(Convenience translation into English from the original previously issued in Portuguese)

MINERVA S.A.

Individual (Company) and consolidated interim review report

Quarter ended March 31, 2015

MINERVA S.A.

Individual (Company) and consolidated interim information
Quarter ended March 31, 2015

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(Convenience translation into English from the original previously issued in Portuguese)

INDEPENDENT AUDITORS' REPORT ON THE INTERIM FINANCIAL STATEMENTS

To
The Board of Directors and Shareholders of
Minerva S.A.
Barretos - SP

Introduction

We have reviewed the individual and consolidated interim financial statements of Minerva S.A. ("Company"), included in the Quarterly Information for the quarter ended March 31, 2015, which comprises the balance sheet as of March 31, 2015 and the respective statements of operations, comprehensive income (loss), statements of changes in shareholders' equity, and cash flows for the quarter then ended, including the notes to the financial statements.

The Company's management is responsible for the preparation of the individual and consolidated interim financial statements in accordance with Technical Pronouncement 21 – Interim financial statements, issued by the Committee of Accounting Pronouncements (CPC), and with International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of these interim financial statements in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Information. Our responsibility is to express an opinion on the interim information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim statements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). An interim review consists principally of applying analytical and other review procedures, and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards. An interim review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Conclusion on the interim financial statements

Based on our review, we are not aware of any fact that leads us to believe that the individual and consolidated interim financial statements included in the quarterly information referred to above have not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to Quarterly Information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other issues

Statements of value added

We have also reviewed the individual and consolidated statements of value added for the quarter ended March 31, 2015, prepared under the responsibility of the Company's management, whose disclosure in the interim financial statements is required in accordance with the standards issued by CVM applicable to the preparation of the Quarterly Information and considered as supplemental information by IFRS – International Financial Reporting Standards, which do not require the disclosure of the statement of value added. This statement was submitted to the same review procedures previously described and based on our review, we are not aware of any fact that would lead us to believe that they have not been fairly stated, in all material respects, in relation to the interim financial statements, Company and Consolidated, taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, April 29, 2015.

BDO

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Francisco de Paula dos Reis Júnior
Accountant CRC 1 SP 139268/O-6

MINERVA S.A.

Balance sheets
As of March 31, 2015 and December 31, 2014
(In thousands of Brazilian Reais)

	Note	Company		Consolidated	
		31/03/2015	31/12/2014	31/03/2015	31/12/2014
Assets					
Current					
Cash and cash equivalents	5	1.748.614	1.420.352	3.006.772	2.474.380
Trade accounts receivable	6	182.595	243.772	455.476	435.099
Inventories	7	308.467	276.247	538.580	467.635
Biological assets	8	135.105	150.344	143.746	173.381
Recoverable taxes	9	503.695	468.642	626.304	560.317
Other receivables		82.592	109.079	131.566	147.052
Total current assets		**2.961.068**	**2.668.436**	**4.902.444**	**4.257.864**
Non-current					
Other receivables		28.214	23.314	44.128	37.391
Related-party transactions	11	899.750	641.638	445	445
Recoverable taxes	9	224.380	224.380	233.912	233.846
Deferred tax assets	10	244.639	244.639	248.929	248.929
Court deposits		10.374	10.724	12.263	12.419
Investments	12	1.604.416	1.373.218	-	-
Property, plant and equipment	13	1.190.619	1.157.874	1.868.715	1.796.755
Intangible assets	14	104.833	105.002	650.048	636.812
Total non-current assets		**4.307.225**	**3.780.789**	**3.058.440**	**2.966.597**
Total assets		**7.268.293**	**6.449.225**	**7.960.884**	**7.224.461**

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Balance sheets
As of March 31, 2015 and December 31, 2014
(In thousands of Brazilian Reais)

		Company		Consolidated	
Liabilities	**Note**	**31/03/2015**	**31/12/2014**	**31/03/2015**	**31/12/2014**
Current					
Loans and financing	15	861.225	499.618	983.295	723.956
Convertible debentures	19	95.339	91.497	95.339	91.497
Trade accounts payable	16	310.797	468.241	471.541	559.935
Labor and tax liabilities	17	54.448	51.402	109.143	89.964
Other accounts payable		664.606	450.533	746.071	483.187
Total current liabilities		**1.986.415**	**1.561.291**	**2.405.389**	**1.948.539**
Non-current					
Loans and financing	15	3.951.335	3.468.057	5.412.166	4.602.087
Convertible debentures	19	-	-	-	-
Labor and tax liabilities	17	22.218	22.967	22.218	22.967
Provisions for contingencies	21	14.086	23.486	16.384	25.784
Provisions for losses on investments	12	866.743	585.698	-	-
Related-party transactions	11	375.635	222.579	-	-
Accounts payable		-	-	45.674	53.071
Deferred tax liabilities	18	81.646	85.340	87.965	91.460
Total non-current liabilities		**5.311.663**	**4.408.127**	**5.584.407**	**4.795.369**
Shareholders' equity	22				
Capital stock		834.151	834.136	834.151	834.136
Capital reserves		294.851	294.851	294.851	294.851
Revaluation surplus		67.908	68.474	67.908	68.474
Income reserves		-	-	-	-
Accumulated losses		(1.357.871)	(771.394)	(1.357.871)	(771.394)
Treasury shares		-	-	-	-
Other comprehensive income		131.176	53.740	131.176	53.740
Total shareholders' equity attributed to controlling shareholders		**(29.785)**	**479.807**	**(29.785)**	**479.807**
Non-controlling interest		**-**	**-**	**873**	**746**
Total shareholders' equity		**(29.785)**	**479.807**	**(28.912)**	**480.553**
Total liabilities and shareholders' equity		**7.268.293**	**6.449.225**	**7.960.884**	**7.224.461**
		-	-	-	-

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of operations
For the periods ended March 31, 2015 and 2014
(In thousands of Brazilian Reais)

	Note	Company		Consolidated	
		2015	2014	2015	2014
Net revenue	24 / 25	1.429.969	1.091.019	2.156.161	1.397.904
Cost of goods sold	24	(1.157.514)	(864.997)	(1.753.992)	(1.115.118)
Gross profit		**272.455**	**226.022**	**402.169**	**282.786**
Operating revenues (expenses):					
Selling expenses	24	(85.799)	(81.684)	(176.450)	(115.023)
General and administrative expenses	24	(40.953)	(36.451)	(61.476)	(45.666)
Other operating revenues	24	6.522	(333)	6.434	286
Income before financial income (loss), net, equity in earnings of controlled companies, and taxes		152.225	107.554	170.677	122.383
Financial expenses	26	(111.977)	(116.142)	(142.108)	(123.236)
Financial revenues	26	18.718	14.531	26.235	18.066
Exchange rate gains (losses), net	26	(509.156)	24.334	(639.877)	62.489
Financial revenues (expenses), net	24	**(602.415)**	**(77.277)**	**(755.750)**	**(42.681)**
Equity in earnings (losses) of controlled companies		(140.546)	46.477	-	-
Income (loss) before taxes		**(590.736)**	**76.754**	**(585.073)**	**79.702**
Current income and social contribution taxes	18	-	(4.585)	(5.534)	(7.351)
Deferred income and social contribution taxes	18	3.402	(3.255)	3.402	(3.255)
Income (loss) before non-controlling interest		**(587.334)**	**68.914**	**(587.205)**	**69.096**
Income (loss) attributable to:					
Controlling shareholders		(587.334)	68.914	(587.334)	68.914
Non-controlling shareholders		-	-	129	182
Income (loss) for the period		**(587.334)**	**68.914**	**(587.205)**	**69.096**

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of comprehensive income (loss)
For the periods ended March 31, 2015 and 2014
(In thousands of Brazilian Reais)

	Company		Consolidated	
	2015	**2014**	**2015**	**2014**
Income (loss) for the period	(587.334)	68.914	(587.205)	69.096
Other comprehensive income				
Asset and liability valuation adjustment	77.436	(5.458)	77.434	(5.457)
Other comprehensive income (loss), net of income and social contribution taxes	77.436	(5.458)	77.434	(5.457)
Total comprehensive income (loss)	**(509.898)**	**63.456**	**(509.771)**	**63.639**
Comprehensive income (loss) attributable to:				
Controlling shareholders	(509.898)	63.456	(509.898)	63.456
Non-controlling shareholders	-	-	127	183
Total comprehensive income (loss)	**(509.898)**	**63.456**	**(509.771)**	**63.639**

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of changes in shareholders' equity - Company and consolidated
For the periods ended March 31, 2015
(In thousands of Brazilian Reais)

	Capital stock	Capital reserve	Revaluation surplus	Accumulated losses	Asset and liability valuation adjustments	Total shareholders' equity attributed to controlling shareholders	Non-controlling interest	Total shareholders' equity
Balances as of December 31, 2014	**834.136**	**294.851**	**68.474**	**(771.394)**	**53.740**	**479.807**	**746**	**480.553**
Increase in capital stock	15	-	-	-	-	15	-	15
Realization of revaluation surplus	-	-	(566)	857	-	291	-	291
Translation adjustment for the period	-	-	-	-	77.436	77.436	(2)	77.434
Net loss for the period	-	-	-	(587.334)	-	(587.334)	-	(587.334)
Non-controlling interest	-	-	-	-	-	-	129	129
Balance as of March 31, 2015	**834.151**	**294.851**	**67.908**	**(1.357.871)**	**131.176**	**(29.785)**	**873**	**(28.912)**
	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of changes in shareholders' equity - Company and consolidated
For the periods ended December 31, 2014
(In thousands of Brazilian Reais)

	Capital stock	Capital reserve	Revaluation surplus	Accumulated losses	Asset and liability valuation adjustments	Total shareholders' equity attributed to controlling shareholders	Non-controlling interest	Total shareholders' equity
Balances as of December 31, 2013	**744.142**	**253**	**70.737**	**(356.596)**	**(15.647)**	**442.889**	**739**	**443.628**
Increase in capital stock	30.000	-	-	-	-	30.000	-	30.000
Realization of revaluation surplus	-	-	(566)	857	-	291	-	291
Translation adjustment for the period	-	-	-	-	(5.458)	(5.458)	1	(5.457)
Net income for the period	-	-	-	68.914	-	68.914	-	68.914
Non-controlling interest	-	-	-	-	-	-	182	182
Balance as of March 31, 2014	**774.142**	**253**	**70.171**	**(286.825)**	**(21.105)**	**536.636**	**922**	**537.558**

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of cash flows for the years ended
For the periods ended March 31, 2015 and 2014
(In thousands of Brazilian Reais)

	Company		Consolidated	
	2015	2014	2015	2014
Cash flows from operating activities				
Income (loss) for the period	(587.334)	68.914	(587.205)	69.096
Adjustments to reconcile net income (loss) from operating activities:				
Depreciation and amortization	9.143	9.150	17.683	13.901
Net income (loss) attributed to non-controlling shareholders	-	-	(129)	(182)
Fair value of biological assets	8.243	(6.603)	8.243	(6.603)
Realization of deferred taxes – temporary differences	(3.402)	3.255	(3.402)	3.255
Equity in earnings (losses) of controlled companies	140.546	(46.477)	-	-
Finance charges	107.403	104.275	167.037	108.498
Unrealized exchange rate gains (losses)	599.108	(64.543)	713.408	(69.117)
Provision for contingencies	(9.400)	822	(9.400)	712
Trade accounts receivable and other receivables	82.637	4.385	(11.628)	(32.001)
Inventories	(32.220)	751	(70.945)	(3.083)
Biological assets	6.996	(3.321)	21.392	(3.321)
Recoverable taxes	(35.053)	(24.209)	(66.053)	(36.871)
Court deposits	350	(859)	156	(957)
Trade accounts payable	(157.444)	(113.395)	(88.394)	(121.675)
Labor and tax liabilities	2.297	4.009	18.430	8.183
Other accounts payable	214.073	(110.605)	255.685	(103.523)
Asset and liability valuation adjustments and cumulative translation adjustments	-	-	77.436	(5.458)
	345.943	(174.451)	442.314	(179.146)
Cash flows from operating activities	**345.943**	**(174.451)**	**442.314**	**(179.146)**
Cash flows from investing activities				
Acquisition of investments	(13.137)	603	-	-
Acquisition of intangible assets	(2)	(37)	(13.477)	5
Acquisition of property, plant and equipment	(41.717)	(91.023)	(89.402)	(83.607)
Cash flows from investing activities	**(54.856)**	**(90.457)**	**(102.879)**	**(83.602)**
Cash flows from financing activities				
Loans and financing taken	490.283	302.515	659.351	318.273
Loans and financing settled	(351.909)	(262.730)	(470.378)	(312.687)
Debentures convertible into shares	3.842	(26.631)	3.842	(26.631)
Related-party transactions	(105.056)	27.634	-	(97)
Changes in non-controlling interest	-	-	127	183
Capital contribution in cash	15	30.000	15	30.000
Cash provided by financing activities	**37.175**	**70.788**	**192.957**	**9.041**
Increase / Decrease in cash and cash equivalents, net	**328.262**	**(194.120)**	**532.392**	**(253.707)**
Cash and cash equivalents				
At beginning of period	1.420.352	1.116.188	2.474.380	1.563.849
At end of period	1.748.614	922.068	3.006.772	1.310.142
Increase / Decrease in cash and cash equivalents, net	**328.262**	**(194.120)**	**532.392**	**(253.707)**
	-	-	-	-

The accompanying notes are an integral part of these financial statements.

MINERVA S.A.

Statements of value added
For the periods ended March 31, 2015 and 2014
(In thousands of Brazilian Reais)

	Company		Consolidated	
	2015	2014	2015	2014
Revenues	1.401.923	1.158.522	2.111.222	1.451.831
Sales of merchandise, products and services	1.390.977	1.152.812	2.094.597	1.444.577
Other revenues	10.946	5.710	16.625	7.254
Inputs acquired from third parties	(1.341.652)	(999.555)	(1.880.161)	(1.218.465)
(Includes tax amounts – ICMS – State VAT, IPI – Federal VAT, PIS and COFINS – sales taxes)				
Cost of goods, merchandise and services sold	(1.206.284)	(894.965)	(1.711.154)	(1.094.578)
Materials, energy, third-party services and others	(135.368)	(104.590)	(169.007)	(123.887)
Other (specify)	-	-	-	-
Gross value added	60.271	158.967	231.061	233.366
Depreciation, amortization and depletion	(9.143)	(9.150)	(17.683)	(13.901)
Net value added generated by the entity	51.128	149.817	213.378	219.465
Value added received in transfer	(121.828)	61.008	26.235	18.066
Equity in earnings (losses) of controlled companies	(140.546)	46.477	-	-
Financial revenues	18.718	14.531	26.235	18.066
Others	-	-	-	-
Total value added to be distributed (5+6)	**(70.700)**	**210.825**	**239.613**	**237.531**
Value added distribution	**(70.700)**	**210.825**	**239.613**	**237.531**
Personnel	43.218	40.961	63.982	51.397
Taxes, fees and contributions	2.956	5.303	6.432	(4.476)
Return on debt capital	470.460	95.647	756.404	121.514
Interest	467.060	91.806	750.431	116.634
Rents	3.400	3.841	5.973	4.880
	(587.334)	68.914	(587.205)	69.096
Return on equity capital				
Retained earnings/accumulated losses for the year	(587.334)	68.914	(587.334)	68.914
Non-controlling interest in retained earnings (only consolidation)			129	182
	-	-	-	-

The accompanying notes are an integral part of these financial statements.

1. General information

Minerva S.A. (the "Company") is a publicly held company listed at the "Novo Mercado" (New Market) of corporate governance and its shares are traded on BM&FBOVESPA S.A. (São Paulo Stock Exchange) - Bolsa de Valores de São Paulo. The Company's main activities include the slaughtering of livestock and processing of meat, the sale of chilled, frozen and processed meats and the exporting of live cattle.

The Company's shares are traded on BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros under ticker "BEEF3" and its American Depositary Receipts ("ADRs") – level 1 - are traded in over-the-counter market OTCQX International Premier, segment of electronic trading platform operated by OTC Markets Group Inc. in the United States.

Company

The Company's headquarters are in Barretos (SP), and it has production units in the cities of José Bonifácio (SP), Palmeiras de Goiás (GO), Batayporã (MS), Araguaína (TO), Goianésia (GO), Barretos (SP), Campina Verde (MG), Janaúba (MG). The distribution centers for the internal market are located in the cities of Aparecida de Goiânia (GO), Brasília (DF), Viana (ES), Itajaí (SC), São Paulo, Araraquara (SP), Araguaína (TO), Belo Horizonte (MG) Fortaleza (CE) and Uberlândia (MG).

As of March 31, 2015, the Company's industrial facilities had a daily slaughtering capacity of 15,880 heads and a deboning capacity of 3,009 tonnes (taking the following controlled companies into account: Pul S/A (UY); Frimacar S/A (UY); Frigomerc S/A (PY); Minerva Alimentos (BR), and Mato Grosso Bovinos (BR)) and are in compliance with sanitary requirements in order to export for the 5 continents. All its premises are approved for export. The Barretos unit has a beef processing line (cubed beef and roast beef) which is mainly for exports.

Controlled companies

- **Minerva Indústria e Comércio de Alimentos S.A.:** located in Rolim de Moura (RO), is engaged in the slaughtering of cattle and processing of meat, and also operates as a distribution center to meet local market demand;
- **Mato Grosso Bovinos S.A.:** Acquired in October 2014 with 2 meat packing plants located in the state of Mato Grosso, one in the municipality of Várzea Grande and the other in Mirassol D'Oeste. It is engaged in the slaughtering of cattle and processing of meat, and also operates in the domestic and foreign markets.

- **Minerva Dawn Farms S.A. (Minerva Fine Foods):** located in Barretos (SP), produces, markets and sells beef, pork and poultry products. It has different scales of production to meet domestic and global demand for food service products. Activities of the controlled company started in 2009 and currently around 90% of its sales are directed to the internal market;
- **PUL S/A:** acquired in January 2011, is located in the Province of Cerro Largo, near its capital Melo, in Uruguay. Engaged in meat packing and processing, slaughtering and deboning activities, with 89% of its sales intended for the external market, primarily the American and the European markets;
- **Frimacar S.A**: Acquired in April 2014, it is located in Montevideo – Uruguay. Its operations include meat packing, slaughtering, deboning and processing of beef and sheep meat, with about 84% of its sales intended to foreign market;
- **Lytmer S.A:** is located in Montevideo – Uruguay, the company is engaged in selling live cattle to the foreign market.
- **Friasa S.A.:** Located in Asunción – Paraguay, it is engaged in meat packing and processing, slaughtering and deboning activities, operating in local and foreign markets;
- **Frigomerc S.A.:** located in Asunción, Paraguay, is engaged in meat packing, slaughtering, deboning and processing of meats, in the domestic and foreign markets. The company was acquired on October 1, 2012;
- **Minerva Overseas I:** located in the Cayman Islands, it is a controlled company created in 2006 for the receipt of "Bonds" totaling US$ 200.000,000, performed in January 2007. The company was formed with the specific purpose (EPE) of issuing such "Bonds";
- **Minerva Overseas II:** located in the Cayman Islands, it is a controlled company created in 2010 for the receipt of "Bonds" totaling US$ 250.000,000, performed in January 2010. The company was formed with the specific purpose (EPE) of issuing such "Bonds";
- **Minerva Luxembourg S.A:** located in Luxembourg, it is a controlled company created in the last quarter of 2011 to receive bonds in the amount of US$ 350,000 and later retap of US$ 100,000, issued in February and March 2012, respectively. The Company was incorporated for the specific purpose of issuing the Bonds referred to above, operations not linked to the Company's indebtedness. In the 1st quarter of 2013, the Company conducted an operation of "offering to repurchase debt notes" using the funds from the issue of 2023 Notes in the amount of US$ 850,000 bearing interest at 7.75% per year. In the 3rd quarter of 2014, the company carried out a Retap operation of 2023 Notes in the amount of US$ 200,000;
- **Minerva Beef:** it is a controlled company set up for raising funds. During the 2nd quarter of 2014, the company was dissolved;
- **Minerva Middle East:** it is an office set up in Lebanon to market and sell the Company's products;

- **Transminerva Ltda:** located In Barretos (SP), it is the transportation company set up to serve the Company and reduce freight expenses inside Brazil;
- **Minerva Colombia S.A.S:** headquartered in Barranquilla – Colombia, the company's main purpose is selling live cattle to the foreign market.

- **Minerva Foods Chile SpA:** is located in Santiago – Chile, engaged in selling the Company's products.
- **Minerva Live Cattle Export SpA:** Located in Santiago, Chile, the company has as main activity selling live cattle to the foreign market.

All other controlled Companies, that is, Loin Investments, Minerva Log and Cia Sul Americana de Pecuária were instituted or acquired aiming at developing new markets for Minerva products and for fund raising and confinement of cattle. They were pre-operating as of March 31, 2015.

Consolidated information includes the following controlled companies:

	12.31.2014	12.31.2013
Minerva Industria e Comércio de Alimentos S/A	98.00%	98.00%
Minerva Dawn Farms S/A	100.00%	100.00%
Mato Grosso Bovinos S.A	100.00%	-
Friasa S/A	99.99%	99.99%
Minerva Overseas I	100.00%	100.00%
Minerva Overseas II	100.00%	100.00%
Eurominerva Comércio e Exportação Ltda	-	100.00%
Minerva Beef	-	100.00%
Minerva Middle East	100.00%	100.00%
Transminerva Ltda	100.00%	100.00%
Brascasing Comercial Ltda	-	100.00%
Minerva Itália	-	100.00%
Loin Investments	99.00%	99.00%
Minerva Log	100.00%	100.00%
Livestock	-	42.00%
Pulsa S.A.	100.00%	100.00%
Frimacar S.A.	100.00%	-
Minerva Colômbia S.A.S	100.00%	100.00%
Lytmer S.A	100.00%	-
Minerva Luxembourg	100.00%	100.00%
Frigomerc S/A	100.00%	100.00%
Minerva Live Cattle Export Spa	100.00%	-
Minerva Foods Chile Spa	100.00%	-
Cia Sul Americana de Pecuária	100.00%	-

Approval of the quarterly information

The issue of the quartely information as of March 31, 2015 was authorized by the Executive Board and the Board of Directors on April 28, 2015.

2. Acquisitions of equity interest in companies (Business combinations)

Frigorifico Matadero Carrasco S.A.

On March 18, 2014, the Company entered into an agreement of Purchase and Sale Subject to Condition Precedent for the acquisition of 100% of the capital stock of Frigorifico Matadero Carrasco S.A.

On April 30, 2014, the Company entered into a Share Purchase and Sales Agreement for the acquisition of 100% of the capital stock of Frigorifico Matadero Carrasco S.A., holding its control from that date.

The transaction was put into effect at the amount of US$ 37,000 thousand (R$ 90,687 – converted on 09/30/2014), according to the following schedule:

- 1st installment – Cash – US$ 17,000 thousand (R$ 54,536 converted as of 03/31/15); settled upon the company's acquisition on April 30, 2014.

- 2nd installment – US$ 10,000 thousand (R$ 32,080 converted as of 03/31/15); maturing on 04/30/15.

- 3rd installment – Maturing on 04/30/15, the payment will be made through the transfer of 1,700 thousand common shares of the Company. Such transfer will only be effective after a previous authorization granted by the Brazilian Securities and Exchange Commission (CVM), according to the provisions of the legislation in effect. In case CVM does not authorize the payment with common (treasury) shares of the Company, the payment will be made with funds, amounting to US$ 10,000 thousand, respecting the following maturities:

  - ✓ The amount of US$ 3,333 thousand (R$ 10,692 converted as of 03/31/15); maturing on 04/30/15 (along with the settlement of the 2nd installment);

  - ✓ The amount of US$ 3,333 thousand (R$ 10,692 converted as of 03/31/15); maturing on 04/30/16; and

  - ✓ The amount of US$ 3,333 thousand (R$ 10,692 converted as of 03/31/15); maturing on 04/30/17.

Frigorifico Matadero Carrasco S.A. is located in Montevideo - UY and has a daily slaughtering capacity of 900 heads and deboning of 150 tonnes.

Below are the condensed financial statements as of April 30, 2014 (acquisition date), date of the actual acquisition of/control over Frigorifico Matadero Carrasco S.A. by the Company. For the purpose of compliance with CPC 15 (R1) – Business Combination, the condensed financial statements of April 30, 2014 were prepared based on the fair value of the identifiable acquired assets and assumed liabilities (fair value balance):

ASSETS	Fair value balance 04/30/2014
Current	
Cash and cash equivalents	1,711
Accounts receivable	33,855
Inventories	22,294
Other accounts receivable	21,563
Noncurrent	
Other accounts receivable	2,532
Property, plant and equipment	75,389
Total assets	**157,344**

LIABILITIES	Fair value balance 04/30/2014
Current liabilities	
Trade accounts payable	33,485
Loans and financing	40,589
Tax and social liabilities	10,041
Other accounts payable	2,999
Noncurrent liabilities	
Deferred taxes	3,855
Accounts payable	112
Provision for contingencies	18,231
Total liabilities	**109,312**
Shareholders' equity	**48,032**
Shareholders' equity and liabilities	**157,344**

We highlight below the identifiable acquired assets and assumed liabilities, measured at their "fair value" at an amount different from the amounts accounted for (cost value), as of April 30, 2014:

IDENTIFIABLE ASSETS
In thousands of Brazilian Reais

	04/30/2014
Inventories - book value	22,450
Adjustment - fair value	(156)
Inventories - Fair value	**22,294**
Property, plant and equipment - book value	77,743
Adjustment - fair value	(2,354)
Property, plant and equipment - Fair value	**75,389**

ASSUMED LIABILITIES
In thousands of Brazilian Reais

Labor and tax liabilities - book value	9,747
Adjustment - fair value	293
Labor and tax liabilities - Fair value	**10,040**
Provision for contingencies - book value	-
Adjustment - fair value	18,230
Provision for contingencies - Fair value	**18,230**

As provided for in CPC 15 (R1), the Company along with other specialized independent companies assessed the unidentifiable assets assumed and liabilities acquired for the calculation of their fair value, identifying the adjustment to fair value in the assets and liabilities referred to above, duly recognized in the financial statements as of April 30, 2014.

Determining goodwill resulting from expected future profitability

Below we show goodwill resulting from expected future profitability, which corresponds to the difference between the amount transferred for acquiring control over the acquiree (business value) and the amount of identifiable acquired assets and assumed liabilities (fair value balance – 04/30/2014), which is as follows:

In thousands of Brazilian Reais R$	
Shareholders' equity (fair value) - 04/30/2014	48,032
Goodwill from expected future profitability (Goodwill) - (Note 14)	47,773
Consideration transferred	**95,805**

In the Company's individual balance sheet, the goodwill stated above is classified as investments, and in the consolidated financial statements, goodwill is classified as intangible assets and its amortization is not realized. Such goodwill is subject to annual impairment testing, pursuant to CPC 01 (R1) and IAS 36 and 38.

As provided for in CVM Resolution 580/09 – CPC 15 (R1), the Company may review, within a period not higher than one (01) year, the amounts of acquired assets and assumed liabilities at the time of that acquisition (business combination).

Mato Grosso Bovinos S.A.

On November 01, 2013, the Company announced the acquisition of two plants for slaughtering and deboning, Mirassol D'Oeste and Várzea Grande, both located in the state of Mato Grosso, with total slaughtering capacity of 2.600 head/day. With the acquisition, the Company assumed the commitment of delivering 29 million new common shares issued by Minerva (BEEF3).

On August 20, 2014, the Administrative Council of Economic Defense (CADE) decided for the final approval of the operation through the execution of an Agreement on Concentration Control (ACC).

On October 01, 2014, the extraordinary general meetings of shareholders of the Company and Mato Grosso Bovinos S.A. approved without limitation the incorporation by the Company of the totality of shares issued by Mato Grosso Bovinos S.A.

Below are the condensed financial statements as of October 01, 2014 (acquisition date), date of the actual acquisition of/control over Mato Grosso Bovinos S.A. by the Company. For the purpose of compliance with CPC 15 (R1) – Business Combination, the condensed financial statements of October 31, 2014 were prepared based on the fair value of the identifiable acquired assets and assumed liabilities (fair value balance):

	Fair value balance 01/10/2014
ASSETS	
Current	
Other amounts receivable	6,187
Noncurrent	
Property, plant and equipment	204,796
Total assets	**210,983**

	Fair value balance 01/10/2014
LIABILITIES	
Current liabilities	
Other accounts payable	6,187
Noncurrent liabilities	
Deferred taxes	6,424
Total liabilities	**12,611**
Shareholders' equity	**198,372**
Liabilities and shareholders' equity	**210,983**

We highlight below the identifiable acquired assets and assumed liabilities, measured at their "fair value" at an amount different from the amounts accounted for (cost value), as of October 01, 2014:

IDENTIFIABLE ASSETS
In thousands of Brazilian Reais

	1/10/2014
Property, plant and equipment - book value	180,319
Adjustment - fair value	24,477
Property, plant and equipment - fair value	**204,796**

ASSUMED LIABILITIES
In thousands of Brazilian Reais

Provision for contingencies - book value	-
Adjustment - fair value	-
Provision for contingencies - fair value	**-**

As provided for in CPC 15 (R1), the Company along with other specialized independent companies assessed the unidentifiable assets assumed and liabilities acquired for the calculation of their fair value, identifying the adjustment to fair value in the assets and liabilities referred to above, duly recognized in the financial statements as of October 01, 2014.

Determining goodwill resulting from expected future profitability

Below we show goodwill resulting from expected future profitability, which corresponds to the difference between the amount transferred for acquiring control over the acquiree (business value) and the amount of identifiable acquired assets and assumed liabilities (fair value balance – 10/01/2014), which is as follows:

In thousands of Brazilian Reais

Shareholders' equity (fair value) - 10/01/2014	198,372
Goodwill from expected future profitability - (Note 14)	174,278
Consideration transferred	**372,650**

In the Company's individual balance sheet, the goodwill stated above is classified as investments, and in the consolidated balance sheet, goodwill is classified as intangible assets and its amortization is not realized. Such goodwill, from expected future profitability, is subject to annual impairment testing, pursuant to CPC 01 and IAS 36 and 38.

Pursuant to CVM Resolution 580/09 – CPC 15 (R1), the company may review, within no more than one (1) year, the amounts of acquired assets and assumed liabilities at the time of that acquisition (business combination).

3. Basis of preparation

Statement of compliance (with IFRS and CPC standards)

The consolidated quarterly information were prepared and are being presented in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Company's individual quarterly information was prepared in accordance with Brazilian accounting practices and is disclosed along with the consolidated quarterly information.

Brazilian accounting practices include those established by Brazilian corporate legislation and the Pronouncements, Guidelines and Interpretations issued by the Committee of Accounting Pronouncements – CPC and approved by the Brazilian Securities and Exchange Commission (CVM). Until December 31, 2013, these practices differ from IFRS, applicable to the separate financial statements, only insofar as it relates to the carrying values of investments in controlled companies, affiliated and jointly-controlled companies accounted for under the equity method, while for IFRS purposes it would be cost or fair value.

After the issue of pronouncement IAS 27 (Separate Financial Statements) revised by IASB in 2014, the separate financial statements in accordance with IFRS started to allow the use of the equity method for the valuation of investments in controlled companies, affiliated and jointly-controlled companies. In December 2014, CVM issued Decision No. 733/2014 which approved Technical Pronouncement Revision Document No. 07 referring to CPC Pronouncements 18, 35, and 37 issued by the Committee of Accounting Pronouncements, including the mentioned revision of IAS 27, and allowing its adoption as from years ended December 31, 2014. Accordingly, the individual quarterly information of the controlling company is in compliance with the IFRS from this year on.

The presentation of the Statement of Value Added, individual and consolidated, is required by Brazilian corporate Law and Brazilian accounting practices adopted for public companies. IFRS do not require the presentation of this statement. Consequently, under IFRS, this statement is presented as supplementary information, without detriment to the set of the quarterly information.

These **Company** and consolidated quarterly information are presented in Brazilian Reais, which is the Company's functional currency.

4. Summary of significant accounting practices

a. Measurement basis

The quarterly information was prepared using historic costs as basis, except for the valuation of certain assets and liabilities as financial instruments, which are measured at fair value.

b. Functional and reporting currency

The quarterly information of each controlled company included in the Company's consolidation, as well as those used as basis for the valuation of investments using the equity method, are prepared using each entity's functional currency. Such functional currency is that used in the primary economic environment in which the entity is inserted. When defining the functional currency for each of its controlled companies, management considered the currency that has a significant effect on the sale price of its products and services and that is used to pay or incur most part of the production input costs. The quarterly information is presented in Brazilian Reais (R$), which is the Company's functional and reporting currency.

c. Foreign transactions

The quarterly information as of March 31, 2015 of controlled companies abroad (Friasa S/A, whose functional currency is Guarani; Frigomerc S/A, whose functional currency is Guarani; Pulsa S/A, whose functional currency is the US Dollar; Frimacar S/A, whose functional currency is the US Dollar; Lytmer S/A, whose functional currency is US Dollar; Minerva Colombia, whose functional currency is the Colombian Peso, Minerva Foods Chile SpA, and Minerva Live Cattle Export Spa, whose functional currency is Peso/Chile), have been adapted to Brazilian accounting practices and have been translated into Brazilian Reais by applying the following procedures;

I. Monetary assets and liabilities are converted using the exchange rate of the respective currency to the Brazilian real at the date of the respective balance sheets;
II. The beginning equity of each balance sheet is the final equity of the prior period as translated at the time; changes in the beginning equity during the current period are translated at the transaction rates on their respective dates;
III. Revenues, costs and expenses are translated at the average monthly exchange rate;

IV. Exchange rate gains (losses) resulting from items (I), (II) and (III) above are recognized in a specific equity account as "other comprehensive income (loss)".

The balances of intercompany investments, assets and liabilities, revenues and expenses have been eliminated in consolidation.

d. Foreign-currency transactions and balances

Under CPC 02 (R2) – Effects of changes in exchange rates and translation of quarterly information, foreign currency transactions and balances, i.e. all that are not in the functional currency, are translated using the exchange rate of the transaction dates.

Assets and liabilities subject to exchange rate gains (losses) are adjusted using the respective exchange rates in effect on the last business day of each reported year or period. Gains and losses resulting from changes in foreign investments are recognized directly in the balance sheet, under the account "other comprehensive income (loss)" and recognized in income upon the full or partial disposal of those investments.

Non-monetary items stated at historic cost in foreign currency are translated using the exchange rate calculated at the transaction date.

e. Use of Estimates and Judgment

The preparation of Company and consolidated quarterly information in accordance with IFRS and CPC standards requires management to make judgments, estimates and assumptions that affect the application of accounting practices and the reported amounts of assets and liabilities, revenues and expenses. Actual results could differ from those estimates.

Estimates and assumptions are continuously reviewed. Reviews of accounting estimates are recognized in the period in which estimates are reviewed and in any future periods affected.

f. Basis of consolidation

Business combinations

Acquisitions made on January 1, 2009 or after that date

For acquisitions made as from January 1, 2009, the Company measured goodwill as the fair value of the consideration transferred, including the recognized value of any non-controlling interest in the acquiree, deducting the recognized amount, net of identifiable assets and liabilities assumed, all measured at the acquisition date.

For every business combination, the Company will chose whether to measure non-controlling interest at fair value or at the proportionate interest in the identifiable net assets corresponding to the non-controlling interest, calculated at the acquisition date.

Transaction costs other than those associated with the issuance of debt or equity securities, in which the Company and its controlled companies incur related to a business combination, are expensed as incurred.

Acquisitions before January 1, 2009

As part of the transition to IFRS and CPC, the Company has chosen not to republish business combinations occurred prior to January 01, 2009. Concerning acquisitions prior to January 01, 2009, goodwill is equal to the amount recognized under the accounting practices previously adopted. Goodwill is annually assessed for impairment, in accordance with CPC 01 (R1).

(i) Controlled companies and joint ventures

The quarterly information of controlled companies is included in the consolidated quarterly information as from the date that such control has begun up to the date when they are terminated.

(ii) Transactions eliminated in consolidation

Balances and intercompany transactions, as well as all other revenue or expenses from such transactions, are eliminated at the preparation of the consolidated quarterly information. Unrealized gains from transactions with invested companies accounted for on an equity basis are eliminated against the investment in proportion to the Company's interest in the invested entities. Unrealized losses are not eliminated in the same manner as unrealized gains, except to the extent they provide evidence of impairment.

g. Results of operations

Results of operations (revenues, costs and expenses) are recorded on the accrual basis. Revenue from the sale of goods is recognized when it is reliably measured and all the risks and benefits are transferred to the buyer.

h. Cash and cash equivalents

Cash and cash equivalents consist of cash, bank deposits and highly liquid financial investments. See note 5 for further details about the Company’s and its controlled companies’ cash equivalents.

i. Financial instruments

In accordance with CVM Circular Letter nº 03/2009, the financial instruments of the Company and its controlled companies were classified in the following categories:

Non-derivative financial assets

- **Measured at fair value through operations:** financial assets held for trading, i.e. purchased or acquired mainly for the purpose of sale or repurchase in the short term, and derivatives. The changes in fair value are recorded in the statement of operations and the balances are stated at fair value;
- **Held-to-maturity:** non-derivative financial assets whose payments are fixed or may be determined. Their maturity dates are defined and the Company intends and is able to hold them to maturity. The income earned is recorded in the statement of operations and the balances are stated at acquisition cost plus income earned;
- **Available for sale:** non-derivative financial assets which are designated as available for sale or which were not classified in other categories. Earnings are recognized in the statement of operations. The gains and losses recorded in shareholders' equity are recognized in the statement of operations if they are settled earlier;

- **Loans and receivables:** non-derivative financial instruments with fixed or calculable payments that are not quoted on an active market, except: (i) those that the Company intends to sell immediately or in the short term, and those that the Company classifies as measured at fair value through operations; (ii) those classified as available for sale; or (iii) those regarding which holders may not substantially recover their initial investment for any reason other than the deterioration of the receivable. The income earned is recorded in the statement of operations and the balances are stated at acquisition cost plus income earned.

Non-derivative financial liabilities

The Company recognizes issued debt securities and subordinated liabilities first at the date they are created. All other financial liabilities (including liabilities designated at fair value and recognized at the statement of operations) are initially recognized at the negotiation date in which the Company becomes a party to the instrument agreement provisions. The Company writes-off a financial liability when its contractual obligations are cancelled, overdue or withdrawn.

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when, and only when, the Company is legally entitled to offset the amounts and has the intention to settle them on a net basis or simultaneously realize the asset and settle the liability.
The Company and its controlled companies have the following non-derivative financial liabilities: loans and financing, debentures, trade accounts payable and other accounts payable.

Such financial liabilities are initially recognized at fair value plus any attributable transaction costs. After the initial recognition, those financial liabilities are measured at the amortized cost using the effective interest method.

Derivatives

Fair value of derivative financial instruments is calculated by the Company's Treasury Department according to the information of each agreed transaction and its respective market information at the balance sheet dates of the quarterly information, such as interest rate and coupon rate. When applicable, such information is compared with positions informed by the trading desk of each financial institution involved.

Transactions involving derivative financial instruments that were hired by the Company and its controlled companies can be summarized as future contracts for cattle, options on contracts for cattle and Non Deliverable Forward – NDF, all aiming exclusively to minimize the impact of price fluctuations per arroba (a unit of weight equivalent to 15 kg) of cattle in the statement of operations and to hedge against exchange risks related to balance sheet positions plus cash flows projected in foreign currency.

Financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and, subsequently, they are revalued at their fair value and these changes are recorded with an offsetting entry in the statement of operations.

Although the Company uses derivatives for hedging purposes, it does not use the so-called hedge accounting.

j. Trade accounts receivable

Trade accounts receivable are stated at their present and realizable amounts and accounts receivable from customers abroad are adjusted according to the exchange rates in force on the date of the quarterly information. An allowance for doubtful accounts is recorded in an amount considered sufficient by management.

k. Inventories

Inventories are measured at cost or net realizable value, whichever is lower, adjusted to market value and possible losses, when applicable. The caption includes expenses incurred with their acquisition, production and transformation costs and other costs incurred to bring them to their current location and condition.

l. Biological assets

Biological assets are measured at fair value. Fair value variations are recognized in the statement of operations. Agricultural activities, such as cattle herd growth (confinement of cattle or grazing cattle) and growth of different crops, are subject to revaluation of their assets, in order to determine their fair value based on the mark to market (MtM) concept.

m. Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at historic acquisition or construction cost, less accumulated depreciation and impairment. The cost of certain items of property, plant and equipment was determined by reference to the reassessment carried out before the enactment of Law 11638/2007, effective since 1 January 2008.

The Company has chosen not to revalue its fixed assets at deemed cost as of the beginning date of 2009. Note that the Company and its controlled companies have hired expert appraisers to determine the deemed cost of its assets to check it against book values. No significant changes were found to warrant the recognition and control of this appreciation, which was decisive for management not to recognize deemed cost.

Cost includes expenses directly attributable to the acquisition of an asset. The cost of assets built by the Company and its controlled companies include materials and direct labor, as well as any costs directly related to the location of the asset at the place and the conditions necessary to enable it to operate as intended by management. Borrowing costs on qualifying assets are capitalized since 1 January 2009.

Rights whose subject matter are assets with physical substance and used for maintaining the Company's and its controlled companies' activities, originated from finance lease transactions, are recorded as if they were a financed purchase. At the start of each transaction a property, plant and equipment item and a financing liability are recognized, with assets being subjected to depreciation calculated according to their estimated useful lives.

Gains or losses arising from the disposal of an item of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the net carrying amount of the asset and should be recognized as revenue or expense in the statement of operations.

Depreciation

Depreciation is recognized in the statement of operations on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, given that this is the method that more closely reflects the consumption pattern of future economic benefits added to assets.

Average estimated useful lives for current and comparative period are as follows:

	Company	Consolidated
Buildings	2.68%	2.30%
Machinery and equipment	7.75%	7.43%
Furniture and fixtures	13.75%	12.59%
Vehicles	7.06%	7.76%
Hardware	18.86%	18.76%

Depreciation methods, useful lives and residual amounts are reviewed at every balance sheet date and possible adjustments are recognized as a change in accounting estimates.

The balance of the revaluation surplus, as permitted by Law No. 11638/07 and described in Note 22, will be held until its complete amortization, due to full amortization or disposal of assets.

n. Lease

Finance lease agreements are recognized in property, plant and equipment and in liabilities for loans and financing at the lower of the present value of the minimum mandatory payments of the agreement or the fair value of the assets, whichever is the lowest, in addition to, when applicable, the initial direct costs incurred with the transaction. They are depreciated over the estimated useful lives of the assets. Operating lease agreements are recognized as expenses on a systematic basis representing the period in which the benefit on the leased asset is obtained, even if these payments are not made on this basis.

o. Intangible assets

Intangible assets acquired separately are initially recognized at the cost of acquisition and, subsequently, less accumulated amortization and impairment, when applicable.

Intangible assets with a definite useful life are amortized according to their estimated useful lives and, when signs of impairment are identified, are tested for impairment. Intangible assets with indefinite useful lives are not amortized; however they are tested for impairment on a yearly basis.

Goodwill

Goodwill from the acquisition of controlled companies is included in intangible assets in the consolidated quarterly information. For acquisitions prior to 1 January 2009, goodwill is included based on its deemed cost, which represents the amount recognized according to the accounting practices previously adopted.

p. Impairment loss

Financial Assets

Management annually analyses if there is objective evidence that the financial or group of financial assets is not recoverable. A financial asset or a group of financial assets is considered not to be recoverable if and only if there is objective evidence of impairment as a result of one or more events that happened after the initial recognition of the asset (an incurred 'impairment event'), with such event impacting estimated future cash flow of the financial asset or group of financial assets that can be reasonably estimated.

Non-financial assets

Management periodically reviews the net book value of its assets when events or changes in economic, operating or technological circumstances indicate that impairment may have taken place. When such evidence is identified and the net book value is higher than the recoverable value, an impairment loss is recognized immediately to adjust the net book value to recoverable value.

The recoverable value of an asset or cash-generating unit is the higher of the value in use and net sales price.

To estimate the asset's value in use, the estimated future cash flows are discounted to present value with a discount rate before tax that reflects the weighted average capital cost for the industry in which the cash-generating unit operates. Whenever possible, net selling price is determined according to a binding sale agreement in an arm's length transaction between knowledgeable, willing parties, adjusted for expenses attributable to the asset's sale. If there is no such binding agreement, it should be based on the market price defined in an active market, or on the price of the most recent transaction with similar assets.

The following criterion is also applied for determining impairment losses on specific assets:

Goodwill grounded in expected future profitability

Goodwill is tested for impairment at least annually or when circumstances indicate that book value is reduced.

Intangible assets

Intangible assets with undefined useful economic life are tested for impairment at least annually, on an individual or cash-generated unit basis, depending on the situation or when circumstances indicate book value impairment.

q. Other current and non-current assets and liabilities

An asset is recognized in the balance sheet when it is probable that future economic benefits will be generated in favor of the Company and its controlled companies, and its cost or value can be determined with certainty.

A liability is recognized in the balance sheet when the Company has a legal obligation or as a result of a past event, and funds are likely to be necessary to settle the obligation. The related charges, monetary variations and/or exchange rate gains and discounts to present value are added when applicable.

Provisions are recorded according to the best estimates of risks involved.

Assets and liabilities are classified as current when their realization or settlement is expected to occur in the following twelve months. Otherwise they are stated as non-current.

r. Discount to present value of assets and liabilities

Non-current monetary assets and liabilities are discounted to present value and current assets and liabilities are discounted to present value when the effect is considered material with respect to the quarterly information taken as a whole.

To calculate the discount to present value, the Company and its controlled companies consider the amount to be discounted, and realization and settlement dates, according to discount rates that reflect the cost of money borne by the Company and its controlled companies over time, which was approximately 12% p.a., calculated according to the Company's and its controlled companies' weighted average capital cost, as well as the specific risks related to the cash flows expected for the respective accounts.

Terms of receipts and payments of accounts payable and receivable arising from the Company's and its controlled companies' operating activities are low, therefore resulting in a discount immaterial to be recorded or disclosed, where cost exceeds the benefit. Non-current term assets and liabilities are calculated and recorded, when applicable and relevant.

Calculations and analyses are quarterly reviewed.

s. Income and social contribution taxes

Current and deferred income and social contribution taxes are calculated at the following rates: 15% plus a 10% surtax on any taxable income in excess of R$ 240, in the case of income tax; and 9% on taxable income, in the case of social contribution tax, considering, where applicable, income and social contribution tax loss carry forwards, up to 30% of taxable income.

Income and social contribution tax expenses consist of current and deferred income taxes. Current and deferred income taxes are recognized in the statement of operations, unless they are related to business combinations or items directly recognized in shareholders' equity or in other comprehensive income (loss).

Deferred taxes are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax is not recognized for the following temporary differences: initial recognition of assets and liabilities for a transaction other than business combination and that does not affect accounting or taxable income or loss, as well as differences related to investment in controlled companies and entities when it's not expected that they do not generate income in the foreseeable future.

Deferred assets and liabilities are offset when there's a legal right for compensation of current tax assets and liabilities, and they relate to income tax registered by the same tax authority on the same entity subject to taxation.

An income and social contribution deferred tax income is recognized by tax losses, tax credits, differences in accounting practices (IFRS) and deductible temporary differences non-utilized, when it is possible that taxable future income will be available and against which they will be used.

The carrying amount of deferred income and social contribution tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

t. Contingent assets and liabilities and legal obligations

The accounting practices for recording and disclosing contingent assets and liabilities and legal obligations are as follows: (i) contingent assets are recognized only when there are secured guarantees or favorable legal decisions that are already final and unappealable. Contingent assets with probable chances of success are disclosed in a note to the financial statements; (ii) and a provision is recorded for contingent liabilities when the chances of loss are assessed as probable and the amounts involved can be measured with sufficient certainty. Contingent liabilities assessed as possible losses are only disclosed in a note to the financial statements and contingent liabilities assessed as having remote chances of loss are neither provisioned for nor disclosed; and (iii) legal obligations are recorded as liabilities, regardless of the evaluation of the probabilities of success, for proceedings whereby the Company has questioned the constitutionality of taxes.

u. Employee benefits

The Company does not have post-employment benefits, such as defined contribution and/or benefit plans. Note that all benefits and remunerated short-term sick leaves, as well as profit sharing and bonuses are in accordance with the Pronouncement's requirements.

v. Sales revenue recognition

Sales revenue is presented net of taxes and discounts on it. Taxes on sales are recognized when sales are invoiced; for discounts, it's when they are acknowledged. Revenues from the sale of products are recognized when the amounts from sales can be reliably measured; the Company and its controlled companies no longer have the ownership of the merchandise sold or any other responsibility related to that ownership; the costs incurred or to be incurred with the transaction can be reliably measured; it is probable that the Company will have economic benefits; and the risks and benefits of the products are fully transferred to the buyer.

x. Earnings per share

Basic earnings per share are calculated by dividing the net income attributed to the Company's controlling and non-controlling shareholders by the weighted average number of outstanding common and preferred shares for the year. Diluted result per share is determined through the abovementioned outstanding share average, adjusted by instruments potentially convertible in shares with dilution effect for the presented years.

y. Segment reporting

Segment reporting is presented consistent with internal report provided by the Company's Board of Directors, which is responsible for allocating resources and evaluating performance by operating segment, as well as strategic decision making.

z. New pronouncements of IFRS, issues, amendments and interpretations issued by IASB applicable to the financial statements

The following new standards, amendments and interpretation of standards were issued by the IASB and have initial adoption as from January 01, 2015:

- **IFRS 9** - Financial Instruments. Replacement of IAS 39 – Financial instruments: Recognition and measurement for three stages. This standard represents the first part of stage 1 of replacement of IAS 39 and addresses the classification and measurement of financial assets. In October 2010, IASB added to this standard the requirements for classification and measurement of financial liabilities. This standard and the later amendment to these standards are effective for annual periods beginning on or after January 01, 2015. The Company analyzed the revision of the pronouncement already mentioned and has not identified impacts on the disclosure of these financial statements.

- **IFRS 9 and IFRS 7** – Mandatory effective date and transition disclosures. The amendment of IFRS 9 addresses the extension of adoption date from January 01, 2013 to January 01, 2015. The change of the standard IFRS 7 deals with aspects related to the disclosure of information about the transition from IAS 39 to IFRS 9 **and** aspects related to the restatement of comparative periods on the adoption date of the standard. The Company analyzed the review of the mentioned pronouncement and has not identified impacts on the disclosure of these financial statements;

Standards, amendments and interpretations of standards not yet in effect

The following new standards, amendments and interpretations of standards were issued by IASB, but not edited by CPC:

- **IAS 1** – "Presentation of the financial statements" - As of December 18, 2014, IASB published the "Disclosure Initiative" (Amendments to IAS 1). The amendments aim to clarify IAS 1 and direct the impediments noticed when exercising judgment for the preparation and presentation of the financial statements. This standard is in effect for annual periods beginning as from January 1, 2016, with early adoption permitted. The Company is evaluating the impacts of the adoption of this standard on its financial statements.
- **IFRS 9 -** Financial Instruments - in July 2014, IASB issued the last version of IFRS 9, which is intended to replace IAS 39 – Financial Instruments: Recognition and measurement. These amendments address some issues on the application of the standard and introduce the concept of "fair value through other comprehensive income" for measurement of certain debt instruments. Additionally, IASB has included in IFRS 9 requirements to recognize losses for non-recoverability of assets related to the record of expected losses from credit-impaired financial assets and from the renegotiation of those credits. This standard will be in effect for annual periods initiated as from January 01, 2018. The Company is evaluating the impacts of adopting this standard on its financial statements.
- **IFRS 14** – Regulatory deferral accounts. In January 2014, IASB issued standard IFRS 14, whose specific purpose is to regulate the recognition of regulatory assets and liabilities upon the initial adoption of IFRS standards. This standard will be in effect for fiscal years initiated on or after January 01, 2016. The Company does not expect impacts from the adoption of this standard on its financial statements.

- **IFRS 11** – Joint arrangements. In May 2011, IASB issued a review of IFRS 11. The amendment in IFRS 11 addresses criteria related to the accounting treatment of for acquisitions of interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3. This standard will be in effect for fiscal years initiated on or after January 01, 2016. The Company does not expect impacts from the adoption of this revised standard on its financial statements.
- **IAS 16 and IAS 38** – "Explanations on Acceptable methods of depreciation and amortization", in May 2014, IASB issued a revision of IAS 16 and IAS 38. This revision is intended to clarify the methods of depreciation and amortization, considering the concept of expected future economic benefits for the use of the asset during its economic useful life. This amendment to the standard will be in effect for annual periods initiated as from January 01, 2016. The Company does not expect impacts from the adoption of this revised standard on its financial statements.
- **IFRS 15** – Revenue from contracts with customers was issued in May 2014 by IASB. The standards replaces IAS 18 – Revenues and IAS 11 – Construction contracts, and a series of interpretations concerning revenues. This standard will be in effect for fiscal years initiated on or after January 01, 2017. The Company does not expect impacts from the adoption of this standard on its financial statements.
- **IAS 16 and IAS 41** - in July 2014, IASB issued a review of standards IAS 16 - Property, plant and equipment, and IAS 41 - Biological assets, to include biological assets that meet the definition of Bearer plants (defined as "living plants" used in agricultural production). This amendment requires that the "bearer plants" be " recorded as property , plant and equipment pursuant to IAS 16, recorded at historical cost instead of measured at fair value as required by IAS 41. This standard is in effect for years initiated on or after January 01, 2016.The Company is evaluating the impacts from the adoption of this standard on its financial statements.

IFRS 10 and IAS 28 – Sale or assets contributions between the investing company and its associated company or joint-controlled companies.This determines the accounting treatment for asset transactions between an investing company and associated companies or joint-controlled companies. This standard will be in effect for annual periods initiated as from January 01, 2016. The Company is evaluating the impacts from the adoption of this standard on its financial statements.

IAS 27 – "Separate financial statements". On August 12, 2014, IASB issued a revision of IAS 27 which will allow the equity method to account for investments in subsidiaries, joint ventures and associated companies in its separate financial statements.

This standard is effective for annual periods beginning on or after January 01, 2016. The Company does not expect impacts from the adoption of this standard in its financial statements.

IFRS 10, IFRS 12 and IAS 28 – Consolidation exceptions in investment companies. It deals with the requirements of disclosures of the financial statements for the investment entities. This standard will be in effect for annual periods initiated as from January 01, 2016. The Company is evaluating the impacts from the adoption of this standard on its financial statements.

- **Annual improvement of IFRS of September 2014** – in September of 2014, IASB revised standards IFRS 5, IFRS 7, IAS 19 and IAS 34. These standards will be effective for annual periods initiated as from January 01, 2016. The Company is evaluating the impacts from the adoption of these amendments to its financial statements.

The early adoption of the standards, though advised by IASB, is not allowed in Brazil by CPC.

a.a. Determination of fair value

A lot of Company's practices and issuances require the determination of fair value both for financial and non-financial assets and liabilities. Fair value calculation has been made for measurement purposes and/or they have been disclosed based on those methods described in financial instruments note. When applicable, additional information on assumptions used for the calculation of fair values are included in notes specific for such assets or liabilities.

b.b. Statements of value added

The Company prepared the individual and consolidated Statement of Valued Added in terms of CPC 09, in which are presented as part of the Financial Statements in accordance with BR GAAP applicable to public companies, while to IFRS represents additional information for not being required as part of the financial statements taken as a whole.

5. Cash and cash equivalents

Financial assets of the Company and its controlled companies were classified in the following categories and according to the Company's purposes among (i) measured at fair value through income and (ii) held to maturity, as follows:

	Company		Consolidated	
	03.31.15	12.31.14	03.31.15	12.31.14
Cash	362	353	1,091	2,941
Bank accounts	6,948	6,551	605,555	648,988
Cash and cash equivalents in foreign currency	1,248,878	940,874	1,317,015	956,170
	1,256,188	**947,778**	**1,923,661**	**1,608,099**
Financial investments				
In domestic currency:				
CDB –bank Certificates of deposit	421,570	389,902	423,044	392,433
Debentures	58,781	69,919	64,672	72,131
Brazilian prize-draw investment bonds	3,179	4,050	3,783	4,457
Investment funds	8,896	8,703	8,896	8,703
In foreign currency:				
Other financial assets	-	-	582,716	388,557
	492,426	472,574	1,083,111	866,281
	1,748,614	**1,420,352**	**3,006,772**	**2,474,380**

The financial investments of the Company and its controlled companies were classified in the following categories and according to the Company's purposes among (i) measured at fair value through income and (ii) held to maturity, as below:

	Company		Consolidated	
	03.31.15	12.31.14	03.31.15	12.31.14
Measured at fair value through income	489,247	468,524	1,079,328	861,824
Held-to-maturity	3,179	4,050	3,783	4,457
	492,426	**472,574**	**1,083,111**	**866,281**

6. Trade accounts receivable

	Company		Consolidated	
	03.31.2015	12.31.14	03.31.2015	12.31.14
Domestic market	60,576	114,322	134,010	213,562
Foreign market	85,343	74,959	334,952	232,699
Notes receivable - related-party transactions	47,752	63,597	-	-
	193,671	**252,878**	**468,962**	**446,261**
(-) Allowance for doubtful accounts	(11,076)	(9,106)	(13,486)	(11,162)
	182,595	**243,772**	**455,476**	**435,099**

The Company has sale agreements for receivables from exports without right of recourse at an average cost of Libor + Spread.

Accounts receivable aging list

	Company		Consolidated	
	03.31.15	12.31.14	03.31.15	12.31.14
Falling due:	178,314	231,100	430,189	404,397
Overdue:				
Up to 30 days	2,237	1,683	15,796	15,893
From 31 to 60 days	372	481	3,046	2,945
From 61 to 90 days	324	201	1,525	1,062
From 91 to 180 days	12,424	19,413	18,406	21,964
	193,671	**252,878**	**468,962**	**446,261**

Changes in the allowance for doubtful accounts

	Company	Consolidated	Consolidated(-) Company
Balances as of December 31, 2014	(9,106)	(11,162)	(2,056)
Credits provided for	(297)	(651)	(354)
Credits recovered	-	0	-
Credits written-off	23	23	-
Exchange rate gains (losses)	(1,696)	(1,696)	-
Balances as of March 31, 2015	**(11,076)**	**(13,486)**	**(2,410)**

During the period ended March 31, 2015 there were no significant changes in the allowance for doubtful accounts.

The Company has a FIDC - Receivables Investment Fund for disposal of part of its receivable from domestic market in the amount of R$ 131,308, of which R$ 23,945 set up as subordinated shares.

The maximum exposure to credit risk for the Company consists of the amounts shown below. The value of the effective risk of possible losses is presented as the allowance for doubtful accounts. In order to mitigate this risk, these operations presents a credit insurance contracted with two insurance companies, which covers 90% of the value of receivables sold. The beneficiaries of the insurance policies are the financial institutions. The Company follows a very strict policy of credit granting, which results in low levels of default evidenced by the low amounts of accrual credits when compared to sales income made by the Company and its controlled companies.

The Company has no guarantee for overdue receivables.

7. Inventories

	Company		Consolidated	
	03.31.15	**12.31.14**	**03.31.15**	**12.31.14**
Finished goods	286,561	247,718	491,385	414,314
Raw materials	-	-	-	3,094
Stockrooms and secondary materials	21,906	28,529	47,195	50,227
	308,467	**276,247**	**538,580**	**467,635**

8. Biological assets

Entities with livestock activities, such as cattle herd growth (confinement of cattle or cattle under pasture operations), are subject to revaluation of its assets, in order to determine its fair value based on the Mark to market (MtM) concept at least during quarters ends, recognizing then the effects of such revaluations directly in the statement of operations.

Operations related to the Company's biological assets are represented in its whole by cattle for pasture (extensive). The operation is conducted through the acquisition of mature biological assets for resale, whose valuation at market rates is reliably measured because of the existence of active markets for them. Their representation is as follows:

	Cattle	
	Company	Consolidated
Balance as of December 31, 2014	**150,344**	**173,381**
Increase due to acquisitions	89,640	115,080
Decrease due to sales	(108,375)	(145,866)
Net increase due to births (deaths)	-	(55)
Change in fair value less estimated selling expenses	3,496	1,206
Balance as of March 31, 2015	**135,105**	**143,746**

As of March 31, 2015, cattle in the farm held for sale were 52,323 feeder cattle (as of December 31, 2014 – 64,110 feeder cattle).The number of cattle held for sale had a significant increase as a result of the increase of this activity in Brazil, specifically in the state of Mato Grosso, but also in Paraguay, Uruguay and Chile.

As of March 31, 2015 and December 31, 2014, the Company did not have any type of biological assets with restricted ownership or offered as guarantee of obligations, and there were no other risks (financial, commitments, and weather related) affecting the Company’s biological assets.

9. Recoverable Taxes

	Company		Consolidated	
	03.31.15	**12.31.14**	**03.31.15**	**12.31.14**
PIS - Contribution to the Social Integration Program (Tax on sales)	72,230	68,608	81,113	75,421
COFINS - Contribution for Social Security Funding (tax on sales)	301,808	288,899	338,291	315,852
Reintegra (Special Regime of Reintegration of Tax Amounts to Export Compan	662	662	5,909	1,054
ICMS - State VAT	155,367	151,968	161,424	157,417
Income and social contribution taxes (IR and CSLL)	100,225	85,102	104,473	91,953
IPI deemed Credit	92,198	92,198	92,198	92,198
Other recoverable taxes	5,585	5,585	76,808	60,268
	728,075	**693,022**	**860,216**	**794,163**
Current	503,695	468,642	626,304	560,317
Non-current	224,380	224,380	233,912	233,846

PIS and COFINS (taxes on sales)

The COFINS (Contribution for Social Security Funding) and PIS (Contribution to the Social Integration Program) credits arose from the change in tax legislation in accordance with Law No. 10.637/02 and Law No. 10.833/03, which established non-cumulativeness for these taxes, thus generating credits for export companies.

Currently, the Company and its controlled companies are awaiting the end of the inspection for ratification by the Brazilian Federal Revenue Service of the requests for reimbursement of credits, properly formalized by the Company and its controlled companies, which shall occur in 2015 and 2016 and will result in a significant amount arising from the refund of those credits during those years.

Grounded on studies made by the Company's management regarding the expectation of refunding tax credits, part of current assets credits were segregated to non-current assets amounting R$ 71,501 as of March 31, 2015 in company and R$ 77,424 in consolidated. Realization expectation of Company's and its controlled companies' tax credits are quarterly reviewed.

ICMS (state VAT)

The ICMS credit results from the fact that the Company's exports are greater than its domestic sales, thereby generating credits which, after ratification by the State Tax Authority, are used for purchasing inputs for production, and may also be sold to third parties.

The aforementioned credit balance is being inspected and ratified by the São Paulo State Finance Department and the Company's management expects to recover a significant portion throughout 2016 and 2017. Grounded on studies conducted by the Company's management, an amount deemed sufficient to cover slower lawsuit, totaling R$ 55,096 in company and R$ 58,489 in consolidated was transferred from current assets to non-current assets. Realization expectation of Company's and its controlled companies' tax credits are quarterly reviewed.

IPI deemed Credit

The credits of IPI Deemed Credit result from the reimbursement of the contributions to PIS/PASEP and COFINS, provided for in Laws No. 9.363/96 and 10.276/01, arising from the acquisition of bovine raw materials from individuals and/or cooperatives.

The Company is currently requesting to the Federal Tax Authority (RFB) the offsetting/reimbursement of the said credits. In the technical studies conducted by the Company's management, the balance of the mentioned credits are allocated in noncurrent assets, with estimated realization as from 2016.

Based on technical studies and supported by the opinion of its tax counselors, the Company's Management understands that the tax credits from PIS, COFINS, ICMS, and IPI deemed credit are expected to be realized up to the end of year 2017.

10. Deferred tax assets

Below we present the changes during the year of deferred tax assets, taking into account deferred tax assets on income and social contribution tax losses:

	Company			
	Balance as of December 31, 2014	Recognized in income (loss)	Realization of deferred taxes	Balance as of March 31, 2015
Deferred IR/CS on tax losses	244,639	-	-	244,639
Total deferred tax assets	**244,639**	**-**	**-**	**244,639**

	Consolidated			
	Balance as of December 31, 2014	Recognized in income (loss)	Realization of deferred taxes	Balance as of March 31, 2015
Deferred IR/CS on tax losses	248,929	-	-	248,929
Other deferred taxes on temporary differences	-	-	-	-
Total deferred tax assets	**248,929**	**-**	**-**	**248,929**

The deferred tax credits arising from Income and Social Contribution Tax losses were recognized at June 30, 2012, December 31, 2011, September 30, 2011, December 31, 2010, and December 31, 2014 for the Company. The accumulated amount as of March 31, 2015 is R$ 244,639 in Company and R$ 248,929 in consolidated. (As of December 31, 2014 the amount was R$ 244,639 in Company and R$ 248,929 in consolidated).

The recognition is based on the fact that the Management understands taxable income is likely to be assessed so that the Company may use that future tax benefit.

The Company's and its controlled companies' management decision to record these deferred tax assets on income and social contribution tax losses was grounded on the business plan and budget and internal financial projections, prepared by independent advisors which are annually reviewed.

The Company's Management, based on these projections, expects that tax credits arising from income and social contribution tax losses are realized as shown below:

	03.31.15	03.31.15
	Company	Consolidated
2015	19,655	23,072
2016	37,688	38,561
2017	40,881	40,881
2018 onwards	146,415	146,415
	244,639	**248,929**

(*) The Company expects to realize income and social contribution tax temporary differences in no more than 6 years.

Technical studies grounding the decision to record deferred tax assets on income and social contribution tax losses were duly reviewed and approved in a Board of Directors' meetings held on February 21, 2011, October 24, 2011, March 5, 2012, August 7, 2012, and February 26, 2014 for Company, and April 25, 2011 and March 5, 2012 for controlled companies.

11. Related-party transactions

Related-party transactions, conducted under the following conditions, are summarized in the tables below and comprise:

	Company		Consolidated	
Loans receivable	03.31.15	12.31.14	03.31.15	12.31.14
Minerva Indústria e Comércio de Alimentos S.A. (a)	91,178	21,487	-	-
Minerva Dawn Farms S.A. (Minerva Fine Foods) - (b)	263,327	248,444	-	-
Transminerva Ltda (c)	22,770	22,459	-	-
Minerva Overseas Ltd (d)	335,446	291,931	-	-
Mato Grosso Bovinos S.A (e)	177,730	46,434	-	-
Others (f)	9,299	10,883	445	445
	899,750	**641,638**	**445**	**445**

(a) Loan made to Minerva Indústria e Comércio de Alimentos Ltda. for working capital;
(b) Loan made to Minerva Dawn Farms S.A. (currently Minerva Fine Foods) for working capital;
(c) Expenses of Transminerva, a controlled company, and working capital to be reimbursed;
(d) Loan made to Minerva Overseas Ltda. to be reimbursed;
(e) Loan made to Mato Grosso Bovinos S.A. for working capital; and
(f) Other loans and payments to companies linked to the Company.

	Company		Consolidated	
Loans payable	**03.31.15**	**12.31.14**	**03.31.15**	**12.31.14**
Minerva Luxemburgo (a)	98,286	40,748	-	-
Minerva Overseas II Ltd (b)	219,605	181,831	-	-
Frimacar (c)	16,040	-	-	-
Pul S/A (d)	41,704	-	-	-
	375,635	**222,579**	**-**	**-**

(a) Loan from Minerva Luxembourg to the controlling company;
(b) Loan from Minerva Overseas II to the controlling company;
(c) Loan from Frimacar to the controlling company;
(d) Loans from Pul S/A to the controlling company.

The Company, understanding the full integration of its operations with its controlled companies, conducts cash transfer transactions as part of Minerva Group's business plan, always seeking to minimize the cost of its borrowings.

The remaining related-party balances and transactions are presented below:

		Company	Consolidated	
Trade accounts payable	03.31.15	12.31.14	03.31.15	12.31.14
Minerva Dawn Farms S.A.	2,761	10,033	-	-
Minerva Indústria e Comércio de Alimentos S.A.	1,191	9,797	-	-
Transminerva	-	847	-	-
Frigomerc	-	6,614		
Pul	-	223	-	-
Mato Grosso Bovinos S.A.	28,052	78,264	-	-
Acquisition of partners	1,631	3,154	6,344	15,547
	33,635	108,932	6,344	15,547

	Company		Consolidated	
Trade accounts receivable	**03.31.15**	**12.31.14**	**03.31.15**	**12.31.14**
Minerva Dawn Farms S.A.	12,547	498	-	-
Minerva Ind. e Com. de Alimentos S.A.	6,512	2,462		
Transminerva	140			

	Company		Consolidated	
	03.31.15	**03.31.14**	**03.31.15**	**03.31.14**
Sales Revenues:				
Brascasing Comercial Ltda.	-	1,754	-	-
Minerva Dawn Farms S.A.	14,567	3,884	-	-
Minerva Indústria e Comércio de Alimentos S.A.	958	1,106	-	-
Mato Grosso Bovinos S.A.	23,397	-	-	
	38,922	**6,744**	**-**	-
Meat purchase:				
Brascasing Comercial Ltda.	-	907	-	-
Minerva Dawn Farms S.A.	1	14,246	-	-
Minerva Indústria e Comércio de Alimentos S.A.	29,922	48,060	-	-
Friasa S.A.	-	809	-	-
Pul	2,084	686	-	-
Frigomerc	18,410	8,921	-	-
Carrasco	5,934	-	-	-
Mato Grosso Bovinos S.A.	96,977	-	-	-
	153,328	**73,629**	**-**	**-**
Cattle purchase:	7,227	13,623	19,698	13,623
Acquisition of partners	7,227	13,623	19,698	13,623

The Company and its controlled companies have business transactions, particularly sales and purchase, between themselves, at market prices and conditions, when applicable.

No allowances for doubtful accounts or expenses incurred with uncollectible debts regarding related-party transactions were recognized in the periods ended March 31, 2015 and 2014.

Remuneration of key management personnel

Management's key personnel include the Executive Board, the Board of Directors and Audit Committee.

The added value of the compensation received by the Company's and its controlled companies' managers for services in their respective areas for the periods ended March 31, 2015 and 2014 is summarized below:

	Members - 2015	03/31/15	03/31/14
Executive Management and Board of Directors	23	1,991	1,348
	23	**1,991**	**1,348**

Alternate members of the Board of Directors and Audit Committee are compensated by each day they attend a meeting of the Board of Directors.

12. Investments

The changes in investments in controlled companies are presented below:

	Ownership interest %	Balances as of 12/31/14	Transfers	Goodwill	Provision for impairment loss	Translation adjustment	Acquisition/Write-off of ownership interest	Paid-in capital	Equity in earnings (loss) of controlled companies	Balances as of 03/31/15
Goodwill from expected future profitability		548,489	-	13,073	-	-	-	-	-	561,562
Minerva Indústria e Comércio de Alimentos Ltda.	98.00%	36,301	-	-	-	9	-	-	6,303	42,613
Minerva Overseas Ltd	100.00%	142,294	-	-	-	-	-	-	37,319	179,613
Minerva Overseas Ltd II	100.00%	126,088	-	-	-	-	-	-	58,509	184,597
Minerva Middle East	100.00%	37	-	-	-	-	-	-	-	37
Friasa Ltd	99.99%	1,119	-	-	-	190	-	-	7	1,316
Minerva Log S.A	100.00%	199	-	-	-	-	-	-	3	202
Minerva Dawn Farms S.A.	100.00%	(131,318)	-	-	-	-	-	-	(7,810)	(139,128)
Pulsa S.A	100.00%	153,180	-	-	-	33,702	-	-	18,827	205,709
Loin Investments	99.00%	257	-	-	-	-	-	-	27	284
Frigomerc	100.00%	156,561	-	-	-	13,940	-	-	15,440	185,941
Minerva Colombia	100.00%	1,278	-	-	-	185	-	-	(205)	1,258
Frimacar	100.00%	156,905	-	-	-	32,753	-	-	1,242	190,900
Cia. Sul Americana de Pecuária	100.00%	20	-	-	-	-	-	180	(68)	132
Mato Grosso Bovinos S/A	100.00%	181,808	-	-	-	-	-	-	(1,103) #	180,705
Minerva Live Cattle	100.00%	-	(1,417)	-	-	(189)	-	-	10,281 #	8,675
Investments		1,373,218	(1,417)	13,073	-	80,590	-	180	138,772	1,604,416
Transminerva	100.00%	(18,727)	-	-	-	-	-	-	(1,293)	(20,020)
Minerva Luxemburgo	100.00%	(559,306)	-	-	-	-	-	-	(270,934)	(830,240)
Minerva Chile	100.00%	(4,337)	-	-	-	(2,324)	-	-	(4,254)	(10,915)
Lytmer	100.00%	(1,911)	-	-	-	(820)	-	-	(2,837)	(5,568)
Minerva Live Cattle	100.00%	(1,417)	1,417	-	-	-	-	-	-	-
Provisions for losses on investments		(585,698)	1,417	-	-	(3,144)	-	-	(279,318)	(866,743)
Net investments		787,520	-	13,073	-	77,446	-	180	(140,546)	737,673

(*) Negative investment balances of Minerva Dawn Farms have not considered goodwill of R$ 188,391 allocated to the specific line item.

On April 1, 2014, the Company merged its controlled company Brascasing, from which it held 100% of capital stock, with the controlled company becoming a business unit of the controlling company.

On April 30, 2014, the Company entered into a "Share Purchase and Sale Agreement", for the acquisition of 100% of the capital stock of Frigorífico Matadero Carrasco S.A., thereby assuming its control from that date.
The operation was concluded at the amount of US$ 37,000 thousand (R$ 118,696 – converted at the rate as of 03/31/2015).

On October 01, 2014, the Company completed the acquisition of its controlled company Mato Grosso Bovinos S.A., thereby holding 100% of the shares of that controlled company. The negotiation was concluded through the exchange of 29 million shares issued by the Company (BEEF3) for the book value of R$ 180,319.

Summary of the controlled companies' quarterly information as of March 31, 2015:

	Ownership interest %	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Shareholders' equity
Minerva Alimentos	98.00%	138,943	110,143	79,152	126,451	43,483
Frimacar	100.00%	106,637	127,977	37,502	6,212	190,900
Minerva Overseas	100.00%	594,638	159,114	-	574,140	179,612
Minerva Overseas II	100.00%	142	1,470,198	-	1,285,743	184,597
Minerva Middle East	100.00%	37	-	-	-	37
Minerva Dawn Farms	100.00%	52,506	104,848	15,013	281,469	(139,128)
Minerva Luxemburgo	100.00%	350,502	3,418,405	75,574	4,523,573	(830,240)
Friasa	99.99%	2,238	2,573	3,495	-	1,316
Transminerva	100.00%	1,175	2,206	631	22,770	(20,020)
Loin Investments	99.00%	295	-	11	-	284
Minerva Log	100.00%	204	-	1	-	203
Lytmer	100.00%	6,598	278	11,642	802	(5,568)
Pulsa S.A.	100.00%	144,782	148,952	42,352	45,674	205,708
Frigomerc	100.00%	232,180	65,479	111,718	-	185,941
Minerva Chile	100.00%	36,759	374	36,182	11,866	(10,915)
Minerva Colombia	100.00%	25,560	219	15,404	9,117	1,258
Cia. Sul Americana de Pecuária	100.00%	135	-	2	-	133
Mato Grosso Bovinos S/A	100.00%	266,431	189,028	97,024	177,730	180,705
Minerva Live Cattle	100.00%	85,568	11,866	88,758	-	8,676
		2,045,330	**5,811,660**	**614,461**	**7,065,547**	**176,982**

Below, we present the results of controlled companies which had movement during the periods ended March 31, 2015 and 2014:

	03.31.15		03.31.14	
	Net sales	Income/loss for the year	Net sales	Income/loss for the year
Minerva Alimentos	113,974	6,303	106,808	8,936
Frimacar	93,034	1,242	-	-
Minerva Overseas	-	37,318	-	2,138
Minerva Overseas II	-	58,508	-	18,339
Brascasing			5,858	618
Minerva Dawn Farms	26,130	(7,810)	32,718	(10,440)
Minerva Beef			-	(32)
Minerva Luxemburgo	-	(270,934)	-	15,871
Friasa	-	7	-	462
Transminerva	1,106	(1,293)	1,171	(1,335)
Loin Investments	-	27	-	24
Minerva Log	-	4	-	3
Lytmer	990	(2,837)	-	-
Pulsa S.A.	120,878	18,827	100,129	13,005
Frigomerc	217,205	15,440	140,574	(853)
Minerva Chile	18,080	(4,254)	-	-
Minerva Colombia	7,768	(204)	-	(257)
Cia. Sulamericana de Pecuária	-	(67)	-	-
Mato Grosso Bovinos S/A	266,770	(1,104)	-	-
Minerva Live Cattle	68,576	10,281	-	-

(*) All amounts are 100% of the controlling companies' income (loss).

13. Property, plant and equipment

a. Breakdown of property, plant and equipment

Company

Description	% - Depreciation rate	Historical cost	Accumulated depreciation	03.31.15 Net	12.31.14 Net
Buildings	2.68%	533,879	(99,707)	434,172	437,751
Machinery and equipment	7.75%	283,762	(97,196)	186,566	191,613
Furniture and fixtures	13.75%	3,482	(2,424)	1,058	1,130
Vehicles	7.06%	10,819	(3,909)	6,910	6,330
Hardware	18.86%	3,724	(3,444)	280	346
Plots of land		52,648	-	52,648	52,648
Construction in progress		530,503	-	530,503	489,574
Provision for impairment loss		(21,518)	-	(21,518)	(21,518)
		1,397,299	**(206,680)**	**1,190,619**	**1,157,874**

Consolidated

Description	% - Depreciation rate	Historical cost	Accumulated depreciation	31.03.15 Net	31.12.14 Net
Buildings	2.30%	918,569	(126,602)	791,967	770,369
Machinery and equipment	7.43%	593,948	(168,929)	425,019	421,758
Furniture and fixtures	12.59%	8,931	(4,302)	4,629	4,478
Vehicles	7.76%	16,600	(6,501)	10,099	9,569
Hardware	18.76%	7,510	(5,986)	1,524	1,421
Plots of land		98,037	-	98,037	92,754
Reforestation		2,240	-	2,240	2,240
Construction in progress		556,718	-	556,718	515,684
Provision for impairment loss		(21,518)	-	(21,518)	(21,518)
		2,181,035	**(312,320)**	**1,868,715**	**1,796,755**

b. Changes in property, plant and equipment

Company	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Hardware	Plots of land	Construction in progress	Provision for impairment loss	Total
Balance as of December 31, 2014	437,751	191,613	1,130	6,330	346	52,648	489,574	(21,518)	1,157,874
Additions	.	.	.	.	.	.	41,720	.	41,720
Incorporation/acquisition	.	.	.	.	.	.	.	.	.
Transfers	.	.	.	791	.	.	(791)	.	.
Disposals	.	.	.	(3)	.	.	.	.	(3)
Depreciation	(3,579)	(5,047)	(72)	(208)	(66)	.	.	.	(8,972)
Balance as of March 31, 2015	434,172	186,566	1,058	6,910	280	52,648	530,503	(21,518)	1,190,619

Consolidated	Buildings	Machinery and equipment	Furniture and fixtures	Vehicles	Hardware	Plots of land	Reforestation	Construction in progress	Provision for impairment loss	Total
Balance as of December 31, 2014	770,369	421,758	4,478	9,569	1,421	92,754	2,240	515,684	(21,518)	1,796,755
Additions	188	1,145	32	.	146	166	.	42,894	.	44,571
Incorporation/acquisition	.	.	.	.	.	.	.	.	.	.
Transfers	998	138	42	791	67	.	.	(2,036)	.	.
Disposals	316	198	8	(1)	4	37	.	.	.	562
Depreciation	(5,603)	(10,954)	(215)	(488)	(182)	.	.	.	.	(17,442)
Translation adjustment	25,699	12,734	284	228	68	5,080	.	176	.	44,269
Balance as of March 31, 2015	791,967	425,019	4,629	10,099	1,524	98,037	2,240	556,718	(21,518)	1,868,715

c. Construction and facilities in progress

As of March 31, 2015, the balances of construction and facilities in progress refer to the following major projects: Expansion of the plant of Campina Verde (MG); Expansion of the plant of Janaúba (MG); Expansion of the plant of José Bonifácio (SP); Expansion of the slaughtering area from Araguaína (TO); and Structuring and expansion of the Distribution Centers.

d. Purchase of assets

As informed to market on March 06, 2014, the Company acquired a plant for slaughtering and deboning of cattle for R$ 40.0 million located in the city of Janaúba (MG), auctioned by court order, which offered bankrupt estate assets of the meat-packing plant Kaiowa. Additionally, there were acquisition costs in the amount of R$ 2.0 million incurred which total R$ 42.0.

On October 01, 2014, the Company acquired two plants in the state of Mato Grosso, located in the cities of Mirassol D'Oeste and Várzea Grande, through the issue of 29 million common shares of the Company (BEEF3). The fair value of the property, plant and equipment was R$ 204,796.

e. Provision for impairment

As required by the Brazilian accounting practices and International standards (IFRS), the Company annually tests its assets for impairment. Accordingly, during 2013, the Industrial plant of Goinésia (GO) was underused, due to strategic issues. Therefore, analyses of the plant value by cash generation were affected, and the sale value net of selling expenses was chosen for evaluation. Based on the valuation made by an independent company it was found that the mentioned plant has a value higher than its realization value on sale of R$34,175, of which R$ 21,518 from property, plant and equipment and R$ 12,657 from expectation of future profitability, which generated a recognition of provision for impairment.

f. Amounts offered as collateral

Total property, plant and equipment offered as collateral for loans and financing amounted to R$ 244,861 as of March 31, 2015 (R$ 246,531 as of December 31, 2014).

g. Deemed cost

As recommended by ICPC 10 regarding the recording of the *deemed cost* of property, plant and equipment, the Company and its controlled companies hired a specialized company to perform this evaluation, which found that there are not material differences between *deemed cost* of assets and the balances recorded in the books of accounts. Given that scenario, management opted not to record and control these effects.

14. Intangible assets

	Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Goodwill on acquisitions	98,094	98,094	641,603	628,530
Aircraft usage rights	1,793	1,793	1,793	1,793
Assignment of easement of strips	250	250	250	250
Software	4,696	4,865	6,402	6,239
	104,833	105,002	650,048	636,812

The movements of intangible assets during the period ended March 31, 2015 is shown below:

	Company				
	Goodwill on acquisition	Aircraft usage rights	Assignment of easement of strips	Sofwares acquired	Total
Balance as of December 31, 2014	**98,094**	**1,793**	**250**	**4,865**	**105,002**
Acquisition	-	-	-	2	2
Amortization	-	-	-	(171)	(171)
Transfer from investment to intangible assets	-	-	-	-	-
Balance as of March 31, 2015	**98,094**	**1,793**	**250**	**4,696**	**104,833**

	Consolidated				
	Goodwill on acquisition	Aircraft usage rights	Assignment of easement of strips	Sofwares acquired	Total
Balance as of December 31, 2014	**628,530**	**1,793**	**250**	**6,239**	**636,812**
Acquisition	13,073	-	-	336	13,409
Amortization	-	-	-	(241)	(241)
Translation adjustment	-	-	-	68	68
Balance as of March 31, 2015	**641,603**	**1,793**	**250**	**6,402**	**650,048**

The Company records the amortization of its software, the only intangible assets that can be amortized, according to the contractual license period, when acquired from third parties, or for the period estimated by the Company, for software internally developed by the Company. As of March 31, 2015 and December 31, 2014, the average amortization rates were 19.7% and 19.8%, respectively, with expected final amortization of those intangible assets in 2017.

Goodwill by expectation of future profitability

	Consolidated	
	03/31/15	**12/31/14**
Minerva Dawn Farms (MDF) - (i) e (Nota 2)	188,391	188,391
Brascasing Industria e Comércio Ltda - (ii) e (Nota 2)	98,094	98,094
Pulsa S/A - (iii) e (Nota 2)	61,643	61,643
Frigomerc (iv)	62,126	62,126
Frimacar (v)	47,773	34,700
Mato Grosso Bovinos S/A (vi)	174,278	174,278
Other (vii)	9,298	9,298
	641,603	**628,530**

(i) As described in Note 2, to comply with the requirements defined in the CVM Resolution 580/09 – CPC 15 (R1), the Company revised the identifiable acquired assets and assumed liabilities calculations made at the time of recording of the fair value of the acquisition of more 30% of Minerva Dawn Farms - MDF's shares. This was framed as a "business combination by stages", and the segregation of appreciation (goodwill) found in the temporary recording of the fair value of the Company's interest in that operation, amounting to R$ 188,391 (R$ 188,391 as of December 31, 2012), segregating goodwill by expectation of future profitability – R$ 98,714, client portfolio – R$ 87,733 and appreciation of assets – R$1,944, complying with CPC pronouncements, instructions and guidance. As previously described, during the last quarter of 2012, the Company acquired the residual interest of 20% of MDF shares, held by Dawn Farms, thereby acquiring 100% of MDF's control;

(ii) In December 2011, the Company acquired 5% of the jointly controlled company's share capital, Brascasing Comercial Ltda. as of that date, becoming holder of 55% of this company's share capital, and consequently its control. As this transaction is framed as a "business combination in stages", the Company recorded its ownership and non-controlling interest at its fair value, which led to the recording of appreciation (goodwill by expectation of future profitability) of R$ 93,185. After the full acquisition of the Company, goodwill totaled R$ 98,094;

(iii) During the year ended December 31, 2011, the Company purchased 100% shares with voting rights of Frigorífico Pulsa S/A, on March 22, 2011, which caused the recording of goodwill by expectation of future profitability amounting to R$ 61,643;

(iv) During the last quarter of 2012, the Company purchased 100% shares of Frigomerc S/A, which caused the recording of goodwill by expectation of future profitability amounting to R$ 58,380. On March 16, 2013, an addendum to the purchase and sale agreement of Frigomerc S/A was prepared determining a supplement of Working Capital amounting to R$ 3,746 (USD 1,830 thousand), totaling on December 31, 2012 R$62,126;

(v) During the period ended June 30, 2014, the Company purchased 100% shares with voting rights of Frigorifico Matadero Carrasco S.A (FRIMACAR), on April 30, 2014, which caused the recording of goodwill by expectation of future profitability amounting to R$ 34,700. As clauses of the acquisition agreement, there was a goodwill increase from expected future profitability amounting to R$ 13,073, totaling an amount of R $ 47,773;

(vi) During the year ended December 31, 2014, the Company incorporated 100% of the shares with voting rights of Mato Grosso Bovinos S.A. through the exchange of 29 million common shares issued by the Company (BEEF3), which occurred on October 01, 2014, after the realization of an Extraordinary General Meeting (EGM) of the two companies, and resulted in the record of goodwill from expected future profitability amounting to R$ 174,278.

(vii) During 2nd quarter of 2013, the Company acquired the remaining 8% of the Friasa S/A's shares, resulting in a record of goodwill by future expectation in the amount of R$ 7,233 totaling R$ 9,298 on June 30, 2012.

As required by the Brazilian accounting practices and International standards (IFRS), the Company annually tests its assets for impairment. Accordingly, the Industrial plant from Goinésia (GO), company previously named as "Lord Meat", due to strategic issues, is underused, according to Note nº 13.

In compliance with CPC 1 (R1) (IAS 36), the Company tests for impairment, at least annually, its intangible assets which do not have estimated useful lives.

15. Loans and financing

		Company		Consolidated	
Types	Finance charges	03/31/15	12/31/14	03/31/15	12/31/14
Debentures - 4th Issue (1)	CDI + 1.75% p.a.	309,368	299,442	309,368	299,442
Debentures (1)	Fixed rate	463,136	482,841	-	-
BNDES (2)	TJLP + Spread	67,568	70,879	67,568	70,879
FINEP (3)	TJLP + Spread	-	-	25,927	27,950
Lease (1)	TJLP + 3.5% per year	3,709	4,286	3,854	4,442
Bank Credit Note (1)	Annual rate 8.5%	11,972	13,606	49,833	61,203
Bank Credit Note (1)	CDI + spread	120,630	-	120,630	-
NCE (1)	8% p.a.	474,698	390,587	480,894	396,636
Progeren	3.9% p.a. + TJLP	11,714	14,220	11,714	14,220
IFC (1)	CDI + spread	146,608	141,807	146,608	141,807
Other types (1)	TJLP + Spread	-	-	904	1,453
		1,609,403	**1,417,668**	**1,217,300**	**1,018,032**
Foreign currency (US dollar)					
ACCs (1)	Interest from 1.00% to 2.0% p.a. + exchange rate gains (losses)	316,915	343,382	349,174	399,740
NCE (1)	Interest of 3.25%p.a + Libor	246,469	95,300	246,469	95,300
Senior Unsecured Notes - I and II (3)	Exchange rate gain (loss) + interest	1,853,484	1,522,731	3,633,772	3,061,026
Perpetual bonds	Exchange rate gains (losses) + interest of 8.75% p.a.	888,768	736,247	968,737	801,769
PPE (1)	Interest of 2.7% p.a. + Libor	96,245	79,696	96,245	79,696
Other types (1)	Libor + Spread	-	-	85,851	96,491
				-	-
Hedging instruments - derivatives		(198,724)	(227,349)	(202,087)	(226,011)
		3,203,157	**2,550,007**	**5,178,161**	**4,308,011**
Total loans		**4,812,560**	**3,967,675**	**6,395,461**	**5,326,043**
Current		861,225	499,618	983,295	723,956
Non-current		3,951,335	3,468,057	5,412,166	4,602,087

The Company offered the following guarantees for the loans it has taken out:

(1) Endorsement of the parent company VDQ Holdings S.A and/or endorsement of the shareholders of VDQ Holdings S.A.;
(2) Mortgage of the Palmeiras de Goiás factory and the farms of the shareholders of the parent company VDQ Holdings S.A.;
(3) Endorsement by the Company for the Senior Unsecured Notes issued by controlled company Minerva Overseas Ltd., Minerva Overseas II Ltd., and Minerva Luxembourg Ltd.

Long-term portions of Company's loans and financing mature as follows as of March 31, 2015:

	Company								
	2016	2017	2018	2019	2020	2021	2022	2023	Total
Lease	676	901	664	18	-	-	-	-	2,259
BNDES	15,716	12,533	8,807	8,807	734	-	-	-	46,597
CCB	4,874	541	-	-	-	-	-	-	5,415
Debentures	-	-	297,931	-	-	-	450,000	-	747,931
IFC	17,215	17,215	17,215	17,215	17,215	17,215	17,215	8,607	129,112
NCE	150,300	205,400	-	-	-	-	-	-	355,700
Pre-shipment	32,080	108,706	-	2,070,745	-	-	484,408	-	2,695,939
Progerem	1,667	-	-	-	-	-	-	-	1,667
Hedging instruments - derivatives	-	(33,285)	-	-	-	-	-	-	(33,285)
	222,528	312,011	324,617	2,096,785	17,949	17,215	951,623	8,607	3,951,335

(Consolidated) long-term portions of loans and financing mature as follows as of March 31, 2015:

	Consolidated									
	2016	2017	2018	2019	2020	2021	2022	2023	Perpetual	Total
Lease	707	943	695	18	-	-	-	-	-	2,363
BNDES	15,716	12,533	8,807	8,807	734	-	-	-	-	46,597
CCB	7,530	5,855	5,313	5,313	5,313	5,313	4,224	-	-	38,861
Debentures	-	-	297,931	-	-	-	-	-	-	297,931
FINEP	5,841	7,788	3,937	-	-	-	-	-	-	17,566
IFC	17,215	17,215	17,215	17,215	17,215	17,215	17,215	8,607	-	129,112
NCE	150,300	205,400	-	-	-	-	-	-	-	355,700
Pre-shipment	32,080	-	-	-	-	-	-	-	-	32,080
Progerem	1,667	-	-	-	-	-	-	-	-	1,667
Senior Unsecured Notes	-	78,532	-	176,758	-	-	398,997	2,920,900	-	3,575,187
Perpetual bonds	-	-	-	-	-	-	-	-	948,387	948,387
Hedging instruments - derivatives	-	(33,285)	-	-	-	-	-	-	-	(33,285)
	231,056	**294,981**	**333,898**	**208,111**	**23,262**	**22,528**	**420,436**	**2,929,507**	**948,387**	**5,412,166**

Below are the Company's and its controlled companies' main loans and financing as of March 31, 2015:

There are no premiums obtained and renegotiation clause during the capture of those debentures.

IFC – International Finance Corporation

In September 2013, IFC and the Company entered into a financing agreement, with term of 10 years, in the amount of R$ 137,718 disbursed on October 24, 2013. The debt balance as of March 31, 2015 is R$ 146,608 whose interests are calculated through CDI + Spread semi-annually paid. The debt matures on April 15, 2023.

Debt notes/bonds abroad

Through its controlled companies Minerva Overseas Ltd. and Minerva Overseas Ltd. II, the Company issued debt notes abroad in the amount of US$ 200,000 thousand and US$250,000 thousand, respectively. The *Notes* are collateralized by Minerva S.A. and mature in 2017 and 2019, respectively. Additionally, in February 2012, the Company put into effect the issue of US$ 350,000 thousand *Notes* in the foreign market, maturing in February 2022, by means of its subsidiary Minerva Luxembourg S.A. ("Issuer"). Also related to this operation, the Company concluded in March 2012, the Retap of these notes transaction with maturity in February 2022, in the amount of US$ 100,000 thousand, with the same maturity in February 2022. In August 2014, the Company concluded the Retap of these notes transaction with maturity in January 2023 in the amount of US$ 200,000, with the same maturity in January 2023.

The Notes issued by Minerva Overseas I and II (Bonds 2017 and 2019, respectively) pay six-month coupons at 9.5% and 10.875% per year, respectively, and the Notes operations issued by Minerva Luxembourg (Bonds 2022 and Retap) pay six-month coupons at a rate of 12.25% per year and (Bonds 2023 and Re-Tap) pay six month coupons at 7.75% per year. The Company shall guarantee all the obligations of the Issuer, in regard to the issue referred to above.

The Notes (Bond 2022 and Retap) and (Bond 2023 and Re-Tap) were not recorded according to the U.S. Securities Act of 1933, as amended ("Securities Act"), and shall not be offered or sold in the United States, except in transactions recorded under the Securities Act or exempt from these registry requirements.

The *Notes*' main early maturity clauses are as follows: (i) failure to fulfill the obligations established under the confidential offering circular, even relating to the sharing of dividends and change in corporate control, as mentioned in item (iv) below; and (ii) failure to pay any *note* when it is already outstanding.

Notes and debentures have an expectation of maintaining a financial covenant which measures the ability to cover debt in relation to the EBITDA (net income before interest, taxes, depreciation and amortization). The contractual rate of both financial instruments indicates that the debt coverage may not exceed 3.5 times the EBITDA in the last 12 months. For these purposes, the following definitions are considered: (I) "Net debt" means the sum of the balance of the loans and financing, without considering exchange rate variations occurring in the period since the contracting of the debt, less the sum of (i) cash and cash equivalents (as defined below) and (ii) write-downs (as defined below); (II) "Cash and banks" – means the sum of the balances of the Company's following balance sheet accounts: "Cash and cash equivalents" and "Securities"; (III) "Write-downs" means a range of exceptions, including but not limited to exchange rate gains (losses) since the issue of the note, or allowed debts, related to specific transactions. In summary, these exceptions include the refinancing of existing debt, considering certain circumstances and raising of hard currency for various applications, some of which for specific reasons, totaling US$ 141,000 thousand, additionally, all expenses related to exchange rate gains (losses) since the issue of the notes are also considered for write down purposes; (IV) "EBITDA" means the amount calculated on the accrual basis over the past 12 (twelve) months, equal to the sum of net revenues, less: (i) the cost of provided services, (ii) administrative expenses, plus (a) depreciation and amortization expenses, (b) net financial results, (c) equity in earnings (losses) of controlled companies and (d) direct taxes. We also point out that the financial covenants refer to authorization or not to incur new debts, by performing all new debt related to refinancing, in addition to a pre-defined amount for credit facilities of working capital and investments. Covenants are calculated based on the consolidated quarterly Information.

In the process of issue of such Notes (2022 and Re-tap), the Company incurred transaction costs in the amount of R$ 25,735 to that date, recorded in its quarterly Information as a reduction of own liabilities, to be fully amortized upon the maturity of the transaction in 2022.

On February 13, 2013, the Company concluded the "offer to repurchase debt notes" issued abroad (Bonds) by the Company's subsidiaries, maturing in 2017, 2019 and 2022. By means of an "offer of early repurchase", the following was repurchased: US$ 10,685 thousand (R$ 21,017 to that date) of the principal of amount of 2017 Notes, equivalent to approximately 32% of the outstanding 2017 Notes, US$ 317,976 thousand (R$ 625,459 to that date) of the principal of amount of 2019 Notes, equivalent to approximately 85% of the outstanding 2019 Notes, and US$ 320,137 thousand (R$ 629,709 to that date) of the principal of amount of 2022 Notes, equivalent to approximately 71% of the outstanding 2022 Notes.

Part of this offer consisted in the payment of a prize to the holders of the notes, embedded and implicit in the transaction and in the proposed exchange relations, amounting to US$ 147,064 thousand that is amortized in the account financial expenses during the effective term of the 2023 Notes.

The offer of early repurchase of debt notes was made using the funds from the issue of 2023 Notes (which will bear annual interest of 7.75%) and it is part of a clear strategy of management of liabilities, aiming the constant improvement of the Company's debt cost. The acceptance of the repurchase process by over 75% of the holders of the totality of Notes maturing in 2017, 2019 and 2022 shows that the Company has obtained good results with the implementation of its strategy.

Note-related liabilities is R$ 3,633,772 (R$ 3,061,026 as of December 31, 2014) as of March 31, 2015 in the consolidated quarterly information.

Perpetual bonds

On March 27, 2014, the Company concluded the issue of perpetual bonds in the international market amounting to US$ 300,000 thousand, with half-yearly payments at annual rate of 8.75%, by means of its wholly subsidiary Minerva Luxembourg S.A. The issue of the notes had the purpose of postponing the average maturity of the Company's debt and improving its capital structure through the use of a different fund raising instrument, diversifying even more the investors' basis. The transaction was settled on April 3, 2014. The Company shall guarantee all the obligations of the Issuer, in regard to the issue referred to above. As of March 31, 2015, the liabilities related to the perpetual bonds presented in the consolidated quarterly information are R$ 968,737.

FINEP

On January 18, 2010, a financing agreement (code 0210000300) was entered into between the Funds for studies and projects – Finep (a BNDES division) and Minerva Dawn Farms Indústria e Comércio de Proteínas S.A., totaling R$ 57,208. As of March 31, 2015 the consolidated debt balance was R$ 25,927 (R$ 27,950 as of December 31, 2014) and bears annual interest of 4.5%. The debt matures on June 15, 2018, but may be subject to early maturity if, among other situations: (i) the financed company invests financing funds for purposes other than those agreed or in noncompliance with the disbursement timetable; (ii) any guilty interruption of the financed project; or (iii) other circumstances which, in the opinion of FINEP, make it unsafe or impossible to comply with the obligations undertaken by the financed company under the agreement or to achieve the objectives for which funding was granted. This agreement is collateralized by a mortgage on certain properties of the Company, located in Barretos and Palmeiras de Goiás, in addition to including security deposits by the members of the Vilela de Queiroz family.

Equipment financing - BASA

On December 21, 2007, a private agreement was entered into by Minerva Indústria e Comércio de Alimentos S.A. and Banco da Amazônia S.A., amounting to R$53,793, whose balance as of March 31, 2015 was R$ 37,860 (R$47,597 as of December 31, 2014). This debt matures within 144 months from the signature of the indenture. The financing agreement establishes some restrictions on the financed company, namely: (i) Minerva Indústria e Comércio de Alimentos S.A. is obliged not to give preference to other credits, not to amortize shares, not to issue debentures, not to take out new debts without prior authorization from the Superintendence for the Development of the Amazon (Sudam) and Banco da Amazônia S.A., except (a) for loans to meet the needs of ordinary managed businesses of the financed company, or intended for mere material replacement or substitution; and (b) for business discounts the financed company holds, arising from sales or services; and (ii) Minerva Indústria e Comércio de Alimentos was obliged to submit changes in its corporate structure to prior approval by SUDAM, after hearing Banco da Amazônia S.A.

i. Level of subordination

As of March 31, 2015, 3.83% of the Company's and its controlled companies' total debt was secured by security interest in real estate (4.63% as of December 31, 2014).

ii Possible restrictions imposed on the issuer, particularly with respect to setting indebtedness limits and taking out new debts, distributing dividends, disposing of assets, issuing new securities and disposing of equity control

The notes also have clauses that put limits on the Company with respect to i) new debts if the Net debt/EBITDA ratio is higher than 3.75/1.00 and 3.50/1.00, respectively; (ii) the distribution of dividends. Accordingly, Minerva undertakes not to and do not allow that its controlled companies undertake to pay any dividend or make any distribution of interest on its invested capital held by other than its controlled companies, (except (a) dividends or distributions paid on qualified interests of Minerva, and (b) dividends or distributions payable by a controlled company, on a pro rata basis, or more favorable to Minerva; (iii) the change of equity control; and (iv) the disposal of assets, which can only be achieved by complying with the requirements, among which, in the case of sale of assets, that the sales price is the market value.

The CCB issued for BNDES is expected to have early maturity if the shareholders' agreement, articles of incorporation or by-laws of the Company or its controlling companies include a provision whereby a special quorum.

Is required to approve issues that limit the control of any of these companies by their related controlling shareholders, or rather, or a provision that leads to: (i) restrictions on the Company's ability to grow or develop technology; (ii) restrictions on the Company's access to new markets; or (iii) restrictions or losses on the Company's ability to pay financial obligations arising from the Bank Credit Note (CCB).

The CCBs dated from January 7 to October 2, 2009, issued by the Company and Banco da Amazônia S.A., have early maturity clauses if equity control over the Company's capital is transferred without prior and express written consent by the creditor.

iii Structured operation

During the 2nd quarter of 2012, the Company and its financial advisors structured the issue of debentures not convertible with maturity on January 29, 2011, at the amount of R$ 450,000. This operation was structured in order to provide a neutral effect at the Company's composition of assets and liabilities.

4th Issue of non-convertible debentures

On June 15, 2013, the Company offered debentures, not convertible into shares, totaling R$ 300,000, maturing on June 15, 2018. The debentures were offered by making restricted efforts (CVM Instruction No. 476). The principal amounts to R$ 300,000, and bears interest at the accumulated variation (effective rate) of 100% of average daily rates of Interbank deposits (DI), plus a surcharge of 1.75% p.a. The funds were intended for lengthening the Company's debt profile and to reinforce its working capital. Debentures have personal guarantee and are guaranteed by VDQ Holdings S.A. In the process of issue of such debentures, the Company incurred transaction costs in the amount of R$ 3,153, recorded in its quarterly information as a reduction of own liabilities, to be fully amortized during the effective period of the debentures until 2018. As of March 31, 2015, the amount is R$ 309,368.

There are no premiums obtained and renegotiation clauses during the capture of those debentures.

16. Trade accounts payable

	Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Domestic	275,647	429,086	433,196	522,885
Foreign	35,150	39,155	38,345	37,050
	310,797	**468,241**	**471,541**	**559,935**

17. Salaries, social charges and tax liabilities

	Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Labor				
Salaries and management compensation	4,992	6,511	11,363	10,752
Social charges – FGTS and INSS (employees and third parties)	7,221	7,269	12,074	13,471
Provision for vacation pay/year-end bonus and charges	26,302	21,385	51,412	39,337
Other proceeds and charges	2,277	2,220	4,618	3,971
Total labor	**40,792**	**37,385**	**79,467**	**67,531**
Tax				
INSS payment in installments	-	1,114	-	1,114
ICMS (State VAT) payable	25,433	32,616	27,527	33,005
IRPJ (Corporate income tax)	-	-	6,418	3,240
Social contribution tax	-	-	995	3
Other taxes and fees	10,441	3,254	16,954	8,038
Total tax	**35,874**	**36,984**	**51,894**	**45,400**
Grand total	**76,666**	**74,369**	**131,361**	**112,931**
Current	54,448	51,402	109,143	89,964
Non-current	22,218	22,967	22,218	22,967

18. Income and social contribution taxes

Deferred tax debts are recorded to reflect future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their respective carrying amounts, as well as to reflect the tax credits resulting from the revaluation of assets. They are stated as below:

	Company		Consolidated	
	03/31/15	03/31/14	03/31/15	03/31/14
Temporary add-backs				
Sundry provisions	4,078	5,771	4,078	5,771
Fair value of biological assets	153,102	57,838	153,102	57,838
Temporary deductions				
Sundry provisions	(2,316)	(8,742)	(2,316)	(8,742)
Fair value of biological assets	(144,859)	(64,441)	(144,859)	(64,441)
Calculation basis of deferred taxes	10,005	(9,574)	10,005	(9,574)
Deferred IR/CS - temporary difference	3,402	(3,255)	3,402	(3,255)
Deferred IR/CS on tax losses	-	-	-	-
Total deferred IR and CS	3,402	(3,255)	3,402	(3,255)

We present below the change in the period for deferred tax liabilities related to deferred charges over the revaluation surplus, temporary differences and differences arising from the application of international accounting practices – IFRS (RTT):

	Company			
	Balance as of January 1, 2015	Recognized in income (loss)	Realization of deferred taxes	Balance as of March 31, 2015
Taxes on revaluation surplus	33,451	-	(291)	33,160
Taxes on adjustment of biological assets	17,161	49,252	(52,055)	14,358
Taxes on appreciation in controlled company	48,532	-	-	48,532
Other deferred taxes	(13,804)	787	(1,387)	(14,404)
Total deferred tax liabilities	**85,340**	**50,039**	**(53,733)**	**81,646**

	Consolidated					
	Balance as of January 1, 2015	Recognized in income (loss)	Realization of deferred taxes	Acquisition of investments	Translation adjustment	Balance as of March 31, 2015
Taxes on revaluation surplus	33,451	-	(291)	-	-	33,160
Taxes on adjustment of biological assets	17,161	49,252	(52,055)	-	-	14,358
Taxes on appreciation in controlled company	48,532	-	-	-	-	48,532
Other deferred taxes	(7,684)	787	(1,387)	-	199	(8,085)
Total deferred tax liabilities	**91,460**	**50,039**	**(53,733)**	**-**	**199**	**87,965**

Based on budgeting, business planning and budget projection, management estimates that tax credits arising from temporary differences shall be realized by 2017.

a. Current - payable

Income and social contribution taxes are calculated and recorded according to taxable income, including the tax incentives that are recognized as taxes are paid and taking into consideration the rates established by prevailing tax legislation.

b. Reconciliation of the balances and expenses for income and social contribution taxes

The balance provided for and the results of the taxes levied on income are as follows:

	Company		Consolidated	
	03/31/15	03/31/14	03/31/15	03/31/14
Income (loss) before taxes	(647,019)	76,754	(641,356)	79,702
Additions				
Temporary differences	4,078	5,770	4,569	6,081
Permanent differences	307,996	247	308,017	252
Realization of temporary differences	(2,293)	(8,743)	(2,662)	(9,060)
Realization of revaluation surplus	857	857	857	857
Effects of initial adoption of IFRS	456,770	302,978	461,516	306,215
Deductions				
Temporary differences	(23)	(46,477)	(23)	(46,477)
Permanent differences	(110,639)	-	(110,639)	-
Effects of initial adoption of IFRS	(395,368)	(312,096)	(401,604)	(315,431)
Tax calculation basis	**(385,641)**	**19,290**	**(381,325)**	**22,139**
Loss to offset	-	(5,805)	(2,362)	(9,273)
Calculation basis after loss to offset	**(385,641)**	**13,485**	**(383,687)**	**12,866**
Income taxes				
Income tax payable	-	(3,370)	(5,036)	(5,404)
CSLL payable	-	(1,215)	(498)	(1,947)
Current IRPJ and CSLL expenses	**-**	**(4,585)**	**(5,534)**	**(7,351)**

Income and social contribution taxes were calculated in accordance with prevailing legislation and the Temporary Tax Scheme, provided for in Executive Act No. 449/2008.

Income and social contribution tax calculations and returns are open to review and final assessment by tax authorities for varying statutory periods in relation to the payment or filing date. Based on studies and projections for the following periods and considering the limits fixed by prevailing legislation.

The Company's management expects that the existing tax credits will be realized over a maximum term of six years.

Net book income has no direct relationship with the taxable income for income and social contribution taxes, due to the differences between the accounting criteria and the pertinent tax legislation. Therefore, we recommend that the evolution of the realization of the tax credits resulting from income and social contribution tax losses and temporary differences should not be taken as an indication of future net income.

c. Comments on Law 12.973 (MP 627 and IN 1397)

The Company analyzed the effects that could result from the application of the provisions of Law No. 12.973/14 (conversion of Executive Act No. 627/13) and concluded that there are no significant effects on its financial statements. Accordingly, the Company's management decided for not adopting the new tax regime in 2014.

19. Convertible debentures

	Company and consolidated	
	03/31/15	12/31/14
Debentures mandatorily convertible into shares	96,569	93,956
(-) Transaction cost	(1,230)	(2,459)
	95,339	**91,497**
Current	**95,339**	**91,497**
Non-current	**-**	**-**

As determined by CVM, the Company reclassified the mandatorily convertible debentures into shares of shareholders' equity (capital reserve) to liabilities, segregated into current (annual interest) and non-current (principal amount).

The main characteristics of this transaction are the following:

On May 11, 2011, the Board of Directors of Minerva S.A. has approved the second public issue of debentures, mandatorily convertible into common shares of the Company's issue, of subordinated class and single series under firm settlement guarantee. After all legal formalities and filing of documentation with ANBIMA/CVM, the Company has successfully achieved price determination for this issue on July 27, 2011 through the Book building process, upon the following characteristics:

- Issue value: R$ 200,00;

- Unit par value: R$1;
- Offer price: R$ 950.00 per debenture;
- Maturity: 4 years after the issue date, i.e., June 15, 2015;
- Remuneration: 100% of DI rate;
- Convertibility: Debentures will be mandatorily converted into shares to the Company on maturity date, or, among other events, at any moment at the discretion of the Debenture Holders;
- Conversion Price: subject to the maximum value of R$ 8.00 and the minimum of R$ 6.00;
- Negotiation and distribution: through DDA and BOVESPAFIX system.

20. Lease agreements

The Company is a lessee in various agreements, classified as operating or finance leases.

a. Finance lease

Finance lease operations are now recognized under the Company's current and non-current liabilities, with an offsetting entry of the asset into property, plant and equipment.

b. Operating lease

Accounting criterion for operating leases remains as required by the Corporate law in effect, that is, expenses incurred with lease payments are recognized on a monthly base. The Company has a single lease operating plant Batayporã/MS, which contains an automatic renewal clause and the option of purchasing preference.

The lease statement is as follows:

Leased assets	Weighted average interest rate	Weighted average maturity (years)	Amount of expense 03/31/15	Amount of expense 03/31/14
Farms and industrial plants	IPCA + 11% @ cattle / IGPM	Dec-15	375	375
			375	**375**

21. Contingencies

Summary of the contingent liabilities accounted for in the Company's balance sheet

The Company and its controlled companies are parties to a number of lawsuits that are part of the normal course of business, for which provisions were recorded according to the estimates of their legal counselors and management. The main information on these proceedings is presented below:

	Company		Consolidated	
Proceedings	03/31/15	12/31/14	03/31/15	12/31/14
Tax contingencies	1,890	11,290	1,890	11,290
Contingencies for labor claims	10,700	10,700	12,998	12,998
Civil contingencies	1,496	1,496	1,496	1,496
	14,086	**23,486**	**16,384**	**25,784**

Description of the contingent liabilities and assets of labor, civil and tax nature

Contingencies

a. Labor

Most of these labor claims involve health hazard, overtime and commuting time and article 253 of the Consolidation of Labor Laws for the benefit of employees. According to the opinion of the legal counselors that handle these legal demands and experience accumulated by Management in similar cases, provisions amounting to R$ 10,700 for Company and R$ 12,998 consolidated were accrued for labor lawsuits, whose loss is considered probable as of March 31, 2015 (R$ 10,700 for Company and R$ 12,998 for consolidated, as of December 31, 2014, respectively).

b. Other proceedings (whose likelihood of loss is considered possible)

- **Tax and civil proceedings**

As of March 31, 2015, the Company and its controlled companies had other on-going tax and civil lawsuits amounting to approximately R$ 26,629 and R$ 5,073, respectively, whose likelihood of loss is considered possible by the Company's legal counselors, and for which the Company's management does not consider necessary to set up a provision.

- **Labor and Social Security Proceedings**

As of March 31, 2015, the Company and its controlled companies were involved in other ongoing proceedings of labor nature (public civil actions and collective actions) in the approximate amount of R$ 1,743, whose unfavorable outcome is considered possible, though not probable, and for which the Company's Management has chosen not to set up provision to cover possible losses.

- **Rural worker assistance fund (Funrural)**

As of March 12, 2013, the Company filed a petition of writ of mandamus to suspend the withholding and payment of new Funrural. To avoid losing the right to require the contribution of new Funrural, INSS (Social Security Authority) issued various tax assessment notices against the Company until the current date. The amount involved in these notices, whose likelihood of loss is deemed possible, is approximately R$ 77,332.

- **Agribusiness – INSS (Social Security Tax)**

The Company received statutory notices of tax deficiency filed by the Federal Revenue Service arising from possible amounts unpaid of INSS in the period from February 2003 to February 2007, referring to the rate of 2.85% applied to occupational accident surtax - the National Service for Rural Training (SENAR), which shall levy on gross revenue of companies. The amount involved in this discussion, whose unfavorable outcome is possible, is approximately R$ 28,793.

PIS/COFINS

The Company was assessed for tax deficiency by the RFB for alleged import of assets with the benefit of PIS and COFINS suspension, later sold to one of its controlled companies not respecting the minimum permanence of these products by the importer. The total amount involved in this dispute, whose likelihood of unfavorable outcome is considered possible, is R$ 7,255.

22. Shareholders' equity

a. Share capital

The Company's subscribed and paid-in capital as of March 31, 2015 is R$ 834,151 (R$ 834,136 as of December 31, 2014), represented by 178,002,062 as of March 31, 2015 (178,000,090 as of December 31, 2014) common, book-entry shares, with no par value, all of which are free and clear of any burden or encumbrance.

On April 30, 2009, the Board of Directors authorized a program for repurchase of shares issued by the Company to be held in treasury, cancelled or put on the market again.

In November 2012, upon the conclusion of the follow on transaction conducted by the Company, 37,500,000 new common shares were issued, duly approved by the Board of Directors, issued at the unit value of R$ 11.00, which represented a capital increase of R$ 412,500.

On February 20, 2014, the Board of Directors recorded a conversion of 30,000 convertible debentures into common shares of the Company, and the capital stock went from R$ 774,142 representing 145,056,023 common shares, to R$ 774,142 representing 149,000,090 common shares.

Later, the Company adjusted/reduced the amount of R$ 6, in capital stock value, due to recalculations referring to conversion of debentures mandatorily convertible, changing the capital stock to R$ 774,136.

On October 01, 2014, the Company held an Extraordinary General Meeting authorizing the issue of 29 million common shares amounting to R$ 60,000. After the Company's board of directors approved the increase in authorized capital changing the limit for up to more 24,351,428 common shares, authorized capital stock increased to 202,351,518 common shares.

Until the period ended March 31, 2015 and according to the issue instrument of "debentures mandatorily convertible into shares", 14,002,476 common shares were converted into Company's shares, representing an increase in capital stock of R$ 106,514.

b. Revaluation surplus

In 2003 and 2006 the Company revalued the assets of its property, plant and equipment and the amount reported on March 31, 2015 was R$ 67,908 (R$ 68,474 as of December 31, 2014), net of tax effects.

As explained earlier and in compliance with Law No. 11.638 of 2007, the Company decided to keep the revaluation surplus accrued until December 31, 2007 until its full realization, which must occur due to depreciation or sale of revalued assets.

c. Statutory reserve

Recognized at the rate of 5% of annual net income, pursuant to article 193 of Law No. 6404/76, up to the limit of 20% of share capital. In the year when the balance of the statutory reserve, plus the amounts of capital reserves addressed by paragraph 1 of article 182 of Law No. 6404/76 exceeds 30% of share capital, allocating part of the year's net income to the statutory reserve will not be mandatory.

d. Income reserve

The appropriated retained earnings were recognized to set aside a part of 2010's accumulated earnings, in compliance with the capital budget approved by the Annual Shareholders' Meeting held on 30 April 2010, which establishes the continuation of the Company's growth plan.

e. Dividends and interest on equity capital

The Company's by-laws establish the distribution of mandatory minimum dividends of 25% of income for the period, adjusted pursuant to legislation.

23. Management's compensation

As of March 31, 2015 the Company recorded expenses on key management personnel remuneration (Company's Board of Directors, Audit Committee and officers) in the amount of R$ 1,991 (R$ 1,348 as of March 31, 2014). The entire remuneration is short-term.

Upon termination of employment agreement, there are no post-employment benefits.

24. Segment reporting

	Business segments					
	Live cattle		Meat		Consolidated	
	03/31/15	03/31/14	03/31/15	03/31/14	03/31/15	03/31/14
Net revenues	193,522	131,887	1,962,639	1,266,017	2,156,161	1,397,904
CPV	(157,146)	(103,947)	(1,596,846)	(1,011,171)	(1,753,992)	(1,115,118)
Operating expenses	(19,693)	(15,534)	(211,799)	(144,869)	(231,492)	(160,403)
Impairment loss	-	-	-	-	-	-
Financial income (loss), net	24,708	(9,591)	(780,458)	(33,090)	(755,750)	(42,681)
Net income before taxes	**41,391**	**2,815**	**(626,464)**	**76,887**	**(585,073)**	**79,702**

In the presentation based on geographical segments, the segment revenue is based on the client's location. Segment assets are based on the geographical location of the assets.

Revenues from transactions conducted with a single foreign client do not exceed 10% of total revenues.

The main business segments of the Company and its controlled companies are the production, marketing and sale of meat, live cattle and its by-products and the processing of beef, pork and poultry.

25. Net revenue

	Company		Consolidated	
	03/31/15	03/31/14	03/31/15	03/31/14
Revenue from sales of goods - domestic market	651,841	411,360	757,154	469,743
Revenue from sales of goods - foreign market	898,638	752,126	1,552,592	1,012,664
Deductions from revenue – taxes levied and others	(120,510)	(72,467)	(153,585)	(84,503)
Net revenue	**1,429,969**	**1,091,019**	**2,156,161**	**1,397,904**

According to paragraph 2 of article 20 of CVM Instruction No. 480/09, projections and estimates disclosed by listed companies shall be periodically reviewed, in time interval adequate to the projection object, which, under no circumstances, shall exceed 1 year.

Additionally, paragraph 4 of article 20 of CVM Instruction No. 480/09, determines that at each filing of Standard Financial Statements or Quarterly Information, a listed company shall crosscheck these projections with income (loss) actually obtained, indicating possible misstatements. The Company disclosed in its Reference Form for 2014, projections related to net revenue for 2015. The assumptions and variables indicated in item 11.1 of the Company's reference form were followed, and it is estimated that the Company's consolidated net revenue in 2015 shall be between R$ 9.5 billion and R$ 10.5 billion. As of March 31, 2015, the Company's consolidated net revenue was R$ 2,156,161, according to the information on income (loss) actually recognized disclosed in its quarterly information. Based on income (loss) recognized as of March 31, 2015, currently there was no misstatement or any need for updating the projection of the Company's net revenue for 2015 as previously disclosed.

26. Financial income (loss), net

	Company		Consolidated	
	03/31/15	03/31/14	03/31/15	03/31/14
Financial revenues:				
Return on financial investments	18,718	14,531	26,235	18,066
Other financial revenues	-	-	-	-
	18,718	**14,531**	**26,235**	**18,066**
Financial expenses:				
Interest on financing	(132,340)	(108,001)	(167,751)	(109,406)
Other financial expenses/revenues	20,363	(8,141)	25,643	(13,830)
	(111,977)	**(116,142)**	**(142,108)**	**(123,236)**
Exchange rate gains (losses), net	(509,156)	24,334	(639,877)	62,489
Net financial income (loss)	**(602,415)**	**(77,277)**	**(755,750)**	**(42,681)**

27. Earnings (losses) per share

a. Basic earnings

Basic earnings per share is calculated by dividing the earnings attributable to the Company's shareholders by the weighted average number of common shares issued during the period, excluding the common shares purchased by the Company and held as treasury shares:

Basic	03/31/15	03/31/14
Net income/(loss) attributable to the Company's shareholders	**(587,334)**	**68,914**
Weighted average number of common shares issued - thousands	178,002	149,000
Weighted average of shares in treasury	-	-
Weighted average number of outstanding common shares - thousands	**178,002**	**149,000**
Basic earnings per share – R$	(3.29959)	0.46251

b. Diluted earnings

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, assuming the conversion of all possible common shares that would cause the dilution. The Company has only one class of possible common shares that would cause dilution: debentures mandatorily convertible.

Diluted	03/31/15	03/31/14
Net income attributable to the Company's shareholders	**(587,334)**	**68,914**
Weighted average number of outstanding common shares - thousands	178,002	149,000
Adjustment from conversion of debentures mandatorily convertible	12,291	12,293
Adjustment from Share Purchase Option - thousands	-	-
Weighted average number of common shares for diluted earnings per share - thousands	**190,293**	**161,293**
Diluted earnings (losses) per share - R$	**(3.08647)**	**0.42726**

28. Risk management and financial instruments

The Company's transactions are exposed to market risks, particularly with respect to changes in exchange and interest rates, credit risks and purchase prices for cattle. The Company's investment management policy establishes the use of derivative financial instruments for hedging against these risk factors. Additionally, the Company may also take derivatives for the purpose of implementing operating and financial strategies established by the executive management and duly approved by the Board of Directors.

Market risk management is carried out through the use of two models, namely: calculation of VaR (Value at Risk) and calculation of impacts by applying stress scenarios. In the case of VaR, management uses two distinct models: Parametric VaR and Monte Carlo Simulation VaR. Risk monitoring is constant and the risks are calculated at least twice a day.

Additionally, financial instrument transactions for speculative purposes are not permitted.

a. Policy for the treasury's hedging transactions

The implementation of the Company's hedging management policy is the responsibility of the Treasury Department and follows the decisions taken by the Risk Committee, which is made up of the Company's managing officers, and employees.

The supervision and monitoring of compliance with the guidelines laid down by the hedging policy are the responsibility of the Risk Management Board, which is subordinated to the Presidency and the Risk Committee.

The Company's hedging policy, approved by its Board of Directors, takes into consideration its two main risk factors: the exchange rate and fat cattle.

I. Foreign exchange hedging policy

The foreign exchange hedging policy aims to protect the Company from currency fluctuations and is divided into two segments:

1. Cash flow

Cash flow hedging strategies are daily discussed with the market committee.

The purpose of the cash flow hedging policy is to guarantee the Company's operating income and hedge its currency flows other than Brazilian real within a year.

Financial instruments available in the market may be used for these hedges, such as: futures transactions with US dollar at BM&F, NDFs, funds raised in foreign currency, options and inflow of funds in US dollars.

2. Balance sheet hedging

Balance sheet hedging is monthly discussed at the Board of Directors' meeting.

The purpose of the balance sheet hedging policy is to protect the Company against its foreign currency long-term indebtedness.

The balance sheet exposure is the debt flow in US dollars over a period longer than one year.

Hedging instruments available on the market may be used, such as: US dollar cash withholding, NDFs, futures contracts in BMF, swaps and options.

II. Cattle hedging policy

The purpose of the cattle hedging policy is to minimize the impacts of price fluctuations per arroba (a unit of weight equivalent to 15 kg) of cattle on the Company's results. The policy is split into two topics:

1. Forward contracts for cattle

In order to guarantee raw material, especially in the off-season period for cattle, the Company purchases cattle for future delivery and uses the BM&F for the sale of futures contracts, minimizing the risk of price fluctuations per arroba of cattle beast.

Financial instruments available on the market, such as: futures contracts and options of finished cattle in BMF and options on futures contracts of finished cattle can be used in BMF.

2. Hedging of meat sold

For the purpose of guaranteeing the cost of the raw material used in its meat production, the Company uses BM&F to purchase futures contracts minimizing the risk of price fluctuations per arroba of cattle beast and hedging its operating margins obtained at the time of selling the meat.

Financial instruments available on the market, such as: futures contracts and options on futures contracts for fat cattle on the BM&F can be used.

Statement of derivatives positions

The statement of derivative positions was prepared so as to present the derivative financial instruments taken out by the Company in the period ended March 31, 2015 and December 31, 2014, according to their purpose (asset protection and other purposes):

Equity hedging

Description	/ thousand		Fair value in R$ thousand		Accumulated effect in R$ thousand	
	31/03/15	31/12/14	31/03/15	31/12/14	Amount receivable/(received)	Amount payable/(paid)
Futures Contracts:	-	-	-	-	-	-
Purchase agreements	-	-	-	-	-	-
DOL (US$)	10,000	-	32,286	-	5,487	-
Others	-	-	-	-	-	-
Corns (sacks)	-	41	-	1,187	-	43
Soy (sacks)	-	-	-	-	6	-
Sale agreements	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	13,750	-	44,110	-	27,764	-
BGI (arrobas)	1,031	1,783	155,629	253,537	-	9,094
Soy (sacks)	73	81	5,027	4,955	335	-
					-	0.00
Option contracts	-	-	-	-	-	-
Call holder	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Others	-	-	-	-	-	-
Put holder	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
DOL (US$)	25,000	-	25	-	-	781
Others	-	-	-	-	-	-
BGI (arrobas)	1,448	415	202	486	-	1,759
Call seller	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Others	-	-	-	-	-	-
Put seller	-	-	-	-	-	-
Foreign currency	-	-	-	-	-	-
Others	-	-	-	-	-	-
BGI (arrobas)	1,283	415	106	15	1,322	-
Forward contracts	-	-	-	-	-	-
Long position	-	-	-	-	-	-
NDF (US dollar)	691,659	-	683,359	-	125,395	-
Short position	-	-	-	-	-	-
NDF (cattle)	(9,341)	-	(9,821)	-	-	-
NDF (euro)	114,268	330,482	114,053	13,231	2,012	-
NDF (US dollar)	-	1,044,685	-	1,039,314	-	-

Notional values are the values that represent the base value, i.e. the opening amount at which the derivative agreement is entered into in order to calculate the positions and market value.

The fair values were calculated in the following manner:

- **Future Sales Contracts of DOL:** US dollars futures contracts traded at BM&F amount to US$ 50,000 per notional contract and have daily adjustments. The fair value is calculated by multiplying the notional amount in US dollars by the reference US dollar for the contract disclosed by the BM&F;
- **Future Sales Contracts of BGI:** future contracts for Fat Cattle (BGI) traded at BM&F are valued at 330 arrobas. The fair value is calculated by multiplying the notional amount in Brazilian Reais by the reference value for the contract disclosed by the BM&F;
- **Short Position Forward Contracts: NDF (Euro):** The contracts are trade in over-the-counter markets and, therefore, have no standardization and daily adjustment. The fair value is calculated by multiplying the negotiated notional amount and the PTAX EURO sale rate disclosed by the Central Bank of Brazil;

- **Short Position Forward Contracts: NDF (US dollar):** The contracts are trade in over-the-counter markets and, therefore, have no standardization and daily adjustment. The fair value is calculated by multiplying the negotiated notional amount and the PTAX 800 sale rate disclosed by the Central Bank of Brazil.

The fair values were estimated on the date of the quarterly information, according to "relevant market information". Changes in the assumptions and in the financial market may materially affect the estimates presented in the financial statements.

Derivatives undergo daily financial adjustments at BM&F, except for over-the-counter transactions (swap, options and NDF) whose financial adjustments may be weekly, monthly or quarterly. Accordingly, for these derivatives, only financial adjustments realized and not settled are recorded in equity accounts as of March 31, 2014 and December 31, 2014 as "Treasury advances". The breakdown of the balances payable/receivable recorded in the quarterly information is as follows:

	3/31/2015	12/31/2014
Derivative financial instruments	**Receivable (payable)**	**Receivable (payable)**
Futures contracts (D+1)	334	(49)
Option contracts	-	-
Swap	-	-
NDF	-	-
Shares	-	-
	334	**(49)**

Outstanding over-the-counter NDF, Swap and São Paulo Stock Exchange (BM&F Bovespa) option transactions are marked to market and as of March 31, 2015 and December 31, 2014 are recorded as "NDF receivable/payable", "Swaps" and "Options receivable", respectively.

Derivative financial instruments	**3/31/2015**	**12/31/2014**
	Mark to market	**Mark to market**
Options	96	84
Swap	202,087	244,257
NDF (EUR+DOL)	(28,967)	(18,246)
Grand total	**173,216**	**226,095**

b. Exchange and interest rate risks

The exchange rate and interest rate risks on loans and financing, financial investments, accounts receivable in foreign currency arising from exports, foreign investments and other liabilities denominated in foreign currency can be managed by using derivative financial instruments traded on exchanges, or over-the-counter operations such as swap transactions, NDFs (Non Deliverable Forwards), and options.

In the following table we present the Company's consolidated position, specifically with respect to its financial assets and liabilities, separated by currency and exchange exposure, thus presenting a picture of the net position of assets and liabilities per currency, compared with the net position of derivative financial instruments intended for hedging and managing the exchange exposure risk:

	Consolidated		
	3/31/2015		
	Currencies		
	Domestic	Foreign	Total
Assets			
Cash	1,091		1,091
Bank accounts	127,234	1,795,336	1,922,570
Financial investments	500,395	582,716	1,083,111
Accounts receivable	134,010	321,466	455,476
Total current	**762,730**	**2,699,518**	**3,462,248**
Total assets	**762,730**	**2,699,518**	**3,462,248**
Liabilities			
Short-term financing	487,901	664,196	1,152,097
Total current	**487,901**	**664,196**	**1,152,097**
Long-term financing	729,399	4,716,052	5,445,451
Total non-current	**729,399**	**4,716,052**	**5,445,451**
Total liabilities	**1,217,300**	**5,380,248**	**6,597,548**
Net financial debt	**454,570**	**2,680,730**	**3,135,300**
Currency hedging derivatives - net position	**-**	**(202,087)**	**(202,087)**
Net currency position	**454,570**	**2,478,643**	**2,933,213**

The net position of derivative financial instruments is broken down as follows:

Financial instruments (net)	Asset (liability) position, net at 03/31/2015	Asset (liability) position, net at 12/31/2014
Futures contracts – US dollar	(11,824)	-
Futures contracts - EUR	-	-
Option contracts (US dollar, cattle, corn and IDI)	121	-
Swap agreements	202,087	244,257
NDF (US dollar + EURO)	569,306	(1,375,167)
Total Net	**759,690**	**(1,130,910)**

Financial assets and liabilities are presented in the quarterly information for March 31, 2015 and December 31, 2014 at amounts that closely approximate market values. Their respective revenues and expenses are recognized and they are presented on these dates according to their expected realization or settlement. The amounts related to export orders (solid sales agreements) refer to orders from approved clients that have not yet been invoiced (and therefore not accounted for), but which are already hedged against the risk of changes in foreign currency rates (US dollars or other foreign currency) through derivative financial instruments.

Following is a list of NDF agreements in effect for the Company as of March 31, 2015:

Type	Status	Currency	Maturity	Notional	Institution
NDF	SALES	DOL	4/29/2015	(2,109)	Banco Barclays S.A.
NDF	SALES	DOL	5/4/2015	(4,259)	HSBC Bank Brasil SA - Banco Múltiplo
NDF	SALES	DOL	4/29/2015	(300)	Banco Barclays S.A.
NDF	SALES	DOL	5/4/2015	(315)	BR partners
NDF	SALES	EUR	4/13/2015	(4,000)	Banco Barclays S.A.
NDF	SALES	EUR	4/13/2015	(12,100)	Banco Barclays S.A.
NDF	SALES	EUR	4/13/2015	(5,000)	Banco Santander S.A.
NDF	SALES	EUR	4/16/2015	(4,800)	HSBC Bank Brasil SA - Banco Múltiplo
NDF	SALES	EUR	4/24/2015	(2,200)	Banco Barclays S.A.
NDF	SALES	EUR	5/11/2015	(5,000)	Banco Barclays S.A.
NDF	PURCHASE	DOL	7/1/2015	60,000	Banco Barclays S.A.
NDF	PURCHASE	DOL	7/1/2015	50,000	Banco Barclays S.A.
NDF	PURCHASE	DOL	7/1/2015	50,000	HSBC Bank Brasil SA - Banco Múltiplo
NDF	PURCHASE	DOL	7/1/2015	60,000	Banco Santander S.A.

Credit risks

The Company is potentially subject to credit risks related to accounts receivable from its clients. It minimizes these risks by diversifying its client portfolio, given that the Company does not have a client or business group that accounts for more than 10% of its revenues and restricts the granting of credit to clients with good financial and operating indices.

c. Cattle price risks

The Company's line of business is exposed to the volatility of the prices for cattle, its main raw material, changes which arise from factors outside the control of management, such as climatic factors, volume of supply, transportation costs, agricultural policies and others. The Company, in accordance with its inventory policy, pursues its management strategy for this risk, working on physical control, which includes purchases in advance, confinement of cattle and the signing of contracts for future settlement (over-the-counter and exchanges), which ensure the realization of its inventories at a determined price level.

Over-the-counter market	Fair value 3/31/2015
Purchased forward contract	
Notional amount (@)	732,686
Future Contract Price (R$/@)	139
Total R$ /1000	**102,031**

Market BM&F	Fair value 3/31/2015
Sold future contract	
Notional amount (@)	697,620
Future Contract Price (R$/@)	148
Total R$ /1000	**103,085**

d. Cash sensitivity analysis chart

The purpose of the sensitivity analysis statements is to disclose separately the derivative financial instruments which, in the Company's assessment, hedge risk exposure. These financial instruments are grouped according to the risk factor against which they are intended to hedge (price risk, exchange rate risk, credit risk etc.).

The scenarios were calculated according to the following assumptions:

- An upward movement typifies an increase in prices or risk factors as of March 31, 2015;
- A downward movement typifies an increase in prices or risk factors as of March 31, 2015;
- Probable scenario: Impact of 6%; fluctuation scenario of 25%; and fluctuation scenario of 50%.

The cash sensitivity statements were prepared in compliance with CVM Resolution No. 475/08, taking into consideration only the positions in derivative financial instruments and their impacts on cash.

Equity hedging

(Amounts in R$ thousand)

Operation	Movement	Risk	Probable scenario 6% fluctuation	Possible scenario 25% fluctuation	Remote scenario 50% fluctuation
Hedge derivatives	Upwards	Cattle	(9,707)	(39,276)	(78,184)
cattle	Upwards	Cattle	6,122	25,508	51,015
Net			**(3,585)**	**(13,769)**	**(27,168)**
Hedge derivatives	Upwards	US dollar	(2,835)	(9,337)	(17,894)
Invoices + Cash - in $US	Upwards	US dollar	49,381	205,755	411,509
Net			**46,546**	**196,417**	**393,615**
Hedge derivatives	Upwards	Euro	(6,843)	(28,513)	(57,026)
Invoices - in $EUR	Upwards	Euro	8,286	34,525	69,050
Net			**1,443**	**6,012**	**12,024**
Hedge derivatives	Upwards	US dollar	96,240	401,000	802,000
Funds raised in $US	Upwards	US dollar	(236,943)	(987,262)	(1,974,524)
Net			**(140,703)**	**(586,262)**	**(1,172,524)**
Swap of shares	Downwards	Shares	(6,089)	(25,369)	(50,738)
Net			**(6,089)**	**(25,369)**	**(50,738)**

Exchange rate USD 3.208 - Sale Ptax (Source Central Bank)

Exchange rate EUR 3.4457 - Sale Ptax (Source Central Bank)

Result of the equity hedging chart

- **Hedging derivatives x Cattle:** In the probable scenario where market fluctuation is 6%, the Company may have losses of R$ 3,585; in a scenario with 25% fluctuation losses would amount to R$ 13,769, and with 50% fluctuation R$ 27,168;

- **Hedging derivatives x Invoices + Cash in US$:** In the probable scenario where market fluctuation is 6%, the Company may have gains of R$ 46,546; in a scenario with 25% fluctuation losses would amount to R$ 196,417, and with 50% fluctuation R$ 393,615;
- **Hedging derivatives x Invoices + Cash in EUR:** In the probable scenario where market fluctuation is 6%, the Company may have gain of R$ 1,443; in a scenario with 25% fluctuation losses would amount to R$ 6,012, and with 50% fluctuation R$ 12,024;
- **Hedging derivatives x Funds raised in US$:** In the probable scenario where market fluctuation is 6%, the Company may have losses of R$ 140,706; in a scenario with 25% fluctuation losses would amount to R$ 586,262, and with 50% fluctuation R$ 172,524.
- **Swap of shares:** In the probable scenario where market fluctuation is 6%, the Company may have losses of R$ 6,089; in a scenario with 25% fluctuation losses would amount to R$ 25,369, and with 50% fluctuation R$ 50,738.

e. Guarantee margins

A guarantee margin call is applied to exchange transactions, whereby in order to cover margin calls the Company uses public and private fixed income bonds, such as CDBs (bank deposit certificates) held in its portfolio, thus mitigating impacts on its cash flow.

As of March 31, 2015, amounts deposited for margin amount to R$ 25,273.

f. Contract of share swap

In a meeting held on March 14, 2014, the Company's Board of Directors approved the agreement on swaps with Credit Suisse Próprio Fundo de Investimento Multimercado ("Credit Suisse").

The purpose of the Company when hiring this swap with Credit Suisse was to show its commitment and capacity of effectively operating its business. The Company decided for the strategy of not making any financial disbursements, entering into swap agreements with Credit Suisse that establish that the return of the Company will be equivalent to the changes in the prices of its shares.

The swap contracts establish that the return of the Company will be equivalent to the variation in prices of the shares issued by the Company (BEEF3) and the return of Credit Suisse will be equivalent to 100% of variation of CDI at the adjusted deadline, plus a predetermined spread.

Following there is a list of contracts/operations to settle; their reference amounts; settlement term; and fair value and amounts receivable/payable for each contract:

Contract date	Maturity date	Reference value
March 20, 14	March 18, 16	5,115,000
April 11, 14	April 8, 16	2,328,537
May 30, 14	April 13, 16	2,613,154
April 08, 14	May 05, 15	4,799,125
March 25, 14	June 22, 15	5,498,339
May 12, 14	July 7, 15	5,045,009
April 14, 14	July 14, 15	1,009,996
April 09, 14	August 14, 15	5,925,846
March 26, 14	Sept 23, 15	1,489,500
April 1, 14	Sept 23, 15	3,201,166
May 09, 14	Oct 06, 15	1,974,000
May 21, 14	Oct 16, 15	974,478
May 22, 14	Oct 16, 15	775,239
May 26, 14	Oct 16, 15	497,466
May 08, 14	Nov 04, 15	6,372,907
April 02, 14	Nov 27, 15	4,014,714
May 30, 14	Nov 27, 15	2,613,154
April 10, 14	Jan 15, 16	3,058,921
May 27, 14	Jan 15, 16	3,993,395
April 10, 14	Feb 15, 16	3,058,921
May 27, 14	Feb 15, 16	3,993,395
May 30, 14	Feb 29, 16	2,613,144
April 07, 14	March 03, 16	3,714,679
May 20, 14	April 12, 16	4,914,509
Total		**79,594,595**

The above mentioned operations, whose results will be financially settled upon maturity, do not change the current percentage of the Company's outstanding shares and do not lead to immediate cash disbursement.

g. Structured operation

During the 2nd quarter of 2012, the Company and its financial advisors structured the issue of non-convertible debentures with maturity on January 29, 2022, at the amount of R$ 450,000. This operation was structured in order to provide a neutral effect at the Company's composition of assets and liabilities.

29. Statements of comprehensive income (loss)

In compliance with CPC 26(R1) (IAS 1 – Presentation of quarterly information, the Company presents below the changes in comprehensive income (loss) for the fiscal periods ended March 31, 2015 and 2014:

	Company		Consolidated	
	03.31.15	03.31.14	03.31.15	03.31.14
Income for the year	(587,334)	68,914	(587,205)	69,096
Asset and liability valuation adjustment	77,436	(5,458)	77,434	(5,457)
Net effect at fair value of assets	-		-	
Total comprehensive income (loss)	**(509,898)**	**63,456**	**(509,771)**	**63,639**
Comprehensive income (loss) attributable to:				
Controlling shareholders	(509,898)	63,456	(509,898)	63,456
Non-controlling shareholders	-	-	127	183
Total comprehensive income (loss)	**(509,898)**	**63,456**	**(509,771)**	**63,639**

30. Insurance Coverage

The Company and its controlled companies have an insurance policy that mainly takes into consideration the concentration of risks, the significance and the replacement value of the assets. The main information about insurance cover in effect as of March 31, 2015 is as follows:

	Type of coverage	Amount insured
Buildings	Fire and miscellaneous risks	454,793
Facilities, equipment and products in stock	Fire and miscellaneous risks	528,300
Vehicles and aircrafts	Fire and miscellaneous risks	17,303
Civil liability	Operating risks	10,000
		1,010,396

The Company and its controlled companies have coverage for all products transported in Brazil and abroad. The risk assumptions adopted, given their nature, are not part of the scope of an audit of financial statements and, accordingly, were not examined by the Company's independent auditors.

The company took out insurance policies for all plants and distribution centers.

31. Subsequent events

On February 20, 2015, the Company entered into a Memorandum of Understanding for the acquisition of 100% of the shares of Frigorífico Red Carnica S.A.S. and 100% of the shares of Frigorífico Red Industrial Colombiana S.A.S. (along with Frigorífico Red Carnica), located in Ciénaga de Oro, Cordoba, in Colombia.

Frigorífico Red Carnica owns a slaughtering and processing plant of bovines with slaughtering and deboning capacity of 850 heads/day and strategically located in privileged area of Colombia.

The investment will be of approximately US$ 30 million (including acquisition of assets, working capital and investments) and the effective conclusion of the acquisition is subject to the performance of a Due Diligence.

The conclusion of Due Diligence process and potential business realization are expected for the second quarter of 2015, and their impacts on Minerva S/A's financial information will be presented on the quarterly information of June 30, 2015.

1Q15 Earnings Release

Barretos, April 29, 2015 – Minerva S.A. (M&FBOVESPA: BEEF3 | OTCQX: MRVSY), one of the leaders in South America in the production and sale of fresh beef, live cattle and cattle byproducts, with operations also in the beef, pork and poultry processing segments, announces today its results for the first quarter of 2015 (1Q15). The financial and operating information herein is presented in BRGAAP and Brazilian reais (R$), in accordance with International Financial Reporting Standards (IFRS).

1Q15 Highlights

Minerva (BEEF3)

Price on April 28, 2015:
R$ 8.05

Market Cap:
R$ 1,432,9 million

178,002,062 Shares

Free Float – 55.0%

Conference Calls
April 30, 2015

Portuguese
10:00 a.m. (Brasília)
09:00 a.m. (US EST)
Phone: +55 (11) 2188-0155
Code: Minerva

English
12:00 p.m. (Brasília)
11:00 a.m. (US EST)
Phone: +1 (412) 317-6776
Code: Minerva

IR Contacts:

Eduardo Puzziello
Fernanda Naveiro
Kelly Barna

Phone: (11) 3074-2444
(17) 3321-3355

ri@minervafoods.com

- ✓ In 1Q15, Minerva recorded positive free cash flow of R$81.7 million. In the last twelve months, free cash flow totaled R$172.4 million. Working capital improved substantially in 1Q15, contributing with R$58.6 million to the quarterly operating cash flow. ROIC remained stable at 20.0% in 1Q15, once again underlining Management's strong commitment to profitability.
- ✓ Gross revenue came to a new quarterly record, an increase of 55.8% over 1Q14 to R$2,310 million. The Beef division accounted for 79% of gross revenue in 1Q15. Domestic market sales grew by 65% over 2014, thanks to the strategy adopted by the Company of focusing on food service and small and medium retailers and optimizing distribution channels. Fresh beef exports moved up by 52%, thanks to the Company's strong commercial flexibility, geographically diversified operations in South America, appropriate capital structure and use of risk management instruments, as well as growing beef demand and lower supply in the international market (with highlight to the opening of new markets).
- ✓ The result of our focus on the use of risk management instruments and efficient sales channels was reflected in our export performance in the quarter compared to that of the Brazilian market. Brazil's beef exports fell by 24% between 1Q14 and 1Q15, while Minerva's exports increased by 11% in the same period, increasing its share of Brazil's total exports by 7.5 p.p. (from 16.3% in 1Q14 to 23.8% in 1Q15).
- ✓ EBITDA amounted to R$188.4 million in 1Q15, 38.2% up on 1Q14, with an EBITDA margin of 8.7%. It is worth noting that quarterly EBITDA was impacted by the consolidation of the operations in Mato Grosso (Várzea Grande and Mirassol D'Oeste) and Janaúba, in Minas Gerais, whose margins are still lower than Minerva's consolidated margins as they are still in the integration and synergy capture stage.
- ✓ Financial leverage, measured by the net debt/LTM adjusted EBITDA ratio, stood at 4.3x at the close of the quarter. Note that, despite the strong volatility and the appreciation of the dollar in relation to 4Q14 of 20.8%, free cash flow partially offset the non-cash foreign exchange effect on our dollar-denominated debt. The cash position on March 31, 2015 was R$3.0 billion, approximately 3 times higher than short-term debt.
- ✓ On March 04, 2015 the Company disclosed a guidance for the 2015 net revenue in the range of R$ 9.5 billion to 10.5 billion. Based on the 1Q15 results, the Company reinforces that this guidance is maintained.

Key Indicators

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Slaughtering ('000 heads)	608.3	444.1	37.0%	611.0	-0.4%	2,292.2	1,965.0	16.7%
Sales Volume ('000 tonnes)	140.1	104.7	33.9%	154.7	-9.4%	550.1	464.5	18.4%
Gross Revenues	2,309.7	1,482.4	55.8%	2,286.9	1.0%	8,281.7	6,005.4	37.9%
Domestic Market	757.2	469.7	61.2%	862.5	-12.2%	2,889.6	1,940.1	48.9%
Export Market	1,552.6	1,012.7	53.3%	1,424.4	9.0%	5,392.2	4,065.2	32.6%
Net Revenues (1)	2,156.2	1,397.9	54.2%	2,127.3	1.4%	8,365.5	5,659.5	47.8%
Adjusted EBITDA (1) (2)	188.4	136.3	38.2%	196.3	-4.0%	780.1	587.3	32.8%
Adjusted EBITDA margin (2)	8.7%	9.7%	-1.0 p.p.	9.2%	-0.5 p.p.	9.3%	10.4%	-1.1 p.p.
Net Debt/Adjusted EBITDA (x)(2)	4.3	3.6	0.7	3.7	0.6	4.3	3.6	0.7
Net (Loss) Income	-587.2	69.1	n.a.	-312.0	88.2%	-1,074.5	-250.4	329.1%

(1) LTM 1Q15 includes pro-forma net revenue and EBITDA figures for the Mato Grosso and Carrasco plants.

(2) 4Q14 and 2Q14 EBITDA adjusted for non-recurring items.

Message from the Management

The first quarter of 2015 was marked by an exceptionally adverse economic and industry scenario. Nevertheless, Minerva was able to demonstrate focus and efficiency in executing the strategy and thus obtain excellent results in the period. In addition to recording substantial net revenue growth, of more than 50% over 1Q14, the Company also significantly increased its share of Brazilian beef exports, from 16.3% in 1Q14 to 23.8% in 1Q15. Minerva's export volume from its Brazilian operations moved up by 11% over the first quarter of 2014, while Brazil's exports fell by more than 20% in the same period. This decline was caused by the tightening of credit conditions, which directly impacts export working capital requirements and inappropriate client credit policies.

It is also worth noting that in the first quarter of 2015, slaughter fell by 11% year on year in Brazil, while Minerva's slaughter remained stable considering only the operations that already existed in 1Q14. Including the recent acquisitions, slaughter grew by more than 30%.

As important as the upturn in export volume or slaughter this quarter was the profitability of the Company's operations, which has distinguished it from other market players, thanks to its commercial flexibility, geographic diversification and appropriate utilization of risk management tools. The results of the execution of this strategy can be seen in the Company's operating margins, which are less volatile and higher than the usual margins of the first quarters of previous years. Cash generation was one of the quarter's highlights at R$82 million. We would like to remind you that the first quarter is seasonally the weakest in terms of margins and free cash flow.

The 1Q15 performance ratifies our position as an exporter with a focus on emerging markets, an appropriate sales strategy and efficient risk and channel management, enabling us to benefit from the opportunities that exchange rate volatility brings to exporters. In addition, Minerva has been substantially improving its capital structure; extending the maturities and reducing the cost of debt, hedging and increasing its cash position, getting prepared to face adverse macroeconomic scenarios, which, on the one hand, restrict credit availability, but on the other, present opportunities for generating returns from operations - always with a major operational focus, especially in regard to efficient working capital management.

Minerva's management sees beef as a commodity and, therefore, it believes its operational strategy should be based on large-scale production, appropriate distribution channels and, fundamentally, use of risk management tools that allow it to mitigate inherent risks. We also believe beef production profitability is the result of the combination of efficient raw material purchases and the maximization of final product sales. This is the reason why the Company chose

South America as its production platform, given that this region offers unique competitive advantages for the growth of the livestock sector.

Through a well-structured growth strategy, the Company has expanded its presence in South America in a consistent and disciplined manner, mitigating not only sanitary risks, but also the political and economic risks of the various countries in the region. Minerva currently has 15 plants in three different countries in different cattle-raising cycles and in different social, economic and political moments. This without taking into consideration the recent acquisition in Colombia, announced earlier this year, which is in the due diligence stage. The result of this strategy of geographic diversification was that, in the first quarter of 2015, although Brazilian operations represented approximately 80% of the Company's total revenue, EBITDA from Paraguayan and Uruguayan operations represented around 30% of the total, which further demonstrates the benefits of geographic diversification.

From a commercial standpoint, Minerva has diversified its operations in the Brazilian market, focusing on food service clients and small and medium retailers, whose demand is more inelastic than that of large retailers at moments of economic volatility. The Company also increased its presence in Brazil and Paraguay by opening new Distribution Centers, in line with the investment plan presented for the market in 2012. In the international market, Minerva has expanded its presence in the main beef importing markets through the opening of new offices, such as the one in Shanghai, in China, opened in August 2014. This movement has helped the Company to capture new global demand, also influenced by the imbalance between global beef supply and demand. All this based on a disciplined credit policy, which varies in accordance with each client's score card and the country to which we are exporting. These steps, introduced more than twenty years ago, demonstrate the assertiveness of Minerva's growth plan, especially in more challenging and volatile periods.

Fernando Galletti de Queiroz, CEO

Industry Overview

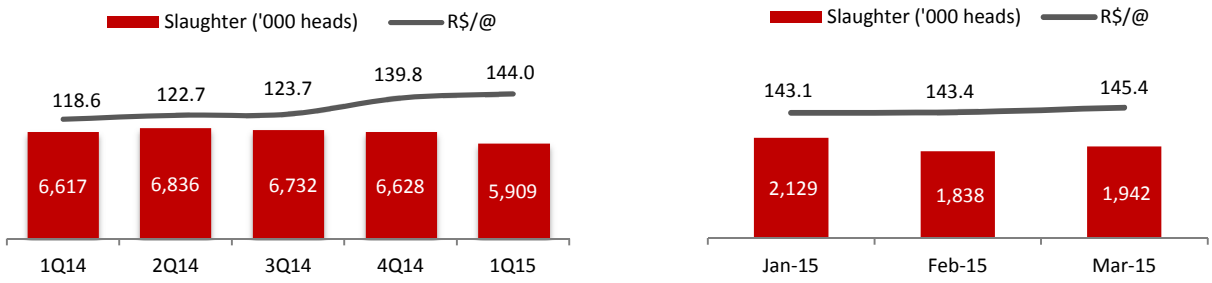
Brazil

Cattle Supply

In the first three months of 2015, the industry's slaughter volume fell by 11% year on year. This adjustment was the result of the combination of a higher average arroba price (21% up on 1Q14) and the accommodation in domestic beef prices, in turn impacted by the seasonal decline in consumption. As a result, domestic margins were squeezed, especially for producers of boned beef.

The arroba price remained firm as a result of high replacement costs and good rain volume in February and March, which encouraged many producers to maintain the animals in the pasture for a longer time. All this was combined with a scenario of more restricted supply, which has been offset by productivity gains, leading to the slaughter of younger and heavier animals.

Figures 1 and 2 – Cattle Slaughter and Average Cattle Price



Source: Ministry of Agriculture, Livestock and Supply, CEPEA/ESALQ | 1Q15 preliminary slaughter data

Export Market

Revenue from Brazilian beef exports totaled US$993.2 million in 1Q15, 26% less than in 1Q14. Export volume came to 232,000 tonnes, 24% down from 1Q14, chiefly due to (i) the decline in the industry's slaughter volume (as described above), which also reduced export production; (ii) the lower volume imported by Russia and Venezuela, both of which impacted by the depreciation of their currencies, the decline in oil prices and social and political instability; (iii) increased difficulty to obtain working capital in the domestic market, especially for smaller meatpackers, due to a more restrictive and selective credit environment; and (iv) the strong comparison basis (1Q14), which had substantial and above-average export growth compared to previous years.

It is worth noting that, despite the challenging scenario, Minerva had an excellent export performance in 1Q15, as detailed on page 10.

Figures 3 and 4 – Fresh Beef Exports

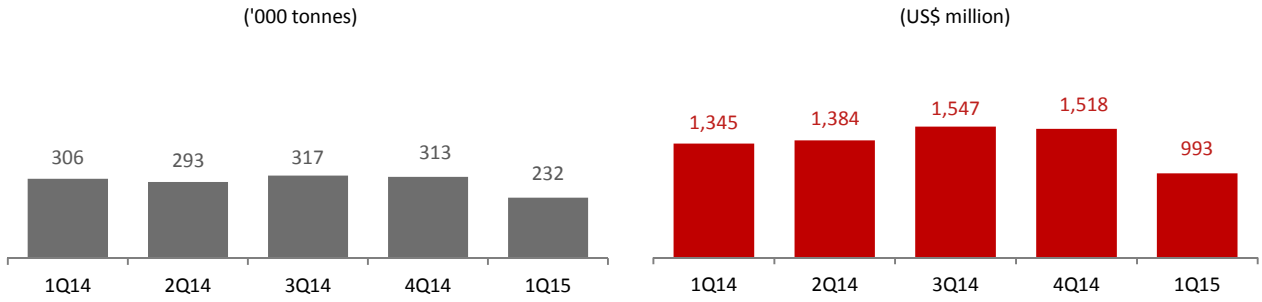
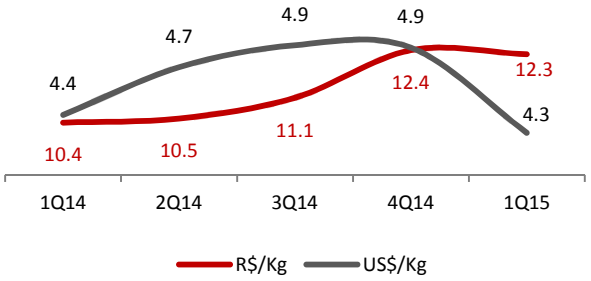


Figure 5 - Average Fresh Beef Price

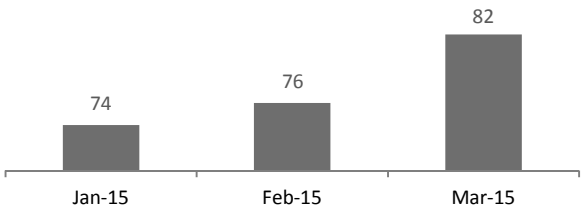


Source: Ministry of Development, Industry and Foreign Trade

As of March, Brazilian exports have recovered in important markets, such as Russia. Also, certain markets have opened for Brazilian beef, including South Africa, Morocco, Cuba and Iraq. We would like to emphasize that beef supply is still limited, with the weakening of important producers (such as Australia and the United States), and the prospects for the sector therefore remain positive, especially given the strong-dollar.

Figure 6 - Brazilian Fresh Beef Exports

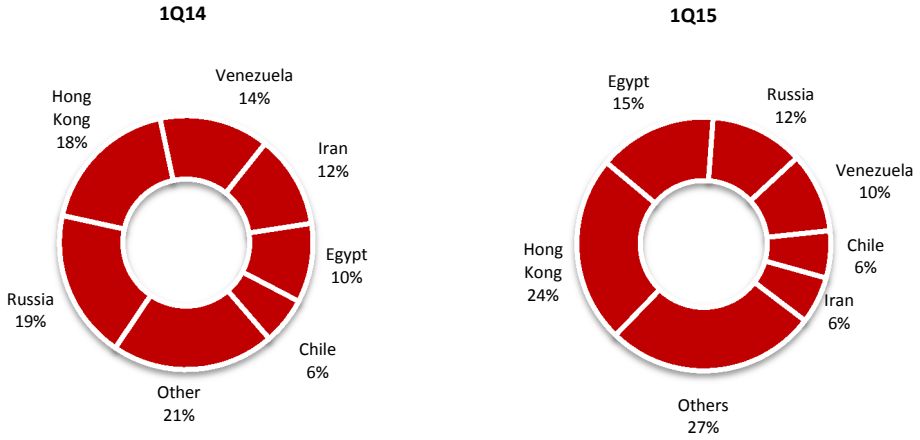
('000 tonnes)



Source: Ministry of Development, Industry and Foreign Trade

The export mix in 1Q15 reflects the decline in the volume exported to Russia, whose share fell from 19% in 1Q14 to 12% in 1Q15. On the other hand, Hong Kong increased its share from 18% to 24%. Egypt was another highlight, increasing its share from 10% to 15% in 1Q15. This market mix change slightly pushed down the average export price to US$ 4.3/kg, from US$4.4/kg in 1Q14.

Figures 7 and 8 – Export Destination (% of Revenue)

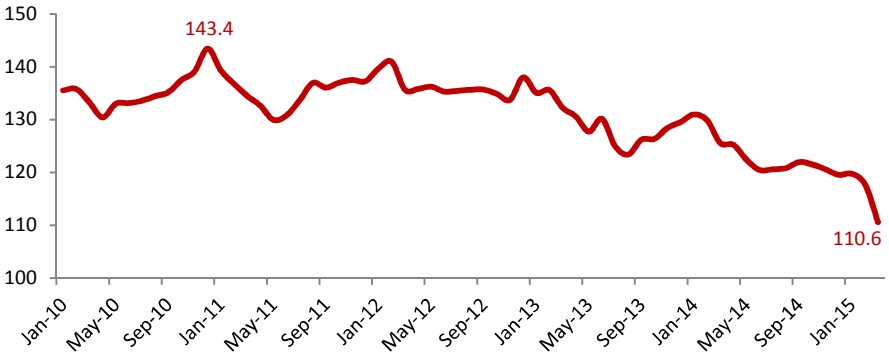


Source: Ministry of Development, Industry and Foreign Trade

Domestic Market

Beef demand in Brazil is seasonally weaker in the first quarter as it is the period that follows the summer vacation and holiday season, when consumption is usually higher. In 1Q15, this was combined with an adverse macroeconomic scenario of strong inflation, reduction in the household consumption intention and lower credit availability, which led to a slowdown in beef demand. On the other hand, the reduction in slaughter in 1Q15, as previously explained, reduced beef availability in the domestic market, stabilizing the prices of forequarter and hindquarter cuts in the quarter. However, the decline in slaughter volume and the lower access to the export market pressured the margins of small and medium players.

Figure 9 - Household Consumption Intention Index

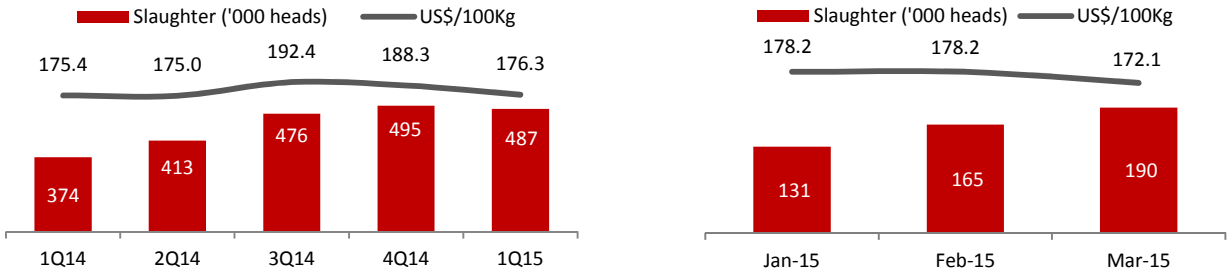


Source: National Confederation of the Commerce of Goods, Services and Tourism (CNC)

Paraguay

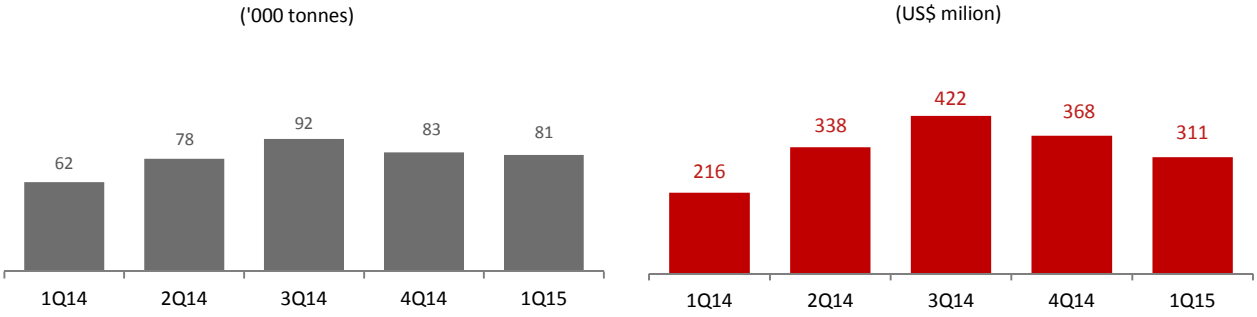
The beginning of 2015 was marked by an adjustment in cattle prices in Paraguay, due to lower demand in some important markets, such as Russia, which impacted the industry's profitability. On the other hand, cattle availability came in as expected, with good rain volume and high animal availability. As a result, slaughter increased by 30% over 1Q14. The outlook for the sector in Paraguay remains positive. At the end of the quarter, cattle prices returned to levels close to the ones observed at the beginning of 2014 and part of the export volume was redirected to other markets, such as Chile and Israel. It is worth mentioning the recent reopening of Paraguay to the European market.

Figures 10 and 11 – Cattle Slaughter and Average Cattle Price



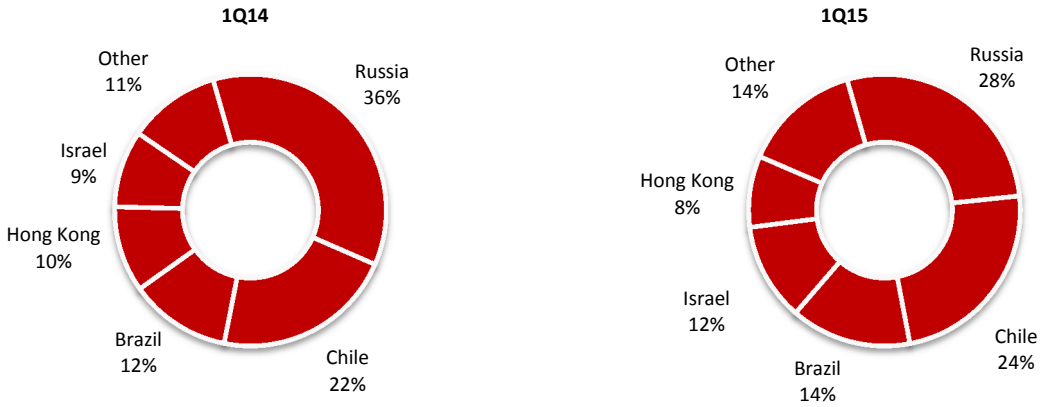
Source: SENACSA

Figures 12 and 13 – Fresh Beef Exports



Source: SENACSA

Figures 14 and 15 – Export Destination (% of Revenue)

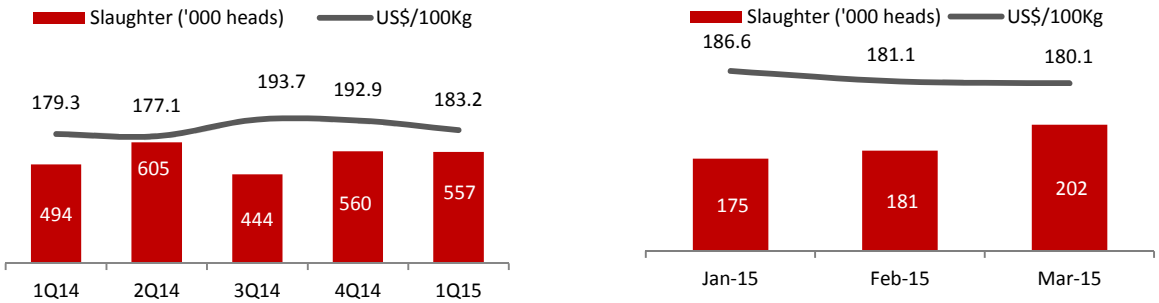


Source: SENACSA

Uruguay

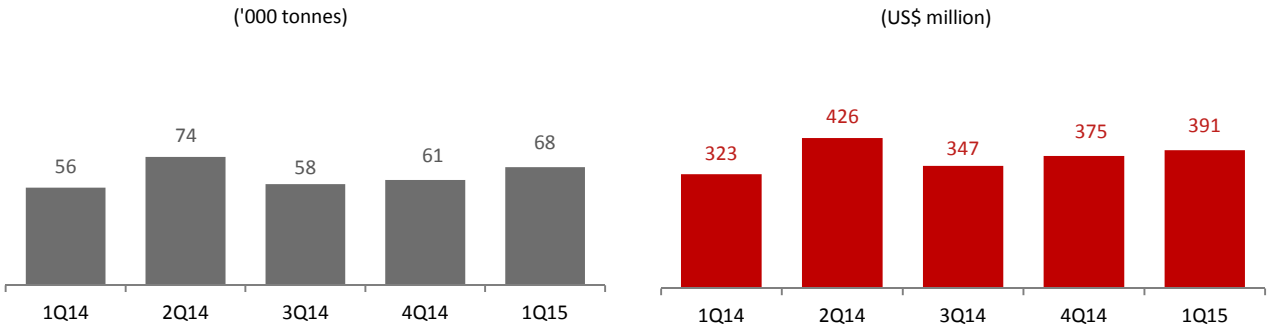
The Uruguayan industry continued to perform well in 1Q15. In the quarter, 557,000 heads were slaughetered, 13% more than in 1Q14, due to increased international demand and the country's positive cattle cycle. The cattle price fell by 5% from 4Q14 and was slightly higher than in 1Q14. Uruguay has benefitted from restricted beef supply in the international market and its privileged position of being able to access markets such as Mainland China, the United States, Canada and South Korea, among others. As a result, the country's export revenue in dollars was 21% higher year on year, led by the increased share of Mainland China (from 19% in 1Q14 to 26% in 1Q15) and the United States (from 13% in 1Q14 to 21% in 1Q15), as shown in the chart of Uruguayan Export Destinations below.

Figures 16 and 17 – Cattle Slaughter and Average Cattle Price



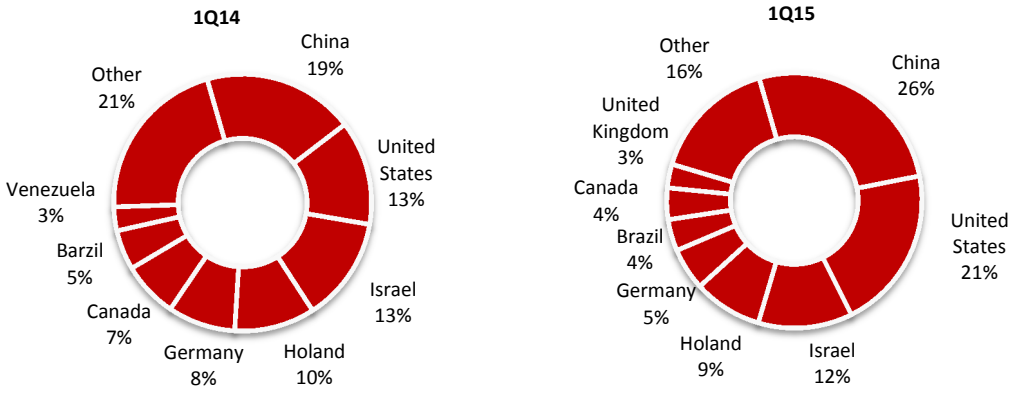
Source: INAC

Figures 18 and 19 – Fresh Beef Exports



Source: INAC

Figures 20 and 21 – Export Destination (% of Revenue)



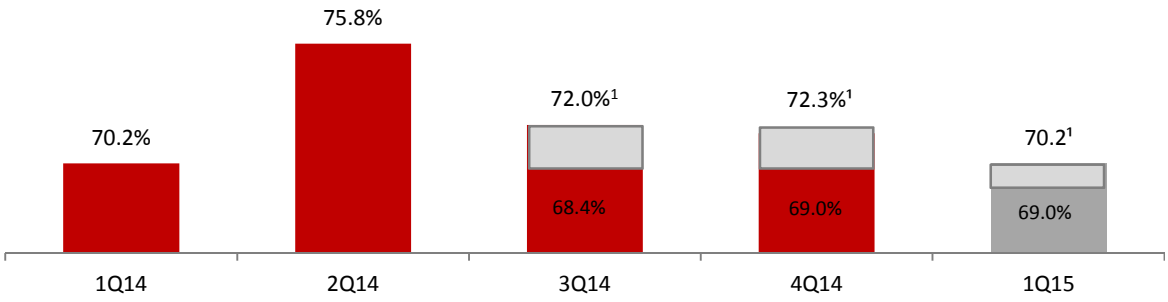
Source: INAC

Minerva – Results Analysis

Slaughter

In 1Q15, the Company's slaughter volume totaled 608,3 thousand head, 37% up on 1Q14, reflecting the capacity increase from the acquisitions in 2014. The consolidated utilization rate stood at 69.0%. If we adjust the capacity by excluding the recently added plants, which are still in the ramp-up stage, the utilization rate was 70.2%, in line with 1Q14.

Figure 22 - Slaughter Capacity Utilization



Source: Minerva | [1] Excluding the Várzea Grande and Mirassol D'Oeste (Mato Grosso) plants in 3Q14, 4Q14 and 1Q15 and the Janaúba plant in 4Q14 and 1Q15

Consolidated Gross Revenue

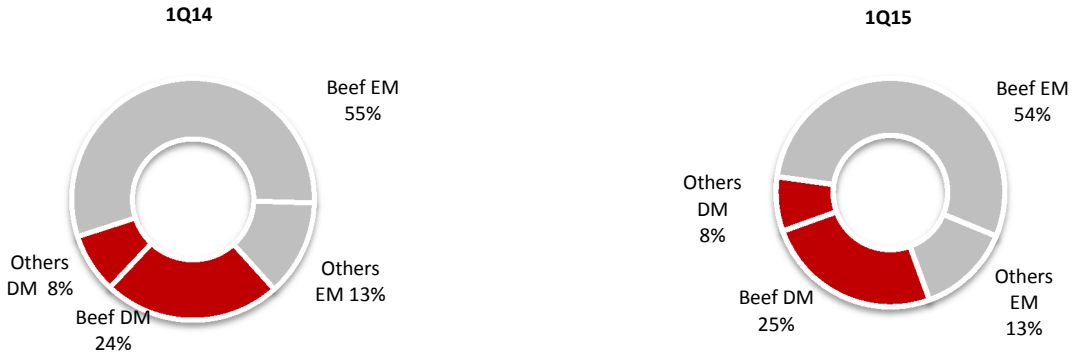
R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Gross Revenues	**2,309.7**	**1,482.4**	**55.8%**	**2,286.9**	**1.0%**	**8,281.7**	**6,005.4**	**37.9%**
Beef Division	1,826.3	1,172.9	55.7%	1,807.1	1.1%	6,390.5	4,712.8	35.6%
Others	483.4	309.5	56.2%	479.7	0.8%	1,891.2	1,292.5	46.3%

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Domestic Market	**757.2**	**469.7**	**61.2%**	**862.5**	**-12.2%**	**2,889.6**	**1,940.1**	**48.9%**
% Gross Revenues	32.8%	31.7%	1.1 p.p.	37.7%	-4.9 p.p.	34.9%	32.3%	2.6 p.p.
Beef Division	579.1	350.8	65.1%	693.9	-16.5%	2,263.9	1,476.1	53.4%
Others	178.0	118.9	49.7%	168.5	5.6%	625.7	464.0	34.8%

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Export Market	**1,552.6**	**1,012.7**	**53.3%**	**1,424.4**	**9.0%**	**5,392.2**	**4,065.2**	**32.6%**
% Gross Revenues	67.2%	68.3%	-1.1 p.p.	62.3%	4.9 p.p.	65.1%	67.7%	-2.6 p.p.
Beef Division	1,247.2	822.0	51.7%	1,113.2	12.0%	4,126.6	3,236.8	27.5%
Others	305.4	190.6	60.2%	311.2	-1.9%	1,265.6	828.5	52.8%

In 1Q15, gross revenue amounted to R$2,309.7 million, 55.8% up on 1Q14, thanks to the combination between the consolidation of the recent acquisitions and the depreciation of the real, which led to an excellent performance in the Beef Division, up by a substantial 55.7%. We also highlight the strong performance of the Others Division, especially Leather (+99%), Live Cattle (+48%), Resale (+46%) and Minerva Fine Foods (+28%) segments.

Figures 23 and 24 – Breakdown of Consolidated Gross Revenue



Source: Minerva

In 1Q15, the Company remained one of the top beef exporters in the countries where it operates. As we mentioned on page 4 (Industry Overview – Brazil – Export Market) Brazil's beef exports fell by 24% between 1Q14 and 1Q15, while Minerva's exports moved up by 11% in the same period, increasing its share of Brazil's total exports by 7.5 p.p. (from 16.3% in 1Q14 to 23.8% in 1Q15), as shown in the table below.

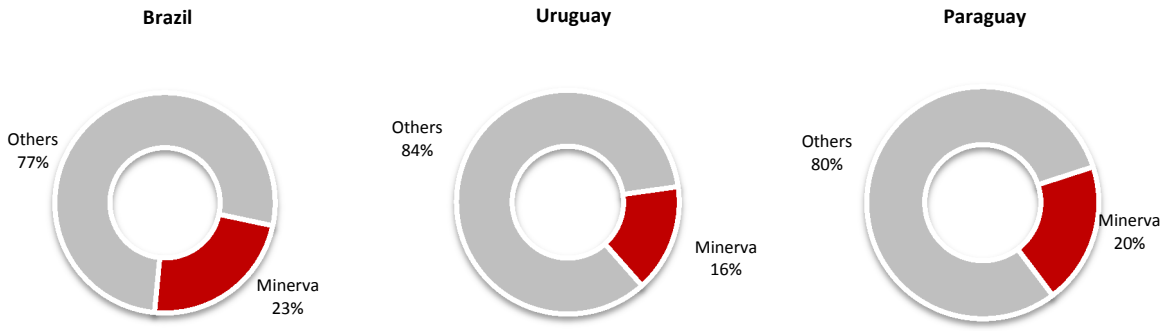
Volume ('000 tons)	1Q15	1Q14	Var.%
Brazil's Exports	232.1	305.5	-24.0%
Minerva's Exports	55.1	49.7	11.0%
Minerva's Market Share	**23.8%**	**16.3%**	**7.5 p.p.**

Source: Ministry of Development, Industry and Foreign Trade

This performance is the result of the strategy adopted by the Company based on the combination of risk management tools that indicate the best markets for the placement of its products, together with a differentiated export platform, which allows rapid sales mix adjustments to more profitable channels. Finally, it is worth noting that, of the acquisitions made in the last 12 months, i) Frigorífico Carrasco operations are in Uruguay, i.e. not included in this analysis; ii) the Janaúba plant, in Minas Gerais state, is still in the ramp-up stage, with restricted export licenses and; iii) the Mirassol D'Oeste and Várzea Grande plants, in Mato Grosso state, are in the integration and export license revalidation stage; therefore, a large share of their sales are directed to the domestic market.

In Brazil, we increased our share of export revenue from 17% in 1Q14 to 23% in 1Q15, while in Paraguay and Uruguay we accounted for 20% and 16%, respectively (3 p.p. and 2 p.p. up year on year, respectively).

Figures 25, 26 and 27 – Market Share (% of Revenues)



Source: Minerva, Secex, INAC and SENACSA

The graphs below show the Company's exports by region in LTM1Q15 and LTM1Q14 and the strategy adopted in each region:

Africa: The share of this region in the Company's exports remained stable at 17% in LTM1Q15, but at a higher volume, demonstrating the importance of this region in Minerva's sales mix. In 1Q15, Egypt was one of the main destinations of the Company's exports. We also highlight the recent reopening of South Africa.

Americas: This region accounted for 13% of the Company's exports in LTM1Q15, versus 18% in LTM1Q14. This reduction was due to the decline in Venezuelan beef imports as of 4Q14, which was intensified in early 2015, due to the strong oil slump and the country's fragile social and political situation. It is worth mentioning that exports to Venezuela are made through letters of credit confirmed by ALADI, or 100% prepaid. In LTM1Q15, export revenue for that country represented 3% of the total export revenue from the Company's Beef division. Chile and Brazil (also served by the Paraguayan and Uruguayan operations) are the main export destinations.

Asia: This region increased its share of the Company's exports from 12% in LTM1Q14 to 18% in LTM1Q15. This shows growing consumption by the main destinations in this region: Hong Kong/Mainland China, Malaysia, Singapore and the Philippines. Exports to Mainland China, which is currently being supplied by Uruguay, practically doubled in the period. At the end of 2014, the Chinese government announced the reopening of this market for Brazilian beef imports. There are great expectations that this reopening will be concluded in short term.

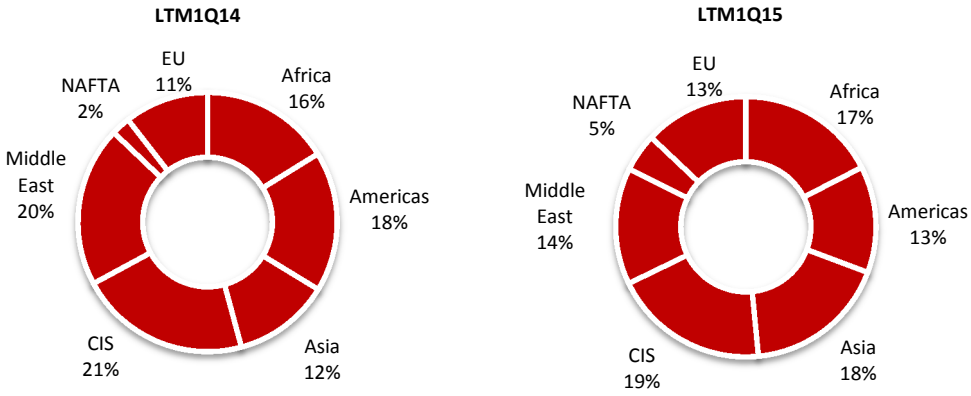
CIS (Commonwealth of Independent States): Russia, which accounts for more than 90% of this region's demand, has historically been the main destination of Minerva's exports. In LTM1Q15, this market had a 19% share of exports (21% in LTM1Q14). In the comparison with 1Q14, exports to Russia fell due to the depreciation of the ruble and the decline in oil prices in the international market. The Company redirected part of the volumes that used to be exported to Russia to other destinations, especially Egypt and Hong Kong.

Europe: The Company has taken advantage from the strong demand and healthy prices of this region, which is known to require nobler cuts (chilled hindquarter cuts) and increased exports to Europe to 13% of the total in LTM1Q15, from 11% in LTM1Q14.

NAFTA: The share of exports to the NAFTA region (United States, Canada and Mexico) increased from 2% to LTM1Q14 in 5% LTM1Q15. It is worth highlighting that these countries are accounting for an increasing share of the Company's total exports and are served by Minerva's operations in Uruguay, focusing on the U.S. niche market of USDA-approved organic products, with higher profitability. This upturn also underlines the more limited beef supply in the United Stated, which has considerably increased prices in the domestic market.

Middle East: The share of the Middle East in Minerva's exports fell by 6 p.p., from 20% in LTM1Q14 to 14% in LTM1Q15, due to the reduction in exports to Iran in the second half of 2014, as a result of the migration of consumption to chicken, which is produced domestically. This effect was normalized in 1Q15. In addition, the Company has redirected part of its exports to other regions, such as Asia and Northern Africa, due to these markets' strong consumption and higher profitability.

Figures 28 and 29 - Consolidated Sales Breakdown by Region



Source: Minerva

Beef Division

Gross revenue from this division increased by 55.7% over 1Q14, totaling R$1,826.3 million in 1Q15.

Revenue from fresh beef exports moved up by 52.3%, while domestic revenue climbed by 67.7%. In the export market, the average fresh beef price remained flat in dollars (or increased by 18% in reais) over 1Q14. As explained above, despite the reduction in Brazil's export volume in 1Q15, the Company was able to increase its exports at competitive prices, gaining market share with profitability. In the domestic market, volume increased by 37.0%, due to the recent acquisitions a series of adjustments to the domestic market distribution operation, with the simplification of strategic guidelines, team training and capacity building, increased focus on the food service segment and execution discipline and by the substantial 22% upturn in the average fresh beef price over 1Q14, due to the period increase in cattle prices.

Another highlight was the Others segment (beef byproducts), whose combination of higher sales volume and higher prices, both in the export and domestic markets, led to a substantial increase in gross revenue.

Below is a complete breakdown of the Beef Division:

Gross Revenue (R$ Million)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Fresh Beef – EM	1,147.8	753.7	52.3%	1,027.8	11.7%	3,837.9	3,024.3	26.9%
Processed Beef – EM	15.8	0.0	n.a.	1.1	n.a.	16.9	10.2	65.5%
Others – EM	83.5	68.3	22.2%	84.3	-0.9%	271.8	202.2	34.4%
Subtotal – EM	**1,247.2**	**822.0**	**51.7%**	**1,113.2**	**12.0%**	**4,126.6**	**3,236.8**	**27.5%**
Fresh Beef – DM	494.9	295.0	67.7%	600.7	-17.6%	1,923.7	1,216.8	58.1%
Processed Beef – DM	2.5	2.2	17.2%	1.1	120.3%	10.6	22.1	-52.0%
Others – DM	81.7	53.6	52.4%	92.1	-11.2%	329.6	237.2	38.9%
Subtotal – DM	**579.1**	**350.8**	**65.1%**	**693.9**	**-16.5%**	**2,263.9**	**1,476.1**	**53.4%**
Total	**1,826.3**	**1,172.9**	**55.7%**	**1,807.1**	**1.1%**	**6,390.5**	**4,712.8**	**35.6%**

Volume ('000 tonnes)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Fresh Beef - EM	80.5	62.5	28.9%	76.7	4.9%	295.1	267.6	10.3%
Processed Beef - EM	0.8	0.0	n.a.	0.1	n.a.	0.8	0.7	18.5%
Others - EM	8.0	5.1	57.6%	8.8	-9.2%	30.3	22.6	34.2%
Subtotal – EM	**89.2**	**67.5**	**32.2%**	**85.6**	**4.3%**	**326.2**	**290.9**	**12.2%**
Fresh Beef - DM	42.4	30.9	37.1%	52.7	-19.5%	180.3	141.2	27.7%
Processed Beef - DM	0.2	0.2	-13.0%	0.1	97.3%	0.9	2.3	-62.6%
Others – DM	8.3	6.0	37.9%	16.3	-49.3%	42.7	30.1	41.9%
Subtotal – DM	**50.9**	**37.1**	**37.0%**	**69.1**	**-26.4%**	**223.9**	**173.7**	**28.9%**
Total	**140.1**	**104.7**	**33.9%**	**154.7**	**-9.4%**	**550.1**	**464.5**	**18.4%**

Average Price – EM (US$/Kg)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Fresh Beef - EM	5.0	5.1	-2.7%	5.3	-5.4%	5.2	5.0	4.3%
Processed Beef - EM	7.4	4.1	77.8%	7.8	-5.8%	8.5	6.7	26.6%
Others - EM	3.7	5.7	-36.2%	3.8	-3.1%	3.6	4.0	-9.2%
Total	**4.9**	**5.2**	**-5.5%**	**5.1**	**-4.5%**	**5.1**	**4.9**	**3.1%**
Average Dollar price (source: BACEN)	2.87	2.36	21.4%	2.55	12.5%	2.48	2.25	10.3%

Average Price – EM (R$/Kg)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Fresh Beef - EM	14.3	12.1	18.1%	13.4	6.4%	13.0	11.3	15.1%
Processed Beef - EM	21.1	9.8	115.9%	19.9	5.9%	21.0	15.0	39.7%
Others - EM	10.5	13.5	-22.5%	9.6	9.0%	9.0	8.9	0.1%
Total	**14.0**	**12.2**	**14.8%**	**13.0**	**7.4%**	**12.6**	**11.1**	**13.7%**

Average Price – DM (R$/Kg)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Fresh Beef - DM	11.7	9.5	22.3%	11.4	2.4%	10.7	8.6	23.8%
Processed Beef - DM	12.9	9.6	34.7%	11.5	11.7%	12.2	9.5	28.2%
Others – DM	9.9	9.0	10.5%	5.7	75.0%	7.7	7.9	-2.1%
Total	**11.4**	**9.4**	**20.5%**	**10.0**	**13.3%**	**10.1**	**8.5**	**19.0%**

EM – Export Market, DM – Domestic Market

Others Division

In 1Q15, revenue from the Others Division totaled R$483.4 million, a substantial increase of 56.2% over 1Q14. All the business units made a positive contribution to this performance, especially Live Cattle and Leather.

Revenue from live cattle exports grew by 48% over 1Q14. In addition to the conventional operations based in Brazil and Colombia, the new operations in Chile and Uruguay have benefitted the performance of this segment, focusing on dairy cattle exports and breeding animals, in addition to beef cattle.

In 1Q15, the Leather segment maintained the fast growth pace observed in 2014, moving up by a substantial 100% over 1Q14, with a focus on specific niches in the domestic and export markets, such as the furniture and automotive sectors.

Net Revenue

Net revenue came to R$2,156.2 million in 1Q15, 54.2% more than in 1Q14, partially due to the consolidation of the new acquisitions and the effect of the dollar appreciation on dollar-denominated revenue. In the last twelve months, net revenue totaled R$7,745.5 million, however, considering the pro-forma figures from the Carrasco and Mato Grosso state plants, net revenue would have reached approximately R$ 8.4 billion.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Gross Revenues	2,309.7	1,482.4	55.8%	2,286.9	1.0%	8,281.7	6,005.4	37.9%
Sales Taxes and Deductions	-153.6	-84.5	81.8%	-159.6	-3.8%	-536.3	-345.9	55.0%
Net Revenues(1)	2,156.2	1,397.9	54.2%	2,127.3	1.4%	7,745.5	5,659.5	36.9%
% Gross Revenues	93.4%	94.3%	-0.9 p.p.	93.0%	0.3 p.p.	93.5%	94.2%	-0.7 p.p.

(1) LTM1Q15 excludes pro-forma revenue and EBITDA figures for the Mato Grosso and Carrasco plants.

Cost of Goods Sold (COGS) and Gross Margin

COGS stood at R$1,754.0 million in 1Q15, equivalent to 81.3% of net revenue or a gross margin of 18.7%. The increase in the average arroba price (21% up on 1Q14) and the consolidation of the plants in Várzea Grande, Mirassol D'Oeste and Janaúba, which are still in the ramp-up stage and have margins lower than the Company's average were the main factors that contributed to the gross margin performance in the quarter.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Net Revenues	2,156.2	1,397.9	54.2%	2,127.3	1.4%	7,745.5	5,659.5	36.9%
COGS	-1,754.0	-1,115.1	57.3%	-1,744.1	0.6%	-6,272.5	-4,478.6	40.1%
% Net Revenues	81.3%	79.8%	1.6 p.p.	82.0%	-0.6 p.p.	81.0%	79.1%	1.8 p.p.
Gross Profit	402.2	282.8	42.2%	383.2	5.0%	1,473.0	1,180.9	24.7%
Gross Margin	18.7%	20.2%	-1.6 p.p.	18.0%	0.6 p.p.	19.0%	20.9%	-1.8 p.p.

Selling, General and Administrative Expenses

Selling expenses represented 8.2% of net revenue in 1Q15, in line with 1Q14, while general and administrative expenses fell by 0.4 p.p. as a percentage of net revenue from 1Q14, due to the increased dilution of expenses as a result of the consolidation of the new plants in Uruguay, Mato Grosso and Janaúba.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Sales Expenses	-176.5	-115.0	53.4%	-141.1	25.0%	-573.5	-491.5	16.7%
% Net Revenue	8.2%	8.2%	0.0 p.p.	6.6%	1.6 p.p.	7.4%	8.7%	-1.3 p.p.
G&A Expenses	-61.5	-45.7	34.6%	-63.1	-2.6%	-242.1	-174.1	39.1%
% Net Revenues	2.9%	3.3%	-0.4 p.p.	3.0%	-0.1 p.p.	3.1%	3.1%	0.0 p.p.

EBITDA

EBITDA totaled R$188.4 million in 1Q15, with a margin of 8.7% It is worth noting that quarterly EBITDA was impacted by the consolidation of the operations in Mato Grosso (Várzea Grande and Mirassol D'Oeste) and Janaúba, in Minas Gerais, whose margins are still lower than Minerva's consolidated margins as they are still in the integration stage. LTM adjusted EBITDA, considering the pro-forma figures from the Carrasco, Várzea Grande and Mirassol D'Oeste plants, totaled R$780 million, a 33% year-on-year upturn, with a 9.3% margin.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Net Incomes/Loss	-587.2	69.1	-949.8%	-312.0	88.2%	-1,074.5	-250.4	329.1%
(+/-) Income and Social Contribution Taxes	2.1	10.6	-79.9%	-23.2	-109.2%	-9.9	-0.2	n.a.
(+/-) Reduction to recoverable asset value	0.0	0.0	n.a.	0.0	n.a.	0.0	34.2	n.a.
(+/-) Financial Result	755.8	42.7	n.a.	478.0	58.1%	1.726.2	746.2	131.3%
(+/-) Depreciation and Amortization	17.7	13.9	27.2%	17.3	1.9%	63.1	57.5	9.7%
(+/-) Pro-forma Carrasco EBITDA	0.0	0.0	n.a.	0.0	n.a.	8.0	0.0	n.a.
(+/-) Pro-forma Mato Grosso Bovinos EBITDA	0.0	0.0	n.a.	0.0	n.a.	46.0	0.0	n.a.
(+/-) Non-recurring Items	0.0	0.0	n.a.	36.2	n.a.	21.2	0.0	n.a.
Adjusted EBITDA	**188.4**	**136.3**	**38.2%**	**196.3**	**-4.0%**	**780.1**	**587.3**	**32.8%**
Adjusted EBITDA Margin	**8.7%**	**9.7%**	**-1.0 p.p.**	**9.2%**	**-0.5 p.p.**	**9.3%**	**10.4%**	**-1.1 p.p.**

Financial Result

The financial result was a negative R$755.8 million in 1Q15. Financial expenses totaled R$167.8 million in the quarter, fueled by the 180 bps increase in the CDI rate (local interest rate) over 1Q14, the impact of the dollar appreciation on the debt balance and the corresponding interest. Financial income was R$26.2 million, 45.2% higher than in 1Q14.

The foreign exchange variation represented a non-cash expense of R$ 639.9 million in 1Q15, due to the 20.8% appreciation of the closing dollar on dollar-denominated debt over 4Q14.

Other financial income/expenses came in as result of R$25.6 million, positively impacted by the mark-to-market of financial instruments related to foreign exchange hedge used by the Company, which totaled R$48.2 million in the quarter.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Financial Expenses	-167.8	-109.4	53.3%	-139.9	19.9%	-551.7	-396.2	39.3%
Financial Income	26.2	18.1	45.2%	21.7	20.7%	84.9	56.0	51.5%
FX Variation	-639.9	62.5	n.a.	-250.9	155.0%	-1,166.8	-320.1	264.5%
Other Expenses (*)	25.6	-13.8	n.a.	-108.9	-123.5%	-92.6	-85.9	7.8%
Financial Result	**-755.8**	**-42.7**	n.a.	**-478.0**	**58.1%**	**-1,726.2**	**-746.2**	**131.3%**
Average Dollar (R$/US$) (Source: Bacen)	2.87	2.36	21.4%	2.55	12.5%	2.48	2.25	10.3%
Closing Dollar (R$/US$) (Source: Bacen)	3.21	2.26	41.9%	2.66	20.8%	3.21	2.26	41.9%

(*) Other Expenses (R$ Million)	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
FX Hedge	48.2	0.0	n.a.	-4.8	n.a.	92.8	-12.2	n.a.
Commodities Hedge	-8.6	-3.6	136.1%	-2.9	196.6%	-33.2	-13.7	142.3%
Financial Discounts, Rates, Commissions, Commercial Discount and Other Financial Expenses	-14.0	-10.2	37.4%	-26.2	-46.6%	-77.2	-60.1	28.6%
Fine and Interest - REFIS	0.0	0.0	0.0	-75.0	n.a.	-75.0	0.0	n.a.
Total	**25.6**	**-13.8**	**n.a.**	**-108.9**	**-123.5%**	**-92.6**	**-85.9**	**7.8%**

Net Result

The net result was a negative R$587,2 million in 1Q15, chiefly due to the impact of the foreign exchange on debt, which totaled R$ 639,9 million.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Income (Loss) before taxes	-585.1	79.7	-834.1%	-335.2	74.5%	-1,084.4	-250.6	332.7%
Income and Social Contribution Taxes	-2.1	-10.6	-79.9%	23.2	-109.2%	9.9	0.2	5,253.8%
Net (Loss) Income	**-587.2**	**69.1**	**n.a.**	**-312.0**	**n.a.**	**-1,074.5**	**-250.4**	**329.1%**
% Net Margin	**-27.2%**	**4.9%**	**-32.2 p.p.**	**-14.7%**	**-12.6 p.p.**	**-13.9%**	**-4.4%**	**-9.4 p.p.**

If we adjusted the net result for the effects of the foreign exchange variation and the payment of income tax and social contribution, the result would be a positive R$54.8 million in the quarter. In the twelve months ended March 31, 2015, the Company would have generated R$193.6million in net income.

R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%	LTM1Q15	LTM1Q14	Var.%
Net (Loss) Income	-587.2	69.1	n.a.	-312.0	88.2%	-1,074.5	-250.4	329.1%
Reduction to recoverable asset value	0.0	0.0	n.a.	0.0	n.a.	0.0	34.2	n.a.
FX Variation	639.9	-62.5	n.a.	250.9	155.0%	1,166.8	320.1	264.5%
Income and Social Contribution Taxes	2.1	10.6	-79.9%	-23.2	n.a.	-9.9	-0.2	n.a.
Non-recurring items (Refis)	0.0	0.0	n.a.	111.2	n.a.	111.2	0.0	n.a.
Adjusted (Loss) Income	**54.8**	**17.2**	**218.4%**	**26.8**	**104.3%**	**193.6**	**103.7**	**86.7%**

Cash Flow

Operating Cash Flow

In 1Q15, operating cash flow was a positive R$ 364.9 million and reached R$ 841.5 million in LTM1Q15. In the quarter, working capital released R$58.6 million, substantially higher than in the same period the year before, positively impacted by "Other Accounts Payable", as explained below. We also highlight that, in the calculation of variation in working capital needs, we excluded the positive adjustment of equity valuation and accumulated conversion, due to foreign currency variation impact on the overseas assets which represented approximately R$77 million in 1Q15.

R$ Million	1Q15	1Q14	4Q14	LTM1Q15
Adjusted (Loss) Income	-587.2	69.1	-312.0	-1074.5
Net income adjustments	893.4	50.5	403.8	1798.3
(+/-) Variation in working capital needs(1)	58.6	-298.7	164.6	117.7
Operating Cash Flow	**364.9**	**-179.1**	**256.4**	**841.5**

(1) Excluding equity valuation adjustments and accumulated conversion

The R$177.3 million positive variation in “Advances from Clients” reflects the Company’s credit policy, which requires prepayments from certain clients from certain countries. As exports grew, the Company intensified prepayments, reducing the risks associated with external credit, with a positive impact on the working capital variation in the quarter.

R$ Million	1Q15	4Q14	Variation
Advances from clients	568.7	391.4	177.3
Other	223.3	144.8	78.4
Other accounts payable			**255.7**

Free Cash Flow

Free cash flow after capex, interest payments and working capital was a positive R$81.7 million. In the last twelve months, free cash flow totaled R$172.4 million, as shown below.

R$ Million	1Q15	4Q14	3Q14	2Q14	LTM1Q15
Adjusted EBITDA	188.4	196.3	177.8	163.7	726.2
(+) Capex (on a cash basis)	-47.3	-63.8	-44.0	-77.9	-233.0
(+) Financial result (on a cash basis)	-118.0	-138.5	-66.0	-116.0	-438.5
(+) Working capital variation(1)	58.6	164.6	-57.6	-48.0	117.7
Free cash flow	**81.7**	**158.6**	**10.3**	**-78.2**	**172.4**

(1) Excluding equity valuation adjustments and accumulated conversion

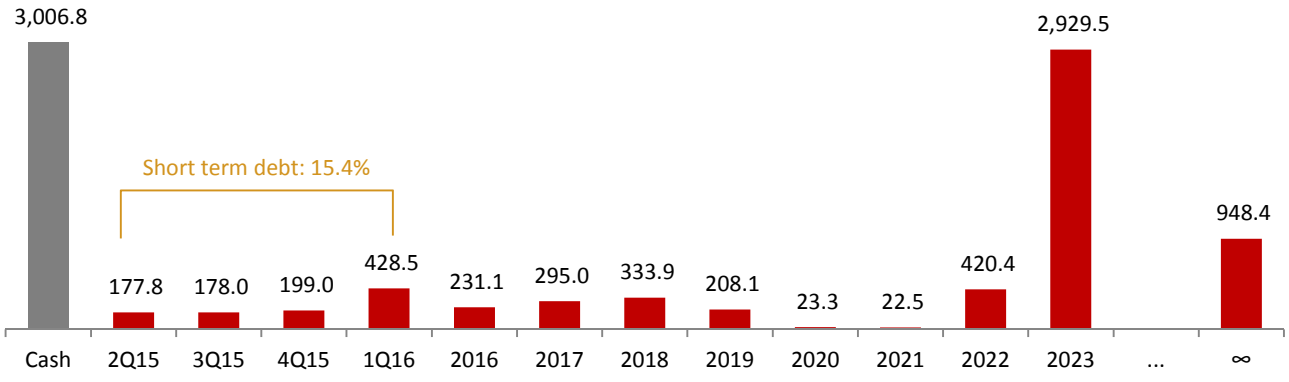
Capital Structure

Minerva closed 1Q15 with cash and cash equivalents of R$3.0 billion, which is sufficient to amortize its debt through 2022. Excluding the repurchased bonds (as detailed on the following page), the cash position would be R$2.4 billion. Short-term debt corresponded to around 15% of the total. At the close of 1Q15, approximately 78% of total debt was exposed to foreign exchange variation in accordance with our financial policy. The net debt/EBITDA ratio was 4.3x at the close of 1Q15.

The Company's increased leverage mostly reflects the impact of high volatility and the continuous dollar appreciation on debt denominated in foreign currency in recent quarters. It is worth noting that part of the Company's debt includes a financial covenant of net debt/LTM EBITDA ratio lower than 3.5x. However, the calculation of this covenant is adjusted, among other things, by the exchange variation since the debt was contracted (as detailed in the Notes to the Financial Statements for 1Q15).It is worth mentioning that the financial covenants refer to the permission or not to incur new debt, excepting for all new debts relating to refinancing, in addition to a pre-set amount for working capital and capex. At the end of March 2015, leverage adjusted for the convenant purpose was comfortably within the established parameters (below 3.5x).

The Company's financial management is based on three different pillars: (i) the portion of debt maturing in the short term should not be higher than 20% of total debt; (ii) the percentage of debt denominated in foreign currency should be close to the share of exports in total revenue; and (iii) the cash position should be equivalent to at least two months of input purchases.

Figure 30 - Debt Amortization Schedule on March 31, 2015
(R$ Million)



R$ Million	1Q15	1Q14	Var.%	4Q14	Var.%
Short Term Debt	983.3	659.9	49.0%	724.0	35.8%
% Short Term Debt	15.4%	19.0%	-3.6 p.p.	13.6%	1.8 p.p.
Local Currency	487.9	100.3	386.2%	145.1	236.2%
Foreign Currency	495.4	559.5	-11.5%	578.9	-14.4%
Long Term Debt	5,412.2	2,814.3	92.3%	4,602.1	17.6%
% Long Term Debt	84.6%	81.0%	3.6 p.p.	86.4%	-1.8 p.p.
Local Currency	729.4	818.2	-10.9%	872.9	-16.4%
Foreign Currency	4,682.8	1,996.1	134.6%	3,729.2	25.6%
Total Debt (1)	6,395.5	3,474.2	84.1%	5,326.0	20.1%
Local Currency	1,217.3	918.6	32.5%	1,018.0	19.6%
Foreign Currency	5,178.2	2,555.7	102.6%	4,308.0	20.2%
(Cash and Cash Equivalents)	-3,006.8	-1,310.1	129.5%	-2,474.4	21.5%
Net Debt (2)	3,364.7	2,102.2	60.1%	2,828.8	18.9%
Net Debt/Adjusted EBITDA(x)	**4.3**	**3.6**	**0.7**	**3.7**	**0.6**

(1) Total debt excluding convertible debentures
(2) Includes subordinate FIDC quotas in the amount of R$23.9 million

The Company repurchased some of its international bonds. In the table below, we show the balance of gross debt and the cash position on March 31, 2015, excluding these repurchases, considering that we do not plan to resell the bonds acquired.

R$ million	03/31/2015
Gross Debt	6,395.5
Bond buyback	
2019	1,6
2022	44,7
2023	536,4
Gross Debt ex Bond Buyback	5.812,7
Cash ex Bond Buyback	2.424,1

Domestic Currency (R$ '000)	Mar/15	Dec/14
1Q15	0	27,848
2Q15	43,730	19,239
3Q15	43,628	41,605
4Q15	57,119	56,414
1Q16	343,423	144,056
2016	198,977	197,885
2017	89,334	89,069
2018	333,898	333,509
2019	31,354	30,913
2020	23,262	23,225
2021	22,528	22,528
2022	21,439	23,133
2023	8,607	8,607
∞	0	0
TOTAL	**1,217,300**	**1,018,031**

Foreign Currency (R$ '000)	Mar/15	Dec/14
1Q15	0	291,703
2Q15	134,092	66,212
3Q15	134,376	88,398
4Q15	141,871	132,538
1Q16	85,055	0
2016	32,080	12,907
2017	205,646	49,090
2018	0	0
2019	176,758	146,052
2020	0	0
2021	0	0
2022	398,997	329,923
2023	2,920,900	2,406,658
∞	948,387	784,532
TOTAL	**5,178,162**	**4,308,012**

Investments

Investments in fixed assets totaled R$102.9 million in 1Q15, R$47.3 million of which had a cash effect and was mostly allocated to maintenance and modernization of current plants. The remaining balance, equivalent to R$55.6 million, refers to the foreign exchange variation of the fixed assets of foreign subsidiaries, with no cash effect.
See below the evolution of investments (cash effect) by quarter in the last twelve months:

CAPEX (R$ Million)	1Q15	4Q14	3Q14	2Q14	LTM1Q15
Maintenance	30.1	38.8	32.4	27.3	128.6
Expansion	17.2	25.0	11.5	12.3	66.0
Carrasco Acquisition				38.0	38.0
Total	**47.3**	**63.8**	**43.9**	**77.6**	**232.6**

Subsequent Events

Annual Shareholders' Meetings

On April 23, the Annual Shareholders' Meeting was held at the Company's headquarters. The main resolutions approved by the attending shareholders were: (i) the financial statements for the fiscal year ended December 31, 2014; (ii) management's proposal for the allocation of net income for 2014; and (iii) the establishment of management's overall annual compensation.

Capital Market

Private Capital Increase

On March 16, the Company published a Material Fact announcing the Board of Directors' resolution to carry out a private capital increase through the issue of at least 1,700,000 new shares, corresponding to R$22,950,000.00, and at most 3,775,456 new shares, corresponding to R$50,968,649.75, at the unit price of R$13.50.

The purpose of the capital increase is to pay for the third installment of the acquisition of 100% of the shares of Frigorífico Carrasco S.A., entered into through an agreement that envisages the possibility of payment through (a) the transfer to the Seller of 1,700,000 Company shares, or (b) payment of a price corresponding to US$10,000,000.00.

The Company's shareholders will have preemptive rights in the subscription of new shares, being able to subscribe or assign these rights to third parties proportional to their shareholdings in the ratio of up to 0.021210181 new shares per share held by the shareholders on said date. Preemptive rights shall be exercised between March 18 and May 27, 2015.

Outstanding Shares

The table below shows the Company's outstanding shares with the current amount of the debentures to be converted into shares:

Shares	
Total of shares issued on 03/31/2015	178,002,062
Total of open convertible debentures	93,492
Approximate number of shares to be converted (maximum price R$ 7.6064)	12,291,293
Total Shares (fully diluted)	190,293,355

About Minerva S.A.

Minerva Foods is one of the leading producers and sellers of beef, leather, live cattle exports and cattle byproducts in South America, and Brazil's second largest exporter in the industry in terms of gross sales revenue, exporting to over 100 countries, with operations also in the beef, pork and poultry processing segments. On March 31, 2015, the Company had a daily slaughtering capacity of 15,880 head of cattle and daily beef deboning capacity equivalent to 18,866 head of cattle. With a presence in the states of São Paulo, Rondônia, Goiás, Tocantins, Mato Grosso, Mato Grosso do Sul and Minas Gerais, as well as in Paraguay and Uruguay, Minerva operates 15 slaughter and deboning plants, one unit to process proteins and 13 distribution centers. In the 12 months ended March 31, 2015, the Company recorded gross sales revenue of R$8.3 billion, up 38% on the same period a year earlier.

Relationship with Auditors

In accordance with CVM Instruction 381/03, we declare that our auditors did not provide services other than those related to the external audit in fiscal years 2011, 2012, 2013, 2014 and 1Q15.

Statement from Management

In compliance with CVM Instructions, Management declares that it has discussed, reviewed and agreed with the individual and consolidated accounting information related to the period ended March 31, 2015, and the opinions expressed in the independent auditors' review report, hereby authorizing their disclosure.

APPENDIX 1 - INCOME STATEMENT (CONSOLIDATED)

(R$ mil)	1Q15	1Q14	4Q14
Revenue from Domestic Sales	757,154	469,743	862,488
Revenue from Exports	1,552,592	1,012,664	1,424,374
Gross Sales Revenue	**2,309,746**	**1,482,407**	**2,286,862**
Deductions from revenue – taxes and other	-153,585	-84,503	-159,576
Net Operating Revenue	**2,156,161**	**1,397,904**	**2,127,286**
Cost of Goods Sold	-1,753,992	-1,115,118	-1,744,117
Gross Profit	**402,169**	**282,786**	**383,169**
Selling Expenses	-176,450	-115,023	-141,112
General and Administrative Expenses	-61,476	-45,666	-63,149
Other operating Revenues (Expenses)	6,434	286	-36,160
Result before financial expenses	**170,677**	**122,383**	**142,748**
Financial Expenses	-167,708	-109,406	-139,905
Financial Revenues	26,235	18,066	21,727
FX Variation	-639,877	62,489	-250,905
Other Expenses	25,600	-13,830	-108,900
Financial Result	**-755,750**	**-42,681**	**-477,983**
Results Before Taxes	**-585,073**	**79,702**	**-335,235**
Income and Social Contribution Taxes - Current	-5,534	-7,351	-3,204
Income and Social Contribution Taxes - Deferred	3,402	-3,255	26,403
Net Income before Non-Controlling Interest	**-587,205**	**69,096**	**-312,036**
Net Income Attributed to Controlling Shareholders	-587,334	68,914	-311,996
Net Income Attributed to Non-Controlling Shareholders	129	182	-40
Net (Loss) Income	**-587,205**	**69,096**	**-312,036**

APPENDIX 2 - BALANCE SHEET (CONSOLIDATED)

(R$ mil)	1Q15	4Q14
ASSETS		
Cash and Cash Equivalents	3,006,772	2,474,380
Accounts Receivable from Clients	455,476	435,099
Inventories	538,580	467,635
Biological Assets	143,746	173,381
Taxes Recoverable	626,304	560,317
Other Assets	131,566	147,052
Total Current Assets	**4,902,444**	**4,257,864**
Related Parties	445	445
Taxes Recoverable	233,912	233,846
Deferred fiscal assets	248,929	248,929
Other Receivables	44,128	37,391
Judicial Deposits	12,263	12,419
Fixed Assets	1,868,715	1,796,755
Intangible	650,048	636,812
Total Non-Current Assets	**3,058,440**	**2,966,597**
Total Assets	**7,960,884**	**7,224,461**
LIABILITIES		
Loans and Financing	983,295	723,956
Convertible Debentures	95,339	91,497
Suppliers	471,541	559,935
Labor and tax liabilities	109,143	89,964
Other Accounts Payable	746,071	483,187
Total Current Liabilities	**2,405,389**	**1,948,539**
Loans and Financing	5,412,166	4,602,087
Labor and tax liabilities	22,218	22,967
Provision for Contingencies	16,384	25,784
Accounts Payable	45,674	53,071
Deferred Tax Liabilities	87,965	91,460
Total Non-Current Liabilities	**5,584,407**	**4,795,369**
Shareholders' equity		
Capital Stock	834,151	834,136
Capital Reserves	294,851	294,851
Revaluation Reserves	67,908	68,474
Accumulated Profit (Loss)	-1,357,871	-771,394
Equity evaluation adjustments	131,176	53,740
Total Shareholders' Equity Attributed to Controlling Shareholders	**-29,785**	**479,807**
Non-Controlling Interest	873	746
Total Shareholders' Equity	**-28,912**	**480,553**
Total Liabilities and Shareholders' Equity	**7,960,884**	**7,224,461**

APPENDIX 3 – CASH FLOW (CONSOLIDATED)

(R$ '000)	1Q15	1Q14	4Q14
Cash Flow from Operating Activities			
Net (Loss) Income	-587,205	69,096	-312,036
Reconciliation of Net Income to Net Cash provided by Operating Activities :			
Depreciation and Amortization	17,683	13,901	17,345
Net Income Attributed to Non-Controlling Shareholders	-129	-182	40
Fair Value of Biological Assets	8,243	-6,603	19,412
Realization of Deferred Taxes – Temporary Differences	-3,402	3,255	-26,403
Financial Charges	167,037	108,498	139,223
FX Variation – Not Realized	713,408	-69,117	252,148
Contingency Allowances	-9,400	712	2,012
Accounts Receivable from Clients and Other Receivables	-11,628	-32,001	-45,056
Inventories	-70,945	-3,083	-67,213
Biological Assets	21,392	-3,321	32,279
Taxes Recoverable	-66,053	-36,871	-28,397
Judicial Deposits	156	-957	44
Suppliers	-88,394	-121,675	116,639
Labor and Tax Obligations	18,430	8,183	-6,741
Other Accounts Payable	255,685	-103,523	163,071
Equity valuation and accumulated conversion	77,436	-5,458	0
Net Cash Flow from Operating Activities	**442,314**	**-179,146**	**256,367**
Cash Flow from Investments			
Acquisition of Intangible Assets	-13,477	5	-173
Acquisition of Fixed Assets	-89,402	-83,607	-83,013
Net Cash Flow from Investments	**-102,879**	**-83,602**	**-83,186**
Cash Flow from Financing Activities			
Loans and Financings	659,351	318,273	494,230
Loans and Financings Settled	-470,378	-312,687	-231,956
Convertible Debentures	3,842	-26,631	-1,250
Related Parties	0	-97	0
Variation in Minority Interest	127	183	-40
Capital Payment in Cash	15	30,000	0
Net Cash from Financing Activities	**192,957**	**9,041**	**260,984**
Net Cash - Cash Equivalent Decrease/Increase	**532,392**	**-253,707**	**434,165**
Cash and Cash Equivalents			
Beginning of Period	2,474,380	1,563,849	2,040,215
End of Period	3,006,772	1,310,142	2,474,380
Net Cash - Cash Equivalent Decrease/Increase	**532,392**	**-253,707**	**434,165**