Marfrig reaches revenue and EBITDA records and resumes positive cash generation, with free cash flow of R$271 million in the quarter

***São Paulo, November 5, 2018** – Marfrig Global Foods S.A. – Marfrig (B3 Novo Mercado: MRFG3 and Level 1 ADR: MRRTY) announces today its results for the third quarter of 2018 (3Q18). Except where stated otherwise, the following operating and financial information is presented in nominal Brazilian real, in accordance with International Financial Reporting Standards (IFRS), and should be read together with the income statement and notes to the financial statements for the period ended September 30, 2018 filed at the Securities and Exchange Commission of Brazil (CVM).*

HIGHLIGHTS

With the conclusion of the acquisition of the controlling interest of National Beef in June 2018, Marfrig's consolidated results, as of 3Q18, includes the full impact of this business, which is now recorded as part of the Company's North America operation. For comparison purposes, results for 2017 and YTD 2018 will be presented and identified as "proforma," i.e., including 100% of the results of National Beef, except where stated otherwise.

- On August 20, Marfrig announced the sale of Keystone Foods ("Transaction") for US$2.4 billion, excluding the operation located in North Baltimore, Ohio, USA. The decision to maintain this business – beef patties production, which serves exclusively the foodservice channel, is aligned with the Company's strategic direction.

- The Transaction has already been approved by the antitrust authorities in the United States, Japan and China and by the BNDESPar. The approval of the South Korean antitrust authority, for its completion, remain in progress.

- Operating cash flow in the quarter improved significantly, to R$804 million. Free cash flow was positive by R$271 million.

- Record net revenue was R$11 billion in the quarter, 21% higher than proforma net revenue in 3Q17.

- In 3Q18, Adjusted EBITDA ("Adj EBITDA") was a record and reached R$1,080 million, with margin of 9.7%.

- On a proforma basis and including the proceeds from the sale of Keystone, leverage measured by the ratio of adjusted net debt to Adj EBITDA of the last 12 months stood at 2.57x.

EXECUTIVE SUMMARY

The stronger U.S. dollar and increased protectionism started to affect global trade dynamics in the third quarter. While the U.S. economy remained robust, China, the euro zone and emerging markets registered slower economic growth.

In the beef industry, the global scenario remained positive.

In the United States, the cattle availability combined with stronger domestic and international demand has been supporting better margins. According to the USDA, the cutout ratio (average beef price divided by average cattle cost) stood at 1.85, increasing 3% from 3Q17.

In Brazil, cattle slaughtering was 6.3 million head, representing increases of 4.3% from 3Q17 and 8.0% from 2Q18 (source: Ministry of Agriculture). The depreciation in the Brazilian real against the U.S. dollar and the normalization of activities after the truck drivers' strike in the second quarter supported stronger exports in 3Q18, which totaled 426 thousand tons, up 25% and 98% compared to 3Q17 and 2Q18, respectively. Despite signs of improvement in consumption, margins in the domestic market remained under pressure in face of the uncertain political and economic environment.

In Uruguay, the adverse weather conditions and still-firm global demand supported the upward trend in the average cattle cost, which stood at US$3.54/kg (source: Inac) in the quarter, 9% and 3% higher than in 3Q17 and 2Q18, respectively. In 3Q18, primary processing in the country stood at 558,000 head, increasing by around 7% from the same quarter of 2017.

In this scenario of challenges and opportunities, Marfrig once again report a solid performance.

Net revenue was a record of R$11 billion in 3Q18, increasing 21% from 3Q17. The Company reached a record Adjusted EBITDA of R$1,080 million, an increase of 23% on the third quarter last year (proforma basis), with margin of 9.7%.

In 3Q18, operating cash flow was R$804 million. This strong result corroborates Marfrig's strategic decision to focus on beef, supported by its diversified operating platform in the Americas. Consolidated free cash flow was R$271 million positive.

On a proforma basis, including the proceeds from the sale of Keystone, leverage measured by the ratio of adjusted net debt to Adj EBITDA in the last 12 months was 2.57x, improving 163 bps from the prior quarter, when the ratio stood at 4.20x. The new level reflects Marfrig's commitment to improving its capital structure in the long term.

Note that Marfrig is still undergoing a period of transition.

On August 20, the Company announced the divestment of Keystone for an enterprise value of US$2.4 billion. Deducting from this amount the interest held by noncontrolling shareholders[1], Marfrig's net proceeds, which will be used to reduce its gross debt, is US$2.2 billion.

[1] Non-controlling shareholders – Keystone joint ventures in Asia.

As informed, the Transaction is subject to the fulfillment of customary conditions precedent for transactions of this nature, including approval by the applicable antitrust authorities. Marfrig announced the deal's approval by the antitrust authorities in the United States, Japan and China, as well as by BNDESPAR. The approvals by the antitrust authority in South Korea is still in progress, and the Transaction is expected to be concluded in 2018.

Note that the Transaction did not include the operation in North Baltimore[2], Ohio. With production capacity of 91,000 tons of beef patties (fresh and frozen) and annual sales of US$300 million, it is one of the largest plants in the USA and serves the foodservice channel exclusively. The decision to maintain the operation is aligned with Marfrig's strategic focus on beef protein and higher-value products.

During this transition phase, the highlight was the visit, in late-September, of Senior Management of the North America operation to some production units in South America. As part of the process to ensure operating excellence and the exchange of best practices among both businesses, a "Map of Opportunities" was created focusing on the production and sales areas.

For each opportunity analyzed, the Company identified those responsible in each operation and the actions required to capture them. Some examples follow:

- Expanding and creating value for the North America portfolio with Uruguayan organic beef;
- Leverage sales in the US PET market via US commercial team;
- Integration of the commercial export structure of industrialized products from Brazil to the existing commercial structure in the USA;
- Using the North American operation platform and sales expertise in Asia for South American product sales;
- Operational benchmarking between operations in South America and North America, among other.

[2] North Baltimore operation – carve out still ongoing and therefore included in the data of Keystone Foods, which is classified as discontinued operation.

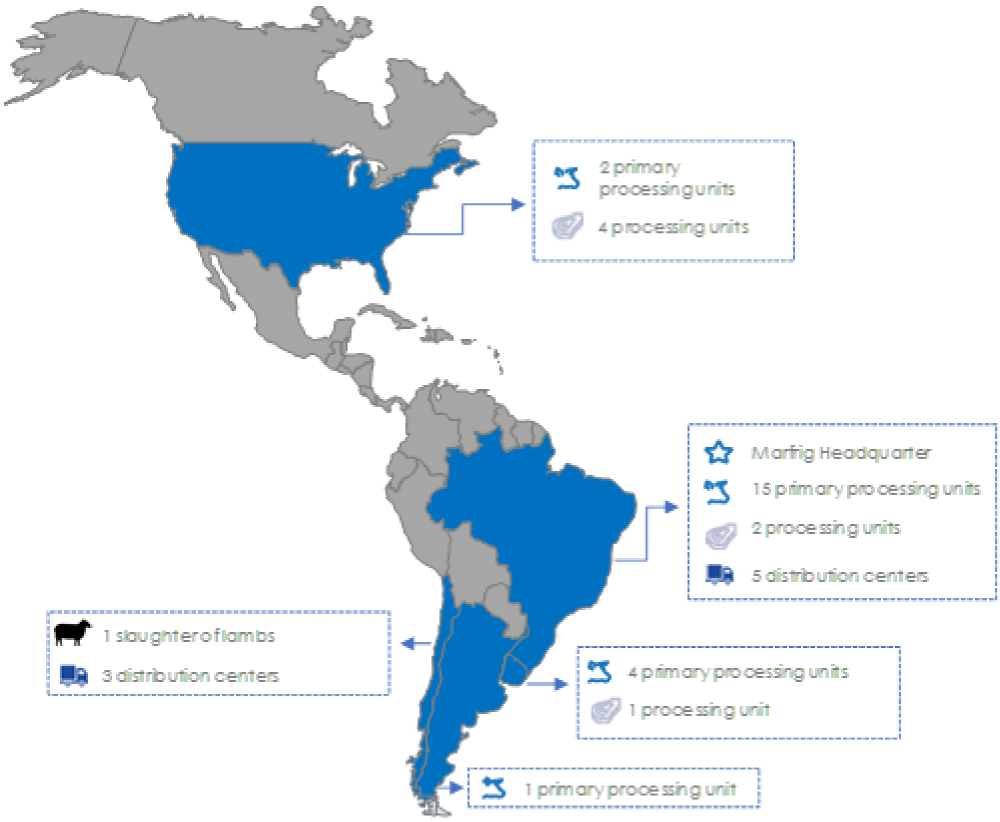
MARFRIG after strategic projects

With the redirection of its strategic focus to beef, Marfrig is now the world's 2nd largest beef producer in terms of slaughtering capacity. With a diversified production platform spanning the Americas, the Company currently serves the world's most important and most profitable consumer markets.

Country	Beef Primary Processing Units	Effective Processing Capacity (/day)	Further Processing Units
USA	2	12,000	4
BRAZIL	15	16,000	2
URUGUAY	4	3,700	1
ARGENTINA	1	800	-

In addition to 22 primary processing units in operation, Marfrig has 7 exclusive further processing units and 8 distribution centers, as well as sales offices in South America, North America and Asia.

In Chile, the Company is the country's leading beef importer. Locally, the Company has lamb primary processing capacity of 605,000 head/year. Marfrig also has two lines for slaughtering lamb in Uruguay.



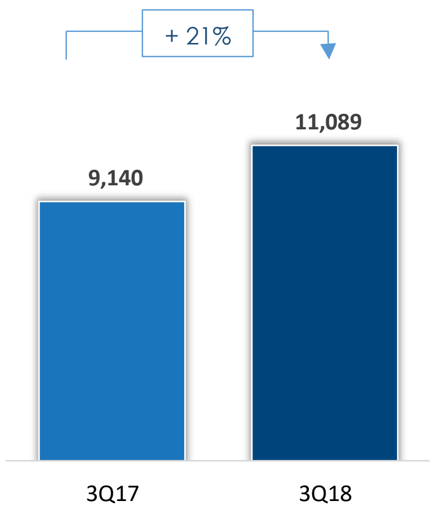
In this new context, and during the transition phase, Marfrig has decided to revisit its model for reporting its business activities. The Company will report its revenue in two regions:

- **North America:** responsible for primary processing and the deboning (primal cuts and portioning) of products from beef originating from the United States. The products are sold internally through the retail, wholesale and food service channels as well as exported to various markets. The business also includes the sale of ancillary/complementary products and subproducts from the process, the tannery and logistics operations and direct online sales to consumers.
- **South America:** responsible for the primary processing and deboning (primal and portioned cuts) of beef cattle from Brazil, Uruguay and Argentina; and to produce further processed products, such as canned meat, beef jerky, sauces, sachets and more. The products are sold internally through retail, wholesale and food service channels as well as exported to various markets. The business also includes sales of ancillary/complementary products and subproducts from the process and the distribution and sale of products in Chile.

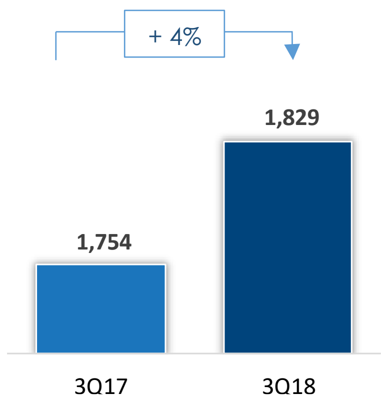
NET REVENUE

Net Revenue in 3Q18 was R$11 billion, up 21% from 3Q17 (proforma basis). This increase is explained by (i) depreciation in the Brazilian real against the U.S. dollar, which generated a gain of R$2,045 million; (ii) the higher sales volume of the operation in South America, with a positive variation of R$857 million; which offset (iii) the lower average sales price with negative variation of R$377 million and (iv) the effect of the lower number of weeks in the North American operation, with a negative impact of R$576 million.

Revenue (R$ million)



Primary Processing ('000 head)

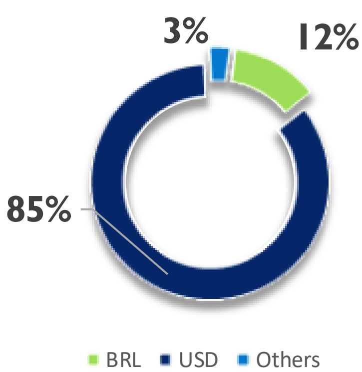


Beef primary processing came to 1,829 thousand head, growing 4% compared to 3Q17, positively influenced by the higher volume in the South America operation.

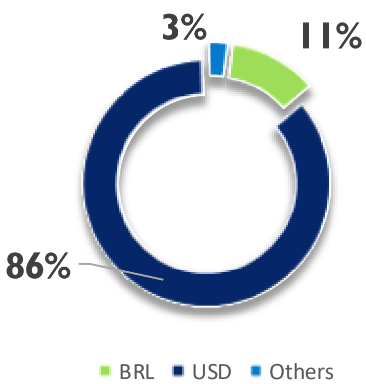
Marfrig is a highly internationalized company, and a large portion of its sales is pegged to currencies other than the Brazilian real. In 3Q18, net revenue denominated in foreign currency accounted for 89% of total revenue.

Revenue by currency (%) – R$ million

3Q17

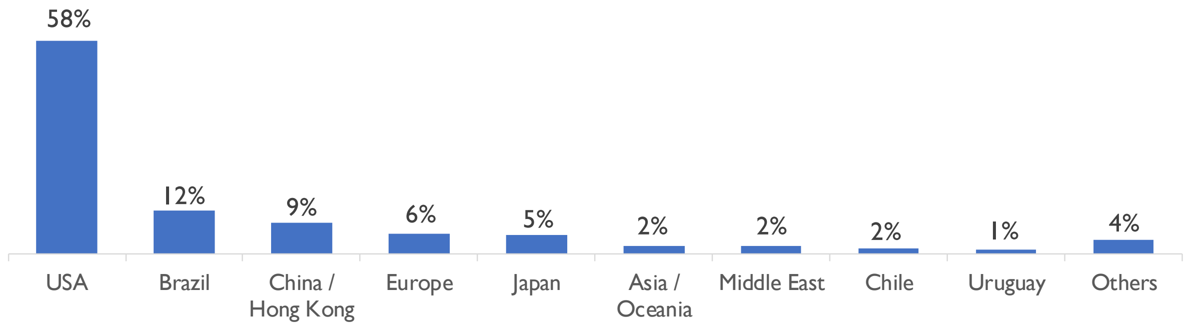


3Q18



The highlight is the new sales profile of Marfrig, which supplies to key consumer markets around the world.

Consumer Markets (% of Consolidated Net Revenue) – R$ million



Revenue by region

	3Q17	3Q18	Δ
North America (US$ million)	*2,039*	*1,881*	*- 8%*
North America (R$ milhões)	6.453	7.469	+ 16%
South America (R$ million)	2,687	3,620	+ 35%
Total Revenue (R$ milhões)	**9,140**	**11,089**	**+ 21%**

North America

Net revenue from the North America operation was US$1.9 billion, a decrease compared to 3Q17, mainly due to the lower cattle kill.

The decrease of roughly 8% in cattle slaughtering, which led to a decrease of US$146 million in net revenue, is explained by the lower number of weeks in 3Q18 (13 weeks) compared to the same period of last year (14 weeks).

In Brazilian real, net revenue was R$7,469 million, up 16%, reflecting the average depreciation in the Brazilian real against the U.S. dollar in the comparison period.

South America

In 3Q18, net revenue from the South America business was R$3.6 billion, advancing 35% on the prior-year period, explained by (i) sales volume growth of 23%, generating a positive effect of R$971 million; which offset (ii) the lower average sales price, which produced a negative effect of R$441 million. The effect from Brazilian real depreciation contributed R$403 million.

The higher sales volume in South America reflects the strategy adopted by Marfrig, which expanded its slaughter in Brazil from mid-2017 through 2018, in anticipation of stronger global demand for beef. The continued good performance of the operations in Chile and the better performance of the operations in Argentina, even with country's recent difficulties, also contributed positively to this growth.

The Brazilian operation registered sales volume growth in both domestic and export markets.

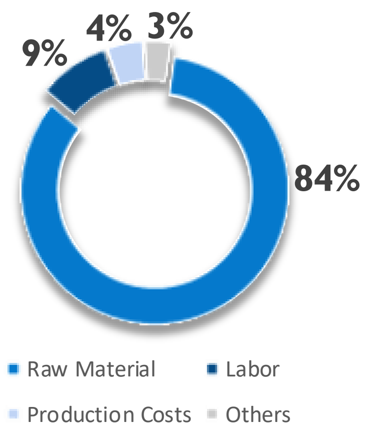
In the domestic market, in light of the more challenging political and economic scenario, which has affected consumer confidence level, Marfrig presented a solid performance, with sales volume growth of 25%. The highlight was the double-digit growth in both the foodservice & small retail channel and in the retail channel (large and small supermarket chains). The higher supply in the local market and the competition among proteins, however, led the average sales price to decline by 4.6% compared to 3Q17.

In the case of exports from Brazil, sales volume grew 49% on the same period last year. The expansion was supported by the higher primary processing and the normalization of operations following the truck drivers' strike, which affected performance in 2Q18. The average price in U.S. dollar followed the market's downward trend and also was affected by the sales mix, therefore decreasing 15% compared to 3Q17. This mix impact is explained by the share increase of volumes sold to countries from the so-called "general list" compared to more premium markets, which require specific certifications, which the Company is still in the process of obtaining. One such example is China, which should send a new mission soon to certify more plants in Brazil.

Also noteworthy is the continued solid performance delivered by Chile and Argentina, as well as the higher fed cattle slaughtering in Uruguay compared to 3Q17, leading Marfrig's share in the country (from 21% to 22%).

COST of GOODS SOLD ("COGS")

In 3Q18, Marfrig's cost of goods sold was R$9,573 million, up 19% from the year-ago period. The higher sales volume and increase in cattle cost in the South American operations partially offset the lower cattle costs in North America. The 25% average appreciation in the U.S. dollar between the periods generated a loss of R$1,525 million.



In the United States, the USDA KS Steer[3] price reference averaged US$111/cwt[4], decreasing 1.5% from 3Q17 and 5.4% from 2Q18, reflecting the higher cattle supply in the U.S. market.

In Brazil, the ESALQ São Paulo reference price for fed cattle averaged R$145/arroba in 3Q18, up 8.6% from the same period of 2017, when prices were influenced by exogenous events to the industry. Compared to the prior quarter, the average cattle price increased 4.8%, explained by the off-season period.

In Uruguay, the INAC price reference increased 9% compared to 3Q17, averaging US$3.54/kg. The increase is explained by the adverse weather conditions in the region

[3] "USDA KS Steer" is the cattle price reference in the U.S. state of Kansas.

[4] A "hundredweight," or Cwt, is a weight-measuring unit used in certain commodity contracts. In North America, a hundredweight equals 100 pounds.

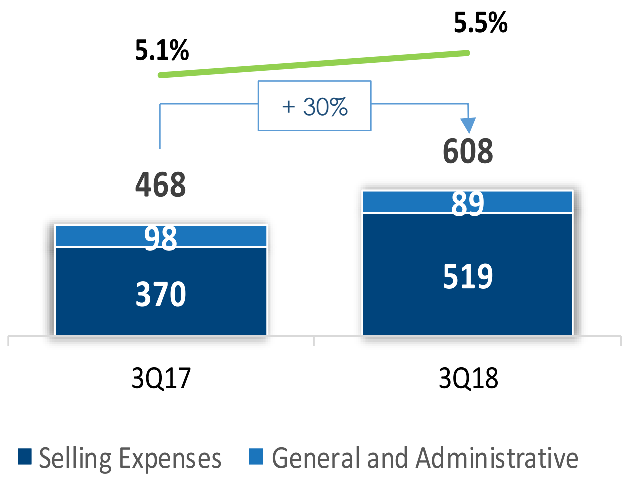
and by the continued strong global demand. Compared to the prior quarter, the average price increased 3%.

In Argentina, the cattle price reference stood at US$2.36/kg, down 30% compared to 3Q17, which benefitted from the depreciation in the Argentinean peso against the U.S. dollar.

SELLING, GENERAL & ADMINISTRATIVE EXPENSES

Selling, general and administrative (SG&A) expenses were R$608 million, which is explained by the effects from the translation into Brazilian real of amounts from the international operations, and by the higher sales volume at the Brazilian operation. As a ratio of net revenue (SG&A/NOR), SG&A expenses stood at 5.5%, increasing 40 bps from 3Q17.

SG&A Expenses (R$ million) and SG&A/NOR (%)



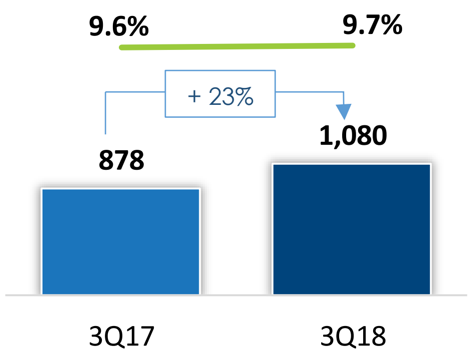
Selling expenses amounted to R$519 million, increasing 40% from 3Q17, pressured by the higher sales volume following the expansion in operational capacity in Brazil. The highlights were (i) the higher logistics expenses, influenced by export volume growth in the Brazilian operation; and (ii) the effect from the Brazilian real depreciation on the translation of amounts from the international units into the currency.

General and Administrative expenses were R$89 million, down 9% on the year-ago period.

Adjusted EBITDA

Marfrig reached and Adj EBITDA record of R$1,080 million, growing 23% compared to 3Q17 (proforma basis). Adj EBITDA margin stood at 9.7%. This performance is explained by the positive cycle of cattle in North America and the depreciation of the real effect on the dollar.

Adj. EBITDA and Adj. EBITDA Margin (R$ million and %)



FINANCIAL RESULT | Continuing Operation

The net financial result in 3Q18 was an expense of R$714 million. Excluding the effect from exchange variation, the financial result was an expense of R$572 million, or 29% higher than in 2Q18, explained by (i) the increase of R$38 million in financial expenses from working capital operations due to the higher sales volume; and (ii) by the non-recurring expenses with interest and other items, related to the bridge loan structuring for the acquisition of the controlling interest in National Beef, in the amount of R$90 million.

FINANCIAL RESULT	3Q18	2Q18	Chg.	
			R$	%
Net Interest Provisioned	(235)	(216)	(19)	9%
Market Transactions Net Result	(4)	(4)	0	-3%
Other Financial Revenues and Expenses	(244)	(200)	(44)	22%
Bridge Loan Interest and Expenses*	(90)	(22)	(68)	-
FINANCIAL RESULT EX-EXCHANGE VAR.	**(572)**	**(442)**	**(130)**	**29%**
Exchange Variation	(141)	(75)	(66)	88%
NET FINANCIAL RESULT	**(714)**	**(517)**	**(196)**	**38%**

* Bridge loan expenses started to affect Marfrig's results as of June 2018, after the disbursement for acquiring the controlling interest in National Beef.

Note: the effects from currency translation on liabilities contracted by subsidiaries abroad, whose functional currency differs from that of the parent company, are recorded under shareholders' equity.

NET INCOME (LOSS) | Continuing Operations

In 3Q18, the net loss from continuing operations was R$126 million. This result was influenced by the negative effect from the average depreciation in the Brazilian real of roughly 10% in the quarter on interest and debt and by the non-recurring expenses of the bridge loan, which will be eliminated once the Company receives the proceeds from the Keystone divestment.

DEBT | Continuing Operation

Because a large portion of Marfrig's debt is denominated in U.S. dollar (debt denominated in USD or currencies other than the BRL ended the quarter at roughly 98.9% of total debt), the variations discussed in this section are based on the amounts in U.S. dollar.

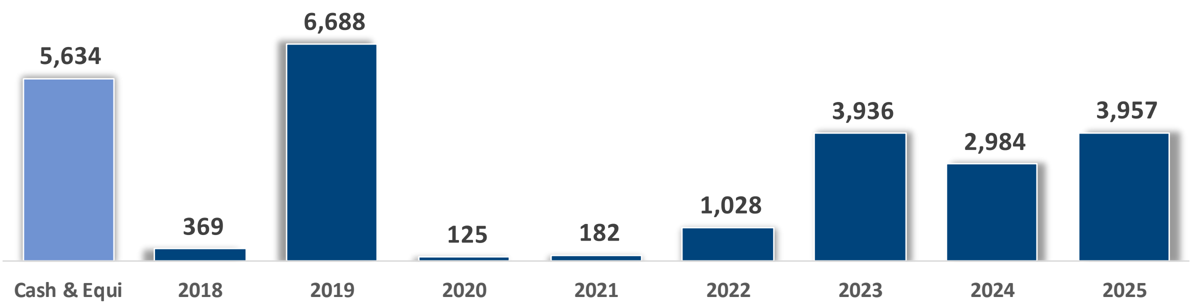
At September 30, the Company's gross debt stood at US$4,830 million, down 1% from the end of the prior quarter. In Brazilian real, gross debt was R$19,338 million, influenced by the Brazilian real depreciation[5] of 3.8% in the period.

The balance of cash and marketable securities stood at US$1,407 million, decreasing 4% from 2Q18. In Brazilian real, the cash balance was R$5,634 million.

Accordingly, Marfrig's continuing net debt ended the quarter at US$3,423 million, stable compared to 2T18. In Brazilian real, net debt stood at R$13,704 million.

Debt Maturity Schedule | Continuing Operation

(R$ million)



Average Cost (% p.a.)	Average Term (years)	Current liquidity
7.10%	3.65	1.09

Debt and Leverage | Continuing Operation and Keystone

For the purpose of calculating leverage, and to facilitate comparison with previous quarters, in this segment we will return to Keystone's debt, which since 1Q18 has been classified as available-for-sale assets.

At September 30, the Company's proforma gross debt stood at US$5,803 million, the balance of cash and marketable securities stood at US$1,577 million and, consequently, net debt ended the quarter at US$4,227 million.

In Brazilian real, proforma gross debt was R$23,236 million, the balance of cash and marketable securities was R$6,313 million and, therefore, net debt was R$16,923 million.

[5] On September 30, 2018, the closing exchange rate of the BRL against the USD was R$4.004/R$ 1.00.

Considering the proceeds from the sale of Keystone of US$2.2 billion, adjusted net debt in the quarter was US$2,071 million, down 49% compared to 2Q18. In Brazilian real, adjusted net debt was R$8,291 million.

Financial leverage, calculated as the ratio of adjusted net debt (post Keystone sale) and proforma[6] Adj EBITDA LTM (last 12 months) of R$3,225 million was 2.57x. When measured in U.S. dollars this ratio was 2.30x.

Adjusted net debt / Adj EBITDA LTM (BRL)	Adjusted net debt / Adj EBITDA LTM (USD)
2.57x	**2.30x**

Note: the calculation of the leverage ratio for the purpose of complying with the financial covenants of bank and capital market funding transactions, whose limit is 4.75x, includes provisions that allow for excluding exchange-variation effects. Accordingly, the ratio for this purpose ended 3Q18 at 3.20x (for more information, see Note 20.3 to the financial statements).

CASH FLOW

Marfrig's operating cash flow was positive R$804 million, mainly due to the strong performance of EBITDA, as already explained (positive cattle cycle and volume) and lower working capital needs in the quarter.

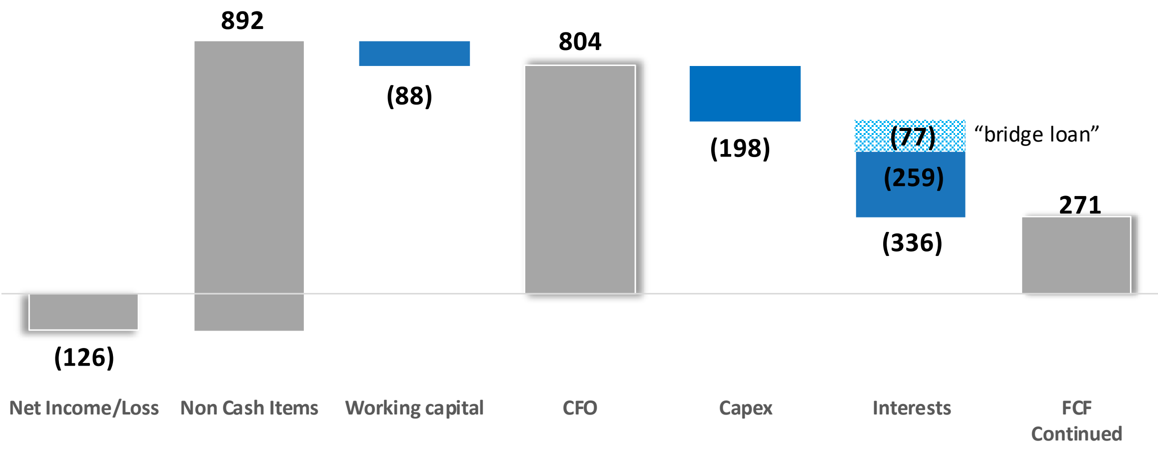
In 3Q18, investments amounted to R$198 million, equally divided between the regions of North and South America.

Interest expenses amounted to R$336 million. Note that this amount includes R$77 million related to the non-recurring interest and expenses with the bridge loan to acquire the controlling interest in National Beef, which will be settled upon receipt of the proceeds from the sale of Keystone.

Consequently, Marfrig recorded consolidated free cash flow of R$271 million positive in the quarter.

[6] Includes proforma data from the North America operation and excludes the result from Keystone.

Cash Flow (R$ million)



INVESTMENTS (CAPEX)

Marfrig's capital expenditure amounted to R$198 million in 3Q18, 55% of which allocated to the maintenance of assets and 45% to growth projects. As an example, we have the expansion of the portfolio of industrialized products in South America; expanding the storage space in Dodge City, KS and expansion portioned capacity in Moultrie, GA, in North America.

(R$ Million)	3Q18	9M18
	R$	R$
Investments	-	3,659
Investments in Fixed Assets	195	458
Investments in Intangigle Assets	3	7
TOTAL	198	4,123

OUTLOOK & CLOSING REMARKS

In its October report, the International Monetary Fund (IMF) reduced its forecast for world economic growth from 3.9% to 3.7% in 2018, citing the growing tension between the United States and its trade partners.

In the specific case of the United States and China, the institution maintained its growth forecasts of 2.9% and 6.6%, respectively, for 2018. However, for 2019, the IMF expects deceleration of 0.2 percentage points in both countries, due to the recently announced trade measures, which include duties on US$200 million in imports from China.

In the U.S. beef industry, despite the positive cattle cycle, the short-term expectation is for a gradual decrease in profitability, reflecting the seasonal narrowing of margins in the period. For the medium term, the continued moderate expansion in the herd and in demand should sustain industry margins. The point of concern is related to the country's weather conditions (drought) and the consequent increase in the slaughtering of cows above the initial expectation.

In emerging markets and developing economies, a steeper decline was observed in the growth prospects of countries such as Argentina, Brazil, Mexico, Iran and Turkey.

Regarding the industry in Brazil, the higher supply of animals (positive phase of the cattle cycle) and the weaker Brazilian real against the U.S. dollar have made the country more competitive globally. For the year, the expectation is for export volume to grow 5% compared to 2017 (source: Rabobank). In the domestic market, despite the challenging political and economic scenario, a gradual increase in beef consumption is expected in relation to the levels recorded during the recent recession.

The risk factors to this scenario are associated with a sharper slowdown in world economic growth and stronger depreciations in the currencies of emerging nations, which could lead to contraction in household consumption. Specifically, with regard to the protein industry, disease remains a key risk factor for the business.

Marfrig's strategy is guided by the generation of sustainable value. The five main pillars are:

Financial Strength: with free cash flow, net income and distribution of dividends;

Operating Excellence: synergic integration among units, management, performance and food safety;

Sustainability: Social and Environmental Responsibility, Partnerships with Producers and Organizations, and Animal Welfare;

Products and Clients: higher-value products, leveraging sales and the portfolio and increasing brand value; and lastly

Corporate Governance: with best practices, greater transparency and constant enhancement of the compliance system.

UPCOMING EVENTS

Earnings Conference Call

Date: November 6, 2018

Portuguese	English
9 a.m. (Brasília)	11 a.m. (Brasília)
6 a.m. (US EST)	**8 a.m. (US EST)**
11 a.m. (London)	2 p.m. (London)
Dial in Brazil: + 55 (11) 3193-1001 or 2820-4001	Dial in Other countries: + 1 (646) 828-8246
Code: Marfrig	Code: Marfrig

Live audio webcast with slide presentation.
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APPENDIX LIST

APPENDIX I

Income Statement

Consolidated Quarterly | Continuing Operation

(R$ million)

	3Q18 (a)		3Q17 (b)		2Q18 (c)		(a/b) Chg.		(a/c) Chg.	
	R$	%NOR	R$	%NOR	R$	%NOR	R$	%	R$	%
Net Revenues	**11,089**	**100%**	**2,687**	**100%**	**5,115**	**100%**	**8,402**	**313%**	**5,974**	**117%**
COGS	(9,573)	-86%	(2,299)	-86%	(4,360)	-85%	(7,275)	316%	(5,213)	120%
Gross Profit	**1,516**	**14%**	**388**	**14%**	**755**	**15%**	**1,127**	**290%**	**761**	**101%**
SG&A	**(608)**	**-5%**	**(212)**	**-8%**	**(393)**	**-8%**	**(396)**	**187%**	**(216)**	**55%**
Commercial	(519)	-5%	(150)	-6%	(262)	-5%	(369)	247%	(257)	98%
Administratives	(89)	-1%	(62)	-2%	(131)	-3%	(27)	43%	42	-32%
Adj. EBTIDA*	**1,080**	**10%**	**238**	**9%**	**461**	**9%**	**842**	**354%**	**619**	**134%**
Others revenues/expenses	(26)	0%	(22)	-1%	(646)	-13%	(4)	18%	620	-96%
EBITDA	**1,055**	**10%**	**216**	**8%**	**(185)**	**-4%**	**838**	**388%**	**1,239**	**-672%**
Equity Account	0	0%	0	0%	-	0%	(0)	-100%	0	0%
D&A	(173)	-2%	(62)	-2%	(99)	-2%	(111)	181%	(74)	74%
EBIT	**882**	**8%**	**155**	**6%**	**(284)**	**-6%**	**727**	**470%**	**1,166**	**-411%**
Financial Results	**(714)**	**-6%**	**(419)**	**-16%**	**(517)**	**-10%**	**(295)**	**70%**	**(196)**	**38%**
Financial revenues/expenses	**(572)**	**-5%**	**(383)**	**-14%**	**(442)**	**-9%**	**(189)**	**49%**	**(130)**	**29%**
Exchange rate variation	**(141)**	**-1%**	**(36)**	**-1%**	**(75)**	**-1%**	**(106)**	**297%**	**(66)**	**88%**
Minority Stake	**(380)**	**-3%**	**(0)**	**0%**	**(148)**	**-3%**	**(380)**	**-**	**(232)**	**157%**
EBT	**(212)**	**-2%**	**(264)**	**-10%**	**(949)**	**-19%**	**52**	**-20%**	**737**	**-78%**
Taxes	**86**	**1%**	**88**	**3%**	**367**	**7%**	**(2)**	**-3%**	**(281)**	**-77%**
Continued Op. - Controller Shareholder Net	**(126)**	**-1%**	**(175)**	**-7%**	**(582)**	**-11%**	**49**	**-28%**	**456**	**-78%**
Descontinued Ops. + Capital Gain	**46**	**0%**	**114**	**4%**	**45**	**1%**	**(68)**	**-60%**	**1**	**3%**
Controller Shareholder Net Profit	**(80)**	**-1%**	**(62)**	**-2%**	**(538)**	**-11%**	**(19)**	**30%**	**457**	**-85%**
P&L - USD x BRL	**R$ 3.96**		**R$ 3.16**		**R$ 3.61**		**0.79**	**25.1%**	**0.35**	**9.8%**
BS - USD x BRL	**R$ 4.00**		**R$ 3.17**		**R$ 3.86**		**0.84**	**26.4%**	**0.15**	**3.8%**

(*) Excludes the effects from other operating income/expenses.

APPENDIX I

Income Statement

Consolidated Quarterly | Continuing Operation

(R$ million)

	9M18 (a)		9M17 (b)		(a/b) Chg.	
	R$	%NOR	R$	%NOR	R$	%
Net Revenues	**19,267**	**100%**	**7,021**	**100%**	**12,246**	**174%**
COGS	(16,624)	-86%	(6,101)	-87%	(10,523)	172%
Gross Profit	**2,644**	**14%**	**920**	**13%**	**1,723**	**187%**
SG&A	**(1,254)**	**-7%**	**(588)**	**-8%**	**(666)**	**113%**
Commercial	(970)	-5%	(404)	-6%	(566)	140%
Administratives	(284)	-1%	(184)	-3%	(100)	54%
Adj. EBTIDA*	**1,723**	**9%**	**512**	**7%**	**1,211**	**236%**
Others revenues/expenses	(700)	-4%	(128)	-2%	(571)	446%
EBITDA	**1,024**	**5%**	**384**	**5%**	**640**	**166%**
Equity Account	0	0%	0	0%	(0)	-100%
D&A	(334)	-2%	(180)	-3%	(153)	85%
EBIT	**690**	**4%**	**204**	**3%**	**486**	**238%**
Financial Results	**(1,702)**	**-9%**	**(1,411)**	**-20%**	**(291)**	**21%**
Financial revenues/expenses	**(1,435)**	**-7%**	**(1,294)**	**-18%**	**(140)**	**11%**
Exchange rate variation	**(268)**	**-1%**	**(116)**	**-2%**	**(151)**	**130%**
Minority Stake	**(529)**	**-3%**	**(0)**	**0%**	**(528)**	**-**
EBT	**(1,540)**	**-8%**	**(1,207)**	**-17%**	**(333)**	**28%**
Taxes	**584**	**3%**	**428**	**6%**	**157**	**37%**
Continued Op. - Controller Shareholder Net	**(956)**	**-5%**	**(779)**	**-11%**	**(177)**	**23%**
Descontinued Ops. + Capital Gain	**135**	**1%**	**317**	**5%**	**(182)**	**-57%**
Controller Shareholder Net Profit	**(821)**	**-4%**	**(462)**	**-7%**	**(359)**	**78%**
P&L - USD x BRL	**R$ 3.60**		**R$ 3.17**		**0.43**	**13.5%**
BS - USD x BRL	**R$ 4.00**		**R$ 3.17**		**0.84**	**26.4%**

(*) Excludes the effects from other operating income/expenses.

APPENDIX II

EBITDA Calculation | Continuing Operation

Quarterly

(R$ million)

RECONCILIATION OF ADJUSTED EBITDA (R$ million)	3Q18	3Q17	2Q18
Net Profit / Loss	**(126)**	**(175)**	**(582)**
(+) Provision for income and social contribution taxes	(86)	(88)	(367)
(+) Non-controlling Interest	380	0	148
(+) Net Exchange Variation	141	36	75
(+) Net Financial Charges	572	383	442
(+) Depreciation & Amortization	173	62	99
EBITDA*	**1.055**	**216**	**(185)**
(+) Other Operacional Revenues/Expenses	26	22	646
Adj. EBITDA	**1.080**	**238**	**461**

(*) Excludes the effects from other operating income/expenses.

Year to date

(R$ million)

RECONCILIATION OF ADJUSTED EBITDA (R$ million)	9M18	9M17
Net Profit / Loss	**(956)**	**(779)**
(+) Provision for income and social contribution taxes	(498)	(428)
(+) Non-controlling Interest	148	0
(+) Net Exchange Variation	126	116
(+) Net Financial Charges	862	1,294
(+) Depreciation & Amortization	161	180
(+) Equity Income	-	(0)
EBITDA*	**(31)**	**384**
(+) Other Operacional Revenues/Expenses	674	128
Adj. EBITDA	**643**	**512**

(*) Excludes the effects from other operating income/expenses.

APPENDIX III

Income Statement | Proforma

(R$ million)

	3Q18 (a)		3Q17 (b)		2Q18 (c)		(a/b) Chg.		(a/c) Chg.	
	R$	%NOR	R$	%NOR	R$	%NOR	R$	%	R$	%
Net Revenues	**11,089**	**100%**	**9,140**	**100%**	**9,944**	**100%**	**1,949**	**21%**	**1,144**	**12%**
COGS	(9,573)	-86%	(7,938)	-87%	(8,598)	-86%	(1,635)	21%	(975)	11%
Gross Profit	**1,516**	**14%**	**1,202**	**13%**	**1,346**	**14%**	**314**	**26%**	**170**	**13%**
SG&A	**(608)**	**-5%**	**(468)**	**-5%**	**(593)**	**-6%**	**(140)**	**30%**	**(15)**	**3%**
Commercial	(519)	-5%	(370)	-4%	(434)	-4%	(149)	40%	(85)	20%
Administratives	(89)	-1%	(98)	-1%	(159)	-2%	8	-9%	70	-44%
Adj. EBITDA*	**1,080**	**10%**	**878**	**10%**	**918**	**9%**	**202**	**23%**	**162**	**18%**
Others revenues/expenses	(26)	0%	(20)	0%	(643)	-6%	(5)	26%	617	-96%
EBITDA	**1,055**	**10%**	**858**	**9%**	**275**	**3%**	**197**	**23%**	**779**	**283%**
Equity Account	0	0%	0	0%	0	0%	(0)	-100%	0	151%
D&A	(173)	-2%	(145)	-2%	(165)	-2%	(28)	19%	(8)	5%
EBIT	**882**	**8%**	**713**	**8%**	**110**	**1%**	**169**	**24%**	**771**	**698%**
Financial Results	**(714)**	**-6%**	**(419)**	**-5%**	**(513)**	**-5%**	**(295)**	**70%**	**(201)**	**39%**
Financial revenues/expenses	**(572)**	**-5%**	**(383)**	**-4%**	**(438)**	**-4%**	**(189)**	**49%**	**(134)**	**31%**
Exchange rate variation	**(141)**	**-1%**	**(36)**	**0%**	**(75)**	**-1%**	**(106)**	**297%**	**(66)**	**88%**
Minority Stake	**(380)**	**-3%**	**(0)**	**0%**	**(148)**	**-1%**	**(380)**	**-**	**(232)**	**157%**
EBT	**(212)**	**-2%**	**295**	**3%**	**(551)**	**-6%**	**(507)**	**-172%**	**338**	**-61%**
Taxes	**86**	**1%**	**88**	**1%**	**368**	**4%**	**(2)**	**-3%**	**(282)**	**-77%**
Continued Op. - Controller Shareholder Net	**(126)**	**-1%**	**383**	**4%**	**(183)**	**-2%**	**(509)**	**-133%**	**56**	**-31%**
Descontinued Ops. + Capital Gain	**46**	**0%**	**114**	**1%**	**45**	**0%**	**(68)**	**-60%**	**1**	**3%**
Controller Shareholder Net Profit	**(80)**	**-1%**	**497**	**5%**	**(138)**	**-1%**	**(577)**	**-116%**	**58**	**-42%**
P&L - USD x BRL	**R$ 3.96**		**R$ 3.16**		**R$ 3.61**		**0.79**	**25.1%**	**0.35**	**9.8%**
BS - USD x BRL	**R$ 4.00**		**R$ 3.17**		**R$ 3.86**		**0.84**	**26.4%**	**0.15**	**3.8%**

Consolidated YTD – Proforma Quarterly

(R$ million)

	9M18 (a)		9M17 (b)		(a/b) Chg.	
	R$	%NOR	R$	%NOR	R$	%
Net Revenues	**29,882**	**100%**	**24,396**	**100%**	**5,487**	**22%**
COGS	(26,184)	-88%	(21,784)	-89%	(4,399)	20%
Gross Profit	**3,699**	**12%**	**2,611**	**11%**	**1,088**	**42%**
SG&A	**(1,698)**	**-6%**	**(1,286)**	**-5%**	**(413)**	**32%**
Commercial	(1,351)	-5%	(1,001)	-4%	(350)	35%
Administratives	(348)	-1%	(285)	-1%	(63)	22%
Adj. EBTIDA*	**2,483**	**8%**	**1,738**	**7%**	**745**	**43%**
Others revenues/expenses	(685)	-2%	(116)	0%	(569)	489%
EBITDA	**1,797**	**6%**	**1,621**	**7%**	**176**	**11%**
Equity Account	0	0%	0	0%	(0)	-100%
D&A	(482)	-2%	(412)	-2%	(70)	17%
EBIT	**1,315**	**4%**	**1,209**	**5%**	**106**	**9%**
Financial Results	**(1,698)**	**-6%**	**(1,411)**	**-6%**	**(287)**	**20%**
Financial revenues/expenses	**(1,430)**	**-5%**	**(1,294)**	**-5%**	**(136)**	**10%**
Exchange rate variation	**(268)**	**-1%**	**(116)**	**0%**	**(151)**	**130%**
Minority Stake	**(529)**	**-2%**	**(0)**	**0%**	**(528)**	**-**
EBT	**(911)**	**-3%**	**(202)**	**-1%**	**(709)**	**351%**
Taxes	**585**	**2%**	**428**	**2%**	**157**	**37%**
Continued Op. - Controller Shareholder Ne	**(326)**	**-1%**	**226**	**1%**	**(552)**	**-244%**
Descontinued Ops. + Capital Gain	**135**	**0%**	**317**	**1%**	**(182)**	**-57%**
Controller Shareholder Net Profit	**(191)**	**-1%**	**543**	**2%**	**(734)**	**-135%**
P&L - USD x BRL	**R$ 3.60**		**R$ 3.17**		**0.43**	**13.5%**
BS - USD x BRL	**R$ 4.00**		**R$ 3.17**		**0.84**	**26.4%**

The information herein designated as "proforma" is not part of the financial statements/ financial information required by the practices adopted in Brazil, IFRS and CVM and was not revised by the independent auditors.

APPENDIX IV
Balance Sheet
(R$ '000)

ASSETS	3Q18	4Q17
CURRENT ASSETS		
Cash and Marketable Securities	5.634.135	4.402.353
Trade accounts receivable	1.439.672	924.998
Inventories of goods and merchandise	2.305.300	1.759.871
Biological assets	14.619	119.621
Recoverable taxes	2.151.295	2.089.129
Prepaid expenses	48.178	111.913
Notes receivable	136.094	24.108
Advances to suppliers	70.535	50.012
Held-for-sale assets	6.572.836	161.860
Other receivables	279.095	94.783
	18.651.759	**9.738.648**
NON CURRENT ASSETS		
Court deposits	54.206	72.922
Notes receivable	284	93.899
Deferred income and social contributio	2.407.993	2.227.316
Recoverable taxes	1.782.453	1.763.641
Other receivables	74.649	50.968
	4.319.585	**4.208.746**
Investments	14.310	21.064
Property, plant and equipment	5.076.718	4.435.194
Biological assets	0	54.758
Intangible assets	5.396.218	2.843.389
	10.487.246	**7.354.405**
TOTAL ASSETS	**33.458.590**	**21.301.799**

LIABILITIES	3Q18	4Q17
CURRENT LIABILITIES		
Trade accounts payable	1.676.861	2.159.031
Supply chain finance	179.216	195.041
Accrued payroll and related charges	611.461	251.071
Taxes payable	308.665	312.131
Loans and financing	7.048.302	1.846.164
Notes payable	220.934	165.550
Lease payable	3.308	11.963
Advances from customers	1.001.024	795.783
Liabilities related to held-for-sale assets	5.777.466	82.232
Other payables	211.818	202.203
	17.039.055	**6.021.169**
NON CURRENT LIABILITIES		
Loans and financing	12.289.649	10.581.034
Taxes payable	854.597	948.442
Deferred income and social contribution	116.467	251.088
Provisions for contingencies	92.366	88.828
Lease payable	2.656	19.819
Notes payable	321.118	378.085
Advances from customers	400.390	330.800
Other	91.403	47.824
	14.168.646	**12.645.920**
Non-controlling interest	**2.045.692**	**242.178**
CONTROLLING SHAREHOLDER´S EQUITY		
Share Capital	7.319.467	7.319.467
Capital reserve	179.177	181.224
Profit reserves	34.466	38.362
Other comprehensive income	(1.791.956)	(425.222)
Accumulated losses	(5.535.957)	(4.721.299)
	205.197	**2.392.532**
TOTAL LIABILITIES	**33.458.590**	**21.301.799**

APPENDIX V
Cash Flow
(R$ million)

Continued Free Cash Flow	3Q18	2Q18	9M18
Net Income/Loss	(126)	(582)	(956)
(+/-) Non cash items	1,018	847	2,138
(+/-) Account Receivable	(18)	99	164
(+/-) Inventories	22	(317)	(231)
(+/-) Suppliers	1	(192)	(373)
(+/-) Others	(93)	(10)	(123)
(=) Operational Cash Flow	804	(155)	619
(-) Total Capex	(198)	(3,813)	(4,123)
(-) Investments in Fixed Assest	(198)	(156)	(465)
(-) Capex		(3,657)	(3,659)
(-) Interest expenses	(336)	(255)	(794)
Continued Free Cash Flow	**271**	**(568)**	**(639)**
Continued Free Cash Flow with the Acquisition	**271**	**(4,223)**	**(4,298)**