

# Financial Results

4<sup>th</sup> Quarter 2016



## NON-CONSOLIDATED BALANCE SHEET

	Dec. 2016	Dec. 2015	Var. (%)	Dec. 2015 (Restated)	Var. (%)
Cash and cash equivalents	179.358	311.454	(42,4)	311.454	(42,4)
Derivative Financial Instruments	-	15.940	-	15.940	(100,0)
Trade account receivables, net	266.766	231.844	15,1	231.844	15,1
Inventories	81.488	9.448	762,5	9.448	762,5
Prepayments	6.660	1.050	534,3	1.050	534,3
Non-current asset held for sale	-	94.740	-	-	-
<b>Total current assets</b>	<b>534.272</b>	<b>664.476</b>	(19,6)	<b>569.736</b>	(6,2)
Non-current investment	14.515.263	13.604.214	6,7	13.628.417	6,5
Other non-current account receivables	4.166	3.382	23,2	3.382	23,2
Inventories	42.583	24.146	-	24.146	76,4
Intangibles, net	5.917	8.489	(30,3)	8.489	(30,3)
Property, plant and equipment, net	25.551	82.850	(69,2)	82.850	(69,2)
Investment properties	1.867.447	1.781.868	4,8	2.010.817	(7,1)
<b>Total non-current assets</b>	<b>16.460.927</b>	<b>15.504.949</b>	6,2	<b>15.758.101</b>	4,5
<b>Total assets</b>	<b>16.995.199</b>	<b>16.169.425</b>	5,1	<b>16.327.837</b>	4,1
Current financial liabilities	5.920	123.415	-	123.415	(95,2)
Bonds and other financial liabilities	139.132	5.296	2.527,1	5.296	2.527,1
Current trade and other current payables	92.004	178.431	(48,4)	178.431	(48,4)
Provisions	1.921	1.265	51,9	1.265	51,9
Current tax payables	5.562	10.547	(47,3)	10.547	(47,3)
Labor liabilities	11.776	8.510	38,4	8.510	38,4
Other current liabilities	46.770	20.883	124,0	20.883	124,0
<b>Total current liabilities</b>	<b>303.085</b>	<b>348.347</b>	(13,0)	<b>348.347</b>	(13,0)
Non-current financial liabilities	550.033	550.028	0,0	550.028	0,0
Bonds and other financial liabilities	766.243	1.006.588	(23,9)	1.006.588	(23,9)
Deferred taxes	132.865	119.431	11,2	132.852	0,0
<b>Total non-current liabilities</b>	<b>1.462.216</b>	<b>1.682.866</b>	(13,1)	<b>1.696.287</b>	(13,8)
<b>Total Liabilities</b>	<b>1.765.301</b>	<b>2.031.213</b>	(13,1)	<b>2.044.634</b>	(13,7)
Issued capital	53.933	51.510	4,7	51.510	4,7
Share premium	1.354.760	680.218	99,2	680.218	99,2
Other Comprehensive Income	1.559.137	1.694.121	(8,0)	1.714.197	(9,0)
Reserves	2.743.764	2.606.859	5,3	2.606.859	5,3
Retained earnings (loss)	8.737.650	8.603.670	1,6	8.703.627	0,4
Net income (loss)	351.820	371.801	(5,4)	395.462	(11,0)
<b>Total Equity</b>	<b>15.229.898</b>	<b>14.138.212</b>	7,7	<b>14.283.203</b>	6,6

# Financial Results

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## NON-CONSOLIDATED INCOME STATEMENT

	4Q16	4Q15	Var. (%)	Dec. 2016	Dec. 2015	Var. (%)
<b>Operating Revenues</b>	<b>622.176</b>	<b>152.209</b>	308,8	<b>1.097.423</b>	<b>1.144.357</b>	(4,1)
Financial income or expenses, net	369.974	536	68.925,0	544.501	798.067	(31,8)
Real estate income	123.584	98.620	25,3	200.082	175.347	14,1
Equity method, net	128.618	53.053	142,4	352.840	170.943	106,4
<b>Variable cost</b>	<b>378.153</b>	<b>94.234</b>	301,3	<b>458.681</b>	<b>471.838</b>	(2,8)
Cost of sales - Financial activities	357.713	57.365	523,6	435.554	413.290	5,4
Cost of sales - Real estate business	20.440	36.869	(44,6)	23.127	58.548	(60,5)
<b>Gross Profit</b>	<b>244.023</b>	<b>57.975</b>	320,9	<b>638.742</b>	<b>672.519</b>	(5,0)
<i>Gross margin</i>	39%	38%	3,0	58%	59%	(1,0)
<b>Overhead</b>	<b>38.991</b>	<b>43.755</b>	(10,9)	<b>129.227</b>	<b>117.920</b>	9,6
Aministrative expenses	37.606	40.674	(7,5)	123.772	111.439	11,1
Depreciation and amortization - administrative	806	436	84,9	3.412	2.593	31,6
Selling expenses	579	2.645	(78,1)	2.043	3.888	(47,5)
<b>Other income and other expenses</b>	<b>8.879</b>	<b>(4.429)</b>	300,5	<b>(4.560)</b>	<b>(23.318)</b>	80,4
Other income	19.179	19.491	(1,6)	23.838	31.438	(24,2)
Other expenses	(10.300)	(23.920)	56,9	(18.430)	(45.088)	59,1
Wealth tax	-	-	-	(9.968)	(9.668)	(3,1)
<b>Operating profit</b>	<b>213.911</b>	<b>9.791</b>	2.084,8	<b>504.955</b>	<b>531.281</b>	(5,0)
<i>Operating margin</i>	34%	6%	434,5	46%	46%	(0,9)
<b>EBITDA</b>	<b>214.717</b>	<b>10.227</b>	1.999,5	<b>518.335</b>	<b>543.542</b>	(4,6)
<i>EBITDA margin</i>	35%	7%	413,6	47%	47%	(0,6)
<b>Non-operating revenues and expenses</b>	<b>(33.135)</b>	<b>(29.254)</b>	(13,3)	<b>(131.696)</b>	<b>(107.219)</b>	(22,8)
Financial revenues and expenses, net	(33.178)	(29.446)	(12,7)	(137.876)	(107.274)	(28,5)
Exchange difference, net	43	192	(77,6)	6.180	55	11.136,4
<b>Pre-tax profit (loss)</b>	<b>180.776</b>	<b>-19.463</b>	1.028,8	<b>373.259</b>	<b>424.062</b>	(12,0)
Income tax	(8.187)	35.155	(123,3)	21.439	28.600	(25,0)
<b>Net income</b>	<b>188.963</b>	<b>(54.618)</b>	446,0	<b>351.820</b>	<b>395.462</b>	(11,0)
<i>Margin</i>	30%	-36%	184,6	32%	35%	(7,2)

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## CONSOLIDATED BALANCE SHEET

	Dec. 2016	Dec. 2015	Var. (%)	Dec. 2015 (restated)	Var. (%)
Cash and cash equivalents	1.921.472	1.671.818	14,9	1.685.187	14,0
Derivative financial instruments	1.420	38.054	(96,3)	38.054	(96,3)
Investments	2.303	212.681	(98,9)	199.338	(98,8)
Trade account receivables, net	2.355.898	2.071.974	13,7	2.073.712	13,6
Inventories	1.069.615	902.218	18,6	902.218	18,6
Prepayments	198.478	267.912	(25,9)	266.056	(25,4)
Non-current asset held for sale	350.872	104.882	234,5	10.142	3.359,6
<b>Total current assets</b>	<b>6.251.592</b>	<b>5.667.971</b>	10,3	<b>5.573.139</b>	12,2
Non-current investment	9.925.907	10.149.084	(2,2)	11.057.388	(10,2)
Other non-current account receivables	2.560.227	217.495	1.077,1	281.064	810,9
Inventories	42.583	24.146	76,4	24.146	76,4
Intangibles, net	4.638.553	5.298.574	(12,5)	4.842.947	(4,2)
Property, plant and equipment, net	18.258.476	17.935.551	1,8	17.087.909	6,9
Investment properties	2.273.994	1.669.342	36,2	2.403.554	(5,4)
Deferred taxes	758.382	769.633	(1,5)	767.054	(1,1)
Biological assets	20.870	20.243	3,1	20.243	3,1
Derivativa financial instruments	650	324	100,6	324	100,6
Other non-current assets	-	10.019	(100,0)	10.019	(100,0)
Restricted cash	18.340	12.631	45,2	12.614	45,4
<b>Total non-current assets</b>	<b>38.497.982</b>	<b>36.107.042</b>	6,6	<b>36.507.262</b>	5,5
<b>Total assets</b>	<b>44.749.574</b>	<b>41.775.013</b>	7,1	<b>42.080.401</b>	6,3
Current financial liabilities	3.407.874	3.305.497	3,1	3.264.839	4,4
Bonds and other financial liabilities	760.339	573.120	32,7	410.660	85,2
Current trade and other current payables	1.567.365	1.881.144	(16,7)	1.879.441	(16,6)
Current provisions	328.471	307.137	6,9	306.213	7,3
Current tax payables	169.270	445.593	(62,0)	264.623	(36,0)
Labor liabilities	-	151.948	(100,0)	-	-
Estimated liabilities for employee benefits	202.657	32.714	519,5	184.662	-
Other current liabilities	480.889	291.256	65,1	471.619	2,0
Liabilities associated with assets held for sale	191.699	856	22.294,7	856	22.294,7
<b>Total current liabilities</b>	<b>7.211.119</b>	<b>6.989.265</b>	3,2	<b>6.782.913</b>	6,3
Non-current financial liabilities	6.363.559	4.948.257	28,6	4.988.915	27,6
Bonds and other financial liabilities	4.644.438	4.419.113	5,1	4.590.566	1,2
Deferred taxes	1.580.512	1.616.905	(2,3)	1.831.534	(13,7)
Provisions	298.565	202.401	47,5	211.721	41,0

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Other non-current payables	319.950	65.391	389,3	56.780	463,5
Labor liabilities	440.950	2.932	14.939,2	369.072	19,5
Estimated liabilities for employee benefits	-	366.140	(100,0)	-	-
Derivative financial instruments	8.901	172.155	(94,8)	172.155	(94,8)
Other non-current liabilities	246.984	102.655	140,6	102.655	140,6
<b>Total non-current liabilities</b>	<b>13.903.859</b>	<b>11.895.949</b>	16,9	<b>12.323.398</b>	12,8
<b>Total Liabilities</b>	<b>21.114.978</b>	<b>18.885.214</b>	11,8	<b>19.106.311</b>	10,5
Issued capital	53.933	51.510	4,7	51.510	4,7
Share premium	1.354.759	680.218	99,2	680.218	99,2
Other Comprehensive Income	1.987.756	1.975.078	0,6	2.028.667	(2,0)
Reserves	2.743.764	2.606.859	5,3	2.606.859	5,3
Other components of shareholders' equity	(59.093)	241.008	(124,5)	421.098	(114,0)
Retained earnings (loss)	8.936.243	8.936.938	(0,0)	8.814.764	1,4
Net income (loss)	589.466	301.000	95,8	326.829	80,4
<b>Total Equity</b>	<b>15.606.828</b>	<b>14.792.611</b>	5,5	<b>14.929.945</b>	4,5

# Financial Results

4<sup>th</sup> Quarter 2016



## CONSOLIDATED INCOME STATEMENT

	4Q16	4Q15	Var. (%)	Accumulated Dec. 2016	Accumulated Dec. 2015	Var. (%)
<b>Operating Revenues</b>	<b>3.738.876</b>	<b>3.997.932</b>	<b>-6,5</b>	<b>14.552.884</b>	<b>12.700.304</b>	<b>14,6</b>
Cost of goods sold	3.001.173	3.693.705	-18,7	13.135.043	11.909.814	10,3
Financial income or expenses, net	453.602	8.710	5107,8	678.501	171.448	295,7
Real estate income	183.614	328.551	-44,1	369.381	402.367	-8,2
Equity method, net	132.145	(9.435)	1500,6	539.998	319.722	68,9
Sales returns and discounts	(31.658)	(23.599)	-34,1	(170.039)	(103.047)	65,0
<b>Variable cost</b>	<b>2.741.928</b>	<b>3.322.002</b>	<b>-17,5</b>	<b>10.431.473</b>	<b>9.724.072</b>	<b>7,3</b>
Cost of goods sold	2.045.753	2.925.128	-30,1	8.983.405	8.711.580	3,1
Depreciation and amortization	243.653	200.459	21,5	854.885	754.303	13,3
Cost of sales - Financial activities	373.087	57.390	0,0	462.263	99.465	364,7
Cost of sales - Real estate business	79.435	139.025	-42,9	130.920	158.724	-17,5
<b>Gross Profit</b>	<b>996.948</b>	<b>675.930</b>	<b>47,5</b>	<b>4.121.411</b>	<b>2.976.232</b>	<b>38,5</b>
<i>Gross margin</i>	27%	17%	57,7	28%	23%	20,8
<b>Overhead</b>	<b>511.526</b>	<b>423.472</b>	<b>20,8</b>	<b>1.574.938</b>	<b>1.246.469</b>	<b>26,4</b>
Administrative expenses	382.408	293.375	30,3	1.116.030	861.199	29,6
Depreciation and amortization - administrative	62.156	32.001	94,2	189.020	114.212	65,5
Selling expenses	56.747	78.653	-27,9	230.273	236.441	-2,6
Depreciation and amortization - sales	10.215	19.443	-47,5	39.615	34.617	14,4
<b>Other income and other expenses</b>	<b>82.398</b>	<b>12.046</b>	<b>584,0</b>	<b>(110.435)</b>	<b>(104.530)</b>	<b>5,6</b>
Other income	453.631	80.799	461,4	528.167	198.371	166,3
Other expenses	(371.599)	(68.753)	-440,5	(537.733)	(196.633)	173,5
Wealth Tax	366	-		(100.869)	(106.268)	-5,1
<b>Operating profit</b>	<b>567.820</b>	<b>264.504</b>	<b>114,7</b>	<b>2.436.038</b>	<b>1.625.233</b>	<b>49,9</b>
<i>Operating margin</i>	15%	7%	129,5	17%	13%	30,8
<b>EBITDA</b>	<b>883.478</b>	<b>516.407</b>	<b>71,1</b>	<b>3.620.427</b>	<b>2.634.633</b>	<b>37,4</b>
<i>EBITDA margin</i>	23,63%	12,92%	82,9	24,88%	20,74%	19,9
<b>Non-operating revenues and expenses</b>	<b>(256.228)</b>	<b>(213.297)</b>	<b>-20,1</b>	<b>(971.602)</b>	<b>(715.404)</b>	<b>35,8</b>
Financial revenues and expenses, net	(277.702)	(202.390)	-37,2	(1.011.876)	(681.030)	48,6
Exchange difference, net	21.474	(10.907)	297	40.274	(34.374)	-217,2
<b>Pre-tax profit (loss)</b>	<b>311.592</b>	<b>51.207</b>	<b>508,5</b>	<b>1.464.436</b>	<b>909.829</b>	<b>61,0</b>
Income tax	59.176	24.587	140,7	332.434	248.195	33,9
<b>Profit (loss) from continuing operations</b>	<b>252.416</b>	<b>26.620</b>	<b>848,2</b>	<b>1.132.002</b>	<b>661.634</b>	<b>71,1</b>
Net loss from discontinued operations	-	(13.315)		-	(13.315)	
<b>Net income</b>	<b>252.416</b>	<b>13.305</b>	<b>1797,2</b>	<b>1.132.002</b>	<b>648.319</b>	<b>74,6</b>
<i>Net margin</i>	7%	0%	1928,6	8%	5%	52,4
<b>Total comprehensive income attributable to:</b>						
Non-controlling interest	52.011	62.752	-17,1	542.536	321.489	68,8
<b>Controlling interest</b>	<b>200.405</b>	<b>(49.447)</b>	<b>505,3</b>	<b>589.466</b>	<b>326.830</b>	<b>80,4</b>
<i>Margin</i>	5%	-10%	151,3	4%	3%	57,4