(A free translation of the original in Portuguese)

Ouro Fino Saúde Animal Participações S.A.

Quarterly Information (ITR) at September 30, 2015 and report on review of quarterly information

(A free translation of the original in Portuguese)

Report on review of quarterly information

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Ouro Fino Saúde Animal Participações S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2015, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter and nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

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

Scope of review

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

Ouro Fino Saúde Animal Participações S.A.

Conclusion on the interim information

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

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine-month period ended September 30, 2015. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under International Financial Reporting Standards (IFRS), which do not require the presentation of a statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Ribeirão Preto, October 23, 2015

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Maurício Cardoso de Moraes
Contador CRC 1PR035795/O-1 "T" SP

(A free translation of the original in Portuguese)

Contents

Ouro Fino Saúde Animal Participações S.A.

Balance sheet

All amounts in thousands of reais (A free translation of the original in Portuguese)

Assets	Note	Parent company September 30, 2015	Parent company December 31, 2014	Consolidated September 30, 2015	Consolidated December 31, 2014
Current assets					
Cash and cash equivalents	7	10	11	26,828	72,453
Trade receivables	9			195,511	178,111
Derivative financial instruments	8			9	10,376
Inventories	10			135,286	86,848
Taxes recoverable	11	96	96	6,734	6,905
Income tax and social contribution recoverable				737	2,486
Related parties	12	3,733	4,398	1,182	998
Other assets		6	12	5,894	7,439
		3,845	4,517	372,181	365,616
Non-current assets					
Long-term receivables					
Derivative financial instruments	8			1,927	
Taxes recoverable	11			29,649	22,529
Deferred income tax and social contribution	13			4,032	1,920
Related parties	12		104,260		
Other assets				1,399	261
			104,260	37,007	24,710
Investments in subsidiaries	14	369,722	231,169		
Intangible assets	15			75,258	66,300
Property, plant and equipment	16			184,755	170,635
Total non-current assets		369,722	335,429	297,020	261,645
Total assets		373,567	339,946	669,201	627,261

Ouro Fino Saúde Animal Participações S.A.

Balance sheet
All amounts in thousands of reais **(continued)**

		Parent company		Consolidated	
Liabilities and equity	**Note**	**September 30, 2015**	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
Current liabilities					
Trade payables	17			50,610	22,390
Derivative financial instruments	8			1,331	12
Borrowings	18			58,247	103,093
Salaries and social charges		96	64	27,097	24,912
Taxes payable		50	434	4,614	5,638
Income tax and social contribution payable				3,236	763
Dividends and interest on capital	12		8,959		8,959
Related parties	12	92		305	
Commissions on sales				6,525	5,669
Other liabilities		110	420	5,629	5,468
		348	9,877	157,594	176,904
Non-current liabilities					
Derivative financial instruments	8				1,164
Borrowings	18			134,250	112,560
Provision for contingencies	19			4,007	2,664
Deferred income tax and social contribution	13				3,812
				138,257	120,200
Total liabilities		348	9,877	295,851	297,104
Equity	20				
Capital		298,889	298,889	298,889	298,889
Capital reserves		(6,392)	(6,275)	(6,392)	(6,275)
Options granted		1,119		1,119	
Revenue reserves		18,205	22,136	18,205	22,136
Carrying value adjustments		16,089	15,319	16,089	15,319
Retained earnings		45,309		45,309	
		373,219	330,069	373,219	330,069
Non-controlling interests				131	88
Total equity		373,219	330,069	373,350	330,157
Total liabilities and equity		373,567	339,946	669,201	627,261

The accompanying notes are an integral part of this quarterly information.

Ouro Fino Saúde Animal Participações S.A.

Statement of income

All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

		Parent company			
	Note	**Quarter ended 9/30/2015**	**Nine-month period ended 9/30/2015**	**Quarter ended 9/30/2014**	**Period from 4/10/2014 to 9/30/2014**
General and administrative expenses	23	(476)	(1,274)	(267)	(267)
Equity in the results of subsidiaries	14	19,372	46,535	11,294	26,352
Other income, net	24	49	88		
Operating profit		18,945	45,349	11,027	26,085
Finance income		1	4		
Finance costs		(10)	(44)		
Finance result	25	(9)	(40)		
Profit for the period		18,936	45,309	11,027	26,085

Ouro Fino Saúde Animal Participações S.A.

Statement of income
All amounts in thousands of reais unless otherwise stated **(continued)**

	Note	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
		Consolidated			
Continuing operations					
Revenue	22	149,425	369,165	103,706	191,914
Cost of sales	23	(63,432)	(158,988)	(37,144)	(75,603)
Gross profit		85,993	210,177	66,562	116,311
Selling expenses	23	(43,345)	(117,577)	(37,241)	(61,746)
General and administrative expenses	23	(10,261)	(28,367)	(9,122)	(11,651)
Other income (expenses), net	24	(749)	120	82	(55)
Operating profit		31,638	64,353	20,281	42,859
Finance income		8,043	25,085	7,577	9,210
Finance costs		(13,353)	(32,889)	(12,849)	(16,174)
Finance result	25	(5,310)	(7,804)	(5,272)	(6,964)
Profit before income tax and social contribution		26,328	56,549	15,009	35,895
Income tax and social contribution	26				
Current		(6,097)	(16,701)	(2,248)	(5,512)
Deferred		(1,296)	5,474	(1,031)	(3,211)
Earnings for the period from continuing operations		18,935	45,322	11,730	27,172
Discontinued operations					
Loss for the period from discontinued operations				(555)	(612)
Profit for the period		18,935	45,322	11,175	26,560
Attributable to:					
Owners of the parent company		18,936	45,309	11,027	26,085
Non-controlling interests		(1)	13	148	475
		18,935	45,322	11,175	26,560
Earnings per share attributable to owners of the parent company during the period (in reais)	27				
Basic earnings per share		0.35104	0.83996	0.23222	1.00169
Diluted earnings per share		0.35046	0.83931	0.23222	1.00169

The accompanying notes are an integral part of this quarterly information.

Ouro Fino Saúde Animal Participações S.A.

Statement of comprehensive income

All amounts in thousands of reais (A free translation of the original in Portuguese)

	Parent company			
	Quarter ended 9/30/2015	**Nine-month period ended 9/30/2015**	**Quarter ended 9/30/2014**	**Period from 4/10/2014 to 9/30/2014**
Profit for the period	18,936	45,309	11,027	26,085
Other components of comprehensive income				
Items that will be reclassified to profit or loss				
Exchange variation of investment in subsidiary located abroad	525	770	170	154
Total comprehensive income for the period	19,461	46,079	11,197	26,239

	Consolidated			
	Quarter ended 9/30/2015	**Nine-month period ended 9/30/2015**	**Quarter ended 9/30/2014**	**Period from 4/10/2014 to 9/30/2014**
Profit for the period	18,935	45,322	11,175	26,560
Other components of comprehensive income				
Items that will be reclassified to profit or loss				
Exchange variation of investment in subsidiary located abroad	546	800	170	154
Total comprehensive income for the period	19,481	46,122	11,345	26,714
Attributable to:				
Owners of the parent company	19,461	46,079	11,197	26,239
Non-controlling interests	20	43	148	475
	19,481	46,122	11,345	26,714

The accompanying notes are an integral part of this quarterly information.

Ouro Fino Saúde Animal Participações S.A.

Statement of changes in equity

All amounts in thousands of reais (A free translation of the original in Portuguese)

		Attributable to owners of the parent company									
					Revenue reserves						
	Note	Capital	Capital reserve	Options granted	Legal reserve	Profit retention reserve	Carrying value adjustments	Retained earnings	Total	Non-controlling interests	Total equity
Contributions by owners											
Payment of capital on April 10, 2014		1							1		1
Net assets merged	20 (a)	188,626					15,208		203,834		203,834
Capital increase with merger of shares	20 (a)	3,819						(2,746)	1,073		1,073
Loss on acquisition of investment	20 (a)							(3,368)	(3,368)		(3,368)
Non-controlling interests										(380)	(380)
Total contributions by owners		192,446					15,208	(6,114)	201,540	(380)	201,160
Comprehensive income for the period											
Profit for the period								26,085	26,085	475	26,560
Exchange variation of subsidiary located abroad							154		154		154
Total comprehensive income for the period							154	26,085	26,239	475	26,714
At September 30, 2014		192,446					15,362	19,971	227,779	95	227,874
At January 1, 2015		298,889	(6,275)		1,886	20,250	15,319		330,069	88	330,157
Comprehensive income for the period											
Profit for the period								45,309	45,309	13	45,322
Exchange variation of subsidiary located abroad							770		770	30	800
Total comprehensive income for the period							770	45,309	46,079	43	46,122
Contributions by owners											
Distribution of additional dividends for 2014	20 (c)					(3,931)			(3,931)		(3,931)
Stock options granted	20 (e)			1,119					1,119		1,119
Borrowing costs			(117)						(117)		(117)
Total contributions by owners			(117)	1,119		(3,931)			(2,929)		(2,929)
At September 30, 2015		298,889	(6,392)	1,119	1,886	16,319	16,089	45,309	373,219	131	373,350

Ouro Fino Saúde Animal Participações S.A.

Statement of cash flows

All amounts in thousands of reais (A free translation of the original in Portuguese)

	Note	Nine-month period ended 9/30/2015 Parent company	Nine-month period ended 9/30/2015 Consolidated	Period from 4/10/2014 to 9/30/2014 Parent company	Period from 4/10/2014 to 9/30/2014 Consolidated
Cash flows from operating activities					
Profit before income tax and social contribution		45,309	56,549	26,085	35,283
Adjustments for:					
Reversal of the provision for impairment of trade receivables	9		27		(97)
Provision (reversal of the provision) for inventory losses and write-offs	10		(700)		1,382
Provision for losses on advances					266
Equity in the results of subsidiaries	14	(46,535)		(26,352)	
Depreciation and amortization			14,406		6,756
Provision for impairment of intangible assets					776
Gains on disposal of property, plant and equipment			(167)		(528)
Interest and monetary and exchange variations, net			20,911		11,014
Unrealized derivative financial instruments			(11,303)		(3,885)
Provision for (reversal of) contingencies	19		139		(964)
Stock options granted		16	1,119		
Changes in working capital					
Trade receivables			(15,320)		(22,466)
Inventories			(47,325)		(6,917)
Taxes recoverable			(6,436)		4,496
Other assets		40	481	(3,259)	(846)
Trade payables			24,574	2,657	(12,590)
Taxes and charges payable		(441)	(259)	39	(2,837)
Other liabilities		(247)	4,323	180	9,226
Cash provided by (used in) operations		(1,858)	41,019	(650)	18,069
Interest paid			(6,177)		(6,313)
Income tax and social contribution paid			(12,663)		(2,098)
Cash provided by (used in) operating activities		(1,858)	22,179	(650)	9,658
Cash flows from investing activities					
Advances for future capital increase		(25,000)		(3,950)	
Acquisition of investment	30		(387)		
Investments in intangible assets	15		(13,894)		(7,772)
Purchase of property, plant and equipment	16		(22,738)		(7,012)
Receipts of dividends and interest on capital		39,746		10,708	
Proceeds from sale of property, plant and equipment			903		7,752
Net cash provided by (used in) investing activities		14,746	(36,116)	6,758	(7,032)
Cash flows from financing activities					
Proceeds from borrowings			63,905		61,369
Repayment of borrowings			(103,173)		(51,303)
Borrowings received - related parties					8,600
Borrowings repaid - related parties					(13,780)
Payment of dividends and interest on capital		(12,889)	(12,889)		
Realized derivative financial instruments			19,899		
Net cash used in financing activities		(12,889)	(32,258)		4,886
Net increase (decrease) in cash and cash equivalents		(1)	(46,195)	6,108	7,512
Cash and cash equivalents at the beginning of the period		11	72,453		14,424
Exchange gains on cash and cash equivalents			185		133
Cash received on acquisition of investments	30		385		
Cash and cash equivalents at the end of the period	7	10	26,828	6,108	22,069

The accompanying notes are an integral part of this quarterly information.

Ouro Fino Saúde Animal Participações S.A.

Statement of value added

All amounts in thousands of reais (A free translation of the original in Portuguese)

	Nine-month period ended 9/30/2015		Period from 4/10/2014 to 9/30/2014	
	Parent company	Consolidated	Parent company	Consolidated
Revenues				
Gross sales and services		406,947		213,120
Other income		138		123
Income related to the construction of own assets		10,924		7,599
Provision for impairment of trade receivables		(27)		97
		417,982		220,939
Inputs acquired from third parties				
Cost of sales and services		(129,291)		(58,672)
Materials, electricity, third-party services and others	(542)	(95,655)	(77)	(50,866)
Losses on assets, net		956		(2,351)
	(542)	(223,990)	(77)	(111,889)
Gross value added	(542)	193,992	(77)	109,050
Depreciation and amortization		(14,406)		(6,756)
Net value added generated by the entity	(542)	179,586	(77)	102,294
Value added received through transfer				
Equity in the results of subsidiaries	46,535		26,352	
Finance income	4	25,121		9,210
Royalties	75	75		
Others	26	1,019		248
Total value added to distribute	46,098	205,801	26,275	111,752
Distribution of value added				
Personnel				
Salaries and wages	611	69,926	158	34,138
Benefits	3	12,993	1	6,423
FGTS		5,397		2,535
Taxes, charges and contributions				
Federal	130	33,169	31	20,831
State	1	1,372		3,856
Municipal		203		63
Remuneration of third parties' capital				
Interest	44	32,893		15,831
Rentals		3,871		1,122
Others		655		393
Remuneration of own capital				
Profits reinvested	45,309	45,309	26,085	26,085
Non-controlling interests		13		475
Value added distributed	46,098	205,801	26,275	111,752

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of reais unless otherwise stated

1 General information

Ouro Fino Saúde Animal Participações S.A. (the "Company") is a listed corporation headquartered in Cravinhos, in the State of São Paulo It was established on April 10, 2014 and its objective and main activity is the investment in companies operating in the animal health industry (production and sale of veterinary drugs, vaccines and other products for production and companion animals).

At the Extraordinary General Meeting held on June 30, 2014, the stockholders approved the merger of net assets consisting of investments, net of corresponding carrying value adjustments of Ouro Fino Saúde Animal Ltda. (and its subsidiary Ouro Fino de México, S.A. de CV), Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda., in the net amount of R$ 188,626, based on an appraisal report at book value as of April 30, 2014, issued by independent appraisers on June 24, 2014. Therefore, the consolidated financial statements for the nine-month period ended September 30, 2015 are not comparable with the consolidated financial statements for the period between April 10 and September 30, 2014, presented for comparative purposes.

The issue of this parent company and consolidated interim accounting information was authorized by the Company's Board of Directors on October 22, 2015.

The economic group of which the Company and its subsidiaries are part (hereinafter referred to as the "Ouro Fino Group" or the "Group") comprises the following companies:

(a) Ouro Fino Saúde Animal Participações S.A.

Ouro Fino Saúde Animal Participações S.A. is a listed corporation headquartered in Cravinhos, in the State of São Paulo, registered with the São Paulo Futures, Commodities and Securities Exchange - BM&FBovespa S.A. ("BM&FBovespa") in the Novo Mercado (New Market) category. Its objective and main activity is the direct or indirect investment in the subsidiaries listed below.

On October 17, 2014, the Group completed the public offering process for the primary and secondary distribution of its common shares. The public offering was carried out on the OTC market, as established in CVM Instruction 400.

The table below shows the number of the Company's common shares held by holders of not less than 5% of common shares and the members of management:

	Common shares	%
Jardel Massari	14,834,135	27.50
Norival Bonamichi	14,834,135	27.50
General Atlantic	9,017,407	16.72
BNDESPar	6,666,788	12.36
Dolivar Coraucci Neto	801,845	1.49
Fábio Lopes Júnior	801,845	1.49
Others	6,986,152	12.95
Total	53,942,307	100.00

(b) Ouro Fino Saúde Animal Ltda.

This subsidiary, headquartered in Cravinhos, in the State of São Paulo, has as its objective and main activity the research, development, production and sale of veterinary drugs, vaccines and products. The sales in the domestic market are carried out through the companies mentioned in items (c) and (d) below. The sales in the foreign market are carried out directly with third parties and through the companies mentioned in items (e) and (f) below. This company also provides manufacturing services to order from third parties.

On May 30, 2014, the Ministry of Agriculture, Cattle Breeding and Supply (MAPA) published the Regulatory Instruction (IN) 13, effective on the same date, and resolved to "prohibit the manufacture, processing, fractionation, sale, import and use of long-acting veterinary products having macrocyclic lactones (avermectins) as their active ingredients, and that could be used in the food of any animal or insect" and suspended, as from its effectiveness, the registrations granted to finished products for veterinary use until MAPA carries out studies on the subject.

Considering that the Group had in its portfolio some products that could be considered as subject to this IN, on the same date management decided to record a provision for the risk of non-realization of some balances related to inventories and intangible assets, in the amounts of R$ 293 and R$ 340, respectively.

On March 27, 2015, the Ministry of Agriculture, Cattle Breeding and Supply (MAPA) decided to repeal the Regulatory Instruction (IN) 13. A new IN permitting the use of these products was signed and published in the Federal Official Gazette (Diário Oficial da União). Therefore, the balances provided for as mentioned above were reversed on the same date.

(c) Ouro Fino Agronegócio Ltda.

This company is headquartered in Cravinhos, in the State of São Paulo, and has as its main activities the sale in the domestic market of veterinary drugs and products for production animals (cattle, pigs, poultry, sheep, horses and goats) acquired from the company mentioned in item (b) above.

(d) Ouro Fino Pet Ltda.

This subsidiary, headquartered in Vinhedo, in the State of São Paulo, has as its main activity the sale in the domestic market of veterinary drugs and products and related goods for companion animals (cats, dogs and ornamental birds) purchased from the company mentioned in item (b) above.

(e) Ouro Fino de México, S.A. de CV

A subsidiary of Ouro Fino Saúde Animal Ltda. (96.43% equity interest), headquartered in Guadalajara, Mexico. Its main activity is the sale, exclusively in Mexico, of veterinary drugs and products purchased from its parent company.

(f) Bracol Agronegócio S.A.S.

A subsidiary of Ouro Fino Saúde Animal Ltda. (100% equity interest), headquartered in Medellin, Colombia. Its main activity is the sale, exclusively in Colombia, of veterinary drugs and products purchased from its parent company. The company was acquired on September 15, 2015, as mentioned in Note 30.

2 Summary of significant accounting policies

The main accounting policies applied in the preparation of this parent company and consolidated interim accounting information are set out below. These policies have been consistently applied in the parent company and in its subsidiaries.

2.1 Basis of preparation

The interim accounting information was prepared in accordance with the Brazilian technical pronouncement CPC 21 - Interim Financial Reporting, and with international accounting standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and is presented in accordance with the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of quarterly information (ITR).

The preparation of the interim accounting information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policy. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company and consolidated interim accounting information, are disclosed in Note 3.

(a) Parent company accounting information

The parent company interim accounting information was prepared in accordance with the Brazilian technical pronouncement CPC 21 - Interim Financial Reporting and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

This parent company accounting information is disclosed together with the consolidated interim accounting information.

(b) Consolidated accounting information

The consolidated interim accounting information was prepared and is being presented in accordance with the Brazilian Technical Pronouncement CPC 21 - Interim Financial Reporting, and with the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

The presentation of the parent company and consolidated Statement of value added is required by Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to listed companies. The International Financial Reporting Standards (IFRS) do not require the presentation of this statement. Consequently, for IFRS purposes, this statement is presented as supplementary information.

(c) Changes in accounting policies and disclosures

In 2015, new standards and revisions of CPCs/IFRS became effective and were adopted by the Company and its subsidiaries, when applicable. Of these standards, the only one that is significant for the Company and its subsidiaries is the following:

Review CPC 07 - "Equity Method in Separate Financial Statements", changes the wording of CPC 35 - "Separate Financial Statements" and includes changes made by IASB in the IAS 27 - Separate Financial Statements, and permits the adoption of the equity method in subsidiaries in separate financial statements, thus aligning the Brazilian accounting practices with international accounting standards.

Other amendments and interpretations which are effective for 2015 are not relevant for the Group.

2.2 Consolidation

The following accounting policies are applied in the preparation of the consolidated interim accounting information.

(a) Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Identifiable assets acquired and liabilities and contingent liabilities assumed for the acquisition of subsidiaries in a business combination are measured initially at their fair values on the acquisition date. Acquisition-related costs are expensed as incurred.

(b) Transactions, balances and unrealized gains between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. The accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating and strategic decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Board of Directors.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the interim accounting information of each of the Group companies are measured using the currency of the primary economic environment in which the entities operate (the "functional currency"), which is substantially the Brazilian real, except as mentioned in item (c) below. Therefore, the parent company and consolidated interim accounting information is presented in this currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation, when items are measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, as finance income or cost.

(c) Group companies with a functional currency different from the Brazilian real

The results and the financial position of Ouro Fino de Mexico, S.A. de CV and Bracol Agronegócio S.A.S (subsidiaries of Ouro Fino Saúde Animal Ltda.), whose functional currency is different from the presentation currency, are translated into the presentation currency as follows:

(i) Assets and liabilities for each balance sheet presented are translated at the closing rate of the balance sheet date.

(ii) Income and expenses for each statement of income are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

(iii) All resulting exchange differences are recognized as a separate component of equity, in "Carrying value adjustments".

2.5 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less and with immaterial risk of change in value.

2.6 Financial assets

2.6.1 Classification

The Group classifies its financial assets, at initial recognition, in the following categories: loans and receivables and measured at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and which are not classified in the "at fair value through profit or loss" category. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. Loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

(b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. All financial assets in this category are classified as current assets. Derivatives are also classified as "held for trading".

2.6.2 Recognition and measurement

Normal purchases and sales of financial assets are recognized on the trade date. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of income. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value.

Loans and receivables are carried at amortized cost using the effective interest rate method.

2.6.3 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legal right should not be contingent on the occurrence of future events and should be applicable in the ordinary course of business, and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.6.4 Impairment of financial assets

Assets carried at amortized cost

Management assesses at the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2.7 Derivative financial instruments

Derivative financial instruments are contracted with the purpose of hedging transactions against the risks of fluctuations in foreign exchange and interest rates, and are not used for speculative purposes. The Group mainly operates with exchange rate and interest rate swap contracts. Derivatives are recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Since the Group does not adopt hedge accounting, the changes in the fair value of derivative instruments are recognized immediately in the statement of income within "Finance result".

2.8 Trade receivables

Trade receivables are stated at the original sales amount, plus, when applicable, monetary and foreign exchange variations, and less the provision for impairment of trade receivables. If collection is expected in one year or less, the receivables are classified as current assets. If not, they are presented as non-current assets.

Impairment is established when there is objective evidence that the companies will not be able to recover all the amounts due. The calculation of the provision is based on a reasonable estimate to cover probable losses on the realization of receivables, taking into consideration the situation of each customer and respective guarantees.

2.9 Inventories

Inventories are stated at the lower of average cost of purchase or production and net realizable value. Cost is determined using the weighted fixed average method. The cost of finished products and work in process comprises raw materials, direct labor, other direct costs and related general production expenses (based on the normal operational capacity). Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and estimated selling expenses. Imports in transit are stated at the accumulated cost of each transaction.

2.10 Current and deferred income tax and social contribution

The income tax and social contribution expenses for the period comprise current and deferred taxes. Income taxes are recognized in the statement of income, except to the extent that they relate to items recognized directly in equity. In this case, the taxes are also recognized directly in equity.

The current and deferred income tax and social contribution are calculated on the basis of the tax laws enacted at the balance sheet date in the countries where the Group entities operate and generate taxable income. The currently defined tax rates in Brazil of 25% for income tax and 9% for social contribution are utilized to calculate deferred taxes.

The current and deferred income tax and social contribution are presented net, separated by taxpaying entity, in liabilities when there are amounts payable, or in assets when the amounts prepaid exceed the total amount due on the reporting date.

Deferred income tax and social contribution are recognized on accumulated tax losses and temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. They are determined based on tax rates in effect on the balance sheet date and which are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent it is probable that future taxable profit will be available against which the temporary differences and/or tax losses can be utilized.

Ouro Fino Pet Ltda. calculates income tax and social contribution under the deemed profit method. The deemed profit system is a simplified taxation method to determine the calculation basis of corporate entities that are not obliged, in the calendar year, to use the taxable profit method, or whose total gross revenue is equal to or lower than R$ 78,000.

2.11 Intangible assets

(a) Research and development of products

Research expenditures are recognized as expenses when incurred. Expenditures incurred in the development of products are recognized as intangible assets only if the cost can be reliably measured and when it is probable that they will bring future economic benefits.

The Group evaluates projects based on its own methodology, which considers various analysis structures, and the projects will be successful from the development of "pilots" of the products made according to the requirements of regulatory bodies, accompanied by analyses of financial feasibility.

Capitalized development expenditures are amortized as from the beginning of the sale of the product, using the straight-line method over the years of the expected benefit, which is, on average, 10 years.

The finance charges on borrowings to finance a project are capitalized during the period required to develop the products.

(b) Trademarks and licenses purchased

Separately purchased trademarks and licenses are initially stated at historical cost. Since trademarks and licenses have a defined useful life, they are subsequently carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of approximately 10 years.

Trademarks and licenses acquired in a business combination are recognized at fair value on the acquisition date. Amortization is calculated using the straight-line method over the estimated useful lives of between 10 and 18 months.

(c) Computer software

Computer software licenses acquired are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of five years on the straight-line method.

Costs associated with maintaining computer software are recognized as an expense, as incurred.

(d) Goodwill on the acquisition of subsidiaries

Goodwill arises from the acquisition of subsidiaries and represents the excess of (i) the consideration transferred, and (ii) the acquisition-date fair value of identifiable assets acquired and liabilities assumed. Goodwill on acquisitions of subsidiaries is included in "Intangible assets" in the consolidated financial statements. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2.12 Property, plant and equipment

Property, plant and equipment are stated at historical cost, less accumulated depreciation. This cost was adjusted in subsidiaries to reflect the deemed cost of land on the date of transition to IFRS/CPCs, is calculated on the straight-line method, considering the estimated useful lives of the respective assets. The annual depreciation rates are disclosed in Note 16. Subsequent costs are included in an asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part or item is derecognized. All other repairs and maintenance are charged to the statement of income when incurred.

If the carrying amount of an asset is higher than its recoverable value, the Group records a provision for impairment to adjust the carrying amount to the estimated recoverable value.

The costs of borrowings used to finance the construction of property, plant and equipment are capitalized during the period necessary to construct and prepare the asset for its intended use. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other income (expenses), net" in the statement of income.

2.13 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business and are classified as current liabilities if payment is due in one year or less. If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. In practice, they are usually recorded at the amount of the related invoice.

2.15 Borrowings

Borrowings are initially recognized on the receipt of funds, net of transaction costs, and are subsequently presented at cost plus charges and interest in proportion to the year elapsed, using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.16 Provisions

Provisions are recognized when there is a present or constructive obligation as a result of past events, it is probable that assets will be surrendered to settle the obligation, and a reliable estimate of the amount can be made.

2.17 Other assets and liabilities

An asset is recognized in the balance sheet when it is probable that its future economic benefits will flow to the Company and its cost or value can be reliably measured. A liability is recognized in the balance sheet when the Company has a legal or constituted obligation resulting from a past event and it is probable that economic resources will be required to settle the liability. The assets and liabilities are recorded including accrued income or incurred charges and exchange and monetary variations.

Assets and liabilities are classified as current when the realization or settlement is probable within the next 12 months. Otherwise, they are presented as non-current.

2.18 Employee benefits

(a) Private pension plan

The Group companies sponsor a defined contribution pension plan for their employees. In the defined contribution plan, the companies pay contributions to private pension plans on contractual bases. After the contributions have been made, the companies have no further obligations for additional payments. The regular contributions comprise the net periodic costs for the period in which they are due and are included in personnel expenses.

(b) Profit sharing

The Group recognizes a liability and an expense for profit-sharing in the statement of income. These provisions are calculated based on quantitative and qualitative targets established by management and are recorded as personnel expenses in the statement of income.

(c) Share-based payments

The Company has one share-based compensation plan (stock option plan), duly approved by the Board of Directors, under which it receives services from its executives and third parties as consideration for the share options granted. The premium of these options, calculated on the grant date, is recognized as an expense against equity during the grace period.

2.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of products and services in the ordinary course of the activities. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group. Revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of its activities, as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of products

The Group produces and sells a range of veterinary drugs and products for production and companion animals.

Sales are recognized when a Group entity has delivered products to the customer and the customer has full discretion over the channel and price to resell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

(b) Finance income

Finance income is recognized on the accrual basis, using the effective interest rate method.

2.20 Other income and expenses

Other income and expenses are recognized in the statement of income on the accrual basis of accounting.

2.21 Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments.

Lease obligations are included in borrowings.

2.22 Distribution of dividends and interest on capital

The distribution of dividends and interest on capital to stockholders is recognized as a liability in the interim accounting information based on the Company's bylaws. Any amount that exceeds the minimum required is only provisioned on the date it is approved by the stockholders at the Ordinary General Meeting.

The tax benefit of interest on capital is recognized in the statement of income, because in substance it represents a decrease in the effective rate of income tax and social contribution.

2.23 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards and interpretations to existing standards were issued by the IASB but are not effective for September 30, 2015. The early adoption of standards, even though encouraged by the IASB, has not been implemented in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).

- IFRS 9 - "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. The full version of IFRS 9 was published in July 2014, effective on January 1, 2018. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 maintains, but simplifies, the combined measurement model, and establishes three main categories of measurement of financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. It also includes a new model of expected loan losses, which replaces the existing incurred losses model. IFRS 9 mitigates the requirements of hedge effectiveness and requires an economic relationship between the hedged item and the hedging instrument, and that the hedge ratio be the same as that which management effectively uses for risk management purposes. Management is assessing the full impact of the adoption of IFRS 9.

- IFRS 15 - "Revenue from Contracts with Clients", specifies how and when revenue must be recognized, as well as defines rules for disclosure of relevant information. IFRS 15 was issued in May 2014 and replaces IAS 18 - "Revenue", IAS 11 - "Construction Contracts" and several interpretations related to revenue. The application of this standard is mandatory for all the companies that issue financial statements for IFRS purposes and it applies to almost all contracts with clients, the main exceptions being leases, financial instruments and insurance contracts. The Group is yet to assess IFRS 15's full impact. The standard is applicable as from January 1, 2017.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

3 Critical accounting estimates and judgments

Accounting estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

Based on assumptions, the Group makes estimates concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

(a) Impairment of intangible assets

The Group annually tests product development balances in intangible assets for impairment, whenever possible through the discounted cash flow method, considering, among other aspects:

(i) assumptions of future revenue generation, based on market dimensions (current and expected) and on the Group's planned market share;

(ii) estimates of direct and indirect manufacturing costs; and

(iii) trading expenditures, such as marketing, commission, freight and storage expenses.

The projection years cover five or more years as from the estimated launching date, depending on the estimates of the product's life cycle, market development and level of associated technological innovation. Provisions are recorded when the recoverable amount (net present value of cash flow) is below the amount of the recorded asset, pursuant to the Company's accounting policy presented in Note 2.13.

(b) Deferred income tax and social contribution

The deferred income tax and social contribution assets, arising from income tax and social contribution losses, were recognized based on the expectation of future realization, supported by projections of results made by management, which consider the typical development of business and markets, according to the currently known scenarios.

(c) Provision for contingencies

The Group is a party to labor, civil and tax lawsuits at various court levels. Provisions for contingencies, to cover expected losses on proceedings in progress are established and updated based on management's assessment, according to the opinion of its legal counsel, and require a high level of judgment on the matters involved.

(d) Review of the useful lives of property, plant and equipment

The recovery capacity of the assets that are used in the Group's activities is evaluated whenever events or changes in circumstances indicate that the carrying amount of assets or group of assets may not be recoverable based on future cash flows. If the carrying amount of these assets is higher than their recoverable value, the carrying amount is adjusted and the useful lives revised to new levels.

4 Financial risk management

4.1 Financial risk factors

The activities of the Group companies expose them to financial risks mainly related to foreign exchange variations, fluctuation in interest rates, credit and liquidity. The objective of risk management is to reduce potential unexpected variations in the results arising from the aforementioned risks. The Group manages financial risks as the basis for its growth strategy and satisfactory cash flows. The Group has a Finance Committee that establishes management strategies regarding such exposures, which could include the utilization of derivative or non-derivative financial instruments for hedging potential risks.

The Group monitors the levels of exposure to each market risk (foreign exchange variation and interest rate) through an analysis based on accounting exposure and future cash flow projections.

(a) Market risk

(i) Foreign exchange risk

This risk arises from the possibility of the Group incurring unexpected losses due to fluctuations in foreign exchange rates which reduce the amount of assets and increase liabilities. The Group is mainly exposed to the fluctuation in the U.S. dollar exchange rate.

In order to protect from foreign exchange risks, when necessary, the Group utilizes derivative transactions, mainly exchange rate swap.

All amounts in thousands of reais unless otherwise stated

Swaps, classified as derivatives at fair value through profit or loss, were contracted to exchange the charges on borrowings initially obtained in foreign currency for charges based on the Interbank Deposit Certificate (CDI) rate variation, as well as to exchange interest rates initially contracted as fixed for variable rates. Gains and losses are recognized in "Finance result" in the statement of income, because hedge accounting is not currently adopted.

The following table presents the consolidated carrying amounts of the assets and liabilities denominated in U.S. dollars:

	September 30, 2015	December 31, 2014
Assets in foreign currency		
Cash and cash equivalents	3,242	2,266
Trade receivables	14,173	13,965
Advances to suppliers	13,909	10,820
	31,324	27,051
Liabilities in foreign currency		
Borrowings (*)	1,185	817
Trade payables	32,936	11,330
Advances from customers	271	1
	34,392	12,148
Net exposure - assets (liabilities)	(3,068)	14,903

(*) The balances of borrowings in foreign currency do not consider working capital amounting to R$ 23,953 (December 31, 2014 - R$ 63,648), because exchange rate swap has been contracted.

The assets and liabilities denominated in foreign currency are regularly monitored through the estimated cash flows of incoming and outgoing foreign exchange assets and liabilities. The amount of assets and liabilities in foreign currency fluctuates during a year, which may or may not cause a mismatch. Consequently, in order to mitigate risks arising from foreign exchange variations, whenever required, derivative transactions may be contracted.

All amounts in thousands of reais unless otherwise stated

In the table below five scenarios are presented, considering the changes in the quotation of the real against the U.S. dollar.

		Impact of the appreciation/depreciation of the U.S. dollar on the portfolio balance					
		3.97	3.96	2.97	1.98	4.95	5.94
Assets/liabilities	**Risk**	**September 30, 2015**	**Scenario 1**	**Scenario 2**	**Scenario 3**	**Scenario 4**	**Scenario 5**
			(probable)	(US$ depreciation - 25%)	(US$ depreciation - 50%)	(US$ appreciation - 25%)	(US$ appreciation - 50%)
Cash and cash equivalents	US$ depreciation	3,242	(11)	(808)	(1,616)	808	1,616
Trade receivables	US$ depreciation	14,173	(46)	(3,532)	(7,063)	3,532	7,063
Advances to suppliers	US$ depreciation	13,909	(45)	(3,466)	(6,932)	3,466	6,932
Borrowings	US$ appreciation	1,185	4	295	591	(295)	(591)
Trade payables	US$ appreciation	32,936	107	8,207	16,415	(8,207)	(16,415)
Advances from customers	US$ appreciation	271	1	68	135	(68)	(135)
Net effect		(3,068)	10	764	1,530	(764)	(1,530)

(ii) Interest rate risk

This risk arises from the possibility that the Group may incur losses due to adverse fluctuations in interest rates. The Group's interest rate risk primarily arises from borrowings. The indebtedness is mainly subject to the fixed interest rates and the Interbank Deposit Certificate (CDI) rate. The Group seeks to maintain a stable relation between its long and short-term indebtedness, maintaining a higher proportion in the long-term. As regards financial investments, the index is the CDI rate.

The Group continuously monitors market interest rates in order to assess the need to contract new derivatives to hedge against the volatility risk of these rates.

The Group understands that at present the fluctuations in interest rates do not significantly affect its finance result, since at September 30, 2015, 52% (December 31, 2014 - 49.3%) of its borrowings are subject to fixed interest rates.

(b) Credit risk

The Group is potentially subject to credit risk related to trade receivables, financial investments and derivatives. To limit the risk associated with financial assets, especially financial investments, the Group carries out transactions only with prime financial institutions.

The credit risk is mitigated through the broad customer base and careful selection of customers by business segment (cattle, horses, pigs, poultry and companion animals), in addition to the utilization of guarantees, establishment of individual exposure limits and a well-defined credit policy that utilizes credit risk modeling, through which a rating and credit risk level is attributed to each customer, based on the Group's 28 years of experience in the market.

The Group has a Credit Committee that establishes guidelines and assesses and monitors the levels of credit risk that the Group is willing to accept in the course of its business.

In addition to the risk mitigations established in credit policies, the Group has credit insurance coverage contracted for a portion of its sales.

The Group classifies its customers' portfolio through risk evaluation methodologies developed with the purpose of expressing the real risk of its customers. Weights are attributed to each indicator and a rating is defined based on their combination. The Group's synthetic credit risk rating for its customers is defined according to ratings ranging from "AA" (the lowest risk) to "E" (the highest risk) (Note 6).

(c) Liquidity risk

This is the risk of the Group not having sufficient liquid funds to meet its financial commitments, due to the mismatch of terms or volume in expected receipts and payments.

The Group adopts a responsible policy for managing its financial assets and liabilities, which is monitored by the Chief Financial Officer through operating strategies to ensure liquidity, profitability and security.
Cash flow forecasting is based on the approved budget and subsequent adjustments, which takes into consideration, besides all the operating plans, the plan for raising funds to support planned investments and the maturity schedule of the debts. The treasury area monitors daily the forecasts included in the cash flow projections to ensure the Group has sufficient cash to meet operational needs. Additionally, the Group has pre-approved credit facilities available to increase and strengthen its liquidity position.

Cash and cash equivalents are primarily invested in Bank Deposit Certificates (CDBs) and Repurchase Agreements, corresponding to highly liquid instruments.

The Group maintains its gearing ratio in a manner that does not jeopardize its payment capacity and investments. As established by a guideline, the highest percentage of indebtedness should be allocated to the long-term.

The table below analyzes the financial liabilities into relevant maturity groupings, based on the remaining period at the balance sheet date to the contractual maturity date.

All amounts in thousands of reais unless otherwise stated

The amounts disclosed in the table are the contractual undiscounted cash flows.

				Consolidated
	Less than 1 year	**From 1 to 2 years**	**From 2 to 5 years**	**Over 5 years**
At September 30, 2015				
Trade payables	50,610			
Borrowings (*)	61,675	106,824	31,588	17,806
Derivative financial instruments, net	1,322	(1,927)		
Other liabilities	47,406	812	3,195	
	161,013	105,709	34,783	17,806
At December 31, 2014				
Trade payables	22,390			
Borrowings (*)	113,048	60,987	59,139	339
Derivative financial instruments, net	(10,364)	1,164		
Dividends and interest on capital	8,959			
Other liabilities	39,248	799	1,001	7,878
	173,281	62,950	60,140	8,217

(*) As the amounts included in the table are the contractual undiscounted cash flows, and therefore include future financial charges, these amounts will not reconcile to the amounts disclosed in the balance sheet for borrowings.

4.2 Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for stockholders, maintaining a strong credit classification in order to support business and maximize value for the stockholders.

The Group manages the capital structure and adjusts it considering changes in the economic situation. The capital structure arises from the selection between own capital (capital contributions and profit retention) and third-party capital to finance the Group's operations. The Group monitors capital on the basis of the gearing ratio, which can be measured using several indexes.

All amounts in thousands of reais unless otherwise stated

The gearing ratios at September 30, 2015 and December 31, 2014 are as follows:

		Consolidated	
	Note	**September 30, 2015**	**December 31, 2014**
Borrowings	18	192,497	215,653
Derivative financial instruments, net	8	(605)	(9,200)
Cash and cash equivalents	7	(26,828)	(72,453)
Net debt		165,064	134,000
Equity	20	373,350	330,157
Total capital		538,414	464,157
Gearing ratio (%)		30.66	28.87

4.3 Fair value estimation

The fair value of the financial instruments contracted by the Group is measured based on information obtained from the financial institutions and prices quoted in an active market based on the standard market pricing methodology, which comprises measuring their nominal value up to the due date and discounting this to present value at future market rates.

The Group evaluates, at the reporting date, if there is objective evidence that a financial asset or a group of financial assets is impaired in relation to its recoverable value.

The carrying amounts of trade receivables, less provision for impairment, and payables are assumed to approximate their fair values, especially considering term and nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Financial instruments are measured in the balance sheet at fair value; this requires disclosure of fair value measurements by level of hierarchy.

All amounts in thousands of reais unless otherwise stated

All the Group's financial instruments have been classified as Level 2 "Other observable significant data", as shown below.

		Consolidated	
As per balance sheet	**Classification**	**September 30, 2015**	**December 31, 2014**
Assets - Derivative financial instruments			
Exchange rate swap	Level 2	1,936	10,376
Liabilities - Derivative financial instruments			
Interest rate swap	Level 2	(1,331)	(1,176)
		605	9,200

5 Financial instruments by category

	September 30, 2015			December 31, 2014		
	Parent company	Consolidated		Parent company	Consolidated	
	Loans and receivables	Assets at fair value through profit or loss	Loans and receivables	Loans and receivables	Assets at fair value through profit or loss	Loans and receivables
Assets as per balance sheet						
Cash and cash equivalents	10		26,828	11		72,453
Derivative financial instruments		1,936			10,376	
Accounts receivable			195,511			178,111
Related parties	3,733		1,182	108,658		998
Other assets, except for prepaid expenses			4,940	12		5,458
	3,743	1,936	228,461	108,681	10,376	257,020
	Other financial liabilities	Liabilities at fair value through profit or loss	Other financial liabilities	Other financial liabilities	Liabilities at fair value through profit or loss	Other financial liabilities
Liabilities as per balance sheet						
Trade payables			50,610			22,390
Derivative financial instruments		1,331			1,176	
Borrowings			192,497			215,653
Dividends and interest on capital				8,959		8,959
Related parties	92		305			
Commissions on sales			6,525			5,669
Other liabilities	110		5,629	420		5,468
	202	1,331	255,566	9,379	1,176	258,139

All amounts in thousands of reais unless otherwise stated

6 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired is assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

The balances of bank current accounts, repurchase agreements and bank deposits (CDBs) amounting to R$ 26,787 (December 31, 2014 - R$ 72,400) were held in prime financial institutions rated as A-2 by Standard & Poor's.

The balances of trade receivables are evaluated as described in Note 4.1 (b), as follows:

	September 30, 2015	December 31, 2014
AA	63,776	57,652
A	72,595	55,468
B	28,269	31,631
C	18,682	22,987
D	11,824	11,275
E	3,802	2,508
	198,948	181,521

All amounts in thousands of reais unless otherwise stated

7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, as well as investments in Bank Deposit Certificates (CDBs) earning up to 101.0% of the Interbank Deposit Certificate (CDI) rate variation.

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Cash				
In local currency			6	6
In foreign currency			35	47
			41	53
Banks				
In local currency	10	11	363	2,232
In foreign currency			3,207	2,219
	10	11	3,570	4,451
Bank Deposit Certificates (CDBs)			23,217	67,949
	10	11	26,828	72,453

8 Derivative financial instruments (consolidated)

	September 30, 2015		December 31, 2014	
	Assets	Liabilities	Assets	Liabilities
Exchange rate and interest rate swaps	1,936	1,331	10,376	1,176
Non-current	(1,927)			(1,164)
Current	9	1,331	10,376	12

The fair value of the derivatives is classified as a non-current asset or liability if the remaining maturity of the item protected by the swap is more than 12 months and, as a current asset or liability, if the remaining period until maturity of the item is less than 12 months.

The notional principal amounts of the outstanding exchange rate swap contracts at September 30, 2015 correspond to US$ 6,000 thousand (December 31, 2014 - US$ 23,750 thousand) and of the interest rate swap contracts to R$ 20,400 thousand (December 31, 2014 - R$ 20,400 thousand).

All amounts in thousands of reais unless otherwise stated

9 Trade receivables (consolidated)

	September 30, 2015	December 31, 2014
Domestic customers	184,775	167,556
Foreign customers	14,173	13,965
Provision for impairment of trade receivables	(3,437)	(3,410)
Current	195,511	178,111

The foreign trade receivables at September 30, 2015 corresponded to US$ 3,567 thousand (December 31, 2014 - US$ 5.258).

The analysis of the maturity of trade receivables is as follows:

	September 30, 2015	December 31, 2014
Falling due		
Up to 3 months	118,709	107,816
From 3 to 6 months	50,929	46,199
Over 6 months	13,360	10,760
	182,998	164,775
Past due		
Up to 3 months	6,890	10,126
From 3 to 6 months	1,257	341
Over 6 months	7,803	6,279
	15,950	16,746
	198,948	181,521

The provision for impairment of trade receivables was constituted for receivables overdue by more than 180 days and without guarantees. Management maintains the appropriate collection procedures in relation to the other overdue receivables and believes that the Group will not incur losses.

All amounts in thousands of reais unless otherwise stated

Changes in the provision were as follows:

Merged balance	3,220
Additions	190
At December 31, 2014	3,410
Additions	750
Final write-offs	(723)
At September 30, 2015	3,437

10 Inventories (consolidated)

	September 30, 2015	December 31, 2014
Finished products	57,035	33,254
Raw materials	37,506	24,347
Packaging materials	10,250	10,431
Semi-finished goods	9,415	6,568
Imports in transit	11,821	6,021
Advances to suppliers	3,036	3,672
Others	7,486	5,137
Provision for inventory losses	(1,263)	(2,582)
	135,286	86,848

The changes in the provision for inventory losses differ from the cash flow because it does not take into consideration reductions resulting from inventory adjustments amounting to R$ 619.

All amounts in thousands of reais unless otherwise stated

11 Taxes recoverable

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
ICMS			29,532	26,161
ICMS, PIS and COFINS on acquisitions of property, plant and equipment			1,050	743
IRRF	96	96	3,626	521
IPI			605	510
PIS and COFINS			335	1,402
REINTEGRA			874	
Others			361	97
	96	96	36,383	29,434
Non-current			(29,649)	(22,529)
Current	96	96	6,734	6,905

ICMS credits, which amounted to R$ 28,978 at September 30, 2015 (December 31, 2014 - R$ 22,058), were mainly generated by Ouro Fino Saúde Animal Ltda. These credits are generated by exempted sales on domestic transactions and sales with a sixty-percent reduction in the calculation basis on interstate transactions, with the full/partial maintenance of credits on inputs, pursuant to the ICMS Agreement 100/97.

After the credit balances were inspected, they were considered to be appropriate according to the applicable legislation and can be utilized in the purchase of inputs and machinery and equipment and/or transferred to other Group companies with an interdependence relationship and which regularly calculate ICMS payable. Currently, most of these credits have been subjected to regular inspection processes.

All ICMS credits related to 2010, 2011 and 2012 amounting to R$ 18,846 were approved by the tax authorities, and R$ 11,048 were released for immediate use. The residual balance of R$ 7,798 was temporarily withheld in connection with tax assessment notices which have been discussed at an administrative level and obligations related to the submission of electronic files under the terms of the Coordinating Committee of Tax Administration Board (CAT) Ordinance 83/2009. Up to September 30, 2015, all released credits had already been used.

REINTEGRA credits relate to the Special Tax Refund Regime for Exporters.

All amounts in thousands of reais unless otherwise stated

12 Related parties

(a) Main balances and transactions

	Parent company					
	September 30, 2015					
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Pet Ltda.	Ouro Fino Química Ltda.	Stock-holders	Others	Total
Main balances						
Current assets						
Other assets (i)			17	448	499	964
Interest on capital		2,769				2,769
Current liabilities						
Other liabilities (i)	14			78		92

	Nine-month period ended 9/30/2015				
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino Química Ltda.	Total
Main transactions					
Reimbursement - Shared Services Center	(98)	4	6		(88)
Royalty income				75	75
Other expenses, net	(2)				(2)

	December 31, 2014					
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Química Ltda.	Stock-holders	Others	Total
Main balances						
Current assets						
Other assets (i)			44	448	506	998
Interest on capital		3,400				3,400
Non-current assets						
Advances for Future Capital Increase	103,410	850				104,260
Current liabilities						
Other liabilities (i)	41	151	3	78		273
Dividends and interest on capital				8,959		8,959

	Period from 4/10/2014 to 9/30/2014		
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Total
Main transactions			
Reimbursement - Shared Services Center	(26)	(3)	(29)
Other expenses, net	(2)	(64)	(66)

All amounts in thousands of reais unless otherwise stated

	Consolidated						
	September 30, 2015						
	Ouro Fino Participações e Empr. S.A.	Ouro Fino Química Ltda.	Condomínio Rural Ouro Fino	BNDES	Stockholders	Others	Total
Main balances							
Current assets							
Other assets (i)	15	184	36		448	499	1,182
Current liabilities							
Other liabilities (i)		297	8				305
Borrowings				4,210			4,210

	Nine-month period ended 9/30/2015				
	Ouro Fino Participações e Empr. S.A.	Ouro Fino Química Ltda.	Condomínio Rural Ouro Fino	BNDES	Total
Main transactions					
Gross profit from sales of goods			48		48
Reimbursement - Shared Services Center	61	2,119			2,180
Royalty income		75			75
Other income (expenses), net	104	(365)	(466)		(727)
Finance income	46				46
Interest on borrowings				(598)	(598)

	December 31, 2014						
	Ouro Fino Participações e Empr. S.A.	Ouro Fino Química Ltda.	Condomínio Rural Ouro Fino	BNDES	Stockholders	Others	Total
Main balances							
Current assets							
Other assets (i)	28	880	78		448	506	1,940
Current liabilities							
Other liabilities (i)		222			78		300
Dividends and interest on capital					8,959		8,959
Borrowings				8,361			8,361

	Period from 4/10/2014 to 9/30/2014				
	Ouro Fino Participações e Empr. S.A.	Ouro Fino Química Ltda.	Condomínio Rural Ouro Fino	BNDES	Total
Main transactions					
Gross profit from sales of goods			16		16
Reimbursement - Shared Services Center	155	5,505			5,660
Other income (expenses), net	74	358	(403)		29
Proceeds from disposal of property, plant and equipment		17			17
Finance costs	(499)	(166)			(665)
Interest on borrowings				(383)	(383)

(i) Other assets and liabilities

Other assets and liabilities are represented by the reimbursement of expenses, especially expenditures with the Shared Services Center ("CSC"), according to the expense sharing agreement entered into on June 30, 2014.

All amounts in thousands of reais unless otherwise stated

(b) Key management compensation

Key management personnel include members of the Board of Directors and the Executive Board, whose remuneration is approved at the Ordinary General Meeting. The compensation paid or payable to key management for their services is shown below:

	September 30, 2015	September 30, 2014
Salaries	1,882	874
Labor charges	128	50
Compensation and fringe benefits	106	82
Variable compensation	365	
Share-based payments (i)	386	
	2,867	1,006

(i) Despite the fact that management does not consider share-based payments as compensation, the amounts under this heading are recorded in this Note, as required by the Technical Pronouncement CPC 05 - Related-party Disclosures.

13 Current and deferred income tax and social contribution (consolidated)

The Company and its subsidiaries Ouro Fino Saúde Animal Ltda. and Ouro Fino Agronegócio Ltda. determine income tax and social contribution on the taxable profit method, calculated at the rates of 25% for income tax and 9% for social contribution, whereas Ouro Fino Pet Ltda. adopts the deemed profit method. The Group also has companies located in Mexico and Colombia, which calculate their taxes based on the regulations of those countries. Therefore, there is no correlation between the amounts presented in the consolidated statements of income and the results that would have been obtained by applying the standard rates mentioned above.

Deferred tax credits arise from accumulated income tax and social contribution losses, as well as from temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset temporary differences and/or income tax and social contribution losses, considering projections of future results based on internal assumptions and future economic scenarios, which are, therefore, subject to changes.

All amounts in thousands of reais unless otherwise stated

(a) Composition, nature and realization of taxes

(i) Deferred income tax and social contribution assets, net

	September 30, 2015	December 31, 2014
Tax credits on:		
Accumulated income tax and social contribution losses - Business combinations	336	
Temporary differences		
Unrealized profit in inventories	3,226	
Foreign exchange variations - on cash basis	982	
Pre-operating expenses written-off	1,008	
Derivative financial instruments	453	
Provision for contingencies - Business combinations	507	
Provisions	6,452	2,841
	12,964	2,841
Tax liabilities on:		
Temporary differences		
Deemed cost of land	(7,878)	
Revaluation surplus of inventories - Business combinations	(75)	
Product license - Business combinations	(320)	
Derivative financial instruments	(659)	(921)
	(8,932)	(921)
Total assets, net	4,032	1,920

All amounts in thousands of reais unless otherwise stated

(ii) Deferred income tax and social contribution liabilities, net

	September 30, 2015	December 31, 2014
Tax credits on:		
Temporary differences		
Provisions		(4,311)
Unrealized profit in inventories		(1,460)
Pre-operating expenses written-off		(1,152)
		(6,923)
Tax liabilities on:		
Deemed cost of land		7,878
Foreign exchange variations - on cash basis		430
Derivative financial instruments		2,208
Accelerated depreciation		219
		10,735
Total liabilities, net		3,812
Total deferred tax credits	12,964	9,764
Total deferred tax liabilities	8,932	11,656

Deferred income tax and social contribution are presented net, by entity, in the balance sheet.

The net changes in the deferred tax account were as follows:

	September 30, 2015	December 31, 2014
Opening balance	(1,892)	3,495
Pre-operating expenses written-off	(144)	(128)
Accumulated income tax and social contribution losses		(5,650)
Derivative financial instruments	2,923	(3,605)
Provisions	(700)	2,274
Unrealized profit in inventories	1,766	1,460
Exchange rate variations - taxation on cash basis	1,412	239
Provision for contingencies - Business combinations	507	
Revaluation surplus of inventories - Business combinations	(75)	
Product license - Business combinations	(320)	
Accumulated income tax and social contribution losses - Business combinations	336	
Accelerated depreciation	219	23
Closing balance	4,032	(1,892)

All amounts in thousands of reais unless otherwise stated

The credits arising from accumulated income tax and social contribution losses, if any, will be offset against future taxable profit, limited to 30% thereof each year, considering the current projections of realization prepared by management for the following years.

The amounts by estimated offset periods are as follows:

	September 30, 2015	December 31, 2014
Deferred tax assets to be recovered		
within 1 year	11,345	8,899
from 2 to 5 years	1,619	865
	12,964	9,764
Deferred tax liabilities to be settled		
within 1 year	734	3,778
from 2 to 5 years	320	
after 5 years	7,878	7,878
	8,932	11,656

14 Investments in subsidiaries (parent company)

		September 30, 2015			
		Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Total
(a)	**Information on subsidiaries**				
	Number of quotas held	215,452,772	80,622,495	1,000,000	
	Percentage holding	99.99%	100.00%	100.00%	
	Equity (*)	235,836	114,044	19,842	369,722
	Profit for the period	5,510	26,710	17,741	49,961
	Unrealized profit in inventories for the current period	(6,260)			(6,260)
	Unrealized profit in inventories for the prior period	2,834			2,834
(b)	**Changes in investments**				
	At the beginning of the period	103,642	99,364	28,163	231,169
	Equity in the results of subsidiaries	2,084	26,710	17,741	46,535
	Capital increase with advances for future capital increase (***)	128,410	850		129,260
	Stock options granted	930	120	53	1,103
	Dividends received		(13,000)	(26,115)	(39,115)
	Foreign exchange variation of foreign investments	770			770
		235,836	114,044	19,842	369,722

All amounts in thousands of reais unless otherwise stated

		December 31, 2014			
		Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Total
(a)	**Information on subsidiaries**				
	Number of quotas held	87,064,319	79,772,495	1,000,000	
	Percentage holding	99.99%	100.00%	100.00%	
	Equity (*)	103,642	99,364	28,163	231,169
	Profit for the period	3,157	25,053	18,079	46,289
	Unrealized profit in inventories for the current period	(2,834)			(2,834)
	Unrealized profit in inventories merged	1,798			1,798
(b)	**Changes in investments**				
	Merger of net assets (Note 1)	101,410	76,586	25,838	203,834
	Equity in the results of subsidiaries	2,121	24,661	18,031	44,813
	Acquisitions of quotas (**)		1,195	27	1,222
	Capital increase with investments		922	151	1,073
	Interest on capital		(4,000)		(4,000)
	Dividends received			(15,884)	(15,884)
	Foreign exchange variation of foreign investments	111			111
		103,642	99,364	28,163	231,169

(*) The equity of subsidiary Ouro Fino Saúde Animal Ltda. is adjusted based on unrealized profit in inventories.

(**) Refers to the repurchase of 990,117 quotas from minority interests of the subsidiary Ouro Fino Agronegócio Ltda. and 738 quotas from the subsidiary Ouro Fino Pet Ltda., as resolved in the Stockholders' Extraordinary General Meeting held on September 25, 2014. The acquisition amount differs from the book value of the share of the investments acquired by R$ 3,347 and R$ 21, respectively. The difference (loss) was recognized directly in the Company's equity, pursuant to item 23 of CPC 36 (R3), because it relates to a transaction with minority stockholders.

(***) On February 10, 2015, an increase in the capital of the subsidiary Ouro Fino Agronegócio Ltda. from R$ 79,772 to R$ 80,622 was approved, with advances for future capital increase made by the Company in the amount of R$ 850. On February 25, 2015 and July 6, 2015, increases in the capital of the subsidiary Ouro Fino Saúde Animal Ltda. from R$ 87,064 to R$ 215,474 were approved, with advances for future capital increase made by the Company in the amounts of R$ 103,410 and R$ 25.000, respectively.

All amounts in thousands of reais unless otherwise stated

Summarized financial information

Set out below is the summarized financial information for subsidiaries.

(i) Summarized balance sheet

	September 30, 2015				
	Subsidiaries				
	Direct			Indirect	
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.	Bracol Agronegócio S.A.S
Current					
Assets	178,079	204,264	27,777	7,555	2,598
Liabilities	(106,514)	(75,331)	(8,331)	(4,375)	(3,086)
Current assets, net	71,565	128,933	19,446	3,180	(488)
Non-current					
Assets	272,343	22,361	575	491	1,301
Liabilities	(101,812)	(37,250)	(179)		(1,909)
Non-current assets (liabilities), net	170,531	(14,889)	396	491	(608)
Equity (net capital deficiency)	242,096	114,044	19,842	3,671	(1,096)

All amounts in thousands of reais unless otherwise stated

	December 31, 2014			
	Subsidiaries			
	Direct			Indirect
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.
Current				
Assets	186,359	221,786	35,603	5,077
Liabilities	(149,317)	(90,909)	(7,537)	(2,696)
Current assets, net	37,042	130,877	28,066	2,381
Non-current				
Assets	239,504	22,619	355	98
Liabilities	(170,070)	(54,132)	(258)	
Non-current assets (liabilities), net	69,434	(31,513)	97	98
Equity	106,476	99,364	28,163	2,479

(ii) Summarized statement of income

	Quarter ended 9/30/2015				
	Subsidiaries				
	Direct			Indirect	
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.	Bracol Agronegócio S.A.S
Net sales revenue	93,872	112,985	18,834	3,363	424
Profit (loss) before income tax and social contribution	6,528	17,544	5,713	(21)	(824)
Income tax and social contribution	(1,741)	(5,964)	(715)	1	(2)
Profit (loss) for the period	4,787	11,580	4,998	(20)	(826)

All amounts in thousands of reais unless otherwise stated

	Nine-month period ended 9/30/2015				
	Subsidiaries				
	Direct			Indirect	
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.	Bracol Agronegócio S.A.S
Net sales revenue	214,742	288,634	50,585	6,754	424
Profit (loss) before income tax and social contribution	2,524	40,482	19,835	464	(824)
Income tax and social contribution	2,986	(13,772)	(2,094)	(111)	(2)
Profit (loss) for the period	5,510	26,710	17,741	353	(826)

	Quarter ended 9/30/2014			
	Subsidiaries			
	Direct			Indirect
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.
Net sales revenue	57,856	88,369	13,911	1,380
Profit (loss) before income tax and social contribution	164	10,790	6,336	308
Income tax and social contribution	92	(3,523)	(535)	
Earnings for the period from continuing operations	256	7,267	5,801	308
Loss from discontinued operations		(555)		
Profit for the period	256	6,712	5,801	308

All amounts in thousands of reais unless otherwise stated

	Period from 4/10/2014 to 9/30/2014			
	Subsidiaries			
	Direct			Indirect
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.
Net sales revenue	96,485	160,911	26,113	2,308
Profit (loss) before income tax and social contribution	(1,931)	30,198	11,821	926
Income tax and social contribution	995	(10,091)	(972)	(1)
Earnings (loss) for the period from continuing operations	(936)	20,107	10,849	925
Loss from discontinued operations		(612)		
Profit (loss) for the period	(936)	19,495	10,849	925

(iii) Summarized statement of comprehensive income

	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Ouro Fino Saúde Animal Ltda. (direct subsidiary)				
Profit (loss) for the period	4,787	5,510	256	(936)
Other comprehensive income	525	770	170	154
Total comprehensive income	5,312	6,280	426	(782)

All amounts in thousands of reais unless otherwise stated

(iv) Summarized statement of cash flows

	Nine-month period ended 9/30/2015				
	Subsidiaries				
	Direct				Indirect
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.	Bracol Agronegócio S.A.S
Cash flows from operating activities					
Cash provided by operating activities	2,190	15,534	24,254	1,260	(361)
Interest paid	(3,857)	(2,320)			
Income tax and social contribution paid		(10,800)	(1,863)		
Cash provided by (used in) operating activities	(1,667)	2,414	22,391	1,260	(361)
Net cash used in investing activities	(35,133)	(942)	(184)	(461)	(3)
Net cash provided by (used in) financing activities	11,950	(19,667)	(26,115)		324
Net increase (decrease) in cash and cash equivalents	(24,850)	(18,195)	(3,908)	799	(40)
Cash and cash equivalents at the beginning of the period	30,274	32,660	9,206	302	385
Exchange gains on cash and cash equivalents	99	86			
Cash and cash equivalents at the end of the period	5,523	14,551	5,298	1,101	345

	Period from 4/10/2014 to 9/30/2014			
	Subsidiaries			
	Direct			Indirect
	Ouro Fino Saúde Animal Ltda.	Ouro Fino Agronegócio Ltda.	Ouro Fino Pet Ltda.	Ouro Fino de México, S.A. de C.V.
Cash flows from operating activities				
Cash provided by operating activities	(31,176)	37,376	11,886	607
Interest paid	(1,662)	(4,652)		
Income tax and social contribution paid		(1,529)	(569)	
Net cash provided by (used in) operating activities	(32,838)	31,195	11,317	607
Net cash provided by (used in) investing activities	(12,620)	5,888	(273)	
Net cash provided by (used in) financing activities	44,455	(35,619)	(10,708)	
Net increase (decrease) in cash and cash equivalents	(1,003)	1,464	336	607
Cash and cash equivalents at the beginning of the period	3,994	9,273	768	389
Exchange gains on cash and cash equivalents	131	2		
Cash and cash equivalents at the end of the period	3,122	10,739	1,104	996

All amounts in thousands of reais unless otherwise stated

15 Intangible assets (consolidated)

	Merged balance	Additions	Provision for impairment	Write-offs	Amortization	At December 31, 2014
Trademarks and licenses purchased	716				(222)	494
Development and registration of products	37,063	10,497	(776)		(1,953)	44,831
Computer software	17,744	4,601		(37)	(2,497)	19,811
Others	764	400				1,164
	56,287	15,498	(776)	(37)	(4,672)	66,300

	At January 1, 2015	Additions	Acquisition of investment	Write-offs	Amortization	At September 30, 2015
Goodwill on the acquisition of subsidiaries			618			618
Trademarks and licenses purchased	494		942		(367)	1,069
Development and registration of products	44,831	11,764			(2,292)	54,303
Computer software	19,811	1,866		(23)	(3,743)	17,911
Others	1,164	264			(71)	1,357
	66,300	13,894	1,560	(23)	(6,473)	75,258

	At December 31, 2014			
	Cost	Provision for impairment	Accumulated amortization	Net
Trademarks and licenses purchased	2,200		(1,706)	494
Development and registration of products	56,492	(1,285)	(10,376)	44,831
Computer software	25,924		(6,113)	19,811
Others	1,164			1,164
	85,780	(1,285)	(18,195)	66,300

	At September 30, 2015			
	Cost	Provision for impairment	Accumulated amortization	Net
Goodwill on the acquisition of subsidiaries	618			618
Trademarks and licenses purchased	3,142		(2,073)	1,069
Development and registration of products	68,256	(1,285)	(12,668)	54,303
Computer software	27,741		(9,830)	17,911
Others	1,428		(71)	1,357
	101,185	(1,285)	(24,642)	75,258

All amounts in thousands of reais unless otherwise stated

The amortization of intangible assets with product development and registration was recognized within "Cost of sales".

The development and registration of products substantially refer to expenditures for new veterinary drugs of R$ 48,491 (December 31, 2014 - R$ 39,832) and expenditures for the development of a vaccine against foot-and-mouth disease of R$ 5,812 (December 31, 2014 - R$ 6,163).

In the year ended December 31, 2014, the Group recognized an impairment loss of R$ 776.

The assumptions utilized to analyze evidence of impairment are disclosed in Note 3.1.

16 Property, plant and equipment (consolidated)

	Merged balance	Additions	Transfers	Write-offs	Depre-ciation	At December 31, 2014
Land	24,947					24,947
Buildings and improvements	66,696	1,591	9,260	(1,527)	(1,431)	74,589
Machinery and equipment and industrial facilities	48,462	4,690	4,835	(658)	(2,960)	54,369
Vehicles, tractors and aircraft	10,989	2,669		(7,559)	(1,037)	5,062
Furniture and fittings	2,753	851	1	(153)	(373)	3,079
IT equipment	3,549	641		(149)	(676)	3,365
Construction in progress	14,058	3,704	(14,103)	(630)		3,029
Others	2,648	125	7	(421)	(164)	2,195
	174,102	14,271		(11,097)	(6,641)	170,635

	At January 1, 2015	Additions	Acquisition of investment	Transfers	Write-offs	Depre-ciation	At September 30, 2015
Land	24,947						24,947
Buildings and improvements	74,589			1,735		(1,658)	74,666
Machinery and equipment and industrial facilities	54,369	6,727		3,576	(29)	(3,669)	60,974
Vehicles, tractors and aircraft	5,062	1,914			(631)	(1,160)	5,185
Furniture and fittings	3,079	486		(168)	(9)	(424)	2,964
IT equipment	3,365	916			(28)	(797)	3,456
Construction in progress	3,029	11,596		(4,597)			10,028
Others	2,195	1,099	28	(546)	(16)	(225)	2,535
	170,635	22,738	28		(713)	(7,933)	184,755

	At December 31, 2014			At September 30, 2015			
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net	Annual average depreciation rates
Land	24,947		24,947	24,947		24,947	
Buildings and improvements	88,322	(13,733)	74,589	90,057	(15,391)	74,666	2.57%
Machinery and equipment and industrial facilities	81,964	(27,595)	54,369	92,238	(31,264)	60,974	6.15%
Vehicles, tractors and aircraft	14,543	(9,481)	5,062	15,826	(10,641)	5,185	21.18%
Furniture and fittings	6,245	(3,166)	3,079	6,554	(3,590)	2,964	10.27%
IT equipment	9,515	(6,150)	3,365	10,403	(6,947)	3,456	19.00%
Construction in progress	3,029		3,029	10,028		10,028	
Others	4,182	(1,987)	2,195	4,747	(2,212)	2,535	11.17%
	232,747	(62,112)	170,635	254,800	(70,045)	184,755	

All amounts in thousands of reais unless otherwise stated

The balance of construction in progress mainly comprises the construction of the new plant of the biological products unit of R$ 6,867 (December 31, 2014 - R$ 1,799). In the period ended December 31, 2014, the first phase of the works was completed, and transfers to "Buildings and improvements" and "Industrial facilities" were made.

(a) Leases

Leases where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The net book value of leased vehicles and IT equipment totaled R$ 1,006 at September 30, 2015 (December 31, 2014 - R$ 584).

(b) Guarantees

Land, buildings, machinery and equipment amounting to R$ 89,980 (December 31, 2014 - R$ 89,087) are pledged as collaterals for borrowings (Note 18).

17 Trade payables (consolidated)

	September 30, 2015	December 31, 2014
Domestic customers	17,674	11,060
Foreign customers	32,936	11,330
Current	50,610	22,390

All amounts in thousands of reais unless otherwise stated

18 Borrowings (consolidated)

	Financial charges incurred	Final maturity	September 30, 2015	December 31, 2014
In foreign currency				
BNDES - FINEM	Average of exchange variations of funds obtained by BNDES and weighted average rate of 2.49% p.a. (December 31, 2014 - 2.57% p.a.)	2016	479	817
Export credit note	Exchange variation and weighted average rate of 4.28% p.a. (December 31, 2014 - 4.28% p.a.)	2016		10,111
Working capital - Colombia	Exchange variation and interest rate of 10.11% p.a.	2015	102	
	Exchange variation and Libor rate + 1.15% p.a.	2016	604	
Working capital - Brazil	Exchange variation and weighted average rate of 2.87% p.a. (December 31, 2014 - 1.68% p.a.)	2018	23,953	53,537
In local currency				
FINEP (Technological innovation)	Weighted average rate of 4.36% p.a. (December 31, 2014 - 4.44% p.a.)	2024	140,798	122,555
BNDES - FINEM	Weighted average rate of 9.30% p.a. (December 31, 2014 - 7.89% p.a.)	2016	2,427	6,268
BNDES - FINAME	Weighted average rate of 5.82% p.a. (December 31, 2014 - 4.50% p.a.)	2023	1,304	1,276
Export credit note	Weighted average rate of 8% p.a. (December 31, 2014 - 8% p.a.)	2016	21,938	20,889
Finance lease	Weighted average of fixed interest rate of 11.64% p.a. and variable interest rate of 16.79% p.a. (December 31, 2014 - 12.32% p.a.)	2018	892	200
			192,497	215,653
Current			(58,247)	(103,093)
Non-current			134,250	112,560

(a) Finance lease liabilities

Finance lease transactions were mainly contracted to renew the vehicle fleet.

Leases are payable as follows:

	September 30, 2015	December 31, 2014
Within 1 year	321	200
From 1 to 3 years	571	
	892	200

All amounts in thousands of reais unless otherwise stated

(b) Guarantees for borrowings

The borrowings for research, innovation and development of products obtained from the Fund for Financing of Studies and Projects (FINEP) and which, at September 30, 2015, totaled R$ 140,798 (December 31, 2014 - R$ 122,555), are guaranteed by a surety of the related parties Ouro Fino Participações e Empreendimentos S.A. and Ouro Fino Saúde Animal Participações S.A. and by bank guarantees of R$ 27,714. No amounts are charged for the guarantees provided.

For the loan obtained with the National Bank for Economic and Social Development (BNDES), mainly for the construction of industrial facilities, purchases of Brazilian equipment and working capital, the Group offered as guarantee the industrial plant of animal health products located in the city of Cravinhos, in the State of São Paulo, up to the limit of the debit balance of the borrowings, as well as the financed equipment items themselves, in addition to sureties of the controlling interests.

Borrowings for working capital and leases are collaterized by sureties of the parent company and/or controlling interests. Borrowings from the Government Agency for Machinery and Equipment Financing (FINAME) are guaranteed through the statutory lien of the assets financed, in addition to sureties of the parent company and/or controlling interests.

The carrying amounts of borrowings approximate their fair values.

The composition of non-current borrowings is as follows:

	September 30, 2015
from 10/2016 to 09/2017	32,334
from 10/2017 to 09/2018	60,048
from 10/2018 to 09/2019	11,169
from 10/2019 to 09/2020	7,208
from 10/2020 to 09/2021	7,056
from 10/2021 to 09/2022	7,050
from 10/2022 to 09/2023	7,040
from 10/2023 to 09/2024	2,345
	134,250

(c) Working capital borrowings in foreign currency

Exchange rate swap transactions were contracted for working capital borrowings contracted in foreign currency (US$), which amounted to R$ 23,953 (December 31, 2014 - R$ 63,648), to exchange the charges for those based on the CDI rate variation (Note 8).

All amounts in thousands of reais unless otherwise stated

19 Provision for contingencies (consolidated)

Some Group companies are parties to tax, labor and civil lawsuits at various court levels. The provisions for contingencies against potentially unfavorable outcomes of litigation in progress are established and updated based on management's evaluation, as supported by external legal counsel. The provisions are as follows:

	September 30, 2015	December 31, 2014
Labor	3,112	2,561
Civil, social security and tax	895	103
	4,007	2,664

In addition, some Group companies are parties to other administrative disputes, including those which were the object of tax assessments. No provisions were constituted to cover possible losses, based on the opinion of the legal advisors. Disputes for which a favorable outcome was considered as possible totaled R$ 46,849 (December 31, 2014 - R$ 38,938), and mainly corresponded to tax (ICMS) and labor claims.

The changes in the provision for contingencies were as follows:

	September 30, 2015	December 31, 2014
Opening balance	2,664	3,135
Additions	1,264	750
Acquisition of investment	1,204	
Write-offs	(1,125)	(1,221)
Closing balance	4,007	2,664

20 Equity

(a) Capital

Capital was paid on April 10, 2014 in the amount of R$ 1, corresponding to 500 shares. After the merger described in Note 1, capital was represented by 188,627,485 common shares without a par value, fully subscribed and paid in the amount of R$ 188,626.

At the Extraordinary General Meeting held on August 20, 2014, the stockholders approved the reverse split of all of the common shares representing the capital of the Company, in the ratio of three shares for one share of the same type, and the number of common shares totaled 62,875,828 but the ownership interest remained the same.

At the Extraordinary General Meeting held on September 25, 2014, the following resolutions were approved by the stockholders: (i) a capital increase in the Company of R$ 3,819, with the issue of 209,521 common shares. The payment was made through the contribution of net assets representing 764,874 quotas issued by the subsidiary Ouro Fino Agronegócio Ltda. and 4,262 quotas of the subsidiary Ouro Fino Pet Ltda., in the amounts of R$ 3,545 and R$ 274, respectively, according to the appraisal reports issued on September 19, 2014 by a specialized company, and (ii) the reverse split of all of the common shares representing the capital of the Company, in the ratio of 1.26170698 shares for one share of the same type, and the number of common shares totaled 50,000,000 but the ownership interest remained the same.

The amount of the payment made with the contribution of assets of the subsidiaries Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda., which was based on the valuation carried out by a specialized company, as mentioned above, differs from the book value of the share of the investments acquired (Note 14) by R$ 2,623 and R$ 123, respectively. The difference (loss) was recognized directly in the Company's equity, pursuant to item 23 of CPC 36 (R3), because it relates to a transaction with minority stockholders.

At the Board of Directors' meeting held on October 17, 2014, the issue of 1,923,077 shares was approved, which were the object of the public offering described in Note 1 (a), which resulted in a capital increase in the amount of R$ 51,923.

At the Board of Directors' meeting held on November 18, 2014, the issue of 2,019,230 common shares was approved, which resulted in a capital increase in the amount of R$ 54,520 as a result of the full exercise of the option for distribution of an additional lot of shares within the context of the offering.

At September 30, 2015, the Company had 53,942,307 common shares.

(b) Capital reserves

The amounts considered as "Capital reserves" related to expenditures incurred for the Initial Public Offering (IPO), as shown below:

All amounts in thousands of reais unless otherwise stated

Description	Basic Operation
Capital increase	106,443
Borrowing costs	(6,392)
Direct costs (commissions)	(4,264)
Indirect costs (lawyers, auditors, consultancy and others)	(8,187)
Borrowing costs proportionate to the secondary offering	6,059
	100,051

According to Technical Pronouncement CPC 08 (R1), the indirect costs, proportionate to the secondary portion of the offering cannot be classified as borrowing costs; for this reason this amount was reclassified to profit or loss for the year ended December 31, 2014, because these costs are borne by the Company, as agreed between the stockholders and disclosed in the Offering process.

(c) Allocation of profit

Profit is allocated as follows according to the bylaws:

- 5% to the legal reserve, limited to 20% of the capital;
- minimum dividend of 25% of profit adjusted according to Article 202 of Law 6404; and
- the remaining balance will be distributed by the stockholders representing not less than two-thirds of the voting shares, in accordance with the applicable legal provisions.

At the Annual General Meeting held on April 28, 2014, the stockholders approved an additional dividend distribution of R$ 3,931 (R$ 0.07286693 per share), totaling a dividend distribution of R$ 12,889 (R$ 0.23893959 per share) of the profit for the year ended December 31, 2014.

(d) Carrying value adjustments

The carrying value adjustments in equity refer to the effect of the adoption of the deemed cost for land in subsidiaries on January 1, 2009, as well as to all exchange rate differences resulting from the translation of the balance sheet and the statement of income of the foreign subsidiaries.

(e) Stock option plan

At the Extraordinary General Meeting held on December 30, 2014, the stockholders approved the Stock Option Plan (the "Plan"), aiming at: (i) stimulating the Company's growth, success and achievement of objectives; (ii) aligning the interests of the Company's stockholders with those of the eligible individuals; (iii) enabling attracting and retaining professionals and service providers, thus stimulating the generation of value for the Company, and (iv) sharing risks and gains equally between stockholders, officers and employees.

The plan is managed by the Board of Directors and, according to its rules, the following can be eligible as beneficiaries: Officers, Employees and Service Providers of the Company or of other companies under its control. The total number of common shares for which options may be granted shall not exceed 1.5% of the total common shares of the Company's share capital. The Company's Stock Option Plan is available at the Brazilian Securities Commission (CVM).

All amounts in thousands of reais unless otherwise stated

The vesting period considers that the beneficiaries may exercise their rights in installments of 1/5 (one fifth) of the total shares granted as from the end of the first year from the date of the signature of the Adhesion Agreements, and the same number of shares annually up to the end of the fifth year, provided that the beneficiaries remain continually linked to the Company.

The exercise price will be set based on the average price of the quotations of the Company's shares on the Commodities & Futures Exchange (BM&FBOVESPA) , weighted by the trading volume, within the 60 (sixty) trading sessions prior to the grant, monetarily restated for inflation according to the General Market Price Index (IGP-M).

The maximum term for the exercise of these stock options is 4 (four) years as from the end of the vesting period. Options not exercised according to the terms and conditions established will be automatically canceled, without any compensation.

(i) Options granted

At December 30, 2014, the Board of Directors approved the Plan's Regulations and Adhesion Contracts, as well as defined those elected for the first grant, totaling 809,135 stock options, distributed among 17 beneficiaries, as follows:

	End of the vesting period				
	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Number of options	161,827	161,827	161,827	161,827	161,827
Exercise price at launch (strike price)	28.22	28.22	28.22	28.22	28.22
Fair value of options granted	9.65	11.16	12.48	13.74	14.90
Limit date to exercise the option	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023

The fair value attributed to these options was determined based on the Black-Scholes-Merton pricing model, which takes into consideration the value of the share, the price of exercise, the time to elapse up to the exercise of the option, the likelihood of the option being exercised, the historical volatility, the dividend rate and the risk-free interest rate, according to the assumptions below:

	General assumptions and information on the evaluation				
End of the vesting period	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Price of the share on the grant date	30.61	30.61	30.61	30.61	30.61
Estimated exercise price (strike price)	33.45	35.41	37.46	39.35	41.38
Estimated life time (in years)	3.0	4.0	5.0	6.0	7.0
Expected volatility	26.20%	26.20%	26.20%	26.20%	26.20%
Risk-free interest rate	12.80%	12.60%	12.40%	12.30%	12.20%

In the nine-month period ended September 30, 2015, the Company and its subsidiaries recognized an expense of R$ 1,119 with stock options.

21 Segment information (consolidated)

The Board of Directors is the chief decision-maker and has determined the Group's operating segments according to the markets where it operates, based on strategic business decisions.

The segments are:

- Production animals - production and sale in the domestic market of veterinary drugs, vaccines and other products for livestock (cattle, pigs, poultry, sheep, horses and goats).

- Companion animals - production and sale in the domestic market of veterinary drugs and other products for pets (dogs, cats and ornamental birds).

- International operations - production and sale in the foreign market of veterinary drugs, vaccines and other products for production animals (cattle, pigs, poultry, sheep, horses and goats). Exports of these products are mainly to Latin America.

As described in Note 4.1 (b), the subsidiaries have a broad customer base and, therefore, the Group does not have customers representing more than 10% of its total net revenues.

The Group has not presented assets and liabilities by business segment, since they are not part of the analyses carried out by the Board of Directors when making strategic decisions.

All amounts in thousands of reais unless otherwise stated

The results by segment are as follows:

	Quarter ended 9/30/2015			
	Results by business segment			
	Production animals	Companion animals	International operations	Total
Net revenue	120,312	17,598	11,515	149,425
Cost of sales	(54,971)	(4,506)	(3,955)	(63,432)
Gross profit	65,341	13,092	7,560	85,993
Selling expenses	(34,386)	(5,705)	(3,254)	(43,345)
General and administrative expenses (not segmented)				(10,261)
Other revenues, net (not segmented)				(749)
Operating profit				31,638
Finance income (not segmented)				8,043
Finance costs (not segmented)				(13,353)
Finance result (not segmented)				(5,310)
Profit before income tax and social contribution				26,328
Income tax and social contribution				
Current (not segmented)				(6,097)
Deferred (not segmented)				(1,296)
Profit for the period				18,935

All amounts in thousands of reais unless otherwise stated

	Nine-month period ended 9/30/2015			
	Results by business segment			
	Production animals	Companion animals	International operations	Total
Net revenue	300,470	47,729	20,966	369,165
Cost of sales	(140,189)	(11,551)	(7,248)	(158,988)
Gross profit	160,281	36,178	13,718	210,177
Selling expenses	(95,612)	(14,873)	(7,092)	(117,577)
General and administrative expenses (not segmented)				(28,367)
Other revenues, net (not segmented)				120
Operating profit				64,353
Finance income (not segmented)				25,085
Finance costs (not segmented)				(32,889)
Finance result (not segmented)				(7,804)
Profit before income tax and social contribution				56,549
Income tax and social contribution				
Current (not segmented)				(16,701)
Deferred (not segmented)				5,474
Profit for the period				45,322

Ouro Fino Saúde Animal Participações S.A.

Notes to the quarterly information at September 30, 2015
All amounts in thousands of reais unless otherwise stated

	Quarter ended 9/30/2014			
	Results by business segment			
	Production animals	Companion animals	International operations	Total
Net revenue	85,265	13,912	4,529	103,706
Cost of sales	(33,704)	(1,873)	(1,567)	(37,144)
Gross profit	51,561	12,039	2,962	66,562
Selling expenses	(32,049)	(3,719)	(1,473)	(37,241)
General and administrative expenses (not segmented)				(9,122)
Other revenues, net (not segmented)				82
Operating profit				20,281
Finance income (not segmented)				7,577
Finance costs (not segmented)				(12,849)
Finance result (not segmented)				(5,272)
Profit before income tax and social contribution				15,009
Income tax and social contribution				
Current (not segmented)				(2,248)
Deferred (not segmented)				(1,031)
Profit for the period				11,730

All amounts in thousands of reais unless otherwise stated

	Period from 4/10/2014 to 9/30/2014			
	Results by business segment			
	Production animals	Companion animals	International operations	Total
Net revenue	158,337	25,707	7,870	191,914
Cost of sales	(68,439)	(4,336)	(2,828)	(75,603)
Gross profit	89,898	21,371	5,042	116,311
Selling expenses	(53,195)	(6,516)	(2,035)	(61,746)
General and administrative expenses (not segmented)				(11,651)
Other revenues, net (not segmented)				(55)
Operating profit				42,859
Finance income (not segmented)				9,210
Finance costs (not segmented)				(16,174)
Finance result (not segmented)				(6,964)
Profit before income tax and social contribution				35,895
Income tax and social contribution				
Current (not segmented)				(5,512)
Deferred (not segmented)				(3,211)
Profit for the period				27,172

The table below shows the composition by country of net revenues from foreign customers:

	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Mexico	3,363	6,754	1,371	2,311
Bolivia	2,608	3,040	165	165
Arab Emirates	890	2,618		
Angola	898	1,445	123	317
Paraguay	1,365	1,410	111	640
Ecuador	712	1,289	249	472
Panama		1,270	61	456
Colombia	1,144	1,144	472	1,095
Costa Rica	128	162	222	222
Venezuela			1,342	1,342
Others	407	1,834	413	850
	11,515	20,966	4,529	7,870

All amounts in thousands of reais unless otherwise stated

22 Revenues (consolidated)

The reconciliation between gross and net sales and services revenue is as follows:

	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Domestic customers				
Gross sales and services	155,204	391,598	113,588	210,709
Taxes and deductions on sales	(17,294)	(43,399)	(14,411)	(26,665)
	137,910	348,199	99,177	184,044
Foreign customers				
Gross sales	11,515	21,141	4,529	7,870
Taxes and deductions on sales		(175)		
	11,515	20,966	4,529	7,870
	149,425	369,165	103,706	191,914

23 Costs and expenses by nature

	Parent company		Parent company	
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
General and administrative expenses				
Personnel expenses	341	732	189	189
Outsourced services	107	361	53	53
Travel expenses	5	22	22	22
Others	23	159	3	3
	476	1,274	267	267

All amounts in thousands of reais unless otherwise stated

	Consolidated			
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Cost of sales				
Variable costs (raw and consumption materials)	42,074	103,777	23,464	47,296
Personnel expenses	11,740	27,934	6,548	12,131
Depreciation and amortization	3,023	8,528	2,205	4,648
Outsourced services	3,166	7,944	2,525	4,409
Electricity	1,852	4,153	731	1,505
Others	1,577	6,652	1,671	5,614
	63,432	158,988	37,144	75,603
Selling expenses				
Personnel expenses	15,885	46,679	14,687	24,114
Sales team expenses	15,203	38,064	13,669	22,011
Outsourced services	3,881	11,433	2,976	4,902
Freight charges	3,546	10,417	3,424	6,074
Depreciation and amortization	1,142	3,291	870	1,456
Telecommunications and electricity	385	1,156	273	524
Others	3,303	6,537	1,342	2,665
	43,345	117,577	37,241	61,746
General and administrative expenses				
Personnel expenses	7,086	20,594	6,540	10,712
Depreciation and amortization	899	2,587	848	1,428
Outsourced services	1,125	1,989	465	(2,586)
Travel expenses	274	715	214	364
Telecommunications and electricity	204	628	199	366
Vehicle expenses	46	205	150	291
Donations and sponsorship	49	173	164	231
Others	578	1,476	542	845
	10,261	28,367	9,122	11,651
	117,038	304,932	83,507	149,000

24 Other income (expenses), net

	Parent company	
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015
Income from sales of scrap, rentals and others	49	99
Federal, State, Municipal and other taxes		(11)
	49	88

All amounts in thousands of reais unless otherwise stated

	Consolidated			
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Gains on sale and write-off of PP&E	40	167	217	528
Gains (losses) on sales of scrap, rentals and others	117	322	(23)	(35)
REINTEGRA (Note 11)		874		
Federal, state, municipal and other taxes (*)	(718)	(1,055)	(74)	(162)
Other losses	(188)	(188)	(38)	(386)
	(749)	120	82	(55)

(*) In the quarter ended September 30, 2015, non-recurring expenses were incurred relating to discontinued operations amounting to R$ 667.

25 Finance result

	Parent company	
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015
Finance income		
Discounts obtained	1	3
Income from financial investments		1
	1	4
Finance costs		
Bank fees	(10)	(31)
Interest payable		(2)
Others		(11)
	(10)	(44)
Finance result	(9)	(40)

All amounts in thousands of reais unless otherwise stated

	Consolidated			
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Finance income				
Gains on derivatives	2,980	12,968	5,002	5,335
Foreign exchange variation	4,191	8,075	1,901	2,957
Income from financial investments	562	3,242	347	373
Interest receivable	169	453	122	189
Monetary variation	109	260	133	133
Discounts obtained	32	87	72	223
	8,043	25,085	7,577	9,210
Finance costs				
Foreign exchange variation	(10,046)	(23,182)	(7,528)	(8,392)
Interest payable	(2,142)	(6,363)	(3,670)	(5,539)
Losses on derivatives	(418)	(1,665)	(1,120)	(1,450)
Finance charges	(172)	(827)	(360)	(496)
Bank fees	(192)	(270)	(134)	(203)
Discounts granted	(6)	(6)	(4)	(59)
Others	(377)	(576)	(33)	(35)
	(13,353)	(32,889)	(12,849)	(16,174)
Finance result	(5,310)	(7,804)	(5,272)	(6,964)

26 Income tax and social contribution expense

The income tax and social contribution expense is reconciled to the standard rates as shown below:

	Parent company			
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Profit before income tax and social contribution	18,936	45,309	11,027	26,085
Standard rates	34%	34%	34%	34%
	(6,438)	(15,405)	(3,749)	(8,869)
Reconciliation to the effective rate:				
Permanent differences:				
Equity in the results of subsidiaries	6,586	15,822	3,840	8,960
Deferred taxes, not recorded	(148)	(417)	(91)	(91)
Income tax and social contribution				

				Consolidated
	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Profit before income tax and social contribution	26,328	56,549	14,454	35,283
Standard rates	34%	34%	34%	34%
	(8,952)	(19,227)	(4,914)	(11,996)
Reconciliation to the effective rate:				
Permanent differences:				
R&D incentive	808	4,111		
Adjustment related to the calculation of subsidiary taxed based on the deemed profit method	1,228	4,650	1,619	3,047
Adjustment related to the calculation of foreign subsidiary taxed based on the rate in effect in that country	(289)	(236)	105	314
Deferred taxes, not recorded	(148)	(417)	(91)	(91)
Other permanent differences	(41)	(108)	2	3
Income tax and social contribution	(7,393)	(11,227)	(3,279)	(8,723)
Reconciliation with the statement of income:				
Current	(6,097)	(16,701)	(2,248)	(5,512)
Deferred	(1,296)	5,474	(1,031)	(3,211)
	(7,393)	(11,227)	(3,279)	(8,723)

On May 13, 2014, the Provisional Measure 627 was converted into Law 12,973, thus confirming the repealing of the Transitional Tax System (RTT) as from 2015, earlier adoption in 2014 being permitted.

The Group completed its analysis of the impacts of the provisions in the mentioned Law, both in its financial statements and in its internal control structure. Considering that the results of this analysis did not present material tax effects, the Group has decided not to elect early adoption of the rules and provisions of the new law for the year ended December 31, 2014. As from January 1, 2015 the adoption of this law became mandatory.

27 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the stockholders of the Company by the weighted average number of common shares during the period.

	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Profit for the period attributable to owners of the parent company	18,936	45,309	11,575	26,686
Weighted average number of common shares in the period	53,942	53,942	49,845	26,641
Basic earnings per share	0.35104	0.83996	0.23222	1.00169

All amounts in thousands of reais unless otherwise stated

(b) Diluted

Diluted earnings per share are calculated by dividing the profit attributable to the stockholders of the Company by the weighted average number of common shares during the period, adjusted by the weighted average number of instruments with dilutive effects.

	Quarter ended 9/30/2015	Nine-month period ended 9/30/2015	Quarter ended 9/30/2014	Period from 4/10/2014 to 9/30/2014
Profit for the period attributable to owners of the parent company	18,936	45,309	11,575	26,686
Weighted average number of common shares in the period, considering instruments with dilutive effects	54,032	53,984	49,845	26,641
Diluted earnings per share	0.35046	0.83931	0.23222	1.00169

28 Employee benefits

(a) Private pension plan - defined contribution

The Group companies sponsor a defined contribution pension plan for their employees. The plan was implemented in August 2008 and is managed by Itaú Vida e Previdência S.A. The companies' contributions to the plan during the nine-month period ended September 30, 2015 totaled R$ 785 (period from April 10, 2014 to September 30, 2014 - R$ 400).

(b) Profit sharing

The Group offers to their employees a variable remuneration program, calculated based on quantitative and qualitative goals established by management. During the nine-month period ended September 30, 2015, the amount of the profit-sharing provision was R$ 5,961 (period from April 10, 2014 to September 30, 2014 - R$ 3,049).

29 Insurance cover

The Group had insurance coverage for operating risks and comprehensive civil liability, with a maximum indemnity of R$ 295,800 at September 30, 2015.

All amounts in thousands of reais unless otherwise stated

30 Business combinations

At September 15, 2015, through its wholly owned subsidiary Ouro Fino Saúde Animal Ltda., the Group completed the transaction for the acquisition of all of the shares of Bracol Agribusiness SAS ("Bracol") for R$ 387.

Bracol is headquartered in the city of Medellin, Colombia, and is mainly engaged in the sale in that country of veterinary drugs and products that are substantially acquired from the Company. As a result of the acquisition, the Group expects to expand its share in the Colombian market, in line with its strategic plan for growth in Latin America.

Goodwill of R$ 618, arising from the acquisition is attributable to expected profitability in the Company. According to the current legislation, the goodwill recognized is not expected to be deductible for income tax purposes.

The following table summarizes the consideration paid for the participation acquired, the fair value on the acquisition date of the identifiable assets acquired and liabilities assumed and the goodwill determined:

	Formation of purchase price
(a) Consideration paid on September 17, 2015	387

	Carrying values	Adjustments to fair value	Adjusted amounts
Fair value of the identifiable assets acquired and liabilities assumed			
Cash and cash equivalents	385		385
Trade receivables	403		403
Inventories	591	262	853
Taxes recoverable	212		212
Deferred income tax and social contribution		417	417
Intangible assets	2	940	942
Property, plant and equipment	28		28
Other assets	276		276
Trade payables	(1,121)		(1,121)
Borrowings	(577)		(577)
Salaries and social charges	(11)		(11)
Taxes payable	(3)		(3)
Provision for contingencies		(1,204)	(1,204)
Other liabilities	(831)		(831)
(b) Total value of the assets acquired and liabilities assumed	(646)	415	(231)
(c) Shareholding acquired			100.00%
(d) Investment - (b x c)			(231)
(e) Goodwill on acquisition (a - d)			618

* * *

(A free translation of the original in Portuguese)

3Q15 and 9M15 Earnings Release

- Net revenue increased by 24.4% in 9M15 against 9M14 and totaled R$ 369.2 million
- Profit increased by 33.9% and totaled R$ 45.4 million in 9M15
- Seven new products were launched in 9M15

Conference Call

In Portuguese with simultaneous translation into English
October 27, 2015
3:00 P.M. (BRT) / 1:00 P.M. (US EST)
Phone:
Brazil: +55 11 2188 0155
Other countries: +1 646 843 6054
Password: Ourofino

Investor Relations

Fábio Lopes Júnior
Bruno Menegazzo
Isabel Leandro

Phone:
(16) 3518-2000
E-mail:
ri@ourofino.com
Website:
ri.ourofino.com

3Q15 and 9M15 Earnings Release

(A free translation of the original in Portuguese)

CONTENTS

3Q15 and 9M15 Earnings Release

Cravinhos, October 26, 2015 – Ouro Fino Saúde Animal Participações S.A. ("Company" or "Ouro Fino") (BM&FBovespa: OFSA3), which is mainly engaged in the research, development, production and sale of veterinary drugs, vaccines and other products for production and companion animals, announces its financial results for the period ended September 30, 2015 (3Q15 and 9M15).

MESSAGE FROM MANAGEMENT

We are pleased to present the Company's results for the period from January to September 2015 (9M15), showing a consistent growth in line with our strategy of creating value for stockholders.

During 9M15, revenue increased by 24% as compared to the previous year, especially in the 3rd quarter, when the growth reached 44%. Also, we had an increase in profitability, with a 21% growth in cumulative EBITDA and 58% in 3Q15, and profit increased by 34% in 9M15 and 53% in 3Q15.

This growth reflects the performance of a special business strategy combined with the results of our strategy of investing in innovation, which permitted including seven new products to our portfolio.

With respect to international operations, we completed the process of acquisition of our local distributor in Colombia, aiming at expanding the Company's presence in that country. We also strengthened our presence in Mexico, with the expansion of our sales team and increased customer base. And as a result of these actions we recorded revenues in September in Colombia and increased by approximately 70% our sales in Mexico in 9M15.

In the segment of production animals, accumulated revenue increased by 25% and growth reached 41% in 3Q15. We launched five products, including Voss Performa, a modern eprinomectin-based product that has low grace period and will be complementary to our parasiticide portfolio, focusing on cattle finishing period.

The companion animals segment had a growth of 14% in accumulated revenues and 27% in 3Q15, with the contribution of two new products, as well as the consolidation of launches by the end of 2014, including the Leevre collar.

We thank all of you for trusting our work and reaffirm our commitment to continue developing the sustainable growth of our business.

Dolivar Coraucci Neto
CEO

Fábio Lopes Júnior
CFO and Investor Relations Officer

(A free translation of the original in Portuguese)

Information on the financial statements

Considering that the Company was established on April 10, 2014, its parent company and consolidated financial statements ("consolidated") for 3Q15 and 9M15 include information on results for comparison purposes, which do not properly represent all of the operations of the Group. In this context, management decided to disclose in this Earnings Release, where applicable, comparative information derived from the combined consolidated financial statements ("combined") of the Company's subsidiaries for the mentioned periods.

The combined financial information for 3Q14 and 9M14 presented in this Earnings Release was adjusted to better reflect profit and EBITDA from continuing operations in the mentioned periods.

FINANCIAL PERFORMANCE

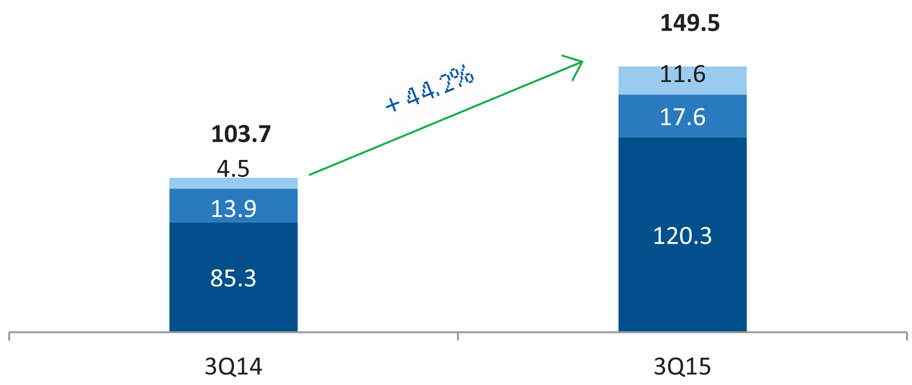
R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Net revenue	103.7	149.5	44.2%	296.8	369.2	24.4%
Cost of sales	(37.1)	(63.4)	70.9%	(114.1)	(159.0)	39.4%
Gross profit	**66.6**	**86.1**	**29.3%**	**182.7**	**210.2**	**15.1%**
(gross margin)	*64.2%*	*57.6%*	*-6.6 p.p.*	*61.6%*	*56.9%*	*-4.7 p.p.*
Expenses	(46.1)	(54.4)	18.0%	(129.8)	(145.8)	12.3%
Operating profit	**20.5**	**31.7**	**54.6%**	**52.9**	**64.4**	**21.7%**
(operating margin)	*19.8%*	*21.2%*	*1.4 p.p.*	*17.8%*	*17.4%*	*-0.4 p.p.*
Finance result	(5.2)	(5.3)	1.9%	(10.4)	(7.8)	-25.0%
Income tax and social contribution	(3.3)	(7.4)	124.2%	(8.6)	(11.2)	30.2%
Profit from continuing operations, adjusted	**12.0**	**19.0**	**58.3%**	**33.9**	**45.4**	**33.9%**
(adjusted profit margin)	*11.6%*	*12.7%*	*1.1 p.p.*	*11.4%*	*12.3%*	*0.9 p.p.*
Adjusted EBITDA	**24.5**	**37.5**	**53.1%**	**65.7**	**79.5**	**21.0%**
(adjusted EBITDA margin)	*23.6%*	*25.1%*	*1.5 p.p.*	*22.1%*	*21.5%*	*-0.6 p.p.*

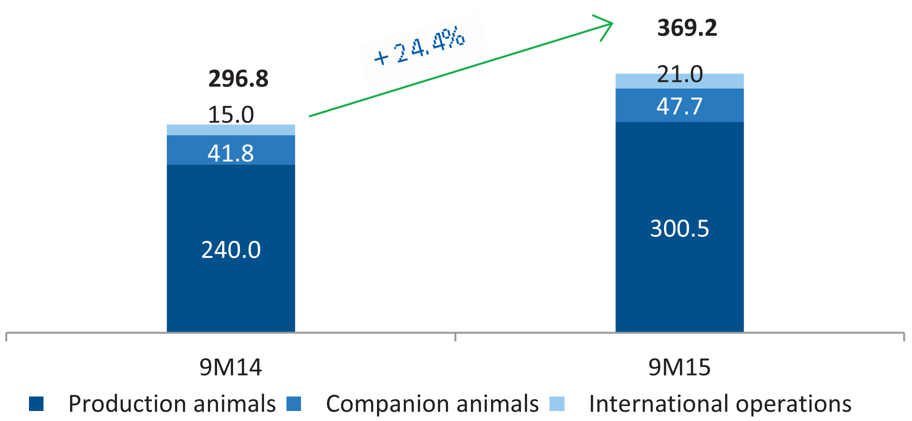
Net revenue

R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Net sales revenue	**103.7**	**149.5**	**44.2%**	**296.8**	**369.2**	**24.4%**
Production animals	85.3	120.3	41.0%	240.0	300.5	25.2%
Companion animals	13.9	17.6	26.6%	41.8	47.7	14.1%
International operations	4.5	11.6	157.8%	15.0	21.0	40.0%

The Company presented net revenue of R$ 149.5 million in 3Q15, which represented an increase of 44.2% as compared to 3Q14. In 9M15, net revenue increased by 24.4%, totaling R$ 369.2 million.

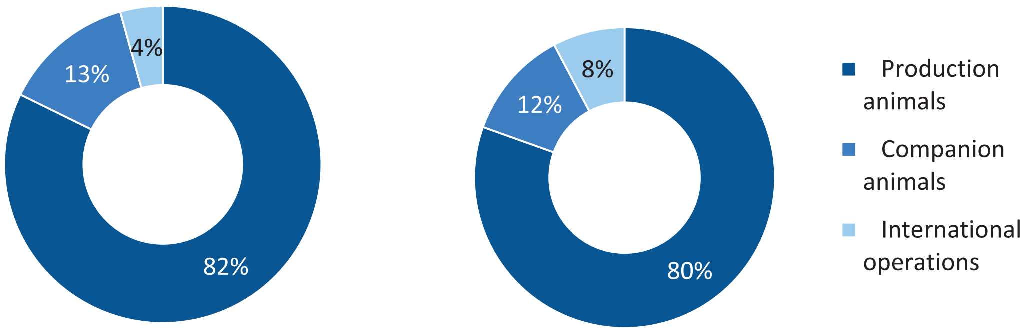
Net Revenue - Evolution
R$ million





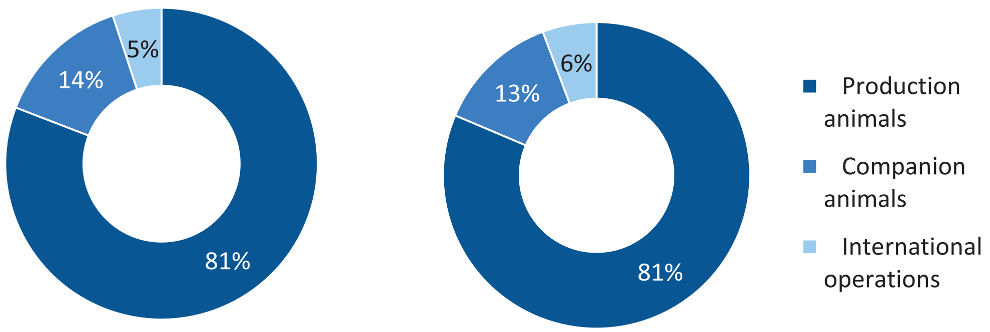
Net Revenue - 3Q14 contribution

Net Revenue - 3Q15 contribution



Net Revenue - 9M14 contribution

Net Revenue - 9M15 contribution



- The **Production Animals** segment presented net revenue of R$ 120.3 million in 3Q15, an increase of 41.0% as compared to 3Q14. In 9M15, revenues reached R$ 300.5 million, an increase of 25.2% as compared to 9M14. A highlight in 9M15 and 3Q15 as compared to 9M14 and 3Q14 was the return of Master LP with increased sales, the launch of Voss Performa and share gains in several products.

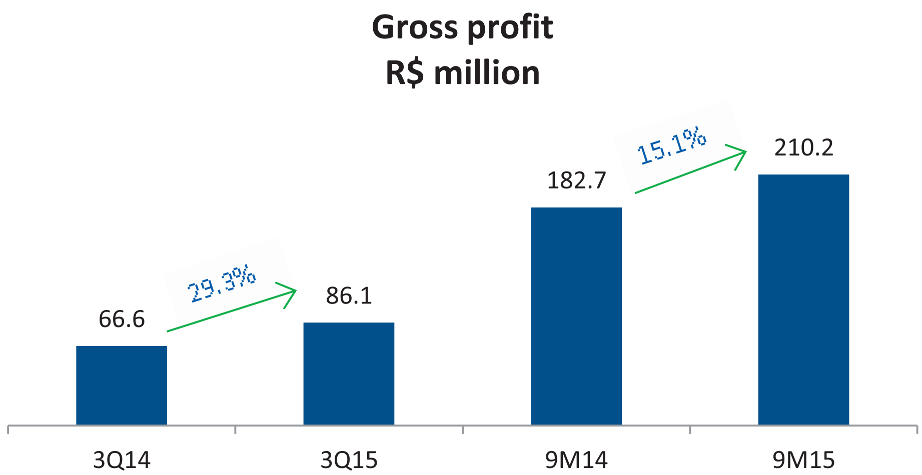
- The **Companion Animals** segment had net revenue of R$ 17.6 million in 3Q15, an increase of 26.6% as compared to 3Q14. In 9M15, net revenue reached R$ 47.7 million, an increase of 14.1% as compared to 9M14. Worth of mention is the consolidation of the launches in 2014, specially the Leevre collar, as well as the contribution of ectoparasiticides Neo Pet and Protetor Pet.

- The **International Operations** segment presented net revenue of R$ 11.6 million in 3Q15, an increase of 157.8% as compared to 3Q14. Worth of mention is the contribution of Mexico, which increased by 145% and of Colombia, which increased by 142% in the period. In 9M15, revenues totaled R$ 21,0 million, an increase of 40,0% as compared to 9M14, worth of mention being the participation of Mexico, which increased by 67.3% in accumulated revenues, as a result of the strategy of intensifying Ourofino local presence.

Cost of sales, gross profit and gross margin

R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Cost of sales	(37.1)	(63.4)	70.9%	(114.1)	(159.0)	39.4%
Gross profit	**66.6**	**86.1**	**29.3%**	**182.7**	**210.2**	**15.1%**
(gross margin)	64.2%	57.6%	*-6.6 p.p.*	61.6%	56.9%	*-4.7 p.p.*

Gross profit reached R$ 86.1 million in 3Q15, an increase of 29.3% as compared to 3Q14. In 9M15, it reached R$ 210.2 million, an increase of 15.1% as compared to 9M14. The margin decrease in the periods presented reflects the sale of a less favorable mix, the prioritization of the growth above market and the transfer of increases in prices that has been made during the periods.



Selling, general and administrative expenses

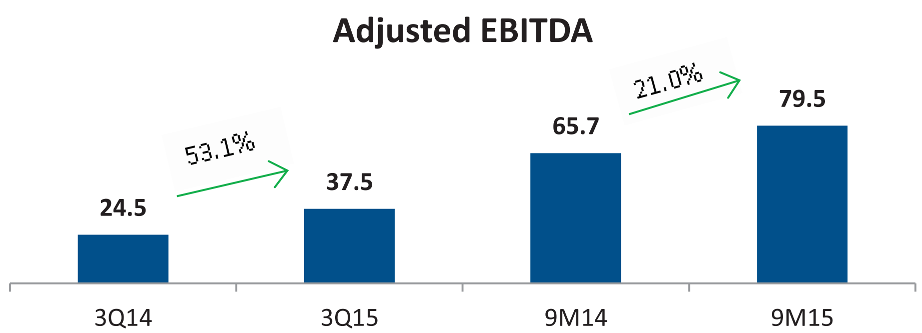
R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Selling, general and administrative and other expenses	**(46.1)**	**(54.4)**	**18.0%**	**(129.8)**	**(145.8)**	**12.3%**
Percentage on net revenue	*44.5%*	*36.4%*	*-8.1 p.p.*	*43.7%*	*39.5%*	*-4.2 p.p.*

In 3Q15 and 9M15, selling, general and administrative expenses increased less than net revenues, thus reflecting the efforts of the Company to maintain the dilution. In 3Q15, these expenses totaled R$ 54.4 million, representing a dilution of 8.1 p.p. on net revenue. In 9M15, these expenses totaled R$ 145.8 million, a dilution of 4.2 p.p.

EBITDA and EBITDA margin

R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Profit from continuing operations	**12.0**	**19.0**	**58.3%**	**33.9**	**45.4**	**33.9%**
(-) Discontinued operations	(0.6)		-100.0%	(1.1)		-100.0%
Profit for the period	**11.4**	**19.0**	**66.7%**	**32.8**	**45.4**	**38.4%**
(+) Finance result, net	5.3	5.3	0.0%	10.3	7.8	-24.3%
(+) Income tax and social contribution	3.3	7.4	124.2%	8.6	11.2	30.2%
(+) Depreciation and amortization	3.9	5.1	30.8%	12.1	14.4	19.0%
EBITDA	**23.9**	**36.8**	**54.0%**	**63.8**	**78.8**	**23.5%**
(+) Discontinued operations	0.6		-100.0%	1.1		-100.0%
(+) Other		0.7		0.8	0.7	-12.5%
Adjusted EBITDA	**24.5**	**37.5**	**53.1%**	**65.7**	**79.5**	**21.0%**
Net sales revenue	103.7	149.5	44.2%	296.8	369.2	24.4%
EBITDA margin	***23.0%***	***24.6%***	***1.6 p.p.***	***21.5%***	***21.3%***	***-0.2 p.p.***
adjusted EBITDA margin	***23.6%***	***25.1%***	***1.5 p.p.***	***22.1%***	***21.5%***	***-0.6 p.p.***

In 3Q15, Adjusted EBITDA was R$ 37.5 million, with an increase of 53.1% as compared to the adjusted EBITDA of 25.1% for 3Q14. In 9M15, Adjusted EBITDA was R$ 79.5 million, with an increase of 21.0% as compared to the adjusted EBITDA of 21.5% for 9M14. In both periods, this result reflects an increase in revenues and the dilution of SG&A expenses, which offset the decrease in gross margin.



Finance result

R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Finance result	**(5.3)**	**(5.3)**	**0.0%**	**(10.3)**	**(7.8)**	**-24.3%**

Finance result for 3Q15 remained in line with 3Q14. In 9M15, it showed an improvement of 24% as compared to 9M14, impacted by the capitalization of IPO and settlement of debts indexed to CDI.

Income tax and social contribution

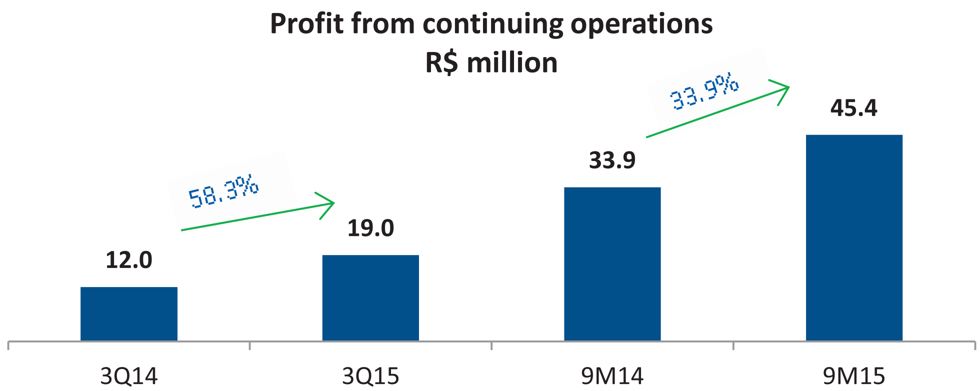
R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Income tax and social contribution	**3.3**	**7.4**	**124.2%**	**8.6**	**11.2**	**30.2%**
Percentage on profit before income tax and social contribution	*21.6%*	*28.0%*	*6.4 p.p.*	*20.2%*	*19.8%*	*-0.4 p.p.*

In 3Q15, income tax and social contribution totaled R$ 7.4 million against R$ 3.3 million in 3Q14. This variation reflects an increase in taxable profit in the period, and the use of more tax legislation (*Lei do Bem*) benefits in a lower proportion than profit increase. In 9M15, the effective rate of 19.8% is in line with 9M14.

Profit

R$ million	3Q14	3Q15	Variation %	9M14	9M15	Variation %
Profit from continuing operations	**12.0**	**19.0**	**58.3%**	**33.9**	**45.4**	**33.9%**
(profit margin)	*11.6%*	*12.7%*	*1.1 p.p.*	*11.4%*	*12.3%*	*0.9 p.p.*

In 3Q15, profit from continuing operations reached R$ 19.0 million, an increase of 58.3% as compared to 3Q14. In 9M15, profit reached R$ 45.4 million, an increase of 33.9% as compared to 9M14. In both periods there are effects of the increase in results of operations and a favorable finance result.

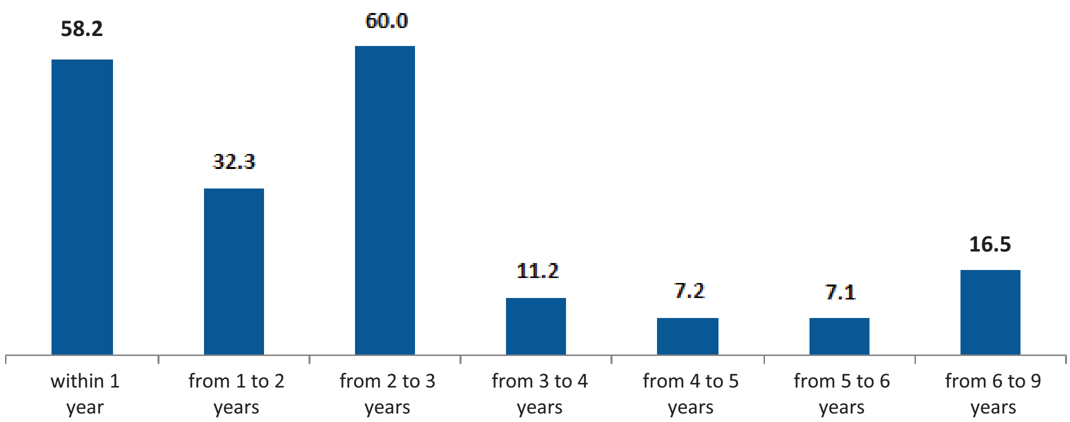


Indebtedness

In R$ million	September 30, 2014	September 30, 2015
Current	98.4	58.2
Non-current	122.0	134.3
Gross debt	**220.4**	**192.5**
(-) Derivative financial instruments, net	5.8	0.6
Derivatives net debt	**214.6**	**191.9**
(-) Cash and cash equivalents[1]	22.1	26.8
Net debt	**192.5**	**165.1**
Average cost of debt (year)[2]	**7.03%**	**6.75%**
Net debt/Adjusted annual EBITDA	**2.04**	**1.48**

Notes: [1] Includes R$ 6.1 in cash of the holding, which was not included in the combined statements.
[2] Average cost calculated taking into account derivative financial instruments for hedging purposes.

Aging of bank debt



Aging of debt considers the year between October 1 and September 30 of the following year.

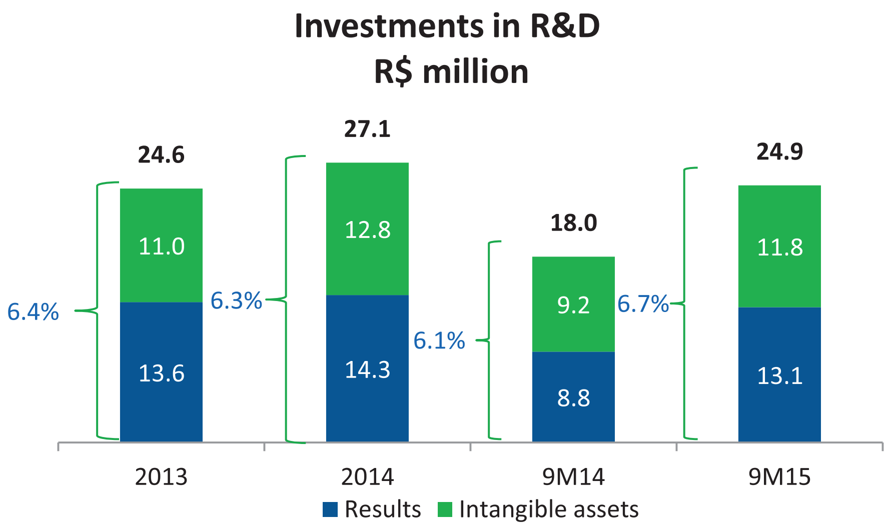
Launches of products

Out of the 121 veterinary products that Ourofino owns, seven were launched in 9M15. For the next years, 35 products, which are already in our pipeline, are expected to be launched.

Launches during 9M15					
	NAME	Indication	Category	Line	Launched in
	**Voss Performa**	Eprinomectin-based broad-spectrum endectocide for cattle	Parasiticide	Production Animals	Aug/15
	**Enfrent**	Prescribed for the treatment and prevention of parasitic sadness in cattle	Parasiticide	Production Animals	Aug/15
	**Isocox**	Support in the treatment of a disease called black diarrhea	Other	Production Animals	Apr/15
	**Lactofur**	For the treatment of severe infections in dairy and beef cattle and swine	Antimicrobial	Production Animals	Mar/15
	**Ciprolac** *Vaca Seca*	For the prevention and healing of mastitis (mammary gland infection) in the dry period, for the cows to produce more milk of a better quality	Antimicrobial	Production Animals	Mar/15
	**Doxifin Tabs**	Doxycycline-based palatable antimicrobial for dogs and cats	Antimicrobial	Companion Animals	Aug/15
	**Trissulfin SID**	Prescribed for the treatment of infections in intestinal, urinary and respiratory tracts, skin and ear infections and also for the treatment of *isospora canis*, caused by agents that are sensitive to its spectrum of action	Antibiotic & Therapeutic	Companion Animals	Jun/15

Investments in research and development

In 9M15, approximately 6.7% of the net revenue was invested in R&D, totaling about R$ 24.9 million. The chart below shows the Company's investments in R&D in the period from January 1, 2013 to September 30, 2015.

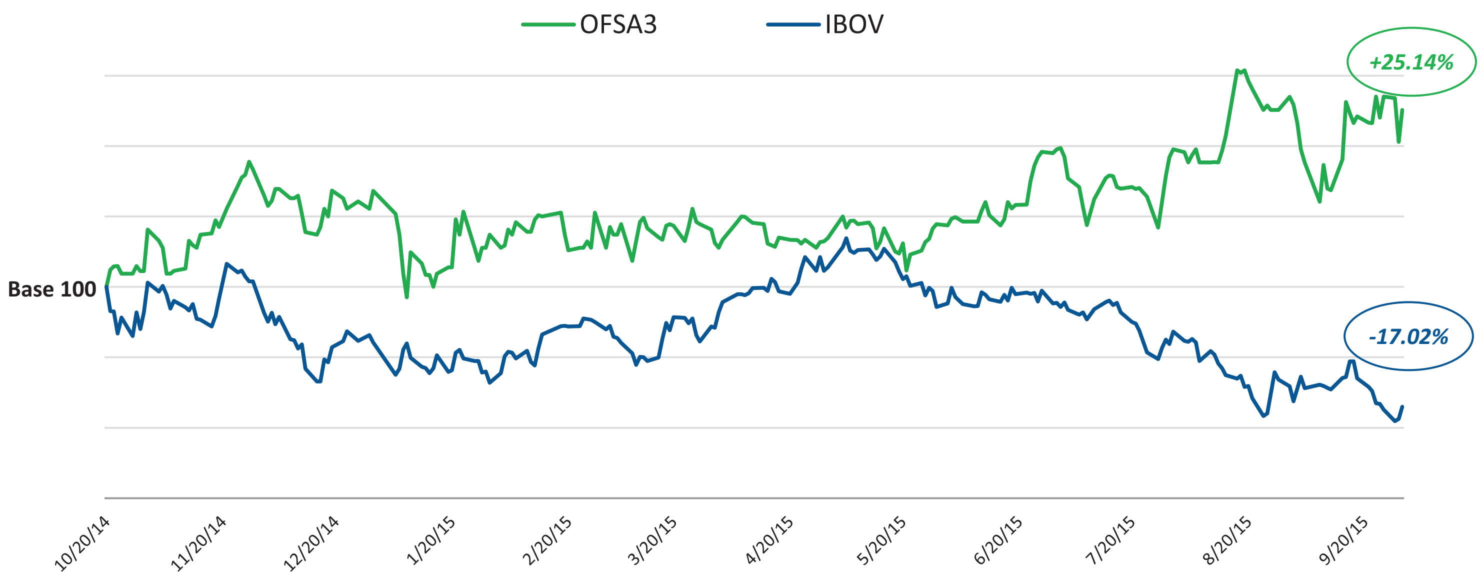


PERFORMANCE OF THE SHARES

Ourofino shares started to be traded on the São Paulo Stock Exchange (BM&F Bovespa) on October 21, 2014 under the ticker OFSA3, with an initial quotation of R$ 27.00. The chart below presents the behavior of the share between the first trading day (10/21/2014) and the last day of 3Q15 (9/30/2015).

OFSA3 closed the day on 9/30/2015 quoted at R$ 33.50, with a variation[1] of 25.14% since the start of the trading. In the same period, Ibovespa presented a depreciation of 17.02%. The average daily trading volume since the IPO date was R$ 1.1 million.

[1]OFSA3: + 25.14%
IBOV: - 17.02%



[1]Considering the distribution of dividends

Statement of income (R$ thousands)	3Q15[1]	3Q14[2]	9M15[1]	9M14[2]
Continuing operations				
Revenue	149,425	103,706	369,165	296,794
Cost of sales	(63,432)	(37,144)	(158,988)	(114,121)
Gross profit	**85,993**	**66,562**	**210,177**	**182,673**
Selling expenses	(43,345)	(37,261)	(117,577)	(104,823)
General and administrative expenses	(10,261)	(8,835)	(28,367)	(24,811)
Other income (expenses), net	(749)	82	120	(168)
Operating profit	**31,638**	**20,548**	**64,353**	**52,871**
Finance income	8,043	7,577	25,085	16,649
Finance costs	(13,353)	(12,849)	(32,889)	(26,982)
Finance result	(5,310)	(5,272)	(7,804)	(10,333)
Profit before income tax and social contribution	**26,328**	**15,276**	**56,549**	**42,538**
Income tax and social contribution - Current	(6,097)	(2,248)	(16,701)	(6,101)
Income tax and social contribution - Deferred	(1,296)	(1,031)	5,474	(2,489)
Profit from continuing operations	**18,935**	**11,997**	**45,322**	**33,948**
Discontinued operations				
Loss for the period from discontinued operations		(555)		(1,135)
Profit for the period	**18,935**	**11,442**	**45,322**	**32,813**

[1] Consolidated statement of income

[2] Combined consolidated statement of income

Statement of cash flows (R$ thousands)	9M15[1]	9M14[2]
Cash flows from operating activities		
Profit before income tax and social contribution, including discontinued operations	**56,549**	**41,403**
Adjustments for:		
Provision for impairment of trade receivables	27	203
Provision for inventory losses and write-offs	(700)	(139)
Provision for losses on advances		242
Depreciation and amortization	14,406	12,068
Provision for impairment of intangible assets		776
Gains on disposal of property, plant and equipment	(167)	(642)
Interest and monetary and exchange variations, net	20,911	14,889
Unrealized derivative financial instruments	(11,303)	(2,931)
Provision (reversal) of provision for contingencies	139	(181)
Share options granted	1,119	
Changes in working capital		
Trade receivables	(15,320)	(4,928)
Inventories	(47,325)	(35,602)
Taxes recoverable	(6,436)	7,458
Other assets	481	(549)
Trade payables	24,574	(7,456)
Taxes and charges payable	(259)	(3,087)
Other liabilities	4,323	9,390
Cash provided by operations	**41,019**	**30,914**
Interest paid	(6,177)	(9,482)
Income tax and social contribution paid	(12,663)	(3,099)
Net cash provided by operating activities	**22,179**	**18,333**
Cash flows from investing activities		
Investments in intangible assets	(13,894)	(12,881)
Purchase of property, plant and equipment	(22,738)	(15,587)
Proceeds from sale of property, plant and equipment	903	12,704
Acquisition of investment	(387)	
Cash acquired through investment	385	
Net cash used in investing activities	**(35,731)**	**(15,764)**
Cash flows from financing activities		
Proceeds from borrowings	63,905	61,369
Repayment of borrowings	(103,173)	(70,511)
Realized derivative financial instruments	19,899	
Funds received from related parties - intercompany loan		13,600
Repayment of related parties - intercompany loan		(13,780)
Advances for future capital increase		3,950
Dividends and interest on capital paid	(12,889)	(19,815)
Net cash provided by financing activities	**(32,258)**	**(25,187)**
Increase in cash and cash equivalents, net	**(45,810)**	**(22,618)**
Cash and cash equivalents at the beginning of the period	**72,453**	**38,423**
Exchange gains (losses) on cash and cash equivalents	**185**	**156**
Cash and cash equivalents at the end of the period	**26,828**	**15,961**

[1] Statement of consolidated cash flows

[2] Statement of combined consolidated cash flows

Balance Sheet (R$ thousands)	9/30/2015[1]	12/31/2014[1]
Assets		
Current assets	**372,181**	**365,616**
Cash and cash equivalents	26,828	72,453
Trade receivables	195,511	178,111
Derivative financial instruments	9	10,376
Inventories	135,286	86,848
Taxes recoverable	6,734	6,905
Income tax and social contribution recoverable	737	2,486
Related parties	1,182	998
Other assets	5,894	7,439
Non-current assets	**297,020**	**261,645**
Long-term receivables	**37,007**	**24,710**
Derivative financial instruments	1,927	
Taxes recoverable	29,649	22,529
Deferred income tax and social contribution	4,032	1,920
Other assets	1,399	261
Permanent assets	**260,013**	**236,935**
Intangible assets	75,258	66,300
Property, plant and equipment	184,755	170,635
Total assets	**669,201**	**627,261**
Liabilities and equity		
Current liabilities	**157,594**	**176,904**
Trade payables	50,610	22,390
Derivative financial instruments	1,331	12
Borrowings	58,247	103,093
Salaries and social charges	27,097	24,912
Taxes payable	4,614	5,638
Income tax and social contribution payable	3,236	763
Dividends and interest on capital		8,959
Related parties	305	
Commissions on sales	6,525	5,669
Other liabilities	5,629	5,468
Non-current liabilities	**138,257**	**120,200**
Derivative financial instruments		1,164
Borrowings	134,250	112,560
Provision for contingencies	4,007	2,664
Deferred income tax and social contribution		3,812
Total liabilities	**295,851**	**297,104**
Total equity	**373,219**	**330,069**
Non-controlling interests	131	88
Total liabilities and equity	**669,201**	**627,261**

[1] Consolidated balance sheet