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**Company Data / Capital Ownership**

<b>Number of Shares (thousand)</b>	<b>Current Quarter September 30, 2019</b>
<b>Paid-In Capital</b>	
<b>Common Shares</b>	122,171
<b>Preferred shares</b>	225,863
<b>Total</b>	348,034
<b>Treasury Shares</b>	
<b>Common Shares</b>	0
<b>Preferred shares</b>	0
<b>Total</b>	0

**Company Data / Cash Proceeds**

<b>Event</b>	<b>Approval</b>	<b>Proceeds</b>	<b>Date of Payment</b>	<b>Type of Share</b>	<b>Class of Share</b>	<b>Earnings per Share (BRL / Share)</b>
Annual Shareholders' Meeting	April 30, 2019	Dividend	May 15, 2019	Common shares		0.11660
Annual Shareholders' Meeting	April 30, 2019	Dividend	May 15, 2019	Preferred shares		0.12826
Annual Shareholders' Meeting	April 30, 2019	Interest on Equity	May 15, 2019	Common shares		0.42423
Annual Shareholders' Meeting	April 30, 2019	Interest on Equity	May 15, 2019	Preferred shares		0.46665

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter September 30, 2019</b>	<b>Previous Fiscal Year December 31, 2018</b>
1	Total Assets	10,462,701	10,634,336
1.01	Current Assets	201,526	563,277
1.01.01	Cash and cash equivalents	201,369	458,227
1.01.03	Accounts Receivable	0	105,050
1.01.03.02	Other Accounts Receivable	0	105,050
1.01.03.02.02	Receivables	0	105,050
1.01.08	Other Current Assets	157	0
1.02	Non-Current Assets	10,261,175	10,071,059
1.02.01	Long-term receivables	168,384	224,769
1.02.01.10	Other Non-Current Assets	168,384	224,769
1.02.01.10.03	Court Deposits	7,737	7,504
1.02.01.10.04	Recoverable Taxes	160,647	217,265
1.02.02	Investments	10,091,688	9,846,285
1.02.03	Property, Plant & Equipment	111	5
1.02.04	Intangible Assets	992	0

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter September 30, 2019</b>	<b>Previous Fiscal Year December 31, 2018</b>
2	Total Liabilities	10,462,701	10,634,336
2.01	Current Liabilities	30,164	457,966
2.01.03	Tax Obligations	158	43,157
2.01.05	Other Obligations	30,006	414,809
2.01.05.02	Others	30,006	414,809
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	4,209	387,966
2.01.05.02.04	Other Obligations	25,733	26,843
2.01.05.02.05	Right of Use Leases	64	0
2.02	Non-Current Liabilities	227,949	216,526
2.02.01	Loans and financings	220,146	209,861
2.02.01.02	Debentures	220,146	209,861
2.02.02	Other Obligations	957	0
2.02.02.02	Others	957	0
2.02.02.02.03	Right of Use Leases	957	0
2.02.04	Provisions	6,846	6,665
2.03	Shareholders' Equity	10,204,588	9,959,844
2.03.01	Share capital	4,100,000	4,100,000
2.03.04	Profit reserve	2,779,080	2,779,080
2.03.04.01	Legal Reserve	227,610	227,610
2.03.04.02	Statutory Reserve	2,551,470	2,551,470
2.03.05	Accumulated Profit / Loss	-15,234	0
2.03.06	Equity valuation adjustments	3,340,742	3,080,764

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

Code of the Account	Description	Current Quarter July 1, 2019 to September 30, 2019	Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019	Equal Quarter of Previous Fiscal Year July 1, 2018 to September 30, 2018	Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018
3.04	Operating Income/Expenses	359,700	-26,027	100,746	-764,015
3.04.02	General and administrative expenses	-4,026	-10,402	-3,437	-9,313
3.04.05	Other operational expenses	-246	-1,049	-266,493	-1,469,672
3.04.05.01	Tax Expenses	-246	-1,011	-41,879	-59,144
3.04.05.02	Other operational expenses	0	-38	-224,614	-1,410,528
3.04.06	Equity Income	363,972	-14,576	370,676	714,970
3.05	Income before Earnings and Taxes	359,700	-26,027	100,746	-764,015
3.06	Financial Result	1,709	10,921	-9,516	-15,199
3.06.01	Financial Revenues	5,281	21,627	23,202	70,275
3.06.02	Financial Expenses	-3,572	-10,706	-32,718	-85,474
3.07	Earnings before Income Taxes	361,409	-15,106	91,230	-779,214
3.08	Income Tax and Social Contribution	0	-128	32,006	0
3.09	Net Income from Continuing Operations	361,409	-15,234	123,236	-779,214
3.11	Income/Loss for the Period	361,409	-15,234	123,236	-779,214
3.99	Earnings per Share (BRL/Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	0.97515	-0.04110	0.33251	-2.10246
3.99.01.02	PN	1.07266	-0.04521	0.36576	-2.31270
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.97515	-0.04110	0.33251	-2.10246
3.99.02.02	PN	1.07266	-0.04521	0.36576	-2.31270

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter July 1, 2019 to September 30, 2019</b>	<b>Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019</b>	<b>Equal Quarter of Previous Fiscal Year July 1, 2018 to September 30, 2018</b>	<b>Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018</b>
4.01	Net income for the period	361,409	-15,234	123,236	-779,214
4.02	Other Comprehensive Income	290,114	259,978	341,709	1,131,795
4.02.02	Impacts from Companies with Significant Influence	290,114	259,978	341,709	1,131,795
4.03	Comprehensive Income for the Period	651,523	244,744	464,945	352,581

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

<b>Code of the Account</b>	<b>Description</b>	<b>Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019</b>	<b>Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018</b>
6.01	Operating Activities Net Cash	122,936	-776,025
6.01.01	Cash from Operations	2,057	-1,465,336
6.01.01.01	Net Earnings before Income Tax and Social Contribution	-15,106	-779,214
6.01.01.02	Equity Income	14,576	-714,970
6.01.01.04	Monetary Variations and Interest, Net	1,981	27,445
6.01.01.07	Others	606	1,403
6.01.02	Changes in Assets and Liabilities	120,879	689,311
6.01.02.01	Decrease/(Increase) in Other Assets	181,430	-13,828
6.01.02.02	Decrease/(Increase) in Other Liabilities	-60,227	77,724
6.01.02.03	Interest on Equity and Dividends Received	0	684,653
6.01.02.05	Income tax and social contribution paid	-324	-59,238
6.02	Investment Activities Net Cash	-117	0
6.02.01	Acquisition of property and equipment	-117	0
6.03	Financing Activities Net Cash	-379,677	615,148
6.03.01	Interest on Shareholders' Equity and Dividends Received	-379,677	-719,402
6.03.03	Issue of Debentures	0	700,358
6.03.04	Settlement of Debentures	0	-1,765,808
6.03.06	Issuance of Promissory Notes	0	2,400,000
6.05	Increase (Decrease) in Cash and Cash Equivalents	-256,858	-160,877
6.05.01	Opening Balance of Cash and Cash Equivalents	458,227	1,670,323
6.05.02	Final Cash and Equivalent Balance	201,369	1,509,446



**Individual Financial Statements / Statement of Changes in the Shareholders' Equity / SCE - January 1,  
2019 to September 30, 2019 (R\$ thousands)**

<b>Code of the Account</b>	<b>Description</b>	<b>Paid-up Share Capital</b>	<b>Capital Reserves, Granted Options and Treasury Shares</b>	<b>Profit Reserve</b>	<b>Profit or Loss Accumulated</b>	<b>Other Incomes Comprehensive</b>	<b>Shareholders' Equity</b>
5.01	Opening Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844
5.03	Adjusted Opening Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844
5.05	Total Comprehensive Income	0	0	0	-15,234	259,978	244,744
5.05.01	Net income for the period	0	0	0	-15,234	0	-15,234
5.05.02	Other Comprehensive Income	0	0	0	0	259,978	259,978
5.05.02.06	Impacts from Companies with Significant Influence	0	0	0	0	259,978	259,978
5.07	Closing Balances	4,100,000	0	2,779,080	-15,234	3,340,742	10,204,588

**Individual Financial Statements / Statement of Changes in the Shareholders' Equity / SCE - January 1,****2018 to September 30, 2018 (R\$ thousands)**

<b>Code of the Account</b>	<b>Description</b>	<b>Paid-up Share Capital</b>	<b>Capital Granted Options and Treasury Shares</b>	<b>Reserves,</b>	<b>Profit Reserve</b>	<b>Profit or Loss Accumulated</b>	<b>Other Incomes Comprehensive</b>	<b>Shareholders' Equity</b>
5.01	Opening Balances	4,100,000		-20,310	2,026,339	0	2,699,979	8,806,008
5.03	Adjusted Opening Balances	4,100,000		-20,310	2,026,339	0	2,699,979	8,806,008
5.04	Capital Transactions with Shareholders	0		20,310	-20,310	0	0	0
5.04.08	Cancellation of Shares in Treasury	0		20,310	-20,310	0	0	0
5.05	Total Comprehensive Income	0		0	0	-779,214	1,131,795	352,581
5.05.01	Net income for the period	0		0	0	-779,214	0	-779,214
5.05.02	Other Comprehensive Income	0		0	0	0	1,131,795	1,131,795
5.05.02.06	Impacts from Companies with Significant Influence	0		0	0	0	1,131,795	1,131,795
5.07	Closing Balances	4,100,000		0	2,006,029	-779,214	3,831,774	9,158,589

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

<b>Code of the Account</b>	<b>Description</b>	<b>Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019</b>	<b>Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018</b>
7.02	Inputs Acquired from Third Parties	-2,961	-5,610
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,124	-3,795
7.02.04	Others	-837	-1,815
7.03	Gross Added Value	-2,961	-5,610
7.05	Net Added Value Produced	-2,961	-5,610
7.06	Added Value Received in Transfer	7,051	785,245
7.06.01	Equity Income	-14,576	714,970
7.06.02	Financial Revenues	21,627	70,275
7.07	Added Value to be Allocated	4,090	779,635
7.08	Value Added Distribution	4,090	779,635
7.08.01	Personnel	6,691	3,674
7.08.02	Taxes, fees and contributions	1,927	59,590
7.08.03	Compensation of Third-Party Capital	10,706	1,495,585
7.08.04	Compensation of Own Capital	-15,234	-779,214
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	-15,234	-779,214

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter September 30, 2019</b>	<b>Previous Fiscal Year December 31, 2018</b>
1	Total Assets	10,462,701	10,634,336
1.01	Current Assets	203,244	564,861
1.01.01	Cash and cash equivalents	203,087	459,811
1.01.03	Accounts Receivable	0	105,050
1.01.03.02	Other Accounts Receivable	0	105,050
1.01.03.02.02	Receivables	0	105,050
1.01.08	Other Current Assets	157	0
1.02	Non-Current Assets	10,259,457	10,069,475
1.02.01	Long-term receivables	168,384	224,769
1.02.01.10	Other Non-Current Assets	168,384	224,769
1.02.01.10.03	Court Deposits	7,737	7,504
1.02.01.10.04	Recoverable Taxes	160,647	217,265
1.02.02	Investments	10,089,970	9,844,701
1.02.03	Property, Plant & Equipment	111	5
1.02.04	Intangible Assets	992	0

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter September 30, 2019</b>	<b>Previous Fiscal Year December 31, 2018</b>
2	Total Liabilities	10,462,701	10,634,336
2.01	Current Liabilities	30,164	457,966
2.01.03	Tax Obligations	158	43,157
2.01.05	Other Obligations	30,006	414,809
2.01.05.02	Others	30,006	414,809
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	4,209	387,966
2.01.05.02.04	Other Obligations	25,733	26,843
2.01.05.02.05	Right of Use Leases	64	0
2.02	Non-Current Liabilities	227,949	216,526
2.02.01	Loans and financings	220,146	209,861
2.02.01.02	Debentures	220,146	209,861
2.02.02	Other Obligations	957	0
2.02.02.02	Others	957	0
2.02.02.02.03	Right of Use Leases	957	0
2.02.04	Provisions	6,846	6,665
2.03	Consolidated Shareholders' Equity	10,204,588	9,959,844
2.03.01	Share capital	4,100,000	4,100,000
2.03.04	Profit reserve	2,779,080	2,779,080
2.03.04.01	Legal Reserve	227,610	227,610
2.03.04.02	Statutory Reserve	2,551,470	2,551,470
2.03.05	Accumulated Profit / Loss	-15,234	0
2.03.06	Equity valuation adjustments	3,340,742	3,080,764

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

Code of the Account	Description	Current Quarter July 1, 2019 to September 30, 2019	Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019	Equal Quarter of Previous Fiscal Year July 1, 2018 to September 30, 2018	Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018
3.04	Operating Income/Expenses	359,556	-26,171	100,679	-764,313
3.04.02	General and administrative expenses	-4,026	-10,413	-3,437	-9,320
3.04.05	Other operational expenses	-246	-1,049	-266,493	-1,469,672
3.04.05.01	Tax Expenses	-246	-1,011	-41,879	-59,144
3.04.05.02	Other Operating Expenses	0	-38	-224,614	-1,410,528
3.04.06	Equity Income	363,828	-14,709	370,609	714,679
3.05	Income before Earnings and Taxes	359,556	-26,171	100,679	-764,313
3.06	Financial Result	1,853	11,065	-9,449	-14,901
3.06.01	Financial Revenues	5,425	21,771	23,269	70,573
3.06.02	Financial Expenses	-3,572	-10,706	-32,718	-85,474
3.07	Earnings before Income Taxes	361,409	-15,106	91,230	-779,214
3.08	Income Tax and Social Contribution	0	-128	32,006	0
3.09	Net Income from Continuing Operations	361,409	-15,234	123,236	-779,214
3.11	Consolidated Income/Loss for the Period	361,409	-15,234	123,236	-779,214
3.11.01	Assigned to the Shareholders of the Parent Company	361,409	-15,234	123,236	-779,214
3.99	Earnings per Share (BRL/Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	0.97515	-0.04110	0.33251	-2.10246
3.99.01.02	PN	1.07266	-0.04521	0.36576	-2.31270
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.97515	-0.04110	0.33251	-2.10246
3.99.02.02	PN	1.07266	-0.04521	0.36576	-2.31270

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

<b>Code of the Account</b>	<b>Description</b>	<b>Current Quarter July 1, 2019 to September 30, 2019</b>	<b>Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019</b>	<b>Equal Quarter of Previous Fiscal Year July 1, 2018 to September 30, 2018</b>	<b>Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018</b>
4.01	Consolidated Net Income for the Period	361,409	-15,234	123,236	-779,214
4.02	Other Comprehensive Income	290,114	259,978	341,709	1,131,795
4.02.02	Impacts from Companies with Significant Influence	290,114	259,978	341,709	1,131,795
4.03	Consolidated Comprehensive Income for the Period	651,523	244,744	464,945	352,581
4.03.01	Assigned to the Shareholders of the Parent Company	651,523	244,744	464,945	352,581

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

<b>Code of the Account</b>	<b>Description</b>	<b>Accumulated in the Current Fiscal Year January 1, 2019 to September 30, 2019</b>	<b>Accumulated in the Fiscal Year Previous January 1, 2018 to September 30, 2018</b>
6.01	Operating Activities Net Cash	123,070	-775,734
6.01.01	Cash from Operations	2,071	-1,465,045
6.01.01.01	Net Earnings before Income Tax and Social Contribution	-15,106	-779,214
6.01.01.02	Equity Income	14,709	-714,679
6.01.01.04	Monetary Variations and Interest, Net	1,981	27,445
6.01.01.07	Others	607	1,403
6.01.02	Changes in Assets and Liabilities	120,879	689,311
6.01.02.01	Decrease/(Increase) in Other Assets	181,430	-13,828
6.01.02.02	Decrease/(Increase) in Other Liabilities	-60,227	77,724
6.01.02.03	Interest on Equity and Dividends Received	0	684,653
6.01.02.05	Income tax and social contribution paid	-324	-59,238
6.02	Investment Activities Net Cash	-117	0
6.02.01	Acquisition of property and equipment	-117	0
6.03	Financing Activities Net Cash	-379,677	615,148
6.03.01	Interest on Shareholders' Equity and Dividends Received	-379,677	-719,402
6.03.03	Issue of Debentures	0	700,358
6.03.04	Settlement of Debentures	0	-1,765,808
6.03.06	Issuance of Promissory Notes	0	2,400,000
6.05	Increase (Decrease) in Cash and Cash Equivalents	-256,724	-160,586
6.05.01	Opening Balance of Cash and Cash Equivalents	459,811	1,671,661
6.05.02	Final Cash and Equivalent Balance	203,087	1,511,075



**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - January 1, 2019 to September 30, 2019****(R\$ thousands)**

Code of the Account	Description	Paid-up Share Capital	Capital Reserves, Granted Options and Treasury Shares	Profit Reserve	Profit or Loss Accumulated	Other Incomes Comprehensive	Shareholders' Equity	Participation of Non-Controlling Shareholders	Shareholders' Equity Consolidated
5.01	Opening Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844	0	9,959,844
5.03	Adjusted Opening Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844	0	9,959,844
5.05	Total Comprehensive Income	0	0	0	-15,234	259,978	244,744	0	244,744
5.05.01	Net income for the period	0	0	0	-15,234	0	-15,234	0	-15,234
5.05.02	Other Comprehensive Income	0	0	0	0	259,978	259,978	0	259,978
5.05.02.06	Impacts from Companies with Significant Influence	0	0	0	0	259,978	259,978	0	259,978
5.07	Closing Balances	4,100,000	0	2,779,080	-15,234	3,340,742	10,204,588	0	10,204,588

**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - January 1, 2018 to September 30, 2018****(R\$ thousands)**

Code of the Account	Description	Paid-up Share Capital	Capital Reserves, Granted Options and Treasury Shares	Profit Reserve	Profit or Loss Accumulated	Other Incomes Comprehensive	Shareholders' Equity	Participation of Non-Controlling Shareholder	Shareholders' Equity Consolidated
5.01	Opening Balances	4,100,000	-20,310	2,026,339	0	2,699,979	8,806,008	0	8,806,008
5.03	Adjusted Opening Balances	4,100,000	-20,310	2,026,339	0	2,699,979	8,806,008	0	8,806,008
5.04	Capital Transactions with Shareholders	0	20,310	-20,310	0	0	0	0	0
5.04.08	Cancellation of Shares in Treasury	0	20,310	-20,310	0	0	0	0	0
5.05	Total Comprehensive Income	0	0	0	-779,214	1,131,795	352,581	0	352,581
5.05.01	Net income for the period	0	0	0	-779,214	0	-779,214	0	-779,214
5.05.02	Other Comprehensive Income	0	0	0	0	1,131,795	1,131,795	0	1,131,795
5.05.02.06	Impacts from Companies with Significant Influence	0	0	0	0	1,131,795	1,131,795	0	1,131,795
5.07	Closing Balances	4,100,000	0	2,006,029	-779,214	3,831,774	9,158,589	0	9,158,589

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

Code of the Account	Description	Accumulated in the Current Fiscal Year	Accumulated in the Fiscal Year Previous
		January 1, 2019 to September 30, 2019	January 1, 2018 to September 30, 2018
7.02	Inputs Acquired from Third Parties	-2,972	-5,617
7.02.02	Materials, Electricity, Outsourced Services and Others	-2,135	-3,802
7.02.04	Others	-837	-1,815
7.03	Gross Added Value	-2,972	-5,617
7.05	Net Added Value Produced	-2,972	-5,617
7.06	Added Value Received in Transfer	7,062	785,252
7.06.01	Equity Income	-14,709	714,679
7.06.02	Financial Revenues	21,771	70,573
7.07	Added Value to be Allocated	4,090	779,635
7.08	Value Added Distribution	4,090	779,635
7.08.01	Personnel	6,691	3,674
7.08.02	Taxes, fees and contributions	1,927	59,590
7.08.03	Compensation of Third-Party Capital	10,706	1,495,585
7.08.04	Compensation of Own Capital	-15,234	-779,214
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	-15,234	-779,214

## Comments on the Financial Information

### MANAGEMENT'S 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)					
	3Q19	3Q18	Var %	9M19	9M18	Var %
Equity Income	363,828	370,609	-1.8%	(14,709)	714,679	-
<b>Operating Revenue</b>	<b>363,828</b>	<b>370,609</b>	<b>-1.8%</b>	<b>(14,709)</b>	<b>714,679</b>	<b>-</b>
General and Administrative Expenses	(773)	(1,956)	-60.5%	(3,009)	(5,273)	-42.9%
Payroll Expenses	(3,253)	(1,481)	119.6%	(7,404)	(4,047)	83.0%
Financial Revenues (Expenses)	1,853	(9,449)	-	11,065	(14,901)	-
Tax Expenses	(246)	(41,879)	-	(1,011)	(59,144)	-
Other Operational Expenses	-	(224,614)	-	(38)	(1,410,528)	-
<b>Operational Result before Income Tax/Social Contribution</b>	<b>361,409</b>	<b>91,230</b>	<b>-</b>	<b>(15,106)</b>	<b>(779,214)</b>	<b>-</b>
Income Tax / Social Contribution	-	32,006	-	(128)	-	-
<b>Results for the Period</b>	<b>361,409</b>	<b>123,236</b>	<b>-</b>	<b>(15,234)</b>	<b>(779,214)</b>	<b>-</b>

## OPERATING REVENUE

As an investment company, BRADESPAR's financial revenue originates from the equity income and interest on VALE's equity.

BRADESPAR's operating revenue totaled R\$363.8 million in 3Q19.

VALE's solid performance in the ferrous and basic metal segments is the period highlight, with EBITDA of R\$18.4 billion and R\$2.2 billion, respectively, totaling together R\$2.3 billion more than in 2Q19. The sales volume of iron ore and pellets reached 85.1 million tons in the quarter, 20.2% up from 2Q19, mainly due to the resumption of suspended production and operational improvements in the Northern System and the Ponta da Madeira port operations.

## FINANCE RESULTS

At the end of the quarter, BRADESPAR's net finance income was R\$1.9 million, mainly due to BRADESPAR's income from financial investments and lower indebtedness, with the total early redemption of the Third Issue of Promissory Notes in the amount of R\$2.458 billion and the partial early amortization of the Seventh Public Issue of Simple Debentures totaling R\$512.7 million at the end of 2018.

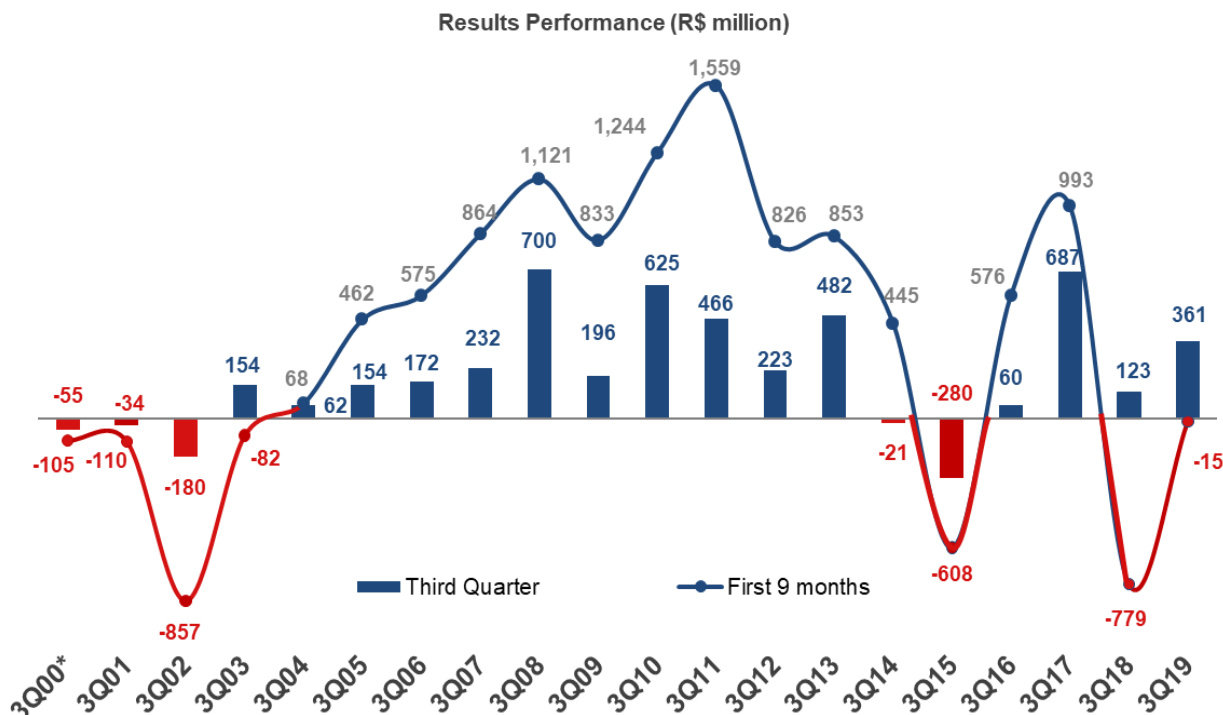
## Comments on the Financial Information

### PAYROLL, GENERAL AND ADMINISTRATIVE EXPENSES

In the 3Q19, BRADESPAR’s payroll, general and administrative expenses totaled R\$4.0 million. Year to date, payroll, general and administrative expenses came to R\$10.4 million.

### RESULTS OF THE QUARTER

In the third quarter of 2019, BRADESPAR posted Net Income of R\$361.4 million, due to the results recorded by VALE, as referred to above.



\*Corresponds to seven months of operations

## Comments on the Financial Information

### EVENTS AFTER THE REPORTING PERIOD

#### Dividends And Interest On Capital

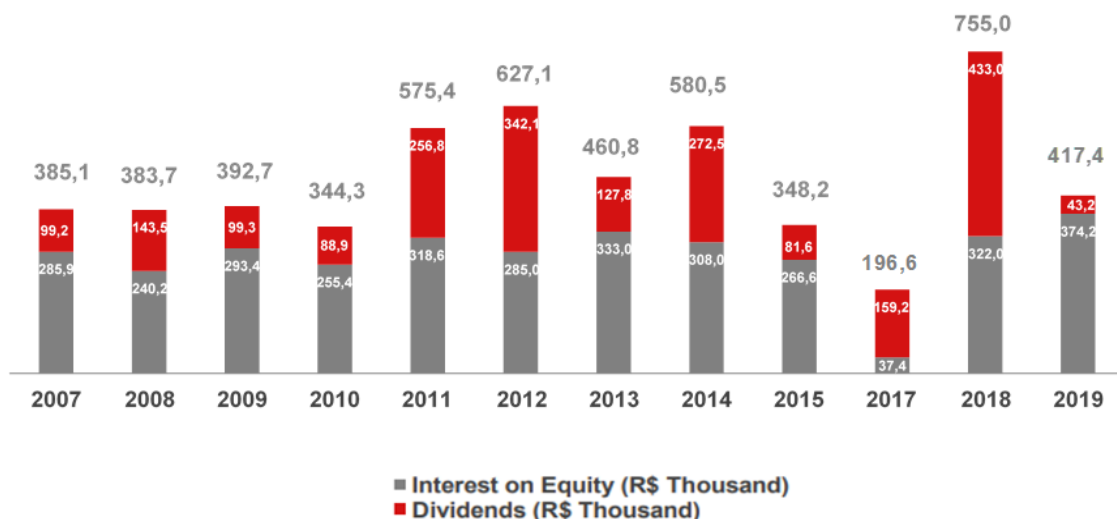
In accordance with item 2.1 of its “Annual Compensation Policy”, on October 31, 2019, BRADESPAR informed its shareholders about the resolution not to pay the first installment of the compensation, as the requirements set forth in the Policy have not been met.

The Company also informed that Management will continue to evaluate the evolution of the result for the current fiscal year and its cash flow to assess the feasibility of submitting, until the closing of the result or prior to the next Annual Shareholders’ Meeting, a proposal to pay dividends and/or interest on equity.

It should be noted that due to the failure of Dam I of the Córrego do Feijão Mine, in Brumadinho (MG), on January 25, 2019, VALE’s Board of Directors, among other measures, resolved to suspend its Shareholder Compensation Policy and consequently not to pay dividends and interest on equity until the Company’s situation is normalized. The decision will directly impact BRADESPAR’s shareholder compensation.

BRADESPAR is following the matter and will keep its shareholders and the market duly informed of the consequences for its Shareholder Compensation Policy.

#### Payment History of Interest on Equity and Dividends



## Comments on the Financial Information

### COMMENTS ON INVESTEE

#### VALE

VALE, a Brazilian private company present in about 30 countries, is one of the world's largest mining companies and the leader in the global market of iron ore, iron ore pellets and nickel. The company also produces manganese, iron alloys, metallurgy and thermal coal, copper, platinum-group metals, gold, silver and cobalt. VALE also operates robust logistics systems in Brazil and abroad, including railways, maritime and port terminals that are integrated to its operations.

It is worth noting that since the failure of Dam I of the Córrego do Feijão Mine, in the city of Brumadinho, Minas Gerais states, from January to October 18, 2019, the main agreements for civil and labor indemnifications totaling approximately R\$2.25 billion have already been paid for individual and collective pecuniary loss and pain and suffering. These agreements include: (a) emergency indemnification to approximately 108,000 people as monthly compensation until January 2020; (b) 700 signed indemnification agreements, involving more than 1,400 beneficiaries, with the support of the Public Defender's Office in accelerated indemnification proceedings; and (c) labor indemnifications for 232 victims, through 500 signed agreements, benefiting more than 1,400 people.

Another 22 agreements were concluded to cover specific fronts, of which: (a) 4 agreements to support municipalities in the rendering of public services, infrastructure and through donations, among others; (b) 5 agreements on environmental recovery, with initiatives for the protection and recovery of the region's fauna and flora; (c) 4 water supply agreements, including new water collection and treatment systems with COPASA; (d) 2 agreements for emergency payments to relocated families in Barão de Cocais and the Pataxós indigenous community; and (e) 7 agreements related to external audit services and asset integrity, providing technical support to authorities, structural revision and reinforcement measures and interruption of operations.

A tailing treatment and environmental recovery plan with 23 planned integrated structures, including two water treatment plants that are already in operation, was also defined. The plan ensures water supply to the Belo Horizonte region, restoring the collection system in the Paraopeba River basin and preventing tailing transport to the Rio das Velhas basin. Thus, the Paraopeba river dredging works have already begun.

**Comments on the Financial Information**

The main aspects of VALE's performance, in the third quarter of 2019, were the following:

- Adjusted EBITDA of R\$18.3 billion;
- Net income of R\$6.5 billion;
- Investments totaling US\$891.0 million;
- Net revenue of R\$40.7 billion; and
- Net debt of US\$5.3 billion.



## Notes to the Financial Information

### Notes to the Financial Statements

(In thousands of reais, unless otherwise specified)

#### 1. OPERATIONS

BRADESPAR S.A. (BRADESPAR, Company or Parent Company), a publicly held corporation headquartered at Avenida Paulista, 1450, 9º andar, São Paulo - SP, Brazil, is to acquire shareholding interest in other companies.

The authorization to issue these interim financial statements was granted by the Board of Directors on November 12, 2019.

**The direct equity interests are as follows:**

##### 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) VALE S.A. (VALE)

VALE S.A. is a publicly-held company headquartered in the city of Rio de Janeiro-Brazil, with securities are traded on the Stock Exchanges of São Paulo - B3 S.A. (VALE3), Nova York – NYSE (VALE), Paris – NYSE Euronext (VALE3) and Madri – LATIBEX (XVALO).

VALE S.A. and its direct and indirect subsidiaries are the world's largest producer of iron ore and pellets, key raw materials for the steel industry and nickel producers, with applications in the stainless steel and metal alloys industry. The company also produces copper, copper, thermal and metallurgical charcoal, manganese, iron alloys, metals of the group of platinum, gold, silver and cobalt (Note 19).

#### 2. PRESENTATION OF FINANCIAL STATEMENTS

We present the condensed, Individual (Parent Company) and Consolidated interim financial statements of BRADESPAR, which includes the subsidiary MILLENNIUM, on September 30, 2019.

The Company's parent company and consolidated financial statements were drawn up in accordance with CPC 21 (R1) – Interim Financial Statements, in compliance with the international standard IAS 34 (Interim Financial Reporting", 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).

Management states that the disclosures in BRADESPAR's individual and consolidated financial statements show all material information used in its management and the accounting practices described above have been consistently used between the periods presented.

The accounting estimates applied to draw up the financial statements, 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. The final results, when realized, may differ from the estimated values.

BRADESPAR evaluates the subsequent events until the date on which the Board of Directors approved the financial statements.

## Notes to the Financial Information

### 3. MAIN ACCOUNTING PRACTICES

The condensed interim financial statements follow the principles, methods and uniform criteria in relation to those adopted for the annual financial statements for the year ended December 31, 2018 and should be analyzed together with those financial statements.

#### a) Principles of Consolidation

The 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.

BRADESPAR's consolidated financial statements include the its direct subsidiary MILLENNIUM.

#### b) Segment reporting

BRADESPAR is a holding company whose corporate purpose and sole business segment is to hold interest as partner or shareholder in other companies.

### 4. KEY ACCOUNTING JUDGMENTS AND ESTIMATES

The due accounting estimates are the same as those used when preparing the financial statements for the year ended December 31, 2018.

### 5. ACCOUNTING PRONOUNCEMENTS

#### a) Standards, amendments or interpretations of applicable standards as of January 1, 2019:

##### . CPC 06 (R2) - Leasing Transactions

CPC 06 (R2), issued in January 2016 to replace CPC 06 (R1) Business Leasing Transactions, ICPC 03 - Additional Aspects of Leasing Transactions, establishes that the leaseholders account for all leases according to a single model, similar to the accounting of financial leases in compliance with CPC 06 (R1). CPC 06 (R2) is mandatory for fiscal years as of January 1, 2019.

Bradespar adopted CPC 06 (R2) on January 1, 2019, using the simplified modified retrospective approach, which does not require the disclosure of comparative information.

The new standard was adopted for agreements that were previously identified as leases that adopt CPC 06 (R1) and ICPC 03 - Additional Aspects of Leasing Operations. Therefore, the Company did not apply the standard to agreements that have not been previously identified as agreements with a lease under CPC 06 (R1) and ICPC 03.

#### b) Standards, amendments and interpretations of applicable standards in future periods:

No new standards not yet in force or that could have a material impact on the Company's financial statements for this period or future periods were identified.

## Notes to the Financial Information

### 6. RISK MANAGEMENT

In the period, there was no change in relation to the risk management policies disclosed in the year ended December 31, 2018.

### 7. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
Available funds in domestic currency	38	56,042	1,756	57,626
Financial investment funds <sup>(1)</sup>	201,331	402,185	201,331	402,185
<b>TOTAL</b>	<b>201,369</b>	<b>458,227</b>	<b>203,087</b>	<b>459,811</b>

(1) Refer to investments of fixed income in Financial Investment Funds, allocated to members of the Organization or associated Companies, which are considered as qualified investors, managed by Bradesco.

### 8. INVESTMENTS

a) The adjustments resulting from the parent company's equity method are as follows:

Companies	Share Capital	Adjusted Shareholders' Equity	Adjusted Income	Number of Common Shares Held (thousand)	Share Capital Interest %	Total Investments		Adjustment due to Valuation (1)			
						September 30, 2019	December 31, 2018	3Q19	3Q18	September 30, 2019	September 30, 2018
MILLENNIUM	11,919	1,718	133	-	100.00	1,718	1,584	144	67	133	291
VALE (2) (3) (4)	77,300,000	181,418,412	(264,477)	293,907	5.56	10,089,970	9,844,701	363,828	370,609	(14,709)	714,679
<b>Total</b>						<b>10,091,688</b>	<b>9,846,285</b>	<b>363,972</b>	<b>370,676</b>	<b>(14,576)</b>	<b>714,970</b>

(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) The company's September 30, 2019 information was audited by the same independent auditors of BRADESPAR;

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

(4) For more information on the direct investment in VALE, see Note 19.

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

Company	Total Investments		Adjustment due to Valuation <sup>(1)</sup>			
	September 30, 2019	December 31, 2018	3Q19	3Q18	September 30, 2019	September 30, 2018
VALE	6,749,228	6,763,937	363,828	370,609	(14,709)	714,679
VALE – adjustment effect <sup>(2)</sup>	3,340,742	3,080,764	-	-	-	-
<b>Total</b>	<b>10,089,970</b>	<b>9,844,701</b>	<b>363,828</b>	<b>370,609</b>	<b>(14,709)</b>	<b>714,679</b>

(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.

### 9. DEBENTURES PAYABLE

On July 28, 2018, BRADESPAR carried out its seventh public issue of 70,000 non-convertible debentures, at the unit par value of R\$10,000 (ten thousand reais), totaling R\$700,000, maturing on June 28, 2021 as of the issue date. With interest corresponding to 103.95% of the accumulated variation of the DI over extra group daily average rate- One-day Interbank Deposits, calculated and disclosed by B3 and available on CETIP's webpage, on a year of 252 business days, expressed as annual percentage ("DI-Over Rate"), incurring on the unit par value or on the balance of the unit par valued of the debentures, calculated from the issue date or from the actual payment date of the compensation, until the end of the capitalization period, *pro rata temporis*.

## Notes to the Financial Information

On July 2, 2018, BRADESPAR received the amount of R\$700,358 thousand from the seventh public issue of 70,000 non-convertible debentures, at the unit par value of R\$10,000, issued on June 28, 2018. The funds obtained had the purpose of fully settling the debentures of the single series of the sixth issue.

On December 27, 2018, BRADESPAR notified the holders of debentures of its seventh issue on the extraordinary early amortization of 70% (seventy percent) of the unit par value of the debentures, according to contractual prerogative that allows the early amortization, limited to 90% of the nominal unit value or the balance of the nominal unit value of the debentures, compensation, calculated pro rata temporis from the issue date up to the actual payment date in the amount of R\$512,734.

On September 30, 2019 and December 31, 2018, Bradespar did not identify any non-compliance event that could cause the early maturity of the debt.

On September 30, 2019, the updated payable balance of the debentures totaled R\$220,146 (December 31, 2018 – R\$209,861).

### 10. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND LEGAL OBLIGATIONS - TAX

#### a) Contingent assets

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

- COFINS – R\$12,109 (December 31, 2018 – R\$11,937): The Company pleads COFINS refund or offset, collected pursuant to Law 9,718/98, between January and October 2001, regarding all due invoicing surplus; and
- Social Integration Program (PIS) – R\$2,624 (December 31, 2018 – R\$2,587): The Company pleads the PIS refund or offset, collected pursuant to Law 9,718/98, between January and October 2001, regarding all surplus due amounts based on the requirements set out by Supplementary Law 7/70 (Pis Repique), or at least regarding all due invoicing surplus.

#### b) Provisions classified as probable losses and legal obligations - Tax

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

When recording provisions, Management considers the 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.

#### l) Tax Provisions

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 September 30, 2019, the updated amount totaled R\$6,846 (December 31, 2018 – R\$6,665).

## Notes to the Financial Information

The balance of court deposits on September 30, 2019, totaling R\$7,737 (December 31, 2018 – R\$7,504) is related to COFINS, which must be refunded by the Brazilian Federal Revenue Service (RFB) pursuant to the aforementioned proceedings.

### II) Changes in Tax Provisions:

	Parent Company and Consolidated	
	September 30, 2019	September 30, 2018
Opening Balance of the Period	6,665	40,073
Monetary restatement	181	753
Closing Balance of the Period	6,846	40,826

### 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.

The lawsuits classified as possible are:

- I) ANTARES, incorporated by BRADESPAR, is a party to a lawsuit filed with RFB, as successor of the spun-off portion of VBC Participações S.A. (VBC), concerning the compensation in this company for tax losses and negative calculation base of social contribution on net profit, during its total spin-off and consequent extinction, in an amount higher than the limit of 30% set forth by Law No. 8.981/95. The total amount, on September 30, 2019, corresponded to R\$278,948 (December 31, 2018 - R\$272,828), of which R\$205,455 was recorded as income tax (December 31, 2018 - R\$200,948) and R\$73,493 was recorded as social contribution on net income (December 31, 2018 - R\$71,880).
- II) Bradespar is a party to a lawsuit filed by Litel Participações S.A. ("Litel"), which being executed confidentially under case number 0281248-69.2018.8.19.0001 at the 10th Civil Court of Rio de Janeiro. In this lawsuit, Litel seeks the conviction of Bradespar for the payment of R\$1.4 billion as reimbursement paid to Elétron S.A. ("Elétron"), in a signed lawsuit agreement to comply with an arbitration decision, converted into losses and damages, filed against Litel and Bradespar. Litel alleged a noncompliance with the Indemnification Agreement signed between the parties on January 5, 2001.

Bradespar disagrees with Litel's lawsuit and its grounds, which addressed in the defense filed on March 8, 2019. In addition to contesting the lawsuit, Bradespar filed a counterclaim seeking compensation from Litel, based on the terms of the Indemnity Agreement, for the amount of R\$ 705 million.

The Judge must now decide on setting a hearing, as both parties understand that the discussion revolves around the interpretation of documents and contracts already filed in court, without the need for further evidence.

Sérgio Bermudes, the legal attorney office representing Bradespar in this lawsuit, classifies Bradespar's likelihood of loss as possible.

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

## Notes to the Financial Information

### 11. SHAREHOLDERS' EQUITY

#### a) Ownership structure in number of shares

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

	September 30, 2019	December 31, 2018
Common Shares	122,171,449	122,171,449
Preferred shares	225,862,596	225,862,596
<b>Total Outstanding</b>	<b>348,034,045</b>	<b>348,034,045</b>

#### b) Interest on equity and/or dividends

On December 28, 2018, BRADESPAR informed the market, in accordance with the relevant matter disclosed on December 21, 2018, after reviewing the cash flows generation and the distribution of income of its investee and in accordance with the flows and the "Indicative Policy for Annual Remuneration", BRADESPAR paid interest on equity on January 31, 2019, as follows:

- R\$217,000 as interest on equity - R\$0.585504889 per common share and R\$0.644055377 per preferred share.

On April 30, 2019, BRADESPAR informed the market that it approved the payment of additional dividends and interest on shareholders' equity in the amount of R\$200,445, which were paid on May 15, 2019, as follows:

- R\$43,215 as dividends - R\$0.116601815 per common share and R\$0.128261996 per preferred share; and
- R\$157,230 as interest on equity - R\$0.424234718 per common share and R\$0.466658189 per preferred share.

#### c) Treasury Shares

The Board of Directors' Meeting of August 14, 2019, resolved to renew the share buyback program; the shares will be held in treasury and subsequently sold or canceled, without reducing the share capital. In order to invest funds from the "Profit Reserve – Statutory", which are available for investment, the Board of Directors authorized the Company's Executive Board to acquire, between August 15, 2019 and February 15, 2021, up to 10,870,000 no-par registered, book-entry shares, of which up to 970,000 common and up to 9,900,000 preferred, within the authorized limits and the validity period mentioned above.

### 12. FINANCIAL RESULT

	Parent Company			
	3Q19	3Q18	September 30, 2019	September 30, 2018
<b>Financial Revenues</b>				
Total Financial Investments	2,937	21,754	12,833	64,796
Interest rate on recoverable taxes	2,267	1,365	8,546	4,663
Others	77	83	248	816
	<b>5,281</b>	<b>23,202</b>	<b>21,627</b>	<b>70,275</b>
<b>Financial Expenses</b>				
Debenture interest expenses	(3,483)	(12,228)	(10,201)	(64,492)
Expenses with interest on promissory notes	-	(20,233)	-	(20,233)
Others	(89)	(257)	(505)	(749)
	<b>(3,572)</b>	<b>(32,718)</b>	<b>(10,706)</b>	<b>(85,474)</b>
<b>Net Earnings</b>	<b>1,709</b>	<b>(9,516)</b>	<b>10,921</b>	<b>(15,199)</b>

## Notes to the Financial Information

	Consolidated			
	3Q19	3Q18	September 30, 2019	September 30, 2018
<b>Financial Revenues</b>				
Total Financial Investments	2,962	21,761	12,858	64,811
Interest rate on recoverable taxes	2,267	1,365	8,546	4,663
Others	196	143	367	1,099
	<b>5,425</b>	<b>23,269</b>	<b>21,771</b>	<b>70,573</b>
<b>Financial Expenses</b>				
Debenture interest expenses	(3,483)	(12,228)	(10,201)	(64,492)
Expenses with interest on promissory notes	-	(20,233)	-	(20,233)
Others	(89)	(257)	(505)	(749)
	<b>(3,572)</b>	<b>(32,718)</b>	<b>(10,706)</b>	<b>(85,474)</b>
<b>Net Earnings</b>	<b>1,853</b>	<b>(9,449)</b>	<b>11,065</b>	<b>(14,901)</b>

### 13. INCOME TAX AND SOCIAL CONTRIBUTION

#### a) Taxes to Offset and Recover

Taxes to Offset and Recover, in the Parent Company and Consolidated, totaling R\$160,647 (December 31, 2018 - R\$217,265), 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 charges with income tax and social contribution:

	Parent Company			
	3Q19	3Q18	September 30, 2019	September 30, 2018
<b>Earnings before taxes (Income Tax and Social Contribution)</b>	<b>361,409</b>	<b>91,230</b>	<b>(15,106)</b>	<b>(779,214)</b>
Total income tax and social contribution at the tax rates of 25% and 9%, respectively.	(122,879)	(31,018)	5,136	264,933
<b>Effect of additions and exclusions in tax calculations:</b>				
Shareholding interest in subsidiaries and investments with substantial influence, taxed in the corresponding companies	123,750	126,030	(4,956)	243,090
Non-deductible provisions and expenses, net of non-taxable income	(372)	(165)	(678)	(586)
Interest on shareholders' equity received and receivable	-	(148,146)	-	(203,450)
Others	(499)	85,305	370	(303,987)
<b>Income Tax and Social Contribution Tax in the Period</b>	<b>-</b>	<b>32,006</b>	<b>(128)</b>	<b>-</b>

	Consolidated			
	3Q19	3Q18	September 30, 2019	September 30, 2018
<b>Earnings before taxes (Income Tax and Social Contribution)</b>	<b>361,409</b>	<b>91,230</b>	<b>(15,106)</b>	<b>(779,214)</b>
Total income tax and social contribution at the tax rates of 25% and 9%, respectively.	(122,879)	(31,018)	5,136	264,933
<b>Effect of additions and exclusions in tax calculations:</b>				
Shareholding interest in subsidiaries and investments with substantial influence, taxed in the corresponding companies	123,701	126,007	(5,001)	242,991
Non-deductible provisions and expenses, net of non-taxable income	(323)	(142)	(633)	(487)
Interest on shareholders' equity received and receivable	-	(148,146)	-	(203,450)
Others	(499)	85,305	370	(303,987)
<b>Income Tax and Social Contribution Tax in the Period</b>	<b>-</b>	<b>32,006</b>	<b>(128)</b>	<b>-</b>

#### a) Unused tax credits

On September 30, 2019, in the Parent Company and in the Consolidated, unused income tax and social contribution tax credits, calculated on temporary additions and tax losses and social contribution tax loss carryforwards, totaled R\$356,681 (December 31, 2018 – R\$357,419).

## Notes to the Financial Information

### 14. RELATED PARTIES

l) Related-party transactions (direct and indirect) are carried out under conditions and fees that are compatible with the average amounts for third parties on the date of the transactions. In 2019, we did not have related-party transactions and the amount of R\$598,380, as of September 30, 2018 (3Q18 – R\$435,724), refers to interest on shareholders' equity in the Parent Company and the Consolidated Company, arising from the decision by VALE.

#### I) Compensation of Key Management 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 Board, 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.

For 2019, the maximum of R\$9,000 was established for the compensation of the Management. Part of this refers to the social security contribution to INSS, which is a liability to the Company, and R\$4,600 thousand to cover private pension plans.

#### Short-term and medium-term compensation to the Management

	3Q19	3Q18	September 30, 2019	September 30, 2018
Compensation and Contribution to Social Security for INSS	1,878	738	3,706	1,863
<b>Total</b>	<b>1,878</b>	<b>738</b>	<b>3,706</b>	<b>1,863</b>

#### Post-employment benefits

	3Q19	3Q18	September 30, 2019	September 30, 2018
Additional Pension Plans with Fixed Contribution	1,149	603	3,127	1,809
<b>Total</b>	<b>1,149</b>	<b>603</b>	<b>3,127</b>	<b>1,809</b>

#### Other Benefits

BRADESPAR does not have long-term benefits upon employment contract termination or share-based compensation, pursuant to CPC 10 - Share-Based Compensation for its Management's key personnel.

#### II) Equity interest

The members of the Board of Directors and of the Executive Board jointly hold the following shareholding in BRADESPAR:

	September 30, 2019	December 31, 2018
• Common shares	0.4626%	0.4626%
• Preferred shares	0.5458%	0.5346%
<b>• Total Shares</b>	<b>0.5159%</b>	<b>0.5093%</b>



## Notes to the Financial Information

### 15. FINANCIAL INSTRUMENTS

#### a) The financial instruments are classified below:

- I) Financial Assets - Loans and receivables in the Parent Company, refer to Cash and Cash Equivalent, totaling R\$201,369 (December 31, 2018 – R\$458,227), and, in the Consolidated, totaling R\$203,087 (December 31, 2018 – R\$459,811); and
- II) Financial Liabilities - Amortized Cost at the Parent Company and Consolidated, refer to Payable Debentures totaling R\$220,146 (December 31, 2018 - R\$209,861) and Other Liabilities totaling R\$25,381 (December 31, 2018 - R\$25,718), described in Note 17d.

#### b) Non-discounted cash flow for financial liabilities

The undiscounted contractual cash flow payable non-derivative financial liabilities, refers to Debentures Payable, totaling R\$241,986 (December 31, 2018 - R\$246,548), maturing on June 28, 2021.

Cash flows are estimates prepared by the Company and may vary in relation to this analysis due to oscillations in the index to which it's linked.

#### c) Sensitivity analysis

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

Risk Factors	Definition	Scenarios					
		September 30, 2019			December 31, 2018		
		1	2	3	1	2	3
		Interest rate in reais	Exposures subject to variations of fixed interest rates and interest rate coupon	-	(87)	(173)	(4)
<b>Total without Correlation</b>		-	<b>(87)</b>	<b>(173)</b>	<b>(4)</b>	<b>(707)</b>	<b>(1,402)</b>
<b>Total without Correlation</b>		-	<b>(87)</b>	<b>(173)</b>	<b>(4)</b>	<b>(707)</b>	<b>(1,402)</b>

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. For example, for a 1-year fixed interest rate of 4.86%, a 4.87% p.a. scenario was used.

**Scenario 2:** Shocks of 25% were applied based on the market. Example: a 4.86% p.a. scenario was applied to a fixed 1-year interest rate of 6.07% p.a.

**Scenario 3:** Shocks of 50% were applied based on the market. Example: a 4.86% p.a. scenario was applied to a fixed 1-year interest rate of 7.29% p.a.

## Notes to the Financial Information

### 16. FAIR VALUE ESTIMATE

The Company considered the same assumptions and calculation methodology presented in the financial statements of December 31, 2018 to measure the fair value of the assets and liabilities of the period.

- I) Financial Liabilities measured at the amortized cost in the Parent Company and Consolidated, refer to Debentures payable, and their estimated fair value calculated based on the discount of future contractual cash flows approximates their amortized cost.
- II) The Company does not have assets measured at fair value based on levels 1, 2 and 3 and liabilities measured at fair value based on levels 1 and 3.

### 17. OTHER INFORMATION

- a) The Company did not operate with derivative financial instruments on September 30, 2019 and December 31, 2018;
- b) Amounts receivable on December 31, 2018, in the Parent Company and Consolidated, reaching R\$105,050, refer to the sale of VALE's shares, traded on B3 on December 26 and 27, 2018, with financial settlement on January 2 and 3, 2019;
- c) Intangible Assets on September 30, 2019, in the Parent Company and in the Consolidated, totaling R\$992, refers to a property lease;
- d) Other Liabilities, in the Parent Company and Consolidated, to R\$25,733 (December 31, 2018 – R\$26,843) mainly refer to the fractions of shares arising from the reverse split, as resolved at the Extraordinary Shareholders' Meeting (ESM) of April 2004, which were sold on the B3 auction in July 2004; the amounts were credited or made available to shareholders;
- e) On September 30, 2018, Other Operational Expenses totaling R\$1,410,528 at the Parent Company and Consolidated refer to the payment of the Elétron lawsuit, resulting from the agreement entered following the end of the legal disputes; and
- f) General and Administrative Expenses at the Parent Company and Consolidated refer to Personnel Expenses, in the amount of R\$7,404 (R\$4,047 on September 30, 2018) and R\$3,253 in 3Q19 (R\$1,481 in 3Q18) and Other General and Administrative Expenses at the Parent Company, in the amount of R\$2,998 (R\$5,266 on September 30, 2018) and in the Consolidated, in the amount of R\$3,009 (R\$5,273 on September 30, 2018), and R\$773 in 3Q19 (R\$1,956 in 3Q18).

### 18. EVENTS AFTER THE REPORTING PERIOD

At a meeting held on October 31, 2019, BRADESPAR's Board of Directors resolved not to pay the first installment of the compensation described in the "Shareholder's Annual Compensation Policy", as the requirements set forth in said Policy have not been met. BRADESPAR will continue to analyze a proposal for payment of dividends and/or interest on equity until the closing of the result or prior to the next Annual Shareholders' Meeting.

## Notes to the Financial Information

### 19. ADDITIONAL INFORMATION ON INVESTMENTS WITH SIGNIFICANT INFLUENCE

- I) Below, the summary of the Consolidated Balance Sheet and the Consolidate Income published by VALE, not representing BRADESPAR's proportional interest:

BALANCE SHEET - R\$ Million	September 30, 2019	December 31, 2018
<b>ASSETS</b>		
Current	76,985	59,256
Noncurrent:		
Long-Term	63,439	51,631
Investments	12,486	12,495
Property, Plant & Equipment	203,512	187,481
Intangible Assets	34,599	30,850
<b>TOTAL</b>	<b>391,021</b>	<b>341,713</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current	55,928	35,285
Non-current	157,385	132,745
Shareholders' Equity	177,708	173,683
<b>TOTAL</b>	<b>391,021</b>	<b>341,713</b>
Direct Interest	5,56%	5.56%

INCOME STATEMENT - R\$ Million				
	3Q19	3Q18	September 30, 2019	September 30, 2018
Sales revenue, net	40,664	37,862	107,621	97,028
Cost of goods sold, and services rendered	(22,628)	(22,827)	(60,660)	(59,260)
<b>Gross Profit</b>	<b>18,036</b>	<b>15,035</b>	<b>46,961</b>	<b>37,768</b>
Operating expenses	(3,654)	(2,073)	(32,156)	(4,803)
Financial Result	(4,556)	(4,958)	(9,980)	(17,959)
Equity Income	501	54	(2,047)	(1,087)
<b>Earnings before Income Taxes</b>	<b>10,327</b>	<b>8,058</b>	<b>2,778</b>	<b>13,919</b>
Income Taxes	(3,866)	(2,450)	(3,281)	(2,496)
<b>Income of Continued Operations</b>	<b>6,461</b>	<b>5,608</b>	<b>(503)</b>	<b>11,423</b>
<b>Income of Discontinued Operations</b>	-	-	-	(310)
<b>Profit (Loss) for the Period</b>	<b>6,461</b>	<b>5,608</b>	<b>(503)</b>	<b>11,113</b>
<b>Attributed to VALE's shareholders</b>	<b>6,542</b>	<b>5,753</b>	<b>(264)</b>	<b>11,171</b>
<b>Attributed to non-controlling interests</b>	<b>(81)</b>	<b>(145)</b>	<b>(239)</b>	<b>(58)</b>

#### II) Other Information

##### a) Contingencies related to Samarco accident

(i) Public civil claim filed by the Federal Government and others and Public civil claim filed by Federal Prosecution Office ("MPF")

In 2016, the federal government, the Brazilian states of Espírito Santo and Minas Gerais and other governmental authorities have initiated a public civil lawsuit against Samarco and its shareholders, with an estimated value indicated by the plaintiffs of R\$20.2 billion. In the same year, MPF filed a public civil action against Samarco and its shareholders and presented several claims, including: (i) the adoption of measures for mitigating the social, economic and environmental impacts resulting from the dam failure and other emergency measures; (ii) the payment of compensation to the community; and (iii) payments for the collective moral damage. The action value indicated by MPF is R\$155 billion.

## Notes to the Financial Information

In June 2018, the parties entered into an agreement (“Term of Adjustment of Conduct”), which extinguishes (i) the public civil claim of R\$20.2 billion filed by the Federal Government and others; and (ii) part of the claims included in the public civil claim of R\$155 billion filed by MPF.

In September 2019, the Court approved the list of entities selected by the community to provide it with technical assistance to assure its participation on the debates regarding the measures to be adopted for mitigate the impacts, accordingly to the referred agreement.

### (ii) United States class action lawsuits

In March 2017, holders of bonds issued by Samarco Mineração S.A., filed a class action suit in the Federal Court in New York against Samarco Mineração S.A., Vale S.A., BHP Billiton Limited, BHP Billiton PLC and BHP Brasil Ltda. under U.S. federal securities laws. The plaintiffs allege that Vale S.A. made false and misleading statements or not made disclosures concerning the risks and dangers of the operations of Samarco's Fundão dam and the adequacy of related programs and procedures.

In June 2019, the Court issued a decision and order dismissing with prejudice the putative federal securities class action. Such decision is appealable and plaintiff's legal deadline is still ongoing. Based on the assessment of the Company's legal consultants, the defendants would have better arguments for a defense in case an appeal is filed by plaintiffs.

### (iii) Criminal lawsuit

In 2016, the MPF brought a criminal lawsuit against Samarco and its shareholders, VogBr Recursos Hídricos e Geotecnia Ltda. and 22 individuals for the consequences related to Fundão dam failure. Currently, the progress of the criminal action is paralyzed due to the judgment of Habeas Corpus, with no decision.

On April 23, 2019, the Federal Court from the 1st Region (“TRF1”) issued an Habeas Corpus writ and granted it to dismiss the criminal charges of homicide and physical injuries committed by oblique intent held against one of the defendants on the criminal action. At the same opportunity, the Court extended the writ's issuance to all other defendants on the case as the criminal information does not describe the crimes of homicide and physical injury, but the crime of flooding qualified by the result of death and physical injury as a consequence of the Fundão dam's failure. Therefore, the Court dismissed the homicide and physical injuries charges held against all defendants.

After acknowledging the Court's decisions, the Ponte Nova Court changed the process, withdrawing the case from the grand jury and putting it in the ordinary processing. In the same opportunity, the judge ruled to determine the parties to manifest themselves about this process alteration and, after the Federal Prosecution and the defenses presented their petitions, the criminal action currently awaits a new ruling. According to the due process of law, this new ruling will necessarily analyze the hypothesis of summary acquittal.

### (iv) Tax proceedings

In 2018, the Office of the Attorney General for the National Treasury (PGFN) requested for a judicial order to secure the payment of alleged federal tax and social security debts regarding a Samarco. In May 2019, a favorable decision was issued dismissing the claim without prejudice, due to lack of procedural interest. The PGFN filed an appeal to the Local Court. The Company is waiting for the Court ruling.

## Notes to the Financial Information

### b) Brumadinho dam failure

On January 25, 2019, a failure has been experienced in the Dam I of the Córrego do Feijão mine, which belongs to the Paraopeba Complex in the Southern System, located in Brumadinho, Minas Gerais, Brazil ("Brumadinho dam"). This dam, built under the upstream method, was inactive since 2016 (that is, without additional tailings disposal) and there was no other operational activity in the structure.

Under the upstream method, a dam is raised by building successive layers ("lifts") above the tailings accumulated in the reservoir. There are two other raising methods, the "downstream" method and the "centerline" method. Each of these methods presents a different risk profile.

Due to the Brumadinho dam failure ("event"), 270 people lost their lives or are missing. Around 11.7 million metric tons of iron ore waste were contained in the Brumadinho dam and it is not yet known the exact volume of iron ore waste that was released due to the dam failure. The tailings released have caused an impact of around 315 km in extension, destroying some of Vale's facilities, affecting local communities and disturbing the environment. The Paraopeba river and its ecosystems have also been impacted by the event.

The Company has been taking the necessary actions to support the victims and to mitigate and recover the social and environmental damages resulting from the dam failure. Vale has provided support in multiple ways, aiming to ensure the humanitarian assistance to those affected by the dam failure.

The Company established three Extraordinary Independent Consulting Committees to support the Board of Directors. All members of these committees are independent and unrelated to management or to the Company's operations, to ensure that the initiatives and actions are unbiased. Following are the committees:

- a) The Extraordinary Independent Consulting Committee for Investigation ("CIAEA"), dedicated to investigating the causes and responsibilities for the Brumadinho dam failure;
- b) The Extraordinary Independent Consulting Committee for Support and Recovery ("CIAEAR"), dedicated to follow-up on the measures taken to support and recover those impacted and the areas affected by the failure of the Brumadinho dam, assuring that all necessary resources will be applied; and
- c) The Extraordinary Independent Consulting Committee for Dam Safety ("CIAESB"), dedicated to support the Board of Directors on questions related to the diagnosis of safety conditions, management and risk mitigation related to Vale's tailings dams, also providing recommendations for actions to strengthen safety conditions of those dams.

In addition, Vale has determined the suspension (i) of the variable remuneration of its executives; (ii) the Shareholder's Remuneration Policy and (iii) any other resolution related to shares buyback.

As a result of the dam failure, the Company recognized in the income statement a total impact of R\$893 and R\$24,129 for the three and nine-month periods ended September 30, 2019 to meet its assumed obligations, including indemnification and donations to those affected by the event, remediation of the affected areas and compensation to the society. The financial impacts recognized on the statement of financial position and income statement are presented as follows:

## Notes to the Financial Information

### a) De-characterization of the dams

On January 29, 2019, the Company informed the market and Brazilian authorities the decision to speed up the plan to “decharacterize” all of its tailings dams built under the upstream method (same method as Brumadinho’s dam), located in Brazil. The “de-characterization” means that the structure will be dismantled so the structure is effectively no longer a dam. After the event, the Brazilian National Mining Agency (“*Agência Nacional de Mineração – ANM*”) set new safety criteria for dams, determining the decharacterization of structures built under the upstream method.

Following the Company’s decision and new standards set by ANM, the Company has undertaken an assessment of its dam structures since the event and recorded a provision for the de-characterization of certain upstream structures that have been identified to date.

Vale has developed engineering projects for the upstream structures and the total expected costs to carry out all de-characterization projects resulted in a provision of R\$7,652 as at September 30, 2019, discounted at the present value using the discount rate of 3.40%.

#### (i) Company’s dams

Before the event, the decommissioning plans of these dams were based on a method which aimed to ensure the physical and chemical stability of the structures, not necessarily, in all cases, removing in full and potentially reprocessing the tailings contained in the dams. Since the event, the Company has been working to develop detailed de-characterization engineering plan for each of these dams.

The updated plans indicate that for certain of these upstream dams, firstly, the Company will have to reinforce the downstream massive structures, and conclude the de-characterization subsequently, according to the geotechnical and geographic conditions of each of them. It was also considered whether additional containment structures should be built, depending on the safety level of the structure. The conceptual projects for the de-characterization were filed before the competent authorities and the conceptual developing projects are also expected to be concluded in 2020.

The Company is currently working on the development of the engineering solution to de-characterize all of these structures and the detailed engineering projects will be filed later this year, which might result in material changes on the provided amount. Moreover, these projects filed during the year are subject to further review and eventual approval by the relevant authorities.

The measurement of the costs and recognition of the provision takes into consideration several assumptions and estimates, which rely on factors, for which some are not under the Company’s control. The main critical assumptions and estimates applied considers, among others: (i) volume of the waste to be removed based on historical data available and interpretation of the enacted laws and regulations; (ii) location availability for the tailings disposal; and (iii) acceptance by the authorities of the proposed engineering methods and solution. Therefore, changes in the critical assumptions and estimates may result in a material change to the amount provided as at September 30, 2019.

#### (ii) Associates and joint ventures upstream dams

Some of our investees also operate similar dam structures and as detailed in the note 17 in financial statements of VALE, the Company recognized a provision of R\$993 in the second quarter of 2019 as “Equity results and other results in associates and joint ventures” in relation to the de-characterization of the Germano tailings dam, owned by Samarco Mineração S.A.

## Notes to the Financial Information

### b) Framework Agreements and donations

The Company has been working together with the authorities and society to remediate the environmental and social impacts of the event. Therefore, the Company has started negotiations and entered into agreements with the relevant authorities and affected people. Vale has also signed an instrument committing to donate to Brumadinho city, other institutions, to the families with missing members or affected by fatalities, to business owners of the region and families that resided in the Self-Saving Zone near to Brumadinho dam.

The agreements reached with the relevant authorities were signed with to compensate those affected by the event. As a result of these agreements outlined below, the Company has a provision of R\$7,662 recorded as at September 30, 2019.

Vale has also developed studies and projects to ensure geotechnical safety of the remaining structures at the Córrego do Feijão mine, in Brumadinho, and the removal and proper disposal of the tailings, especially alongside the Paraopeba river. In addition, Vale has set up an exclusive structure for treatment of the rescued animals, enabling emergency care and recovery.

These projects aiming to recover the environment and compensate the society resulted in a provision of R\$4,437 recorded as at September 30, 2019.

The total amount of this provision may vary due to the early stage of the ongoing negotiations, timing and scope of the measures currently being discussed, which are subject to the approval and consent by the relevant authorities.

#### (i) Public Defendants

On April 5, 2019, Vale and the Public Defendants of the State of Minas Gerais formalized an agreement under which those affected by the Brumadinho's Dam failure may join an individual or family group out-of-Court settlement agreements for the indemnification of material, economic and moral damages. This agreement establishes the basis for a wide range of indemnification payments, which were defined according to the best practices and case law of Brazilian Courts.

#### (ii) Public Ministry of Labor

On July 15, 2019, Vale signed a final agreement with the Public Ministry of Labor to indemnify the direct and third-party employees of the Córrego do Feijão mine who were affected by the termination of this operation. Under the terms of the final agreement, Vale will either maintain the jobs of its direct employees and third-party employees until January 25, 2023 or convert this benefit into a cash compensation.

The agreement also includes indemnification payments to the relatives of the fatal victims of the event, which may vary depending on their relationship with the victims, and a lifelong medical insurance benefit to the widows and widowers and a similar benefit to the dependents of the victims until they are 25 years old.

In addition, the agreement set a collective moral damage indemnification payment in the amount of R\$400, which has been fully paid in the current quarter.

#### (iii) Brazilian Federal Government, State of Minas Gerais, Public Prosecutors

On February 20, 2019, Vale entered into a judicial preliminary agreement with the State of Minas Gerais, Federal Government, the Public Prosecutors of the State of Minas Gerais the Federal Public Prosecutors and the Public Defenders of the State of Minas Gerais and representatives of Public Authorities in which the Company commits to make, subject to registration, emergency indemnification payments to the residents of Brumadinho and the communities that are located downstream up to one kilometer from the Paraopeba river bed, from Brumadinho to the city of Pompéu. Due to this agreement, the Company has been making monthly payments during a 12-month period, according to the age of the beneficiary, among other factors.

## Notes to the Financial Information

### (iv) Environmental remediation and compensation

On July 8, 2019, Vale has entered into an agreement with *Companhia de Saneamento de Minas Gerais* (“COPASA”) to implement several actions to clean up the affected areas and to upgrade the retention water system alongside the Paraopeba River and some other water collection points nearby the affected area. In addition, the Company mobilized the dredging of part of the material released, including cleaning and de-sanding of the Paraopeba river channel.

### **c) Incurred expenses**

The Company has incurred in expenses, which do not qualify for provision and have been recognized straight to the income statement, in the amounts of R\$893 and R\$1,906 for the three and nine-month periods ended September 30, 2019, respectively. These expenses include communication services, accommodation and humanitarian assistance, equipment, legal services, water, food aid, taxes, among others.

### **d) Operation stoppages**

The Company has some suspended operations due to judicial decisions or technical analysis performed by the Company on its upstream dam structures. Such stoppage currently impacts 50 Mtpy of Vale's production capacity of iron ore, which about 20 Mtpy is expected to be gradually resumed starting by the end of this fiscal year. The Company is working on legal and technical measures to resume these operations at the earliest.

The Company recorded a loss of R\$704 and R\$2,248 related to the operational stoppage and idle capacity of the ferrous mineral segment as “Pre-operating and operational stoppage” for the three and nine-month periods ended September 30, 2019, respectively.

### **e) Assets write-off**

Following the event and the decision to speed up the de-characterization of the upstream dams, the Company recognized a loss of R\$836 as “Impairment and disposal of non-current assets” for the nine-month period ended September 30, 2019 in relation to the assets write-off of the Córrego do Feijão mine and those related to the other upstream dams in Brazil.

### **f) Contingencies and other legal matters**

Vale is subject to significant contingencies due to the Brumadinho dam failure. Vale has already been named on several judicial and administrative proceedings brought by authorities and affected people and is currently under investigations. Vale is evaluating these contingencies and would recognize a provision based on the updates on the stage of these claims.

Following these contingencies, approximately R\$6.3 billion of the Company's assets are restricted as at September 30, 2019, of which approximately R\$334 of the Company's bank accounts are restricted and R\$6 billion were converted into judicial deposits.

For the Brumadinho event, the Company has additional guarantees in the amount of R\$5.6 billion, which were presented in court and used to release the respective judicial deposit during the period ended September 30, 2019.

### (i) Administrative sanctions

The Company was notified of the imposition of administrative fines by the Brazilian Institute of the Environment and Renewable Natural Resources (“IBAMA”), in the amount of R\$250, which the Company expects to settle through environmental projects. Furthermore, the Secretary for Environment – SEMA Brumadinho imposed administrative fines, in the total amount of R\$109. Both amounts are also recorded as at September 30, 2019.



## Notes to the Financial Information

### (ii) U.S. Securities class action suits

The Company became aware through public available information that Vale and certain of its current officers have been named as defendants in putative securities class action complaints in Federal Courts in New York brought by holders of Vale's securities under U.S. federal securities laws. However, neither the Company nor its officers have been officially served of any of these Complaints.

The complaints allege that Vale made false and misleading statements or omitted to make disclosures concerning the risks and potential damage of a failure of the dam in the Córrego de Feijão mine. The plaintiffs have not specified an amount of alleged damages in these complaints. Vale intends to defend against these actions and mount a full defense against these claims. Based on the assessment of the Company's legal consultants, although still in a very preliminary stage, the expectation of loss of this proceeding is classified as possible.

Considering that, no official service of process has been received to date, the very early stage of the aforementioned putative class action complaints and the fact that no amounts have been claimed by the plaintiffs against the defendants, it is not possible, at the moment, to reliably estimate the potential amounts involved.

### **g) Insurance**

The Company is negotiating with insurers under its operational risk, general liability and engineering risk policies, but these negotiations are still at a preliminary stage. Any payment of insurance proceeds will depend on the coverage definitions under these policies and assessment of the amount of loss. Due to uncertainties, no indemnification to the Company was recognized in Vale's interim financial statements.

VALE is a publicly held company and, accordingly, it files its information with the CVM. Therefore, more information, as of September 30, 2019 and December 31, 2018, is available on [www.cvm.gov.br](http://www.cvm.gov.br).

## Other Relevant Company Information

### SHAREHOLDERS WITH OVER 5% OF THE SHARES OF EACH TYPE AND CLASS - ITR

SHAREHOLDING POSITION OF HOLDERS OF OVER 5% OF THE SHARES OF EACH TYPE AND CLASS OF THE COMPANY, TO THE LEVEL OF INDIVIDUALS						
Company: BRADESPAR S.A.						Position on September 30, 2019 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Cidade de Deus - Cia. Cial de Participações	44.883.224	36,7379	301.410	0,1334	45.184.634	12,9828
NCF Participações S.A.	30.388.376	24,8735	2.235.627	0,9898	32.624.003	9,3738
Fundação Bradesco	18.179.304	14,8802	-	-	18.179.304	5,2234
BlackRock, Inc. (Funds)	-	-	11.614.474	5,1423	11.614.474	3,3372
Aberdeen (Funds)	-	-	11.605.128	5,1381	11.605.128	3,3345
Fundo de Investimento Geração Futuro LPAR	-	-	13.069.600	5,7865	13.069.600	3,7553
Treasury shares	-	-	-	-	-	-
Other Shareholders	28.720.545	23,5084	187.036.357	82,8098	215.756.902	61,9930
<b>Total</b>	<b>122.171.449</b>	<b>100,00</b>	<b>225.862.596</b>	<b>100,00</b>	<b>348.034.045</b>	<b>100,00</b>

DISTRIBUTION OF THE SHARE CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), TO THE LEVEL OF THE INDIVIDUAL						
Name: CIDADE DE DEUS CIA. COMERCIAL DE PARTICIPAÇÕES						Position on September 30, 2019 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Nova Cidade de Deus Particip. S.A	3.755.570.512	47,8907	-	-	3.755.570.512	47,8907
Fundação Bradesco	2.776.765.252	35,4091	-	-	2.776.765.252	35,4091
Maria Ângela Aguiar	411.197.692	5,2436	-	-	411.197.692	5,2436
Others	898.426.068	11,4567	-	-	898.426.068	11,4567
<b>Total</b>	<b>7.841.959.524</b>	<b>100,00</b>	<b>-</b>	<b>-</b>	<b>7.841.959.524</b>	<b>100,00</b>

DISTRIBUTION OF THE SHARE CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), TO THE LEVEL OF THE INDIVIDUAL						
Name: NOVA CIDADE DE DEUS PARTICIPAÇÕES S.A.						Position on September 30, 2019 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	157.710.559	46,3016	360.928.543	100,00	518.639.102	73,9282
BBD Participações S.A.	182.904.922	53,6984	-	-	182.904.922	26,0718
<b>Total</b>	<b>340.615.481</b>	<b>100,00</b>	<b>360.928.543</b>	<b>100,00</b>	<b>701.544.024</b>	<b>100,00</b>

DISTRIBUTION OF THE SHARE CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), TO THE LEVEL OF THE INDIVIDUAL						
Name: NCF PARTICIPAÇÕES S.A.						Position on September 30, 2019 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	300.379.172	25,1288	1.065.350.875	100,00	1.365.730.047	60,4116
Cidade de Deus - Cia. Cial de Participações	893.190.142	74,7216	-	-	893.190.142	39,5093
Nova Cidade de Deus Particip. S.A.	1.788.311	0,1496	-	-	1.788.311	0,0791
<b>Total</b>	<b>1.195.357.625</b>	<b>100,00</b>	<b>1.065.350.875</b>	<b>100,00</b>	<b>2.260.708.500</b>	<b>100,00</b>

## Other Relevant Company Information

DISTRIBUTION OF THE SHARE CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), TO THE LEVEL OF THE INDIVIDUAL						
Name: BBD PARTICIPAÇÕES S.A.						Position on September 30, 2019 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
NCD Participações Ltda	-	-	74.784.306	49,3801	74.784.306	24,1960
Treasury	57.870.816	36,7129	21.367.060	14,1087	79.237.876	25,6369
Luiz Carlos Trabuco Cappi	9.098.453	5,7720	216.920	0,1432	9.315.373	3,0139
Carlos Alberto Rodrigues Guilherme	8.975.829	5,6942	198.331	0,1310	9.174.160	2,9682
Milton Matsumoto	8.927.056	5,6633	198.283	0,1309	9.125.339	2,9524
Others	72.758.623	46,1576	54.681.233	36,1061	127.439.856	41,2324
<b>Total</b>	<b>157.630.777</b>	<b>100,00</b>	<b>151.446.133</b>	<b>100,00</b>	<b>309.076.910</b>	<b>100,00</b>

### POSITION OF CONTROLLING SHAREHOLDERS, THE MANAGEMENT AND OUTSTANDING SHARES

CONSOLIDATED SHAREHOLDING OF CONTROLLING SHAREHOLDERS AND MANAGEMENT AND OUTSTANDING SHARES						
Position on September 30, 2019						
Shareholder	Number of Common Shares (In Units)	%	Number of Preferred Shares (In Units)	%	Total Number of Shares (In Units)	%
<b>Controlling Shareholder</b>	95.125.912	77,8626	2.537.037	1,1233	97.662.949	28,0613
<b>Management</b>						
Board of Directors	565.120	0,4626	1.230.462	0,5448	1.795.582	0,5159
Executive Board	-	-	-	-	-	-
<b>Fiscal Council</b>	-	-	-	-	-	-
<b>Treasury shares</b>	-	-	-	-	-	-
<b>Other Shareholders</b>	26.480.417	21,6748	222.095.097	98,3320	248.575.514	71,4228
<b>Total</b>	<b>122.171.449</b>	<b>100,00</b>	<b>225.862.596</b>	<b>100,00</b>	<b>348.034.045</b>	<b>100,00</b>
<b>Outstanding Shares</b>	26.480.417	21,6748	222.095.097	98,3320	248.575.514	71,4228

CONSOLIDATED SHAREHOLDING OF CONTROLLING SHAREHOLDERS AND MANAGEMENT AND OUTSTANDING SHARES						
Position on September 28, 2018 (LTM)						
Shareholder	Number of Common Shares (In Units)	%	Number of Preferred Shares (In Units)	%	Total Number of Shares (In Units)	%
<b>Controlling Shareholder</b>	95.125.912	77,8626	2.537.037	1,1233	97.662.949	28,0613
<b>Management</b>						
Board of Directors	565.120	0,4626	1.203.499	0,5328	1.768.619	0,5082
Executive Board	-	-	-	-	-	-
<b>Fiscal Council</b>	-	-	-	-	-	-
<b>Treasury shares</b>	-	-	-	-	-	-
<b>Other Shareholders</b>	26.480.417	21,6748	222.122.060	98,3439	248.602.477	71,4305
<b>Total</b>	<b>122.171.449</b>	<b>100,00</b>	<b>225.862.596</b>	<b>100,00</b>	<b>348.034.045</b>	<b>100,00</b>
<b>Outstanding Shares</b>	26.480.417	21,6748	222.122.060	98,3439	248.602.477	71,4305

## **Unqualified Special Review Report**

### **Report on review of quarterly information**

To the Board of Directors and Stockholders  
Bradespar S.A.

#### **Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Bradespar S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2019, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

#### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim 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 with Brazilian and International Standards on Auditing 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 information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

#### **Emphasis of matter**

##### **Brumadinho's dam failure in the investee, Vale S.A.**

We draw attention to Note 19(b) to the consolidated and parent company interim accounting information that describes the actions taken by the investee, Vale S.A., and the impacts on its interim accounting information as a consequence of the Brumadinho's Dam failure. As disclosed by management of Vale S.A., the investee has incurred costs and recorded provisions based on its best estimates and assumptions. Given the nature and uncertainties inherent in this type of event, the amounts recognized and/or disclosed by the investee will be reassessed and may be adjusted significantly in future periods, as new facts and circumstances become known. Our conclusion is not qualified in relation to this matter.

#### **Other matters**

##### **Statements of value added**

The quarterly information referred to above includes the parent company and consolidated statements of value added for the nine-month period ended September 30, 2019. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim accounting information for the purpose of concluding whether they are reconciled with the interim accounting information

## Unqualified Special Review Report

and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

### Audit and review of prior-year information

The Quarterly Information Form (ITR) mentioned in the first paragraph includes accounting information, presented for comparison purposes, related to the income statement and statements of comprehensive income for the quarter and semester ended September 30, 2018 and changes in equity and cash flows for the semester then ended, obtained from the Quarterly Information Form (ITR) for that quarter, and also to the statement of financial position as at December 31, 2018, obtained from the financial statements at December 31, 2018. The review of the Quarterly Information (ITR) for the quarter ended September 30, 2018 and the audit of the financial statements for the year ended December 31, 2018 were conducted by other independent auditors, who issued, respectively, an unqualified review report, dated October 24, 2018, and an unqualified audit report dated March 28, 2019, which included an emphasis of matter paragraph related to a subsequent event resulting from the Brumadinho's dam failure occurred in the investee's operational facilities, Vale S.A. on January 25, 2019.

São Paulo, November 12, 2019

PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5

Luís Carlos Matias Ramos  
Contador CRC 1SP171564/O-1

## Report of the Fiscal Council or Similar body

### FISCAL COUNCIL REPORT

The Fiscal Council's members of Bradespar S.A., in the exercise of their legal and statutory attributions, analyzed the Management Comments on the Company's performance and Individual and Consolidated Financial Statements for the third quarter of 2019, based on the Auditor's Report on Review of Financial Statements prepared PricewaterhouseCoopers Auditores Independentes, which report was issued without exceptions, and, in the opinion of the Fiscal Council's members, such financial information, reviewed in the light of the accounting practices adopted in Brazil and applicable legislation, was prepared and presented in compliance with the rules issued by the Brazilian Securities and Exchange Commission, and fairly reflect the Company's financial position.

Osasco, SP, November 11, 2019

- Ariovaldo Pereira
- Domenica Eisenstein Noronha
- João Batista de Moraes
- João Carlos de Oliveira
- Wilfredo João Vicente Gomes

## **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 on September 30, 2019 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, November 12, 2019.

**Fernando Jorge Buso Gomes**  
**CEO and Investor Relations Officer**

## **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 on September 30, 2019 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, November 12, 2019.

**Johan Albino Ribeiro**  
**Executive Officer**