



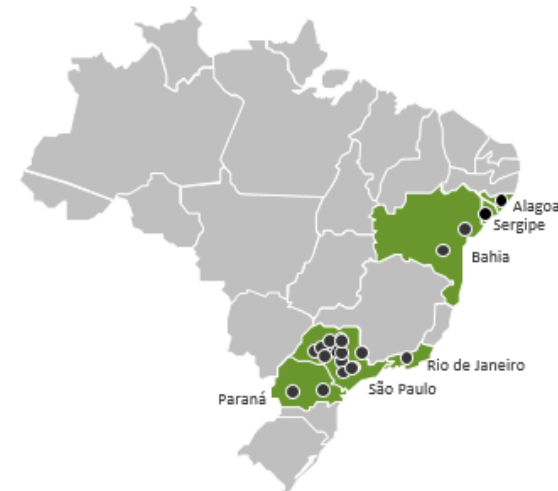
# 2017 Results Presentation

June 20, 2018

# Leading Waste Management Company in Brazil

Full-range of waste and environmental services for more than 31 million people

- 2017 Revenues R\$ 1,365 million / Adj. EBITDA R\$ 414 million <sup>(1)</sup>
- Largest waste management company in Brazil and LatAm <sup>(2)</sup>
- Environmentally progressive, transparent, with compliance focus
- Municipal customers approximately 80% of sales / C&I customers, approximately 20% of sales
- Sole owner of largest number of regulated landfills in Brazil with 134 million cubic meters of remaining capacity (>15 years) – robust pipeline of additional capacity



*States in which we operate hold 45% of the population with 55% of GDP*

## Collection Services



**500+ Clients**

932 vehicles on collection, sweeping, and cleaning services for 31 million people

## Landfill Operations



**13 Landfills**

6 million tons disposed in Estre's landfills yearly  
Pipeline of 4 new landfills

## Biogas Power



**10 Power Units**

Generating ~14 MW and with potential to more than 80 MW

## Hazardous and Medical Waste



**3 Facilities**

for treatment and disposal of hazardous and medical waste

(1) Adjusted EBITDA is a non-IFRS financial measure.

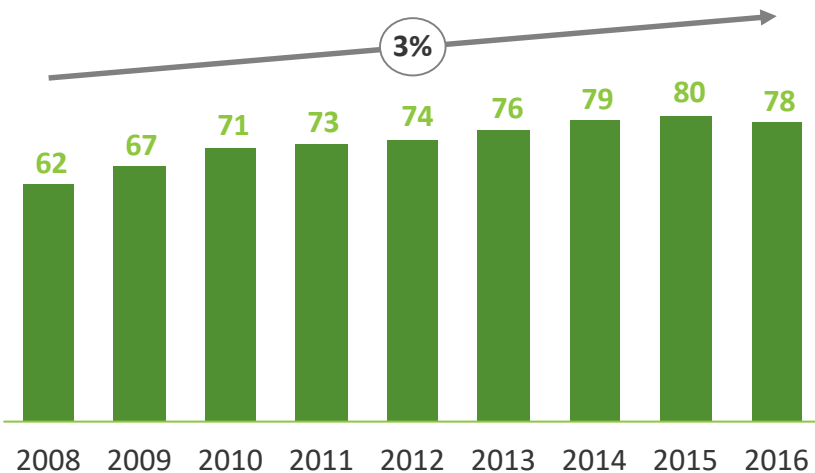
(2) As measured in terms of number of landfills and waste disposal volumes.

# Attractive Growth Opportunity

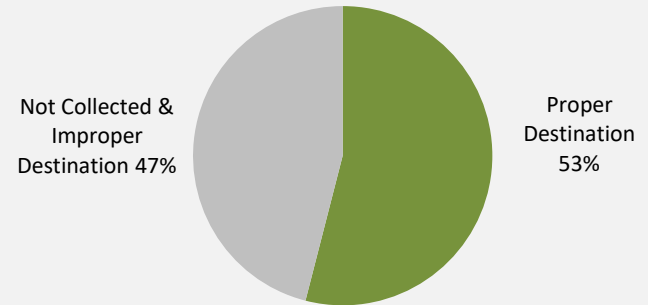
## Brazilian solid waste market

- 78 million tons annual of MSW
- 3% growth from 2008 to 2015
- Fragmented industry
- Favorable regulatory framework
- 47% of MSW not properly disposed of
  - 6 million not collected
  - 30 million sent to illegal dumps

## MSW volume evolution (million tons)



## Underpenetrated Market Opportunity



## Significant Market Opportunity



## Compliance Measures and Culture

- First waste management company in Brazil to receive international certification for internal controls and integrity policies – ISO 37001
- Brazil's Clean Company Act 2014 – Brazil's first anti-corruption law to hold companies responsible for their employees' corrupt actions - is enacted
- Under new leadership beginning in 2015, Estre expanded compliance policies, investing heavily in ethical controls and integrating them as a key element to its strategy and culture
- Zero tolerance policy for non-compliance
- Anti-corruption compliance now a key factor in Estre's compensation system

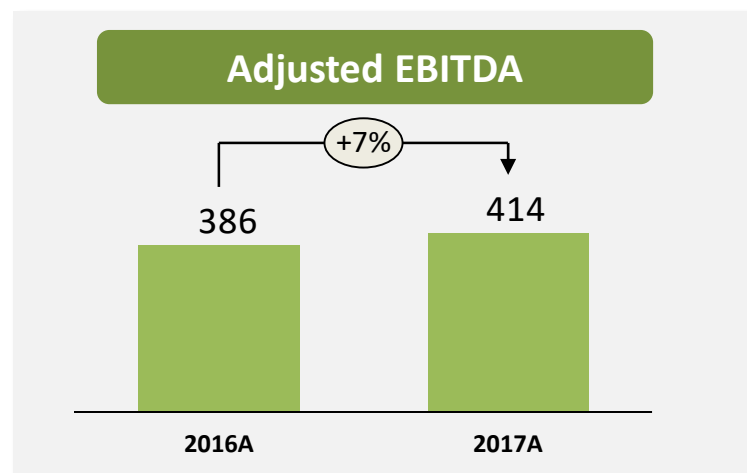
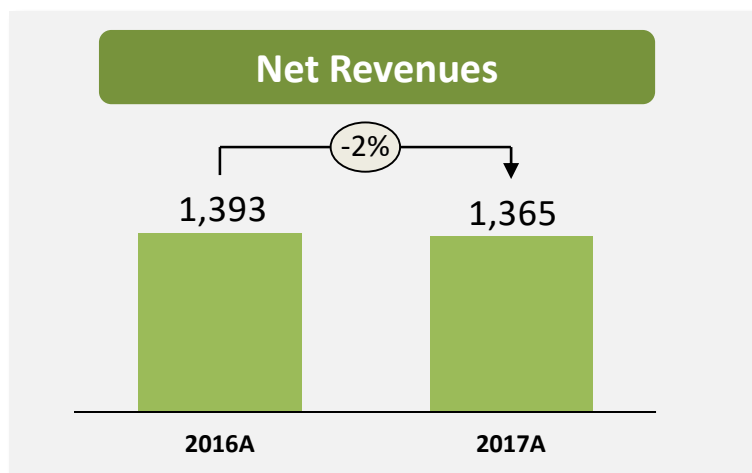


### Highlights of Estre's New Compliance Program

- Define, implement and manage compliance with the Brazilian Anticorruption Laws
- Top-down compliance policies applicable to all employees and third parties
- Whistleblower channel / hotline
- Continuous education and training
- Regular due diligence and internal testing and review
- Reporting and disciplinary measures

## FY 2017 Comparison with Prior Year

R\$ in millions



- Business performance remained solid with Adjusted EBITDA growing 7 percent to R\$414 million in 2017
- This result was achieved despite a 2 percent decrease in net revenues compared with net revenues in the prior year

## FY 2017 Comparison with Prior Year – Same footprint

R\$ in millions

Net Revenues (in R\$ million)	2016 Restated	2017	Chg.
Collection & Cleaning Services	922	929	0,7%
<i>Public</i>	843	831	-1,5%
<i>C&amp;I</i>	79	98	24,2%
Landfills	450	455	1,2%
O&G	63	26	-58,9%
Value Recovery	42	57	35,5%
<b>Total <sup>(1)</sup></b>	<b>1.393</b>	<b>1.365</b>	<b>-2,0%</b>

<sup>(1)</sup> Considers Elimination of intersegment transactions entered into the ordinary course of the business R\$84 million (in 2016) and R\$102 million (in 2017)

- 2017 net revenues declined by 2 percent in comparison with 2016
- Growth in landfills and in C&I was more than offset by a decline in O&G and public collections
- Decline in public collections services reflects discontinued contracts and a delay in timing in the receipt of new contracts from fiscal year 2017 to fiscal year 2018
- If the effects of discontinued operations and a one-time price adjustment in 2016 were excluded, net revenues would have increased more than 3 percent in 2017 when compared on a like-for-like basis with net revenues in 2016

# Use of Cash

R\$ in millions

Valuation			
		R\$	\$
Estre Price per Share		R\$33.08	\$10.00
Shares Outstanding		51	51
Market Cap		R\$1,693	\$512
Financial Debt		1,454	440
Cash		85	26
Net Financial Debt		1,369	414
Enterprise Value		R\$3,063	\$926

## Transaction Multiples

EV/2017 EBITDA	7.4 x	R\$414	\$125
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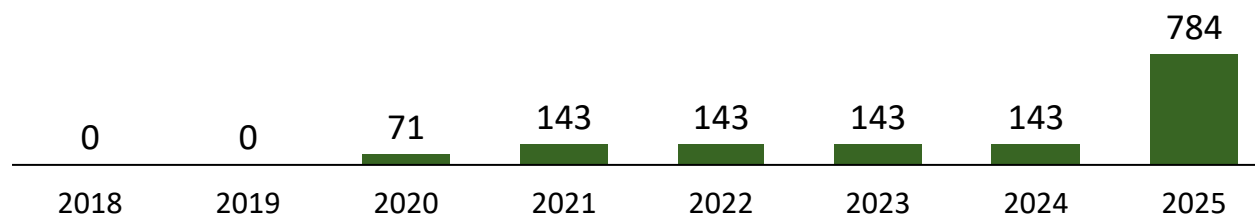
## Leverage

Net Debt/2017 EBITDA	4.7 x
Net Debt Financial/2017 EBITDA	3.3 x

Uses			
		R\$	\$
<b>Uses</b>			
Cash used to retire debt		366	111
Est. 3rd Pty Fees/Expenses		96	29
Total Uses		R\$462	\$140

Ownership			
		# shares	% Total
Former Estre Ambiental S.A. Shareholders		27	52.75%
Former Boulevard Shareholders + Private Placement		22	43.37%
Management		2	3.87%
Total		51	100%

## Debentures Amortization Schedule (R\$ million)



## PRT/PERT Amortization Schedule (R\$ million)

