

**São Paulo, Brazil, November, 13<sup>th</sup> 2018** - Metalfrio Solutions S.A. (FRIO3) ("Metalfrio"), one of the world's largest manufacturers of plug-in commercial refrigeration equipment, announces its results for the third quarter of 2018 ("3Q18"). Financial and operational information is given in accordance with international accounting standards (IFRS), in Brazilian Reals (R\$). Comparisons are with the third quarter of 2017 ("3Q17") or as indicated.

### 3Q18 Highlights

- ❄ 3Q18 Net Revenues at R\$220.8mn broadly flat (-1.4%) when compared with the corresponding prior year period and 9 month revenues up 20.1% to R\$873.5mn (R\$727.3mn in 9M17);
- ❄ 3Q18 Gross Profit increased by 20.7% to R\$37.8mn compared to R\$31.3mn in 3Q17 and by 29.5% to R\$145.8mn in 9M18 (R\$112.6mn in 9M17), highlighting Gross Profit Margin gains;
- ❄ Adjusted EBITDA for the quarter at R\$19.5mn up 27.5% vs 3Q17 R\$15.3mn; and R\$86.6mn for the first nine months of 2018 up 31.1% vs R\$66.0mn in 9M17;
- ❄ Net Profit of R\$10.2mn for 3Q18 despite currency headwinds and for the 9 month period a loss of R\$22.0mn (3Q17 profit of R\$20.2mn and 9M17 profit of R\$1.1mn)

**Commenting on the results, President & CEO Petros Diamantides stated:**

***"Metalfrio delivered good operational performance in the third quarter amidst challenging macroeconomic conditions where the volatility of the Brazilian Real and the Turkish Lira required quick adjustments to our cost base. Our relentless pursuit of cost optimisation and flexibility in the manufacturing process, facilitated further growth in operational profit metrics.***

***The recent investments in capacity and efficiency at our Turkish facility, allowed for higher throughput levels during the year and improved conversion costs. Whilst we expect the economic volatility to persist, we are leveraging the catalyzing effect on already robust exports to approximately 70 countries. This broad geographical presence is underpinned by innovative products and proven track-record in adaptation to local conditions and requirements.***

***We remain cautiously optimistic that despite these economic conditions, we shall be able to maintain a steady course for the rest of the year, as we continue to execute our highly focused strategy on meeting the needs of our customers whilst driving further internal efficiencies, mitigating cost escalation and working towards our target of year end Net Debt to Adjusted EBITDA (full year) ratio of 2.5x in the medium term".***

(R\$ million)	3Q18	3Q17	% Var	9M18	9M17	% Var
Net Revenues	220.8	223.8	(1.4)	873.7	727.3	20.1
Gross Profit	37.8	31.3	20.7	145.8	112.6	29.5
<i>Gross Margin</i>	<b>17.1%</b>	<b>14.0%</b>		<b>16.7%</b>	<b>15.5%</b>	
Op. Profit	10.6	8.5	24.3	59.7	43.1	38.5
Adj. EBITDA	19.5	15.3	27.5	86.6	66.0	31.1
<i>Adj. EBITDA Margin</i>	<b>8.8%</b>	<b>6.8%</b>		<b>9.9%</b>	<b>9.1%</b>	

## Outlook

With the Brazilian Presidential election in October, the cycle of elections in all our operating countries comes to an end (Turkey, Mexico and Russia already held Presidential elections previously this year). However, currency volatility and inflationary consequences particularly in Turkey are likely to continue in the short to mid-term. In addition, the tariff-war between USA and China may further exasperate pressure on commodities necessitating continued vigilance and effective mitigation strategies.

Having proved our ability to adjust our cost base to prevailing economic conditions, we remain well placed to benefit from improving trends. Furthermore, our superior focus on customer engagement, through our track-record of delivering innovative, high quality, value-creating solutions will continue to serve us well, as we leverage our efficient, well-invested, global production and sales footprint. Our unique approach to after-sales, through our LifeCycle offering that includes refurbishment and in-market technical support for asset fleets across the ice-cream, soft drink and beer segments, will continue bringing us closer to our customers whilst diversifying our revenue stream.

Metalrio applies a strong level of financial discipline on capital allocation and working capital improvements, as well as active margin management to improve the resilience of earnings and cash flow throughout the course of the economic cycle. Despite the adverse movements in currencies, Metalrio is committed to deleveraging its medium term balance sheet through working capital and Capex optimisation, towards our target of year end Net Debt to Adjusted EBITDA (full year) ratio of 2.5x in the medium term.

## Net Revenue

Consolidated Net Revenues in 3Q18 reached R\$220.8 million, broadly flat versus 3Q17 (R\$223.8 million). 9M18 Net Revenues reached R\$873.7 million, an increase of 20.1% versus the same period of last year (R\$727.3 million).

(R\$ million)	3Q18	3Q17	% Var	9M18	9M17	% Var
<i>Americas</i>	<b>139.0</b>	<b>140.6</b>	(1.2)	<b>452.5</b>	<b>394.6</b>	14.7
<i>Europe</i>	<b>81.8</b>	<b>83.2</b>	(1.6)	<b>421.1</b>	<b>332.7</b>	26.6

## Americas

Sales in Americas decreased by 1.2% in the third quarter compared to last year due to a reduction in the Mexico Revenues more than offsetting the growth in Brazil Revenues. For the first nine months of 2018 Sales are 14.7% higher than the corresponding period of 2017 mostly due to the growth in Brazil.

Double-digit growth during the third quarter in Brazil was underpinned by growth in exports mainly through our newly-established sales office in Argentina and also growth in after-sales activity in the region which beyond contributing a consistent revenue stream, allows us to keep closer to our customers and better understand their requirements. For the nine month period LifeCycle revenue has grown by 30% versus the comparable period last year.

The Sales contraction in Mexico during the third quarter primarily reflected the high prior year comparable period. For the nine month period, the weak market conditions in the local market due to the elections held in July, more than offset the positive impact of first time shipments to Coca-Cola bottlers in North America. Nevertheless, a new contract with a Global Key-Account in this region is expected to allow us to partly recover revenues for the remaining part of the year and beyond, which together with the continued growth in Coca-Cola bottlers in North America and the turnaround of the Mexican market, are expected to constitute long term growth drivers.

## Europe

Revenues declined by 1.6% vs last year to R\$81.8 million during the third quarter where the Turkish domestic market came to a standstill affected by the rapid deterioration of Turkish Lira.

For the first nine months of the year, Revenues increased by 26.6% compared to the corresponding period of the last year. The disciplined investments at our Turkish facility, allowed us, on one hand, to capture additional demand with optimized conversion costs and, on the other, provided flexibility in the prompt adaptation to the weaker conditions of 3Q18. Both resulted in the Operating Profit of the region more than doubling versus the nine month period of last year.

## Gross Profit

The 20.7% increase in Gross Profit (3Q18: R\$37.8 million vs. 3Q17: R\$31.3 million) with broadly flat revenues, led to a Gross Profit Margin expansion from 14.0% in 3Q17 to 17.1% in 3Q18. In 9M18, Gross Profit increased 29.5% (9M18: R\$145.8 million vs. 9M17: R\$112.6 million) ahead of the revenue growth, highlighting improvements in the COGS structure with Gross Profit Margin expansion by 121bps (9M18: 16.7% vs. 9M17: 15.5%) when compared with the previous year.

## Operating Expenses (SG&A)

SG&A as % of Revenues increased by 228 bps in 3Q18 reflecting the negative operating leverage but in 9M18 decreased by 4bps, compared to the previous year.

## EBITDA

**Adjusted EBITDA** reached R\$19.5 million in 3Q18 with an EBITDA Margin of 8.8% (3Q17 at R\$15.3 million and 6.8%). In 9M18 Adjusted EBITDA increased by 31.1% to R\$86.6 million with a 9.9% margin versus R\$66.0 with 9.1% margin in the previous year, highlighting our focus on both expansion and efficiency gains.

### Reconciliation of consolidated EBITDA and Adjusted EBITDA

Consolidated EBITDA (R\$ million)	3Q17	4Q17	1Q18	2Q18	3Q18
Operating result	8.5	30.1	11.3	37.8	10.6
Depreciation and amortization	7.2	7.3	7.9	8.6	7.9
<b>EBITDA</b>	<b>15.7</b>	<b>37.4</b>	<b>19.3</b>	<b>46.4</b>	<b>18.5</b>
Layoffs (i)	0.3	1.5	0.7	0.7	1.0
Other extraordinary expenses (ii)	-0.7	-0.3	0.0	0.0	0.0
<b>Adjusted EBITDA</b>	<b>15.3</b>	<b>38.5</b>	<b>20.0</b>	<b>47.1</b>	<b>19.5</b>

- i. Layoffs: The adjustment mainly refers to restructuring charges related to efficiency projects, where certain positions were consolidated allowing further headcount reduction.
- ii. Extraordinary one-time expenses is related to a tax installment agreement from prior years.

## Financial Result

**Net Finance Income** was R\$0.3 million in 3Q18 (R\$12.7 million in 3Q17), underpinned by an effective hedge strategy, which mitigated the FX impact in a period of significant currency volatility. Despite the higher interest costs, the change in our debt currency mix continues to provide mitigation against currency movements.

(R\$ mn)	3Q17	3Q18	Var. 18/17	2017	2018	Var. 18/17
Result with cash investments	4.6	4.2	-9.4%	14.0	10.8	-22.8%
Securities market Value Change	17.6	16.8	-4.4%	6.7	8.3	24.5%
Other financial income	0.4	0.1	-69.0%	0.6	0.3	-48.9%
<b>Interest and Other Income</b>	<b>22.6</b>	<b>21.1</b>	<b>-6.6%</b>	<b>21.2</b>	<b>19.4</b>	<b>-8.7%</b>
Interest on loans and financing	-11.2	-13.2	17.4%	-30.5	-36.6	20.1%
Securities market Value Change	0.0	0.0	m	0.0	0.0	nm
Other financial expenses	-5.2	-7.5	45.6%	-22.6	-27.8	23.3%
<b>Interest and Other Expenses</b>	<b>-16.4</b>	<b>-20.7</b>	<b>26.2%</b>	<b>-53.1</b>	<b>-64.5</b>	<b>21.5%</b>
<b>Hedge Operations Result</b>	<b>-1.1</b>	<b>40.3</b>	<b>nm</b>	<b>-0.9</b>	<b>87.9</b>	<b>nm</b>
<b>Net FX Variation</b>	<b>7.5</b>	<b>-40.5</b>	<b>-639.4%</b>	<b>-6.9</b>	<b>-108.5</b>	<b>1471.3%</b>
<b>Net Financial Result</b>	<b>12.7</b>	<b>0.3</b>	<b>-97.5%</b>	<b>-39.7</b>	<b>-65.7</b>	<b>65.4%</b>

## Net Profit/Loss

**Profit before taxes** in 3Q18 stood at R\$10.9 million despite the currency headwinds (3Q17 profit of R\$21.2 million).

Overall, the improved Operational Result together with a positive Financial Result led to a **Net Profit** of R\$10.2 million in 3Q18, versus a Net profit of R\$20.2 million in the previous year. In 9M18, Net Loss was R\$22.0 million versus R\$1.1 million Net Profit in 9M17.

## Working Capital

Working Capital less financial assets and liabilities, reached R\$193.3 million in 3Q18 compared to R\$164.5 million at the end of 3Q17. The slowdown in revenue during Q3 followed 4 quarters of double-digit growth (comparing with the correspondent period of the previous year) resulting in a higher level of inventory, which should normalize along the next periods. The operational cash cycle in 3Q18 was 88 days, 28 days higher than in 3Q17 and 80 days higher than 4Q17.

WORKING CAPITAL (R\$ million)	3Q17	4Q17	1Q18	2Q18	3Q18	Chg. 3Q18/ 3Q17	Chg. 3Q18/ 4Q17
<b>Current assets:</b>							
Cash and equivalents, bonds and securities	385.3	507.4	386.6	362.3	411.2	25.9	-96.2
Accounts receivable	201.3	115.0	243.6	326.4	215.4	14.1	100.4
Inventory	181.3	206.3	232.2	235.4	243.7	62.4	37.4
Other	41.3	38.8	49.2	52.3	58.9	17.6	20.1
<b>A) Total</b>	<b>809.2</b>	<b>867.5</b>	<b>911.7</b>	<b>976.5</b>	<b>929.2</b>	120.0	61.7
<b>B) Current assets (less fin. assets)</b>	<b>423.9</b>	<b>360.1</b>	<b>525.0</b>	<b>614.1</b>	<b>518.0</b>	94.1	157.9
<b>Current liabilities:</b>							
Accounts payable	196.4	266.2	274.7	305.0	212.2	15.9	-53.9
ST debt	520.5	511.2	574.5	390.3	388.5	-132.0	-122.7
Other	63.0	63.9	83.9	111.2	112.4	49.4	48.5
<b>C) Total</b>	<b>779.8</b>	<b>841.3</b>	<b>933.1</b>	<b>806.5</b>	<b>713.1</b>	-66.7	-128.2
<b>D) Current liabilities (less fin. liab.)</b>	<b>259.3</b>	<b>330.1</b>	<b>358.6</b>	<b>416.2</b>	<b>324.6</b>	65.3	-5.5
<b>Working capital (B-D)</b>	<b>164.5</b>	<b>30.0</b>	<b>166.4</b>	<b>197.9</b>	<b>193.3</b>	28.8	163.3
Days of receivables	67	33	68	68	72	5	39
Days of inventory	85	89	84	72	120	35	31
Days of suppliers	92	115	99	93	104	12	-11
<b>Cash cycle</b>	<b>60</b>	<b>7</b>	<b>53</b>	<b>47</b>	<b>88</b>	28	80
Current liquidity (A/C)	1x	1x	1x	1.2x	1.3x	n/a	n/a

### Accounts Receivable

In 3Q18 accounts receivable from customers reached R\$215.4 million, increased R\$14.1 million when compared to 3Q17 (R\$201.3 million) and increased R\$100.4 million when compared to 4Q17 (R\$115.0 million). Accounts receivable in terms of days were up 5 days when compared to 3Q17, at 72 days attributed to a slightly unfavorable receivable days mix during this period and up 39 days when compared to 33 days in the end of 4Q17 in line with business cyclicity.

### Inventories

In 3Q18 inventories were affected by the revenue growth slow down and reached R\$243.7 million and were up R\$62.4 million when compared to 3Q17 (R\$181.3 million) and up R\$37.4 million when compared to 4Q17 (R\$206.3 million). Inventory in number of days was higher at

120 at the end of 3Q18 vs 85 days at the end of 3Q17 and 31 days higher when compared to 89 days in the end of 4Q17 and is expected to normalize in the next periods.

### Accounts Payable

In 3Q18 supplier outstanding payables were up R\$15.9 million at R\$212.2 million when compared with R\$196.4 million in 3Q17 and were lower by R\$53.9 million when compared to 4Q17 (R\$266.2 million). Payables days were up 12 days to 104 days when compared to 3Q17 and lower 11 days when compared to 4Q17 (115 days).

## Investments

### Fixed assets

In 3Q18 net property, plant and equipment was R\$189.4 million, R\$8.2 million higher than 3Q17 (R\$181.1 million) and R\$3.7 million lower than 4Q17 (R\$193.1 million).

### Intangible assets

In 3Q18 total intangible assets reached R\$155.7 million, increased R\$3.8 million from R\$151.9 million in 3Q17 and also increased R\$2.9 million when compared to R\$152.9 million in 4Q17.

FIXED ASSETS (R\$ million)	3Q17	4Q17	1Q18	2Q18	3Q18	Chg. 3Q18/ 3Q17	Chg. 3Q18/ 4Q17
Net PP&E	181.1	193.1	194.5	197.8	<b>189.4</b>	+8,2	-3.7
Intangibles	151.9	152.9	154.0	156.5	<b>155.7</b>	+3,8	+2,9
<b>Total</b>	<b>333.1</b>	<b>345.9</b>	<b>348.5</b>	<b>354.3</b>	<b>345.1</b>	<b>+12</b>	<b>-0.8</b>

## Capitalization and Liquidity

In 3Q18 cash and cash equivalents (including marketable securities) reached R\$411.2 million, compared to R\$385.3 million in 3Q17. Gross debt in 3Q18 was R\$925.3 million compared with R\$802.8 million in 3Q17. **Net debt** in 3Q18 reached R\$514.1 million compared to R\$417.6 million in the previous year.

It is worth noting that last twelve months Adjusted EBITDA stands at R\$125.1 million versus R\$79.7 million for the last twelve months ended 3Q17 (R\$104.5 million in 4Q17 – full year 2017), marking an improvement in net debt to adjusted EBITDA from 5.24x to 4.11x that puts us on-track for 3.0x at 4Q2018 and for our target of 2.5x (year end Net Debt to full year Adjusted EBITDA) in the medium term.

LIQUIDITY INDICATORS (R\$ million)	3Q17	4Q17	1Q18	2Q18	3Q18	Chg. 3Q18/ 3Q17	Chg. 3Q18/ 4Q17
<b>Cash and equivalents, bonds and securities</b>	<b>385.3</b>	<b>507.4</b>	<b>386.6</b>	<b>362.3</b>	<b>411.2</b>	<b>25.9</b>	<b>-96.2</b>
Short term debt (ST)	520.5	511.2	574.5	390.3	<b>388.5</b>	-132.0	-122.7
Long term debt (LT)	282.4	317.6	286.6	493.1	<b>536.9</b>	254.5	219.3
USD denominated debt	499.4	507.8	484.2	223.2	<b>164.9</b>	-334.5	-342.9
BRL denominated debt	27.8	28.2	27.5	279.0	<b>369.1</b>	341.3	340.9
Euro denominated debt	275.6	292.8	349.4	381.3	<b>391.3</b>	115.7	98.5
Other Currencies	0.0	0.0	0.0	0.0	<b>0.0</b>	0.0	0.0
<b>Gross debt</b>	<b>802.8</b>	<b>828.8</b>	<b>861.0</b>	<b>883.5</b>	<b>925.3</b>	<b>122.5</b>	<b>96.5</b>
<b>Net cash / (Net debt)</b>	<b>-417.6</b>	<b>-321.4</b>	<b>-474.4</b>	<b>-521.1</b>	<b>-514.1</b>	<b>-96.6</b>	<b>-192.7</b>
<b>Shareholders' equity (Equity)</b>	<b>126.1</b>	<b>97.9</b>	<b>84.8</b>	<b>70.6</b>	<b>64.5</b>	<b>-61.6</b>	<b>-33.4</b>
Cash and equiv. / ST debt	0.7x	1x	0.7x	0,9x	<b>1.1x</b>	n/a	n/a
ST debt / (ST + LT)	64.8%	61.7%	66.7%	44.2%	<b>42.0%</b>	n/a	n/a
Net cash (Net debt) / Equity	-3.3x	-3.3x	-5.6x	-7,4x	<b>-8x</b>	n/a	n/a
Net debt / (Net debt + Equity)	76.8%	76.7%	84.8%	88.1%	<b>88.9%</b>	n/a	n/a

In 3Q18 short-term debt was R\$388.5 million compared to R\$520.5 million in 3Q17 with long-term debt as a percentage of total debt up from 35.2% in 3Q17 to 58.0% in 3Q18, following new loans with longer maturity.

### Shareholders' equity

Shareholders' equity at 3Q18 was R\$64.5 million, which compares to R\$97.9 million at 4Q17. The devaluation of the Turkish Lira during 2018 (9M18: -24.1%) resulted in a negative Cumulative Translation Adjustment (CTA) of R\$25.9 million in Equity. This event has a temporary accounting effect, however no cash impact.



**CONFERENCE CALL – 3Q18 – Metalfrio  
November 14<sup>th</sup> 2018**

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## Other Information

### Management Statement

In accordance with article 25 of Instruction 480/2009 of the CVM (Brazilian Securities Commission – Comissão de Valores Mobiliários), the Company's Management states it has discussed, revised and agreed with the Independent Auditor's Opinion and with the accounting statements relative to the business by September 30<sup>th</sup>, 2018.

### Relationship with external auditors

In accordance with Instruction 381/2003 of the CVM (Brazilian Securities Commission – Comissão de Valores Mobiliários), we report that during the third quarter of 2018 we did not hire our Independent Auditors for services not related to external auditing.

The Company policy for hiring independent auditing services assures there are no conflict of interests, loss of independency or objectivity for services eventually rendered by independent auditors not related to external auditing.

### Commitment Clause

The Company, its shareholders, administrators and members of its Tax Board, if installed, are responsible for solving, through arbitration, any and every dispute or controversy that might arise among them, related or resulting, specially, of application, validity, effectiveness, interpretation, violation and its effects, of provisions set forth in the Business Corporation Act, the Company's Bylaws, in the rules edited by CMN, by the Central Bank of Brazil and by CVM, as well as in other rules applicable to operation of general capital markets, besides those included in the Regulation of *Novo Mercado*, Agreement for Participation in *Novo Mercado* and Arbitration Regulation.

### Disclaimer

Information in this report on performance that is not directly derived from the financial statements, such as, for example, information on the market, quantities produced and sold, production capacity, and the calculation of EBITDA and adjusted EBITDA has not been revised by our external auditors.

We make forward-looking statements that are subject to risks and uncertainties. These statements are based on our Management's beliefs and assumptions and information to which the company currently has access. Forward-looking statements include information about our present intentions, beliefs or expectations, and those of the members of the company's Board of Directors, and Executive Officers. Reservations in relation to statements and information about the future also include information about possible or presumed operational results, and also statements that are preceded, followed by or include the words "believe", "may", "will", "continue", "expect", "forecast", "intend", "plan", "estimate", or similar expressions.

Statements and information about the future are not guarantees of performance. They involve risks, uncertainties and suppositions because they refer to future events, and thus depend on circumstances which may or may not occur. Future results and the creation of value for stockholders may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and amounts are beyond Metalfrio's capacity to control or forecast.

Consolidated Income Statement – 3<sup>rd</sup> Quarter

(R\$ Mn)	3Q18	% Revenues	3Q17	% Revenues	Var. 3Q18 vs. 3Q17 (%)
NET REVENUES	220.8	100.0%	223.8	100.0%	-1.3%
Cost of goods	(183.0)	-82.9%	(192.4)	-86.0%	-4.9%
<b>GROSS PROFIT</b>	<b>37.8</b>	<b>17.1%</b>	<b>31.3</b>	<b>14.0%</b>	<b>20.7%</b>
<b>OPERATING INCOMES (EXPENSES)</b>					
Selling expenses	(22.7)	-10.3%	(19.8)	-8.8%	14.8%
Administrative and general expenses	(12.9)	-5.8%	(11.2)	-5.0%	15.2%
Other operating income	8.4	3.8%	8.2	3.6%	2.6%
<b>RESULTS BEFORE NET FINANCIAL</b>	<b>10.6</b>	<b>4.8%</b>	<b>8.5</b>	<b>3.8%</b>	<b>24.3%</b>
<b>NET FINANCIAL RESULT</b>					
Financial expenses	(26.0)	-11.8%	(19.3)	-8.6%	35.1%
Financial income	66.8	30.2%	24.4	10.9%	173.5%
Net exchange variation	(40.5)	-18.3%	7.5	3.4%	nm
<b>RESULTS BEFORE TAXES</b>	<b>10.9</b>	<b>4.9%</b>	<b>21.2</b>	<b>9.5%</b>	<b>-48.5%</b>
<b>INCOME AND SOCIAL CONTRIB. TAXES</b>					
Current	0.8	0.4%	0.5	0.2%	81.8%
Deferred	(1.5)	-0.7%	(1.4)	-0.6%	8.4%
<b>NET RESULT FOR THE PERIOD</b>	<b>10.2</b>	<b>4.6%</b>	<b>20.2</b>	<b>9.0%</b>	<b>-49.5%</b>

Consolidated Income Statement – 9 months accumulated

(R\$ Mn)	2018	% Revenues	2017	% Revenues	Var. 2018 vs. 2017 (%)
NET REVENUES	873.7	100.0%	727.3	100.0%	20.1%
Cost of goods	(727.8)	-83.3%	(614.7)	-84.5%	18.4%
GROSS PROFIT	145.8	16.7%	112.6	15.5%	29.5%
OPERATING INCOMES (EXPENSES)					
Selling expenses	(71.4)	-8.2%	(57.0)	-7.8%	25.3%
Administrative and general expenses	(39.9)	-4.6%	(36.0)	-4.9%	11.0%
Other operating income	25.2	2.9%	23.5	3.2%	7.4%
RESULTS BEFORE NET FINANCIAL	59.7	6.8%	43.1	5.9%	38.5%
NET FINANCIAL RESULT	(65.7)	-7.5%	(39.7)	-5.5%	65.4%
Financial expenses	(115.6)	-13.2%	(77.9)	-10.7%	48.4%
Financial income	158.4	18.1%	45.1	6.2%	251.3%
Net exchange variation	(108.5)	-12.4%	(6.9)	-0.9%	1471.4%
RESULTS BEFORE TAXES	(6.0)	-0.7%	3.4	0.5%	nm
INCOME AND SOCIAL CONTRIB. TAXES					
Current	(12.9)	-1.5%	(3.9)	-0.5%	232.5%
Deferred	(3.2)	-0.4%	1.6	0.2%	nm
NET RESULT FOR THE PERIOD	(22.0)	-2.5%	1.1	0.2%	nm

## Consolidated Balance Sheet

ASSETS (R\$ mn)	3Q18	4Q17
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	126.5	294.4
Marketable securities	284.7	213.0
Trade accounts receivable	215.4	115.0
Inventories	243.7	206.3
Recoverable taxes	49.0	29.1
Accounts receivable on derivatives	-	1.0
Other accounts receivable	9.9	8.8
<b>Total current assets</b>	<b>929.2</b>	<b>867.5</b>
<b>NON-CURRENT</b>		
Long-term receivables:		
Deferred taxes	58.6	61.7
Recoverable taxes	3.5	3.8
Property, plant and equipment	189.4	193.1
Intangible assets	155.7	152.9
<b>Total non-current</b>	<b>407.2</b>	<b>411.4</b>
<b>TOTAL</b>	<b>1,336.4</b>	<b>1,278.9</b>

LIABILITIES, NON-CONTROLLING INTEREST AND SHAREHOLDERS' EQUITY (R\$ mn)	3Q18	4Q17
<b>CURRENT LIABILITIES</b>		
Accounts payable to suppliers	212.2	266.2
Loans and financing	388.5	511.2
Tax payable	7.8	10.4
Payroll and related charges	23.2	20.1
Other provisions	31.8	27.0
Accounts payable on derivatives	42.9	-
Other accounts payable	6.7	6.4
<b>Total current liabilities</b>	<b>713.1</b>	<b>841.3</b>
<b>NON-CURRENT</b>		
Loans and financing	536.9	317.6
Taxes payable	2.2	2.7
Provision for risks	8.5	8.3
Other accounts payable	11.2	11.2
<b>Total non-current liabilities</b>	<b>558.8</b>	<b>339.7</b>
<b>SHAREHOLDERS' EQUITY</b>		
Capital	244.0	244.0
Capital reserve	2.7	2.7
Profit reserve	0.1	0.2
Equity valuation adjustments	(91.1)	(89.2)
Capital transaction between shareholders	(69.3)	(69.3)
Accumulated profits (losses)	(57.3)	(30.9)
	29.1	57.5
Non-controlling interest	35.3	40.4
<b>Total Shareholders' equity</b>	<b>64.5</b>	<b>97.9</b>
<b>TOTAL</b>	<b>1,336.4</b>	<b>1,278.9</b>

## Consolidated Cash Flow – 9M18

(R\$ mn)	9M18	9M17
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Result for the Period	<b>(22.0)</b>	<b>1.1</b>
Reconciliation of the result for the period to net cash generated by (used in) operating activities:		
Depreciation and amortization	24.4	21.0
Provision for risks	2.9	2.6
Other provisions	30.6	1.9
Provision for losses (gains) on derivatives	43.5	1.1
Exchange differences	168.3	21.7
Interest on borrowings	37.6	28.1
Residual value of fixed and intangible assets disposed of	2.0	0.8
Allowance for doubtful accounts	3.1	1.8
Provision of actuarial law	3.1	0.3
Deferred income tax and social contribution	3.2	(1.6)
	<b>296.7</b>	<b>78.8</b>
(Increase) decrease in assets:		
Current:		
Trade receivables	(60.6)	(68.1)
Inventories	(37.4)	(47.0)
Taxes recoverable	(19.9)	(11.0)
Other receivables	(1.2)	(1.2)
Noncurrent:		
Taxes recoverable	0.3	(0.5)
	<b>(118.8)</b>	<b>(127.8)</b>
<i>Increase (decrease) in liabilities:</i>		
Current:		
Trade payables	(79.6)	36.6
Taxes payable	(2.6)	(2.0)
Payroll and related charges	3.1	4.3
Payables to related parties	-	(3.3)
Current Other payables	0.3	(1.9)
Provision for risks	(2.8)	(2.1)
Others provisions	(23.6)	(10.0)
Derivative Gain and Loss	0.4	(0.5)
Taxes payables	(0.4)	2.4
Non-Current Other payables	(2.6)	0.5
	<b>(107.9)</b>	<b>23.9</b>
Net cash generated by (used in) operating activities	<b>70.1</b>	<b>(25.0)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(20.9)	(16.8)
Additions to intangible assets	(10.9)	(7.5)
Marketable securities	(71.7)	(16.1)
Net cash generated by (used in) investing activities	<b>(103.5)</b>	<b>(40.4)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New borrowings	770.6	381.9
Payment of principal	(802.6)	(311.0)
Payment of interest	(35.9)	(28.7)
Net cash (used in) generated by financing activities	<b>(67.9)</b>	<b>42.2</b>
EFFECTS OF EXCHANGE ON CASH AND CASH EQUIVALENTS	<b>(66.5)</b>	<b>(16.7)</b>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<b>(167.8)</b>	<b>(39.8)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
At the end of the period	126.5	138.3
At the beginning of the period	294.4	178.1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<b>(167.8)</b>	<b>(39.8)</b>