



VOTORANTIM
Corporate Presentation
2019 Results



VOTORANTIM

João Miranda

CEO Votorantim S.A.



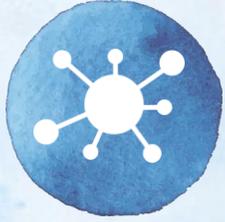
Interest rates at the historical low



Brazilian pension reform approved



Global growth slowdown



Covid-19, global health crisis and economic uncertainties



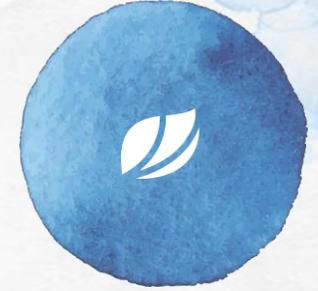
2019 Highlights



Reduction in the consolidated gross debt in approximately R\$5 billion



Financial leverage **below 2.0x**



Fibria's transaction conclusion

S&P Global
Ratings

S&P **upgraded our rating** from **BB+** to **BBB-**

Investment grade by two rating agencies



Votorantim Energia starts a **new cycle at CESP**

2019 Consolidated Results

Net Revenues

(R\$ BILLION)

30.9

30.9

2018

2019

Adjusted EBITDA

(R\$ BILLION)

6.9

5.1

2018

2019

Net Income

(R\$ BILLION)

2.3

4.9

2018

2019

Net Debt

(R\$ BILLION)

Net debt/Adjusted EBITDA

1.92x

1.95x

13.2

10.0

2018

2019





 **Votorantim**
Cimentos

Oswaldo Ayres
CFO Votorantim Cimentos

2019 Main Highlights

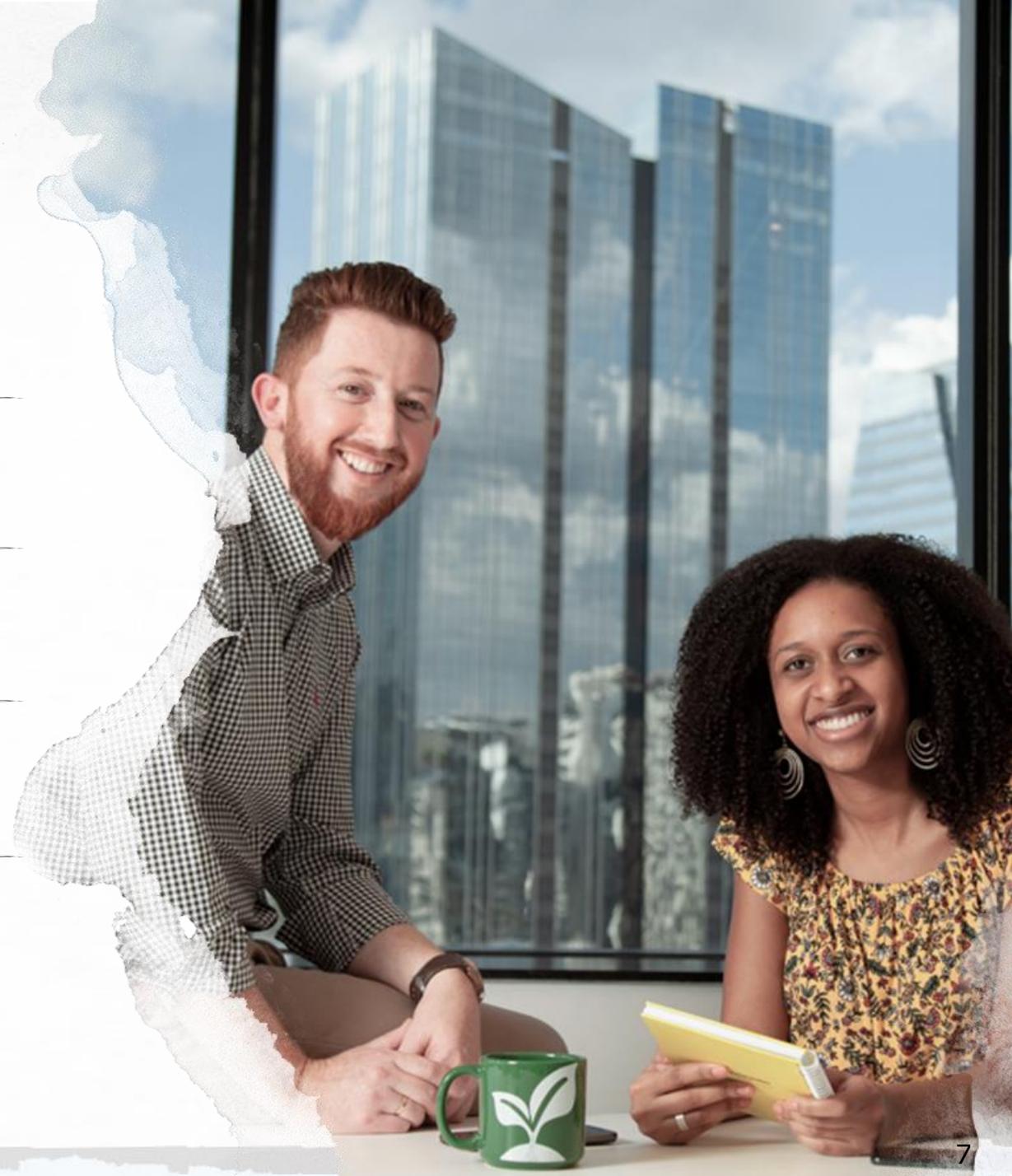
Solid credit metrics and
Investment Grade recovery

LM focused on **cost reduction and extended tenor**

Organic and inorganic expansions in
Brazil, North America and Argentina

Increase to R\$2 billion modernization plan for the
next 5 years, **specially in Brazil**

Consistent **improvement in the Sustainability Agenda:** Alternative Fuels % increase, Verdera business unit and Sustainable CCF



Consolidated Results

Sales Volume

(MTON)



-3%



2018

2019

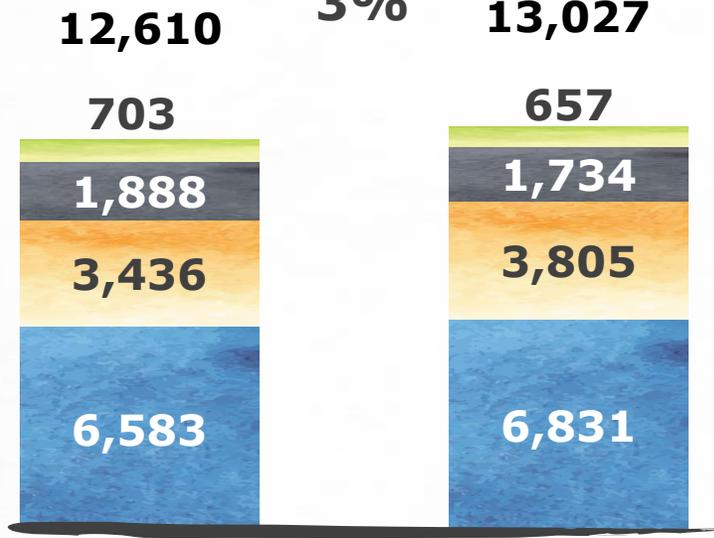
■ VCBR ■ VCNA ■ VCEAA ■ VCLATAM & Others

Net Revenues¹

(R\$ MILLION)



3%



2018

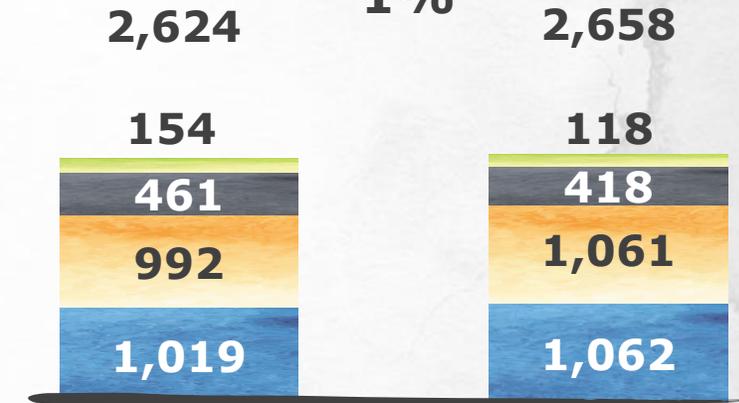
2019

Adjusted EBITDA^{1,2}

(R\$ MILLION)



1%



2018

2019

Consolidated EBITDA Margin(%)

21

20

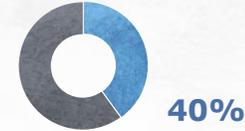
1. USD|BRL Exchange rate used 3.8052 (2018), 4.1145 (2019)
 2. Adjusted EBITDA contain one-off occurrences. In a like for like basis adjusted EBITDA for 2019 would have decreased 3%



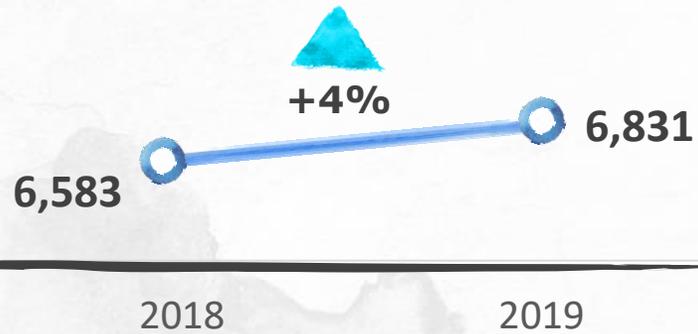
Net Revenues
(% of consolidated)



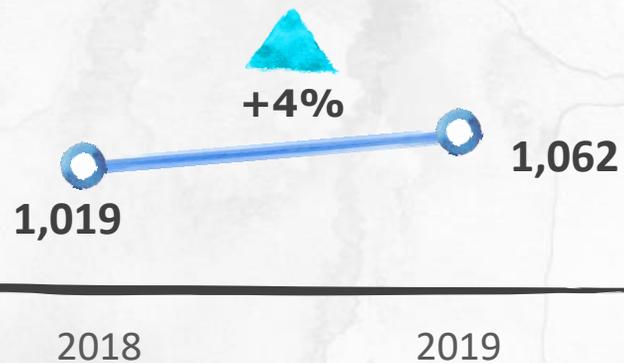
Adjusted EBITDA
(% of consolidated)



Net Revenues



Adj. EBITDA



Positive market scenario, first volumes increase since 2014 (SNIC)

Stable results as price increases aligned with cost inflation

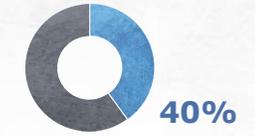




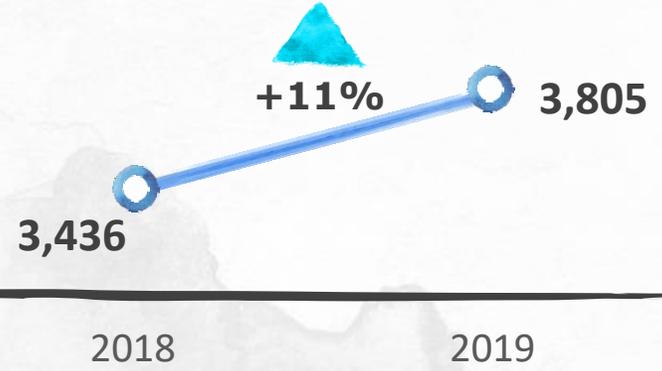
Net Revenues
(% of consolidated)



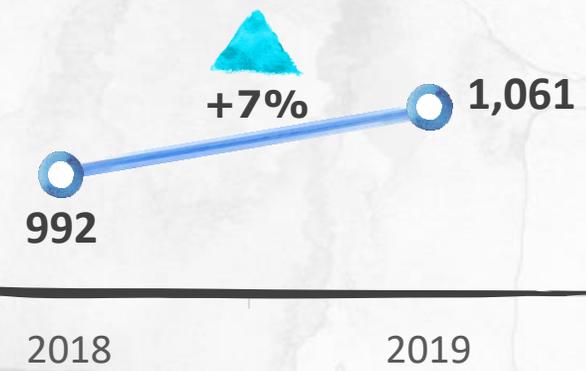
Adjusted EBITDA
(% of consolidated)



Net Revenues



Adj. EBITDA



Higher volumes and prices in US, despite weaker beginning of the year due to weather conditions

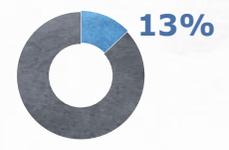
Solid profitability with a 28% EBITDA margin in local currency

FX impacting positively results

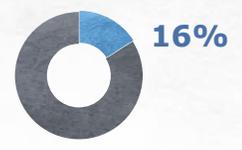




Net Revenues
(% of consolidated)



Adjusted EBITDA
(% of consolidated)



Net Revenues



-8%

2018

2019

Adj. EBITDA



-9%

2018

2019

Strong results in Morocco and Tunisia

Stable figures in Spain as political scenario impacted 2nd semester

Sales volume and margins decrease in Turkey due to the economic scenario

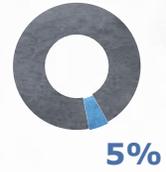


VCLatam

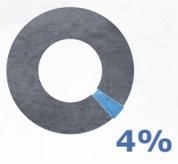
(R\$ MILLION)



Net Revenues
(% of consolidated)



Adjusted EBITDA
(% of consolidated)



Net Revenues



2018 2019

Adj. EBITDA



2018 2019

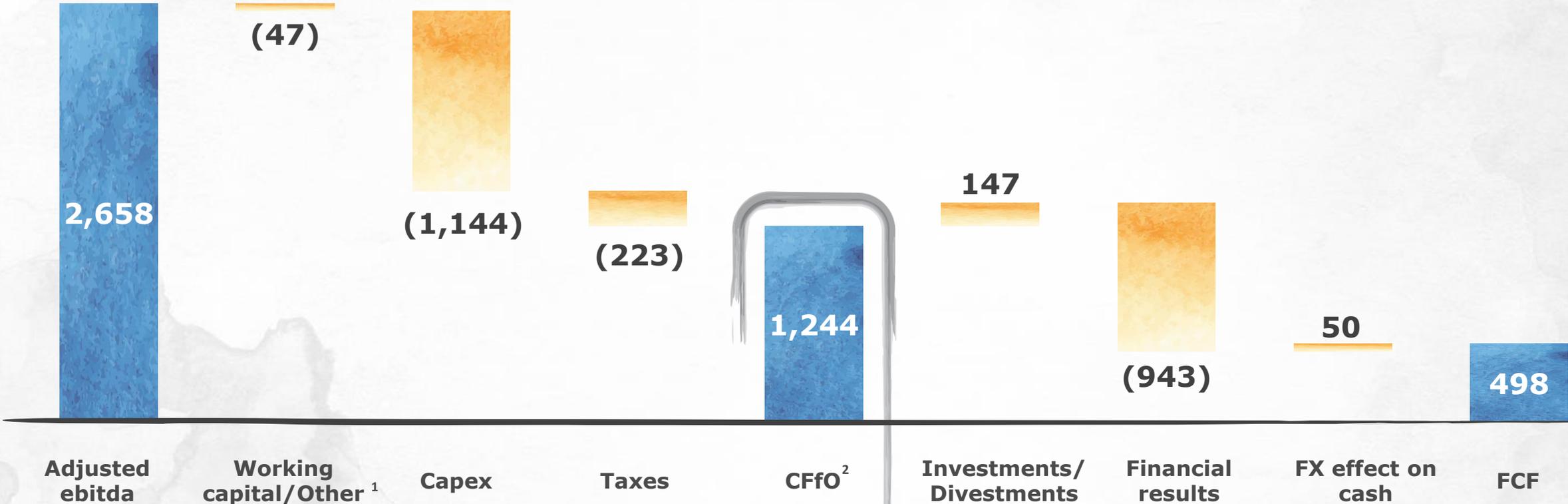
Lower results in Uruguay due to one off impact in 2018

Increased performance in Bolivia, despite political instability at the end of the year



Cash Generation

(R\$ MILLION)



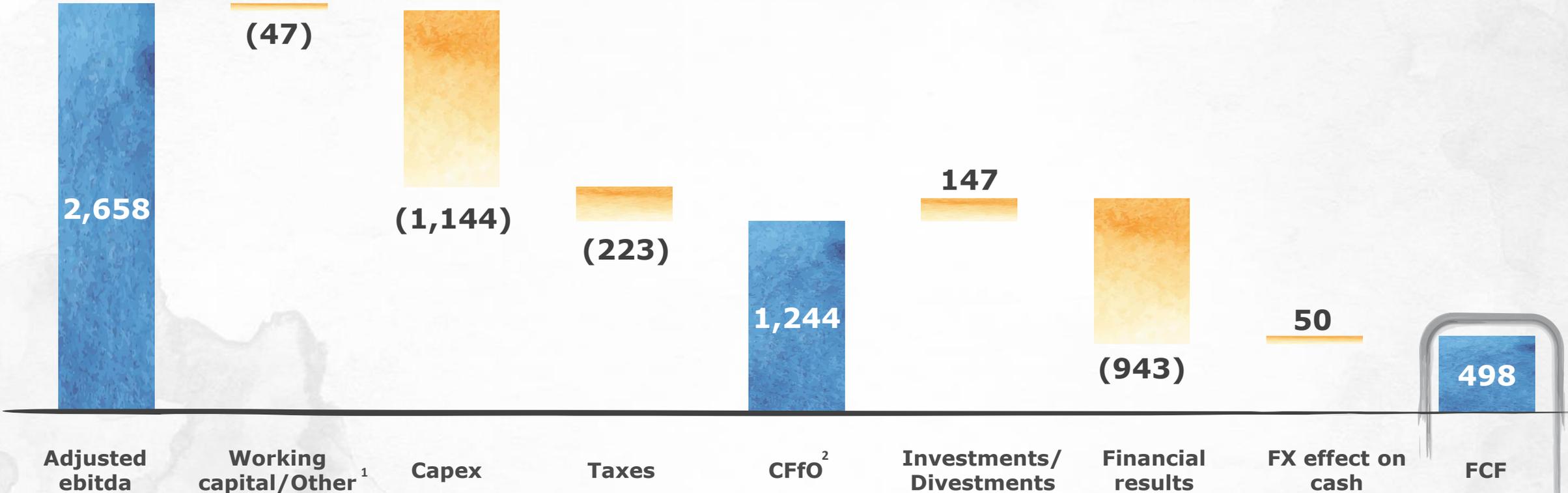
Positive Operational WK with PIS COFINS gains impacting figures on other items

Financial discipline on CAPEX: guidance of R\$1.2 billion revised to R\$1.1 billion

1. Other items that do not impact cash generation
 2. Cash Flow from Operations

Cash Generation

(R\$ MILLION)



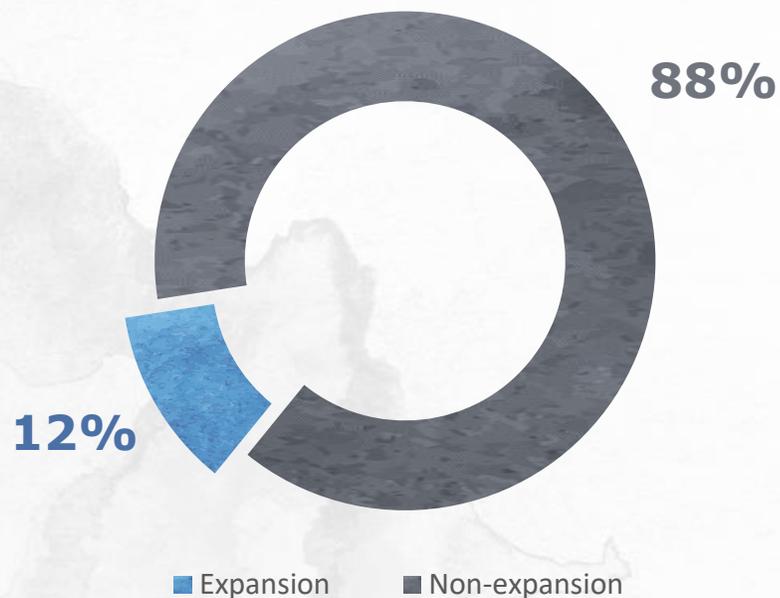
Tender offer premium & FX hedge settlement related to LM (R\$266 million) in 2019 financial results.

Solid and organic free cash flow generation

1. Other items that do not impact cash generation
 2. Cash Flow from Operations

Capex

Total Amount:
R\$1,144 million



Non-Expansion

Focus on modernization - R\$2 billion in 5 years

Increase competitiveness in all regions and be prepared for Brazilian economic rebound.

Focus on areas such as:

Coprocessing (22% TSR in 2019)

Industry 4.0

Logistics

Research & Development

Expansions



New mortar line in Cuiabá

New aglime added capacity in Nobres

Pecém grinding



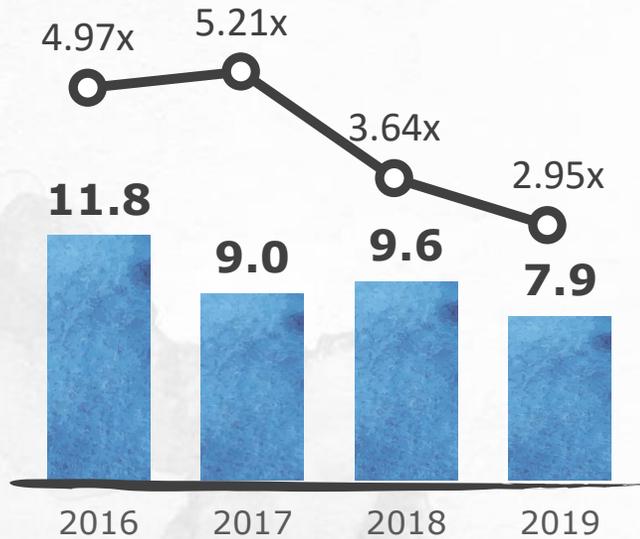
San Luis Expansion

Liquidity and Indebtedness

(R\$ BILLION)

Net Debt

NET DEBT/ADJ. EBITDA¹



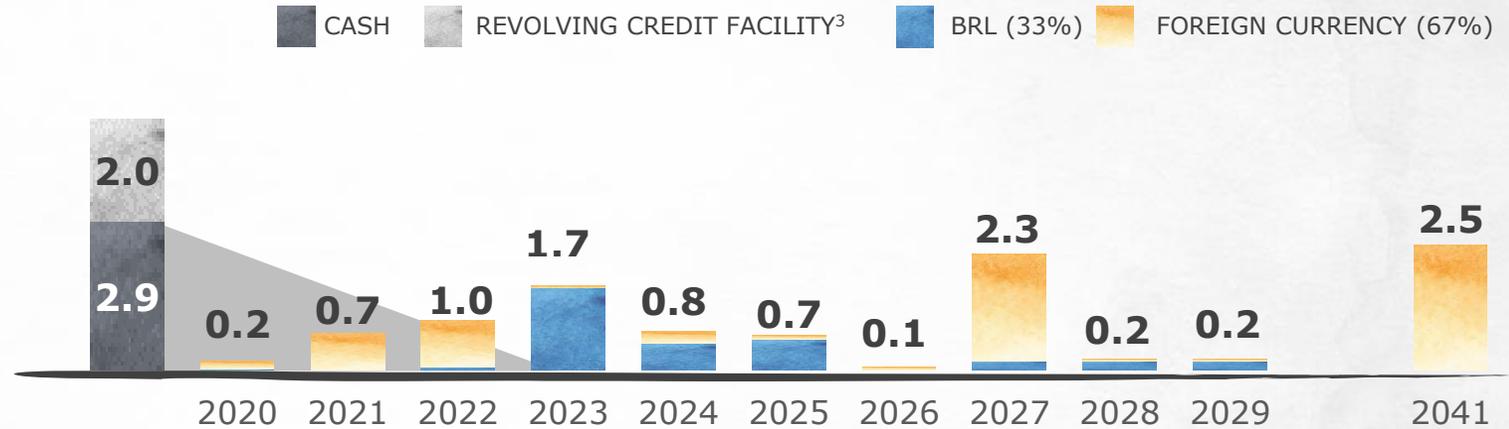
Moody's upgrade to Ba1 and recovery of S&P Investment Grade

Leverage below 3.0x aligned with financial policy

Debt Amortization Profile

Pro Forma²

Debt average maturity: 8.7 years



Solid Liquidity Position, cash position covers 3.3 years

LM focused on cost reduction and tenor extension

1. Net debt includes MTM's from 4131 loans

2. Includes the debenture prepayment and 4131 loan extending from 2023 to 2025

3. VCSA have a revolving credit facility of US\$ 500 millions until 2023. Does not consider revolving credit facility with Sustainability Linked Loan provision of USD 290 millions with maturity in 2024.



Luciano Alves

CFO CBA

2019 Highlights

Great Place
to Work
Ranking



Guia Exame de
Sustentabilidade
Award

Acquisition of
Itapissuma
from Arconic

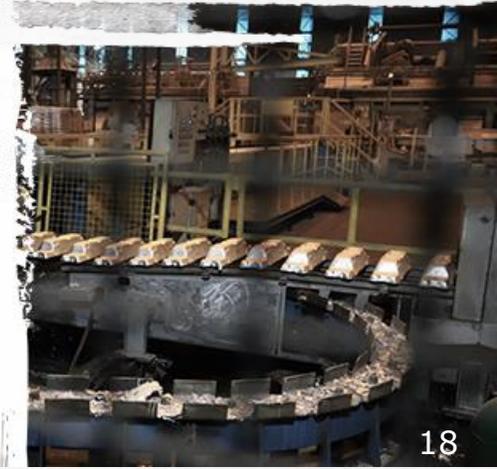
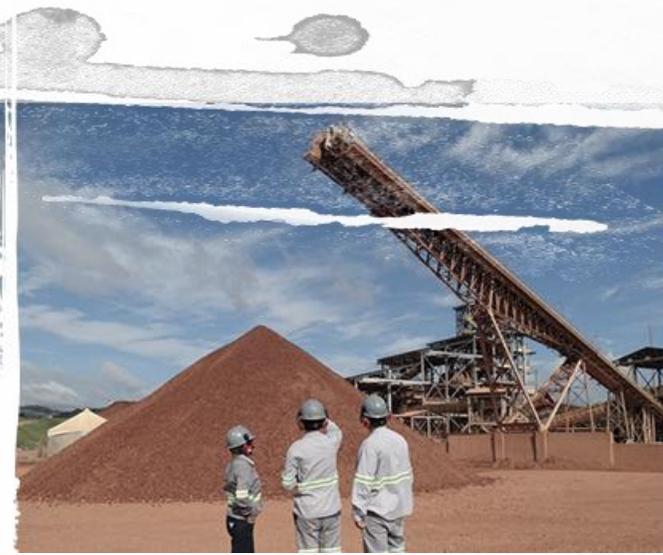
CBA achieved the ASI certification



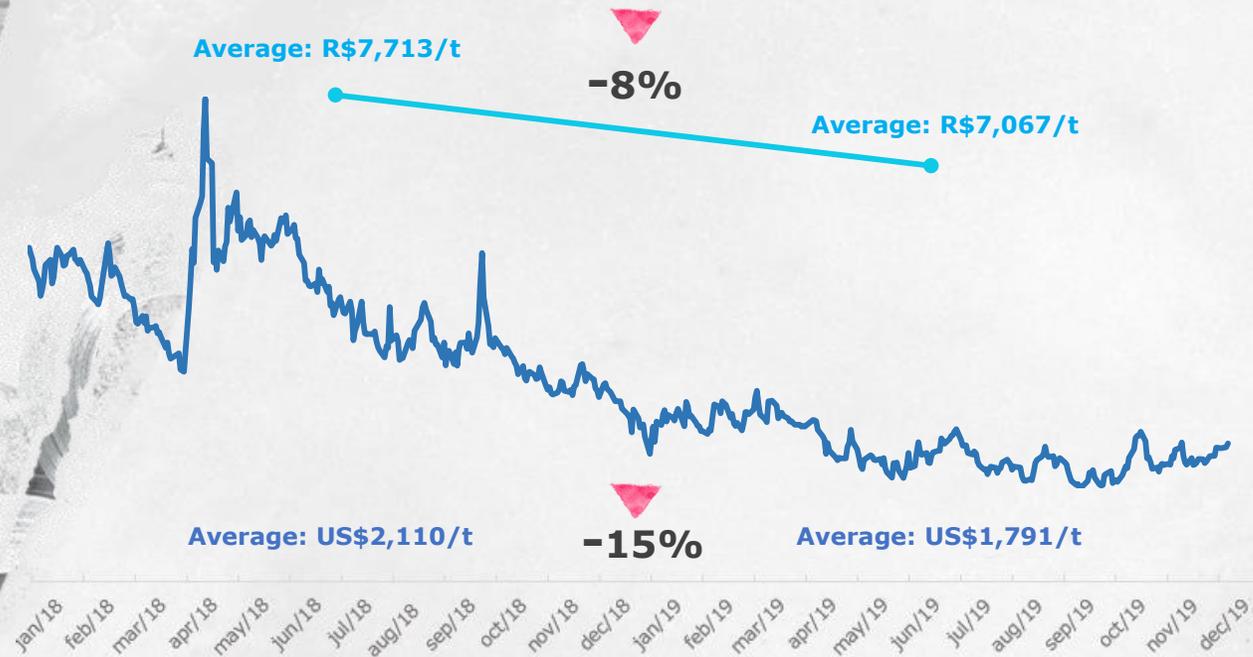
CBA 4.0
450+ initiatives
to be implemented

Roadmap
to **Diversity** and Equal
Opportunities

Investments to improve
CBA's long-term safety and
sustainability (e.g. Press Filter
and Biomass boiler)



Market Overview



Source: Bloomberg Aluminum LME (US\$/t)

Slowdown in the global economy

US-China **trade war**

Weaker demand, especially the automotive industry

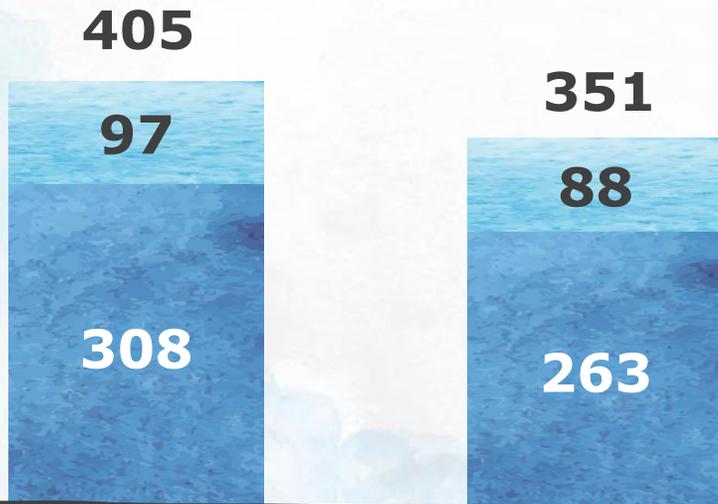
Oversupply sentiment

Operational Results

Aluminum Sales Volume

(KTON)


-13%



2018

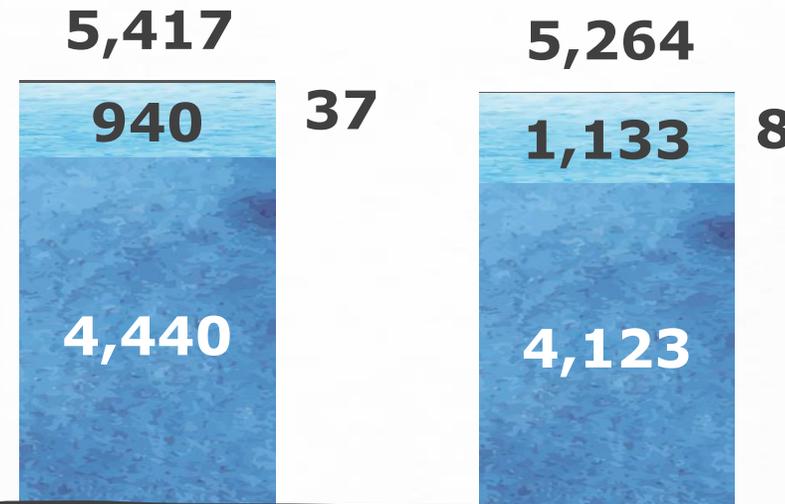
2019

■ Upstream ■ Downstream

Net Revenues

(R\$ MILLION)


-3%



2018

2019

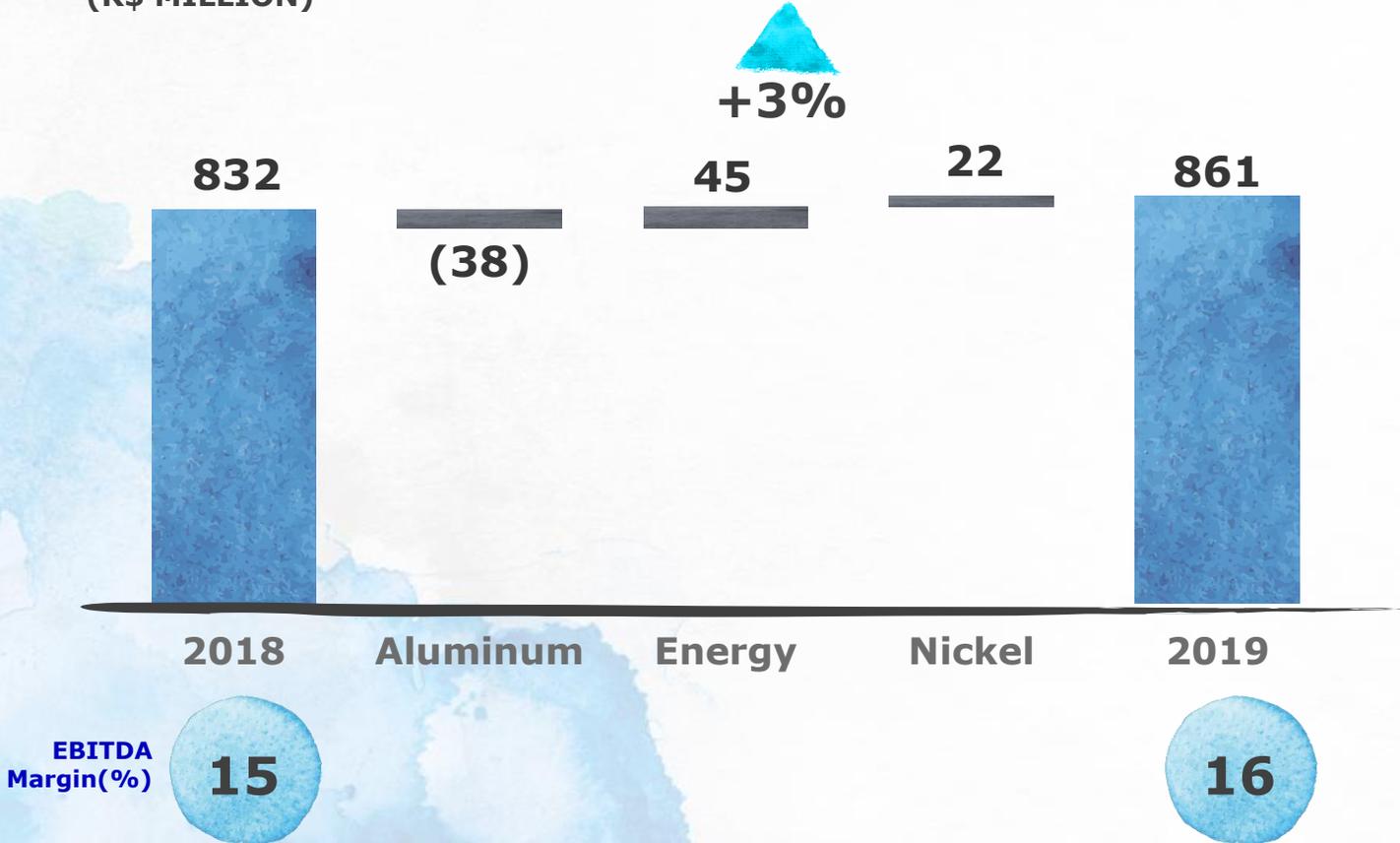
■ Aluminum ■ Energy ■ Nickel



Operational Results

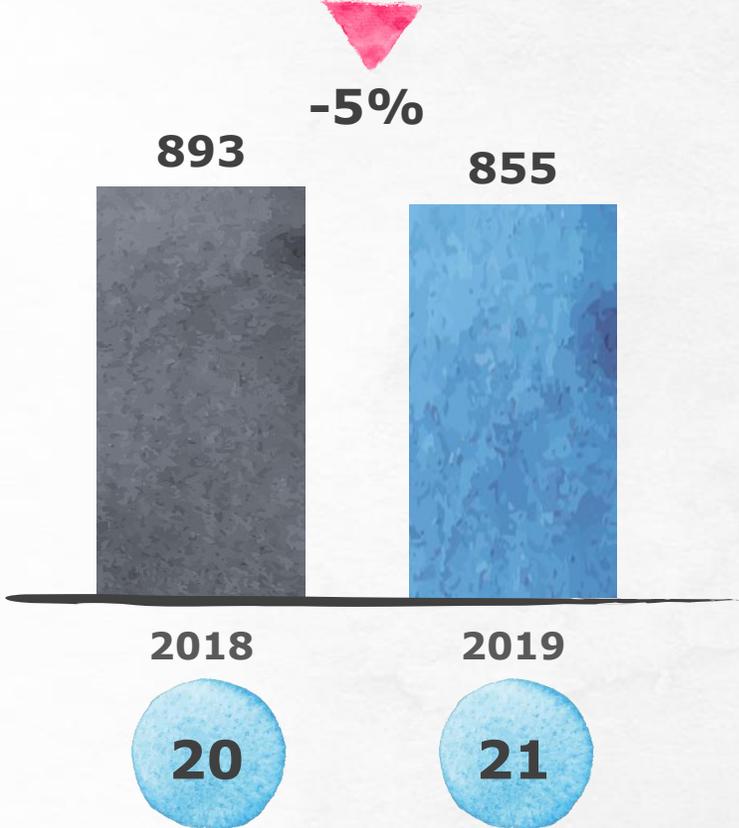
Adjusted EBITDA – CBA Consolidated

(R\$ MILLION)



Adjusted EBITDA - Aluminum

(R\$ MILLION)

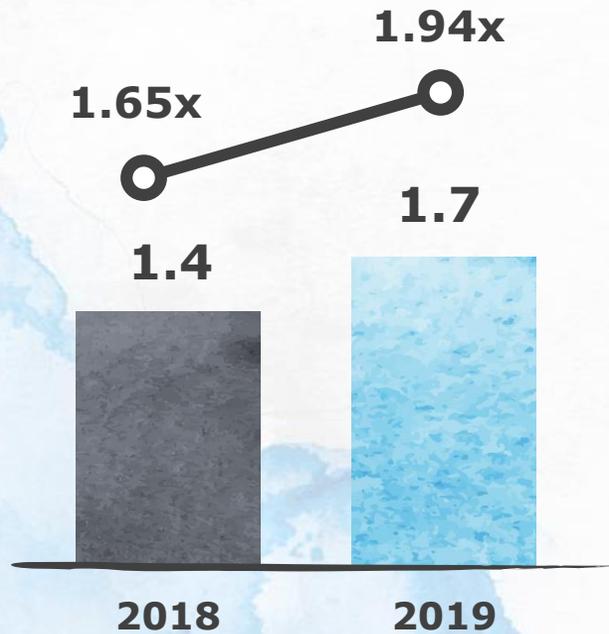


Liquidity and Indebtedness

(R\$ BILLION)

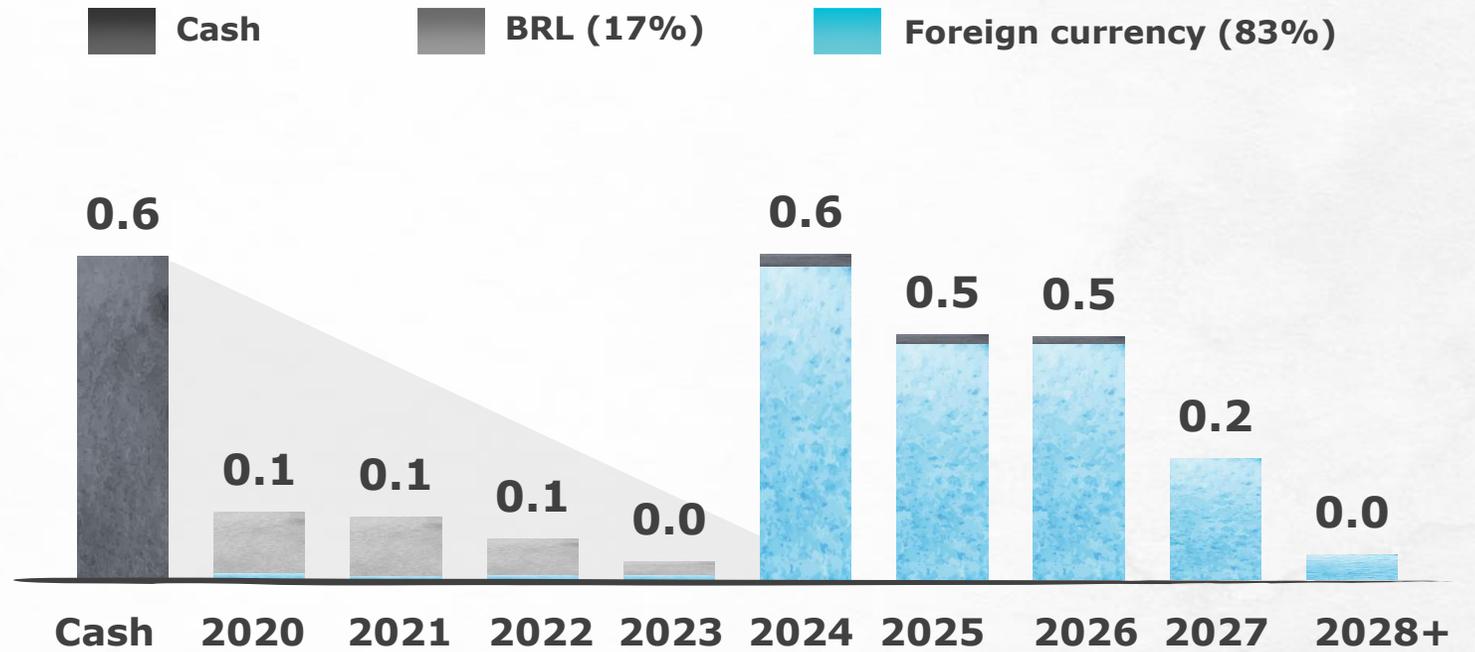
Net Debt

NET DEBT/ADJ. EBITDA



Debt Amortization Profile

Debt average maturity: 5.15 years



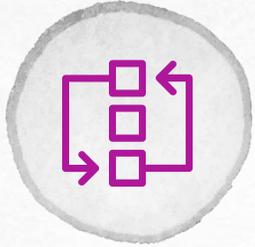
The background is a watercolor-style illustration. On the left side, there is a dark blue and purple wash. A white pen nib is positioned in the lower-left quadrant, pointing towards the center. From the tip of the pen, a bright, multi-colored light beam (orange, yellow, and white) radiates outwards, illuminating the surrounding watercolor washes. The right side of the image is dominated by a light, airy watercolor wash in shades of pink, white, and light blue.

VOTORANTIM
energia

Raul Cadena

CFO Votorantim
Energia

2019 Highlights

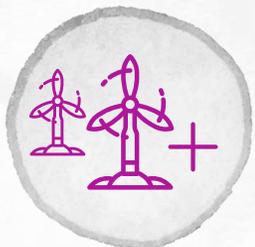


Votorantim Energia
brand repositioning



First year in **CESP**
management team

VOTORANTIM
energia



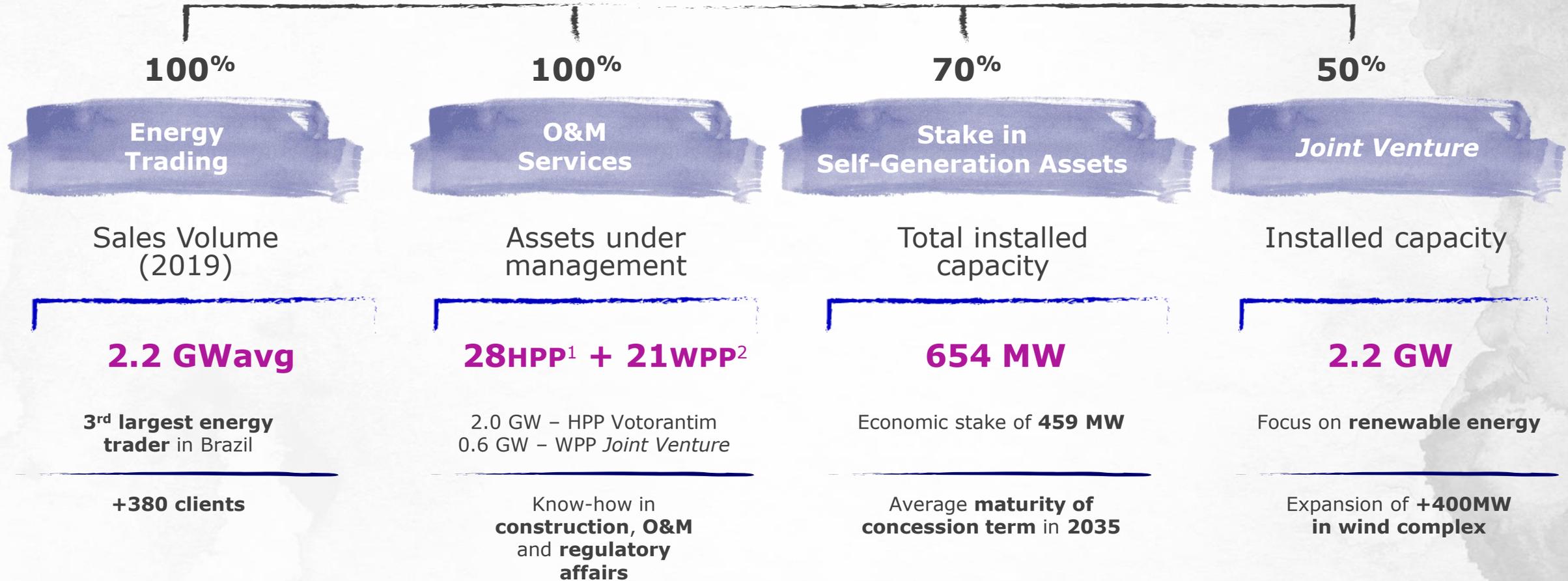
R\$2 billion for **expansion of 412MW** in capacity for the Ventos do Piauí wind complex

JV to reach
1GW of capacity
in wind **by 2023**

Largest wind cluster
in Brazil

Diversified portfolio in the electric sector

VOTORANTIM energia



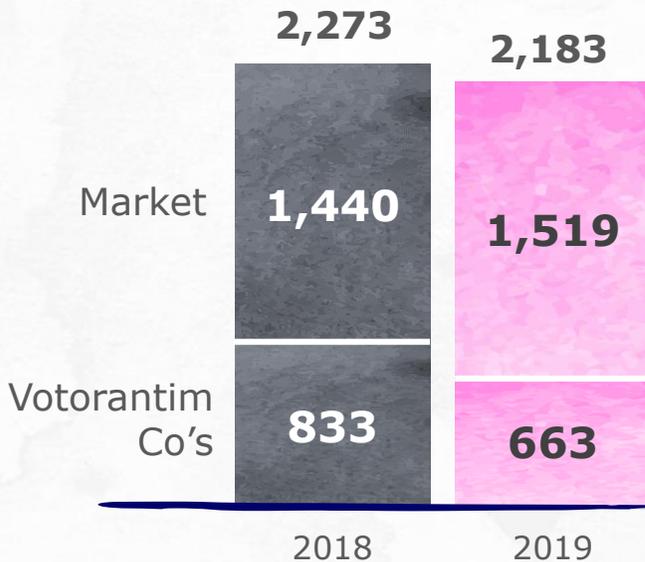
1. Hydroelectric Power Plant.
2. Wind Power Plant.

2019 VE Consolidated Results

Energy trading

(MWavg)

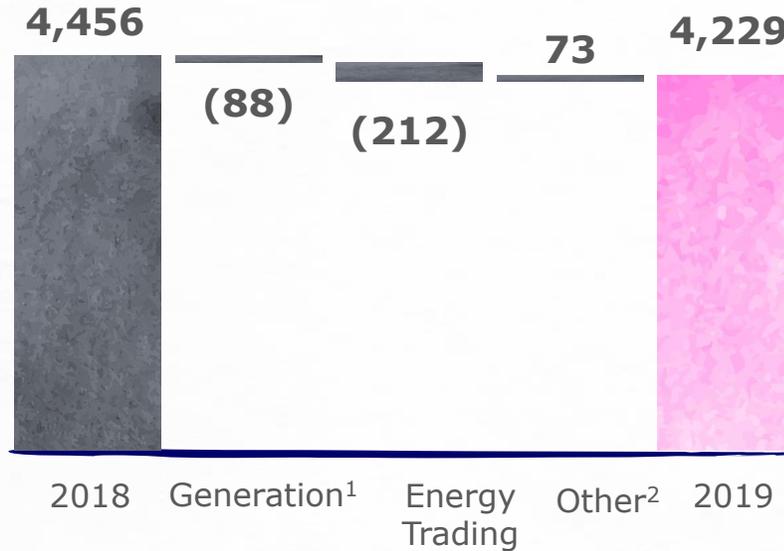
-4%



Net Revenues

(R\$ MILLION)

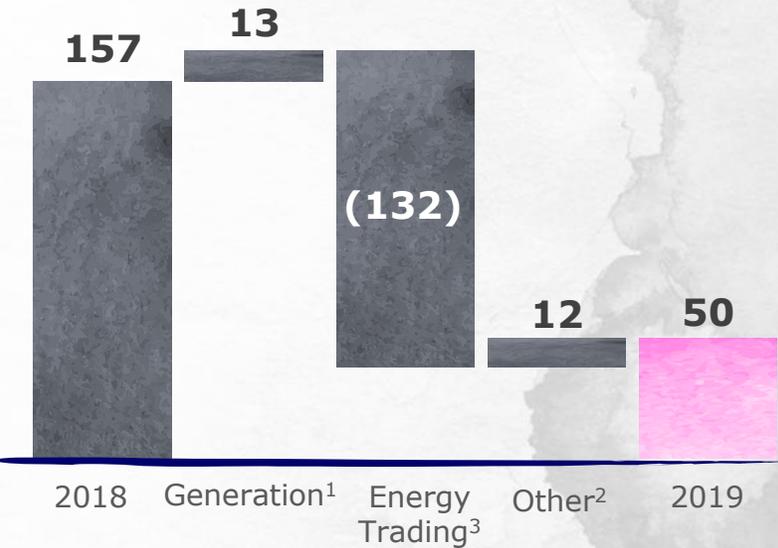
-5%



Adjusted EBITDA

(R\$ MILLION)

-66%



113

Adjusted EBITDA ex-MtM

116

1. JV VE-CPP Investments and stake in self-generation assets are recognized by the equity method.
 2. Includes eliminations, holding and services results.
 3. Includes mark-to-market of energy contracts.

JV VE-CPP Investments Operational Performance

Ventos do Piauí I

Technical availability

97.4% 97.7%



Generation (MWavg)



+1%



2018

2019

CAPACITY
FACTOR %

47

48

Ventos do Araripe III

Technical availability

97.6% 98.3%



Generation (MWavg)



+1%



2018

2019

CAPACITY
FACTOR %

47

47

CESP

Availability index¹

93.7% 93.9%



Generation (MWavg)

-3%



2018

2019

CAPACITY
FACTOR %

64

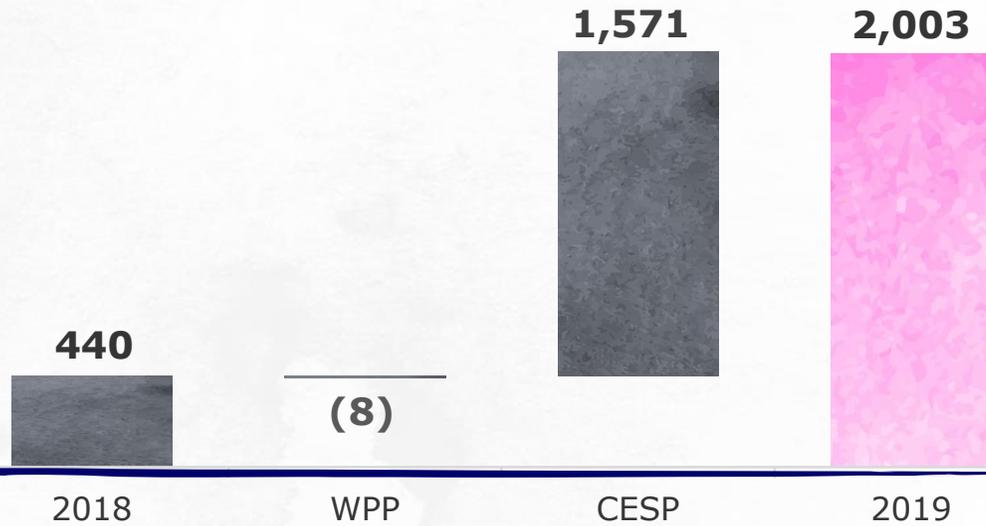
62

2019 JV VE-CPP Investments Results

Net Revenues

(R\$ MILLION)

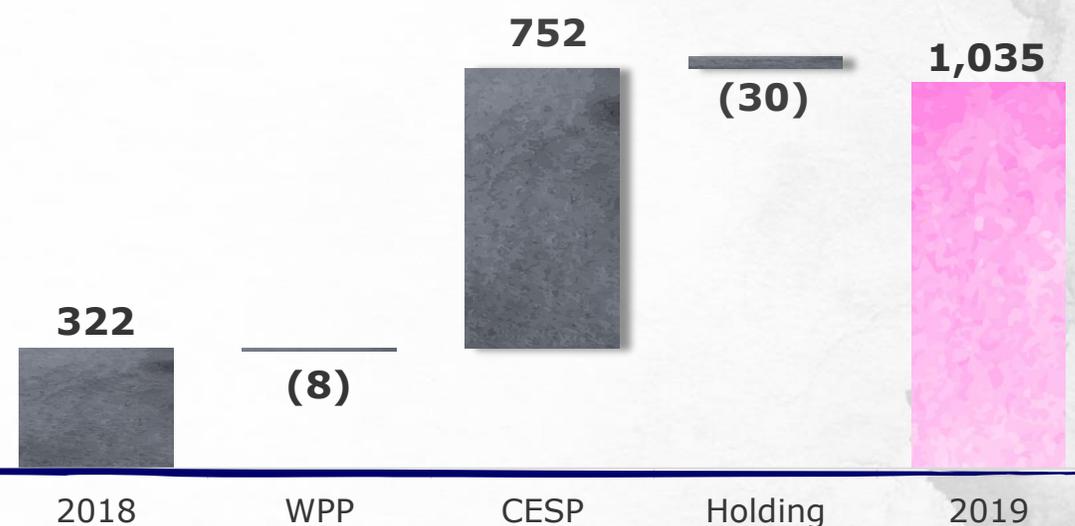
+355%



Adjusted EBITDA

(R\$ MILLION)

+221%



EBITDA Margin %

73

EBITDA Margin %

52

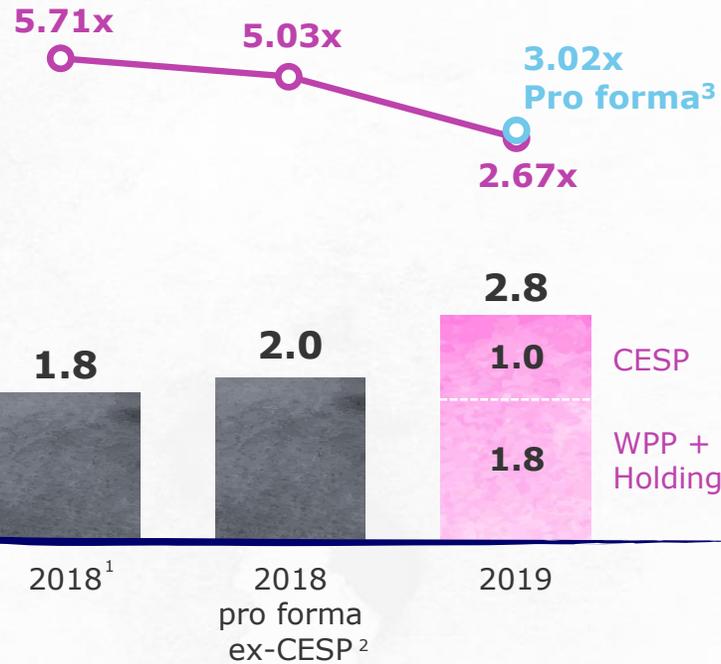
JV VE-CPP Investments

Liquidity and Indebtedness

(R\$ BILLION)

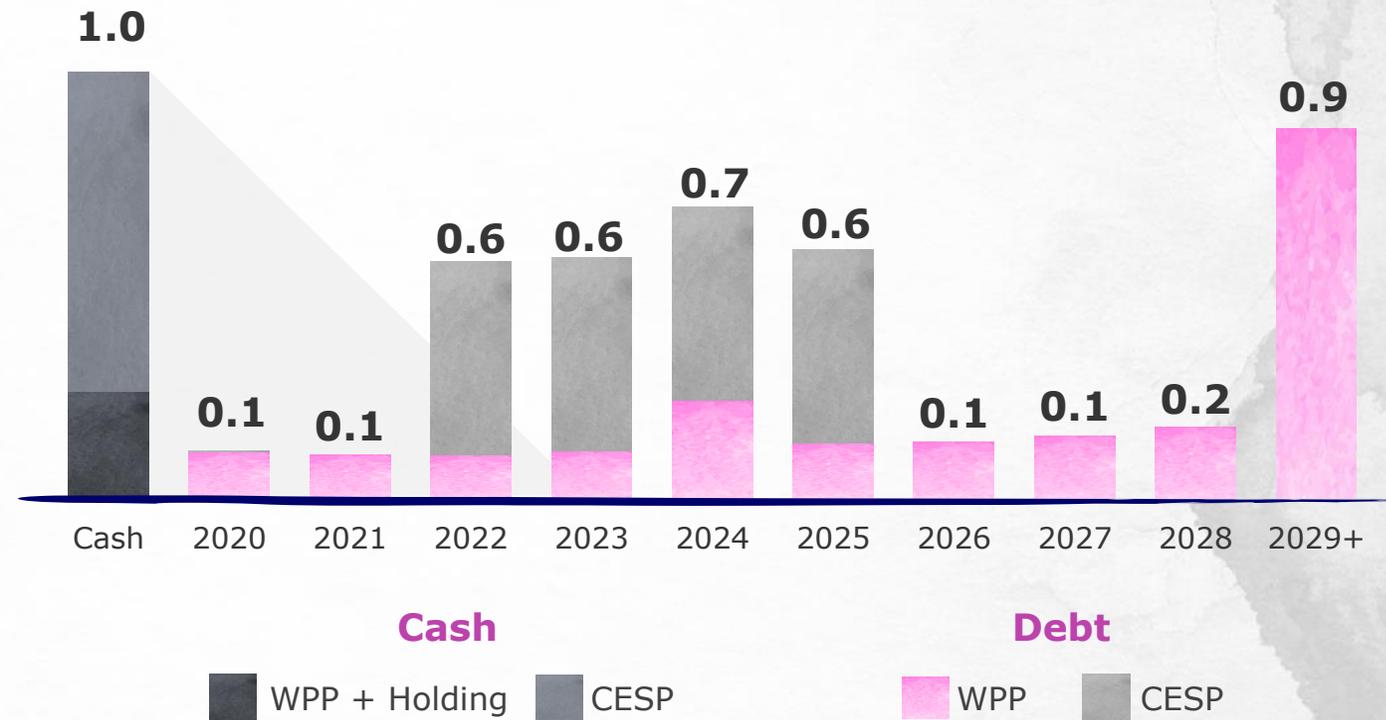
Net Debt

NET DEBT/ADJ. EBITDA



Debt Amortization Profile

Debt average maturity: 6.2 years



1. Considers accounting result of JV (12 months of Piauí I and 7 months of Araripe III).
 2. Considers full results of Piauí I and Araripe III in the year.
 3. Excludes non-controlling shareholders' dividends from the cash position (R\$ 364 million).



VOTORANTIM

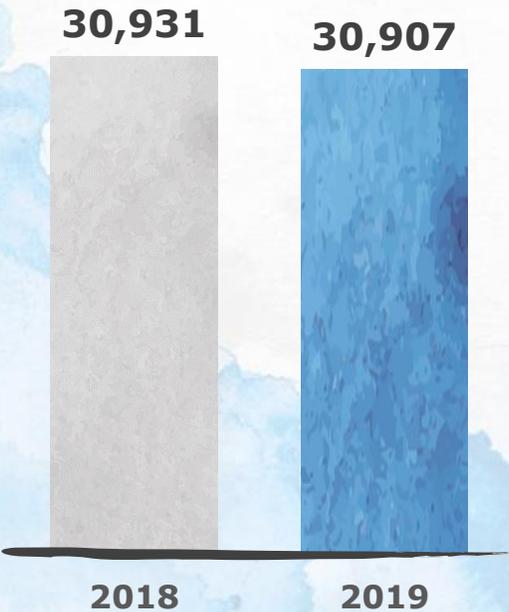
Sergio Malacrida

CFO Votorantim S.A.

Votorantim registered net revenues of R\$30.9 billion

Net Revenues

(R\$ MILLION)

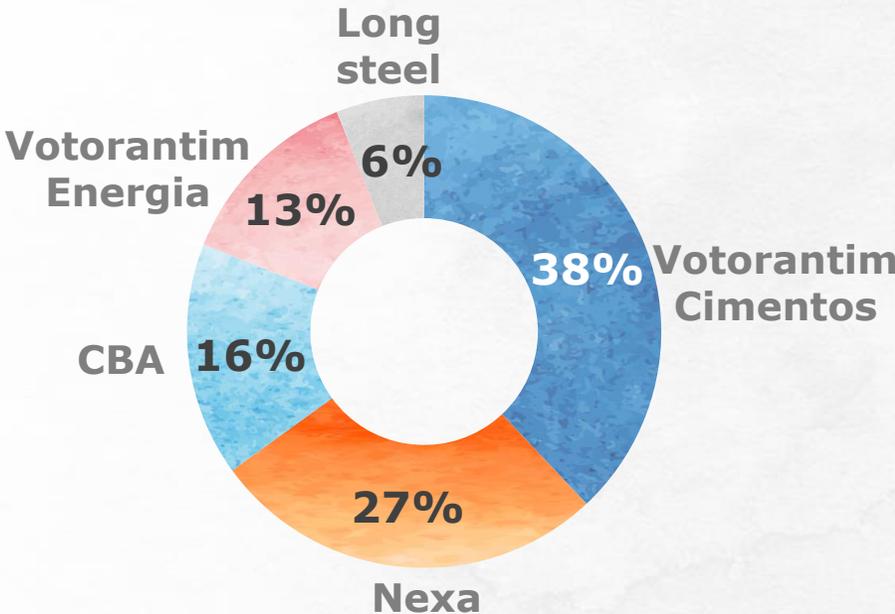


Lower metals prices

Better performance in the Brazilian cement business

Depreciation of the Brazilian real against the US dollar

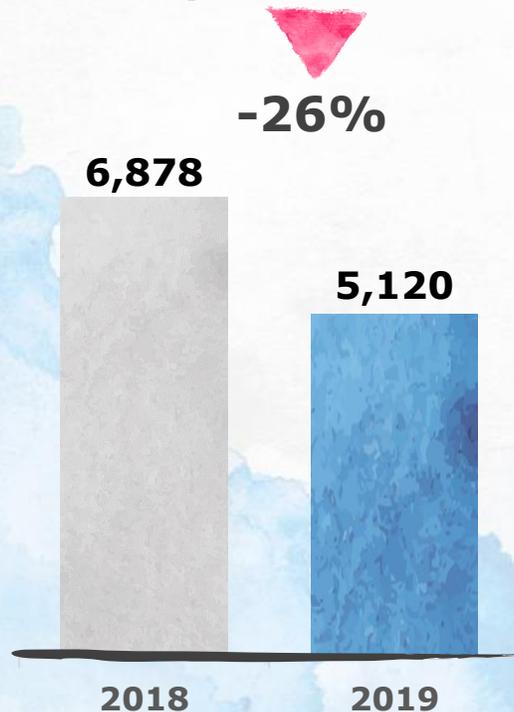
Breakdown by Business



Adjusted EBITDA totaled R\$5.1 billion 26% lower against the previous year

Adjusted EBITDA

(R\$ MILLION)

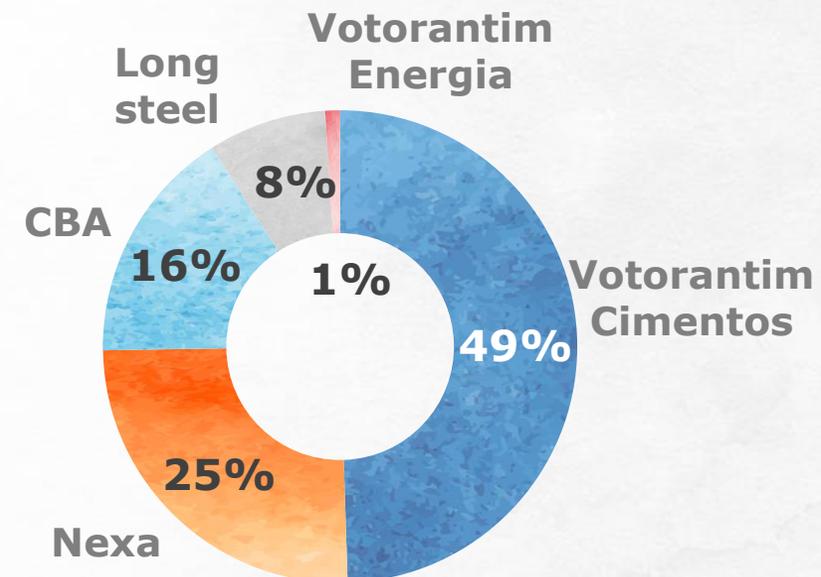


Lower LME prices

Higher costs in Nexa due to operational efficiency programs

2018 figures were positively impacted by received dividends from Fibria

Breakdown by Business



Nexa results

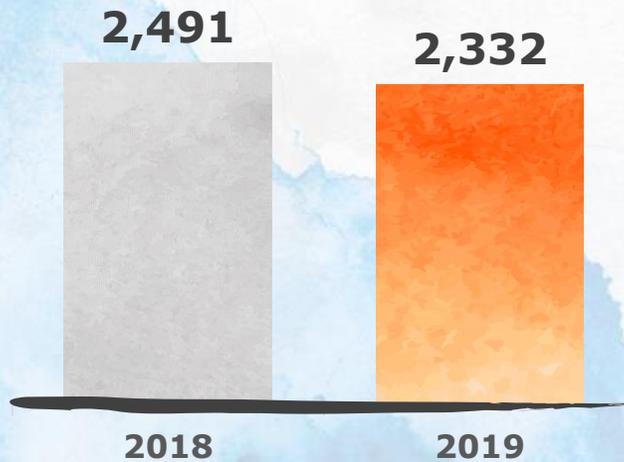
Zinc prices
13% lower

Net revenues
decreased 6%

Adjusted EBITDA **42% lower**
due to higher costs in
operational efficiency programs

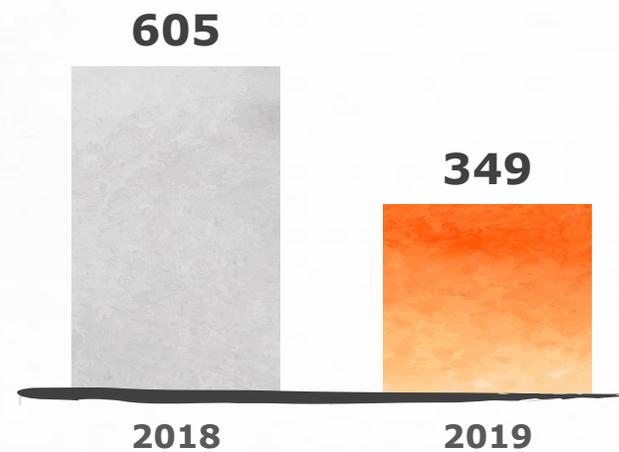
Net Revenues

(US\$ MILLION)



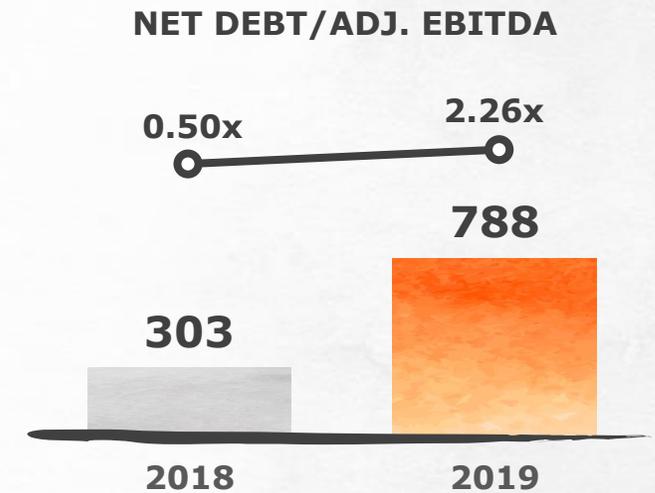
Adjusted EBITDA

(US\$ MILLION)



Net Debt

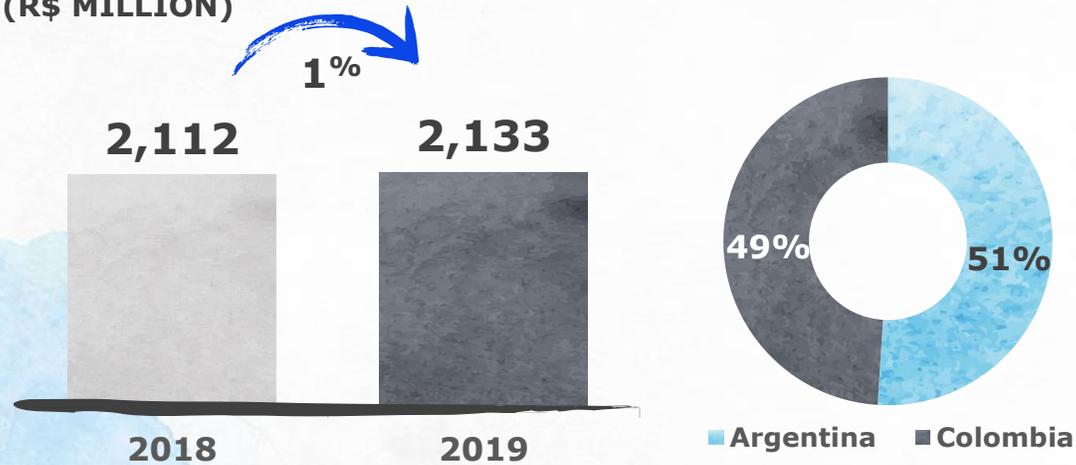
(US\$ MILLION)



Long steel results

Net Revenues

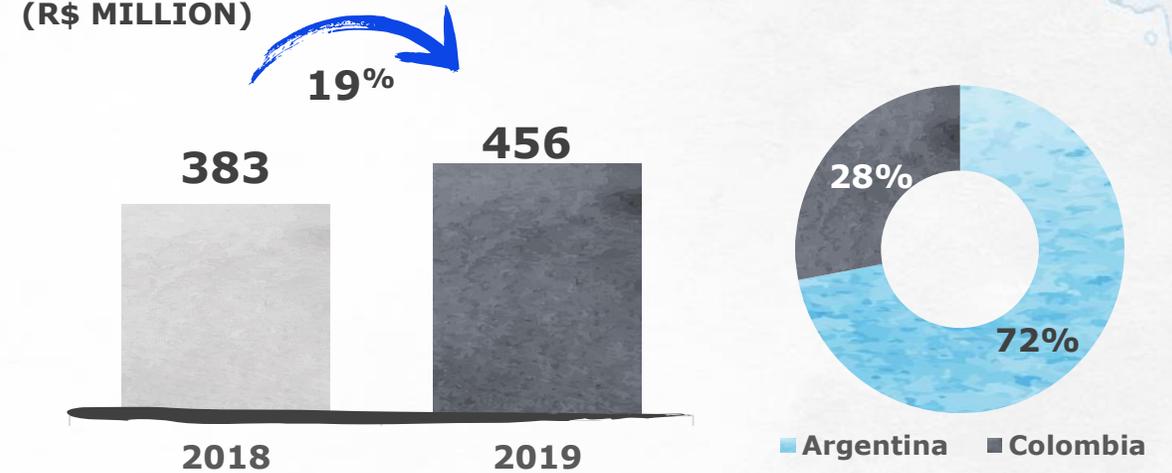
(R\$ MILLION)



Adjusted EBITDA in Argentina **increased 38%** due to higher prices in Argentine pesos, which devaluated against the US dollar

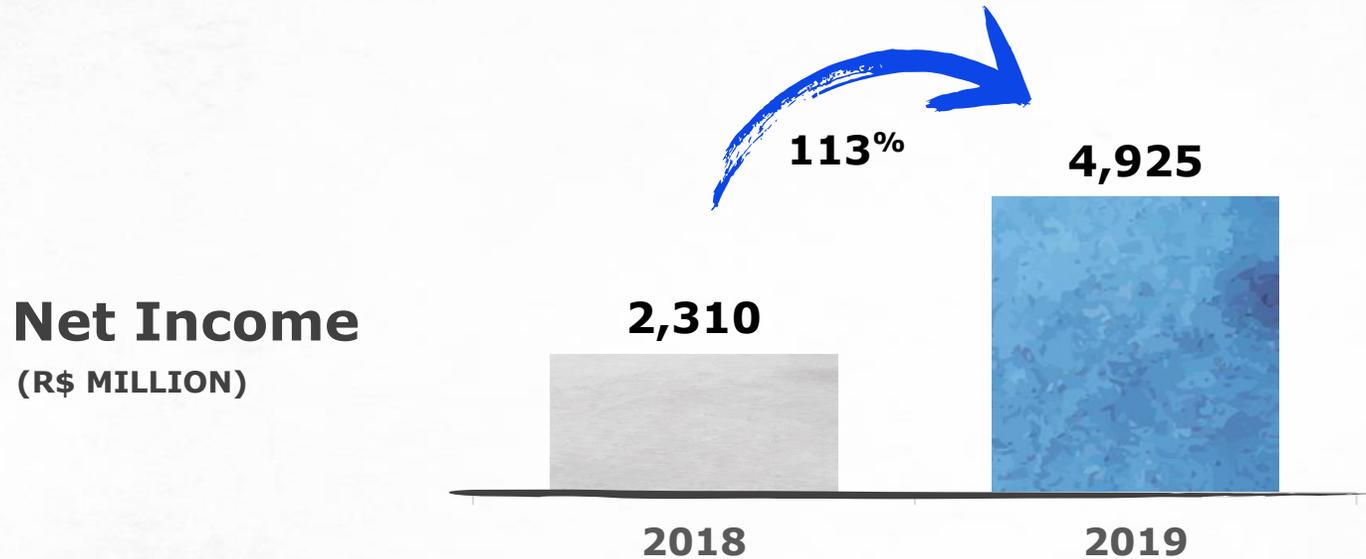
Adjusted EBITDA

(R\$ MILLION)



In Colombia, adjusted EBITDA **decreased 12%** mainly due to the depreciation of the Colombian peso against the Brazilian real

Votorantim registered a net income of R\$4.9 billion



The **recognition of a gain from the Fibria transaction** was the main positive effect

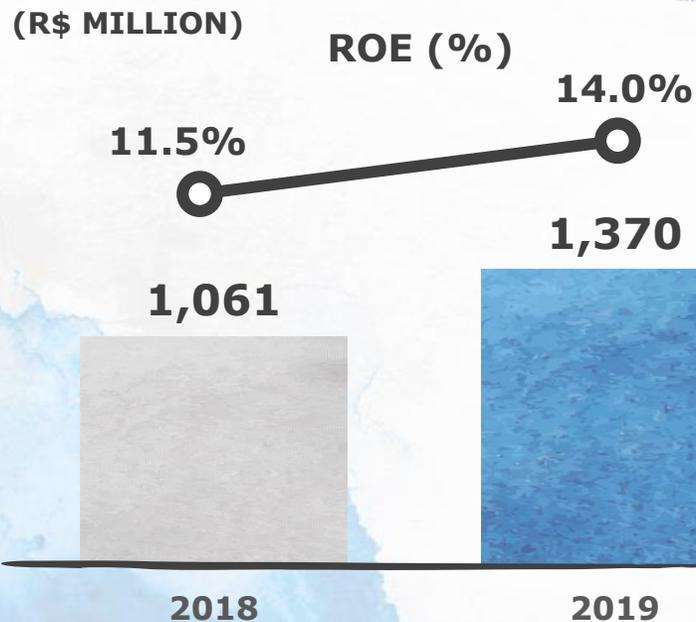
On the other hand, **the results of the companies recognized under the equity method** was lower due to the absence of Fibria's results and lower Citrosuco results

banco BV results

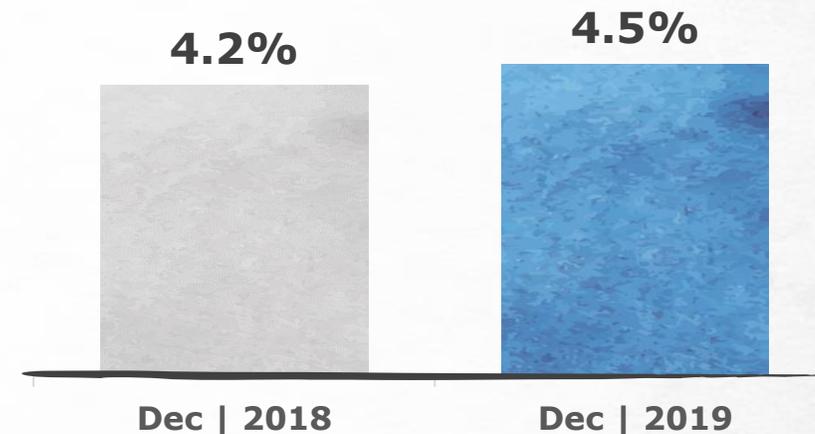
banco BV is focused on increasing its **profitability**, **operational efficiency** and **diversification** of revenue sources

Net income increased 29% in 2019 and reached R\$1.4 billion

Net Income



Consolidated Delinquency



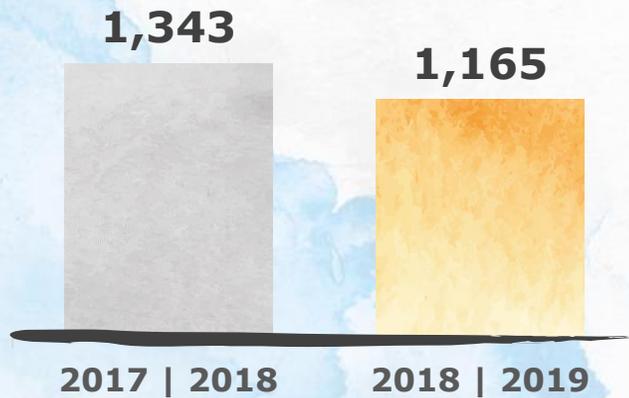
Citrosuco results

2018|2019 crop's net revenues and EBITDA decreased 13% and 50%, respectively

Lower sales volume of concentrated orange juice

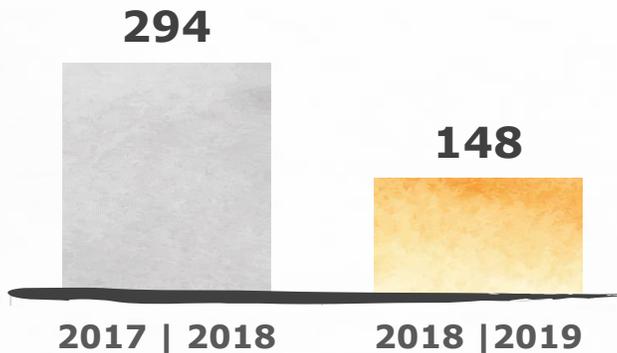
Net Revenues

(US\$ MILLION)



EBITDA

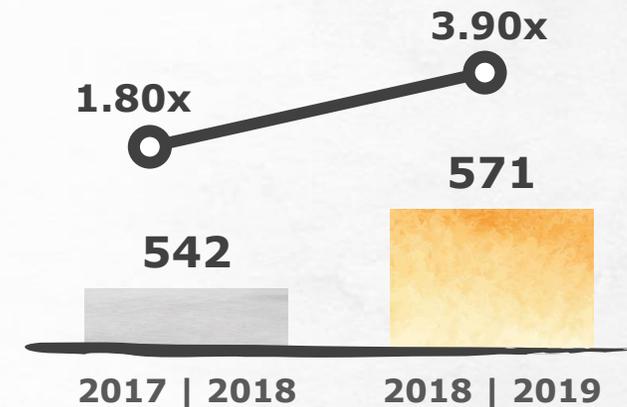
(US\$ MILLION)



Net Debt

(US\$ MILLION)

NET DEBT/EBITDA

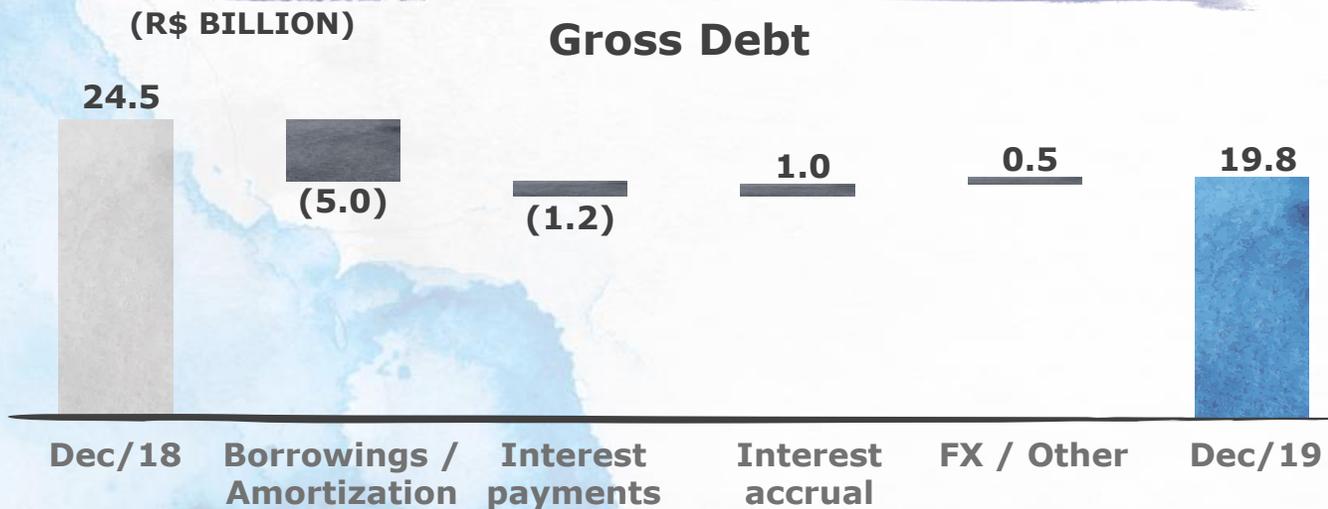


Reduction of R\$5 billion in gross debt

Prepayment of **R\$5 billion in debt** by **Votorantim S.A. and Votorantim Cimentos**

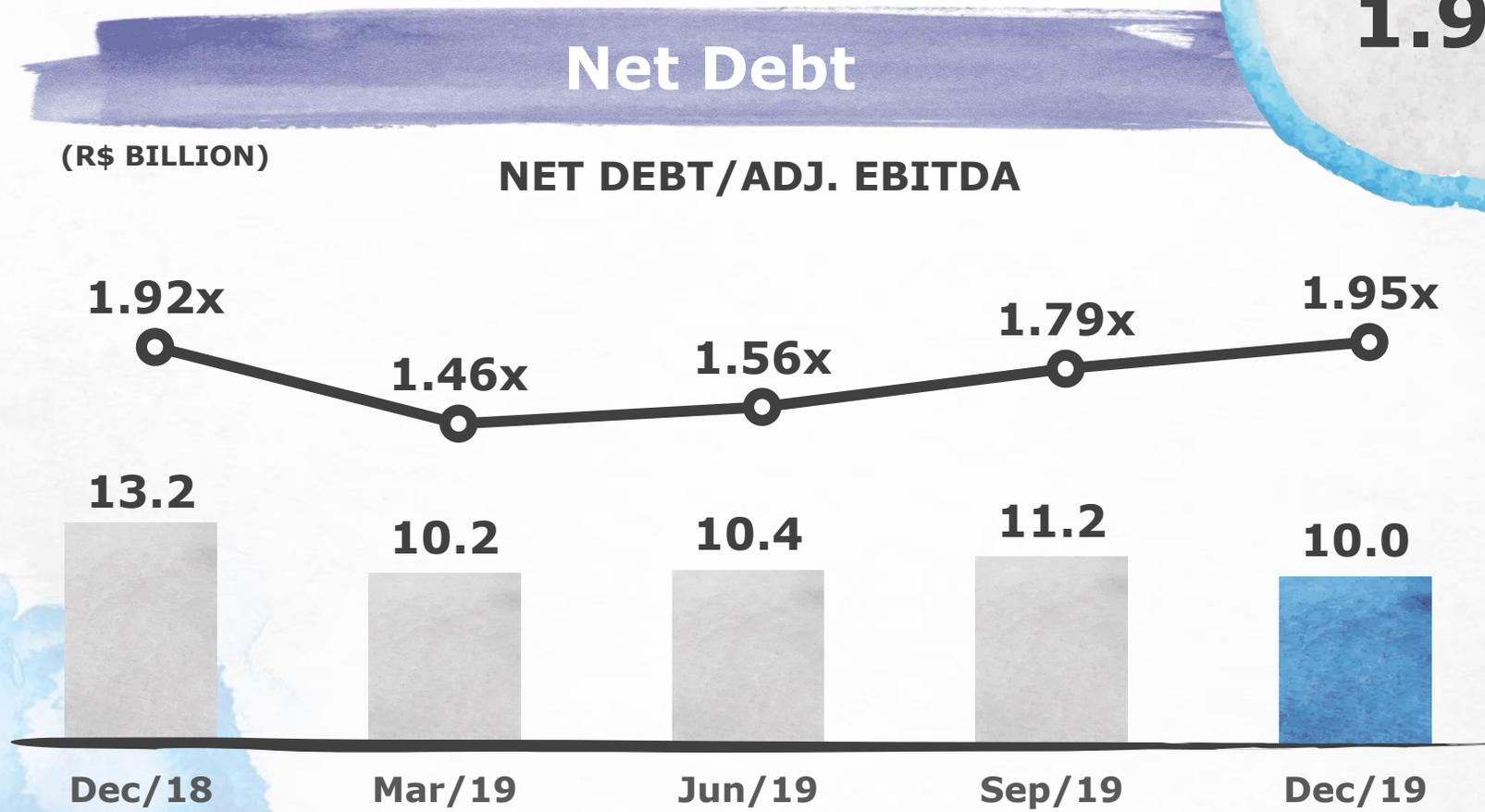
Revolving Credit Facilities: total of US\$700 million with maturity at 2023

Indebtedness



Net debt totaled R\$10 billion 25% lower than 2018

Financial leverage
reached
1.95x



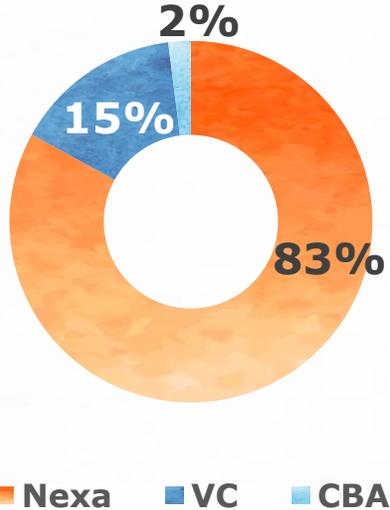
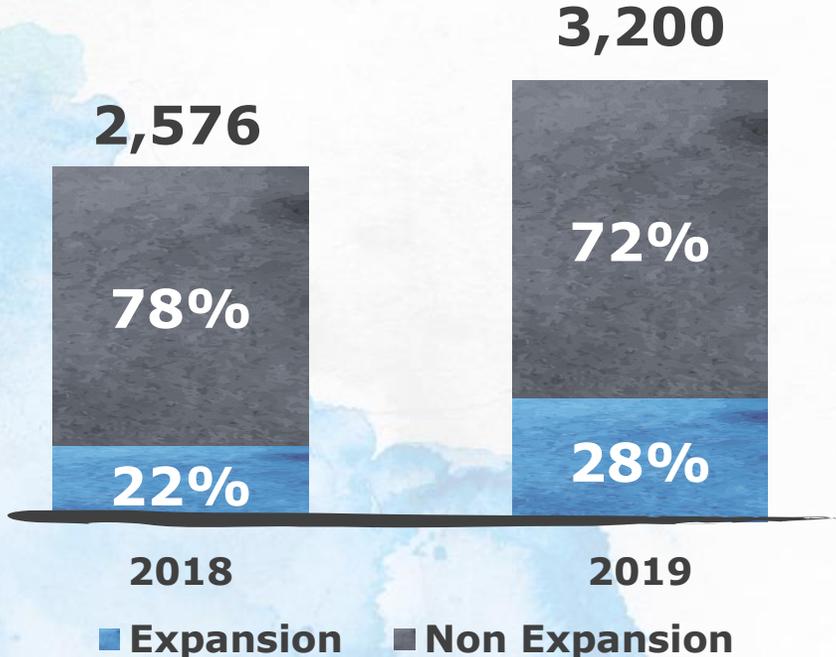
Capex totaled R\$3.2 billion, 24% higher than 2018

Expansion projects accounted for **28%** of the total Capex

Investments

(R\$ MILLION)

Expansion projects



Nexa continues its investment in Aripuanã, **expected to be operational by 2021**

Votoratim Cimentos invested on the **expansion of its grinding plant in Pecém**

Votorantim S.A.

Investment grade

	S&P Global Ratings	Fitch Ratings	MOODY'S INVESTORS SERVICE
Ratings	BBB-	BBB-	Ba2
Outlook	Positive	Stable	Positive
Update	Mar/2019	Nov/2019	Apr/2019
	BB-	BB-	Ba1

"Votorantim S.A. continues to reduce its net financial obligations and improve its capital structure while posting strong cash flow generation. Its reduced leverage and lower dependence on its Brazilian operations, given its asset sales in the country and growth in its operations abroad, strengthen its capacity to endure a potential sovereign distress."

Source: S&P



VOTORANTIM

João Miranda

CEO Votorantim S.A.

Our commitment

We are aware of **our responsibilities to everyone**

Strengthening our position
as a **citizen company**

Advance with the **portfolio transformation** program

Prudence in **conducting business and in capital allocation**