Dear Shareholders,

The Management of MLog S.A. ("MLog" or "Company"), jointly with its direct or indirect subsidiaries Morro do Pilar (Iron Ore Project), North Capixaba Development Company (Industrial District Project and Porto Multiplo in Linhares) , Asgaard Offshore (Offshore Shipping Company), CNA - Companhia de Navegação do Amazônia (Iland Shipping Company) and Marsil Mining EIRELI, in compliance with legal and statutory provisions, hereby submits a Management Report and its Consolidated Quarterly Financial Statements, accompanied by the Independent Auditors' Report, all referring to the quarter ended June 30, 2018. All figures mentioned in this report, related to the Company's Financial Statements, are presented in thousands of reais, unless otherwise indicated.

1. Message from the Management

While the operating subsidiaries presented another quarter in line with the expected one given the stage of their business, the highlights of the quarter were MOPI´s Preliminary Environmental License 1 year expiration postponement and the acquisition of Marsil Mining by MLog on April 25, 2018.

Marsil is a small mining company located in the region known as Iron Ore Quadrangle, near the municipality of Itabira, in the state of Minas Gerais. Operating below capacity due to financial constraints, Marsil produced about 200,000 tonnes of iron ore annually.

The acquisition was supported by the payment of the installment of the capital increase of MLog, already subscribed and partially paid by Maverick Holding S.A. in 2015, which was due in December 2017.

As part of the operation, the Bocaiuva Group became part of the indirect controlling group of MLog. The acquisition also included a commitment to further restructuring of MLog, including the segregation of the mining activity from other activities and assets held by the Company.

In this second quarter, Asgaard again achieved high operationality rates. Its positive operational result in the quarter was also affected by its current size, below the ideal minimum scale, which we believe would be the joint operation of at least 3 to 5 vessels.

CNA´s highlight of the quarter was the wining of a Petrobras Group´s bid, which meant the continuation of one of its contracts for a new period of 2 + 2 years. This renewal process, positive for the company, had a negative impact on the net revenue for the quarter, as legal issues that had already been overcome prevented the operation of this route for approximately 30 days.

At the Morro do Pilar Project, we continue to produce the necessary documentation and studies for the Installation License filing, scheduled for the end of 2018.

The Company actively seeks opportunities for organic and inorganic growth (mergers and acquisitions) for its assets.

In the shipping activity, the generation of AFRMM credits by CNA guarantees the companies capacity for growth, since these credits can be used not only for the construction of new vessels but also for the payment of interest and amortization on loans used for the construction of Brazilian vessels.

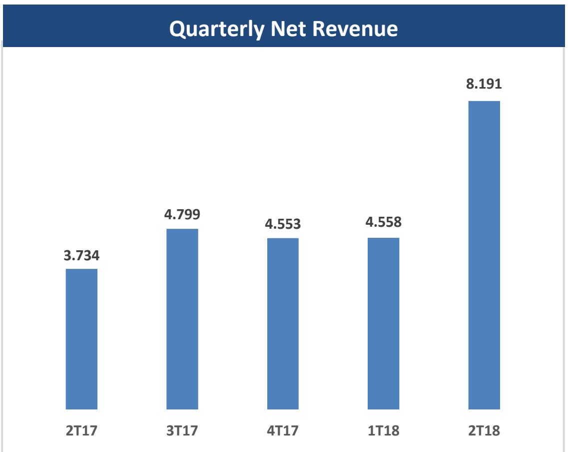
We are also attentive to the additional opportunities in the mining sector, where the global macro-economic changes and the quality of the MOPI Project can be differentials that sustain the company's growth.

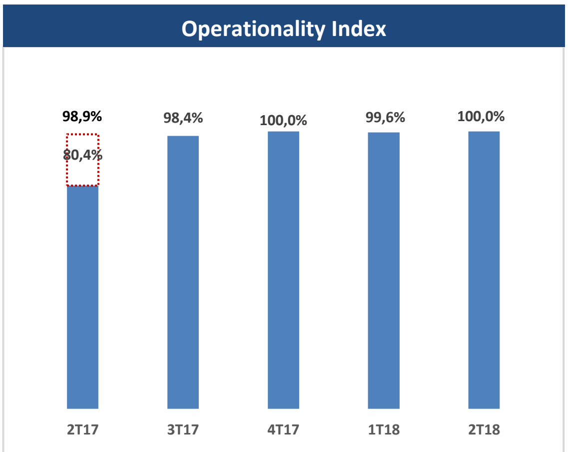
2. Operational Performance

We will show below the main operating indicators of our subsidiaries for the current quarter.

i. Asgaard Shipping

Operating since March 2016, OSRV Asgaard Sophia has been showing positive operational rates, as shown in the graphs below. In this quarter, Asgaard's Net Revenue was positively impacted by the financial settlement of the service rendering operation related to the SBM Installer, held in 2017.





ii. CNA – Amazon Shipping Company

CNA continues to operate its assets at levels close to the limit given the current regional conditions, both climatic and storage infrastructure. Any significant growth in future revenue will be contingent on increased installed capacity.

An important part of the CNA result is the Merchant Marine Renewal Freight Additional ("AFRMM"), mainly governed by Law 10.893 of 2004. The AFRMM is a federal tax on maritime freight that aims to support the development of merchant marine and the Brazilian shipbuilding and repair industry, and is a basic source of the Merchant Marine Fund (FMM).

AFRMM rates vary depending on the type of product, transportation and region of origin or destination. In the fluvial transport activity of liquid bulk in the North, the AFRMM incident rate is 40% of the freight price. The additional freight generated by the services provided by CNA is subsequently credited to a linked account of the company with Banco do Brasil and may be used by the CNA, its affiliates or its parent company, mainly for:

i. The acquisition of new vessels, for own use, built in Brazilian shipyards;

ii. for intervention (jumborization, conversion, modernization, docking or repair) of own vessel in a Brazilian shipyard;

iii. for the payment of principal installment and financing charges granted with FMM funds.

The AFRMM accounting follows the rules of CPC 07 (IAS 20). When the freight service is finalized, the receivable amount of AFRMM is recognized simultaneously in long-term assets and non-current liabilities as deferred revenue, not impacting, at the initial moment, the result of the CNA. In an average term of approximately 30 months, this AFRMM loan is deposited in the linked account of CNA with Banco do Brasil. At this point the AFRMM becomes available for use as permitted.

When AFRMM is used, the non-current liability that was offset against its launch and the revenue are affected as follows:

If the company uses R$100 for the purchase of a vessel that will be depreciated in 20 years, its balance will now indicate in the fixed asset the initial value of R $ 100 and the liability will continue to present a value of R$100 as deferred AFRMM revenue.

After the first year of use of the vessel, property, plant and equipment will indicate R$95 (R$100 - R$5 depreciation). The liability will also be reduced by the same amount of depreciation, starting at R$95. As a counterpart to this reduction in liabilities, the amount of R$5 in Net Revenue will be posted to income.

That is, although the cash effect of the use of AFRMM occurs in approximately 30 months and its use does not generate a financial liability for the company, the release of the amounts of this economic benefit to the shareholders occurs in the accounting throughout the useful life of the asset.

iii. MOPI – Pilar Hill Mining

In the mining segment, in parallel to our strategy of developing alternative logistics that utilize existing installed idle capacity in the sector, we restarted the efforts towards the Installation License ("LI") protocol of the Morro do Pilar Project, with expected LI filing by the end of 2018. On May 10, 2018, the Mining Activities Chamber (CMI) of the State Environmental Policy Council (COPAM) of the State of Minas Gerais approved the extension for one additional year of expiration of the Preliminary License of the MOPI Project, which would occur on November 6, 2018.

To meet the necessary conditions for the Installation License protocol, the Company estimates the necessary expenditures and investments of approximately R$20 million for socioenvironmental studies and compensation, part of which has already been incurred during 2018.

iv. Marsil Mining

As approved by the Company's Board of Directors in a meeting held on April 23, 2018 and the Material Facts disclosed on April 25 and 26, 2018, the Company acquired 100% of Marsil Mineração.

Marsil is a small mining company located in the region known as Iron Ore Quadrangle, near the municipality of Itabira, in the state of Minas Gerais.

The company was in a delicate financial situation, generated by increased leverage during the last iron ore bull market. Excessive indebtedness stemmed from the combination of investments in an aggressive growth plan and non-recurring corporate operations.

Due to its financial situation, the volumes and results of operations of Marsil in the periods prior to our acquisition were negatively impacted, since the company was unable to act in accordance with best practices and with a rationalization of its structure of costs and expenses. In this scenario, Marsil presented annual production of around 200 thousand tons of iron ore in recent years.

With good quality reserves of iron ore, Marsil mainly produces sinter feed and granulated ore, the latter with the highest market value. Its sales are carried out exclusively in the domestic market, since with the current volume of production hardly direct export would be viable. On average, the iron ore sold by Marsil has a 64.5% Fe content and low contaminant levels.

After a short initial period of operation, we decided to anticipate the company's plan for technical stops and improvements, supported by internal studies that indicated that this is the route of greater value creation for shareholders. At this stop, the changes and investments being made were mapped even before the acquisition of the company by MLog, which include: (i) restructuring of mining in order to rationalize the exploitation of mineral resources and also the structure of machinery used, (ii) restructuring of its operational workflow, (iii) changes in the technical configurations of the crushing and concentrating plants, aiming at reducing costs and increasing the products of higher market value in the production mix, (iv) improving the safety conditions of the operation, (v) implementing a system for optimizing the efficiency of energy generators, whose input - diesel oil - represents an important component of the total cost of production, (vi) adherence to the new environmental legislation of the state of Minas Gerais, which includes improvements in the environmental management, and the negotiation of a new Term of Adjustment of Conduct (TAC) with the state environmental agencies.

As shown in the Notes to these financial statements, the acquisition of Marsil was carried out in such a way that the company became part of the MLog group free of debt and contingent liabilities, known or unknown. In the acquisition, the Bocaiuva Group not only assumes responsibility for the payment of Marsil's bank debt, which totaled R$64,038 as of 06/30/2018, but also for the total and exclusive assumption of these debts within the financial institutions. We hope that this process of debt assumption by the Bocaiuva Group will be completed in the coming months.

The acquisition, in the amount of R$50 million, was supported by the payment of one installment of the capital increase of MLog already subscribed and partially paid by Maverick Holding S.A. in 2015, that was due in December 2017.

v. CDNC

The Company continues to analyze opportunities and possibilities for project development on its Linhares site.

3. Consolidated Quarterly Information

Result for the Period

The Company recorded a consolidated loss of R$821 in the second quarter of 2018. This result is impacted by financial income and expenses, mainly due to the debt with the acquisition of CNA, depreciation, CPC 07 (AFRMM accounting rules) and general and administrative expenses, including those of the holding company.

Given the pre-operating situation of the Company's assets, the impact of CPC 07 on accounting for CNA's AFRMM revenues and aiming to broaden the shareholders' understanding of the accounting result, the Company prepared the table below with the accounting-economic reconciliation of its subsidiaries and the Parent Company for the six-month period ended 06/30/2018.

BRL ´000	CNA	Asgaard	MOPI	Marsil	Other Cos.	Holding	Consolidated
Net Revenue	**17,755**	**12,749**		**1,312**			**31,816**
EBITDA	**6,052**	**100**	**-534**	**-504**	**-26**	**-7,336**	**-2,248**
Adjustment Accounting Revenue with AFRMM Subsidy - CPC 07	-5,981						**-5,981**
Non Recurring Items							
Adjusted EBITDA	**71**	**100**	**-534**	**-504**	**-26**	**-7,336**	**-8,229**
Depreciation / Amortization	-5,219	-115		-212		-453	**-5,999**
Financial expenses	-98	-826	-2	-36	-110	-798	**-1,870**
Financial income	443	1,485			6,226	562	**2,490**
PVA + Financial Expenses CNA Acquisition						-6,805	**-6,805**
Accounting Revenue with AFRMM Subsidy - CPC 07	5,981						**5,981**
Income Taxes	-206						**-206**
Net Profit/Loss	**972**	**644**	**-536**	**-752**	**6,090**	**-14,830**	**-8,412**
AFRMM Generated in Period	7,334						**7,334**
PVA + Financial Expenses CNA Acquisition						6,805	**6,805**
Non Recurring Revenue / Expenses					-6,226		**-6,226**
Adjustment Depreciation / Revenue AFRMM Grant CPC07	-762	115		212		453	**18**
Economic Result	**7,544**	**759**	**-536**	**-540**	**-136**	**-7,572**	**-481**

Cash and cash equivalents

The Company closed the second quarter of 2018 with a consolidated cash position of R$17,813.

Bank loans

The Company ended the quarter with bank indebtedness of R$64,038. All of this amount refers to Marsil's debt. In the Marsil acquisition contract, Bocaiuva Group assumes not only the responsibility for the full payment of this debt, but also for the total and exclusive assumption of these debts within the financial institutions. We hope that this process of assumption of debt by the Bocaiuva Group will be completed in the coming months.

4. Social and Environmental Responsibility

As a way of reinforcing the Company's commitment to the best socio-environmental practices, MLog voluntarily adhered to the United Nations Global Compact. Among the guiding principles of this commitment are respect for human rights at work, respect for the environment, integrity and the fight against corruption.

5. Capital Markets and Corporate Governance

MLog is a publicly-held company registered with the Brazilian Securities and Exchange Commission (CVM). In the first quarter of 2017, the listing of the Company's shares on BM&FBovespa was not renewed.

The Company's Board of Directors, elected at the Annual Shareholders' Meeting held on April 27, 2018, is currently composed of seven members, all with a mandate until the next Annual General Meeting, and re-election is permitted. Current members of this Board are: Luiz Claudio Souza Alves, Chairman of the Board of Directors, Alvaro Piquet, Otavio Paiva, Patricia Tendrich Pires Coelho, Eduardo Borges, Marcel Abe and Gabriel Meira.

On May 4, 2018, the Company's Board of Directors elected the Board of Executive Officers for a term to be terminated after the Company's next Annual General Meeting. On May 21, 2018, Patricia Tendrich Pires Coelho resigned as CEO, with Elias David Nigri having been elected to the position of Acting Chief Executive Officer on June 25, 2018. The current Board of Executive Officers is comprised of, Elias David Nigri (Chief Executive Officer), Luiz Claudio Souza Alves (Deputy Chief Executive Officer), Julia Souza de Paiva (Administrative and Financial Director), Sabrina Juhasz (Legal Director) and Gustavo Barbeito de Vasconcellos Lantimant Lacerda (Director of Planning and Investor Relations).

6. Commitment Clause

The Company, its shareholders, administrators and members of the Board of Directors are obliged to resolve, through arbitration, any dispute or controversy that may arise between them, related to, or arising from, in particular, the application, validity, effectiveness , interpretation, violation and its effects of the provisions contained in the Bylaws, shareholders' agreements filed at the Company's headquarters, Brazilian Corporate Law, standards issued by the National Monetary Council, the Central Bank of Brazil or CVM, of the CVM, in the BM&FBovespa regulations, in the other rules applicable to the operation of the capital market in general, in the Arbitration Clauses and in the Arbitration Rules of the Market Arbitration Chamber, conducted pursuant to the latter Regulation.

7. Independent Auditors

In compliance with CVM Instruction 381 of 2003, the Company informs that KPMG Auditores Independentes provides external audit services to the Company related to the examination of its financial statements.

Rio de Janeiro, August 17, 2018.

The Administration

KPMG Auditores Independentes
Rua do Passeio, 38 - Setor 2 - 17º andar - Centro
20021-290 - Rio de Janeiro/RJ - Brasil
Caixa Postal 2888 - CEP 20001-970 - Rio de Janeiro/RJ - Brasil
Telefone +55 (21) 2207-9400, Fax +55 (21) 2207-9000
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Independent Auditor's Review Report on quarterly information - ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities and Exchange Commission (CVM), prepared in accordance with the accounting practices adopted in Brazil, rules of the CVM and of the International Financial Reporting Standards - IFRS)

To the Board of Directors and Directors of
MLOG S.A.
Rio de Janeiro - RJ

Introduction

We have reviewed the individual and consolidated interim accounting information of MLOG S.A. ("the Company"), included in the quarterly information form - ITR for the quarter ended June 30, 2018, which comprises the balance sheet as of June 30, 2018 and the respective statements of income and comprehensive income for the three and six-month periods then ended and the statements of changes in shareholders' equity and cash flows for the six-month period then ended, including the explanatory notes.

The Company`s Management is responsible for the preparation of these interim accounting information in accordance with the CPC 21(R1) - Demonstração Intermediária and the IAS 34 - Interim Financial Reporting, issued by the *International Accounting Standards Board* IASB, as well as the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of quarterly information - ITR. Our responsibility is to express our conclusion on this interim accounting information based on our review.
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Scope of the review

We conducted our review in accordance with Brazilian and International Interim Information Review Standards (NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, respectively). A review of interim information consists of making inquiries primarily of the management responsible for financial and accounting matters and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, accordingly, it did not enable us to obtain assurance that we were aware of all the material matters that would have been identified in an audit. Therefore, we do not express an audit opinion.

Conclusion on the individual and consolidated interim accounting information
Based on our review, we are not aware of any fact that might lead us to believe that the individual and consolidated interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, issued by the IASB, applicable to the preparation of the quarterly review - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statement of added value
The individual and consolidated statements of added value for the sixmonth period ended June 30 , 2018, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34, were submitted to the same review procedures followed together with the review of the Company's interim financial information. In order to form our conclusion, we evaluated whether this statement was reconciliated to the interim financial information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement of added value was not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Rio de Janeiro, August 17, 2018

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ
(Original report in Portuguese signed by)
Marcelo Nogueira de Andrade
Contador CRC-RJ 086312/O-6

MLog S.A.

Quarterly Financial Information June 30, 2018 with Independent Auditor's Report Quarterly Financial Information

KPDS 237008

Contents

MLog S.A.

Balance sheets - June 30, 2018 and December 31, 2017

(In thousands of Reais)

		Parent company		Consolidated	
	Nota	2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	4	81	21,324	17,813	34,440
AFRMM deposits in escrow account	5			29,959	29,638
Trade accounts receivable	6			5,239	17,317
Advances to suppliers		98	126	466	563
Inventories				446	328
AFRMM to be released	5			24,052	24,052
Related parties loans	12	2,160	77	800	904
Anticipation of receivables				818	
Recoverable taxes	7	2,703	2,727	11,768	10,784
Prepaid expenses		24	109	1,190	543
Rights in the deal	1			71,643	
Other		76	30	712	1,797
Total current assets		5,142	24,393	164,906	120,366
Non-current assets					
Advances for future capital increase	8	1,369	1,046		
Judicial deposits	15			908	468
Deferred income tax and social contribution	11			103	
Recoverable taxes	7	533	1,644	752	1,940
AFRMM to be released	5			11,727	8,734
Judicial Deposit		381	825	381	825
Investments	8	256,892	205,554		
Property, plant and equipment	9	2,432	2,812	228,568	222,021
Intangible assets	10	722,093	719,711	826,233	785,772
Total non-current assets		983,700	931,592	1,068,672	1,019,760
Total assets		988,842	955,985	1,233,578	1,140,126
Liabilities					
Current liabilities					
Trade accounts payable	13	494	237	3,211	15,812
Bank loans and financing	1			64,038	
Employee-related accruals		111	542	4,850	2,190
Tax liabilities		142	675	4,699	2,483
Related parties loans	12	14,470	11,768		
Advances from customers				1,296	1,245
Provisions	17	879	20	2,521	1,662
Obligations on acquisition of investments	14	24,595	25,213	24,595	25,213
Other		1,886	1,419	4,614	2,992
Total current liabilities		42,577	39,874	109,824	51,597
Non-current liabilities					
Provision for losses on investments	8	44,284	43,818		
Refunds to clients					32
Deferred income tax and social contribution	18			5,875	5,875
Tax liabilities				805	363
Government subsidies to be appropriated- AFRMM	5			201,901	200,548
Other				1,122	
Obligations on acquisition of investments	14	70,367	75,962	70,367	75,962
Provisions	17	6,418	5,976	18,589	15,493
Total non-current liabilities		121,069	125,756	298,659	298,273
Equity					
Capital stock	19	1,161,678	1,111,835	1,161,678	1,111,835
Share-based compensation reserve		25,308	25,308	25,308	25,308
Accumulated losses		(362,303)	(353,876)	(362,303)	(353,876)
Cumulative translation adjustments		513	7,088	513	7,088
Equity attributable to controlling shareholders		825,196	790,355	825,196	790,355
Non-controlling shareholder interest				(101)	(99)
Total equity		825,196	790,355	825,095	790,256
Total liabilities and equity		988,842	955,985	1,233,578	1,140,126

See accompanying notes.

MLog S.A.

Statements of operations
Six months period ended June 30, 2018 and 2017
(In thousands of Reais, except for loss per share, in Reais)

		Parent company		Consolidated	
	Nota	2018	2017	2018	2017
Net operating income	20			31,816	40,771
Cost of services	20			(29,746)	(39,126)
Gross profit				2,070	1,645
Operating expenses					
Personnel	25	(3,657)	(5,687)	(9,603)	(9,894)
Services rendered		(2,124)	(4,252)	(2,506)	(5,177)
General and administrative		(1,453)	(1,006)	(3,427)	(2,350)
Depreciation and amortization		(453)	(303)	(591)	(438)
Taxes		(102)	(336)	(401)	(1,294)
Other operating income (expenses)					
Equity results in subsidiaries	8	6,403	(6,942)		
Government subsidies - AFRMM	5			5,981	2,314
Other operating income (expenses)				230	(3,771)
		(1,386)	(18,526)	(10,317)	(20,610)
Operating loss before financial results		(1,386)	(18,526)	(8,247)	(18,965)
Financial income and expenses					
Financial income	21	562	701	7,963	3,086
Financial expenses	22	(7,603)	(7,659)	(7,922)	(9,562)
		(7,041)	(6,958)	41	(6,476)
Loss before income tax and social contribution		(8,427)	(25,484)	(8,206)	(25,441)
Income tax and social contribuiton	11				
Current				(342)	(122)
Deferred				136	78
Loss for the period		(8,427)	(25,484)	(8,412)	(25,485)
Loss attributable to:					
Shareholders of the Parent company				(8,427)	(25,484)
Non-controlling shareholder interest				15	(1)
Loss per share (basic and diluted)	19	(2.91)	(8.79)		

See accompanying notes.

MLog S.A.

Statements of comprehensive income
Three months period ended June 30, 2018 and 2017
(In thousands of Reais,except for loss per share, in Reais)

		Parent company		Consolidated	
	Nota	2018	2017	2018	2017
Net operating income	20			**17,366**	14,012
Cost of services	20			**(15,466)**	(13,223)
Gross profit				**1,900**	789
Operating expenses					
Personnel		**(1,805)**	(3,857)	**(4,992)**	(6,244)
Services rendered		**(1,524)**	(1,590)	**(1,770)**	(2,170)
General and administrative		**(1,054)**	(485)	**(1,768)**	252
Depreciation and amortization		**(211)**	(153)	**(282)**	(213)
Taxes		**(102)**	(130)	**(275)**	(844)
Other operating income (expenses)					
Equity results in subsidiaries	8	**7,445**	366		
Government subsidies - AFRMM	5			**2,759**	1,075
Other operating income (expenses)				**36**	(1,102)
		2,749	(5,849)	**(6,292)**	(9,246)
Operating loss before financial results		**2,749**	(5,849)	**(4,392)**	(8,457)
Financial income and expenses					
Financial income	21	**181**	185	**7,429**	3,793
Financial expenses	22	**(3,767)**	(4,241)	**(3,877)**	(5,281)
		(3,586)	(4,056)	**3,552**	(1,488)
Loss before income tax and social contribution		**(837)**	(9,905)	**(840)**	(9,945)
Income tax and social contribuiton	11				
Current				**(49)**	
Deferred				**68**	44
Loss for the period		**(837)**	(9,905)	**(821)**	(9,901)
Loss attributable to:					
Shareholders of the Parent company				(837)	(9,905)
Non-controlling shareholder interest				16	4
Loss per share (basic and diluted)	19	**(0.29)**	(3.42)		

See accompanying notes.

MLog S.A.

Statements of comprehensive income
Six months period ended June 30, 2018 and 2017
(In thousands of Reais)

	Parent company		Consolidated	
	2018	**2017**	**2018**	**2017**
Loss for the period	**(8,427)**	(25,484)	**(8,412)**	(25,485)
Other comprehensive income				
Cumulative translation adjustments	**(6,575)**	(505)	**(6,592)**	(507)
Comprehensive loss for the period	**(15,002)**	(25,989)	**(15,004)**	(25,992)
Comprehensive loss attributable to:				
Shareholders of the Parent company			(15,002)	(25,989)
Non-controlling shareholder interest			(2)	(3)

Statements of comprehensive income
Three months period ended June 30, 2018 and 2017
(In thousands of Reais)

	Parent company		Consolidated	
	2018	**2017**	**2018**	**2017**
Loss for the period	**(837)**	(9,905)	**(821)**	(9,901)
Other comprehensive income				
Cumulative translation adjustments	**(6,671)**	(2,133)	**(6,688)**	(2,139)
Comprehensive loss for the period	**(7,508)**	(12,038)	**(7,509)**	(12,040)
Comprehensive loss attributable to:				
Shareholders of the Parent company			**(7,508)**	(12,038)
Non-controlling shareholder interest			**(1)**	(2)

See accompanying notes.

MLog S.A.

Statements of changes in equity
Six months period ended June 30, 2018 and 2017
(In thousands of Reais)

	Capital stock								
	Subscribed	To be paid	Capital reserve	(-) Equity issuance costs	Share-based compensation reserve	Accumulated losses	Cumulative translation adjustments	Non-controlling shareholder interest	Total
At December 31, 2016	1,318,825	(170,526)		(36,464)	25,308	(308,222)	7,883	(100)	836,704
Cancelation of capital to be paid	(42,632)	42,632							
Translation adjustments							(505)	(2)	(507)
Loss for the period						(25,484)		(1)	(25,485)
At June 30, 2017	1,276,193	(127,894)		(36,464)	25,308	(333,706)	7,378	(103)	810,712
At December 31, 2017	**1,276,193**	**(127,894)**		**(36,464)**	**25,308**	**(353,876)**	**7,088**	**(99)**	**790,256**
Capital Contribution (Nota 19)		**42,632**	**7,211**						**49,843**
Translation adjustments							**(6,575)**	**(17)**	**(6,592)**
Loss for the period						**(8,427)**		**15**	**(8,412)**
At June 30, 2018	**1,276,193**	**(85,262)**	**7,211**	**(36,464)**	**25,308**	**(362,303)**	**513**	**(101)**	**825,095**

See accompanying notes.

MLog S.A.

Statements of Cash Flows
Six months period ended June 30, 2018 and 2017
(In thousands of Reais)

	Parent company		Consolidated	
	2018	2017	**2018**	2017
Cash flows from operating activities				
Loss for the period	**(8,427)**	(25,484)	**(8,412)**	(25,485)
Adjustments to reconcile the profit (loss) for the year to cash from operating activities				
Depreciation and amortization	**453**	303	**5,999**	6,294
Fixed Assets sales	**15**		**215**	
Government subsidies - AFRMM			**(5,981)**	(2,314)
Interest payable	**7,248**	7,417	**7,932**	7,802
Unrealized exchange variance			**(6,604)**	(465)
Equity results in subsidiaries	**(6,403)**	6,942		
Deferred income tax and social contribution			**(136)**	(78)
Changes in assets and liabilities				
Recoverable taxes	**1,135**	861	**261**	855
Inventories			**(118)**	90
Prepaid expenses	**85**	133	**(760)**	(155)
Other assets	**(46)**	(104)	**968**	98
Trade accounts receivable			**12,502**	(12,195)
Judicial deposits	**444**		**444**	16
Advances to suppliers	**28**	957	**63**	434
Receipt of AFRMM subsidies			**4,020**	96,513
Trade accounts payable	**(123)**	(225)	**(13,217)**	7,363
Employee-related accruals	**(431)**	(281)	**492**	324
Tax liabilities	**(542)**	432	**(332)**	722
Interest on loans with related parties	**172**	10	**(51)**	(232)
Transaction costs		(625)		(8,880)
Rights in the Deal			**(64)**	
Advances from customers			**(59)**	1,826
Other liabilities	**(74)**	(221)	**980**	(89)
Provisions	**859**	27	**859**	60
Net cash used in operating activities	**(5,607)**	(9,858)	**(999)**	72,504
Cash flows from investing activities				
Advances for future capital increase and capital increase in subsidiaries	**(1,369)**	(350)		
Loans with related parties - granted	**(11,121)**	(506)		(506)
Anticipation of Receivables			**(818)**	
Investment Acquisitions	**(50,000)**		**(50,000)**	
Acquisition of property, plant and equipment		(103)	**(248)**	(2,232)
Additions to intangible assets	**(1,539)**	(1,123)	**(1,543)**	(1,123)
Net cash from investing activities	**(64,029)**	(2,082)	**(52,609)**	(3,861)
Cash flows from financing activities				
Payment of Bank loan				(3,732)
Capital Contribution	**49,843**		**49,843**	
Amortization in the acquisition of investment	**(13,018)**	(8,872)	**(13,018)**	(8,872)
Loans with related parties - received	**11,568**	20,802	**156**	638
Net cash from (used) in financing activities	**48,393**	11,930	**36,981**	(11,966)
Increase (decrease) in cash and cash equivalents	**(21,243)**	(10)	**(16,627)**	56,677
Cash and cash equivalents at the beginning of the period	**21,324**	19	**34,440**	199
Cash and cash equivalents at the end of the period	**81**	9	**17,813**	56,876

See accompanying notes.

MLog S.A.

Statements of value added (supplementary information for IFRS purposes)
Three months period ended June 30, 2018 and 2017
(In thousands of Reais)

	Parent company		Consolidated	
	2018	2017	**2018**	2017
Operating income				
Services			**38,608**	48,310
Inputs acquired from third parties				
Cost of the services			**(20,624)**	(30,589)
General and administrative expenses	**(3,552)**	(5,169)	**(5,272)**	(9,831)
Other income				
Government subsidies - AFRMM			**5,981**	2,314
Depreciation and amortization	**(453)**	(303)	**(591)**	(438)
Transferred added value received				
Net financial income	**(7,041)**	(6,958)	**41**	(6,476)
Equity results in subsidiaries	**6,403**	(6,942)		
Total added value to be distributed	**(4,643)**	(19,372)	**18,143**	3,290
Distribution of added value				
Personnel				
Direct remuneration	**39**	526	**8,890**	10,471
Management fees	**2,799**	2,300	**3,454**	2,550
Benefits	**251**	1,823	**4,488**	4,400
Accrued severance indemnity (FGTS)	**3**	187	**953**	1,074
	3,092	4,836	**17,785**	18,495
Tax				
Federal	**650**	1,172	**5,602**	7,367
Estadual			**1,969**	2,288
Municipal	**6**	12	**916**	134
Third-party capital remuneration				
Leases	**36**	92	**283**	492
Loss for the period attributable to:				
Shareholders of the Parent company	**(8,427)**	(25,484)	**(8,427)**	(25,485)
Non-controlling shareholder interest			**15**	(1)
	(4,643)	(19,372)	**18,143**	3,290

See accompanying notes.

1. Operations

MLog S.A. ("Company") has full control of Morro do Pilar Minerais S.A., Companhia de Desenvolvimento do Norte Capixaba, Dutovias do Brasil S.A., 99.99% of Asgaard Navegação S.A., indirectly by Asgaard Navegação S.A. 100% of Companhia de Navegação da Amazônia - CNA ,99.75% of Asgaard Navigation LLP and 100% of Mineração Marsil EIRELI.

The subsidiaries Morro do Pilar Minerais S.A., Dutovias do Brasil S.A.,Companhia de Desenvolvimento do Norte Capixaba and Mineração Marsil EIRELI operate in the mining and logistics segments while Asgaard Navegação S.A. and Asgaard Navigation LLP operate in charter and operation of offshore support vessels for the oil and gas industry and Companhia de Navegação da Amazonia - CNA operates in liquid bulk transport (crude oil, its by-products and biofuels).

On 03/21/2017, subsidiary Asgaard Navegação S.A. sold the vessel Asgaard Sophia to its subsidiary Companhia de Navegação da Amazônia - CNA, for R$106,303, resulting in release of funds from the Additional Freight for Renovation of Merchant Marine (AFRMM) that were in the linked account in the initial amount of R$79,345, an additional amount of R$15,000 that was credited in the linked account during 2017, and a remaining balance of R$11,958 to be settled at the end of a judicial process in which it is enrolled.

As part of the strategy of the transaction described above, immediately prior to the purchase and sale of the vessel Asgaard Sophia, subsidiaries Asgaard Navegação S.A. and Companhia de Navegação da Amazônia entered into a bareboat charter agreement related to such vessel, so that the vessel continues to be operated by Asgaard Navegação S.A. for the contract with Petrobras.

On 04/17/2017, Asgaard Navegação S.A. entered into a four years contract with Petrobras for the operation of the Asgaard Sophia vessel, renewable for the same period, continuing its operation for the same client that existed since March 2016 through a short-term contract.

Regarding the iron ore project, called Pilar Hill Project, the Company continues to work on meeting the conditions of the preliminary license ("PL") obtained in November 2014, also running the planning to obtain the investment license (LI) as mentioned in note 16.

The company showed in this quarterly financial information, accumulated losses of R$362.303 and a loss of R$837 during the three-month period.

The Company's Management understands that the recoverability of the values recorded in non-current assets is subject to its ability to execute its long-term business plan for the mining, logistics and shipping activities.

The ability to meet its financial obligations, are supported by its current cash balance, the mining activity of iron ore mining developed by Mineração Marsil EIRELI and activities related to the services of chartering vessels, cargo transportation and support including the effective management of the credits from the Additional Freight for Renovation of Merchant Marine (*Adicional ao Frete para Renovação da Marinha Mercante* -AFRMM).

Such activities contemplate the Asgaard Sophia vessel, hired since 03/30/2016, and acquisition of Companhia de Navegação da Amazônia- CNA, one of the largest oil products transportation companies in the North region of the country, transporting approximately 1 million cubic meters of products annually and with R$62,424 of receivables from AFRMM as per Note 5.

On 05/01/2017, the listing of the Company's shares on BM & F Bovespa was not renewed. Management is attentive to the opportunities to increase the liquidity of its shares.

On June 21, 2018, the Company's Board of Directors approved the request for resignation of the CEO, Patricia Tendrich Pires Coelho, according to a letter sent on 05/21/2018, and elected Elias David Nigri as director of the Company to accumulate, on an interim basis, the position of chief executive officer for the fulfillment of the current mandate.

Business combination - Marsil acquisition

As mentioned in the Material Facts disclosed by the Company on April 25 and 27, 2018, the Company acquired all the shares issued by Mineração Marsil EIRELI. This acquisition was approved at the Board of Directors meeting held on April 23, 2018.

In the acquisition of Marsil, Grupo Bocaiuva contractually assumed responsibility for MLog not only for the payment of the total bank loans, which amounted to approximately R $ 64,038 in restated amounts, but also for the total and exclusive assumption of these loans with financial institutions (Santander R$40,813 Itaú R$16,566 e Bradesco R$6,659).

Marsil, a company founded 46 years ago headquartered in Belo Horizonte - MG and operating in the District of Hematita, Municipality of Antonio Dias, in the State of Minas Gerais, is an iron ore mining company with an annual production history of about 220,000 tons of iron ore 64.5% Fe. Marsil has a team composed of 98 professionals, responsible for the operation of its mine and beneficiation plant.

This transaction is in line with the Company's Business Plan and its signature was approved by the Company's Board of Directors, pursuant to article 18 (p) of its Bylaws

The Company, following the completion of this transaction, follows the commitment made to its shareholders and Board of Directors to seek cash-generating assets to compose its business portfolio.

The acquisition price recognized at fair value, including contingent consideration, was R$50,000 paid on demand.

The acquisition price of R$50,000 was outspread, in line with current legislation and accounting pronouncements, as follows:

• R$ 3,803: Equity value on the acquisition date
• R$ 8,033: Goodwill arising on the fair value of the investee's net assets (provisionally assessed as provided in CPC 15 / IRFS 3- Business Combination)
• R$ 38,164: Intangible assets related to the Mining Rights belonging to the Company (provisionally assessed as set forth in CPC 15 / IRFS3 - Business Combination)

(In thousands of Reais, except when otherwise indicated)

The Company studies the potential tax benefits arising from the business combination, arising from the fair value of identifiable assets acquired and liabilities assumed, to the extent that they may generate a temporary deductible or taxable difference.

On 06/30/2018, the acquisition price above, duly updated, totaled R$ 50,000.

The fair value of the net assets of the investee, provisionally assessed as set forth in CPC 15 / IFRS 3 (Business Combination), is as follows:

Base Acquisition date, april 25 th, 2018

ASSETS	**Accounting value**	**Fair value**
Current		
Accounts receivables	454	454
Advance to suppliers	56	56
Recoverable taxes	57	57
Judicial deposits	440	440
Rights in the deal [1]	67,180	67,180
Other	30	30
	68,217	**68,217**
Non-current		
Related parties loans	694	694
Property, plant and equipment	4,294	12,327
Intangible		38,164
	4,988	**51,185**
LIABILITIES		
Current		
Supplier	371	371
Loans and financing [1]	62,651	62,651
Payroll and related taxes	1,827	1,827
Tax obligations	2,538	2,538
Labor provision	341	341
Customer down payment	110	110
	67,838	**67,838**
Non-current		
Tax obligations	442	442
Other payables	1,122	1,122
	1,564	**1,564**
Net Asset	**3,803**	**50,000**

[1] Update of the amounts reflected for 06/30/2018 in the consolidated balance sheet

2. Basis for preparation and presentation of the quarterly financial information

The Company's individual and consolidated quarterly information was prepared based on international accounting standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and accounting practices adopted in Brazil (BR GAAP).

This quarterly financial information does not include all information and disclosures required for the annual financial statements therefore, should be read together with the financial statements of December 31, 2017.

The Company's Management authorized the conclusion of the preparation of this quarterly information on August 17, 2018.

3. Accounting practices

The quarterly information is presented based on the accounting practices described in Note 3 to the audited financial statements as of December 31, 2017, plus the pronouncements that came into effect on 01/01/2018 IFRS 9 and 15 (CPC 47 and 48).

Accounting, judgment, estimates and assumptions

Preparation of the individual and consolidated financial statements in accordance with IFRS and accounting practices adopted in Brazil, requires Management to make judgments, estimations and assumptions that affect the application of accounting policies and the informed value of assets, liabilities, revenues and expenses. The settlement of transactions involving such estimates may result in amounts different from those recorded in the financial statements.

Estimations and assumptions are revised continuously. Revisions related to accounting estimates are recognized in the period in which the estimations are revised and in any future periods affected.

In line with the Financial Statements as of December 31, 2017, Management does not expect a significant impact on its balance sheet or shareholders' equity when applying the classification and measurement requirements of IFRS 9 / CPC 48. It is expected to continue to measure at fair value all financial assets currently held at fair value. Loans as well as trade accounts receivable are held to collect contractual cash flows and should give rise to cash flows that represent exclusively principal and interest payments. Accordingly, the Company expects that these will continue to be measured at amortized cost under IFRS 9 / CPC 48. The Company analyzed the contractual cash flow characteristics of these instruments in more detail and concluded that all these instruments meet the criteria for cost measurement amortized according to IFRS 9 / CPC 48.

Management has assessed all its client contracts and has not identified changes in the method of recognizing its revenues with the adoption of IFRS 15 / CPC 47, the standard of transfer of Group services is homogeneous, since the service is provided on a in the rates defined by contract. There is a consistent pattern of transfer of services during the contract period. The transaction price must be recognized monthly in accordance with the provision of services.

(In thousands of Reais, except when otherwise indicated)

4. Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2018	12/31/2017	**06/30/2018**	12/31/2017
Cash	**48**	58	**840**	1,228
Cash equivalents	**33**	21,266	**16,973**	33,212
	81	21,324	**17,813**	34,440

On 06/30/2018, the balance of cash equivalents refers to investments in Certificates of Deposit - CDBs, with daily liquidity and return tied to the Interbank Deposit Certificate - CDI.

5. Additional Freight for Renovation of Merchant Marine ("AFRMM")

The table below shows the changes in the accounts related to AFRMM in the consolidated balance sheet during the three months period ended 06/30/2018.

	Asset accounts			Liability account
	Current		Non-current	Non-current
	AFRMM deposits in escrow account	AFRMM to be released	AFRMM to be released	Government subsidies to be appropriated - AFRMM
Adjusted balance as of 12/31/2016	90,581	22,978	21,788	[1] 188,621
AFRMM generated			17,744	17,346
Deposits in escrow account	32,467	(32,456)		
Release of frozen assets	1,000			
Revenue from escrow account	2,377			2,377
Use of the subside	(96,787)			
Recognition in profit and loss				(7,796)
Transfer from long-term to short-term		32,456	(32,682)	
Adjust - as per its evaluation report [3]		1,074	1,884	
Balance as of 12/31/2017	29,638	24,052	8,734	[1] 200,548
AFRMM generated			**6,992**	**6,992**
Deposits in escrow account	**3,999**	**(3,999)**		
Rendimentos da conta vinculada	**342**			**342**
Use of the subside	**(4,020)**			
Recognition in profit and loss				**(5,981)**
Transfer from long-term to short-term		**3,999**	**(3,999)**	
Balance as of 06/30/2018	**29,959**	**24,052**	**11,727**	**201,901**

[1] Despite the existence of this amount in long-term liabilities, use of the AFRMM within its legal purpose does not entail financial liabilities or obligation with any effect for the Company, which can, at any time, cease to operate such asset and/or carry out sale thereof.

[2] This write-down adjustment, in the amount of R$3,965 as current and R$6,006 as non-current, is arising from the purchase price allocation of the acquisition of Companhia de Navegação da Amazônia, mentioned in Note 1.

[3] The opening balance does not contemplate the write-down adjustment related to observation [2] above.

(In thousands of Reais, except when otherwise indicated)

For comparison purposes the table below shows the changes in the accounts related to AFRMM in the consolidated balance sheet during the six months period ended 06/30/2017.

	Asset accounts			Liability account
	Current		Non-current	Non-current
	AFRMM deposits in escrow account	AFRMM to be released ³	AFRMM to be released ³	Government subsidies to be appropriated - AFRMM
Balance as of 12/31/2016	90,581	22,978	21,788	188,621
AFRMM generated			7,747	7,747
Deposits in escrow account	21,375	(21,375)		
Release of judicial block	1,000			
Revenue from escrow account	1,967			1,967
Use of the subside	(96,513)			
Recognition in proft and loss				(2,314)
Transfer from long-term to short-term		21,375	(21,375)	
Balance as of 06/30/2017	**18,410**	**22,978**	**8,160**	**196,021**

6. Trade accounts receivable

As of 12/31/2017, a significant part of the amounts receivable from customers, refers to the subsidiary Asgaard Navegação SA, mainly to the service agreement of the SBM Installer, started in December 2016 and ended in March 2017, in the amount of R$ 13,407, which was settled in May 2018. On 06/30/2018, the amounts of R$ 2,953 and R$ 2,078, refer to the regular business of the subsidiaries Companhia de Navegação da Amazônia and Asgaard Navegação SA, respectively.

	Consolidated	
	06/30/2018	12/31/2017
Trade accounts receivable	**5,375**	17,598
Doubtful debt	**(136)**	(281)
	5,239	17,317

The amount of accounts receivable is fully composed for R $ 5,239 in current assets.

The amounts in accounts receivable from clients as of 06/30/2018 have the following collection deadlines:

	06/30/2018	12/31/2017
Amounts to mature	**2,403**	16,711
Amounts due:		
Within 30 days	**2,400**	
From 31 to 90 days	**436**	606
From 91 to 180 days		
From 91 to 180 days	**3**	281
From 91 to 180 days	**133**	
	5,375	17,598

(In thousands of Reais, except when otherwise indicated)

The doubtful debt basically consists of 100% on amounts overdue for more than 90 days.

The average term of receipt, as of billing, is 20 days for Asgaard Navegação S.A. and 29 days for Companhia de Navegação da Amazônia.

7. Recoverable taxes

	Current	
	06/30/2018	12/31/2017
	Parent Company	
Withheld at source		
Income tax on financial income	**2,700**	2,724
Credits		
Others	**3**	3
	2,703	2,727
	Asgaard Navegação S,A,	
Withheld at source		
Income tax on financial income	**47**	487
Income tax on services rendered	**1,483**	885
Social contributions (PIS and COFINS) on services rendered	**691**	346
Social contribution (CSLL) on services rendered	**399**	184
Social security (INSS) on services rendered	**400**	48
Refund claim		
PIS and COFINS	**3,664**	3,653
Credits		
PIS and COFINS on inputs	**1,494**	1,490
Others	**25**	84
	Companhia de Navegação da Amazônia	
Refund claim		
Income tax on services rendered	**80**	29
PIS and COFINS on services rendered	**45**	90
CSLL on services rendered	**76**	25
Credits		
PIS e COFINS over vessel acquisitions	**155**	155
Recover of IRPJ and CSLL	**430**	581
	Mineração Marsil Eireli	
Withheld at source		
ICMS to be compensated	**76**	
	Consolidated	
	11,768	10,784

	Non-current	
	Parent Company	
Withheld at source		
Income tax on financial income	**533**	1,644
	Companhia de Navegação da Amazônia	
Credits		
PIS and COFINS on vessel acquisition	**219**	296
	Consolidated	
	752	1,940

(In thousands of Reais, except when otherwise indicated)

8. **Investments in subsidiaries** (Parent company)

Changes in investments during the six-months period are as follows:

Investments	Interest	12/31/2017	Business deal with Marsil	Capital increase	Equity results	Cumulative translation adjustments	06/30/2018
Cia de Desenvolvimento do Norte Capixaba	100%	20,863		296	(21)		21,138
Morro do Pilar Minerais S,A,	100%	7,659		735	(536)		7,858
Asgaard Navegação S,A,	100%	177,032			1,616		178,648
Mineração Marsil Eireli	100%		50,000		(752)		49,248
Saldo do investimento		**205,554**	**50,000**	**1,031**	**307**		**256,892**
Asgaard Navigation LLP	99.75%	(42,162)			6,116	(6,575)	(42,621)
Dutovias do Brasil S,A,	100%	(1,656)		13	(20)		(1,663)
Balance of provision for losses on investments[1]		**(43,818)**		**13**	**6,096**	**(6,575)**	**(44,284)**
		161,736	**50,000**	**1,044**	**6,403**	**(6,575)**	**212,608**

[1] Recognition of this liability is because the Company is jointly liable for the debts of its subsidiaries.

The balance related to advances for future capital increase presented the following changes during the three-month period:

	Morro do Pilar Minerais S,A,	Cia de Desenvolvimento do Norte Capixaba	Dutovias do Brasil S,A,	Mineração Marsil Eireli	Total
Balances as of 12/31/2017[1]	736	296	14		**1,046**
Funds remitted	535	10	4	818	**1,367**
Capital increase	(735)	(296)	(13)		**(1,044)**
Balances as of 06/30/2018 [1]	**536**	**10**	**5**	**818**	**1,369**

[1] The capitalization of these balances occurs within a period not greater than one year.

9. Property, plant and equipment

Parent company balances

	06/30/2018			12/31/2017		
	Cost	**Depreciation**	**Net amount**	Cost	Depreciation	Net amount
Buildings	**289**	**(50)**	**239**	289	(43)	246
Machinery and equipment	**1,782**	**(455)**	**1,327**	1,782	(367)	1,415
Furniture and fixtures	**842**	**(391)**	**451**	842	(359)	483
IT equipment	**526**	**(391)**	**135**	541	(352)	189
Communication equipment	**144**	**(119)**	**25**	144	(108)	36
Vehicles	**87**	**(20)**	**67**	87	(12)	75
Leasehold improvements	**1,431**	**(1,243)**	**188**	1,431	(1,063)	368
	5,101	**(2,669)**	**2,432**	5,116	(2,304)	2,812

(In thousands of Reais, except when otherwise indicated)

Changes in the Parent company balances

	Depreciation Rate	12/31/2017	Transfer	Depreciation	06/30/2018
Buildings	**4%**	246		**(7)**	**239**
Machinery and equipment	**10%**	1,415	**(15)**	**(73)**	**1,327**
Furniture and fixtures	**10%**	483	**10**	**(42)**	**451**
IT equipment	**20%**	189	**(10)**	**(44)**	**135**
Communication equipment	**20%**	36		**(11)**	**25**
Vehicles	**20%**	75		**(8)**	**67**
Leasehold improvements	**22%**	368		**(180)**	**188**
		2,812	**(15)**	**(365)**	**2,432**

Consolidated balances

	06/30/2018				12/31/2017		
	Cost	Depreciation	More value	Net amount	Cost	Depreciation	Net amount
Land	**30,611**		**2,439**	**33,050**	30,480		30,480
Buildings	**1,476**	**(71)**	**839**	**2,244**	289	(43)	246
Vessel in construction					212		212
Machinery and equipment	**5,393**	**(724)**	**4,481**	**9,150**	2,299	(435)	1,864
Furniture and fixtures	**1,238**	**(507)**	**17**	**748**	1,197	(441)	756
IT equipment	**700**	**(486)**	**(6)**	**208**	682	(422)	260
Communication equipment	**668**	**(202)**		**466**	612	(165)	447
Vessels	**203,240**	**(22,880)**		**180,360**	203,222	(17,755)	185,467
Vehicles	**260**	**(111)**	**263**	**412**	257	(78)	179
Works of art	**97**			**97**	97		97
Properties	**1,645**			**1,645**	1,645		1,645
Leasehold improvements	**1,431**	**(1,243)**		**188**	1,431	(1,063)	368
	246,759	**(26,224)**	**8,033**	**228,568**	242,423	(20,402)	222,021

[1]This capital appreciation value refers to the unfolding of the acquisition price of Mineração Marsil Eireli mentioned in Note 1.

Changes in the consolidated balances

	Depreciation rate	12/31/2017	Acquisition in the negotiation transaction	Acquisition	Transfer e write-offs	Depreciation	More Value	06/30/2018
Land		30,480	**131**				**2,439**	**33,050**
Buildings	**4%**	246	**1,187**			**(28)**	**839**	**2,244**
Vessel in construction		212			**(212)**			
Machinery and equipment	**10%**	1,864	**2,930**	**179**	**(15)**	**(289)**	**4,481**	**9,150**
Furniture and fixtures	**10%**	756	**21**	**17**	**3**	**(66)**	**17**	**748**
IT equipment	**20%**	260	**21**		**(3)**	**(64)**	**(6)**	**208**
Communication equipment	**20%**	447		**61**	**(5)**	**(37)**		**466**
Vessels	**5%**	185,467			**18**	**(5,125)**		**180,360**
Vehicles	**20%**	179	**4**		**(1)**	**(33)**	**263**	**412**
Works of art		97						**97**
Properties		1,645						**1,645**
Leasehold improvements	**22%**	368				**(180)**		**188**
		222,021	**4,294**	**257**	**(215)**	**(5,822)**	**8,033**	**228,568**

(In thousands of Reais, except when otherwise indicated)

Changes in consolidated balances in the period 06/30/2017

	Depreciation rate	2016	Acquisition	Adjustment [1]	Transfer	Recoverable taxes	Depreciation	2017
Land		30,480						**30,480**
Buildings	**4%**	252					**(6)**	**246**
Vessel in construction		2,453			**(2,453)**			
Machinery and equipment	**10%**	1,996	**66**				**(107)**	**1,955**
Furniture and fixtures	**10%**	932	**9**				**(62)**	**879**
IT equipment	**20%**	361	**16**				**(49)**	**328**
Comunication equipment	**20%**	363	**87**				**(27)**	**423**
Vessels	**5%**	189,262	**2,772**	**8,967**	**2,453**	**(866)**	**(5,785)**	**196,803**
Vehicles	**20%**	92	**146**				**(26)**	**212**
Works of art		97						**97**
Properties		1,645						**1,645**
Leasehold improvements	**22%**	747					**(98)**	**649**
		228,680	**3,096**	**8,967**	**-**	**(866)**	**(6,160)**	**233,717**

10. Intangible assets

This item, in line with IFRS 6 Exploration for and Evaluation of Mineral Rights, refers to expenses with exploration and evaluation of the Morro do Pilar Iron Ore Project, as well as the mineral rights arising from the acquisition of Marsil Mineração EIRELI.

Changes in intangible assets during the three-month period are as follows:

	12/31/2017	Additions	Amortization	More value	06/30/2018
Expenditures related to exploration and valuation of mineral resources and prospecting rights	240,289	**2,470**			**242,759**
Expenditures related to licensing phase	6,404				**6,404**
Mining rights *				**38,164**	**38,164**
Management system (ERP)	293	**4**	**(42)**		**255**
Software	227		**(135)**		**92**
Intangible assets acquired in business combination	472,791				**472,791**
Goodwill on CNA acquisition (Note 1)	65,768				**65,768**
	785,772	**2,474**	**(177)**	**38,164**	**826,233**

(*) minning rights whose potential is 13 million tonnes (not reviewed by independent auditors). The amortization will be given by the production volume.

(In thousands of Reais, except when otherwise indicated)

The changes in intangible assets in the period 06/30/2017 are:

	12/31/2016	Additions	Amortization	06/30/2017
Expenditures related to exploration and valuation of mineral resources and prospecting rights	218,427	**2,327**		**220,754**
Expenditures related to licensing phase	6,404			**6,404**
Management system (ERP	439		**(90)**	**349**
Softwares	662		**(44)**	**618**
Intangible assets acquired in business combination	491,427			**491,427**
Goodwill on CNA acquisition (Note 1)	62,375			**62,375**
	779,734	**2,327**	**(134)**	**781,927**

11. Income tax and Social contribution

As of 06/30/2018, the Company's income tax and social contribution losses amounted to R$165 million (R$152 million as of 12/31/2017), in relation to which Management, taking into consideration the lack of expected future profitability, does not record deferred income tax and social contribution.

The R$103 net value included under Deferred taxes in subsidiary Companhia de Navegação da Amazônia is comprised of:

- Temporary difference of income tax and social contribution liability, in the amount of R$1,463, between the tax basis and the deemed cost recorded pursuant to Brazilian Technical Interpretation -ICPC 10.

- Deferred income tax asset, in the amount of R$1,566, on tax losses carryforward.

The net amount of R$206 shown as Income tax and Social contribution in the income statement, is comprised of a positive deferred tax of R$136 and negative current tax of R$342.

(In thousands of Reais, except when otherwise indicated)

12. Related parties' transactions

Loans between individuals and entities

The balances involving loans transactions at the date of this quarterly financial information are listed below:

Creditor	Debtor	06/30/2018	12/31/2017
[1] Current assets in the Parent Company			
MLog S,A,	Patrícia Tendrich Pires Coelho	**81**	77
Current assets in the consolidated			
Asgaard Navegação S,A,	Maverick Holding S,A,	**636**	749
Asgaard Navegação S,A,	Patrícia Tendrich Pires Coelho	**83**	78
		800	904
Values Eliminated on Consolidation			
Asgaard Navegação S,A,	Asgaard Navigation LLP	**37,696**	37,696
Asgaard Navegação S,A,	Asgaard Navigation LLP	**1,628**	1,628
Asgaard Navegação S,A,	Asgaard Navigation LLP	**3,420**	2,934
Asgaard Navegação S,A,	MLog S,A,	**14,470**	11,768
Asgaard Navegação S,A,	Companhia de Navegação da Amazônia	**17,114**	20,998
MLog S,A,	Companhia de Navegação da Amazônia	**2,077**	
MLog S,A,	Mineração Marsil	**2**	
Mineração Marsil Eireli	Companhia de Desenvolvimento Norte Capixaba	**361**	

[1] Amounts eliminated in consolidation not included

The loan between MLog S.A. and Patrícia Tendrich Pires Coelho (Chief Executive Officer of the Company) in the amount of R$ 81 is adjusted at the CDI rate plus 5% per annum and due on 12/30/2018.

The loan of R$636 between Asgaard Navegação S.A. and Maverick Holding S.A. (Company shareholder), is adjusted by CDI plus 5% per year and maturing on on 06/30/2018..

The loan agreement between Asgaard Navegação S.A. and Patrícia Tendrich Pires Coelho (Chief Executive Officer of the Company) in the amount of R$ 83 is adjusted at the CDI rate plus 5% per annum and maturing on 06/30/2018

The loans involving subsidiaries Asgaard Navegação S.A. and Asgaard Navigation LLP have the following amounts and conditions:

(i) The loan in amount of R$ 37,696 is in Reais, does not bear interest and has maturity on 11/25/2018.
(ii) The loan in amount of R$ 1,628 is in Reais, with no interest and no maturity date.
(iii) The loan in amount of R$ 3,420 corresponds to US $ 398,739.45 no interest and no maturity date.

The amount of R $ 17,114 due by the Amazon Navigation Company to Asgaard Navegação. refers mainly to the balance to be received as a result of the sale of the Sophia Ship mentioned in Note 1, the settlement of which, without interest, will occur to the extent that new resources in the linked AFRMM account of the Amazônia with Banco do Brasil to become available.

In addition to the above items, but not involving mutual, Management highlights the following related party events:

The Company's parent company, Maverick Holding S.A., is the guarantor of the total debt related to the acquisition of the above-mentioned Amazônia Navigation Company. The existence of this guarantee was fundamental for the conclusion of the transaction and Maverick Holding S.A. chose not to charge the Company for this guarantee.

The company had an agreement with Rio Grande Investimentos Ltda.,related to provision of services related to strategic planning, mergers and acquisitions , capital market (equity and debt), and structured transactions, the purpose of which was temporary expansion of the capacity of demand, analysis, and negotiation of the Company's merger and acquisition and strategic plan As part of these services, Rio Grande Investimentos Ltda. actively participated in the Company's organizational restructuring, in the strategic realignment of the mining and navigation assets, also in the acquisition of Companhia de Navegação da Amazônia. Rio Grande Investimentos Ltda.'s managing partner, Luiz Claudio de Souza Alves, was elected as a member of the Company' Board of Directors in the Extraordinary Shareholders' Meeting held on 01/26/2017 and the other managing partner, Gustavo Barbeito de Vasconcellos Lantimant Lacerda, was elected as the Company's strategic planning and investor relations officer in the Extraordinary.

Shareholders' Meeting held on 03/03/2017. This agreement terminated on 04/30/2017 and, in the period between when these managing partners became part of the Company's Management and the date of termination of such agreement, there were, pursuant to the terms of the agreement, payments totaling R$1,917, all duly approved by the Company's board of directors. This payment represents part of the variation that occurred in the year in the line of Services provided in the Income Statements.

Compensation of key management personnel

The Company considers all current officers and board members to be key management personnel. For the six-months period of 2018, the compensation of these officers and board members was R$3,062 and R$1,280, respectively. The overall management compensation for the period from 05/01/2018 to 04/30/2018, up to R$13,650, was approved in the Annual General Meeting held on 04/27/2018.

(In thousands of Reais, except when otherwise indicated)

Share based compensation (stock options)

In the Annual Shareholders' Meeting held on 07/21/2011, the Company's shareholders approved a stock option plan for officers, members of the Board of Directors and employees. The stock options issued by the Company under the plan are primary and, therefore, involve the issuance of new shares.

On 06/30/2018, a total of 15,520 (fifteen thousand five hundred and twenty) options had been granted, by means of individual agreements between the Company and each beneficiary. As a condition for entitlement to the stock purchase option, the beneficiary must complete three years of service (vesting period).

These options, in the proportion of one third of the total number of shares available for the plan, are exercisable in three annual tranches. The first tranche can be exercised in 12 months from the grant date and the following tranches, pursuant to the same conditions, can be exercised in 24 and 36 months from the grant date. The participants have a maximum term of sixty months from the maturity date to exercise the options.

The exercise price of the options granted until 08/20/2012 is R$1,576.00 (one thousand, five hundred and seventy-six reais) per share and, after such date, R$2,547.25 (two thousand, five hundred and forty-seven reais and twenty-five cents), which shall remain unchanged until the effective exercise date of the option, subject to adjustment in the event of share grouping or share split.

Share-based compensation was measured and recognized at fair value, using the Merton (1973) model, which is an extension of the Black & Scholes model.

The table below shows the result of the fair value measurement of the stock options at the date of this quarterly financial information:

Plan	Grant date	Initial maturity date	Vesting date	Number of shares	Price of exercice	Annual volatility	Risk free rate	Dilution factor	Fair value options
2011,1	10/15/2011	10/15/2013	10/15/2018	4,050	1,576.00	39.47%	11.35%	98.82%	3,905
2011,1	10/15/2011	10/15/2014	10/15/2019	4,050	1,576.00	38.95%	11.34%	98.23%	4,121
Amendments	01/02/2012	10/15/2013	10/15/2018	450	1,576.00	39.58%	11.04%	98.33%	422
Amendments	01/02/2012	10/15/2014	10/15/2019	450	1,576.00	38.98%	11.06%	97.44%	446
2012,1	01/02/2012	10/15/2013	10/15/2018	400	1,576.00	39.58%	11.04%	98.33%	375
2012,1	01/02/2012	10/15/2014	10/15/2019	100	1,576.00	38.98%	11.06%	97.44%	99
2012,2	01/02/2012	12/01/2013	12/01/2018	300	1,576.00	39.51%	11.05%	98.30%	284
2012,2	01/02/2012	12/01/2014	12/01/2019	300	1,576.00	38.95%	11.06%	97.41%	299
2012,3	02/01/2012	01/15/2014	01/15/2019	1,000	1,576.00	39.47%	11.19%	98.18%	951
2012,3	02/01/2012	01/15/2015	01/15/2020	1,000	1,576.00	38.80%	11.23%	97.29%	1,001
2012,4	01/13/2012	01/13/2014	01/13/2019	100	1,576.00	39.41%	11.31%	98.28%	96
2012,4	01/13/2012	01/13/2015	01/13/2020	100	1,576.00	38.88%	11.32%	97.37%	101
2012,5	08/20/2012	08/20/2013	08/20/2018	180	1,576.00	39.99%	9.65%	99.05%	154
2012,5	08/20/2012	08/20/2014	08/20/2019	180	1,576.00	38.74%	9.78%	98.11%	164
2012,5	08/20/2012	08/20/2015	08/20/2020	180	1,576.00	38.05%	9.97%	97.19%	173
2013,1	05/02/2013	05/02/2014	05/02/2019	780	2,547.25	39.96%	9.10%	98.54%	1,055
2013,1	05/02/2013	05/02/2015	05/02/2020	400	2,547.25	38.98%	9.24%	97.78%	577
2013,2	07/01/2013	07/01/2014	07/01/2019	550	2,547.25	40.16%	11.23%	98.48%	793
2013,3	08/15/2013	08/15/2014	08/15/2019	250	2,547.25	40.00%	11.71%	98.44%	365
2013,4	10/01/2013	10/01/2014	10/01/2019	550	2,547.25	39.58%	11.73%	98.38%	799
2013,4	10/01/2013	10/01/2015	10/01/2020	150	2,547.25	38.81%	11.79%	97.46%	232
Total as of 06/30/2018				**15,520**					**16,412**

(In thousands of Reais, except when otherwise indicated)

The monetary effects of share-based compensation for purchase of shares recorded in equity and in P&L are as follows:

Programs	2011	2012	2013	2014	2015	2016	Total
1st		2,828	2,940	2,258			**8,026**
2nd		853	791	281			**1,925**
3rd		610	677	665			**1,952**
4th		65	67	65			**197**
5th		60	163	163	105		**491**
6th		33	19		(52)		
7th			749	1,124	(147)	(94)	**1,632**
8th			422	449	(78)		**793**
9th			263	270	(168)		**365**
10th			328	878	(183)	8	**1,031**
		4,449	6,419	6,153	(523)	(86)	**16,412**
Options expired [1]	939	2,850	2,479	2,584	44		
Recorded in income statement	939	7,299	8,898	8,737	(479)	(86)	
Accumulated amount in equity	939	8,238	17,136	25,873	25,394	**25,308**	

[1] In accordance with accounting standards, the options expired due to failure to exercise the rights, previously recorded in income statement, are not subject to reversal.

In the event the beneficiary resigns from his position, the options not yet exercisable expire without any indemnity or compensation and the exercisable options may be exercised within ninety days. To date of these financial statements, 9.380 (nine thousand, three hundred and eighty) shares expired due to non-exercise of the option, corresponding to R$7,914, measured upon granting of the options and recognized in P&L and equity during the vesting period.

In the event the beneficiary's employment contract is terminated for cause, all rights expire automatically, regardless of prior notice or indemnity.

In the event the beneficiary is dismissed from his position without breach of duties and privileges, the specific rights that may be exercised in accordance with the relevant option on the date of issue may be exercised within the remaining exercise period available to such beneficiary. In this case, the non-exercisable options expire without any indemnity or compensation.

No options were exercised in the six months of 2018.

13. Trade accounts payable

The consolidated balance of R$ 3,211 on 06/30/2018 (R$ 15.812 on 12/31/2017) mainly refers to the cost of operating vessels and general and administrative services registered as Long term. A significant portion of the balance as of 12/31/2017, in the amount of R$ 12,414, will be fully compensated, as mentioned in Note 6, on the final settlement of the service agreement of the SBM Installer, started in December 2016 and ended in March 2017.

14. Obligations on acquisition of investments

This item refers to the acquisition of all the shares of Companhia de Navegação da Amazônia, as described in Note 1.

(In thousands of Reais, except when otherwise indicated)

The table below shows the changes in this debt at the date of this quarterly financial information.

Composition of acquisition price)	Balances on 12/31/2017	Interest	Unwinding of discount	Payments	Balances on 06/30/2018	Payment term Current	Payment term Non-current
Initial installment	49,918	**2,208**		**(8,538)**	**43,588**	**14,311**	**29,277**
Additional installment	36,834	**1,419**	**2,333**	**(4,480)**	**36,106**	**10,284**	**25,822**
Earn out installment	14.423		**845**		**15,268**		**15,268**
	101,175	**3,627**	**3,178**	**(13,018)**	**94,962**	**24,595**	**70,367**

15. Litigation

As of 12/31/2017, the Company together with its subsidiaries are parties to lawsuits. The lawsuits classified as probable losses are recorded in the balance sheet and basically refers, as mentioned in Note 17, to the civil and labor lawsuits owed by the controlled.

The subsidiaries Companhia de Navegação da Amazônia ("CNA") and Mineração Marsil EIRELI ("Marsil") are also parties to actions in a variety of areas such as civil, labor, environmental, tax and other matters. Any convictions in said lawsuits, as well as in labor claims, as well as their respective legal fees, will be subject to reimbursement by the former controlling shareholders of CNA and Marsil, as established in the purchase and sale agreement of the shares with the Libra Group and of the total purchase of the quotas in the contract with the Bocaiuva´s Group

Management highlights the main lawsuits involving the Company and its subsidiaries, whose chances of loss is classified as possible by the law firms involved

Process number	Type	Author	Nature	Cause Value	Chances of loosing	Management Comments
0020199-78.2014.8.13.0175	Public civil action	MPE de Minas Gerais	Environmental	1.000	Possible	Management's expectation is that such action will lose its purpose and will be extinguished.
0071643-11.2014.4.01.3800 e 0078416-72.2014.4.01.3800	Unlawful Custody Action and Public Civil Action	Ministério Público Federal	Environmental	5.000	Possíble	Management's expectation is that the loss of such action could significantly impact the Morro do Pilar Project.
1125178-74.2016.8.26.0100	Indemnity action	Banco BNP Paribas Brasil S.A	Cívil	4.703	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
1024094-93.2017.8.26.0100	Indemnity action	Kinea Renda Imobiliária Fundo de Investimento Imobiliário	Cívil	641	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
02044.010011/2016-92	Administrative Process	ICMBIO	Administrative	400	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
0104919-42.2017.8.19.0001	Enforcement action	Citigroup Global Markets Assessoria Ltda.	Cívil	6.209	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
0001901-08.2010.5.11.0006	Working complaint	Tarcísio Silva do Amaral	Labor	815	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
0001651-86.2017.5.11.0019	Working complaint	José Carlos da Silva	Labor	120	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the

(In thousands of Reais, except when otherwise indicated)

						Company.
0011095-36.2016.5.03.0138	Working complaint	Eric Julian da Silva	Labor	3.000	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
0011465-98.2017.5.03.0002	Working complaint	Udo Augusto Gebrath Junior	Labor	180	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
0032202-20.2008.8.14.0301	Indemnity action	Odete Cunha Lobato Benchimol e Elias Isaac Benchimol	Cívil	1.000	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
10283.721485/2012-45	Administrative Process	Delegacia da Receita Federal do Brasil em Manaus - AM/DRF/AM	Administrative	1.661	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.
10283.720968/2013-11	Administrative Process	Delegacia da Receita Federal do Brasil em Manaus - AM/DRF/AM	Administrative	7.861	Possíble	Management's expectation is that the loss of said share will not have a continuing impact on the Company.

16.Commitments

As the result of the Preliminary License granted by the Regional Superintendence for Environmental Regulation (SUPRAM) on 11/06/14, the following conditions shall met in order for the Construction License, until November of 2018, for the Pilar Hill Project be granted.

The Company estimates total expenditures of R$ 20 million, related to the environmental control programs and compliance with the clauses defined by the Minas Gerais Public Prosecutor's Office, to be spent until the application for the Installation License - LI, part of these expenses was already incurred during 2018.

Regarding the compensation referred to in article 36 of Law 9.985 / 2000 (National System of Nature Conservation Units - SNUC), the amount of resources to be destined by the entrepreneur for this purpose is limited to 0.5% cent) of the total costs foreseen for the implementation of the project. In this way, the final value to be paid, is linked to the total investments in the implementation of the mine, depending on the intended project arrangement by the company in relation to the estimated annual gross production. Once the compensation has been defined, the amount must be paid in up to 4 monthly installments, the first being up to 30 days after the granting of the Deployment License, according to State Decree No. 45.175 / 2009.

17. Provisions (consolidated)

The amounts provided for in the short-term refer to: (i) the second installment of pipeline concession easement agreements, in the amount of R$ 1,642 (R$ 1,642 as of 12/31/2017), due to the regularization of the property by real estate owners and (ii) recovery of squares and accesses of geological survey in the region of the Morro do Pilar Project in the amount of R$ 20 (R$ 20 in 12/31/2017) and provisions for labor contingencies of R$ 859 (R$ 0 on 12/31/2017).

The long-term value refers to:

(i) R$ 8,822 due by the subsidiary Asgaard Navegação SA as a result of a judicial proceeding categorized as probable, related to the Execution of Extrajudicial Executive Title filed by Citigroup Global Markets Assessoria Ltda., to collect a successful commission under the "Letter of Agreement ", Signed on 01/26/2015, whose historical value dates back to the amount of R $ 4,000. Asgaard Navegação S.A. already indicated the attachment well and opposed Embargoes to Execution (R$ 8.138 as of 12/31/2017)

(ii) R$ 6,418 owed by the Company, as a result of a judicial proceeding categorized as probable, related to the Extraordinary Tax Appeal Action filed by BNP Paribas Brasil SA ("BNP") against the Company in the amount of R$ 4,703, backed by a private debt instrument and other covenants, where the Company recognizes and acknowledges the obligation of R$ 7,249, referring to the financial advisory services provided by BNP, and R $ 79 related to the expenses incurred by BNP. The Company paid in 2015, in accordance with the agreement entered into with BNP, the amount of R $ 3,624, remaining the amount of R $ 4,703 (restated up to the date of filing of the share). The Company indicated well to the attachment and opposed Execution Embargoes. On 02/14/2017, the court partially rejected the requests made in the Execution Appeals. As a result of this judgment, the Company filed an Embargo de Declaration, which was not accepted. On 06/23/2017, the Company filed an Appeal (R$ 5,976 as of 12/31/2017

(iii) R$ 3,349, basically due to the subsidiary Companhia de Navegação da Amazônia, due to civil and labor lawsuits, classified as probable (R$ 1,379 as of 12/31/2017).

18. Transaction costs

Refers to the reimbursement of taxes collected over the temporary importation of foreign vessels, whose amount of R$ 5,875 (R$ 5,875 as of 12/31/2017), when received by the subsidiary Asgaad Navegação S.A., must be passed on to the customer that borrowed the service. This obligation is adjusted based on the Selic interest rate (Special settlement and custody system).

(In thousands of Reais, except when otherwise indicated)

19. Equity

Capital

On 06/30/2018, the Company's subscribed capital stock is represented by 2,899,712 common shares as detailed below:

	06/30/2018		12/31/2017	
Shareholders	**Common shares**	**%**	Common shares	**%**
Maverick Holding S,A,	**1,539,186**	**53.08**	1,539,186	53.08
Korea Investment Corporation	**244,909**	**8.45**	244,909	8.45
Ontario Teachers’ Pension Plan	**227,578**	**7.85**	227,578	7.85
EIG - Global Energy Partners	**188,969**	**6.52**	188,969	6.52
Fábrica Holding S,A,	**154,072**	**5.31**	154,072	5.31
Outros	**544,998**	**18.79**	544,998	18.79
	2,899,712	**100.00**	2,899,712	100.00

Pursuant to the Bylaws amendment, approved at the Extraordinary Shareholders' Meeting held on August 26, 2015, the Company's capital stock may be increased by resolution adopted by the Board of Directors, regardless of changes to the Bylaws, until it reaches 6,000,000 (six million) of common shares. The Board of Directors may stipulate the number of shares to be issued, the issue price and the conditions of subscription, payment and issuance.

On 04/26/2018, the shareholder Maverick Holding S.A., paid a non-paid-in portion of the Company's capital stock, whose term had matured on 12/12/2017, for a total amount of R $ 49,843 including deferred charges. Of this total amount, R $ 42,632 refers to the paid-up portion of the capital and R $ 7,211, related to the accruals, were recorded in a capital reserve account, in accordance with the provisions of Article 182, paragraph 1, a), of Law 6,404 / 1976.

On 06/29/2018, the Company sent a notice to the market, informing that it received, on the same date, correspondence from the shareholder EIG Manabi Holdings S.À.R.L. (EIG), whereby it reported that it had purchased 347,768 ordinary shares in private negotiation with Longleaf Partners International Fund, Longleaf Partners Unit Trust (members of "Others" above) and Ontario Teaches' Pension Plan, representing 11, 99% of the Company's capital stock. Been result of this acquisition, the EIG now holds 536,737 common shares representing 18.51% of the Company's capital stock.

Currently, the parties are meeting the documentary requirements necessary for such changes to be reflected with the custodian.

(In thousands of Reais, except when otherwise indicated)

Loss per share

The table below presents the results and share data used in determining the basic and diluted loss per share:

	Three months period	
	2018	2017
Loss attributable to the equity holders	**(837)**	(9,905)
Shares outstanding	**2,899,712**	2,899,712
Loss) per share - basic and diluted in Reais *	**(0.29)**	(3.42)

	Six months period	
	2018	2017
Loss attributable to the equity holders	**(8,427)**	(25.484)
Shares outstanding	**2,899,712**	2,899,712
Loss) per share - basic and diluted in Reais *	**(2.91)**	(8.79)

(*)The loss in the year is antidilutive for the holders of stock options and subscription warrants

Cumulative translation adjustments

The cumulative translation adjustments result from the difference between exchange rates in the conversion of the financial statements of subsidiary Asgaard Navigation LLP from Dollars to Reais, considering the following procedures:

(i) The assets and liabilities are converted using the closing rate on the date of the conversions, except for non-monetary items, which are converted based on the rate of the date of the transaction;

(ii) The balances of the changes in equity are converted based on the historic exchange rates of the respective transactions;

(iii) The items contained in the income statements are converted based on the average rate for the period.

(In thousands of Reais, except when otherwise indicated)

20. Net operating income and costs of services

The revenues and corresponding costs incurred by subsidiaries Asgaard Navegação S.A., as of the start of operation of vessel Asgaard Sophia on March 2016, and from procurement of the SBM Installer vessel in December 2016 and Companhia de Navegação da Amazônia after the date of acquisition thereof (08/11/2016) mentioned in Note 1 are shown below:

	06/30/2018	06/30/2017
Revenue		
Charter	**10,955**	13,703
Freight	**20,135**	20,621
Maritime support	**6,129**	13,986
Sale of products	**1,389**	
Taxes on sales		
Social contributions (PIS and COFINS)	**(3,042)**	(3,685)
Social security contribution	**(962)**	(750)
Tax on services (ISSQN)	**(400)**	(786)
Value-Added Tax (ICMS)	**(1,999)**	(2,270)
Other	**(389)**	(48)
Net revenue	**31,816**	40,771
Cost of services		
Payroll and related charges	**(9,273)**	(8,565)
Charter	**(1,598)**	(10,311)
Depreciation	**(5,409)**	(5,364)
Rentals	**(182)**	(120)
Materials	**(8,225)**	(8,060)
Insurances	**(1,153)**	(1,055)
Services	**(2,634)**	(2,894)
Other	**(1,272)**	(2,757)
	(29,746)	(39,126)
Gross profit	**2,070**	1,645

In 2017, freight expenses include the operation of the SBM Installer, justifying the decrease observed in 2018.

21. Financial income

	Parent company		**Consolidated**	
	06/30/2018	06/30/2017	**06/30/2018**	06/30/2017
Earnings from financial investment			**439**	1,478
Earnings from recovery taxes	**443**		**446**	
Trade discounts	**13**	42	**53**	235
Interest on loans with related parties	**15**	339	**16**	555
Exchange variation	**91**	320	**7,009**	818
	562	701	**7,963**	3,086

(In thousands of Reais, except when otherwise indicated)

22. Financial expenses

	Parent company		Consolidated	
	06/30/2018	06/30/2017	**06/30/2018**	06/30/2017
Interest on bank loans				432
Interest on acquisition of investment (CNA- Note 1)	**6,805**	6,916	**6,805**	6,916
Exchange variation				1,072
Bank charges	**13**	18	**161**	272
Interest on arrears	**674**	693	**160**	768
Monetary adjustment contingencies			**685**	
Other	**111**	32	**111**	102
	7,603	7,659	**7,922**	9,562

23. Financial instruments

Financial instruments categories

On 06/30//2018, the Company and its subsidiaries did not have any financial assets classified under the Measurement at fair value through profit or loss category.

The financial instruments classified as Loans and receivables are:

Financial assets and liabilities	06/30/2018	12/31/2017
Assets		
Cash and cash equivalents	**17,813**	34,440
AFRMM deposits in escrow account	**29,959**	29,638
Trade accounts receivable	**5,239**	17,317
Related parties loans	**800**	915
Rights in the deal [1]	**68,630**	
Other credits	**711**	1,701
Liabilities		
Trade accounts payable	**3,211**	15,812
Obligations on acquisition of investments	**94,962**	101,175

[1] Approximately R $ 64,038 in updated amounts are the responsibility of the Bocaiuva Group contracted with MLog on the acquisition of Marsil, referring to the bank loans of the acquisition to financial institutions (Santander R $ 40,813, Itaú R $ 16,566, Bradesco R $ 6,659).

The Company's assessment on financial instruments did not identify significant difference between measured value and fair value of its financial assets and liabilities.

(In thousands of Reais, except when otherwise indicated)

Risk management

The financial transactions of the Company and its subsidiaries are carried out by the financial department in accordance with the conservative strategy, seeking safety, reliability and liquidity, in line with the Company's treasury and cash management Policy. The policy establishes criteria for protection against financial risks resulting from undertaking of obligations, whether in foreign or local currency, in order to manage the exposure risks associated with foreign exchange and interest rate.

The main market risk factors that may affect the business of the Company and its subsidiaries are:

Credit risk

Financial instruments subject to credit risks refer to the cash equivalents and receivables. All transactions are carried out with institutions with recognized liquidity and in line with the Company's treasury and cash management Policy.

Interest rate risk

This risk results from the possibility of incurring losses due to interest rate fluctuations that increase financial expenses arising primarily from loans. The inherent risk arises from the possibility of significant fluctuations in the CDI.

Liquidity risk

Represents the risk of shortage and difficulty for the Company to honor its debts. The Company and its subsidiaries seek to align the maturity of its debts with the cash generation period to avoid discrepancies and the need for greater leverage.

The table below details the maturity period of the key financial liabilities of the Company and its subsidiaries at the date of this quarterly financial information:

	Consolidated			
	Up to one year	**From one to three years**	**Over three years**	**Total**
Trade accounts payable	3,211			3,211
Obligations on acquisition of investments	24,594	51,464	18,904	94,962
	27,805	**51,464**	**18,904**	**98,173**

24. Insurance coverage

The Company and its subsidiaries hold several insurance policies with the purpose of protecting its operation and assets. In the shipping activities, subsidiaries Asgaard Navegação S.A. and Companhia de Navegação da Amazônia- CNA hire insurance for its vessels (hull insurance), in addition to Protection and Indemnity (P&I) coverage.

(In thousands of Reais, except when otherwise indicated)

The main coverages are:

Hull Insurance:

- CNA: Full coverage of R$100.6 millions
- Asgaard: Full coverage of US$58,75 millions

Protection and Indemnity Insurance (P&I):

- CNA: Unlimited coverage for third parties, limited to US$1,000,000 for environmental pollution and US$6,000 for civil liability
- Asgaard: Unlimited coverage

On 07/04/2017, the D&O insurance was renewed in the insured amount of up to R$50,000.

25. Operating expenses with personnel

Operating expenses with personnel for the six-month period ended 06/30/2018 and 06/30/2017 are as follows:

	Parent company		Consolidated	
	2018	**2017**	**2018**	**2017**
Remuneration & Charges	**2.853**	3.015	**7.299**	6.059
Social Security Charges	**553**	850	**1.426**	1.316
Benefits	**251**	1.822	**878**	2.430
Other				89
	3.657	5.687	**9.603**	9.894

Elias David Nigri
Chief Executive Officer

Julia Souza de Paiva
Chief Administrative and Financial Officer

José Eduardo Pereira Gonçalves
Accountant CRC RJ 063543/O-2

Luiz Felipe Perdigão
Controller