

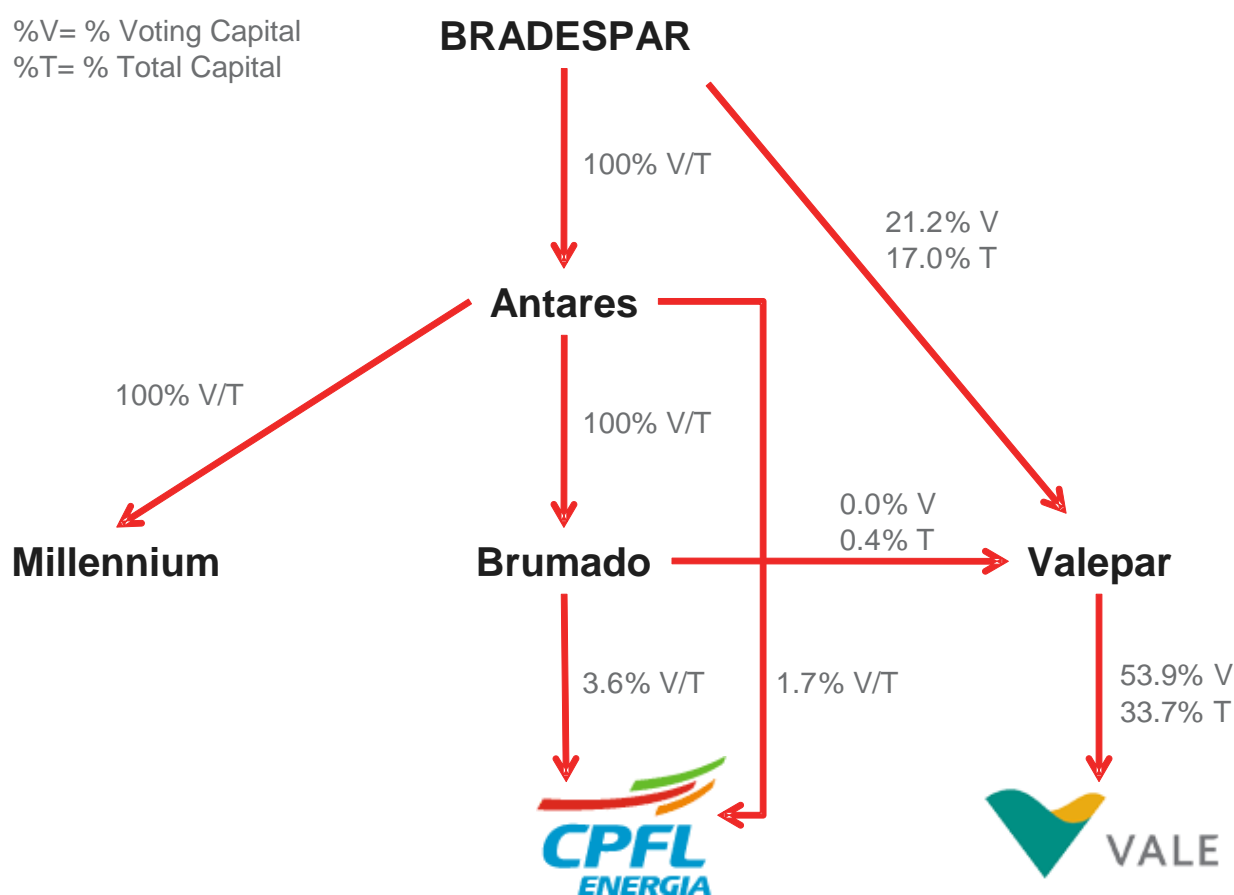
INVESTOR RELATIONS REPORT 1Q13 RESULTS



1Q13 Earnings Release

São Paulo, Brazil, May 15, 2013 – BRADESPAR [BM&FBOVESPA: BRAP3 (ON), BRAP4 (PN); LATIBEX: XBRPO (ON), XBRPP (PN)] announces its results for 1Q13.

Corporate Structure – 03.31.2013



COMMENTS ON THE COMPANY'S PERFORMANCE

The table below shows the consolidated results, in accordance with accounting practices adopted in Brazil.

Income Statement	(R\$ thousand)		
	1Q13	1Q12 ^(*)	% Chg.
Equity Income	336,367	359,073	-6.3%
Redeemable Shares - Interest	36,852	45,243	-18.5%
Operating Revenue	373,219	404,316	-7.7%
Financial Revenue (Expenses)	(12,705)	(17,319)	-26.6%
General and Administrative Expenses	(1,346)	(2,297)	-41.4%
Payroll Expenses	(1,200)	(910)	31.9%
Operational Result before Income Tax/Social Contribution	357,968	383,790	-6.7%
Income Tax and Social Contribution	-	(43)	-
Net Income	357,968	383,747	-6.7%

(*) Period adjusted for changes in accounting practices.

OPERATING REVENUE

As an investment Company, BRADESPAR's operating revenue comes from equity income (which includes dividends and interest on equity) from Valepar/VALE, interest on redeemable shares from Valepar and dividends and interest on equity from CPFL Energia.

In 1Q13, BRADESPAR recorded operating revenue of R\$373.2 million, made of R\$336.3 million from equity income from Valepar/VALE, and R\$36.9 million from interest of redeemable shares from Valepar.

It is important to note that VALE, in the first quarter of 2013, recorded a strong operating performance in basic metals, with copper and cobalt reaching record production levels and nickel posting its best performance in the first quarter since 2009. In line with this, VALE developed several successful initiatives to improve costs and expenses, leveraging its competitive advantages.

FINANCIAL RESULT

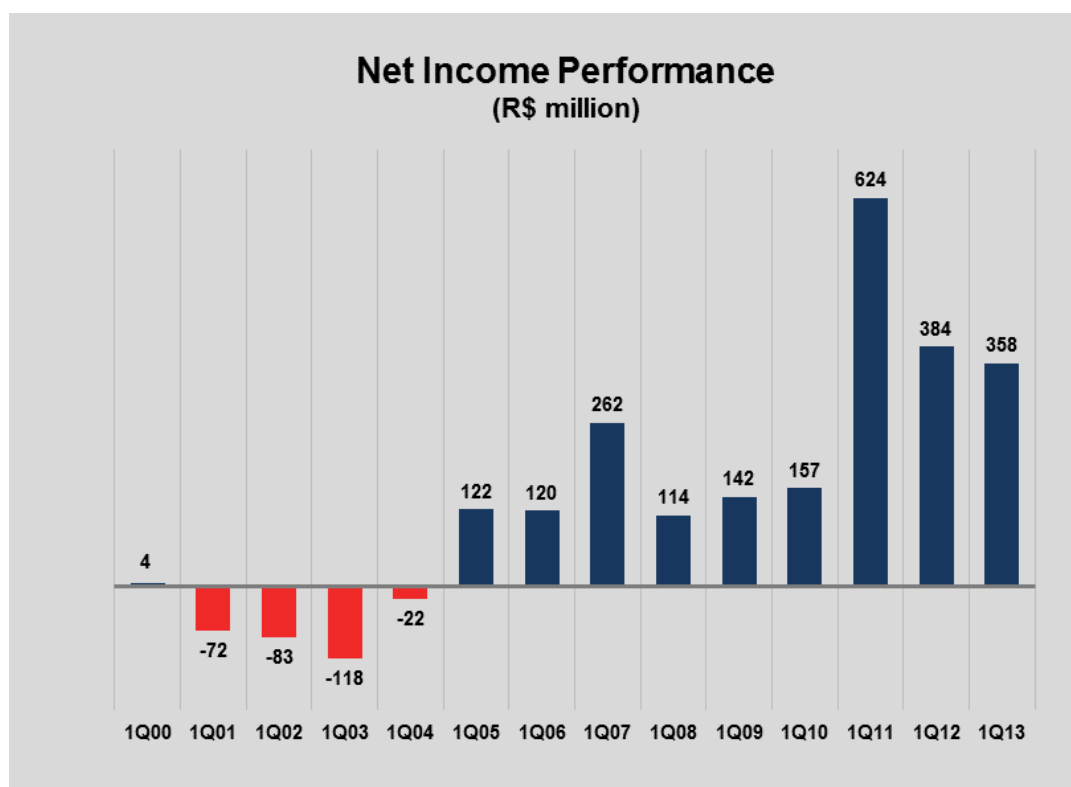
In 1Q13, BRADESPAR registered a net financial expense of R\$12.7 million, lower than the same period of 2012, mainly due to interest on its debenture issue, calculated based on the CDI, which decreased from 2.4% in 1Q12 to 1.6% in 1Q13, impacted by the basic interest rate (SELIC) decrease in the period.

PAYROLL, GENERAL AND ADMINISTRATIVE EXPENSES

In 1Q13, payroll expenses was R\$1.2 million. General and administrative expenses totaled R\$1.3 million, versus R\$2.3 million in the same period in 2012, representing a decline of 41.4%.

NET INCOME FOR THE PERIOD

BRADESPAR's net income was R\$358.0 million in 1Q13, reflecting the results posted by VALE.



COMMENTS ON OPERATIONAL INVESTEEES**VALE**

The world's largest producer of iron ore and pellets, VALE is present in 37 countries in five continents. The largest private company in Latin America, it operates in mining (production and sales), logistics, fertilizers, electricity generation and steel. It is also the world's second largest producer of nickel, with applications in manufacturing stainless steel and alloys used in the production of aircraft, automobiles, mining and energy equipment, batteries, among others.

VALE trades on the BM&FBOVESPA (VALE3 and VALE5), the New York Stock Exchange (NYSE) (VALE and VALE.P), the NYSE Euronext Paris (VALE3 and VALE5), the Latibex (XVALO and XVALP) and the Hong Kong Stock Exchange (HKEx) (6210 and 6230).

VALE's main highlights in 1Q13, in comparison with 1Q12, were:

- Operating revenue of R\$ 22.3 billion (+6.5%);
- Adjusted EBITDA of R\$ 10.4 billion (+17.9%); and
- Net income of R\$ 6.4 billion (+0.8%).

CPFL ENERGIA

CPFL Energia is a holding company that generates distributes, and commercializes electricity in Brazil through its subsidiaries in both the regulated and free markets. It is also largest private group in the Brazilian electricity segment.

Control of CPFL is shared between VBC Energia S.A. (Camargo Corrêa) – 24.4%, BB Carteira Livre I FIA (Previ) – 30% and Bonaire Participações S.A. and Energia São Paulo FIP (Funcesp, Petros, Sistel and Sabesprev) – 15.1% jointly. The remaining 30.5% corresponds to the free float, 5.3% of which is held by BRADESPAR.

In 1Q13, CPFL Energia's results, in comparison with 1Q12, were:

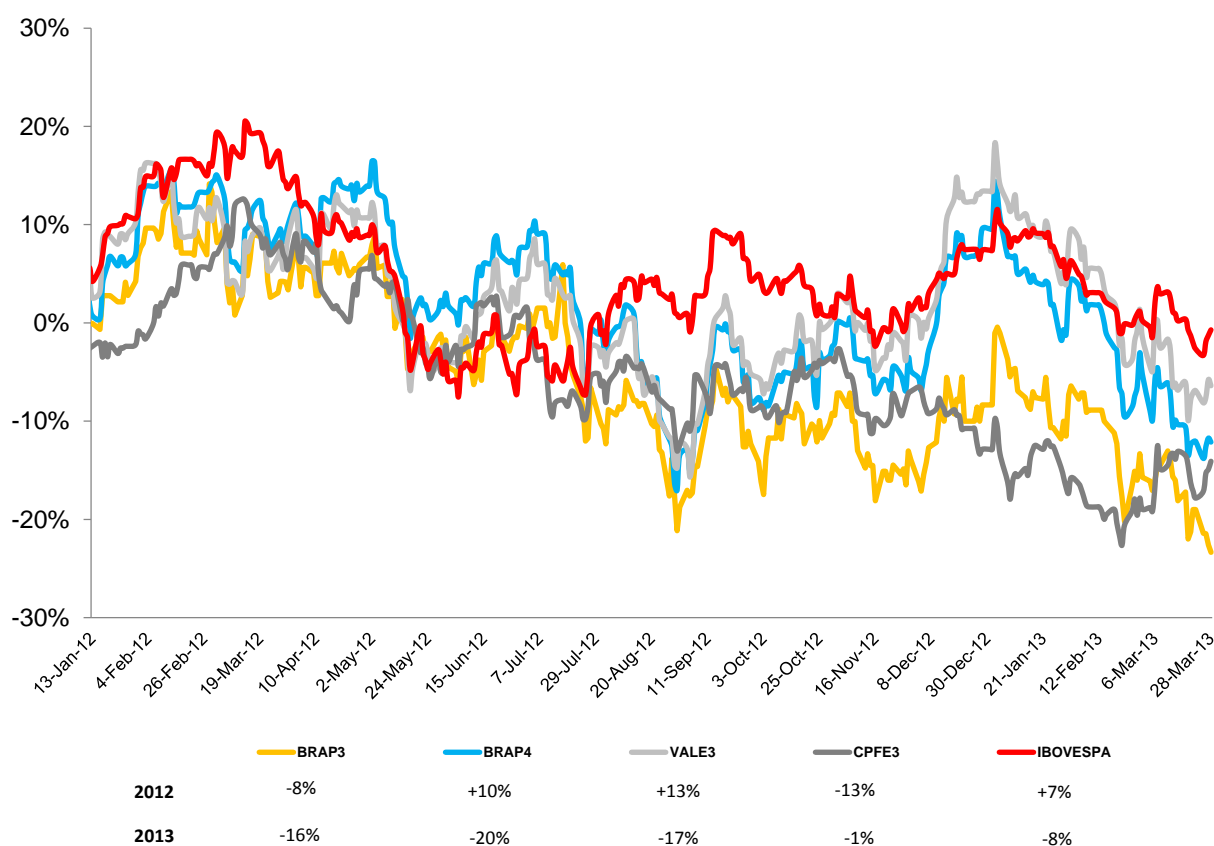
- Gross Revenue of R\$ 4.7 billion (-0.6%);
- EBITDA of R\$ 1.1 billion (+7.8%); and
- Net Income of R\$ 405 million (-1.8%).

CAPITAL MARKET

BRADESPAR's shares are traded under the symbols BRAP3 (ON) and BRAP4 (PN). It's preferred shares are included in the Ibovespa, the BM&FBOVESPA's most important index, comprising the Brazilian market's most liquid companies. Thanks to its excellent corporate governance model, BRADESPAR's shares are listed on Level 1 of the Stock Exchange and are included in the Corporate Governance Index (IGC).

In order to expanding its trading options and increase the liquidity of its shares on the international market, BRADESPAR's shares are also listed in euros on the Latibex, the Madrid Stock Exchange's Latin American Companies Market through the Depositary Receipt Program (DRP).

Share Price Trends (BM&FBOVESPA) in 1Q13

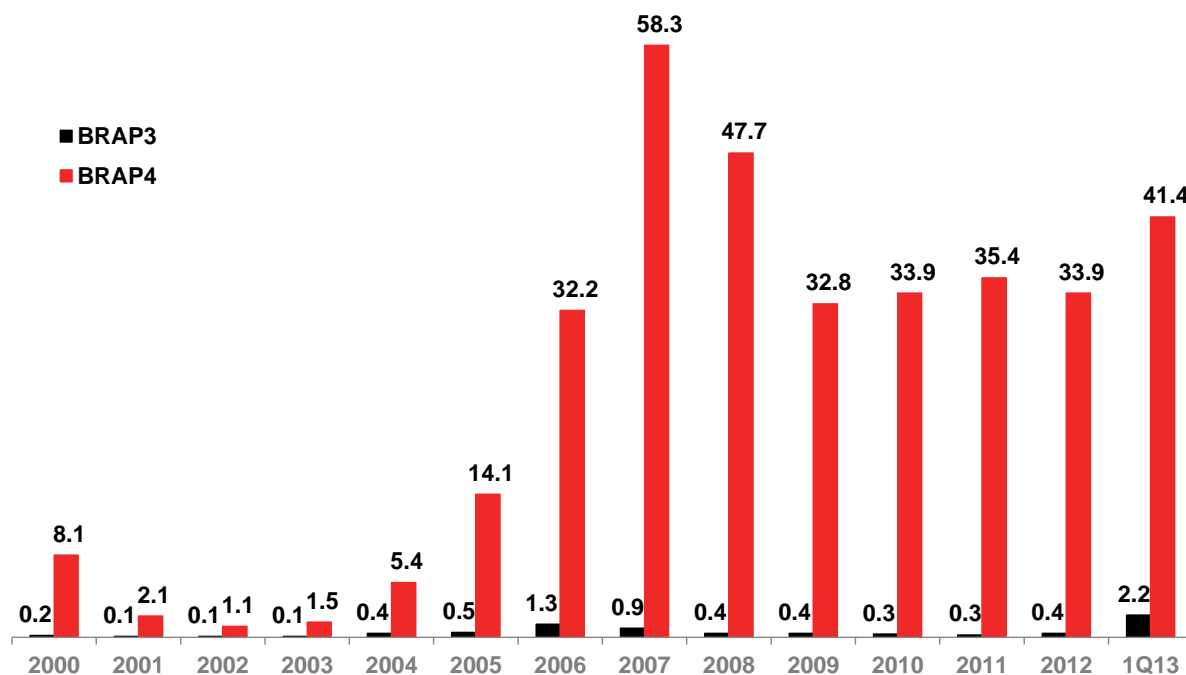


Source: Economatica.

Prices adjusted for shareholder payments, including dividends and/or interest on equity.

LIQUIDITY

In 1Q13, the average daily trading volume of BRADESPAR preferred stock was R\$ 41.4 million.

Average Daily Trading Volume (R\$ million)


Source: Economatica.

PREMIUM / DISCOUNT

At the end of 1Q13, the market capitalization of the interests held by BRADESPAR totaled R\$11.6 billion, without considering any control premium for the interest it holds in VALE. Of this total, 90.8% is composed of the investment in VALE and 9.2% of the investment in CPFL Energia.

In relation to the market capitalization of the interests it holds in its investee companies, BRADESPAR's market capitalization, after deducting net debt of R\$ 713.9 million, represented a discount of 16.6%.

Bradespar's Net Asset Value X Bradespar's Market Capitalization (closing prices on March, 28)

Companies	Price (R\$/share)	Bradespar's Stake				
		Number of Shares	% of Total Capital	Market Value (R\$ thousand)	Market Value (US\$ thousand)	Market Value (EURO thousand)
VALE ON ⁽¹⁾	34.90	299,380,600	5.81%	10,448,383	5,188,392	4,041,459
VALE PNA ⁽¹⁾	33.24	3,547,702	0.07%	117,926	58,559	45,614
CPFL-E ON	21.10	50,541,820	5.25%	1,066,432	529,562	412,498
Bradespar's Total Assets Value (A)				11,632,741	5,776,513	4,499,571
Bradespar's Net Debt (B) ⁽²⁾				(713,911)	(354,510)	(276,143)
Bradespar's Cash and Cash Equivalents				253,371	125,817	98,004
Bradespar's Gross Debt				(967,282)	(480,327)	(374,147)
Bradespar's Net Asset Value (C) = (A) + (B)				10,918,830	5,422,003	4,223,428
Bradespar's Market Capitalization (D)				9,108,030	4,522,808	3,523,007
Common Shares (BRAP3)	25.55	122,523,049		3,130,464	1,554,506	1,210,871
Preferred Shares (BRAP4)	26.33	227,024,896		5,977,566	2,968,302	2,312,136
Difference between net asset value and market capitalization (C) - (D)				1,810,800	899,195	700,421
DISCOUNT ⁽³⁾				16.6%		

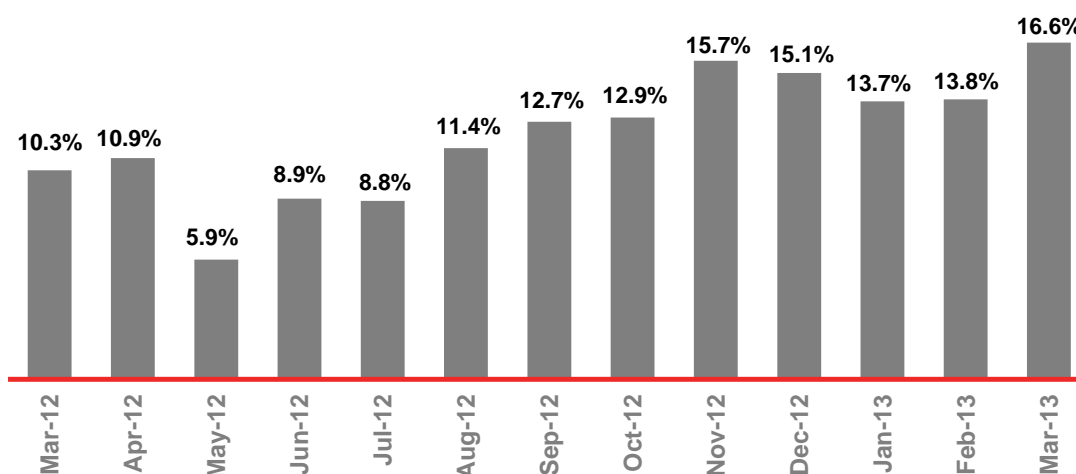
(1) The number of VALE shares were calculated by considering the indirectly owned stakes in Valepar.

(2) Net Debt on 03/28/13.

(3) ((Bradespar's Market Cap)/(Asset Value + Net Debt)) - 1

The discount between BRADESPAR's net asset value and its market capitalization, which stood at 10.3% in March 2012, increased to 12.7% in September 2012 and reached 16.6% at the end of March 2013.

Discount between BRADESPAR's Net Asset Value and Market Capitalization



Note: Discount on last business day of each month.

DIVIDENDS AND INTEREST ON EQUITY

In accordance with its "Minimum Dividend Payment Policy", on February 28, 2013, BRADESPAR announced its proposal for the payment of annual minimum compensation in the amount in Reais equivalent to US\$200.0 million for fiscal year 2013, divided into two payments of US\$100.0 million to be executed in May and November.

Complementing the proposal announced, on May 15, 2013 the company paid, together with the first installment equivalent to US\$100.0 million, an additional amount of US\$10.0 million, totaling US\$110.0 million, for a total payoff of R\$220.0 million, based on the U.S. dollar sell rate (Ptax option 5) announced by the Central Bank of Brazil on April 26, 2013, as follows:

- R\$130 million as interest on equity, equivalent to R\$0.349227262 per common share (R\$0.296843173 net of income tax) and R\$0.384149988 per preferred share (R\$0.326527490 net of income tax); and
- R\$90 million in dividends, equivalent to R\$0.241802270 per common share and R\$0.265982497 per preferred share.

The interest on equity and dividends paid were recorded in the calculation of the mandatory dividends for the current fiscal year, in accordance with the Bylaws.

(R\$ thousand)			
Payment of Div. / Interest on Equity	Amount	Cash Effect Year	Reference Year
5.30.2001	27.811	2001 (27,811)	2000 (27,811)
1.24.2005	80.000	2005 (180,000)	2004 (80,000)
11.11.2005	100.000		2005 (227,445)
5.15.2006	127.445	2006 (212,957)	2006 (262,827)
11.13.2006	85.512		
1.8.2007	120.000	2007 (385,111)	2007 (379,996)
5.15.2007	57.315		
	84.932		
11.14.2007	41.864		
	81.000		
5.15.2008	172.200	2008 (383,710)	2008 (376,910)
11.14.2008	68.000		
	143.510	2009 (392,740)	2009 (322,740)
5.15.2009	165.400		
	52.980		
11.13.2009	128.000		
	46.360		
5.14.2010	95.400	2010 (344,330)	2010 (569,530)
	77.810		
11.12.2010	160.000		
	11.120	2011 (575,400)	2011 (661,870)
05.13.2011	65.600		
	255.000		
11.14.2011	253.000	2012 (627,104)	2012 (220,034)
	1.800		
5.15.2012	65.000		
	236.936	2013 (220,011)	2013 (220,011)
11.14.2012	105.134		
	220.034		
5.15.2013	90.011	2013 (220,011)	2013 (220,011)
	130.000		

	Interest on Equity
	Dividends

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APPENDIX – BALANCE SHEET AND FINANCIAL INFORMATION

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ASSETS	(R\$ thousand)	
	03.31.2013	03.31.2012
CURRENT	921,593	773,747
Cash and Cash Equivalents	255,178	262,206
Dividends Receivable - Redeemable Shares	61,296	75,173
Interest on Equity Receivable	412,278	269,387
Preferred Shares Redeemable	192,657	166,824
Other Amounts	184	157
NON-CURRENT ASSETS	10,167,616	10,361,473
Long Term	2,011,134	2,482,471
Preferred Shares Redeemable	807,338	999,995
Financial Assets Available for Sale	1,066,432	1,387,373
Recoverable Taxes	115,928	94,938
Judicial Deposits	21,436	165
Investments	7,863,408	7,874,713
Investments (Presumed Reserve)	293,044	4,254
Fixed Assets	30	35
TOTAL	11,089,209	11,135,220

LIABILITIES	(R\$ thousand)	
	03.31.2013	03.31.2012
CURRENT	998,037	755,823
Provision for Dividends and Interest on Equity	4,303	413,768
Debentures Payable	967,447	314,818
Provision for Income Tax and Social Contribution	-	24
Other Obligations	26,287	27,213
NON-CURRENT LIABILITIES	730,612	1,334,935
Debentures Payable	-	554,153
Provision for Income Tax and Social Contribution	452,273	561,392
Provision and Legal Obligations	278,339	219,390
SHAREHOLDERS' EQUITY	9,360,560	9,044,462
Capital Stock	3,900,000	3,220,000
Profit Reserve	4,145,248	4,568,545
Adjustment to equity evaluation	948,614	871,644
Accrued Profit	366,698	384,273
TOTAL	11,089,209	11,135,220