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Company Data / Capital Ownership

Number of Shares (thousand)	Current Quarter 6/30/2017
Paid-In Capital	
Common shares	122,523
Preferred shares	227,025
Total	349,548
Treasury Shares	
Common shares	352
Preferred shares	1,162
Total	1,514

Company Data / Cash Proceeds

Event	Approval	Proceeds	Payment Started on	Type of Share	Class of Share	Proceeds per Share (BRL / Share)
Annual Shareholders' Meeting	4/27/2017	Dividend	5/31/2017	Common		0.42956
Annual Shareholders' Meeting	4/27/2017	Dividend	5/31/2017	Preferred		0.47252

Individual Financial Statements / Statement of Financial Position - Assets**(R\$ thousand)**

Code	Description	Current Quarter 6/30/2017	Previous Fiscal Year 12/31/2016
1	Total Assets	10,626,339	9,868,206
1.01	Current Assets	1,900,940	65,370
1.01.01	Cash and Cash Equivalents	471,184	59,323
1.01.02	Financial Investments	1,429,634	0
1.01.02.01	Financial Investments Measured at Fair Value	1,429,634	0
1.01.02.01.02	Available-for-Sale Securities	1,429,634	0
1.01.03	Trade Receivables	0	6,047
1.01.03.02	Other Accounts Receivable	0	6,047
1.01.08	Other Current Assets	122	0
1.02	Non-Current Assets	8,725,399	9,802,836
1.02.01	Long-Term Assets	209,543	185,478
1.02.01.09	Other Non-Current Assets	209,543	185,478
1.02.01.09.04	Judicial Deposits	6,966	6,668
1.02.01.09.05	Recoverable Taxes	202,577	178,810
1.02.02	Investments	8,515,852	9,617,349
1.02.03	Property, Plant and Equipment	4	9

Individual Financial Statements / Statement of Financial Position – Liabilities**(R\$ thousands)**

Code	Description	Current Quarter 6/30/2017	Previous Fiscal Year 12/31/2016
2	Total Liabilities	10,626,339	9,868,206
2.01	Current Liabilities	633,692	225,173
2.01.03	Tax Liabilities	604,077	4,781
2.01.05	Other Liabilities	29,615	220,392
2.01.05.02	Others	29,615	220,392
2.01.05.02.01	Dividends and Interest on Equity Payable	2,412	193,631
2.01.05.02.05	Other Liabilities	27,203	26,761
2.02	Non-Current Liabilities	1,680,548	1,732,120
2.02.01	Loans and Financing	1,641,145	1,548,238
2.02.01.02	Debentures	1,641,145	1,548,238
2.02.02	Other Liabilities	0	145,399
2.02.02.02	Others	0	145,399
2.02.04	Provision	39,403	38,483
2.03	Equity	8,312,099	7,910,913
2.03.01	Paid-Up Share Capital	4,100,000	4,100,000
2.03.04	Profit Reserves	432,606	432,606
2.03.04.01	Legal Reserve	51,667	51,667
2.03.04.02	Statutory Reserve	401,249	401,249
2.03.04.09	Treasury Shares	-20,310	-20,310
2.03.05	Retained Earnings/Losses	306,219	0
2.03.06	Equity Valuation Adjustments	3,473,274	3,378,307

Individual Financial Statements / Statement of Income**(R\$ thousands)**

Code	Description	Current Quarter 4/01/2017 to 6/30/2017	YTD Current Year 1/01/2017 to 6/30/2017	Same Quarter Previous Year 4/01/2016 to 6/30/2016	YTD Previous Year 1/01/2016 to 6/30/2016
3.04	Operating Income/Expenses	-59,797	401,775	229,924	609,889
3.04.02	General and Administrative Expenses	-3,359	-5,485	-2,795	-4,455
3.04.05	Other Operating Expenses	-22,198	-23,200	-311	-558
3.04.05.01	Tax Expenses	-22,198	-23,200	-311	-558
3.04.06	Equity Income	-34,240	430,460	233,030	614,902
3.05	Earnings before Financial Income Taxes	-59,797	401,775	229,924	609,889
3.06	Financial Result	-25,972	-59,378	-48,402	-94,079
3.06.01	Financial Revenues	17,392	34,163	6,044	11,339
3.06.02	Financial Expenses	-43,364	-93,541	-54,446	-105,418
3.07	Earnings before Income Taxes	-85,769	342,397	181,522	515,810
3.08	Income Tax and Social Contribution	-30,996	-36,178	0	0
3.09	Net Income from Continued Operations	-116,765	306,219	181,522	515,810
3.11	Income/Loss for the Period	-116,765	306,219	181,522	515,810
3.99	Earnings per Share (BRL/Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	-0.31367	0.82262	0.48763	1.38565
3.99.01.02	Preferred Shares	-0.34504	0.90488	0.53640	1.52422
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	-0.31505	0.82623	0.48978	1.39175
3.99.02.02	Preferred Shares	-0.34656	0.90886	0.53876	1.53092

Individual Financial Statements / Statement of Comprehensive Income**(R\$ thousands)**

Code	Description	Current Quarter 4/01/2017 to 6/30/2017	YTD Current Year 1/01/2017 to 6/30/2017	Same Quarter Previous Year 4/01/2016 to 6/30/2016	YTD Previous Year 1/01/2016 to 6/30/2016
4.01	Profit for the Period	-116,765	306,219	181,522	515,810
4.02	Other Comprehensive Income	182,280	94,967	-416,660	-659,108
4.02.01	Unearned Income on Available-for-Sale Investments	23,641	50,460	51,852	204,003
4.02.02	Effects from Companies with Significant Influence	158,639	44,507	-468,512	-863,111
4.03	Comprehensive Income for the Period	65,515	401,186	-235,138	-143,298

Individual Financial Statements / Statement of Cash Flows – Indirect Method**(R\$ thousands)**

Code	Description	YTD Current Year	YTD Previous Year
		01/01/2017 to 6/30/2017	1/01/2016 to 6/30/2016
6.01	Net Cash from Operating Activities	225,343	-2,921
6.01.01	Cash from Operations	-566	-1,642
6.01.01.01	Net Earnings before Income Tax and Social Contribution	342,397	515,810
6.01.01.02	Equity Income	-430,460	-614,902
6.01.01.05	Monetary Variations and Interest, Net	85,758	96,735
6.01.01.07	Others	1,739	715
6.01.02	Changes in Assets and Liabilities	225,910	-1,279
6.01.02.01	(Increase)/Decrease in Other Assets	-5,300	-454
6.01.02.02	Increase/(Decrease) in Other Liabilities	19,797	-825
6.01.02.03	Interest on Equity and Dividends Received	218,026	0
6.01.02.05	Income Tax and Social Contribution Paid	-6,613	0
6.02	Net Cash – Investment Activities	378,419	0
6.02.02	Cash Equivalents from Merged Companies	378,419	0
6.03	Net Cash from Financing Activities	-191,902	-24
6.03.01	Interest on Equity and Dividends Paid	-191,902	-24
6.05	Increase (Decrease) in Cash and Cash Equivalents	411,861	-2,945
6.05.01	Opening Balance of Cash and Cash Equivalents	59,323	32,558
6.05.02	Closing Balance of Cash and Cash Equivalents	471,184	29,613

Individual Financial Statements / Statement of Changes in Equity / SCE - 1/01/2017 to 6/30/2017**(R\$ thousands)**

Code	Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	4,100,000	-20,310	452,916	0	3,378,307	7,910,913
5.03	Adjusted Opening Balances	4,100,000	-20,310	452,916	0	3,378,307	7,910,913
5.05	Total Comprehensive Income	0	0	0	306,219	94,967	401,186
5.05.01	Profit for the Period	0	0	0	306,219	0	306,219
5.05.02	Other Comprehensive Income	0	0	0	0	94,967	94,967
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	50,460	50,460
5.05.02.06	Effects from Companies with Significant Influence	0	0	0	0	44,507	44,507
5.07	Closing Balances	4,100,000	-20,310	452,916	306,219	3,473,274	8,312,099

Individual Financial Statements / Statement of Changes in Equity / SCE - 1/01/2016 to 6/30/2016**(R\$ thousands)**

Code	Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193
5.03	Adjusted Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193
5.05	Total Comprehensive Income	0	0	0	515,810	-659,108	-143,298
5.05.01	Profit for the Period	0	0	0	515,810	0	515,810
5.05.02	Other Comprehensive Income	0	0	0	0	-659,108	-659,108
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	204,003	204,003
5.05.02.06	Effects from Companies with Significant Influence	0	0	0	0	-863,111	-863,111
5.07	Closing Balances	4,100,000	-20,310	20,200	515,810	3,158,195	7,773,895

Individual Financial Statements / Statement of Value Added**(R\$ thousands)**

Code	Description	YTD Current Year 01/01/2017 to 6/30/2017	YTD Previous Year 1/01/2016 to 6/30/2016
7.02	Inputs Acquired from Third Parties	-2,890	-2,406
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,095	-1,695
7.02.04	Others	-795	-711
7.03	Gross Value Added	-2,890	-2,406
7.05	Net Value Added Produced	-2,890	-2,406
7.06	Value Added Received in Transfers	464,623	626,241
7.06.01	Equity Income	430,460	614,902
7.06.02	Financial Revenues	34,163	11,339
7.07	Total Value Added Distributable	461,733	623,835
7.08	Value Added Distribution	461,733	623,835
7.08.01	Personnel	2,222	1,689
7.08.02	Taxes, Fees and Contributions	59,670	834
7.08.03	Return on Third-Party Equity	93,622	105,502
7.08.04	Return on Equity	306,219	515,810
7.08.04.03	Retained Earnings/Losses for the Period	306,219	515,810

Consolidated Financial Statements / Statement of Financial Position - Assets**(R\$ thousands)**

Code	Description	Current Quarter 6/30/2017	Previous Fiscal Year 12/31/2016
1	Total Assets	10,626,339	10,277,017
1.01	Current Assets	1,902,281	1,809,333
1.01.01	Cash and Cash Equivalents	472,525	439,060
1.01.02	Financial Investments	1,429,634	1,353,180
1.01.02.01	Financial Investments Measured at Fair Value	1,429,634	1,353,180
1.01.02.01.02	Available-for-Sale Securities	1,429,634	1,353,180
1.01.03	Trade Receivables	0	17,093
1.01.03.02	Other Accounts Receivable	0	17,093
1.01.08	Other Current Assets	122	0
1.02	Non-Current Assets	8,724,058	8,467,684
1.02.01	Long-Term Assets	209,543	192,639
1.02.01.09	Other Non-Current Assets	209,543	192,639
1.02.01.09.04	Judicial Deposits	6,966	6,668
1.02.01.09.05	Recoverable Taxes	202,577	185,971
1.02.02	Investments	8,514,511	8,275,036
1.02.03	Property, Plant and Equipment	4	9

Consolidated Financial Statements / Statement of Financial Position - Liabilities**(R\$ thousands)**

Code	Description	Current Quarter 6/30/2017	Previous Fiscal Year 12/31/2016
2	Total Liabilities	10,626,339	10,277,017
2.01	Current Liabilities	633,692	779,383
2.01.03	Tax Liabilities	604,077	558,866
2.01.05	Other Liabilities	29,615	220,517
2.01.05.02	Others	29,615	220,517
2.01.05.02.01	Dividends and Interest on Equity Payable	2,412	193,631
2.01.05.02.04	Other Liabilities	27,203	26,886
2.02	Non-Current Liabilities	1,680,548	1,586,721
2.02.01	Loans and Financing	1,641,145	1,548,238
2.02.01.02	Debentures	1,641,145	1,548,238
2.02.04	Provision	39,403	38,483
2.03	Consolidated Equity	8,312,099	7,910,913
2.03.01	Paid-Up Share Capital	4,100,000	4,100,000
2.03.04	Profit Reserves	432,606	432,606
2.03.04.01	Legal Reserve	51,667	51,667
2.03.04.02	Statutory Reserve	401,249	401,249
2.03.04.09	Treasury Shares	-20,310	-20,310
2.03.05	Retained Earnings/Losses	306,219	0
2.03.06	Equity Valuation Adjustments	3,473,274	3,378,307

Consolidated Financial Statements / Statement of Income**(R\$ thousands)**

Code	Description	Current Quarter 4/01/2017 to 6/30/2017	YTD Current Year 1/01/2017 to 6/30/2017	Same Quarter Previous Year 4/01/2016 to 6/30/2016	YTD Previous Year 1/01/2016 to 6/30/2016
3.04	Operating Income/Expenses	-59,821	401,751	218,924	588,638
3.04.02	General and Administrative Expenses	-3,359	-5,485	-2,994	-4,664
3.04.04	Other Operating Income	0	0	10,790	10,790
3.04.04.02	Investment Dividends	0	0	10,790	10,790
3.04.05	Other Operating Expenses	-22,198	-23,200	-1,062	-2,025
3.04.05.01	Tax Expenses	-22,198	-23,200	-1,062	-2,025
3.04.06	Equity Income	-34,264	430,436	212,190	584,537
3.05	Earnings before Financial Income Taxes	-59,821	401,751	218,924	588,638
3.06	Financial Result	-25,948	-59,354	-32,366	-62,851
3.06.01	Financial Revenues	17,482	34,252	17,858	34,447
3.06.02	Financial Expenses	-43,430	-93,606	-50,224	-97,298
3.07	Earnings before Income Taxes	-85,769	342,397	186,558	525,787
3.08	Income Tax and Social Contribution	-30,996	-36,178	-5,036	-9,977
3.09	Net Income from Continued Operations	-116,765	306,219	181,522	515,810
3.11	Consolidated Income/Loss for the Period	-116,765	306,219	181,522	515,810
3.11.01	Attributed to Parent Company Shareholders	-116,765	306,219	181,522	515,810
3.99	Earnings per Share (BRL/Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	-0.31367	0.82261	0.48763	1.38565
3.99.01.02	Preferred Shares	-0.34504	0.90488	0.53640	1.52422
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	-0.31505	0.82623	0.48978	1.39175
3.99.02.02	Preferred Shares	0.34656	0.90886	0.53876	1.53092

Consolidated Financial Statements / Statement of Comprehensive Income**(R\$ thousands)**

Code	Description	Current Quarter 4/01/2017 to 6/30/2017	YTD Current Year 1/01/2017 to 6/30/2017	Same Quarter Previous Year 4/01/2016 to 6/30/2016	YTD Previous Year 1/01/2016 to 6/30/2016
4.01	Consolidated Net Income for the Period	-116,765	306,219	181,522	515,810
4.02	Other Comprehensive Income	182,280	94,967	-416,660	-659,108
4.02.01	Unearned Income on Available-for-Sale Investments	23,641	50,460	51,852	204,003
4.02.02	Effects from Companies with Significant Influence	158,639	44,507	-468,512	-863,111
4.03	Consolidated Comprehensive Income for the Period	65,515	401,186	-235,138	-143,298
4.03.01	Attributed to Parent Company Shareholders	65,515	401,186	-235,138	-143,298

Consolidated Financial Statements / Statement of Cash Flows – Indirect**Method (R\$ thousands)**

Code	Description	YTD Current Year 1/01/2017 to 6/30/2017	YTD Previous Year 1/01/2016 to 6/30/2016
6.01	Net Cash from Operating Activities	225,367	6,992
6.01.01	Cash from Operations	-543	19,432
6.01.01.01	Net Earnings before Income Tax and Social Contribution	342,397	525,787
6.01.01.02	Equity Income	-430,436	-584,537
6.01.01.03	Revenue from Dividends	0	-10,790
6.01.01.05	Monetary Variations and Interest, Net	85,758	87,992
6.01.01.07	Others	1,738	980
6.01.02	Changes in Assets and Liabilities	225,910	-12,440
6.01.02.01	(Increase)/Decrease in Other Assets	-5,300	-3,908
6.01.02.02	Increase/(Decrease) in Other Liabilities	19,797	-1,922
6.01.02.03	Interest on Equity and Dividends Received	218,026	0
6.01.02.05	Income Tax and Social Contribution Paid	-6,613	-6,610
6.03	Net Cash from Financing Activities	-191,902	-24
6.03.01	Interest on Equity and Dividends Paid	-191,902	-24
6.05	Increase (Decrease) in Cash and Cash Equivalents	33,465	6,968
6.05.01	Opening Balance of Cash and Cash Equivalents	439,060	377,977
6.05.02	Closing Balance of Cash and Cash Equivalents	472,525	384,945

Consolidated Financial Statements / Statement of Changes in Equity / SCE - 1/01/2017 to 6/30/2017**(R\$ thousands)**

Code	Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Equity	Minority Interest	Equity Consolidated
5.01	Opening Balances	4,100,000	-20,310	452,916	0	3,378,307	7,910,913	0	7,910,913
5.03	Adjusted Opening Balances	4,100,000	-20,310	452,916	0	3,378,307	7,910,913	0	7,910,913
5.05	Total Comprehensive Income	0	0	0	306,219	94,967	401,186	0	401,186
5.05.01	Profit for the Period	0	0	0	306,219	0	306,219	0	306,219
5.05.02	Other Comprehensive Income	0	0	0	0	94,967	94,967	0	94,967
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	50,460	50,460	0	50,460
5.05.02.06	Effects from Companies with Significant Influence	0	0	0	0	44,507	44,507	0	44,507
5.07	Closing Balances	4,100,000	-20,310	452,916	306,219	3,473,274	8,312,099	0	8,312,099

Consolidated Financial Statements / Statement of Changes in Equity / SCE - 1/01/2016 to 6/30/2016**(R\$ thousands)**

Code	Description	Paid Up Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings or Losses	Other Comprehensive Income	Equity	Minority Interest	Equity Consolidated
5.01	Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193	0	7,917,193
5.03	Adjusted Opening Balances	4,100,000	-20,310	20,200	0	3,817,303	7,917,193	0	7,917,193
5.05	Total Comprehensive Income	0	0	0	515,810	-659,108	-143,298	0	-143,298
5.05.01	Profit for the Period	0	0	0	515,810	0	515,810	0	515,810
5.05.02	Other Comprehensive Income	0	0	0	0	-659,108	-659,108	0	-659,108
5.05.02.01	Financial Instrument Adjustments	0	0	0	0	204,003	204,003	0	204,003
5.05.02.03	Effects from Companies with Significant Influence	0	0	0	0	-863,111	-863,111	0	-863,111
5.07	Closing Balances	4,100,000	-20,310	20,200	515,810	3,158,195	7,773,895	0	7,773,895

Consolidated Financial Statements / Value Added Statement**(R\$ thousands)**

Code	Description	YTD Current Year 1/01/2017 to 6/30/2017	YTD Previous Year 1/01/2016 to 6/30/2016
7.02	Inputs Acquired from Third Parties	-2,890	-2,615
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,095	-1,711
7.02.04	Others	-795	-904
7.03	Gross Value Added	-2,890	-2,615
7.05	Net Value Added Produced	-2,890	-2,615
7.06	Value Added Received in Transfers	464,688	629,774
7.06.01	Equity Income	430,436	584,537
7.06.02	Financial Revenues	34,252	34,447
7.06.03	Others	0	10,790
7.06.03.01	Revenue from Dividends	0	10,790
7.07	Total Value Added Distributable	461,798	627,159
7.08	Value Added Distribution	461,798	627,159
7.08.01	Personnel	2,222	1,688
7.08.02	Taxes, Fees and Contributions	59,670	12,280
7.08.03	Return on Third-Party Equity	93,687	97,381
7.08.04	Return on Equity	306,219	515,810
7.08.04.03	Retained Earnings/Losses for the Period	306,219	515,810

Comments on the Financial Information

COMMENTS ON THE COMPANY'S PERFORMANCE

The table below shows the Consolidated Income Statement, in accordance with accounting practices adopted in Brazil.

Income Statement	(R\$ thousand)					
	2Q17	2Q16	Chg %	1H17	1H16	Chg %
Equity Income	(34,264)	212,190	-	430,436	584,537	-26.4%
Dividends from Investments	-	10,790	-	-	10,790	-
Operating Revenue	(34,264)	222,980	-	430,436	595,327	-27.7%
Payroll Expenses	(1,447)	(1,143)	26.6%	(2,445)	(1,903)	28.5%
General and Administrative Expenses	(1,912)	(1,851)	3.3%	(3,040)	(2,761)	10.1%
Tax Expenses	(22,198)	(1,062)	-	(23,200)	(2,025)	-
Financial Revenues / Expenses	(25,948)	(32,366)	-19.8%	(59,354)	(62,851)	-5.6%
Operational Result before Income Tax/Social Contribution	(85,769)	186,558	-	342,397	525,787	-34.9%
Income Tax / Social Contribution	(30,996)	(5,036)	-	(36,178)	(9,977)	-
Results for the Period	(116,765)	181,522	-	306,219	515,810	-40.6%

OPERATING REVENUE

As an investment company, BRADESPAR's operating revenue originates from the equity income, dividends and interest on equity of VALEPAR/VALE and dividends and interest on equity received from CPFL Energia.

In the second quarter of 2017, BRADESPAR reported negative operating revenue of R\$34.3 million, reflecting VALE's performance. Operating revenue came to R\$430.4 million in 1H17.

It is worth noting that VALE, despite the lower commodity prices, obtained strong operational performance in the period, reaching several production records for a second quarter, among which: 91.8 million tonnes of iron ore, essentially due to the S11D project's ramp up in the North System, and 3.0 million tonnes of coal in Mozambique.

FINANCIAL RESULT

BRADESPAR's financial result was an expense of R\$25.9 million in the second quarter of 2017, mainly due to interest on BRADESPAR's debentures, calculated based on the CDI, impacted by the benchmark interest rate (SELIC) in the period.

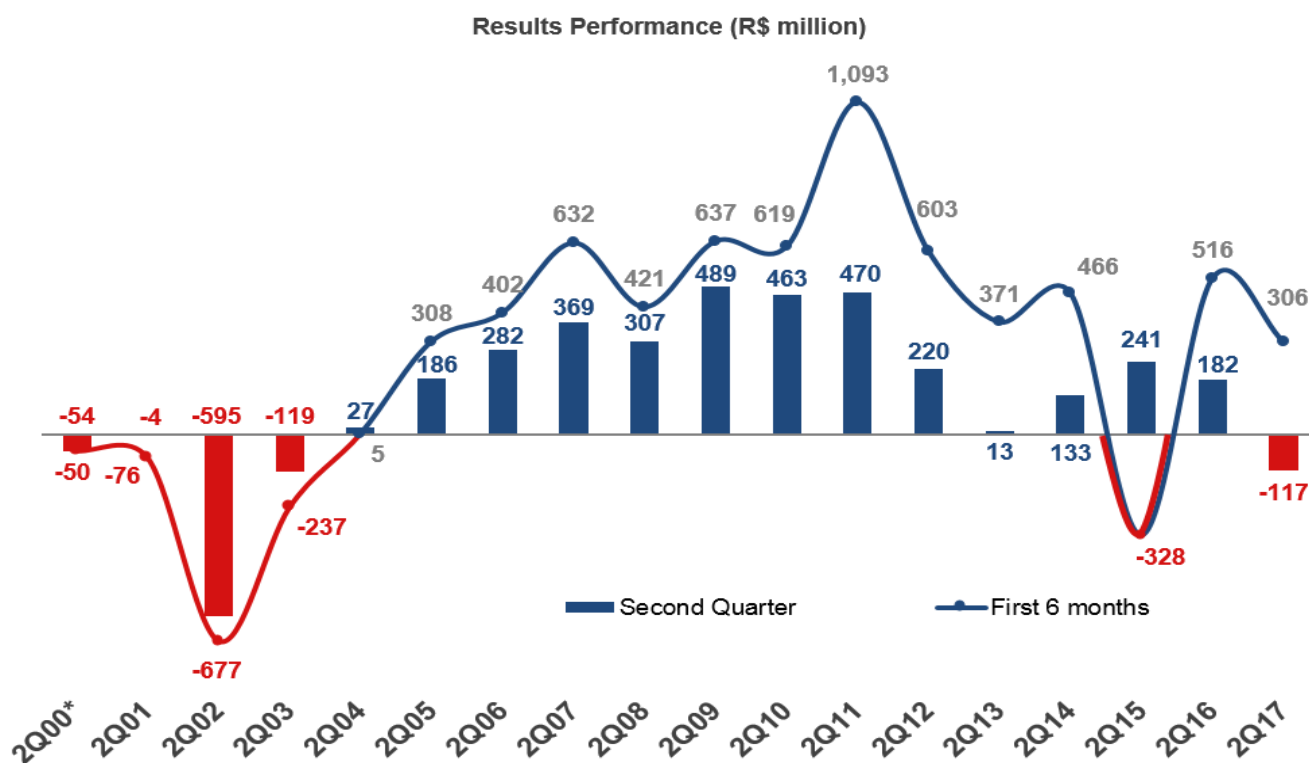
Comments on the Financial Information

PAYROLL, GENERAL AND ADMINISTRATIVE EXPENSES

BRADESPAR’s payroll, general and administrative expenses totaled R\$3.4 million in the second quarter of 2017 and R\$5.5 million in the first half of 2017.

RESULTS PERFORMANCE

BRADESPAR’s net loss for the quarter was R\$116.8 million. Year to date, the Company recorded net income of R\$306.2 million, due to VALE’s performance.



*Corresponds to four months of operations

Comments on the Financial Information

RELATIONSHIP WITH INDEPENDENT AUDITORS

In compliance with CVM Instruction 381/03, BRADESPAR announces that, in the first half of 2017, it did not engage the independent auditor – KPMG Auditores Independentes – in activities not related to external audit.

With regards to engaging services not related to external audit, BRADESPAR complies with the regulations that assure the independence of the external auditor, maintaining consistency with international standards, pursuant to the procedures established by the Company, which include, among others: (a) the auditor should not audit its own work; (b) the auditor should not have management duties at the client; and (c) the auditor should not promote the interests of its client. Additionally, in case of engaging other services, the scope and the procedures of the referred services are discussed with the independent auditors, so that they do not affect the independence rules set forth.

Comments on the Financial Information

COMMENTS ON INVESTEES

VALE

The world's largest producer of iron ore and pellets, key raw materials for the steel industry. VALE is also the world's largest nickel producer, with applications in the stainless steel and metal alloys industry used in the production of aircraft, automobiles, mining and energy equipment, cell phones, batteries, special batteries for hybrid electric vehicles, among many others. Besides that, it produces manganese, iron alloys, thermal and metallurgical coal, copper, platinum's group metals, gold, silver, cobalt, potassium, phosphate and other fertilizer nutrients, important raw materials for the industry and the global agriculture.

To support its growth strategy, the Company also operates large logistics systems in Brazil and in other regions of the world, including railroads, maritime terminals and ports, integrated with its mining operations.

The main highlights of VALE's performance in 2Q17 were:

- Adjusted EBITDA of R\$8.8 billion, 7.4% up on the same period in 2016;
- Net income of R\$60.0 million; and
- Strong free cash generation of U\$2.1 billion, allowing the distribution of dividends and the reduction of the Company's debt.

Comments on the Financial Information

CPFL ENERGIA

CPFL Energia, the largest private company in the Brazilian electric sector, is a holding which operates through its subsidiaries dedicated to the distribution, generation and sale of electricity in the free and regulated markets.

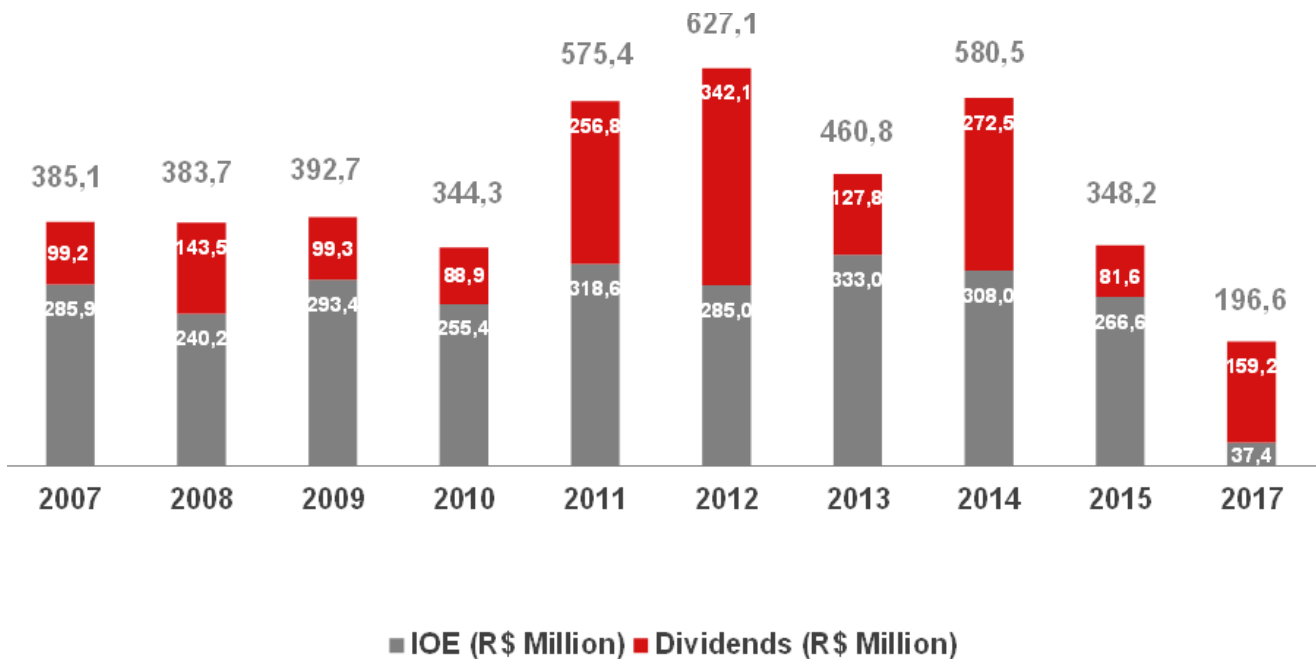
As widely reported, State Grid Brazil Power Participações Ltda. entered into a purchase agreement for the totality of the shares of the controlling block shareholders of CPFL Energia. Due to the closing of this transaction, at the end of February 2017, State Grid filed a request for a Public Offer for Acquisition of Shares (OPA) in the Brazilian Securities and Exchange Commission (CVM), which will be held to grant tag along rights to minority shareholders who remained with their shareholding position in the company. With this, as soon as the terms of the public offering are approved by the CVM and the conditions of the offer are confirmed, BRADESPAR will be able to provide immediate liquidity to its investment.

Comments on the Financial Information

PAYMENT OF DIVIDENDS

Pursuant to its “Annual Compensation Policy”, without prejudice to the Bylaws, which provides for distribution of at least 30% of adjusted net income, BRADESPAR informed its shareholders, on April 27, 2017, the approval of the Board of Directors’ proposal for the payment of dividends relating to the profit of the 2016 fiscal year, totaling R\$159.2 million, which occurred on May 31, 2017.

A total of R\$0.429569017 per common share and R\$0.472525919 per preferred share were paid, excluding withholding income tax, pursuant to Article 10 of Law 9,249/95.



Notes to the Financial Information

Selected Notes to the Interim Financial Information (In thousands of reais, unless otherwise specified)

1. OPERATIONAL BACKGROUND

BRADESPAR S.A., (BRADESPAR, Company or Parent Company), incorporated as a public joint-stock company, is to acquire shareholding interest in other corporations, headquartered at Avenida Paulista, nº 1.450, 9º andar, São Paulo - SP, Brazil.

The main direct and indirect equity interests are specified below:

a) Millennium Security Holdings Corp. (MILLENNIUM)

The corporate purpose of MILLENNIUM is to engage in any act or activity permitted by any law prevailing in the British Virgin Islands.

b) Valepar S.A. (VALEPAR)

VALEPAR is a closely-held corporation whose sole corporate purpose is to act as a shareholder of Vale S.A. (VALE).

c) Vale S.A. (VALE)

VALE is a corporation whose main corporate activities are to research, produce and sell iron ore and pellets, nickel, fertilizer, copper, coal, manganese, iron alloys, cobalt, platinum group metals and precious metal. The company also operates in the energy and steel segments.

Corporate restructuring

At the Extraordinary Shareholders' Meeting of April 27, 2017, BRADESPAR approved the mergers of Antares Holdings Ltda. (ANTARES) and Brumado Holdings Ltda. (BRUMADO, pursuant to the terms and conditions set forth in the "Instruments of Protocol and Justification of Merger", entered into on March 20, 2017.

The mergers aim to promote corporate restructuring in order to consolidate and rationalize the companies, centralize assets and liabilities in BRADESPAR and simplify the corporate structure, thus eliminating and/or reducing financial, operating, administrative and legal costs arising from the companies' maintenance. The subsidiaries' merger operations did not increase the share capital or change the number of shares issued by BRADESPAR.

The equities of ANTARES and BRUMADO were valued on December 31, 2016, for R\$835,084 and R\$1,333,374, respectively, pursuant to appraisal reports. The balances merged based on the reports are as follows:

Assets		Liabilities and Equity	
Current	1,743,864	Current	169,230
Cash and cash equivalents	378,419	Taxes and contribution payable	4,318
Recoverable taxes	84	Dividends payable	1,134
Receivables	12,181	Tax liabilities	163,653
Available-for-sale financial assets	1,353,180	Other liabilities	125
Non-current	593,824		
Recoverable taxes	7,077	Equity	2,168,458
Receivables	145,399		
Investments	441,348		
Total	2,337,688	Total	2,337,688

Notes to the Financial Information

2. PRESENTATION OF FINANCIAL STATEMENTS

We hereby present the individual (Parent Company) and Consolidated condensed interim financial information of BRADESPAR, which includes the subsidiary MILLENNIUM, as at June 30, 2017.

The Company's parent company and consolidated interim financial information was drawn up in accordance with CPC 21 (R1) – Interim Financial Reporting, related to international standard IAS 34 – “Interim Financial Reporting” and presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), implemented in Brazil through the Brazilian Accounting Pronouncements Committee (CPC) and its technical pronouncements (CPCs), interpretations (ICPCs) and guidelines (OCPCs), approved by the Brazilian Securities and Exchange Commission (CVM).

The accounting estimates applied to draw up the interim financial information, related to deferred tax assets and liabilities, liability provisions and contingencies, consider the best evidence available and are based on assumptions applicable at the end of the reporting periods. Final results, upon realization, may differ from estimated amounts.

BRADESPAR analyzed the subsequent events until the date on which the Board of Directors approved the financial statements, and the identified events are presented in Note 17.

3. MAIN ACCOUNTING PRACTICES

The condensed interim financial information abides by the same principles, methods and criteria as those adopted for the financial statements for the fiscal year ended December 31, 2016, and shall be analyzed jointly with those financial statements.

Principles of consolidation

The condensed consolidated financial statements reflect the balances and transactions of the parent company and its subsidiary. Investments with significant influence are accounted for using the equity method.

The accounting practices are adjusted to ensure consistency with the policies adopted by the parent company. The operations between consolidated companies, as well as unrealized gains and losses in these operations are disregarded.

BRADESPAR's consolidated financial statements include the following direct subsidiary:

Companies	BRADESPAR's direct and indirect interest (%)	
	6/30/2017	12/31/2016
- ANTARES ⁽¹⁾	-	100.0
- BRUMADO ⁽¹⁾	-	100.0
- MILLENNIUM	100.0	100.0

⁽¹⁾ Companies merged on April 7, 2017.

4. KEY ACCOUNTING JUDGMENTS AND ESTIMATES

The key accounting estimates are the same as those adopted in the financial statements of the fiscal year ended on December 31, 2016.

Notes to the Financial Information

5. ACCOUNTING PRONOUNCEMENTS

There were no standards, amendments and interpretations of relevant accounting standards applicable as of January 1, 2017.

6. RISK MANAGEMENT

There were no changes regarding the risk management policies published in the fiscal year ended December 31, 2016.

7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	6.30.2017	12.31.2016	6.30.2017	12.31.2016
Available funds in domestic currency	34	163	1,375	1,651
Financial investment funds	471,150	59,160	471,150	437,409
TOTAL	471,184	59,323	472,525	439,060

8. INVESTMENTS

a) The adjustments arising from the investment equity method valuation were recorded under "Equity Accounting Earnings" and corresponded to R\$430,460 in the 1H17 Parent Company statements (R\$614,902 in 1H16) and to a negative R\$34,240 in 2Q17 (R\$233,030 in 2Q16); and R\$430,436 in the 1H17 Consolidated (R\$584,537 in 1H16) and a negative R\$34,264 in 2Q17 (R\$212,190 in 2Q16).

b) The Parent Company's equity interest measured by the equity accounting method are detailed below:

Companies	Share Capital	Adjusted Equity	Adjusted Result	Number of Shares Held (thousand)		Share Capital Interest %	Total Investments		Adjustment due to Valuation (1)			
				Common Shares	Preferred Shares		6.30.2017	12.31.2016	2Q17	2Q16	1H17	1H16
ANTARES (2)	-	-	-	-	-	-	-	1,342,313	-	20,840	-	30,365
MILLENNIUM (3) (6)	11,919	1,341	24	-	-	100.000	1,341	-	24	-	24	-
VALEPAR (3) (4) (5)	14,132,725	48,816,006	2,467,807	275,966	-	17.442	8,514,511	8,275,036	(34,264)	212,190	430,436	584,537
Total							8,515,852	9,617,349	(34,240)	233,030	430,460	614,902

(1) Considers the results recorded by the companies, including investees' equity variations not deriving from income, as well as adjustments due to conformity of the accounting practices, when applicable;

(2) Company merged on April, 2017;

(3) The company's June 30, 2017 information was audited by the same independent auditors of BRADESPAR;

(4) Investment with significant influence guaranteed by the Shareholders' Agreement;

(5) For more information on direct investments in VALE, see Note 18; and

(6) Investment arising from the merger of Antares on April, 2017.

c) Breakdown of the investments measured by the equity accounting method in the Consolidated

Company	Total Investments		Adjustment due to Valuation (1)			
	6.30.2017	12.31.2016	2Q17	2Q16	1H17	1H16
- VALEPAR	5,936,520	5,741,552	(34,264)	212,190	430,436	584,537
- VALEPAR – adjustment effect (2)	2,577,991	2,533,484	-	-	-	-
Total	8,514,511	8,275,036	(34,264)	212,190	430,436	584,537

(1) Considers the results recorded by the companies, including investees' equity variations not deriving from income, as well as adjustments due to conformity of the accounting practices, when applicable; and

(2) Equity valuation adjustments, as per Law 11638/07 and CPCs 2 and 8, which are recorded against equity, basically refer to forex differences when translating foreign currency into the functional currency of the operations performed by VALE S.A.

Notes to the Financial Information

9. DEBENTURES PAYABLE

On July 6, 2015, BRADESPAR conducted its sixth public issue of 126,000 non-convertible debentures, at the unit face value of ten thousand reais (R\$10,000), totaling R\$1,260,000, maturing in 1,096 days as of the issue date. Debentures will be entitled to compensatory interests corresponding to 105.5% of the accumulated variation of DI over extra group daily average rate- one-day Interbank Deposits, calculated and disclosed by CETIP, on a basis of 252 business days, expressed as annual percentages ("DI Rate"), incurring on the unit face value of debentures, calculated from the issue date until the end of the capitalization period, *pro rata temporis*. The funds raised through the issue of debentures were intended for full settlement related to the debentures of the 5th (fifth) issuance, which also matured on July 6, 2015.

The Company may partially amortize the debentures at any time, at its sole discretion, provided that said amortization considers all the debentures in the series proportionally. The partial amortization is limited to up to 90% of the unit face value.

The Company may carry out the early redemption of all the debentures at any time, at its sole discretion. In the event of an early redemption, the Company shall pay the debenture holders an additional premium of 0.03% on the face value or face value balance of the debentures. The Company is also committed to maintaining certain total net indebtedness ratios, calculated on a quarterly basis, on a consolidated manner. On June 30, 2017 and December 31, 2016, BRADESPAR did not identify any non-compliance event that could cause the early maturity of the debt.

On June 30, 2017, the updated payable balance of the debentures totaled R\$1,641,145 (December 31, 2016 – R\$1,548,238).

10. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS AND LEGAL OBLIGATIONS

a) Contingent assets

No contingent assets were recognized; however, there are proceedings with probable chances of success, namely:

- COFINS – R\$11,542 (December 31, 2016 – R\$11,323): The Company pleads COFINS refund or offset, collected pursuant to Law No. 9,718/98, between January and October 2001, regarding all due invoicing surplus; and
- Social Integration Program (PIS) – R\$2,501 (December 31, 2016 – R\$2,453): The Company pleads the PIS refund or offset, collected pursuant to Law No. 9,718/98, between January and October 2001, regarding all surplus due amounts based on the requirements set out by Supplementary Law No. 7/70 (Pis Repique), or at least regarding all due invoicing surplus.

b) Provisions classified as probable losses and legal obligations - tax

The companies covered in the Consolidated are parties in tax lawsuits arising from the regular course of their activities.

When recording provisions, Management takes into account: legal counsel's opinion, nature of lawsuits, similarity with previous proceedings, complexity, and court standpoint, whenever losses are classified as probable.

BRADESPAR's Management understands that the provision recorded is sufficient to cover all losses arising from such proceedings.

Liabilities regarding legal obligations under legal dispute are maintained until the lawsuit is granted relief, represented by favorable court decisions over which no further appeals shall not apply or barred by law.

Notes to the Financial Information

I) Provision

By virtue of the Private Share Purchase Agreement representing Bradesplan Participações Ltda. (BRADESPLAN's) share capital, executed with Banco Bradesco S.A. (BRADESCO) in May 2006, BRADESPAR is responsible for tax court proceedings (PIS and COFINS) involving the former subsidiary BRADESPLAN. On June 30, 2017, the updated amount totaled R\$26,746 (December 31, 2016 – R\$ 26,084).

The balance of judicial deposits on June 30, 2017, in the amount of R\$6,966 (December 31, 2016 – R\$6,668) is related to COFINS, which must be refunded by the Brazilian Federal Revenue Service (RFB) pursuant to the aforementioned proceedings.

II) Legal liabilities – provision for tax risks

BRADESPAR has been challenging in court the legality and constitutionality of a few taxes and contributions, which are fully accrued, notwithstanding the good chances of success in the medium and long-term basis, as per its legal counsels' opinion.

The main issue is:

- COFINS – R\$12,657 (December 31, 2016 – R\$12,399): The Company has petitioned the assessment and collection of COFINS, from November 2001 to January 2004, over effective invoicing, duly defined in Article 2 of Supplementary Law No. 70/91, thus eliminating the unconstitutional expansion of the calculation bases set out in Paragraph 1 of Article 3 of Law No. 9,718/98.

In general, the provisions corresponding to lawsuits are considered long term, given the unpredictability of the length of the proceedings in Brazil's legal system, which is why the Company has not disclosed an estimate of the year when these lawsuits will be concluded.

III) Breakdown of provisions and legal obligations - tax

	Parent Company and Consolidated	
	6.30.2017	12.31.2016
Opening balance	38,483	36,400
Monetary restatement	920	2,083
Closing balance	39,403	38,483

c) Contingent liabilities classified as possible losses

BRADESPAR has a system to monitor all the administrative and legal proceedings in which it is the plaintiff or defendant, and supported by its legal counsels' opinion, it classifies lawsuits according to the expectation of failure: remote, possible or probable.

BRADESPAR, together with Litel Participações S.A. (LITEL), is the defendant in an arbitration award execution filed in October 2014 by Elétron S.A. (ELÉTRON), which is pending before the Fifth Corporate Court of the Court of Justice of Rio de Janeiro. Said arbitration award is the object of ongoing Actions for Annulment in the Superior Court of Justice (STJ).

In the execution, ELÉTRON claimed the delivery of 37,500,000 common shares issued by VALEPAR, upon payment of the price defined by the arbitration award that is the object of the execution.

After BRADESPAR and LITEL filed objections, in March, 2015, ELÉTRON requested and was granted the conversion of the execution into the payment of damages. An appeal was filed regarding this conversion with the Court of Justice of Rio de Janeiro (TJ/RJ), which upheld the conversion of the execution, but also ordered an assessment of the amount of damages by an expert, which is not yet concluded. BRADESPAR and LITEL have filed an appeal with the STJ challenging the decision by the TJ/RJ.

Notes to the Financial Information

Still considering the above-mentioned arbitration award, in October 2015, ELÉTRON filed a new arbitration proceeding against BRADESPAR and LITEL, requesting indemnification for damages it claims to have suffered due to the price variation of the requested shares. This new arbitration is in the initial stage of selection of the arbitrators.

Based on the analysis of the arbitration and court proceedings mentioned above, BRADESPAR's legal counsel believes it is likely that either the arbitration decision will be annulled or the damages to be indemnified will be determined as inexistent.

ANTARES, a company merged into BRADESPAR, is party in legal proceedings with the RFB, as successor of the spun-off amount of VBC Participações S.A. (VBC), regarding due compensation for tax losses and social contribution tax loss carryforwards, upon its full spin-off and subsequent liquidation, in amount exceeding the 30% limit established by Law No. 8,981/95, totaling R\$258,761 on June 30, 2017 (December 31, 2016 – R\$250,960): R\$190,587 for income tax (December 31, 2016 – R\$184,841) and R\$68,174 for social contribution on net income (December 31, 2016 – R\$66,119); thus, we consider as possible BRADESPAR S.A.'s chances of success.

- d) The Company does not have labor contingencies, classified as probable and possible losses, which shall be provisioned or disclosed.

11. EQUITY

a) Ownership structure in number of shares

Share capital is divided into non-par, book-entry, registered shares.

	6.30.2017	12.31.2016
Common shares	122,523,049	122,523,049
Preferred shares	227,024,896	227,024,896
Subtotal	349,547,945	349,547,945
Treasury shares (common shares)	(351,600)	(351,600)
Treasury shares (preferred shares)	(1,162,300)	(1,162,300)
Total outstanding shares	348,034,045	348,034,045

b) Treasury shares

On June 30, 2017, 351,600 common shares and 1,162,300 preferred shares were acquired, totaling R\$20,310 (R\$20,310 on December 31, 2016). The acquisition of shares, on December 31, 2015, had a minimum, medium and maximum cost per common share of R\$10.35, R\$11.57 and R\$12.68, and the costs per preferred share are R\$13.44, R\$13.97 and R\$14.38, respectively. The market value of such shares on June 30, 2017 was R\$18.20 per common share and R\$20.60 per preferred share.

c) Interest on equity and/or dividends

The Annual Shareholders' Meeting of April 27, 2017, approved the Board of Directors' proposal of March 20, 2017 to pay dividends, totaling R\$159,207, of which R\$0.429569017 per common share and R\$0.472525919 per preferred share, on May 31, 2017.

Notes to the Financial Information

12. INCOME TAX AND SOCIAL CONTRIBUTION

I) Parent Company

- Recoverable taxes, totaling R\$202,577 (December 31, 2016 - R\$178,810), basically refer to income tax and social contribution from previous fiscal years and withholding income tax over financial investment and interest on equity received.

b) Statement of calculation of changes with income tax and social contribution:

	2Q17	2Q16	1H17	1H16
Earnings before taxes (Income Tax and Social Contribution)	(85,769)	181,522	342,397	515,810
Total income tax and social contribution at the rates of 25% and 9%, respectively	29,161	(61,717)	(116,415)	(175,375)
Effect of additions and exclusions in tax calculations:				
Shareholding interest in subsidiary and investments with substantial influence, taxed in the corresponding companies	(11,642)	79,230	146,356	209,067
Non-deductible provisions and expenses, net of non-taxable income	(219)	(107)	(400)	(213)
Interest on equity (received and receivable)	(78,280)	-	(78,280)	-
Tax credits and others	29,984	(17,406)	12,561	(33,479)
Income tax and social contribution for the period	(30,996)	-	(36,178)	-

c) Unused tax credits

On June 30, 2017, unused income tax and social contribution tax credits, calculated on temporary additions and tax losses and social contribution tax loss carryforwards, totaled R\$562,382 (December 31, 2016 – R\$540,817) with prospects of being partially used, depending on subsequent events (Note 17).

II) Consolidated

a) Recoverable taxes, totaling R\$202,577 (December 31, 2016 - R\$185,971), basically refer to income tax and social contribution from previous fiscal years and withholding income tax over financial investment and interest on equity received.

b) Statement of calculation of changes with income tax and social contribution:

	2Q17	2Q16	1H17	1H16
Earnings before taxes (Income Tax and Social Contribution)	(85,769)	186,558	342,397	525,787
Total income tax and social contribution at the rates of 25% and 9%, respectively	29,161	(63,430)	(116,415)	(178,768)
Effect of additions and exclusions in tax calculations:				
Shareholding in investments with substantial influence, taxed.	(11,650)	72,145	146,348	198,743
Non-deductible provisions and expenses, net of non-taxable income	(198)	(222)	(392)	(375)
Interest on equity received and receivable	(78,280)	-	(78,280)	-
Dividends received	-	3,669	-	3,669
Tax credits and others	29,971	(17,198)	12,561	(33,246)
Income tax and social contribution for the period	(30,996)	(5,036)	(36,178)	(9,977)

c) Unused tax credits

On June 30, 2017, unused income tax and social contribution tax credits, calculated on temporary additions and tax losses and social contribution tax loss carryforwards, totaled R\$562,382 (December 31, 2016 – R\$578,875) with prospects of being partially used, depending on subsequent events (Note 17).

Notes to the Financial Information

13. FINANCIAL RESULT

	Parent Company			
	2Q17	2Q16	1H17	1H16
Financial Revenues				
Income from financial investments	13,073	1,015	25,597	2,044
Interest rate on recoverable taxes	3,434	4,262	7,485	8,350
Other	885	767	1,081	945
	17,392	6,044	34,163	11,339
Financial Expenses				
Debenture interest expenses	(42,994)	(49,499)	(92,621)	(95,817)
Monetary variation from loan agreements	-	(4,424)	-	(8,571)
Other	(370)	(523)	(920)	(1,030)
	(43,364)	(54,446)	(93,541)	(105,418)
Net Financial Result	(25,972)	(48,402)	(59,378)	(94,079)

	Consolidated			
	2Q17	2Q16	1H17	1H16
Financial Revenues				
Income from financial investments	13,077	12,685	25,601	24,866
Selic interest rate on recoverable taxes	3,434	4,348	7,485	8,521
Other	971	825	1,166	1,060
	17,482	17,858	34,252	34,447
Financial Expenses				
Debenture interest expenses	(42,994)	(49,499)	(92,621)	(95,817)
Other	(436)	(75)	(985)	(1,481)
	(43,430)	(50,224)	(93,606)	(97,298)
Net Financial Result	(25,948)	(32,366)	(59,354)	(62,851)

14. RELATED PARTIES

- l) Related-party transactions (direct and indirect) are performed based on conditions and fees compatible with third-party averages, where applicable, on the date of such transactions. The main transactions are detailed below:

a) Parent Company

	Parent Company (1)		Investment with significant influence (2)		Total	
	6.30.2017	12.31.2016	6.30.2017	12.31.2016	6.30.2017	12.31.2016
Current Assets						
Interest on equity and dividends receivable	-	602	-	5,445	-	6,047
Current and Non-Current Current						
Other liabilities (Note 17a)	-	(145,399)	-	-	-	(145,399)

(1) Antares and Brumado (companies merged on April, 2017); and

(2) Valepar.

	Parent Company (1)		Investment with significant influence (2)		Total	
	2Q17	2Q16	2Q17	2Q16	2Q17	2Q16
Revenue from interest on equity	-	-	230,235	-	230,235	-
Financial expenses	-	(4,424)	-	-	-	(4,424)

(1) Brumado (company merged on April, 2017); and

(2) Valepar

Notes to the Financial Information

	Parent Company (1)		Investment with significant influence (2)		Total	
	1H17	1H16	1H17	1H16	1H17	1H16
Revenue from interest on equity	-	-	230,235	-	230,235	-
Financial expenses	-	(8,571)	-	-	-	(8,571)

(1) Brumado (company merged on April, 2017); and

(2) Valepar

b) Consolidated

	Parent Company (1)		Investment with significant influence (2)		Total	
	6.30.2017	12.31.2016	6.30.2017	12.31.2016	6.30.2017	12.31.2016
Current Assets						
Interest on equity and dividends receivable	-	-	-	5,445	-	5,445

(1) Antares and Brumado (companies merged on April, 2017); and

(2) Valepar.

	Parent Company (1)		Investment with significant influence (2)		Total	
	2Q17	2Q16	2Q17	2Q16	2Q17	2Q16
Revenue from interest on equity	-	-	230,235	-	230,235	-

(1) Brumado (company merged on April, 2017); and

(2) Valepar.

	Parent Company (1)		Investment with significant influence (2)		Total	
	1H17	1H16	1H17	1H16	1H17	1H16
Revenue from interest on equity	-	-	230,235	-	230,235	-

(1) Brumado (company merged on April, 2017); and

(2) Valepar.

II) Compensation of the Management's key personnel

Each year, the Annual Shareholders' Meeting establishes:

- Management's overall annual compensation, which is defined at the Board of Directors' meeting, to be paid to the members of the Board of Directors and Executive Officers, as provided for by the Company's bylaws; and
- The amount allocated to fund the supplementary pension plans of the Management, within the Pension Plan for BRADESPAR's Management.

A maximum compensation amount of R\$2,700 (2016 – R\$2,7000) and limit of R\$2,600 (2016 – R\$1,500) for private pension plans were established for 2017.

Management short-term benefits

	2Q17	2Q16	1H17	1H16
Proceeds	615	615	938	938
Total	615	615	938	938

Notes to the Financial Information

Retirement obligations

	2Q17	2Q16	1H17	1H16
Defined contribution supplementary private pension plans	603	310	1,109	621

Other benefits

BRADESPAR does not have post-employment or long-term benefits upon employment contract termination, share-based compensation or profit sharing for its Management's key personnel.

Equity interest

Members of the Board of Directors and Board of Executive Officers jointly hold the following equity interest in BRADESPAR:

	6/30/2017	12/31/2016
• Common shares	0.3599%	0.3599%
• Preferred shares	0.4727%	0.4686%
• Total Shares	0.4331%	0.4306%

15. FINANCIAL INSTRUMENTS

The financial instruments are classified below:

	June 30, 2017					
	Parent Company			Consolidated		
	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total
Financial Assets						
Cash and cash equivalents	471,184	-	471,184	472,525	-	472,525
Available-for-sale securities	-	1,429,634	1,429,634	-	1,429,634	1,429,634
Total Assets	471,184	1,429,634	1,900,818	472,525	1,429,634	1,902,159

	June 30, 2017					
	Parent Company			Consolidated		
	Amortized cost	Fair value through profit or loss	Total	Amortized cost	Fair value through profit or loss	Total
Financial Liabilities						
Debentures payable	1,641,145	-	1,641,145	1,641,145	-	1,641,145
Other liabilities	26,191	-	26,191	26,191	-	26,191
Total Liabilities	1,667,336	-	1,667,336	1,667,336	-	1,667,336

	December 31, 2016					
	Parent Company			Consolidated		
	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total
Financial Assets						
Cash and cash equivalents	59,323	-	59,323	439,060	-	439,060
Available-for-sale securities	-	-	-	-	1,353,180	1,353,180
Total Assets	59,323	-	59,323	439,060	1,353,180	1,792,240

Notes to the Financial Information

	December 31, 2016					
	Parent Company			Consolidated		
	Amortized cost	Fair value through profit or loss	Total	Amortized cost	Fair value through profit or loss	Total
Financial Liabilities						
Debentures payable	1,548,238	-	1,548,238	1,548,238	-	1,548,238
Other liabilities	25,563	-	25,563	25,688	-	25,688
Total Liabilities	1,573,801	-	1,573,801	1,573,926	-	1,573,926

a) Available-for-sale financial assets

The main financial asset, recorded under assets and liabilities, relates to the direct investment in CPFL Energia S.A. (CPFL Energia), whose history cost is R\$73,145 (December 31, 2016 – R\$73,145), based on the market value of R\$1,429,634 (December 31, 2016 – R\$1,353,180) and surplus of R\$1,356,489 (December 31, 2016 – R\$1,280,035), based on the quotation criterion that best reflects the market value (Note 17c). Investments in CPFL Energia are classified as available-for-sale securities at fair value, against equity.

BRADESPAR and its subsidiary did not have any derivative operations on June 30, 2017 and December 31, 2016.

b) Non-discounted cash flow for financial liabilities

Below, the non-discounted contractual cash flow payable, based on non-derivative financial liabilities, stated by the remaining contractual maturity until the end of the reporting period:

	Parent Company and Consolidated		
	Less than one year	Between one and three years	Total
June 30, 2017			
Debentures payable	-	1,819,265	1,819,265
December 31, 2016			
Debentures payable	-	1,896,223	1,896,223

Cash flows are estimates prepared by the Company and may vary from this analysis due to variations in the respective index.

c) Sensitivity analysis

In compliance with the CVM Instruction 475/08, the following chart provides the sensitivity of positions subject to variations in market rates or prices:

Risk Factors	Definition	Scenarios					
		6/30/2017			12/31/2016		
		1	2	3	1	2	3
Interest rate in reais	Exposures subject to variations of fixed interest rates and interest rate coupon	(29)	(6,895)	(13,606)	(26)	(8,498)	(16,701)
Equities	Exposures subject to stock price variation	(14,296)	(357,408)	(714,817)	(13,478)	(336,958)	(673,916)
Total without Correlation		(14,325)	(364,303)	(728,423)	(13,504)	(345,456)	(690,617)
Total with Correlation		(14,307)	(360,132)	(720,191)	(13,478)	(337,182)	(674,353)

Notes to the Financial Information

The sensitivity analysis was performed based on the scenarios developed for the respective dates, always considering the market information of the time and scenarios that would negatively affect our positions.

Scenario 1: Based on the market information (B3, Anbima, etc.), 1-basis point shocks were applied for the interest rate and 1% variation for prices. Example: a 8.84% p.a. scenario was applied to a fixed 1-year interest rate of 8.85%;

Scenario 2: Shocks of 25% were applied based on the market. Example: a 8.84% p.a. scenario was applied to a fixed 1-year interest rate of 11.05%. The scenarios for the remaining risk factors also represented a shock of 25% in the respective curves or prices; and

Scenario 3: Shocks of 50% were applied based on the market. Example: a 8.84% p.a. scenario was applied to a fixed 1-year interest rate of 13.26%. The scenarios for the remaining risk factors also represented a shock of 50% in the respective curves or prices.

16. FAIR VALUE ESTIMATE

The Company took into consideration the same calculation assumptions and methodologies presented in the financial statements as at December 31, 2016 to measure the fair value of assets and liabilities on June 30, 2017.

The assets and liabilities measured by fair value are detailed below:

	June 30, 2017	
	Consolidated ⁽¹⁾	
	Carrying amount	Level 1
Financial Assets		
Available-for-sale securities	1,429,634	1,429,634
Total Assets	1,429,634	1,429,634

	December 31, 2016	
	Consolidated ⁽¹⁾	
	Carrying amount	Level 1
Financial Assets		
Available-for-sale securities	1,353,180	1,353,180
Total Assets	1,353,180	1,353,180

(1) The Company does not have assets estimated at fair value based on levels 2 and 3 and liabilities of levels 1, 2 and 3.

17. OTHER INFORMATION

- Other Obligations, in the Parent Company, corresponded in December 31, 2016 totaling R\$145,399, to the loan agreement entered into with its indirect subsidiary BRUMADO, merged on April, 2017, and in the Parent Company and Consolidated, totaling R\$27,203 (December 31, 2016 – R\$ 26,761) refer to the fractions of shares arising from the reverse split, as resolved at the Extraordinary Shareholders' Meeting of April, 2004, which were sold on the B3 auction on July, 2004; the amounts were credited or made available to shareholders;
- General and Administrative Expenses, in the Parent Company, refer to Personnel Expenses totaling R\$2,445 (1H16 – R\$1,903) and R\$1,447 in 2Q17 (2Q16 – R\$1,143) and Other General and Administrative Expenses, totaling R\$3,040 (1H16 – R\$2,552) and R\$1,912 in 2Q17 (2Q16 – R\$1,652). In the Consolidated, they refer to Personnel Expenses totaling R\$2,445 (1H16 – R\$1,903) and R\$1,447 in 2Q17 (2Q16 – R\$1,143) and Other General and Administrative Expenses, totaling R\$3,040 (1H16 – R\$2,761) and R\$1,912 in 2Q17 (2Q16 – R\$1,851);

Notes to the Financial Information

- c) In January 2017, CPFL Energia informed its shareholders and the market in general, that it received a correspondence from State Grid Brazil Power Participações Ltda. ("State Grid Brazil") on the acquisition of equity interest, among which we highlight:
- i) Conclusion of Agreement and Shares Acquired: the Company concluded the Share Purchase Agreement, in September, 2016. Consequently, State Grid Brazil acquired, directly or indirectly (through the acquisition of shares representing 100% of the capital stock of ESC Energia S.A.), 556,164,817 common shares issued by CPFL Energia, representing approximately 54.64% of its total voting capital. Due to the closing of the agreement, State Grid Brazil became the parent company of CPFL Energia;
 - ii) Price per Share of CPFL Energia: The total price paid in cash and in local currency for direct and indirect acquisition of shares issued by CPFL Energia was R\$25.51 per share;
 - iii) Control Acquisition Tender Offer: State Grid Brazil shall make a tender offer for the acquisition of all common shares held by the remaining shareholders of CPFL Energia, which will be launched after registration with the CVM; and
 - iv) Price of Control Acquisition Tender Offer: the price of the control acquisition tender offer of CPFL Energia will be R\$25.51 per share issued by CPFL Energia, equivalent to the price per share of CPFL Energia paid to each seller, plus interest pegged to the Selic rate from the closing date to the date of financial settlement of the public offering for the sale of control of CPFL Energia, to be paid in cash and in local currency.
- d) In February 2017, BRADESPAR informed its shareholders and the market in general that it had entered, together with LITEL, Litela Participações S.A. (LITELA), Mitsui & Co., Ltd. (MITSUI) and BNDES Participações S.A. (BNDESPAR), as shareholders of VALEPAR, into a new VALEPAR Shareholders' Agreement (VALEPAR Agreement), with effective as of May 10, 2017. The VALEPAR Agreement, along with the standard provisions in connection with voting rights and right of first refusal for the acquisition of the signatories shares, provides for the submission to the Company of a proposal for the purpose of enabling the listing of VALE on the B3 Novo Mercado special listing segment and making VALE a company without defined control (Proposal). The Proposal is binding on the signatories the Company's agreement.

The transaction envisaged in the Proposal is composed of a series of steps, whose effectiveness is subject to the successful performance of the other steps. Among the implements of the Proposal is the approval of the merger of VALEPAR into VALE by the corporate bodies of both companies.

The VALEPAR Agreement will be valid for six months as of the beginning of its term or until the approval date of the merger of VALEPAR into VALE by the Shareholders' Meeting, whichever occurs first. At the same time, VALE disclosed the execution of the new Shareholders' agreement containing specific details of the Proposal.

On May 11, 2017, complementing the Material Facts and Notices to the Market disclosed on February 20, 2017, VALE informed that the Board of Directors approved the final proposal presented by VALEPAR, the controlling shareholder of VALE, as requested by its shareholders LITEL, LITELA, BRADESPAR, MITSUI and BNDESPAR, which involves the Company's corporate restructuring and changes in its corporate governance, in order to transform VALE into a company without defined control and enable its shares to be listed in the Novo Mercado special segment of B3.

On June, 2017, in complementy the Material Facts disclosed on February 20, 2017 and May 11, 2017, VALE informed that VALEPAR, as requested by its shareholders LITEL, LITELA, BRADESPAR, MITSUI and BNDES Participações S.A. – BNDESPAR, clarified that the shareholders will not renew VALE's Shareholders' Agreement, which will be entered into on the approval date of VALEPAR's merger by VALE on VALEPAR's General Meeting, and will be valid until November 9, 2020.

Vale informed that the Extraordinary Shareholders' Meeting ("ESM") held in June 2017 approved all the resolutions related to the proposal to restructure the Company's corporate governance, object of the Material Facts of February and May 2017, and the Notice to the Market of June 2017, namely:

- i) Voluntary conversion of Class A preferred shares issued by the Company into common shares, in the ratio of 0.9342 common share per Class A preferred share ("Voluntary Conversion");
- ii) Amendment to VALE's Bylaws to adjust it, as much as possible, to the rules of the Novo Mercado listing segment of B3; and
- iii) Merger of VALEPAR, the Company's controlling shareholder, into VALE. This is the beginning of the 45-day period, ending on August 11, 2017, during which shareholders may, at their discretion, join the voluntary conversion. The implementation of the voluntary conversion and, consequently, of the other stages of the transaction object of the Proposal, is subject to the adhesion of at least 54.09% of the Class "A" preferred shares (excluding treasury shares).

In up to two business days after disclosure of the result of the Voluntary Conversion, that is, August 15, 2017, class "A" preferred shares whose holders adhered to the Voluntary Conversion, will be converted into common shares and credited in the custody accounts of the requesting shareholders, held with B3 or Bradesco ("Conversion Date"). The availability to trade new common shares and ADSs may vary depending on the internal procedures of each Custody Agent.

Until August 10, 2017, approval date of the Financial Statements by the Board of Directors, there were no subsequent events that required adjustments or disclosures on June 30, 2017.

18. ADDITIONAL INFORMATION ON INVESTMENTS WITH SIGNIFICANT INFLUENCE

Below, the summary of the Statement of Financial Position and Statement of Income published by VALEPAR and VALE, not representing BRADESPAR's proportional interest:

STATEMENT OF FINANCIAL POSITION				
	VALE		VALEPAR	
	6/30/2017	12/31/2016	6/30/2017	12/31/2016
ASSETS				
Current	65,705,130	73,547,191	12,773	914,260
Non-Current:				
Long-Term	42,903,201	34,092,439	3,076,374	2,857,152
Investments	11,925,574	12,046,204	48,194,059	45,954,891
Property, Plant and Equipment	180,821,412	180,615,914	-	-
Intangible	23,855,536	22,394,406	-	-
TOTAL	325,210,853	322,696,154	51,283,206	49,726,303
LIABILITIES AND EQUITY				
Current	35,008,048	36,609,497	2,937	60,937
Non-current	151,588,897	152,384,918	2,464,263	2,222,338
Equity	138,613,908	133,701,739	48,816,006	47,443,028
TOTAL	325,210,853	322,696,154	51,283,206	49,726,303
Direct and Indirect Interest	5.88%	5.88%	17.44%	17.44%

Notes to the Financial Information

STATEMENT OF INCOME								
	VALE ⁽¹⁾				VALEPAR			
	2Q17	2Q16	1H17	1H16	2Q17	2Q16	1H17	1H16
Income from Sales and/or Services	23,362,809	21,575,127	50,104,855	42,149,485	-	-	-	-
Cost of Goods Sold and Services Rendered	(16,461,959)	(15,101,519)	(31,327,091)	(30,170,464)	-	-	-	-
Gross Profit	6,900,850	6,473,608	18,777,764	11,979,021	-	-	-	-
Operating Income/(Expenses)	(2,075,208)	(5,820,292)	(1,868,633)	(6,970,592)	(148,600)	(1,053)	(153,298)	(1,856)
Net Financial Result	(4,339,850)	7,019,521	(6,233,663)	11,740,601	9,883	9,968	19,395	18,730
Equity Income	(83,035)	655,956	141,900	1,242,160	20,331	1,208,214	2,679,770	3,335,120
Earnings before Income Taxes	402,757	8,328,793	10,817,368	17,991,190	(118,386)	1,217,129	2,545,867	3,351,994
Income Tax and Social Contribution	(155,336)	(4,617,054)	(2,060,483)	(7,996,810)	(78,060)	(591)	(78,060)	(687)
Net Income (Loss) from Continued Operations	558,093	3,711,739	8,756,885	9,994,380	-	-	-	-
Net Income (Loss) from Discontinued Operations	(388,105)	(72,252)	(645,205)	(27,052)	-	-	-	-
Consolidated Income/Loss for the Period	169,988	3,639,487	8,111,680	9,967,328	(196,446)	1,216,538	2,467,807	3,351,307
Attributed to Parent Company Shareholders	60,325	3,585,106	7,951,438	9,896,082	-	-	-	-
Attributed to Minority Interest	109,663	54,381	160,242	71,246	-	-	-	-

(1) The comparative information for the period ended June 30, 2016 were restated for the application of IFRS 5 to non-current assets held for sale and discontinued operations, after approval by the Board of Directors.

Samarco Mineração S.A. (SAMARCO)'s agreement entered into with federal and state governments is ratified by the court

As reported by VALE S.A., the Regional Federal Court of the 1st region ratified, in May 2016, the agreement entered into by SAMARCO, its parent companies (VALE and BHP Billiton) and federal and Minas Gerais and Espírito Santo state authorities, as well as other government authorities for the recovery of the areas affected by the rupture of the Fundão dam. This document lists 41 social, environmental and economic programs that will provide conditions for the affected area to resume to those existing prior to the rupture of the dam. It includes clear commitments, defines terms for the presentation and execution of projects and establishes transparency and accountability standards. All projects are monitored by the affected populations, external audits will be carried out and an ombudsman department will be created to assist the population. It also establishes the creation of a private foundation that will be responsible for executing all the necessary projects. In June 2016, the Superior Court of Justice granted a preliminary injunction suspending the decision from the Regional Federal Appellate Court that ratified the agreement until the definite judgment of the claim and the public interest action, which had been previously suspended due to the agreement, was restored. In August 2016, the Regional Federal Appellate Court of the 1st region denied the interlocutory appeals filed by SAMARCO, VALE and BHPB against said preliminary injunction and overruled the decision that ratified the Court Settlement Agreement. The preliminary injunction upheld by the Regional Federal Appellate Court of the 1st region prohibited the Defendants from transferring their mining concessions, but did not limit their production and selling activities. The Agreement remains valid between the parties, which will continue to comply with the obligations provided for therein. Only the ratification of the Agreement was suspended.

SAMARCO had expected to resume its operations in the last quarter of 2016. However, due to the current status of the necessary procedures and the difficulties related to approval of licenses by government authorities, SAMARCO cannot accurately estimate when its operations will be resumed. Consequently, VALE recognized in its interim financial statements of June 30, 2016 a provision of R\$3.733 million, corresponding to the best estimate of its obligation related to the Agreement.

SAMARCO is gradually transferring the recovery programs provided for in the agreement to the foundation, named "Fundação Renova", which began operating in August 2016. A total of R\$902 million was transferred from the beginning of the operations until the first half of 2017, discounted from the initial provision of R\$3,733 million, and interest of R\$538 million was appropriated. The balance of this provision totaled R\$3,369 million on June 30, 2017.

Notes to the Financial Information

At the end of each reporting period, VALE will reassess the key assumptions used by SAMARCO and changes will be reflected in the respective provision, where applicable. And, as disclosed by VALE, pursuant to Brazilian law and the terms of the joint venture agreement, VALE is not obliged to transfer funds to SAMARCO. Additionally, VALE did not receive any request for financial assistance from SAMARCO. Consequently, VALE's investment in SAMARCO was reduced to zero and no liability was recorded in VALE's financial statements. The accounting impact of any financial assistance request will be established when appropriate.

In January 2017, SAMARCO, VALE and BHPB entered into two Preliminary Consent Decrees with the Federal Prosecution Office (MPF).

The first agreement (TAP) aims to outline the process and time frame for negotiations of a Final Agreement (Final Agreement), initially expected to occur on June, 2017. The term was extended to October, 2017 by the Court, as requested by the parties. The First Agreement establishes a schedule and initiatives to try conciliation of two civil public actions which aim to establish socio-economic and socio-environmental remediation and compensation programs for the impacts of the Fundão dam failure filed by the Federal Government, Minas Gerais and Espírito Santo state governments, and other governmental authorities. Both actions are pending at the 12th Federal Court of the Judicial District of Belo Horizonte.

The First Agreement provides for: (a) the appointment of experts selected by the Federal Prosecutors and paid for by the companies to make a diagnosis and follow the progress of the 41 programs under the Agreement entered into on March, 2016 by the companies and the federal government and Minas Gerais and Espírito Santo state governments, and other governmental authorities and (b) the holding of at least eleven public hearings, of which five in Minas Gerais, three in Espírito Santo and the remainder in the indigenous territories of the Krenak, Comboios and Caieiras Velhas, in order to allow these communities to take part in the definition of the content of the Final Agreement, as well as the commitment by SAMARCO, Vale and BHPB to provide the 12a Vara Federal da Seção Judiciária de Belo Horizonte (the 12th Federal Court of the Judicial District of Belo Horizonte) with a guarantee for fulfillment of the obligations regarding the financing and payment of the socio-environmental and socio-economic remediation programs resulting from the Fundão dam failure, as per the two above-mentioned civil claims, until the execution of the Final Agreement.

In order to implement the First Agreement, the 12th Federal Court of the Judicial District of Belo Horizonte was requested to accept said guarantees until the completion of the negotiations of negotiations and signature of the Final Agreement, or until October, 2017, whichever comes first, or until the parties reach a new agreement on the guarantees. If, after October, the negotiations do not come to a conclusion, the MPF may request the 12th Federal Court of the Judicial District of Belo Horizonte to reinstate the deposit order.

In March 2017, the 12 Federal Court of the Judicial District of Belo Horizonte, ratified the engagement of experts to make a diagnosis of the socio-environmental impacts (LACTECT) and assess socio-economic and socio-environmental programs under the Agreement signed in March 2016 (RAMBOL); established a period of 60 days for the companies to engage an expert to make a diagnosis of the socio-economic impact; determined the consolidation and suspension of other related claims in order to avoid contradictory or conflicting decisions and to establish a unified judicial procedure in order for the parties to be able to reach a final agreement; and accepted the guarantees provided by SAMARCO and its controlling shareholders under the Preliminary Agreement on a temporary basis. The parties are still negotiating the choice of an expert in the social and economic area.

Additionally, the Company entered into a Second Agreement (Second Agreement), which establishes a time frame to make funds available to remedy the social, economic and environmental damages caused by the Fundão dam failure in the municipalities of Barra Longa, Rio Doce, Santa Cruz do Escalvado and Ponte Nova. This agreement was ratified by the 12th Federal Court of the Judicial District of Belo Horizonte.

Notes to the Financial Information

In July 2017, SAMARCO provided information on the recent developments and analysis regarding the process to obtain the necessary licenses to resume its operations, and believes it will not be possible to resume operations until the end of 2017.

According to SAMARCO, the failure to obtain the consent of the municipality of Santa Bárbara, Minas Gerais, for immediate collection of water affected the preparation and protocol of the environmental impact studies necessary to reestablish the Corrective Operation License (LOC) of the Mining Complex in the term initially established. Additionally, the company must also obtain Preliminary and Installation Licenses (LP/LI) authorizing the construction of the necessary structures for the use of the Alegria Sul pit as a waste deposit. This process requires the consent from the competent authorities, and is still pending.

SAMARCO informed that it is still trying to comply with all the steps to ensure the safe resumption of its operations in the shortest possible time, but that, since resumption depends, among other factors, on the issuance of permits subject to external variables and highly-complex processes, it cannot estimate, at this time, a date to resume its operations.

VALE is a publicly-held company and, accordingly, it files its information with the CVM. Therefore, more information on VALE, as of June 30, 2017 and December 31, 2016, is available on www.cvm.gov.br

Cid de Oliveira Guimarães

Accountant - CRC 1SP218369/O-0

Other Relevant Company Information

SHAREHOLDERS WITH MORE THAN 5% OF SHARES OF EACH KIND AND CLASS - ITR

SHAREHOLDING POSITION OF SHAREHOLDERS WITH MORE THAN 5% OF COMPANY SHARES OF EACH KIND AND CLASS, UNTIL INDIVIDUAL LEVEL						
Company: BRADESPAR S.A.					Position on 6.30.2017 (in [Units] Shares)	
Shareholder	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Cidade de Deus - Cia. Cial de Participações	44,883,224	36.6325	300,960	0.1326	45,184,184	12.9265
NCF Participações S.A.	30,388,376	24.8022	2,235,627	0.9847	32,624,003	9.3332
Fundação Bradesco	18,179,304	14.8375	-	-	18,179,304	5.2008
JGP (Funds)	-	-	22,191,960	9.7751	22,191,960	6.3488
BlackRock, Inc. (Funds)	-	-	11,614,474	5.1159	11,614,474	3.3227
Treasury Shares	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
Other Shareholders	28,720,545	23.4409	189,519,575	83.4796	218,240,120	62.4350
Total	122,523,049	100.00	227,024,896	100.00	349,547,945	100.00

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: CIDADE DE DEUS CIA. COMERCIAL DE PARTICIPAÇÕES					Position on 6.30.2017 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Number	%	Number	%	Number	%
Nova Cidade de Deus Particip. S.A	3,625,555,228	45.4845	-	-	3,625,555,228	45.4845
Fundação Bradesco	2,680,635,547	33.6300	-	-	2,680,635,547	33.6300
Lia Maria Aguiar	496,778,330	6.2323	-	-	496,778,330	6.2323
Others	1,168,000,811	14.6532	-	-	1,168,000,811	14.6532
Total	7,970,969,916	100.00	-	-	7,970,969,916	100.00

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: NOVA CIDADE DE DEUS PARTICIPAÇÕES S.A.					Position on 6.30.2017 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Number	%	Number	%	Number	%
Fundação Bradesco	145,743,856	46.3016	333,542,140	100.00	479,285,996	73.9282
BBD Participações S.A.	169,026,530	53.6984	-	-	169,026,530	26.0718
Total	314,770,386	100.00	333,542,140	100.00	648,312,526	100.00

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: NCF PARTICIPAÇÕES S.A.					Position on 6.30.2017 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Number	%	Number	%	Number	%
Fundação Bradesco	290,061,768	25.1288	1,028,758,270	100.00	1,318,820,038	60.4116
Cidade de Deus - Cia. Cial de Participações	862,510,903	74.7216	-	-	862,510,903	39.5093
Nova Cidade de Deus Particip. S.A.	1,726,886	0.1496	-	-	1,726,886	0.0791
Total	1,154,299,557	100.00	1,028,758,270	100.00	2,183,057,827	100.00

Other Relevant Company Information

LEGAL ENTITY SHARE CAPITAL DISTRIBUTION (COMPANY SHAREHOLDER), UNTIL INDIVIDUAL LEVEL						
Name: BBD PARTICIPAÇÕES S.A.					Position on 6.30.2017 (in [Units] Shares)	
Shareholder / Quotaholder	Common Shares / Quotas		Preferred Shares / Quotas		Total	
	Number	%	Number	%	Number	%
NCD Participações Ltda	-	-	72,638,484	54.6686	72,638,484	23.5018
Treasury	67,761,967	38.4560	10,786,227	8.1178	78,548,194	25.4138
Lázaro de Mello Brandão	13,440,000	7.6274	-	-	13,440,000	4.3484
Others	95,004,332	53.9165	49,445,900	37.2136	144,450,232	46.7360
Total	176,206,299	100.00	132,870,611	100.00	309,076,910	100.00

POSITION OF CONTROLLERS, ADMINISTRATORS AND OUTSTANDING SHARES

CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLERS AND ADMINISTRATORS AND OUTSTANDING SHARES Position on 6.30.2017						
Shareholder	Number of Common Shares (in Units)	%	Number of Preferred Shares (in Units)	%	Total Number of Shares (in Units)	%
Controller	95,125,912	77.6392	3,264,600	1.4380	98,390,512	28.1479
Administrators						
Board of Directors	440,976	0.3599	987,576	0.4350	1,428,552	0.4087
Board of Executive Officers	-	-	85,513	0.0377	85,513	0.0245
Treasury Shares	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
Other Shareholders	26,604,561	21.7139	221,524,907	97.5774	248,129,468	70.9858
Total	122,523,049	100.00	227,024,896	100.00	349,547,945	100.00
Outstanding Shares	26,604,561	21.7139	221,524,907	97.5774	248,129,468	70.9858

CONSOLIDATED SHAREHOLDING POSITION OF CONTROLLERS AND ADMINISTRATORS AND OUTSTANDING SHARES Position on 6.30.2016 (12 months ago)						
Shareholder	Number of Common Shares (in Units) (in Units)	%	Number of Preferred Shares (in Units)	%	Total Number of Shares (in Units)	%
Controller	95,125,912	77.6392	3,264,600	1.4380	98,390,512	28.1479
Administrators						
Board of Directors	440,976	0.3599	987,576	0.4350	1,428,552	0.4087
Board of Executive Officers	-	-	60,207	0.0265	60,207	0.0172
Treasury Shares	351,600	0.2870	1,162,300	0.5120	1,513,900	0.4331
Other Shareholders	26,604,561	21.7139	221,550,213	97.5885	248,154,774	70.9931
Total	122,523,049	100.00	227,024,896	100.00	349,547,945	100.00
Outstanding Shares	26,604,561	21.7139	221,550,213	97.5885	248,154,774	70.9931

Unqualified Special Review Report

Independent Auditors' Report on Review of Interim Financial Information

To
Shareholders and the Board of Directors of
Bradespar S.A.
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Bradespar S.A. ("the Company"), included in the Quarterly Information Form - ITR for the three-month period then ended June 30, 2017, which comprise the statement of financial position as of June 30, 2017 and the related statements of income and comprehensive income for the three and six-month period then ended, statements of changes in shareholders' equity and cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of these individual and consolidated interim financial information in accordance with the accounting standard CPC 21(R1) – Interim Financial Reporting and IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board - IASB, as well as the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the quarterly information. Our responsibility is to express a conclusion on these individual and consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Brazilian and International Standard on Review of Interim Financial Information (NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, issued by the International Accounting Standards Board - IASB applicable to the preparation of the Quarterly Information Form - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statements of value added

The accompanying individual and consolidated interim financial information relating to Statements of Value Added (DVA) for the six-month period ended June 30, 2017, prepared under the responsibility of Company's management, presented as supplementary information for the purposes of IAS 34, were subjected to the same review procedures performed in conjunction with the review of Quarterly Information Form – ITR of the Company. For the purposes of forming our conclusion, we assess whether these statements are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content comply with the criteria set forth in with the accounting standard CPC 09 – Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that the statements of value added above mentioned have not been prepared, in all material respects, consistently with the individual and consolidated interim financial information taken as a whole.

Osasco, August 10, 2017

Original report in Portuguese signed by
KPMG Auditores Independentes
CRC 2SP028567/O-1 F SP

André Dala Pola
Contador CRC 1SP214007/O-2

Fiscal Council's Report

The undersigned members of the Fiscal Council of Bradespar S.A., in the exercise of their legal and statutory duties, analyzed Management's Comments on the Company's performance and the Parent Company and Consolidated Financial Statements for the first half of 2017, prepared in compliance with the Technical Pronouncements of the Accounting Pronouncements Committee (CPC) and, based on the unqualified Review Report prepared by KPMG Auditores Independentes on the Financial Statements mentioned above, concluded that nothing has come to their attention that caused them to believe that the consolidated interim accounting information included in the interim financial information for the second quarter of 2017 was not prepared, in all material respects, in accordance with CPC 21 and IAS 34, applicable to the preparation of Interim Financial Information (ITR), and presented consistently with the standards issued by the Brazilian Securities and Exchange Commission.

Osasco, SP, August 10, 2017

- Ariovaldo Pereira
- João Batista de Moraes
- Luis Claudio de F. C. Pereira
- Marcos Antônio Martins
- Ricardo Reisen de Pinho

Officers` Statement on the Financial Statementes

Declaration of the CEO and Investor Relations Officer

I, Fernando Jorge Buso Gomes, hereby declare that:

1. Based on my knowledge, the planning presented by the auditors and subsequent discussions on the audit results, I agree with the conclusions provided for in the Report prepared by KPMG Auditores Independentes, there being no disagreement; and
2. I reviewed Bradespar's Financial Statements for the period ended June 30, 2017 and, based on subsequent discussions, I agree that said Statements reflect fairly all material respects and the Company's financial position for the period presented.

São Paulo, SP, August 10, 2017.

Fernando Jorge Buso Gomes
CEO and Investor Relations Officer

Officers` Statement on the Independent Auditor`s Report

Declaration of the Executive Officer

I, Johan Albino Ribeiro, hereby declare that:

1. based on my knowledge, the planning presented by the auditors and subsequent discussions on the audit results, I agree with the conclusions provided for in the Report prepared by KPMG Auditores Independentes, there being no disagreement; and
2. I reviewed Bradespar's Financial Statements for the period ended June 30, 2017 and, based on subsequent discussions, I agree that said Statements reflect fairly all material respects and the Company's financial position for the period presented.

São Paulo, SP, August 10, 2017.

Johan Albino Ribeiro
Executive Officer