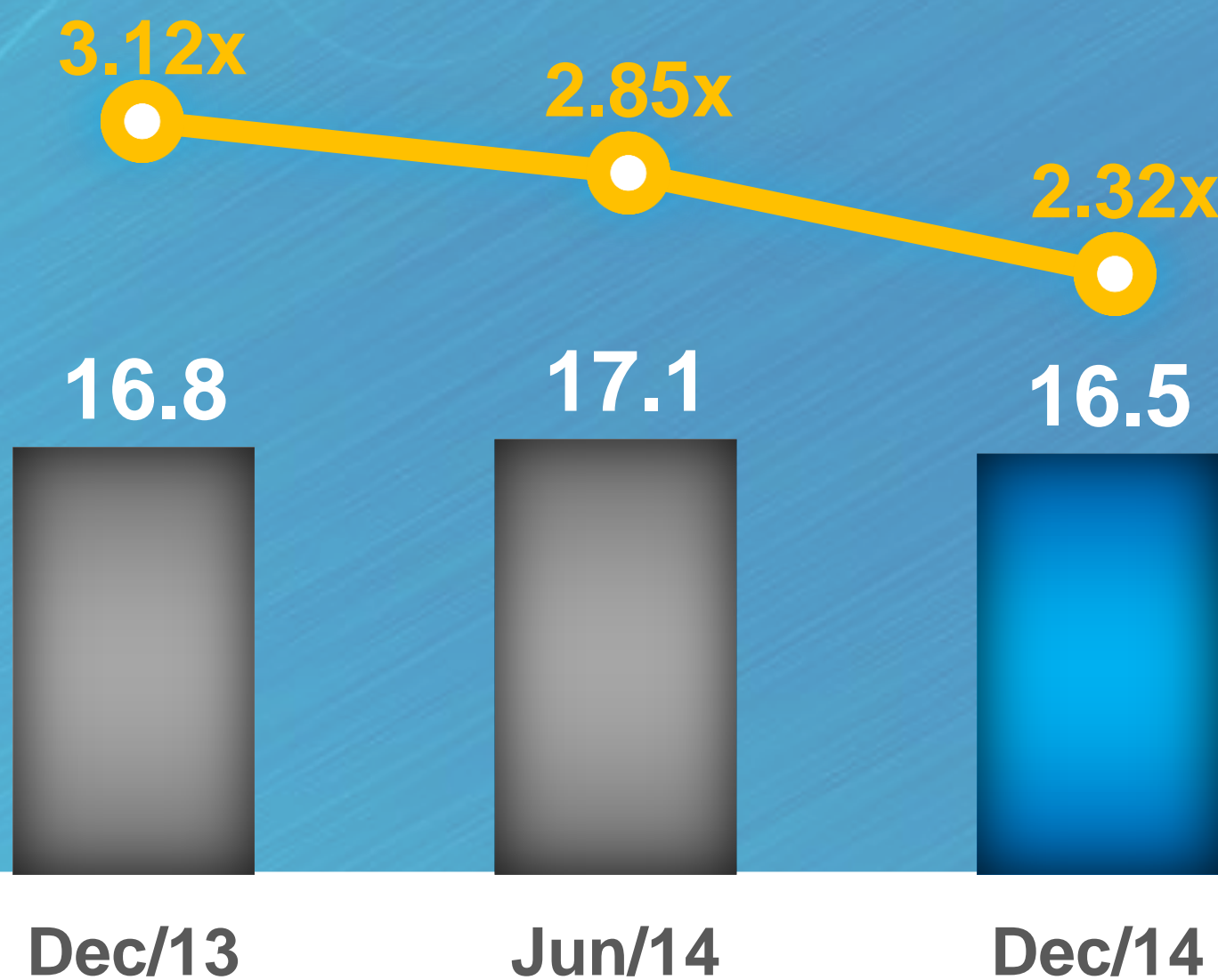
Reduction of foreign currency debt in the amount of **US\$755 million**

Debt in foreign currency **decreased** from **62% to 57%** of total debt

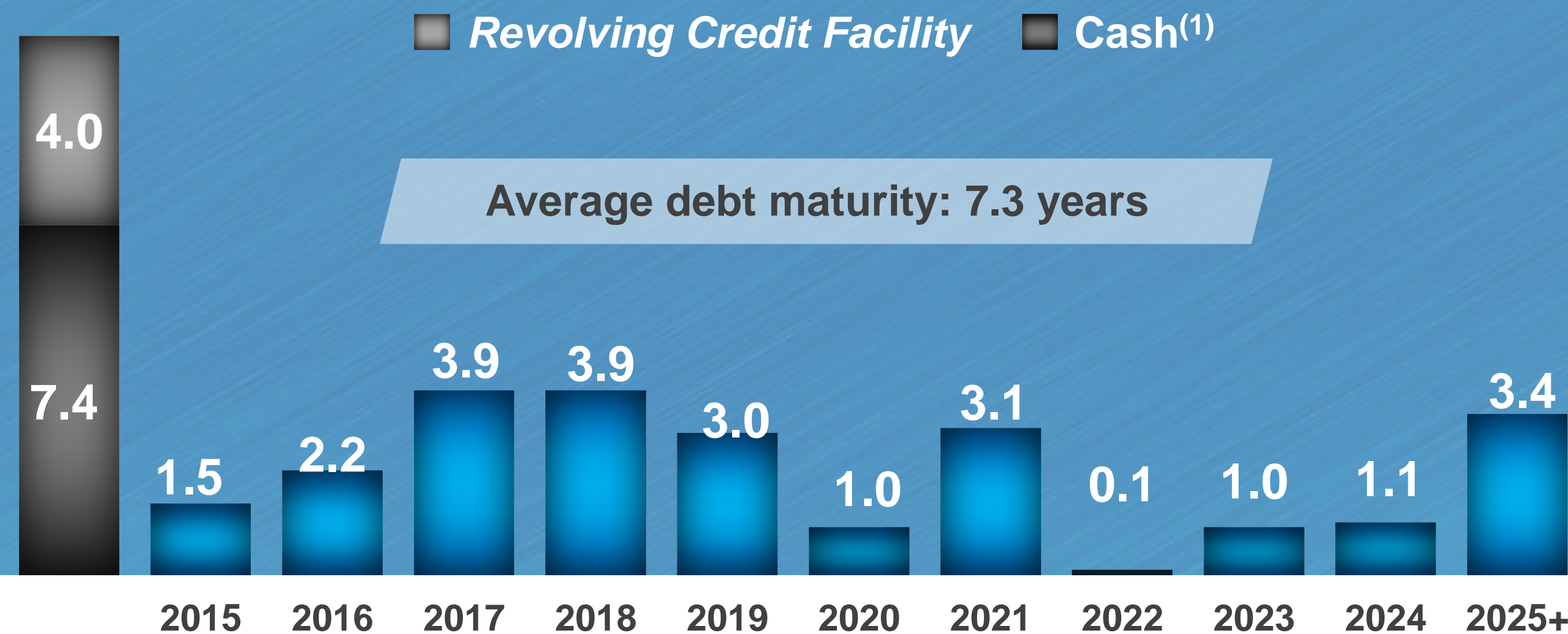
(1) 4131 bilateral loan considered as BRL due to the cross-currency swap.

(R\$ billion)

Net Debt/EBITDA



Debt Amortization Schedule



Net Debt /EBITDA of **2.32x** in 2014, lower ratio since 2012

Reduction of **0.80x** in Net Debt/EBITDA ratio

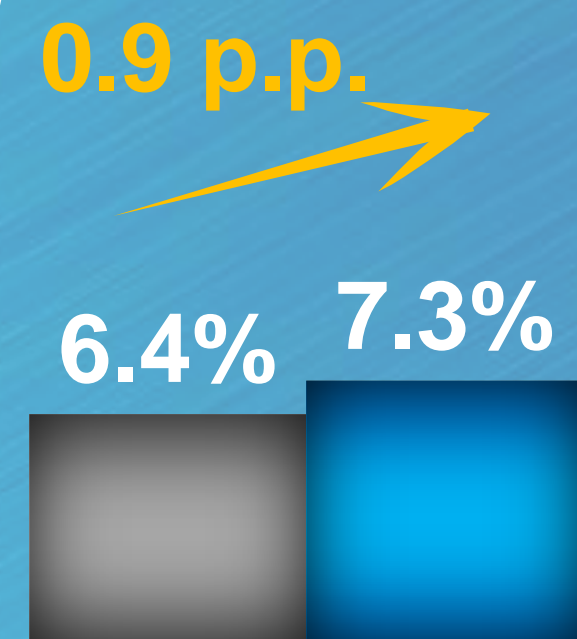
Comfortable liquidity position and **smooth** amortization schedule

(1) Includes cash, cash equivalents and financial investments

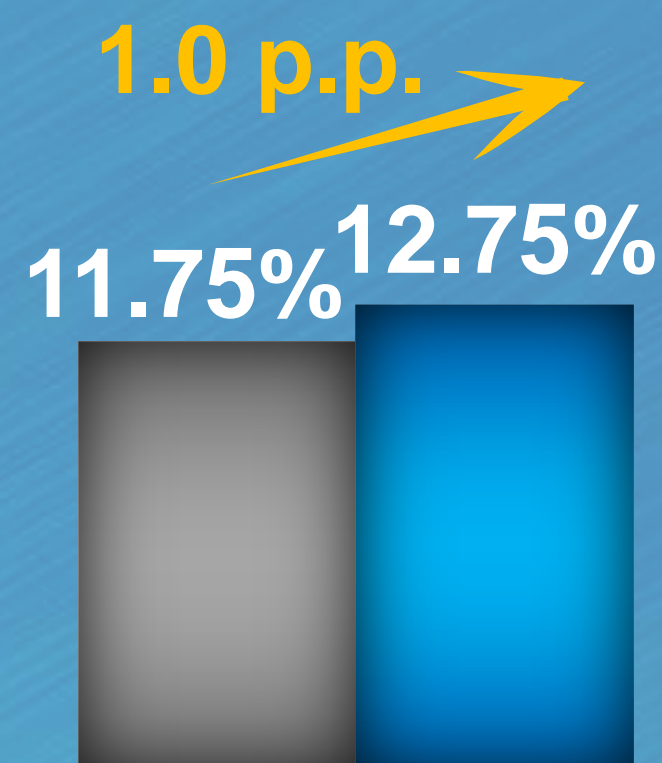


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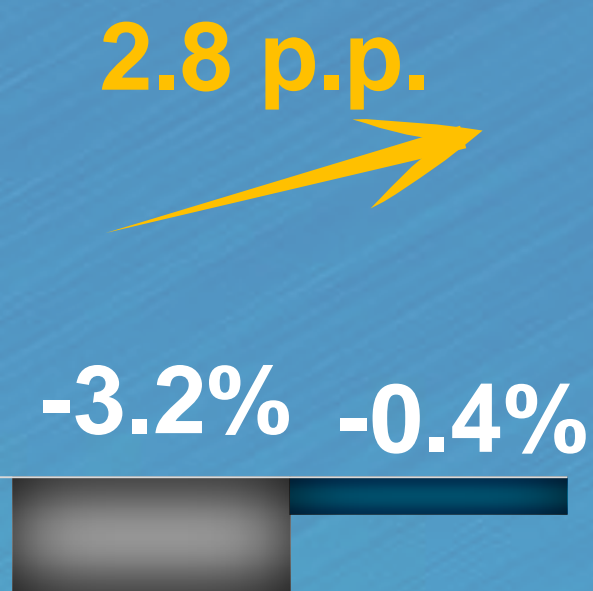
Inflation (IPCA)



Interest rate (SELIC)



Industrial Production



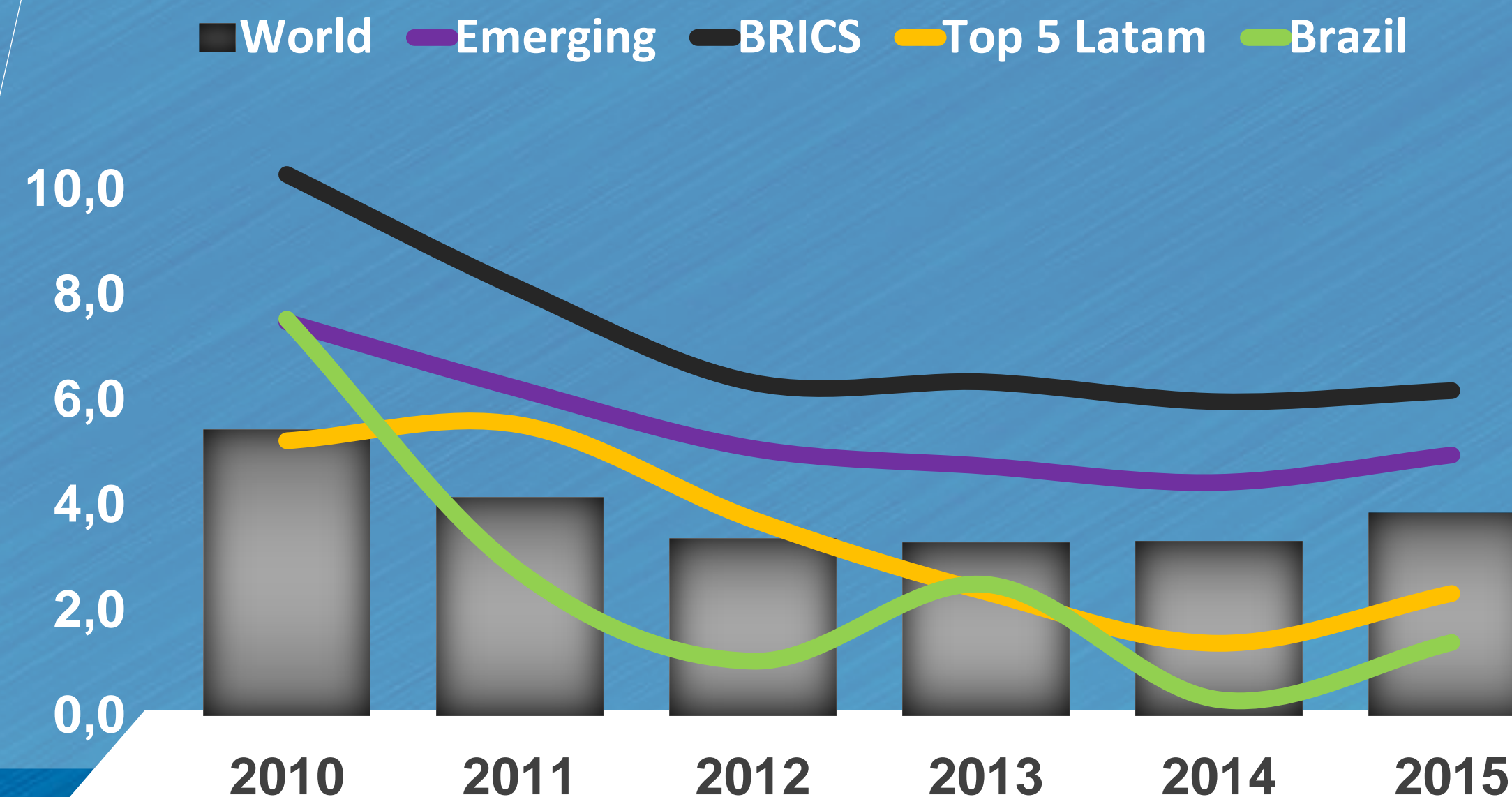
2014 2015

2014 2015

2014 2015

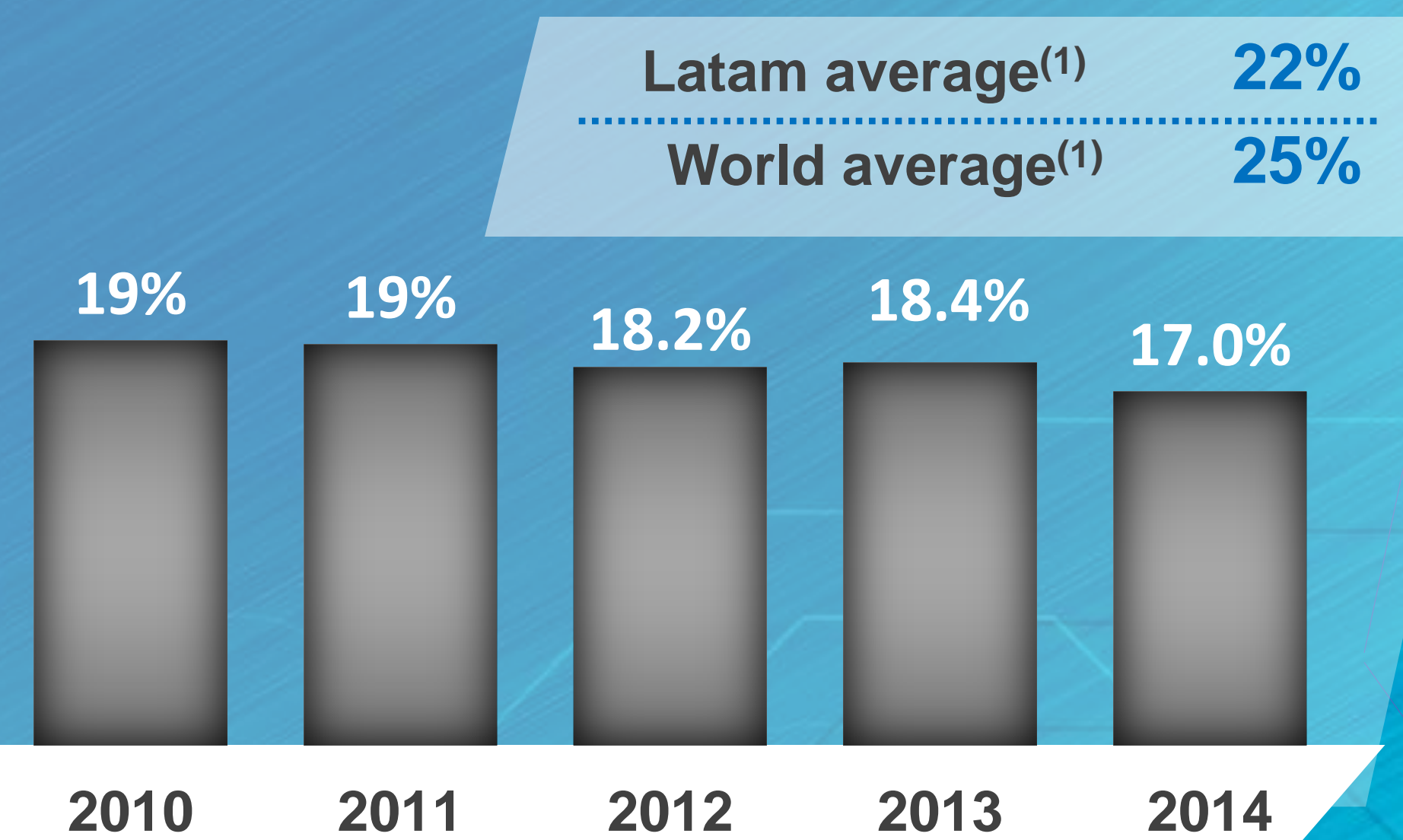
Source: Brazilian Central Bank, IBGE

GDP



Source: IMF World Economic Outlook

Investments as % of GDP



Source: IBGE and IBRE/FGV (1) Data of 2013 by World Bank

- ◆ Geographic and business segment diversification mitigate risks
- ◆ Investment in expansion projects with focus on regions with higher growth potential
- ◆ Operational efficiency will be key for cost control against the high inflation outlook in Brazil
- ◆ Financial Discipline
- ◆ Solid results maintained on the back of improved operations, innovative solutions, people management and sustainability